

EXECUTION COPY

**HOMCO REALTY FUND (12) LIMITED PARTNERSHIP, HOMCO REALTY FUND
(190) LIMITED PARTNERSHIP, HOMCO REALTY FUND (191) LIMITED
PARTNERSHIP, and HOMCO REALTY FUND (199) LIMITED PARTNERSHIP**

VENDORS

- and -

HOMBURG CANADA REIT LIMITED PARTNERSHIP

PURCHASER

- and -

HOMBURG INVEST INC.

GUARANTOR

HOMBURG INVEST MASTER PURCHASE AGREEMENT

Made as of May 25, 2010

OSLER, HOSKIN & HARCOURT LLP

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THIS MASTER PURCHASE AGREEMENT is made as of May 25, 2010

BETWEEN:

HOMCO REALTY FUND (12) LIMITED PARTNERSHIP, a limited partnership existing under the laws of the Province of Nova Scotia

("Homco (12)")

HOMCO REALTY FUND (190) LIMITED PARTNERSHIP, a limited partnership existing under the laws of the Province of Nova Scotia

("Homco (190)")

HOMCO REALTY FUND (191) LIMITED PARTNERSHIP, a limited partnership existing under the laws of the Province of Nova Scotia

("Homco (191)")

HOMCO REALTY FUND (199) LIMITED PARTNERSHIP, a limited partnership existing under the laws of the Province of Nova Scotia

("Homco (199)", and collectively with Homco (12), Homco (190) and Homco (199), the "Vendors", and each a "Vendor")

- and -

HOMBURG CANADA REIT LIMITED PARTNERSHIP, a limited partnership existing under the laws of the Province of Québec

(the "Purchaser")

(collectively, referred to as the "Parties" and each of them, a "Party")

- and -

HOMBURG INVEST INC., a corporation existing under the laws of the Province of Alberta

("Homburg Invest")

WHEREAS the Vendors have agreed to transfer all of their indirect interests in the Properties (as defined herein) by selling the Purchased Securities (as defined herein) to the Purchaser and the Purchaser has agreed to acquire all of the Vendors' indirect interests in the Properties by purchasing the Purchased Securities from the Vendors on the terms and conditions set forth in this Agreement;

THIS AGREEMENT WITNESSES THAT, in consideration of the mutual covenants and agreements contained in this Agreement and valuable consideration (the receipt and

sufficiency of which are hereby acknowledged by each Party), the Parties covenant and agree as follows:

ARTICLE 1 INTERPRETATION

1.1 Definitions

Where used in this Agreement, unless the context expressly or by necessary implication otherwise requires, the following terms shall have the respective meanings set out below and grammatical variations of such terms shall have corresponding meanings:

“**Accounts Payable**” means, for the Properties, all current trade accounts payable, accruals and tenant security deposits incurred in the ordinary course of the business to suppliers and other third parties for goods and services up to the date hereof that are payable within one year of the date hereof, including all deferred financing expenses for the period from January 1, 2010 to the date hereof;

“**Accounts Receivable**” means, for the Properties, all debts or amounts due or accruing to the owner of each Property as at the date hereof including, without limitation, all accounts receivable, book debts, unbilled receivables, unbilled common area costs, unbilled percentage rent, trade accounts receivable, deposits, prepaid realty taxes and notes receivable arising from each Property;

“**Affiliate**” has the meaning given to that term under the *Securities Act* (Québec), provided that the term “companies” in the definition is deemed to be replaced by the term “Persons”;

“**Applicable Laws**” means any applicable federal, provincial, municipal, regional laws (including civil and common law), statutes, treaties, regulations, codes, ordinances, orders, decrees, rules, judgments, decisions, writs, policies, by-laws, permits, consents, injunctions, guidelines, standards, protocols, directives, notices, practices, settlement agreements or government requirements enacted, promulgated, issued, entered into, agreed or imposed by any Governmental Authority, relating to the Purchased Securities, the Properties, the Vendors, the Purchaser or this Agreement, including Environmental Laws;

“**Building Inspection Reports**” means the building inspection reports or studies with respect to the Properties which are in the possession or control of the Limited Partnerships or the Hardegane Subsidiaries and are set out in Schedule B;

“**Business Day**” means any day, other than a Saturday or a Sunday, on which Schedule I Canadian chartered banks are open for business in Montréal, Québec and Toronto, Ontario, Canada, for the transaction of banking business;

“**Cash**” means for each Limited Partnership (i) cash on hand; (ii) restricted cash; (iii) all amounts credited to an account; and (iv) undeposited cheques or certificates payable, all as at the date hereof;

“**Chattels**” means the equipment, furniture, machinery, plant, apparatus and fittings, inventory, supplies and other chattels and movable property which are owned by the Limited Partnerships

or the Hardegane Subsidiaries and, in each case, are used exclusively in the maintenance, repair, management and operation of the Properties;

“Claim” means all past, present and future claims, suits, proceedings, liabilities, obligations, losses, damages, penalties, judgements, costs, expenses, fines, disbursements, reasonable legal fees, interest, demands, and actions of any nature or any kind whatsoever;

“Class A LP Unit” means a unit of interest in the Purchaser designated as a Class A LP Unit and having the rights and attributes set out in the Homburg LP Agreement with respect thereto;

“Company” means Hardegane Investments Limited, a corporation existing under the laws of Prince Edward Island;

“Contracts” means (a) the Warranties; (b) all contracts, licenses, leases and agreements which were entered into by a Limited Partnership or a Hardegane Subsidiary or any of their Affiliates with third parties for the development, maintenance, operation, cleaning, security, fire protection or servicing of any of the Properties (including, without limitation any contracts regarding the supply of electricity or other utilities to any of the Properties); (c) all contracts relating to any assets leased by a Limited Partnership or a Hardegane Subsidiary or any of their Affiliates as lessee and located on any of the Properties; (d) any co-ownership agreements and limited partnership agreements in which a Limited Partnership or a Hardegane Subsidiary or any of their Affiliates is a co-owner or limited partner in respect of any of the Properties; (e) any ground leases in respect of any of the Properties; and (f) all nominee agreements in respect of any of the Properties;

“Declaration of Trust” means the amended and restated declaration of trust of the REIT made as of May 25, 2010 as may be amended, supplemented or restated from time to time;

“Direct Claim” has the meaning set out in Section 5.4;

“Encumbrances” means, in the case of any given Property or Purchased Security, all mortgages, pledges, charges, liens, prior claims, debentures, hypothecs, trust deeds, assignments by way of security, security interests, conditional sales contracts or other title retention agreements or similar interests or instruments charging, or creating a security interest in, the Property or Purchased Security or any part thereof or interest therein, all work orders for Tenant work or relating to work which is the responsibility of the Tenant (but not other work orders), zoning by-laws or orders, contamination notices, land use restrictions, outstanding permits (including, without limitation, building permits and electrical permits) and encroachments, any agreements, Leases, options, easements, right-of-way, restrictions, executions and any other similar encumbrances (including notices or other registrations in respect of any of the foregoing) affecting the Property or Purchased Security or any part thereof or interest therein;

“Environmental Laws” means all Applicable Laws relating to the protection of the environment, occupational health and safety or the manufacture, processing, distribution, use, treatment, storage, disposal, packaging, transport, handling, cleanup with respect to any Hazardous Material;

“**ESA Reports**” means the environmental reports or studies with respect to the Properties which are in the possession or control of the Limited Partnerships or the Hardegane Subsidiaries and are set out in Schedule D;

“**ETA**” means the *Excise Tax Act* (Canada), as amended;

“**Existing Homburg Debt**” means the amount of indebtedness (including accrued and unpaid interest) incurred and owed by the Limited Partnerships or the Hardegane Subsidiaries as of the date hereof in respect of the Properties as described in Schedule A and all Encumbrances which secure such indebtedness;

“**GAAP**” means Canadian generally accepted accounting principles determined with reference to The Handbook of The Canadian Institute of Chartered Accountants, as amended from time to time;

“**General Partners**” means those corporations set out in Schedule H with respect to Homco (190), Homco (191) and Homco (199);

“**Governmental Authority**” means any multinational, national, federal, state, provincial, county, municipal, district or local government or government body, or any public administrative or regulatory agency, political subdivision, central bank, commission, bureau, court, department, arbitral body, board or representative of any of the foregoing, foreign or domestic, of, or established by any such government or government body which has authority in respect of a particular matter or any quasi-governmental body having the right to exercise any regulatory authority thereunder, including, for greater certainty, securities regulatory authorities, the Toronto Stock Exchange and the Investment Industry Regulatory Organization of Canada;

“**Governmental Charges**” means all federal, state, provincial, territorial, county, municipal, local or foreign taxes, duties, imposts, levies, assessments, tariffs and other charges of any kind (together with any and all interest, penalties, additions to tax and additional amounts imposed with respect thereto) imposed, assessed or collected by a Governmental Authority including, (i) any gross income, net income, gross receipts, business, royalty, capital, capital gains, goods and services, value added, severance, stamp, franchise, occupation, premium, capital stock, sales and use, real property, taxes under the *Land Transfer Tax Act* (Ontario), duties under the *Act Respecting Duties on Transfers of Immoveables* (Québec), other land transfer or similar charges, personal property, ad valorem, transfer, licence, profits, windfall profits, environmental, payroll, employment, employer health, pension plan, anti-dumping, countervail, excise, severance, stamp, occupation, or premium tax, (ii) all withholdings on amounts paid to or by the relevant person, (iii) all employment insurance premiums, Canada, Québec and any other pension plan contributions or premiums, (iv) any fine, penalty, interest, or addition to tax, (v) any tax imposed, assessed, or collected or payable pursuant to any tax-sharing agreement or any other contract relating to the sharing or payment of any such tax, levy, assessment, tariff, duty, deficiency, or fee, and (vi) any liability for any of the foregoing as a transferee, successor, guarantor, or by contract or by operation of law;

“**GP Shares**” means, collectively, the shares in the capital of each of the General Partners held by each of Homco (190), Homco (191) and Homco (199), respectively, the whole as set out in Schedule H, such shares representing all of the shares of each of the General Partners;

“**GST**” means the goods and services tax or any harmonized sales tax payable by the Purchaser and collectible by the Vendors under the ETA and any similar value added or multi-staged tax imposed by any applicable provincial legislation;

“**Hazardous Material**” means any hazardous substances or any pollutant, contaminant, waste or residual material, toxic or dangerous waste, substance or material (including, without limitation, asbestos, polychlorinated biphenyls, mould, chlorinated solvents, petroleum hydrocarbons, lead-based paint, urea formaldehyde foam insulation, radioactive materials and hazardous and toxic chemicals), which is regulated under Environmental Laws;

“**Homburg Canada**” means Homburg Canada Incorporated;

“**Homburg Canada Master Purchase Agreement**” means the agreement between Homburg Canada and the Purchaser, dated as of the date hereof, pursuant to which Homburg Canada will transfer to the Purchaser all of its indirect interests in certain properties by selling certain securities to Homburg LP in consideration for cash;

“**Homburg GP**” means Homburg Canada REIT GP Inc., a corporation incorporated under the laws of Canada to be the general partner of the Purchaser, and its successors and assigns;

“**Homburg Invest**” means Homburg Invest Inc. and its successors and assigns;

“**Homburg LP Agreement**” means the amended and restated limited partnership agreement of the Purchaser dated May 25, 2010, as it may be amended, supplemented or restated from time to time;

“**Homburg Management**” means Homburg Canada REIT Management Inc. and its successors and assigns;

“**Homco (12) Purchased Securities**” means all of the issued and outstanding common and preferred shares in the capital of the Company as set out in Schedule I;

“**Hardegane Subsidiaries**” means the Subsidiaries of the Company as set out in Schedule E;

“**Homco (190) Purchased Securities**” means collectively, the LP Units held by Homco (190), the GP Shares held by Homco (190) and the Nominee Shares held by Homco (190);

“**Homco (191) Purchased Securities**” means collectively, the LP Units held by Homco (191), the GP Shares held by Homco (191) and the Nominee Shares held by Homco (191);

“**Homco (199) Purchased Securities**” means collectively, the LP Units held by Homco (199), the GP Shares held by Homco (199) and the Nominee Shares held by Homco (199);

“**IFRS**” means the International Financial Reporting Standards established by the International Accounting Standards Board and as adopted by the Canadian Institute of Chartered Accountants;

“**Indemnified Party**” has the meaning set out in Section 5.4;

“**Indemnifying Party**” has the meaning set out in Section 5.4;

“Lease Reports” means the lease rent roll reports which are in the possession or control of the Limited Partnerships or the Hardegane Subsidiaries, copies of which have been delivered to the Purchaser concurrently herewith;

“Leases” means, with respect to any Property, collectively, all executed offers to lease, agreements to lease, leases, renewals of leases, subtenant agreements and other rights or licenses granted by or on behalf of any of the Limited Partnerships or the Hardegane Subsidiaries or any of their predecessors in title to possess or occupy such Property or any part thereof now or hereafter, together with all security, guarantees and indemnities of the tenants’, subtenants’ and licensees’ obligations thereunder, in each case as amended, renewed or otherwise varied to the date hereof, and including without limitation, any parking and storage space leases; and **“Lease”** means any one of the Leases;

“Lender Approvals” means the approval of the lenders of the Existing Homburg Debt, and includes, for greater certainty, the Major Lender Approvals;

“Limited Partnerships” means the limited partnerships set out in Schedule E with respect to each of Homco (190), Homco (191) and Homco (199);

“Loss” or **“Losses”** means, in respect of any matter, all losses, damages, liabilities, diminution in value, deficiencies, costs and expenses, including all legal and other professional fees and disbursements, good and services taxes, sales taxes or other similar taxes, interest, penalties and interest thereon and amounts paid in settlement, of any Claim;

“LP Units” means, collectively, the limited partnership units of each of the Limited Partnerships held by each of Homco (190), Homco (191) and Homco (199), respectively, the whole as set out in Schedule E, such limited partnership units representing all of the limited partnership units of each of the Limited Partnerships;

“Movable Hypothec Agreement” means the agreement between the REIT and Homco (199), dated as of the date hereof, pursuant to which Homco (199) grants to the REIT a moveable hypothec and pledge over 1,000,000 REIT Units;

“Major Lender Approvals” means the Lender Approvals required from (a) DekaBank Deutsche Girozentrale and (b) Hypothèques CDPQ Inc.;

“Material Adverse Effect” means, in relation to the Purchaser and its Subsidiaries taken as a whole, any effect that is, or would reasonably be expected to be, material and adverse to: (i) the results of operations, condition (financial or otherwise), properties, assets, business, liabilities (contingent or otherwise), or cash flow of the Purchaser; (ii) the ability of the Purchaser to continue to conduct the business of the Purchaser following the date hereof substantially in the manner as conducted prior to the date hereof; (iii) the ability of the Purchaser to carry out any of the Transaction or the Prospectus; or (iv) the amount of distributable cash available to the Purchaser;

“Nominees” means those corporations set out in Schedule F with respect to each of Homco (190), Homco (191) and Homco (199);

“**Nominee Shares**” means, collectively, the shares in the capital of each of the Nominees held directly or indirectly by each of Homco (190), Homco (191) and Homco (199), respectively, the whole as set out in Schedule F, such shares representing all of the issued and outstanding shares in the capital of the Nominees;

“**Notice**” has the meaning set out in Section 7.7;

“**Permitted Encumbrances**” means:

- (a) any subsisting reservations, limitations, provisos, conditions or exceptions contained in the original grants from the Crown of any real property or interest therein;
- (b) the exceptions and qualifications contained in Section 44(1) of the *Land Titles Act* (Ontario) and similar statutory exceptions to title affecting real property or interests therein in any other province;
- (c) all matters disclosed by the Surveys which do not materially adversely affect the use or value of the property subject thereto;
- (d) Encumbrances for real property taxes, including all local improvements charges, rates and assessments and other Governmental Charges related to real property, which are (i) not yet due and payable; (ii) due but for which notice of assessment has not been given; or (iii) due but which are being contested diligently and in good faith by appropriate proceedings (and for the payment of which adequate provision has been made);
- (e) registered or unregistered licences, easements, servitudes, restrictions, rights-of-way and other similar rights in real property or any interest therein and agreements with respect thereto, granted to or taken by any Governmental Authority or public utility, provided the same do not materially adversely affect the use of the property subject thereto;
- (f) the provisions of Applicable Laws, including without limitation, official plans zoning, land use and building by-laws, codes, regulations, ordinances and decisions of municipal authorities permitting variances therefrom, provided the same have been complied with in all material respects;
- (g) subdivision, development, site plan, servicing or other similar agreements with any Governmental Authority or public utility, facility sharing, cost sharing, tunnel, pedway, party wall, servicing, parking, reciprocal and other similar agreements with neighbouring landowners and/or Governmental Authority, provided the same have been complied with in all material respects and do not materially adversely affect the use of the property subject thereto;
- (h) undetermined or inchoate Encumbrances or privileges incidental to current construction or current operations, including pursuant to the *Construction Lien Act* (Ontario) and similar construction and mechanics’ lien statutes in other provinces or states which (i) relate to obligations which are not yet due and

payable; or (ii) have not yet been filed or registered pursuant to law and written notice of which has not been given to a Vendor or the Purchaser;

