

COURT FILE NUMBER 25-1859192
ESTATE NO. 25-1859192
COURT COURT OF QUEEN'S BENCH OF ALBERTA
IN BANKRUPTCY AND INSOLVENCY
JUDICIAL CENTRE CALGARY
PROCEEDING **IN THE MATTER OF THE PROPOSAL OF
3 EAU CLAIRE DEVELOPMENTS INC.**
DOCUMENT **AFFIDAVIT**



ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT
MILLER THOMSON LLP
Barristers & Solicitors
3000, 700 - 9th Avenue S.W.
Calgary, AB, Canada T2P 3V4
Nicole T. Taylor-Smith
Telephone: 403.298.2401
Fax: 403.262.0007
E-mail: ntaylor-smith@millerthomson.com
File No.: 190822.0003

AFFIDAVIT OF ANDREW SEONG-JIN LEE

Sworn on May 5, 2014

I, ANDREW SEONG-JIN LEE, of the City of Calgary, in the Province of Alberta, SWEAR AND SAY THAT:

1. I am the Project Administrator and Jr. Project Manager of 3 Eau Claire Developments Inc. ("3 Eau Claire") and, as such, have personal knowledge of the facts and matters hereinafter deposed to except where stated to be based upon information and belief, and where so stated, I verily believe the same to be true. I am authorized to swear this Affidavit on behalf of 3 Eau Claire.

2. 3 Eau Claire is an Alberta corporation which was incorporated on February 15, 2008 as a land development company.
3. 3 Eau Claire currently has 3 employees and its main source of income is parking revenues.
4. On May 22, 2008, 3 Eau Claire purchased land in the downtown district of Eau Claire located at 633 – 3 Avenue SW, Calgary, and legally described as:

PLAN A1
BLOCK 14
LOTS 1 TO 10 INCLUSIVE

(the "Land")

5. The Land was acquired for the purpose of the development of 652,788 square foot ("sf.") building comprised of 273,562 sf. of office space contained in the first 12 levels of the building and 446 residential condominium units in 379,226 sf. of residential space located in two towers above the office space (the "Project").
6. Attached hereto and marked **Exhibit "A"** to this my Affidavit is a true copy of title to the Land.
7. Attached hereto and marked as **Exhibit "B"** is a true copy of a Personal Property Registry search for 3 Eau Claire.

HISTORY OF THE PROJECT

8. The acquisition of the Land was financed by The Hyundai Wise Calgary Private Investment Trusts No. 1, No. 2, and No. 3 in the collective amount of ~~₩~~26,000,000,000 Korean Won ("KRW"). Computershare Trust Company of Canada was designated as the Trust Company for The Hyundai Wise Calgary Private Investment Trusts.
9. On February 24, 2009, the City of Calgary approved an amendment to the Land Use By-Laws (LOC2008-0072) to rezone the Lands which was necessary for the development of the Project.
10. On or about June 25, 2009, The Hyundai Wise Calgary Private Investment Trusts No. 4 raised additional financing in the amount of KRW ~~₩~~3,000,000,000.

11. On July 23, 2009, a Development Permit (DP2008-3801) was approved from the City of Calgary for the Project.
12. On January 5, 2010, a loan from Korea Exchange Bank of Canada (“KEB”) in the amount of CAD \$8,500,000 was generated to repay the Hyundai Wise Calgary Private Investment Trust No. 1 and a portion of Hyundai Wise Calgary Private Investment Trust No. 2 in the amount of KRW ₩9,234,400,000 won.
13. The Computershare mortgage for the remainder of Hyundai Wise Calgary Private Investment Trust No. 2 and The Hyundai Wise Calgary Private Investment Trusts No. 3 and No. 4 was postponed to the mortgage registered by KEB.
14. On November 9, 2012, Eau Claire launched the pre-sale of the condominium units. Since then, 368 condominium units have been released to the market and 260 units have been sold. All of the deposits paid by the condominium purchasers are held in trust with Parlee McLaws LLP, 3 Eau Claire’s former solicitors.
15. On December 28, 2012 a new Development Permit (DP2012-3620) was approved from the City of Calgary for the Project.
16. In late 2012 and early 2013 Eau Claire began to have discussions with potential major tenants for the office space including Harvest Operations Corporation and Shaw Cablesystems Limited (“Shaw”).
17. On January 31, 2013 Shaw signed a conditional Offer to Lease all of the office space in the Project. After the Offer to Lease was executed, 3 Eau Claire did not pursue any other potential tenants for the space.
18. In early 2013 it became apparent that 3 Eau Claire needed a partner to complete the Project. Bosa Properties Inc. was suggested to 3 Eau Claire as a potential partner. On April 29, 2013, a term sheet was executed with Bosa Properties Inc. with respect to the potential partnership. As part of the negotiations, Bosa Properties Inc. began to have discussions with Shaw in around July 2013 regarding Shaw’s intention to lease the office space.
19. On September 4, 2013, 3 Eau Claire and Bosa Properties (Eau Claire) Inc. (“Bosa”) entered into a Co-Ownership Agreement for the Project. The acquisition of the Lands

contemplated by the Co-Ownership Agreement was contingent upon a commercial tenant committing to lease the office space.

20. Bosa advanced funds for the Project, but required that promissory notes and mortgage security against the Lands be provided for the advances.
21. After the Co-Ownership Agreement was executed Bosa became increasingly involved in the negotiations with Shaw. The reasons for this were because the negotiations switched significantly in to the development, building design and construction issues which Bosa had expertise in and because Bosa wanted to renegotiate some of the terms of the lease because they were assuming the completion risk. As a result, through 2013, 3 Eau Claire had less and less involvement with Shaw and relied more and more on Bosa to conclude the arrangements with Shaw. The negotiations with Shaw lasted for approximately 16 months and by the beginning of 2014 nearly all of the terms of the lease had been negotiated.
22. In the fall of 2013, construction financing was obtained for the Project and Axiom Builders began to work on the site by removing the asphalt from the lot dug some test trenches and set up construction guide walks. Axiom Builders is a construction company which is a subsidiary of Bosa Properties Inc.

FINANCIAL DIFFICULTIES

23. The main reason that 3 Eau Claire has encountered financial difficulties is because the Shaw lease took much longer to negotiate than had been anticipated which delayed the construction financing. 3 Eau Claire had planned to payout most of the outstanding debt as soon as the construction loan was advanced.
24. In early January 2014 Bosa's counsel wrote to 3 Eau Claire's counsel and advised that although there were no longer any binding agreements between Shaw, Bosa and 3 Eau Claire, due to the operation of the conditions precedent in the agreements, that Bosa would be continuing to negotiate with Shaw and that it would do so without the involvement of 3 Eau Claire. A true copy of the January 2, 2014 email is attached hereto and marked as **Exhibit "C"**.
25. In mid February 2014 Shaw withdrew from the negotiations and advised that it would not be proceeding with a Lease, at around the same time Bosa advised 3 Eau Claire that without Shaw's involvement, Bosa was not interested in pursuing the Project with 3 Eau

Claire. Bosa further advised that it would be commencing discussions with 3 Eau Claire's senior lender to try to protect its interest. Attached hereto and marked as **Exhibit "D"** to this my Affidavit is a true copy of an email from counsel for Bosa to counsel for 3 Eau Claire confirming Shaw's termination of its involvement with the Project.

26. With Bosa out of the picture, 3 Eau Claire needed to take time to re-group and explore its options. 3 Eau Claire was working with its lenders to negotiate forbearance until June 2014 for this purpose when it received a demand and Notice of Intention to Enforce Security from Bosa on April 3, 2014. Attached hereto and marked as **Exhibit "E"** is the true copy of the demand received from Bosa.
27. We have been communicating with the majority of our secured creditors and have been seeking their consent to the extension of time for 3 Eau Claire to make a proposal to its creditors. We have been advised verbally by the Trustee for the Hyundai Wise Calgary Private Investment Trusts that they agree to an extension of time to the end of June. Attached as **Exhibit "F"** to this my Affidavit is a true copy of the letters and other written confirmations we've received from our creditors setting forth their position with respect to the extension being sought.

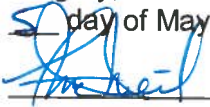
TURNAROUND EFFORTS

28. On or about March 12, 2014, 3 Eau Claire entered into an Exclusive Commercial Listing Agreement with Avison Young Real Estate Alberta Inc. ("Avison Young") to act as 3 Eau Claire's agent to list for sale and procure offers for a development partner or the purchase and sale of the Property. Attached hereto and marked as **Exhibit "G"** to this my Affidavit is a true copy of the Exclusive Commercial Listing Agreement with Avison Young.
29. Attached hereto and marked as **Exhibit "H"** to this my Affidavit is a true copy of the marketing brochure prepared by Avison Young for the Project.
30. We have been advised by Avison Young that they have presented the project to 19 prospects and a total of 10 parties have indicated interest and signed Non Disclosure Agreements.
31. Given the interest that has been shown in the Project, 3 Eau Claire is optimistic that it will find a partner to assist it in completing the Project, which will allow it to make a viable

proposal to its creditors in order to maximize recovery for 3 Eau Claire's creditors and other stakeholders. If a partner cannot be found, it is in the best position to sell the Project (as opposed to just the Land).

- 32. As Avison Young is currently marketing the Project, and any proposal that 3 Eau Claire is likely to make to its creditors will involve a sale of the Project or an interest in the Project, we are of the view that the appraisals which are attached to my Confidential Supplemental Affidavit should remain confidential and be sealed by the Court to avoid the appraisals becoming public and influencing the marketing efforts.
- 33. 3 Eau Claire has, in good faith, been diligently pursuing activities aimed at the presentation of a proposal to its creditors under the BIA. Such activities include:
 - (a) working with the Trustee and counsel to identify issues with respect to the financial condition of 3 Eau Claire and the status of its creditors and to provide the Trustee with the information required under the BIA
 - (b) working with Avison Young to market the project; and
 - (c) continuing discussions with its various creditors regarding the status of proceedings.
- 34. To the best of my knowledge, information and belief, none of the 3 Eau Claire's creditors will be materially prejudiced if the Court grants the relief being sought by the 3 Eau Claire.
- 35. I make this Affidavit in support of an application to the Court to extend the stay of proceedings and to an Administrative Charge for professional fees incurred in respect of the proceedings and to sealing the Confidential Supplemental Affidavit of Andrew Seong-Jin Lee.

SWORN BEFORE ME at the City of)
 Calgary, in the Province of Alberta, this)
 5 day of May, 2014.)


 _____)

A Commissioner for Oaths in and for the)
 Province of Alberta)


 _____)
 ANDREW SEONG-JIN LEE



LAND TITLE CERTIFICATE

This is Exhibit "A." referred to in the Affidavit of

ANDREW SEONG-TWLEE

Sworn before me this 5

Day of MAY, A.D. 2014

FAITH A. McNEIL

A Commissioner for Oaths in and for the Province of Alberta

TITLE NUMBER 081 196 669

B LINC SHORT LEGAL 0026 220 467 SA1;14;1-10

LEGAL DESCRIPTION

PLAN A1 BLOCK 14 LOTS 1 TO 10 INCLUSIVE

ATS REFERENCE: 5;1;24;16 ESTATE: FEE SIMPLE

MUNICIPALITY: CITY OF CALGARY

REFERENCE NUMBER: 971 003 298

Table with 5 columns: REGISTRATION, DATE (DMY), REGISTERED OWNER(S) DOCUMENT TYPE, VALUE, CONSIDERATION. Row 1: 081 196 669, 02/06/2008, TRANSFER OF LAND, \$20,500,000, CASH & MORTGAGE

OWNERS

3 EAU CLAIRE DEVELOPMENTS INC. OF #102, 615-3RD AVENUE SW CALGARY ALBERTA T2P 0G6

(DATA UPDATED BY: CHANGE OF ADDRESS 111111234) (DATA UPDATED BY: CHANGE OF ADDRESS 131041005)

ENCUMBRANCES, LIENS & INTERESTS

Table with 3 columns: REGISTRATION NUMBER, DATE (D/M/Y), PARTICULARS. Row 1: 091 207 038, 20/07/2009, MORTGAGE MORTGAGEE - COMPUTERSHARE TRUST COMPANY OF CANADA. 600 530 8 AVE SW CALGARY ALBERTA T2P3S8 ORIGINAL PRINCIPAL AMOUNT \$37,700,000,000 (FUNDS IN KOREAN WON)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 2
081 196 669

REGISTRATION NUMBER	DATE (D/M/Y)	PARTICULARS
091 207 039	20/07/2009	CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - COMPUTERSHARE TRUST COMPANY OF CANADA. ATTN: MANAGER:CORPORATE TRUST #600, 530-8TH AVE SW CALGARY ALBERTA T2P3S8 AGENT - ROBERT J MCKINNON
101 031 009	29/01/2010	MORTGAGE MORTGAGEE - KOREA EXCHANGE BANK OF CANADA. 4950 YONGE ST, SUITE 103 TORONTO ONTARIO M5V3R8 ORIGINAL PRINCIPAL AMOUNT: \$8,500,000
101 031 010	29/01/2010	CAVEAT RE : ASSIGNMENT OF RENTS AND LEASES CAVEATOR - KOREA EXCHANGE BANK OF CANADA. C/O FIXLER LAW OFFICE 1450, 633-6 AVE SW CALGARY ALBERTA T2P2Y5 AGENT - DONGSEOP KIM
101 033 411	02/02/2010	POSTPONEMENT OF MORT 091207038 CAVE 091207039 TO MORT 101031009 CAVE 101031010
131 160 930	08/07/2013	MORTGAGE MORTGAGEE - SHOREBROOK CAPITAL INC. 3001, 1050 BURRARD STREET VANCOUVER BRITISH COLUMBIA V6Z2S3 ORIGINAL PRINCIPAL AMOUNT: \$326,250 (DATA UPDATED BY: 131167749)
131 239 113	23/09/2013	MORTGAGE MORTGAGEE - BOSA PROPERTIES (EAU CLAIRE) INC. 1201-838 W. HASTINGS STREET VANCOUVER BRITISH COLUMBIA V6C0A6 ORIGINAL PRINCIPAL AMOUNT: \$2,000,000
131 268 150	19/10/2013	MORTGAGE MORTGAGEE - MMP STRUCTURAL ENGINEERING LTD. 205, 1170 KENSINGTON CRESCENT N.W. CALGARY ALBERTA T2N1X6

(CONTINUED)

ENCUMBRANCES, LIENS & INTERESTS

PAGE 3
081 196 669

REGISTRATION

NUMBER	DATE (D/M/Y)	PARTICULARS
		ORIGINAL PRINCIPAL AMOUNT: \$500,000
131 321 066	13/12/2013	CAVEAT RE : AMENDING AGREEMENT CAVEATOR - BOSA PROPERTIES (EAU CLAIRE) INC. 1201,838 HASTINGS STREET VANCOUVER BRITISH COLUMBIA V6C0A6 AGENT - LYLE ZULAK
141 077 095	28/03/2014	MORTGAGE MORTGAGEE - PM REC HOLDINGS INC. C/O SUNCOR ENERGY CENTRE 3400 5 AVE SW CALGARY ALBERTA T2P3Y7 ORIGINAL PRINCIPAL AMOUNT: \$450,000
141 077 096	28/03/2014	MORTGAGE MORTGAGEE - 1713744 ALBERTA LTD. 340, 4723 1 ST SW CALGARY ALBERTA T2G4Y8 ORIGINAL PRINCIPAL AMOUNT: \$3,400,000
141 091 637	15/04/2014	BUILDER'S LIEN LIENOR - ROBERTSON & ASSOCIATES ENGINEERING LTD. C/O CARSCALLEN LLP 1500, 407-2 ST SW CALGARY ATTN: NICHOLAS M. RAMESSAR ALBERTA T2P2Y3 AGENT - NICOLAS M RAMESSAR AMOUNT: \$254,100
141 091 659	15/04/2014	BUILDER'S LIEN LIENOR - NORR ARCHITECTS ENGINEERS PLANNERS. C/O STONES CARBERT WAITE LLP 2000, 645-7TH AVENUE SW CALGARY ALBERTA T2P4G8 AGENT - KELLY PATRICK COLBORNE AMOUNT: \$280,000

TOTAL INSTRUMENTS: 013

(CONTINUED)

THE REGISTRAR OF TITLES CERTIFIES THIS TO BE AN
ACCURATE REPRODUCTION OF THE CERTIFICATE OF
TITLE REPRESENTED HEREIN THIS 16 DAY OF APRIL,
2014 AT 05:03 P.M.

ORDER NUMBER: 25757942

CUSTOMER FILE NUMBER: 190822.1



END OF CERTIFICATE

THIS ELECTRONICALLY TRANSMITTED LAND TITLES PRODUCT IS INTENDED
FOR THE SOLE USE OF THE ORIGINAL PURCHASER, AND NONE OTHER,
SUBJECT TO WHAT IS SET OUT IN THE PARAGRAPH BELOW.

THE ABOVE PROVISIONS DO NOT PROHIBIT THE ORIGINAL PURCHASER FROM
INCLUDING THIS UNMODIFIED PRODUCT IN ANY REPORT, OPINION,
APPRAISAL OR OTHER ADVICE PREPARED BY THE ORIGINAL PURCHASER AS
PART OF THE ORIGINAL PURCHASER APPLYING PROFESSIONAL, CONSULTING
OR TECHNICAL EXPERTISE FOR THE BENEFIT OF CLIENT(S).

Search ID#: Z05566240

Transmitting Party

MILLER THOMSON LLP
3000, 700 9 AVENUE SW
CALGARY, AB T2P 3V4

Party Code: 50062611
Phone #: 403 298 2400
Reference #: 190822.0002

Search ID #: Z05566240

Date of Search: 2014-Apr-12

Time of Search: 13:40:54

Business Debtor Search For:

3 EAU CLAIRE DEVELOPMENTS INC.

This is Exhibit "B" referred to in the
Affidavit of
ANDREW SEONG-TIN LEE
Sworn before me this 5
Day of MAY, A.D. 2014
FAITH A. McNEIL

A Commissioner for Oaths in and for
the Province of Alberta

Exact Result(s) Only Found

FAITH A. McNEIL
My Commission Expires Nov. 21, 2016

NOTE:

A complete Search may result in a Report of Exact and Inexact Matches.
Be sure to read the reports carefully.



Search ID#: Z05566240

Business Debtor Search For:

3 EAU CLAIRE DEVELOPMENTS INC.

Search ID #: Z05566240

Date of Search: 2014-Apr-12

Time of Search: 13:40:54

Registration Number: 08052207642

Registration Type: LAND CHARGE

Registration Date: 2008-May-22

Registration Status: Current

Registration Term: Infinity

Exact Match on: Debtor

No: 1

Amendments to Registration

09062619628

Amendment

2009-Jun-26

Debtor(s)

Block

Status

1 3 EAU CLAIRE DEVELOPMENTS INC.
1401 - 2nd Street, S.W. (Lower Suite)
Calgary, AB T2R 0W7

Current

Secured Party / Parties

Block

Status

1 NATIONAL AGRICULTURAL COOPERATIVE ASSOCIATION, AS TRUSTEE FOR
HYUNDAI
10F, 942 Daechi-dong, Kangnam-gu
Seoul, XX 135-725

Current

Block

Status

2 NATIONAL AGRICULTURAL COOPERATIVE ASSOCIATION, AS TRUSTEE FOR
HYUNDAI
10F, 942 Daechi-dong, Kangnam-gu
Seoul, XX 135-725

Current by
09062619628

Particulars

Block Additional Information

Status

1

Current

Search ID#: Z05566240

The full name and address of the Secured Party is:
National Agricultural Cooperative Association, as Trustee for Hyundai Wise Calgary Private
Investment Trust No. 1, No. 2 and No. 3
10F, Hae-Sung Building
942 Daechi-dong, Kangnam-gu
Seoul, 135-725, Korea

<u>Block</u>	<u>Additional Information</u>	<u>Status</u>
2	The full name and address of Secured Party No. 2 is: National Agricultural Cooperative Association, as Trustee for Hyundai Wise Calgary Private Investment Trust No. 4 10F, Hae-Sung Building 942 Daechi-dong, Kangnam-gu Seoul, 135-725, Korea	Current By 09062619628

Search ID#: Z05566240

Business Debtor Search For:

3 EAU CLAIRE DEVELOPMENTS INC.

Search ID #: Z05566240

Date of Search: 2014-Apr-12

Time of Search: 13:40:54

Registration Number: 13061912955

Registration Type: SECURITY AGREEMENT

Registration Date: 2013-Jun-19

Registration Status: Current

Expiry Date: 2018-Jun-19 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

Status

1 3 EAU CLAIRE DEVELOPMENTS INC.
1401 2nd Street S.W. (Lower Suite)
Calgary, AB T2R 0W7

Current

Secured Party / Parties

Block

Status

1 NATIONAL AGRICULTURAL COOPERATIVE ASSOCIATION, AS TRUSTEE FOR
HYUNDAI WISE CALGA
10F, Hae-Sung Building
Seoul, XX 135-725

Current

Collateral: General

Block

Description

Status

1 All present and after-acquired personal property of the Debtor.

Current

2 Proceeds: chattel paper, goods, investment property, documents of title, instruments,
money, intangibles and insurance proceeds.

Current

Particulars

Block

Additional Information

Status

1

Current

Search ID#: Z05566240

The full name and address of the Secured Party is as follows:
National Agricultural Cooperative Association, as Trustee for Hyundai Wise Calgary Private
Investment Trust No. 1, No. 2, No. 3 and No. 4
10F, Hae-Sung Building
942 Daechi-dong,, Kangnam-gu
Seoul, 135-725, Korea

Search ID#: Z05566240

Business Debtor Search For:

3 EAU CLAIRE DEVELOPMENTS INC.

Search ID #: Z05566240

Date of Search: 2014-Apr-12

Time of Search: 13:40:54

Registration Number: 13062818962

Registration Type: SECURITY AGREEMENT

Registration Date: 2013-Jun-28

Registration Status: Current

Expiry Date: 2014-Jun-28 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

		<u>Status</u>
1	3 EAU CLAIRE DEVELOPMENTS INC. 102, 615 - 3RD AVENUE SW CALGARY, AB T2P 0G6	Current

Secured Party / Parties

Block

		<u>Status</u>
1	SHOREBROOK CAPITAL INC. 3001, 1050 BURRARD STREET VANCOUVER, BC V6Z 2S3	Current

Collateral: General

Block

Description

		<u>Status</u>
1	ALL OF THE DEBTOR'S RIGHT, TITLE AND INTEREST IN THE INTEREST RESERVE ACCOUNT PROVIDED FOR IN THE ASSIGNMENT OF INTEREST RESERVE FROM THE DEBTOR DATED JUNE 28, 2013.	Current

PROCEEDS: GOODS, CHATTEL PAPER, INSURANCE PROCEEDS, INVESTMENT PROPERTY, DOCUMENTS OF TITLE, INSTRUMENTS, MONEY AND INTANGIBLES (ALL AS DEFINED IN THE PERSONAL PROPERTY SECURITY ACT (ALBERTA)).

Search ID#: Z05566240

Business Debtor Search For:

3 EAU CLAIRE DEVELOPMENTS INC.

Search ID #: Z05566240

Date of Search: 2014-Apr-12

Time of Search: 13:40:54

Registration Number: 13092035578

Registration Type: SECURITY AGREEMENT

Registration Date: 2013-Sep-20

Registration Status: Current

Expiry Date: 2016-Sep-20 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

1 3 EAU CLAIRE DEVELOPMENTS INC.
102 615 3 AVE SW
CALGARY, AB T2P 0G6

Status

Current

Block

2 STARNES, NORMAN
336 SNOWBERRY PLACE SW
Calgary, AB T3Z 3E4

Status

Current

Birth Date:
1959-Mar-03

Secured Party / Parties

Block

1 FORD CREDIT CANADA LEASING, A DIVISION OF CANADIAN ROAD LEASING
COMPANY
PO Box 2400
Edmonton, AB T5J 5C7

Status

Current

Collateral: Serial Number Goods

<u>Block</u>	<u>Serial Number</u>	<u>Year</u>	<u>Make and Model</u>	<u>Category</u>	<u>Status</u>
1	1FM5K8D86EGA39216	2014	FORD EXPLR	MV - Motor Vehicle	Current

Search ID#: Z05566240

Business Debtor Search For:

3 EAU CLAIRE DEVELOPMENTS INC.

Search ID #: Z05566240

Date of Search: 2014-Apr-12

Time of Search: 13:40:54

Registration Number: 13111935673

Registration Type: SECURITY AGREEMENT

Registration Date: 2013-Nov-19

Registration Status: Current

Expiry Date: 2023-Nov-19 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

1 3 EAU CLAIRE DEVELOPMENTS INC.
#102, 615 - 3rd Avenue S.W.
Calgary, AB T2P 0G6

Status

Current

Secured Party / Parties

Block

1 BCIMC CONSTRUCTION FUND CORPORATION
301-2940 Jutland Road
Victoria, BC V8T 5K6

Status

Current

Collateral: General

Block Description

Status

Search ID#: Z05566240

1 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.
PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. Current

THE FOREGOING IS LIMITED TO ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR NOW OR HEREAFTER LOCATED IN OR UPON, PAYABLE OR ARISING FROM OR IN RESPECT OF OR WHICH IS NOW OR AT ANY TIME MAY BE ANNEXED TO, COMPRISED IN, PERTAINING OR RELATING TO OR USED IN CONNECTION WITH THE LANDS LEGALLY DESCRIBED AS PLAN A1 BLOCK 14 LOTS 1 TO 10 INCLUSIVE (COMMONLY KNOWN AS 3 EAU CLAIRE LOCATED AT 633 - 3RD AVENUE S.W., CALGARY, AB) AND ANY OTHER LEGAL DESCRIPTION BY WHICH SUCH LANDS MAY BE DESCRIBED, WHETHER BY SUBDIVISION, CONDOMINIUMIZATION OR OTHERWISE (THE "LANDS") WHETHER AFFIXED OR NOT AND ALL RIGHT, TITLE AND INTEREST IN AND TO AND ALL BENEFIT OF ALL CONSTRUCTION AGREEMENTS, DEVELOPMENT AGREEMENTS, MANAGEMENT AGREEMENTS, SITE PLANS, BUILDING PLANS, ARCHITECTURAL AND ENGINEERING PLANS, SPECIFICATIONS AND DRAWINGS, WARRANTIES, UNDERTAKINGS, DEVELOPMENT AND BUILDING PERMITS, LABOUR, MATERIAL AND PERFORMANCE BONDS, STRATA SPACE PLANS, CONDOMINIUM PLANS AND ALL LIKE DOCUMENTS OR AGREEMENTS PERTAINING TO OR IN RESPECT OF THE LANDS NOW OR HEREAFTER ENTERED INTO OR HELD, THE AFOREMENTIONED OR EVERY TYPE OR KIND, BUT NOT LIMITED TO INVENTORY, CHATTEL PAPERS, DOCUMENTS OF TITLE, EQUIPMENT, ACCOUNTS, INTANGIBLES, MONEY OR SECURITIES.

