File No. CI15-01-97928

THE QUEEN'S BENCH

<u>Winnipeg Centre</u>

IN THE MATTER OF: **THE APPOINTMENT OF A RECEIVER PURSUANT TO SECTION 243 OF THE BANKRUPTCY AND INSOLVENCY ACT R.S.C. 1985, c. B-3 AS AMENDED**

B E T W E E N:

CAMERON STEPHENS FINANCIAL CORPORATION

Applicant

- and –

5448124 MANITOBA LTD.

Respondent

AFFIDAVIT OF DAVID MINOR
(SWORN SEPTEMBER 25, 2015)

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Lawyers for Applicant

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I, DAVID MINOR, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am the Vice President, Underwriting and Investor Relations of Cameron Stephens Mortgage Capital Ltd. ("**CSMC**"), which company is the servicer of all loan facilities of Cameron Stephens Financial Corporation ("**Cameron**

Stephens") a secured creditor of 5448124 Manitoba Ltd. (the "**Debtor**"), and as such, I have personal knowledge of the matters to which I herein depose. Where the source of my information or belief is other than my own personal knowledge, I have identified the source and the basis for my information and believe it to be true.

2. I swear this Affidavit in support of a Motion for an Order, *inter alia*, appointing Grant Thornton Limited ("**GTL**") as receiver (or, in the alternative, interim receiver) over all of the property, assets and undertakings, including any and all real property and/or personal property, of the Debtor pursuant to section 243(1) (or, in the alternative, section 47) of the *Bankruptcy & Insolvency Act* (the "**BIA**").

I. OVERVIEW & NATURE OF APPLICATION

A. Business Overview

3. The Debtor is a corporation incorporated pursuant to the laws of the Province of Manitoba. Attached hereto and marked as **Exhibit "A"** is a copy of the Manitoba Companies Office Company Basic Data Reports of the Debtor from the Manitoba Companies Office.

4. The Debtor's primary asset is Burnell Apartments, being an apartment development located at 519 Burnell Street in Winnipeg, Manitoba (the "**Building**"). The Building is 3.5 storeys and is comprised of 66 one-bedroom and 22 two-bedroom units for a total of 88 units. Cameron Stephens is advised by the Debtor that the Building was originally constructed in 1913 but has been completely renovated over the last two years with over $6,000,000.00 spent on its improvement. The Building also maintains 40 grade level parking spaces.

II. INDEBTEDNESS, SECURITY AND DEFAULT

A. Indebtedness

5. A commitment letter between and among Cameron Stephens as Lender, the Debtor as Borrower, CSMC as Servicer, and each of Russell E. Knight (also known as Russell Knight also known as Russ Knight, hereinafter referred to "**Mr. Knight**") and Susannah Simes as Guarantors (the "**Guarantors**"), was issued on or about February 4, 2015 and accepted on or about February 6, 2015 (the "**Credit Agreement**"). Attached hereto and marked as **Exhibit "B"** is a copy of the Credit Agreement.

6. On March 30, 2015, the Debtor and the Guarantors executed a Certificate Re: Representations and Warranties (the "**Bring-Down Certificate**") in

which each jointly and severally represented and warranted that each of the representations and warranties set out in the Credit Agreement remained true and accurate as of that date and to indemnify and save harmless Cameron Stephens from any inaccuracy or misrepresentation contained therein. Attached hereto and marked as **Exhibit "C"** is a copy of the Bring-Down Certificate.

7. Pursuant to the Credit Agreement, on or about April 27, 2015, Cameron Stephens advanced to the Debtor the gross amount of $9,425,000.00. Attached hereto and marked as **Exhibit "D"** is the Debtor's Certificate of Advance dated April 27, 2015 in which receipt of these funds by or on behalf of the Debtor was acknowledged, confirmed and certified.

8. Pursuant to the Credit Agreement, interest on this loan facility accrues at the rate of 3.75% per annum, calculated daily, compounded semi-annually and payable monthly not in advance based on the number of days that the loan is outstanding, or such higher rate as may be permitted pursuant to the Credit Agreement.

9. Monthly principal/interest payments on this facility are to be paid (in arrears) on the first day of each month, together with an additional monthly principal payment in the amount of $20,000.00.

10. Interest has been accruing on the principal sum advanced from and after April 27, 2015, with an interest adjustment date of May 1, 2015. Accordingly, blended payments comprised of interest and principal were to commence on June 1, 2015 and did, in fact, commence on or about that date.

11. On or about each of June 1, 2015 and July 1, 2015, the Debtor paid to Cameron Stephens the sum of $88,405.36, comprised of a blended payment of principal and interest in the amount of $68,405.36, plus an additional $20,000.00 in respect of principal. However, the payments due on August 1, 2015 and September 1, 2015 (in respect of July and August, respectively) were returned due to insufficiency of funds in the Debtor's account.

12. Accordingly, as of September 21, 2015, the Debtor was indebted to Cameron Stephens in the aggregate amount of $9,455,591.61 (the "**Indebtedness**"), comprised of the principal amount of $9,306,457.02 plus (i) accrued interest in the amount of $48,384.59; (ii) NSF fees in the amount of $200.00; (iii) discharge fee in amount of $550.00; and (iv) loan termination costs in the amount of $100,000.00. Attached hereto and marked as **Exhibit "E"** is a copy of the Mortgage Discharge Statement dated September 21, 2015. Cameron Stephens has received no payments from or on behalf of the Debtor from September 21, 2015 to the date hereof.