- (i) security given in the ordinary course to any public utility, or Governmental Authority in connection with the operations of the Properties, other than security for borrowed money;
- (j) rights of expropriation, access, use or any other right, privilege or Encumbrance conferred on or reserved to any Governmental Authority or Her Majesty the Queen in right of Canada or any province pursuant to any statute of Canada or of any state;
- (k) restrictive covenants, private deed restrictions, rights of first refusal and pre-emptive rights and other similar land use controls or agreements, provided the same have been complied with in all material respects and do not materially adversely affect the use or value of the property subject thereto;
- (l) minor encroachments by any buildings over neighbouring lands or by improvements on neighbouring lands over the Properties, which do not in the aggregate materially adversely affect the use or value of the property subject thereto;
- (m) existing title defects and irregularities which are of a minor nature and do not in the aggregate materially adversely affect the use or value of the property subject thereto;
- (n) security given in connection with the Existing Homburg Debt;
- (o) the Leases;
- (p) the Contracts; and
- (q) the specific encumbrances registered on title to the Properties as of the date hereof;

“Person” means any individual, sole proprietorship, partnership, firm, entity, unincorporated association, unincorporated syndicate, unincorporated organization, trust, body corporate, Governmental Authority, and where the context requires any of the foregoing when they are acting as trustee, executor, administrator or other legal representative;

“Prepaid Expenses” means, with respect to a Property, all prepaid expenses, rental credits, deferred costs, deferred charges and expenses relating to such Property as at the date hereof, determined in accordance with GAAP;

“Properties” means those lands and premises beneficially or indirectly owned by the Hardegane Subsidiaries or Limited Partnerships set out in Schedule C and all buildings and improvements and fixtures located thereon and all account receivables, prepaid expenses and similar items related thereto but excluding all improvements and fixtures which are owned by any Tenant or leased by any Tenant from a Person other than a Vendor, a Nominee, a Hardegane Subsidiary, a

Limited Partnership or a General Partner or are removable by any Tenant pursuant to a Lease, and “**Property**” means any one of them;

“**Prospectus**” means the final prospectus of the REIT relating to the initial public offering of REIT Units dated May 14, 2010;

“**PST**” means the tax imposed under the applicable retail sales tax legislation in the Provinces in which the Properties are located, and for greater certainty excludes QST and GST;

“**Purchased Securities**” means, collectively, the Homco (12) Purchased Securities, the Homco (190) Purchased Securities, the Homco (191) Purchased Securities and the Homco (199) Purchased Securities;

“**Purchase Price**” has the meaning ascribed thereto in Section 2.1;

“**QST**” means the tax imposed under the QSTA;

“**QSTA**” means *An Act Respecting the Québec Sales Tax*, as amended;

“**REIT**” means Homburg Canada Real Estate Investment Trust, an unincorporated open-ended real estate investment trust established under the laws of the Province of Québec;

“**REIT Units**” means a unit of interest in the REIT designated as a “REIT Unit” and having the rights and attributes set out in the Declaration of Trust with respect thereto;

“**Sales Tax**” means the GST, QST and PST, as applicable;

“**Subsidiaries**” has the meaning given to that term under the *Securities Act* (Québec);

“**Surveys**” means, collectively, the existing surveys, certificates of location and real property reports with respect to the Properties in the possession of the Vendors, the Limited Partnerships, or any of the Hardegane Subsidiaries, copies of which have been made available to the Purchaser;

“**Tax Act**” means the *Income Tax Act* (Canada) and the regulations thereunder, as amended from time to time;

“**Tax Returns**” means all returns, reports, declarations, elections, notices, filings, forms, statements and other documents (whether in tangible, electronic or other form) and including any amendments, schedules, attachments, supplements, appendices and exhibits thereto, made, prepared, filed or required to be made, prepared or filed by Applicable Laws in respect of Taxes;

“**Tenants**” means any Person having a right to occupy any rentable area of the Properties pursuant to a Lease;

“**Third Party Claim**” has the meaning set out in Section 5.4;

“**Transaction**” means the purchase and sale of the Purchased Securities provided for in this Agreement;

“**Trustees**” means those corporations set out in Schedule F with respect to Homco (190);

“**Vendor’s Knowledge**” has the meaning ascribed thereto in Section 1.8;

“**Warranties**” means the existing warranties and guarantees, if any, in favour of the Limited Partnerships and the Hardegane Subsidiaries in connection with the Properties;

“**Working Capital**” means an amount to be agreed upon by the parties equal to the sum of Cash, if applicable, Accounts Receivable and Prepaid Expenses less the amount of the Accounts Payable, determined, in each case, in accordance with GAAP;

“**Working Capital Holdback**” has the meaning ascribed thereto in Section 2.5(c);

“**Working Capital Statement**” means the statement of Working Capital to be delivered to the Purchaser by the Vendor in accordance with Section 2.5 indicating the Working Capital as of the date hereof.

1.2 Rules of Construction

Unless the context otherwise requires, in this Agreement:

- (a) “**Agreement**”, “**this Agreement**”, “**the Agreement**”, “**hereto**”, “**hereof**”, “**herein**”, “**hereby**”, “**hereunder**” and similar expressions mean or refer to this Agreement as amended, restated, modified, replaced or supplemented from time to time, including the Schedules attached hereto or to any amendment to this Agreement, and any agreement or instrument supplemental hereto and the expressions “**Article**”, “**Section**”, “**Subsection**” and “**Schedule**” followed by a number or letter mean and refer to the specified Article, Section, Subsection or Schedule of this Agreement;
- (b) the division of this Agreement into Articles, Sections and Subsections and the insertion of headings and a table of contents are for convenience of reference only and shall not affect the construction or interpretation thereof;
- (c) words importing the singular number only shall include the plural and vice versa and words importing the use of any gender shall include all genders;
- (d) reference to any agreement, indenture or other instrument in writing means such agreement, indenture or other instrument in writing, as amended, restated, modified, replaced or supplemented from time to time;
- (e) reference to any statute shall be deemed to be a reference to such statute as amended, re-enacted or replaced from time to time;
- (f) time periods within which a payment is to be made or any other action is to be taken hereunder shall be calculated excluding the day on which the period commences and including the day on which the period ends;

- (g) whenever any payment to be made or action to be taken hereunder is required to be made or taken on a day other than a Business Day, such payment shall be made or action taken on the next following Business Day; and
- (h) for the purposes of this Agreement, where the context so permits, any reference to the Tax Act includes a reference to any analogous provincial legislation, any reference to any provision of the Tax Act includes a reference to the corresponding provision of any such analogous provincial legislation and any reference to a filing or similar requirement imposed under the Tax Act includes a reference to any corresponding filing or requirement imposed under any such analogous provincial legislation.

1.3 Currency; Method of Payment

Unless otherwise specified, (a) all monetary amounts in this Agreement are expressed in the lawful currency of Canada; and (b) all payments contemplated herein shall be paid in Canadian funds by certified cheque, bank draft or wire transfer of immediately available funds to the account specified by the Party receiving the payment.

1.4 Entire Agreement; Amendment

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, whether written or oral. There are no conditions, covenants, agreements, representations, warranties or other provisions, express or implied, collateral, statutory or otherwise, relating to the subject matter hereof except as herein provided. No supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the Parties in the same manner as the execution of this Agreement.

1.5 Governing Law

This Agreement shall be construed, interpreted and enforced in accordance with, and the respective rights and obligations of the parties shall be governed by, the laws of the Province of Québec and the federal laws of Canada applicable in that province, and each party irrevocably and unconditionally submits to the non-exclusive jurisdiction of the courts of the Province of Québec and all courts competent to hear appeals therefrom.

1.6 Severability

If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, such determination shall not impair or affect the validity, legality or enforceability of the remaining provisions hereof, and each provision is hereby declared to be separate, severable and distinct. To the extent that any provision is found to be invalid, illegal or unenforceable, the Parties shall act in good faith to substitute for such provision, to the extent possible, a new provision with content and purpose as close as possible to the provision so determined to be invalid, illegal or unenforceable.

1.7 Successors and Assigns

This Agreement shall enure to the benefit of and shall be binding on and enforceable by the parties and their respective successors and permitted assigns. Neither party may assign any of its rights or obligations hereunder without the prior written consent of the other party.

1.8 Vendor's Knowledge

Where any representation and warranty is expressed to be given by any Vendor hereunder to the best of its knowledge or to its knowledge or is otherwise expressed to be limited in scope to matters known to such Vendor (collectively, the "**Vendor's Knowledge**"), such knowledge shall mean matters actually known to James W. Beckerleg, Gordon G. Lawlor, Ashley L. Phillips, Guy Charron and James Miles after due inquiry.

1.9 Schedules

The following are the Schedules attached to this Agreement:

Schedule A - Assumed Homburg Debt

Schedule B - Building Inspection Reports

Schedule C - Properties

Schedule D - ESA Reports

Schedule E - Limited Partnerships and Subsidiaries

Schedule F - Nominees and Trustees

Schedule G - Qualifications to Vendors' Representations and Warranties

Schedule H - General Partners

Schedule I - Capitalization of Company and Subsidiaries

ARTICLE 2 AGREEMENT OF PURCHASE AND SALE

2.1 Agreement of Purchase and Sale

Subject to the terms and conditions of this Agreement:

- (a) Homco (12) hereby sells, transfers, assigns, sets over and conveys the Homco (12) Purchased Securities to the Purchaser, and the Purchaser hereby purchases and acquires the Homco (12) Purchased Securities from Homco (12);
- (b) Homco (190) hereby sells, transfers, assigns, sets over and conveys the Homco (190) Purchased Securities to the Purchaser, and the Purchaser hereby purchases and acquires the Homco (190) Purchased Securities from Homco (190);

- (c) Homco (191) hereby sells, transfers, assigns, sets over and conveys the Homco (191) Purchased Securities to the Purchaser, and the Purchaser hereby purchases and acquires the Homco (191) Purchased Securities from Homco (191);
- (d) Homco (199) hereby sells, transfers, assigns, sets over and conveys the Homco (199) Purchased Securities to the Purchaser, and the Purchaser hereby purchases and acquires the Homco (199) Purchased Securities from Homco (199).

2.2 Purchase Price

The aggregate purchase price for the Purchased Securities shall be \$258,212,060 (the “**Purchase Price**”), subject to the adjustments contained in Sections 2.5, to be satisfied as follows:

- (a) by the payment by the Purchaser of \$105,300,000 by wire transfer payable to Homco (199), acting on behalf of the Vendors, or as it may direct; and
- (b) the balance (\$152,912,060) by the issuance by the Purchaser to Homco (199), acting on behalf of the Vendors, of 15,291,206 Class A LP Units.

2.3 Allocation of Purchase Price

- (a) The Purchase Price shall be allocated to the LP Units, the GP Shares the Nominee Shares, and the Homco (12) Purchased Securities as agreed upon by the Purchaser and the Vendors pursuant to Subsection 2.3(b). The allocation shall reflect approximately the following: the LP Units shall be allocated their fair market value based on any appraisals obtained by the Vendors in connection with the transactions contemplated by this Agreement for the properties held by each Limited Partnership as per Schedule C and where relevant taking into account values ascribed to such properties at the time of acquisition thereof by the relevant Limited Partnership (and in no case less than the adjusted cost base of the LP Units described in the schedule contemplated at Section 2.8 hereof); the Homco (12) Purchased Securities shall be allocated their fair market value based on any appraisals obtained by the Vendors on the underlying properties indirectly held by the Company in connection with the transactions contemplated by this Agreement; the GP Shares shall be allocated a value that reflects the value of such interest in the Limited Partnerships; and the Nominee Shares shall be allocated a nominal value.
- (b) Within 90 Business Days after the Closing, Purchaser shall provide the Vendors with a proposed allocation consistent with Subsection 2.3(a) for the Vendors’ review and comment. If the Vendors do not provide any comments to the Purchaser in writing within 10 Business Days following delivery by the Purchaser of the proposed allocation, then the allocation proposed by the Purchaser shall be deemed to be final and binding absent manifest error. If, however, the Vendors submit comments to the Purchaser within such 10 Business Day period, the Purchaser and the Vendors shall negotiate in good faith to resolve any differences within 15 Business Days. For all Tax purposes, the Purchaser and the Vendors agree that the transactions contemplated in this Agreement shall be reported in a manner consistent with the terms of this Agreement, including the allocation, and

that none of them will take any position inconsistent therewith in any Tax Return, in any refund claim, in any litigation, or otherwise.

2.4 Acknowledgment of Receipt

Homco (199), acting on behalf of the Vendors, hereby acknowledges receipt from the Purchaser of a wire transfer of \$105,300,000 and of 15,291,206 Class A LP Units issued to and registered in the name of Homco (199), in full satisfaction of the Purchase Price.

2.5 Working Capital Adjustment

- (a) The Purchase Price shall be adjusted, following the consummation of the Transaction, by an amount (the “**Working Capital Adjustment Amount**”) equal to any positive or negative Working Capital. Such adjustment shall be made based on the Working Capital Statement to be delivered by the Vendors to the Purchaser not more than 90 days after the date hereof and agreed to in accordance with the terms hereof. Any Working Capital Adjustment Amount in favour of the Purchaser shall be the sole liability of Homburg Invest and shall not result in any liability for the Vendors. The adjustment shall be satisfied by certified cheque or wire transfer, upon delivery of the Working Capital Statement, once agreed to by the parties, and shall be paid to the Vendors by the Purchaser if such amount is positive and to the Purchaser by Homburg Invest if such amount is negative. Notwithstanding the foregoing, no amount will be owing and payable by Homburg Invest to the Purchaser pursuant to this Section 2.5(a) to the extent that, as a consequence thereof, the REIT would no longer qualify as a “real estate investment trust” as defined in subsection 122.1(1) of the Tax Act.
- (b) The Purchaser shall review the proposed Working Capital Statement and shall notify the Vendors in writing, within 15 days after the receipt thereof, of its approval or disapproval thereof, provided that the Purchaser shall be deemed to have approved the Working Capital Statement if no notice is received by the Vendors within such 15 day period. If the Purchaser does not approve the proposed Working Capital Statement, the parties shall first negotiate in good faith to resolve all disputes. If the parties are unable to resolve the disputes within 15 days after the Vendors’ receipt of the notice of the Purchaser’s disapproval (or such longer period as the parties shall agree on), then the Vendors and the Purchaser shall jointly retain RSM Richter Chamberland LLP (the “**Accounting Firm**”) to make a recommendation, within 30 days of its retainer, with regard to all disputes relating to the proposed Working Capital Statement, and such recommendation shall be accepted by all parties hereto. Each of the Vendors and the Purchaser shall pay its own costs and expenses and pay one-half of the fees and expenses charged by the Accounting Firm. The Working Capital set forth in the Working Capital Statement, settled in accordance herewith, shall be final and binding on all parties hereto.
- (c) As security for the payment of any Working Capital Adjustment Amount that may be owed by the Vendors to the Purchaser after finalization of the Working Capital Statement, the Purchaser shall be entitled to withhold from the cash portion of the Purchase Price payable on the date hereof, an amount of \$5,000,000 (the

“**Working Capital Holdback**”). The Working Capital Holdback shall be applied towards payment of any Working Capital Adjustment Amount owing by the Vendors to the Purchaser. If, after the finalization of the Working Capital Statement, it is determined that (i) the Purchaser is liable to pay the Working Capital Adjustment Amount to the Vendors, or (ii) the Working Capital Holdback exceeds the amount of the payment of the Working Capital Adjustment Amount by the Vendors to the Purchaser, any unapplied Working Capital Holdback shall be forthwith paid by the Purchaser to the Vendors.

2.6 Sales Taxes

The Purchaser shall be liable for and pay directly to the appropriate Governmental Authority, within the required time period, all federal and provincial sales Taxes and other similar Taxes (but excluding any Taxes based on income, revenues or capital receipts of the Vendors) properly payable in connection with the transfer of the Purchased Securities.

2.7 Discharge and Discharge Expenses

Upon the execution of this Agreement, each of the Purchased Securities and the Properties shall be free and clear of all Encumbrances other than (i) those securing the Existing Homburg Debt; and (ii) the Permitted Encumbrances. The Vendors shall be liable for and shall pay all filing and other fees and expenses properly incurred in connection with the discharge of all Encumbrances other than (i) those securing the Existing Homburg Debt; and (ii) the Permitted Encumbrances.

2.8 Adjusted Cost Base

The Vendors shall provide the Purchaser with a schedule setting out the adjusted cost base of the Purchased Securities to the Vendors for purposes of the Tax Act on or before December 31, 2010 and such schedule will be a true, complete and correct reflection of the Vendors' adjusted cost base in the Purchased Securities for purposes of the Tax Act immediately before the date hereof.

ARTICLE 3 EXISTING HOMBURG DEBT

3.1 Existing Homburg Debt

- (a) The Vendors and Purchaser hereby agree as follows:
 - (i) that the Vendors, as applicable, shall be responsible for all reasonable fees charged in connection with obtaining any required Lender Approval; and
 - (ii) if any required Lender Approval or a release of the Vendors or Homburg Invest or its affiliates from its obligations under any of the Existing Homburg Debt has not been obtained on or before the date hereof, the parties agree that the applicable Vendor may in its sole, unfettered and absolute discretion agree to pay and discharge such Existing Homburg Debt from title (or make arrangements for its discharge acceptable to the Purchaser, acting reasonably) in which event the applicable Vendor and

Purchaser shall divide the payment of any prepayment penalty or yield maintenance payment as follows:

- (A) the Purchaser shall pay that part of such amount equal to the difference between the interest rate of such debt and current market interest rates for an equivalent term; and
 - (B) the applicable Vendor shall pay the balance of such amount.
- (b) If a Vendor obtains a Lender Approval in respect of any Existing Homburg Debt but does not obtain a release of such Vendor from its obligations under such debt, then such debt shall be assumed by the Purchaser and the Purchaser shall provide an indemnity in a form satisfactory to such Vendor, acting reasonably, whereby the Purchaser agrees to hold such Vendor and its shareholders, directors, officers, employees and agents harmless from all Claims incurred, suffered or sustained in respect of, relating to or in connection with such Existing Homburg Debt.
- (c) The Purchaser agrees that, to the extent that a Vendor is liable to any lender under the Existing Homburg Debt, the Purchaser shall provide its covenant to such lender and, if no release is available, to such Vendor.