Search ID#: Z05566240

Business Debtor Search For:

3 EAU CLAIRE DEVELOPMENTS INC.

Search ID #: Z05566240

Date of Search: 2014-Apr-12

Time of Search: 13:40:54

Registration Number: 13111935726

Registration Type: SECURITY AGREEMENT

Registration Date: 2013-Nov-19

Registration Status: Current

Expiry Date: 2023-Nov-19 23:59:59

Exact Match on: Debtor

No: 1

Debtor(s)

Block

1 3 EAU CLAIRE DEVELOPMENTS INC.
#102, 615 - 3rd Avenue S.W.
Calgary, AB T2P 0G6

Status

Current

Secured Party / Parties

Block

1 BCIMC SPECIALTY FUND CORPORATION
301 - 2940 Jutland Road
Victoria, BC V8T 5K6

Status

Current

Collateral: General

Block

Description

Status

Search ID#: Z05566240

- 1 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR.
PROCEEDS: ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR. Current

THE FOREGOING IS LIMITED TO ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY OF THE DEBTOR NOW OR HEREAFTER LOCATED IN OR UPON, PAYABLE OR ARISING FROM OR IN RESPECT OF OR WHICH IS NOW OR AT ANY TIME MAY BE ANNEXED TO, COMPRISED IN, PERTAINING OR RELATING TO OR USED IN CONNECTION WITH THE LANDS LEGALLY DESCRIBED AS PLAN A1 BLOCK 14 LOTS 1 TO 10 INCLUSIVE (COMMONLY KNOWN AS 3 EAU CLAIRE LOCATED AT 633 - 3RD AVENUE S.W., CALGARY, AB) AND ANY OTHER LEGAL DESCRIPTION BY WHICH SUCH LANDS MAY BE DESCRIBED, WHETHER BY SUBDIVISION, CONDOMINIUMIZATION OR OTHERWISE (THE "LANDS") WHETHER AFFIXED OR NOT AND ALL RIGHT, TITLE AND INTEREST IN AND TO AND ALL BENEFIT OF ALL CONSTRUCTION AGREEMENTS, DEVELOPMENT AGREEMENTS, MANAGEMENT AGREEMENTS, SITE PLANS, BUILDING PLANS, ARCHITECTURAL AND ENGINEERING PLANS, SPECIFICATIONS AND DRAWINGS, WARRANTIES, UNDERTAKINGS, DEVELOPMENT AND BUILDING PERMITS, LABOUR, MATERIAL AND PERFORMANCE BONDS, STRATA SPACE PLANS, CONDOMINIUM PLANS AND ALL LIKE DOCUMENTS OR AGREEMENTS PERTAINING TO OR IN RESPECT OF THE LANDS NOW OR HEREAFTER ENTERED INTO OR HELD, THE AFOREMENTIONED OR EVERY TYPE OR KIND, BUT NOT LIMITED TO INVENTORY, CHATTEL PAPERS, DOCUMENTS OF TITLE, EQUIPMENT, ACCOUNTS, INTANGIBLES, MONEY OR SECURITIES.

Result Complete

Unknown

From: Jeffrey Selby
Sent: Friday, January 03, 2014 10:05 AM
To: Andrew SJ Lee; James (bicsta@gmail.com); jameskang009@gmail.com
Cc: Joshua I. Selby

This is Exhibit "C." referred to in the
Affidavit of
ANDREW SEONG-JIN LEE
Sworn before me this 5
Day of MAY, A.D. 2014
McNeil

A Commissioner for Oaths in and for
the Province of Alberta

FAITH A. McNEIL
My Commission Expires Nov. 21, 2016

Jeffrey Selby | Partner



3400 Suncor Energy Centre, 150-6th Avenue SW, Calgary, AB T2P 3Y7
Direct: 403.294.7046 / 403.233.7117 | Fax: 403.767.8877 | Email: jselby@parlee.c

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From: Dachner, Arnon [mailto:arnon.dachner@dentons.com]
Sent: Thursday, January 02, 2014 6:01 PM
To: Jeffrey Selby
Cc: Dow, Linda; Colin Bosa; Nikelski, Robert; bsandler@bosaproperties.com
Subject: Bosa/3EC - meeting with Shaw

Hi Jeff,

I am writing as a follow-up to our discussion about the likelihood of a meeting in Calgary between representatives of Bosa and representatives from Shaw. At this time, the co-ownership agreement between 3 Eau Claire Developments Inc and Bosa Properties (Eau Claire) Inc. has lapsed due to the operation of the conditions precedent. The Bosa and 3 Eau Claire entities have had continuing good faith discussions and negotiations on how it might be possible to structure new agreements for the development of the 3 Eau Claire project, their respective investments and involvement and the financing requirements, among other things. In addition, 3 Eau Claire is a debtor to Bosa under two separate promissory notes secured by a mortgage over the project lands. There is no binding agreement (whether offer to lease, LOI or otherwise) as between Shaw and 3 Eau Claire

Developments Inc. or between Shaw and Bosa, and Shaw's continued discussions and negotiations about the prospective project have also been proceeding on a good faith basis, but without any obligation or commitment.

To better formulate its understanding of the risks and opportunities around the development, and in particular, to assess whether Shaw would be willing to agree to the development and lease structure for the premises on terms that would be acceptable to Bosa, Bosa determined that it would be beneficial to meet with the Shaw representatives in person, in Calgary. Bosa intends to have these meetings without representatives from 3 Eau Claire Developments Inc. present. Bosa recognizes that it is not in a position to commit the 3 Eau Claire entity to anything at that meeting and that Bosa will attend solely on its own account. Nonetheless we wish to ensure that 3 Eau Claire is aware of the expected meeting and that it is aware that Bosa may take one or more positions in its discussion with Shaw that cause Shaw to reconsider whether it wishes to be involved in the 3 Eau Claire project. In its discretion, Shaw could ultimately withdraw from the 3 Eau Claire project (or, more particularly, since there is no binding agreement with Shaw presently, choose not to proceed with any binding agreement for the project). Should that occur, nothing will preclude 3 Eau Claire Developments Inc. from re-engaging Shaw to make a different deal that is palatable to Shaw, but there can be no assurance that Shaw will come back to the table in such event.

Bosa will use the opportunity to meet with Shaw to try to settle terms that Bosa can work with and which it deems are beneficial to the success of a future deal with Shaw but there can be no assurance of the success of that meeting. Representatives of Bosa are optimistic that given the amount of time and resources Shaw has committed to the project that there is a genuine opportunity for a positive outcome. However, Bosa cannot and will not be held liable for any failure to conclude any arrangements with Shaw and 3 Eau Claire Developments Inc. must appreciate, and 3 Eau Claire is hereby put on notice, that in attending these meetings, Bosa is in no way acting as agent for 3 Eau Claire, nor does Bosa owe any duties as fiduciary or otherwise to 3 Eau Claire. Further, Bosa's conduct should not be construed as acquiescence to any terms of any proposed or implied agreement between 3 Eau Claire and Bosa with respect to the proposed arrangements between themselves with regard to the co-ownership, co-development or other prosecution of the 3 Eau Claire project; all of which remain to be re-settled as between Bosa and 3 Eau Claire.

Regards,
Arnon



Arnon Dachner
Partner

D +1 604 443 7145
arnon.dachner@dentons.com
Bio | Website

Dentons Canada LLP
20th Floor, 250 Howe Street Vancouver, BC V6C 3R8 Canada

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4/28/2014

Gmail - Re: 3 Eau Claire Developments Inc/Bosa Properties (Eau Claire) Inc.



Sung-Jin Lee <lee.sung.j@gmail.com>

Re: 3 Eau Claire Developments Inc/Bosa Properties (Eau Claire) Inc.

Jeffrey Selby <jselby@parlee.com>

Tue, Feb 18, 2014 at 7:31 PM

To: "Dachner, Arnon" <arnon.dachner@dentons.com>

Cc: "Dow, Linda" <linda.dow@dentons.com>, Colin Bosa <cbosa@bosaproperties.com>, "bsandler@bosaproperties.com" <bsandler@bosaproperties.com>, "Nikelski, Robert" <robert.nikelski@dentons.com>, Sung-Jin Lee <lee.sung.j@gmail.com>, Andrew SJ Lee <sjlee@3ecd.net>, James <bicsta@gmail.com>, "jameskang009@gmail.com" <jameskang009@gmail.com>

Thank you for your email, I have passed it along to my client.

Sent from my iPhone

On Feb 18, 2014, at 6:18 PM, "Dachner, Arnon" <arnon.dachner@dentons.com> wrote:

This is Exhibit "D" referred to in

Affidavit of

ANDREW SEUNG-JIN LEE

Sworn before me this 5

Day of MAY, A.D. 2014

[Signature]

A Commissioner for Oaths in and for the Province of Alberta

FAITH A. McNEIL

My Commission Expires Nov. 21, 2016

Hi Jeff,

As you know, Shaw informed our client last week that it would not be consummating any lease deal for the 3 Eau Claire site and was terminating its involvement with the project. Colin Bosa informed your client of this development immediately after learning about it.

Although our respective clients were out of contract on the Co-Ownership Agreement, Bosa's interest in pursuing the project remained but it has always indicated that Shaw's involvement was a condition of Bosa's willingness to proceed with the deal. Without Shaw in the deal, Bosa is not willing to proceed with the co-development transaction on the basis that was previously discussed between the parties. Accordingly, Bosa Properties (Eau Claire) Inc. is no longer interested in pursuing the reinstatement of the Co-Ownership Agreement or other related documents with 3 Eau Claire Developments, Inc.

Colin spoke to Sung-Jin earlier today to follow up on yesterday's phone call relating to Bosa's need to ensure it protected its financial outlay to date. Bosa has informed Eau Claire that it will immediately commence discussions with KDIC to ascertain whether there is any opportunity for Bosa to work with KDIC to protect Bosa's outlays. Those discussions will be solely for and on behalf of Bosa's own account as Bosa. Bosa reserves all of its rights under the promissory notes issued by your client and the mortgage security granted collateral thereto.

Regards,

Arnon

4/28/2014

Gmail - Re: 3 Eau Claire Developments Inc/Bosa Properties (Eau Claire) Inc.

DENTONS

Arnon Dachner
Partner

D +1 604 443 7145
arnon.dachner@dentons.com
Bio | Website

Dentons Canada LLP
20th Floor, 250 Howe Street Vancouver, BC V6C 3R8 Canada

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Dentons Canada LLP
15th Floor, Bankers Court
850-2nd Street SW
Calgary, AB, Canada T2P 0R8T +1 403 268 7000
F +1 403 268 3100

April 2, 2014

This is Exhibit "E" referred to in the
Affidavit of File No.: 002002-18**DELIVERED VIA COURIER & VIA EMAIL**3 Eau Claire Developments Inc.
#102, 615 – 3rd Avenue SW
Calgary AB T2P 0G6ANDREW SEONG-JIN LEESworn before me this 5Day of MAY, A.D. 2014ArcheilA Commissioner for Oaths in and for
the Province of Alberta

Dear Sir/Madam:

FAITH A. McNEIL
My Commission Expires Nov. 21, 2016**Re: Bosa Properties (Eau Claire) Inc. ("Bosa") and 3 Eau Claire Developments Inc.
("Eau Claire")**

We are counsel to Bosa in connection with credit it has advanced to Eau Claire as evidenced by Promissory Notes dated September 12, 2013 and December 2, 2013, executed by Eau Claire in favor of Bosa (collectively the "**Promissory Notes**").

In this regard, reference is made to the following security granted to Bosa by Eau Claire:

1. Collateral Mortgage dated September 12, 2013 with respect to lands legally described as:
Plan A1
Block 14
Lots 1 to 10
Excepting thereout all mines and minerals; and
2. Mortgage Amending Agreement dated December 2, 2013 between Eau Claire and Bosa.
(collectively the "**Mortgage**").

The amounts owing by Eau Claire to Bosa, as evidenced by the Promissory Notes and secured by the Mortgage, are due and payable on demand.

Accordingly, demand is hereby made upon you for full payment of all amounts due and owing pursuant to Promissory Notes and the Mortgage, which amounts equal, as of April 1, 2014, the sum of \$4,737,248.29.

Please note that these amounts will continue to accrue interest at the rates agreed to, and costs, including legal costs on a solicitor and own client full indemnity basis, will continue to be incurred by Bosa for which you will be responsible, until payment of all amounts owing hereunder is received by either certified cheque or bank draft at the following address:

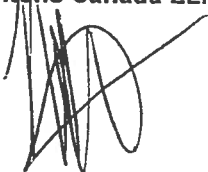
Attention: Brett Sandler
Bosa Properties Inc.
1201 – 838 W Hastings Street
Vancouver, B.C. V6C 0A6

or to Dentons Canada LLP, at the above noted address, to the attention of the undersigned.

If full payment, as set forth above, is not received by close of business April 14, 2014, our client will take whatever steps it deems appropriate to seek repayment of the said amount. To this end we enclose for service upon you a Notice of Intention to Enforce Security in accordance with subsection 244 of the *Bankruptcy and Insolvency Act (Canada)*.

Please note that Bosa reserves the right to proceed against you prior to the time stipulated above in the event that it determines that its position is further jeopardized.

Yours truly,
Dentons Canada LLP



Travis Lysak

TPL/rc
Enclosures

cc. Parlee McLaws LLP
Attn: J. Selby

Bosa Properties (Eau Claire) Inc.
Attn: B. Sandler
Attn: C. Bosa

Dentons Canada LLP
Attn: L. Zulak
Attn: A. Dachner

FORM 115

NOTICE OF INTENTION TO ENFORCE SECURITY

(Subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada))

TO: 3 Eau Claire Developments Inc., an insolvent person (the "**Debtor**")

TAKE NOTICE THAT:

1. The Bosa Properties (Eau Claire) Inc. ("**Bosa**"), a secured creditor of the Debtor, intends to enforce its security on the property of the Debtor as set out below:
 - (a) the lands legally described as:
 - Plan A1
 - Block 14
 - Lots 1 to 10
 - Excepting thereout all mines and minerals; and
 - (b) all proceeds of the foregoing collateral.

2. The security that is to be enforced is in the form of a:
 - (a) Collateral Mortgage, dated September 12, 2013, granted by the Debtor in favour of Bosa with respect to lands legally described as:
 - Plan A1
 - Block 14
 - Lots 1 to 10
 - Excepting thereout all mines and minerals; and
 - (b) Mortgage Amending Agreement dated December 2, 2013 between the Debtor and Bosa.
 - (the "**Security**").

3. The total amount of indebtedness secured by the Security is, as of April 1, 2014, the sum of \$4,737,248.29 CDN plus all further accruing interest and legal costs incurred with respect to collection of the foregoing amounts.

4. Bosa will not have the right to enforce its Security until after the expiry of the 10 day period following the sending of this notice, unless the Debtor consents to an earlier enforcement.

DATED at the City of Calgary, in the Province of Alberta, this 2nd day of April 2014.

DENTONS CANADA LLP, solicitors and agents
for Bosa Properties (Eau Claire) Inc.

Per: _____


Travis Lysak

CONSENT AND WAIVER

THE UNDERSIGNED hereby:

1. Acknowledges receipt of the Notice herein;
2. Waives the 10 days of notice required under section 244 of the *Bankruptcy and Insolvency Act* (Canada); and
3. Consents to the immediate enforcement Bosa Properties (Eau Claire) Inc. of the Security referred to herein.

DATED this _____ day of _____, 2014.

3 Eau Claire Developments Inc.

Per: _____
Name: _____
Position: _____

JAMES B. MYERS

SOLICITOR

T. 604 682 8670 | jbm Myers@telus.net
619, 610 Granville Street, Vancouver, BC V6C 3T3

This is Exhibit "F" referred to in the
Affidavit of

ANDREW SEONG-TIN LEE

Sworn before me this 5

Day of MAY, A.D. 2014

FAITH A. McNEIL

A Commissioner for Oaths in and for
the Province of Alberta

FAITH A. McNEIL

My Commission Expires Nov. 21, 2016.

BY EMAIL: sjlee@3ecd.net

March 17, 2014

3 Eau Claire Developments Inc.
#102, 615 - 3 Avenue S.W.
Calgary, Alberta T2P 0G6

Attention: Andrew Lee

Dear Sirs:

Re: Shorebrook Capital Inc. (the "Lender")

I am the lawyer for the Lender. Your letter of March 3, 2014 requesting an extension to the due date of the subject loan and to defer the interest payments until such due date has been provided to me for reply. My client will agree to extend the due date for payment of the principal sum in the amount of \$326,250 to the 30th day of June, 2014 (the "Due Date"). Interest will accrue and be compounded monthly and be payable on the Due Date.

Notwithstanding this extension to the Due Date of the principal sum and the consent to the accrual of interest, time is and will remain to be of the essence of the loan agreement and such extension will be subject to you providing the Lender with updates as to the progress of the project and the restructuring of your finances at least every three weeks.

Yours truly



James B. Myers

JBM/kc

cc: Daniel Scott

cc: Chris Ritter



Fwd: 3 Eau Claire Project

Sung-Jin Lee to Miller Thomson - Nicole Taylor-Smith

05/01/2014 03:53 PM

Cc: Faith McNeil, "jkang@3ecd.net", James

From: Sung-Jin Lee <lee.sung.j@gmail.com>
To: Miller Thomson - Nicole Taylor-Smith <ntaylorsmith@millerthomson.com>
Cc: Faith McNeil <fmcneil@millerthomson.com>, "jkang@3ecd.net" <jkang@3ecd.net>, James <bicsta@gmail.com>

FYI.

----- Forwarded message -----

From: **Bruce McKenzie** <Bruce.McKenzie@norr.com>
Date: Thu, May 1, 2014 at 3:50 PM
Subject: 3 Eau Claire Project
To: "Sung-Jin Lee (lee.sung.j@gmail.com)" <lee.sung.j@gmail.com>

This will confirm that NORR Architects Engineers Planners are supportive of an extension to the creditor protection as the owner resolves the ongoing issues.

Bruce McKenzie

Bruce McKenzie, M.Arch., Architect, AAA, AIBC, LEED®-AP

Vice President, Operations

Suite 100, 221 - 10th Avenue SE, Calgary, Alberta T2G 0V9, Canada

Bruce.McKenzie@norr.com | T 403 538 3389 | F 403 269 7215 | norr.com

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FW: Loan of Shorebrook to 3 Eau Claire

Andrew SJ Lee to 'Nicole Taylor-Smith'

05/02/2014 01:34 PM

Cc: "Faith McNeil", jkang, bicsta, "Grant, Vanessa \ (CA - Alberta)"

From: "Andrew SJ Lee" <sjlee@3ecd.net>
To: "Nicole Taylor-Smith" <ntaylor-smith@millert-homson.com>
Cc: "Faith McNeil" <fmcneil@millert-homson.com>, <jkang@3ecd.net>, <bicsta@gmail.com>, "Grant, Vanessa \ (CA - Alberta)" <vgrant@deloitte.ca>

FYI.

Kind Regards,

Andrew Sung-Jin Lee

3 Eau Claire Developments Inc.

#102, 615 - 3 Avenue S.W.

Calgary, Alberta T2P 0G6

t: (403) 453 - 5004

f: (403) 453 - 5353

c: (403) 671 - 2659

sjlee@3ecd.net

From: Daniel Scott [mailto:daniel@p3holdingsinc.com]

Sent: Friday, May 02, 2014 1:32 PM

To: Andrew SJ Lee

Cc: Chris Ritter

Subject: Loan of Shorebrook to 3 Eau Claire

Dear Mr. Lee,

Further to our recent conversation this will confirm our support of your intention to seek a 45 day extension to your proposal application.

Yours sincerely,

Shorebrook Capital Inc.

Daniel Scott, President

AVISON YOUNG
REAL ESTATE ALBERTA INC.
Gulf Canada Square
Suite 309, 401 – 9 Avenue S.W.
Calgary, Alberta T2P 3C5
ATTENTION: Kevin Morgans and/or Walsh Mannas

This is Exhibit "G" referred to in the
Affidavit of
ANDREW SEONG-TIN LEE
Sworn before me this 5
Day of MAY, A.D. 2014

Amneil

A Commissioner for Oaths in and for
the Province of Alberta

FAITH A. McNEIL

My Commission Expires Nov. 21, 2016.

RE: Those lands municipally know as 633 – 3 Avenue S.W., Calgary, Alberta, legally described as:

**Plan A1
Block 14
Lots 1 to 10 Inclusive**

(collectively, the "Property")

EXCLUSIVE COMMERCIAL LISTING AGREEMENT

In consideration of Avison Young Real Estate Alberta Inc. ("Avison Young"), agreeing to provide its services in accordance with the terms of this Exclusive Commercial Listing Agreement (the "Listing Agreement"), 3 Eau Claire Developments Inc. ("we", "our" or "us") irrevocably authorize and empower Avison Young to act as our exclusive agent to list for sale and to procure offers for a development partner or the purchase and sale of the Property ("Agreement") on the following terms and conditions:

1. **Term.** Subject to termination in accordance with Paragraph 16 below, this Listing Agreement:
 - (a) remains in full force and effect from the date of the execution of this Listing Agreement by both Parties until 5:00 o'clock p.m., Alberta time on **June 30, 2014**; and
 - (i) Avison Young will use their best commercial efforts to bring forward a potential purchaser to negotiate a transaction with us using the following timetable:
 - (A) 21 days from the launch of Avison Young's marketing campaign to introduce the opportunity to a select group of potential purchasers (the "**Marketing Period**");
 - (B) 14 days from the end of the **Marketing Period** to bring forward one potential purchaser to negotiate a transaction with us;
 - (ii) Avison Young recognizes that we are looking to have the transaction completed and closed by June 30, 2014.
 - (b) automatically renews for consecutive terms of six (6) months until terminated by either Avison Young or us by way of written notice delivered not less than thirty (30) days prior to the end of the term or any renewal.

("Term" means the term of this Listing Agreement and any renewals.)

2. **List Price.** Avison Young will list the Property without a formal list price and will market the Property to targeted prospective buyers on an un-priced basis.
3. **Commission.** Should the Property be sold or deemed to be sold during the Term, or should a sale or deemed sale be made as a result of negotiations that originated during the Term, whether or not Avison Young takes part in those negotiations, we agree to unconditionally pay Avison Young a commission of \$400,000.00 **excluding G.S.T** (the "Sale Commission").

Should we enter into a binding partnership agreement involving the Property during the Term or should a partnership agreement be made as a result of negotiations that originated during the Term, whether or not Avison Young takes part in those negotiations, we agree to unconditionally pay Avison Young a commission of ~~\$800,000.00~~ **\$800,000.00** **excluding G.S.T** (the "Partnership Sale Commission"). The Partnership Sale Commission will be deemed to be earned if we retain any semblance of ownership, in equity or debt, in the Property after a partnership agreement has been executed.

Avison Young will only be paid one of either the Sale Commission or the Partnership Sale Commission (collectively referred to as the Commission) and in no way both.

4. **Sale of Property.** The Property will be deemed to be sold, and the Commission fully earned by Avison Young, immediately upon the earlier of:
 - (a) our entering into an unconditional binding Agreement or if we have entered into a binding Agreement that contains buyer's conditions, upon satisfaction or waiver of those buyer's conditions; or
 - (b) upon any disposition of any interest in the Property, including without limitation, any disposition by way of any partial transfer, lease, grant, or exercise of an option to purchase, grant, or exercise of a right of first refusal, or by an exchange of property, or any sale of shares or securities in any corporation that owns any interest in the Property.
5. **Payment of Commission.** We will unconditionally and without any set off or deduction, pay the Commission on the closing date provided for in any Agreement, or upon the execution of a partnership agreement provided that all of the buyer's conditions have been satisfied or waived, whether or not closing of the purchase and sale of the Property has occurred (the "**Closing Date**"). In the event the Property is sold or deemed to be sold or a partnership agreement is entered into during the Term other than by way of Agreement, the Property will be deemed to be sold for a price equal to the gross sale price payable by the buyer, and the Commission will be fully earned, due, and unconditionally payable to Avison Young immediately upon such disposition taking place.
6. **Taxes.** In addition to any other amounts payable, we agree to pay to Avison Young, at the time of payment of the Commission, any G.S.T., sales tax, value added tax, or any other similar tax imposed against us by any federal, provincial, or municipal law, bylaw, or regulation (collectively "**Taxes**"), to the extent that such Taxes are imposed on us by reason of any service provided to us by Avison Young.

~~\$800,000.00~~
\$800,000.00
JP
TWT

7. **Deposit.** We agree that Avison Young will hold any deposit called for in any Agreement (the "**Deposit**") and that the Deposit will be held by Avison Young in its trust account. We authorize Avison Young to deduct earned Commission and other amounts that may be or become owing by us to Avison Young from any such Deposit held when such Commission becomes payable. In the event of a sale not being completed as result of a default by the buyer, and the Deposit being forfeited by the buyer, we authorize Avison Young to deduct and pay to itself one-half of the Deposit, up to a sum equivalent to the Commission. The remaining balance of the Deposit will then be paid to us.
8. **Irrevocable Order and Direction to Pay.** We will cause our solicitors to pay to Avison Young any and all additional Commission and other amounts that may be or become owing by us to Avison Young from proceeds of sale of the Property upon the Closing Date, and we irrevocably assign such amounts to Avison Young. For that purpose we will execute and deliver to our solicitors an irrevocable order and direction to pay in favour of Avison Young.
9. **Sales Following Expiration of Term.** We agree that in the event the Property is sold or deemed to be sold or a partnership agreement is entered into within sixty (60) days following the earlier of the expiration of the Term or the date of the termination of the Listing Agreement, and:
 - (a) the buyer was introduced to us by Avison Young; or
 - (b) the buyer purchased the Property or entered into a partnership agreement with us as a result of negotiations or services provided by Avison Young prior to the termination or expiration of the Term,then we agree to pay the Commission and any other amounts payable to Avison Young in accordance with the provisions of this Listing Agreement. Within seven (7) days of the expiration or termination of the Term, Avison Young will provide to us, a written list of any prospective buyers, who have been in direct contact with Avison Young with respect to the potential purchase of the Property or that Avison Young are actively pursuing.
10. **Interest.** We agree that any outstanding Commission and other amounts that may be or become owing by us to Avison Young will bear interest at a rate of one percent (1%) per month (12% per annum) calculated and payable monthly, if such amounts are more than thirty (30) days overdue.
11. **Legal Costs.** We agree to pay to you, and such amount will become part of the amounts owing, all costs, charges, and expenses (including without limitation all legal fees and disbursements as between a solicitor and his own client on a full indemnity basis) incurred by Avison Young as a result of:
 - (a) Any default by us in complying with any term or condition of the Listing Agreement; and
 - (b) Any steps or actions that Avison Young takes in order to enforce payment of the Commission and any other amounts payable under the Listing Agreement, or to protect its legal right under the Listing Agreement.

12. **Representations and Warranties.**

- (a) We represent and warrant that, to the best of our knowledge and except as otherwise disclosed in writing to Avison Young, the following statements respecting the Property are true and accurate:
 - (i) we hold title free and clear of all encumbrances except as stated on the certificate of title to the Property;
 - (ii) we have disclosed to Avison Young all third party claims and interests in the Property;
 - (iii) the current use of the Property and all buildings and improvements complies with the existing municipal land use bylaw;
 - (iv) the buildings and other improvements are located entirely on the Property and do not encroach upon neighbouring lands, except where an encroachment agreement is in place;
 - (v) the buildings and other improvements on the Property are not placed partly or wholly on any easement or utility right-of-way;
 - (vi) the location of buildings and other improvements on the Property complies with all relevant municipal bylaws, regulations, and variances granted by the appropriate municipality prior to the sale of the Property being completed, or the buildings and other improvements on the land are "non-conforming buildings" as that term is defined in the *Municipal Government Act* (Alberta);
 - (vii) defects that are hidden, not visible or discoverable through a reasonable inspection of the Property, and that may render the Property dangerous or potentially dangerous to the occupants have been disclosed to Avison Young; and
 - (viii) all information provided by us to Avison Young is complete and accurate.
- (b) We release, indemnify, and save Avison Young together with its officers, directors, employees, independent contractors, agents, and representatives harmless from and against claims, damages, actions, losses, costs, charges, liabilities, and expenses including, without limitation, legal fees on a solicitor and own client full indemnity basis, incurred as a result of any misrepresentation or false warranties that may be innocently provided by Avison Young to a prospective buyer based upon incorrect or misleading information received from us.

13. **Duties and Responsibilities of Seller.** For the duration of the Term, we will:

- (a) give Avison Young convenient access at all reasonable times for the purpose of showing the Property;

- (b) maintain the Property in a state of good and safe repair;
- (c) permit Avison Young to market the Property in any way they see fit;
- (d) insure the Property and its contents against loss or damage due to perils normally insured against for similar properties;
- (e) communicate and co-operate with Avison Young in a timely manner;
- (f) provide Avison Young with all information necessary for the listing and marketing of the Property;
- (g) immediately advise Avison Young of any material change in the physical condition or status of the Property; and
- (h) refer to Avison Young any and all offers for purchase and sale submitted to us from any source whatsoever, before acceptance of same by us.