B. Security

13. Pursuant to the Credit Agreement, the Debtor granted, *inter alia*, the following in favour of Cameron Stephens as security for the Indebtedness:

(a) a mortgage over the lands known municipally as 519 Burnell Street, Winnipeg, Manitoba (as more fully described in the Status of Titles for said lands attached hereto and marked as **Exhibit "F"**, the "**Lands**") registered in the Winnipeg Land Titles Office on April 29, 2015 as Instrument No. 4597987/1 (the "**Mortgage**"). Attached hereto and marked as **Exhibit "G"** is a copy of the Mortgage;

(b) a general assignment of rents and leases dated March 30, 2015, a copy of which is attached hereto and marked as **Exhibit "H"** (the "**Assignment of Rents**") - a caveat bearing Instrument No. 4597988/1 was registered in the Winnipeg Land Titles Office on April 29, 2015 as notice of the Assignment of Rents. Attached hereto and marked as **Exhibit "I"** is a copy of this Caveat regarding the Notice of the Assignment of Rents;

(c) a general security agreement by the Debtor in favour of Cameron Stephens dated March 30, 2015 (the "**GSA**"), a copy of which is attached hereto and marked as **Exhibit "J"** – Cameron Stephens' security over the personal property of the Debtor, as granted under the GSA, was registered under *The Personal Property Security Act* Registration No. 201504632801 and notice was given in the Property Registry under Notice No. 4597989/1 dated April 27, 2015, a copy of which is attached hereto and marked as **Exhibit "K"**; and

(d) an assignment of insurance policies by the Debtor in favour of Cameron Stephens dated March 30, 2015, a copy of which is attached hereto and marked as **Exhibit "L"**, pursuant to which the Debtor assigned to Cameron Stephens all of the Debtor's right, title and interest in any present or future insurance policies with respect to the Lands, including but not limited to those polices enumerated in Schedule A to this assignment.

14. In order to provide comfort to Cameron Stephens concerning this security being granted by the Debtor to Cameron Stephens, the Debtor obtained from its solicitor, Peter Ginakes of Ginakes Law Office, an opinion letter (the "**Legal Opinion**") in which he opines, *inter alia*, as follows with respect to the security documents and, in particular, the Mortgage, Assignment of Rents and GSA: "each of the Documents is a legal, valid and binding

obligation of the Corporation, enforceable against it in accordance with its terms." Attached hereto and marked as **Exhibit "M"** is a copy of the Legal Opinion.

15. At my request our lawyers have searched for all registrations against the Debtor registered under the Manitoba *Personal Property Security Act* (the "**PPSA**"). A copy of the PPSA search results are attached hereto and marked as **Exhibit "N"**. In addition to the active registration in favour of Cameron Stephens, there is an undischarged registration in favour of Crossroads-DMD Mortgage Investment Corporation ("**Crossroads-DMD**"). Cameron Stephens has been advised by Mr. Ginakes, the Debtor's lawyer, that, in accordance with their obligations, on April 27, 2015, when Cameron Stephens advanced to the Debtor the gross amount of $9,425,000.00, the amount of $1,181,327.20 was remitted to Crossroads-DMD in full and final satisfaction of all monies then owing by the Debtor to Crossroads-DMD. Accordingly, this registration in favour of Crossroads-DMD ought to have been discharged on April 27, 2015 or shortly thereafter. The following documents are attached hereto and marked as **Exhibit "O"**:

(a) Crossroads-DMD Payout Statement as of April 15, 2015;

(b) Letter from Peter Ginakes of Ginakes Law Office to Crossroads-DMD enclosing trust cheque in the amount of $1,181,327.20;

(c) Crossroads-DMD's Discharge signed May 8, 2015.

We only learned that the registration of Crossroads-DMD had not been discharged, as required, when we recently had our litigation counsel obtain updated PPSA search results. We immediately thereafter wrote to the Debtor's counsel, through the office of our solicitors, Dickinson Wright LLP, and requested that this discharge of Crossroads-DMD's registration be effected immediately. I am advised that, in response, counsel for Crossroads-DMD has confirmed that this registration is being discharged. Copies of the emails exchanged between Patricia L. Gerrie and Peter Ginakes on September 21, 2015 in this regard are attached hereto and marked as **Exhibit "P"**: It is my understanding, for reasons set out above, that Crossroads-DMD is not, at present, a secured creditor of the Debtor.

16. At my request our lawyers have conducted a search of all litigation involving the Debtor before the Queen's Bench of Manitoba and executions registered with Sheriff's Office against the Debtor. A copy of the results of these searches are attached hereto and marked as **Exhibit "Q"**.

C. Default

17. The Debtor is in default of its obligations to Cameron Stephens under, *inter alia*, the Credit Agreement.

18. In particular and as described above, after only two months of the sixty month term under the Credit Agreement, the payments which the Debtor was required to remit to Cameron Stephens due on August 1, 2015 and September 1, 2015 (in respect of July and August, respectively) were returned due to insufficiency of funds in the Debtor's account.

19. The Debtor's failure to make the payments described above constitute defaults under the Credit Agreement.

20. By letter dated August 12, 2015, Cameron Stephens, through its counsel, Stewart J. Wallace of Dickinson Wright LLP, provided formal written notice to the Debtor of its defaults under the Credit Agreement and Mortgage and, consequently, of Cameron Stephens' exercise of its right to accelerate thereunder (the "**Demand Letter**"). The Demand Letter demanded from the Debtor payment of the sum of $9,346,404.83 plus per diem interest of $948.76 then due and owing under the Credit Agreement and Mortgage. Attached hereto and marked as **Exhibit "R"** is a copy of the Demand Letter. The Demand Letter, in err, states that "monthly payments due on July 1st,

2015 and August 1st, 2015 are outstanding". In actual fact, of the date of demand, payment for only one month (July, 2015) were in arrears, which payment was due on August 1, 2015. Notwithstanding this error, the amount demanded in the Demand Letter, being $9,346,404.83, plus per diem interest of $948.76, was accurate. Further, as of the date hereof, both July and August, 2015 payments are outstanding.