ARTICLE 4 REPRESENTATIONS, WARRANTIES

4.1 Representations of Homco (190), Homco (191) and Homco (199)

Each of Homco (190), Homco (191) and Homco (199) hereby represents and warrants to and in favour of the Purchaser, on its own behalf and, where applicable, solely with respect to: (i) those Limited Partnerships the LP Units of which are held by such Vendor (and such LP Units), (ii) those Properties held by such Limited Partnerships, (iii) those Nominees the shares of which are held by such Vendor, and (iv) those General Partners the shares of which are held by such Vendor, that, as of the date of this Agreement:

- (a) **Organization and Status of the Vendor.** The Vendor is a partnership existing under the laws of the Province of Nova Scotia. The Vendor is duly qualified to carry on its activities in each jurisdiction in which the conduct of its activities or the ownership, leasing or operation of its property and assets, requires such qualification.
- (b) **Power of the Vendor and Due Authorization.** The Vendor has the necessary authority, power and capacity to enter into and perform its obligations under this Agreement. This Agreement has been duly authorized, executed and delivered by the general partner on behalf of the Vendor and is a legal, valid and binding obligation of the Vendor enforceable against it in accordance with its terms, subject only to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and the availability of equitable remedies only in the discretion of the court.

- (c) **Non-Contravention.** The execution and delivery by the Vendor's general partner on behalf of the Vendor of this Agreement, the performance by the Vendor of its obligations hereunder and the completion of the Transaction does not (or shall not with the giving of notice, the lapse of time or the happening of any other event or condition) result in:
- (i) a breach or a violation of, or conflict with or result in a default under, or allow any Person to exercise any rights (including any right of termination or right of first refusal) under:
 - (A) its limited partnership agreement;
 - (B) the limited partnership agreements of the Limited Partnerships;
 - (C) any Applicable Law or judgment, decree, writ, injunction, order or award of any Governmental Authority having jurisdiction over such party; or
 - (D) any Contract, Permitted Encumbrance, licence or permit to which it is a party or by which its property or assets (or the properties or assets of the Limited Partnerships) may be affected,
- except in each respect of (B) and (C), any breach, violation, conflict or default that would not result in a Material Adverse Effect on the Purchaser, taken as a whole,
- (ii) the creation, transfer or imposition of any Encumbrance (other than a Permitted Encumbrance) on any of the Purchased Securities.
- (d) **Organization and Status of the Limited Partnerships.** The Limited Partnerships are partnerships existing under the laws under which they were organized. The Limited Partnerships are duly qualified to carry on their activities in each jurisdiction in which the conduct of their activities or the ownership, leasing or operation of their property and assets requires such qualification.
- (e) **Residence.** The Vendor and each of its partners are not non-residents of Canada for purposes of the Tax Act.
- (f) **Excluded Subsidiary Entity.** The Vendor has, since the beginning of its current taxation year, been an entity listed in paragraph (b) of the definition of "excluded subsidiary entity" in the Tax Act and will so remain until the end of the last taxation year during which it holds any units of the Purchaser.
- (g) **Ownership of the Purchased Securities.** The Vendor is the sole limited partner of each of the Limited Partnerships and owns the LP Units free and clear of all Encumbrances. The Purchased Securities are not subject to any voting trust, unitholder agreement, voting agreement or any other rights or agreements affecting the Purchased Securities.

- (h) **No Options or Agreements to Purchase the Purchased Securities or Properties.** Except for matters disclosed to the Purchaser in Section 4.1(h) of Schedule F, the Vendor has not entered into any agreement, option, understanding or commitment, or granted any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, option or commitment with any Person (other than the Purchaser), for the purchase or other acquisition from it of any of the Purchased Securities or Properties directly or indirectly owned by it, or any rights or interest therein, other than those which would not have a Material Adverse Effect.
- (i) **Approvals.** To the Vendor's Knowledge, other than the Lender Approvals, no consent, approval, authorization or order of, no notice to, and no filing, registration or recording with, any Governmental Authority or other third party is required (or shall be required by the giving of notice, the lapse of time or the happening of any other event or condition) by the Vendor in connection with the execution and delivery of this Agreement or the performance by the Vendor of its obligations hereunder and the consummation by it of the Transaction.
- (j) **Commissions.** The Vendor has not entered into any agreement that would entitle any Person to a valid claim against the Purchaser for any broker's commission, finder's fee or any similar payment with respect to the Transaction.
- (k) **Financial Statements.** The unaudited financial statements for the Limited Partnerships are correct and complete in all material respects and present fairly the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Limited Partnerships, as at their respective dates and the earnings and results of operations of the Limited Partnerships, for the periods covered by the respective financial statements.
- (l) **Indebtedness.** Except for the Existing Homburg Debt, neither of the Nominees, Limited Partnerships and General Partners have any outstanding bonds, debentures, notes, mortgages, trust indentures, loan agreements or other indebtedness or liabilities for borrowed money (which, for greater certainty, excludes capital leases, trade indebtedness and taxes incurred in the ordinary course).
- (m) **Properties.** Except for matters which would have a Material Adverse Effect as disclosed to the Purchaser in Section 4.1(m) of Schedule F, subject to the disclosure in the Prospectus, the Limited Partnerships and Nominees have good title to the Properties free and clear of all Encumbrances, except Permitted Encumbrances, and the Limited Partnerships have not entered into any agreement, option, understanding or commitment, or granted any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, option or commitment with any Person (other than the Purchaser), for the purchase or other acquisition from a Limited Partnership of any of the Properties owned by it, or any rights or interest therein.

- (n) **Chattels.** Except for ordinary wear and tear, the Chattels are in good conditions and repair having regard to their use and age and suitable for the uses to which they are being put.
- (o) **No Litigation.** There are no actions, suits, litigation, statutory prosecution or other proceedings, arbitration, mediation or other proceedings (including orders, appeals and applications for review) commenced, which would have a Material Adverse Effect, or, to the Vendor's Knowledge, threatened against or affecting the Limited Partnerships or the occupancy or use of the Properties by any Tenants, in law or in equity, which would have a Material Adverse Effect or which may affect the validity of this Agreement or the Transaction or any other agreement provided for in this Agreement, the Leases or title to the Properties.
- (p) **No Construction Liens.** All accounts for work and services performed or materials placed or furnished upon or in respect of construction at the Properties (excluding all Tenant work not undertaken by or on behalf of the landlord of the Leases being subject thereto) have been fully paid and no one is entitled to claim a lien or legal hypothec under any applicable construction lien legislation for work performed by or on behalf of any of the Limited Partnerships.
- (q) **Leases.** With respect to each of the Leases, except as set out in the Leases, otherwise disclosed to the Purchaser in the Lease Reports or for any non-compliance which would have a Material Adverse Effect:
 - (i) the only material Leases affecting the Properties are those in connection with the tenancies set out in the rent rolls delivered to the Purchaser. The particulars of the rent rolls are full, complete and accurate in all material respects as at the date noted therein;
 - (ii) other than the Leases identified in the rent rolls, there are no material agreements, offers to lease, licences or other occupancy rights affecting the Properties and the Tenants or their assignees or subtenants are in possession and occupying their premises at the Properties and paying full rent as required under the Leases in all material respects;
 - (iii) no Tenant is in material default;
 - (iv) no defence, right to set-off, litigation or counterclaim that would be material to any of the Properties has been asserted against any Limited Partnership, their general partners or Nominees by any Tenant in respect of the Properties;
 - (v) no Tenant has prepaid rent or deposited security in excess of one month's rent and there are no rent-free periods; and
 - (vi) each of the Limited Partnerships, their general partners or Nominees under the Leases has performed all of its material obligations and observed all of the material conditions required of it under all Leases and no default on the part of the Limited Partnerships, their general partners or Nominees or

other event of any kind has occurred or condition exists (or which with the giving of notice or lapse of time, or both, would be a default) or agreement entered into which would permit any of the Tenants to terminate their Lease or withhold or reduce payment of rent;

- (r) **Existing Homburg Debt.** Each of the Existing Homburg Debt is in good standing and is unamended save as disclosed by registered title to the relevant Property.
- (s) **No Expropriation.** None of the Properties nor any material part thereof has been expropriated, no Limited Partnership has received written notice of any contemplated, pending or threatened expropriation proceedings affecting the Properties or any part thereof which would have a Material Adverse Effect.
- (t) **Environmental Matters.** Except as disclosed in the ESA Reports or for any non-compliance which would not have a Material Adverse Effect:
 - (i) the Properties are in compliance with Environmental Laws and have been used or are used in compliance with Environmental Laws;
 - (ii) there are no Hazardous Material present in, on, under or originating from the Properties in violation of Environmental Laws;
 - (iii) there are no underground or aboveground storage tanks in, on or under the Properties which are not in compliance with Environmental Laws; and
 - (iv) none of the Limited Partnerships, their property managers or the Tenants have received any notice of non-compliance with, complaint or claim or have reasonable grounds to believe that any facts could give rise to any notice of non-compliance, complaint or claim with respect to any Environmental Laws pertaining to the Properties.
- (u) **Material Contracts.** To the Vendor's Knowledge, there is no state of facts that (with or without the lapse of time, the giving of notice or both) would constitute a breach or default or result in the acceleration of the performance, cancellation, termination, or modification by any party to any material Contract (other than Leases). No Limited Partnership has received any notice or other communication (whether written or otherwise) of any actual or alleged breach or default under any material Contract, except to the extent such breaches or defaults have been cured or would not, taken as a whole, be material to the Purchaser.
- (v) **Realty Taxes.** Unless otherwise under appeal as set out in Section 4.1(v) of Schedule F, all realty taxes, rates, levies and assessments which are accrued and due and owing as of the date of this Agreement have been paid in full to the date hereof, including, without limitation, all local improvement charges, development, severance, park, sewer or other special charges or levies.
- (w) **Permits.** Each permit relating to the Properties is valid, subsisting and in full force and effect and the Limited Partnerships are not in violation, default or

breach of any such permit, and no proceeding is pending or, to the Vendor's Knowledge, threatened for violation of or to revoke or limit any such permit, except for any violation, default or breach which would not, individually or in the aggregate, have a Material Adverse Effect. There is no requirement to make any filing with, give any notice to or obtain any consent or approval of, any Governmental Authority as a condition of transferring permits as contemplated by this Agreement, except for such filings, notices, consents or approvals for which the failure to make or obtain would not, individually or in the aggregate, have a Material Adverse Effect.

- (x) **Land Use.** No Limited Partnership, their general partners or Nominees has received notice from any Governmental Authority of any pending or threatened change to any official plan, zoning by-law or other public land use control which would have a Material Adverse Effect, or that would materially limit the ability to use such Properties in a manner consistent with their current use, which pending or threatened change remains outstanding.
- (y) **Work Orders.** No Limited Partnership, their general partners or Nominees or, to Vendor's Knowledge, any Tenant has received any notification from any Governmental Authority, or has reasonable grounds to believe that any facts could give rise to any such notice, that any work, repairs, construction or capital expenditures are required to be made in respect of the Properties, including, without limitation, matters within the jurisdiction of the applicable fire and health departments or any part thereof as a condition of continued compliance with any Applicable Laws.
- (z) **Employees.** There are no Persons employed by the Limited Partnerships or any of their respective agents, or otherwise performing work, in respect of the Limited Partnerships or their maintenance, operation or servicing, for which the Purchaser shall or may have responsibility or liability, whether under any Applicable Laws.
- (aa) **Access.** To the Vendor's Knowledge, there is legal access to and legal egress from each of the Properties.
- (bb) **Prospectus.** The Prospectus provides full, true and plain disclosure of all material facts relating to the Properties, the Purchased Securities and the Limited Partnerships with respect thereto and does not contain a misrepresentation (as defined in the *Securities Act* (Ontario)).
- (cc) **Taxes.**
 - (i) There are no claims, assessments, reassessments, adjustments, actions, suits, proceedings, requests for information or any investigations pending or threatened against the Limited Partnerships, the General Partners, the Trustees or Nominees relating to Governmental Charges that would have a Material Adverse Effect and, to the Vendor's Knowledge, there exists no fact or circumstance, act or omission, event, transaction or series of transactions that have occurred, as of the date hereof, that would give rise to a liability claim, assessment, reassessment, action, suit, proceeding or

investigation with respect to Governmental Charges with respect to the Limited Partnerships, their general partners or Nominees;

- (ii) Each of the Limited Partnerships, the General Partners, the Trustees and the Nominees has properly and timely withheld or collected from each payment made by or to it (including, without limitation, each payment made to any of its past or present members, employees, independent contractors, officers, creditors, directors, any non-resident of Canada or other Person) the amount of all Governmental Charges and other deductions or taxes required to be withheld or collected therefrom and has remitted the same to the proper taxing or other authority within the time prescribed under any Applicable Laws;
- (iii) Each of the Limited Partnerships, the General Partners, the Trustees and the Nominees has timely filed all returns, declarations, reports, estimates, information returns, elections, declarations, notices, filings and statements (“Returns”), required to be filed or sent in respect of any Governmental Charges or required to be filed or sent by it to any taxing authority having jurisdiction since incorporation or organization and all such Returns have been prepared in accordance with the provisions of all applicable Laws and are true, correct and complete in all material respects;
- (iv) All Governmental Charges owing by the Limited Partnerships, the General Partners, the Trustees and the Nominees in respect of its activities through the date hereof have been fully paid or fully disclosed and fully provided for in the financial statements of the Limited Partnership and all Governmental Charges that may become payable by it for periods (or portions thereof) commencing prior to the date hereof have been fully disclosed and fully provided for by each Limited Partnership;
- (v) There are no outstanding agreements or waivers providing for an extension of time with respect to the assessment or reassessment of any Governmental Charges or the filing of any return by, or any payment of any Governmental Charges by, any Limited Partnership, the General Partner, the Trustee and the Nominee, no notice of assessment or reassessment has been received and remains outstanding;
- (vi) There is no power of attorney currently in force with respect to taxes of any Limited Partnership, General Partner, Trustee or Nominee;
- (vii) All elections filed by the Limited Partnerships, the General Partners, the Trustees and the Nominees pursuant to any applicable Sales Tax have been validly and timely filed;
- (viii) There are no Encumbrances on any of the assets of any Limited Partnership, General Partner, Trustee, Nominee or the Vendor that arose in connection with any failure (or alleged failure) to pay any Governmental Charges; and

(ix) None of the Vendors (in relation to the Purchased Securities) or any of the Limited Partnerships, General Partners, Trustees or Nominees is doing business in or otherwise active in any jurisdiction in which it has not filed all required tax filings, and no notice or inquiry has been received from any jurisdiction in which tax filings have not been made by the Vendors (in relation to the Purchased Securities) or any of the Limited Partnerships, General Partners, Trustees or Nominees to the effect that tax filings may be required.

(dd) **Nominees.**

(i) Each of the Nominees is a corporation duly incorporated and validly existing under the laws of its incorporating jurisdiction and has all necessary corporate power, authority and capacity to own its legal title to the Properties; and

(ii) Each Vendor is the sole registered and beneficial owner of the Nominee Shares set forth under its name in Schedule F. The Nominee Shares constitute all of the issued and outstanding shares in the capital of the Nominees. The disposition of the Nominee Shares will not violate, contravene, breach or offend against or result in any default under any material indenture, mortgage, lease, agreement, obligation, instrument, charter or by-law provision, order, judgment, decree, licence, permit or Applicable Law, to which the relevant Vendor is a party or by which the relevant Vendor is subject to or bound or affected by or give rise to any Governmental Charges to the Nominee. The Nominee Shares are not subject to the terms of any shareholders agreement.

(ee) **General Partners.**

(i) Each of the General Partners is a corporation duly incorporated and validly existing under the laws of its incorporating jurisdiction and has all necessary corporate power, authority and capacity to own its legal title to the Properties; and

(ii) Each Vendor is the sole registered and beneficial owner of the GP Shares set forth under its name in Schedule H. The GP Shares constitute all of the issued and outstanding shares in the capital of the General Partners. The relevant Vendor shall dispose of the GP Shares as provided in this Agreement and such disposition will not violate, contravene, breach or offend against or result in any default under any material indenture, mortgage, lease, agreement, obligation, instrument, charter or by-law provision, order, judgment, decree, licence, permit or Applicable Law, to which the relevant Vendor is a party or by which the Vendor is subject to or bound or affected by or give rise to any Governmental Charges to any of the General Partners. The GP Shares are not subject to the terms of any shareholders agreement.