14. **Confidentiality.** Unless otherwise advised in writing, any and all information received by Avison Young from us, or from any other party regarding us, in the course of the agency relationship contemplated will be deemed to be information disclosed in confidence to Avison Young notwithstanding that such information may have been received before the execution of this Listing Agreement.

15. **Termination on Default.** Either party may terminate the Listing Agreement (the "**Terminating Party**") as follows:

- (a) In the event that a party makes a general assignment for the benefit of its creditors, files or presents a bankruptcy application, makes a proposal, or commits any act of bankruptcy, or if any action is taken for the winding up, liquidation, or the appointment of a liquidator, trustee in bankruptcy, custodian, curator, sequestrator, receiver, or any other officer with similar powers, or if a judgment or order will be entered by any court approving a plan or proposal for reorganization, arrangement, or compromise or in respect of any party, then the Terminating Party, may but will not be obligated, to terminate the Listing Agreement immediately upon giving written notice to the other party.
- (b) In the event a party (the "**Defaulting Party**") is in default of complying with any other term or condition of the Listing Agreement, the Terminating Party will notify the Defaulting Party in writing of its intent to terminate this Listing Agreement for default or non-performance by the Defaulting Party. Such notice will provide the specifics of the alleged default or non-performance by the Defaulting Party and the Defaulting Party will have ten (10) days from receipt of such notice to remedy or rectify such default or non-performance, or, if not remediable or rectifiable within ten (10) days, to take such steps to commence to remedy or rectify such default or non-performance as is reasonable in the circumstance (the "**Cure Period**"). If, in the Terminating Party's opinion, acting reasonably, such default or non-performance has not been remedied or rectified, the Terminating Party may, after expiry of the Cure Period, terminate this Listing Agreement upon providing ten (10) days written notice to the Defaulting Party.

(c) Notwithstanding Paragraphs 16(a) or (b), in the event that a party makes a general assignment for the benefit of its creditors, files or presents a bankruptcy application, makes a proposal, or commits any act of bankruptcy, or if any action is taken for the winding up, liquidation, or the appointment of a liquidator, trustee in bankruptcy, custodian, curator, sequestrator, receiver, or any other officer with similar powers, or if a judgment or order is entered by any court approving a plan or proposal for reorganization, arrangement, or compromise or in respect of any party, then the Terminating Party, may but will not be obligated, to terminate the Listing Agreement immediately upon giving written notice to the other party.

16. **Transaction Brokerage.** We acknowledge that from time to time Avison Young may also be asked to represent a buyer or prospective buyer of the Property. In the event that Avison Young wishes to represent both us and the buyer, or prospective buyer, then Avison Young will:

- (a) immediately advise us of its desire to undertake concurrent representation of us and the buyer or prospective buyer;
- (b) give us an opportunity to seek independent advice concerning the joint representation; and
- (c) obtain an agreement between us and the buyer outlining the nature of this representation.

In the event we are not prepared to enter into a transaction brokerage agreement, then Avison Young will continue to represent us only, and Avison Young will advise the buyer or prospective buyer accordingly.

17. **Notice.** Any notice required to be given may be given to us at:

3 Eau Claire Developments Inc.
Attn: Mr. Andrew Sung-Jin Lee
#102, 615 – 3 Avenue S.W.
Calgary, Alberta T2P 0G6
T 403.453.5004
F 403.453.5353
E sjlee@3ecd.net

and to Avison Young at:

Attn: Kevin Morgans and/or Walsh Mannas
Gulf Canada Square
Suite 309, 401 – 9 Avenue S.W.
Calgary, Alberta T2P 3C5
T 403.262.3082
F 403.262.3325
E kevin.morgans@avisonyoung.com and/or
walsh.mannas@avisonyoung.com

or such other address of which either party may notify the other from time to time in writing.

18. **Indemnification.** We agree to indemnify and save Avison Young together with its officers, directors, employees, independent contractors, agents, and representatives harmless from and against all claims, demands, actions, losses, damages, costs, charges, liabilities, and expenses including, without limitation, legal fees on a solicitor and own client full indemnity basis, incurred as a result of any default, non-performance, or breach of this Listing Agreement by us, including but not limited to, the non-payment or late payment of any Commission and other amounts that may be or become owing by us to Avison Young.
19. **Unenforceable Terms.** Any term, condition, or provision of this Listing Agreement that is or will be deemed to be void, prohibited, or unenforceable in any jurisdiction will, as to such jurisdiction, be severable and be ineffective to the extent of such avoidance, prohibition, or unenforceability without in any way invalidating the remaining terms, conditions, and provisions.
20. **Conflict of Laws.** This Listing Agreement will be construed and enforced in accordance with the applicable laws of the Province of Alberta and the applicable laws of Canada and the Parties attorn to the courts of the Province of Alberta.
21. **Enurement.** This Listing Agreement will enure to the benefit of and be binding upon the Parties together with their heirs, executors, administrators, successors, and permitted assigns.
22. **Headings.** The headings used in this Listing Agreement are for convenience of reference only and will not be deemed to be a part of this Listing Agreement and will not be referred to in connection with the construction and interpretation of this Listing Agreement.
23. **Severability.** The invalidity or unenforceability of any provision of this contract will not affect the validity or enforceability of any other provision contained in this Listing Agreement. If any provision of this Listing Agreement is illegal, invalid, or void under any applicable law, such provision should be considered severable, remaining provisions will not be impaired and the Listing Agreement will be interpreted as far as possible so as to give effect to its stated purpose.
24. **Time of the Essence.** Time is of the essence of this Listing Agreement and of every part of it.
25. **Counterparts.** This Listing Agreement may be executed in one or more counterparts, each of which will be considered an original but all of which together will constitute one and the same instrument. In addition, facsimile or electronic copies of executed counterparts will be conclusively regarded for all purposes as originally executed counterparts pending the delivery of the originals.

26. **Authority.** We confirm that we have the full power and authority to enter into this Listing Agreement and to sell the Property. We acknowledge having read this Listing Agreement and having received a true copy of it. We further acknowledge to you that we do not hold an authorization as a real estate broker issued by the Real Estate Council of Alberta.

DATED at the City of Calgary, in the Province of AB,
this 12th day of March, 2014.

3 EAU CLAIRE DEVELOPMENTS INC.

Per: 

Print name: James Hong Park

Title: Director

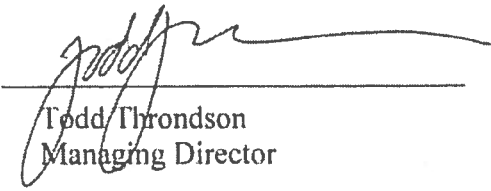
Per: _____

Print name: _____

Title: _____

ACCEPTED AND AGREED in the City of Calgary, in the Province of Alberta, this
12 day of March, 2014.

**AVISON YOUNG
REAL ESTATE ALBERTA INC.**



Todd Thronson
Managing Director

3 Eau Claire

48 storey mixed use development located in the heart of downtown Calgary in the prestigious riverside community of Eau Claire

This is Exhibit "H." referred to in the
Affidavit of

ANDREW SEONG-TWLEE

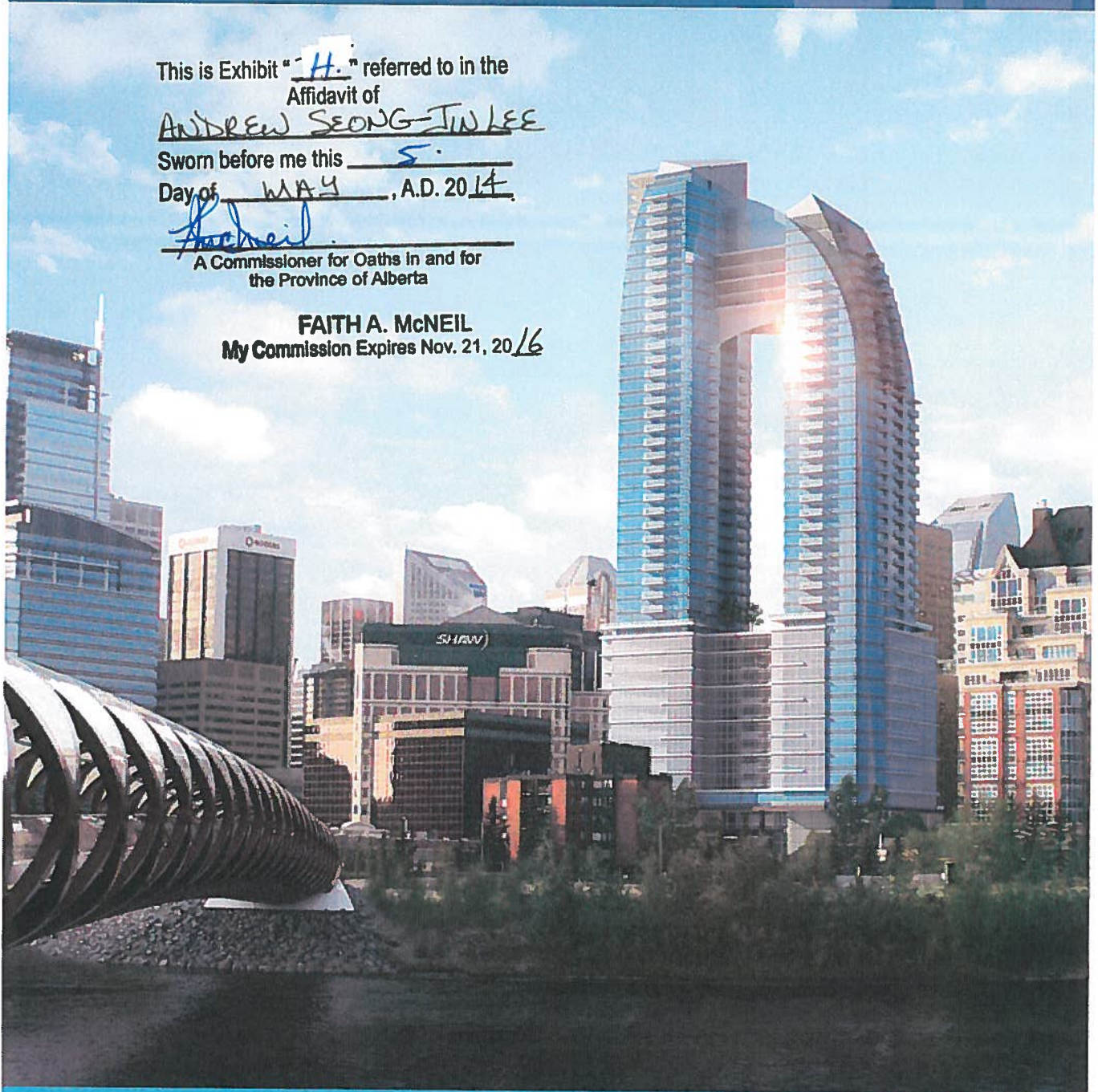
Sworn before me this 5.

Day of MAY, A.D. 2014.

McNeil

A Commissioner for Oaths in and for
the Province of Alberta

FAITH A. McNEIL
My Commission Expires Nov. 21, 2016



**AVISON
YOUNG**

**CANADA'S BEST
MANAGED
COMPANIES**

Walsh Mannas, Vice President
403.232.4381
walsh.mannas@avisonyoung.com

Kevin Morgans, Vice President
403.232.4318
kevin.morgans@avisonyoung.com

avisonyoung.com

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The information contained herein was obtained from sources which we deem reliable and, while thought to be correct, is not guaranteed by Avison Young.

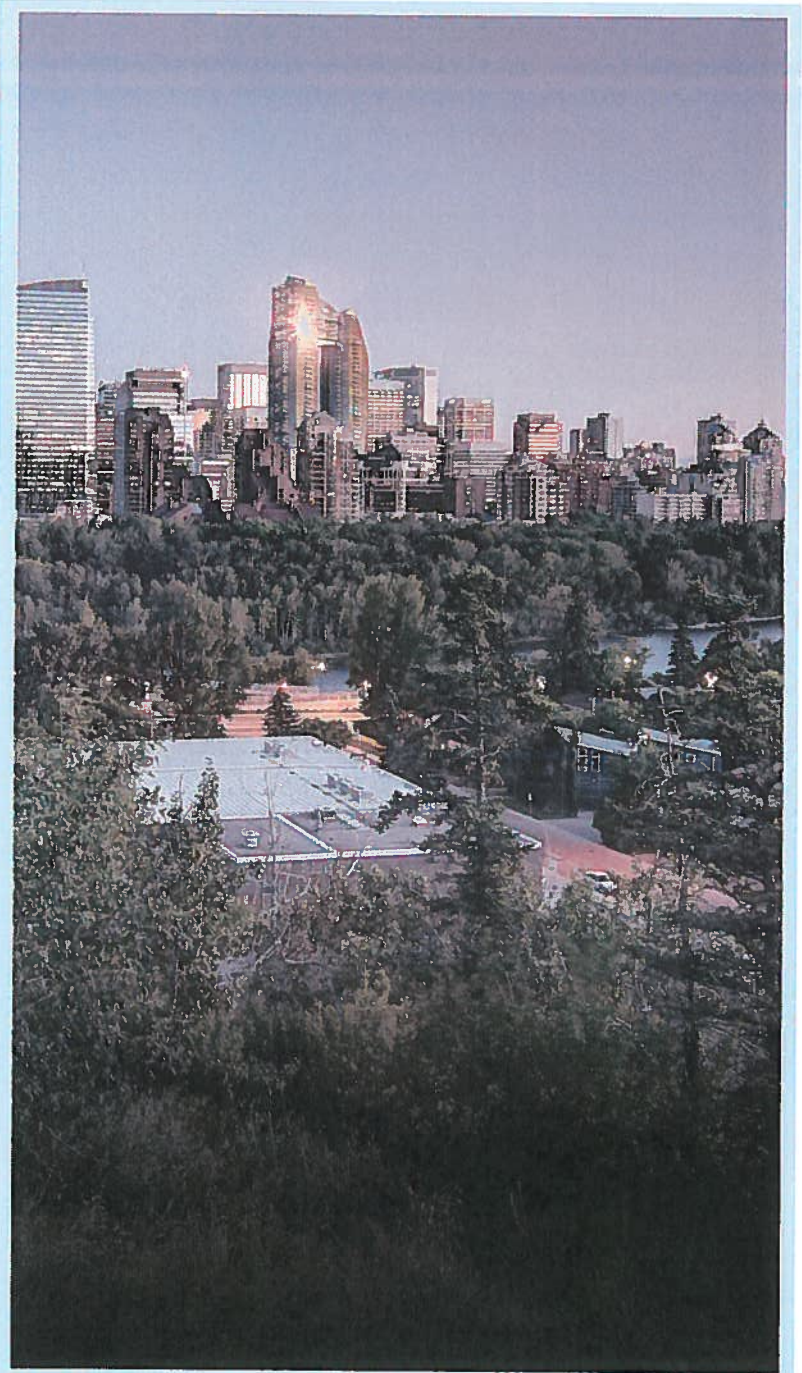
Executive Summary

Avison Young has been retained by 3 Eau Claire Developments Inc. (the “Developer”) to present their 3 Eau Claire Development (the “Project”) to the market to find a suitable development partner to bring the development forward. To date there have been \$84,976,300 in condominium sales in the project which accounts for 72% of the condominiums released for sale being sold.

The Project will also include 241,107 sf of net leasable commercial space available for lease to prospective tenants. The Project has its Development Permit approval and is ready to for building permit submission as soon as a viable development partner is selected.

Highlights

- \$84,976,300 (or 72%) of presales in Phase 1 of the development
- Development permit in-place for 436 unit condominium tower with 241,107 sf of commercial space with Plus 15 connected podium, which will make 3 Eau Claire Alberta’s tallest residence.
- 654,519 sf gross developable square footage
- Plus 15 connection available to the east
- Location in the Eau Claire node of downtown Calgary’s financial core
- Retail, fitness and lifestyle amenities are within a two block walk from the site
- 40.08% of the 436 units in both phases of both towers have already been sold
- The Project is ready to commence development, greatly reducing the timing to deliver the Project for occupancy
- Arrangement of construction financing, permits and architectural drawings are substantially complete
- Location within close proximity to the Bow River recreational pathway and the Eau Claire YMCA
- Development ready for Late 2017 delivery



Property Summary

You'll be the envy of your friends. Relaxing on the 41st floor by the fireplace, sipping a drink on the custom sectional banquettes and admiring the view. And what a view! Floor-to-ceiling glazing provides stunning views of city and mountain vistas from within the 4 storey glass atrium. Available for private parties, the amenity lounge features bar fridges, microwave ovens, dishwashers, sinks, and generous catering space. Overlooking the lounge, and the city, is a fitness room with state-of-the-art cardio equipment, free-weights and space to stretch out.

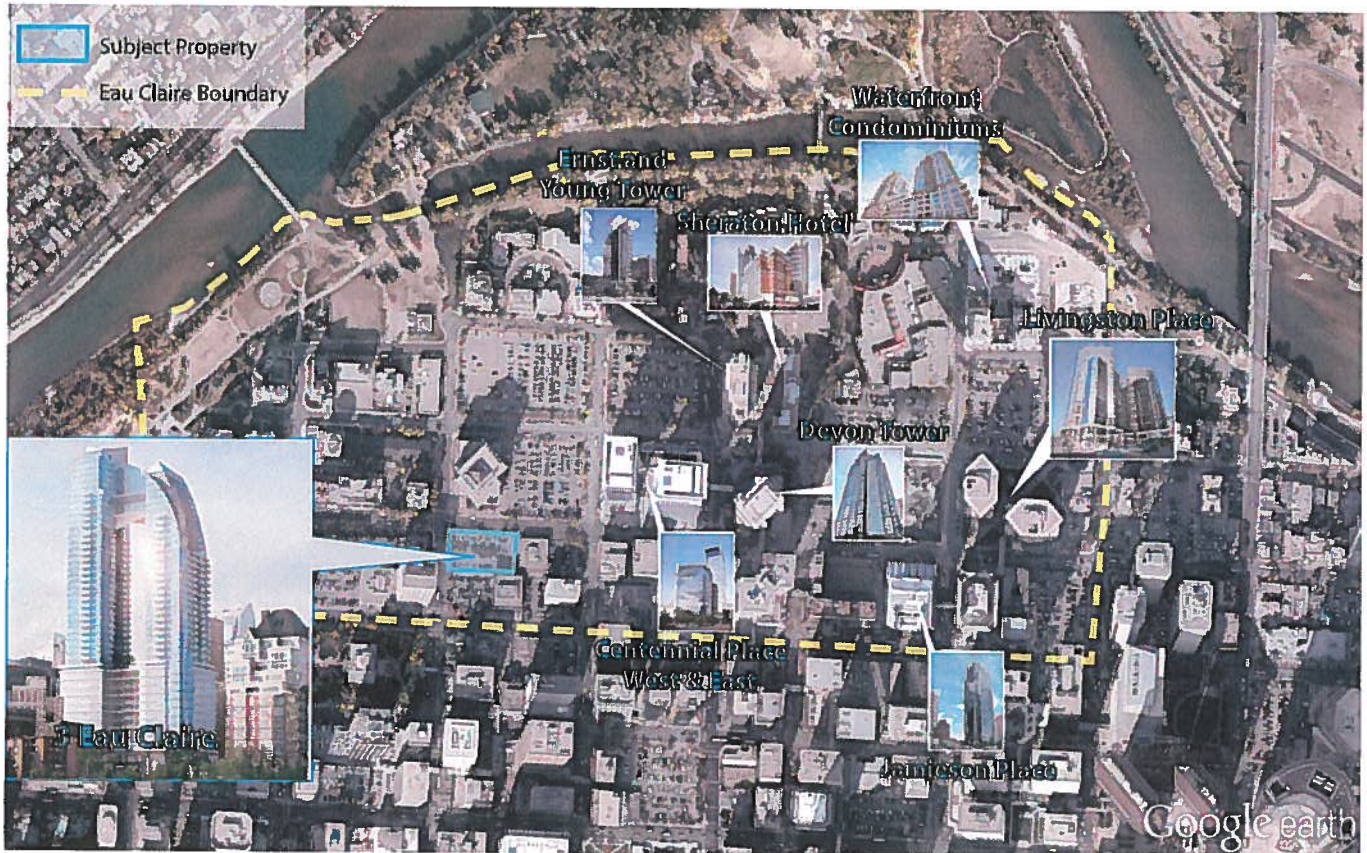
A
LIVING ROOM
IN THE SKY

Proposed Development Summary

Name of Project:	3 Eau Claire
Address:	633 – 3 Avenue S.W., Calgary, Alberta
Total Building Area:	651,788 sf
Office Area:	244,431 sf
Residential Area:	379,226 sf (436 condominium units)
Building Elevation:	160 metres; 48 storey East Tower, 42 Storey West Tower
Site Size:	32,554 square feet
Parking:	7-level underground parkade, 531 Stalls
Typical Floor Plate:	Office; 22,289 square feet Towers; 10,517 square feet
FAR:	20 FAR
Zoning/Land Use:	DC 23D2009 (Direct Control)
Assessment (2014):	\$10,400,000
Tax Levy (2014):	\$151,108.72
Legal Description:	Plan A1 Block 14 Lots 1 to 10 inclusive

Location Summary

The Community of Eau Claire



Eau Claire is downtown Calgary's most sought after residential community. While a number of office developments have recently been developed in the node a high-rise condominium development has not been built in Eau Claire for over a decade.

3 Eau Claire will mark the first downtown condominium project to be developed on the Plus 15 pedway system and one of only two mixed use residential and commercial projects in downtown Calgary.

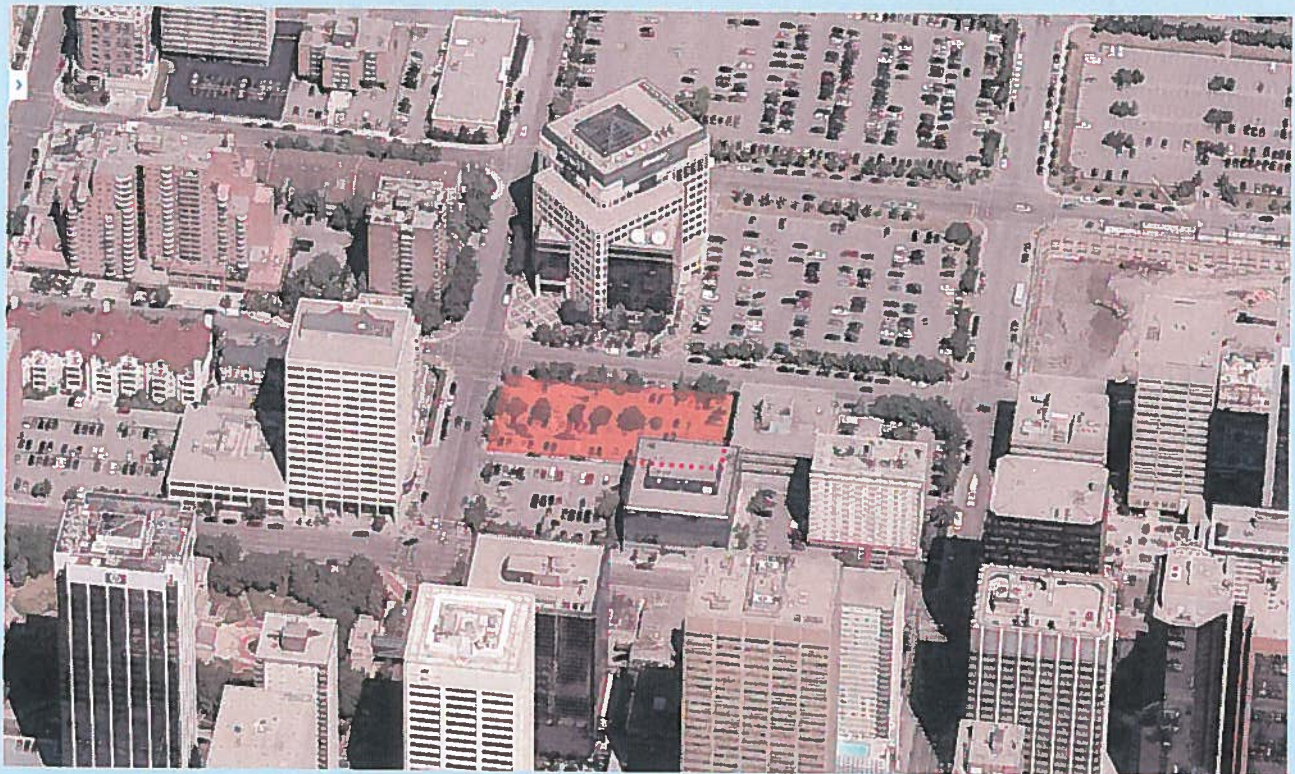
Two blocks away from the Bow River pathway system, the Eau Claire Market and YMCA 3 Eau Claire denotes a great balance between downtown Calgary's financial and recreational core.

The location along 3 Avenue and 6 Street provides great access into and out of Calgary's downtown core while the future Plus 15 connection seamlessly connects 3 Eau Claire with Calgary's financial core.

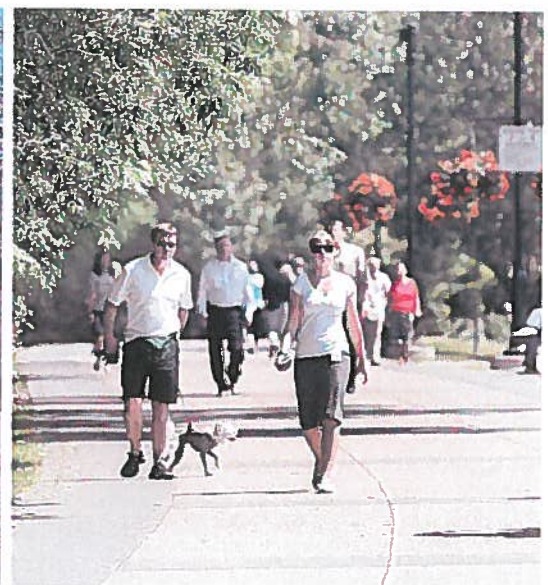
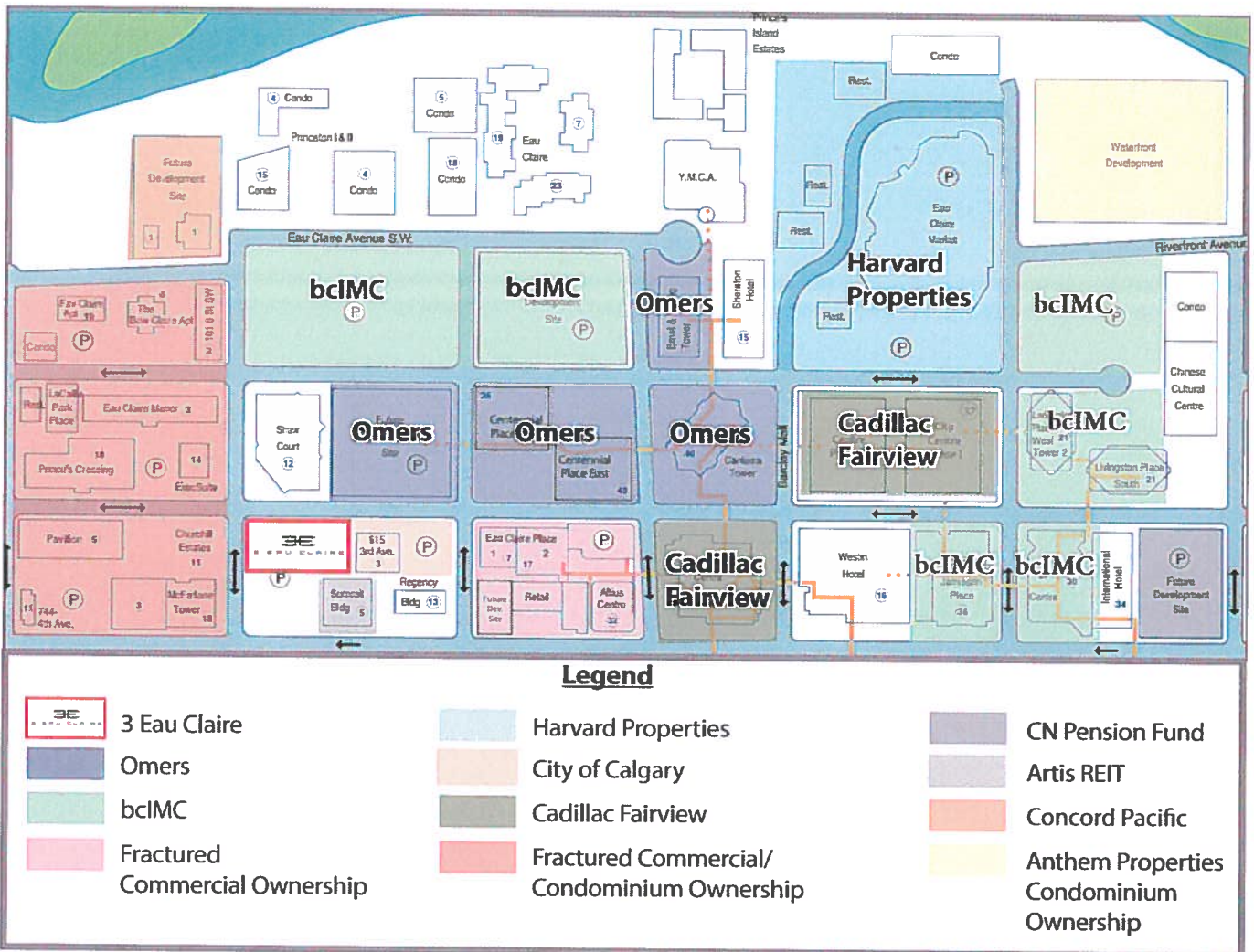
Location Summary

THE PULSE OF THE CITY

Located in the heart of Calgary's most prestigious riverside community, 3 Eau Claire connects you to the pulse of the city. As Calgary's only mixed-use condominium development with future connection option to the Plus 15 network, you are immediately joined to the vibrant downtown core. A vast array of restaurants, shopping and entertainment venues await you. Commuting to your workplace is an easy walk, not a lengthy drive on busy roads, while the C-Train provides easy access to locations farther out. Prince's Island Park and the Bow River pathway offer a soothing respite from the dynamic energy of urban life.