21. Enclosed with the Demand Letter was a Notice of Intention to Enforce Security delivered on behalf of Cameron Stephens in accordance with subsection 244(1) of the BIA (the "**244 Notice**"). Attached hereto and marked as **Exhibit "S"** is a copy of the 244 Notice. Despite any inaccuracies that may have been found in the Demand Letter, as previously described, the 244 Notice, including all amounts noted therein, was accurate.

22. By letter dated August 12, 2015, copies of both the Demand Letter and 244 Notice were sent to each of the Guarantors and further demand was made on each of the Guarantors to pay $9,346,404.83 plus per diem interest of $948.76 pursuant to their guarantees. Attached hereto and marked as **Exhibit "T"** is a copy of this letter sent by Stewart J. Wallace to Russell E. Wright and Susannah Simes dates August 12, 2015.

III. FINANCIAL IRREGULARITIES AND URGENCY

A. Increasing Concerns re: Financial Management

23. In or around early August, 2015, Cameron Stephens became concerned regarding the Debtor's financial management (or mismanagement, as the case may be) of the Building and, in particular, the Debtor's efforts to meet its financial obligations as they came due, including its obligations to Cameron Stephens.

24. In the course of negotiating and completing the subject financing, the Debtor provided to Cameron Stephens two summaries of the rents to which the Debtor was entitled pursuant to its leases with the tenants at the Building. Attached hereto and marked as **Exhibit "U"** is a copy of the September 2014 Rent Roll received by Cameron Stephens from the Debtor. Attached hereto and marked as **Exhibit "V"** is a copy of an updated rent roll attached as a schedule to a statuary declaration made by the Debtor on March 30, 2015 (a copy of which also attached). These rent rolls evidence monthly rental income for the Building increasing from $120,275.00 to $158,160.00.

25. Throughout August, 2015, I, on behalf of Cameron Stephens, had numerous telephone conversations with Mr. Knight, as representative of the Debtor. Mr. Knight advised me on each of these calls that the tenants of the Building

were not paying the rent owing by them to the Debtor and, accordingly, the Debtor did not have sufficient cash flow to meet its financial obligations to Cameron Stephens.

26. Despite the Debtor's alleged financial difficulties described by Mr. Knight to Cameron Stephens, I was repeatedly and regularly reassured by Mr. Knight the Debtor was working to resolve the issues restricting its cash flow and, in particular, to collect the rents not being remitted by defaulting tenants.

27. Cameron Stephens' concerns about the financial health of the Debtor were heightened as a result of the fact that rents totalling approximately $160,000.00 were or should have been paid to the Debtor on a monthly basis and either:

(a) the Debtor was and remained unable to collect rent from its tenants, as indicated by Mr. Knight;

(b) the Debtor was and remained unable to collect sufficient rent from its tenants to cover its ongoing financial obligations;

(c) the Debtor was collecting sufficient rent but could not conduct its financial affairs appropriately so as to meet its ongoing financial obligations; and/or

(d) the Debtor was collecting rent but diverting same and/or using same for purposes other than to meet its financial obligations.

28. In an attempt to have the concerns of Cameron Stephens addressed, on August 27, 2015, I had a telephone call with Mr. Knight on which I requested, on behalf of Cameron Stephens, that the Debtor provide current tenant/rent information, including:

(a) name(s) of lessee(s) under each lease at the Building;

(b) number and name(s) of occupant(s) in each unit at the Building;

(c) rent payable for each leased unit at the Building; and

(d) arrears of rent, if any, for each unit at the Building.

I promptly directed my colleague, Tim Ryder, Senior Underwriter at Cameron Stephens ("**Mr. Ryder**"), to confirm the information of which Cameron Stephens required immediate disclosure. Attached hereto and marked as **Exhibit "W"** is a copy of Mr. Ryder's email to Mr. Knight dated August 27, 2015 on which I was copied.

29. On a conference call on or about September 7, 2015, between myself, Mr. Ryder, Mr. Knight and a prospective buyer or refinancer of the Lands and Building, Jeff Seddon, Mr. Knight confirmed to Mr. Seddon that the Debtor

had, in fact, been collecting rents at the Building and that they were generally current. More recently, the accuracy of this has again come into questions based on further representations (or misrepresentation, as the case may be) of Mr. Knight on behalf of the Debtor.

30. Despite the Debtor's obligation under, *inter alia*, the Credit Agreement, to provide ongoing and regular financial disclosure and reporting to Cameron Stephens, including financial and supporting information when requested, to date, Cameron Stephens has received no response to its inquiries of the Debtor in regard to the Debtor's defaults and/or explanations of the Debtor's allegation of non-collection of rents at the Building, which Cameron Stephens subsequently learned from Mr. Knight was, in fact, not the case. In place of same, Cameron Stephens has received repeated and regular assurances from Mr. Knight that the Debtor was in the final steps of refinancing its debt in order to repay all monies owing by the Debtor to Cameron Stephens. Attached hereto and marked as **Exhibit "X"** are copies of chains of emails exchanged between Mr. Knight and Cameron Stephens between August 7, 2015 and September 10, 2015 with regard to this purported refinance transaction of which Cameron Stephens had not received information sufficient to consider and assess the viability and

credibility of any of the refinance or sale transactions presented by the Debtor and/or the likelihood that one or more could close.

31. Further, there was, thereafter, a complete cessation of communication between the Debtor and Cameron Stephens, as the Debtor was refusing to take calls or respond to emails from Cameron Stephens.

