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This is the 1st affidavit
of Benjamin Chua in this case
and was made on November 19, 2024

No.

H-241069

Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:



DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE
COMPANY

PETITIONER

AND:

I4PG HASTINGS STREET INC., HASTINGS STREET LIMITED
PARTNERSHIP, I4 PROPERTY GROUP INC., MYRON CALOF,
TRAVELERS INSURANCE COMPANY OF CANADA,
LONGTHORN HOLDINGS LTD., LANE CONSTRUCTION
SERVICES LTD., ELKH SHOTCRETE INC., ATRYSTEN
PLUMBING & HEATING LTD., GREER CONTRACTING LTD.,
PDQ CONSTRUCTION LTD., LMS LIMITED PARTNERSHIP,
RED SEAL ELECTRIC LTD., KERHOFF CONSTRUCTION (2022)
LTD. LIONS GATE WATER TREATMENT LTD., PEAKHILL
CAPITAL INC., KOFFMAN KALEF LLP AND CAMERON
STEPHENS MORTGAGE CAPITAL LTD.

RESPONDENTS

AFFIDAVIT

I, Benjamin Chua, of Suite 101, 95 St-Clair Avenue West, Toronto, Ontario, Managing
Director and Market Leader, AFFIRM THAT:

1. I am a Managing Director and Market Lead of Desjardins Financial Security Life Assurance Company ("Desjardins") and am authorized to swear this Affidavit on behalf of Desjardins and have personal knowledge of the facts hereinafter sworn.
2. I have read the Petition and the facts therein are true.
3. In this Affidavit, I have used the same definitions as used in the Petition.

4. Desjardins Financial Security Life Assurance Company is a corporation duly registered under the laws of Quebec and registered extra-provincially in the province of British Columbia. Desjardins is a life insurance company that provides real estate financing as part of its investment portfolio.
5. The Respondent, Hasting Street Limited Partnership is the beneficial owner of the land located at 4461 Hasting Street in Burnaby, British Columbia, and bearing the following PID and legal description:

PID: 031-340-741
Lot 1 Block 5 District Lot 121 Group 1 New Westminster District Plan EPP87138
(the "**Lands**").
6. The Lands are legally held by I4PG Hasting Street Inc.
7. The Respondents planned to develop the Lands into a low-rise, five storey 38 unit condominium development (with two levels of underground parking) known as Siena The Heights (the "**Project**"). After the initial demolition, excavation and shoring of the site, construction progress has stalled in the underground substructure phase with concrete forming work well advanced on parking level two.
8. The Petitioner provided the Respondents, I4PG Hastings Street Inc. and Hastings Street Limited Partnership (together, the "**Borrowers**") with certain credit facilities, including a first ranking mortgage loan facility in the principal amount of \$29,200,000 (inclusive of a demand revolving line of credit in the maximum amount of \$500,000) and a letter of credit facility in the maximum amount of \$2,500,000 (together, the "**Credit Facilities**") pursuant to a credit agreement dated March 31, 2022 and a line of credit agreement dated April 6, 2022 (together, the "**Credit Agreement**"). Attached hereto and marked as **Exhibit "A"** is a true copy of the Credit Agreement.
9. As security for the Loan, the Borrowers granted the following security, *inter alia*:
 - (a) a mortgage and assignment of rents dated April 6, 2022 in favour of the Petitioner registered against the Lands on April 12, 2022, bearing registration no. CA9850842 and CA9850843 (the "**Mortgage**");

- (b) a general security agreement dated as of April 6, 2022, granting a security interest in favour of the Petitioner over all of the personal property held by the Borrowers which arise from, pertains to, is located on, or is used in the operation and maintenance of the Lands and any proceeds therefrom (the "**GSA**");
 - (c) a letter of credit authorization and indemnity agreement dated April 6, 2022;
 - (d) a collateral assignment of capital call rights;
 - (e) an assignment of insurance dated April 6, 2022;
 - (f) an environmental warranty and indemnity dated April 6, 2022; and
 - (g) a cost overrun and completion guarantee dated March 31, 2022 in favour of the Petitioner
- (collectively, the "**Desjardins Security**").
10. Attached and marked as **Exhibit "B"** is a true copy of the Mortgage. The Mortgage was registered in the New Westminster Land Title Office on April 12, 2022 under numbers CA9850842 and CA9850843, in favour of the Petitioner.
11. Attached and marked as **Exhibit "C"** is a true copy of the GSA.
12. Attached and marked as **Exhibit "D"** is a true copy of the financing statement registered in the British Columbia Personal Property Registry in favour of Desjardins.
13. Attached and marked as **Exhibit "E"** are true copies of the collateral assignment of capital call rights, the assignment of insurance, the environmental warranty and indemnity and the cost overrun and completion guarantee granted by the Borrowers.
14. The performance of the Borrowers pursuant to the Commitment Letter was guaranteed by:
- (a) Myron Calof; and
 - (b) I4 Property Group Inc.
- (together, the "**Guarantors**").

15. Attached and marked as **Exhibit “F”** is a true copy of a guarantee dated April 6, 2022, for all amounts owing to the Petitioner by the Borrowers, executed by the Guarantors.
16. The Borrowers defaulted on their obligations under the Commitment Letter and the Mortgage. The defaults include, *inter alia*:
 - (a) the cessation of construction on the Lands;
 - (b) the failure to maintain the Lands free from statutory builders' liens;
 - (c) the failure to fund cost overruns incurred in connection with the construction on the Lands; and
 - (d) the failure to repay the indebtedness under the Credit Facilities.
17. On September 12, 2023, the Petitioner delivered to the Respondents, a notice of default. (the **“Default Notice”**). Attached and marked as **Exhibit “G”** is a true copy of the Default Notice.
18. Following issuance of the Default Notice, the Petitioner and the Respondents entered into a forbearance agreement pursuant to which the Petitioner agreed not to take any further enforcement steps until December 18, 2023 (the **“Forbearance Agreement”**). The Forbearance Agreement required the Respondents to, among other things, provide the Petitioner with a business and financing plan in respect of the development of the Lands.
19. Attached hereto and marked as **Exhibit “H”** is a true copy of the Forbearance Agreement.
20. The forbearance period under the Forbearance Agreement was extended on three occasions and finally expired on August 30, 2024, without the Respondents providing the Petitioner with an adequately funded solution for the completion of the development of the Project. The Petitioner has lost confidence in the ability of the Respondents to complete the development of the Project on the Lands.
21. On October 30, 2024, Desjardins issued a demand letter and a Notice of Intention to Enforce Security pursuant to s. 244 of the *Bankruptcy and Insolvency Act* (Canada) to the Borrowers (the **“Demand Letter”**). The amounts demanded have not been paid.
22. Attached and marked as **Exhibit “I”** is a true copy of the Demand Letter.

23. On October 30, 2024, the Petitioner issued a demand letter to the Guarantors. Attached and marked as **Exhibit "J"** are true copies of the demand letters, sent by the Petitioner to the Guarantors.
24. I know of no fact which would constitute a defence to the Petitioner's claim or any part of the Petitioner's claim.
25. Attached and marked as **Exhibit "K"** are true copies of a consent of Deloitte Restructuring Inc. to act as the Receiver in this matter.

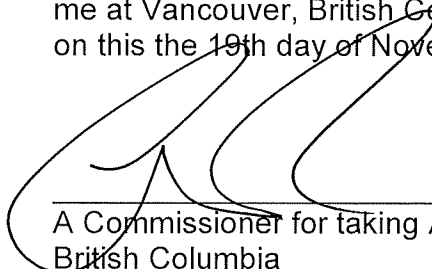
AFFIRMED BEFORE ME at Vancouver,
British Columbia on November 19, 2024.

A Commissioner for taking Affidavits for
British Columbia.


BENJAMIN CHUA

Colin Brousson
Barrister & Solicitor
DLA Piper (Canada) LLP
1133 Melville Street, Suite 2700
Vancouver, BC V6E 4E5
604.687.9444

This is **Exhibit "A"** referred to in the Affidavit of Benjamin Chua sworn before me at Vancouver, British Columbia on this the 19th day of November, 2024.


A Commissioner for taking Affidavits for
British Columbia

Colin Brousson
Barrister & Solicitor
DLA Piper (Canada) LLP
1133 Melville Street, Suite 2700
Vancouver, BC V6E 4E5
604.687.9444



March 31, 2022

I4PG Hastings Street Inc. and
Hastings Street Limited Partnership
420 – 1112 West Pender Street
Vancouver, B.C. V6E 2S1

Attention: Mr. Myron Calof, Principal

**Subject: Credit facilities in favour of Hasting Street Limited Partnership, I4PG Hastings Street Inc. and I4 Hastings Street Inc. (together, the "Borrower") to be secured by a charge against 4451 Hastings Street, Burnaby, B.C.
Lender's Mortgage File: 612037-1**

Dear Sir/Madam,

Based on the information and documents that you have provided us, the Lender presents to you an offer of financing according to the terms and conditions contained in the enclosed Parts A and B and, if any, the schedules attached hereto (collectively, the "**Loan Offer**").

If the terms and conditions of this Loan Offer are acceptable to you, please confirm by signing and having it signed, where applicable, by the Borrower and each Guarantor, where noted herein, and returning to us a complete copy of this Loan Offer accompanied by the borrowing fees provided for herein before **4 p.m. Vancouver time** on April 14, 2022 failing which, the Lender will not be required to make the credit facilities described herein available to the Borrower or to act on this Loan Offer, which will become invalid solely due to the passage of time.

Yours very truly,

DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY

Name: Benjamin Chua
Title: Regional Vice-President
Real Estate Financing Group
Central & Western Canada

Name: Oscar Flores
Title: Senior Account Manager
Real Estate Financing Group
Western Canada

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Ver. 2021-08

Real Estate Financing Group
95 St. Clair Avenue West 401 Georgia Street W.
Suite 101 Suite 1050
Toronto, Ontario M4V 1N7 Vancouver, BC V6B 5A1

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Borrower: **Hasting Street Limited Partnership
and I4PG Hastings Street Inc.**
Mortgage File: **612037-1**
Loan Offer dated March 31, 2022

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**PART A
LOAN SUMMARY**

1. BORROWER

- 1.1. Intentionally deleted.
 - 1.2. Hastings Street Limited Partnership (the "**Limited Partnership**"), acting by and through its general partner, I4PG Hastings Street Inc. (in such capacity, the "**General Partner**"); and
 - 1.3. I4PG Hastings Street Inc, in its individual capacity (in such capacity, "**I4PG**").
 - 1.4. Intentionally deleted.
- (the Limited Partnership and I4PG, both its individual capacity and in its capacity as the General Partner, are individually and collectively, the "**Borrower**").

2. BENEFICIAL OWNER

- 2.1. Intentionally deleted.

3. GUARANTOR

- 3.1. I4PG Property Group Inc. (the "**Corporate Guarantor**");and
 - 3.2. Mr. Myron Calof (the "**Personal Guarantor**");
- (individually and collectively, the "**Guarantor**").

4. LENDER

- 4.1. Desjardins Financial Security Life Assurance Company.

5. CO-LENDER

- 5.1. Not applicable.

6. LOAN DISTRIBUTION

- 6.1. Not applicable.

7. MANAGER

- 7.1. Not applicable.

8. PURPOSE OF THE CREDIT FACILITIES

- 8.1. First-ranking interim construction financing of a residential condominium project called the "**Siena**" consisting of a five (5) storey mixed-use wood frame building comprising approximately 38 housing units totaling a saleable area of at least 36,562 sq. ft., above six (6) ground commercial retail units totaling a saleable area of at least 8,419 sq. ft. with two (2) levels of underground parkade located at 4437 Hastings Street, Burnaby, British Columbia (the "**Project**").

9. REAL PROPERTY

- 9.1. The Project shall be built on a lot of approximately 17,222 sq. ft. located at 4437 Hastings Street, Vancouver, British Columbia and legally described as:

Borrower: **Hasting Street Limited Partnership
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PID 031-340-741 Lot 1 Block 5 District Lot 121 Group 1 New Westminster District Plan
EPP87138

(the "**Real Property**").

The legal description of the Real Property must be confirmed by the legal counsel of the Lender.

10. AMOUNT OF THE CREDIT FACILITIES

10.1. The Credit Facilities comprise the following:

10.1.1. Intentionally deleted.

10.1.2. Intentionally deleted

10.1.3. an interim demand non-revolving loan for a maximum amount of C\$29,200,000 to build the Project (the "**Construction Loan**"), subject to:

10.1.3.1. the Construction Loan shall be made available by way of multiple progressive advances (a) commencing no later than six (6) months from the date the Credit Facilities are approved by lender and (b) not more frequently than once per month; and

10.1.3.2. the Construction Loan will be advanced progressively according to the loan availability as determined by the Costs Incurred Margin and Cost to Complete Margin.

10.1.3.3. Intentionally deleted.

10.1.3.4. the Construction Loan shall include the following sub-facility:

10.1.3.4.1. a demand revolving line of credit in the maximum amount of C\$500,000 (the "**Revolving Credit**") to assist with interim payment of costs associated with the Project and is repaid monthly, or on demand, from the proceeds of draws from the Construction Loan.

10.1.3.4.2. Intentionally deleted

10.1.4. a non-revolving standby letter of credit facility to a maximum amount of C\$2,500,000 to be used for the issuance of performance standby letters of credit in favour of the City of Burnaby (the "**City**") and any other Governmental Authority or other entities, as approved by the Lender, to secure the Borrower's performance obligations in respect of development requirements relating to the Project (the "**LC Facility**");

(each a "**Credit Facility**" and collectively the "**Credit Facilities**").

10.2. The Borrower accepts that the Lender may delegate to FCDQ the obligation to disburse the Credit Facilities, in whole or in part, directly to the Borrower.

10.3. Notwithstanding any contrary or incompatible provisions of this Loan Offer (including Part A or Part B), each Credit Facility described in Subsections 10.1.3 (including the sub-facility in 10.1.3.4.1) and 10.1.4 is an uncommitted demand facility and the Lender may demand repayment, in whole or in part, at any time. Without limiting the generality of the foregoing, the Borrower and Guarantor acknowledge and agree that the inclusion of covenants, conditions and events of default herein or in the other Loan Documents shall

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not imply or be interpreted to mean that the Lender is restricted in any way from demanding payment at any time and for any reason whatsoever and that compliance by the Borrower and Guarantor with the covenants and conditions in the Loan Documents does not entitle the Borrower to continued availability of the demand facilities, which may be terminated or reduced in whole or in part by the Lender in its sole and absolute discretion, at any time.

10.4. Intentionally deleted.

11. FINANCING PROGRAM

11.1. Based on the construction budget prepared by the Borrower, the use and sources of funds of the Project are as follows:

USE OF FUNDS	Amount (C\$)	%
Land	\$12,537,000	30.71%
Hard costs (incl. \$400,000 Remediation costs)	\$19,150,000	46.92%
Soft costs (incl. \$594,000 Remediation costs)	\$5,034,618	12.33%
Financing costs	\$1,832,687	4.49%
Contingency (5% of Hard costs)	\$1,000,000	2.45%
Marketing costs (incl. 50% Commissions)	\$1,264,000	3.10%
TOTAL	\$40,818,305	100%

SOURCES OF FUNDS	Amount (C\$)	%
Construction Loan	\$29,200,000	71.54%
Mezzanine Loan	\$700,000	1.71%
Project Equity – Cash	\$5,918,305	14.50%
Project Equity – Land Value Uplift	Nil	0.0%
Purchaser Deposits	\$5,000,000	12.25%
TOTAL	\$40,818,305	100%

Saleable Area: (i) Condominiums: approximately 36,562 square feet; and (ii) CRUs: approximately 8,419 square feet (collectively and in aggregate, the **"Saleable Area"**).

- 11.2. The budgeted construction costs of the Project include the costs of standard finishing of the housing units as presented to the Lender and exclude all finishing extras or upgrades ordered by the purchasers of the condominium units, which extras must be paid for by the Borrower from its own resources, without using the Construction Loan.
- 11.3. The Borrower's equity of C\$5,918,305 (the **"Project Equity"**) is comprised of an estimated appraisal surplus value for Real Property of C\$0 and an injection of cash funds of C\$5,918,305.
- 11.4. Intentionally deleted.
- 11.5. If permitted by Applicable Laws and the provisions of this Loan Offer, the Borrower may use up to C\$5,000,000 of purchaser deposits (the **"Permitted Deposit Limit"**) as a source of funds to pay for Project costs. All purchaser deposits released to the Borrower to pay Project costs shall be insured by an insurance company or surety (the **"Deposit Surety"**) under an agreement that is compliant with Applicable Laws with respect to the release of purchaser deposits from trust to the Borrower to pay Project costs (the **"Approved Deposit Insurance Facility"**). Purchaser deposits released to the Borrower under the Approved Deposit Insurance Facility (the **"Insured Deposits"**) in excess of the Permitted Deposit Limit will reduce the availability under the Construction Loan by an equivalent amount of such excess. Notwithstanding the above, the Borrower may not use

Borrower: **Hasting Street Limited Partnership
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Insured Deposits that in aggregate exceed C\$3,000,000 to fund Project costs unless such Project costs are funded on a ratio of 1:1 between Insured Deposits and funds drawn from the Construction Loan.

- 11.6. The Borrower is permitted to use a mezzanine loan of no greater than C\$900,000 as a source of funding in the Project (the "**Mezzanine Loan**") provided that the holder of the Mezzanine Loan (the "**Mezzanine Lender**") grants priority to the Lender and the Security provided for herein, and enters into a satisfactory subordination and standstill agreement with the Lender in respect of the security for the Mezzanine Loan, and further provided that the Mezzanine Lender agrees to postpone its charge over purchaser deposits to any charge or other security in favour of any Deposit Surety. The Mezzanine Lender shall be a lender acceptable to the Lender. All interest relating to the Mezzanine Loan shall not be included in the budget as shown in the Use of Funds table under Subsection 11.1 above; however the Borrower shall be permitted to utilize up to \$140,000 as a reserve to service the interest payments on the Mezzanine Loan).
- 11.7. No modifications or amendments to the Mezzanine Loan may be made without the prior written approval of the Lender. Moreover, the Borrower may not repay the Mezzanine Loan until the Credit Facilities have been fully repaid or fully cash collateralized.

12. REVOLVING CREDIT

- 12.1. The Lender grants to the Borrower the Revolving Credit to bridge the payment of Project-related expenditures pending an advance under the Construction Loan, all according to the construction budget approved by the Lender and the terms and conditions provided herein.
- 12.2. The Borrower must repay the Revolving Credit from each advance of the Construction Loan and the Revolving Credit shall be fully repaid and cancelled upon the earlier of (a) demand by the Lender, (b) making the final advance under the Construction Loan, or (c) full repayment and cancellation of the Construction Loan.
- 12.3. The total of advances to be made under the Revolving Credit must never exceed the lesser of (a) the maximum loan amount allocated to the Revolving Credit in Section 10, and (b) the unadvanced portion of the Construction Loan available at such time.
- 12.4. Unless otherwise agreed with the Lender, the Borrower shall utilize the Revolving Credit by way of cheques or drafts drawn on the Operating Account and all cheques and drafts drawn on the Operating Account shall be utilizations of the Revolving Credit to the extent that they result in the Operating Account being in an overdraft position. The terms and conditions of the Line of Credit Agreement shall apply to the Revolving Credit.
- 12.5. The total of the Construction Loan advances and the Revolving Credit advances shall not exceed at any time the maximum amount of the Construction Loan.

13. LC FACILITY

- 13.1. Provided no Event of Default has occurred and is continuing and subject to the conditions precedent noted in this Loan Offer:
 - 13.1.1. the LC Facility may be used by the Borrower, in whole or in part, for the issuance of standby letters of credit in connection with the Real Property and Project, and as permitted in this Loan Offer; and
 - 13.1.2. Not applicable.
- 13.2. Standby letters of credit issued:

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- 13.2.1. under the LC Facility shall not have a term of more than one (1) year, or a term that matures on a date that is later than the LC Facility Maturity Date, provided that, if required by the beneficiary of the standby letter of credit, the standby letter of credit may include an auto-renewal clause (each standby letter of credit, a "**SBLC**"); and
- 13.2.2. Not applicable.
- 13.3. Upon the return of a SBLC issued under the LC Facility by its beneficiary undrawn, the maximum amount of the LC Facility as shown in Section 10 above shall be reduced by the face amount of the SBLC so returned.
- 13.4. A non-refundable commission of 1.25% of the amount of the SBLC shall be payable by the Borrower to the Lender upon its issuance and upon every renewal. In addition, an issuance fee of C\$150 shall be payable by the Borrower to the Lender upon the issuance or renewal of any SBLC. For each amendment of a SBLC, the Borrower shall pay to the Lender the prevailing standard fee that issuer of such SBLC charges for such an amendment.
- 13.5. Where the LC Facility is the only Credit Facility that remains outstanding and not repaid and cancelled, the Lender shall not be required to provide or register a discharge or partial discharge of the Security unless the Borrower has first provided the Lender with additional first ranking cash collateral security of an amount equal to the obligations of the Lender under the outstanding standby letters of credit under the LC Facility.
- 13.6. Any draw on a SBLC by its beneficiary, which is not funded immediately by the Borrower, shall be deemed to be an advance by the Lender to the Borrower bearing interest at the interest rate indicated in Section 14 below.
- 13.7. The Borrower hereby acknowledges that any SBLC issued pursuant to the LC Facility may be issued by FCDQ for and on behalf of the Lender. Should any amount due under any SBLC be paid to its beneficiary by FCDQ, said amount is due and payable by the Borrower to the Lender hereunder and secured by the Security.
- 13.8. In the event that the Lender and/or FCDQ is not deemed by the beneficiary to be an acceptable issuer of a requested SBLC, the Lender may elect to have its obligation under the LC Facility fulfilled by an affiliate or a third-party financial institution (the "**Substitute LC Issuer**") acceptable to the beneficiary. Should any amount due under any such standby letter of credit be paid to its beneficiary by the Substitute LC Issuer, said amount is due and payable by the Borrower to the Lender hereunder and secured by the Security.
- 13.9. Any portion of the LC Facility that is not utilized for the issuance of standby letters of credit shall be permanently cancelled and unavailable no later than the earlier of (a) demand by the Lender, or (b) the full repayment and cancellation of the Construction Loan, or (c) the LC Facility Maturity Date.

14. INTEREST RATES

- 14.1. The amounts loaned pursuant to the Credit Facilities bear interest at the rates provided for below:
 - 14.1.1. Construction Loan: a rate equal to the Prime Rate plus 1.0% per annum, subject always to a minimum rate of 3.45% per annum;
 - 14.1.2. Revolving Credit: a rate equal to the Prime Rate plus 1.0% per annum, subject always to a minimum rate of 3.45% per annum; and
 - 14.1.3. LC Facility: a rate equal to the Prime Rate plus 1.0% per annum (subject always to a minimum rate of 3.45% per annum) from the date of the call for payment is made

Borrower: **Hasting Street Limited Partnership
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under a SBLC, both before and after demand, default and judgement, until actual payment is made, with overdue interest to become principal and bear interest at the same rate.

- 14.2. By accepting this Loan Offer, the Borrower acknowledges that, as of January 17, 2022, the Prime Rate was 2.45% per annum. A certificate of a Vice President, Senior Account Manager or Account Manager of the Lender shall be conclusive evidence of the Prime Rate in effect from time to time.

15. TERM OF THE CREDIT FACILITIES

- 15.1. The Credit Facilities shall be repaid in full and in the case of the LC Facility, all outstanding letters of credit, unless secured by cash collateral, shall be cancelled or have an expiry date no later than, as follows:

15.1.1. Not applicable;

15.1.2. Not applicable;

15.1.3. Construction Loan: On demand but, in any case, no later than 24 months commencing on the Interest Adjustment Date of the Construction Loan (the "**Construction Loan Term**"), with the date at the end of the Construction Loan Term being the "**Construction Loan Maturity Date**";

15.1.4. Revolving Facility: on demand;

15.1.5. LC Facility: Twenty-four (24) months commencing on the Interest Adjustment Date of the Construction Loan (the "**LC Facility Term**"), with the date at the end of the LC Facility Term being the "**LC Facility Maturity Date**".

- 15.2. The Borrower may request the extension of the:

15.2.1. Not applicable;

15.2.2. Not applicable;

15.2.3. Construction Loan Maturity Date and the LC Facility Maturity Date concurrently by six (6) months on two (2) separate occasions (the "**Maturity Date Extension Option**").

- 15.3. Each exercise of a Maturity Date Extension Option is subject to the satisfactory fulfillment of the following conditions:

15.3.1. no Event of Default shall have occurred which is continuing;

15.3.2. Borrower shall have submitted a written request to the Lender exercising such an extension option not earlier than 3 months and not later than 1 month from the Construction Loan Maturity Date and the LC Facility Maturity Date, as the case may be;

15.3.3. consent of the Lender at its sole discretion; and

15.3.4. payment of an extension fee of 0.25% applied on the authorized limit of the Credit Facility being extended

Borrower: **Hasting Street Limited Partnership
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16. DATE OF FIRST ADVANCE

- 16.1. The first advance of the Construction Loan must have been made no later than six (6) months from the date that this Loan Offer, failing which the Lender reserves the right not to advance any amount pursuant to the Credit Facilities and to terminate this Loan Offer without recourse by the Borrower against the Lender.
- 16.2. Intentionally deleted.

17. BORROWING FEES

- 17.1. A non-refundable commitment fee of C\$146,000 has been fully earned by the Lender and is payable by the Borrower to the Lender. The Lender acknowledges having received the amount of C\$20,000 as partial payment of this fee. The remaining amount of C\$126,000, which is acknowledged by the Borrower to be fully earned by the Lender, is payable to the Lender by the Borrower on the first advance or cancellation of the Construction Loan, whichever occurs first.
- 17.2. A draw fee of C\$500 is payable to the Lender for each advance made by the Lender under the Construction Loan.
- 17.3. A discharge fee of C\$200 is payable to the Lender for each condominium units requested by the Borrower to be discharged from the Security, provided that in respect of a discharge request for greater than ten (10) condominium units, the total discharge fee for such a request will be capped at C\$2,000.
- 17.4. Intentionally deleted.
- 17.5. A SBLC Fee of \$150 plus 1.25% per annum of the face amount of each SBLC issued or renewed.
- 17.6. A fee of C\$2,000 upon the occurrence of an event that requires the Lender to review and/or execute land title and/or other security documents (other than discharges or partial discharges of Security) including plans, modifications and priority agreements (other than modifications of this Loan Offer for which an amendment fee shall be negotiated at that time). For certainty, this fee shall not be charged on a per document basis.

18. PRE-SALES

- 18.1. Qualified Pre-sales generating total revenue of no less than C\$31,800,000 before upgrades/extras and exclusive of HST are required before the first advance of the Construction Loan (the "**Pre-Sales Test**").
- 18.2. Intentionally deleted.
- 18.3. A pre-sale is deemed a Qualified Pre-Sale when all the following criteria are met (hereinafter, a "**Qualified Pre-Sale**"):
 - 18.3.1. a signed copy of the purchase offer has been provided to the Lender in form acceptable to the Lender and the purchaser is not in default of the terms of the purchase offer and is a bona fide Arm's Length Third Party to the Borrower and/or each Guarantor;
 - 18.3.2. the purchaser's rescission period under the purchase offer and pursuant to the Condominium Act, 1998 (Ontario) (and any successor legislation thereto) shall have expired and the purchase offer must be firm, binding and unconditional (except for typical closing conditions);

Borrower: **Hasting Street Limited Partnership
and I4PG Hastings Street Inc.**

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- 18.3.3. the contractual deposit required from the purchaser of a residential condominium unit shall be at least 15% (30% for a Non-Resident Purchaser) of the total price, exclusive of HST, and to be received in accordance to the payment schedule as follows:
 - 18.3.3.1. an initial deposit equal to 5% of the total purchase price, payable upon presentation of the purchase offer by the purchaser (or Non-Resident Purchaser) to the Borrower;
 - 18.3.3.2. Intentionally deleted.
 - 18.3.3.3. a further 5% (5% for a Non-Resident Purchaser) of the total purchase price, exclusive of HST, within 7 days of signing (the "**Residential Acceptance Date**");
 - 18.3.3.4. a further 5% (10% for a Non-Resident Purchaser) of the total purchase price, exclusive of HST, within 10 days of the Borrower filing the financing condition and building permit amendment (the "**REDMA Amending Filing**"), as required under Applicable Laws;
 - 18.3.3.5. for a Non-Resident Purchaser only, a further 10% of the total purchase price, exclusive of HST, at the later of (i) six months after the Residential Acceptance Date, and (ii) that date with is 30 days after the purchaser receives the REDMA Amending filing
 - 18.3.4. the contractual deposit required from the purchaser of a commercial condominium unit shall be at least 15% (30% for a Non-Resident Purchaser) of the total purchase price, exclusive of HST, and to be received in accordance to the payment schedule as follows:
 - 18.3.4.1. an initial deposit equal to 5% of the total purchase price, payable upon presentation of the purchase offer by the purchaser (or Non-Resident Purchaser) to the Borrower;
 - 18.3.4.2. Intentionally deleted.
 - 18.3.4.3. a further 5% (5% for a Non-Resident Purchaser) of the total purchase price, exclusive of HST, within 7 days of signing (the "**Commercial Acceptance Date**");
 - 18.3.4.4. a further 5% (10% for a Non-Resident Purchaser) of the total purchase price, exclusive of HST, within 10 days of the Borrower filing the financing condition and building permit amendment (the "**REDMA Amending Filing**"), as required under Applicable Laws;
 - 18.3.4.5. for a Non-Resident Purchaser only, a further 10% of the total purchase price, exclusive of HST, at the later of (i) six months after the Commercial Acceptance Date, and (ii) that date with is 30 days after the purchaser receives the REDMA Amending filing.
 - 18.3.5. the contractual deposit already collected from the purchaser of a residential condominium unit shall be no less than 10% (10% for a Non-Resident Purchaser) of the total purchase price, exclusive of HST;
 - 18.3.6. the contractual deposit already collected from the purchaser of a commercial condominium unit shall be no less than 10% (10% for a Non-Resident Purchaser) of the total purchase price, exclusive of HST;

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- 18.3.7. pre-sales to Non-Resident Purchasers that would be counted as Qualified Pre-sales are limited to an aggregate total of five (5) residential condominium units, aggregating no more than C\$4,000,000 in total gross revenue before upgrades/extras and exclusive of HST (with parking stalls and/or storage lockers, as applicable);
- 18.3.8. pre-sales to Investor Purchasers are prohibited unless expressly authorized by the Lender in writing;
- 18.3.9. Intentionally deleted.
- 18.3.10. Intentionally deleted.

19. **RELEASE**

- 19.1. Not applicable.

20. **COST CONSULTANT**

- 20.1. A cost consultant selected and engaged by the Lender (the "**Cost Consultant**"), at the expense of the Borrower, will have the mandate to, among other matters, verify and validate the construction budget, construction schedule, cash flow projection, follow up the construction work, verify the accounts payable (suppliers and sub-contractors), confirm the costs incurred to-date, the costs to complete the Project, recommend the advances of the Construction Loan and perform all other tasks required by the Lender as outlined in a separate mandate letter between the Lender, Borrower and the Cost Consultant (the "**Cost Consultant Mandate**"). Notwithstanding, the Lender reserves the right to expand or vary the scope of the Cost Consultant's role or mandate.
- 20.2. The Cost Consultant shall provide the necessary reporting and documentation required to support each advance as outlined in Section 22 herein, Section 23 herein, Section 10 of Part B and the Cost Consultant Mandate. From and after the date of the first advance of the Construction Loan, in the event an advance is not made under the Construction Loan, the Borrower will ensure the Cost Consultant provides to the Lender, within thirty (30) days of such month end, the same reporting and documentation as if an advance was made under the Construction Loan.

21. **SECURITY AND GUARANTEES**

- 21.1. The following security (hereinafter collectively the "**Security**") must be granted in favour of the Lender by the Borrower, Guarantor and by any other Person able to hold rights in the assets to be charged, as the case may be, in a form and manner satisfactory to the Lender and the Lender's legal counsel:
 - 21.1.1. a first ranking demand collateral mortgage (the "**Collateral Mortgage**") in the amount of C\$37,000,000 charging all of the legal right, title and interest of the Borrower in and to the Real Property and Project, executed by the General Partner, as mortgagor, and the Limited Partnership, as covenantor;
 - 21.1.2. a general security agreement relating to all present and future personal property of the Borrower relating to the Project and Real Property, including, without limitation, purchaser and sale agreements, plans, contracts, drawings, agreements, permits, approvals, equipment, receivables, inventory and intellectual property;
 - 21.1.3. assignment of the present and future rents and leases in respect of the Real Property to be registered against title to the Real Property;
 - 21.1.4. assignment of insurance from the Borrower;

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- 21.1.5. line of credit agreement ("**Line of Credit Agreement**") from the Borrower in the principal amount of C\$500,000 in respect of the Revolving Credit;
 - 21.1.6. authorization and indemnity agreement from the Borrower in respect of each letter of credit issued at the request of the Borrower under the LC Facility;
 - 21.1.7. assignment of cash collateral from the Borrower;
 - 21.1.8. environmental indemnity from the Obligors on a joint and several basis;
 - 21.1.9. an assignment of all material Project contracts from the Borrower, together with any necessary third party consents;
 - 21.1.10. where applicable, a subordination and standstill agreement between the Lender and the Mezzanine Lender whose form and content must be satisfactory to the Lender;
 - 21.1.11. where applicable, a subordination and standstill agreement between the Lender and the Deposit Surety in respect of the Approved Deposit Insurance Facility, whose form and content must be satisfactory to the Lender;
 - 21.1.12. intentionally deleted;
 - 21.1.13. intentionally deleted;
 - 21.1.14. an assignment of all condominium unit purchase and sale agreements in connection with the Project from the Borrower;
 - 21.1.15. following the registration of the condominium, the General Partner, in its capacity as registered owner of any or all of the condominium units (the "**Registered unit owner**") hereby irrevocably appoints and authorizes the Lender to exercise the Registered unit owner's rights to vote or consent in all matters relating to the affairs of the condominium corporation, or in the alternative, at the option of the Lender, to act as the proxy of the Lender at such meetings and to vote its interest as the Lender may instruct (and for this purpose, the Registered unit owner assigns its voting rights to the Lender), provided however that unless and until the Lender has given written notice of its intention to exercise such voting rights to the Registered unit owner and the condominium corporation consequent upon an Event of Default arising or occurring, the Registered unit owner shall be entitled to exercise the right to vote or consent in all matters relating to the affairs of the condominium corporation, provided that the Registered unit owner exercises such voting rights in good faith, for the purposes of organizing the affairs of the condominium corporation in a commercially-reasonable manner, and to cause the condominium corporation to formally enact, ratify and/or approve of all of the by-laws, rules and agreements referred to in the Registered unit owner's disclosure statement applicable to the condominium;
 - 21.1.16. assignment by the General Partner to the Lender of the capital commitments of the limited partners of the Limited Partnership (and its right to make capital calls), to be acknowledged by each of the limited partners; and
 - 21.1.17. any other security, guarantee, intercreditor agreement or other document deemed necessary by the Lender or its legal counsel, acting reasonably, including, where applicable, those required in Part B of this Loan Offer.
- 21.2. The Credit Facilities are secured, on a *pari passu* basis, by the Security.
 - 21.3. The terms and conditions of this Loan Offer shall prevail in the event of a conflict or inconsistency with any provisions of the Security.

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21.4. The following guarantees (hereinafter collectively the "**Guarantee**") shall be granted in favour of the Lender by each Guarantor:

- 21.4.1. Intentionally deleted.
- 21.4.2. a joint and several guarantee executed by each Guarantor, under which the quantum of liability shall be unlimited;
- 21.4.3. Intentionally deleted.
- 21.4.4. an unlimited liability cost overrun, debt service, operating deficit and completion, and full environmental liability indemnity guarantee executed by each Guarantor on a joint and several basis; and
- 21.4.5. Not applicable.

22. CONDITIONS PRECEDENT TO THE FIRST ADVANCE AND AVAILABILITY

22.1. Prior to the first advance of the Construction Loan and the availability of the Revolving Credit and the LC Facility, each of the following conditions precedent and provided that all other conditions contained herein, have been fulfilled to the satisfaction of the Lender and its legal counsel:

- 22.1.1. receipt by the Lender of the following documents, all of which shall be satisfactory in form and content to the Lender:
 - 22.1.1.1. intentionally deleted;
 - 22.1.1.2. a list of the direct and indirect shareholders or unitholders of the Obligors indicating in each case the names of all the direct and indirect shareholders or unitholders, in the case of a trust, the names of the beneficiaries and trustees and, in the case of a joint venture, the names of the direct and indirect partners and shareholders of same;
 - 22.1.1.3. where applicable, a copy of any joint venture agreement or deed or declaration of trust of the Obligors;
 - 22.1.1.4. a copy of the notice of articles and articles or other relevant constating documents, as the case may be, shareholders' agreement, if applicable, of each of the Obligor, as well as all other corporate documents and resolutions of each of the Obligor that could be reasonably required by the Lender in connection with the Credit Facilities and the Real Property;
 - 22.1.1.5. a copy of the limited partnership agreement and certificate of limited partnership forming the Limited Partnership;
 - 22.1.1.6. the most recent and signed financial statements for each of the Obligors;
 - 22.1.1.7. a copy of the Form A transfer, if available, of the Real Property and copies of all documents relating to the purchase of the Real Property, including the agreement of purchase and sale (including all amendments thereto) and the statement of adjustments relating to the Real Property, if available;
 - 22.1.1.8. if title insurance is not obtained or if required by the title insurer, a copy of a recent report/building location survey of the Real Property

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- satisfactory to the Lender and its legal counsel and prepared by a qualified land surveyor;
- 22.1.1.9. receipt of satisfactory environmental assessment reports and letter of transmittal authorizing the Lender's use and reliance on the reports for the Project, paid for by the Borrower;
 - 22.1.1.10. a copy of a satisfactory soil condition and geotechnical report in respect of the Real Property, addressed to the Lender, or supported by a transmittal letter addressed to the Lender permitting the Lender to rely on the report, and prepared by a firm acceptable to the Lender, paid for by the Borrower;
 - 22.1.1.11. intentionally deleted;
 - 22.1.1.12. intentionally deleted;
 - 22.1.1.13. a copy of an appraisal report assessing the "as complete" market value of the Project prepared by a firm acceptable to the Lender, addressed to the Lender, or supported by a transmittal letter addressed to the Lender permitting the Lender to rely on the report, and demonstrating a gross development value of no less than C\$43,829,940, paid for by the Borrower;
 - 22.1.1.14. a copy of an appraisal report assessing the development land value of the Real Property (the "**Land Appraisal**") prepared by a firm acceptable to the Lender, addressed to the Lender, or supported by a transmittal letter addressed to the Lender permitting the Lender to rely on the report, and demonstrating a value of no less than C\$12,537,000, paid for by the Borrower;
 - 22.1.1.15. copies of all development disclosure statements, draft condominium documents, including condominium by-laws, shared services agreements and insurance trust agreements, if applicable, and any amendments thereto required for the Project, and if not available, the Borrower shall provide an undertaking to provide such documents as soon as they become available;
 - 22.1.1.16. an updated list of the sale prices of the condominium units of the Project, listing for each unit its typology, area and selling price before HST (excluding any extras) including the price of parking stalls and/or storage lockers;
 - 22.1.1.17. copies of all current leases, agreements to lease, offers to lease and letters of intent to lease (whether binding or non-binding), the terms of which must be satisfactory to the Lender and its legal counsel, acting reasonably, and a certified copy of the rent roll with respect to the Real Property, if applicable;
 - 22.1.1.18. a satisfactory report of the external insurance consultant, accompanied by confirmations or certificates of insurance for the coverages described in Section 18 of Part B, except for Subsections 18.2;
 - 22.1.1.19. Not applicable;
 - 22.1.1.20. a copy of all management agreements and other material agreements with respect to the construction of, or other matters in relation to, the ,

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- that is acceptable to the Lender and whose form and content must be satisfactory to the Lender;
- 22.1.1.21. copies of draft plans, specifications, drawings, timetables, reports and recommendations pertaining to the development and construction of the Project that is satisfactory to the Lender (the "**Plans and Specifications**");
 - 22.1.1.22. a copy of the standard form agreement for the sale of condominium units in the Project;
 - 22.1.1.23. evidence of enrolment of the Project with the Tarion Warranty Corporation pursuant to the *Ontario New Home Warranties Plan Act* (Ontario), the registration of the Borrower as "vendor" or "builder" of the Project, as applicable, and compliance with all applicable requirements of Tarion Warranty Corporation and the *Ontario New Home Warranties Plan Act* (Ontario). Where any entity other than the Borrower is the "vendor" or "builder" of the Project, additional security in favour of the Lender from such entity may be required;
 - 22.1.1.24. executed copies of any loan and security documents, as well as copies of the facility letter, credit agreement and all documents with respect to the Mezzanine Loan; and
 - 22.1.1.25. if applicable, an executed copy of the Approved Deposit Insurance Facility and confirmation that the Approved Deposit Insurance Facility is in effect;
- 22.1.2. receipt of a report of the Cost Consultant addressed to the Lender, prepared in accordance with the Cost Consultant Mandate, confirming, among other things:
- 22.1.2.1. satisfactory review of the Plans and Specifications;
 - 22.1.2.2. satisfactory review and comments on the environmental site assessment reports and the geotechnical report(s);
 - 22.1.2.3. review and approval of the construction schedule of the Project;
 - 22.1.2.4. review of the detailed construction budget of the Project and confirmation that this budget (including management fees, financing cost budget, contingencies and Deferred Costs) is sufficient to complete the construction of the Project in accordance to the Plans and Specifications and construction schedule;
 - 22.1.2.5. review of the total contingency budget and confirmation that no less than C\$1,000,000 is available;
 - 22.1.2.6. review and approval of the cash flow projection for the completion of the Project;
 - 22.1.2.7. the gross area and the total saleable area of the Project, the number of condominium units, the saleable area and typology of each unit and the number of parking stalls and/or storage lockers;
 - 22.1.2.8. the amount of hard costs and soft costs incurred on a line by line basis and identifying whether such costs have been incurred in accordance with the Project budget or are cost overruns or operating deficits;

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- 22.1.2.9. the estimated cost to complete on a line by line basis;
 - 22.1.2.10. that after giving effect to the contemplated advance, (a) the Costs Incurred Margin shall be greater than or equal to the aggregate principal outstanding under the Construction Loan, and (b) the Cost to Complete Margin shall not exceed the available portion of the Construction Loan that has not been advanced;
 - 22.1.2.11. a list of accounts payable has been received and all accounts previously submitted have been paid in full and reconciled by a review of cancelled cheques;
 - 22.1.2.12. satisfactory review and comments on the stipulated price, guaranteed maximum price, or construction management contract, as the case may be, and all other material construction, trade and supplier contracts relating to the Project;
 - 22.1.2.13. not less than 70% of construction hard costs (net of general conditions and contingencies) is covered by fixed price contracts (in a form that is customary under industry conventions and practices);
 - 22.1.2.14. the Project Equity and the Mezzanine Loan have been injected or will be injected concurrently with the first advance of the Construction Loan.
 - 22.1.2.15. the Pre-Sales Test has been achieved. In the event of a shortfall of not greater than C\$2,000,000 in respect of the Pre-Sales Test, the Borrower may, at its option, provide cash collateral, or a letter of credit in a form and from a financial institution acceptable to the Lender, for an amount equal to such shortfall (the "**Presale Collateral**") which will be held by the Lender as security for the Credit Facilities in lieu of satisfying this condition precedent. Upon the Pre-Sales Test being satisfied and provided no Event of Default then exists, the Presale Collateral will be released to the Borrower;
 - 22.1.2.16. the sum of (a) purchaser deposits received and held in trust by the legal counsel for the Borrower, (b) Insured Deposits, (c) purchaser deposits receivable at a future date, but prior to occupancy, in accordance to the purchase offer, and (d) the Deposit Shortfall Top-up, is not less than the Minimum Deposit Requirement (the "**Insured Deposit Test**"). The Borrower may inject a temporary additional contribution of cash equity that is separate from the Project Equity, as a substitute for purchaser deposits, but only for an amount not greater than C\$2,000,000 (the "**Deposit Shortfall Top-up**"). The Deposit Shortfall Top-up can be reduced as long as the Insured Deposit Test is maintained;
 - 22.1.2.17. all change orders comply with the condition stipulated in Subsection 26.1.1 in Part B;
 - 22.1.2.18. all zoning and development approvals, including all necessary permits pertaining to the current stage of construction for the Project, and subdivision, servicing, development, site plan and similar agreements that are required at such time in order to ensure the progress to completion or delivery of possession of the Project, have been obtained for the Project;
 - 22.1.2.19. the Holdbacks that have been retained or released by budget line item;

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- 22.1.2.20. any cost overruns and/or operating deficits that have been incurred on the Project have been funded in their entirety by the Borrower;
 - 22.1.2.21. intentionally deleted; and
 - 22.1.2.22. if applicable, statutory declaration by an authorized representative of the general contractor confirming that all the sub-contractors or suppliers have been paid (using the standard declaration of the Lender or a widely accepted industry form) or statutory declarations by authorized representatives of sub-contractors or suppliers that they have been paid (using the standard declaration of the Lender or a widely accepted industry form);
 - 22.1.3. Intentionally deleted.
 - 22.1.4. confirmation that all real estate taxes and other property levies with respect to the Real Property have been paid without subrogation and are up to date;
 - 22.1.5. if title insurance is not obtained, confirmation that the current use of the Real Property is compliant with the municipal zoning and land use by-laws governing the Real Property;
 - 22.1.6. confirmation that the proposed use of the Real Property is compliant with the municipal zoning and land use by-laws governing the Real Property;
 - 22.1.7. confirmation that the Borrower holds all necessary permits and authorizations required for the Project at its current stage of development;
 - 22.1.8. confirmation that the Borrower has opened the Operating Account and the Holdback Account;
 - 22.1.9. receipt by the Lender of the documentation referred to in Subsection 45.1 of Part B of this Loan Offer;
 - 22.1.10. Intentionally deleted.
 - 22.1.11. Intentionally deleted.
 - 22.1.12. confirmation from the legal counsel to the Lender that, further to verification with the official receiver in bankruptcy and the bankruptcy register, none of the Obligor are in bankruptcy and no notice of intention has been filed regarding any Obligor;
 - 22.1.13. the legal opinions required under the terms of this Loan Offer must have been received and satisfactorily reviewed by the Lender and its legal counsel;
 - 22.1.14. receipt of satisfactory report from the Lender's legal counsel in accordance to Section 12 of Part B;
 - 22.1.15. the Security, Guarantee and any other documentation required by the Lender must have been completed in form and content satisfactory to the Lender and its legal counsel and registered, where applicable, and have the priority rank required by the Lender;
 - 22.1.16. if required, the security provided by the Guarantor must have been obtained and registered, where applicable, and have the priority rank required by the Lender;
 - 22.1.17. satisfactory visual site inspection of the Lands by the Lender or its agent;

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- 22.1.18. satisfactory completion of the Lender's "**know your client**" requirements and due diligence investigations regarding the PCMLTF Regulations;
 - 22.1.19. confirmation that the Limited Partnership has capital commitments that have not been funded or called by the General Partner, of no less than \$1,500,000;
 - 22.1.20. completion and registration of all legal documentation, including the Credit Agreement, reasonably required by Lender's legal counsel; and
 - 22.1.21. all conditions under Subsection 10.1 (and sub-sections thereunder) of Part B are in compliance.
 - 22.2. Prior to the availability of the Revolving Credit and LC Facility, each and every one of the following conditions must have been met to the satisfaction of the Lender and its legal counsel:
 - 22.2.1. all conditions in Subsection 22.1 above remain in compliance to the satisfaction of the Lender and its legal counsel; and
 - 22.2.2. receipt by the Lender of the Line of Credit Agreement and its standard form documentation with respect to the issuance of SBLCs.
 - 22.3. Intentionally deleted.