4.2 Representations of Homco (12)

Homco (12) hereby represents and warrants to and in favour of the Purchaser on its own behalf and, where applicable, solely with respect to those Properties owned directly or indirectly by the Hardegane Subsidiaries, that, as of the date of this Agreement:

- (a) **Organization and Status of the Vendor.** The Vendor is a partnership existing under the laws of the Province of Nova Scotia. The Vendor is duly qualified to carry on its activities in each jurisdiction in which the conduct of its activities or the ownership, leasing or operation of its property and assets, requires such qualification.
- (b) **Organization and Status of the Company.** The Company is a corporation existing under the laws of Prince Edward Island. The Company is duly qualified to carry on its activities in each jurisdiction in which the conduct of its activities or the ownership, leasing or operation of its property and assets, requires such qualification.
- (c) **Organization and Status of Subsidiaries.** Each of the Hardegane Subsidiaries is a corporation existing under the laws of its jurisdiction of incorporation and is duly qualified to carry on its activities in each jurisdiction in which the conduct of its activities or the ownership, leasing or operation of its property and assets, requires such qualification.
- (d) **Capitalization.** The authorized and issued share capital of each of the Company and the Hardegane Subsidiaries is as set forth in Schedule I. All of Homco (12) Purchased Securities have been duly and validly issued and are outstanding as fully paid and non-assessable shares. No options, warrants or other rights to purchase shares or other securities of the Company or any of the Hardegane Subsidiaries and no securities or obligations convertible into or exchangeable for shares or other securities of the Company or any of the Hardegane Subsidiaries have been authorized or agreed to be issued or are outstanding.
- (e) **Registration.** Each of the Company and the Hardegane Subsidiaries is registered, licensed or otherwise qualified as an extra-provincial corporation in every jurisdiction in which it is required to be registered, licensed or otherwise qualified as an extra-provincial corporation.
- (f) **Power of the Vendor and Due Authorization.** The Vendor has the necessary authority, power and capacity to enter into and perform its obligations under this Agreement. This Agreement has been duly authorized, executed and delivered by the general partner on behalf of the Vendor and is a legal, valid and binding obligation of the Vendor enforceable against it in accordance with its terms, subject only to applicable bankruptcy, insolvency and similar laws affecting creditors' rights generally and the availability of equitable remedies only in the discretion of the court.
- (g) **Non-Contravention.** The execution and delivery by the Vendor's general partner on behalf of the Vendor of this Agreement, the performance by the Vendor of its

obligations hereunder and the completion of the Transaction does not (or shall not with the giving of notice, the lapse of time or the happening of any other event or condition) result in:

- (i) a breach or a violation of, or conflict with or result in a default under, or allow any Person to exercise any rights (including any right of termination or right of first refusal) under:
 - (A) its constating documents;
 - (B) the constating documents of each of the Hardegane Subsidiaries;
 - (C) any Applicable Law or judgment, decree, writ, injunction, order or award of any Governmental Authority having jurisdiction over such party; or
 - (D) any Contract, Permitted Encumbrance, licence or permit to which it is a party or by which its property or assets (or the properties or assets of the Company and the Hardegane Subsidiaries) may be affected.

except in each respect of (B) and (C), any breach, violation, conflict or default that would not result in a Material Adverse Effect on the Purchaser, taken as a whole,

- (ii) the creation, transfer or imposition of any Encumbrance (other than a Permitted Encumbrance) on any of the Homco (12) Purchased Securities.
- (h) **Residence.** The Vendor and each of its partners are not non-residents of Canada for purposes of the Tax Act.
- (i) **Ownership of the Purchased Securities.** The Homco (12) Purchased Securities represent all of the issued and outstanding shares of the Company. The Vendor is the sole registered and beneficial owner of the Homco (12) Purchased Securities free and clear of all Encumbrances. The Homco (12) Purchased Securities are not subject to (i) the terms of any shareholders agreement, or (ii) any voting trust, unitholder agreement, voting agreement or any other rights or agreements affecting the Homco (12) Purchased Securities.
- (j) **No Options or Agreements to Purchase the Homco (12) Purchased Securities or Properties.** Except for matters disclosed to the Purchaser in Section 4.2(j) of Schedule G, Homco (12) has not entered into any agreement, option, understanding or commitment, or granted any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, option or commitment with any Person (other than the Purchaser), for the purchase or other acquisition from it of any of the Homco (12) Purchased Securities or Properties directly or indirectly owned by it, or any rights or interest therein, other than those which would not have a Material Adverse Effect.

- (k) **Approvals.** To the Vendor's Knowledge, other than the Lender Approvals, no consent, approval, authorization or order of, no notice to, and no filing, registration or recording with, any Governmental Authority or other third party is required (or shall be required by the giving of notice, the lapse of time or the happening of any other event or condition) by the Vendor in connection with the execution and delivery of this Agreement or the performance by the Vendor of its obligations hereunder and the consummation by it of the Transaction.
- (l) **Commissions.** The Vendor has not entered into any agreement that would entitle any Person to a valid claim against the Purchaser for any broker's commission, finder's fee or any similar payment with respect to the Transaction.
- (m) **Financial Statements.** The unaudited financial statements for the Company and the Hardegane Subsidiaries are correct and complete in all material respects and present fairly the assets, liabilities (whether accrued, absolute, contingent or otherwise) and financial condition of the Company and the Hardegane Subsidiaries, as at their respective dates and the earnings and results of operations of the Company and the Hardegane Subsidiaries, for the periods covered by the respective financial statements.
- (n) **Indebtedness.** Except for the Existing Homburg Debt, neither of the Company or any of the Hardegane Subsidiaries have any outstanding bonds, debentures, notes, mortgages, trust indentures, loan agreements or other indebtedness or liabilities for borrowed money (which, for greater certainty, excludes capital leases, trade indebtedness and taxes incurred in the ordinary course).
- (o) **Properties.** Except for matters which would have a Material Adverse Effect as disclosed to the Purchaser in Section 4.2(o) of Schedule G, subject to the disclosure in the Prospectus, the Hardegane Subsidiaries have good title to the applicable Properties free and clear of all Encumbrances, except Permitted Encumbrances, and the Hardegane Subsidiaries have not entered into any agreement, option, understanding or commitment, or granted any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, option or commitment with any Person (other than the Purchaser), for the purchase or other acquisition from a Hardegane Subsidiary of any of the Properties owned by it, or any rights or interest therein.
- (p) **Chattels.** Except for ordinary wear and tear, the Chattels are in good conditions and repair having regard to their use and age and suitable for the uses to which they are being put.
- (q) **No Litigation.** There are no actions, suits, litigation, statutory prosecution or other proceedings, arbitration, mediation or other proceedings (including orders, appeals and applications for review) commenced, which would have a Material Adverse Effect, or, to the Vendor's Knowledge, threatened against or affecting the Company or the Hardegane Subsidiaries or the occupancy or use of the Properties by any Tenants, in law or in equity, which would have a Material Adverse Effect or which may affect the validity of this Agreement or the

Transaction or any other agreement provided for in this Agreement, the Leases or title to the Properties.

- (r) **No Construction Liens.** All accounts for work and services performed or materials placed or furnished upon or in respect of construction at the Properties (excluding all Tenant work not undertaken by or on behalf of the landlord of the Leases being subject thereto) have been fully paid and no one is entitled to claim a lien or legal hypothec under any applicable construction lien legislation for work performed by or on behalf of any of the Hardegane Subsidiaries.
- (s) **Leases.** With respect to each of the Leases, except as set out in the Leases, otherwise disclosed to the Purchaser in the Lease Reports or for any non-compliance which would have a Material Adverse Effect.
 - (i) the only material Leases affecting the Properties are those in connection with the tenancies set out in the rent rolls delivered to the Purchaser. The particulars of the rent rolls are full, complete and accurate in all material respects as at the date noted therein;
 - (ii) other than the Leases identified in the rent rolls, there are no material agreements, offers to lease, licences or other occupancy rights affecting the Properties and the Tenants or their assignees or subtenants are in possession and occupying their premises at the Properties and paying full rent as required under the Leases in all material respects;
 - (iii) no Tenant is in material default;
 - (iv) no defence, right to set-off, litigation or counterclaim that would be material to any of the Properties has been asserted against any Subsidiary by any Tenant in respect of the Properties;
 - (v) no Tenant has prepaid rent or deposited security in excess of one month's rent and there are no rent-free periods; and
 - (vi) each of the Hardegane Subsidiaries under the Leases has performed all of its material obligations and observed all of the material conditions required of it under all Leases and no default on the part of the Hardegane Subsidiaries or other event of any kind has occurred or condition exists (or which with the giving of notice or lapse of time, or both, would be a default) or agreement entered into which would permit any of the Tenants to terminate their Lease or withhold or reduce payment of rent.
- (t) **Existing Homburg Debt.** Each of the Existing Homburg Debt is in good standing and is unamended save as disclosed by registered title to the relevant Property.
- (u) **No Expropriation.** None of the Properties nor any material part thereof has been expropriated, no Hardegane Subsidiary has received written notice of any

contemplated, pending or threatened expropriation proceedings affecting the Properties or any part thereof which would have a Material Adverse Effect.

- (v) **Environmental Matters.** Except as disclosed in the ESA Reports or for any non-compliance which would not have a Material Adverse Effect:
 - (i) the Properties are in compliance with Environmental Laws and have been used or are used in compliance with Environmental Laws;
 - (ii) there are no Hazardous Material present in, on, under or originating from the Properties in violation of Environmental Laws;
 - (iii) there are no underground or aboveground storage tanks in, on or under the Properties which are not in compliance with Environmental Laws; and
 - (iv) none of the Hardegane Subsidiaries, their property managers or the Tenants have received any notice of non-compliance with, complaint or claim or have reasonable grounds to believe that any facts could give rise to any notice of non-compliance, complaint or claim with respect to any Environmental Laws pertaining to the Properties.
- (w) **Material Contracts.** To the Vendor's Knowledge, there is no state of facts that (with or without the lapse of time, the giving of notice or both) would constitute a breach or default or result in the acceleration of the performance, cancellation, termination, or modification by any party to any material Contract (other than Leases). No Subsidiary has received any notice or other communication (whether written or otherwise) of any actual or alleged breach or default under any material Contract, except to the extent such breaches or defaults have been cured or would not, taken as a whole, be material to the Purchaser.
- (x) **Realty Taxes.** Unless otherwise under appeal as set out in Section 4.2(x) of Schedule G, all realty taxes, rates, levies and assessments which are accrued and due and owing as of the date of this Agreement have been paid in full to the date hereof, including, without limitation, all local improvement charges, development, severance, park, sewer or other special charges or levies.
- (y) **Permits.** Each permit relating to the Properties is valid, subsisting and in full force and effect and the Hardegane Subsidiaries are not in violation, default or breach of any such permit, and no proceeding is pending or, to the Vendor's Knowledge, threatened for violation of or to revoke or limit any such permit, except for any violation, default or breach which would not, individually or in the aggregate, have a Material Adverse Effect. There is no requirement to make any filing with, give any notice to or obtain any consent or approval of, any Governmental Authority as a condition of transferring permits as contemplated by this Agreement, except for such filings, notices, consents or approvals for which the failure to make or obtain would not, individually or in the aggregate, have a Material Adverse Effect.

- (z) **Land Use.** No Hardegane Subsidiary has received notice from any Governmental Authority of any pending or threatened change to any official plan, zoning by-law or other public land use control which would have a Material Adverse Effect, or that would materially limit the ability to use such Properties in a manner consistent with their current use, which pending or threatened change remains outstanding.
- (aa) **Work Orders.** No Hardegane Subsidiary or, to Vendor's Knowledge, any Tenant has received any notification from any Governmental Authority, or has reasonable grounds to believe that any facts could give rise to any such notice, that any work, repairs, construction or capital expenditures are required to be made in respect of the Properties, including, without limitation, matters within the jurisdiction of the applicable fire and health departments or any part thereof as a condition of continued compliance with any Applicable Laws.
- (bb) **Employees.** There are no Persons employed by the Hardegane Subsidiaries or any of their respective agents, or otherwise performing work, in respect of the Subsidiaries or their maintenance, operation or servicing, for which the Purchaser shall or may have responsibility or liability, whether under any Applicable Laws.
- (cc) **Access.** To the Vendor's Knowledge, there is legal access to and legal egress from each of the Properties.
- (dd) **Prospectus.** The Prospectus provides full, true and plain disclosure of all material facts relating to the Properties, the Homco (12) Purchased Securities and the Hardegane Subsidiaries with respect thereto and does not contain a misrepresentation (as defined in the *Securities Act* (Ontario)).
- (ee) **Taxes.**
 - (i) The Company and the Hardegane Subsidiaries have duly and timely made or prepared all Tax Returns required to be made or prepared by it, have duly and timely filed all Tax Returns required to be filed by it with the appropriate Governmental Authority and have duly, completely and correctly reported all income and all other amounts and information required to be reported thereon.
 - (ii) The Company and the Hardegane Subsidiaries have duly and timely paid all Taxes, including all installments on account of Taxes for the current year, arising from any activities of the Company or the Hardegane Subsidiaries or transactions undertaken by the Company or the Hardegane Subsidiaries on or prior to the date hereof or otherwise whether or not shown as payable on a Tax Return or assessed by the appropriate Governmental Authority.
 - (iii) The Company and the Hardegane Subsidiaries have not requested, offered to enter into or entered into any agreement or other arrangement, or executed any waiver, providing for any extension of time within which (a) to file any Tax Return covering any Taxes for which the Company or any

Hardegane Subsidiary is or may be liable; (b) to file any elections, designations or similar filings relating to Taxes for which the Company or any Hardegane Subsidiary is or may be liable; (c) the Company or any Hardegane Subsidiary is required to pay or remit any Taxes or amounts on account of Taxes; or (d) any Governmental Authority may assess or collect Taxes for which the Company or any Hardegane Subsidiary is or may be liable.

- (iv) All income, sales (including goods and services, harmonized sales and provincial or territorial sales) and capital tax liabilities of the Company and the Hardegane Subsidiaries have been assessed by the relevant Governmental Authorities and notices of assessment have been issued to the Company by the relevant Governmental Authorities for all taxation years or periods ending prior to and including the taxation year or period ended December 31, 2008.
- (v) There are no proceedings, investigations, audits or Claims now pending or threatened against the Company or any Hardegane Subsidiary in respect of any Taxes and there are no matters under discussion, audit or appeal with any Governmental Authority relating to Taxes.
- (vi) The Company and the Hardegane Subsidiaries have duly and timely withheld all Taxes and other amounts required by Applicable Laws to be withheld by it (including Taxes and other amounts required to be withheld by it in respect of any amount paid or credited or deemed to be paid or credited by it to or for the account or benefit of any Person, including any employee, officer or director and any non-resident Person), and has duly and timely remitted to the appropriate Governmental Authority such Taxes and other amounts required by Applicable Laws to be remitted by it.
- (vii) The Company and the Hardegane Subsidiaries have duly and timely collected all amounts on account of any sales or transfer taxes, including goods and services, harmonized sales and provincial or territorial sales taxes, required by Applicable Laws to be collected by it and has duly and timely remitted to the appropriate Governmental Authority any such amounts required by Applicable Laws to be remitted by it.
- (viii) The Company and the Hardegane Subsidiaries have not acquired property from any Person in circumstances where the Company and the Hardegane Subsidiaries did or could become liable for any Taxes of such Person. The value of the consideration paid or received by the Company or the Hardegane Subsidiaries for the acquisition, sale, transfer or provision of property (including intangibles) or the provision of services (including financial transactions) from or to a person with whom the Company or any Hardegane Subsidiary was not dealing at arm's length within the meaning of the Tax Act was equal to the fair market value of such property acquired, provided or sold or services purchased or provided.

- (ix) The Company and the Hardegane Subsidiaries are duly registered under subdivision (d) of Division V of Part IX of the ETA with respect to the goods and services tax and harmonized sales tax and the Company's and the Hardegane Subsidiaries' registration numbers are: 10227 3919 RT0001, 10153 4253 RT0001, 13524 5355 RT0001 and 86117 2153 RT0001 (being the numbers of the Company, Dyne Holdings Limited, Kent Realty Limited and Fitzroy Development Inc., respectively). All input tax credits claimed by the Company and the Hardegane Subsidiaries for GST purposes were calculated in accordance with Applicable Law.
 - (x) None of the Company or any of the Hardegane Subsidiaries is doing business in or otherwise active in any jurisdiction in which it has not filed all required tax filings, and no notice or inquiry has been received from any jurisdiction in which tax filings have not been made by the Company or any of the Hardegane Subsidiaries to the effect that tax filings may be required.
 - (xi) Homco (12) is not a non-resident of Canada or a partnership other than a Canadian Partnership within the meaning of section 116 of the Tax Act.
- (ff) **Corporate Records.**
- (i) The articles and by-laws for each of the Company and the Hardegane Subsidiaries, including any and all amendments, have been delivered or made available to the Purchaser and such Articles and by-laws as so amended are in full force and effect and no amendments are being made to them.
 - (ii) The corporate records and minute books for each of the Company and the Hardegane Subsidiaries have been delivered or made available to the Purchaser. The minute books include complete and accurate minutes of all meetings of the directors or shareholders for each of the Company and the Hardegane Subsidiaries held to date or resolutions passed by the directors or shareholders on consent, since the date of its incorporation. The share certificate book, register of shareholders, register of transfers and register of directors for each of the Company and the Hardegane Subsidiaries are complete and accurate.

4.3 Purchaser's Representations

The Purchaser hereby represents and warrants to and in favour of the Vendor that, as of the date of this Agreement:

- (a) **Corporate Status.** The Purchaser is a limited partnership existing under the laws of the Province of Québec and has all necessary power and authority to execute and deliver this Agreement and to perform its obligations under this Agreement. Homburg GP is the general partner of the Purchaser. The REIT and Homburg Canada are the limited partners of the Purchaser; and

- (b) **Due Authorization and Enforceability.** This Agreement has been duly authorized by all requisite proceedings of the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser, enforceable against the Purchaser by the Vendor in accordance with its terms.