32. For the foregoing reasons, Cameron Stephens had lost all faith and confidence in the Debtor to manage its financial affairs in an appropriate fashion and to provide prompt, full and frank disclosure to Cameron Stephens and instructed its counsel to bring an application seeking an Order of this Honourable Court to appoint a Receiver of the Debtor, which application we intended to have heard on or about September 24, 2014.

B. Recent Developments

33. As a result of Cameron Stephens' loss of faith and confidence in the Debtor as described above, Cameron Stephens had instructed its counsel to bring an application before this Honourable Court seeking, *inter alia*, an order to appoint a Receiver of the Debtor (the "**Receivership Application**").

34. The Receivership Application was originally intended to be brought on or about September 24, 2015.

35. After I advised the Debtor of the imminent hearing of Cameron Stephens' application to have a receiver appointed, but before formal notice of our Receivership Application was served on the Debtor, late in the day on September 21, 2015, Cameron Stephens received from the Debtor a signed Offer To Purchase Real Estate – Commercial between the Debtor as seller and GTAC Investment Corp as purchaser dated September 17, 2015 (the "**APS**"). Attached hereto and marked as **Exhibit "Y"** is a copy of the APS.

36. In an effort to cooperate with the Debtor by, *inter alia*, allowing the sale under the APS to close, Cameron Stephens elected to delay the return of the Receivership Application and proposed by letter dated September 23, 2015, an agreement pursuant to which Cameron Stephens would forbear from enforcing its rights against the Debtor and its assets, provided that the Debtor agreed to meet and met the terms enumerated therein (the "**Forbearance Agreement**"). Attached hereto and marked as **Exhibit "Z"** is a copy of the Forbearance Agreement.

37. As a condition to any forbearance, Cameron Stephens required that GTL be engaged to act as Consultant/Monitor with the consent and cooperation of the Debtor. As per the Forbearance Agreement, Cameron Stephens required the Debtor to agreement to, *inter alia*, the following:

(a) Providing access to the Debtor's books and records including, in particular, financial and banking records;

(b) Providing "read-only" access to the Debtor's bank accounts;

(c) Providing copies of the Debtor's current rent rolls and all related lease documents and correspondence;

(d) Authorizing the Debtor's officers, directors, employees, independent contractors and agents to disclose information and documents related to the Debtor and its business dealings; and

(e) To providing such additional information as may be available and requested by Cameron Stephens or GTL for the purpose of assessing the ability of the purchaser in the APS to close the sale contemplated therein.

38. Notwithstanding Cameron Stephens' desire to cooperate with the Debtor, while at the same time ensuring its interests in the property of the Debtor were protected, the Debtor refused to agree to the terms of the Forbearance Agreement or any terms acceptable to Cameron Stephens. Although the Debtor did propose alternative financial terms to which it (and the purported purchaser under the APS) might agree, I was advised by the Debtor that

under no circumstances would GTL or any third party in the capacity of a consultant/monitor, as required by Cameron Stephens, would be permitted by the Debtor. This immediately terminated any prospect or potential for Cameron Stephens' forbearance.

39. Cameron Stephens sincerely hoped that the recently restored communication between it and the Debtor might restore order and transparency in the business relations between the parties. However, as the Debtor refuses, unreasonably, to permit the implementation and/or adoption of measures sufficient to oversee and evaluate the financial affairs of the Debtor sufficient for Cameron Stephens to ensure the protection of its investment, interests and security, there has been no restoration of Cameron Stephens' faith or confidence in the Debtor to manage its financial affairs in an appropriate fashion and to provide prompt, full and frank disclosure to Cameron Stephens.

C. Urgency

40. The payment that the Debtor is required to remit to Cameron Stephens on account of the principal and interest payable for September, 2015, is due on October 1, 2015.

41. Further, rents payable by tenants and/or residents of the Building for October, 2015 will be payable on or after October 1, 2015.

42. Given, *inter alia*, the upcoming payment obligation and funds expected to be paid to the Debtor, Cameron Stephens will suffer prejudice if GTL's appointment as Receiver is not completed in advance of October 1, 2015.

IV. APPOINTMENT REQUESTED

A. Appointment of Receiver

43. Cameron Stephens proposes that GTL be appointed in this proceeding as receiver of the Debtor. I am advised by GTL that neither GTL nor any of its affiliates serves or has served in the past as the auditor for the Debtor or has any previous affiliation with any of the related parties involved in the dispute and referenced herein.

44. GTL has consented to act as Receiver and I understand that its written consent will be filed with this Honourable Court.

45. I believe that the requested appointment is just, fair and reasonable in the circumstances. The appointment is critical to preserving the *status quo* while further investigations are performed. The appointment will ensure that there will not be any misuse of funds, including any rents that have and/or will be

remitted to the Debtor, or other improper dissipation of the Debtor's assets, and will protect Cameron Stephens' interests as mortgagee in respect of the Lands. This appointment will also ensure that orderly management of the Building, be restored or maintained, as the case may be, to ensure it remains suitable for occupation by its residents.

V. CONCLUSION & RELIEF SOUGHT

35. I swear this Affidavit in support of the Applicant's request that an Order be granted under the BIA substantially in the form annexed as Schedule "A" to the Notice of Application, and for no other or improper purpose or delay.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario on September 25th, 2015

[redacted]

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

DAVID MINOR

This is Exhibit "A" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

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BN15 858693591MC0001

NAME 5448124 MANITOBA LTD.

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CARROLL LAW OFFICE - 902-388 PORTAGE AVENUE
CITY WINNIPEG PROV/ST MB PSTL CD R3C-0C8
COUNTRY CA FOREIGN PROV FOREIGN MAILING CODE
LANGUAGE PREFERENCE E DEFAULT DATE
COMMENTS

052 CURRENT DISPLAY IS COMPLETE - PRESS ENTER TO RETURN TO SEARCH FUNCTION.

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FUNCTION CODE   FILE NO 5448124   OTHER SELECTION CB 06

NAME 5448124 MANITOBA LTD.