23. CONDITIONS PRECEDENT TO SUBSEQUENT ADVANCES

- 23.1. The obligation of the Lender to make available any further advances of the Credit Facilities subsequent to the first advance under the Construction Loan (excluding the Revolving Credit) is subject to and conditional upon the prior satisfaction of the following conditions precedent, as determined by the Lender (or waiver thereof by the Lender):
 - 23.1.1. receipt by the Lender of a report from the Cost Consultant, prepared in accordance to the Cost Consultant Mandate, confirming, among other things:
 - 23.1.1.1. Intentionally deleted;
 - 23.1.1.2. the Project budget (including financing cost budget) and remaining contingency is still adequate to complete the Project in accordance to the Plans and Specifications;
 - 23.1.1.3. the amount of hard costs and soft costs incurred on a line by line basis and identifying whether such costs have been incurred in accordance with the Project budget or are cost overruns or operating deficits;
 - 23.1.1.4. the estimated cost to complete on a line by line basis;
 - 23.1.1.5. that after giving effect to the contemplated advance, (a) the Costs Incurred Margin shall be greater than or equal to the aggregate principal outstanding under the Construction Loan, and (b) the Cost to Complete Margin shall not exceed the available portion of the Construction Loan that has not been advanced;
 - 23.1.1.6. a list of accounts payable has been received and all accounts previously submitted have been paid in full and reconciled by a review of cancelled cheques;
 - 23.1.1.7. the Project can be completed within the construction schedule;

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- 23.1.1.8. the Project Equity and the Mezzanine Loan remain funded in the Project;
 - 23.1.1.9. all change orders comply with the condition stipulated in Subsection 26.1.1 in Part B;
 - 23.1.1.10. all zoning and development approvals, including all necessary permits pertaining to the current stage of construction for the Project, and subdivision, servicing, development, site plan and similar agreements that are required at such time in order to ensure the progress to completion or delivery of possession of the Project, have been obtained for the Project;
 - 23.1.1.11. the Holdbacks that have been retained or released by budget line item;
 - 23.1.1.12. any cost overruns and/or operating deficits that have been incurred on the Project have been funded in their entirety by the Borrower;
 - 23.1.1.13. intentionally deleted; and
 - 23.1.1.14. if applicable, statutory declaration by an authorized representative of the general contractor confirming that all the sub-contractors or suppliers have been paid (using the standard declaration of the Lender or a widely accepted industry form) or statutory declarations by authorized representatives of sub-contractors or suppliers that they have been paid (using the standard declaration of the Lender or a widely accepted industry form);
 - 23.1.2. Intentionally deleted.
 - 23.2. Intentionally deleted.
 - 23.3. Intentionally deleted.

24. ADDITIONAL COVENANTS

- 24.1. The Lender and the Borrower agree that the following covenants are added to those provided for in Sections 25 and 26 of Part B, as the case may be:
 - 24.1.1. Borrower shall provide the Lender with signed financial statements prepared by a professional acceptable to the Lender, in a form acceptable to the Lender, within one hundred twenty (120) days after the end of each fiscal year, of the following:
 - 24.1.1.1. notice to reader statements of Borrower; and
 - 24.1.1.2. notice to reader statements of Corporate Guarantor.
 - 24.1.2. Borrower shall provide the Lender with personal net worth statements, in a form acceptable to the Lender, within one hundred twenty (120) days after the end of each calendar year, of the following:
 - 24.1.2.1. the Personal Guarantor.
 - 24.1.3. within thirty (30) days of each month end, the Borrower will deliver to the Lender monthly updated sales reports, updated price lists and/or copies of condominium unit purchase and sale agreements accepted by the Borrower;
 - 24.1.4. within the earlier of 180 days from the first advance of the Construction Loan or the Project achieving grade at street level, the Borrower shall provide confirmation to

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the Lender and the Cost Consultant that at least 75% of the construction hard costs (net of general conditions and contingencies) are covered by fixed price contracts (in a form that is customary under industry conventions and practices);

- 24.1.5. Not applicable;
- 24.1.6. Borrower shall ensure that the Pre-Sales Test remains in compliance at all times;
- 24.1.7. Borrower shall ensure that the Insured Deposit Test remains in compliance at all times;
- 24.1.8. Intentionally deleted.
- 24.1.9. Borrower shall cause the Borrower's legal counsel to maintain a separate trust account with the Lender or Co-Lender (or an affiliate of either) to hold purchasers' deposits related to the Project;
- 24.1.10. Intentionally deleted.
- 24.1.11. Borrower shall ensure that the Limited Partnership has capital commitments in place that have not been funded or called by the General Partner, of no less than \$1,500,000 at all times;
- 24.1.12. [•additional covenants TBD;] and
- 24.1.13. provide the Lender with such other reporting as the Lender may require.

25. REPLACEMENT AND ADDITION OF CERTAIN CLAUSES IN PART B

- 25.1. The Lender and the Borrower agree that the following provisions of Part B are deleted and replaced as follows:

- 25.1.1. Subsection 1.1.9 of Part B is hereby deleted in its entirety and shall be replaced with: **“Costs Incurred Margin”** means the sum of Project costs incurred to date, as approved by the Lender and the Cost Consultant, minus, without duplication, the sum of (a) Project Equity, (b) additional equity contributions relating to cost overruns (for greater certainty, Deposit Shortfall Top-up and Presale Collateral are not applicable in this calculation), (c) Mezzanine Loan, (d) Project costs incurred to date but not paid in full (excluding those to be paid from the current advance being contemplated), (e) interim revenue that has been received, (f) Insured Deposits (including purchaser deposits to be released in conjunction with the current advance being contemplated), and (g) Holdbacks that have not been released to the Borrower (excluding that to be released from the current advance being contemplated);”;
- 25.1.2. Subsection 1.1.10 of Part B is hereby deleted in its entirety and shall be replaced with: **“Cost to Complete Margin”** means the sum of the costs to complete the Project, as determined by the Cost Consultant and approved by the Lender, Project costs incurred to date but not paid in full (excluding those to be paid from the current advance being contemplated), and Holdbacks that have not been released to the Borrower (excluding those to be released from the current advance being contemplated), minus the sum of (a) forecasted interim revenue remaining to be received, and (b) purchaser deposits, up to the Permitted Deposit Limit, which have not yet been released to the Borrower on or before such date to pay for Project costs;”;
- 25.1.3. Subsection 1.1.16 of Part B is hereby deleted in its entirety and shall be replaced with: **“Force Majeure”** means any of the following events which prevents or

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materially impairs the construction or operation of the Project or performance of an obligation and is not caused by and is beyond the reasonable control of the Obligors: acts of God, floods, earthquakes, tidal waves, hurricanes, windstorms, severe weather conditions, lightning, fire, wars (whether declared or not), riots, insurrections, rebellions, civil commotions, sabotage, partial or entire failure of utilities, strikes, walkouts or other labour disruptions, delays in transportation, accidents, shortages of and inability to procure labour, materials and supplies (after all commercially reasonable efforts have been made by the Obligors to obtain replacement for such labour, materials and supplies), acts of public enemies, epidemics, quarantine restrictions, extreme adverse weather conditions, and actions or refusals to take action by any Governmental Authority unless as a result of the Borrower's inaction or action, or orders, legislation, regulations and directives of any Governmental Authority. For greater certainty, lack of funds, the state of the market or any wilful or negligent act or omission on the part of the Obligors (or any one of them) does not constitute Force Majeure;"

25.1.4. Subsection 3.1 of Part B is hereby deleted in its entirety and shall be replaced with: "Subject to terms contained in this Loan Offer, the Credit Facilities shall be repaid in full at the earlier of demand by the Lender or the maturity date of such Credit Facility as stipulated in Section 15 of Part A.";

25.1.5. Subsection 18 of Part B is hereby deleted in its entirety and shall be replaced with:

18. INSURANCE

18.1. The Borrower shall obtain and maintain (or cause to be obtained and maintained), throughout the whole term of the Credit Facilities or while construction work on the Project is underway and not completed, as the case may be, the insurance coverages described below:

18.1.1. "all risks" builder's risk insurance on a replacement cost, no co-insurance basis with a limit for property damage representing not less than 100% of the total hard construction costs, plus not less than 25% of the total soft construction costs of the Project and including:

18.1.1.1. coverage against the perils of sewer back-up, water damage, flood, earthquake, windstorm and collapse;

18.1.1.2. coverage for bylaws, debris removal, expediting expense, professional fees, property in transit, property stored offsite, fire fighting expense;

18.1.1.3. permission to occupy while under construction;

18.1.1.4. the policy will be subject to a standard mortgage clause. The Borrower will be a named insured or additional named insured. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests may be, shall be first mortgagee and loss payee and provided with not less than 30 days prior notice of cancellation;

18.1.1.5. equipment breakdown insurance, including testing and commissioning, on a replacement cost basis, with the same policy limits for property damage as provided under the builder's risk insurance. The policy will be subject to a mortgage clause. The Borrower will be a named insured or additional named insured. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests

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may be, shall be first mortgagee and loss payee and provided with not less than 30 days prior notice of cancellation;

- 18.1.2. "wrap-up" liability insurance, with the Borrower as a named insured or additional named insured, insuring against third party bodily injury and/or property damage liability claims arising out of the Project, with a limit of at least C\$10,000,000 per occurrence and C\$10,000,000 in the aggregate for products and completed operations liability with a period of indemnity of not less than twenty-four (24) months. The insurance will include contractual liability, be subject to a cross liability/severability of interests clause, and include sudden and accidental pollution liability (which may be subject to a sublimit) with a detection/reporting period of not less than one hundred twenty (120) hours. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests may be, shall be additional insureds and provided not less than thirty (30) days prior notice of cancellation; and
- 18.1.3. professional liability/errors and omission insurance as maintained by the engineers and architects engaged in the Project for a limit of not less than \$1,000,000 per claim.
- 18.2. The Borrower undertakes to obtain, or replace the insurance coverages described in Section 18.1 above once construction of the Project is completed, as the case may be, and maintain the insurance coverages described below until the Credit Facilities have been entirely repaid and cancelled:
 - 18.2.1. property insurance on the Project on an "all risks" or "broad form" basis including coverage against the perils of sewer back-up, water damage, flood, earthquake, windstorm and collapse, as well as coverage for bylaws and debris removal expense, on a replacement cost, stated amount (or no co-insurance) basis, with a limit for property damage equal to the full replacement cost value of the Project, without deduction for foundations. The policy will be subject to a standard mortgage clause. The Borrower will be a named insured or additional named insured. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests may be, shall be first mortgagee and loss payee and provided with not less than thirty (30) days prior notice of cancellation;
 - 18.2.2. commercial general liability insurance, with the Borrower as a named insured or additional named insured insuring against third party bodily harm and/or property damage liability claims arising out of the Lands, including its lands, with a limit of not less than C\$10,000,000 per occurrence. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests may be, will be additional insureds and provided with not less than thirty (30) days prior notice of cancellation;
 - 18.2.3. environmental liability insurance: (a) in the presence of above-ground tanks or depending on the activities of the Borrower or its tenants, the commercial general liability insurance obtained must include an endorsement for third party bodily injury and/or property damage liability claims arising out of sudden and accidental pollutants (IBC 2313 wording) with a detection/reporting period of not less than 120 hours; or (b) in cases of increased risk or of an underground tank, environmental impairment/pollution liability insurance shall be maintained to cover third party pollution liability claims and first party on-site remediation expense. The Borrower will be a named insured or

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additional named insured. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests may be, will be additional insureds and provided with not less than thirty (30) days prior notice of cancellation;

- 18.2.4. equipment breakdown/boiler and machinery insurance covering all electrical, mechanical equipment and pressurized vessels on a replacement cost basis, with a limit for property damage representing the new or replacement value of the equipment. The insurance will include coverage for bylaws and will be subject to a mortgage clause. The Borrower will be a named insured or additional named insured. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests may be, shall be first mortgagee and loss payee and provided with not less than thirty (30) days prior notice of cancellation; and
- 18.2.5. in the event the insurance on the Real Property and completed Project is maintained by a condominium, the insurance will be in accordance with the condominium's bylaws. If the Borrower owns any individual condominium units forming part of the completed condominium Project, it will maintain insurance on these condominium units as would be maintained by a prudent owner of similar property and including at a minimum (a) commercial general liability insurance for a limit of not less than \$5,000,000 per occurrence, including contractual liability and subject to a cross liability/severability of interests clause, (b) property insurance covering improvements/betterments and personal property owned by the Borrower (if applicable) within the owned condominium units on a replacement cost basis, and (c) business interruption insurance covering loss of gross rents with a period of indemnity of at least twelve (12) months if any of the owned condominium units are leased to third parties. The Borrower will be a named insured or additional named insured. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests may be, shall be additional insureds under the commercial general liability insurance and first mortgagee and loss payee under the property insurance (if applicable) and provided with not less than thirty (30) days prior notice of cancellation.
- 18.3. Benefit payments in the event of a claim must be made to the Lender designated in the mortgage, 95 St. Clair Avenue West, Toronto, Ontario, M4V 1N7, Attention: Mortgage Administration, as primary loss payee, or at any other address specified by the Lender.
- 18.4. The Lender reserves the right to retain the services of an insurance consultant, at the expense of the Borrower, to review the insurance coverages listed in this Section 18 to confirm the insurance coverages are adequate in the circumstances. To the extent where the insurance consultant, acting reasonably, recommends changes to the insurance coverage in order to protect the interests of the Lender or to accommodate the Borrower, the Borrower agrees to have the applicable insurance policies and coverages modified in accordance with these recommendations.
- 18.5. The Borrower authorizes the Lender, its designated agent or insurance consultant to communicate with its insurance broker to obtain all information necessary for this purpose, and this insurance broker must send the Lender or its designated agent all information pertaining to the insurance contracts in force, all at the expense of the Borrower.

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- 18.6. All the required policies must be issued according to the terms and conditions and by insurers approved by the Lender and its insurance consultant.
- 18.7. Any benefit payable pursuant to the builder's risk, equipment breakdown or property insurance policies mentioned above (excluding property and equipment breakdown insurance maintained by a condominium covering the completed Project) must be made to the Lender and this insurance will be subject to a standard mortgage clause approved by the Insurance Bureau of Canada.
- 18.8. None of the insurance policies required herein may contain a co-insurance clause.
- 18.9. Should the Borrower fail to comply with the stipulations of this Section 18, the Lender may (but is not required to) obtain any insurance it deems appropriate and all fees, expenses, premiums and other amounts then incurred by the Lender shall be immediately repaid by the Borrower.
- 18.10. The Borrower agrees that in the event of loss or damage to the Project or other charged assets, it will notify the Lender in writing, provide all the evidence of loss and take all necessary steps to allow the Lender to receive benefit payments pursuant to each of the insurance policies covering this loss, in its best interests.
- 18.11. If an Event of Default has occurred and is still continuing and the periods prescribed herein for remedying it, if any, have expired, the Lender has the exclusive right to deal directly with the owners of the condominium units, with the tenants, the secured creditors, the insurers and any other Person. Under any circumstance and even if the Borrower is not in default, the Lender may use the benefit payments i) to repay any Credit Facility in whole or in part, at its discretion, or ii) to pay the costs incurred for the reconstruction, replacement or repair of the damaged assets directly from the benefit payments, at the option of the Lender acting reasonably. It is expressly understood that in the event of loss or damage, the Borrower cannot proceed with the reconstruction or repair or replacement of the Property or, where appropriate, the replacement or repair of its other charged assets without the prior written consent of the Lender.
- 18.12. Should the Lender choose not to allocate the benefit payments to the replacement, repair or reconstruction of the Project and other charged assets in favour of the Lender, but rather to apply these benefits to the payment of amounts owed by the Borrower, the Lender may request the repayment of any outstanding amount under the terms of this Loan Offer, in capital, interest, fees, expenses and additional charges, if the amount of the benefit payments is insufficient to allow full repayment to the Lender.
- 18.13. The Lender, acting reasonably, may require the Borrower to obtain any additional insurance considered to be necessary and useful under the circumstances.
- 18.14. The Borrower agrees to provide an insurance certificate (or cover note) to the Lender as evidence of the renewal or replacement of the insurance policy, as the case may be, at least fifteen (15) days before the expiration of each insurance policy.
- 18.15. All insurance policies required hereunder shall indicate the Lender, Co-Lender and FCDQ as secured creditors, as their respective interests may be.

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19. RIGHT OF FIRST OPPORTUNITY / OFFER / LAST LOOK

19.1. Not applicable.

20. DISCOUNTED NOTES

20.1. Not applicable.

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Acceptance - Page 1 of 2

ACCEPTANCE BY THE BORROWER

The undersigned Borrower confirms acceptance of this Loan Offer and agrees to respect each and every one of its terms and conditions.

To be valid, the acceptance of this agreement must be unconditional. Any other form of acceptance will be considered invalid, whether or not substantially in compliance herewith.

This ____ day of _____, 20__.

I4PG HASTINGS STREET INC.

I4 HASTINGS STREET INC.

Name:
Title:
I have authority to bind the Corporation.

Name:
Title:
I have authority to bind the Corporation.

**HASTINGS STREET LIMITED
PARTNERSHIP**, by its general partner,
I4PG HASTINGS STREET INC.

Name:
Title:
I have authority to bind the Limited
Partnership.

Name:
Title:
I have authority to bind the Limited
Partnership.

(Phone: ____-____-____)

(Fax: ____-____-____)

(HST/GST number: _____)

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ACCEPTANCE BY THE GUARANTOR

The undersigned Guarantor declares it has reviewed this Loan Offer and agrees with the terms and conditions of the Credit Facilities.

This ____ day of _____, 20__.

I4 PROPERTY GROUP INC.

Name:
Title:
I have authority to bind the Corporation.

Name:
Title:
I have authority to bind the Corporation.

Witness

MR. MYRON CALOF

PART B GENERAL CONDITIONS

1. DEFINITIONS AND INTERPRETATION

- 1.1. In this Loan Offer, unless another meaning is indicated, the terms defined in Part A – Loan Summary have the meaning that is given to them and the following terms mean:
- 1.1.1. **"Affiliate"** or **"affiliate"** means, as applied to any Person, any other Person directly or indirectly controlling, controlled by or under common control with, that Person;
 - 1.1.2. **"Applicable Laws"** means the laws of the province in which the Real Property is located and the laws of Canada applicable in such province;
 - 1.1.3. **"Arm's Length Third Party"** means any person that would pursuant to the Income Tax Act (Canada), as amended from time to time, be considered to be dealing at arm's length with the party in question;
 - 1.1.4. **"Beneficial Owner"** means each person or entity provided for in Section 2 of Part A;
 - 1.1.5. **"Business Day"** means any day, excluding Saturdays and Sundays and any other statutory holidays or days on which the Lender's office in Montreal, Toronto or Vancouver are closed;
 - 1.1.6. **"CDOR Rate"** means, on any day and for any period, the greater of (a) 0% per annum and (b) an annual rate of interest equal to the average rate applicable to Canadian Dealer Offered Rate for Canadian Dollar bankers' acceptances for the applicable period appearing on the "Reuters Screen CDOR Page" (as defined in the International Swaps and Derivatives Association, Inc. definitions, as modified and amended from time to time) at approximately 10:00 a.m. (Toronto time) on such day, or if such day is not a Business Day, then on the immediately preceding Business Day, provided that if such rate does not appear on the Reuters Screen CDOR Page on such day contemplated, then the CDOR Rate on such day shall be calculated as the rate for such period applicable to Canadian Dollar bankers' acceptances quoted by the Lender as of 10:00 a.m. (Toronto time) on such day or, if such day is not a Business Day, then on the immediately preceding Business Day. For greater certainty if the CDOR Rate is less than 0% per annum, the CDOR Rate shall be deemed to be 0% per annum;
 - 1.1.7. **"Change in Law"** means the occurrence, after the date of this Loan Offer, of any of the following (a) the adoption or taking effect of any Applicable Law, (b) any change in any Applicable Law or in the administration, interpretation or application thereof by any Governmental Authority, or (c) the making or issuance of any Applicable Law by any Governmental Authority;
 - 1.1.8. **"Co-Lender"** refers, where applicable, to each Co-Lender identified in Section 5 of Part A;
 - 1.1.9. **"Costs Incurred Margin"** means the sum of Project costs incurred to date, as approved by the Lender and the Cost Consultant, minus, without duplication, the sum of (a) Project Equity, (b) Tranche Equity (if applicable), (c) additional equity contributions relating to cost overruns and/or operating deficits (for greater certainty, Deposit Shortfall Top-up and Presale Collateral are not applicable in this calculation), (d) Mezzanine Loan, (e) Project costs incurred to date but not paid in full (excluding those to be paid from the current advance being contemplated), (f) interim revenue that has been received, (g) Insured Deposits (including purchaser deposits to be released in conjunction with the current advance being

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- contemplated), (h) Holdbacks that have not been released to the Borrower (excluding that to be released from the current advance being contemplated), and (i) Deferred Costs incurred to date;
- 1.1.10. **"Cost to Complete Margin"** means the sum of the costs to complete the Project, as determined by the Cost Consultant and approved by the Lender, Project costs incurred to date but not paid in full (excluding those to be paid from the current advance being contemplated), Deferred Costs incurred to date and Holdbacks that have not been released to the Borrower (excluding those to be released from the current advance being contemplated), minus the sum of (a) forecasted interim revenue remaining to be received, (b) Deferred Costs as set out in Section 11 of Part A, and (c) purchaser deposits, up to the Permitted Deposit Limit, which have not yet been released to the Borrower on or before such date to pay for Project costs;
- 1.1.11. **"Deferred Costs"** means Project costs which are not required to be paid until individual condominium unit closings and are to be funded by the amounts paid by purchasers on their respective condominium unit closings as set out in Subsection 11.1 of Part A;
- 1.1.12. **"DFS"** means Desjardins Financial Security Life Assurance Company, and its successors and assigns;
- 1.1.13. **"Excluded Taxes"** means, with respect to the Lender, taxes imposed on or measured by its net income, and franchise taxes imposed on it (in lieu of net income taxes), by the jurisdiction in which its principal office is located;
- 1.1.14. **"FCDQ"** means Fédération des caisses Desjardins du Québec, and its successors and assigns;
- 1.1.15. **"FCDQ Cost of Funds"** means an annual interest rate corresponding to the cost of funds of FCDQ, i.e. the cost of issuing its securities on the money market or the bond market, as appropriate, for the term chosen by the Borrower for the financing(s) or other products referring to the cost of funds mentioned above, including, but without limiting the generality of the foregoing, the brokerage fees, income taxes, taxes (other than those attributable to its taxable income) and additional reserves that can be associated with the cost of funds, where applicable. Without limiting the generality of the foregoing, it is understood that any additional fees or charges resulting in more costs for the FCDQ will be included in the calculation of the cost of funds;
- 1.1.16. **"Force Majeure"** means any of the following events which prevents or materially impairs the construction or operation of the Project or performance of an obligation and is not caused by and is beyond the reasonable control of the Obligors: acts of God, floods, earthquakes, tidal waves, hurricanes, windstorms, severe weather conditions, lightning, fire, wars (whether declared or not), riots, insurrections, rebellions, civil commotions, sabotage, partial or entire failure of utilities, strikes, walkouts or other labour disruptions, delays in transportation, accidents, shortages of and inability to procure labour, materials and supplies (after all commercially reasonable efforts have been made by the Obligors to obtain replacement for such labour, materials and supplies), or orders, legislation, regulations and directives of any Governmental Authority. For greater certainty, lack of funds, the state of the market or any wilful or negligent act or omission on the part of the Obligors (or any one of them) does not constitute Force Majeure;
- 1.1.17. **"Governmental Authority"** means any government legislature, regulatory authority, agency, commission, board or court or other law, regulation or rule

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making entity having or purporting to have jurisdiction on behalf of any nation, country, province, state, municipality or other subdivision;

- 1.1.18. **"Hazardous Substance"** means any substance defined or designated as hazardous or toxic waste, hazardous or toxic material, a hazardous, toxic or radioactive substance or other similar term, by any applicable federal, provincial or local statute, regulation or ordinance now or in the future in effect, or any substance or materials, the use or disposition of which is regulated by any such statute, regulation or ordinance;
- 1.1.19. **"Holdbacks"** means any amount required to be retained on behalf of the Borrower in respect of the value of work, services and materials actually done, performed, placed or furnished on or in the Project or Real Property in accordance with the Applicable Laws whose payment to the Borrower may be delayed, or whose payment to the Borrower is retained in a separate bank account for the benefit of trade contractors or suppliers to the Project, according to Section 11 of Part B;
- 1.1.20. **"HST"** means the harmonized sales tax under the *Excise Tax Act* (Canada);
- 1.1.21. **"Indebtedness"** means the full amount of all indebtedness and liability, direct or indirect, of the Borrower to the Lender arising under or in connection with this Loan Offer, the Credit Facilities and the Security, outstanding from time to time;
- 1.1.22. **"Interest Adjustment Date"** of a Credit Facility means the first day of the month following the first advance of such Credit Facility;
- 1.1.23. **"Investor Purchaser"** means a purchaser who purchases more than five (5) residential condominium units in the Project; provided that, for clarify, contiguous units on the same floor acquired specifically to be combined into a single unit shall count as one (1) unit for the purpose of this definition;
- 1.1.24. **"Lender"** means collectively DFS and each Co-Lender, if any, and individually, each of them;
- 1.1.25. **"Loan Documents"** means this Loan Offer, the Security (including the Guarantee) and the other documents and instruments held by the Lender from time to time pursuant to this Loan Offer or otherwise in connection with the Credit Facilities;
- 1.1.26. **"Manager"** means the entity provided for in Section 7 of Part A;
- 1.1.27. **"Margin"** means the rate differential specified in Section 14 of Part A for each Credit Facility that must be added to the Prime Rate in order to determine the interest rate applicable to the advances granted to the Borrower under such Credit Facility;
- 1.1.28. **"Material Adverse Change"** means any event or occurrence which, when considered individually or together with other events or occurrences, has a material adverse effect on:
 - (a) the business, assets, liabilities (actual or contingent), operations, results of operations, condition (financial or other) or prospects of any Obligor;
 - (b) the ability of the Borrower to pay the Credit Facilities or the ability of any Obligor to perform its obligations to the Lender in connection with this Loan Offer, the Credit Facilities, or the Security;
 - (c) the priority, effectiveness or enforceability of this Loan Offer or the Security;

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(d) the Lender's rights and remedies under this Loan Offer and the Security;

For greater certainty, "**Material Adverse Change**" does not include a change in general economic conditions unless same in turn cause any of the foregoing effects;

- 1.1.29. "**Net Sales Proceeds**" means the total selling price relating to the sale of a condominium unit (including parking stalls and/or storage lockers), including any contractual cost recoveries but before extras/upgrades and HST, minus the Insured Deposits associated with the condominium unit, holdbacks required under Applicable Laws, and normal closing costs (including without limitation all selling commissions or fees provided such commissions and fees do not exceed 3% of the total selling price) acceptable to the Lender;
- 1.1.30. "**Non-Resident Purchaser**" means a purchaser (or the beneficial owner if the purchaser is not a natural person) who cannot provide a valid and unexpired proof of identity from one of the following documents:
- (a) Canadian passport;
 - (b) Canadian permanent resident card;
 - (c) Canadian Citizenship card (issued prior to 2012);
 - (d) Secure Certificate of Indian Status;
 - (e) Driver's license issued by a Canadian provincial or territorial government;
or
 - (f) Any photo identity card issued by a Canadian provincial or territorial government;
- 1.1.31. "**Obligors**" means, collectively, each Borrower and each Guarantor and "**Obligor**" means any one of them;
- 1.1.32. "**Operating Account**" means the operating account the Borrower, upon the request from the Lender, has opened with FCDQ, Co-Lender or an affiliate, which account is exclusively dedicated to the Project;
- 1.1.33. "**PCMLTF Regulations**" refers to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* and any other similar law, as well as all regulations, orders, instructions and guidelines adopted or issued pursuant to any of those laws;
- 1.1.34. "**Permitted Encumbrances**" means any one or more of the following:
- (a) liens for taxes, assessments or governmental charges or levies not at the time due and delinquent or the validity of which the Borrower is contesting in good faith and in respect of which the Borrower has either set aside, on its books, reserves or delivered to the Lender security therefor, in each case considered adequate by the Lender;
 - (b) undetermined or inchoate liens and charges incidental to current operations which have not been filed against the Borrower or the Real Property and which relate to obligations not due or delinquent;
 - (c) warehousemen's, woodmen's, carriers, maritime and other similar liens which relate to obligations not due or delinquent;

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- (d) easements, rights-of-way, covenants or similar rights in real property which do not materially impair the usefulness, to the Borrower, of the Real Property or the ability of the Borrower to complete and sell or lease, as applicable, the Project;
 - (e) the right reserved to or vested in any governmental or public authority by any lease, licence, franchise, grant, permit or statutory provision to terminate any lease, licence, franchise, grant or permit, or to require annual or other periodic payments as a condition of the continuance thereof;
 - (f) the encumbrance resulting from the deposit of cash or obligations as security when the Borrower is required to do so by governmental or other public authority or by normal business practice in connection with contracts, licences or tenders or similar matters in the ordinary course of business and for the purpose of carrying on the same or to secure Workers' Compensation, surety or appeal bonds or to secure costs of litigation when required by law;
 - (g) security given to a public utility or any governmental or other public authority when required in connection with the operations of the Borrower;
 - (h) the Security;
 - (i) if applicable, security securing the Approved Deposit Insurance Facility; and
 - (j) any other encumbrance to which the Lender has consented in writing;
- 1.1.35. **"Person"** means any individual, partnership, limited partnership, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, regulator body or agency, government or governmental agency, authority or entity however designated or constituted;
- 1.1.36. **"Prime Rate"** means the annual interest rate established by FCDQ from time to time as being its prime rate and used to determine the interest rates on Canadian dollar commercial loans granted by FCDQ in Canada;
- 1.1.37. **"Reinvestment Fee"** means an amount equal to 1% of the sum of the unadvanced portion of the Credit Facility that will be cancelled, if any, and the prepayment amount that will be applied to the Credit Facility;
- 1.1.38. **"Repayment Date"** means the Construction Loan Maturity Date or LC Facility Maturity Date, as the case may be;
- 1.1.39. **"Statutory Liens"** means any lien in respect of the Real Property created by or arising from any Applicable Laws in favour of any Person and **"Statutory Lien"** means any one of the Statutory Liens; and
- 1.1.40. **"Tax"** or **"Taxes"** means all present and future taxes, levies, imposts, duties, deductions, withholdings, assessments, fees or other charges imposed by any Governmental Authority, including interest, additions to tax or penalties applicable thereto.
- 1.2. **"Herein", "hereunder",** and similar terms refer to this Loan Offer and all schedules thereto as a whole and not to any specific clause or provision thereof.

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- 1.3. When the context makes it possible, the singular includes the plural and vice versa, and all references to any Person, whether a party to this Loan Offer or not, will be read with such changes in number or gender as the party or reference requires.
- 1.4. If any provision, covenant, or agreement contained in this Loan Offer is invalid or unenforceable in whole or in part, then such invalid or unenforceable provision, covenant, or agreement or part thereof will be severed from and will not affect the validity or enforceability of the remainder of this Loan Offer.
- 1.5. Any reference in this Loan Offer to a statute will include any amendment or successor statute and any regulations thereunder in force from time to time.
- 1.6. This Loan Offer will enure to the benefit of and be binding upon the successors and assigns of the Lender and the respective heirs, executors, administrators, successors and permitted assigns of the Obligors.

2. INTEREST AND MONTHLY PAYMENT

- 2.1. The amounts loaned pursuant to a Credit Facility bear interest daily, calculated monthly in arrears before and after maturity and before and after default at the applicable interest rate stated in Section 14 of Part A. Interest on the Credit Facilities will be calculated on the basis of a year of 365.25 days (instead of the actual number of days in the applicable year). For the purpose of the *Interest Act* (Canada), the annual rate of interest to which interest calculated at the applicable interest rate stated in Section 14 of Part A on the basis of a year of 365.25 days is equivalent is the nominal interest rate multiplied by 365.25 and divided by the actual number of days in the applicable year.
- 2.2. The interest incurred since the date of the first advance is payable by the Borrower on the Interest Adjustment Date. Thereafter, the Borrower must pay the Lender monthly the interest incurred on the advanced amounts of the Credit Facility, on the first (1st) day of each month as and from the month immediately following the Interest Adjustment Date.
- 2.3. If there is more than one Lender, they may agree, at their discretion, on a single monthly payment to be paid by the Borrower and then distribute it among themselves according to their respective participation. In this case, these single monthly payments must be paid directly to the Manager.
- 2.4. The monthly interest payments must be paid by automatic withdrawals from the Operating Account or another operating account of the Borrower, who undertakes to make all appropriate arrangements on a timely basis to establish this method of payment. Any payment received by the Lender after 12:00 noon (Vancouver time) shall be credited as of the next Business Day. The Lender may, at its discretion, make an advance under the Credit Facilities to pay any unpaid interest, fees or other amounts which have become due and payable under the terms of this Loan Offer or any Security.
- 2.5. Whenever any payment or performance under this Loan Offer and the Security would otherwise be due on a day other than a Business Day, such payment shall be made on the following Business Day, unless the following Business Day is in a different calendar month or would fall after the Repayment Date, in which case the payment shall be made on the preceding Business Day.
- 2.6. Any unpaid interest due on a Credit Facility will itself bear interest at the same rate as that applicable to that Credit Facility, as the case may be, calculated and capitalized each month and payable at any time, without requiring notice or legal notification.
- 2.7. The interest rate applicable to each Credit Facility will accordingly vary with each change in the Prime Rate.

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- 2.8. Notwithstanding any contrary or incompatible provisions herein, for the purposes of establishing the interest rate applicable to amounts advanced, should the Prime Rate excluding the applicable Margin become negative or below zero percent (0%), then the Prime Rate will be deemed to be equal to zero percent (0%) increased by the applicable Margin.
- 2.9. EACH OF THE OBLIGORS CONFIRMS THAT IT FULLY UNDERSTANDS AND IS ABLE TO CALCULATE THE RATE OF INTEREST APPLICABLE TO EACH OF THE CREDIT FACILITIES BASED ON THE METHODOLOGY FOR CALCULATING *PER ANNUM* RATES PROVIDED FOR IN THIS LOAN OFFER. THE LENDER AGREES THAT IF REQUESTED IN WRITING BY THE BORROWER IT WILL CALCULATE THE NOMINAL AND EFFECTIVE *PER ANNUM* RATE OF INTEREST ON ANY ADVANCE OUTSTANDING AT THE TIME OF SUCH REQUEST AND PROVIDE SUCH INFORMATION TO THE BORROWER PROMPTLY FOLLOWING SUCH REQUEST; PROVIDED THAT ANY ERROR IN ANY SUCH CALCULATION, OR ANY FAILURE TO PROVIDE SUCH INFORMATION ON REQUEST, SHALL NOT RELIEVE THE BORROWER OR ANY OTHER OBLIGOR OF ANY OF ITS OBLIGATIONS UNDER THIS LOAN OFFER OR ANY OTHER LOAN DOCUMENT, NOR RESULT IN ANY LIABILITY TO THE LENDER. EACH OBLIGOR HEREBY IRREVOCABLY AGREES NOT TO PLEAD OR ASSERT, WHETHER BY WAY OF DEFENCE OR OTHERWISE, IN ANY PROCEEDING RELATING TO THIS LOAN OFFER OR ANY OTHER LOAN DOCUMENT, THAT THE INTEREST PAYABLE HEREUNDER OR THEREUNDER AND THE CALCULATION THEREOF HAS NOT BEEN ADEQUATELY DISCLOSED TO THE OBLIGORS, WHETHER PURSUANT TO SECTION 4 OF THE *INTEREST ACT* (CANADA) OR ANY OTHER APPLICABLE LAWS OR LEGAL PRINCIPLE.
- 2.10. Notwithstanding anything contained herein to the contrary, the Borrower will not be obliged to make any payment of interest or other amounts payable to the Lender in excess of the amount or rate that would be permitted by Applicable Laws or would result in the receipt by the Lender of interest at a criminal rate (as such terms are construed under the Criminal Code (Canada)). If the making of any payment by the Borrower would result in a payment being made that is in excess of such amount or rate, the Lender will determine the payment or payments that are to be reduced or refunded, as the case may be, so that such a result does not occur.

3. REPAYMENT OF THE CREDIT FACILITIES AND PARTIAL DISCHARGES

- 3.1. Subject to the terms contained in this Loan Offer, the Revolving Credit, if any, shall be repaid in full at the earlier of demand by the Lender or the Repayment Date of the Construction Loan, and the remaining Credit Facilities shall be repaid in full on the applicable maturity date of such Credit Facility as stipulated in Section 15 of Part A unless repayment is demanded by the Lender in accordance to Section 29 of Part B.
- 3.2. The Borrower shall repay principal outstanding under the Credit Facilities from the following amounts:
 - 3.2.1. 100% of the net proceeds of any debt secured by the Project or any portion thereof (other than advances hereunder);
 - 3.2.2. 100% of the Net Sales Proceeds from the sale of any condominium unit (including parking stalls and/or storage lockers);
 - 3.2.3. 100% of the proceeds, net of normal closing costs acceptable to the Lender, of any disposition of assets permitted by the Lender;
 - 3.2.4. purchaser deposits released to the Borrower in excess of the Permitted Deposit Limit (or, at the option of the Borrower, the availability under the Construction Loan will be permanently reduced dollar for dollar by the amount of all purchaser deposits

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- released to the Borrower to fund Project costs in excess of the Permitted Deposit Limit);
 - 3.2.5. interim revenue in excess of the amount thereof set off against Project costs in the Project budget (or, at the option of the Borrower, the availability under the Construction Loan will be permanent reduced dollar for dollar by the amount of all such excess interim revenue utilized by the Borrower to fund Project costs);
 - 3.2.6. 100% of the net proceeds of property insurance in respect of the Project if not required to be applied toward replacement, restoration or rebuilding of same, on the terms and conditions set out herein; and
 - 3.2.7. 100% of the proceeds of any expropriation proceeds relating to the Real Property;
 - 3.3. In the case where the Real Property or Project is a condominium, at the time of the sale of each condominium unit of the Real Property or Project, and until the full repayment of the Credit Facilities, to obtain a partial discharge of the Security on the condominium unit sold, the Borrower shall:
 - 3.3.1. give the Lender, as partial repayment of the principal or as cash collateral to secure outstanding standby letters of credit, as the case may be:
 - 3.3.1.1. an amount equal to the greater of (a) the Net Sales Proceeds of the condominium unit, and (b) 95% of the listed sale price of the condominium unit before HST as indicated in Schedule B-1 (including the listed price of any parking stalls and/or storage lockers, if applicable) and accepted by the Lender, minus the Insured Deposits associated with the condominium unit, holdbacks required under Applicable Laws, and normal closing costs acceptable to the Lender; and
 - 3.3.1.2. any purchaser's deposit of the condominium unit that remains held in trust by the Borrower's legal counsel for the Project, if any, will also be paid to the Lender upon the sale of such condominium unit; and
 - 3.3.2. provide to the Lender all relevant information regarding the source of repayment, including the information on the condominium unit sold, its sale price (before tax and any deductions), purchaser deposits received, purchaser deposits released and applied towards Project costs, holdbacks of the sales proceeds required under Applicable Laws, and closing costs deducted from the sales proceeds.
 - 3.4. Notwithstanding anything stated in this Section, the Lender shall not be required to provide or register a discharge or partial discharge of Security unless the Lender has received evidence satisfactory to it that, on the date of registration of the Lender's mortgage on the Real Property, the Borrower was current in all its filing and payment obligations to the Canada Revenue Agency in respect of source deductions and HST.
 - 3.5. The outstanding amount of a Credit Facility may be prepaid and unadvanced portions cancelled by the Borrower at any time, in whole or in part (subject to a minimum repayment amount of C\$1,000,000 if prepaid), subject to the following:
 - 3.5.1. [Reinstate?] No Event of Default has occurred and is continuing;
 - 3.5.2. the Borrower gives the Lender at least ten (10) Business Days prior written notice of its intent to prepay or cancel;
 - 3.5.3. the Borrower pays to the Lender, in addition to the repayment amount, the Reinvestment Fee. The Borrower acknowledges and agrees that the Reinvestment

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Fee represents reasonable and fair compensation for the loss that the Lender may sustain from the prepayment and/or cancellation of the Credit Facility. The Borrower acknowledges and agrees that it has no right to prepay and/or cancel a Credit Facility without paying the Reinvestment Fee except as specifically provided herein, and the Borrower specifically acknowledges and agrees that if by operation of law or as a result of a breach, default, acceleration or other event or condition which entitles the Lender to demand prepayment and/or cancellation, and, as a result thereof, the Lender requires such prepayment and/or cancellation, and the Borrower does prepay the whole or any part of amounts outstanding under the Credit Facility, the Borrower shall be required to pay to the Lender, in addition to all other amounts owing, the Reinvestment Fee. It is understood and agreed by the Lender that the Reinvestment Fee shall not be payable if:

3.5.3.1. the prepayment funds are sourced from:

- 3.5.3.1.1. closing proceeds from the sale of condominium units, or proceeds of any other recoveries, in connection with the Project or the Real Property;
- 3.5.3.1.2. a Lender-approved increase in the use of Insured Deposits over and above the Permitted Deposit Limit;
- 3.5.3.1.3. the net proceeds of any disposition of assets permitted by the Lender;
- 3.5.3.1.4. any insurance proceeds with respect to the Real Property or the Project, subject to any replacement rights set forth herein;
- 3.5.3.1.5. intentionally deleted;
- 3.5.3.1.6. inventory financing, with respect to unsold condominium units of the Project, obtained after the Project has been substantially completed and the condominium plan has been filed with the applicable land title authority;
- 3.5.3.1.7. intentionally deleted.

- 3.6. Any repayment shall be delivered to the Lender via wire transfer in the Lender's designated bank account and must be received by the latter on or before 12 noon (Vancouver] time) on a Business day, failing which the repayment shall be deemed to have been received on the following Business day.
- 3.7. Any repayment made by the Borrower may, at the sole discretion of the Lender and in such order and amounts as the Lender may determine, be allocated to fees, expenses and additional charges incurred by the Lender, to interest, and to the principal of any Credit Facility (including the Revolving Credit, any advances against standby letters of credit drawn by its beneficiary and any outstanding standby letters of credit).
- 3.8. Without limiting the provisions of this Section, the Borrower may repay the Revolving Credit in whole or in part at any time and from time to time without notice or penalty by making deposits to the Operating Account.
- 3.9. Unless there is an Event of Default that is continuing, the Borrower may in the ordinary course of business at any time and from time to time, without receiving any consideration therefor, exchange, surrender or grant any part or parts of any of the then existing Project or any licenses, easements, rights-of-way or rights in the nature of easements in respect

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of any part of parts of any of the then existing Project in order to adjust lot lines or boundaries, or grant easements or other rights of way, relating to the Project or any component thereof all as may be required by Governmental Authorities, and the Lender shall at the Borrower's cost, if necessary, amend or postpone or partially discharge the Security, as applicable, upon receipt of a written request of the Borrower to the Lender setting forth the required action and the details of same (including an explanation as to the necessity thereof) and confirmation that same shall not result in a Material Adverse Change.

4. PROJECT

- 4.1. The Borrower undertakes to use the proceeds of the Credit Facilities solely for purposes and uses stated in Sections 8, 10 and 11 of Part A as presented to the Lender.

5. JOINT RESPONSIBILITY

- 5.1. If there should be more than one Borrower, the obligations of each Borrower to the Lender are joint and several.
- 5.2. If there should be more than one Guarantor, the obligations of each Guarantor to the Lender shall be joint and several.

6. LENDER

- 6.1. If there is more than one Lender, each of them acts alone and neither this Loan Offer nor the consummation of the transactions contemplated hereby will constitute them as partners or joint venturers.

7. BENEFICIAL OWNER

- 7.1. Intentionally deleted.

8. GUARANTOR

- 8.1. The Borrower must, within thirty (30) days after the date on which a Guarantor becomes insolvent or bankrupt or in the case of the dissolution of the Corporate Guarantor or the passing of the Personal Guarantor, provide the Lender with replacement guarantor to the satisfaction of the Lender.

9. UNLIMITED REMEDIES OF THE LENDER

- 9.1. The remedies of the Lender against the Obligors are deemed to be unlimited.

10. CONDITIONS PRECEDENT TO ALL ADVANCES

- 10.1. The obligation of the Lender to make available any advances (including the first advance) under any Credit Facility (except the Revolving Credit and LC Facility, if applicable) is subject to and conditional upon the prior satisfaction of the following conditions precedent, as determined by the Lender (or waiver thereof by the Lender):
- 10.1.1. where applicable, the Borrower shall submit a drawdown notice in the form of Schedule B-2 at least three (3) Business Days prior to the date on which the Borrower desires such advance;
- 10.1.2. where applicable, the Borrower shall provide an officer's certificate with respect to the Project duly executed by a senior officer of the Borrower in the form of Schedule B-3;

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- 10.1.3. where applicable, the Borrower shall provide project consultant's certificate with respect to the Project duly executed by the applicable project consultant in the form of Schedule B-4 or in a form acceptable to the Lender and the Cost Consultant;
- 10.1.4. where applicable, the Cost Consultant shall provide a project monitor's certificate with respect to the Project duly executed by the Cost Consultant in the form described in the Cost Consultant Mandate;
- 10.1.5. the Lender and the Borrower shall not have received notice of the existence of any claim for lien or written notice of a lien under the *Construction Act* (Ontario);
- 10.1.6. where applicable, the Lender shall have received a title search or subsearch of the Real Property on the morning of any advance confirming no encumbrances have been registered on title to the Real Property, other than Permitted Encumbrances;
- 10.1.7. no Material Adverse Change shall have occurred;
- 10.1.8. no Event of Default has occurred and is continuing; and
- 10.1.9. all other documents required by the Lender or its legal counsel acting reasonably.

11. HOLDBACKS FROM PROGRESS ADVANCES

- 11.1. The applicable Holdbacks pursuant to the *Construction Act* (Ontario) shall be withheld on each advance until the expiry of the applicable holdback period stipulated in the *Construction Act* (Ontario) and such Holdbacks shall not be released except in accordance with the *Construction Act* (Ontario).

12. PAYMENT OF ADVANCES – ROLE OF THE LEGAL COUNSEL OF THE LENDER

- 12.1. If the request for an advance includes the references and elements required, the released funds can be transferred directly to the Borrower according to the instructions of the Lender.
- 12.2. Prior to the release of funds, the legal counsel of the Lender must specifically confirm to the Lender that there are no encumbrances (except Permitted Encumbrances) registered against the Real Property and that they have made the legal verifications required with respect to the request for advance, all in compliance with the methodology of advances imposed from time to time by the Lender, in particular with respect to property taxes, if applicable, and to the information which are available in the databases accessible to the public in general, including the Bankruptcy and Insolvency Records Search, and that accordingly, the Lender may proceed with the advance required.
- 12.3. The Borrower authorizes the Lender to disburse the Credit Facilities as follows, at the latter's choice:
 - 12.3.1. by means of cheques made payable jointly to the Borrower and the Lender's legal counsel, in trust;
 - 12.3.2. by means of cheques or wire transfers made only to the order of the Lender's legal counsel, in trust;
 - 12.3.3. by means of cheques or wire transfers made payable to any Person who holds or may hold a legal or contractual mortgage or has a priority over the Real Property or to any of these Persons; and

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- 12.3.4. by means of cheques or wire transfers made payable to the Borrower or as it may direct in writing.

13. OPINION OF THE LEGAL COUNSEL TO THE LENDER

13.1. Prior to the first advance of any Credit Facility, the Lender must have received:

- 13.1.1. written confirmation of the legal counsel to the Lender to the effect that none of the Obligors is in bankruptcy and no notice of intention has been filed by any of the Obligors; and
- 13.1.2. written confirmation from the legal counsel to the Lender to the effect that the legal conditions precedent required by this Loan Offer have been satisfied to the satisfaction of the Lender, particularly with respect to the rank of the Security in favour of the Lender.

14. OPINION OF THE LEGAL COUNSEL TO THE OBLIGOR

14.1. Prior to the first advance of any Credit Facility, the Lender must have received a legal opinion from the legal counsel of the involved parties, other than the Lender, addressed and satisfactory to the Lender and its legal counsel, confirming:

- 14.1.1. that each Obligor, that is not a natural person, is a legally constituted, validly organized and existing legal entity;
- 14.1.2. that each Obligor is in good standing and has, where applicable, the power and the authority to borrow, to guarantee the Borrower, to grant charges on its assets, to sign and comply with this Loan Offer, the legal documentation and all documents provided for herein, including the mortgage, which documents: (a) do not contravene its articles of incorporation or its by-laws, and (b) have been executed and delivered by authorized representatives;
- 14.1.3. intentionally deleted; and
- 14.1.4. such other matters as are deemed reasonably necessary by legal counsel to the Lender.