4.4 “As Is, Where is” Purchase

The Purchaser hereby acknowledges and agrees that:

- (a) except for the Vendor’s representations and warranties set out in Sections 4.1 and 4.2 , the indirect interests in the Properties are being sold and purchased on an “as is, where is” basis as of the date of this Agreement, without any express or implied agreement or representation or warranty of any kind whatsoever as to the title, physical condition, fitness for a particular purpose or otherwise with respect to the Properties, the parties hereby agreeing to exclude the effect of the legal warranty provided for by Article 1716 of the *Civil Code of Québec*, and that the Purchaser, except to the extent specifically set forth in this Agreement, is purchasing the Purchased Securities and the indirect interests in the Properties at its own risk within the meaning of Article 1733 of the *Civil Code of Québec*;
- (b) except as otherwise expressly provided for in this Agreement (including, without limitation, reliance by the Purchaser on the ESA reports), the Vendor does not make or give any representations and warranties concerning any statements made or other information delivered or made available to the Purchaser (whether by the Vendor, the Vendor’s lawyers or any other agents, or representatives or advisors of the Vendor, or any other Person) with respect to the Properties;
- (c) except pursuant to a Claim brought under the terms of Article 5, the Vendor shall not have any liability, obligation or responsibility to the Purchaser after the date hereof with respect to any matter relating to the Purchased Securities or the Properties and the Purchaser hereby releases and forever discharges the Vendor from any such obligation, liability or responsibility, known or unknown, contingent or otherwise; and
- (d) except as otherwise expressly provided in this Agreement, the Purchaser hereby unconditionally and irrevocably waives any and all actual or potential rights or claims the Purchaser might have against the Vendor pursuant to any warranty, express or implied, legal or conventional, of any kind or type, other than those representations and warranties expressly set forth in this Agreement. Such waiver is absolute, unlimited, and includes, but is not limited to, waiver of express warranties, implied warranties, any warranties of fitness for a particular use, warranties of merchantability, warranties of occupancy, strict liability and claims of every kind and type, including, but not limited to, claims regarding defects, whether or not discoverable or latent, product liability claims, or similar claims.

4.5 Survival of Representations and Indemnities

The representations and warranties contained in Sections 4.1 and 4.2 and in all certificates and documents delivered pursuant to or contemplated by this Agreement and the indemnity set out in

Sections 2.7, 5.1 and 5.2 and in the agreements delivered on the date hereof by either the Vendor or the Purchaser shall survive the consummation of the Transaction and continue in full force and effect for a period of 18 months from the date hereof, except that:

- (a) the representations and warranties contained in Subsections 4.1(bb) and 4.2(dd) (Prospectus) shall survive the consummation of the Transaction and continue in full force and effect until the expiry of the limitation periods applicable to a recourse pursuant to Section 218 of the *Securities Act* (Québec) with respect to a misrepresentation in the Prospectus;
- (b) the representations and warranties contained in Subsection 4.1(cc) and 4.2(ee) (Taxes) shall survive the consummation of the Transaction and shall continue in full force and effect until 120 days after the expiration of the period, if any, during which Canada Revenue Agency or any other authority is entitled to issue an assessment, reassessment or other form of recognized document assessing liability for tax, interest or penalties under applicable legislation in respect of any taxation year to which such representations and warranties extend (including all related appeal periods); and
- (c) a Claim for any breach of any of the representations and warranties contained in this Agreement involving fraud or fraudulent misrepresentation may be made at any time subject only to applicable limitation periods imposed by Applicable Laws.

4.6 Assignment of Contracts

In the event the completion of the Transaction requires the consent of a third party under any Contract, the applicable Vendor shall, at the request of the Purchaser:

- (a) apply for and use all reasonable efforts to obtain all consents or approvals contemplated by any Contract;
- (b) co-operate with the Purchaser in any reasonable arrangements designed to provide the benefits of such Contract to the Purchaser;
- (c) enforce any rights of such Vendor arising from such Contracts against the issuer thereof or the other party or parties thereto;
- (d) take all such actions and do, or cause to be done, all such things at the request of the Purchaser as shall reasonably be necessary in order that the value of such Contract shall be preserved and shall enure to the benefit of the Purchaser; and
- (e) pay over to the Purchaser all monies collected by or paid to such Vendor in respect of such Contract.

ARTICLE 5 INDEMNIFICATION

5.1 Indemnification by the Vendors

As of the date hereof, subject to Section 5.3, each of the Vendors, on its own behalf, agrees to indemnify and save harmless the Purchaser from all Losses suffered or incurred by the Purchaser as a result of or arising directly or indirectly out of or in connection with:

- (a) any breach by a Vendor of or any inaccuracy of any representation or warranty of such Vendor contained in this Agreement or in any other document delivered by or on behalf of such Vendor pursuant hereto (provided that such Vendor shall not be required to indemnify or save harmless the Purchaser in respect of any such breach or inaccuracy of any representation or warranty unless the Purchaser shall have provided notice to such Vendor in accordance with Section 5.4);
- (b) any breach or non-performance by a Vendor of any covenant to be performed by it which is contained in this Agreement or in any other document delivered pursuant hereto; and
- (c) any Claim against the Purchaser by the applicable Vendor's creditors or by any Person arising from such Vendor's failure to comply with any Applicable Laws, including Environmental Laws.
- (d) Recognizing that the ownership of certain properties through Homburg Trust (186), Homburg Trust (187), Homburg Trust (188) and Homburg Trust (189) results from transfers with respect to which each such trust claimed a specific exemption under the *Act Respecting Duties on Transfers of Immoveables* (Québec). In addition to the general indemnification provided in this Section 5.1, the Vendors further agree as follows:
 - (i) The Vendors jointly and severally agree to completely discharge in the manner reasonably requested by the Purchaser any and all land transfer taxes, interest and penalties or similar charges (including, without limitation, duties interest and penalties under the *Act Respecting Duties On Transfers of Immoveables* (Québec)) arising from any of the above transactions when such amounts are finally determined. If discharging any such amount, or transferring amounts at the request of the Purchaser for the purpose of discharging such amount, results in a Loss for the Purchaser, its partners or any of its affiliates, including any Taxes payable, then the Vendors shall indemnify and save harmless the Purchaser from such Loss.
 - (ii) In addition to the Vendors' indemnification obligations under this Section 5.1, the Vendors agree to jointly and severally indemnify and save harmless the Purchaser from all Losses suffered or incurred by the Purchaser as a result of a breach of the covenant at Subsection 5.1(d)(i).

- (iii) Notwithstanding anything to the contrary in this Agreement, if a breach of the covenant at Subsection 5.1(d)(i) constitutes an “Event of Default” under the Movable Hypothec Agreement, then the Purchaser without notice to the Vendors shall be entitled to request that the REIT enforce its rights under the Movable Hypothec Agreement in order to discharge the applicable debt.
- (iv) Notwithstanding Section 4.5, this Subsection 5.1(d) shall survive the consummation of the Transaction and continue in full force and effect until the later of (A) 120 days after the applicable prescription period, (B) 120 days after the final determination of any dispute relating to any challenge of any of the claimed exemptions described in the first paragraph of this Subsection 5.1(d).
- (v) Section 5.3 shall not be applicable to Claims under this Subsection 5.1(d). Once the Purchaser has knowledge of a Claim under this Subsection 5.1(d), it shall promptly give the Vendors notice of such Claim.

5.2 Indemnification by the Purchaser

As of the date hereof, subject to Section 5.3, the Purchaser agrees to indemnify and save harmless the Vendors from all Losses suffered or incurred by the Vendors as a result of or arising directly or indirectly out of or in connection with:

- (a) any breach or non-performance by the Purchaser of any covenant to be performed by it which is contained in this Agreement or in other delivered any document pursuant hereto; and
- (b) any Claim against the Vendors attributable to events occurring after the date of this Agreement in respect of the Purchased Securities or the present or future use thereof or events, circumstances or conditions now or hereafter existing or occurring therein or thereon not otherwise governed by Section 5.1 of this Agreement.

5.3 Limitations on Indemnification

Notwithstanding Sections 5.1 and 5.2 or any other provision in this Agreement to the contrary, the obligations of the Vendors and the Purchaser to indemnify and save harmless each other in accordance with this Article 5 shall be subject to and limited by each of the following qualifications:

- (a) except with respect to Claims arising under Subsection 4.1(cc) and 4.2(ee), no Party shall be entitled to make a claim for indemnification for any Loss pursuant to this Article 5 until the aggregate of the Losses suffered by such Party prior to that time, including the Loss in question, exceeds an amount equal to \$930,000 (the “**Deductible**”) at which time such Party shall be entitled to indemnification pursuant to this Article 5 only for the excess of the aggregate amount of Losses over the Deductible;

- (b) except with respect to Claims arising under Subsection 4.1(cc) and 4.2(ee), the aggregate maximum liability of the Vendors and the Purchaser with respect to any Claim(s) for indemnification pursuant to this Article 5 for Losses suffered or incurred by the Purchaser and the Vendors, respectively, shall be limited to \$116,250,000; and
- (c) each Indemnifying Party shall be given a reasonable opportunity to remedy any breach of representation, warranty or covenant capable of being remedied before any indemnity obligation will arise.

5.4 Notice of Claim

In the event that a Party hereto (the “**Indemnified Party**”) shall become aware of any Claim in respect of which the other Party (the “**Indemnifying Party**”) has agreed to indemnify the Indemnified Party pursuant to this Agreement, the Indemnified Party shall promptly give a Notice thereof to the Indemnifying Party, but in any event within 18 months of the date hereof save and except for:

- (a) a Claim relating to Subsection 4.1(bb) and 4.2(dd) (Prospectus) which Notice shall be given within the period ending 120 days after the applicable prescription period;
- (b) a Claim relating to Subsection 4.1(cc) and 4.2(ee) (Taxes) which Notice shall be given within the period ending 120 days after the applicable appeal period; and
- (c) a Claim for any breach of any of the representations and warranties contained in this Agreement involving fraud or fraudulent misrepresentation which Notice shall be given before the expiry of the limitation period under Applicable Laws.

Such notice shall specify whether the Claim arises as a result of a Claim by a person against the Indemnified Party (a “**Third Party Claim**”) or whether the Claim does not so arise (a “**Direct Claim**”), and shall also specify with reasonable particularity (to the extent that the information is available) the factual basis for the Claim and the amount of the Claim, if known. If, through the fault of the Indemnified Party, the Indemnifying Party does not receive notice of any Claim within the periods set out in this Section 5.4 and is actually prejudiced as a result, the Indemnifying Party shall be entitled to set off against the amount claimed by the Indemnified Party the amount of any Losses actually incurred by the Indemnifying Party resulting from the Indemnified Party’s failure to give such Notice on a timely basis.

5.5 Direct Claims

With respect to any Direct Claim, following receipt of notice from the Indemnified Party of the Claim, the Indemnifying Party shall have 60 days to make such investigation of the Claim as is considered reasonably necessary or desirable. For the purpose of such investigation, the Indemnified Party shall make available to the Indemnifying Party the information relied upon by the Indemnified Party to substantiate the Claim, together with all such other information as the Indemnifying Party may reasonably request. If both parties agree at or prior to the expiration of such 60-day period (or any mutually agreed upon extension thereof) to the validity and amount of such Claim, the Indemnifying Party shall immediately pay to the Indemnified Party the full

agreed upon amount of the Claim, on an after tax basis failing which the matter shall be referred to binding arbitration in such manner as the parties may agree or shall be determined by a court of competent jurisdiction.

5.6 Third Party Claims

With respect to any Third Party Claim, the Indemnifying Party shall have the right, at its expense, to participate in or assume control of the negotiation, settlement or defence of the Claim and, in such event, the Indemnifying Party shall reimburse the Indemnified Party for all the Indemnified Party's out-of-pocket expenses before such event or as a result of such participation or assumption and the Indemnified Party shall provide such written authorizations for the Indemnifying Party to so participate or conduct the dispute and sign such notices or statements of claim as the Indemnifying Party may reasonably request. If the Indemnifying Party elects to assume such control, the Indemnified Party shall have the right to participate in the negotiation, settlement or defence of such Third Party Claim and to retain counsel to act on its behalf, provided that the fees and disbursements of such counsel shall be paid by the Indemnified Party unless the Indemnifying Party consents to the retention of such counsel or unless the named parties to any action or proceeding include both the Indemnifying Party and the Indemnified Party and the representation of both the Indemnifying Party and the Indemnified Party by the same counsel would be inappropriate due to the actual or potential differing interests between them (such as the availability of different defences). If the Indemnifying Party, having elected to assume such control, thereafter fails to defend the Third Party Claim within a reasonable time or if the Indemnifying Party subsequently chooses to relinquish such control, the Indemnified Party shall be entitled to assume such control, and the Indemnifying Party shall be bound by the results obtained by the Indemnified Party with respect to such Third Party Claim. If any Third Party Claim is of a nature such that (a) it will give rise to a statutory penalty or obligation to pay statutory interest; or (b) the Indemnified Party is required by applicable law or the order of any court, or tribunal regulatory body having jurisdiction to make any payment to any person other than a party hereto with respect to the Third Party Claim before the completion of settlement negotiations or related legal proceedings, as the case may be, the Indemnified Party may make such payment and the Indemnifying Party shall, forthwith after demand by the Indemnified Party, reimburse the Indemnified Party for such payment, on an after tax basis. If the amount of any liability of the Indemnified Party under the Third Party Claim in respect of which such payment was made, as finally determined, is less than the amount which was paid by the Indemnifying Party to the Indemnified Party, the Indemnified Party shall, forthwith after receipt of the difference from such person other than a party hereto, pay the amount of such difference to the Indemnifying Party. If such payment, by resulting in settlement of the Third Party Claim, precludes a final determination of the merits of the Third Party Claim and the Indemnified Party and the Indemnifying Party are unable to agree whether such payment was reasonable in the circumstances having regard to the amount and merits of the Third Party Claim, such dispute shall be referred to binding arbitration in such manner as the parties may agree or shall be determined by a court of competent jurisdiction.

5.7 Settlement of Third Party Claims

If the Indemnifying Party fails to or elects not to assume control of the defence of any Third Party Claim, the Indemnified Party shall have the exclusive right to contest, settle or pay the amount claimed. Whether or not the Indemnifying Party assumes control of the negotiation, settlement or defence of any Third Party Claim, the Indemnifying Party shall not settle any Third

Party Claim without the written consent of the Indemnified Party, which consent shall not be unreasonably withheld or delayed.

5.8 Co-operation

The Indemnified Party and the Indemnifying Party shall co-operate fully with each other with respect to Third Party Claims, and shall keep each other fully advised with respect thereto (including, without limitation, supplying copies of all relevant documentation promptly as it becomes available and allowing for attendance and participation in meetings or calls with any Governmental Authority).

5.9 Exclusivity

Notwithstanding anything to the contrary contained in this Agreement, the provisions of this Article 5 shall apply to any Claim (and any Loss relating thereto) for breach of any covenant, representation, warranty or other provision of this Agreement or any agreement, certificate or other document delivered pursuant hereto (other than a claim for specific performance or injunctive relief) with the intent that all such Claims shall be subject to the limitations and other provisions contained in this Article 5.

5.10 Tax Treatment of Indemnification

Each Vendor and the Purchaser agree to:

- (a) treat all payments made by either of the them to or for the benefit of the other under this Article 5 as adjustments to the Purchase Price, except to the extent that the Applicable Laws of a particular jurisdiction provide otherwise, in which case such payments shall be made in an amount sufficient to indemnify the relevant party on an after-tax basis; and
- (b) reduce any payment to the extent of any insurance proceeds received by the Indemnified Party in respect of such Claim.

ARTICLE 6

UPDATED ESA REPORTS AND BUILDING INSPECTION REPORTS

6.1 Updated ESA Reports and Building Inspection Reports

- (a) For each Property for which the latest Phase I ESA Report was prepared before 2009, the REIT will obtain an updated Phase I ESA Report and, where recommended, an updated Phase II ESA Report (each an “**Updated ESA Report**”) from an independent consultant on the same terms as the existing ESA Report, within a period of 90 days following the date hereof. To the extent that an Updated ESA Report indicates that any environmental contamination or other environmental issues have arisen since the most recent applicable ESA Report, the applicable Vendor will pay to the Purchaser the full cost of further investigations, remediation and/or monitoring required to address same in accordance with the recommendations of any Updated ESA Report (the “**Remediation Cost**”), and shall pre-fund the estimated cost as determined by the

independent consultant required for same upon issuance of an Updated ESA Report (including cost estimates for the implementation of recommendations) subject to adjustments compared to actual Remediation Cost upon completion of recommended works.

- (b) For each Property for which the latest Building Inspection Report was prepared before 2009, the REIT will obtain an updated Building Inspection Report (an “**Updated Building Inspection Report**”) from an independent consultant on the same terms as the existing Building Inspection Report, within a period of 90 days following the date hereof. To the extent the Updated Building Inspection Reports for the Properties and those properties to be indirectly sold to the Purchaser on the date hereof by Homburg Canada pursuant to the Homburg Canada Master Purchase Agreement indicate that the total required non-recoverable five year uninflated annual capital expenditures in respect of the Properties is greater than the total amount of approximately \$28.5 million budgeted for expenditures as described under the “Assessment and Valuation of the Initial Properties and Management Business - Property Condition Assessments” section of the Prospectus, the applicable Vendor(s) will pay to the Purchaser its proportionate share of an amount equal to the five year expected net present value of such excess (calculated using a discount rate equal to the appropriate Government of Canada bond rate) in cash upon delivery of the Updated Building Inspection Reports (the foregoing calculation shall be pro-rated between the annual capital expenditures in respect of the Properties and the annual capital expenditures, if any, for the properties to be indirectly sold to the Purchaser by Homburg Canada pursuant to the Homburg Canada Master Purchase Agreement).