Eau Claire Office/Development Ownership Map



Proposed Development Plans

Proposed Building Stacking Plan

Phase II - Residential

West Tower 37 Units, 52,770 sf
(Level 30 - 41)

East Tower: 41 Units, 54,042 sf
(Level 35 - 46)

Total : 78 Units, 101,802 sf

Type: Penthouse, 2 bed
+ den, 2 bed

Proposed

Revenue: \$92,394,160 (total)

Phase II - Residential Amenities

- Exercise room, exercise equipment and remote T.V.
- "Sky Lounge"

Phase I - Residential

West Tower: 159 Units, 83,326
(Level 14-29) saleable sf

East Tower: 209 units, 109,396
(Level 14 - 34) saleable sf

Total: 368 units, 192,722

Type: 1 bed, 2 bed

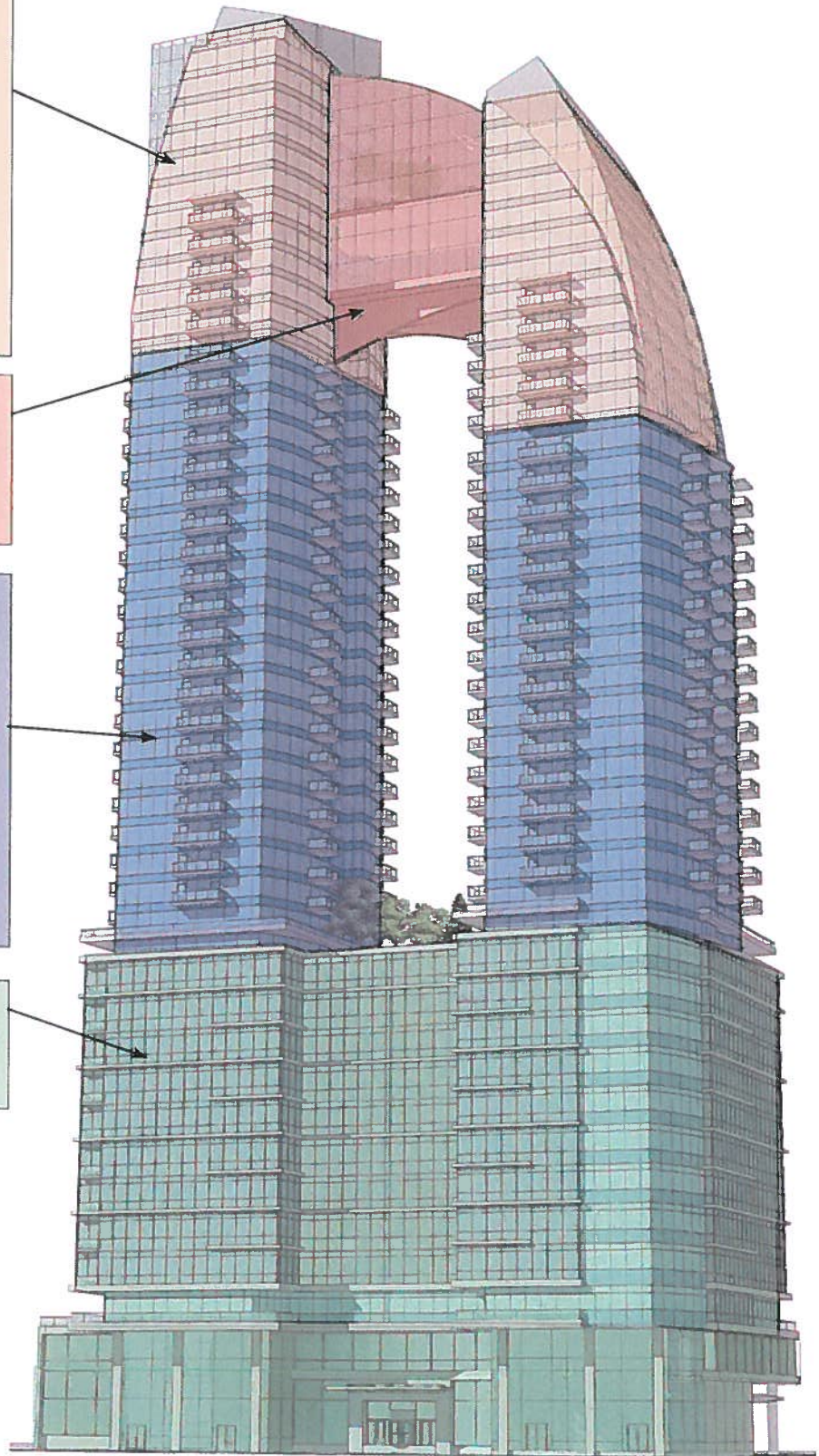
Proposed

Revenue: \$117,789,894
(with parking)

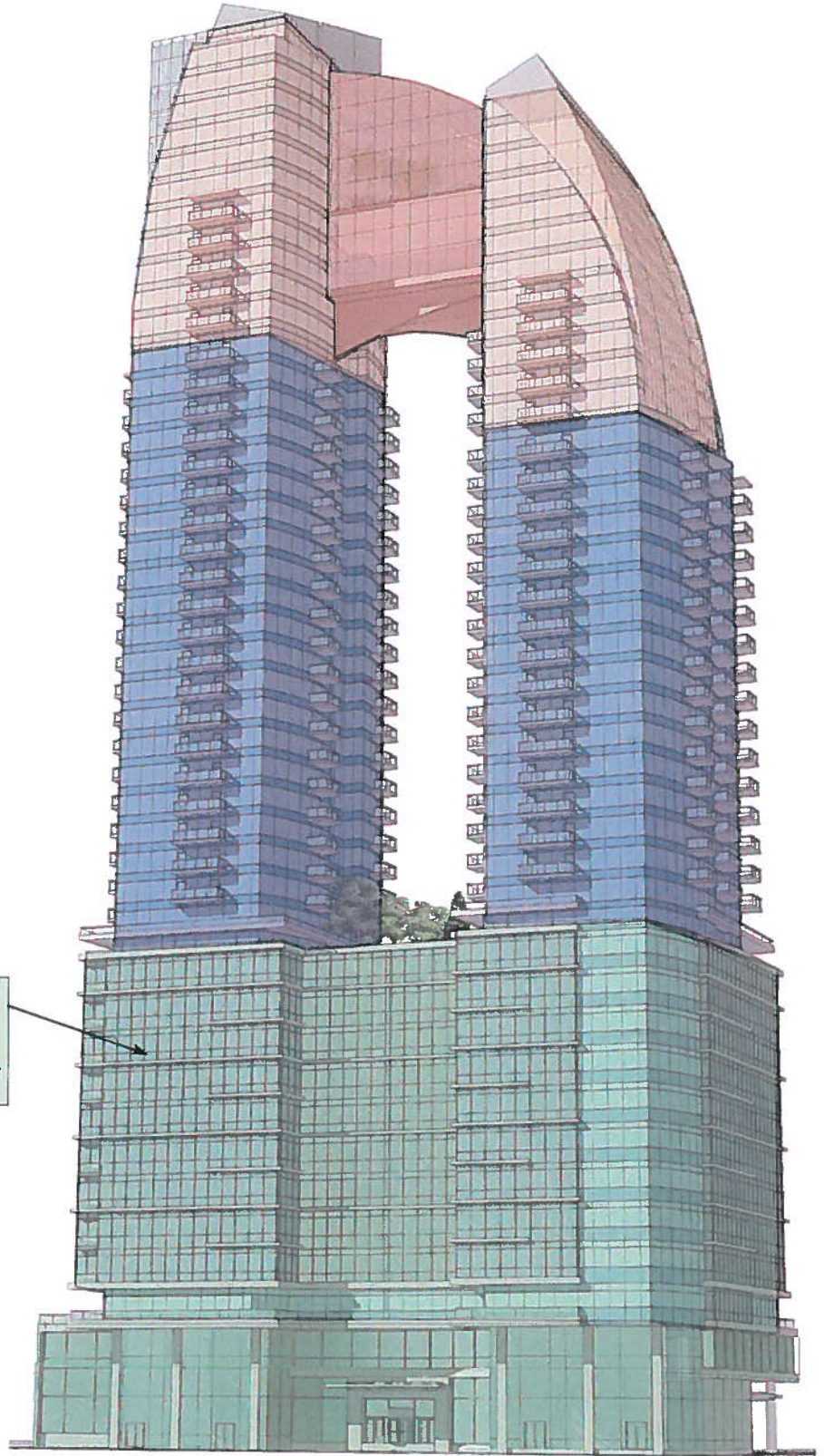
Phase I - Podium - Commercial

Retail and Plus 15: 38,385 net sf

Level 3 - 12: 202,722 sf



Proposed Office Use - Podium



Phase I - Podium - Commercial

Retail and Plus 15:	38,385 net sf
Level 3 - 12:	202,722 net sf

Class "AA" Office Building Breakdown

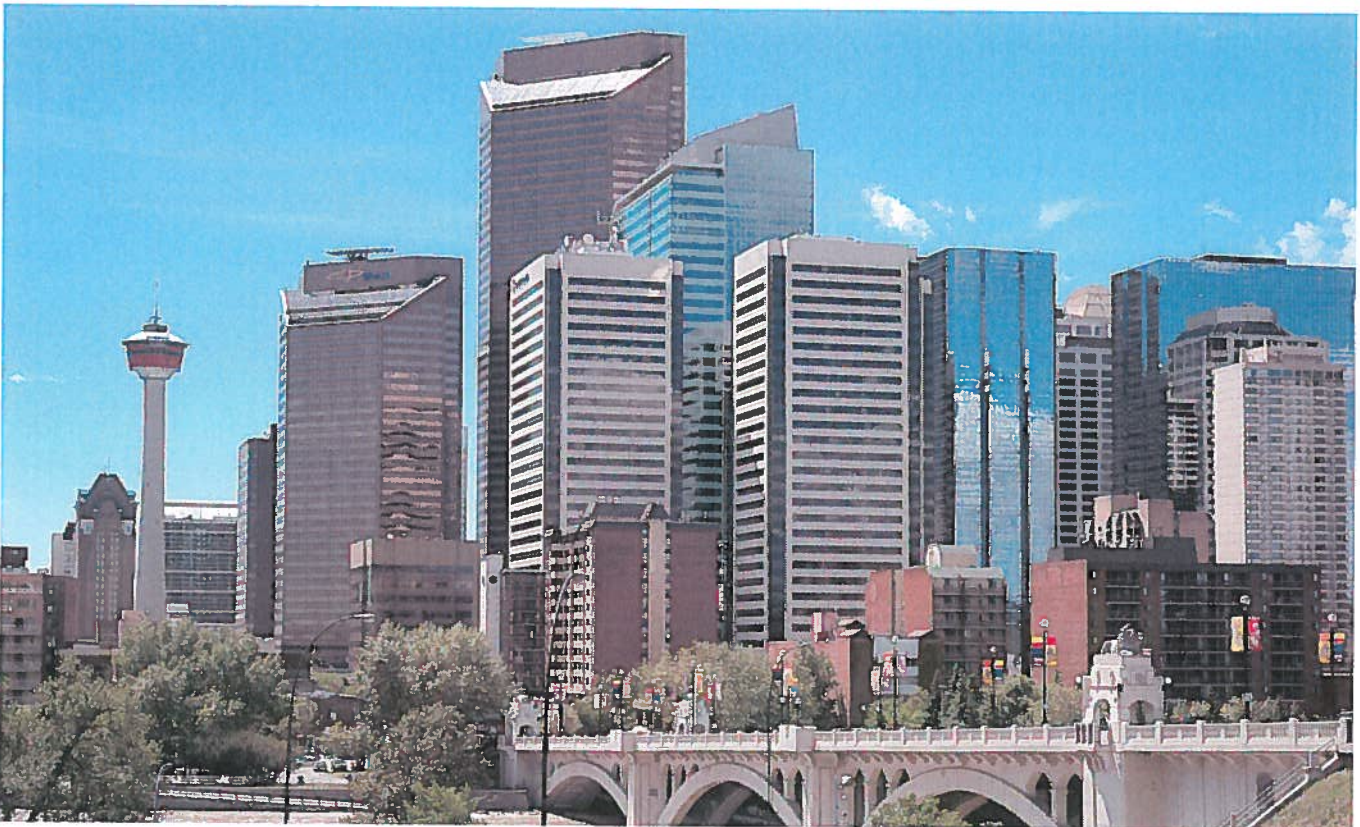
Class "AA" is a type and quality of office space only found in downtown Calgary. This space remains essentially fully-occupied at 0.9% vacancy as of the end of the fourth quarter of 2013. This marks the 10th consecutive quarter with Class "AA" office vacancy in downtown Calgary below 1%. Today, Class "AA" office space accounts for 30% of the entire downtown Calgary office market.

Class "AA" buildings accounts for 11,951,528 sf of office space in downtown Calgary located in three distinct nodes: Eau Claire, the east Financial Core and the South Financial Core.

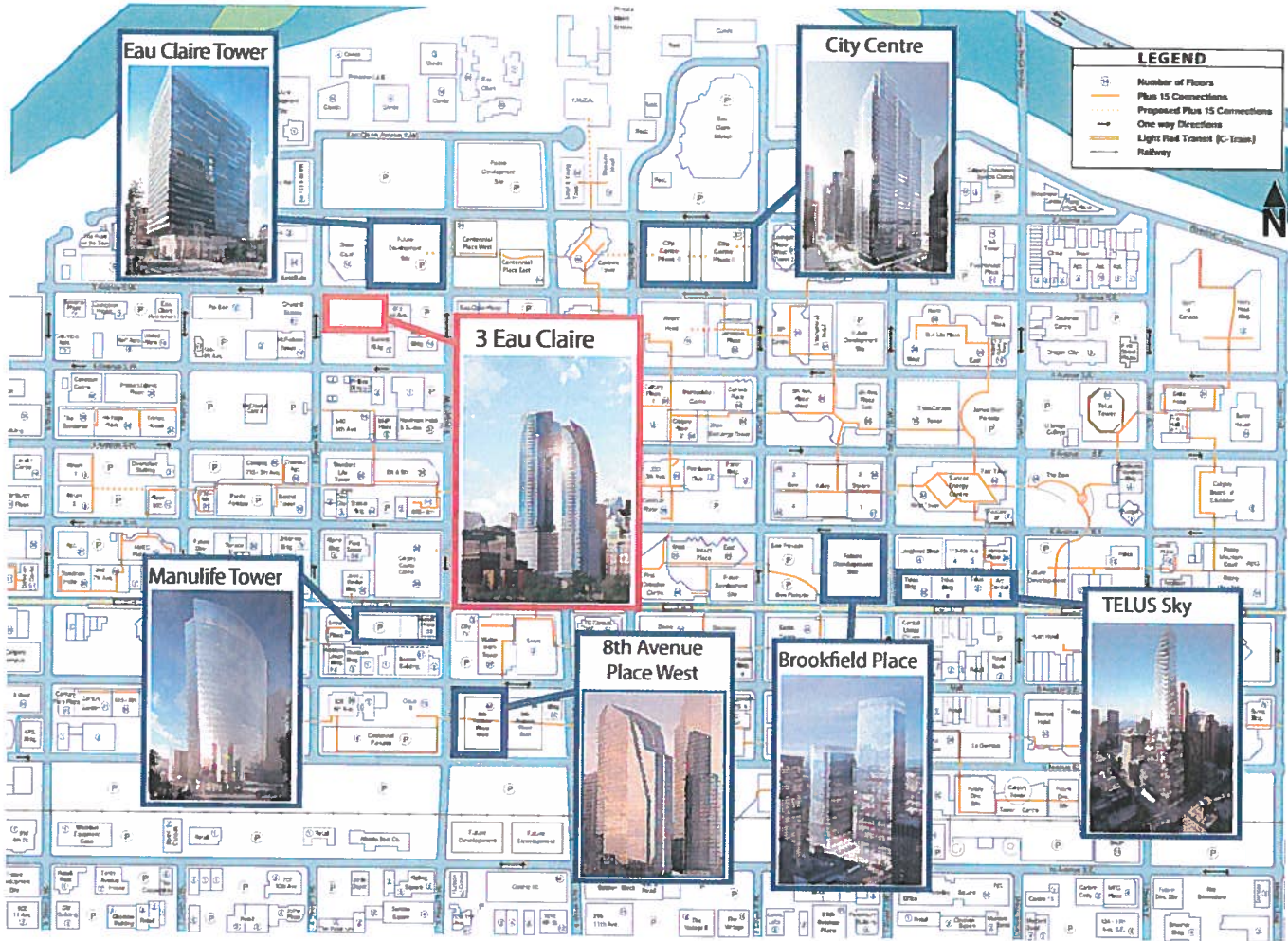
The Eau Claire node has 4,225,856 sf of Class "AA" office space owned/controlled by two groups, Omers/Oxford and bcIMC. Eau Claire Tower and City Centre are the only office developments moving forward in this node with 3 Eau Claire marking the last office development available to be built in this node.

The east Financial Core has 4,451,554 sf of Class "AA" office space owned/controlled by two groups, Brookfield Properties and H&R REIT. This node includes the 1,711,554 sf Suncor Energy Centre which is Calgary's oldest Class "AA" office tower. Brookfield Place is the only office development coming out of the ground today with TELUS Sky committed to being developed in the near future. These two office buildings are planned to add 1,830,000 sf to the node with Brookfield Place West being the only future office development announced and remaining to be developed in the node.

The South Financial Core has 3,274,118 sf of Class "AA" office space owned/controlled by two groups, Brookfield Properties and Ivanhoe Cambridge/ AIMco. Eighth Avenue Place West is the only Class "AA" office building being developed in this node and it will be delivered fully leased in late 2014.



Summary of New Downtown Office Developments



Proposed Downtown Office Developments

	Total Office Area	Class	Floors	Available Space	Leased Space	Major Tenant	Delivery Date
3 Eau Claire	202,722 sf	"AA"	10	-	-	-	-
Eight Avenue Place	844,000 sf	"AA"	40	74,415 sf	769,585 sf	Crescent Point	2014
City Centre	810,987 sf	"AA"	34	506,406 sf	304,581 sf	Inter Pipeline	2015
Eau Claire Tower	608,065 sf	"AA"	25	154,741 sf	453,324 sf	MEG	2017
Manulife Tower	564,000 sf	"AA"	27	282,000 sf	250,000 sf	Brion Energy	2017
TELUS Sky	430,000 sf	"AA"	58	270,000 sf	160,000 sf	TELUS	2017
Brookfield Place	1,400,000 sf	"AA"	56	400,000 sf	1,000,000 sf.	Cenovus	2018

Summary of Calgary Condominium Market

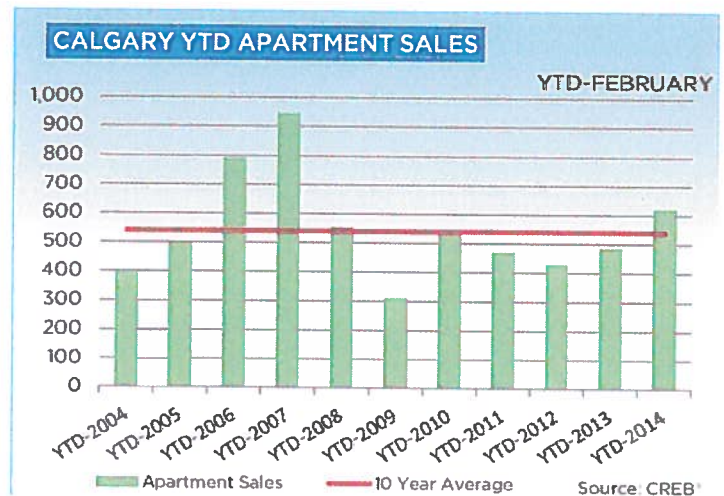
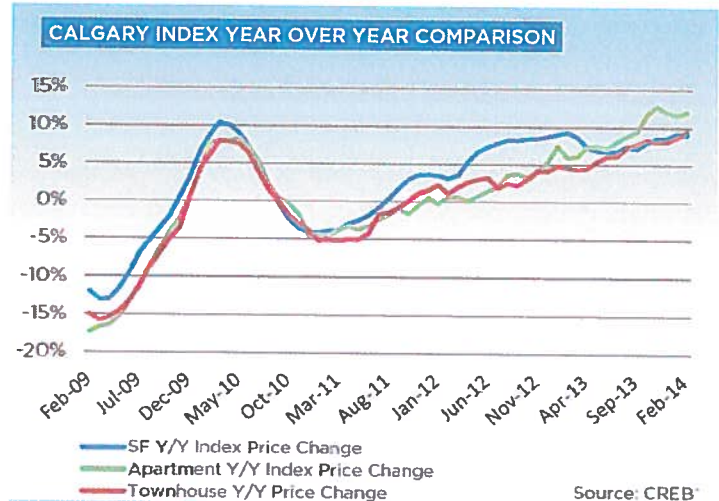
Excerpts from the Calgary Regional House Market Statistics Report Published by CREB, March 3, 2014

“Consumers who are in the market for single family homes priced below \$300,000 do not have many options, and when product does become available, it typically does not stay on the market for long,” says CREB® President Bill Kirk. “However, nearly 54 per cent of the new condominium apartment listings this year are priced below \$300,000, which is providing options for consumers looking for affordable product.”

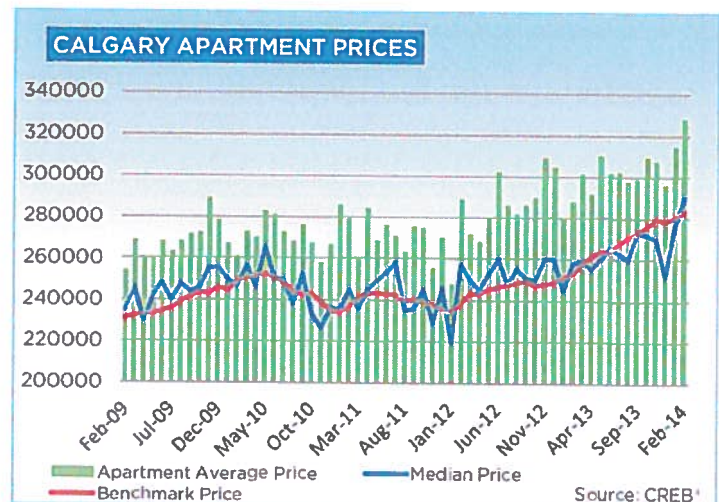
Meanwhile condominium apartment and townhouse prices totaled a respective \$283,400 and \$309,700. Condominium apartment price increases remain at double digit levels this month with a year-over-year gain of 12.4 per cent.

Despite the strong gains in condominium prices, overall benchmark prices in both the apartment and townhouse sector continue to remain below peak records set back in 2007.

“Resale market conditions have favoured the seller, and this has translated into price gains, which is strongest in the condominium sector,” says Lurie. “However, it is important to note that condominium prices have not yet risen above previous highs, whereas single family prices recovered last year.”