15. REPORTS ON TITLE

- 15.1. Prior to the first advance of any Credit Facility, if title insurance is not obtained, the legal counsel who is required to issue a title opinion, including off-title matters, with respect to the Real Property must confirm that the General Partner (for and on behalf of the Limited Partnership) is the registered owner of the Real Property with good and marketable title thereto and that the Real Property is free of any registered security interest, encumbrances, priority or charge, other than the Security, Permitted Encumbrances, and charges to be paid out with the proceeds of a Credit Facility and discharged.
- 15.2. If the title opinion submitted to the Lender contains reservations or refers to situations unacceptable to the Lender, the latter, prior to the advance of any Credit Facility, may require that the Borrower provide an adequate remedy to problems raised in the title opinion or that it obtain in favour of the Lender a title insurance policy whose coverage, terms and conditions are satisfactory to the Lender.
- 15.3. If title insurance is used, the Lender shall have the sole discretion in approving the insurer providing the title insurance and the coverage, terms and conditions of the title insurance policy. The commitment to title insure shall indicate the Lender, Co-Lender and FCDQ as secured creditors, as their respective interests may be.

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- 15.4. In the event that title insurance with satisfactory survey coverage is not obtained or if required by the title insurer, the Borrower shall provide the Lender's legal counsel with a survey of the Real Property, prepared by a licensed and qualified surveyor, showing the building on the Real Property and certifying the building's location on the lot and disclosing any and all encroachments, easements and rights of way.

16. LEGAL COUNSEL OF THE LENDER

- 16.1. Legal counsel will be retained by the Lender to prepare this Loan Offer and the legal documents required by this Loan Offer. The Borrower agrees to pay all reasonable fees, expenses and disbursements incurred by this legal counsel for the legal preparation of this matter and the legal services later incurred with respect to the Credit Facilities.

17. STATUTORY LIENS

- 17.1. The Borrower must give the Lender, without delay, all notices, statements and other documents it receives or pays with respect to any Statutory Liens. The Borrower agrees to pay in full all amounts capable of becoming a Statutory Lien with respect to the Real Property when due, without subrogation to a third party.

18. INSURANCE

- 18.1. The Borrower shall obtain and maintain (or cause to be obtained and maintained), throughout the whole term of the Credit Facilities or while construction work on the Project is underway and not completed, as the case may be, the insurance coverages described below:

- 18.1.1. "all risks" builder's risk insurance on a replacement cost, no co-insurance basis with a limit for property damage representing not less than 100% of the total hard construction costs, plus not less than 25% of the total soft construction costs of the Project and including:

- 18.1.1.1. coverage against the perils of sewer back-up, water damage, flood and earthquake, windstorm and collapse;
- 18.1.1.2. coverage for bylaws, debris removal, expediting expense, professional fees, property in transit, property stored offsite, fire fighting expense;
- 18.1.1.3. permission to occupy while under construction;
- 18.1.1.4. delayed start-up/delayed income for a limit representing 100% of the projected annual rental income, assuming full occupancy with a period of indemnity of not less than 12 months;
- 18.1.1.5. the policy will be subject to a standard mortgage clause. The Borrower will be a named insured or additional named insured. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests may be, shall be first mortgagee and loss payee and provided with not less than 30 days prior notice of cancellation;
- 18.1.1.6. equipment breakdown insurance, including testing and commissioning, on a replacement cost basis, with the same policy limits for property damage and for delayed startup as provided under the builder's risk insurance. The policy will be subject to a mortgage clause. The Borrower will be a named insured or additional named insured. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests may

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be, shall be first mortgagee and loss payee and provided with not less than 30 days prior notice of cancellation;

- 18.1.2. "wrap-up" liability insurance, with the Borrower as a named insured or additional named insured, insuring against third party bodily injury and/or property damage liability claims arising out of the Project, with a limit of at least C\$10,000,000 per occurrence and C\$10,000,000 in the aggregate for products and completed operations liability with a period of indemnity of not less than twenty-four (24) months. The insurance will include contractual liability, be subject to a cross liability/severability of interests clause, and include sudden and accidental pollution liability with a detection/reporting period of not less than one hundred twenty (120) hours. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests may be, shall be an additional insured and provided not less than thirty (30) days prior notice of cancellation; and
- 18.1.3. professional liability/errors and omission insurance as maintained by the engineers and architects engaged in the Project for a limit of not less than \$1,000,000 per claim.
- 18.2. The Borrower undertakes to obtain, or replace the insurance coverages described in Section 18.1 above once construction of the Project is completed, as the case may be, and maintain the insurance coverages described below until the Credit Facilities have been entirely repaid and cancelled:
 - 18.2.1. property insurance on the Project and its contents (if applicable), on an "all risks" or "broad form" basis including coverage against the perils of sewer back-up, water damage, flood, earthquake, windstorm and collapse, as well as coverage for bylaws and debris removal expense, on a replacement cost, stated amount (or no co-insurance) basis, with a limit for property damage equal to the full replacement cost value of the Project (justified by a detailed appraisal of the Project for the reconstruction cost, if required), without deduction for foundations, and contents owned by the Borrower (if applicable). The policy will be subject to a standard mortgage clause. The Borrower will be a named insured or additional named insured. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests may be, shall be first mortgagee and loss payee and provided with not less than thirty (30) days prior notice of cancellation;
 - 18.2.2. business interruption insurance on a gross rents or gross profits basis, with a limit in an amount not less than 100% of the annual rental income, assuming full occupancy, with a period of indemnity of at least twelve (12) months;
 - 18.2.3. commercial general liability insurance, with the Borrower as a named insured or additional named insured insuring against third party bodily harm and/or property damage liability claims arising out of the Lands, including its lands, with a limit of not less than C\$5,000,000 per occurrence. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests may be, will be named as additional insured and provided with not less than thirty (30) days prior notice of cancellation;
 - 18.2.4. an environmental liability insurance: (a) in the presence of above-ground tanks or depending on the activities of the Borrower or its tenants, the general civil liability insurance obtained must include an endorsement for liability associated to pollution or contamination caused by third parties due to a sudden and accidental event, including costs for restoring and/or decontaminating third party premises (limited pollution coverage endorsement "**IBC 2313**"); or (b) in cases of increased risk or of an underground tank, a gradual sudden and accidental "**environmental**" pollution policy including costs for restoring and/or decontaminating third party premises and the premises of the first party. The Borrower will be a named insured

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- or additional named insured. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests may be, will be an additional insured and provided with not less than thirty (30) days prior notice of cancellation;
- 18.2.5. equipment breakdown/boiler and machinery insurance covering all electrical, mechanical equipment and pressurized vessels on a replacement cost basis, with a limit for property damage representing the new or replacement value of the equipment. The insurance will include coverage for bylaws and will be subject to a mortgage clause. The Borrower will be a named insured or additional named insured. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests may be, shall be first mortgagee and loss payee and provided with not less than thirty (30) days prior notice of cancellation; and
- 18.2.6. in the event the insurance on the Real Property and completed Project is maintained by a condominium, the insurance will be in accordance with the condominium's bylaws. If the Borrower owns any individual condominium units forming part of the completed condominium Project, it will maintain insurance on these condominium units as would be maintained by a prudent owner of similar property and including at a minimum (a) commercial general liability insurance for a limit of not less than \$5,000,000 per occurrence, including contractual liability and subject to a cross liability/severability of interests clause, (b) property insurance covering improvements/betterments and personal property owned by the Borrower (if applicable) within the owned condominium units on a replacement cost basis, and (c) business interruption insurance covering loss of gross rents with a period of indemnity of at least twelve (12) months if any of the owned condominium units are leased to third parties. The Borrower will be a named insured or additional named insured. The Lender, Co-Lender (if applicable) and FCDQ jointly, as their respective interests may be, shall be additional insureds under the commercial general liability insurance and first mortgagee and loss payee under the property insurance (if applicable) and provided with not less than thirty (30) days prior notice of cancellation.
- 18.3. Benefit payments in the event of a claim must be made to the Lender designated in the mortgage, 95 St. Clair Avenue West, Toronto, Ontario, M4V 1N7, Attention: Mortgage Administration, as primary loss payee, or at any other address specified by the Lender.
- 18.4. The Lender reserves the right to retain the services of an insurance consultant, at the expense of the Borrower, to review the insurance coverages listed in this Section 18 to confirm the insurance coverages are adequate in the circumstances. To the extent where the insurance consultant, acting reasonably, recommends changes to the insurance coverage in order to protect the interests of the Lender or to accommodate the Borrower, the Borrower agrees to have the applicable insurance policies and coverages modified in accordance with these recommendations.
- 18.5. The Borrower authorizes the Lender, its designated agent or insurance consultant to communicate with its insurance broker to obtain all information necessary for this purpose, and this insurance broker must send the Lender or its designated agent all information pertaining to the insurance contracts in force, all at the expense of the Borrower.
- 18.6. All the required policies must be issued according to the terms and conditions and by insurers approved by the Lender and its insurance consultant.
- 18.7. Any benefit payable pursuant to the builder's risk, equipment breakdown or property insurance policies mentioned above (excluding property and equipment breakdown insurance maintained by a condominium covering the completed Project) must be made to the Lender in priority over any other Person, pursuant to the insurance endorsements

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to this effect approved by the Insurance Bureau of Canada or pursuant to any other similar endorsement approved by the Lender.

- 18.8. None of the insurance policies required herein may contain a co-insurance clause.
- 18.9. Should the Borrower fail to comply with the stipulations of this Section 18, the Lender may (but is not required to) obtain any insurance it deems appropriate and all fees, expenses, premiums and other amounts then incurred by the Lender shall be immediately repaid by the Borrower.
- 18.10. The Borrower agrees that in the event of loss or damage to the Project or other charged assets, it will notify the Lender in writing, provide all the evidence of loss and take all necessary steps to allow the Lender to receive benefit payments pursuant to each of the insurance policies covering this loss, in its best interests.
- 18.11. If an Event of Default has occurred and is still continuing and the periods prescribed herein for remedying it, if any, have expired, the Lender has the exclusive right to deal directly with the owners of the condominium units, with the tenants, the secured creditors, the insurers and any other Person. Under any circumstance and even if the Borrower is not in default, the Lender may use the benefit payments i) to repay any Credit Facility in whole or in part, at its discretion, or ii) to pay the costs incurred for the reconstruction, replacement or repair of the damaged assets directly from the benefit payments, at the option of the Lender acting reasonably. It is expressly understood that in the event of loss or damage, the Borrower cannot proceed with the reconstruction or repair or replacement of the Property or, where appropriate, the replacement or repair of its other charged assets without the prior written consent of the Lender.
- 18.12. Should the Lender choose not to allocate the benefit payments to the replacement, repair or reconstruction of the Project and other charged assets in favour of the Lender, but rather to apply these benefits to the payment of amounts owed by the Borrower, the Lender may request the repayment of any outstanding amount under the terms of this Loan Offer, in capital, interest, fees, expenses and additional charges, if the amount of the benefit payments is insufficient to allow full repayment to the Lender.
- 18.13. The Lender, acting reasonably, may require the Borrower to obtain any additional insurance considered to be necessary and useful under the circumstances.
- 18.14. The Borrower agrees to provide an insurance certificate (or cover note) to the Lender as evidence of the renewal or replacement of the insurance policy, as the case may be, at least fifteen (15) days before the expiration of each insurance policy.
- 18.15. All insurance policies required hereunder shall indicate the Lender, Co-Lender and FCDQ as secured creditors, as their respective interests may be.

19. MODIFICATIONS AFFECTING THE REAL PROPERTY

- 19.1. Other than in connection with the Project, as reviewed and approved by the Lender, the Borrower will not change the legal description or subdivide the Real Property without the prior written approval of the Lender.

20. MANAGEMENT AND SUPERVISION OF THE CONSTRUCTION WORKS

- 20.1. Where applicable, it is the responsibility of the Borrower to instruct the architect, the general contractor or the construction manager, as the case may be, to manage and supervise the construction work of the Project and to ensure that the Plans and Specifications are followed and the quality of the materials respected. Any change in the

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Plans and Specifications must be approved in advance in writing by the Lender, on the recommendation of the Cost Consultant.

21. COST OVERRUNS AND OPERATING DEFICIT

- 21.1. Any other provision to the contrary notwithstanding, if at any time whatsoever the costs to be incurred, in the opinion of the Lender, to complete the Project in accordance with the Plans and Specifications and the construction schedule exceed the Project budget, the Borrower must, at the request of the Lender and without delay, pay for this overrun before any other advance is made by the Lender and provide proof satisfactory to the Lender, if deemed necessary by the Lender, that the Borrower has sufficient funds to pay the amount of the total costs required to thus complete the Project.
- 21.2. Any other provision to the contrary notwithstanding, if at any time whatsoever, in the opinion of the Lender, there is an operating deficit with respect to the Project after substantial completion of the Project, at the request of the Lender and without delay, the Borrower must pay for this operating deficit before any other advance is made by the Lender.

22. PAYMENTS BY THE LENDER

- 22.1. The Lender reserves the right to advance some or all of a Credit Facility or protective disbursements in order to pay or settle the claim of any Person entitled to a security with priority over the Lender and any amount so advanced will be considered an advance made in accordance with this Loan Offer, will bear interest at the rate provided herein starting on the date of such advance and will also be subject to all the provisions of this Loan Offer.

23. COMPLETION OF THE PROJECT

- 23.1. The Borrower agrees to complete the construction of the Project according to the Plans and Specifications submitted to the Lender. This work must be executed with diligence and in a prudent and skillful manner. The Borrower shall promptly and diligently proceed to replace or correct any material or work which in the opinion of the architect, engineering consultants or the Cost Consultant does not comply with the Plans and Specifications.
- 23.2. If an Event of Default has occurred and is continuing beyond the applicable cure period prescribed herein, if any, the Lender will have the right, but not the obligation, to enter into contracts and make the arrangements it deems appropriate for the completion of the Project, including discontinuing any work commenced or change any course of action undertaken by the Borrower in respect of the Project, take or refrain from taking all such action in respect of the Project as the Lender, in its sole discretion, considers to be in its best interests for the purpose of preserving or enhancing the Security, and to make periodic payments to the contractors, suppliers of materials and other Persons, all the amounts so advanced by the Lender shall be deemed advances made to the Borrower.
- 23.3. As soon as practicably possible and in any case not later than ninety (90) days following completion of the foundations for each building forming part of the Project (which will be deemed complete upon commencement of above grade construction of such building), provide the Lender with a survey of the foundations of the buildings on the Lands relating to the Project, prepared by a land surveyor qualified in the province where the Project is located, which will identify, inter alia, the boundaries, area and dimensions of the Lands, the location of the improvements to the Lands relating to the Project and the location of all encroachments, easements and rights-of-way affecting the Lands.
- 23.4. As soon as practicably possible and in any case not later than thirty (30) days after substantial completion of the Project, provide the Lender an "as built" survey of the

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Project, prepared by a land surveyor qualified in the province where the Project is located, which will identify, inter alia, the boundaries, area and dimensions of the Real Property, the location of the improvements to the Real Property relating to the Project and the location of all encroachments, easements and rights-of-way affecting the Real Property. For greater certainty, if the Project is completed under a condominium plan, delivery by the Borrower within the specified timeframe of the final condominium plan for the Project shall satisfy the obligation of the Borrower to deliver a survey herein.

24. CONSTRUCTION LIENS

- 24.1. The Borrower shall comply with the provisions of the *Construction Act* (Ontario), including, without limitation, retaining any Holdbacks required thereby. If a claim for lien under the *Construction Act* (Ontario) is claimed, filed or registered against the Real Property, or the Borrower receives any written notice of a lien under the *Construction Act* (Ontario), or a lien action, or any other action or legal proceeding is commenced against the Borrower and/or in respect of the Real Property, the Borrower shall immediately inform the Lender and, within a period of five (5) days from when it becomes aware of such claim for lien, written notice of lien, lien action, action, or legal proceeding must release, vacate, discharge, or otherwise remove the claim for lien or written notice of lien from title to the Real Property and take all reasonable steps to remove the Lender from such lien action, action, or legal proceeding. The Lender shall not be obligated to advance any funds hereunder until all claims for lien, written notices of lien, lien actions, or any other actions or legal proceedings affecting the Real Property have been released, vacated, discharged or otherwise removed from title.

25. AFFIRMATIVE COVENANTS

- 25.1. The Borrower agrees with the Lender to:

- 25.1.1. comply at all times with the terms and conditions of this Loan Offer and the other documents relative to the Credit Facilities and the Security required thereunder;
- 25.1.2. continue without interruption and with diligence the execution of the Project in accordance with the Project budget, the Plans and Specifications and construction schedule, and immediately notify the Lender of any material delay or interruption in the development progress of the Project;
- 25.1.3. at the request of the Lender and without delay, by a supplementary equity contribution, offset any cost overrun, cost to complete deficiencies, debt service shortfalls or operating deficit so that at all times there are sufficient funds available to service the Credit Facilities and to complete the Project;
- 25.1.4. allow the Cost Consultant and representatives of the Lender to inspect the Real Property and attend site meetings, from time to time as the Lender shall determine, and give the Cost Consultant a copy of the summaries and notes of site meetings when requested;
- 25.1.5. provide the Cost Consultant all notices of dispute of a contract by a sub-contractor or a supplier;
- 25.1.6. if applicable, provide the Lender with all offers to purchase signed with respect to the sale of condominium units of the Project, including the parking stalls and storage lockers, and any other documents required by the Lender;
- 25.1.7. if applicable, in order to allow the Lender to adequately monitor the condominium units sold in relation to all the condominium units affected by the Security in favour of the Lender, the Borrower must provide the Lender a list of the lot numbers and

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- the civic numbers of the condominium units built, including parking stalls and storage lockers;
- 25.1.8. if applicable, provide the Lender with all information about the unsold condominium units of the Project;
 - 25.1.9. to install, at Borrower's cost, signage provided by the Lender, that complies with all municipal bylaws, at a prominent location on the Project site that indicates project financing was provided by the Lender;
 - 25.1.10. permit the Lender, at the Lender's expense, to publish in any newspaper, periodical, any other publications (including electronic media) or promotional material a notice indicating that financing for the Project has been arranged by the Lender, provided that such notice shall not yet set out any particulars of the financing other than the names of the parties, the description of the Project and such other information as may be approved by the Borrower, such approval not to be unreasonably withheld;
 - 25.1.11. provide the Lender the draft condominium declaration, by-laws, shared facilities agreements, if any, and the disclosure statement or condominium plan where applicable;
 - 25.1.12. keep independent bookkeeping specific to the Project;
 - 25.1.13. where appropriate, provide the Lender with the copies of all the leases (including offers to lease, amendments and renewals). Until the full repayment and cancellation of the Credit Facilities, the Borrower agrees to provide, at the request of the Lender, a rent roll containing the names of each tenant leasing apartments or spaces in the Real Property, the number of rooms or their respective area, the term of the leases, the services included as well as the rent payable (broken down between the basic rent, additional rent and/or rent for such services as parking, where applicable). Any leases of the Real Property will be entered into between the Borrower, or its property manager on behalf of the Borrower, and the tenants. Where applicable, the form of standard residential lease must be in a form that conforms to all legal requirements and is acceptable to the Lender and its legal counsel, acting reasonably, provided that the Borrower may, without the Lender's consent, make lawful changes to the standard form from time to time as would a prudent landlord of similar premises. Where applicable, the form of commercial lease must be in a form that conforms to all legal requirements and is acceptable to the Lender and its legal counsel, acting reasonably;
 - 25.1.14. provide, at the request of the Lender, all information regarding the Real Property and the charged assets, the Project (including all plans, specifications, budgets, reports, permits and other material pertaining to the development, proposed construction and construction of the Project), the Obligors, including all financial information that the Lender may require, acting reasonably, including separate financial statements for the Project, isolating the financial and operating information relating to it from that for other assets owned by the Borrower. The information requested may include reports giving a regular report of the payment of the operating expenses, which must include, among others, the expenses for repairs and maintenance, utilities, management fees and extraordinary expenses;
 - 25.1.15. provide the Lender with financial reporting as described in Section 24 of Part A. The Lender may require such reporting to be certified by a certified professional accountant in the event of any arrears of payments;

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- 25.1.16. inform the Lender in writing of any change in name and trade name or in the content of the declarations made hereto, and do so within five (5) days of the occurrence of such fact or event;
- 25.1.17. inform the Lender of any fact or event of a nature to unfavourably affect the value of the Project or the financial situation of the Obligors and do so immediately upon occurrence of such fact or event;
- 25.1.18. inform the Lender immediately of any modification or non-renewal or cancellation of any insurance policy regarding to the Real Property;
- 25.1.19. pay, as they become due, without subrogation, all its income taxes and Statutory Liens, all business taxes, realty taxes, local improvement charges, development charges, education development charges, as well as any interest on the said taxes and fines imposed in their respect and payable with respect to the Real Property or charging it and deliver to the Lender the receipts attesting to the payment of the said taxes within thirty (30) days of their due date;
- 25.1.20. punctually pay the cost of public utility services and authorize the Lender to make the verifications with public utility services in order to confirm the statement of amounts due in this respect;
- 25.1.21. maintain the Real Property free of any mortgages or other encumbrances, including Statutory Liens, unless they exist for the benefit of the Lender or accepted by the Lender (including Permitted Encumbrances);
- 25.1.22. maintain and repair the Real Property and all structures and all the appurtenances thereon in good working order and condition as would a prudent owner of similar property, reasonable wear and tear excepted; and
- 25.1.23. comply with all terms and conditions of all insurance policies issued in respect of and in connection with the Real Property or Project, the Approved Deposit Insurance Facility, and all requirements of the *Ontario New Home Warranties Plan Act* (Ontario) and any regulations thereto and the commitments issued in respect thereof.

26. RESTRICTIVE COVENANTS

26.1. The Borrower agrees that without the prior written authorization of the Lender:

- 26.1.1. the Borrower shall not permit any positive or negative change orders to be made to the Project in excess of C\$1,000,000 cumulatively, or any single change in excess of C\$250,000, unless the Project budget is unchanged, the contingency amounts in the Project budget are deemed adequate to complete the Project as determined by the Lender and Cost Consultant and the quality of the Project is not materially adversely impacted by such change order(s);
- 26.1.2. the Borrower shall not make material modifications to the material contracts signed regarding the construction of the Project, offer vendor take-back financing to the purchasers of condominium units of the Project, if applicable, or offer reductions in the sale price of the condominium units of the Project, as listed herein in Schedule B-1, by greater than 5%;
- 26.1.3. except as permitted in this Loan Offer, the Obligors shall not (a) modify, or permit the modification of, their legal structure of ownership and control, (b) change the nature of their operations, (c) change their name, (d) make any change to any agreement related to the Real Property or the Project if such a change would result

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- in a Material Adverse Change, or (e) allow the Obligors, who are not natural persons, to be dissolved or liquidated;
- 26.1.4. except as permitted in this Loan Offer, the Obligors shall not transfer, sell, assign or otherwise dispose of the Real Property, in whole or in part, or any of their rights that pertain to the Real Property, except for sales of condominium units in the ordinary course of business;
- 26.1.5. the Obligors shall not modify the distribution of their issued and outstanding shares or units nor those of their respective direct and indirect shareholders or unitholders nor, where applicable, of their joint venture units or shares and, in the case of a trust, no changes will be made to its beneficiaries and trustees;
- 26.1.6. the Obligors shall not grant or allow, as the case may be, any lien or caveat related thereto, servitude, real right, guarantee, mortgage, security or charge in favour of other Persons than the Lender and Co-Lender, except Permitted Encumbrances;
- 26.1.7. where applicable, the Borrower shall not permit the Mezzanine Loan to be amended, modified or changed, without the prior written approval of the Lender;
- 26.1.8. the Obligors shall not undertake any financial restructuring, reorganization or merger, no acquisition of another corporation (by way of business or share purchase) and no creation of a subsidiary and will not launch any dissolution procedure;
- 26.1.9. there must not be any change in the date of the fiscal year-end of the Obligors;
- 26.1.10. the Obligors shall not change or permit a change to, as the case may be, the nature, the zoning, or the use of the Real Property, unless such change is aligned with the purpose of the Credit Facilities as stated in Section 8 of Part A;
- 26.1.11. the Borrower shall not declare or pay any dividend, advance, loan, withdrawal or distribution of equity of any nature whatsoever in favour of its shareholders, directors, limited partners and/or general partner, shareholders of the general partner or an affiliate of the Borrower while the Credit Facilities have not been fully repaid and cancelled, except redemptions caused pursuant to a release of Deposit Shortfall Top-up or as otherwise provided for herein;
- 26.1.12. there shall be no payment of any management fees except as set out in the Project budget approved by the Lender;
- 26.1.13. there shall be no advance or any loan granted to the Borrower, other than the Credit Facilities, that may be repaid during the term of the Credit Facilities, and the amounts so lent or advanced and the security granted must at all times be subordinate to the Security of the Lender;
- 26.1.14. the Borrower shall not enter into a deposit insurance protection agreement in respect of the utilization of deposits arising from the sale of condominium units other than the Approved Deposit Insurance Facility or use purchasers' deposits for any purposes other than the financing of the Project;
- 26.1.15. the Borrower shall not take or refrain from taking any action which would cause any representations and warranties of the Obligors under this Loan Offer to be false or misleading in any material respect;
- 26.1.16. the Borrower shall not, without the prior written consent of the Lender, not to be unreasonably withheld, and the concurrence of the Cost Consultant, make (a)

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cumulative positive or negative changes to the Project budget, (b) changes to the contingency amount in the Project budget resulting in the contingency amount being unreasonable and inadequate to ensure construction completion of the Project, or (c) changes to the Project budget which would result in a change in the scope of the Project. For greater certainty, changes to individual line items in the Project budget which do not result in any of the changes referred to in (a), (b) or (c) above are permitted hereunder;

- 26.1.17. the Borrower shall not enter into any binding agreement to lease the Real Property, in part or in whole, without the consent of the Lender. Such consent shall be provided by the Lender to the Borrower within ten (10) Business Days of the Borrower's notification and provision of a copy of such agreement and information on the prospective tenant, provided that the absence of response by the Lender at the end of the ten (10) Business Days will be deemed as non-consent; and
- 26.1.18. the Borrower shall not provide financial assistance to any Person, including but not limited to, granting loans to, providing guarantees in support of, or incurring contingent obligations (including letters of guarantee, letters of credit, legally binding comfort letters or indemnities issued in connection therewith, endorsements of bills of exchange (other than for collection or deposit in the ordinary course of business), obligations to purchase assets regardless of the delivery or non-delivery thereon and obligations to make advances or otherwise provide financial assistance) on behalf of such other Person.

27. DISPOSITION

- 27.1. Except as permitted herein, upon any transfer, sale, assignment or other form of disposition of the Real Property, in whole or in part, the Lender may require the immediate repayment of the balance of the Credit Facilities, including principal, interest, fees, expenses and additional charges. For the purposes of this Section, any of the following will be deemed to constitute a transfer, sale, assignment or an alienation of the Real Property:
 - 27.1.1. any change in the control of an Obligor, and specifically, the transfer, sale, disposition or issuance of shares or, if applicable, units of such Obligor carrying the right to vote and having the effect of changing the Person or Persons who control, directly or indirectly, an Obligor; and/or
 - 27.1.2. any reorganization, merger, liquidation or other modification of the legal structure of an Obligor.

28. ENVIRONMENT

- 28.1. With regard to the Real Property, the Borrower undertakes to respect the laws, standards and regulations relative to the protection of the environment, whether federal, provincial, municipal or other, including the *Environmental Protection Act* (Ontario) and the *Ontario Water Resources Act*, and undertakes specifically to:
 - 28.1.1. obtain, when necessary, any approval, permit or licence, or file any record or registration, required pursuant to environmental laws and to provide a copy to the Lender, when so requested;
 - 28.1.2. not use, store, or permit to exist on the Real Property any Hazardous Substance in contravention of any Applicable Laws. If at any time Hazardous Substance exists on the Real Property in contravention of Applicable Laws, the Borrower shall immediately remove the same and will carry out all such remediation work as may be required by the Lender;

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- 28.1.3. allow the Lender access at all reasonable times to the Real Property (subject, if applicable, to the rights of the tenants) to monitor and inspect all property and business activities and to conduct environmental remedial actions at the expense of the Borrower if the Borrower fails to take such remedial action as is required to ensure compliance with applicable environmental legislation;
 - 28.1.4. pay all the expenses of any environmental investigations or assessments of the Real Property that may be required by the Lender, acting reasonably, from time to time, based upon credible information that an adverse change in the environmental condition of the Real Property has occurred;
 - 28.1.5. notify the Lender upon receipt of any order, notice of offence, prosecution or civil claim directed to, filed or issued against it because of a violation of its obligations pursuant to environmental laws;
 - 28.1.6. to provide the Lender with immediate written notice of any environmental problem and any hazardous materials or substances which have a material adverse effect on the Real Property, equipment, or business activities at the Real Property and with any other environmental information reasonably requested by the Lender from time to time;
 - 28.1.7. remediate at its own expense in any cases when a technical report or environmental study recommends that soil or groundwater remediation is necessary, or where such remediation is required by a Governmental Authority; and
 - 28.1.8. repay the Lender any expenses incurred by the latter if it chooses to remedy the defaults of the Borrower with respect to the protection of the environment.
- 28.2. The Obligors agree to defend and indemnify the Lender, its directors, executives, officers, employees, agents and successors in interest against losses, costs, expenses, claims, liabilities or presumed liabilities of any kind with respect to any environmental damage that can be attributed to the activities of the Borrower or to any environmental contamination of the Real Property or resulting from it. This indemnification will survive the exercise by the Lender of its rights and recourse, the discharge of Security given, the repayment of the Credit Facilities and the performance by the Borrower of all of its obligations to the Lender under the terms of the Credit Facilities.
- 28.3. If the Borrower notifies the Lender of any specified activity or provides the Lender with any information pursuant to this Section 28, or if the Lender receives any credible environmental information from other sources, the Lender, acting reasonably, may decide that a material adverse change in the environmental condition of the Real Property has occurred. Following this decision being made by the Lender, the Lender shall notify the Borrower of the Lender's decision concerning the adverse change and the Borrower shall undertake such remediation as is required to ensure compliance with applicable environmental laws.
- 28.4. If the Lender is required to incur reasonable expenses due to the Borrower's failure to comply or to verify the Borrower's compliance with applicable environmental or other regulation, the Borrower shall indemnify the Lender in respect of such expenses, which will constitute further advances by the Lender to the Borrower under this Loan Offer. This indemnification will survive the exercise by the Lender of its rights and recourse, the discharge of Security given, the repayment of the Credit Facilities and the performance by the Borrower of all of its obligations to the lender under the terms of the Credit Facilities.

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29. EVENTS OF DEFAULT

- 29.1. The Borrower is in default and loses the benefit of the term of each Credit Facility and the Security (including the Guarantee) will be enforceable upon occurrence and continuance of any one or more of the following events (collectively, the "**Events of Default**" and each, an "**Event of Default**"):
- 29.1.1. failure by any Obligor to comply with any one or more of its obligations resulting from this Loan Offer, the Security in favour of the Lender, any other Loan Document or any other documents executed pursuant to this Loan Offer and in particular to make the payments of principal, interest or other amounts when due or to pay the insurance, the realty taxes on the Real Property and any other Statutory Liens on their due date;
 - 29.1.2. bankruptcy, insolvency, dissolution or liquidation of any Obligor, failure by any Obligor to pay its creditors as and when they become due or the appointment of a receiver with respect to anyone of them or assignment for the general benefit of their creditors;
 - 29.1.3. if any Obligor invokes the *Companies' Creditors Arrangement Act* or any law relative to insolvency;
 - 29.1.4. if any one of the obligations that enure to the benefits of any creditor or any Person holding rights in the Real Property is breached, whether or not these rights in the Real Property are prior or subsequent to those of the Lender, and the default is not waived by the said creditor or Person;
 - 29.1.5. failure to repay the balance of any Credit Facility when it is due;
 - 29.1.6. where applicable, an Obligor, who is a natural person, dies, unless the deceased party is promptly replaced to the satisfaction of the Lender;
 - 29.1.7. if, further to a request by the Lender, the Borrower refuses or fails to provide the Lender, or fails to cause the Lender to be provided with, all documentation and information related to the Project, the Real Property or the financial situation of any Obligor;
 - 29.1.8. failure by any Obligor to comply with an obligation to any Person which is likely to result in a Material Adverse Change for the Obligor or the Real Property;
 - 29.1.9. the transfer, sale, assignment or disposition of the Real Property as set out in Subsection 27.1 herein without the prior written consent of the Lender;
 - 29.1.10. except as permitted herein, change of control of any Obligor without the prior written consent of the Lender;
 - 29.1.11. if a declaration or representation made herein proves to be materially false, misleading or inexact;
 - 29.1.12. if the Borrower does not obtain the release of the seizure of the Real Property or of the other charged assets in the execution of a judgment;
 - 29.1.13. if construction ceases for a single period of thirty (30) days or more, except as a result of Force Majeure;
 - 29.1.14. if any Obligor (a) fails to make any payment when such payment is due and payable in relation to any indebtedness (in the case of a Guarantor, any indebtedness that

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- exceeds C\$500,000, and any applicable grace period in relation thereto has expired, or (b) defaults in the observance or performance of any other agreement or condition in relation to any such indebtedness or contained in any instrument or agreement evidencing, securing or relating thereto, or any other event occurs or condition exists, the effect of which default or other condition, if not remedied within any applicable grace period, would be to cause, or permit the holder of such indebtedness then to declare, such indebtedness to become due prior to its stated maturity date;
- 29.1.15. if a final judgment or decree for the payment of money due has been obtained or entered against any Obligor in an amount, when combined with any other such judgment or decrees, is in an amount in excess of: (a) in the case of the Borrower, C\$500,000, or (b) in the case of a Guarantor, C\$500,000, and such judgment or decree has not been and remained vacated, discharged or stayed pending appeal within the applicable appeal period and such Obligor is not proceeding to diligently and in good faith dispute such acceleration, default or obligation or the applicable Obligor has not demonstrated to the satisfaction of the Lender that it has the financial ability to satisfy such judgment or decree without adversely affecting in any material way, its ability to perform its obligations under this Loan Offer and Security;
 - 29.1.16. any default or event of default has occurred under the Mezzanine Loan, at which point such default shall be deemed to be an Event of Default under this Loan Offer and the Security; and
 - 29.1.17. if in the opinion of the Lender, acting reasonably, a Material Adverse Change has occurred.
- 29.2. The omission on the part of the Lender to notify the Borrower or any other Obligor of any Event of Default hereunder or to avail itself of any of its rights hereunder shall not be construed as a waiver by the Lender of such Event of Default or rights.
- 29.3. If an Event of Default should occur, the Borrower and the Guarantor also lose the capacity to exercise all of their respective rights pursuant to this Loan Offer and the Lender may exercise all rights and remedies available at law and under the mortgage of the Real Property.
- 29.4. Notwithstanding the occurrence of an Event of Default:
- 29.4.1. if at any time after the occurrence of an Event of Default, the Borrower or the Guarantor offers to cure completely all Events of Default and to pay all expenses, advances and damages to the Lender consequent on such Event of Default or any other Event of Default, with interest at the highest rate applicable to the Credit Facilities, then the Lender may at its entire discretion, and in no circumstances the Lender shall be obligated to, waive the Event of Default, accept such offer and payment and such action shall not affect any subsequent Event of Default or impair any rights consequent thereon; and
 - 29.4.2. should the Borrower default in the performance or observance of any of its non financial obligations hereunder, the Borrower shall become in default if such default shall have continued for ten (10) Business Days after written notice thereof has been given by the Lender to the Borrower, provided that if the Borrower has commenced to cure such default within the said delay, then the delay shall be extended by such period of time as is reasonably necessary in the opinion of the Lender to complete whatever work is involved in curing the default. The provisions of this Section have no application to any situation which, according to the Lender at its entire discretion, cannot be remedied on conditions acceptable to the Lender.

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29.5. No waiver by the Lender of any Event of Default shall in any way be, or be construed to be, a waiver of any future or subsequent Event of Default.

29.6. No Event of Default may be waived or discharged orally but, in each case, only by an instrument in writing signed by the Lender.

30. BANKRUPTCY AND INSOLVENCY ACT

30.1. The Lender will not be obliged to act on this Loan Offer, to sign the legal documentation or make any advance of the Credit Facilities if any Obligor becomes insolvent, assigns its assets, is placed in bankruptcy or liquidation, makes a proposal or files a notice of intention to make a proposal to its creditors pursuant to the *Bankruptcy and Insolvency Act* or invokes the *Companies' Creditors Arrangement Act*.

31. REPRESENTATIONS AND WARRANTIES

31.1. The Borrower makes the following representations and warranties:

- 31.1.1. the Borrower has the powers, the authority and the capacity necessary to borrow the Credit Facilities, grant the Security in favour of the Lender, and to perform its obligations hereunder and thereunder;
- 31.1.2. the General Partner is the registered and beneficial owner of the Real Property (for and on behalf of the Limited Partnership) with good and marketable title thereto;
- 31.1.3. there is no application, legal proceeding or material investigation, pending or imminent, against any Obligor, or involving the Real Property;
- 31.1.4. to the best of the knowledge of the Borrower, after having made the necessary verifications, there is no Hazardous Substance not in compliance with Applicable Laws, and no such Hazardous Substance was used, stored or located, on the Real Property and no part of the Real Property was contaminated by any such Hazardous Substance other than as already disclosed in writing to and accepted by the Lender in writing;
- 31.1.5. there has been no Material Adverse Change since the date of its last annual or interim financial statements presented to the Lender. These financial statements faithfully represent its financial situation on the date of their preparation in all material respects;
- 31.1.6. the Borrower has not incurred and does not anticipate incurring a major liability about which the Lender was not already informed;
- 31.1.7. the Borrower is not in default under the terms of any agreement or contract to which it is a party and whose consequences would be considered a Material Adverse Change for the Borrower;
- 31.1.8. the information, reports and other documents provided to the Lender contain no material error of fact or fail to declare any fact that proves a representation or warranty contained herein to be false or misleading;
- 31.1.9. every tax, deduction, income tax or other fee whose payment is secured by a Statutory Lien or statutory trust has been paid when due by the Borrower, without subrogation;
- 31.1.10. all realty taxes and other Statutory Liens relative to the Real Property are paid until their final installment without subrogation in favour of anyone;

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- 31.1.11. the Real Property has not been the subject, within the six (6) months preceding the date of this Loan Offer, of any addition, repair, improvement, renovation or modification whose cost has not been entirely paid and there is no amount still due to any supplier, professional, contractor, sub-contractor or other Person able to benefit from construction liens;
- 31.1.12. the Borrower has respected all laws and regulations, in particular the laws and regulations respecting environmental protection, and more specifically but not limited to the following:
 - 31.1.12.1. to the Borrower's knowledge, no notice or order has been served, registered, or recorded against the Real Property; and
 - 31.1.12.2. it is not being prosecuted, or threatened with prosecution, for having violated laws and regulations respecting environmental protection;
- 31.1.13. where applicable, the Borrower has given the Lender a copy of all offers to lease and all in-place leases with respect to the Real Property and no rent has been seized or prepaid, except one month in advance;
- 31.1.14. where applicable, the in-place leases and offers to lease provided to the Lender represent the entire agreement of the parties, have not been amended or modified by any formal or informal agreement and have not been assigned or mortgaged, except in favour of the Lender, and none of these in-place leases and none of these offers to lease is the subject of any dispute between the Borrower and the tenant;
- 31.1.15. the Obligors have each disclosed to the Lender their full personal financial situation and that of their company, where applicable, in all material respects;
- 31.1.16. the information that the Borrower has provided the Lender concerning the Obligors before acceptance of this Loan Offer is true and complete in all material respects;
- 31.1.17. no permanent accessories of the Real Property and in particular, no heating, ventilation, refrigeration, cleaning and lighting apparatus, no elevator or other service of the Real Property has been the subject of a conditional sales agreement, an installment sale agreement, a retention of title or a sale with right of redemption, a sales contract with resolatory clause, a lease or a mortgage. All of these accessories are the property of the Borrower and have been entirely paid and those of them that have not been incorporated in the Real Property in a way to make of them an integral part of it, have been permanently materially attached or combined with the Real Property and have themselves become immovable and affixed to the Real Property;
- 31.1.18. to the Borrower's knowledge, other than as already disclosed in writing to and accepted by the Lender in writing, the Real Property does not contain urea formaldehyde foam insulation (UFFI) in any of its forms, asbestos in any of its forms, polychlorinated biphenyls (PCBs), pollutants, contaminants, radioactive materials, waste, substances or toxic products dangerous to public health or the environment, and the Real Property is not equipped with dangerous appurtenances, or systems, in particular a heating system not recognized or approved by the authorities concerned;
- 31.1.19. the Real Property is not part of a housing complex and is not subject to the provisions of the *Ontario Heritage Act*;

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- 31.1.20. the Borrower is not in default of any judgment, order, injunction, decree of any court, office, agency, arbitrator or commission and no proceedings have been or are about to be started against it;
- 31.1.21. the Borrower is current in all of its filing and payment obligations to Canada Revenue Agency in respect of source deductions and HST/GST; and
- 31.1.22. there are no employees of the Borrower.

32. FINANCIAL AND OTHER INFORMATION

- 32.1. The Obligors expressly authorize the Lender or the Manager, where applicable, acting directly or through its agents and representatives:
 - 32.1.1. to obtain from third parties, including any public agency, and to preserve all financial information concerning them and all other information relative to the undertakings that they have with respect to third parties in order to verify their capacity to execute the Project and to fulfill their respective obligations according to the terms of this Loan Offer;
 - 32.1.2. to communicate some or all of the information in its possession to any subsequent assignee of the Credit Facilities, to a Person interested in acquiring an interest in the Credit Facilities, to any credit reporting agency, to the Lender's parent, subsidiaries and affiliates or, if applicable, to all Persons claiming a right to such information contemplated under any builder's lien or similar legislation; and
 - 32.1.3. to obtain a credit file from a credit rating agency.
- 32.2. At the request of any Obligor, the Lender will communicate to them the content of the information about them in its possession.
- 32.3. Each signatory of this Loan Offer, irrespective of its title, but excluding the Lender, authorizes the Lender, until full repayment of all amounts owed by the Borrower, to obtain information related to the credit, the financial situation, compliance or any other subject concerning such signatory that is of interest to a lender acting reasonably and, for this purpose, each such party authorizes the Lender to communicate with any financial institution, credit agency, accountants and auditors of each such signatory, government agency and, more generally, any competent authority in order to obtain the information and documents appropriate in the Lender's opinion.

33. SYNDICATION AND PARTICIPATION

- 33.1. The Lender shall have the right to assign, sell, grant participation in or transfer (collectively, a "**Syndication**") all or any portion of the Credit Facilities and its rights, benefits and obligations under this Loan Offer to one or more third party or an affiliate (each, an "**Assignee**") (a) without the consent of the Obligors or any of them to or with an affiliate of the Lender (including for greater certainty, FCDQ) or in the case where an Event of Default has occurred and is continuing, and (b) with the consent of the Obligors or any of them, such consent not to be unreasonably withheld, to any party which is not an affiliate of the Lender, upon which the Security held by the Lender will be deemed to be held by the Lender as agent on behalf of itself and the other lenders. The Obligors expressly authorize the Lender and the Manager, if applicable, to disclose to an Assignee all information of a financial or other nature that could be required as part of the granting of such assignment or participation. The Obligors also agree to execute and deliver such additional documentation as the Lender considers necessary or desirable to effect such Syndication. In addition, the Borrower and its management team agree to meet with each potential Assignee at mutually agreeable times to discuss the business and operations of

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the Borrower. Notwithstanding any assignment, sale, transfer or participation, the Borrower shall only be required to deal with the Lender for all administrative matters and the Obligors shall not be responsible for any fees or expenses directly or indirectly related to any Syndication.

- 33.2. The Obligors accept and acknowledge that DFS may, at its discretion, from time to time, and without notice to or consent from the Obligors, sell, assign or transfer all or part of its rights in the Indebtedness owed by the Borrower to the Lender under the terms of this Loan Offer and in its accessories to FCDQ, its subsidiaries or to any other related Desjardins entity designated by FCDQ. The Obligors accept in advance such sale, assignment or transfer, and, if needed, undertake to sign any consent to the sale, assignment or transfer. In such cases, and unless otherwise advised by DFS, the Borrower shall continue to make all payments required under this Loan Offer directly to DFS, which will then act as the manager for FCDQ. As and from such sale, assignment or transfer, the remedies that may be exercised by the Obligors in connection with the rights thus sold, assigned or transferred shall be exercised against the Assignee, excluding DFS.

34. NON-ASSIGNABILITY

- 34.1. This Loan Offer is specifically addressed personally to the Borrower and may not be assigned to a third party in any way whatsoever without the prior written authorization of the Lender.

35. NOTICE

- 35.1. Notice will be deemed to have been received by the one to whom it is addressed: (a) at the time of delivery, if delivered before 3 pm (local time at the delivery location) on a Business Day; (b) at the time it is received if sent by registered mail; (c) on the day of its sending, if sent by fax before 3 pm (local time at the receiving fax machine) on a Business Day and (d) the Business Day following the delivery or transmission if delivered or sent after 3 pm (local time at delivery location or receiving fax machine, as the case may be).
- 35.2. Any notice intended for the Borrower must be sent to the address of the Borrower indicated in this Loan Offer or at such other address as the Borrower may in writing notify the Lender.
- 35.3. Any notice intended for the Lender must be sent to the following address, or such other address as the Lender may in writing notify the Borrower:

95 St. Clair Avenue West
Toronto, Ontario, M4V 1N7
Attention: Mortgage Administration
Fax: (416) 926-2696

- 35.4. Notices sent by the Manager, if applicable, have the same value as if they had been sent by the Lender.

36. MEMBER DIVIDENDS

- 36.1. Unless there is written confirmation given by the Lender in a document distinct from this Loan Offer, the Credit Facilities shall not qualify for consideration towards the determination of member dividends paid periodically by FCDQ or any Desjardins entities to its members.

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37. FEES, CHARGES AND INCREASED COSTS

- 37.1. As a result of its acceptance of this Loan Offer, the Borrower undertakes to assume, and to the entire relief of the Lender, all reasonable legal fees, charges and disbursements of the Lender and all its other fees of any kind resulting from this Loan Offer and the Security, including, without being limited to, the legal fees, charges and disbursements incurred by the Lender to exercise its rights under the Security including also, without limitation, the fees and disbursements of the consultants, accountants and agents whose services may have been required by the Lender, before and during the exercise of its recourse against the Borrower, the Real Property or the other charged assets.
- 37.2. The Borrower accepts and agrees to pay, even if no part of the Credit Facilities is advanced by the Lender, or even if after acceptance of this Loan Offer, the Borrower refuses or fails to make use of it, or if the titles and rights in the Real Property offered as security are not deemed acceptable by the Lender or its legal counsel, all the following reasonable costs, expenses and disbursements, without limiting their scope, all legal fees, the fees of environmental and appraisal professionals, land surveyors, the insurance consultant and the Cost Consultant, the fees for the registration of an address, and the fees for title insurance policies, where applicable.
- 37.3. The Borrower agrees that the fees mentioned above may be paid from the advances of any Credit Facility where applicable.
- 37.4. If any Change in Law will:
 - 37.4.1. impose, modify or deem applicable any reserve, special deposit, compulsory loan, insurance charge or similar requirement against assets of, deposits with or for the account of, or credit extended or participated in by, the Lender;
 - 37.4.2. subject the Lender to any Tax or Taxes of any kind whatsoever with respect to this Loan Offer or change the basis of taxation of payments to the Lender in respect thereof, except for the imposition, or any change in the rate, of any Excluded Taxes payable by the Lender; or
 - 37.4.3. impose on the Lender or any applicable interbank market any other condition, cost or expense affecting this Loan Offer or any loans made by the Lender;and the result of any of the foregoing will be to increase the cost to the Lender of making or maintaining any loan (or of maintaining its obligation to make any such loan), or to reduce the amount of any sum received or receivable by the Lender hereunder (whether of principal, interest or any other amount), then upon request of the Lender the Borrower will pay to the Lender such additional amount or amounts as will compensate the Lender for such additional costs incurred or reduction suffered.
- 37.5. If the Lender determines that any Change in Law affecting the Lender regarding capital requirements has or would have the effect of reducing the rate of return on the Lender's capital as a consequence of this Loan Offer or the commitment of the Lender or the loans made by the Lender hereunder, to a level below that which the Lender could have achieved but for such Change in Law (taking into consideration the Lender's policies with respect to capital adequacy), then from time to time the Borrower will pay to the Lender such additional amount or amounts as will compensate the Lender for any such reduction suffered.
- 37.6. A certificate of the Lender setting forth the amount or amounts necessary to compensate the Lender, including reasonable detail of the basis of calculation of the amount or amounts, that is delivered to the Borrower will be conclusive absent manifest error. The

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Borrower will pay the Lender the amount shown as due on any such certificate within ten (10) days after receipt thereof.