6.2 Reliance Letters

The Vendors will use commercially reasonable efforts to obtain reliance letters from Pinchin LeBlanc with respect to the ESA Reports which it prepared. The delivery of such reliance letters shall not be a condition to consummation of the Transaction.

ARTICLE 7 GENERAL

7.1 Obligations as Covenants

Each agreement and obligation of any of the parties hereto in this Agreement, even though not expressed as a covenant, is considered for all purposes to be a covenant.

7.2 Amendment of Agreement

No supplement, modification, waiver or termination of this Agreement shall be binding unless executed in writing by the parties hereto in the same manner as the execution of this Agreement.

7.3 Time of the Essence

Time shall be of the essence of this Agreement.

7.4 Further Assurances

Each of the parties hereto shall from time to time hereafter and upon any reasonable request of the other, execute and deliver, make or cause to be made all such further acts, deeds, assurances and things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Agreement.

7.5 Waiver

No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise expressed or provided.

7.6 Assignment

No party may assign this Agreement or any rights or obligations under this Agreement without the prior written consent of the other parties hereto, which shall not be unreasonably withheld.

7.7 Notices

Any notice, consent or approval required or permitted to be given in connection with this Agreement (in this Section referred to as a "Notice") shall be in writing and shall be sufficiently given if delivered (whether in person, by courier service or other personal method of delivery), or if transmitted by facsimile or e-mail:

- (a) in the case of a Notice to any Vendor or Homburg Invest:

Homburg Invest Inc.
32 Akerley Boulevard
Halifax, NS B3B 1N1

Attention: President
Telecopy: (902) 469-6776

- (b) in the case of a Notice to the Purchaser at:

Homburg Canada REIT Limited Partnership
c/o Homburg Canada REIT GP Inc.
3400 de Maisonneuve Boulevard West
1 Place Alexis Nihon, Suite 1010
Montréal, QC H3Z 3B8

Attention: President
Telecopy: (514) 841-9618

in each case with a copy to:

Osler, Hoskin & Harcourt, LLP
1000 de la Gauchetière Street West

Suite 2100
Montreal, QC H3B 4W5

Attention: Vitale Santoro
Telecopy: (514) 904-8101
E-mail: vsantoro@osler.com

Any Notice delivered or transmitted to a party as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. If the Notice is delivered or transmitted after 5:00 p.m. local time or if the day is not a Business Day, then the Notice shall be deemed to have been given and received on the next Business Day.

Any party may, from time to time, change its address by giving Notice to the other parties in accordance with the provisions of this Section 7.7.

7.8 Execution and Delivery

This Agreement may be executed in counterparts and may be executed and delivered by facsimile and all the counterparts and facsimiles together constitute one and the same agreement.

7.9 Language

The parties confirm that it is their wish that this Agreement, as well as any other documents relating to this Agreement, including notices, schedules and authorizations have been and shall be drawn up in the English language only. *Les signataires confirment leur volonté que la présente convention, de même que tous les documents s'y rattachant, y compris tout avis, annexe et autorisation, soient rédigés en anglais seulement.*

[Remainder of page intentionally left blank]

IN WITNESS OF WHICH the parties hereto have duly executed this Agreement as of the day and year first above written.

HOMBURG L.P. MANAGEMENT INC. in its capacity as general partner for **HOMCO REALTY FUND (12) LIMITED PARTNERSHIP**

By: _____

Authorized Signatory

HOMBURG (190) L.P. MANAGEMENT INC. in its capacity as general partner for **HOMCO REALTY FUND (190) LIMITED PARTNERSHIP**

By: _____

Authorized Signatory

HOMBURG (191) L.P. MANAGEMENT INC. in its capacity as general partner for **HOMCO REALTY FUND (191) LIMITED PARTNERSHIP**

By: _____

Authorized Signatory

HOMBURG L.P. MANAGEMENT INC. in its capacity as general partner for **HOMCO REALTY FUND (199) LIMITED PARTNERSHIP**

By: _____

Authorized Signatory

HOMBURG CANADA REIT GP INC. in its
capacity as general partner for **HOMBURG
CANADA REIT LIMITED PARTNERSHIP**

By: _____

Authorized Signatory

AND IN WITNESS WHEREOF the undersigned intervenes to the Agreement to solidarily guarantee the indemnification obligations of the Vendors under Article 5.

HOMBURG INVEST INC.

By: _____

Authorized Signatory

**SCHEDULE A
ASSUMED HOMBURG DEBT**

N.B. Outstanding Balances are of May 25, 2010

Debt in respect of Properties owned by the Hardegane Subsidiaries

<u>Property</u>	<u>Lender</u>	<u>Maturity</u>	<u>O/S Balance (\$)</u>
Homco 12	Charlottetown Area Development Corp.	May 1st, 2018	2 438 804.00
Homco 12	Charlottetown Area Development Corp.	May 1st, 2018	4 139 096.00
Homco 12	League Savings & Mortgage	August 1st, 2011	304 743.00
Homco 12	Charlottetown Area Development Corp.	March 31st, 2012	408 092.00
Homco 12	League Savings & Mortgage	July 1st, 2011	474 700.00
Homco 12	Island Investment Development	December 1st, 2013	4 974 920.00
Homco 12	Island Investment Development	November 23rd, 2014	2 406 253.00

Debt in respect of Properties owned by the Limited Partnerships the units of which are held by Homco (190)

<u>Property</u>	<u>Lender</u>	<u>Maturity</u>	<u>O/S Balance (\$)</u>
Homco 182 (Alexis Nihon - 180003)	CDPQ	October 1st, 2014	12 916 360.00
Homco 188 (Alexis Nihon - 210001)	CDPQ	September 1st, 2015	3 380 303.00
Homco 183 (Alexis Nihon - 210001)	Manulife	June 1st, 2021	4 479 164.00
Homco 184 (Alexis Nihon - 210003)	Manulife	June 1st, 2021	1 882 213.00
Homco 189 (Alexis Nihon - 240001)	CDPQ	May 1st, 2013	134 627 104.00
Homco 127 (Alexis Nihon - 280001)	Royal Bank of Canada	August 15th, 2013	1 383 060.00
Homco 127 (Alexis Nihon - 280002)	Royal Bank of Canada	August 15th, 2013	1 812 286.00
Homco 127 (Alexis Nihon - 280003)	Royal Bank of Canada	August 15th, 2013	1 573 827.00
Homco 186 (Alexis Nihon - 900001)	CDPQ	March 1st, 2012	30 034 002.00
Homco 187 (Alexis Nihon - 910004)	GWL	June 1st, 2014	15 076 255.00
Homco 126 (Alexis Nihon - 910012)	CDPQ	April 1st, 2014	11 227 146.00
Homco 126 (Alexis Nihon - 910013)	CDPQ	January 1st, 2014	933 696.00
Homco 186 (Alexis Nihon - Center Laval)	CIBC/Laurentian	April 1st, 2011	16 187 135.00

Debt in respect of Properties owned by the Limited Partnerships the units of which are held by Homco (191)

<u>Property</u>	<u>Lender</u>	<u>Maturity</u>	<u>O/S Balance (\$)</u>
Homco 1	Computershare	January 1st, 2014 1	375 654.00
Homco 4	National Trust Company	August 1st, 2014	198 213.00
Homco 16	Computershare	October 1st, 2010	2 117 735.00
Homco 17	Computershare	July 1st, 2015	2 882 944.00
Homco 20	Manulife	March 1st, 2015	5 176 948.00
Homco 22	Standard Life Assurance of Canada	August 1st, 2012	413 234.00
Homco 30	Caisse Populaire	October 30th, 2012	638 551.00
Homco 31	CIBC Mortgages	February 1st, 2013	10 772 446.00
Homco 33	ICI Mortgage Managers	August 1st, 2011	4 155 467.00
Homco 34	Servus Credit Union	October 1st, 2012	725 358.00
Homco 37	Sun Life Assurance	January 1st, 2013	1 248 207.00
Homco 38	RBC Commercial Mortgages	May 1st, 2012	419 404.00
Homco 39	RBC Commercial Mortgages	May 1st, 2012	486 667.00
Homco 55	Computershare	March 1st, 2014	4 717 896.00
Homco 59	Canadian Western Bank	July 1st, 2011	6 032 668.00
Homco 77	BDC	June 18th, 2026	788 167.00
Homco 103	Computershare	July 1st, 2011	2 189 874.00
Homco 130 - CN	DekaBank	February 14th, 2018	242 419 191.00

Homco 194	CIBC Mortgages	December 1st, 2013	287 257.00
Homco 195	Canada Life Assurance	November 1st, 2012	539 668.00

Debt in respect of Properties owned by the Limited Partnerships the units of which are held by Homco (199)

Property	Lender	Maturity	O/S Balance (\$)
Homco 7	Computershare	October 1st, 2013	3 575 509.00
Homco 8	Manulife	February 4th, 2011	909 845.00
Homco 8	GWL	February 1st, 2011	850 348.00
Homco 16	Royal Trust	March 1st, 2012	910 479.00
Homco 24	Computershare	September 1st, 2013	2 470 942.00
Homco 32	Computershare	February 1st, 2014	3 993 534.00
Homco 44	Laurentian Bank	May 1st, 2015	4 006 311.00
Homco 45	Laurentian Bank	May 1st, 2015	4 306 784.00

**SCHEDULE B
BUILDING INSPECTION REPORTS**

See attached.

PCA REPORTS

Building Inspection Reports in respect of Properties owned by the Hardegane Subsidiaries

Subsidiary Name	Property Name	Property Address	Date of Report	Type of report	Report done by:
Homco 12	Confederation Court Complex	98 Fitzroy Street 119-121 Grafton Street 111-119 Kent Street 134 Kent Street	February, 2010	PCA	Pinchin LeBlanc
Dyne Holdings Ltd.	Confederation Court Mall	134 Kent Street, 172 Queen Street, 101, 119-121 & 127-131 Grafton Street, Charlottetown, PE	February, 2010	PCA	Pinchin LeBlanc
Kent Street Development Inc.	BDC Building	111 & 119 Kent Street, Charlottetown, PE	February, 2010	PCA	Pinchin LeBlanc
Fitzroy Development Ltd.	Fitzroy Building	98 Fitzroy Street, Charlottetown, PE	February, 2010	PCA	Pinchin LeBlanc

Building Inspection Reports in respect of Properties owned by the Limited Partnerships the units of which are held by Homco (190)

LP Name	Property Name	Property Address	Date of Report	Type of report	Report done by:
HRET - 11 PAN - will be Homco 189 - 1	1 Place Alexis Nihon	3400 de Maisonneuve Blvd. West, Montréal, QC	May 13, 2010	Update Level 1 PCA	Inspec-Sol
HRET - 11 PAN - will be Homco 189 - 2	2 Place Alexis Nihon	3500 de Maisonneuve Blvd. West, Westmount, QC			
HRET - 11 PAN - will be Homco 189 - 3	PAN - Shopping Centre	1500 Atwater Avenue, Montréal, QC			
HRET - 11 PAN - will be Homco 189 - 5	PAN - Multi Residential	400 de Maisonneuve Blvd. West, Westmount, QC			

HRET - 11 PAN - will be Homco 189 - 4	Parking	4049 Ste.-Catherine Street West, Montréal, QC			
Homco 186	Centre Laval	1600 Le Corbusier Blvd. Laval, QC	June 3, 2009	PCA	Spectrum
Homco 187	Méga Centre St-Jérôme	1035-1135 Jean-Baptiste Rolland Blvd. West, St- Jérôme, QC	January 29, 2010	PCA	Stantec
Homco 188	Place Nobel	1200 Place Nobel, Boucherville, QC	January 29, 2010	PCA	Stantec
Homco 182	Spheretech	3310-3550 Côte-Vertu Blvd., St-Laurent, QC	January 29, 2010	PCA	Stantec
Homco 183	Carrefour du Tremblay	2401 Roland-Therrien & 1165-1175 chemin du Tremblay, QC	January 29, 2010	PCA	Stantec
Homco 184	Restos des Promenades	1200-1220 Des Promenades, St-Bruno, QC	January 29, 2010	PCA	Stantec
HRET - 12 - in Homco 126	La Plaza de la Mauricie, 3101 Royal Blvd., Shawinigan, QC	3101 & 3353-3493 Royal Blvd., Shawinigan, QC	May 2010	PCA	Pinchin Leblanc
HRET - 13 - in Homco 126	Les Galleries Shawinigan, 3353-3493 Royal Blvd., QC				
HRET - 13 - in Homco 126	Bureau en Gros - 2831 Royal Blvd.	2831 Royal Blvd. Shawinigan, QC	May 2010	PCA	Pinchin Leblanc
HRET - 8 - in Homco 127	Burger King 736 King	736 King Street East, Sherbrooke, QC	May 2010	PCA	Pinchin Leblanc
HRET - 9 - in Homco 127	Burger King 3005 King	3005 King Street East, Sherbrooke, QC	May 2010	PCA	Pinchin Leblanc
HRET - 10 - In Homco 127	Burger King 230 Bois Franc	230 Des Bois-Francis South Blvd., Victoriaville, QC	May 2010	PCA	Pinchin Leblanc

Building Inspection Reports in respect of Properties owned by the Limited Partnerships the units of which are held by Homco (191)

LP Name	Property Name	Property Address	Date of Report	Type of report	Report done by:
Homco 1	Ambassador Apartments	356 Windmill Road, Dartmouth, NS	February, 2010	PCA	Pinchin LeBlanc

Homco 2	Highfield Park portfolio	31 & 35 Highfield Park Drive and 11 Joseph Young Street, Dartmouth, NS	February, 2010	PCA	Pinchin LeBlanc
Homco 4	141 Albro Lake Road	141 Albro Lake Road, Dartmouth, NS	February, 2010	PCA	Pinchin LeBlanc
Homco 4	Azar Building	295 George Street, Sydney, NS	February, 2010	PCA	Stantec
Homco 9	Homburg Centre	640 & 820 – 28th Street NE, Calgary, AB	January 1, 2010	PCA	Heninger Structural Engineering
Homco 9	Homburg Centre	720 – 28th Street NE, Calgary, AB	January 1, 2010	PCA	Heninger Structural Engineering
Homco 15	Centron Corner	221 & 253 62nd Avenue SE and 6223 & 6227 2 nd Street SE, Calgary, AB	January 1, 2010	PCA	Heninger Structural Engineering
Homco 17	Willowbend Townhouses	211 Glenforest Drive, Halifax, NS	February, 2010	PCA	Pinchin LeBlanc
Homco 20	Brunswick Street	1741 Brunswick Street, Halifax, NS	February, 2010	PCA	Pinchin LeBlanc
Homco 31	Co-op Properties	123 Halifax Street, 85 Halifax Street, 114 Price Street, 33 Henri Dunant Street 7 20 Record Street, Moncton, NB and 11 Wright Street, Sackville, NB and 1 McLean Court, Port Hawkesbury, NS and 24 Carr Crescent, Gander, NL	April, 2010	PCA	Pinchin LeBlanc
Homco 33	Vintage on 9 th	4124 – 9th Avenue SE, Calgary, AB	January 1, 2010	PCA	Heninger Structural Engineering
Homco 34	139 th Ave and 600 Manning Crossing	139 Ave and 600 Manning Crossing, Edmonton, AB	March 1, 2010	PCA	Heninger Structural Engineering
Homco 37	Hammond Centre	950 Bedford Highway, Bedford, NS	April, 2010	PCA	Pinchin LeBlanc
Homco 38	Sackville Centre	619 Sackville Drive, Lower Sackville, NS	February, 2010	PCA	Pinchin LeBlanc
Homco 39	Sandpiper Centre	69-81 Cow Bay Road, Eastern Passage, NS	February, 2010	PCA	Pinchin LeBlanc

Homco 55	Pizza Hut portfolio	920 Douglas Street, Saint-Jean 950 Justras E. Boulevard, Victoriaville 99 St. Jean Baptiste Boulevard, Chateauguay 1950 Leonard de Vinci Street, Sainte Julie 324 Curee Labelle Boulevard, Ste. Therese 484 - 25th Avenue, Saint Eustache 2054 Curee Labelle Boulevard, Saint Jerome 121 Visitation Street, Joliette 670 Principale Street, Ste. Agathe des Monts 1837 Chemin Gascon, Terrebonne (all in Quebec)	September, 2009 1837 Gascon – Aug 2009	PCA	Pinchin LeBlanc
Homco 57	Shannon Plaza	451 Windmill Road	February, 2010	PCA	Pinchin LeBlanc
Homco 59	Blackfoot Corporate Centre	4411 – 6th Street SE, Calgary, AB	January 1, 2010	PCA	Heninger Structural Engineering
Homco 77	Valley Ford	846 Park Street, Kentville, NS	February, 2010	PCA	Pinchin LeBlanc
Homco 103	CARA Portfolio	101 Arthur Sauve Boul. 170 Labelle Boul. 255 Cremazie Boul. 2986 St. Charles Boul.	Sept 2009	PCA Update	Pinchin LeBlanc
Homco 143	Homburg Admin Studio	32 Akerley Boulevard, Dartmouth, NS	February, 2010	PCA	Pinchin LeBlanc
Homco 194	Yates Street	535 Yates Street, Victoria, BC	February 1, 2010	PCA	Aral Construction Ltd.
Homco 195	Cariboo Industrial Estates	1801-1873 First Avenue, Prince George, BC	February 9, 2010	PCA	Access Engineering Consultants Ltd,
Homco 198	2 Franklyn Court	2 Franklyn Court, Dartmouth, NS	February, 2010	PCA	Pinchin LeBlanc