FILE NO 5448124

STATUS ACT 2007/02/28 ACTIVE

TYPE 02 MB SHARE NONDIST

REMARKS   FUNK & STRELL

050 CURRENT DISPLAY FUNCTION IS COMPLETE - YOU MAY INITIATE A NEW FUNCTION.

NAME 5448124 MANITOBA LTD.

SIC CODE 0899 MISC SERVICES

ATTN TYPE 02 MB SHARE NONDIST

RENEWAL ADDRESS CODE ATTY ADDRESS CODE

CARROLL LAW OFFICE CARROLL LAW OFFICE

902-388 PORTAGE AVENUE 902-388 PORTAGE AVENUE

CITY WINNIPEG CITY WINNIPEG

PROV/ST MB POSTAL CD R3C 0C8 PROV MB POSTAL CD R3C 0C8

COUNTRY CA FOREIGN PROV FOREIGN MAIL CD

SHARE CODE	SHARE TYPE	AUTHORIZED	ISSUED	CONSIDERATION
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E	COM B	UNLTD		
F	COM C	UNLTD		
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7	CL II	UNLTD	PREFER	
8	CL III	UNLTD	PREFER	

INDEX NAME 5448124 0001001

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NAME 5448124 MANITOBA LTD.

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NAME 5448124 MANITOBA LTD.

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NAME 5448124 MANITOBA LTD.

TYPE 02 MB SHARE NONDIST

CODE AND DESCRIPTION

A   DIRECTOR   NAME RUSSELL KNIGHT

FILE NO

ADDR 624 FAIRMONT ROAD   -

CITY WINNIPEG   PROV MB POSTAL CD R3R-1B1

SHARE CODE   # OF SHARES   SHARE CODE   # OF SHARES

A   DIRECTOR   NAME SUSANNAH SIMES

FILE NO

ADDR 624 FAIRMONT RD   -

CITY WINNIPEG   PROV MB POSTAL CD R3R-1B1

SHARE CODE   # OF SHARES   SHARE CODE   # OF SHARES

B   PRESIDENT   NAME SUSANNAH SIMES

FILE NO

ADDR 624 FAIRMONT RD   -

CITY WINNIPEG   PROV MB POSTAL CD R3R-1B1

SHARE CODE   # OF SHARES   SHARE CODE   # OF SHARES

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ENTITY NAME

FILE NO NAME CHANGE DATE

ENTITY NAME

MORE ADDS? N

054 LOGON ID NOT AUTHORIZED TO ADD/UPDATE.

This is Exhibit "B" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

CAMERON STEPHENS | MORTGAGE CAPITAL LTD

February 4, 2015

Jeff Silverstein
Approved Financial

Attention: Jeff Silverstein

Re: 1[st] Mortgage Term Financing / Burnell Apartments, Winnipeg, Manitoba

Cameron Stephens Mortgage Capital Ltd. is pleased to advise that we are prepared to offer the following loan facility subject to syndication and to the terms and conditions outlined below (hereinafter called the "Commitment").

Borrower Name:	5448124 Manitoba Ltd. (the "Borrower")
Lender:	Cameron Stephens Financial Corporation ("CSFC") (the "Lender")
Servicer:	Cameron Stephens Mortgage Capital Ltd. ("CSMC")
Guarantor:	The joint and several personal guarantees of Russ Knight and Susannah Sims for 100% of the loan amount. (the "Guarantor")
Project Description:	"Burnell Apartments" being an apartment development located at 519 Burnell Street in Winnipeg, Manitoba. The apartment building is 3.5 storeys and is comprised of 66 one-bedroom and 22 two-bedroom units for a total of 88 units. The building was originally constructed in 1913 but has been completely renovated over the last 2 years with over $6,000,000 injected into the property. The building also maintains 40 grade level parking spaces. (the "Project")
Loan Facility:	$9,425,000 1[st] Mortgage Term Loan
Purpose:	To provide 1[st] mortgage term financing.
Interest Rate:	5 year G.O.C + 275 bps

Notes: 1. 5 year GOC will be confirmed on day of funding.
2. Interest rate subject to floor rate of 3.75% X

Interest on the Loan Facility shall be calculated daily, compounded semi-annually and payable monthly not in advance based on the number of days that the loan is outstanding.

Term:	60 months from the first day of the month following the date of the first advance ("Maturity Date"), subject to acceleration in the Event of Default, at which time all principal, interest, and fees may become due and payable upon demand at the option of the Lender.
Amortization:	20 years

Commitment Fees:

$94,250	Deemed earned upon acceptance of the Commitment Letter and payable as follows:
$10,000	Already received as Good Faith Deposit.
$20,000	Upon acceptance of the Commitment.
$64,250	Payable upon the 1[st] advance.

Notwithstanding the above, the Lender retains the right to defer the foregoing payment dates.

The Borrower acknowledges that these fees are a reasonable estimate of the Lender's cost incurred in sourcing, investigating, underwriting and preparing the Loan Facility and holding monies available to fund the Loan Facility and that said fee is still earned by the Lender if the Loan Facility is not advanced.