- 37.7. Failure or delay on the part of the Lender to demand compensation for such additional costs incurred or reduction suffered will not constitute a waiver of the Lender's right to demand such compensation, except that the Borrower will not be required to compensate the Lender for any increased costs incurred or reductions suffered more than two hundred seventy (270) days prior to the date that the Lender notifies the Borrower of the Change in Law giving rise to such increased costs or reductions and of the Lender's intention to claim compensation therefor, unless the Change in Law giving rise to such increased costs or reductions is retroactive, in which case the two hundred seventy (270) day period referred to above will be extended to include the period of retroactive effect thereof.
- 37.8. Upon the Lender having determined that it is entitled to additional compensation in accordance with the provisions described above, it shall promptly notify the Borrower and shall provide to the Borrower a photocopy of the relevant Applicable Law or request. No claim for additional compensation will be made by the Lender hereunder unless the Lender is claiming compensation generally from customers against whom it is entitled to make such a claim by reason of the circumstances giving rise to such claim for additional compensation. If it is commercially reasonable in the opinion of the Lender, it shall make reasonable efforts to limit the incidence of such additional compensation, including seeking recovery for the account of the Borrower following the Borrower's request and at the Borrower's expense, if the Lender, in its sole determination, would suffer no appreciable economic, legal, regulatory or other disadvantage as a result.

38. CONFIDENTIALITY

- 38.1. This Loan Offer is strictly confidential and its content may not be disclosed to any third party without the prior written authorization of the Lender.

39. PCMLTF REGULATIONS

- 39.1. The Borrower represents and warrants to the Lender that the Credit Facilities made available under this Loan Offer has been obtained to meet the Borrower's own needs and is in no way obtained for the use or benefit of a third party not mentioned in this Loan Offer.
- 39.2. The Lender may refuse to give effect to this Loan Offer or to make any disbursement (or progress advance) if it believes, in its sole discretion, that it will not be able to comply with the PCMLTF Regulations, be it for a lack of information or for any other reason. Moreover, the Lender may terminate at any time this Loan Offer by giving a thirty (30) day prior notice to the Borrower if it determines, in its sole discretion, that there exists a situation of non-compliance under the PCMLTF Regulations relating to this Loan Offer or to the Borrower, provided that (a) such prior notice shall provide a description of such situation of non-compliance and, where applicable, the actions required to remedy it, and (b) such prior notice will be of no effect if such situation of non-compliance is remedied to the complete satisfaction of the Lender before the expiry of the thirty (30) day prior notice period. Upon such termination, the Lender may demand immediate repayment in full of the amounts lent in principal, interest, fees, expenses and additional charges payable by the Borrower under this Loan Offer, the Security and any other credit agreement entered into with the Lender.

40. JURISDICTION

- 40.1. This Loan Offer and all documents related to it are governed, at all times, by the Applicable Laws.

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- 40.2. Any dispute will be submitted to the competent authorities according to the Applicable Laws.

41. ACCEPTANCE OF THIS LOAN OFFER

- 41.1. All the time periods mentioned in this Loan Offer are mandatory. The Lender is bound by this Loan Offer only if the Obligors unconditionally accept all of the terms and conditions of this Loan Offer within the time provided. Once accepted by the Borrower and the Guarantor, this Loan Offer will be deemed to constitute a loan agreement between the Lender, the Borrower and the Guarantor.
- 41.2. This Loan Offer was made on the basis of the information submitted and may not in any way serve to obtain advantages from a third party basing its decision on that information. Likewise, if information brought to our attention afterwards would change the data, we reserve the right to modify or cancel this Loan Offer.

42. ENTIRE AGREEMENT

- 42.1. Each Obligors expressly acknowledges that this Loan Offer reflects the complete agreement between them and the Lender and that no amendment or modification of any kind to its provisions can be enforced on the Lender, unless it is recorded in a written document distinct from this Loan Offer and signed by the authorized representative(s) of the Lender, failing which, this Loan Offer will be deemed not to have been amended or modified.

43. IDENTIFICATION OF SIGNATORIES

- 43.1. In order to verify the identity of the parties and of their respective representatives, the Lender requires that the Obligor's legal counsel, the Lender's legal counsel, a representative of the Lender or an affiliate of the Lender, or a combination of any of them (individually and collectively, the "**Mandatary**"), verify the identity of the individuals acting for themselves or as representatives of a Person which is part of this Loan Offer. To this effect, the Mandatary must view and refer to an original, valid and unexpired document that is issued, and permitted to be used as an identification document, by an acceptable Governmental Authority to insure that each such Person is in fact who he or she claims to be and to complete, and return to the Lender, the required identity verification forms provided by the Lender. The Mandatary must, within the limits of Applicable Laws, be enabled to make a note of the information appearing on the examined identification documents and, if permitted by Applicable Laws, to make a copy of such documents for the Lender.

44. SOURCE OF FUNDS

- 44.1. The Lender has the entire discretion to require from the Borrower at all times, prior to and subsequent to the disbursement of the Credit Facilities, satisfactory evidence concerning the legitimate origin of the sources of funds of the Project which do not come from the Lender.

45. SOURCE DEDUCTIONS – SALES TAX

- 45.1. Prior to the first disbursement of any Credit Facility and whenever requested by the Lender at any time, prior to and subsequent to the disbursement of the Credit Facilities, the Borrower shall sign appropriate disclosure authorization forms and do such other things as may be required to permit the Lender to obtain confirmation from the Canada Revenue Agency and from any other competent provincial authorities that there are no source deductions or sales tax arrears owing by the Borrower at the time the mortgage over the Lands was registered and will assist the Lender in obtaining such confirmation.

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46. LOAN MANAGER

- 46.1. Intentionally deleted.
- 46.2. Intentionally deleted.
- 46.3. Intentionally deleted.

47. SPECIFIC PROVISIONS FOR ALBERTA AND BRITISH COLUMBIA LOANS

If any of the Real Property subject to this Loan Offer is located in Alberta or British Columbia, the following provisions shall apply, as the case may be, and have precedence over any other provisions herein.

47.1. Alberta:

- 47.1.1. any reference herein to the "*Condominium Act (Ontario)*" shall be amended to be a reference to the "*Condominium Property Act (Alberta)*";
- 47.1.2. any reference herein to the "*Construction Act (Ontario)*" shall be amended to be a reference to the "*Builders' Lien Act (Alberta)*";
- 47.1.3. any reference herein to the "*Environmental Protection Act (Ontario)*" shall be amended to refer to the "*Environmental Protection and Enhancement Act (Alberta)*";
- 47.1.4. any reference herein to the "*Expropriation Act (Ontario)*" shall be amended to be a reference to the "*Expropriation Act (Alberta)*";
- 47.1.5. any reference herein to the "*Ontario Heritage Act*" shall be amended to be a reference to the "*Historical Resources Act (Alberta)*";
- 47.1.6. Section 22 of Part A herein shall be amended by replacing all references to "deed of transfer" with "deed of transfer of land";
- 47.1.7. any reference herein to "Tarion Warranty Corporation" shall be amended to be a reference to "an approved warranty provider"; and
- 47.1.8. any reference herein to "*Ontario New Home Warranties Plan Act (Ontario)*" shall be amended to be a reference to "*New Home Warranty Protection Act (Alberta)*".

47.2. British Columbia:

- 47.2.1. any reference herein to "harmonized sales tax" or "HST" shall be amended to be a reference to "goods and services tax" or "GST", respectively;
- 47.2.2. any reference herein to the "*Condominium Act (Ontario)*" shall be amended to be a reference to the "*Strata Property Act (British Columbia)*", any reference herein to "condominium" shall be amended to be a reference to "strata", "strata plan" or "strata corporation", as the case may be, and any reference herein to a "unit" shall be amended to be a reference to a "lot";
- 47.2.3. any reference herein to the "*Construction Act (Ontario)*" shall be amended to be a reference to the "*Builders Lien Act (British Columbia)*";
- 47.2.4. any reference herein to the "*Environmental Protection Act (Ontario)*" shall be amended to be a reference to the "*Environmental Management Act (British Columbia)*";

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- 47.2.5. any reference herein to the "*Ontario Heritage Act*" shall be amended to be a reference to the "*Heritage Conservation Act* (British Columbia)";
- 47.2.6. any reference herein to the "*Expropriation Act* (Ontario)" shall be amended to be a reference to the "*Expropriation Act* (British Columbia)";
- 47.2.7. Subsection 18.3.2 of Part A herein shall be replaced in its entirety and amended to read: "the purchaser's rescission period under the agreement of purchase and sale and pursuant to the Real Estate Development Marketing Act (British Columbia) (and any successor legislation thereto) shall have expired and the purchaser offer must be unconditional (except for typical closing conditions)";
- 47.2.8. any reference herein to "Tarion Warranty Corporation" shall be amended to be a reference to "an approved warranty provider";
- 47.2.9. any reference herein to "*Ontario New Home Warranties Plan Act* (Ontario)" shall be amended to be a reference to "*Homeowner Protection Act* (BC)";
- 47.2.10. Subsection 11.1 of Part B herein shall be replaced in its entirety by: "The Borrower shall deposit, or cause to be deposited, Holdbacks required pursuant to the *Builders Lien Act* (British Columbia) into a holdback account (the "**Holdback Account**") maintained by the Borrower in accordance with Applicable Laws, and such Holdbacks shall not be withdrawn from the Holdback Account except in accordance with the *Builders Lien Act* (British Columbia). The Holdback Account shall be in addition to the Operating Account for the Project. The Borrower acknowledges, confirms and agrees that if the Holdback Account is opened and maintained with the Lender, such opening and maintaining are done at the express election of the Borrower and same does not constitute an agreement or admission by the Lender that it is retaining or will retain the Holdbacks required pursuant to the *Builders Lien Act* (British Columbia). In the event the Holdback Account is not opened and maintained with the Lender, the Borrower shall, upon request from the Lender, provide satisfactory evidence to the Lender of such compliance, including any information requested by the Lender regarding payments made from the Holdback Account. The Borrower acknowledges, confirms and agrees that the Lender is not in any way obligated to request such information or monitor such compliance"; and
- 47.2.11. Subsection 3.3.1.1 of Part B herein shall be replaced in its entirety by: "an amount equal to the greater of (a) the Net Sales Proceeds of the strata lot, and (b) 95% of the listed sale price of the strata lot before GST as indicated in Schedule B-1 (including the listed price of any parking stalls and/or storage lockers, if applicable) and accepted by the Lender, minus the Insured Deposits associated with the strata lot, holdbacks required under Applicable Laws, and normal closing costs acceptable to the Lender. Any builders' lien holdback required in connection with the completion of the sale of any strata lot will be maintained in a trust account of the Borrower's legal counsel and paid to the Lender together with any interest earned thereon forthwith upon expiration of the applicable holdback period, less the amount of any builders' lien claims filed against the strata lot prior to such time; and".

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

Borrower: **Hasting Street Limited Partnership
and I4PG Hastings Street Inc.**

Mortgage Loan Application No.: •
Loan Offer dated March 31, 2022

Schedule B-1 - Page 1 of 1

SCHEDULE B-1 (Subsection 3.3.1.1 of Part B)

LIST OF UNITS

**(Unit No., typology, area,
listed sale price before extras and sales taxes,
listed sale price including sales taxes)**

Borrower: **Hasting Street Limited Partnership
and I4PG Hastings Street Inc.**
Mortgage Loan Application No.: **612037-1**
Loan Offer dated March 31, 2022

Schedule B-2 - Page 1 of 4

SCHEDULE B-2 (Subsection 10.1.1 of Part B)

DRAWDOWN NOTICE

TO: DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY

FROM: •

PROJECT: •

LOCATION: •

ADVANCE NO.: •

This Drawdown Notice is delivered to you, as Lender, pursuant to Subsection 10.1.1 of Part B – General Conditions of this Loan Offer made as of March 31, 2022, among the Borrower, you and the Guarantor, as amended to the date hereof (the “**Loan Offer**”). All terms used in this Drawdown Notice that are defined in this Loan Offer have the same meanings herein.

PART 1

1. The Borrower hereby requests the following advance(s) and/or letter(s) of credit:

(a) Drawdown Date: _____

(b) Type of Credit Facility:

☐ Construction Loan

☐ LC Facility

(c) Amount of each Loan or Letter of Credit (check appropriate boxes)

() Prime Rate Loan: CAD\$ _____

() Letter of Credit:

Amount

Expiry Date

CAD\$ _____

CAD\$ _____

Total CAD\$ _____

2. The Borrower hereby represents, certifies and guarantees to the Lender as follows:

(a) the contents of this Drawdown Notice and each appendix hereto are accurate and complete in all respects;

Borrower: **Hasting Street Limited Partnership
and I4PG Hastings Street Inc.**

Mortgage Loan Application No.: **612037-1**

Loan Offer dated March 31, 2022

Schedule B-2 - Page 2 of 4

- (b) the report dated _____ prepared by • and delivered to you (the "**Progress Report**"), contains an accurate representation in respect of the Project costs referred to therein (paid and unpaid), of the amount budgeted for each such expense in the approved Project budget, its costs to date, including a breakdown between hard costs and soft costs, as compared to the approved Project budget, the amount to be advanced pursuant to this Drawdown Notice, which is to be applied to such expense, the Holdback related to each such expense and the cost to complete the Project with respect to such expense;
 - (c) the full amount requested hereunder is required by the Borrower to pay, and shall be used by the Borrower to pay, for services actually rendered and for materials actually required and affixed to and incorporated into the Project in connection with the construction of the Project pursuant to the Plans and Specifications and this Loan Offer, the costs of which services and materials are reflected in the billing statements, vouchers and/or invoices from each supplier, contractor or subcontractor which has billed the Borrower in respect of the Project (copies of which statements, vouchers and/or invoices are included as part of the Progress Report);
 - (d) the aggregate amount of the requested drawdown and the costs of completion of all items of expenses set out in the Progress Report are sufficient to effect completion of the Project pursuant to the Plans and Specifications and to pay for all labour, material and other expenses in connection therewith;
 - (e) all contractors, sub-contractors, suppliers of material, suppliers of services and other Persons participating in the construction of the Project are in good standing and the Borrower is not in default in the payment of any sums to such parties or fulfillment of any of its obligations with respect thereto;
 - (f) as of the date hereof, there remain sufficient funds undrawn under the Construction Loan to defray all costs required to complete the Project in accordance with the approved Plans and Specifications and Project budget;
 - (g) all funds previously advanced by the Lender to the Borrower under the Construction Loan have been utilized by the Borrower to pay for all costs incurred with respect to the construction of the Project;
 - (h) the construction of the Project is being effected in accordance with the construction schedule approved by the Lender; and
 - (i) there has occurred no change in any part of the approved Project budget, except those set forth in the Progress Report.
3. Intentionally deleted.
 4. All of the representations and warranties contained in this Loan Offer and Security are true and correct in all material respects on the date hereof as if made on and as of the date hereof.
 5. No Event of Default has occurred and is continuing nor will any Event of Default occur after giving effect to the aforementioned drawdown.

Dated at [CITY], [PROVINCE], this [] day of [], 20[].

Borrower: **Hasting Street Limited Partnership
and I4PG Hastings Street Inc.**

Mortgage Loan Application No.: **612037-1**

Loan Offer dated March 31, 2022

Schedule B-2 - Page 3 of 4

**HASTINGS STREET LIMITED
PARTNERSHIP**, by its general partner, **I4PG
HASTINGS STREET INC.**

Name:

Title:

I have authority to bind the Limited Partnership.

Borrower: **Hasting Street Limited Partnership
and I4PG Hastings Street Inc.**
Mortgage Loan Application No.: **612037-1**
Loan Offer dated March 31, 2022

Schedule B-2 - Page 4 of 4

PART 2

The undersigned, an authorized signing officer of the general contractor for the Project, hereby certifies as follows:

1. All accounts for labour, subcontracts, products, services and construction machinery and equipment which have been incurred directly by or on behalf of the Borrower in the performance of the work as required by the Project contracts and for which the Borrower might in any way be held responsible, have been paid in full as required by such contracts up to and including the latest progress payment received, except for:

- (a) holdback monies properly retained;
- (b) payments deferred by agreement; or
- (c) amounts withheld by reason of legitimate dispute which have been identified to the party or parties, from whom payment has been withheld.

This certificate is given in connection with the above-referenced Drawdown Notice and advance under this Loan Offer with the Borrower referred to above and the Lender may rely on it in making such advance.

CERTIFIED by the undersigned at _____, B.C. on [DATE], [YEAR].

[•GENERAL CONTRACTOR]

By: _____

Name:

Title:

By: _____

Name:

Title:

I / We have authority to bind the Corporation.

Borrower: **Hasting Street Limited Partnership
and I4PG Hastings Street Inc.**
Mortgage Loan Application No.: **612037-1**
Loan Offer dated March 31, 2022

Schedule B-3 - Page 1 of 2

SCHEDULE B-3 (Subsection 10.1.2 of Part B)

OFFICER'S CERTIFICATE

TO: DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY

FROM: HASTINGS STREET LIMITED PARTNERSHIP, by its general partner, I4PG HASTINGS STREET INC. (the "**Borrower**")

DATE: •

This Officer's Certificate is delivered to you pursuant to Subsection 10.1.2 of Part B of this Loan Offer dated • between the Borrower, as borrower, you, as lender, and the Guarantor, as amended to the date hereof (the "**Loan Offer**"). All terms used in this Officer's Certificate that are defined in this Loan Offer have the same meanings herein.

I, •, the • of I4PG HASTINGS STREET INC., the general partner of the Borrower, certify for and on behalf of the Borrower and not in my personal capacity and without personal liability, that:

1. Representations and Warranties – Borrower. All of the representations and warranties of the Borrower contained in this Loan Offer and the Security are true and correct on and as of the date hereof in all material respects as though made on and as of the date hereof, subject to changes thereto:
 - (a) given to the Lender by the Borrower and accepted in writing by the Lender, and
 - (b) expressly contemplated by the terms of this Loan Offer and disclosed to the Lender in writing.
2. Representations and Warranties – Guarantor. To the best of the undersigned's knowledge, all of the representations and warranties of the Guarantor contained in this Loan Offer and the Security are true and correct on and as of the date hereof in all material respects as though made on and as of the date hereof, subject to changes thereto:
 - (a) given to the Lender by a Guarantor and accepted in writing by the Lender, and
 - (b) expressly contemplated by the terms of this Loan Offer and disclosed to the Lender in writing.
3. Terms, Covenants and Conditions. All of the terms, covenants and conditions of this Loan Offer and each of the other Security to be performed or complied with by the Borrower and Guarantor (each an "**Obligor**" and collectively, the "**Obligors**") at or prior to the date hereof have been performed or complied with.
4. Default. No Event of Default has occurred and is continuing on the date hereof.
5. Cost to Complete. The estimated cost to complete the Project on a line by line basis, is as set out in the attached cost to complete report.
6. Material Adverse Change. There has been no condition (financial or otherwise), event or change in any of the Obligors' respective business, liabilities, operations, results of operations, assets or prospects which constitutes, or could reasonably be expected to constitute, or cause, a Material Adverse Change.

Borrower: **Hasting Street Limited Partnership
and I4PG Hastings Street Inc.**

Mortgage Loan Application No.: **612037-1**

Loan Offer dated March 31, 2022

Schedule B-3 - Page 2 of 2

7. Completion Date. The estimate date for substantial completion of the Project is •.

Attached to this officer's certificate is the cost to complete report referred to in Section 5 of this officer's certificate.

Name:

Title:

Borrower: **Hasting Street Limited Partnership
and I4PG Hastings Street Inc.**
Mortgage Loan Application No.: **612037-1**
Loan Offer dated March 31, 2022

Schedule B-4 - Page 1 of 2

SCHEDULE B-4 (Subsection 10.1.3 of Part B)

PROJECT CONSULTANT'S CERTIFICATE

TO: DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY	BORROWER: • (the " Borrower ")
ADVANCE NO: •	PROJECT: • (the " Project ")
CERTIFICATE DATE: •	COMPLETION DATE: •

Based on my/our professional experience and qualifications and after making such reasonable enquiries as I/we have deemed necessary in the circumstances, I/we hereby certify to the Lender as follows:

1. I/We am/are the [**architect/general contractor/engineer/other**] for the Project.
2. I/we have periodically inspected construction since the commencement of construction and last inspected the Project on [**insert date**] (the "**Inspection Date**").
3. All required permits, licenses and other authorizations have been obtained and are being maintained.
4. Construction and development of the Project up to and including the Inspection Date has been performed in a good and workmanlike manner.
5. Construction and development of the Project up to and including the Inspection Date has been performed substantially in accordance with (i) the plans and specifications, (ii) all applicable building codes, municipal bylaws and regulations, (iii) all required permits, licenses and other authorizations and (iv) all applicable laws, rules and regulations including, without limitation, environmental laws.
6. In my/our opinion, as of the date hereof, the figures set forth below accurately reflect the Project costs or work completed on the Project and the costs of the remaining work required to complete the Project in accordance with the plans and specifications. A report setting out in greater detail those elements comprising the figures set out below is attached hereto and forms part of this Certificate.
 - (a) Project costs of work completed to date: CAD_____
 - (b) Project costs of remaining work: CAD_____
 - (c) Estimated total Project costs (a+b): CAD_____
 - (d) Original estimate of total Project costs: CAD_____
 - (e) Amount of additional costs, if any (c-d): CAD_____
7. In my/our opinion, as of the date hereof, the remaining contingency reserve of CAD[•] contained in 6(b) above is adequate given the current state of work in place and contracts entered into to complete the Project.

Borrower: **Hasting Street Limited Partnership
and I4PG Hastings Street Inc.**

Mortgage Loan Application No.: **612037-1**

Schedule B-4 - Page 2 of 2

Loan Offer dated March 31, 2022

8. In my/our opinion, as of the date hereof, the estimated date of completion of the Project is **[date]**. Reasons for delay, if applicable, are outlined in the attached schedule.

This certificate is given in connection with the above-referenced advance under your construction loan pursuant to your letter credit agreement with the Borrower and you may rely upon it in making such advance.

Dated at [CITY], [PROVINCE], this [] day of [], 20[].

[Consultant's Name]

per: _____



LINE OF CREDIT AGREEMENT

Borrower's Name I4PG HASTINGS STREET INC., in its own capacity and in its capacity as general partner of HASTINGS STREET LIMITED PARTNERSHIP		Borrower's Address 420-1112 West Pender Street, Vancouver, B.C., V6E 2S1	
Credit Line Number	Current Account Number	Rate of Interest on Loan* Lender's Prime Rate plus 1.00% per annum	Loan Limit* \$500,000

** or such other loan limit or rate of interest on loan as may hereafter be agreed upon by the Borrower as evidenced by their agreement in writing from time to time.*

In consideration of **DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY** (the "**Lender**") providing the above-noted credit line linked to the above noted account (the "**Account**") for the undersigned (the "**Borrower**"), the Borrower agrees with the Lender as follows:

- For the purposes hereof, the term "**Loan**" means the aggregate of all amounts debited to the Account (including cheques, withdrawals, interest service charges and fees imposed by the Lender) in excess of the aggregate at any time and from time to time of all amounts credited to the Account.
- The Borrower shall pay interest to the Lender on the daily closing balance of the Loan at a floating rate equal to the Prime Rate plus the percentage noted above, subject always to the minimum floor rate of 3.45% per annum. Such interest shall be calculated and payable monthly, on the first day of each and every month, both before and after any termination of the Account, or judgment, and until payment of the Loan in full. "**Prime Rate**" shall mean the floating annual rate of interest established and announced by Fédération des caisses Desjardins du Québec from time to time as the reference rate for purposes of determining the rates of interest it will charge on loans denominated in Canadian dollars in Canada. A certificate of a vice-president of the Lender shall be conclusive evidence of the Prime Rate from time to time.
- In addition to debiting the Account with the amount of each cheque, payment order or other item drawn on the Account, and each withdrawal, the Lender shall also be entitled to debit the Account with the amount of all interest (including compound interest) payable by the Borrower monthly to the Lender pursuant to this Agreement as well as the said monthly fee and other charges payable by the Borrower, and the amount of any legal costs incurred by the Lender with respect to the Borrower.
- The Borrower shall not permit the Loan to exceed the Loan Limit nor any margin requirement (the "**Margin Requirement**") which may be imposed by the Lender. The Lender may refuse to honour any cheque, permit any withdrawal or pay any other item if the Loan exceeds, or would exceed, the Loan Limit, or cause a Margin Requirement to be exceeded on the date of such cheque, withdrawal or other item being presented to the Lender for payment; provided that this Agreement shall continue to apply to the Loan and to the Borrower notwithstanding any Loan in excess of the Loan Limit.

In the event that the amount of the Loan exceeds the Loan Limit and/or Margin Requirement, the Lender may charge its standard fees for each cheque, withdrawal or item accepted in excess of the Loan Limit and/or Margin Requirement, as well as an overdraft fee, the amount of such fee to be determined at the sole discretion of the Lender.

- The Borrower shall use the Account (and incur the Loan) solely to assist in financing the day to day expenditures and a GST float relating to the project being developed and constructed by the Borrower and situated at 4437 Hastings Street, Burnaby, British Columbia, in accordance with the budget for such project approved by the Lender from time to time, and in advance of the next available construction draw under the construction loan for such project provided by the Lender to the Borrower.
- The Borrower shall deliver to the Lender from time to time, promptly on request by the Lender and in form and substance satisfactory to the Lender, a demand promissory note or other acknowledgement of debt evidencing the amount of all indebtedness and liability then owing by the Borrower to the Lender pursuant to or in respect of this Agreement. In the event that any such promissory note or any other acknowledgement of debt, security or other document is requested by the

Lender, the Lender shall not be obligated to honour any cheque or permit any withdrawal or other debit to the Account until such promissory note, other acknowledgement of debt, security or other document is delivered to the Lender.

7. The Borrower shall comply with all present and future agreements between the Borrower and the Lender including any operation of account agreement between the Borrower and the Lender; provided that in the event there exists any conflict between the provisions of such operation of account agreement and the provisions hereof, the provisions hereof shall govern.
8. The Lender shall have the right at any time to demand immediate payment of the Loan, or any part thereof, together with interest, fees, charges and costs outstanding hereunder and the Borrower shall forthwith comply with any such demand. In addition, the Lender may at any time terminate this Agreement forthwith upon giving notice to the Borrower, in which event all amounts payable by the Borrower to the Lender pursuant to this Agreement shall forthwith become due and payable and thereafter the Lender shall not be obliged to honour any cheque, permit any withdrawal or permit the creation or increase of the Loan.
9. Upon receipt from the Lender each month of a statement of the Account together with all cheques or vouchers for amounts appearing therein charged to the Account, the Borrower shall examine such statement, cheques or vouchers and check the credit and debit entries in the statement, and, within thirty days after the Lender delivers or mails such statement, cheques and vouchers to the Borrower, the Borrower shall notify the Lender in writing of any errors, irregularities or omissions therein or therefrom; and at the expiration of the said thirty days (except as to any errors, irregularities or omissions of which the Lender has been so notified) it shall be conclusively settled as between the Lender and the Borrower that such statement and the amount of the balance shown thereon is correct and the said cheques and vouchers are genuine and properly chargeable to and charged against the Account and that the Borrower was not entitled to be credited with any sum not credited, as reflected by the statement. For greater certainty, the Lender shall not, in any legal action to which the Lender is a party, be required to prove the existence of any transaction which is disclosed by any such statement or the accuracy of any such statement.
10. If more than one person signs this Agreement:
 - (a) the obligations of the undersigned pursuant to this Agreement are joint and several; and
 - (b) the Lender is hereby authorized to honour any cheque drawn on the Account or pay any withdrawal from the Account to create or increase the Loan (or otherwise) if any such cheque or withdrawal request is signed by any one of the undersigned.
11. If this Agreement is signed by a partnership:
 - (a) the obligation of the partners of the partnership are joint and several; and
 - (b) the Lender is hereby authorized to honour any cheque drawn on the Account or pay any withdrawal from the account to create or increase the Loan (or otherwise) if any such cheque or withdrawal request is signed by one of the partners.
12. All words denoting the singular shall be pluralized throughout this Agreement as the context requires and all words denoting gender shall be construed as the context requires and will include a body corporate where the context requires.
13. Nothing herein contained shall limit the Lender's right to set off the debit balance of the Account from time to time against the credit balance of the Borrower in any other account at the Lender or against any other money which may from time to time be owing to the Borrower from the Lender such right being expressly affirmed hereby.
14. Any security for the Loan held by the Lender shall not be released, discharged, redeemed or extinguished by reason of the Loan being repaid or the Account ceasing to have a debit balance at any time or the Borrower ceasing to be indebted to the Lender, and shall subsist and secure future amounts debited to the Account until such security is returned or released and discharged in writing by the Lender.
15. Any notice or statement referred to herein may be delivered or may be mailed by prepaid ordinary mail to the Borrower at the address set out above and the Borrower shall be deemed to have received such notice or statement on the date of delivery, if delivered, and two days after mailing, if mailed.
16. This Agreement shall be in addition to any other debt instrument, security or agreement between the Lender and the Borrower and shall enure to the benefit of the Lender, its successors and assigns and shall be binding on the Borrower, and the Borrower's heirs, executors, administrators, successors and assigns.
17. This Agreement shall be governed by and construed in accordance with the laws of the Province or British Columbia.

[Signature Page Follows]

Dated at Vancouver British Columbia, as of the 6 day of April, 2022.

I4PG HASTINGS STREET INC., in its own capacity and in its capacity as general partner of HASTINGS STREET LIMITED PARTNERSHIP:

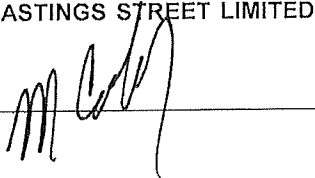
By: _____

Name:

Myron Calof

Title:

President



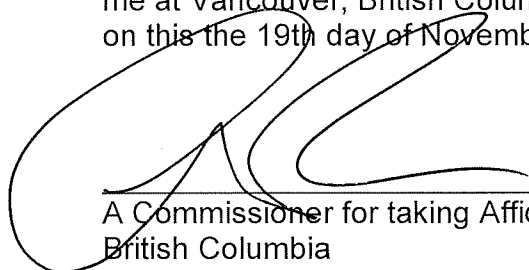
By: _____

Name:

Title:

I / We have authority to bind the above.

This is **Exhibit "B"** referred to in the Affidavit of Benjamin Chua sworn before me at Vancouver, British Columbia on this the 19th day of November, 2024.



A Commissioner for taking Affidavits for
British Columbia

Colin Brousson
Barrister & Solicitor
DLA Piper (Canada) LLP
1133 Melville Street, Suite 2700
Vancouver, BC V6E 4E5
604.687.9444



1. Application

Jill R. Pereira, McMillan LLP
1500 - 1055 W. Georgia Street
PO Box 11117
Vancouver BC V6E 4N7
6046899111

2. Description of Land

PID/Plan Number	Legal Description
031-340-741	LOT 1 BLOCK 5 DISTRICT LOT 121 GROUP 1 NEW WESTMINSTER DISTRICT PLAN EPP87138

3. Borrower(s) (Mortgagor(s))

I4PG HASTINGS STREET INC. 420 - 1112 WEST PENDER STREET VANCOUVER BC V6E 2S1	BC1075688
---	-----------

4. Lender(s) (Mortgagee(s))

DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY SUITE 1050, 401 W. GEORGIA STREET VANCOUVER BC V6B 5A1	A0056166
--	----------

5. Payment Provisions

Principal Amount \$37,000,000	Interest Rate SEE SCHEDULE	Interest Adjustment Date N/A
Interest Calculation Period monthly calculated on the outstanding daily balance	Payment Dates SEE SCHEDULE	First Payment Date N/A
Amount of each periodic payment INTEREST ONLY	Interest Act (Canada) Statement. The equivalent rate of interest calculated half yearly not in advance is N/A % per annum	Last Payment Date N/A
Assignment of Rents which the applicant wants registered? Yes If yes, page and paragraph number: PAGES 27-28, PAR. 52	Place of payment POSTAL ADDRESS IN ITEM 4	Balance Due Date ON DEMAND

6. Mortgage contains floating charge on land?

No

7. Mortgage secures a current or running account?

Yes



8. Interest Mortgaged

Fee Simple

9. Mortgage Terms

Part 2 of this mortgage consists of:

(b) Filed Standard Mortgage Terms

D F Number: **MT180009**

A selection of (a) or (b) includes any additional or modified terms.

10. Additional or Modified Terms

SEE SCHEDULE

Guarantor(s) or Covenantor(s):

HASTINGS STREET LIMITED PARTNERSHIP

11. Prior Encumbrances Permitted by Lender

COVENANTS CA8863521, CA8863525, CA8863529, CA8863533, CA8863537, CA8863542, CA8863551 and STATUTORY RIGHT OF WAY CA8863552

12. Execution(s)

This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms.

Witnessing Officer Signature

Execution Date

Borrower Signature(s)

LESLIE A. TUCKER
Barrister & Solicitor

19TH FLR. 885 W. GEORGIA ST
VANCOUVER BC V6C 3H4

YYYY-MM-DD

2022-04-06

I4PG HASTINGS STREET INC.
By its authorized signatory(ies):

Myron Calof

Officer Certification

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.



Witnessing Officer Signature

Execution Date

Borrower Signature(s)

LESLIE A. TUCKER
Barrister & Solicitor
19TH FLR. 885 W. GEORGIA ST
VANCOUVER BC V6C 3H4

YYYY-MM-DD

2022-04-06

HASTINGS STREET LIMITED
PARTNERSHIP as Covenantor
by its general partner I4PG HASTINGS
STREET INC.

Myron Calof

Officer Certification

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

Electronic Signature

Your electronic signature is a representation that you are a designate authorized to certify this document under section 168.4 of the *Land Title Act*, RSBC 1996 c.250, that you certify this document under section 168.41(4) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.

Jill Rose-Marie
Pereira 9YMC8A

Digitally signed by
Jill Rose-Marie Pereira
9YMC8A
Date: 2022-04-12
09:08:57 -07:00

**LAND TITLE ACT
FORM E**

SCHEDULE

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM OR GENERAL DOCUMENT FORM.

5. PAYMENT PROVISIONS:

- (b) **Interest Rate:** Prime Rate plus 1.00 % per annum (subject always to a minimum rate of 3.45% per annum)
- (e) **Payment Dates:** Principal: On Demand
Interest: First Business Day of each month

10. ADDITIONAL OR MODIFIED TERMS:

1. In this Mortgage, capitalized terms used in this Mortgage and not otherwise defined shall have the meanings specified in the credit agreement (the “**Credit Agreement**”) dated March 31, 2022 by Desjardins Financial Security Life Assurance Company (the “**Lender**”) to the Chargor and the Covenantor.
2. The following definition of “**Credit Agreement**” is added to MT180009:

“**Credit Agreement**” means the credit agreement dated March 31, 2022 by the Chargee to the Chargor and the Covenantor.”
3. The definition of “**Commitment**” is amended by adding “(including the Credit Agreement)” after “commitment agreement”.
4. The definition of “Yield Maintenance Fee” is deleted from MT180009.
5. Paragraph 21(e) is deleted from MT180009 and replaced with:

“(e) Notwithstanding that the Charge is stated to be repayable on demand and without limiting the Chargee’s right to demand repayment at any time, the interest incurred since the date of the first advance of the Loan is payable by the Chargor on the first Business Day of the month following the Interest Adjustment Date. Thereafter, the Chargor must pay the Chargee monthly the interest incurred on the advanced amounts on the Loan, on the first (1st) Business Day of each month as and from the month immediately following the Interest Adjustment Date.”
6. Paragraph 21(g) is deleted from MT180009.
7. Paragraph 27 is deleted and the following inserted therefor:

“27. **Reinvestment Fee**

If, by operation of law or for any other reason, the Chargor becomes entitled or obliged prior to the Balance Due Date to prepay or repay, and does prepay

SCHEDULE

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM OR GENERAL DOCUMENT FORM.

or repay, all or part of the Obligations, the Chargor will also pay to the Chargee a reinvestment fee in an amount equal to 1% of the sum of the unadvanced portion of the Loan, if any, and the prepayment / repayment amount to be applied to the Loan.”

8. Paragraph 72 is deleted and replaced with:

“72. **Acceleration**

In addition to the Chargee’s other rights and remedies under any Loan Document and without limiting in any way the Chargee’s right to at any time make demand for payment of any or all of the Obligations outstanding, at law, in equity, or otherwise, the Obligations will, at the Chargee’s sole option, become immediately due and payable upon written demand of the Chargee to the Chargor following the occurrence of an Event of Default.”

9. This Mortgage is dated for reference April 6, 2022.

END OF DOCUMENT

1. Application

Jill R. Pereira, McMillan LLP
1500 - 1055 W. Georgia Street
PO Box 11117
Vancouver BC V6E 4N7
6046899111

2. Description of Land

PID/Plan Number	Legal Description
031-340-741	LOT 1 BLOCK 5 DISTRICT LOT 121 GROUP 1 NEW WESTMINSTER DISTRICT PLAN EPP87138

3. Borrower(s) (Mortgagor(s))

I4PG HASTINGS STREET INC. 420 - 1112 WEST PENDER STREET VANCOUVER BC V6E 2S1	BC1075688
---	------------------

4. Lender(s) (Mortgagee(s))

DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY SUITE 1050, 401 W. GEORGIA STREET VANCOUVER BC V6B 5A1	A0056166
--	-----------------

5. Payment Provisions

Principal Amount \$37,000,000	Interest Rate ___ % PER ANNUM	Interest Adjustment Date MARCH 1, 2022
Interest Calculation Period SEMI-ANNUALLY NOT IN ADVANCE	Payment Dates FIRST DAY OF EACH MONTH	First Payment Date APRIL 1, 2022
Amount of each periodic payment \$ _____	Interest Act (Canada) Statement. The equivalent rate of interest calculated half yearly not in advance is ___ % per annum	Last Payment Date MARCH 1, 2024
Assignment of Rents which the applicant wants registered? Yes If yes, page and paragraph number: PAGES 27-28, PAR. 52	Place of payment POSTAL ADDRESS IN ITEM 4	Balance Due Date MARCH 1, 2024

6. Mortgage contains floating charge on land?

No

7. Mortgage secures a current or running account?

Yes

8. Interest Mortgaged

Fee Simple



9. Mortgage Terms

Part 2 of this mortgage consists of:

(b) Filed Standard Mortgage Terms

D F Number: **MT180009**

A selection of (a) or (b) includes any additional or modified terms.

10. Additional or Modified Terms

SEE SCHEDULE

Guarantor(s) or Covenantor(s):

HASTINGS STREET LIMITED PARTNERSHIP

11. Prior Encumbrances Permitted by Lender

COVENANTS CA8863521, CA8863525, CA8863529, CA8863533, CA8863537, CA8863542, CA8863551 and STATUTORY RIGHT OF WAY CA8863552

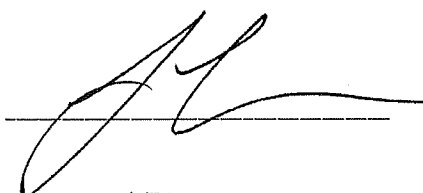
12. Execution(s)

This mortgage charges the Borrower's interest in the land mortgaged as security for payment of all money due and performance of all obligations in accordance with the mortgage terms referred to in item 9 and the Borrower(s) and every other signatory agree(s) to be bound by, and acknowledge(s) receipt of a true copy of, those terms.

Witnessing Officer Signature

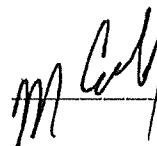
Execution Date

Borrower Signature(s)


LESLIE A. TUCKER
 BARRISTER & SOLICITOR
 19TH FLR. 885 W. GEORGIA ST.
 VANCOUVER, B.C. V6C 3H4

YYY-MM-DD
 2022-04-06

I4PG HASTINGS STREET INC.
 By its authorized signatory(ies):



Officer Certification

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

Witnessing Officer Signature

Execution Date

Borrower Signature(s)

YYY-MM-DD

**HASTINGS STREET LIMITED
 PARTNERSHIP as Covenantor**
 by its general partner I4PG HASTINGS
 STREET INC.



Land Title Act
Mortgage
 Part 1 Province of British Columbia

9. Mortgage Terms

Part 2 of this mortgage consists of:

(b) Filed Standard Mortgage Terms

D F Number: **MT180009**

A selection of (a) or (b) includes any additional or modified terms.

10. Additional or Modified Terms

SEE SCHEDULE

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HASTINGS STREET LIMITED PARTNERSHIP

11. Prior Encumbrances Permitted by Lender

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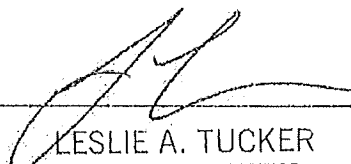
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Witnessing Officer Signature

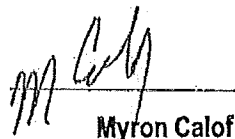
Execution Date

Borrower Signature(s)


LESLIE A. TUCKER
 BARRISTER & SOLICITOR
 19TH FLR, 885 W. GEORGIA ST.
 VANCOUVER, B.C. V6C 3H4

YYYY-MM-DD
 2022-04-06

I4PG HASTINGS STREET INC.
 By its authorized signatory(les):


Myron Calof

Officer Certification

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

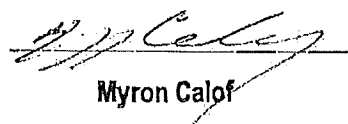
Witnessing Officer Signature

Execution Date

Borrower Signature(s)

YYYY-MM-DD
 2022-04-06

**HASTINGS STREET LIMITED
 PARTNERSHIP as Covenantor**
 by its general partner I4PG HASTINGS
 STREET INC.


Myron Calof



Land Title Act

Mortgage

Part 1 Province of British Columbia

Officer Certification

Your signature constitutes a representation that you are a solicitor, notary public or other person authorized by the *Evidence Act*, R.S.B.C. 1996, c.124, to take affidavits for use in British Columbia and certifies the matters set out in Part 5 of the *Land Title Act* as they pertain to the execution of this instrument.

Electronic Signature

Your electronic signature is a representation that you are a designate authorized to certify this document under section 168.4 of the *Land Title Act*, RSBC 1996 c.250, that you certify this document under section 168.41(4) of the act, and that an execution copy, or a true copy of that execution copy, is in your possession.

**LAND TITLE ACT
FORM E**

SCHEDULE

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM OR GENERAL DOCUMENT FORM.

5. **PAYMENT PROVISIONS:**

- (b) **Interest Rate:** Prime Rate plus 1.00 % per annum (subject always to a minimum rate of 3.45% per annum)
- (e) **Payment Dates:** Principal: On Demand
Interest: First Business Day of each month

10. **ADDITIONAL OR MODIFIED TERMS:**

1. In this Mortgage, capitalized terms used in this Mortgage and not otherwise defined shall have the meanings specified in the credit agreement (the “**Credit Agreement**”) dated ●, 2022 by Desjardins Financial Security Life Assurance Company (the “**Lender**”) to the Chargor and the Covenantor.
2. The following definition of “**Credit Agreement**” is added to MT180009:

“**Credit Agreement**” means the credit agreement dated ●, 2022 by the Chargee to the Chargor and the Covenantor.”
3. The definition of “**Commitment**” is amended by adding “(including the Credit Agreement)” after “commitment agreement”.
4. The definition of “Yield Maintenance Fee” is deleted from MT180009.
5. Paragraph 21(e) is deleted from MT180009 and replaced with:

“(e) Notwithstanding that the Charge is stated to be repayable on demand and without limiting the Chargee’s right to demand repayment at any time, the interest incurred since the date of the first advance of the Loan is payable by the Chargor on the first Business Day of the month following the Interest Adjustment Date. Thereafter, the Chargor must pay the Chargee monthly the interest incurred on the advanced amounts on the Loan, on the first (1st) Business Day of each month as and from the month immediately following the Interest Adjustment Date.”
6. Paragraph 21(g) is deleted from MT180009.
7. Paragraph 27 is deleted and the following inserted therefor:

“27. **Reinvestment Fee**

If, by operation of law or for any other reason, the Chargor becomes entitled or obliged prior to the Balance Due Date to prepay or repay, and

SCHEDULE

ENTER THE REQUIRED INFORMATION IN THE SAME ORDER AS THE INFORMATION MUST APPEAR ON THE FREEHOLD TRANSFER FORM, MORTGAGE FORM OR GENERAL DOCUMENT FORM.

does prepay or repay, all or part of the Obligations, the Chargor will also pay to the Chargee a reinvestment fee in an amount equal to 1% of the sum of the unadvanced portion of the Loan, if any, and the prepayment / repayment amount to be applied to the Loan.”

8. Paragraph 72 is deleted and replaced with:

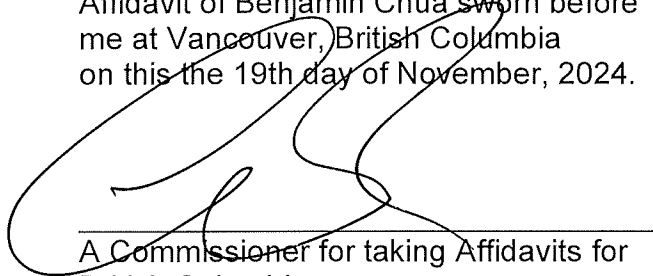
“72. **Acceleration**

In addition to the Chargee’s other rights and remedies under any Loan Document and without limiting in any way the Chargee’s right to at any time make demand for payment of any or all of the Obligations outstanding, at law, in equity, or otherwise, the Obligations will, at the Chargee’s sole option, become immediately due and payable upon written demand of the Chargee to the Chargor following the occurrence of an Event of Default.”

9. This Mortgage is dated for reference ●, 2022.

END OF DOCUMENT

This is **Exhibit "C"** referred to in the Affidavit of Benjamin Chua sworn before me at Vancouver, British Columbia on this the 19th day of November, 2024.



A Commissioner for taking Affidavits for
British Columbia

Colin Brousson
Barrister & Solicitor
DLA Piper (Canada) LLP
1133 Melville Street, Suite 2700
Vancouver, BC V6E 4E5
604.687.9444

SECURITY AGREEMENT

THIS AGREEMENT is made as of the 6th day of April, 2022.

BY:

I4PG HASTINGS STREET INC., in its own capacity and in its capacity as general partner of **HASTINGS STREET LIMITED PARTNERSHIP**, both of 420-1112 West Pender Street, Vancouver, B.C. V6E 2S1

(together and individually, the “**Debtor**”)

IN FAVOUR OF:

DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY, of Suite 1050, 401 W. Georgia, Vancouver, B.C. V6B 5A1

(the “**Secured Party**”)

Consideration

1. For valuable consideration, the receipt and sufficiency of which are acknowledged by each party, the Debtor enters into this security agreement with the Secured Party.

Obligations

2. The Security Interest (as hereinafter defined) is granted to the Secured Party by the Debtor as continuing security for the payment of all present and future indebtedness and liability of the Debtor to the Secured Party under or in connection with a credit agreement dated March 31, 2022 issued by the Secured Party (as amended, supplemented or replaced and in effect from time to time, the “**Credit Agreement**”) and a mortgage in the principal amount of \$37,000,000 dated on or about the date hereof and granted by I4PG Hastings Street Inc., as mortgagor, and Hastings Street Limited Partnership, as covenantor, in favour of the Secured Party (as amended, supplemented, modified or replaced and in effect from time to time, the “**Mortgage**”) charging the real property described in Schedule “A” hereto (the “**Land**”), including principal, interest and all other monies payable under the Credit Agreement, the Mortgage, or under this Agreement or any other agreement between the Debtor and the Secured Party in connection with the Mortgage (collectively, the “**Obligations**”).