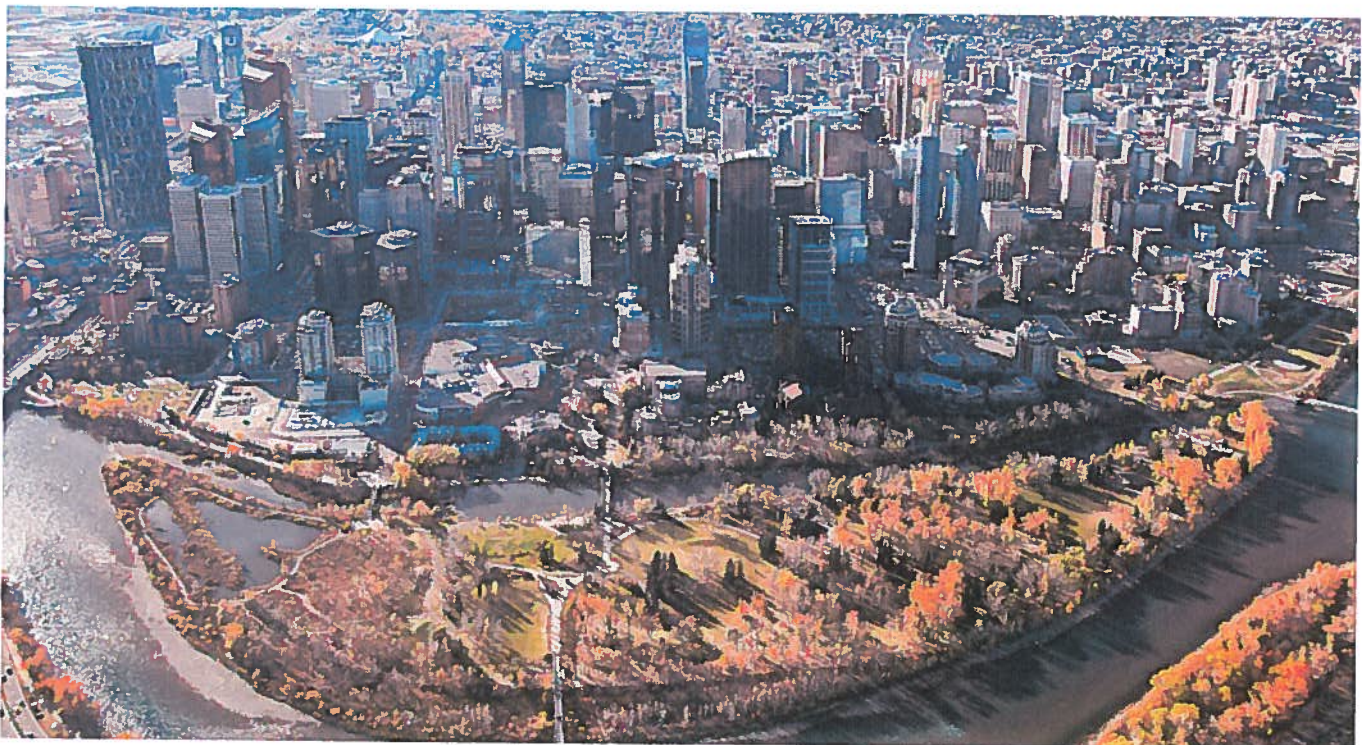
Strongest YTD February sales since the peak in 2007



Summary of Calgary Condominium Market

Available Eau Claire Apartment Condominiums									
Address	Project	Unit #	Asking Price	Size	\$/sf	Yr Built	# of Beds	# of Baths	Prk Stalls
222 RIVERFRONT AV SW	Waterfront	# 549	\$369,900	538	\$687	2010	1	1	Unspecified
222 RIVERFRONT AV SW	Waterfront	# 220	\$420,000	614	\$685	2010	1	1	Unspecified
205 RIVERFRONT AV SW	Waterfront	# 511	\$449,000	840	\$535	2001	1	1	1
222 RIVERFRONT AV SW	Waterfront	# 1116	\$449,000	678	\$662	2010	1	1	1
222 RIVERFRONT AV SW	Waterfront	# 614	\$460,000	721	\$638	2011	1	1	Unspecified
660 EAU CLAIRE AV SW	Princeton Cityscape	# 301	\$499,800	818	\$611	2002	1	1	1
660 EAU CLAIRE AV SW	Princeton Cityscape	# 106	\$649,000	1,130	\$574	2001	1	2	Unspecified
222 RIVERFRONT AV SW	Waterfront	# 1223	\$695,000	1,184	\$587	2011	2	2	2
222 RIVERFRONT AV SW	Waterfront	# 1923	\$798,000	1,194	\$668	2011	2	2	2
222 RIVERFRONT AV SW	Waterfront	# 1413	\$860,000	1,184	\$726	2010	2	2	2
222 RIVERFRONT AV SW	Waterfront	# 2324	\$1,245,000	1,432	\$870	2011	2	2	2
500 EAU CLAIRE AV SW	Eau Claire Estates	# 1401D	\$775,000	2,012	\$385	1983	2	2	1
500 EAU CLAIRE AV SW	Eau Claire Estates	# 2100A	\$2,200,000	3,480	\$632	1981	2	3	2
660 EAU CLAIRE AV SW	Princeton Cityscape	# 104	\$975,000	1,550	\$629	2002	2	3	2
222 RIVERFRONT AV SW	Waterfront	# 1912	\$1,249,000	2,067	\$604	2011	3	3	2
222 RIVERFRONT AV SW	Waterfront	# 2422	\$3,650,000	3,531	\$1,034	2011	3	5	3
400 EAU CLAIRE AV SW	Prince's Island Estates	# 8202	\$729,000	2,207	\$330	1995	3	2	Unspecified
400 EAU CLAIRE AV SW	Prince's Island Estates	# 5205	\$1,350,000	2,734	\$494	1995	3	3	2
500 EAU CLAIRE AV SW	Eau Claire Estates	# 400G	\$2,850,000	3,288	\$867	1981	3	3	2
690 PRINCETON WY SW	Princeton Hall	# 1302	\$5,200,000	3,284	\$1,583	2001	2 Bed Pent.	3	3

Eau Claire Condominium Market Analysis						
Units	# of Units Available	Average Year Built	Average Price	Average sf	Average \$/sf	Average # of Parking Stalls
1	7	2006	\$470,957	763	\$627	1
2	7	2001	\$1,078,286	1,719	\$643	1.86
3	5	1999	\$1,965,600	2,765	\$666	2.25



3 Eau Claire Phase I Residential

Phase I - Residential

West Tower: 159 Units, 83,326
(Level 14-29) saleable sf

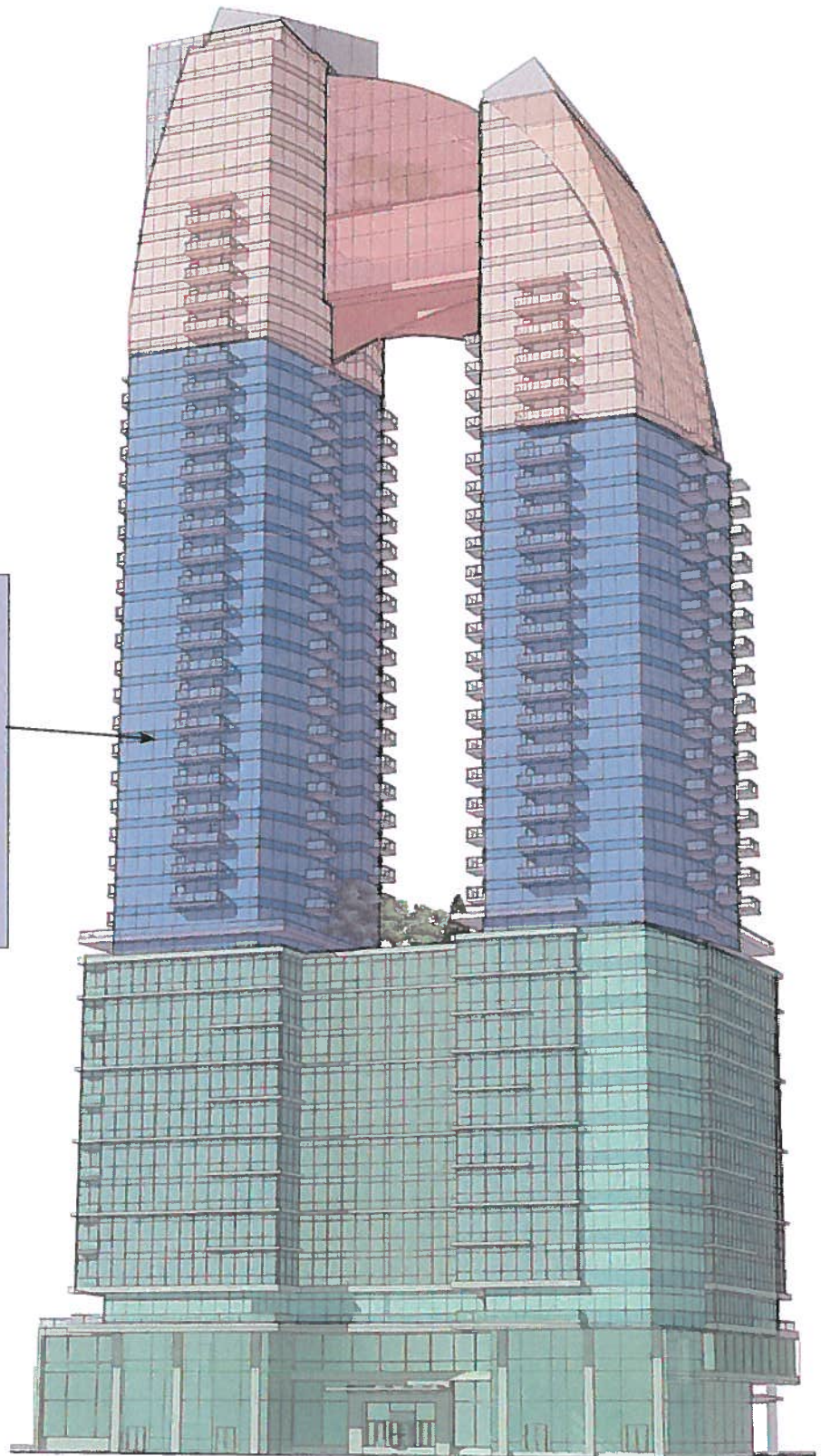
East Tower: 209 units, 109,396
(Level 14 - 34) saleable sf

Total: 368 units, 192,722

Type: 1 bed, 2 bed

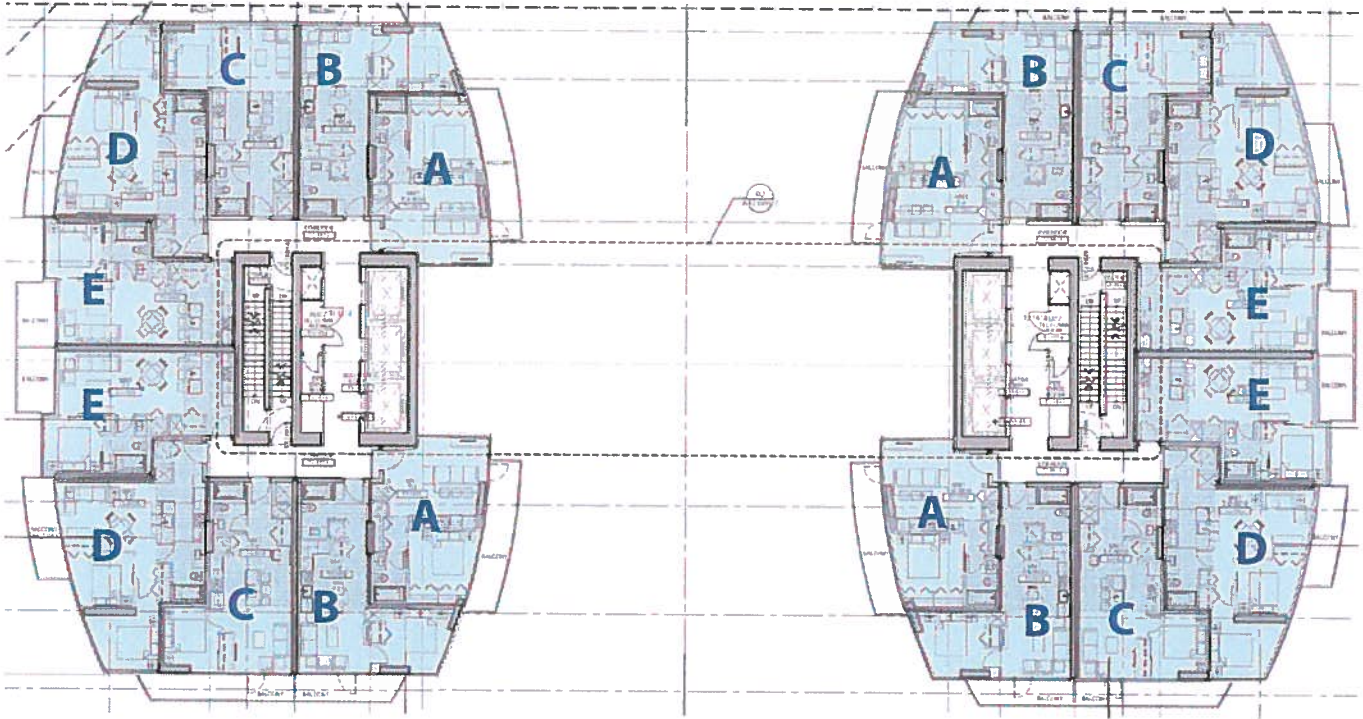
Proposed

Revenue: \$117,789,894
(with parking)



Residential Pre-Sale Breakdown

Combined Units



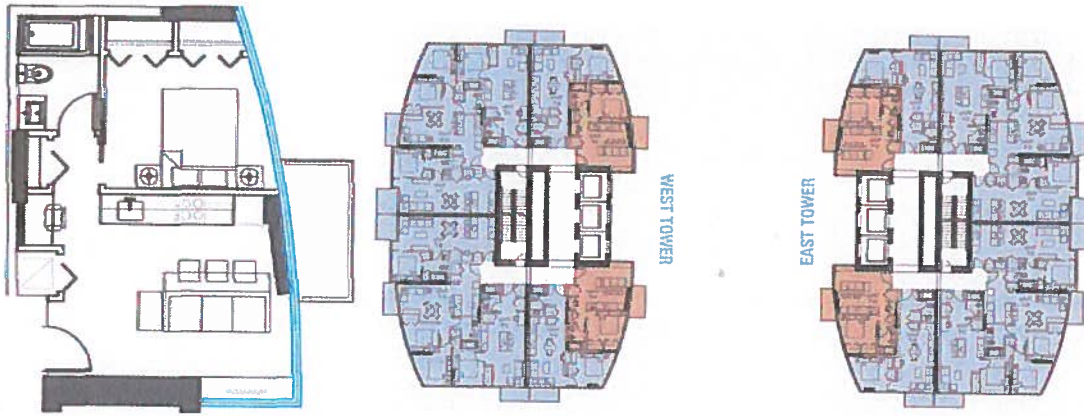
Phase I Residential Unit Particulars						
	Total Units	Unit Area (sqft)	Bdrm	Units Sold	Average Unit Price	Total Sale Value (\$)
Unit A	74	33,522	1/unit	21	\$256,679	\$5,234,000
Unit B	72	36,144	1/unit	64	\$291,187	\$18,813,500
Unit C	74	37,740	1/unit	61	\$286,974	\$17,747,900
Unit D	74	46,694	2/unit	64	\$396,548	\$25,339,900
Unit E	74	37,814	1/unit	52	\$275,500	\$14,336,000
Total	368	191,914		262	\$301,377	\$81,471,300

* Excluding current pending sales (of which there are 12)



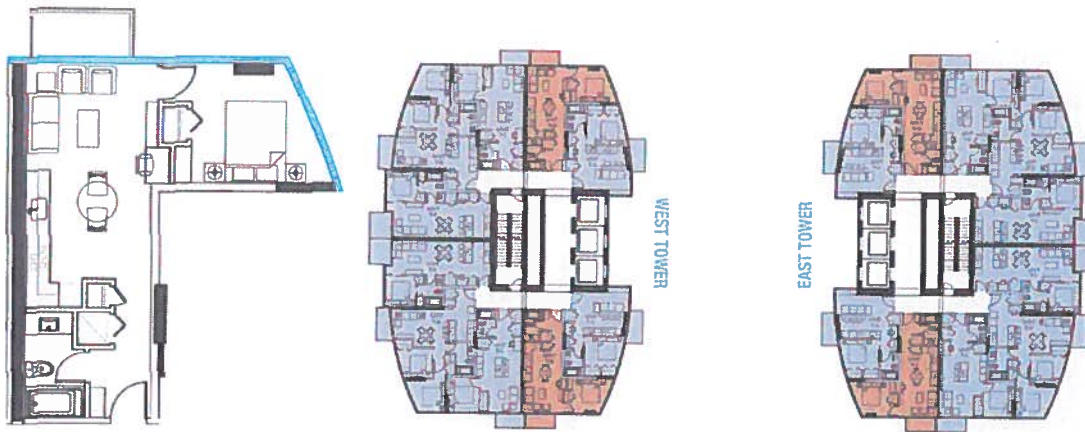
Residential Pre-Sale Breakdown

Unit A



Phase I Residential Unit Particulars						
Unit A						
	Units	Unit Area (sf)	Bdrm	Units Sold	Average Unit Price	Total Sale Volume (\$)
West Tower	32	453	1	6	\$256,750	\$1,460,000
East Tower	42	453	1	15	\$256,607	\$3,774,000
Total	74	33,522	1/unit	21	\$256,679	\$5,234,000

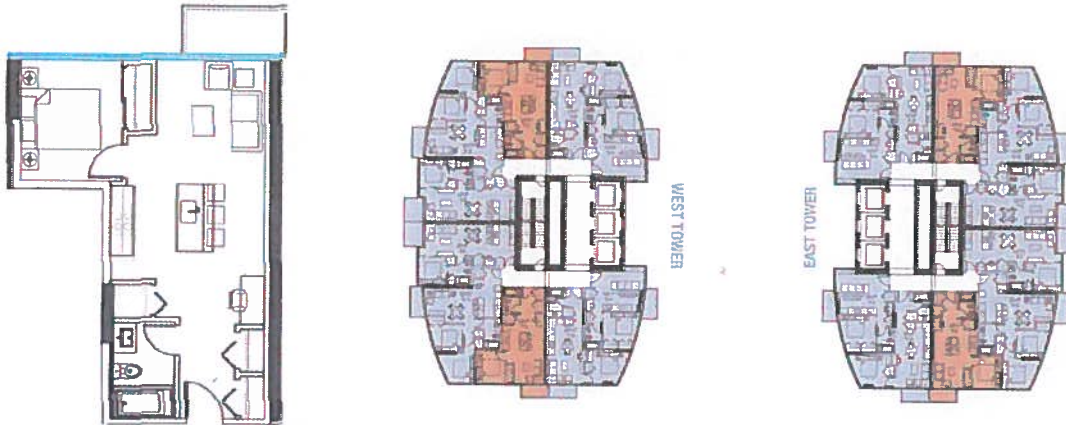
Unit B



Phase I Residential Unit Particulars						
Unit B						
	Units	Unit Area (sf)	Bdrm	Units Sold	Average Unit Price	Total Sale Volume (\$)
West Tower	31	502	1	24	\$287,081	\$6,976,500
East Tower	41	502	1	40	\$295,293	\$11,837,000
Total	72	36,144	1/unit	64	\$291,187	\$18,813,500

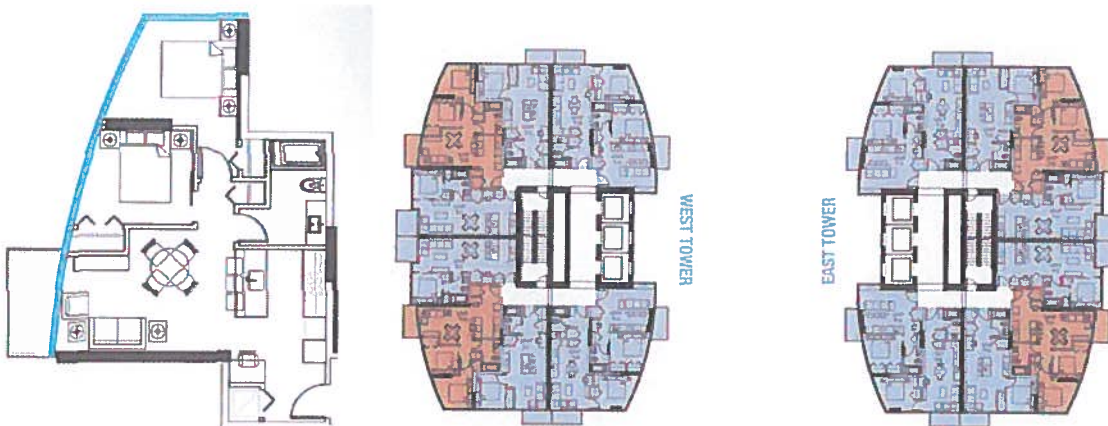
Residential Pre-Sale Breakdown

Unit C



Phase I Residential Unit Particulars						
Unit C						
	Units	Unit Area (sf)	Bdrm	Units Sold	Average Unit Price	Total Sale Volume (\$)
West Tower	32	510	1	24	\$283,448	\$6,896,900
East Tower	42	510	1	37	\$290,500	\$10,851,000
Total	74	37,740	1/unit	61	\$286,974	\$17,747,900

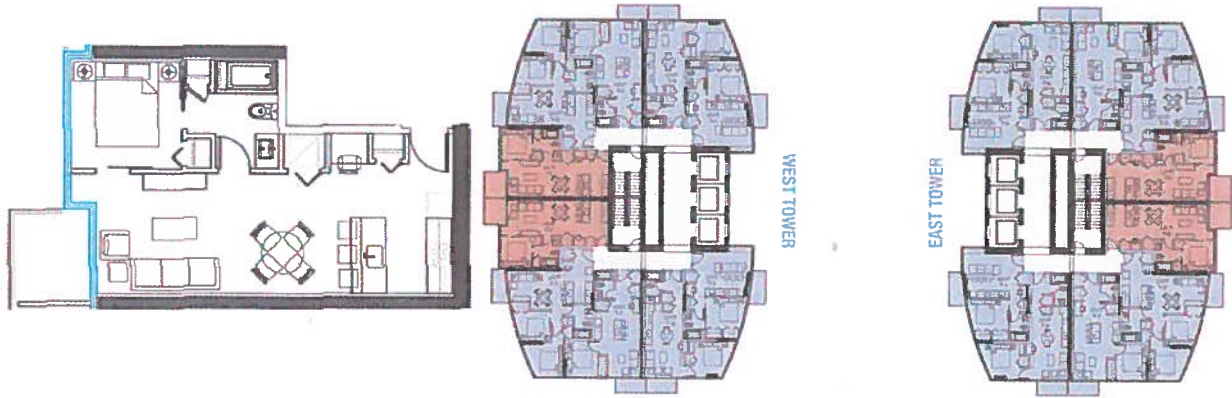
Unit D



Phase I Residential Unit Particulars						
Unit D						
	Units	Unit Area (sf)	Bdrm	Units Sold	Average Unit Price	Total Sale Volume (\$)
West Tower	32	631	2	30	\$396,739	\$11,885,900
East Tower	42	631	2	34	\$396,357	\$13,454,000
Total	74	46,694	2/unit	64	\$396,548	\$25,339,900

Residential Pre-Sale Breakdown

Unit E



Phase I Residential Unit Particulars						
Unit E						
	Units	Unit Area (sf)	Bdrm	Units Sold	Average Unit Price	Total Sale Volume (\$)
West Tower	32	511	1	32	\$281,226	\$8,968,000
East Tower	42	511	1	20	\$269,774	\$5,368,000
Total	74	37,814	1/unit	52	\$275,500	\$14,336,000



Summary of Residential Pre-Sales

Phase I Residential Unit Particulars						
Units A-E	Units	Unit Area (sf)	Bdrm	Units Sold	Average Unit Price	Total Sale Volume (\$)
A						
West Tower	32	453	1	6	\$256,750	\$1,460,000
East Tower	42	453	1	15	\$256,607	\$3,774,000
B						
West Tower	31	502	1	24	\$287,081	\$6,976,500
East Tower	41	502	1	40	\$295,293	\$11,837,000
C						
West Tower	32	510	1	24	\$283,448	\$6,896,900
East Tower	42	510	1	37	\$290,500	\$10,851,000
D						
West Tower	32	631	2	30	\$396,739	\$11,885,900
East Tower	42	631	2	34	\$396,357	\$13,454,000
E						
West Tower	32	511	1	32	\$281,226	\$8,968,000
East Tower	42	511	1	20	\$269,774	\$5,368,000
Total	368	191,914		262	\$301,377	\$81,471,300

* Excluding current pending sales (of which there are 12)

Phase I - Condominium Sales Breakdown			
Sales Percentages By Unit			
Unit	West Tower	East Tower	Total
A	18.8%	35.7%	28.4%
B	77.4%	97.6%	88.9%
C	93.8%	88.1%	82.4%
D	100.0%	81.0%	86.5%
Total % Sold	73.0%	69.9%	71.2%

Phase I Residential Parking Stalls				
Units Sold with a Parking Stall				
Unit	West	East	Total Sold	Total Available
A	1	1	2	2
B	16	26	42	1
C	16	26	42	0
D	32	42	74	10
E	16	0	16	0
Total	81	95	176	13

Phase I Residential Parking Revenue			
	West	East	Total
Total Revenue	\$980,000	2,525,000	\$3,505,000

*Parking has not been recorded for all units sold



Phase II Breakdown By Floor

Phase II - Residential

West Tower 37 Units, 52,770 sf
(Level 30 - 41)

East Tower: 41 Units, 54,042 sf
(Level 35 - 46)

Total : 78 Units, 101,802 sf

Type: Penthouse, 2 bed
+ den, 2 bed

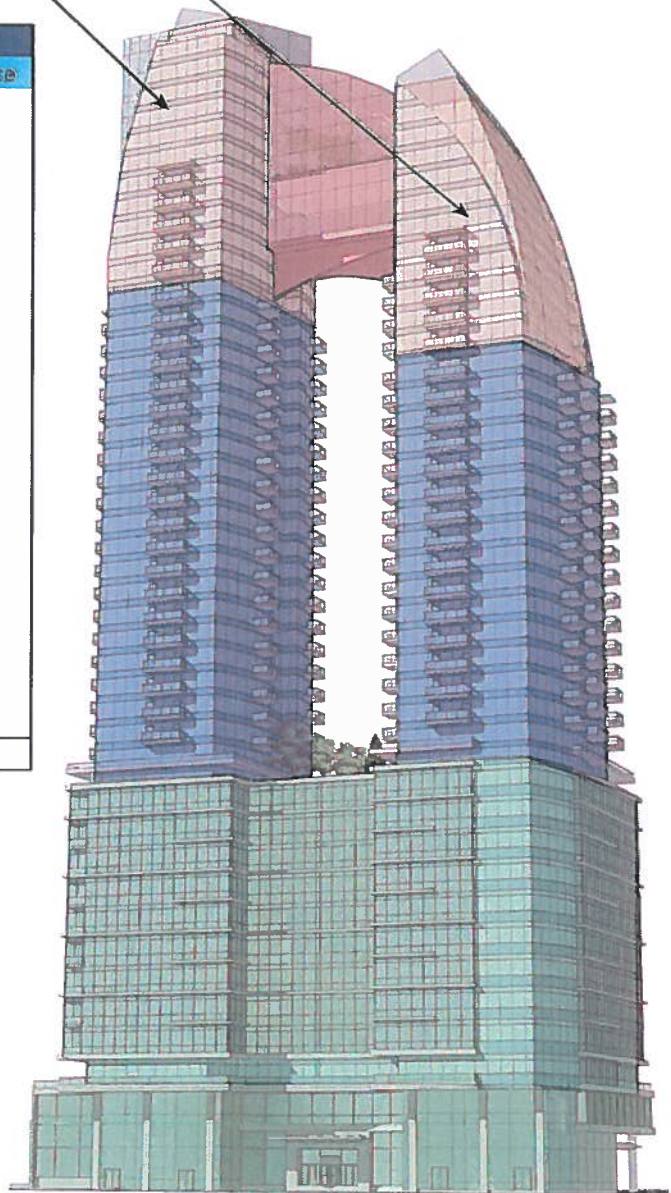
Proposed

Revenue: \$92,394,160 (total)

Phase II Breakdown (By Floor)				
Floor	Tower	Units/Floor	sf	Avg. Unit List Price
Units				
30	W	4	4936	\$961,700
31	W	4	4930	\$956,750
32	W	4	4916	\$957,575
33	W	4	4874	\$948,913
34	W	4	4800	\$933,650
35	E&W	8	9374	\$877,885
36	E&W	8	9230	\$873,965
37	E&W	8	9050	\$851,791
38	E&W	8	8836	\$829,765
Sub-Penthouses				
39	E&W	6	8096	\$1,125,880
40	E&W	6	8072	\$1,138,803
41	E&W	5	7930	\$1,682,952
42	E	4	4616	\$863,920
Penthouses				
43	E	2	4596	\$2,171,610
44	E	1	4591	\$5,509,200
45	E	1	4553	\$5,463,600
46	E	1	3412	\$5,118,000
Total		78	106812	

*Phase II units have not been released to the market for sale

Average List Price Per Unit Type	
Type	Avg. Unit List Price
Phase II Units	\$876,187
Sub-Penthouses	\$1,880,203
Penthouses	\$5,259,450



Phase II Analysis - Unit Breakdown

West Tower Units (Ranging from 980 sf -1475 sf)				
Unit	Bed #	sf	\$/sf	\$
West Tower				
3011	2 Bed	980	\$750	\$735,000
3012	2 Bed + 1Den	1,488	\$850	\$1,264,800
3013	2 Bed + 1Den	1,488	\$800	\$1,190,400
3014	2 Bed	980	\$670	\$656,600
3111	2 Bed	980	\$750	\$735,000
3112	2 Bed + 1Den	1,485	\$850	\$1,262,250
3113	2 Bed + 1Den	1,485	\$790	\$1,173,150
3114	2 Bed	980	\$670	\$656,600
3211	2 Bed	980	\$750	\$735,000
3212	2 Bed + 1Den	1,478	\$850	\$1,256,300
3213	2 Bed + 1Den	1,478	\$800	\$1,182,400
3214	2 Bed	980	\$670	\$656,600
3311	2 Bed	980	\$750	\$735,000
3312	2 Bed + 1Den	1,457	\$850	\$1,238,450
3313	2 Bed + 1Den	1,457	\$800	\$1,165,600
3314	2 Bed	980	\$670	\$656,600
3411	2 Bed	980	\$750	\$735,000
3412	2 Bed + 1Den	1,420	\$850	\$1,207,000
3413	2 Bed + 1Den	1,420	\$800	\$1,136,000
3414	2 Bed	980	\$670	\$656,600
3511	2 Bed	980	\$750	\$735,000
3512	2 Bed	1,366	\$850	\$1,161,100
3513	2 Bed	1,366	\$800	\$1,092,800
3511	2 Bed	980	\$750	\$735,000
3611	TBD	980	\$750	\$735,000
3612	TBD	1,296	\$850	\$1,101,600
3613	TBD	1,296	\$800	\$1,036,800
3631	TBD	980	\$670	\$656,600
3711	TBD	980	\$750	\$735,000
3712	TBD	1,209	\$850	\$1,027,650
3713	TBD	1,209	\$800	\$967,200
3714	TBD	980	\$670	\$656,600
3811	TBD	980	\$750	\$735,000
3812	TBD	1,104	\$850	\$938,400
3813	TBD	1,104	\$800	\$883,200
3814	TBD	980	\$670	\$656,600
Average West		1,174	\$769	\$913,553