DEGI Homburg Harris LP	DEGI Homburg Harris	207 – 9th Ave SW, Calgary, AB	N/A	N/A	N/A
Homco 130	CN Central Station Complex, Montreal, QC	895, 925-945 de la Gauchetière West & 904 Belmont Street, Montréal, QC	July 2007	Updated recommendations of Tecsub's inspection report (May 2002)	BES
Homco 22	Place Bathurst Mall	1300 St-Peters Avenue, Bathurst, NB	February 2010	PCA	Pinchin Leblanc
Homco 30	Carrefour Shippagan	231 J.D. Gauthier Blvd., Shippagan, NB	February 2, 2010	PCA	Pinchin Leblanc
Homco 103	Harvey's	101 Arthur Sauvé Boulevard, St. Eustache	September 2009	PCA	Pinchin Leblanc
	Harvey's	170 Labelle Boulevard, Rosemere	September 2009	PCA	Pinchin Leblanc
	Harvey's	255 Crémazie Boulevard West, Montreal	September 2009	PCA	Pinchin Leblanc
	Harvey's	2986 St. Charles Boulevard, Kirkland	September 2009	PCA	Pinchin Leblanc

Building Inspection Reports in respect of Properties owned by the Limited Partnerships the units of which are held by Homco (199)

LP Name	Property Name	Property Address	Date of Report	Type of report	Report done by:
Homco 7	Renaissance South	5157 Morris Street, Halifax, NS	February, 2010	PCA	Pinchin LeBlanc
Homco 8	Akerley/Morris	11 Akerley Boulevard and 2 Morris Drive, Halifax, NS	February, 2010	PCA	Pinchin LeBlanc
Homco 16	Moncton Commercial	140 Commerce Street, Moncton, NB	February, 2010	PCA	Pinchin LeBlanc
Homco 16	Moncton Commercial	1199 St. George Boulevard, Moncton, NB	February, 2010	PCA	Pinchin LeBlanc
Homco 16	Moncton Commercial	150 Henri Dunant, Moncton, NB	February, 2010	PCA	Pinchin LeBlanc

Homco 24	Dieppe Apartments	715 & 735 Laurier Street and 678 Evangeline Street, Dieppe, NB	February, 2010	PCA	Pinchin LeBlanc
Homco 32	Dartmouth Shopping Centre	118 Wyse Road, Dartmouth, NS	February, 2010	PCA	Stantec
Homco 40	Zellers	24 Stavenger Drive, St. John's, NL	September, 2009	PCA	Pinchin LeBlanc
Homco 44	Zellers	129 Queensway East, Simco, ON	Sept 2009	PCA	Pinchin LeBlanc
Homco 45	Zellers	600 Mitchell Rd, Listowel, ON	Sept 2009	PCA	Pinchin LeBlanc
Homco 91	Pizza Hut Portfolio	414 old Hwy 2, Trenton, ON 1 Commerce Rd, Lindsay, ON 20 rue de Toulouse, Granby, QC 50 Lionel Groulx boul., Sherbrooke, QC 8 Bromont boul., Bromont, QC 39 Warne Cres., Kingston, ON 268 North Front St., Belleville, ON 641 King St. E., Gananoque, ON 429/431 Kent St. W., Lindsay, ON	Sept 2009	PCA	Pinchin LeBlanc
Homco 199	Previously Homco 44, Homco 45 and Homco 91	129 Queensway East, Simcoe, ON	September, 2009	PCA	Pinchin LeBlanc
		600 Mitchell Road, Listowel, ON	September, 2009	PCA	Pinchin LeBlanc
		414 Old Highway 2, Trenton 1 Commerce St, Lindsay 39 Warne Crescent, Kingston 268 North Front Street, Belleville 641 King Street, Gananoque	All Pizza Hut properties done in	All PCA reports	All Pinchin LeBlanc

		431 Kent Street, Lindsay (all in Ontario) & 20 Toulouse Street, Granby 50 Lionel Groulx Boulevard, Sherbrooke 8 Bromont Boulevard, Bromont (all in Quebec)	September, 2009		
Homco 81	Centre LaMarche	155, 25 th Avenue, St-Eustache, QC	January 29, 2010	PCA	Stantec
Homco 106	Scores – Wilfrid-Hamel	1075 Wilfrid-Hamel Blvd., Vanier, QC	February 2010	PCA	Pinchin Leblanc
	Harvey's – Wilfrid-Hamel	1095 Wilfrid-Hamel Blvd., Vanier, QC	February 2010	PCA	Pinchin Leblanc

SCHEDULE C PROPERTIES

Properties owned by the Hardegane Subsidiaries

- 134 Kent Street (Confederation Court Complex — Confederation Court Mall) – Charlottetown.
- 111-119 Kent Street (Confederation Court Complex — BDC Place) – Charlottetown.
- 134 Kent Street (Confederation Court Complex — National Bank Tower) – Charlottetown.
- 98 Fitzroy Street (Confederation Court Complex — Homburg Financial Tower) – Charlottetown.

Properties owned by the Limited Partnerships the units of which are held by Homco (190)

- 1600 Le Corbusier Boulevard (Centre Laval) – Laval.
- 1500 Atwater Avenue (Place Alexis Nihon — Retail) – Montréal.
- 3400 De Maisonneuve Boulevard West (1 Place Alexis Nihon — Office) – Montréal.
- 3500 De Maisonneuve Boulevard West (2 Place Alexis Nihon — Office) – Westmount.
- 4049 Sainte-Catherine Street West (Place Alexis Nihon — Parking) – Westmount.
- 4000 De Maisonneuve Boulevard West (Place Alexis Nihon — Plaza Tower) – Westmount.
- 3101 Royal Boulevard (La Plaza de la Mauricie) – Shawinigan.
- 1035-1135 Jean-Baptiste-Rolland Boulevard West (Méga Centre Saint-Jérôme) – Saint-Jérôme.
- 3310-3550 Côte-Vertu Boulevard (Sphèrettech) – Saint-Laurent.
- 1200 Place Nobel (Place Nobel) – Boucherville.
- 1165 Du Tremblay Road (Carrefour du Tremblay) – Longueuil.
- 3353-3493 Royal Boulevard (Les Galeries de Shawinigan) – Shawinigan.
- 230 Des Bois-Francis Boulevard South (Burger King and others) – Victoriaville.
- 1200 Des Promenades Boulevard (Les Restos des Promenades) - Saint-Brunode-Montarville.
- 3005 King Street West (Burger King) – Sherbrooke.
- 736 King Street East (Burger King) – Sherbrooke.

Properties owned by the Limited Partnerships the units of which are held by Homco (191)

- 895 De La Gauchetière Street West (CN Central Station Complex — Retail) – Montréal.
- 895 De La Gauchetière Street West (CN Central Station Complex — Office) – Montréal.
- 895 De La Gauchetière Street West (CN Central Station Complex — Parking) – Montréal.
- 895 De La Gauchetière Street West (CN Central Station Complex — Railway and Ancillary) – Montréal.
- 2054 Labelle Boulevard (Pizza Hut) – Saint-Jérôme.
- 484 25th Avenue (Pizza Hut) - Saint-Eustache.

- 1837 Gascon Road (Pizza Hut) – Terrebonne.
- 99 Saint-Jean-Baptiste Boulevard (Pizza Hut) – Châteauguay.
- 920 Douglas Street (Pizza Hut) - Saint-Jean-sur-Richelieu.
- 324 Labelle Boulevard (Pizza Hut) – Sainte-Thérèse.
- 121 De La Visitation Street (Pizza Hut) - Saint-Charles-Borromée.
- 1950 Leonard-De Vinci Street (Pizza Hut) - Sainte-Julie.
- 670 Principale Street (Pizza Hut) - Sainte-Agathedes-Monts.
- 950 Jutras Boulevard East (Pizza Hut) – Victoriaville.
- 101 Arthur-Sauvé Boulevard (Harvey's) - Saint-Eustache.
- 170 Labelle Boulevard (Harvey's) – Rosemère.
- 2986 Saint-Charles Boulevard (Harvey's) - Montréal.
- 255 Crémazie Boulevard West (Harvey's) - Montréal.
- 950 Bedford Highway (Hammond Center) – Halifax.
- 69-81 Cow Bay Road (Sandpiper Centre) – Halifax.
- 846 Park Street (Valley Ford) – Kentville.
- 451 Windmill Road (Shannon Plaza) - Halifax.
- 619 Sackville Drive (Sackville Centre) – Halifax.
- 3 MacLean Court (Co-op Atlantic) - Port Hawkesbury.
- 231 J.D. Gauthier Boulevard (Le Carrefour Shippagan) – Shippagan.
- 20 Record Street (Co-op Atlantic) – Moncton.
- 11 Wright Street (Co-op Atlantic) – Sackville.
- 1300 St-Peter Avenue (Place Bathurst Mall) – Bathurst.
- 600 Manning Crossing – Edmonton.
- 207-209 9th Avenue S.W. (Penn West Plaza) – Calgary.
- 4124 9th Street S.E. (Vintage on 9th) – Calgary.
- 4411 6th Street S.E. (Blackfoot Corporate Centre) – Calgary.
- 6223 2nd Street S.E. (Centron Corner) – Calgary.
- 6227 2nd Street S.E. (Centron Corner) – Calgary.
- 253 62nd Avenue S.E. (Centron Corner) – Calgary.
- 221 62nd Avenue S.E. (Centron Corner) – Calgary.
- 720 28th Street N.E. (Homburg Centre) – Calgary.
- 1741 Brunswick Street (Homburg Citadel) – Halifax.
- 32 Akerley Boulevard – Halifax.
- 295 George Street – Sydney.
- 123 Halifax Street (Co-op Atlantic) – Moncton.
- 535 Yates Street – Victoria.
- 114 Price Street (Co-op Atlantic) – Moncton.
- 33 Henri Dunant Street (Co-op Atlantic) – Moncton.
- 640-820 28th Street N.E. (Homburg Warehouse) – Calgary.
- 22 Carr Crescent (Co-op Atlantic) – Gander.
- 1801-1873 First Avenue (Caribou Building) - Prince George.
- 211-221 Glenforest Drive (Willowbend Court Complex) – Halifax.
- 35 Highfield Park Drive – Halifax.
- 31 Highfield Park Drive – Halifax.
- 11 Joseph Young Drive – Halifax.

- 356 Windmill Road (The Ambassador) – Halifax.
- 141 Albro Lake Road – Halifax.

Properties owned by the Limited Partnerships the units of which are held by Homco (199)

- 155 25th Avenue (Centre LaMarche) - Saint-Eustache.
- 1075 Wilfrid-Hamel Boulevard (Scores Rotisseries) - Québec City.
- 50 Lionel-Groulx Boulevard (Pizza Hut) – Sherbrooke.
- 20 De Toulouse Street (Pizza Hut) – Granby.
- 8 Bromont Boulevard (Pizza Hut) – Bromont.
- 1095 Wilfrid-Hamel Boulevard (Harvey's) - Québec City.
- 118 Wyse Road (Dartmouth Shopping Centre) – Halifax.
- 600 Mitchell Road South (Zellers) – Listowel.
- 129 Queensway East (Zellers) – Simcoe.
- 1 Commerce Road (Pizza Hut) – Lindsay.
- 268 North Front Street (Pizza Hut) – Belleville.
- 429-431 Kent Street (Swiss Chalet Rotisserie & Grill/Harvey's) – Lindsay.
- 39 Warne Crescent (Pizza Hut) – Kingston.
- 414 Old Highway #2 (Pizza Hut) – Trenton.
- 641 King Street East – Gananoque.
- 24 Stavenger Drive (Zellers) - St. John's.
- 2 Morris Drive – Halifax.
- 1313 Barrington Street (Homburg Renaissance South) – Halifax.
- 11 Akerley Boulevard – Halifax.
- 1199 St-George Boulevard – Moncton.
- 140 Commerce Street – Moncton.
- 150 Henri Dunant Street – Moncton.
- 5157 Morris Street – Halifax.
- 715 Laurier Street – Dieppe.
- 678 Evangeline Street – Dieppe.
- 735 Laurier Street – Dieppe.

**SCHEDULE D
ESA REPORTS**

See attached.

ESA REPORTS

ESA Reports in respect of Properties owned by the Hardegane Subsidiaries

Subsidiary Name	Property Name	Property Address	Date of Report	Type of report	Report done by:
Homco 12 (PEI properties)	Confederation Court Complex	119-121 Grafton Street, Charlottetown	Apr 2007 Feb 2010 Feb 2010 Feb 2010	Phase 1 ESA Update Phase 1 ESA Update	Pinchin LeBlanc Pinchin LeBlanc Pinchin LeBlanc Pinchin LeBlanc
		111-119 Kent St, Charlottetown		Phase 1 ESA Update	
		98 Fitzroy, Charlottetown		Phase 1 ESA Update	
		134 Kent St., 172 Queen St., 101, 119- 121 & 127-131 Grafton St., Confederation Court Mall, Charlottetown			

ESA Reports in respect of Properties owned by the Limited Partnerships the units of which are held by Homco (190)

LP Name	Property Name	Property Address	Date of Report	Type of report	Report done by:
HRET - 11 PAN - Homco 189 - 1	1 Place Alexis Nihon	3400 de Maisonneuve Blvd. West, Montréal, Québec H3Z 3B8	May 12, 2010	Update Phase 1 ESA	Inspec-Sol
HRET - 11 PAN - Homco 189 - 2	2 Place Alexis Nihon	3500 de Maisonneuve Blvd. West, Westmount, Québec			
HRET - 11 PAN - Homco 189 - 3	PAN - Shopping Centre	1500 Atwater Avenue, Montréal, Québec			
HRET - 11 PAN - Homco 189 - 5	PAN - Multi Residential	400 de Maisonneuve Blvd. West, Westmount, Québec			
HRET - 11 PAN - Homco 189 - 4	Parking	4049 Ste.-Catherine Street West, Montréal, Québec			
Homco 186	Centre Laval	1600 Le Corbusier Blvd. Laval, Québec	June 12, 2009	Phase 1 ESA	Inspec-Sol
Homco 187	Méga Centre St-Jérôme	1035-1135 Jean- Baptiste Rolland Blvd., West, St- Jérôme, Québec	February 1, 2010	Phase 1 ESA	Stantec
Homco 188	Place Nobel	1200 Place Nobel, Boucherville, Québec	January 29, 2010	Phase 1 ESA	Stantec
Homco 182	Spheretech	3310-3550 Côte-Vertu Blvd., St-Laurent, Québec	January 29, 2010	Phase 1 ESA	Stantec
Homco 183	Carrefour du Tremblay	2401 Roland-Therrien & 1165-1175 chemin du Tremblay, Québec	January 29, 2010	Phase 1 ESA	Stantec
Homco 184	Restos des Promenades	1200-1220 Des Promenades, St- Bruno, Québec	February 1, 2010	Phase 1 ESA	Stantec

HRET – 12 – in Homco 126	La Plaza de la Mauricie, 3101 Royal Blvd., Shawinigan, QC	3101 & 3353-3493 Royal Blvd., Shawinigan, Québec	May 2010	Phase 1 ESA	Pinchin Leblanc
HRET – 13 – in Homco 126	Les Galleries Shawinigan, 3353-3493 Royal Blvd., QC				
HRET – 13 – in Homco 126	Bureau en Gros - 2831 Royal Blvd.	2831 Royal Blvd. Shawinigan, Québec	May 2010	Update Phase 1 ESA	Pinchin Leblanc
HRET – 8 – in Homco 127	Burger King 736 King	736 King Street East, Sherbrooke, Québec	May 2010	Enhanced Update Phase 1 ESA	Pinchin Leblanc
HRET – 9 – in Homco 127	Burger King 3005 King	3005 King Street East, Sherbrooke, Québec	May 2010	Enhanced Update Phase 1 ESA	Pinchin Leblanc
HRET – 10 – In Homco 127	Burger King 230 Bois Franc	230 Des Bois-Francis South Blvd., Victoriaville, Québec	May 2010	Enhanced Update Phase 1 ESA	Pinchin Leblanc

ESA Reports in respect of Properties owned by the Limited Partnerships the units of which are held by Homco (191)

LP Name	Property Name	Property Address	Date of Report	Type of report	Report done by:
DEGI Homburg Harris Centre	DEGI Homburg Harris	207 9 th Avenue SW, Calgary, AB	July, 2005	Phase 1 ESA	Curtis Environmental Engineering
DEGI Homburg Harris Centre	DEGI Homburg Harris	207 9 th Avenue SW, Calgary, AB	March 2010	Phase 1 ESA update letter	Curtis Environmental Engineering
Homco 1	Ambassador Apartments	356 Windmill Road Halifax, NS	February 2010	Phase 1 ESA	Maritime Testing (1985) Limited
Homco 2	Highfield Park Portfolio	11 Joseph Young Drive Halifax, NS 31, 35 Highfield Park Drive Halifax, NS	January 2010	Phase 1 ESA Update	Pinchin Leblanc
Homco 4	Azar Building	295 George St. Sydney, NS	Feb 2010	Phase 1 ESA	Stantec
	Albro Lake	141 Albro Lake	Feb 2010	Phase 1 ESA	Pinchin LeBlanc