Creation of Security Interest

3.1 The Debtor hereby grants, mortgages, charges, transfers, assigns and creates to and in favour of the Secured Party a security interest in:

Related Personal Property

(a) all of the present and after-acquired goods, chattel paper, investment property, documents of title, instruments, money and intangibles of the Debtor which are now or hereafter situate on or used in connection with, or which are related to or arise from or out of, the Land or proceeds therefrom (together, the **“Related Personal Property”**) including the following to the extent that they are Related Personal Property:

Goods

(i) all inventory, all appliances (including air conditioning units, elevators, heating equipment, refrigerators, stoves, ovens, dishwashers, washers, dryers and microwaves) machinery, equipment, fixtures, plant, tools, furniture, vehicles, spare parts, accessories installed in or affixed or attached to any of the foregoing and all drawings, specifications, plans, manuals and warranties relating thereto,

Accounts

(ii) all accounts, debts, demands and amounts due or becoming due whether or not earned by performance, including rents, accounts receivable and book debts and claims under policies of insurance; and all contracts, security interests, guarantees, indemnities, covenants for payment and other rights and benefits in respect thereof (the **“Accounts”**),

Intangibles

(iii) all intangibles, including insurance policies, contract rights, goodwill, patents, trade marks, copyrights and other intellectual property, licences and all other choses in action of every kind whether now or hereafter due,

Documents of Title

(iv) all documents of title, whether negotiable or non-negotiable, including all warehouse receipts and bills of lading,

Instruments

(v) all bills, notes, cheques and other instruments,

Documents

(vi) all books, accounts, financial statements, invoices, letters, papers, documents and other records in any form, and

Project Assets

(b) all personal property (including chattel paper, documents of title, goods, instruments, intangibles, money and investment property) related to the ownership, development, construction, operation, servicing, maintenance, marketing or sale of the Land or related to any business or activities carried on by the Debtor from the Land (together, the “**Project**”), including without limitation:

(A) all construction and other contracts and all other documentation, including all plans, specifications, rights to architectural plans, licences, permits, exemptions, authorizations and approvals issued by the City of Burnaby or any other governmental or other body relating to the Project;

(B) all warranties held by the Debtor relating to the Project;

(C) all amounts (whether in the form of cash or letters of credit or in any other form) deposited with or paid to City of Burnaby or any other governmental or other body in connection with the Land or the Project;

(D) all contracts of purchase and sale (the “**Contracts**”) with respect to the Land or any strata lots, airspace parcels or lots into which the Land may be subdivided into and all monies, deposits, claims, benefits, rights, judgments and securities which the Debtor may now or hereafter be or become entitled to under or by virtue of or in respect of the Contracts;

(E) all deposits now or hereafter paid or payable to or held by the Debtor, the Debtor’s solicitors or any other party on behalf of the Debtor under the Contracts or otherwise on behalf of the Debtor whether in the form of cash or in the form of bonds or any other form;

(F) all holdbacks retained from time to time in connection with the Contracts and all modifications, renewals and replacements thereto from time to time;

(together the “**Project Assets**”);

Proceeds

(c) all personal property and fixtures and crops in any form derived directly or indirectly from any dealing with the Related Personal Property or Project Assets, including rights to insurance payments and any other payments representing indemnity or compensation for loss or damage to the Related Personal Property, Project Assets or proceeds therefrom (the “**Proceeds**”).

3.2 The Related Personal Property, Project Assets and Proceeds are herein together called the “**Collateral**”.

3.3 The grants, mortgages, charges, transfers, assignments and security interests herein created are collectively referred to in this Agreement as the “**Security Interest**”.

3.4 The terms “goods”, “accounts”, “intangibles”, “documents of title”, “chattel paper”, “money” and “investment property”, as used in this Agreement have the meanings specified in the *Personal Property Security Act* (British Columbia) (the “PPSA”).

Further Description of Collateral

4. Without limiting the generality of the description of Collateral as set out in paragraph 3, for greater certainty the Collateral includes all present and future personal property of the Debtor located on or about or in transit to or from the Land. The Debtor agrees to promptly inform the Secured Party in writing of the acquisition by the Debtor of any Collateral which are serial numbered goods (as defined in the PPSA) and to execute and deliver at its own expense from time to time amendments to this Agreement or additional agreements as may be reasonably required by the Secured Party in order that the Security Interest shall attach to all of the Collateral.

Attachment

5. The Debtor acknowledges that
- (a) value has been given;
 - (b) the Debtor has (or in the case of any after-acquired Collateral, will have at the time of acquisition) rights in the Collateral; and
 - (c) the parties have not agreed to postpone the time for attachment of the Security Interest.

Dealings with Collateral

6. Until the occurrence of an Event of Default (hereinafter defined), the Debtor may collect the Accounts in the ordinary course of its business; except that all Accounts so collected shall be paid to the Secured Party immediately upon request made after the occurrence of an Event of Default.

Notification to Account Debtors After Default

7. The Secured Party may, after the occurrence of an Event of Default,
- (a) notify any person obligated to the Debtor in respect of an account, intangible, chattel paper or instrument to make payment to the Secured Party of all such present and future amounts due or to become due under any account, intangible, chattel paper or instrument;
 - (b) take control of the Proceeds; and

- (c) apply any money taken as Collateral to the satisfaction of the Obligations.

Exceptions

8.1 The last day of the term of any lease, sublease or agreement therefor is specifically excepted from the Security Interest, but the Debtor will stand possessed of such last day in trust to assign and dispose of as the Secured Party shall direct.

8.2 All consumer goods (as defined in the PPSA) are excepted from the Security Interest.

8.3 The Security Interest shall not extend or apply to any of the Collateral which requires the consent of any other party (other than the Debtor) if such consent has not yet been obtained, or which would automatically terminate the Debtor's rights therein, or which would be terminable at the option of any such other party, but the Debtor shall stand possessed of such rights and shall hold them in trust to assign the same or dispose of the same to any person as the Secured Party may direct. The Debtor shall use commercially reasonable efforts to obtain the aforementioned consents and deliver copies of the same to the Secured Party upon request.

Representations of Debtor

9.1 The Debtor represents and warrants that

(a) if the Debtor is a corporation, this Agreement is granted in accordance with resolutions of the directors (and of the shareholders as applicable) of the Debtor or, if the Debtor is a partnership, the partners of the Debtor, and all other matters and things have been done and performed so as to authorize and make the execution and delivery of this Agreement and the performance of the obligations of the Debtor hereunder legal, valid and binding; and

(b) the Debtor lawfully owns and possesses all presently held Collateral and has good title thereto, free from all security interests, charges, encumbrances, liens and claims, save only security interests, if any, consented to in writing by the Secured Party, and the Debtor has good right and lawful authority to grant the Security Interest; and

(c) each place of business and the chief executive office of the Debtor are in British Columbia.

Covenants of Debtor

10. The Debtor covenants and agrees with the Secured Party

(a) not to sell, exchange, transfer, assign, lease or otherwise dispose of or deal in any way with Collateral or release, surrender or abandon possession of Collateral or move or transfer Collateral from the Land, or enter into any agreement or undertaking to do any of the foregoing except as may be permitted in the Credit Agreement and except in the

ordinary course of its business and in accordance with sound industry practice of tangible personal property that is obsolete, no longer useful for its intended purpose or being replaced in the ordinary course of business;

(b) not to create or permit to exist any encumbrance or security interest in, charge, encumbrance or lien over, or claim against any of the Collateral which ranks or could rank in priority to or pari passu with the Security Interest;

(c) to defend the title to the Collateral for the benefit of the Secured Party against all claims and demands;

(d) to keep the Collateral in good order and repair;

(e) to obtain from insurers acceptable to the Secured Party and maintain

(i) public liability insurance;

(ii) all risks property insurance in respect of the Collateral on a replacement cost basis;

(iii) business interruption insurance; and

(iv) insurance in respect of such other risks as the Secured Party may reasonably require from time to time,

all of which policies of insurance shall be in such amounts as may be reasonably required by the Secured Party and shall include a standard mortgage clause approved by the Insurance Bureau of Canada, and the Debtor agrees to cause the interest of the Secured Party to be noted as a loss payee as its interest may appear on such policies of insurance (except public liability insurance), and to furnish the Secured Party with certificates of insurance and certified copies of such policies;

(f) to promptly pay all taxes, assessments, rates, levies, payroll deductions, workers' compensation assessments, and any other charges which could result in the creation of a statutory lien or deemed trust in respect of the Collateral;

(g) to do, make, execute and deliver such further and other assignments, transfers, deeds, security agreements and other documents as may be required by the Secured Party to establish in favour of the Secured Party and perfect the Security Interest intended to be created hereby and to accomplish the intention of this Agreement; and

(h) to pay all expenses, including solicitors' fees and disbursements (on a solicitor and own client basis) and receivers' fees and disbursements, incurred by the Secured Party, its agents or any Receiver, as hereinafter defined, in connection with inspecting the Collateral, investigating title to the Collateral, the preparation, perfection, preservation, and enforcement of this Agreement, including taking, recovering and keeping possession of the Collateral and all expenses incurred by the Secured Party or such agents or any Receiver in dealing with other creditors of the Debtor in connection with the

establishment and confirmation of the priority of the Security Interest; all of which expenses shall be payable forthwith upon demand with interest at the rate specified in the Mortgage and shall form part of the Obligations.

Events of Default

11. The following shall be events of default (the “**Events of Default**”) under this Agreement:

- (a) the Debtor fails to satisfy or perform any of the Obligations when due;
- (b) any representation or warranty made by or on behalf of the Debtor to the Secured Party or the Secured Party is or becomes incorrect or untrue, or the Debtor breaches or fails to comply with any term of the Credit Agreement, this Agreement, the Mortgage, or any other agreement or undertaking now or hereafter given by the Debtor to the Secured Party or the Secured Party;
- (c) the Debtor becomes insolvent or bankrupt or makes a proposal under the *Bankruptcy and Insolvency Act* (Canada) or similar legislation in any jurisdiction, a petition in bankruptcy is filed against the Debtor, the Debtor makes an assignment for the benefit of creditors, a trustee, receiver, receiver-manager or similar procedure is appointed in respect of the Debtor or any of its assets, proceedings under the *Companies' Creditors Arrangement Act* (Canada) are commenced with respect to the Debtor, or steps are taken by or against the Debtor for any other formal or informal type of proceeding for the settlement of claims against the Debtor, or for the dissolution, liquidation, or winding-up of the affairs of the Debtor;
- (d) an execution or any similar process of any court becomes enforceable against the Debtor, or a distress or any similar process is levied upon the Collateral of the Debtor;
- (e) any encumbrance affecting the Collateral becomes enforceable; and
- (f) the Secured Party in good faith believes and has commercially reasonable grounds to believe that the prospect of payment or performance of the Obligations is or is about to be impaired or that the Collateral is in jeopardy or is about to be placed in jeopardy.

Acceleration, Enforcement and Remedies

12. Without in any way limiting the Secured Party's right to at any time make demand for repayment of any or all of the Obligations outstanding, the Obligations secured or intended to be secured hereby shall become immediately due and payable, at the option of the Secured Party, upon the occurrence of one or more Events of Default. At any time after the Secured Party demands payment of the Obligations then outstanding, the Security Interest shall become enforceable. Upon the Security Interest becoming enforceable, the Secured Party shall have the following remedies in addition to any other remedies available under the PPSA or otherwise at law or in equity or contained in the Mortgage or any other agreement between the Debtor and the Secured Party, all of which remedies shall be independent and cumulative:

- (a) entry of any premises where Collateral may be located;
- (b) possession of Collateral by any method permitted by law;
- (c) the sale or lease of Collateral;
- (d) the collection of any rents, income, and profits received in connection with the business of the Debtor or the Collateral;
- (e) the collection, realization, sale or other dealing with any Accounts of the Debtor;
- (f) the appointment by instrument in writing of a receiver or a receiver-manager (each of which is herein called a “**Receiver**”) of the Collateral;
- (g) the exercise by the Secured Party of any of the powers set out in paragraph 13, without the appointment of a Receiver;
- (h) proceedings in any court of competent jurisdiction for the appointment of a Receiver or for the sale of the Collateral; and
- (i) the filing of proofs of claim and other documents in order to have the claims of the Secured Party lodged in any bankruptcy, winding-up, or other judicial proceeding relating to the Debtor.

Powers of Receiver

13. Any Receiver appointed by the Secured Party may be any person licensed as a trustee under the *Bankruptcy and Insolvency Act* (Canada), and the Secured Party may remove any Receiver so appointed and appoint another or others instead. Any Receiver appointed shall act as agent for the Debtor for all purposes, including the occupation of any premises of the Debtor and in carrying on the Debtor’s business. The Receiver will not be the agent of the Secured Party and the Secured Party will not be responsible for any acts or omissions of the Receiver. The Debtor agrees to ratify and confirm all actions of the Receiver and to release and indemnify the Receiver and the Secured Party in respect of all such actions. Any Receiver so appointed shall have the power:

- (a) to enter upon, use, and occupy all premises owned or occupied by the Debtor;
- (b) to take possession of the Collateral;
- (c) to carry on the business of the Debtor;
- (d) to borrow money required for the maintenance, preservation or protection of the Collateral or for the carrying on of the business of the Debtor and in the discretion of such Receiver, to charge and grant further security interests in the Collateral in priority to the Security Interest, as security for the money so borrowed;

(e) to sell, lease, or otherwise dispose of the Collateral in whole or in part and for cash or credit, or part cash and part credit on such terms and conditions and in such manner as the Receiver shall determine in its discretion;

(f) to demand, commence, continue or defend any judicial or administrative proceedings for the purpose of protecting, seizing, collecting, realizing or obtaining possession or payment of the Collateral, and to give valid and effectual receipts and discharges therefor and to compromise or give time for the payment or performance of all or any part of the Accounts or any other obligation of any third party to the Debtor; and

(g) to exercise any rights or remedies which could have been exercised by the Secured Party against the Debtor or the Collateral.

Performance of Obligations

14. If the Debtor fails to perform any of its obligations hereunder, the Secured Party may, but shall not be obliged to, perform any or all of such obligations without prejudice to any other rights and remedies of the Secured Party hereunder, and any payments made and any costs, charges, expenses and legal fees and disbursements (on a solicitor/client basis) incurred in connection therewith shall be payable by the Debtor to the Secured Party forthwith upon demand with interest at the rate specified in the Mortgage.

Failure to Exercise Remedies

15. The Secured Party shall not be liable for any delay or failure to enforce any remedies available to it or to institute any proceedings for such purposes. The Secured Party may waive any Event of Default, provided that no such waiver shall be binding upon the Secured Party unless in writing nor shall it affect the rights of the Secured Party in connection with any other or subsequent Event of Default.

Application of Payments

16. All payments made in respect of the Obligations and all monies received by the Secured Party or any Receiver appointed by the Secured Party in respect of the enforcement of the Security Interest (including the receipt of any Money) may be held as security for the Obligations or applied in such manner as may be determined in the discretion of the Secured Party and the Secured Party may at any time apply or change any such appropriation of such payments or monies to such part or parts of the Obligations as the Secured Party may determine in its discretion. The Debtor shall remain liable to the Secured Party for any deficiency and any surplus funds realized after the satisfaction of all Obligations shall be paid in accordance with applicable law.

Dealings by Secured Party

17. The Secured Party may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, and otherwise deal with the Collateral, the Debtor, debtors of the Debtor, sureties of the Debtor, and others as the Secured Party may see fit, without prejudice to the Obligations and the rights of the Secured Party to hold and realize upon the Security Interest. The Secured Party has no obligation to keep Collateral identifiable, or to preserve rights against other persons in respect of any Collateral.

Amalgamation by Debtor

18. The Debtor hereby acknowledges and agrees that in the event it amalgamates with any other corporation or corporations, it is the intention of the parties hereto that the term Debtor, when used herein, shall apply to each of the amalgamating corporations and to the amalgamated corporation, such that the Security Interest granted hereby:

- (a) shall extend to Collateral (as the term is herein defined) owned by each of the amalgamating corporations and the amalgamated corporation at the time of amalgamation and to any Collateral thereafter owned or acquired by the amalgamated corporation;
- (b) shall secure the Obligations (as the term is herein defined) of each of the amalgamating corporations and the amalgamated corporation to the Secured Party at the time of amalgamation and any Obligations of the amalgamated corporation to the Secured Party arising after the amalgamation; and
- (c) shall attach to Collateral owned by each corporation amalgamating with the Debtor and by the amalgamated corporation, at the time of amalgamation, and shall attach to any Collateral thereafter owned or acquired by the amalgamated corporation when such becomes owned or is acquired.

Notice

19. Without prejudice to any other method of giving notice, any notice required or permitted to be given hereunder to any party shall be conclusively deemed to have been received by such party on the date following the sending thereof by prepaid private courier to such party at its address noted on the first page of this Agreement.

Separate Security

20. This Agreement and the Security Interest are in addition to and not in substitution for any other security now or hereafter held by the Secured Party in respect of the Debtor, the Obligations or the Collateral.

Secured Party Not Obligated to Advance

21. Nothing in this Agreement shall obligate the Secured Party to make any loan or accommodation to the Debtor, or extend the time for payment or satisfaction of any Obligations.

Severability

22. If any provision of this Agreement is deemed by any court of competent jurisdiction to be invalid or void, the remaining provisions shall remain in full force and effect.

Time of Essence

23. Time is of the essence of this Agreement.

Grammatical Changes

24. This Agreement is to be read as if all changes in grammar, number and gender rendered necessary by the context had been made, specifically including a reference to a person as a corporation and vice-versa.

Including

25. The word “including”, when following any word or words is not to be construed as limiting the preceding word or words but the preceding word or words are to be construed as referring to all items or matters that could fall within the broadest possible interpretation of the preceding word or words.

Agreement Unconditional

26. There are no representations, warranties or collateral agreements by the Secured Party to the Debtor relating to the subject-matter hereof and possession of an executed copy of this Agreement by the Secured Party constitutes conclusive evidence that it was executed and delivered by the Debtor free of all conditions.

Governing Law; Attornment

27. This Agreement shall be interpreted in accordance with the laws of British Columbia, and, without prejudice to the ability of the Secured Party to enforce this Agreement in any other proper jurisdiction; the Debtor hereby irrevocably submits and attorns to the jurisdiction of the courts of British Columbia.

Successors and Assigns

28. This Agreement and the Obligations may be assigned in whole or in part by the Secured Party to any person, firm or corporation without notice to or the consent of the Debtor. This Agreement may not be assigned by the Debtor without the prior written consent of the Secured Party. This Agreement is binding upon the parties hereto, and their respective heirs, executors, administrators, legal personal representatives, successors and permitted assigns; **“successors”** includes any corporation resulting from the amalgamation of any corporation with another corporation.

Joint and Several Liability

29. If this Agreement has been executed by more than one Debtor, their obligations shall be joint and several.

Copy of Agreement

30. The Debtor acknowledges receipt of an executed copy of this Agreement.

Verification Statements; Financing Statements

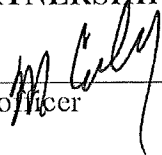
31. The Debtor waives the right to receive any verification statement, financing statement or financing change statement related to this Agreement or related to any other security agreement in respect of the Obligations.

[Signature Page Follows]

IN WITNESS WHEREOF, this Agreement has been executed and delivered by the Debtor.

I4PG HASTINGS STREET INC.,
in its own capacity and in its capacity as
general partner of **HASTINGS STREET**
LIMITED PARTNERSHIP

Per: Director or officer



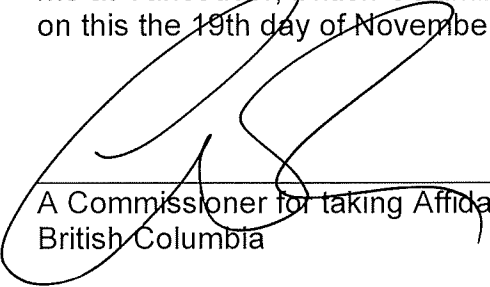
Per: Director or officer

SCHEDULE A

**Property
Address:** 4437 Hastings Street, Burnaby, B.C.

**Legal
Description:** Parcel Identifier: 031-340-741
Lot 1 Block 5 DL 121 Group 1 NWD Plan EPP87138

This is **Exhibit "D"** referred to in the Affidavit of Benjamin Chua sworn before me at Vancouver, British Columbia on this the 19th day of November, 2024.



A Commissioner for taking Affidavits for
British Columbia

Selin Brousson
Barrister & Solicitor
J.L.A. / Inc. (Canada) LLP
237-670 Street, Suite 2700
Vancouver, BC V6E 4E5
604.687.9444

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "Hastings Street Limited Partnership"

Search Date and Time: October 30, 2024 at 9:35:55 am Pacific time
Account Name: DLA PIPER (CANADA) LLP
Folio Number: 105227-00004

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Exact Matches: 3 (*)

Total Search Report Pages: 9

	Base Registration	Base Registration Date	Debtor Name	Page
1	651236N	April 7, 2022	* HASTINGS STREET LIMITED PARTNERSHIP	2
2	660926N	April 12, 2022	* HASTINGS STREET LIMITED PARTNERSHIP	5
3	732289N	May 16, 2022	* HASTINGS STREET LIMITED PARTNERSHIP	8

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 651236N

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	April 7, 2022 at 1:44:28 pm Pacific time
Current Expiry Date and Time:	April 7, 2032 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of October 30, 2024 at 9:35:55 am Pacific time)

Secured Party Information**TRAVELERS INSURANCE COMPANY
OF CANADA LA COMPAGNIE
D'ASSURANCE TRAVELERS DU
CANADA****Address**650 WEST GEORGIA ST., STE 2500
VANCOUVER BC
V6B 4N7 Canada**Debtor Information****HASTINGS STREET LIMITED
PARTNERSHIP****Address**420 - 1112 WEST PENDER STREET
VANCOUVER BC
V6E 2S1 Canada**I4PG HASTINGS STREET INC.****Address**420 - 1112 WEST PENDER STREET
VANCOUVER BC
V6E 2S1 Canada**Vehicle Collateral**

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

April 12, 2022 at 1:35:50 pm Pacific time

ADDED

Subordination Agreement dated for reference April 12, 2022 granting priority to the security interests in favour of Desjardins Financial Security Life Assurance Company perfected by base registration number 660926N over the security interests in favour of Travelers Insurance Company of Canada perfected by base registration number 651236N

Base Registration General Collateral:

ALL PRESENT AND AFTER-ACQUIRED GOODS, SECURITIES, INVESTMENT PROPERTY, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES, MONEY, CROPS, LICENCES AND ACCOUNTS, LOCATED ON, SITUATE ON, ARISING FROM, RELATING TO OR USED IN CONNECTION WITH THE REAL PROPERTY LOCATED AT 4437-4449 HASTINGS STREET, BURNABY, BRITISH COLUMBIA, LEGALLY DESCRIBED AS PARCEL IDENTIFIER: 031-340-741, LOT 1 BLOCK 5 DISTRICT LOT 121 GROUP 1 NEW WESTMINSTER DISTRICT PLAN EPP87138, AND THE CONSTRUCTION OF A DEVELOPMENT TO BE CALLED SIENA (THE "PROJECT"), INCLUDING, WITHOUT LIMITATION, ALL DEPOSIT MONIES RECEIVED FROM PURCHASERS OF UNITS IN THE PROJECT AND INTEREST THEREON; AND ALL PROCEEDS INCLUDING ACCOUNTS, MONEY, CHATTEL PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, INSTRUMENTS, SECURITIES, INVESTMENT PROPERTY, SUBSTITUTIONS, CROPS, LICENCES, TRADE INS, INSURANCE PROCEEDS AND ANY OTHER FORM OF PROCEEDS.

Original Registering Party

BENNETT JONES LLP

Address

2500 - 666 BURNARD STREET
VANCOUVER BC
V6C 2X8 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

HISTORY(Showing most recent first)

AMENDMENT - COLLATERAL ADDED

Registration Date and Time:

April 12, 2022 at 1:35:50 pm Pacific time

Registration Number:

660937N

Description:

Amended to detail registration is related to Subordination Agreement, dated for reference April 12, 2022 granting priority to the security interests in favour of Desjardins Financial Security Life Assurance Company perfected by base registration number 660926N over the security interests in favour of Travelers Insurance Company of Canada perfected by base registration number 651236N

General Collateral

April 12, 2022 at 1:35:50 pm Pacific time

ADDED

Subordination Agreement dated for reference April 12, 2022 granting priority to the security interests in favour of Desjardins Financial Security Life Assurance Company perfected by base registration number 660926N over the security interests in favour of Travelers Insurance Company of Canada perfected by base registration number 651236N

Registering Party Information**MCMILLAN LLP****Address**

1500 ROYAL CENTRE 1055 WEST GEORGIA ST.
P.O. BOX 11117
VANCOUVER BC
V6E 4N7 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 660926N

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	April 12, 2022 at 1:32:52 pm Pacific time
Current Expiry Date and Time:	April 12, 2029 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION(as of October 30, 2024 at 9:35:55 am Pacific time)

Secured Party Information**DESJARDINS FINANCIAL SECURITY
LIFE ASSURANCE COMPANY****Address**1050-401 GEORGIA ST W
VANCOUVER BC
V6B 5A1 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Debtor Information

I4PG HASTINGS STREET INC.

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

**HASTINGS STREET LIMITED
PARTNERSHIP**

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

I4 PROPERTY GROUP INC.

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

CALOF, MYRON

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

Birthdate

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

ALL OF THE PRESENT AND AFTER-ACQUIRED GOODS, CHATTEL PAPER, INTANGIBLES, INSTRUMENTS, DOCUMENTS OF TITLE, INVESTMENT PROPERTY AND MONEY OF HASTINGS STREET LIMITED PARTNERSHIP AND I4PG HASTINGS STREET INC., OR EITHER OF THEM, WHICH ARE NOW OR HEREAFTER SITUATE ON OR USED IN CONNECTION WITH, OR WHICH ARE RELATED TO OR ARISE FROM OR OUT OF, THE REAL PROPERTY HAVING A CIVIC ADDRESS AND LEGAL DESCRIPTION OF:

4437 HASTINGS STREET, BURNABY, B.C.
PID: 031-340-741
LOT 1 BLOCK 5 DL 121 GROUP 1 NWD PLAN EPP87138

ALL DEBTS AND LIABILITIES, PRESENT AND FUTURE, OF HASTINGS STREET LIMITED PARTNERSHIP AND I4PG HASTINGS STREET INC., OR EITHER OF THEM, TO I4 PROPERTY GROUP INC. AND MYRON CALOF, OR EITHER OF THEM.

PROCEEDS: ALL PROCEEDS THAT ARE GOODS, CHATTEL PAPER, INTANGIBLES, INSTRUMENTS, DOCUMENTS OF TITLE, INVESTMENT PROPERTY OR MONEY. TERMS USED IN THIS GENERAL COLLATERAL DESCRIPTION WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (BRITISH COLUMBIA) SHALL HAVE THE MEANINGS SPECIFIED IN THAT ACT, UNLESS THE CONTEXT OTHERWISE REQUIRES.

Original Registering Party

MCMILLAN LLP

Address

1500 ROYAL CENTRE 1055 WEST GEORGIA ST.
P.O. BOX 11117
VANCOUVER BC
V6E 4N7 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 732289N

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	May 16, 2022 at 10:53:04 am Pacific time
Current Expiry Date and Time:	May 16, 2027 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of October 30, 2024 at 9:35:55 am Pacific time)

Secured Party Information

LONGTHORN HOLDINGS LTD.

Address

205-43995 PROGRESS WAY
CHILLIWACK BC
V2R 0E6 Canada

Debtor Information

**HASTINGS STREET LIMITED
PARTNERSHIP**

Address

420-1112 PENDER STREET W.
VANCOUVER BC
V6E 2S1 Canada

Vehicle Collateral

None

General Collateral

Base Registration General Collateral:

All present and after acquired personal property of the Debtor and all proceeds thereof.



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Original Registering Party

**J. LUKE ZACHARIAS LAW
CORPORATION**

Address

3 45780 YALE ROAD
CHILLIWACK BC
V2P 2N4 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Individual Debtor - "Calof, Myron"

Search Date and Time: October 30, 2024 at 9:36:16 am Pacific time
Account Name: DLA PIPER (CANADA) LLP
Folio Number: 105227-00004

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Exact Matches: 4 (*)

Total Search Report Pages: 13

	Base Registration	Base Registration Date	Debtor Name	Birth Date	Page
1	660926N	April 12, 2022	* CALOF, MYRON		2
2	245189P	December 9, 2022	* CALOF, MYRON WOLFE	May 24, 1947	5
3	660816P	July 12, 2023	* CALOF, MYRON WOLFE	May 24, 1947	10
4	228511Q	March 4, 2024	* CALOF, MYRON WOLFE	May 24, 1947	12

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 660926N

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	April 12, 2022 at 1:32:52 pm Pacific time
Current Expiry Date and Time:	April 12, 2029 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION(as of October 30, 2024 at 9:36:16 am Pacific time)

Secured Party Information**DESJARDINS FINANCIAL SECURITY
LIFE ASSURANCE COMPANY****Address**1050-401 GEORGIA ST W
VANCOUVER BC
V6B 5A1 Canada



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Debtor Information

I4PG HASTINGS STREET INC.

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

**HASTINGS STREET LIMITED
PARTNERSHIP**

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

I4 PROPERTY GROUP INC.

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

CALOF, MYRON

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

Birthdate

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

ALL OF THE PRESENT AND AFTER-ACQUIRED GOODS, CHATTEL PAPER, INTANGIBLES, INSTRUMENTS, DOCUMENTS OF TITLE, INVESTMENT PROPERTY AND MONEY OF HASTINGS STREET LIMITED PARTNERSHIP AND I4PG HASTINGS STREET INC., OR EITHER OF THEM, WHICH ARE NOW OR HEREAFTER SITUATE ON OR USED IN CONNECTION WITH, OR WHICH ARE RELATED TO OR ARISE FROM OR OUT OF, THE REAL PROPERTY HAVING A CIVIC ADDRESS AND LEGAL DESCRIPTION OF:

4437 HASTINGS STREET, BURNABY, B.C.

PID: 031-340-741

LOT 1 BLOCK 5 DL 121 GROUP 1 NWD PLAN EPP87138

ALL DEBTS AND LIABILITIES, PRESENT AND FUTURE, OF HASTINGS STREET LIMITED PARTNERSHIP AND I4PG HASTINGS STREET INC., OR EITHER OF THEM, TO I4 PROPERTY GROUP INC. AND MYRON CALOF, OR EITHER OF THEM.

PROCEEDS: ALL PROCEEDS THAT ARE GOODS, CHATTEL PAPER, INTANGIBLES, INSTRUMENTS, DOCUMENTS OF TITLE, INVESTMENT PROPERTY OR MONEY. TERMS USED IN THIS GENERAL COLLATERAL DESCRIPTION WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (BRITISH COLUMBIA) SHALL HAVE THE MEANINGS SPECIFIED IN THAT ACT, UNLESS THE CONTEXT OTHERWISE REQUIRES.

Original Registering Party

MCMILLAN LLP

Address

1500 ROYAL CENTRE 1055 WEST GEORGIA ST.
P.O. BOX 11117
VANCOUVER BC
V6E 4N7 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 245189P

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	December 9, 2022 at 10:15:08 am Pacific time
Current Expiry Date and Time:	December 9, 2025 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of October 30, 2024 at 9:36:16 am Pacific time)

Secured Party Information

PEAKHILL CAPITAL INC

Address

10 KING STREET EAST, UNIT 401
TORONTO ON
M5C 1C3 Canada

KOFFMAN KALEF LLP

Address

1900 - 885 W. GEORGIA STREET
VANCOUVER BC
V6C 3H4 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Debtor Information

**EAST COLUMBIA STREET LIMITED
PARTNERSHIP**

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

**I4PG COLUMBIA DEVELOPMENT
INC**

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

CALOF, MYRON WOLFE

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

Birthdate

May 24, 1947

I4 PROPERTY GROUP INC

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

July 4, 2024 at 2:40:52 pm Pacific time

DELETED

Partial release of base registration number 245189P as it relates to the lands legally described as:
PID: 030-626-501 Lot A Block 1 Suburban Block 2 New Westminster District Plan EPP82825 Except Air
Space Plan EPP115540 and PID: 031-665-128 Strata Lot 5 Suburban Block 2 NWD Strata Plan EPS8367

Base Registration General Collateral:

1. As to East Columbia Street Limited Partnership and I4PG Columbia Development Inc.:

A. All of the present and after-acquired goods, chattel paper, intangibles, instruments, documents of title, investment properties and money of the debtor now or hereafter situate on or used in connection with or arising from or out of the real property (located at the lands and premises legally described as follows:

105 - 408 E Columbia Street, New Westminster, BC being legally described as
PID: 031-665-128; Strata Lot 5 Suburban Block 2 NWD Strata Plan EPS8367

104 - 408 E Columbia Street, New Westminster, BC being legally described as
PID: 031-665-110; Strata Lot 4 Suburban Block 2 NWD Strata Plan EPS8367

408 E Columbia Street, New Westminster, BC being legally described as
PID: 030-626-501; Lot A Block 1 Suburban Block 2 NWD Plan EPP82825) and all proceeds that are goods, chattel paper, intangibles, instruments, documents of title, investment properties or money.

B. All money standing to the credit of the debtor with the secured party and/or their agent or solicitor, including but not limited to, interest and/or payment reserves in the amount of \$570,000.00, as may be adjusted from time to time.

C. All money standing to the credit of the debtor with the secured party and/or their agent or solicitor, including but not limited to, holdback reserves in the amount of \$230,000.00, as may be adjusted from time to time.

2. As to Myron Wolfe Calof and I4 Property Group Inc.:

An assignment and postponement of all debts and liabilities present and future of East Columbia Street Limited Partnership and I4PG Columbia Development Inc. owing to Myron Wolfe Calof and/or I4 Property Group Inc. and all proceeds of the foregoing collateral including, without limitation, all goods, investment properties, instruments, documents of title, chattel paper, intangibles and money.



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

*

Terms used in the herein collateral descriptions which are defined in the Personal Property Security Act of British Columbia or the regulations made thereunder shall have those defined meanings.

Original Registering Party

OWEN BIRD LAW CORPORATION

Address

2900 - 733 SEYMOUR ST
PO BOX 1
VANCOUVER BC
V6B 0S6 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

HISTORY

(Showing most recent first)

AMENDMENT

Registration Date and Time: July 4, 2024 at 2:40:52 pm Pacific time
Registration Number: 487551Q
Description:

General Collateral

July 4, 2024 at 2:40:52 pm Pacific time

DELETED

Partial release of base registration number 245189P as it relates to the lands legally described as: PID: 030-626-501 Lot A Block 1 Suburban Block 2 New Westminster District Plan EPP82825 Except Air Space Plan EPP115540 and PID: 031-665-128 Strata Lot 5 Suburban Block 2 NWD Strata Plan EPS8367

Secured Party Information

KOFFMAN KALEF LLP

ADDED

Address

1900 - 885 W. GEORGIA STREET
VANCOUVER BC
V6C 3H4 Canada

Registering Party Information

KOFFMAN KALEF LLP

Address

19TH FLOOR, 885 W GEORGIA ST
VANCOUVER BC
V6C 3H4 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 660816P

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	July 12, 2023 at 2:56:06 pm Pacific time
Current Expiry Date and Time:	July 12, 2028 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of October 30, 2024 at 9:36:16 am Pacific time)

Secured Party Information

**CAMERON STEPHENS MORTGAGE
CAPITAL LTD.**

Address

1700-320 BAY ST
TORONTO ON
M5H 4A6 Canada

Debtor Information

I4 PROPERTY GROUP INC.

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

CALOF, MYRON WOLFE

Address

2145 13TH AVE W
VANCOUVER BC
V6K 2S2 Canada

Birthdate

May 24, 1947

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

ALL DEBTS AND LIABILITIES PRESENT AND FUTURE OWED, OR PAYMENTS IN CASH OR IN KIND MADE, TO THE DEBTORS AND EACH OF THEM (OR ANY OF THEIR RESPECTIVE HEIRS, EXECUTORS, ADMINISTRATORS, SUCCESSORS OR ASSIGNS), BY ANY ONE OR MORE OF CANFIELD CRESCENT DEVELOPMENT INC. (INC. NO. BC1104155) AND CANFIELD CRESCENT LIMITED PARTNERSHIP (REG. NO. LP0708067), THE PARTIES DESCRIBED AS THE "BORROWER" IN THE PERSONAL PROPERTY SECURITY ACT SECURITY AGREEMENT.

ALL PROCEEDS THEREOF THAT ARE GOODS, INTANGIBLES, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS OR MONEY (TERMS USED HEREIN THAT ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF BRITISH COLUMBIA HAVE THOSE DEFINED MEANINGS).

Original Registering Party

CLARK WILSON LLP

Address

SUITE 900 885 WEST GEORGIA STREET
VANCOUVER BC
V6C 3H1 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 228511Q

Registration Description: PPSA SECURITY AGREEMENT
Act: PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time: March 4, 2024 at 3:46:59 pm Pacific time
Current Expiry Date and Time: March 4, 2029 at 11:59:59 pm Pacific time
Expiry date includes subsequent registered renewal(s)
Trust Indenture: No

CURRENT REGISTRATION INFORMATION

(as of October 30, 2024 at 9:36:16 am Pacific time)

Secured Party Information

ROYAL BANK OF CANADA

Address

10 YORK MILLS ROAD 3RD FLOOR
TORONTO ON
M2P 0A2 Canada

Debtor Information

CALOF, MYRON WOLFE

Address

2145 13TH AVENUE W
VANCOUVER BC
V6K 2S2 Canada

Birthdate

May 24, 1947

Vehicle Collateral

Type	Year	Make/Model	Serial/VIN/DOT Number
Motor Vehicle (MV)	2017	Mercedes-Benz / SL-Class	WDDJK7EA2HF047442

General Collateral

None.



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Original Registering Party

D + H LIMITED PARTNERSHIP

Address

2 ROBERT SPECK PARKWAY, 15TH FLOOR
MISSISSAUGA ON
L4Z 1H8 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "I4 Property Group Inc."

Search Date and Time: October 30, 2024 at 9:36:45 am Pacific time
Account Name: DLA PIPER (CANADA) LLP
Folio Number: 105227-00004

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Exact Matches: 4 (*)

Total Search Report Pages: 13

	Base Registration	Base Registration Date	Debtor Name	Page
1	660926N	April 12, 2022	* I4 PROPERTY GROUP INC.	2
2	245189P	December 9, 2022	* I4 PROPERTY GROUP INC	5
3	660816P	July 12, 2023	* I4 PROPERTY GROUP INC.	10
4	660822P	July 12, 2023	* I4 PROPERTY GROUP INC.	12

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 660926N

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	April 12, 2022 at 1:32:52 pm Pacific time
Current Expiry Date and Time:	April 12, 2029 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION(as of October 30, 2024 at 9:36:45 am Pacific time)

Secured Party Information**DESJARDINS FINANCIAL SECURITY
LIFE ASSURANCE COMPANY****Address**1050-401 GEORGIA ST W
VANCOUVER BC
V6B 5A1 Canada



PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Debtor Information

I4PG HASTINGS STREET INC.

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

**HASTINGS STREET LIMITED
PARTNERSHIP**

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

I4 PROPERTY GROUP INC.

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

CALOF, MYRON

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

Birthdate

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

ALL OF THE PRESENT AND AFTER-ACQUIRED GOODS, CHATTEL PAPER, INTANGIBLES, INSTRUMENTS, DOCUMENTS OF TITLE, INVESTMENT PROPERTY AND MONEY OF HASTINGS STREET LIMITED PARTNERSHIP AND I4PG HASTINGS STREET INC., OR EITHER OF THEM, WHICH ARE NOW OR HEREAFTER SITUATE ON OR USED IN CONNECTION WITH, OR WHICH ARE RELATED TO OR ARISE FROM OR OUT OF, THE REAL PROPERTY HAVING A CIVIC ADDRESS AND LEGAL DESCRIPTION OF:

4437 HASTINGS STREET, BURNABY, B.C.
PID: 031-340-741
LOT 1 BLOCK 5 DL 121 GROUP 1 NWD PLAN EPP87138

ALL DEBTS AND LIABILITIES, PRESENT AND FUTURE, OF HASTINGS STREET LIMITED PARTNERSHIP AND I4PG HASTINGS STREET INC., OR EITHER OF THEM, TO I4 PROPERTY GROUP INC. AND MYRON CALOF, OR EITHER OF THEM.

PROCEEDS: ALL PROCEEDS THAT ARE GOODS, CHATTEL PAPER, INTANGIBLES, INSTRUMENTS, DOCUMENTS OF TITLE, INVESTMENT PROPERTY OR MONEY. TERMS USED IN THIS GENERAL COLLATERAL DESCRIPTION WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (BRITISH COLUMBIA) SHALL HAVE THE MEANINGS SPECIFIED IN THAT ACT, UNLESS THE CONTEXT OTHERWISE REQUIRES.

Original Registering Party

MCMILLAN LLP

Address

1500 ROYAL CENTRE 1055 WEST GEORGIA ST.
P.O. BOX 11117
VANCOUVER BC
V6E 4N7 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 245189P

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	December 9, 2022 at 10:15:08 am Pacific time
Current Expiry Date and Time:	December 9, 2025 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION(as of October 30, 2024 at 9:36:45 am Pacific time)

Secured Party Information**PEAKHILL CAPITAL INC****Address**10 KING STREET EAST, UNIT 401
TORONTO ON
M5C 1C3 Canada**KOFFMAN KALEF LLP****Address**1900 - 885 W. GEORGIA STREET
VANCOUVER BC
V6C 3H4 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Debtor Information

**EAST COLUMBIA STREET LIMITED
PARTNERSHIP**

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

**I4PG COLUMBIA DEVELOPMENT
INC**

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

CALOF, MYRON WOLFE

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

Birthdate

May 24, 1947

I4 PROPERTY GROUP INC

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

Vehicle Collateral

None

General Collateral

July 4, 2024 at 2:40:52 pm Pacific time

DELETED

Partial release of base registration number 245189P as it relates to to the lands legally described as:
PID: 030-626-501 Lot A Block 1 Suburban Block 2 New Westminster District Plan EPP82825 Except Air
Space Plan EPP115540 and PID: 031-665-128 Strata Lot 5 Suburban Block 2 NWD Strata Plan EPS8367

Base Registration General Collateral:

1. As to East Columbia Street Limited Partnership and I4PG Columbia Development Inc.:

A. All of the present and after-acquired goods, chattel paper, intangibles, instruments, documents of title, investment properties and money of the debtor now or hereafter situate on or used in connection with or arising from or out of the real property (located at the lands and premises legally described as follows:

105 - 408 E Columbia Street, New Westminster, BC being legally described as
PID: 031-665-128; Strata Lot 5 Suburban Block 2 NWD Strata Plan EPS8367

104 - 408 E Columbia Street, New Westminster, BC being legally described as
PID: 031-665-110; Strata Lot 4 Suburban Block 2 NWD Strata Plan EPS8367

408 E Columbia Street, New Westminster, BC being legally described as
PID: 030-626-501; Lot A Block 1 Suburban Block 2 NWD Plan EPP82825) and all proceeds that are goods, chattel paper, intangibles, instruments, documents of title, investment properties or money.

B. All money standing to the credit of the debtor with the secured party and/or their agent or solicitor, including but not limited to, interest and/or payment reserves in the amount of \$570,000.00, as may be adjusted from time to time.

C. All money standing to the credit of the debtor with the secured party and/or their agent or solicitor, including but not limited to, holdback reserves in the amount of \$230,000.00, as may be adjusted from time to time.

2. As to Myron Wolfe Calof and I4 Property Group Inc.:

An assignment and postponement of all debts and liabilities present and future of East Columbia Street Limited Partnership and I4PG Columbia Development Inc. owing to Myron Wolfe Calof and/or I4 Property Group Inc. and all proceeds of the foregoing collateral including, without limitation, all goods, investment properties, instruments, documents of title, chattel paper, intangibles and money.

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

*

Terms used in the herein collateral descriptions which are defined in the Personal Property Security Act of British Columbia or the regulations made thereunder shall have those defined meanings.

Original Registering Party

OWEN BIRD LAW CORPORATION

Address

2900 - 733 SEYMOUR ST
PO BOX 1
VANCOUVER BC
V6B 0S6 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

HISTORY

(Showing most recent first)

AMENDMENT

Registration Date and Time: July 4, 2024 at 2:40:52 pm Pacific time
Registration Number: 487551Q
Description:

General Collateral

July 4, 2024 at 2:40:52 pm Pacific time

DELETED

Partial release of base registration number 245189P as it relates to the lands legally described as: PID: 030-626-501 Lot A Block 1 Suburban Block 2 New Westminster District Plan EPP82825 Except Air Space Plan EPP115540 and PID: 031-665-128 Strata Lot 5 Suburban Block 2 NWD Strata Plan EPS8367

Secured Party Information

KOFFMAN KALEF LLP

ADDED

Address

1900 - 885 W. GEORGIA STREET
VANCOUVER BC
V6C 3H4 Canada

Registering Party Information

KOFFMAN KALEF LLP

Address

19TH FLOOR, 885 W GEORGIA ST
VANCOUVER BC
V6C 3H4 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 660816P

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	July 12, 2023 at 2:56:06 pm Pacific time
Current Expiry Date and Time:	July 12, 2028 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of October 30, 2024 at 9:36:45 am Pacific time)

Secured Party Information

**CAMERON STEPHENS MORTGAGE
CAPITAL LTD.**

Address

1700-320 BAY ST
TORONTO ON
M5H 4A6 Canada

Debtor Information

I4 PROPERTY GROUP INC.

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

CALOF, MYRON WOLFE

Address

2145 13TH AVE W
VANCOUVER BC
V6K 2S2 Canada

Birthdate

May 24, 1947

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

ALL DEBTS AND LIABILITIES PRESENT AND FUTURE OWED, OR PAYMENTS IN CASH OR IN KIND MADE, TO THE DEBTORS AND EACH OF THEM (OR ANY OF THEIR RESPECTIVE HEIRS, EXECUTORS, ADMINISTRATORS, SUCCESSORS OR ASSIGNS), BY ANY ONE OR MORE OF CANFIELD CRESCENT DEVELOPMENT INC. (INC. NO. BC1104155) AND CANFIELD CRESCENT LIMITED PARTNERSHIP (REG. NO. LP0708067), THE PARTIES DESCRIBED AS THE "BORROWER" IN THE PERSONAL PROPERTY SECURITY ACT SECURITY AGREEMENT.

ALL PROCEEDS THEREOF THAT ARE GOODS, INTANGIBLES, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS OR MONEY (TERMS USED HEREIN THAT ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF BRITISH COLUMBIA HAVE THOSE DEFINED MEANINGS).

Original Registering Party

CLARK WILSON LLP

Address

SUITE 900 885 WEST GEORGIA STREET
VANCOUVER BC
V6C 3H1 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 660822P

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	July 12, 2023 at 2:58:19 pm Pacific time
Current Expiry Date and Time:	July 12, 2028 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION

(as of October 30, 2024 at 9:36:45 am Pacific time)

Secured Party Information

**CAMERON STEPHENS MORTGAGE
CAPITAL LTD.**

Address

1700-320 BAY ST
TORONTO ON
M5H 4A6 Canada

Debtor Information

I4 PROPERTY GROUP INC.

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

0880345 B.C. LTD.

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

ALL OF THE INTEREST OF THE DEBTORS AND EACH OF THEM IN AND TO ALL OF ITS INVESTMENT PROPERTY IN CANFIELD CRESCENT DEVELOPMENT INC. AND ALL RENEWALS AND REPLACEMENTS THEREOF, SUBSTITUTIONS THEREFOR AND ACCRETIONS THERETO AND INCLUDING, WITHOUT LIMITATIONS, ALL RIGHTS TO RECEIVE AND CLAIMS TO ANY INTEREST, DIVIDENDS, INCOME, REVENUE AND OTHER AMOUNTS IN RESPECT OF SUCH SHARES.

ALL PROCEEDS THAT ARE GOODS, INTANGIBLES, INVESTMENT PROPERTIES, DOCUMENTS OF TITLE, CHATTEL PAPER, INSTRUMENTS OR MONEY (TERMS USED HEREIN THAT ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT OF BRITISH COLUMBIA HAVE THOSE DEFINED MEANINGS).