25 Adelaide Street East, Suite 600 Toronto, ON M5C 3A1
Phone: 416-591-8787 Fax: 416-591-9003 Broker #10769

Discharge Fee:	The final discharge for the project that discharges the mortgage will be $550 deemed earned by the Lender and payable by the Borrower prior to the delivery of the discharge. Discharge statements will be provided to the Borrowers within three business days of written notice.
Administration Fee:	The Lender shall charge an administration fee ("Administration Fee") of $350 per advance throughout the term of the loan.
Repayment:	Principal and interest payable monthly in arrears from the Borrower's own resources. The Borrower agrees to make payments by way of pre-authorized debits to the Borrower's Project account.
Prepayment:	None. The loan is closed for the term contemplated.
Security:	The Borrower, prior to any advance of funds, shall deliver the following security documents, (collectively the "Security") which shall be in form, scope and substance satisfactory to the Lender and its legal counsel:

1. Mortgage with a principal amount of $9,425,000 granting a first fixed charge against the Project and an Assignments of Rents therefrom.

2. The joint and several personal guarantees of Russ Knight and Susannah Simos for 100% of the loan amount plus interest and expenses and an assignment and postponement of claims by Guarantor and all shareholders of the Borrower relating to any claims against the Borrower.

3. General Security Agreement registered under the Personal Property Security Act Ontario granting a first general assignment of:
   -Book Debts, Rents and Leases of the Borrower in respect to the Project.
   -All present and after acquired personal property of the Borrower.
   -Rights of the Borrower (a) under all building/development permits and the monies paid thereunder, (b) to all plans, specifications and drawings related to the Project.
   -General Assignment of any leases to be determined by the Lender
   -An assignment of all insurance policies
   -An assignment of all applicable licenses, contracts, financial assurances relating to the appropriate properties.

4. The Lender shall have received an acceptable insurance binder or cover note, to be followed, within 30 days of the issuance of the binder or cover note, with a certified copy of a policy or policies of insurance, satisfactory to the Lender, containing the requirements of Schedule "A" hereto and including evidence of a Comprehensive General Liability Insurance policy for the Project in an amount of not less than $5,000,000 per occurrence. The Commercial General Liability Policy must reference the project and CSFC is to be added as an additional insured.

   We will require the insurance policy(ies) to be reviewed by an Independent Insurance Consultant, at the Borrower's expense.

5. Hypothecation and Pledge of all the shares of the Borrower.

6. The Lender's Solicitor shall obtain Title Insurance, at the cost of the Borrower, on the Project Land.

7. Such other and further security and documentation as may be required by the Lender or its counsel to complete and perfect the Security.

Funding Conditions:

No funds will be advanced until the Lender has received and approved or waived the following, all in form and substance satisfactory to the Lender and its legal counsel:

1. Confirmation that zoning and building bylaw compliance permits the uses as outlined for the subject property.

2. Building Conditions Report(s) at the Lender's discretion relating to the mechanical, structural, and roof components of the Property which must be accompanied by the Form of Reliance Certificate (attached to the Commitment Letter).

3. The Lender to receive satisfactory confirmation that the Borrower has injected $5,089,250 of equity (based on appraisal) into the Project, which shall remain invested until such time as the Lender has been fully repaid all principal and interest.

4. The Borrower will obtain at its own expense an environmental audit, from a firm approved by the Lender confirming that in their professional opinion there is no evidence that the site or any structures thereon are contaminated by any environmental hazards and recommending that no further action need be taken or will provide evidence of a remediation plan that will leave the site environmentally acceptable to the relevant Provincial and Federal Agencies and further evidence that said remediation plan is being performed, as budgeted for in the approved Budget and has been formally approved by the Ontario Ministry of the Environment. Such environmental audit must be accompanied by the Form of Reliance Certificate (attached to the Commitment Letter as Schedule "E") from the consultant to the Lender and shall confirm that the Lender and its assigns can rely upon such report for lending purposes.

5. All levies, impost fees, local improvement charges, property taxes and other charges affecting the Project due and payable shall have been paid to the date of the first advance of funds unless they are to be funded as part of the first advance.

6. The Lender shall have received from an approved appraiser a satisfactory appraisal of the Property confirming a minimum "as-is" value of $14,400,000. Such appraisal report must be accompanied by the Form of Reliance Certificate (attached to the Commitment Letter as Schedule "E") from the appraiser to the Lender and shall confirm that the Lender and its assigns can rely upon such appraisal for lending purposes.

7. Receipt and satisfactory review of a personal net worth and/or financial statement(s) from the Borrower and each of the Guarantors on CSFC's Standard Form, duly signed and witnessed (attached to the Commitment Letter as Schedule "D"). In addition the Lender is to receive satisfactory credit reports for the Borrower and Guarantor, both prior to the initial advance and at any time thereafter, as required by the Lender, until the Loan Facility is fully repaid.

8. The Borrower and each additional Covenantor authorize the Lender to make inquiries concerning the character, general reputation, personal characteristics, financial and credit data of the Borrower and each additional Covenantor, including its respective directors, officers, shareholders, and principals, and to verify any information provided to the Lender hereunder, all for the purpose of underwriting and servicing the Loan.

9. Receipt and satisfactory review of the Lease Agreements for leases in place, confirming a minimum annual Net Operating Income of $864,220 resulting in a DSCR of at least 1.20x, which is to be maintained throughout the life of the loan.

legal perspective only

10. Satisfactory review of rent roll and confirmation of operating costs.

11. Such other information that the Lender may reasonably require.

Availability:

A one-time advance in the amount of $9,425,000 to be utilized as follows:

Repay Lanyard 1st Mortgage:	$5,800,000
Repay CMS 2nd Mortgage:	$1,100,000
Construction Payables:	$1,300,000
Working Capital:	$1,225,000
	$9,425,000

The first advance of funds provided for herein shall be advanced no later than 90 days after acceptance of the Commitment.

In the event that the mortgage is not registered or the first advance of funds is not made for any reason whatsoever on or before that date, at the option of the Lender, its obligations under this Commitment shall cease and it shall be released of any present or further obligations. Notwithstanding the foregoing, the Borrower and Guarantor shall remain liable for any outstanding fees and costs as set out herein.