East Tower Units (980 sf - 1359 sf)				
Unit	Bed #	sf	\$/sf	\$
East Tower				
3511	2 Bed	980	\$780	\$764,400
3514	2 Bed	980	\$670	\$656,600
3611	2 Bed	980	\$780	\$764,400
3612	2 Bed + 1Den	1,359	\$780	\$1,060,020
3613	2 Bed + 1Den	1,359	\$700	\$951,300
3631	2 Bed	980	\$700	\$686,000
3713	2 Bed + 1Den	1,356	\$700	\$949,200
3714	2 Bed	980	\$670	\$656,600
3811	2 Bed	980	\$780	\$764,400
3812	2 Bed + 1Den	1,354	\$780	\$1,056,120
3813	2 Bed + 1Den	1,354	\$700	\$947,800
3814	2 Bed	980	\$670	\$656,600
3911	2 Bed	858	\$780	\$669,240
3912	2 Bed + 1Den	1,350	\$780	\$1,053,000
3913	2 Bed + 1Den	1,350	\$720	\$972,000
3914	2 Bed	858	\$680	\$583,440
4011	2 Bed	980	\$780	\$764,400
4012	2 Bed + 1Den	1,344	\$780	\$1,048,320
4013	2 Bed + 1Den	1,344	\$720	\$967,680
4014	2 Bed	858	\$690	\$592,020
4111	2 Bed	980	\$780	\$764,400
4112	2 Bed + 1Den	1,336	\$780	\$1,042,080
4113	2 Bed + 1Den	1,336	\$730	\$975,280
4114	2 Bed	980	\$700	\$686,000
4211	2 Bed	980	\$780	\$764,400
4212	2 Bed + 1Den	1,328	\$780	\$1,035,840
4213	2 Bed + 1Den	1,328	\$730	\$969,440
4214	2 Bed	980	\$700	\$686,000
Average East		1,137	\$736	\$838,821

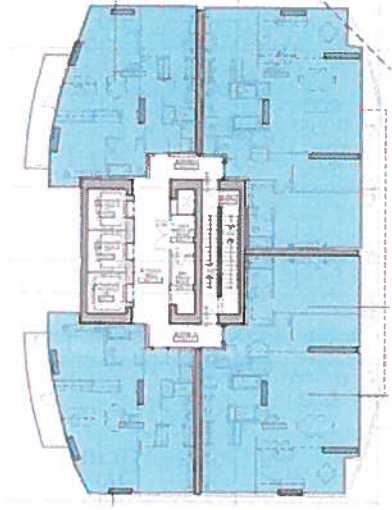
Average Phase II List Price	
Type	Avg. List Price
East	\$913,553
West	\$838,821
Phase II Units	\$876,187

Sub-Penthouse Units (Ranging from 1,712 sf to 1,840)				
Unit	Bed #	sf	\$/sf	\$
West Tower				
3911	TBD	1,840	\$970	\$1,784,800
3912	TBD	1,840	\$920	\$1,692,800
4011	TBD	1,834	\$1,000	\$1,834,000
4012	TBD	1,712	\$950	\$1,626,400
East Tower				
4311	TBD	2,298	\$970	\$2,229,060
4312	TBD	2,298	\$920	\$2,114,160
Average Sub-Penthouse		1,970	\$955	\$1,880,203

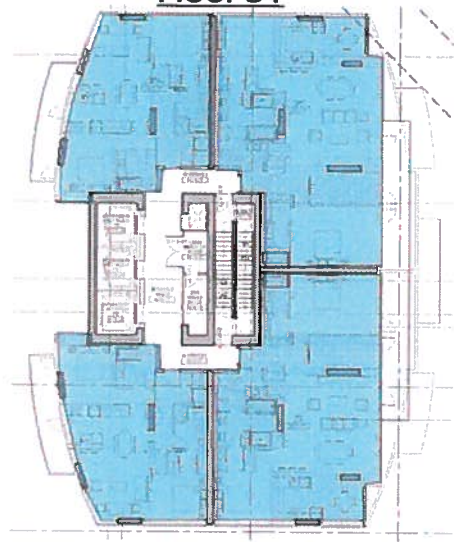
Penthouse Units (3,298 sf - 4591 sf)				
Unit	Bed #	sf	\$/sf	\$
West Tower				
4111	TBD	3,298	\$1,500	\$4,947,000
East Tower				
4411	TBD	4,591	\$1,200	\$5,509,200
4511	TBD	4,553	\$1,200	\$5,463,600
4611	TBD	3,412	\$1,500	\$5,118,000
Average Penthouse		3,964	\$1,350	\$5,259,450