Original Registering Party

CLARK WILSON LLP

Address

SUITE 900 885 WEST GEORGIA STREET
VANCOUVER BC
V6C 3H1 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Business Debtor - "I4PG Hastings Street Inc."

Search Date and Time: October 30, 2024 at 9:35:30 am Pacific time
Account Name: DLA PIPER (CANADA) LLP
Folio Number: 105227-00004

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2 Matches in 2 Registrations in Report

Exact Matches: 2 (*)

Total Search Report Pages: 7

	Base Registration	Base Registration Date	Debtor Name	Page
1	651236N	April 7, 2022	* I4PG HASTINGS STREET INC.	2
2	660926N	April 12, 2022	* I4PG HASTINGS STREET INC.	5

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 651236N

Registration Description: PPSA SECURITY AGREEMENT
Act: PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time: April 7, 2022 at 1:44:28 pm Pacific time
Current Expiry Date and Time: April 7, 2032 at 11:59:59 pm Pacific time
 Expiry date includes subsequent registered renewal(s)
Trust Indenture: No

CURRENT REGISTRATION INFORMATION

(as of October 30, 2024 at 9:35:30 am Pacific time)

Secured Party Information

TRAVELERS INSURANCE COMPANY
OF CANADA LA COMPAGNIE
D'ASSURANCE TRAVELERS DU
CANADA

Address

650 WEST GEORGIA ST., STE 2500
VANCOUVER BC
V6B 4N7 Canada

Debtor Information

HASTINGS STREET LIMITED
PARTNERSHIP

Address

420 - 1112 WEST PENDER STREET
VANCOUVER BC
V6E 2S1 Canada

I4PG HASTINGS STREET INC.

Address

420 - 1112 WEST PENDER STREET
VANCOUVER BC
V6E 2S1 Canada

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

April 12, 2022 at 1:35:50 pm Pacific time

ADDED

Subordination Agreement dated for reference April 12, 2022 granting priority to the security interests in favour of Desjardins Financial Security Life Assurance Company perfected by base registration number 660926N over the security interests in favour of Travelers Insurance Company of Canada perfected by base registration number 651236N

Base Registration General Collateral:

ALL PRESENT AND AFTER-ACQUIRED GOODS, SECURITIES, INVESTMENT PROPERTY, INSTRUMENTS, DOCUMENTS OF TITLE, CHATTEL PAPER, INTANGIBLES, MONEY, CROPS, LICENCES AND ACCOUNTS, LOCATED ON, SITUATE ON, ARISING FROM, RELATING TO OR USED IN CONNECTION WITH THE REAL PROPERTY LOCATED AT 4437-4449 HASTINGS STREET, BURNABY, BRITISH COLUMBIA, LEGALLY DESCRIBED AS PARCEL IDENTIFIER: 031-340-741, LOT 1 BLOCK 5 DISTRICT LOT 121 GROUP 1 NEW WESTMINSTER DISTRICT PLAN EPP87138, AND THE CONSTRUCTION OF A DEVELOPMENT TO BE CALLED SIENA (THE "PROJECT"), INCLUDING, WITHOUT LIMITATION, ALL DEPOSIT MONIES RECEIVED FROM PURCHASERS OF UNITS IN THE PROJECT AND INTEREST THEREON; AND ALL PROCEEDS INCLUDING ACCOUNTS, MONEY, CHATTEL PAPER, INTANGIBLES, GOODS, DOCUMENTS OF TITLE, INSTRUMENTS, SECURITIES, INVESTMENT PROPERTY, SUBSTITUTIONS, CROPS, LICENCES, TRADE INS, INSURANCE PROCEEDS AND ANY OTHER FORM OF PROCEEDS.

Original Registering Party

BENNETT JONES LLP

Address

2500 - 666 BURNARD STREET
VANCOUVER BC
V6C 2X8 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

HISTORY

(Showing most recent first)

AMENDMENT - COLLATERAL ADDED

Registration Date and Time:

April 12, 2022 at 1:35:50 pm Pacific time

Registration Number:

660937N

Description:

Amended to detail registration is related to Subordination Agreement, dated for reference April 12, 2022 granting priority to the security interests in favour of Desjardins Financial Security Life Assurance Company perfected by base registration number 660926N over the security interests in favour of Travelers Insurance Company of Canada perfected by base registration number 651236N

General Collateral

April 12, 2022 at 1:35:50 pm Pacific time

ADDED

Subordination Agreement dated for reference April 12, 2022 granting priority to the security interests in favour of Desjardins Financial Security Life Assurance Company perfected by base registration number 660926N over the security interests in favour of Travelers Insurance Company of Canada perfected by base registration number 651236N

Registering Party Information

MCMILLAN LLP

Address

1500 ROYAL CENTRE 1055 WEST GEORGIA ST.
P.O. BOX 11117
VANCOUVER BC
V6E 4N7 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Base Registration Number: 660926N

Registration Description:	PPSA SECURITY AGREEMENT
Act:	PERSONAL PROPERTY SECURITY ACT
Base Registration Date and Time:	April 12, 2022 at 1:32:52 pm Pacific time
Current Expiry Date and Time:	April 12, 2029 at 11:59:59 pm Pacific time Expiry date includes subsequent registered renewal(s)
Trust Indenture:	No

CURRENT REGISTRATION INFORMATION(as of October 30, 2024 at 9:35:30 am Pacific time)

Secured Party Information**DESJARDINS FINANCIAL SECURITY
LIFE ASSURANCE COMPANY****Address**1050-401 GEORGIA ST W
VANCOUVER BC
V6B 5A1 Canada

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

Debtor Information

I4PG HASTINGS STREET INC.

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

**HASTINGS STREET LIMITED
PARTNERSHIP**

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

I4 PROPERTY GROUP INC.

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

CALOF, MYRON

Address

420-1112 PENDER ST W
VANCOUVER BC
V6E 2S1 Canada

Birthdate

Vehicle Collateral

None

PERSONAL PROPERTY REGISTRY SEARCH RESULT

BC Registries and Online Services

General Collateral

Base Registration General Collateral:

ALL OF THE PRESENT AND AFTER-ACQUIRED GOODS, CHATTEL PAPER, INTANGIBLES, INSTRUMENTS, DOCUMENTS OF TITLE, INVESTMENT PROPERTY AND MONEY OF HASTINGS STREET LIMITED PARTNERSHIP AND I4PG HASTINGS STREET INC., OR EITHER OF THEM, WHICH ARE NOW OR HEREAFTER SITUATE ON OR USED IN CONNECTION WITH, OR WHICH ARE RELATED TO OR ARISE FROM OR OUT OF, THE REAL PROPERTY HAVING A CIVIC ADDRESS AND LEGAL DESCRIPTION OF:

4437 HASTINGS STREET, BURNABY, B.C.
PID: 031-340-741
LOT 1 BLOCK 5 DL 121 GROUP 1 NWD PLAN EPP87138

ALL DEBTS AND LIABILITIES, PRESENT AND FUTURE, OF HASTINGS STREET LIMITED PARTNERSHIP AND I4PG HASTINGS STREET INC., OR EITHER OF THEM, TO I4 PROPERTY GROUP INC. AND MYRON CALOF, OR EITHER OF THEM.

PROCEEDS: ALL PROCEEDS THAT ARE GOODS, CHATTEL PAPER, INTANGIBLES, INSTRUMENTS, DOCUMENTS OF TITLE, INVESTMENT PROPERTY OR MONEY. TERMS USED IN THIS GENERAL COLLATERAL DESCRIPTION WHICH ARE DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (BRITISH COLUMBIA) SHALL HAVE THE MEANINGS SPECIFIED IN THAT ACT, UNLESS THE CONTEXT OTHERWISE REQUIRES.

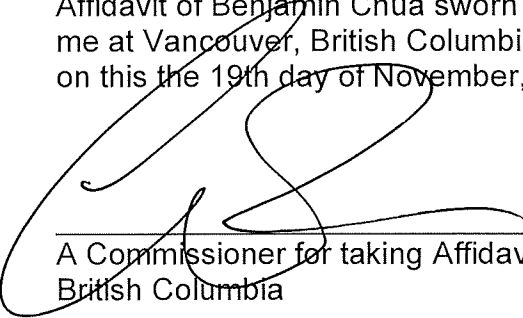
Original Registering Party

MCMILLAN LLP

Address

1500 ROYAL CENTRE 1055 WEST GEORGIA ST.
P.O. BOX 11117
VANCOUVER BC
V6E 4N7 Canada

This is **Exhibit "E"** referred to in the Affidavit of Benjamin Chua sworn before me at Vancouver, British Columbia on this the 19th day of November, 2024.



A Commissioner for taking Affidavits for
British Columbia

Colin Brousson
Barrister & Solicitor
DLA Piper (Canada) LLP
1133 Melville Street, Suite 2700
Vancouver, BC V6E 4E5
604.687.9444

COLLATERAL ASSIGNMENT OF CAPITAL CALL RIGHTS
(Hastings Street Limited Partnership)

This **COLLATERAL ASSIGNMENT OF CAPITAL CALL RIGHTS** (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Assignment") is made as of March ____, 2022, by and between 14PG HASTINGS STREET INC. (the "General Partner") and DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY ("Lender"), and acknowledged and agreed to by HASTINGS STREET LIMITED PARTNERSHIP ("Borrower") and 14 PROPERTY GROUP INC. AND EACH AND EVERY PERSON WHO SUBSCRIBES FOR UNITS AND IS ACCEPTED AS A LIMITED PARTNER IN THE BORROWER (together, the "LIMITED PARTNERS").

RECITALS

A. The Borrower has entered into a loan agreement dated as of the date hereof (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Loan Agreement"). All capitalized terms not defined herein shall have the meaning assigned such terms in the Loan Agreement.

B. The General Partner, as the general partner of the Borrower under a limited partnership agreement dated as of May 16, 2016 (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Partnership Agreement"), has the right to make capital calls upon the Limited Partners.

C. One of the conditions precedent to the obligations of the Lender to advance funds under the Loan Agreement is that the General Partner shall have executed this Assignment, and to be acknowledged by the Borrower and the Limited Partners.

NOW, THEREFORE, the parties agree as follows:

1. All terms used without definition in this Assignment shall have the meaning assigned to them in the Loan Agreement.

2. To secure the Borrower's obligations under the Loan Agreement, General Partner grants a security interest to the Lender in and to: (a) the General Partner's right and interest under the Partnership Agreement to make capital calls and require additional capital contributions to be made to the Borrower by the Limited Partners of the Borrower, over and above the initial capital commitment contributed to the Borrower by the Limited Partners, and (b) all capital commitments, whether initial or additional, all capital contributions, whether initial or additional, and all proceeds thereof and therefrom. If an Event of Default shall have occurred and be continuing under the Loan Agreement, the Lender may at its option (but shall be under no obligation to) issue a capital call in accordance with the terms of the Partnership Agreement, enforce any right to receive capital contributions, and take such further action as is necessary or reasonably desirable to obtain the full benefit of this Assignment. The General Partner appoints the Lender as its true and lawful attorney-in-fact with power to exercise such rights to issue a capital call, enforce any obligation(s) to make capital contributions, and execute and deliver any and all instruments and documents as may be necessary or reasonably desirable for the Lender to obtain the full benefits of this Assignment and of the rights and powers herein granted. This power, being coupled with an interest, is irrevocable so long as any indebtedness or other obligations of the Borrower to the Lender under or in connection with the Loan Agreement shall remain outstanding (collectively, the "Obligations").

3. This Assignment is made as collateral security for all Obligations, and shall remain in force so long as any Obligations shall remain outstanding. The General Partner has full power and authority to grant a first priority security interest in its right to require capital contributions to be made to Borrower by the Limited Partners of the Borrower, no disability or contractual obligation exists that would prohibit or otherwise restrict it from pledging such rights to the Lender and no provision of the Partnership Agreement prohibits or otherwise restricts it from pledging such rights to the Lender.

4. At any time and from time to time, upon the written request of the Lender, and at the sole expense of the General Partner, the General Partner shall promptly and duly execute and deliver any and all such further

1.

instruments and documents and take such further action as may be necessary or reasonably desirable to obtain the full benefits of this Assignment and of the rights and powers herein granted.

5. Notwithstanding anything herein to the contrary, (a) the General Partner shall perform all of its duties and obligations under the Partnership Agreement to the same extent as if this Assignment had not been executed, (b) the exercise by the Lender of any of the rights granted hereunder shall not release the General Partner from any duties or obligations under the Partnership Agreement, and (c) the Lender shall not have any obligations or duties of the General Partner under the Partnership Agreement.

6. The Lender's rights and remedies under this Assignment, the Loan Agreement, and all other agreements shall be cumulative. The Lender shall have all other rights and remedies not inconsistent herewith as provided under the *Personal Property Security Act* (British Columbia), by law, or in equity. No exercise by the Lender of one right or remedy shall be deemed an election, and no waiver by the Lender of any Event of Default on the Borrower's part shall be deemed a continuing waiver. No delay by the Lender shall constitute a waiver, election, or acquiescence by it. No waiver by the Lender shall be effective unless made in a written document signed on behalf of the Lender and then shall be effective only in the specific instance and for the specific purpose for which it was given.

7. The General Partner authorizes the Lender, without notice or demand and without affecting its liability hereunder, from time to time to (a) agree with the Borrower to renew, extend, or otherwise change the terms of any Loan Document, or any part thereof; (b) take and hold security for the payment of any Loan Document, and exchange, enforce, waive and release any such security; and (c) apply such security and direct the order or manner of sale thereof as the Lender in its sole discretion may determine. The General Partner waives any right to require the Lender to (a) proceed against the Borrower or any other person; (b) proceed against or exhaust any security held from the Borrower; (c) marshal any assets of the Borrower; or (d) pursue any other remedy in the Lender's power whatsoever. The Lender may, at its election, exercise or decline or fail to exercise any right or remedy it may have against the Borrower or any security held by the Lender, including without limitation the right to foreclose upon any such security by judicial or nonjudicial sale, without affecting or impairing in any way the liability of the General Partner hereunder. The General Partner waives any defense arising by reason of any disability or other defense of the Borrower or by reason of the cessation from any cause whatsoever of the liability of the Borrower. The General Partner waives any setoff, defense or counterclaim that the Borrower may have against the Lender. The General Partner waives any defense arising out of the absence, impairment or loss of any right of reimbursement or subrogation or any other rights against the Borrower. Until all of the amounts that the Borrower owes to the Lender have been paid in full, the General Partner shall have no right of subrogation or reimbursement, contribution or other rights against the Borrower, and the General Partner waives any right to enforce any remedy that the Lender now has or may hereafter have against the Borrower. The General Partner waives all rights to participate in any security now or hereafter held by the Lender. The General Partner waives all presentments, demands for performance, notices of nonperformance, protests, notices of protest, notices of dishonor, and notices of acceptance of this Assignment and of the existence, creation, or incurring of new or additional indebtedness. The General Partner assumes the responsibility for being and keeping itself informed of the financial condition of the Borrower and of all other circumstances bearing upon the risk of nonpayment of any indebtedness or nonperformance of any obligation of the Borrower, warrants to the Lender that it will keep so informed, and agrees that absent a request for particular information by the General Partner, the Lender shall have no duty to advise the General Partner of information known to the Lender regarding such condition or any such circumstances.

8. This Assignment is binding upon the parties hereto and their respective successors and assigns and shall inure to their benefit. This Assignment shall remain in full force and effect so long as any Obligations are outstanding. This Assignment may not be changed, amended, modified or waived orally, but only by an instrument in writing signed by each of the parties hereto. Any provision of this Assignment that may prove unenforceable under any law or regulation shall not affect the validity of any other provision hereof. This Assignment shall be governed by, and interpreted in accordance with, the laws of the Province of British Columbia and the federal laws of Canada applicable therein, without reference to principles of conflicts of law.

9. General Provisions.

(a) **Successors and Assigns.** This Assignment shall bind and inure to the benefit of the respective successors and permitted assigns of each of the parties; provided, however, that neither this Assignment nor any rights hereunder may be assigned by the General Partner without the Lender's prior written consent, which consent may be granted or withheld in the Lender's sole discretion. The Lender shall have the right without the consent of or notice to the General Partner to sell, transfer, negotiate, or grant participation in all or any part of, or any interest in, the Lender's obligations, rights and benefits hereunder.

(b) **Time of Essence.** Time is of the essence for the performance of all obligations set forth in this Assignment.

(c) **Severability of Provisions.** Each provision of this Assignment shall be severable from every other provision of this Assignment for the purpose of determining the legal enforceability of any specific provision.

(d) **Amendments in Writing, Integration.** This Assignment cannot be amended or terminated orally. All prior agreements, understandings, representations, warranties, and negotiations between the parties hereto with respect to the subject matter of this Assignment, if any, are merged into this Assignment and the Loan Documents.

(e) **Counterparts.** This Assignment (a) may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement, and (b) a photocopy, facsimile, .pdf or scanned copy of an executed counterpart of any Loan Document shall be sufficient to bind the party whose signature appears thereon.

(f) **Survival.** All covenants, representations and warranties made in this Assignment shall continue in full force and effect so long as any Obligations remain outstanding.

[REMAINDER OF THIS PAGE LEFT INTENTIONALLY BLANK]

IN WITNESS WHEREOF, the undersigned has caused this Assignment to be executed by duly authorized representatives as of the day and year first above written.

I4PG HASTINGS STREET INC.

By: [Signature]
 Name: MYRON CAROL
 Title: PRESIDENT

Acknowledged:

HASTINGS STREET LIMITED PARTNERSHIP
 By its general partner, I4PG HASTINGS STREET INC.

By: [Signature]
 Name: MYRON CAROL
 Title: PRESIDENT

I4 PROPERTY GROUP INC.

By: [Signature]
 Name: MYRON CAROL
 Title: PRESIDENT

CARNARVON LAW CORPORATION

By: _____
 Name: _____
 Title: _____

SIMCARB INVESTMENTS INC.

By: _____
 Name: _____
 Title: _____

AKERHOLD INC.

By: _____
 Name: _____
 Title: _____

IN WITNESS WHEREOF, the undersigned has caused this Assignment to be executed by duly authorized representatives as of the day and year first above written.

I4PG HASTINGS STREET INC.

By: _____
 Name: _____
 Title: _____

Acknowledged:

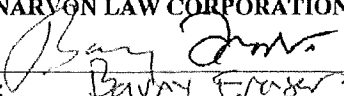
HASTINGS STREET LIMITED PARTNERSHIP
 By its general partner, I4PG HASTINGS STREET INC.

By: _____
 Name: _____
 Title: _____

I4 PROPERTY GROUP INC.

By: _____
 Name: _____
 Title: _____

CARNARVON LAW CORPORATION

By: 
 Name: Bryan Fraser
 Title: Director

SIMCARB INVESTMENTS INC.

By: _____
 Name: _____
 Title: _____

AKERHOLD INC.

By: _____
 Name: _____
 Title: _____

COLLATERAL ASSIGNMENT OF CAPITAL CALL RIGHTS
(Hastings Street Limited Partnership)

This **COLLATERAL ASSIGNMENT OF CAPITAL CALL RIGHTS** (as the same may be amended, restated, supplemented or otherwise modified from time to time, the "Assignment") is made as of March __, 2022, by and between I4PG HASTINGS STREET INC. (the "General Partner") and DESJARDINS FINANCIAL

IN WITNESS WHEREOF, the undersigned has caused this Assignment to be executed by duly authorized representatives as of the day and year first above written.

I4PG HASTINGS STREET INC.

By: _____
 Name: _____
 Title: _____

Acknowledged:

HASTINGS STREET LIMITED PARTNERSHIP
 By its general partner, I4PG HASTINGS STREET INC.

By: _____
 Name: _____
 Title: _____

I4 PROPERTY GROUP INC.

By: _____
 Name: _____
 Title: _____

CARNARVON LAW CORPORATION

By: _____
 Name: _____
 Title: _____

SIMCARB INVESTMENTS INC.

By: Leonard Friedman
 Name: LEONARD FRIEDMAN
 Title: PRESIDENT

AKERHOLD INC.

By: _____
 Name: _____

IN WITNESS WHEREOF, the undersigned has caused this Assignment to be executed by duly authorized representatives as of the day and year first above written.

I4PG HASTINGS STREET INC.

By: _____
 Name: _____
 Title: _____

Acknowledged:

HASTINGS STREET LIMITED PARTNERSHIP
 By its general partner, I4PG HASTINGS STREET INC.

By: _____
 Name: _____
 Title: _____

I4 PROPERTY GROUP INC.

By: _____
 Name: _____
 Title: _____

CARNARVON LAW CORPORATION

By: _____
 Name: _____
 Title: _____

SIMCARB INVESTMENTS INC.

By: _____
 Name: _____
 Title: _____

AKERHOLD INC.

By: _____
 Name: JOE AKERMAN
 Title: PRESIDENT

27B
ROBERTA BEISER ALTER EGO TRUST

By: *Roberta L. Beiser*
Name: ROBERTA BEISER
Title: _____

ALLAN E. BLACK Q.C. LAW CORPORATION

By: *[Signature]*
Name: ALLAN E. BLACK
Title: PROSECUTOR

637523 BC LTD.

By: _____
Name: _____
Title: _____

BRIAN WENER ENTERPRISES LTD.

By: _____
Name: _____
Title: _____

137392 CANADA INC.

By: _____
Name: _____
Title: _____

JOMASA INVESTMENTS INC.

By: _____
Name: _____
Title: _____

0964623 B.C. LTD.

By: _____
Name: _____
Title: _____

ROERTA BEISER ALTER EGO TRUST

By: _____
Name: _____
Title: _____

ALLAN E. BLACK Q.C. LAW CORPORATION

By: _____
Name: _____
Title: _____

637523 BC LTD.

By: *Jack Kar*
Name: *JACK KAR*
Title: *President*

BRIAN WENER ENTERPRISES LTD.

By: _____
Name: _____
Title: _____

137392 CANADA INC.

By: _____
Name: _____
Title: _____

JOMASA INVESTMENTS INC.

By: _____
Name: _____
Title: _____

0964623 B.C. LTD.

By: _____
Name: _____
Title: _____

ROFRTA BEISER ALTER EGO TRUST

By: _____
 Name: _____
 Title: _____

ALLAN E. BLACK Q.C. LAW CORPORATION

By: _____
 Name: _____
 Title: _____

637523 BC LTD.

By: _____
 Name: _____
 Title: _____

BRIAN WENER ENTERPRISES LTD.

By: Brian Wener
 Name: Brian Wener
 Title: President

137392 CANADA INC.

By: _____
 Name: _____
 Title: _____

JOMASA INVESTMENTS INC.

By: _____
 Name: _____
 Title: _____

0904623 B.C. LTD.

By: _____
 Name: _____
 Title: _____

ROERTA BEISER ALTER EGO TRUST

By: _____
Name: _____
Title: _____

ALLAN E. BLACK Q.C. LAW CORPORATION

By: _____
Name: _____
Title: _____

637523 BC LTD.

By: _____
Name: _____
Title: _____

BRIAN WENER ENTERPRISES LTD.

By: _____
Name: _____
Title: _____

137392 CANADA INC.

By: Fred Fitzhugh
Name: FRED FITZHUGH
Title: PRESIDENT

JOMASA INVESTMENTS INC.

By: _____
Name: _____
Title: _____

0964623 B.C. LTD.

By: _____
Name: _____
Title: _____

ROERTA BEISER ALTER EGO TRUST

By: _____
Name: _____
Title: _____

ALLAN E. BLACK Q.C. LAW CORPORATION

By: _____
Name: _____
Title: _____

637523 BC LTD.

By: _____
Name: _____
Title: _____

BRIAN WENER ENTERPRISES LTD.

By: _____
Name: _____
Title: _____

137392 CANADA INC.

By: _____
Name: _____
Title: _____

JOMASA INVESTMENTS INC.

By:  _____
Name: _____
Title: _____

0964623 B.C. LTD.

By: _____
Name: _____
Title: _____

ROERTA BEISER ALTER EGO TRUST

By: _____
Name: _____
Title: _____

ALLAN E. BLACK Q.C. LAW CORPORATION

By: _____
Name: _____
Title: _____

637523 BC LTD.

By: _____
Name: _____
Title: _____

BRIAN WENER ENTERPRISES LTD.

By: _____
Name: _____
Title: _____

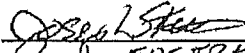
137392 CANADA INC.

By: _____
Name: _____
Title: _____

JOMASA INVESTMENTS INC.

By: _____
Name: _____
Title: _____

0964623 B.C. LTD.

By: 
Name: JOSEPH STEIN
Title: DIRECTOR

118846 CANADA INC.

By Myra Salenberg
 Name Secretary
 Title

BARBARA GOLDENBERG

By _____
 Name _____
 Title _____

ARTHUR SILBER

By _____
 Name _____
 Title _____

ELLEN MINTZ

By _____
 Name _____
 Title _____

118846 CANADA INC.

By: _____
Name: _____
Title: _____

BARBARA GOLDENBERG

By: _____
Name: B. Goldenberg
Title: _____

ARTHUR SILBER

By: _____
Name: _____
Title: _____

HELEN MINTZ

By: _____
Name: _____
Title: _____

118846 CANADA INC.

By: _____
 Name: _____
 Title: _____

BARBARA GOLDENBERG

By: _____
 Name: _____
 Title: _____

ARTHUR SILBER

By: Arthur Silber
 Name: _____
 Title: _____

HELEN MINTZ

By: _____
 Name: _____
 Title: _____

4 10 155 719 1719 2004 4004 4510 4510 2451 12451 2274 5144

118846 CANADA INC.

By: _____
Name: _____
Title: _____

BARBARA GOLDENBERG

By: _____
Name: _____
Title: _____

ARTHUR SILBER

By: _____
Name: _____
Title: _____

HELEN MINTZ

By: _____
Name: _____
Title: _____

ASSIGNMENT OF INSURANCE POLICIES

This Assignment dated for reference April 6, 2022.

For valuable consideration, receipt whereof is hereby acknowledged, the undersigned hereby assign, transfer and set over to **DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY**, all current and future insurance policies relating to the Property (as defined in Schedule A attached hereto) and all rights of the undersigned thereunder and all moneys which may at any time be or become payable thereunder or in connection therewith or be derived therefrom, including without limitation of the foregoing, bonuses, additions, profits and other increments and any interest thereon, together with all moneys otherwise held in connection or for the purposes of the said policy, including, without limitation of the foregoing all premiums paid in advance and any interest thereon; with full power to recover, receive and grant receipts for all or any of such moneys and to surrender, assign and otherwise dispose of or deal with the same and the said policy; and the said insurer is hereby requested to give effect to the foregoing.

This Assignment may be executed in any number of counterparts, by telecopier, PDF or otherwise, each of which shall be deemed an original and all of which together shall constitute one and the same instrument.

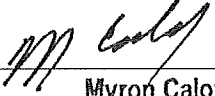
I / We have authority to bind the above.

**I4PG HASTINGS STREET INC., in its own capacity
and in its capacity as general partner of HASTINGS
STREET LIMITED PARTNERSHIP:**

By: _____

Name:

Title:


Myron Calof
President

By: _____

Name:

Title:

I / We have authority to bind the above.

SCHEDULE A**the “Property”**

Property Address: 4437 Hastings Street, Burnaby, B.C.

Legal Description: Parcel Identifier: 031-340-741
Lot 1 Block 5 District Lot 121 Group 1 NWD Plan EPP87138

ENVIRONMENTAL WARRANTY AND INDEMNITY AGREEMENT

THIS AGREEMENT is dated for reference April 6, 2022.

BY:

I4PG HASTINGS STREET INC., in its own capacity and in its capacity as general partner of **HASTINGS STREET LIMITED PARTNERSHIP**, both of 420-1112 West Pender Street, Vancouver, B.C., V6E 2S1

(together and individually, the “**Borrower**”)

AND:

I4 PROPERTY GROUP INC., of 420-1112 West Pender Street, Vancouver, B.C., V5C 2K1

(the “**Corporate Guarantor**”)

AND:

Mr. Myron Calof of 420-1112 West Pender Street, Vancouver, B.C., V5C 2K1

(the “**Personal Guarantor**”)

(the Borrower, Corporate Guarantor, and Personal Guarantor are collectively, the “**Indemnitors**”)

IN FAVOUR OF:

DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY, Suite 1050, 401 West Georgia Street, Vancouver, B.C. V6B 5A1

(the “**Lender**”)

In consideration of the Lender extending credit to or for the benefit of one or more of the Indemnitors the parties agree as follows:

1. DEFINED TERMS

“**Business Day**” means any day upon which the branch of the Lender is open for business.

“**Environmental Laws**” means:

- (a) any and all statutes, laws, by-laws, regulations, rules, codes, orders, directives, guidelines, permits, policies, interpretations, decisions and other lawful requirements now or hereafter in effect, of any Governmental Body having jurisdiction in connection with or pertaining to any Hazardous Substance, the

protection of the environment, land use, zoning, health, chemical use, safety, sanitation or the health or welfare of any living thing; and

- (b) any international treaties to which Canada or a province of Canada is a party, relating to the protection of the environment and governing the use, storage, treatment, generation, transportation, manufacture, processing, handling, production, remediation, release or disposal of Hazardous Substances.

“Governmental Body” means, as the context requires, any government, parliament, legislature, regulatory authority, agency, tribunal, department, commission, board or court or other law, regulation or rule making entity (including a Ministry of the Crown) having or purporting to have jurisdiction on behalf of Canada, any province, a municipality, a region, a district, any subdivision thereof or any other lawful authority.

“Hazardous Substance” means any pollutant, contaminant, waste or other substance:

- (a) the use, storage, treatment, generation, transportation, manufacture, processing, handling, production, remediation, release or disposal of which into the environment is prohibited, controlled or regulated or licensed under any Environmental Law; or
- (b) which cause, or could be reasonably expected to cause the Land to be in violation of any Environmental Law.

“Indebtedness” means all present and future indebtedness and liability (whether absolute, contingent, direct, indirect, matured, unmatured, extended, renewed, joint or several), of each Indemnitor to the Lender outstanding from time to time under the Credit Agreement and other security documents in relation thereto (including, without limitation, all advances on current or running account, future advances and re-advances, accrued interest thereon, the face amount of all bank guarantees and letters of credit issued and undrawn, and all fees, costs, expenses and other monies payable to the Lender under the Lender’ Documents).

“Land” means the lands and premises located in the Province of British Columbia and described in Schedule A.

“Release” includes discharge, spray, inject, inoculate, abandon, deposit, dispose, spill, leak, seep, pour, emit, empty, throw, dump, place and exhaust.

“Lender’ Documents” means all loan and security documents now or at any time hereafter held by the Lender as evidence of and security for the Indebtedness.

2. REPRESENTATIONS AND WARRANTIES

Each Indemnitor represents and warrants to the Lender after making due and diligent enquiries and except as disclosed in writing to the Lender by any party comprising the Indemnitor prior to the date hereof, that:

- (a) it has not and, to the best of its actual knowledge, information and belief after reasonable inquiry, no other person has caused or permitted any Hazardous Substance to be placed, stored, located or disposed of on, under or at the Land, except in compliance with Environmental Laws;
- (b) it and its respective tenants, invitees and other occupiers of the Land and, to the best of its actual knowledge and belief after reasonable inquiry, all prior owners and occupiers of the Land, have carried out all business and other activities upon the Land in compliance with all Environmental Laws and, without limiting the generality of the foregoing,
 - (i) the Land has never been used as a land fill site or, to store Hazardous Substances either above or below ground, in storage tanks or otherwise, except in compliance with Environmental Laws;
 - (ii) no Hazardous Substances have been released into the environment or deposited, discharged, placed or disposed of at, on or near the Land as a result of conduct of business on the Land, except in compliance with Environmental Laws;
 - (iii) all Hazardous Substances used in connection with the business conducted at the Land have, at all times, been received, handled, used, stored, treated, shipped and disposed of in strict compliance with all Environmental Laws; and
 - (iv) no notices of any violation of any matters referred to above relating to the Land or the use thereof have been received by either of the Indemnitors and there are no directions, writs, injunctions, orders or judgements outstanding, no law suits, claims, proceedings or investigations pending or threatened, relating to the ownership, use, maintenance or operation of the Land nor is there any basis for such law suits, claims, proceedings or investigations being instituted or filed;
- (c) it is not aware of any order, direction, enforcement action or other governmental or regulatory action or notice, nor any action, suit or proceeding relating to any Hazardous Substance, or to any Environmental Laws or any breach thereof, or to the environment generally that has been issued or is otherwise threatened or pending with respect to the Land;
- (d) it is not aware of the presence of any Hazardous Substances at, on or under the property contiguous with or in close proximity to the Land or which might migrate to the Land;
- (e) it is not aware of any breach of any Environmental Law respecting the Land, or respecting any property contiguous with or in close proximity to the Land; and

- (f) each of the foregoing representations and warranties set out in this section 2 shall remain true and accurate in all respects up to and including the date on which all Indebtedness has been paid in full.

3. COVENANTS AND AGREEMENTS

Each Indemnitor covenants and agrees with the Lender:

- (a) that it will not use, store, treat, generate, transport, manufacture, process, handle, produce, remediate, release or dispose of any Hazardous Substance, or permit any Hazardous Substance to be stored, treated, generated, transported, manufactured, processed, handled, produced, remediated, released or disposed of in, on or under the Land except in accordance with Environmental Laws;
- (b) that it will obtain all necessary licences, permits and other authorizations from Governmental Bodies required by applicable Environmental Laws in respect of the operations upon the Land and will, upon request, provide copies to the Lender of all such licences, permits and authorizations;
- (c) that it will comply with, and will promptly remedy the breach of, all Environmental Laws and all orders, decrees or judgments of any Governmental Body or court having jurisdiction relating to any Hazardous Substances in, on, or under the Land;
- (d) that it will forthwith notify the Lender if any of the following occurs and will provide the Lender with copies of all relevant documentation in connection therewith:
 - (i) if any Hazardous Substance is stored, treated, generated, transported, manufactured, processed, handled, produced, remediated, released or disposed of in, on or under or brought onto the Land other than in the normal course of business of the owners and occupiers of the Land and in strict compliance with Environmental Laws;
 - (ii) if there is any threatened or potential Release of any Hazardous Substance in, on or under the Land other than in the normal course of business and in strict compliance with Environmental Laws;
 - (iii) if there is any breach of any Environmental Law with respect to the Land;
 - (iv) if it receives any order, direction, enforcement action or other governmental or regulatory action or notice, or notice of any action, suit or proceeding, whether issued or threatened, relating to any Hazardous Substance, or to any Environmental Law or any breach thereof, or to the environment generally; or

- (v) if it receives any notice, demand or other communication respecting any permit that may be required by the owners and occupiers of the Land pursuant to any Environmental Law;
- (e) if the Lender has a reasonable basis to suspect that the Indemnitors and/or the Land are not in compliance with Environmental Laws, it will promptly cause to be conducted, at its own expense, such audits, investigations, searches, tests, drilling and sampling of the Land as are required from time to time by the Lender, conducted or prepared by an engineer or consultant reasonably satisfactory to the Lender, and will promptly forward the results of such audits, investigations, searches, tests, drilling and sampling to the Lender upon receipt of them;
- (f) that if, now or hereafter, there is any Hazardous Substance in, on or under the Land, or incorporated in any improvements thereon, other than in compliance with Environmental Laws, it shall promptly and diligently take such actions and incur such costs and expenses as are necessary to remove such Hazardous Substance from the Land and improvements and shall promptly thereafter repair any damage to the Land and improvements caused by such removal;
- (g) that it will not object to and will take such actions and do such things within its power as may be reasonable and necessary to enable the Lender to join and participate in, as a party if it so elects, any legal proceedings or actions initiated in connection with any Hazardous Substances or any contravention of any Environmental Laws, if such legal proceedings or actions could reasonably be expected to result in any liability being imposed on the Lender;
- (h) that it shall, at all times and prior to an Event of Default within normal business hours and upon 48 hour's notice, allow the Lender and its officers, employees, agents, representatives, and contractors reasonable access to the Land for the purposes of ascertaining site conditions, including, but not limited to, subsurface conditions;
- (i) that its obligations and the Lender's rights under this Agreement shall arise upon the discovery of the presence of any Hazardous Substances on the Land or breach of any Environmental Laws respecting the Land, whether or not any Governmental Body has taken or threatened any action under any of the Environmental Laws in connection with the presence of any Hazardous Substance; and
- (j) that the Lender may delay or refuse to make any advance under the Lender's Documents if the Lender believes that any of the representations and warranties set out in section 2 were not true and accurate when made or at any time thereafter.

4. LENDER' RIGHTS TO REMEDIATE

In the event the Indemnitors breach any of their covenants contained in this Agreement the Lender may, but shall not be obliged to, enter upon the Land and conduct, at the expense of the Indemnitors any and all tests, inspections, appraisals and environmental audits or studies of the Land so as to determine and ensure and take such actions and incur such costs and expenses so as to effect such compliance as it deems advisable with the representations, warranties, covenants and agreements set forth in this Agreement; without limiting the foregoing, the Lender may conduct soil tests and review and copy any records relating to the Land or the businesses and other activities conducted thereon at any time and from time to time; the Indemnitors shall reimburse the Lender on demand for the full amount of all costs and expenses incurred by the Lender in connection with such activities, provided that the Indemnitors shall not be responsible for any duplication of costs as between the Lender.

5. INDEMNIFICATION

Each Indemnitor agrees to indemnify, defend and hold harmless the Lender and its directors, officers, employees, agents and shareholders (the "**Indemnified Parties**") against, from and in respect of any loss, liability, obligation, cost, injury, expense or damage of any and every kind whatsoever, including without limitation, court costs and legal fees and expenses, which at any time or from time to time may be suffered or incurred directly or indirectly in connection with:

- (a) a breach of any of the representations, warranties, covenants or agreements of each Indemnitor set out in this Agreement; or
- (b) any damage to any property, injury, sickness, disease or death of any person, charge, claim, cause of action, demand or lien made or arising directly or indirectly or in connection with the failure by each Indemnitor to comply with any Environmental Law or the presence in, on or under the Land or the Release from the Land into or upon any land, the atmosphere or any watercourse, body of water or wetland of any Hazardous Substance.

Each Indemnitor acknowledges that the Indemnified Parties intend to have no liability for any environmental contamination associated with its business or the Land and that any involvement of any Indemnified Parties with such business to protect the security interest of the Lender in the business or the Land shall not constitute any Indemnified Party as an "owner or operator" or in possession of such business for purposes of determining environmental liability. In any event, should any Indemnified Party become obligated, by judicial or administrative judgement or settlement of a claim, to pay any amounts for response to environmental contamination associated with or connected with the business of any Indemnitor or the Land, any payment or required payment by such Indemnified Party shall form part of the Indebtedness and shall be immediately due and payable to such Indemnified Party and shall bear interest at the highest rate then payable by the Indemnitors in respect of the Indebtedness. If any Indemnitor shall fail to satisfy any of its obligations for response to environmental contamination associated with its business or the Land, the Lender shall have the right but shall not be obligated under any conditions whatsoever to make the payments in the place of such Indemnitor. In the event that

the Trustee is required to acquire title to an asset for any reason, or take any managerial action of any kind in regard thereto, which in the Trustee's sole discretion may cause the Trustee to incur, or be exposed to, any environmental liability or any liability under any other federal, provincial or local law, the Trustee reserves the right, instead of taking such action, either to resign as Trustee or to arrange for the transfer of the title or control of the asset to a nominee appointed by the Lender or an instrument or court appointed receiver. The Lender will not be liable to any Person for any environmental liability or any environmental claims or contribution actions under any applicable law by reason of the Trustee's actions and conduct relating to any kind of discharge or release or threatened discharge or release of any hazardous materials into the environment. Each Indemnitor further agrees that its obligations under this section 5 shall be of a continuing nature and shall survive the repayment of the Indebtedness, the release and discharge of the Lender's Documents and the termination or expiry of this Agreement. Each Indemnitor further agrees that barring gross negligence or wilful misconduct of any Indemnified Party, its obligations under this section 5 shall in no way, manner or respect be impaired, affected, reduced or released by reason of the acts or omissions of any Indemnified Party in connection with any notice, demand, warning or claim regarding the presence or possible presence of any Hazardous Substance on any Land or Release from any Land into or upon any land, the atmosphere or any watercourse, body of water or wetland.

6. NOTICES

Any notice required to be given hereunder shall be in writing and may effectively be given by a party hereto by delivery of such notice to the other party at the address below or at such other address as either party may in writing notify the other party or by facsimile transmission and confirmed in writing to:

In the case of the Lender:

To Desjardins Financial Security Life Assurance Company
at the address set out on the first page hereof

Telecopier No. _____

In the case of the Indemnitors:

to the addresses set out on the first page hereof;

Telecopier No. 604-688-4115

Notice shall be deemed to have been received by a party within three Business Days of delivery to the applicable address contemplated above. Notices by facsimile transmission shall be deemed to have been given upon receipt thereof at the address indicated above.

The parties may change the address or telecopy numbers to which, or the officer to whose attention, notice should be delivered from time to time by notice given in accordance herewith.

7. WAIVER

The failure of the Lender to insist upon strict compliance with any of the terms hereof shall not be construed to be a waiver of any such terms, nor shall it prevent the Lender from insisting upon strict compliance with this Agreement or any other related Lender' Documents at any time thereafter.

Each Indemnitor waives any right whatsoever to require the Lender at any time to pursue any remedy in the Lender' power.

8. SEVERABILITY

If any provision of this Agreement is found or determined to be invalid, illegal or unenforceable it will be construed to be separate and severable from this Agreement and will not impair the validity, legality or enforceability of any other provision of this Agreement, and the remainder of this Agreement will continue to be binding on the parties as if such provision had been deleted.

9. GOVERNING LAWS

This Agreement shall be governed by, and construed in accordance with, the laws of British Columbia.

10. COUNTERPARTS

This Agreement may be executed and delivered by the parties hereto in one or more counterparts, each of which shall be deemed to be an original and all of which shall together constitute one and the same agreement.

11. EXECUTION BY TELECOPY

This Agreement or a counterpart thereof may be executed by a party hereto and transmitted by telecopy and if so executed and transmitted this Agreement will be for all purposes as effective and binding upon such party as if such party had delivered any originally executed document. A party transmitting an executed document by telecopy shall forthwith thereafter deliver the original of the executed document.

12. SUCCESSORS AND ASSIGNS

This Agreement shall be binding upon each Indemnitor and its successors, assigns, heirs, executors and administrators, as the case may be, and shall enure to the benefit of the Lender and their successors and assigns.

13. GENERAL

This Agreement:

- (a) is in addition to and not in substitution for any other warranties, indemnities or other security granted to the Lender in connection with the Indebtedness, and the privileges, rights and powers conferred by this Agreement are in addition to and without prejudice to any other privileges, rights and powers which the Lender may now have or hereafter acquire from each Indemnitor, or any of them, or any other person;
- (b) shall survive the repayment or satisfaction of the Indebtedness, or any part thereof, as well as any release or discharge of any of the Lender' Documents, any order absolute, or foreclosure, order for sale or any other release whatsoever; and
- (c) may not be amended or varied or deemed to be amended or varied unless amended or varied by written instrument and signed by each Indemnitor and each Lender.

14. OBLIGATIONS JOINT AND SEVERAL

Each of the Indemnitors agrees that the representations, warranties, covenants, acknowledgements and agreements of the Indemnitors in this Agreement shall be the joint and several representations, warranties, covenants, acknowledgements and agreements of each of them.

[Signature Page Follows]

IN WITNESS WHEREOF this Agreement has been duly executed by each Indemnitor as of the day and year first above written:

I4 PROPERTY GROUP INC.

Per: Director or Officer

Per: Director or officer

MYRON CALOF

I4PG HASTINGS STREET INC., in its own capacity and in its capacity as general partner of HASTINGS STREET LIMITED PARTNERSHIP

Per: Director or Officer

Per: Director or Officer

Witness

LESLIE A. TUCKER
BARRISTER & SOLICITOR
19TH FLR. 885 W. GEORGIA ST.
VANCOUVER B.C. V6C 3H4

SCHEDULE A

Property	4437 Hastings Street, Burnaby, B.C.
Addresses:	
Legal	Parcel Identifier: 031-340-741
Descriptions:	Lot 1 Block 5 District Lot 121 Group 1 NWD Plan EPP87138

COST-OVERRUN AND COMPLETION GUARANTEE

TO: **DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY**
(the “**Lender**”)

IN CONSIDERATION of the Lender making credit facilities in the maximum principal amount of up to \$31,700,000 (the “**Loan**”) available to **I4PG HASTINGS STREET INC.**, in its own capacity and in its capacity as general partner of **HASTINGS STREET LIMITED PARTNERSHIP** (together, the “**Borrower**”) pursuant to a credit agreement dated March 31, 2022 from the Lender to the Borrower (as such Credit Agreement may be amended, supplemented, restated or replaced from time to time, the “**Credit Agreement**”) and other good and valuable consideration (the receipt and sufficiency of which is hereby acknowledged by the undersigned), the undersigned hereby covenant and agree with the Lender, and undertake to:

- (a) fund immediately upon demand by the Lender from resources outside of the Project any and all costs in excess of forecast and approved expenditures in respect of the Project (collectively, the “**Cost-Overruns**”) if, as and when the Cost-Overruns occur or are identified by the Lender or its cost consultant. It is understood and agreed that the Borrower shall not be eligible for further draws until the Cost-Overruns are funded;
- (b) continue the construction and complete the Project once construction has begun in accordance with the plans approved by the Lender; and
- (c) construct the Project using materials and in a manner which is equal to or of higher standards than those established by applicable British Columbia or municipal building codes or the Borrower’s warranty provider.

The undersigned hereby further acknowledge, confirm, covenant and agree to and with the Lender as follows:

1. “**Project**” means the development and construction by the Borrower on the Lands of a development consisting of a five (5) storey mixed-use wood frame building comprising approximately 38 housing units, 6 ground level commercial retail units, and 2 levels of underground parkade on the Project Lands. “**Project Lands**” means the real property legally described in Schedule “A” hereto. “**Loan Documents**” means the Credit Agreement, this Guarantee, the security documents required from time to time pursuant to the Credit Agreement and all other documents and instruments delivered to the Lender from time to time pursuant to the Credit Agreement.
2. This Guarantee shall be a continuing guarantee by the undersigned to the Lender until all obligations of the Borrower are repaid and satisfied in full and shall apply and have effect notwithstanding default under or enforcement of the Loan Documents or otherwise. The Lender shall not be bound to exhaust its recourse against the Borrower or others or any securities it may at any time hold before being entitled to require the undersigned to make payment on account of

Cost-Overruns. This Guarantee is in addition to and not in substitution for any other undertaking, covenant or guarantee given by any of the undersigned, or by whomsoever otherwise given, at any time held by the Lender.

3. This Guarantee shall not be affected by, and shall operate and have effect irrespective of, the rights and interests, direct or indirect, of any of the undersigned in the Borrower or the Borrower's business or the Project, or any change in such rights or interests at any time, or by any other change in the Borrower or the Borrower's business or the Project at any time.

4. The undersigned agrees to be bound by any statement of Cost-Overruns issued by the Lender or its cost consultant unless it shall be proven subsequently to have been issued in error, however, notwithstanding any dispute in the calculation thereof, the undersigned shall not reduce or delay in making any payment required by the Lender to be made pursuant to this Guarantee.

5. No suit based on this Guarantee shall be instituted until demand for payment has been made. The undersigned shall be liable to the Lender for all legal costs (on a full indemnity basis) incurred by or on behalf of the Lender resulting from any action instituted on the basis of the undersigned's default hereunder.

6. The obligations of the undersigned hereunder shall be continuing obligations in favour of the Lender which shall not be terminated by reason of a demand being made by the Lender hereunder, and the Lender shall be entitled to demand and re-demand under this Guarantee from time to time and at any time.