Financing Program:

The Financing Program is to be as follows:

Financing Program	Total	Per Unit	P.S.F.	%
Property Value	$ 14,400,000	$ 163,636	$ 229.67	89.35%
Commitment Fee	$ 94,250	$ 1,071	$ 1.50	0.65%
Total Use of Funds	$ 14,494,250	$ 164,707	$ 231.17	100.00%

Financing Program	Total	Per Unit	P.S.F.	%
CSMC 1st Mortgage	$ 9,425,000	$ 107,102	$ 150.32	65.03%
Borrower's Equity	$ 5,069,250	$ 57,605	$ 80.85	34.97%
Total Source of Funds	$ 14,494,250	$ 164,707	$ 231.17	100.00%

Reporting Requirements:

The Borrower and/or Guarantor shall provide to the Lender:

1. Within 90 days of each fiscal year end during the term of the Loan Facility, accountant prepared financial statements for the Borrower and each corporate Guarantor. In addition, the Lender will process credit reports for the Borrower and Guarantor.
2. Updated Rent Roll is to be provided to the Lender on a semi-annual basis.
3. Operating statements are to be provided to the Lender semi-annually.
4. Updated financial statements and/or net worth statements annually for each personal Guarantors;
5. Such other financial and supporting information as the Lender may request.

Subsequent Financing:

No financing subsequent to the Loan Facility shall be permitted, without the prior written consent of the Lender. The Borrower shall disclose to the Lender all existing or proposed financing related to the Project and shall not pledge or otherwise encumber its interest in the Project to any party other than the Lender, without the prior written consent of the Lender. The Borrower will provide evidence, satisfactory to the Lender, as to the source of the Borrower's required equity in the Project.

Other Conditions:

1. Loan disbursements shall take place only on title to the Project being acceptable to our solicitors and all matters in connection with the Security and other documentation deemed necessary or advisable by our solicitors being complied with by the Borrower and Guarantor and all Security and other instruments and agreements to evidence and secure the Loan Facility are duly executed, with evidence of registration where applicable.

2. The Lender shall require a satisfactory opinion and report from its solicitors indicating, among other things, the validity, enforceability and priority of all Security and the state of title of the Project.

3. The Lender shall require a satisfactory opinion and report from its solicitors regarding any encumbrances, financial charges or claims registered or to be registered against the Project.

4. The Lender shall require evidence of all corporate authorities together with an opinion of the Borrower's counsel as to usual matters such as: corporate authorities, absence of litigation, delivery of security, and execution of all security listed herein.

5. The Commitment and the Security may not be assigned, transferred or otherwise disposed of by the Borrower without the Lender's prior written consent. However, the Commitment and Security or any interest therein may be assigned or participated by the Lender (and its successors and assigns), in whole or in part, without the consent of the Borrower or the Guarantor. Except as hereinafter provided, the Borrower and Guarantor consent to the disclosure by the Lender to any such prospective assignee or participant of all information and documents regarding the Loan Facility, the Project, the Borrower, and the Guarantor within the possession or control of the Lender.

6. The Borrower shall establish a separate Project account at a financial institution acceptable to the Lender through which all advances and disbursements shall be made in respect to the Project.

7. In the event of the Borrower selling, transferring or conveying the Project or its rights therein to a purchaser, transferee or grantee not approved by the Lender, at the sole option of the Lender, all monies outstanding, together with all accrued and unpaid interest thereon and any other amounts due under the Commitment or the Security, shall become due and payable.

8. The voting control of the Borrower shall not change without the prior written consent of the Lender.

9. All appraisal, engineering, inspection, title, survey, legal, insurance review and other customary underwriting, inspection, securing or enforcement expenses of the Lender, are for the account of and shall be paid by the Borrower and may at the Lender's option be deducted from an advance and the Borrower hereby irrevocably directs and authorizes the Lender to pay such expenses and costs, together with any outstanding balance of the Commitment Fee, or any other amount due to the Lender, from and out of any advance of funds under this Loan Facility, in the event the same have not been paid at the time thereof. The Borrower acknowledges that in the event it does not request construction draws on a regular monthly basis, the Lender may inspect or cause its Cost Consultant to inspect the Project at any time, at the expense of the Borrower.

10. In the event of the Borrower failing to pay any amount when due or being in breach of any covenant, condition or term of the Commitment or the Security, or if any representation made by the Borrower, the Guarantor or their agents, or any information provided by them is found to be untrue or incorrect, or if any Event of Default as defined in the Security occurs, or if in the sole opinion of the Lender, a material adverse change occurs relating to the Borrower, the Guarantor, the Project, or the risk associated with the Loan Facility, the Borrower shall, at the option of the Lender, be in default of its obligations to the Lender and the Lender may cease or delay further funding or may exercise any and/or all remedies available to it at law or in equity. Further, the Lender may, at its option, on notice to the Borrower, declare the principal and interest on the Loan, and any other amount due under the Commitment forthwith due and payable, whereupon the same shall be and become immediately due and payable in full.

11. The waiver by the Lender of any breach or default by the Borrower of any provisions contained herein shall not be construed as a waiver of any other or subsequent breach or default by the Borrower. In addition, any failure by the Lender to exercise any rights or remedies hereunder or under the Security shall not constitute a waiver thereof.

12. The Commitment and Loan Facility shall be governed by and construed under laws of the Province of Ontario.

13. The Borrower and Guarantor agree that if any one or more of the provisions contained in this Commitment shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Lender, not affect any or all other provisions of this Commitment and this Commitment shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.