Phase II Analysis - Proposed Floor Plans

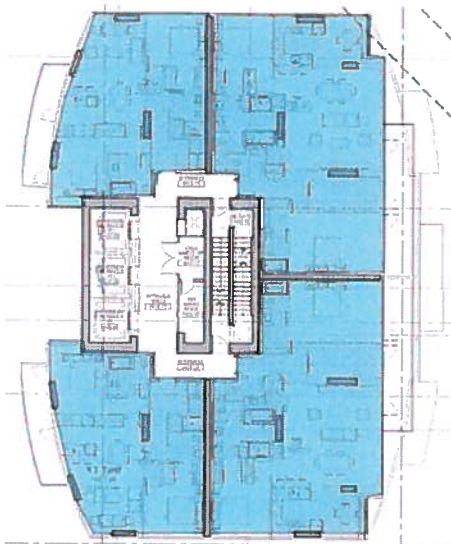
Floor 30



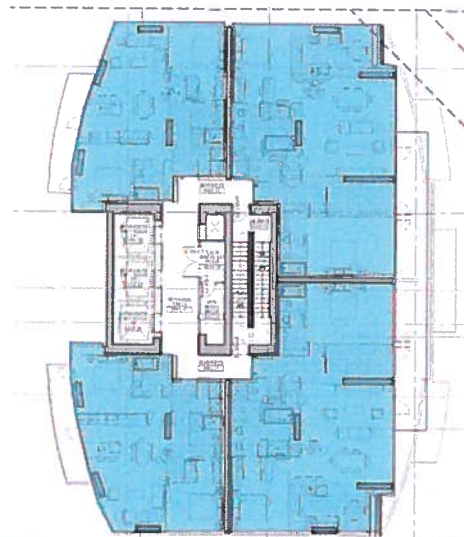
Floor 31



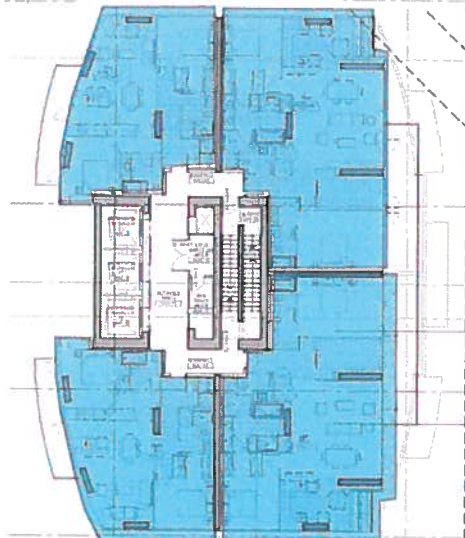
Floor 32



Floor 33

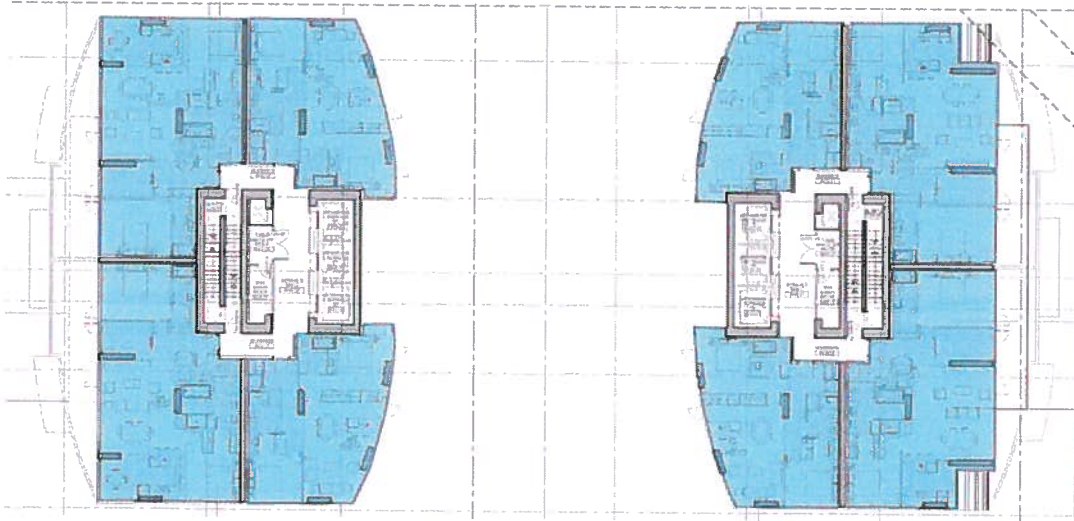


Floor 34

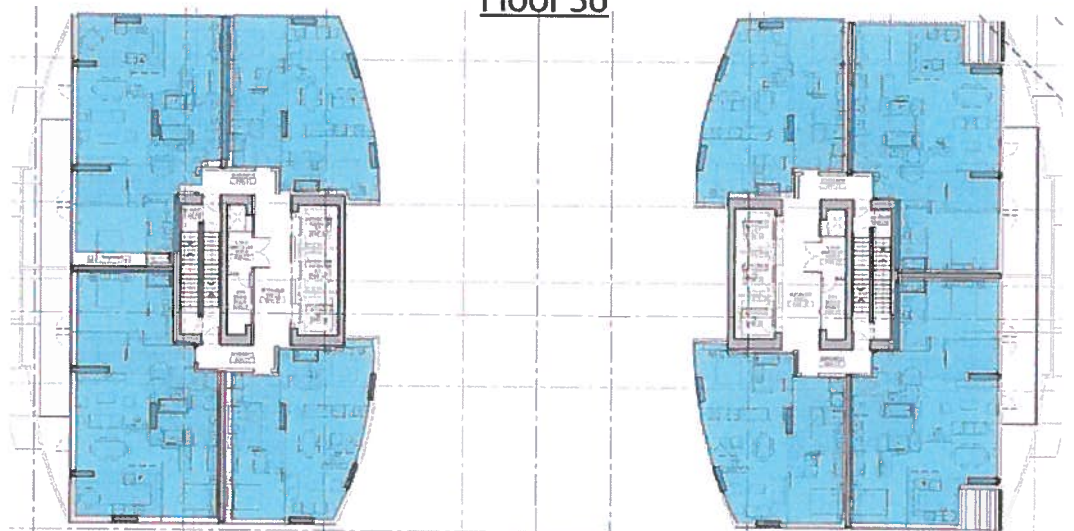


Phase II Analysis - Proposed Floor Plans

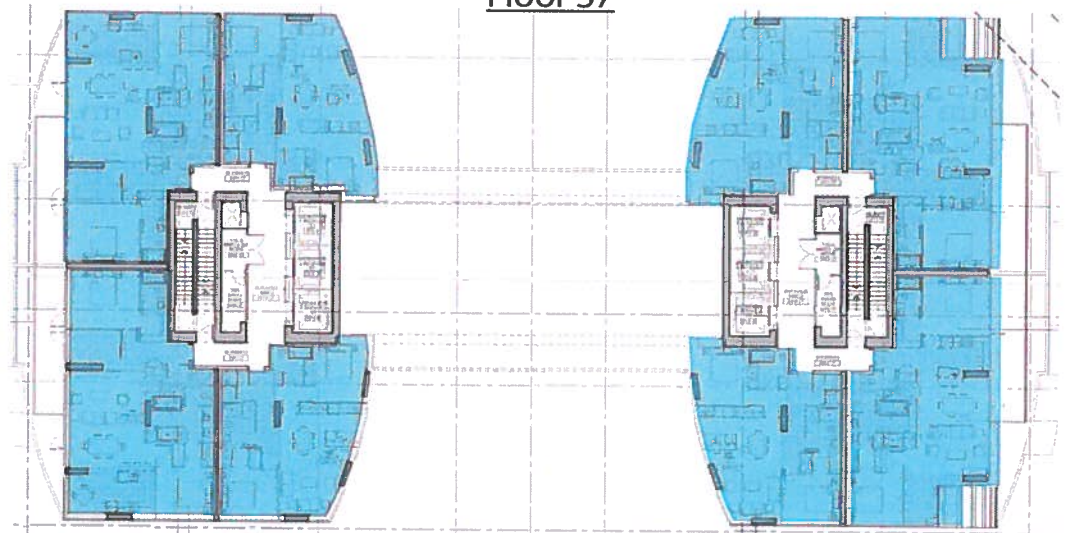
Floor 35



Floor 36

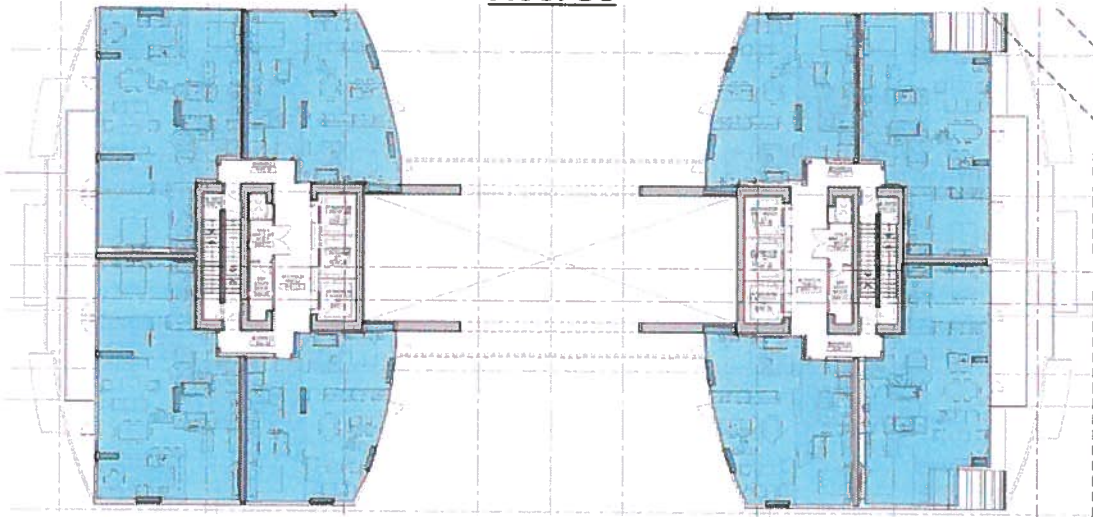


Floor 37

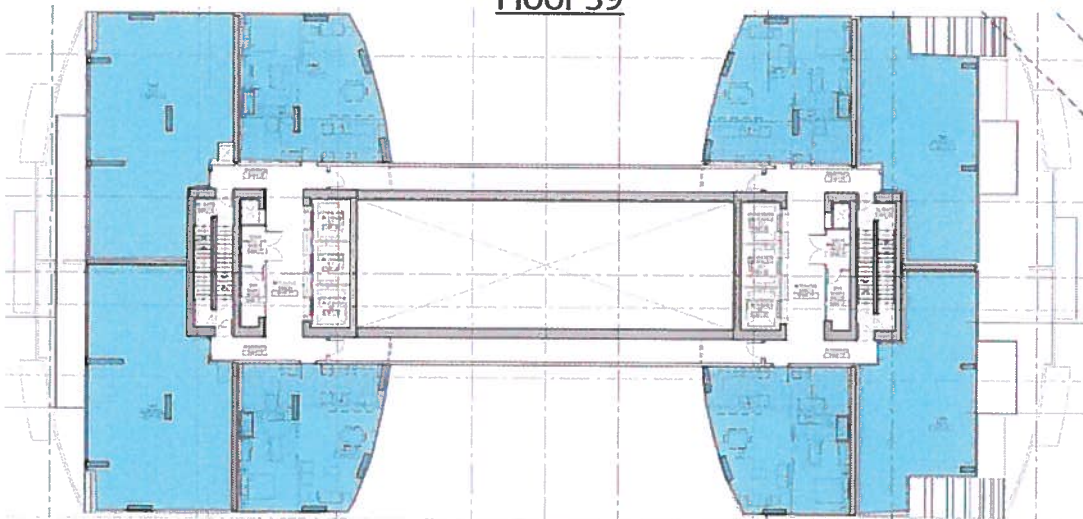


Phase II Analysis - Proposed Floor Plans

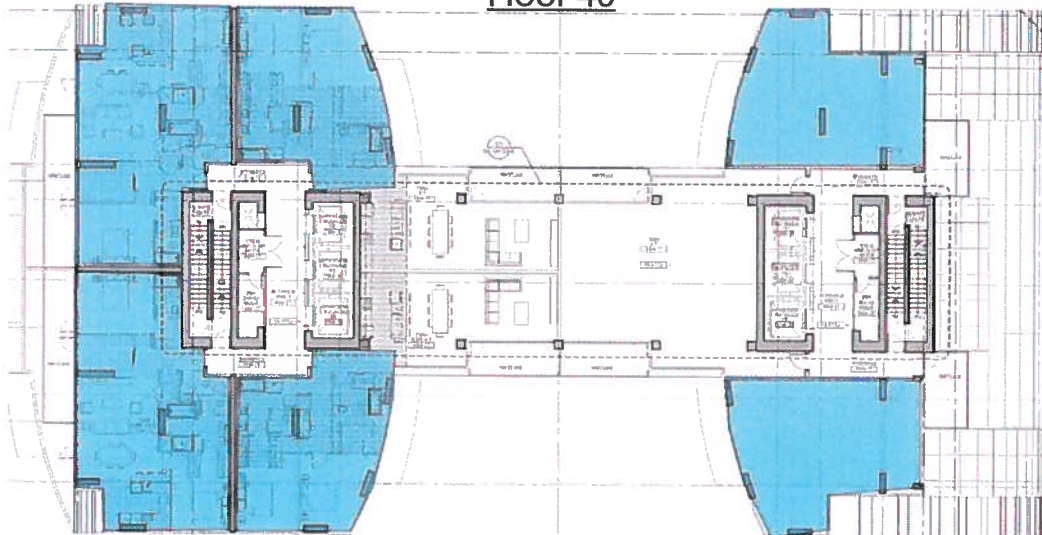
Floor 38



Floor 39

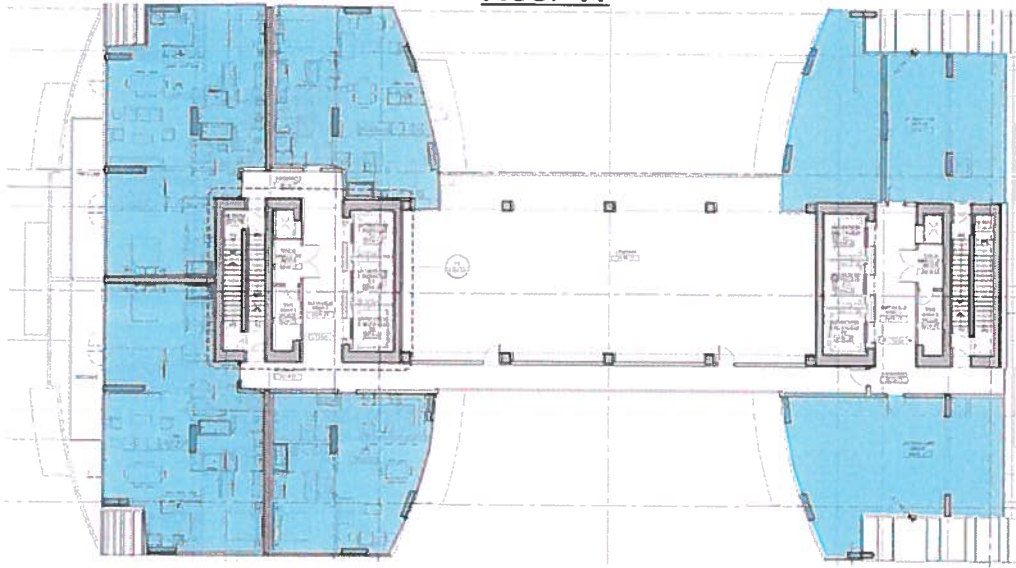


Floor 40

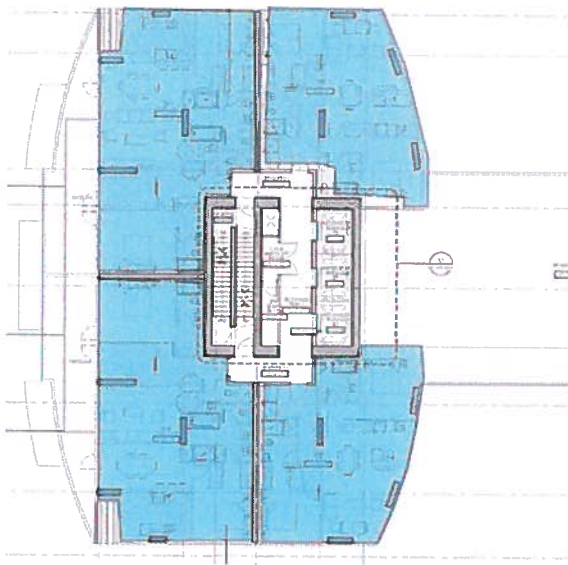


Phase II Analysis - Proposed Floor Plans

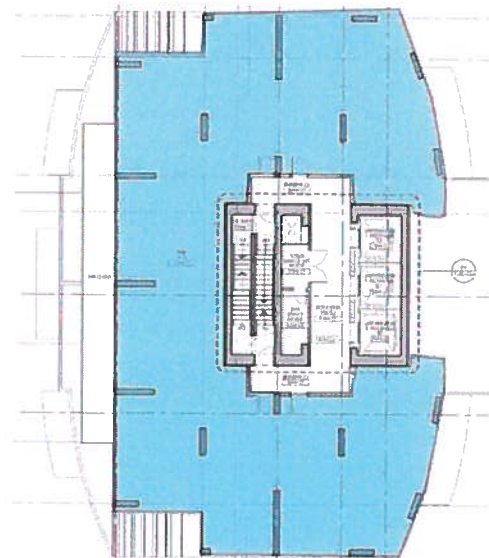
Floor 41



Floor 42

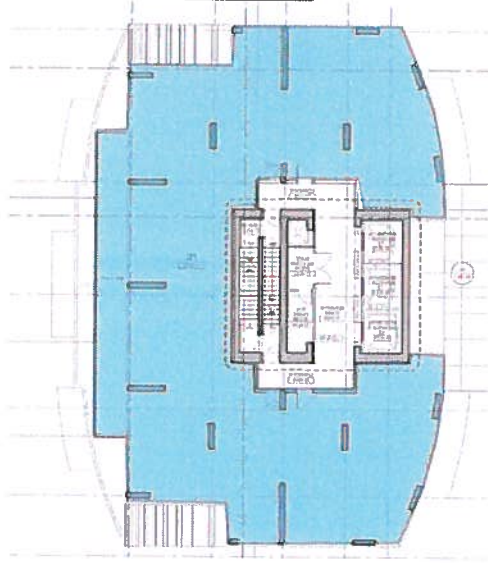


Floor 43

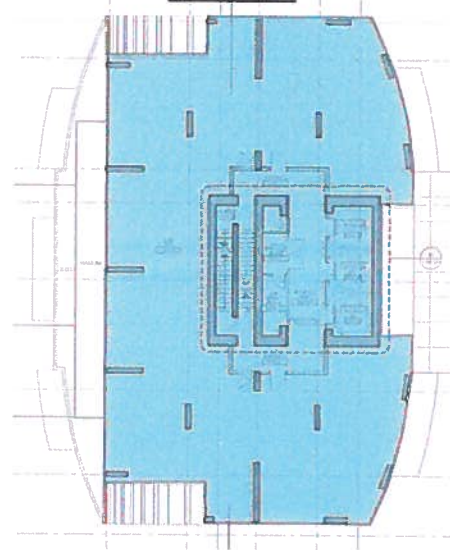


Phase II Analysis - Proposed Floor Plans

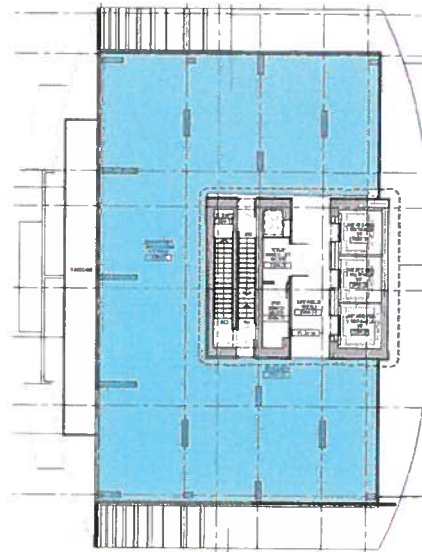
Floor 44



Floor 45



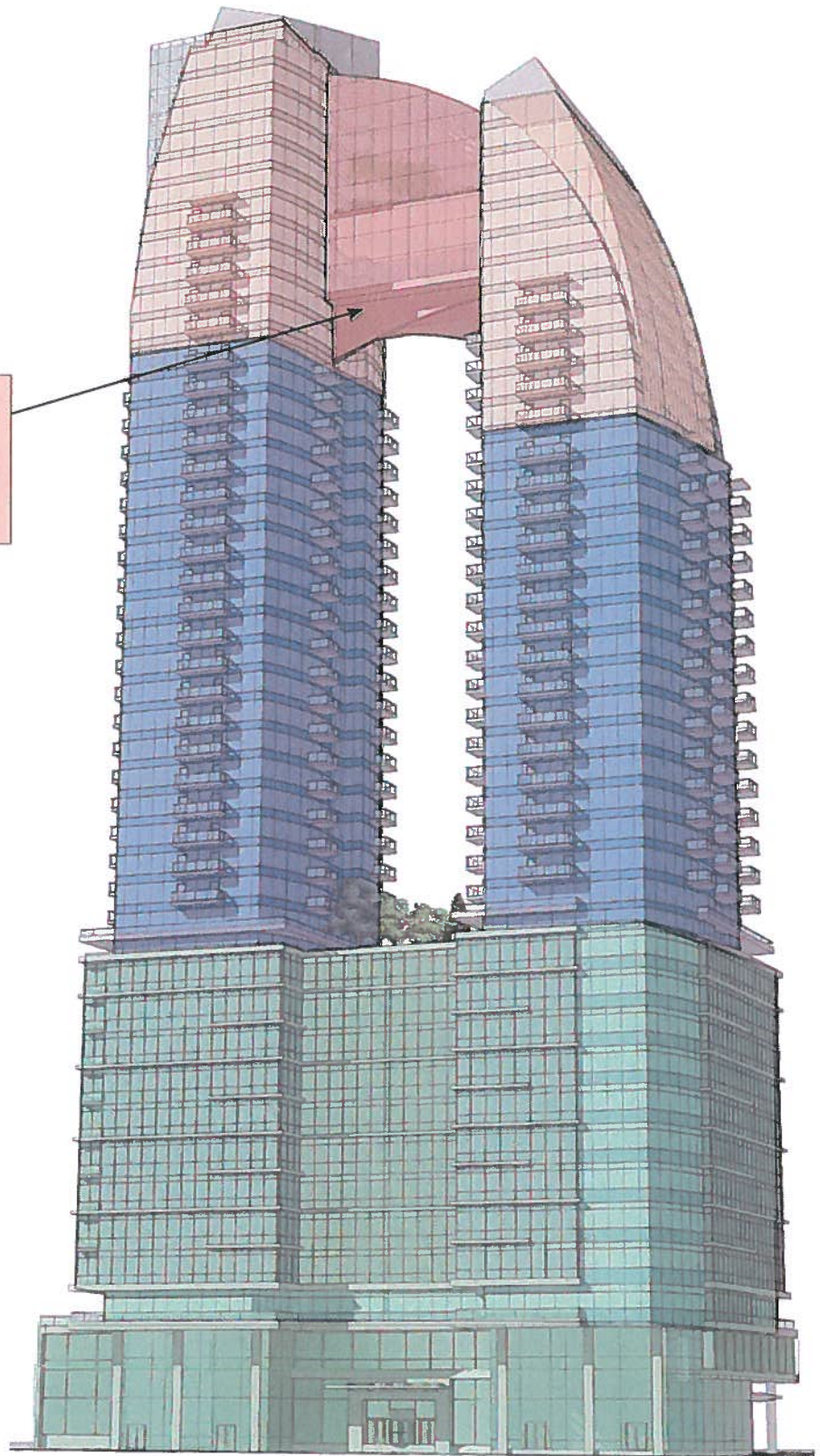
Floor 46



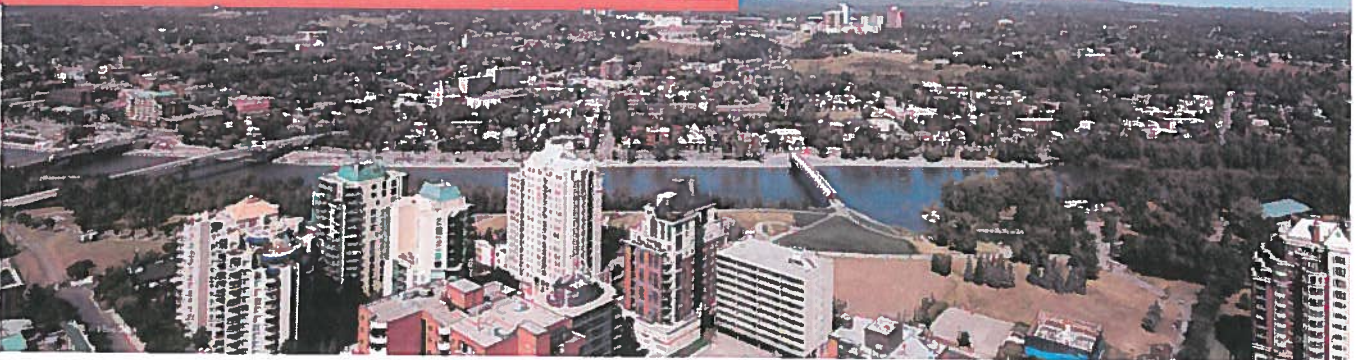
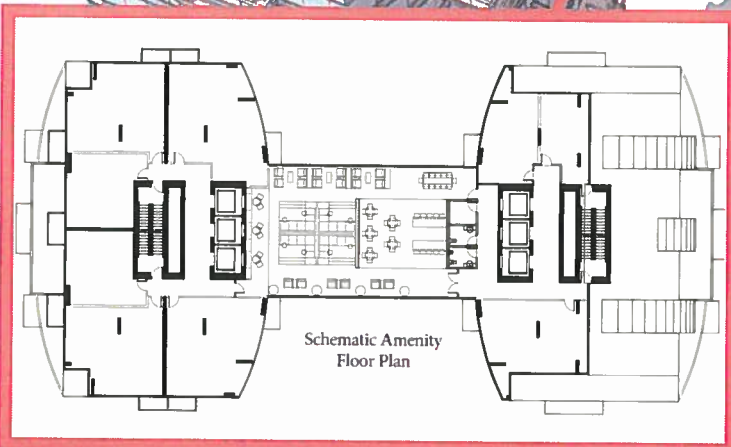
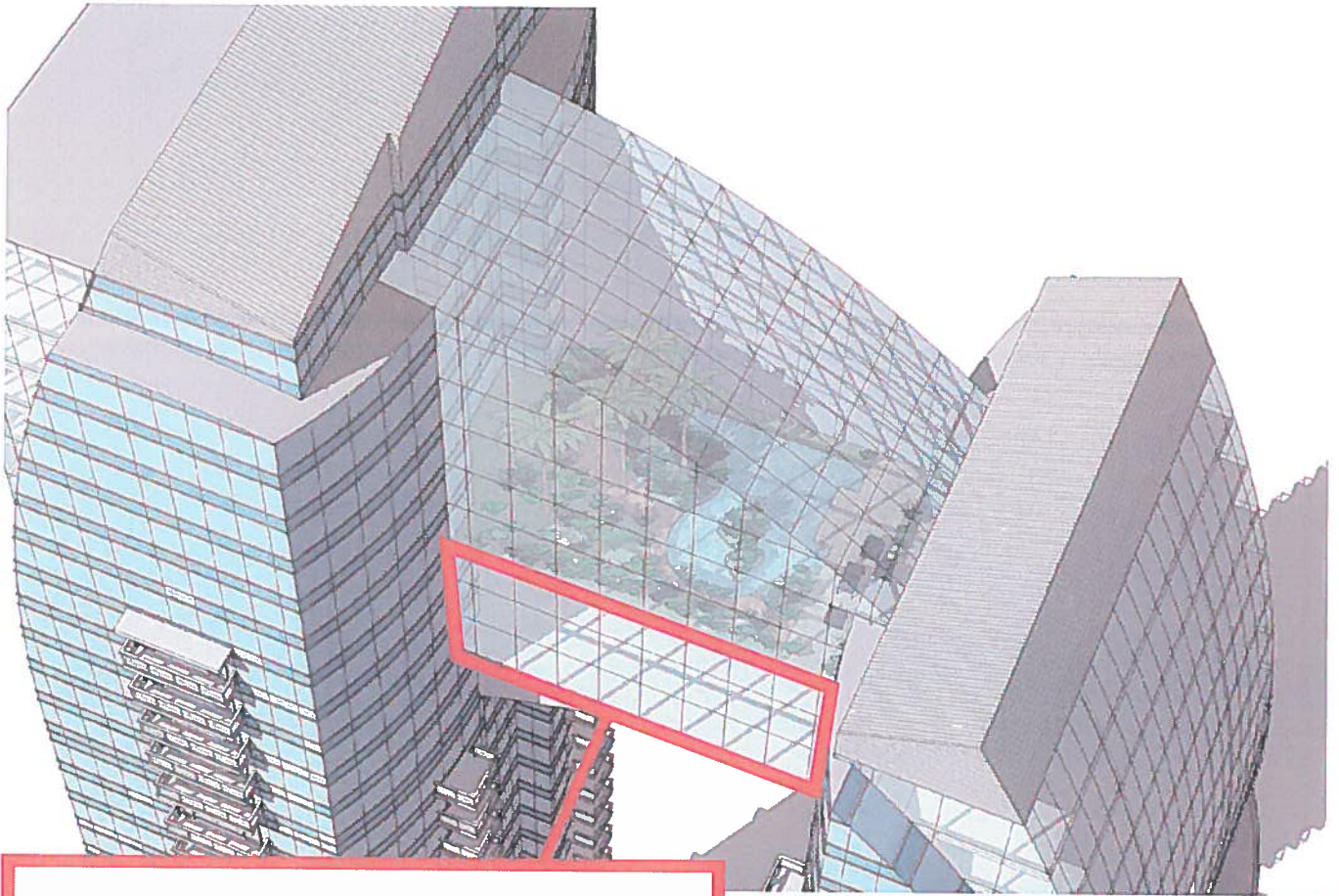
Phase II - Sky Tower Amenity

Phase II - Residential Amenities

- Exercise room, exercise equipment and remote T.V.
- "Sky Lounge"



Phase II - Sky Tower Amenity



Building Specifications

Exterior Finishes

- 47 storey reinforced concrete structure
- Multi coloured blue glass with glass spandrel panels
- Exterior anodized aluminum frames and panels
- Exterior acrylic stucco at podium
- Clear glass panels in aluminum rails to most external balconies
- Suspended stainless steel and glass canopy
- Combination of built up roofing and green roof design
- Exposed concrete balconies
- Terraces above habitable spaces will be insulated, water-proofed and have an exterior walking surface
- Exterior lighting, highlighting building features

Interior Finishes

Entrance lobby:

- Porcelain floor tile
- Chiseled limestone accent wall
- Wood veneer accent wall
- Parking Garage:
 - Painted white concrete walls and ceilings
 - Amenity Lounge:
 - Carpet flooring
 - Hardwood flooring
 - Painted drywall ceiling and walls
 - Accent tile wall

Exercise Room:

- Accent tile wall
- Painted drywall ceiling
- Vinyl strip flooring
- Common Corridor:
 - Carpet tile flooring
 - Painted drywall ceiling
 - Walls will be wallcovering finish
 - Flat stock MDF baseboard and casings
 - Paint grade slab suite entry door c/w polishes chrome hardware
- Wall sconce lighting at suite entry

Elevator:

- Painted elevator doors on all floors except main level will be stainless steel
- Cab to include PLAM and decorative acrylic panels
- Recessed lighting
- Tile flooring

Kitchen standard:

- Stainless steel Bloomberg, GE, or equivalent Refrigerator c/w integral millwork panel:
- Wall oven and gas/electric cooktop
- Integral millwork panel slide out hood fan
- Bloomberg, GE, or equivalent built in dishwasher c/w integral millwork panel
- Microwave oven c/w trim kit
- Under sink garbage disposal
- Single bowl undercounter stainless steel sink
- Quartz countertop c/w tile backsplash
- Euro style kitchen faucet with pull out spray
- European kitchen cabinets – slab style doors c/w integral channel in lieu of pulls and under cabinet lighting

Kitchen penthouse:

- Stainless steel Miele Refrigerator or equivalent c/w integral millwork panel
- Miele or equivalent wall oven and gas cooktop
- Miele or equivalent integral millwork panel slide out hood fan
- Miele or equivalent built in dishwasher c/w integral millwork panel
- Miele or equivalent microwave oven
- Under sink garbage disposal
- Single bowl undercounter stainless steel sink
- Quartz countertop c/w tile backsplash
- Euro style kitchen faucet with pull out spray
- European kitchen cabinets – slab style doors c/w integral channel in lieu of pulls and under cabinet lighting

Bathrooms:

- Cubic modern design bathtub
- Porcelain floor tile in washrooms
- Porcelain wall tile in tub surround
- Euro style washroom accessories
- Euro style single lever lavatory faucet, shower head, tub spout and diverter
- Quartz countertop and 4" backsplash
- Undercounter mounted basin
- Toto or equivalent toilet
- Linear wallsconce
- Generous size medicine cabinet
- Recessed general lighting

Building Specifications Cont.

General

- Wiring for high speed internet access
- Forced air heating and cooling
- Levels 14 – 44 seven foot high doors and up to 9 foot ceilings
- Levels 44 – 46 seven foot high doors and up to 10 foot ceilings
- Carpeting in bedrooms
- Laminate or hardwood flooring in living, dining, kitchen & hallways
- 4 inch MDF baseboards throughout
- Washroom, bedroom, closet and laundry to have stain grade slab style swing doors (for most unit types – as noted on plans) c/w polished chrome hardware
- Painted drywall walls and ceiling
- Bloomberg, GE, or equivalent front load washer and electric dryer

Equipment for the maintenance of the common property etc.

- Garbage compactor
- Garbage containers and recycling bins
- Keyless parkade security door
- Carbon monoxide detection system to parking garage levels
- Central supply & exhaust air system for garage levels
- Six high speed elevators
- Security cameras on ground floor and parkade, monitors located on main floor

Common Property Major Improvements

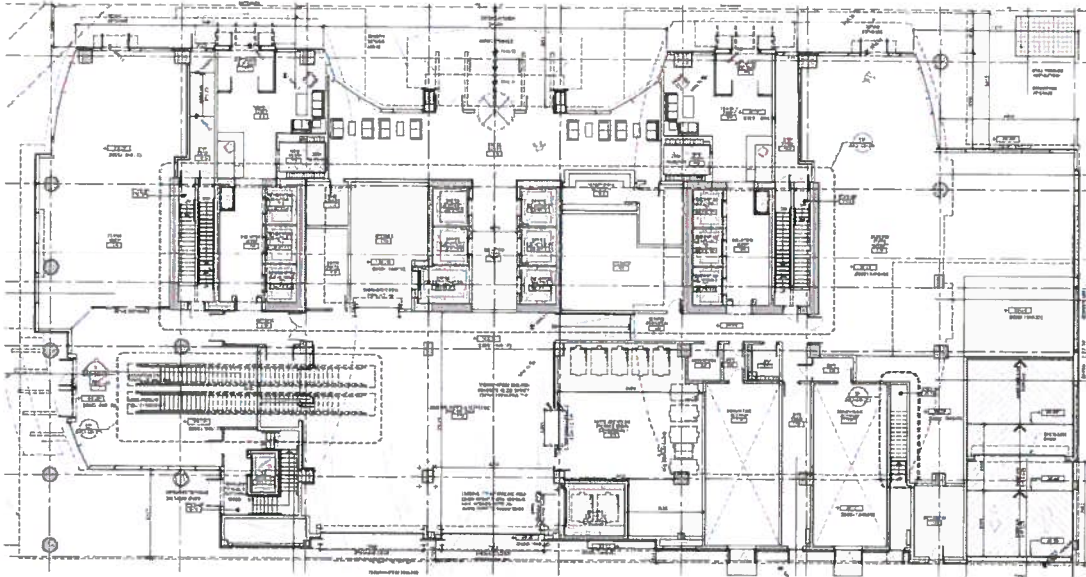
- Interior secured bicycle storage
- Sprinkler system and smoke detection system
- Telephone entry system and infrared security common entry system
- Exercise room, exercise equipment and remote T.V.
- Common lounge and bar area
- Concierge storage room and desk located in lobby
- Security room and equipment
- Rear receiving and loading bay