7. The obligations of the undersigned hereunder are continuing, absolute and unconditional, irrespective of any circumstance whatsoever which might otherwise constitute a legal or equitable discharge or defense of a guarantor or surety. Without limiting the generality of the foregoing, the obligations of the undersigned hereunder shall remain in full force and effect without regard to, and shall not be released, discharged or in any way affected by:

- (a) any amendment, modification or supplement to the Loan Documents or to the plans or the contracts for the Project;
- (b) any exercise or non-exercise of or delay in exercising any right, remedy, power or privilege under or in respect of this Guarantee, the Loan Documents (even if any such right, remedy, power or privilege shall be lost thereby), or any waiver, consent, indulgence or other action or inaction in respect thereof;
- (c) any bankruptcy, insolvency, arrangement, composition, assignment for the benefit of creditors or similar proceeding commenced by or against any of the undersigned or any other person;
- (d) any failure to perfect or continue perfection of, or any release, discharge or waiver of, any rights given to the Lender in any property as security for the performance of any of the obligations of any of the undersigned or any other person under the Loan Documents, or any additional security taken for such obligations, whether real or personal property;

- (e) any extension of time for payment or performance of any obligation of any of the undersigned or any other person to the Lender;
- (f) the genuineness, validity or enforceability of the Loan Documents;
- (g) any limitation of liability contained in any of the Loan Documents; or
- (h) any other circumstances which might otherwise constitute a legal or equitable discharge of any of the undersigned.

8. The undersigned hereby waive diligence, presentment, demand, protest, dishonour, all notices of any kind (including notices of protest, dishonour, non-payment, and acceptance of this Guarantee or the enforcement of any right or remedy), and any statute of limitations affecting the undersigned's liability hereunder or the enforcement hereof, and waives any requirement that the Lender exhaust any right or remedy, or proceed first or at any time, against any of the undersigned or any other person obligated in respect of, any obligation of any of the undersigned to the Lender. This Guarantee is not conditional or contingent upon the genuineness, validity or enforceability of the Loan Documents or other instruments relating to the creation or performance of any obligation of any of the undersigned or any other person to the Lender or the pursuit by the Lender of any remedies which it now has or may hereafter have with respect thereto under the Loan Documents, at law, in equity or otherwise. The Lender may pursue its rights and remedies under this Guarantee and under the other Loan Documents in whatever order, or collectively, and shall be entitled to payment and performance hereunder notwithstanding such other Loan Documents and notwithstanding any action taken by the Lender or inaction by the Lender to enforce any of its rights or remedies against any of the undersigned or any other person or property whatsoever.

9. The undersigned shall fully indemnify, defend and save the Lender harmless from and against any and all costs, expenses, claims, liabilities, damages and losses the Lender may incur in enforcing the obligations of the undersigned under this Guarantee, including without limitation any and all costs, expenses, claims, liabilities, damages and losses arising from any default by any of the undersigned in the payment or performance of any obligation under this Guarantee.

10. The undersigned may not assert any right of contribution or indemnity against any other person until all obligations of the Borrower to the Lender have been paid in full. If the Lender should receive a payment from any of the undersigned, all rights of subrogation, contribution or indemnity arising therefrom shall be postponed and the undersigned shall not be entitled to claim repayment against each other, or any other person or the estate of any person until the Lender's claims against the Borrower and such other persons have been paid in full; and in the case of liquidation, winding up or bankruptcy of any other person (whether voluntary or compulsory) or in the event that any of the undersigned shall make a bulk sale of any of its assets within the bulk transfer provisions of any applicable legislation, or shall make any compromise with creditors or scheme of arrangement, the Lender shall have the right to rank for its full claim and receive all dividends or other payments in respect thereof until its claim has been paid in full and the undersigned shall continue to be liable for any balance which may be owing to the Lender under this Guarantee. In the event of the valuation by the Lender of any of its securities and/or the

retention of such securities by the Lender, such valuation and/or retention shall not, as between the Lender and the undersigned, be considered as a purchase of such securities or as payment, satisfaction or reduction of the indebtedness or liabilities of the undersigned to the Lender, or any part thereof.

11. If one or more of the provisions contained herein shall, for any reason, be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect any other provision of this Guarantee, but this Guarantee shall be construed as if such invalid, illegal or unenforceable provision or provisions had never been contained herein.

12. The Lender's rights are cumulative and shall not be exhausted by the exercise of any of the Lender's rights hereunder or otherwise against any of the undersigned or by any number of successive actions until and unless each obligation of the undersigned under this Guarantee has been fully performed.

13. This Guarantee shall be in addition to and not in substitution for any of the Loan Documents or other security now held or acquired by the Lender, and the Lender may do all or any of the following:

- (a) grant time, renewals, extensions, indulgences, releases and discharges to;
- (b) take and give up securities from;
- (c) abstain from taking additional security from;
- (d) abstain from perfecting securities of;
- (e) accept compositions from; and
- (f) otherwise deal with the Borrower and all other persons and securities as the Lender may see fit without prejudice to the rights of the Lender under this Guarantee or any other securities.

14. The taking of judgment on any covenant contained herein shall not operate to create any merger or discharge of any liability or obligation of any of the undersigned hereunder, or any securities of any form held or which may be held hereafter by the Lender from any of the undersigned or from any other person.

15. The obligations of the undersigned under this Guarantee are in addition to their respective obligations under any other Loan Documents. Without limiting the generality of the foregoing, the obligations of the undersigned under this Guarantee are in addition to their other obligations in respect of the indebtedness, liabilities and obligations of the Borrower to the Lender. The liability of the undersigned under the other Loan Documents shall not be reduced or affected by the performance by the undersigned of their obligations under this Guarantee or by any judgement obtained by the Lender against any of the undersigned.

16. The undersigned shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered every further act, deed, transfer, assignment, security

agreement and assurance as the Lender may require, acting reasonably, for better giving effect to the provisions of this Guarantee.

17. Where this Guarantee has been executed by more than one party, the liability of the parties executing this Guarantee is joint and several and every reference in this instrument to the "undersigned" shall be construed as meaning each person who has executed it as well as all of them. This Guarantee is binding on those who have executed it notwithstanding that it may remain unexecuted by any other person.

18. This Guarantee shall extend to and enure to the benefit of the Lender and its successors and assigns, and shall extend to and bind the undersigned and their respective heirs, administrators, successors and assigns.

19. This Guarantee shall be governed by the laws of the Province of British Columbia and the laws of Canada applicable therein and the undersigned each irrevocably attorns and submits to the non-exclusive jurisdiction of the courts of the Province of British Columbia.

20. This Guarantee may be executed in counterparts which shall be read together and constitute one and the same agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF the undersigned have executed this Guarantee on this
April 6, 2022.

I4PG HASTING STREET INC.,
 in its own capacity and in its capacity as
 general partner of **HASTINGS STREET**
LIMITED PARTNERSHIP

I4 PROPERTY GROUP INC.

Per: Director or officer

Per: Director or officer

Per: Director or officer

Per: Director or officer

MYRON CALOF

Witness

LESLIE A. TUCKER

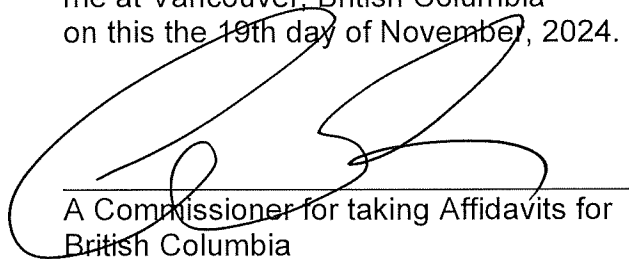
BARRISTER & SOLICITOR

19TH FLR. 885 W. GEORGIA ST.
 VANCOUVER, B.C. V6C 3H4

SCHEDULE A

Property	4437 Hastings Street, Burnaby, B.C.
Address:	
Legal	Parcel Identifier: 031-340-741
Description:	Lot 1 Block 5 District Lot 121 Group 1 NWD Plan EPP87138

This is **Exhibit "F"** referred to in the Affidavit of Benjamin Chua sworn before me at Vancouver, British Columbia on this the 19th day of November, 2024.



A Commissioner for taking Affidavits for
British Columbia

Colin Brousson
Barrister & Solicitor
DLA Piper (Canada) LLP
1133 Melville Street, Suite 2700
Vancouver, BC V6E 4E5
604.687.9444

GUARANTEE

THIS GUARANTEE is given as of the date set out in the signature page hereof by **I4 PROPERTY GROUP INC.** and **MYRON CALOF** (together and individually, the “**Guarantor**”) in favour of **DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY** (the “**Lender**”) in respect of the obligations of **I4PG HASTINGS STREET INC.**, in its own capacity and in its capacity as general partner of **HASTINGS STREET LIMITED PARTNERSHIP** (together, the “**Borrower**”).

BACKGROUND:

Pursuant to the credit agreement dated March 31, 2022 (as it may be amended, modified, supplemented or replaced from time to time, the “**Credit Agreement**”) issued by the Lender to among others, the Borrower, the Lender agreed to make available to the Borrower certain credit facilities in the principal aggregate amount of up to \$31,700,000 for the purposes and subject to the terms and conditions set forth therein.

It is a condition of the extension of credit to the Borrower pursuant to the Credit Agreement that the Guarantor jointly and severally enter into this Guarantee in favour of the Lender in respect of the Obligations.

The Guarantor acknowledges that (i) the continued extension of credit by the Lender to the Borrower under the Credit Agreement and the execution and delivery of the guarantee contemplated herein are in the interests and to the advantage of the Guarantor, and (ii) the Guarantor will derive significant commercial benefit from these arrangements.

FOR VALUABLE CONSIDERATION (the receipt and sufficiency of which are hereby acknowledged), the Guarantor covenants, acknowledges, represents and warrants in favour of the Lender as follows:

1. INTERPRETATION

1.1 Definitions

Unless defined herein, each word and phrase (capitalized or not) defined or given an extended meaning in the Mortgage is used in this Guarantee with the respective defined or extended meaning assigned to it in the Mortgage.

1.2 Agreements

Each reference in this Guarantee to any agreement (including this Guarantee and any other word or phrase defined in Schedule 1 that is an agreement) shall be construed so as to include such agreement (including any attached schedules, appendices and exhibits) and each change made to it at or before the time in question.

1.3 Headings

The Article and Section headings in this Guarantee are included solely for convenience, are not intended to be full or accurate descriptions and shall not be considered part of this Guarantee.

1.4 Grammatical Forms

In this Guarantee, (a) words (including defined terms) in the singular include the plural and *vice-versa* (the necessary changes being made to fit the context) and words in one gender include all genders and (b) the other grammatical forms of words and expressions (capitalized or not) defined or given extended meanings in the Mortgage shall be construed in like manner.

2. GUARANTEE

2.1 Guarantee

The Guarantor hereby unconditionally and irrevocably guarantees to the Lender payment in full and performance in full by the Borrower of the Obligations as they become due from time to time, in accordance with the express provisions of the Loan Documents from time to time.

2.2 No Limitation on Recovery

2.2.1 This Guarantee is an unconditional, irrevocable and continuing guarantee in respect of all of the Obligations, and the liability of the Guarantor hereunder in respect of the Obligations is not limited.

2.3 Performance of Borrower's Obligations

If the Borrower fails to pay or perform any Obligations when due in accordance with the applicable terms and conditions expressed in the Loan Documents, the Guarantor shall pay or perform the Obligations immediately on demand by the Lender, without any requirement that the Lender first demand that the Borrower pay or perform any of the Obligations. The Guarantor shall pay interest on each amount demanded by the Lender under this Guarantee at the rate of interest provided for under the Credit Agreement, compounded and payable monthly, both before and after judgment and default, commencing from the date of such demand until the Security Termination Date.

2.4 Guarantor Obligations Unconditional

No circumstance, act or omission, even if known by the Guarantor or the Lender, which might otherwise limit, lessen or release the Guarantor's Obligations or discharge this Guarantee (except for payment in full of the Obligations) shall release or discharge, or wholly or partly exonerate the Guarantor from the Guarantor's Obligations or prejudice the rights of the Lender under this Guarantee. The Lender may at any time vary, compromise, exchange, renew, discharge, release or abandon any of the Obligations or any other right it may have without thereby lessening, limiting or releasing any other of the Guarantor's Obligations.

2.5 Guarantee Unaffected by Judgment or Bankruptcy

Without limiting Section 2.4, none of the Guarantor's Obligations shall be limited, lessened or released, nor shall this Guarantee be discharged, by the recovery of any judgment against any Borrower, the Guarantor or any other person, by any voluntary or involuntary liquidation, dissolution, winding-up, merger, amalgamation or other similar or comparable proceeding in respect of any Borrower, the Guarantor or any other person, by any sale or other disposition of all or substantially all of the assets of any Borrower, the Guarantor or any other person, or by any judicial or extra-judicial receivership, bankruptcy or insolvency proceeding, winding up or other similar or comparable proceedings affecting any Borrower or any other person.

2.6 Independence of Guarantee

The Guarantor's Obligations are in addition to and independent of any other guarantee or security. The Guarantor's Obligations shall not be lessened or limited, nor shall this Guarantee be discharged, by (a) any direction of application of payment by any Borrower, the Guarantor or any other person or (b) any payment received on account of the Obligations that the Lender repays or is obliged to repay pursuant to any applicable law or for any other reason.

3. AGREEMENTS AND WAIVERS OF THE GUARANTOR

3.1 Waiver

The Guarantor hereby waives both notice of the existence or creation of the Obligations and presentment, demand, dishonour, notice of dishonour, protest, noting of protest and all other notices whatsoever.

3.2 No Requirement to Exhaust Recourse

The Lender shall not be bound to seek or exhaust its recourse against any Borrower or any other person nor to enforce, marshal or value any security before being entitled to payment under this Guarantee. The Guarantor renounces the benefits of discussion and division, if applicable.

3.3 Payment of Guarantor's Obligations

The Guarantor shall, immediately upon demand of the Lender on or after the Enforcement Date, pay to the Lender at any office of the Lender as notified in writing by the Lender, all amounts payable hereunder, in the applicable currencies of the Obligations.

3.4 Postponement

All obligations of the Borrower to the Guarantor are subordinated and postponed to the prior payment in full of the Obligations until the Security Termination Date and are hereby assigned to the Lender as security for the Obligations. If any Guarantor receives any monies from a Borrower, such monies shall be received in trust for the Lender and, forthwith upon receipt, paid over to the Lender for application in accordance with the provisions of this Guarantee, all without prejudice to and without in any way limiting, lessening or releasing the Guarantor's Obligations. The Guarantor shall not, in any circumstance, do anything, including take any action or commence any suit, action or proceeding, to recover, collect or otherwise exercise or realize upon any rights the Guarantor may now or hereafter have against any Borrower without the prior consent of the Lender. This postponement is independent of the guarantee provision in this Guarantee and shall remain in full force effect until such time as the Obligations are paid in full.

3.5 The Guarantor shall not repay any shareholder loans, redeem any shares, pay out dividends nor otherwise compensate any non-arms length parties directly or indirectly related to any Borrower or property until such time as the Obligations have been repaid in full.

3.6 Postponed Subrogation

The Guarantor shall not be entitled to exercise and each agrees that it shall not exercise any right of subrogation to any right of the Lender until the Security Termination Date.

3.7 Bankruptcy

Upon any bankruptcy, insolvency or similar proceeding or any winding-up being commenced in respect of any Borrower, any sale or other disposition of all or substantially all of the assets of any Borrower or any judicial or extra-judicial receivership, or other similar or comparable proceedings affecting any Borrower, the rights of the Lender under this Guarantee shall not be limited, lessened or released by the omission to prove its claim or to prove its full claim and the Lender may prove such claim as it sees fit and may refrain from proving any claim and, in the discretion of the Lender, the Lender may value as it sees fit or refrain from valuing any security held by the Lender, without in any way lessening, limiting or releasing the liability to the Lender of the Guarantor and until the Obligations are paid in full, the Lender shall have the right to include in its claim the amount of all sums paid to the Lender under this Guarantee and to prove and rank for and receive dividends in respect thereof. The Guarantor irrevocably waives and agrees not to exercise any and all rights to prove and rank for such sums paid by the Guarantor to the Lender or to receive any or all dividends in respect thereof until the Security Termination Date.

3.8 Powers

The Lender need not inquire into the powers of any Borrower or its directors, officers, employees or other representatives purporting to act on its behalf. All advances, credit or other financial accommodation in fact obtained from the Lender, under, by reason of, or otherwise in respect of, the Loan Documents in the purported exercise of such powers shall be deemed to be part of the Obligations. The Guarantor will not contest the validity of any of the Obligations on the grounds that the Obligations were incurred by the applicable Borrower irregularly, fraudulently, defectively or informally or in excess of the powers of the applicable Borrower or of its directors, officers, employees or other representatives, even if the Lender had notice of the limitation on any such powers.

3.9 Survival of Guarantee

The Guarantor's Obligations shall continue unaffected by any change in the name of any Borrower or the Guarantor, or by any change whatever in the objects, capital structure or constitution of any Borrower, or by any Borrower being amalgamated or merged or entering into any other business combination with another person, becoming subject to a statutory arrangement or any other similar or comparable proceeding or continuing under the laws of any other jurisdiction.

3.10 Further Assurances

The Guarantor shall at all times do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, transfers, assignments and assurances as the Lender may reasonably require in order to give effect to the provisions of this Guarantee.

3.11 Payment of Realization Costs

The Guarantor shall reimburse or pay the Lender on demand for all losses and expenses paid or incurred by the Lender in connection with the preservation or enforcement of the Obligations or the Guarantor's Obligations. The Guarantor shall pay interest to the Lender on the amount of each such loss and expense from the date paid or incurred until reimbursed or paid to the Lender calculated and payable at the rate and in the manner specified in Section 2.3.

3.12 Financial Condition of the Borrower

The Guarantor acknowledges that it has fully informed itself about the financial condition of the Borrower. The Guarantor assumes full responsibility for keeping fully informed of the financial condition of the Borrower and all other circumstances affecting the ability of the Borrower to pay or perform the Obligations, and agrees that the Lender has no duty to report to the Guarantor any information which the Lender has or receives about the financial condition of the Borrower or any circumstances bearing on its ability to pay or perform the Obligations.

3.13 No Set-off

Each payment required to be made by the Guarantor under this Guarantee shall be made without regard to any equities between or among any of the Borrower, the Guarantor and the Lender and without set-off and shall be made free and clear of, and without any deduction or withholding for or on account of any taxes, except to the extent such deduction or withholding for taxes is required by any applicable law, as modified by the administrative practice of any relevant governmental authority, then in effect. Any indebtedness owing by the Lender to the Guarantor, direct or indirect, extended or renewed, actual or contingent, matured or not, may be set-off or applied against or combined with, the Guarantor's Obligations by the Lender at any time before, upon or after maturity, without demand upon or notice to anyone, and the terms of such indebtedness and Guaranteed Obligations shall be changed hereby to the extent necessary to permit and give effect to such set-off, application and combination.

4. RIGHTS OF THE LENDER

4.1 Appropriations

The Lender may appropriate monies received hereunder to such of the Obligations, and in such order, as the Lender sees fit, subject always to the terms and conditions of the Loan Documents, and may change any appropriation at any time

4.2 Dealing with Borrower Obligations and Security

Without limiting Section 2.4, the Lender may (a) grant or allow any waiver, consent, extension, indulgence or other act or omission in respect of any Loan Document, any of the Obligations or any guarantee or security, (b) do, or omit to do, anything to enforce the payment or performance of any Loan Document, any of the Obligations or any guarantee or security, (c) give, refuse, cease or refrain from giving any accommodation to the Guarantor, (d) vary, compromise, exchange, renew, discharge, release, subordinate, postpone or abandon any Loan Document, any of the Obligations or any guarantee or security, (e) take, refuse or refrain from taking any guarantee or security, (f) refuse or omit to register or otherwise perfect or keep perfected any security or (g) deal with or allow the Borrower, the Guarantor or any other person to deal with goods or property covered by any security, all when and in such manner and with or without notice as the Lender may deem expedient. The Lender may do, or omit or refuse to do, anything enumerated in this Section 4.2 without thereby lessening, limiting or releasing the Guarantor's Obligations or the rights of the Lender under this Guarantee in any way, even if the effect is to deprive the Guarantor of any right or opportunity to be reimbursed by the Borrower or any other person for any sums paid to the Lender, and even if any such action or omission results from inadvertence or negligence of the Lender or any other person.

4.3 The Lender Accounts to Govern

The amount of the Obligations at any time shall be deemed to be as stated by the Lender based solely on its records, absent manifest error. The Guarantor shall be bound by any account settled between the Lender and the Borrower.

4.4 Guarantee in Addition

The rights of the Lender hereunder are in addition to and not in substitution for any other rights which the Lender has at any time against the Guarantor respecting the Obligations or under any other guarantee or security.

5. GENERAL

5.1 Notices

Any notice, demand, consent, approval or other communication to be made or given under or in connection with this Guarantee (in this Section, a “Notice”) shall be in writing and may be made or given by personal delivery, by facsimile, registered mail or by e-mail to the address, facsimile number or e-mail address set out in (a) the signature page hereof if the Notice is to the Guarantor or (b) in the Credit Agreement if the Notice is to the Lender. Any Notice made or given by personal delivery shall be conclusively deemed to have been given at the time of actual delivery or, if made or given by facsimile or e-mail at the opening of business on the first business day (in the place of intended delivery) following the transmittal thereof, provided the party sending such Notice receives confirmation of receipt from the intended recipient’s telecopier or e-mail server.

5.2 Time of the Essence

Time is of the essence of each provision of this Guarantee.

5.3 Governing Law

This Guarantee shall be governed by, and interpreted in accordance with the laws of the Province of British Columbia, including the federal laws of Canada applicable therein, but excluding conflict of law rules. The Guarantor irrevocably attorns to and submits to the non-exclusive jurisdiction of the courts of the Province of British Columbia with respect to any matter arising hereunder or related hereto.

5.4 Guarantee Effective Immediately

Neither the execution of, nor any filing with respect to, this Guarantee shall bind the Lender to make any financial service available to the Borrower, but the Guarantor’s Obligations shall arise forthwith upon the execution of this Guarantee by the Guarantor. Possession of this instrument by the Lender shall be conclusive evidence against the Guarantor that this Guarantee was not delivered in escrow or pursuant to any agreement that it should not be effective until any terms or conditions precedent or subsequent have been complied with.

5.5 Entire Agreement

There are no representations, warranties, conditions, other agreements or acknowledgements, whether direct or collateral, express or implied, that form part of or affect this Guarantee.

5.6 Invalidity

If any provision of this Guarantee is found to be invalid or unenforceable by a final judgment of a court of competent jurisdiction, that provision shall be deemed to be severed herefrom, and the remaining provisions of this Guarantee shall not be affected thereby and shall remain valid and enforceable. The Guarantor shall, at the request of the Lender, negotiate in good faith with the Lender to replace any invalid or unenforceable provision contained in this Guarantee with a valid and enforceable provision that has the commercial effect as close as possible to that of the invalid or unenforceable provisions, to the extent permitted by applicable law.

5.7 Successors and Assigns; Binding Effect

This Guarantee shall enure to the benefit of each of the Lender and its representatives, successors and assigns relative to all or any item or part of the Obligations and shall be binding on each of the Guarantor, its representatives (including receivers) and its successors and permitted assigns. Each reference herein to the Guarantor or the Lender shall include its successors and assigns.

5.8 Amendment

No agreement purporting to change this Guarantee shall be binding upon either the Guarantor or the Lender unless that agreement is in writing and signed by the party sought to be bound thereby.

5.9 Waiver of Rights

Any waiver of, or consent to depart from, the requirements of any provision of this Guarantee shall be effective only in the specific instance and for the specific purpose for which it has been given and only to the extent contained in a written agreement signed by the Guarantor and the Lender. No failure on the part of the Lender to exercise, and no delay in exercising, any right under this Guarantee shall operate as a waiver of such right. No single or partial exercise of any such right shall preclude any other or further exercise of such right or the exercise of any other right.

5.10 Joint and Several

If the Guarantor under this Guarantee consists of more than one person, the obligations and agreements of each of the persons comprising this Guarantor will be joint and several and the Guarantee will be read and interpreted accordingly with all necessary grammatical and other changes.

5.11 Counterparts

This Agreement may be executed by one or more of the parties to this Agreement on any number of separate counterparts (including by facsimile or other electronic imaging means), and all of said counterparts taken together shall be deemed to constitute one and the same instrument. Delivery of an executed signature page of this Agreement by facsimile or other electronic transmission (e.g. "pdf" or "tif" format) shall be effective as delivery of a manually executed counterpart hereof.

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[Signature Page Follows]

TO WITNESS this Guarantee, the Guarantor has caused this Guarantee to be duly executed as of the
April 6, 2022.

MYRON CALOF

 Witness

LESLIE A. TUCKER
 BARRISTER & SOLICITOR
 19TH FLR. 885 W. GEORGIA ST.
 VANCOUVER B.C. V6C 3H4

I4 PROPERTY GROUP INC.

By: _____

Name: _____

Title: _____

Myron Calof

President

SCHEDULE 1

DEFINITIONS

1. **Defined Terms**

In this Guarantee:

“Enforcement Date” means the date on which the Lender notifies the Borrower that all Obligations to the Lender have become immediately due and payable or on which such Obligations automatically become due and payable, whichever occurs first.

“Guarantee” means this guarantee and all schedules attached hereto as amended, modified, supplemented or replaced from time to time.

“Guarantor’s Obligations” means all and any item or part of the guarantee, indemnity and other obligations of the Guarantor to the Lender arising under, by reason of, or otherwise in respect of this Guarantee.

“Loan Documents” means the Credit Agreement, the Mortgage and all other loan and security documents now or at any time hereafter held by the Lender as evidence of and security for the credit made available by the Lender to the Borrower.

“Mortgage” means, collectively, the mortgage and assignment of rents granted by the Borrower in favour of the Lender charging the following lands, as may be amended and supplemented from time to time:

Property Addresses:	4437 Hastings Street, Burnaby, B.C.
Legal Descriptions:	Parcel Identifier: 031-340-741 Lot 1 Block 5 District Lot 121 Group 1 NWD Plan EPP87138

“Obligations” means, at any time: all direct and indirect, contingent and absolute, obligations and liabilities of the Borrower to the Lender under or in connection with the Credit Agreement, Mortgage and the other Loan Documents to which the Borrower is a party, specifically including all principal, all accrued and unpaid interest thereon, and all fees, costs, expenses and other amounts payable pursuant to the Credit Agreement, the Mortgage and the other Loan Documents to which the Borrower is a party.

“Security Termination Date” means the date on which all of the Obligations (other than any Obligations that by the terms of the Credit Agreement or the Mortgage survive the termination of the Credit Agreement and the Mortgage, as may be applicable) have been repaid in full and all commitments of the Lender in connection therewith have been terminated.



**AUTHORIZATION FOR THE COLLECTION, USE AND
DISCLOSURE OF PERSONAL INFORMATION**

Strictly for the purpose of establishing the financing of the company _____
 _____ (hereinafter the "Company"), for which I am acting as the guarantor, I, the undersigned, hereby
 authorize Desjardins Financial Security Life Assurance Company (hereinafter "DFS"):

1. to collect from any natural or legal person or corporation or any public or parapublic agency, including my employer, any lender, financial institution, personal information agent, credit assessment agents or revenue departments, information about me that is necessary to establish my solvency or financial situation, or to process the application for financing from the Company;
2. to disclose to any public or parapublic agency, including any regulatory body, and to any financial institution any information about me that is relevant for the purposes of establishing the loan or credit to be granted to the Company. Without limiting the generality of the foregoing, I expressly authorize DFS to disclose any information relating to my solvency or my financial situation to any financial institution involved in the event, among other things, of a loan syndication.

This consent also applies to any update of information that may be required by DFS for the purpose of re-evaluating the commitments I have made to it, particularly regarding any renewal or amendment of the financing granted to the Company, any extension of a commitment arising therefrom or any change in our business relationship.

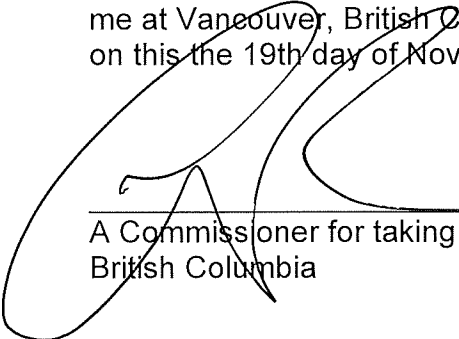
This consent is valid for as long as I, or the Company, have a business relationship with DFS.

Signed at Vancouver, B.C., on this 7th day of April, 2022.

Name: MYRON CALOF

***** I4PG HASTINGS STREET INC., in its own capacity and in its capacity as general partner of
 HASTINGS STREET LIMITED PARTNERSHIP

This is **Exhibit "G"** referred to in the Affidavit of Benjamin Chua sworn before me at Vancouver, British Columbia on this the 19th day of November, 2024.



A Commissioner for taking Affidavits for
British Columbia

Colin Brousson
Barrister & Solicitor
DLA Piper (Canada) LLP
1133 Melville Street, Suite 2700
Vancouver, BC V6E 4E5
604.687.9444



September 12, 2023

Via Email and Courier

14PG Hastings Street Inc. and
Hastings Street Limited Partnership
420 - 1112 West Pender Street
Vancouver, B.C. V6E 2S1

Attention: Mr. Myron Calof, Principal

RE: Notice of Default

We refer to the offer letter dated March 31, 2022 (as may have been amended, revised, and/or supplemented from time to time, the "**Offer Letter**") among Hastings Street Limited Partnership by its general partner 14PG Hastings Street Inc. and 14 Hastings Street Inc (together, the "**Borrower**") and Desjardins Financial Security Life Assurance Company ("**Desjardins**"), and guaranteed by 14 Property Group Inc. and Myron Calof (together, the "**Guarantors**" and, together with the Borrower, the "**Obligors**"), pursuant to which Desjardins has provided certain credit facilities in favour of the Borrower (the "**Construction Loan**") in respect of the development and servicing of the Borrower's residential and commercial real estate project located at 4451 Hastings St, Burnaby, British Columbia (the "**Project**").

Capitalized terms used and not otherwise defined in this letter shall have the meanings given to such terms in the Offer Letter.

We hereby provide you with notice that one or more Events of Default under the Offer Letter have occurred. The specific bases of the Borrower's defaults under the Offer Letter are, without limitation, as follows:

- a) **Part B (General Conditions), Section 21.1** provides that, if at any time whatsoever overrun costs must be incurred to complete the Project in accordance with the Plans and Specifications and the construction schedule, the Borrower must pay for the overrun before any other advance is made by Desjardins and provide proof satisfactory to Desjardins that the Borrower has sufficient funds to pay the amount of the total costs required to thus complete the Project;
- b) **Part B (General Conditions), Section 25.1.2** provides that the Borrower agrees to continue without interruption the execution of the Project in accordance with the Project budget, the Plans and Specifications and construction schedule, and must immediately notify Desjardins of any material delay or interruption in the development progress of the Project;
- c) **Part B (General Conditions), Section 29.1.17** defines an event of default to include if, in the opinion of Desjardins, a materially adverse change has occurred,

(collectively, the "**Defaults**").

In discussions between the Borrower and Desjardins on August 30, 2023, the Borrower advised that there is a significant overrun projected by Kerkhoff Construction (2022) Ltd. (the "**GC**"). Furthermore, the Borrower has advised Desjardins that the GC is unable to continue operating under the original fixed price contract without an immediate payment of approximately \$1,500,000 to satisfy their subcontractors. The Borrower informed Desjardins that without this payment, there is a real risk that the subcontractors will terminate their contracts and cease all work on the Project. While construction has not yet ceased, it is an event of default under the Offer Letter, Part B (General Conditions), section 29.1.13 if construction ceases for a single period of thirty days or more.

In their Project Monitoring Report Number 15.0 dated August 31, 2023, BTY Group (the "**Cost Consultant**") reported the projected overrun related to the GC to be at approximately \$3,600,000 and observed that progress on site during the month of August 2023 has been minimal. The Cost Consultant has also reported an additional overrun at approximately \$3,000,000 for other cost items not associated with the GC. The Cost Consultant also noted that the GC informed the Borrower that it had outstanding payables to trades and suppliers of approximately \$900,000.

In an email dated August 30, 2023, Desjardins notified the Borrower that the cost overrun required to pay the GC, as required for the GC to continue operations and pay outstanding trade creditors, is considered a materially adverse change.

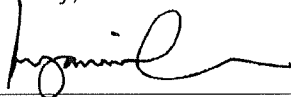
The current projected cost to complete the Project has exceeded the budget. Therefore, Desjardins requests and the Borrower must without delay pay for the overruns before any further advance can be made. In accordance with the Offer Letter, Desjardins also requests proof that the Borrower has sufficient funds to pay the amount of the total overrun costs required to complete the Project, as identified by the Cost Consultant.

Default and Reservation of Rights

This letter shall serve as confirmation and notice from Desjardins that each of the Defaults constitutes an Event of Default under the Offer Letter which Desjardins is not prepared to tolerate and which must be remedied and cured. Desjardins hereby confirms and advises that the Borrower and the Guarantors are noted in default under the Offer Letter. Unless the Borrower and the Guarantors remedy and cure the Defaults to the satisfaction of Desjardins on or before **September 26, 2023**, Desjardins shall exercise all remedies available at law and in equity. Desjardins must be satisfied that all of the outstanding Defaults have been remedied before considering further advances to the Borrower under the Offer Letter or the Construction Loan, and must be satisfied that the Borrower has sufficient funds to pay the amount of the total cost overruns to complete the Project.

Desjardins hereby expressly reserves all of its rights and remedies pursuant to the Offer Letter and the security held by Desjardins in connection with the Offer Letter (the "**Security**"), and neither the terms and provisions contained herein, nor any continuation of credit, forbearance by Desjardins, or other act or omission to act, is to be construed as a waiver or tolerance by Desjardins of the Defaults or any other Event of Default (whether known by Desjardins or not and whether now existing or hereafter arising) under the Offer Letter or the Security, or any of Desjardins' rights or remedies under or pursuant to the Offer Letter or the Security.

Yours truly,

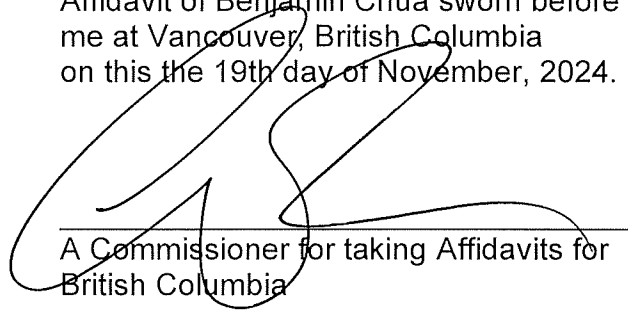


Benjamin Chua
Managing Director & Market Lead
Real Estate Financing Group,
Central & Western Canada



Oscar Flores
Managing Director,
Real Estate Financing Group,
Business Services

This is **Exhibit "H"** referred to in the Affidavit of Benjamin Chua sworn before me at Vancouver, British Columbia on this the 19th day of November, 2024.



A Commissioner for taking Affidavits for
British Columbia

Colin Brousson
Barrister & Solicitor
DLA Piper (Canada) LLP
1133 Melville Street, Suite 2700
Vancouver, BC V6E 4E5
604.687.9444

FORBEARANCE AGREEMENT

THIS AGREEMENT dated as of the 23rd day of November, 2023.

BETWEEN:

HASTINGS STREET LIMITED PARTNERSHIP (the "**Limited Partnership**"), by its general partner, **I4PG HASTINGS STREET INC.**, and **I4PG HASTINGS STREET INC.** on its own behalf, as borrowers (collectively, the "**Borrowers**")

AND:

I4 PROPERTY GROUP INC. and **MYRON CALOF**, as guarantors (collectively, the "**Guarantors**", and together with the Borrowers, the "**Debtors**")

AND:

DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY (the "**Lender**")

(the Debtors and the Lender are collectively referred to herein as the "**Parties**")

WHEREAS:

- A. The Debtors have certain business relations with the Lender (the "**Business Relationships**").
- B. Pursuant to the Business Relationships, the Lender established and provided certain financing arrangements to the Debtors under the terms of the financing agreements set out in Schedule "A" (collectively, the "**Financing Agreements**") to finance the development of a residential condominium project called "Siena, the heights" (the "**Project**") located at 4437 Hastings Street, Burnaby, British Columbia (the "**Property**").
- C. The Debtors confirm, acknowledge and agree that the aggregate indebtedness owing by the Debtors to the Lender under the Financing Agreements as of November 1, 2023 is \$14,993,364.30, excluding all applicable fees, costs and expenses payable pursuant to the Financing Agreements which are not otherwise specifically noted therein, all as more particularly described on the payout statement attached as Schedule "B" (collectively, the "**Indebtedness**").
- D. Repayment of the Indebtedness is secured by the security described in Schedule "C" (the "**Security**"). All security and guarantees now or hereafter held by the Lender in respect of the Financing Agreements, including but not limited to the Security listed in Schedule "C", are collectively referred to as the "**Security Documents**".
- E. The Debtors are in default under the terms of the Financing Agreements and the Security Documents by virtue of, among other things, (i) the cessation of construction on the Project which has continued since September 5, 2023, (ii) the failure to maintain the Property free from statutory (builders) liens against the Property, as more particularly described on Schedule "D", and (iii) the failure to fund cost overruns incurred to date in connection with the Project (the "**Existing Defaults**"), and as a result, following the acceleration of the Indebtedness by the Lender, the Lender will be in position to immediately take all steps available to it under the law without further notice or demand, to enforce the Security against the Debtors and each of them, including, among other things, appointing a receiver or receiver-manager.
- F. On September 12, 2023, the Lender delivered to the Debtors a notice of default, a copy of which is attached as Schedule "E" (the "**Notice of Default**").

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- G. Notwithstanding that the Debtors have not satisfied the terms of the Notice of Default, the Lender has agreed not to take any further enforcement steps to recover the Indebtedness or enforce the Security, in order to provide the Debtors with a reasonable period of time, expiring no later than January 22, 2024 (the "**Forbearance Period**"), to repay the Indebtedness in full, on and subject to the terms and conditions of this Agreement.
- H. The Lender will accept payments in reduction of the Indebtedness during the Forbearance Period.

WITNESSES THAT for good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Debtors, the Parties agree to the following:

ACKNOWLEDGEMENT

- 1. The Parties acknowledge that each of the foregoing recitals to this Agreement are incorporated into and form an integral part of this Agreement and are true and accurate in every respect.
- 2. The Parties acknowledge and agree that:
 - (a) the Lender is not under any obligation to provide any further monies or other accommodation to the Debtors or any of them; and
 - (b) all obligations of the Debtors under the Financing Agreements and the Security Documents, each as may be amended, including each and every one of the Debtors' obligations therein, remain in full force and effect, are binding upon the Debtors and must be performed in accordance with the terms of each Financing Agreement as may be amended, except as expressly modified by this Agreement;
 - (c) if there is an Event of Default (as defined herein) the Lender shall have the immediate right to commence legal proceedings for the recovery of the Indebtedness and/or to enforce the Security and the Security Documents; and
 - (d) the Debtors are in default under the terms of the Financing Agreements by virtue of the Existing Defaults.

CONDITIONS PRECEDENT

- 3. It is a condition precedent to the effectiveness of this Agreement that the Debtors provide the following to the Lender by no later than 4:00 p.m. Pacific Standard Time on November 27, 2023, all to the satisfaction of the Lender:
 - (a) an originally executed copy of this Agreement executed by each Debtor;
 - (b) a written status update on the negotiation of a mutual termination agreement between the Borrowers and Kerkhoff Construction (2022) Ltd. ("**Kerkhoff**") regarding the CCDC-2 Stipulated Price Contract for the Project (the "**Kerkhoff Termination Agreement**"), including a definite timeline for the execution and delivery of the Kerkhoff Termination Agreement by the parties thereto;
 - (c) a written status update on the Holdback Account (as defined in the Financing Agreements) maintained by the Debtors, or any of them, together with evidence of the Borrowers' compliance with the *Builders Lien Act* (British Columbia), including any payments made from the Holdback Account;
 - (d) copies of all development disclosure statements and any amendments thereto as required for the Project, as well as all contracts of purchase and sale in respect of all presales and full particulars of all trust deposits held;

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- (e) management prepared financial statements of the Limited Partnership for the fiscal period ended September 30, 2023;
- (f) a report on the status of all unfunded capital commitments that the Limited Partnership is obligated to maintain, confirming the Limited Partnership's compliance with section 24.1.11 of Part A of the Loan Offer dated March 31, 2022 issued by the Lender to the Borrowers;
- (g) the payment of all legal fees incurred by the Lender (including all disbursements and applicable taxes) up to the date of this Agreement in connection with advising the Lender in relation to the affairs of the Debtors under the Business Relationships, the Financing Agreements, the Indebtedness, the Security, the Security Documents, this Agreement and all matters incidental or relating thereto; and
- (h) the payment of all fees invoiced by BTY Consultancy Group Inc. (including all disbursements and applicable taxes) (the "**Cost Consultant**") incurred by the Lender up to the date of this Agreement in connection with advising the Lender in relation to the Project, including verifying and validating the construction budget, construction schedule, cash flow projection, follow up construction work, verifying accounts payable of suppliers and sub-contractors, confirming costs incurred to date and costs to complete the Project, recommending the advances of the loans, and performing all other tasks required by the Lender.

DEBTOR COVENANTS

4. During the Forbearance Period, the Debtors covenant and agree to do or cause to be done each of the following:
 - (a) on or before December 8, 2023, the Debtors will deliver to the Lender a written business and financing plan in respect of the Project, including a full updated budget, an updated Project timeline (reviewed by the Cost Consultant) and full particulars of an equity financing proposal, in each case demonstrating the financial viability of the Project, and the Debtors' plan to terminate Kerkhoff as the general contractor and replace it with a general contractor satisfactory to the Lender (collectively, the "**Financing Plan**"), all to the Lender's satisfaction in its sole and absolute discretion; and
 - (b) on demand by the Lender, provide all required financial reporting as required under the Financing Agreements, including but not limited to personal net worth statements and financial statements of the Borrowers and Guarantors and other such documentation as the Lender may request.
5. The Debtors covenant and agree not to enter into, consent to, cause or permit any amendment, modification, supplement, restatement, termination or replacement of any contract between any Borrower and Kerkhoff or any affiliate of Kerkhoff, including but not limited to the CCDC-2 Stipulated Price Contract with Kerkhoff (collectively, the "**Kerkhoff Contracts**"), or take any steps or proceedings in furtherance thereof, or release or discharge Kerkhoff or any affiliate of Kerkhoff from any of obligations under any Kerkhoff Contract, without the prior written consent of the Lender.
6. The Debtors covenant and agree to pay all fees and disbursements paid by the Lender to:
 - (a) its lawyers (on the basis of complete indemnification on a solicitor and own-client basis) in connection with advising the Lender in relation to the affairs of the Debtors under the Business Relationships, the Financing Agreements, the Indebtedness, the Security, the Security Documents, this Agreement and all matters incidental or relating thereto, including enforcement of same, and whether past, present or future; and

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- (b) the Cost Consultant, in connection with advising the Lender in relation to the Project, including any budget, schedule, contracts, and recommendations relating thereto.

TERMS AND CONDITIONS

7. Subject to the execution and delivery by the Debtors of this Agreement, the Lender covenants and agrees that, provided that no Event of Default (as defined below) occurs, the Lender will not take any further enforcement steps to enforce the Security until after the expiry of the Forbearance Period.
8. Each of the Debtors covenants and agrees that it will not, without the prior written consent of the Lender, directly or indirectly, sell, or otherwise dispose of or encumber or grant security over any properties or assets which are subject to the Security.
9. The Debtors acknowledge and agree that, where necessary or appropriate, the Security has been registered or perfected in the appropriate public office of registry, in order to preserve and protect its validity and enforceability and the priority of the Security granted thereunder.
10. The Debtors acknowledge and agree that the Forbearance Period is reasonable in the circumstances.
11. The Debtors covenant and agree that they will not, nor shall anyone on their behalf, seek any relief under the *Bankruptcy & Insolvency Act*, *Companies Creditors' Arrangement Act*, *Winding-up Act*, the *Personal Property Security Act*, or any other similar statute that could affect the rights of creditors.
12. Each of the Debtors acknowledge that each Financing Agreement and Security Document is in full force and effect and constitutes a legal, valid and binding obligation of each Debtor who is a party thereto.

RELEASE AND WAIVERS

13. Each Debtor acknowledges and confirms that the Indebtedness described in Recital C above is outstanding, and each Debtor waives any rights which it may have as at the date of this Agreement to claim any abatement or offset of the amount of the Indebtedness, whether arising by way of defence or counterclaim.
14. Each Debtor hereby releases and forever discharges the Lender, and each of its successors and assigns of and from any and all manner of actions, causes of action, suits, contracts, claims, demands, damages, costs and expenses of any nature or kind whatsoever, whether known or unknown, suspected or unsuspected whether at law or in equity, which any of the Debtors ever had or now have or which they or their heirs, executors, administrators, officers, agents, successors and assigns hereafter can, shall or may have by reason of any cause, matter or thing whatsoever existing up to the present time and relating to the Business Relationships, the Financing Agreements, the Indebtedness, the Security, the Security Documents or the Lender's actions, errors or omissions with regard thereto.
15. Each Debtor waives against the Lender, and its successors and assigns, any defence which it may have existing up to the present time to any action brought by the Lender to collect the Indebtedness or to enforce or realize upon the Security or any of the Security Documents, whether said defence arises, whether by counterclaim or defence, by reason of any cause, matter, error, omission, neglect or thing caused or done, whether direct or indirect, by the Lender, or any of its executors, administrators, officers, agents, legal counsel, successors or assigns existing as at the date of this Agreement and relating to or arising from the Business Relationships, the Financing Agreements, the Indebtedness, the Security or the Security Documents.

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16. The Lender may, at its option and in its sole discretion, waive any default hereunder, but such waiver shall not constitute a waiver of any subsequent event which would constitute default or Event of Default herein.
17. The Lender may, at its option and its sole discretion, extend the Forbearance Period by written notice to the Debtors.

TERMINATING EVENTS

18. It shall be an "Event of Default" under this Agreement if:
 - (a) the Debtors or any of them fail to duly perform any covenant required of them contained herein;
 - (b) the Lender notifies the Debtors in writing that the Lender is not satisfied with the Financing Plan;
 - (c) other than in respect of the Existing Defaults or as permitted by this Agreement (including the failure to repay any Indebtedness during the Forbearance Period), there is breach or default under any of the Financing Agreements, the Security or any of the Security Documents;
 - (d) except for the liens disclosed on Schedule "D", any builders lien is registered against the Property pursuant to the *Builders Lien Act* (British Columbia);
 - (e) any Debtor fails to notify the Lender within five days of the pronouncement of one or more final judgments against it under which the Debtor is liable to pay an amount in excess of \$10,000 in the aggregate;
 - (f) any Debtor fails to notify the Lender within five days of receipt of any demand made by a creditor or encumbrancer of the Debtor, claiming an amount in excess of \$10,000 in the aggregate;
 - (g) any Debtor fails to notify the Lender if any creditor or encumbrancer of the Debtor takes possession of, or commences proceedings or takes steps to realize upon, any properties or assets of the Debtor, including by way of distress, execution, foreclosure, forfeiture or any similar process levied or enforced against any properties or assets having a fair market value in excess of \$10,000;
 - (h) any Debtor, without the prior written consent of the Lender, passes a resolution or institutes proceedings for its winding-up, liquidation or dissolution or consents to the institution or filing of any petition or proceedings with respect thereto;
 - (i) any Debtor, without the prior written consent of the Lender:
 - (i) commences a proceeding seeking reorganization, readjustment, rearrangement, restructuring, composition or similar relief under any law of Canada or the United States of America, or other applicable law; or
 - (ii) consents to the filing of any such Petition or commencement of such proceeding or to the appointment of a receiver, receiver-manager, liquidator, trustee or similar officer (referred to herein as an "Official") over any of its property;
 - (j) any application is made or proceeding commenced with respect to any Debtor seeking reorganization, readjustment, rearrangement, restructuring, composition or similar relief under any applicable Canadian, American or other law, or if any steps are taken or

- 6 -

proceedings are instituted for its winding-up, liquidation or dissolution or seeking an order adjudging it an insolvent or seeking the appointment of an Official over any part of its properties or assets and if such appointment, proceeding is not removed, dismissed, stayed or withdrawn within 10 days after having notice or knowledge of the institution thereof;

- (k) any Debtor commits an act of bankruptcy as defined in the *Bankruptcy and Insolvency Act* (Canada);
 - (l) without the prior written consent of the Lender, any Debtor effects or passes a resolution authorizing any consolidation, merger or amalgamation with any other entity or disposition of all or a substantial portion of its properties or assets;
 - (m) there occurs any change in the ownership or control of any Debtor without the prior written consent of the Lender;
 - (n) during the Forbearance Period, the Lender discovers any material fact which, in the sole and absolute judgment of the Lender, materially impairs the financial condition of any Debtor, or the value of the Security or any Security Document or the undertaking, properties or assets charged by the Security or any Security Document; or
 - (o) during the Forbearance Period, without the written consent of the Lender, there occurs, in the sole and absolute judgment of the Lender, any material adverse change in the financial condition of any Debtor or the value of the Security or any Security Document or the undertaking, properties or assets charged by the Security or any Security Document.
19. The Debtors and each of them covenant and agree that, if an Event of Default occurs:
- (a) the Forbearance Period shall expire immediately; and
 - (b) the Lender shall have the immediate right to commence legal proceedings for the recovery of the Indebtedness and/or to enforce the Security and Security Documents and the Debtors, and each of them consent to the appointment by the Lender, at its discretion, of an agent, receiver or receiver-manager, to enforce the Security and any Security Document.