		Dartmouth, NS			
Homco 9	Homburg Centre	640, 720 & 820 28 th Street NE, Calgary, AB	January, 2010	Phase 1 ESA	Curtis Environmental
Homco 15	Centron Corner	221 & 253 62 nd Avenue SE and 6223 & 6227 2 nd Avenue SE, Calgary, AB	February 1, 2010	Phase 1 ESA	Curtis Environmental
Homco 17	Willowbend Court Townhouses	211 Glenforest Drive Halifax, NS	Feb 2010	Phase 1 ESA Updated	Pinchin LeBlanc
Homco 20	Homburg Citadel	1741 Brunswick St. Halifax, NS	Feb 2010	Phase 1 ESA Update	Pinchin LeBlanc
Homco 22	Place Bathurst Mall	1300 St-Peters Avenue, Bathurst, New Brunswick	May 2010	Enhanced Update Phase 1 ESA	Pinchin Leblanc
Homco 30	Carrefour Shippagan	231 J.D. Gauthier Blvd., Shippagan, New Brunswick	February 2010	Phase 1 ESA	Pinchin Leblanc
Homco 31	Co-op Properties	123 Halifax Street, 85 Halifax Street, 114 Price Street, 33 Henri Dunant Street 20 Record Street, Moncton, NB and 11 Wright Street, Sackville, NB and 1 McLean Court, Port Hawkesbury, NS and 24 Carr Crescent, Gander, NL	April, 2010	Phase 1 ESA update	Pinchin LeBlanc
Homco 33	Vintage on 9 th	4124 – 9 th Street SE, Calgary, AB	January, 2010	Phase 1 ESA	Curtis Environmental Engineering
Homco 34	139 th Avenue and 600 Manning	139 th Avenue and 600 Manning, Edmonton, AB	February, 2010	Phase 1 ESA	Curtis Environmental Engineering
Homco 37	Hammond Centre	950 Bedford Highway Bedford, NS	April 2010	Phase 1 ESA	Pinchin Leblanc
Homco 38	Sackville Center	619 Sackville Dr. Lower Sackville, NS	Feb 2010	Phase 1 ESA	Maritime Testing

Homco 39	Sandpiper Centre	69-81 Cow Bay Rd. Cow Bay, NS	Jan 2010	Phase 1 ESA	Maritime Testing
Homco 55	Pizza Huts portfolio - Québec	121 de la Visitation Street, St. Charles- Borromee, Quebec	Oct 2009 Oct 2009 Oct 2009 Sept 2009 Oct 2009	Phase 1 ESA Update Phase 1 ESA Update Phase 1 ESA	Pinchin LeBlanc Pinchin LeBlanc Pinchin LeBlanc Pinchin LeBlanc Pinchin LeBlanc
		1837 Gascon Road, Terrebonne, Quebec	Oct 2009 Sept 2009 Oct 2009	Update Phase 1 ESA Update	Pinchin LeBlanc Pinchin LeBlanc Pinchin LeBlanc
		1950 Leonard de Vinci Street, Ste. Julie, Quebec	Sept 2009 Oct 2009	Phase 1 ESA Update Phase 1 ESA Update	Pinchin LeBlanc Pinchin LeBlanc
		2054 Cure Labelle Boulevard, St. Jerome, Quebec		Phase 1 ESA Update Phase 1 ESA Update	
		324 Cure Labelle Boulevard, Ste. Therese, Quebec		Phase 1 ESA Update Phase 1 ESA Update	
		484 25th Street, St. Eustache, Quebec			
		670 Principale Street, Ste. Agathe des Monte, Quebec			
		920 Douglas Street, St. Jean-sur-Richelieu, Quebec			
		950 Justras Boulevard East, Victoriaville, Quebec			
		99 Saint Jean Baptiste Boulevard,			

		Chateauguay, Quebec			
Homco 57	Shannon Plaza	451 Windmill Rd. Dartmouth, NS	Feb 2010	Phase 1 ESA	Maritime Testing
Homco 59	Blackfoot Corporate Centre	4411 – 6 th Street SE, Calgary, AB	January 2010	Phase 1 ESA	Curtis Environmental Engineering
Homco 77	Valley Ford	846 Park St. Kentville, NS	Feb 2010	Phase 1 ESA	Maritime Testing
Homco 91	Pizza Hut Portfolio – Quebec/Ontario	414 old Hwy 2, Trenton, ON 1 Commerce Rd, Lindsay, ON 20 rue de Toulouse, Granby, QC 50 Lionel Groulx boul., Sherbrooke, QC 8 Bromont boul., Bromont, QC 39 Warne Cres., Kingston, ON 268 North Front St., Belleville, ON 641 King St. E., Gananoque, ON 429/431 Kent St. W., Lindsay, ON	Oct 2009 Sept 2009 Sept 2009 Oct 2009 Sept 2009 Oct 2009 Oct 2009 Oct 2009 Oct 2009	Phase 1 ESA update	Pinchin LeBlanc
Homco 103	Cara Portfolio	101 Arthur Sauve Boul. 170 Labelle Boul. 255 Cremazie Boul. 2986 St. Charles Boul.	Oct 2009	Phase 1 Updates	Pinchin LeBlanc
Homco 130	CN Central Station Complex, Montreal, QC	895, 925-945 de la Gauchetière West & 904 Belmont Street, Montréal, Québec	Outstanding	Update Phase 1 ESA	Pinchin Leblanc
Homco 143	Homburg Admin Studio	32 Akerley Blvd. Dartmouth, NS	April 2010	Phase 1 ESA Update	Pinchin LeBlanc
Homco 194	Yates Street	535 Yates Street, Victoria, BC	March 2010	Phase 1 ESA	PHH ARC Environmental
Homco 195	Cariboo Industrial	1801-1873 First Avenue, Prince	February, 2010	Engineering report	Access Engineering Consultants Ltd.

		George, BC			
Homco 195	Cariboo Industrial	1801-1873 First Avenue, Prince George, BC	February, 2010	Engineering report	Access Engineering Consultants Ltd.

ESA Reports in respect of Properties owned by the Limited Partnerships the units of which are held by Homco (199)

LP Name	Property Name	Property Address	Date of Report	Type of report	Report done by:
Homco 7	Renaissance South	1313 Barrington St. Halifax, NS	Feb 2010	Phase 1 ESA Update	Pinchin LeBlanc
Homco 8	Morris/Akerley	2 Morris/11 Akerley Blvd. Dartmouth, NS	Feb 2010	Phase 1 ESA	Pinchin LeBlanc
Homco 16	Commerce, Henri Dunant, St. George	140 Commerce St. St. George Blvd 150 Henri Dunant, Moncton, NB	Feb 2010 Feb 2010 Feb 2010	Phase 1 ESA Phase 1 ESA Phase 1 ESA	Pinchin LeBlanc Pinchin LeBlanc Pinchin LeBlanc
Homco 24	Laurier/Evangeline	715 & 735 Laurier St. 678 Evangeline St. Dieppe, NB	Feb 2010 Feb 2010	Phase 1 ESA Update Phase 1 ESA Update	Pinchin LeBlanc Pinchin LeBlanc
Homco 32	Dartmouth Shopping Centre	118 Wyse Rd. Dartmouth, NS	Feb 2010	Phase 1 ESA	Stantec
Homco 40	Zellers	24 Stavanger Dr. St. John's, NL	Sept 2009	Phase 1 ESA	Pinchin LeBlanc
Homco 44	Zellers	129 Queensway Simcoe, ON	Sept 2009	Phase 1 ESA	Pinchin LeBlanc
Homco 45	Zellers	600 Mitchell Crt. Listowel, ON	Sept 2009	Phase 1 ESA	Pinchin LeBlanc
Homco 81	Centre LaMarche	155, 25 th Avenue, St-Eustache, Québec	January 29, 2010	Phase 1 ESA	Stantec
Homco 91	Pizza Huts	9 locations in ON and QC	Sept 2009	Phase 1 ESA	Pinchin LeBlanc

Homco 106	Scores/Harvery's	1075 & 1095 Wilfrid-Hamel Blvd., Vanier, Québec	February 2010	Update Phase 1 ESA	Pinchin Leblanc
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SCHEDULE E
LIMITED PARTNERSHIPS AND SUBSIDIARIES

Hardegane Subsidiaries

<u>Name of Subsidiary</u>
Dyne Holdings Limited
Kent Realty Limited
Fitzroy Development Ltd.

Homco (190)

<u>Name of Limited Partnership and Unit Holdings</u>
100% of Homco Realty Fund (126) Limited Partnership
100% of Homco Realty Fund (127) Limited Partnership
100% of Homco Realty Fund (182) Limited Partnership
100% of Homco Realty Fund (183) Limited Partnership
100% of Homco Realty Fund (184) Limited Partnership
100% of Homco Realty Fund (186) Limited Partnership
100% of Homco Realty Fund (187) Limited Partnership
100% of Homco Realty Fund (188) Limited Partnership
100% of Homco Realty Fund (189) Limited Partnership

Homco (191)

<u>Name of Limited Partnership and Unit Holdings</u>
100% of Homco Realty Fund (1) Limited Partnership
100% of Homco Realty Fund (2) Limited Partnership

100% of Homco Realty Fund (4) Limited Partnership
100% of Homco Realty Fund (9) Limited Partnership
100% of Homco Realty Fund (15) Limited Partnership
100% of Homco Realty Fund (17) Limited Partnership
100% of Homco Realty Fund (20) Limited Partnership
5.63% of Homco Realty Fund (22) Limited Partnership
100% of Homco Realty Fund (30) Limited Partnership
100% of Homco Realty Fund (31) Limited Partnership
100% of Homco Realty Fund (33) Limited Partnership
100% of Homco Realty Fund (34) Limited Partnership
100% of Homco Realty Fund (37) Limited Partnership
100% of Homco Realty Fund (38) Limited Partnership
100% of Homco Realty Fund (39) Limited Partnership
100% of Homco Realty Fund (55) Limited Partnership
100% of Homco Realty Fund (57) Limited Partnership
100% of Homco Realty Fund (59) Limited Partnership
100% of Homco Realty Fund (77) Limited Partnership
100% of Homco Realty Fund (103) Limited Partnership
100% of Homco Realty Fund (130) Limited Partnership
100% of Homco Realty Fund (143) Limited Partnership
100% of Homco Realty Fund (194) Limited Partnership (Yates St.)
100% of Homco Realty Fund (195) Limited Partnership (Caribou)
10% limited partner interest in Degi-Homburg Harris Limited Partnership

Homco (199)

<u>Name of Limited Partnership and Unit Holdings</u>
100% of Homco Realty Fund (7) Limited Partnership
100% of Homco Realty Fund (8) Limited Partnership
100% of Homco Realty Fund (16) Limited Partnership
100% of Homco Realty Fund (24) Limited Partnership
100% of Homco Realty Fund (32) Limited Partnership
100% of Homco Realty Fund (40) Limited Partnership
100% of Homco Realty Fund (44) Limited Partnership
100% of Homco Realty Fund (45) Limited Partnership
100% of Homco Realty Fund (81) Limited Partnership
100% of Homco Realty Fund (91) Limited Partnership
100% of Homco Realty Fund (106) Limited Partnership

**SCHEDULE F
NOMINEES AND TRUSTEES**

Homco (190)

<u>Name of Nominee</u>	<u>Number of shares held by Homco (190) (or as otherwise indicated)</u>
6524036 Canada Inc.	100 Common Shares
6524061 Canada Inc.	100 Common Shares
9180-9293 Québec Inc.	100 Common Shares
152523 Canada Inc.	Homco (126) owns 1,000 Class A Common Shares

<u>Name of Trustee</u>	<u>Number of shares</u>
2226009 Ontario Inc.	1 Common Share held by Homburg (186) Ontario L.P. Management Inc. (of which all of the common shares are held by Homco (190))
2226010 Ontario Inc.	1 Common Share held by Homburg (187) Ontario L.P. Management Inc. (of which all of the common shares are held by Homco (190))
2226011 Ontario Inc.	1 Common Share held by Homburg (188) Ontario L.P. Management Inc. (of which all of the common shares are held by Homco (190))
2226012 Ontario Inc.	1 Common Share held by Homburg (189) Ontario L.P. Management Inc. (of which all of the common shares are held by Homco (190))

Homco (191)

<u>Name of Nominee (Each of the following Nominees is also the General Partner for their respective Limited Partnership and listed in Schedule H)</u>	<u>Number of shares held by Homco (191) (or as otherwise indicated)</u>
Homburg (44) L.P. Management Inc.	1 Common Share
Homburg (45) L.P. Management Inc.	1 Common Share
Homburg (91) L.P. Management Inc.	1 Common Share
7545240 Canada Inc.	Homco (55) owns 1 Common Share

SCHEDULE G
QUALIFICATIONS TO VENDORS'
REPRESENTATIONS AND WARRANTIES

Section 4.1(h) (Options or Agreements to Purchase the Purchased Securities or Properties):

- Homco (190): Nothing to disclose
- Homco (191): Nothing to disclose
- Homco (199): Nothing to disclose

Section 4.2(j) (Options or Agreements to Purchase the Purchased Securities or Properties):

- Homco (12): Nothing to disclose

Section 4.1(m) (Title to Properties):

- Homco (190): Nothing to disclose
- Homco (191): Nothing to disclose
- Homco (199): Nothing to disclose

Section 4.2(o) (Options or Agreements to Purchase the Purchased Securities or Properties):

- Homco (12): Nothing to disclose

Section 4.1(v) (Realty Tax Appeals):

- Homco (190): Nothing to disclose
- Homco (191): Nothing to disclose
- Homco (199): Nothing to disclose

Section 4.2(x) (Options or Agreements to Purchase the Purchased Securities or Properties):

- Homco (12): Nothing to disclose

**SCHEDULE H
GENERAL PARTNERS**

Homco (190)

<u>Name of General Partner</u>	<u>Number of shares held by Homco (190)</u>
Homburg (126) Quebec L.P. Management Inc.	1 Common Share
Homburg (127) Quebec L.P. Management Inc.	1 Common Share
Homburg (182) Quebec L.P. Management Inc.	1 Common Share
Homburg (183) Quebec L.P. Management Inc.	1 Common Share
Homburg (184) Quebec L.P. Management Inc.	1 Common Share
Homburg (186) Ontario L.P. Management Inc.	1 Common Share
Homburg (187) Ontario L.P. Management Inc.	1 Common Share
Homburg (188) Ontario L.P. Management Inc.	1 Common Share
Homburg (189) Ontario L.P. Management Inc.	1 Common Share

Homco (191)

<u>Name of General Partner</u>	<u>Number of shares held by Homco (191)</u>
Homburg (1) L.P. Management Inc.	1 Common Share
Homburg (2) L.P. Management Inc.	1 Common Share
Homburg (4) L.P. Management Inc.	1 Common Share
Homburg (9) L.P. Management Inc.	1 Common Share
Homburg (15) L.P. Management Inc.	1 Common Share
Homburg (17) L.P. Management Inc.	1 Common Share
Homburg (20) L.P. Management Inc.	1 Common Share
Homburg (22) L.P. Management Inc.	1 Common Share
Homburg (30) L.P. Management Inc.	1 Common Share

Homburg (31) L.P. Management Inc.	1 Common Share
Homburg (33) L.P. Management Inc.	1 Common Share
Homburg (34) L.P. Management Inc.	1 Common Share
Homburg (37) L.P. Management Inc.	1 Common Share
Homburg (38) L.P. Management Inc.	1 Common Share
Homburg (39) L.P. Management Inc.	1 Common Share
Homburg (44) L.P. Management Inc.	1 Common Share
Homburg (45) L.P. Management Inc.	1 Common Share
Homburg (91) L.P. Management Inc.	1 Common Share
Homburg (55) L.P. Management Inc.	1 Common Share
Homburg (59) L.P. Management Inc.	1 Common Share
Homburg (57) L.P. Management Inc.	1 Common Share
Homburg (77) L.P. Management Inc.	1 Common Share
Homburg (103) L.P. Management Inc.	1 Common Share
Homburg (143) L.P. Management Inc.	1 Common Share
Homburg (194) L.P. Management Inc.	1 Common Share
Homburg (195) L.P. Management Inc.	1 Common Share

Homco (199)

<u>Name of General Partner</u>	<u>Number of shares held by Homco (199)</u>
Homburg (7) L.P. Management Inc.	1 Common Share
Homburg (8) L.P. Management Inc.	1 Common Share
Homburg (16) L.P. Management Inc.	1 Common Share
Homburg (24) L.P. Management Inc.	1 Common Share
Homburg (32) L.P. Management Inc.	1 Common Share

Homburg (40) L.P. Management Inc.	1 Common Share
Homburg (81) L.P. Management Inc.	1 Common Share
Homburg (106) L.P. Management Inc.	1 Common Share

SCHEDULE I
CAPITALIZATION OF COMPANY AND SUBSIDIARIES

Hardegane Investments Limited

Homburg L.P. Management Incorporated, as General Partner of Homco Realty Fund (12) Limited Partnership holds 9,012.5 Class A common shares and 1,287.5 Class A preferred shares

Dyne Holding Limited

Hardegane Investments Limited holds 9,105 common shares, 1,885 Class A preferred shares and 1,500 Class B preferred shares

Kent Realty Limited

Hardegane Investments Limited holds 300 Class A common shares

Fitzroy Development Inc.

Kent Realty Limited holds 1 common share