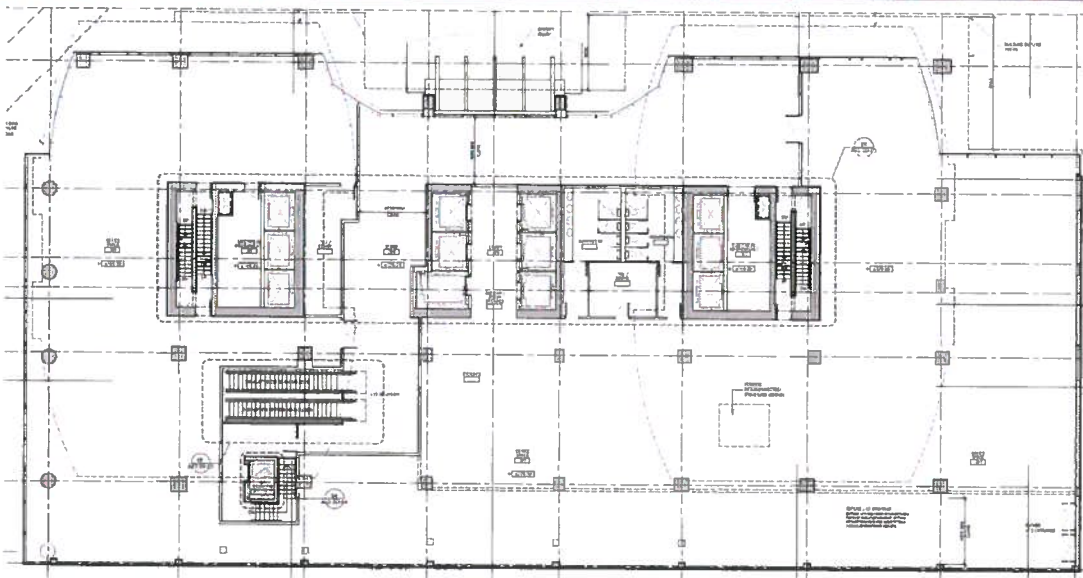
Commercial Podium Floorplans



MIXED USE GROUND FLOOR



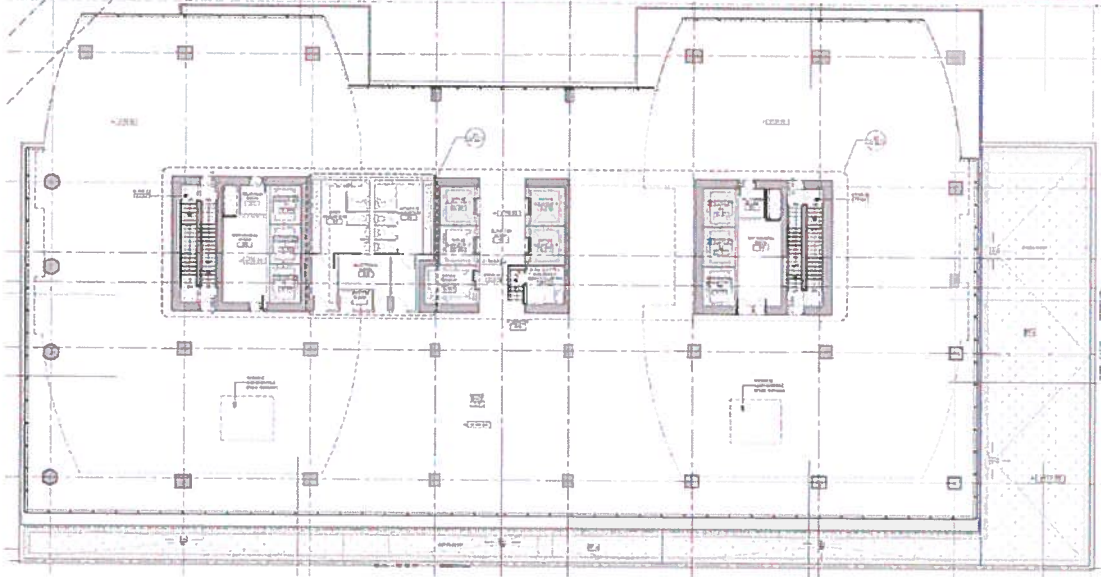
COMMERCIAL +15 LEVEL



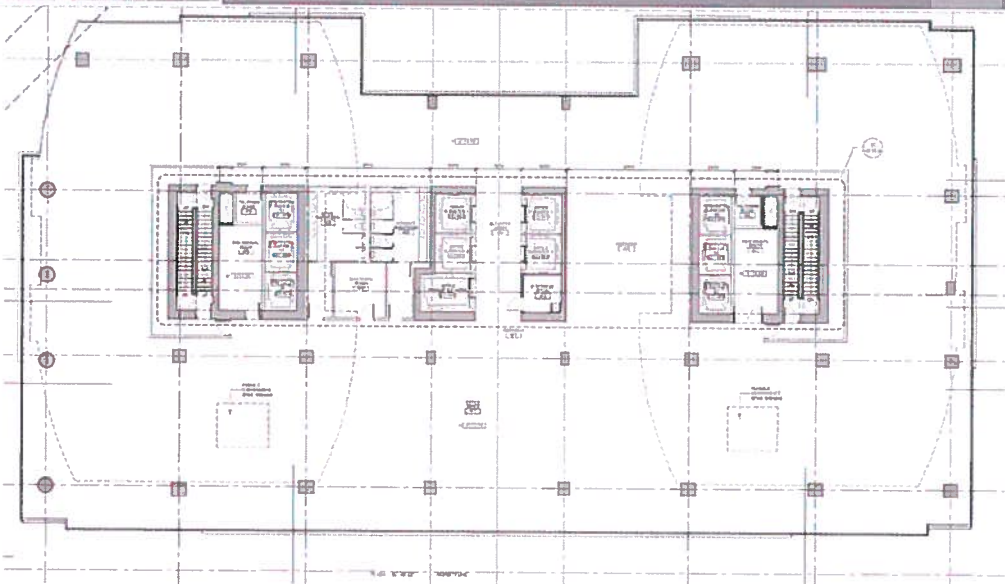
Commercial Podium Floorplans



LEVEL: 03 - OFFICE



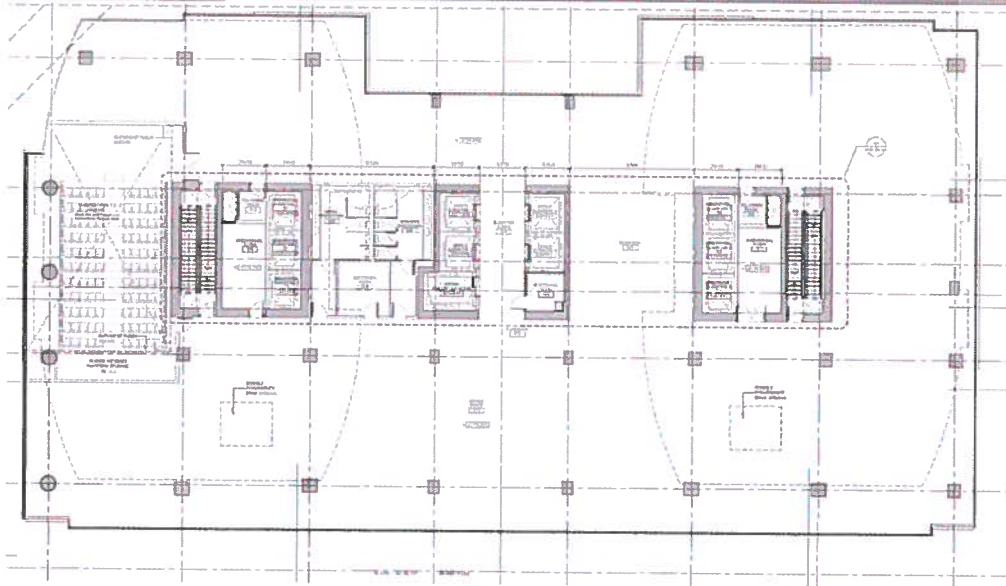
LEVEL: 04 - 10 - OFFICE



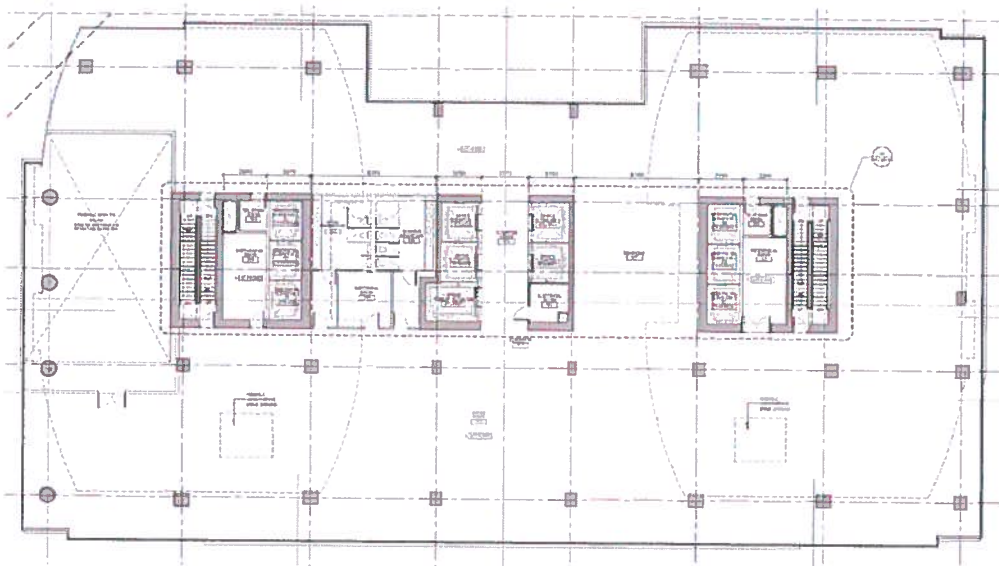
Commercial Podium Floorplans



LEVEL: 11 - OFFICE

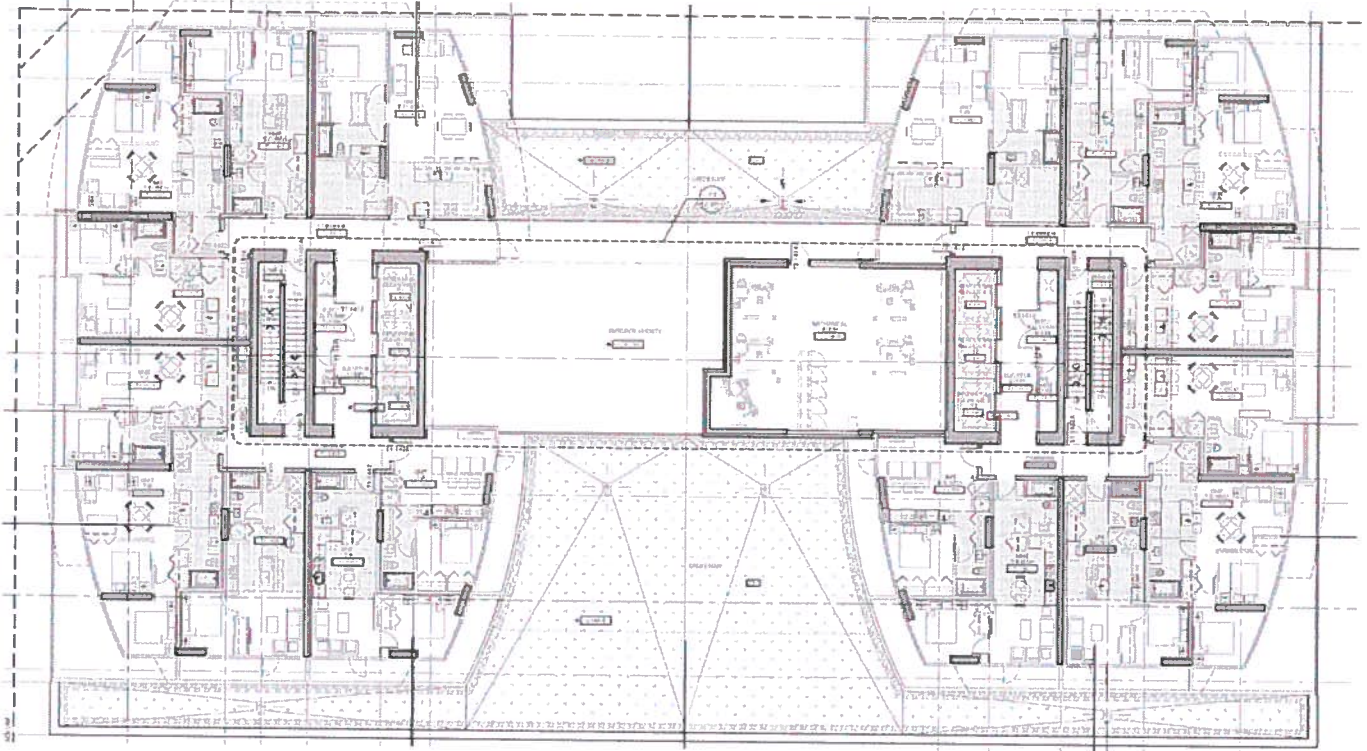


LEVEL: 12 - OFFICE

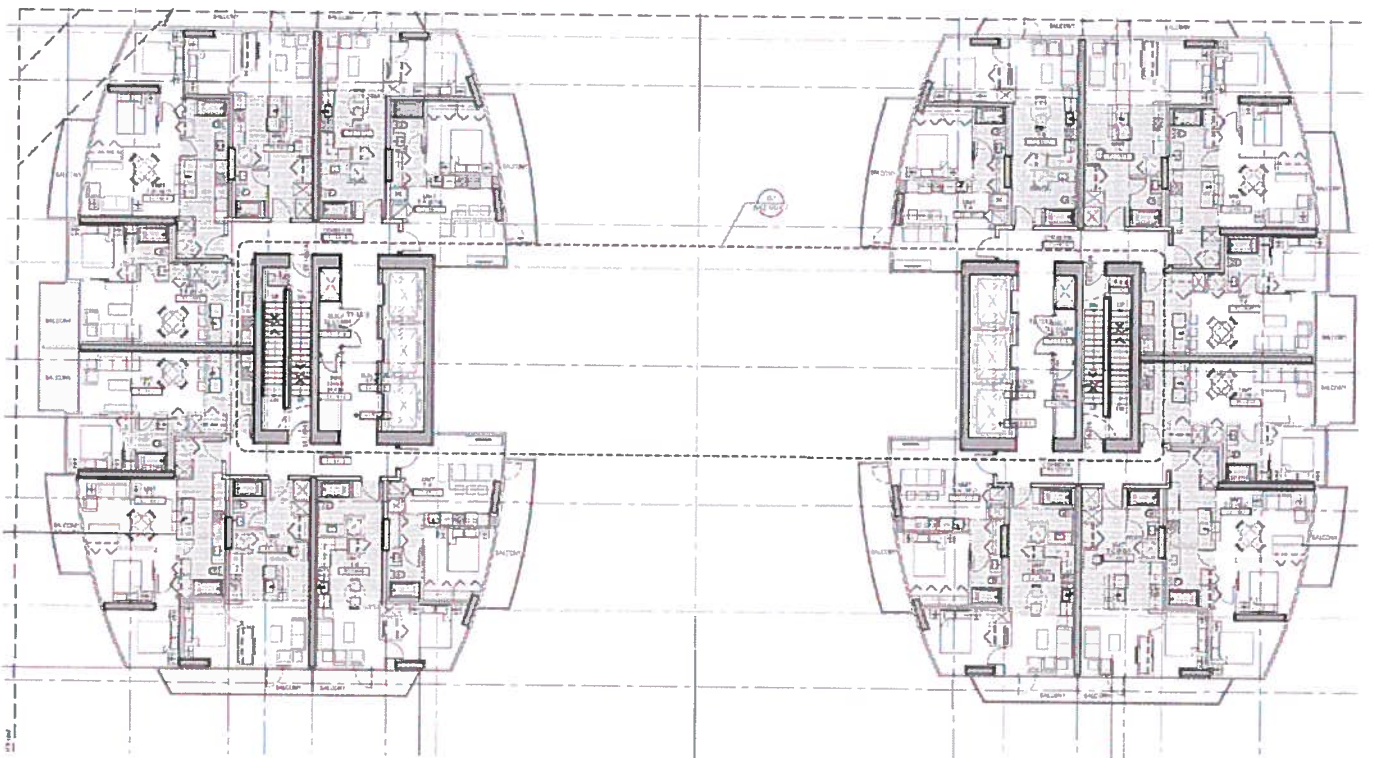


Floor Plans - Residential

Level 14 - Floor Plan and Amenity Floor

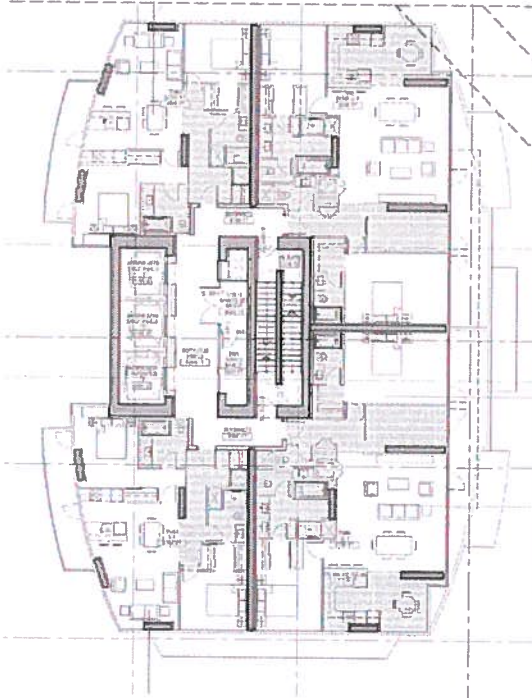


Level 15 - 29 - Typical Floor Plan

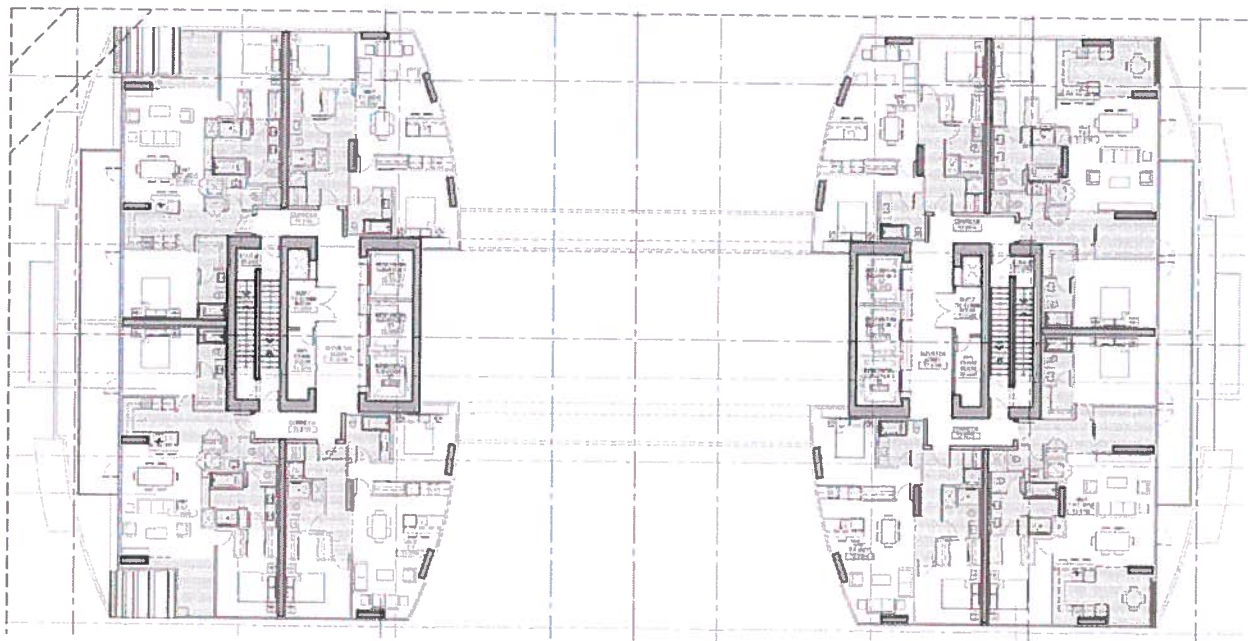


Floor Plans Residential

Level 30 - 34 - Typical Floor Plan - Phase II

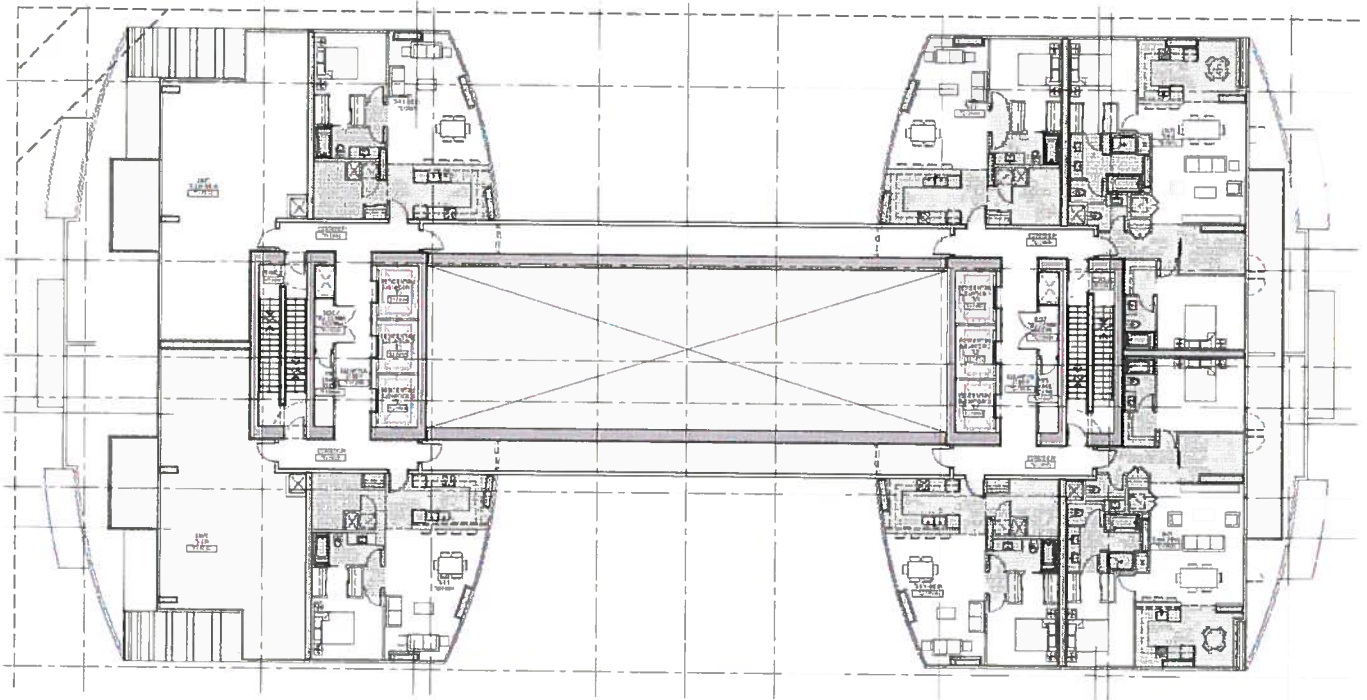


Level 35 - 38 - Typical Floor Plan Phase II

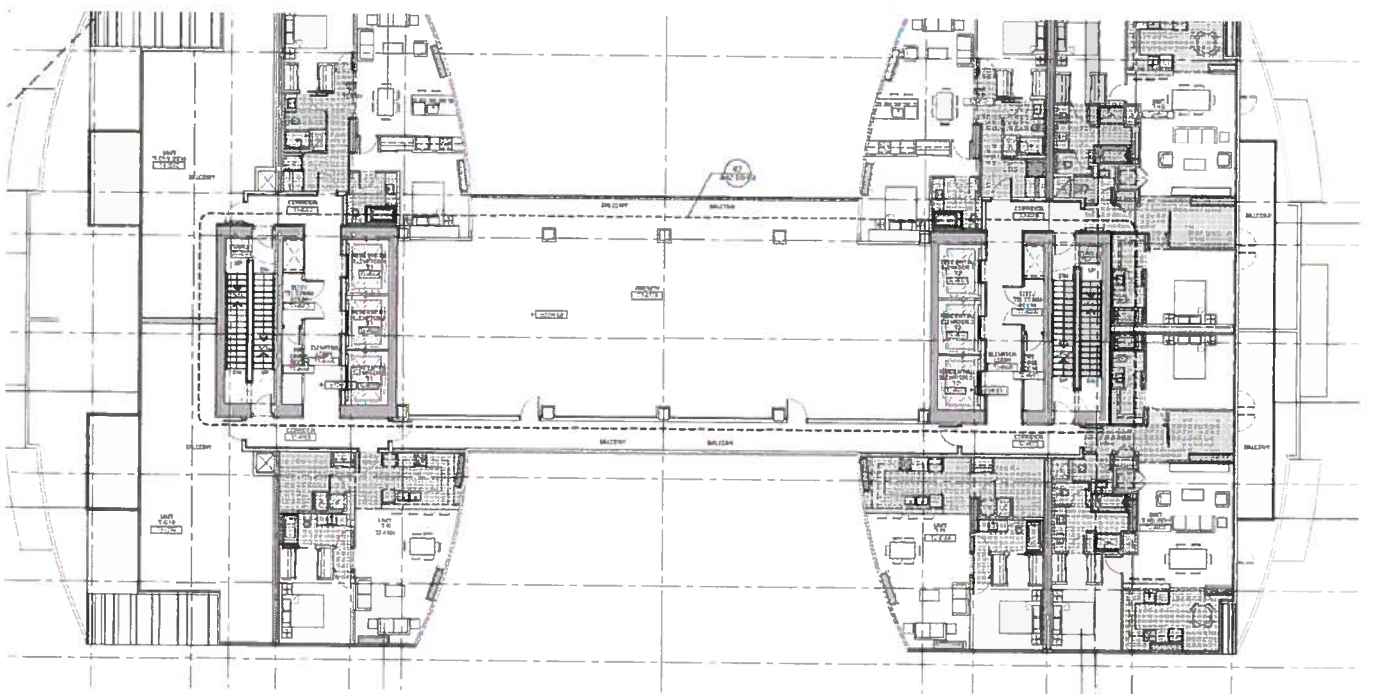


Floor Plans - Residential

Level 39 - Floor Plan - Towers

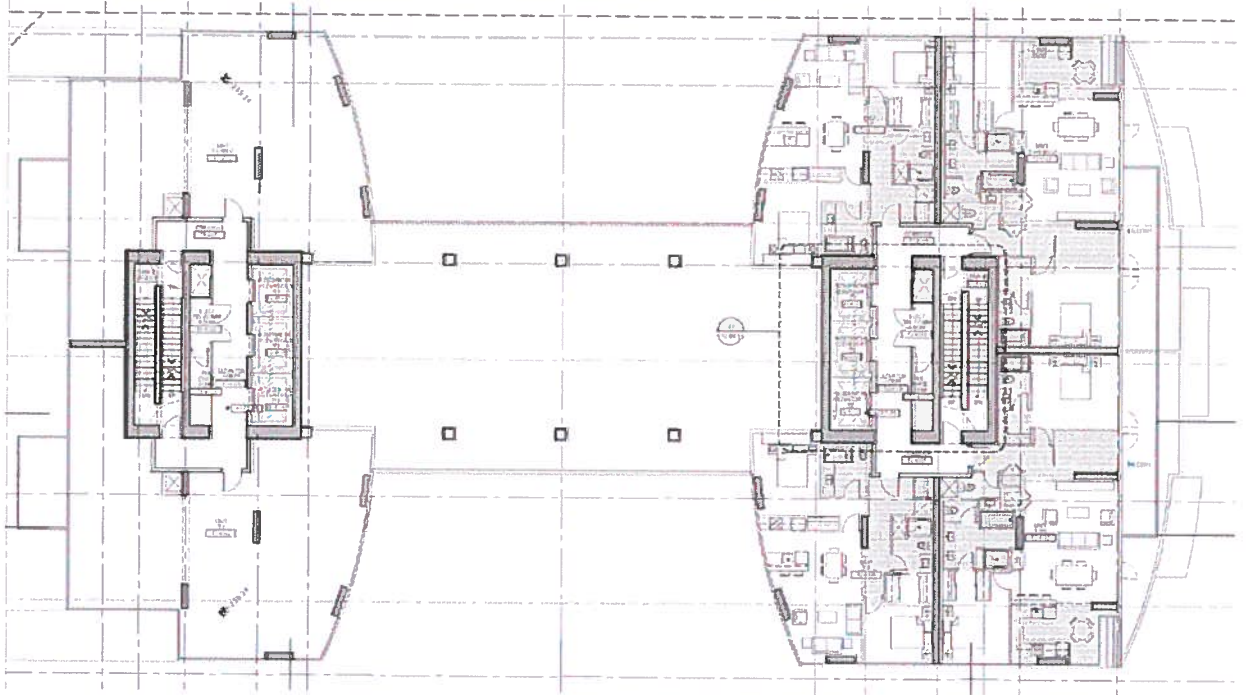


Level 40 - West Tower Sub-Penthouse, East Tower Units - Floor Plan

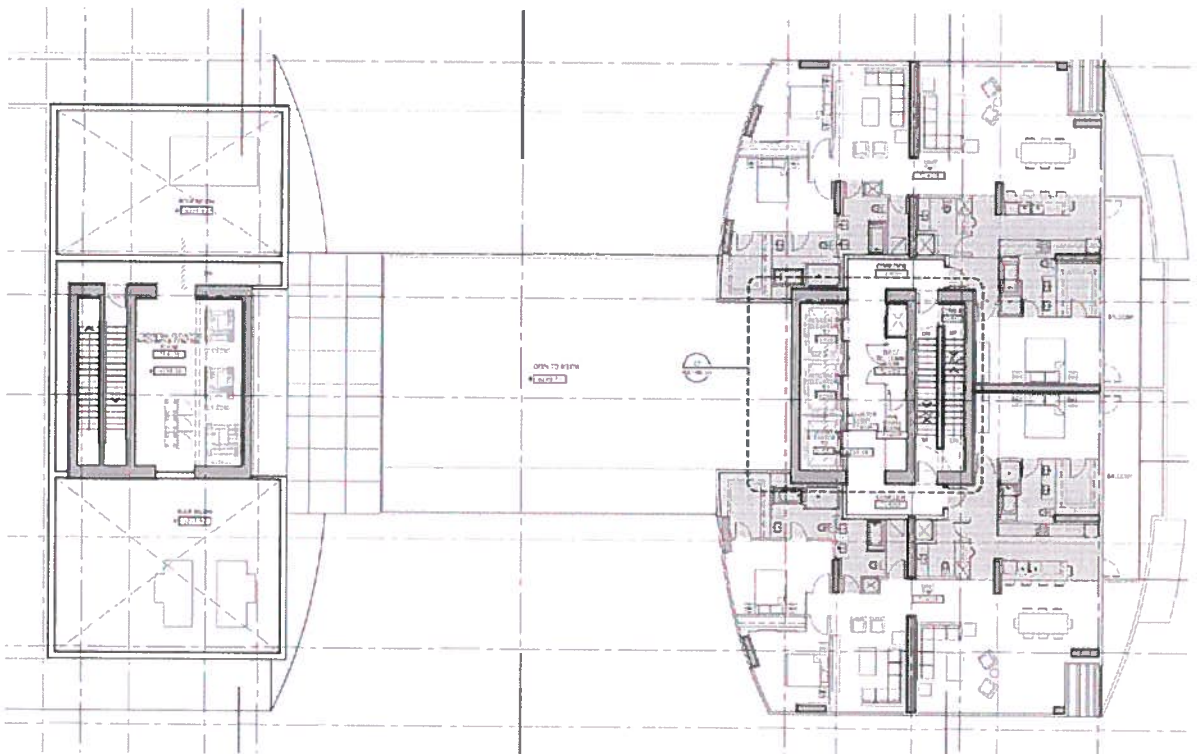


Floor Plans - Residential

Level 41 - Floor Plan

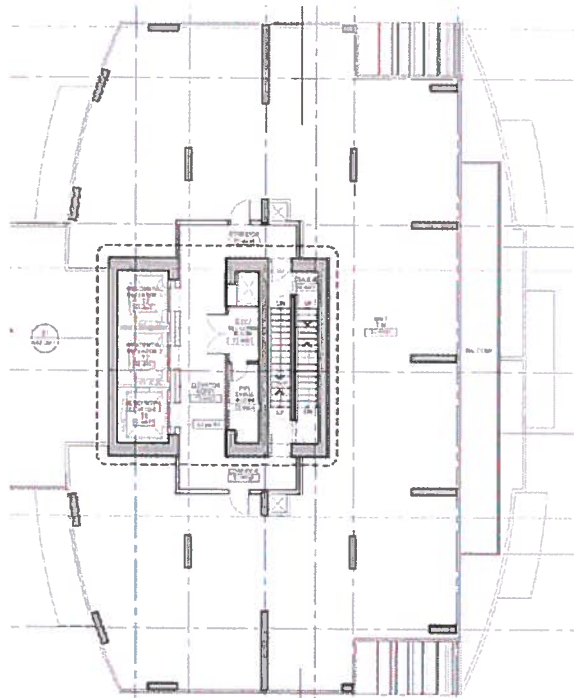


Level 42 - Floor Plan - East Tower

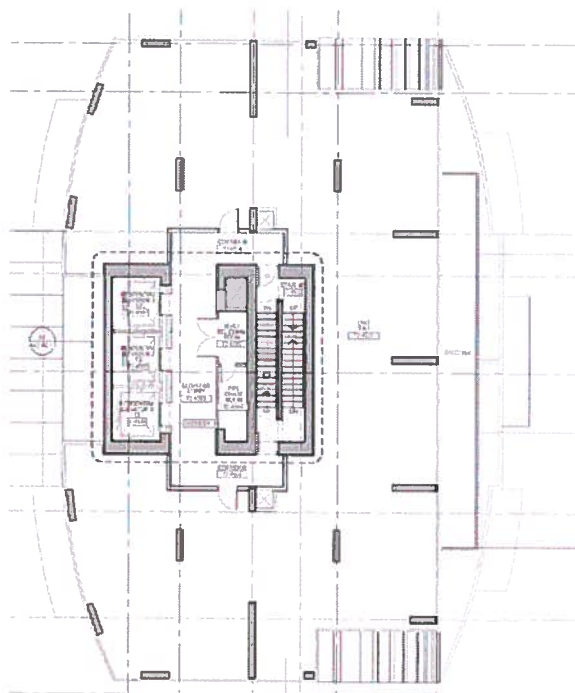


Floor Plans - Residential

Level 43 - East Tower Sub-Penthouse

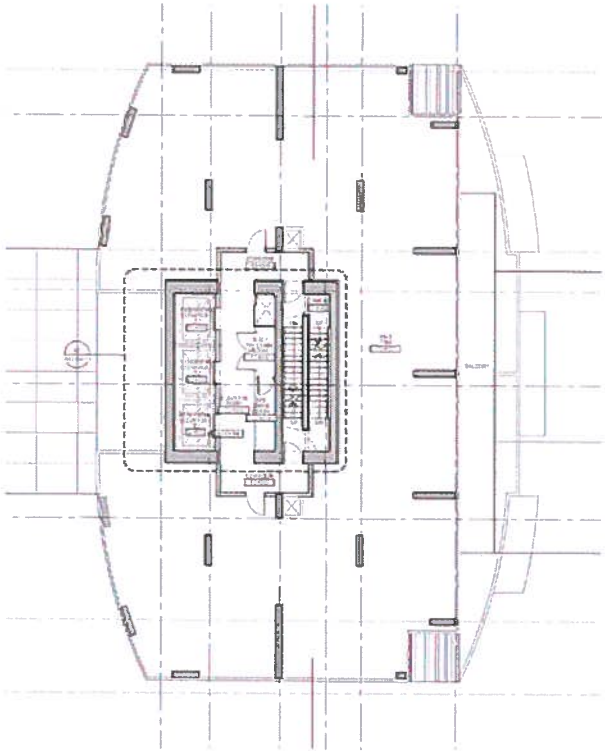


Level 44 - East Tower Penthouse - Floor Plan

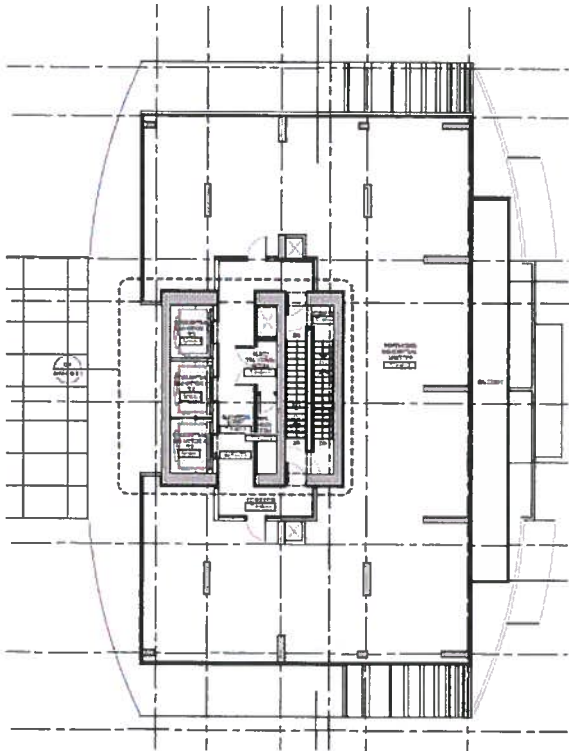


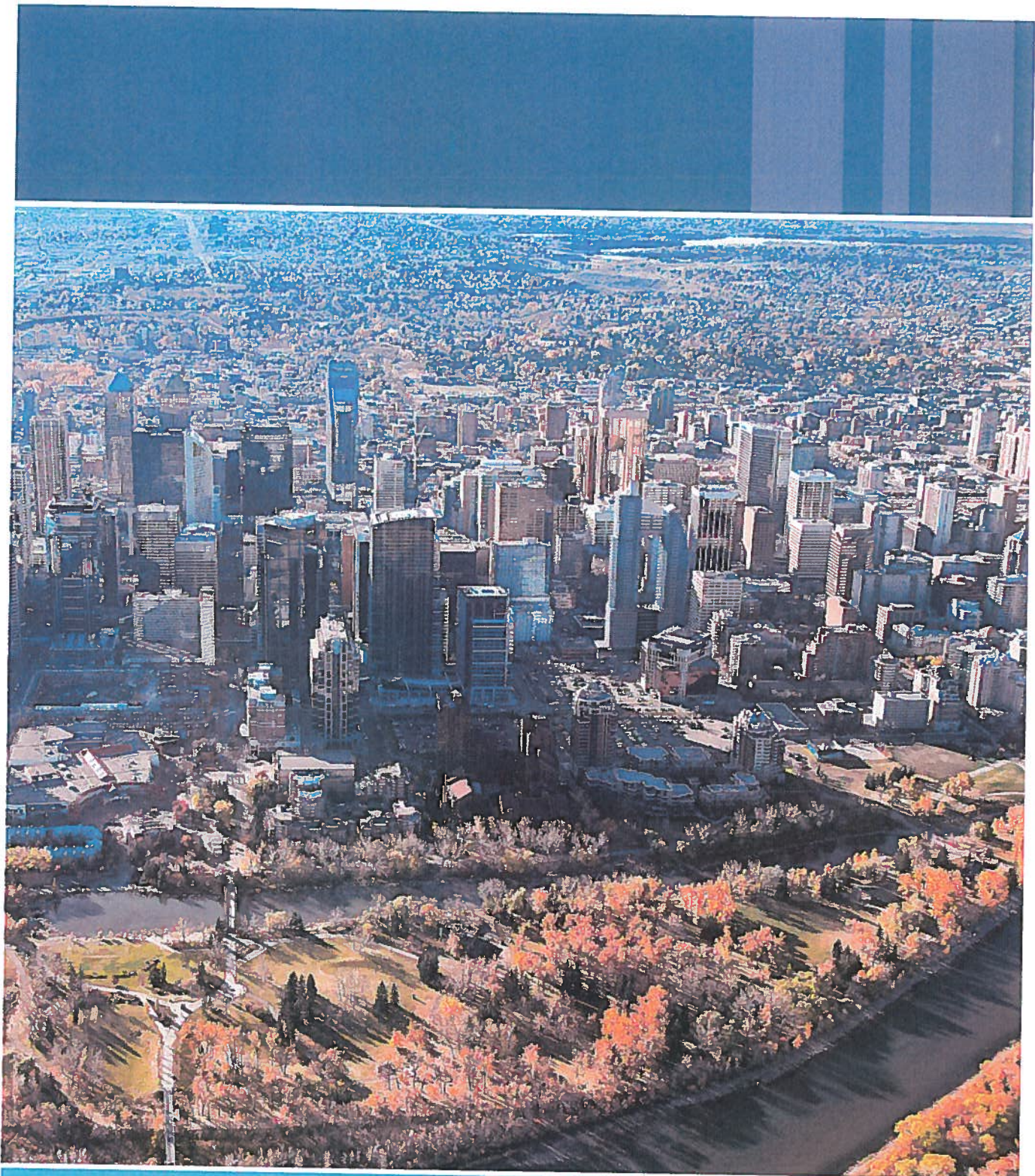
Floor Plans - Residential

Level 45 - East Tower Penthouse - Floor Plan



Level 46 - East Tower Penthouse - Floor Plan





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