OTHER PROVISIONS

20. No amendment, discharge, modification, restatement, supplement, termination or waiver of this Agreement or any Section of this Agreement is binding unless it is in writing and executed by the party to be bound. No waiver of, failure to exercise or delay in exercising, any right under any Section of this Agreement constitutes a waiver of any other Section (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.
21. Each provision of this Agreement is distinct and severable. If any provision of this Agreement, in whole or in part, is or becomes illegal, invalid or unenforceable in any jurisdiction by a court of competent jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect the legality, validity or enforceability of the remaining provisions of this Agreement; or the legality, validity or enforceability of that provision in any other jurisdiction.
22. Any notice to be given to any party hereunder shall be given by delivery to the respective party at the address hereinafter set forth:
- (a) If to the Lender

Desjardins Financial Security Life Assurance Company

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95 St. Clair Avenue West
Toronto, Ontario M4V 1N7

Attention: Ben Chua
Email: benjamin.chua@desjardins.com

(b) If to the Debtors:

c/o Hastings Street Limited Partnership
420 – 1112 West Pender Street
Vancouver, BC V6E 2S1

Attention: Myron Calof
E-mail: myron.calof@i4pg.com


23. In this Agreement, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the words "including" or "includes" in this Agreement is to be construed as meaning "including, without limitation" or "includes, without limitation", respectively.
24. This Agreement shall be governed by the law of the Province of British Columbia and the Courts of the Province of British Columbia shall have exclusive jurisdiction with respect to any disputes arising hereunder or pursuant hereto.
25. The Debtors and each of them covenant and agree that this Agreement shall in all respects be binding upon themselves, their respective heirs, executors, administrators, successors and assigns upon execution and delivery of this Agreement or any counterpart thereof.
26. If there is any inconsistency between this Agreement and any other agreement among any of the Debtors and the Lender concerning the Indebtedness, the provisions of this Agreement shall prevail.
27. Time is of the essence of this Agreement.
28. This Agreement may be executed in two or more counterparts and all such executed counterparts shall constitute one and the same document. All such counterparts may be delivered by fax or any electronic form.
29. The Debtors represent that they have received independent legal advice prior to execution of this Agreement.


THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK

Each of the Parties has executed and delivered this Agreement as of the date noted at the beginning of this Agreement.

ACCEPTED ACKNOWLEDGED AND AGREED TO BY:

Desjardins Financial Security Life Assurance Company

Per: 
Ben Chua
Authorized Signatory

Per: 
Oscar Flores
Authorized Signatory

I4PG Hastings Street Inc.

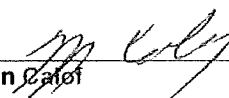
Per: 
Authorized Signatories


Hastings Street Limited Partnership

Per: 
Authorized Signatories

I4 Property Group Inc.

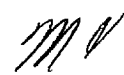
Per: 
Authorized Signatories


Myron Catol


Witness to Signature

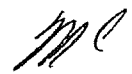
SCHEDULE "A"**FINANCING AGREEMENTS**

- 1 Credit Agreement between Desjardins Financial Security Life Assurance Company and the Debtors dated March 31, 2022; and
2. Line of Credit Agreement between Desjardins Financial Security Life Assurance Company and I4PG Hastings Street in its own capacity and in its capacity as general partner of Hastings Street Limited Partnership, dated April 6, 2022.



SCHEDULE "B"**INDEBTEDNESS**

See attached.





Friday, November 17, 2023

14PG Hastings Street Inc.
1021 West Hastings Street, Suite 2500
Vancouver, BC V6E 0C3

Dear Sirs:

Re: Loan #612037-1
Borrower: 14PG Hastings Street Inc.
Address: 4451 Hastings Street, Burnaby BC

The amount required to discharge this mortgage as of November 17th, 2023 is as follows:

Principal Balance as of November 1 st , 2023	\$ 13,386,281.47
Interest to November 17 th , 2023	48,084.33
Legal Fees	12,385.15
LC Fees	3,987.99
Interest on LC Fees to November 17 th , 2023	26.97
Discharge Fee	2,000.00
TOTAL:	\$ 13,452,765.91
Per Diem: \$3,006.17	

Additional Amount:

- **\$1,242,507.39:** to be forwarded as cash collateral for the Letters of Credit issued on behalf of the Borrower
- **\$343,795.48:** Swingline (Overdraft) outstanding as of November 17th, 2023
- **\$3,668.69:** Interest and fee on the Swingline as of November 17th, 2023
 - **Per Diem: \$77.78** on Swingline if balance remains the same

Borrower remains liable for any and all fees incurred by the Lender in connection with the loan as governed by the credit agreement.

Discharge funds must be received in our office by 1:00 p.m. on the date of closing.

Once we receive the wire transfer to Desjardins Financial Security Life Assurance Company in accordance with the foregoing, please have your solicitor prepare and forward the discharge documents to us for execution.

We will release the discharge documents approximately 30 days after processing the final payment, this is upon satisfactory compliance with the conditions as stated in the loan agreement.

If you have any questions, please contact us via email.

Sincerely,

Sebastian Pang
Mortgage Analyst

Encl: Wire Transfer Info

Real Estate Financing Group
95 St. Clair Avenue West
Suite 101
Toronto, Ontario M4V 1N7
Tel: (416) 926-2700 ext. 5590003
Fax: (416) 926-2696
Email: sebastian.pang@desjardins.com
toronto@desjam.com

SCHEDULE "C"**SECURITY DOCUMENTS**

1. The General Security Agreement granted by I4PG Hastings Street Inc., in its own capacity and in its capacity as general partner of Hastings Street Limited Partnership, in favour of Desjardins Financial Security Life Assurance Company as of April 6, 2022;
2. Unlimited Guarantee of the debts and liability of I4PG Hastings Street Inc., in its own capacity and in its capacity as general partner of Hastings Street Limited Partnership to Desjardins Financial Security Life Assurance Company granted by I4 Property Group Inc. and Myron Calof in favour of Desjardins Financial Security Life Assurance Company dated April 7, 2022;
3. Letter of Credit Authorization and Indemnity Agreement from I4PG Hastings Street Inc., in its own capacity and in its capacity as general partner of Hastings Street Limited Partnership to Desjardins Financial Security Life Assurance Company, dated April 6, 2022;
4. Collateral Assignment of Capital Call Rights between I4PG Hastings Street Inc., in its own capacity and in its capacity as general partner of Hastings Street Limited Partnership to Desjardins Financial Security Life Assurance Company;
5. Assignment of Insurance by I4PG Hastings Street Inc., in its own capacity and in its capacity as general partner of Hastings Street Limited Partnership to Desjardins Financial Security Life Assurance Company, dated April 6, 2022;
6. Environmental Warranty and Indemnity by I4PG Hastings Street Inc., in its own capacity and in its capacity as general partner of Hastings Street Limited Partnership, I4 Property Group Inc., and Myron Calof in favour of Desjardins Financial Security Life Assurance Company, dated April 6, 2022;
7. Unlimited Cost Overrun & Completion Agreement, from I4PG Hastings Street Inc., in its own capacity and in its capacity as general partner of Hastings Street Limited Partnership to Desjardins Financial Security Life Assurance Company
8. All-indebtedness Mortgage CA9850842-CA9850843 and Assignment of granted by I4PG Hastings Street Inc., in its own capacity and in its capacity as general partner of Hastings Street Limited Partnership in favour of Desjardins Financial Security Life Assurance Company, as modified and extended from time to time.



SCHEDULE "D"

STATUTORY (BUILDERS) LIENS

Registration Number	Party	Amount
CB876330	LANE CONSTRUCTION SERVICES LTD	\$46,000.00
CB876331	ELKH SHOTCRETE INC.	\$105,000.00
CB876545	ATRYSTEN PLUMBING & HEATING	\$96,729.65
CB904016	GREER CONTRACTING LTD.	\$193,271.64
CB904430	PDQ CONSTRUCTION LTD	\$298,113.33
CB933821	LMS LIMITED PARTNERSHIP	\$130,160.71
CB946358	RED SEAL ELECTRIC LTD.	\$107,902.29
CB975808	KERKHOFF CONSTRUCTION (2022) LTD	\$1,408,014.43
CB977482	LIONS GATE WATER TREATMENT LTD	\$92,234.97
	TOTAL	\$2,477,427.02



SCHEDULE "E"
NOTICE OF DEFAULT

See attached.

Handwritten signature or initials in black ink, appearing to be 'M/C' or similar.



September 12, 2023

Via Email and Courier

14PG Hastings Street Inc. and
Hastings Street Limited Partnership
420 - 1112 West Pender Street
Vancouver, B.C. V6E 2S1

Attention: Mr. Myron Calof, Principal

RE: Notice of Default

We refer to the offer letter dated March 31, 2022 (as may have been amended, revised, and/or supplemented from time to time, the "**Offer Letter**") among Hastings Street Limited Partnership by its general partner 14PG Hastings Street Inc. and 14 Hastings Street Inc (together, the "**Borrower**") and Desjardins Financial Security Life Assurance Company ("**Desjardins**"), and guaranteed by 14 Property Group Inc. and Myron Calof (together, the "**Guarantors**" and, together with the Borrower, the "**Obligors**"), pursuant to which Desjardins has provided certain credit facilities in favour of the Borrower (the "**Construction Loan**") in respect of the development and servicing of the Borrower's residential and commercial real estate project located at 4451 Hastings St, Burnaby, British Columbia (the "**Project**").

Capitalized terms used and not otherwise defined in this letter shall have the meanings given to such terms in the Offer Letter.

We hereby provide you with notice that one or more Events of Default under the Offer Letter have occurred. The specific bases of the Borrower's defaults under the Offer Letter are, without limitation, as follows:

- a) **Part B (General Conditions), Section 21.1** provides that, if at any time whatsoever overrun costs must be incurred to complete the Project in accordance with the Plans and Specifications and the construction schedule, the Borrower must pay for the overrun before any other advance is made by Desjardins and provide proof satisfactory to Desjardins that the Borrower has sufficient funds to pay the amount of the total costs required to thus complete the Project;
- b) **Part B (General Conditions), Section 25.1.2** provides that the Borrower agrees to continue without interruption the execution of the Project in accordance with the Project budget, the Plans and Specifications and construction schedule, and must immediately notify Desjardins of any material delay or interruption in the development progress of the Project;
- c) **Part B (General Conditions), Section 29.1.17** defines an event of default to include if, in the opinion of Desjardins, a materially adverse change has occurred,

(collectively, the "**Defaults**").

In discussions between the Borrower and Desjardins on August 30, 2023, the Borrower advised that there is a significant overrun projected by Kerkhoff Construction (2022) Ltd. (the "**GC**"). Furthermore, the Borrower has advised Desjardins that the GC is unable to continue operating under the original fixed price contract without an immediate payment of approximately \$1,500,000 to satisfy their subcontractors. The Borrower informed Desjardins that without this payment, there is a real risk that the subcontractors will terminate their contracts and cease all work on the Project. While construction has not yet ceased, it is an event of default under the Offer Letter, Part B (General Conditions), section 29.1.13 if construction ceases for a single period of thirty days or more.

Real Estate Financing Group
401 Georgia Street W.
Suite 1050
Vancouver, BC V6B 5A1

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In their Project Monitoring Report Number 15.0 dated August 31, 2023, BTY Group (the "**Cost Consultant**") reported the projected overrun related to the GC to be at approximately \$3,600,000 and observed that progress on site during the month of August 2023 has been minimal. The Cost Consultant has also reported an additional overrun at approximately \$3,000,000 for other cost items not associated with the GC. The Cost Consultant also noted that the GC informed the Borrower that it had outstanding payables to trades and suppliers of approximately \$900,000.

In an email dated August 30, 2023, Desjardins notified the Borrower that the cost overrun required to pay the GC, as required for the GC to continue operations and pay outstanding trade creditors, is considered a materially adverse change.

The current projected cost to complete the Project has exceeded the budget. Therefore, Desjardins requests and the Borrower must without delay pay for the overruns before any further advance can be made. In accordance with the Offer Letter, Desjardins also requests proof that the Borrower has sufficient funds to pay the amount of the total overrun costs required to complete the Project, as identified by the Cost Consultant.

Default and Reservation of Rights

This letter shall serve as confirmation and notice from Desjardins that each of the Defaults constitutes an Event of Default under the Offer Letter which Desjardins is not prepared to tolerate and which must be remedied and cured. Desjardins hereby confirms and advises that the Borrower and the Guarantors are noted in default under the Offer Letter. Unless the Borrower and the Guarantors remedy and cure the Defaults to the satisfaction of Desjardins on or before **September 26, 2023**, Desjardins shall exercise all remedies available at law and in equity. Desjardins must be satisfied that all of the outstanding Defaults have been remedied before considering further advances to the Borrower under the Offer Letter or the Construction Loan, and must be satisfied that the Borrower has sufficient funds to pay the amount of the total cost overruns to complete the Project.

Desjardins hereby expressly reserves all of its rights and remedies pursuant to the Offer Letter and the security held by Desjardins in connection with the Offer Letter (the "**Security**"), and neither the terms and provisions contained herein, nor any continuation of credit, forbearance by Desjardins, or other act or omission to act, is to be construed as a waiver or tolerance by Desjardins of the Defaults or any other Event of Default (whether known by Desjardins or not and whether now existing or hereafter arising) under the Offer Letter or the Security, or any of Desjardins' rights or remedies under or pursuant to the Offer Letter or the Security.

Yours truly,



Benjamin Chua
Managing Director & Market Lead
Real Estate Financing Group,
Central & Western Canada



Oscar Flores
Managing Director,
Real Estate Financing Group,
Business Services



FORBEARANCE AGREEMENT AMENDMENT

THIS FORBEARANCE AGREEMENT AMENDMENT dated as of the 15th day of February 2024.

BETWEEN:

HASTINGS STREET LIMITED PARTNERSHIP (the "**Limited Partnership**"), by its general partner, **I4PG HASTINGS STREET INC.**, and **I4PG HASTINGS STREET INC.** on its own behalf, as borrowers (collectively, the "**Borrowers**")

AND:

I4 PROPERTY GROUP INC. and **MYRON CALOF**, as guarantors (collectively, the "**Guarantors**", and together with the Borrowers, the "**Debtors**")

AND:

DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY
(the "**Lender**")

(the Debtors and the Lender are collectively referred to herein as the "**Parties**")

WHEREAS:

- A. The Debtors and the Lender entered into a forbearance agreement dated as of November 23, 2023 (the "**Forbearance Agreement**"), pursuant to which the Lender agreed not to take any further steps to enforce the Security before January 22, 2024, provided that no Event of Default has occurred.
- B. The Debtors have requested that the Lender extend the Forbearance Period from January 22, 2024 to March 15, 2024.
- C. The Lender has agreed to extend the Forbearance Period from January 22, 2024 to March 15, 2024 on and subject to the terms and conditions of this Agreement.

AGREEMENTS:

WITNESSES THAT for the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency of which is acknowledged by the Debtors, the Parties agree to the following terms and conditions:

ACKNOWLEDGEMENTS AND AGREEMENTS

1. The Parties acknowledge that each of the foregoing recitals to this Agreement are incorporated into and form an integral part of this Agreement and are true and accurate in every respect.
2. Capitalized terms not otherwise defined herein shall have the meanings set out in the Forbearance Agreement.
3. The Parties acknowledge and agree that all obligations of the Debtors under the Financing Agreements, each as amended, including each and every one of the Debtors' obligations therein, remain in full force and effect, are legal, valid and binding upon the Debtors and must be performed in accordance with the terms of each agreement, except as modified by the Forbearance Agreement and this Agreement.
4. On and subject to the terms and conditions of this Agreement, Recital G of the Forbearance Agreement is hereby amended by deleting the reference to "January 22, 2024" in the fourth line and replacing that reference with "March 15, 2024".

- 2 -

5. The Debtors hereby reaffirm and restate each of the representations, warranties, acknowledgments, confirmations, releases, waivers and agreements set out in the Forbearance Agreement, effective as of the date hereof.
6. The Debtors hereby covenant and agree to pay all out of pocket costs and expenses of the Lender incurred from time to time in relation to the Financing Agreements, including but not limited to all legal fees, disbursements and taxes, on a full indemnity basis, within 10 days of receipt of notice or a request for payment from the Lender.

CONDITIONS PRECEDENT

7. It is a condition precedent to the effectiveness of this Agreement and the extension of the Forbearance Period contemplated herein that the Debtors satisfy each of the following conditions precedent on or before 4:00 pm Pacific Standard Time on February 21, 2024:

- (a) execute and deliver to the Lender an originally signed copy of this Agreement; and
- (b) pay all legal fees incurred by the Lender (including all disbursements and applicable taxes) up to the date of this Agreement in relation to the Financing Agreements, the Indebtedness, the Security, the Security Documents, this Agreement and all matters incidental or relating thereto;

each in form and on terms satisfactory to the Lender.

DEBTOR COVENANTS

8. During the Forbearance Period, the Debtors covenant and agree to do or cause to be done each of the following:

- (a) on or before March 6th 2024, the Debtors will deliver to the Lender a written business and financing plan in respect of the Project, including at a minimum:
 - (i) a full updated budget that has been reviewed and supported by the Cost Consultant;
 - (ii) an updated Project completion timeline reviewed and supported as reasonable by the Cost Consultant;
 - (iii) an officer's certificate of the Borrower with certified copies of all presale contracts in respect of the Project (the "Presale Contracts") attached, confirming that all Presale Contracts are in full force and effect, unamended, evidence that all deposits under the Presale Contracts have been made by the purchasers thereunder and are either held in trust in compliance with all applicable laws or have been released to fund Project costs under an approved deposit insurance policy, and that the updated Project completion timeline reported in (ii) above does not give rise to termination rights to the purchasers under the Presales Contract, together with such other supporting information and documentation as the Lender may require;
 - (iv) full particulars of an equity financing proposal. For greater certainty, use of deposits do not count as equity and any equity funds proposed to be used to repay the mezzanine lender will not count towards such amount;
 - (v) demonstrate the financial viability of the Project;

- 3 -

(collectively, the "**Financing Plan**"), all to the Lender's satisfaction in its sole and absolute discretion; and

- (b) on demand by the Lender, provide all required financial reporting as required under the Financing Agreements, including but not limited to personal net worth statements and financial statements of the Borrowers and Guarantors and other such documentation as the Lender may request.

TERMS AND CONDITIONS

9. The Debtors acknowledge and agree that the Forbearance Period, as extended hereby, is reasonable in the circumstances.
10. The Debtors acknowledge and agree that:
 - (a) absent the forbearance granted pursuant to the Forbearance Agreement, as amended hereby, the Lender would be at liberty to immediately commence enforcement proceedings; and
 - (b) in the event the Debtors have not paid the Indebtedness in full by the end of the Forbearance Period, unless the Lender has agreed to another arrangement, the Lender shall have the immediate right to commence legal proceedings for the recovery of the Indebtedness and/or to enforce the Security and Security Documents and the Debtors hereby consent to the appointment by the Lender of a Receiver or Receiver-Manager, to enforce the Security.

OTHER PROVISIONS

11. This Agreement amends and modifies the Forbearance Agreement and shall be read and construed accordingly. On and after the date of this Agreement, each reference in the Forbearance Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Forbearance Agreement, and each reference in any related document to "thereunder", "thereof", or words of like import referring to the Forbearance Agreement, shall mean and be a reference to the Forbearance Agreement as amended hereby.
12. No amendment, discharge, modification, restatement, supplement, termination or waiver of this Agreement or any Section of this Agreement is binding unless it is in writing and executed by the Party to be bound. No waiver of, failure to exercise or delay in exercising, any Section of this Agreement constitutes a waiver of any other Section (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.
13. Each provision of this Agreement is distinct and severable. If any provision of this Agreement, in whole or in part, is or becomes illegal, invalid or unenforceable in any jurisdiction by a court of competent jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect the legality, validity or enforceability of the remaining provisions of this Agreement; or the legality, validity or enforceability of that provision in any other jurisdiction.
14. In this Agreement, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the words "including" or "includes" in this Agreement is to be construed as meaning "including, without limitation" or "includes, without limitation", respectively.
15. This Agreement shall be governed by the law of the Province of British Columbia and the federal laws of Canada applicable therein, and the Courts of the Province of British Columbia shall have exclusive jurisdiction with respect to any disputes arising hereunder or pursuant hereto.

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16. The Debtors and each of them covenant and agree that this Agreement shall in all respects be binding upon themselves, their respective heirs, executors, administrators, successors and assigns upon execution and delivery of this Agreement or any counterpart thereof.
17. Time is of the essence of this Agreement.
18. This Agreement may be executed in two or more counterparts and all such executed counterparts shall constitute one and the same document. All such counterparts may be delivered by fax or any electronic form.
19. Each Debtor represents and warrants that it has received independent legal advice prior to executing this Agreement.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK




IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

LENDER:

DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY

Per:



Authorized Signatory

Per:

Authorized Signatory

- S-2 -

BORROWERS:

HASTINGS STREET LIMITED PARTNERSHIP,
by its general partner, **I4PG HASTINGS STREET INC.**

Per: _____

Authorized Signatory

I4PG HASTINGS STREET INC.

Per: _____

Authorized Signatory

GUARANTORS:**I4 PROPERTY GROUP INC.**

Per: _____

Authorized Signatory

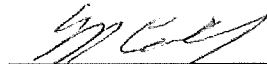
SIGNED, SEALED AND DELIVERED in the
presence of:



(Signature)



(Print Name)

(Address)_____
(Occupation)

 MYRON CALOF

FORBEARANCE AGREEMENT AMENDMENT

THIS FORBEARANCE AGREEMENT AMENDMENT dated effective as of the 30th day of May, 2024.

BETWEEN:

HASTINGS STREET LIMITED PARTNERSHIP (the "Limited Partnership"), by its general partner, **I4PG HASTINGS STREET INC.**, and **I4PG HASTINGS STREET INC.** on its own behalf, as borrowers (collectively, the "**Borrowers**")

AND:

I4 PROPERTY GROUP INC. and **MYRON CALOF**, as guarantors (collectively, the "**Guarantors**", and together with the Borrowers, the "**Debtors**")

AND:

DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY (the "**Lender**")

(the Debtors and the Lender are collectively referred to herein as the "**Parties**")

WHEREAS:

- A. The Debtors and the Lender entered into a forbearance agreement dated as of November 23, 2023 (the "**Forbearance Agreement**"), pursuant to which the Lender agreed not to take any further steps to enforce the Security before January 22, 2024 (the "**Forbearance Expiry Date**"), provided that no Event of Default has occurred.
- B. The Debtors and the Lender entered into a forbearance agreement amendment dated as of February 15, 2024 (the "**First FA Amendment**"), pursuant to which the Lender agreed to extend the Forbearance Expiry Date to March 15, 2024, on and subject to the terms of First FA Amendment.
- C. As confirmed by email correspondence dated April 25, 2024 from the Lender to Myron Calof on behalf of the Debtors (the "**Second FA Amendment**"), the Lender confirmed its agreement to further extend the Forbearance Expiry Date to May 20, 2024.
- D. Pursuant to a restructured financing proposal dated May 17, 2024 issued by the Lender to the Debtors (the "**Letter of Intent**"), the Lender has agreed in principle, on and subject to the terms and conditions set out therein, to restructure the Financing Agreements and the Indebtedness thereunder.
- E. The Debtors have requested that the Lender further extend the Forbearance Expiry Date to the earlier of (i) the date on which all required definitive documents have been executed and delivered and all conditions precedent have been satisfied to restructure the Financing Agreements and the Indebtedness thereunder in accordance with and pursuant to the terms and conditions of the Letter of Intent, (ii) the date on which the Letter of Intent is terminated and (iii) July 31, 2024.
- F. The Lender has agreed to further extend the Forbearance Expiry Date as contemplated above, on and subject to the terms and conditions of this Agreement.

AGREEMENTS:

WITNESSES THAT for the mutual covenants contained herein and other good and valuable consideration,



- 2 -

the receipt and sufficiency of which is acknowledged by the Debtors, the Parties agree to the following terms and conditions:

ACKNOWLEDGEMENTS AND AGREEMENTS

1. The Parties acknowledge that each of the foregoing recitals to this Agreement are incorporated into and form an integral part of this Agreement and are true and accurate in every respect.
2. Capitalized terms not otherwise defined herein shall have the meanings set out in the Forbearance Agreement, as amended.
3. The Parties acknowledge and agree that all obligations of the Debtors under the Financing Agreements, each as amended, including each and every one of the Debtors' obligations therein, remain in full force and effect, are legal, valid and binding upon the Debtors and must be performed in accordance with the terms of each agreement, except as modified by the Forbearance Agreement and this Agreement.
4. On and subject to the terms and conditions of this Agreement, Recital G of the Forbearance Agreement, as previously amended by section 4 of the First FA Amendment and by the Second FA Amendment, is hereby amended by deleting the reference to "May 20, 2024" in the fourth line and replacing that reference with "the earlier of (i) the date on which all required definitive documents have been executed and delivered and all conditions precedent have been satisfied to restructure the Financing Agreements and the Indebtedness thereunder in accordance with and pursuant to the terms and conditions of the restructured financing proposal dated May 17, 2024 issued by the Lender to the Debtors (the "**Letter of Intent**"), (ii) the date on which the Letter of Intent is terminated and (iii) July 31, 2024".
5. The Debtors hereby reaffirm and restate each of the representations, warranties, acknowledgments, confirmations, releases, waivers and agreements set out in the Forbearance Agreement, effective as of the date hereof.
6. The Debtors hereby covenant and agree to pay all out of pocket costs and expenses of the Lender incurred from time to time in relation to the Financing Agreements the Letter of Intent and the transactions contemplated therein, including but not limited to all legal fees and all disbursements and applicable taxes, on a full indemnity basis, which as of the date hereof includes outstanding invoices in the aggregate amount of \$37,829.27, plus all unbilled amounts, including all disbursements and applicable taxes, whether incurred before or after the date of this Agreement, in each case upon demand by the Lender.

CONDITIONS PRECEDENT

7. It is a condition precedent to the effectiveness of this Agreement and the extension of the Forbearance Period contemplated herein that the Debtors satisfy each of the following conditions precedent on or before 4:00 pm Pacific Daylight Time on June 21, 2024:
 - (a) execute and deliver to the Lender originally signed copies of this Agreement and the Letter of Intent; and
 - (b) pay all legal fees incurred by the Lender (including all disbursements and applicable taxes) up to the date of this Agreement in relation to the Financing Agreements, the Indebtedness, the Security, the Security Documents, the Letter of Intent and this Agreement and all matters incidental or relating thereto,

each in form and on terms satisfactory to the Lender.



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DEBTOR COVENANTS

8. During the Forbearance Period, the Debtors covenant and agree to act diligently and in good faith, without delay, to implement the transactions contemplated by the Letter of Intent and to satisfy all terms and conditions precedent to the completion and implementation thereof.

TERMS AND CONDITIONS

9. The Debtors acknowledge and agree that the Forbearance Period, as extended hereby, is reasonable in the circumstances.
10. The Debtors acknowledge and agree that:
- (a) absent the forbearance granted pursuant to the Forbearance Agreement, as amended, the Lender would be at liberty to immediately commence enforcement proceedings; and
 - (b) in the event the Debtors have not paid the Indebtedness in full by the end of the Forbearance Period, as extended hereby, unless the Lender has agreed in writing to another arrangement, the Lender shall have the immediate right to commence legal proceedings for the recovery of the Indebtedness and/or to enforce the Security and Security Documents and the Debtors hereby consent to the appointment by the Lender of a Receiver or Receiver-Manager, to enforce the Security.

OTHER PROVISIONS

11. This Agreement amends and modifies the Forbearance Agreement, the First FA Amendment and the Second FA Amendment, and shall be read and construed accordingly. On and after the date of this Agreement, each reference in the Forbearance Agreement to "this Agreement", "hereunder", "hereof" or words of like import referring to the Forbearance Agreement, and each reference in any related document to "thereunder", "thereof", or words of like import referring to the Forbearance Agreement, shall mean and be a reference to the Forbearance Agreement as amended.
12. No amendment, discharge, modification, restatement, supplement, termination or waiver of this Agreement or any Section of this Agreement is binding unless it is in writing and executed by the Party to be bound. No waiver of, failure to exercise or delay in exercising, any Section of this Agreement constitutes a waiver of any other Section (whether or not similar) nor does any waiver constitute a continuing waiver unless otherwise expressly provided.
13. Each provision of this Agreement is distinct and severable. If any provision of this Agreement, in whole or in part, is or becomes illegal, invalid or unenforceable in any jurisdiction by a court of competent jurisdiction, the illegality, invalidity or unenforceability of that provision will not affect the legality, validity or enforceability of the remaining provisions of this Agreement; or the legality, validity or enforceability of that provision in any other jurisdiction.
14. In this Agreement, words signifying the singular number include the plural and vice versa, and words signifying gender include all genders. Every use of the words "including" or "includes" in this Agreement is to be construed as meaning "including, without limitation" or "includes, without limitation", respectively.
15. This Agreement shall be governed by the law of the Province of British Columbia and the federal laws of Canada applicable therein, and the Courts of the Province of British Columbia shall have exclusive jurisdiction with respect to any disputes arising hereunder or pursuant hereto.
16. The Debtors and each of them covenant and agree that this Agreement shall in all respects be binding upon themselves, their respective heirs, executors, administrators, successors and assigns upon execution and delivery of this Agreement or any counterpart thereof.



- 4 -

17. Time is of the essence of this Agreement.
18. This Agreement may be executed in two or more counterparts and all such executed counterparts shall constitute one and the same document. All such counterparts may be delivered by fax or any electronic form.
19. Each Debtor represents and warrants that it has received independent legal advice prior to executing this Agreement.

THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK


A handwritten signature in black ink, consisting of stylized, cursive letters, likely representing the initials 'MC'.

IN WITNESS WHEREOF the Parties have executed this Agreement as of the date first above written.

LENDER:


DESJARDINS FINANCIAL SECURITY LIFE ASSURANCE COMPANY

Per:



Authorized Signatory

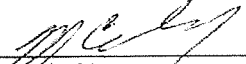
Per:



Authorized Signatory

BORROWERS:

HASTINGS STREET LIMITED PARTNERSHIP,
by its general partner, **I4PG HASTINGS STREET INC.**

Per: 
Authorized Signatory

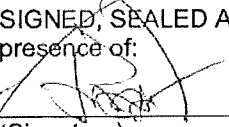
I4PG HASTINGS STREET INC.

Per: 
Authorized Signatory

GUARANTORS:**I4 PROPERTY GROUP INC.**

Per: 
Authorized Signatory


SIGNED, SEALED AND DELIVERED in the
presence of:


(Signature)

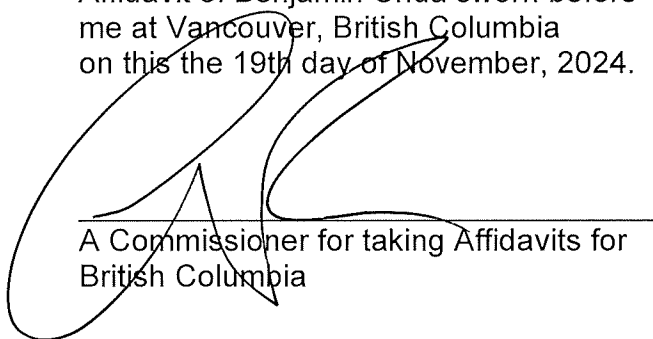
Fusong Leung
(Print Name)

(Address)

(Occupation)


MYRON CALOF

This is **Exhibit "I"** referred to in the Affidavit of Benjamin Chua sworn before me at Vancouver, British Columbia on this the 19th day of November, 2024.



A Commissioner for taking Affidavits for
British Columbia

Colin Brousson
Barrister & Solicitor
DLA Piper (Canada) LLP
1133 Melville Street, Suite 2700
Vancouver, BC V6E 4E5
604.687.9444



DLA Piper (Canada) LLP
1133 Melville St, Suite 2700
Vancouver BC V6E 4E5
www.dlapiper.com

Colin Brousson
colin.brousson@dlapiper.com
T +1 604.643.6400
F +1 604.605.4875

October 30, 2024

FILE NUMBER: 105227-00004

**DELIVERED BY COURIER
DELIVERED BY REGISTERED MAIL**

I4PG Hastings Street Inc.
Registered & Records Office
420 - 1112 West Pender Street
Vancouver, British Columbia V6E 2S1

Hastings Street Limited Partnership
Registered Office
420 - 1112 West Pender Street
Vancouver, British Columbia V6E 2S1

Attention: Mr. Myron Calof, Principal

Dear Sir/Madam:

Re: Demand - Offer Letter dated March 31, 2022 (the "Credit Agreement"), Line of Credit Agreement dated April 6, 2022 (the "LC Agreement"), and Line of Credit Authorization and Indemnity Agreement dated April 6, 2022 (the "LC Authorization and Indemnity") between I4PG Hastings Street Inc., in its own capacity and in its capacity as general partner of Hastings Street Limited Partnership, and Hastings Street Limited Partnership (together, the "Borrower") and Desjardins Financial Security Life Assurance Company ("Desjardins"); general security agreement dated April 6, 2022 (the "GSA"), and mortgage and assignment of rents dated April 6, 2022, registered in the New Westminster Land Title Office on April 12, 2022, under registration numbers CA9850842 and CA9850843 (the "Mortgage", and together with the Credit Agreement, the LC Agreement, the LC Authorization and Indemnity and the GSA, collectively the "Agreements") as amended, restated, renewed extended, modified, supplemented or otherwise replaced.

We are the lawyers for Desjardins and we refer to the above referenced Agreements.

The Borrower has committed an Event of Default and pursuant to the terms of the Agreements, Desjardins hereby declares all amounts owing by the Borrower under the Agreements to be immediately due and owing. As of October 24, 2024, the Borrower is indebted to Desjardins in the amount of \$14,546,899.56 with interest accruing at a per diem rate of \$2,750.98 from October 24, 2024.

On behalf of Desjardins, we hereby make demand for full payment in the amount of \$14,546,899.56 and applicable daily interest payable from October 24, 2024, up to and including the date of payment, and the legal fees incurred by the Lender to date.

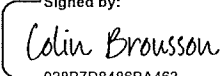
We enclose a Notice of Intention to Enforce Security for service upon the Borrower pursuant to section 244 of the Bankruptcy and Insolvency Act.



Page 2 of 2

Notwithstanding the attached notice we reserve Desjardins' right to take steps to enforce any security interest prior to the expiration of the notice period referred to therein in the event that it becomes apparent to Desjardins that its security is in jeopardy.

Sincerely,
DLA Piper (Canada) LLP
Per:

Signed by:

028B7D8486BA463...
Colin Brousson

CDB
Enclosure

CAN: 50149990.2

NOTICE OF INTENTION TO ENFORCE SECURITY**TO:**

14PG Hastings Street Inc.
Registered & Records Office
420 - 1112 West Pender Street
Vancouver, British Columbia V6E 2S1

Hastings Street Limited Partnership
Registered Office
420 - 1112 West Pender Street
Vancouver, British Columbia V6E 2S1

TAKE NOTICE that:

1. Desjardins Financial Security Life Assurance Company, (the "**Secured Creditor**"), intends to enforce its security on the following property of 14PG Hastings Street Inc. (the "**Debtor**"):
 - (a) The lands and premises know legally as Lot 1 Block 5 DL 121 Group 1 NWD Plan EPP87138, PID: 031-340-741 (the "**Lands**");
 - (b) all leases and rents in respect of the Lands;
 - (c) all of the Debtor's present and after-acquired goods, chattel paper, intangibles, instruments, documents of title, investment property and money which situate on or are used in connection with, or which are related to or arise from or out of, the Lands;

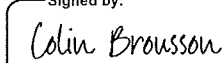
(collectively, the "**Property**")
2. The security that is to be enforced is in the form of the following agreements:
 - (a) a general security agreement dated April 6, 2022, made between the Debtor and the Secured Creditor, perfected by registration under the British Columbia *Personal Property Security Act* under base registration No. 660926N; and
 - (b) a mortgage and assignment of rents of the Lands dated April 6, 2022, which was registered in the New Westminster Land Title Office on April 12, 2022, under registration numbers CA9850842 and CA9850843

(collectively, the "**Agreements**")
3. The total amount of indebtedness secured by the security as of October 24, 2024 amounts to \$14,546,899.56 together with interest accruing from that date as defined under the Agreements, plus costs (legal or otherwise) of enforcing the Agreements.
4. The Secured Creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent, unless the Debtor consents to an earlier enforcement.

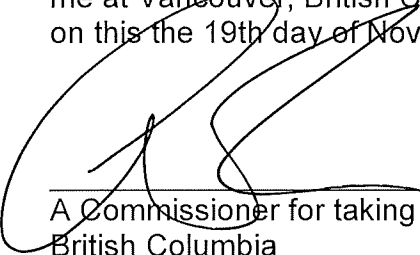
DATED at Vancouver, British Columbia, this 30th day of October, 2024.

Desjardins Financial Security Life Assurance Company

Per:

Signed by:

Colin D. Brousson, its solicitor

This is **Exhibit "J"** referred to in the Affidavit of Benjamin Chua sworn before me at Vancouver, British Columbia on this the 19th day of November, 2024.



A Commissioner for taking Affidavits for
British Columbia

Colin Brousson
Barrister & Solicitor
DLA Piper (Canada) LLP
1133 Melville Street, Suite 2700
Vancouver, BC V6E 4E5
604.687.9444



DLA Piper (Canada) LLP
1133 Melville St, Suite 2700
Vancouver BC V6E 4E5
www.dlapiper.com

Colin Brousseau
colin.brousseau@dlapiper.com
T +1 604.643.6400
F +1 604.605.4875

October 30, 2024

FILE NUMBER: 105227-00004

**DELIVERED BY COURIER
DELIVERED BY REGISTERED MAIL**

Myron Calof
420 - 1112 West Pender Street
Vancouver, B.C. V6E 2S1

I4 Property Group Inc.
Registered & Records Office
420 - 1112 West Pender Street
Vancouver, B.C. V6E 2S1


Dear Sir/Madam:

Re: Demand - Unlimited Guarantee dated April 6, 2022 (the "Indemnity"), for all amounts owing to Desjardins Financial Security Life Assurance Company (the "Lender") by I4PG Hastings Street Inc., in its own capacity and in its capacity as general partner of Hastings Street Limited Partnership, and Hastings Street Limited Partnership (together, the "Borrower") as amended, restated, renewed extended, modified, supplemented or otherwise replaced.

We are the lawyers for the Lender and we refer to the above referenced Indemnity.

We enclose a copy of our recent correspondence to the Borrower demanding payment in full of all amounts owing to the Lender. On behalf of the Lender we hereby make demand upon you for payment pursuant to the Indemnity for the full amount of \$14,546,899.56 with interest accruing at a per diem rate of \$2,750.98 from October 24, 2024, plus legal fees incurred by the Lender to date.

Yours truly,
DLA Piper (Canada) LLP
Per:

Signed by:

028B7D8486BA463...
Colin Brousseau

CDB
Enclosures



DLA Piper (Canada) LLP
1133 Melville St, Suite 2700
Vancouver BC V6E 4E5
www.dlapiper.com

Colin Brousseau
colin.brousseau@dlapiper.com
T +1 604.643.6400
F +1 604.605.4875

October 30, 2024

FILE NUMBER: 105227-00004

**DELIVERED BY COURIER
DELIVERED BY REGISTERED MAIL**

I4PG Hastings Street Inc.
Registered & Records Office
420 - 1112 West Pender Street
Vancouver, British Columbia V6E 2S1

Hastings Street Limited Partnership
Registered Office
420 - 1112 West Pender Street
Vancouver, British Columbia V6E 2S1

Attention: Mr. Myron Calof, Principal

Dear Sir/Madam:

Re: Demand - Offer Letter dated March 31, 2022 (the "Credit Agreement"), Line of Credit Agreement dated April 6, 2022 (the "LC Agreement"), and Line of Credit Authorization and Indemnity Agreement dated April 6, 2022 (the "LC Authorization and Indemnity") between I4PG Hastings Street Inc., in its own capacity and in its capacity as general partner of Hastings Street Limited Partnership, and Hastings Street Limited Partnership (together, the "Borrower") and Desjardins Financial Security Life Assurance Company ("Desjardins"); general security agreement dated April 6, 2022 (the "GSA"), and mortgage and assignment of rents dated April 6, 2022, registered in the New Westminster Land Title Office on April 12, 2022, under registration numbers CA9850842 and CA9850843 (the "Mortgage", and together with the Credit Agreement, the LC Agreement, the LC Authorization and Indemnity and the GSA, collectively the "Agreements") as amended, restated, renewed extended, modified, supplemented or otherwise replaced.

We are the lawyers for Desjardins and we refer to the above referenced Agreements.

The Borrower has committed an Event of Default and pursuant to the terms of the Agreements, Desjardins hereby declares all amounts owing by the Borrower under the Agreements to be immediately due and owing. As of October 24, 2024, the Borrower is indebted to Desjardins in the amount of \$14,546,899.56 with interest accruing at a per diem rate of \$2,750.98 from October 24, 2024.

On behalf of Desjardins, we hereby make demand for full payment in the amount of \$14,546,899.56 and applicable daily interest payable from October 24, 2024, up to and including the date of payment, and the legal fees incurred by the Lender to date.

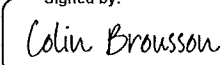
We enclose a Notice of Intention to Enforce Security for service upon the Borrower pursuant to section 244 of the Bankruptcy and Insolvency Act.



Page 2 of 2

Notwithstanding the attached notice we reserve Desjardins' right to take steps to enforce any security interest prior to the expiration of the notice period referred to therein in the event that it becomes apparent to Desjardins that its security is in jeopardy.

Sincerely,
DLA Piper (Canada) LLP
Per:

Signed by:

028B7D8486BA463...
Colin Brousson

CDB
Enclosure

CAN: 50149990.2

NOTICE OF INTENTION TO ENFORCE SECURITY

TO:

14PG Hastings Street Inc.
Registered & Records Office
420 - 1112 West Pender Street
Vancouver, British Columbia V6E 2S1

Hastings Street Limited Partnership
Registered Office
420 - 1112 West Pender Street
Vancouver, British Columbia V6E 2S1

TAKE NOTICE that:

1. Desjardins Financial Security Life Assurance Company,(the "**Secured Creditor**"), intends to enforce its security on the following property of 14PG Hastings Street Inc. (the "**Debtor**"):
 - (a) The lands and premises know legally as Lot 1 Block 5 DL 121 Group 1 NWD Plan EPP87138, PID: 031-340-741 (the "**Lands**");
 - (b) all leases and rents in respect of the Lands;
 - (c) all of the Debtor's present and after-acquired goods, chattel paper, intangibles, instruments, documents of title, investment property and money which situate on or are used in connection with, or which are related to or arise from or out of, the Lands;

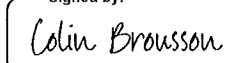
(collectively, the "**Property**")
2. The security that is to be enforced is in the form of the following agreements:
 - (a) a general security agreement dated April 6, 2022, made between the Debtor and the Secured Creditor, perfected by registration under the British Columbia *Personal Property Security Act* under base registration No. 660926N; and
 - (b) a mortgage and assignment of rents of the Lands dated April 6, 2022, which was registered in the New Westminster Land Title Office on April 12, 2022, under registration numbers CA9850842 and CA9850843

(collectively, the "**Agreements**")
3. The total amount of indebtedness secured by the security as of October 24, 2024 amounts to \$14,546,899.56 together with interest accruing from that date as defined under the Agreements, plus costs (legal or otherwise) of enforcing the Agreements.
4. The Secured Creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent, unless the Debtor consents to an earlier enforcement.

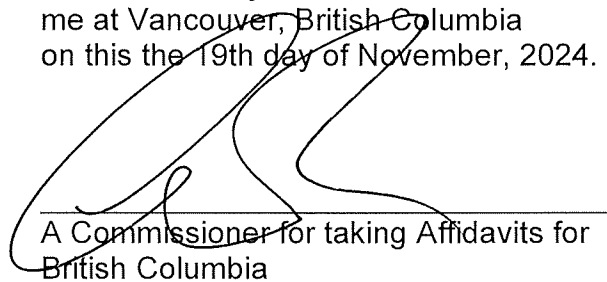
DATED at Vancouver, British Columbia, this 30th day of October, 2024.

Desjardins Financial Security Life Assurance Company

Per:

Signed by:

028B708486B7463...
Colin D. Brousson, its solicitor

This is **Exhibit "K"** referred to in the Affidavit of Benjamin Chua sworn before me at Vancouver, British Columbia on this the 19th day of November, 2024.



A Commissioner for taking Affidavits for
British Columbia

Colin Brousson
Barrister & Solicitor
OLA Piper (Canada) LLP
133 Melville Street, Suite 2700
Vancouver, BC V6E 4E5
604.687.0134

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

IN THE MATTER OF THE RECEIVERSHIP OF

I4PG HASTINGS STREET INC.,
HASTINGS STREET LIMITED PARTNERSHIP, AND
I4 PROPERTY GROUP INC.

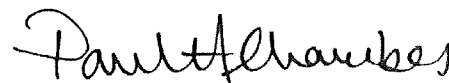
CONSENT TO ACT AS RECEIVER

DELOITTE RESTRUCTURING INC., a Licensed Insolvency Trustee, HEREBY CONSENTS to act as the court-appointed receiver and manager of the lands and premises located at 4437 Hastings Street, Vancouver, British Columbia, PID: 031-340-741 (the "**Lands**") and all the personal property of I4PG Hastings Street Inc. (the "**Nominee**"), Hastings Street Limited Partnership, and I4 Property Group Inc. located at, related to or derived from the Lands and the share of the Nominee.

DATED at the City of Vancouver, in the Province of British Columbia, this 18th day of November, 2024.

DELOITTE RESTRUCTURING INC.

Per:

A handwritten signature in black ink, appearing to read "Paul Chambers", written over a horizontal line.

Name: Paul Chambers

Title: Senior Vice President

No.
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

DESJARDINS FINANCIAL SECURITY LIFE
ASSURANCE COMPANY

PETITIONER

AND:

I4PG HASTINGS STREET INC., HASTINGS STREET
LIMITED PARTNERSHIP, I4 PROPERTY GROUP
INC., MYRON CALOF, TRAVELERS INSURANCE
COMPANY OF CANADA, LONGTHORN HOLDINGS
LTD., LANE CONSTRUCTION SERVICES LTD., ELKH
SHOTCRETE INC., ATRYSTEN PLUMBING &
HEATING LTD., GREER CONTRACTING LTD., PDQ
CONSTRUCTION LTD., LMS LIMITED
PARTNERSHIP, RED SEAL ELECTRIC LTD.,
KERHOFF CONSTRUCTION (2022) LTD. LIONS
GATE WATER TREATMENT LTD., PEAKHILL
CAPITAL INC., KOFFMAN KALEF LLP AND
CAMERON STEPHENS MORTGAGE CAPITAL LTD.

RESPONDENTS

AFFIDAVIT

DLA Piper (Canada) LLP
Barristers & Solicitors
2700 The Stack
1133 Melville Street
Vancouver, BC V6E 4E5

Tel. No. 604.687.9444
Fax No. 604.687.1612

File No.: 105227-00004

CDB/day