14. If the Borrower or the Guarantor is comprised of more than one person or corporation, the obligations shall be the joint and several obligations of each such person or corporation comprising the Borrower or Guarantor unless otherwise specifically stated herein.

15. Time is of the essence in this Commitment.

16. If a lien is filed against the Project or if the Borrower, Guarantor or Lender receives notice that one is about to be filed, then, at the option of the Lender, and in addition to any other remedies it may have, the Lender shall not be required to make any further advance until funds sufficient to cover such lien have been deposited with the Lender or until such time as the said lien has been discharged.

17. The Borrower and Guarantor shall indemnify and save harmless the Lender its officers, agents, trustees, employees, contractors, licensees or invitees from and against any and all losses, damages, injuries, expenses, suits, actions, claims and demands of every nature whatsoever arising out of the provisions of this Commitment and the Security, any letters of credit or letters of guarantee issued, sale or lease of the Project and/or the use or occupation of the Project including, without limitation, those arising from the right to enter the Project from time to time and to carry out the various tests, inspections and other activities permitted by the Commitment and the Security. In addition to any liability imposed on the Borrower and Guarantor under any instrument evidencing or securing the Loan Indebtedness, the Borrower and Guarantor shall be liable for any and all of the Lender's costs, expenses, damages or liabilities, including, without limitation, all reasonable legal fees, directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge, disposal or presence on, under or about the Project of any hazardous or noxious substances. The representations, warranties, covenants and agreements of the Borrower and Guarantor set forth in this subparagraph:
   (i) Are separate and distinct obligations from the Borrower's and Guarantor's other obligations;
   (ii) Survive the payment and satisfaction of their other obligations and the discharge of the Security from time to time taken as security therefore;
   (iii) Are not discharged or satisfied by foreclosure of the charges created by any of the Security; and
   (iv) Shall continue in effect after any transfer of the land including, without limitation, transfers pursuant to foreclosure proceedings (whether judicial or non-judicial) or by any transfer in lieu of foreclosure.

18. [redacted]

19. The Lender's solicitor shall be:

    Dickinson Wright LLP
    199 Bay Street, Suite 2200
    Commerce Court West
    Toronto ON M5L 1G4
    Canada

    Attention: Stewart J. Wallace

20. The representations, warranties, covenants and obligations herein set out shall not merge or be extinguished by the execution or registration of the Security but shall survive until all obligations under this Commitment and the Security have been duly performed and the Loan Facility, interest thereon and any other moneys payable to the Lender are repaid in full. In the event of any inconsistency or conflict between any of the provisions of the Commitment and any provision or provisions of the Security, the Commitment will prevail on all financial provisions and conflicts but the Security will prevail for anything non financial.

21. No term or requirement of this Commitment may be waived or varied orally or by any course of conduct of the Borrower or anyone acting on his behalf or by any officer, employee or agent of the Lender. Any alteration or amendment to this Commitment must be in writing and signed by a duly authorized officer of the Lender and accepted by the Borrower and Guarantor.

22. The Borrower and Guarantor acknowledge and agree that the terms and conditions recited herein are confidential between themselves and the Lender, its Lawyer, Cost Consultant, Insurance Consultant and Project Monitor. The Borrower and Guarantor agree not to disclose the information contained herein to a third party, other than their lawyer, without the Lender's prior written consent.

23. The Lender will require a satisfactory Letter of Transmittal regarding all professional reports including, without limiting, the environmental report. A Transmittal Letter is to be issued for each report, addressed to CSMC and state that the report can be relied upon by the Lender for mortgage financing purposes.

Proceeds of Crime (Money Laundering) and Terrorist Financing Act:

Pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (the "Act"), the Lender is required to ask for identification of the Borrower, the Additional Covenantors and any third party involved in the transaction, and for information with respect to the source of funds used in connection with the Borrower's equity in the Property. The Borrower and each Additional Covenantor hereby covenant and agree to provide, prior to funding, such identification and information as may be reasonably required to ensure the Lender's compliance with the Act.

Material Changes:

If at any time before the Date of Advance there is or has been any material change, discrepancy or inaccuracy in any information, statements, representations or warranties made or furnished to the Lender by or on behalf of the Borrower or upon the occurrence of an Event of Default under this Commitment which cannot be or is not rectified or nullified by the Borrower to the Lender's satisfaction within ten (10) days after written notification thereof by the Lender to the Borrower or the Lender's due diligence investigations regarding the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) produces a materially adverse result, the Lender shall be entitled forthwith to withdraw and cancel its obligations hereunder and to declare any funds which have been advanced, together with interest and other amounts, to be forthwith due and repayable in full.

Privacy Act Consent:

By signing this Commitment, each of you, being the parties signing (including all mortgagors and all guarantors) agrees that CSFC is authorized and entitled to:

a) Use your Personal Information (as hereinafter defined) to assess your ability to obtain your loan and to evaluate your ability to meet your financial obligations. This use includes disclosing and exchanging your Personal Information on an on-going basis with credit bureaus, credit reporting agencies and financial institutions or their agents, or to service providers, in order to determine and verify, on an on-going basis, your continuing eligibility for your loan and your continuing ability to meet your financial obligations. This use, disclosure and exchange of your Personal Information will continue as long as your loan is outstanding, and will help protect you from fraud and will also protect the integrity of the credit-granting system;

b) If the security for your loan includes an insured mortgage, to disclose your Personal Information to the mortgage insurer and to exchange, on an on-going basis, your Personal Information with such mortgage insurer, for all purposes related to the provision of mortgage insurance; and;

c) Use, disclose and exchange, on an on-going basis, all the personal information collected by us or delivered by you to us from time to time in connection with your loan and any information obtained by us from time to time pursuant to paragraphs (a) and (b) above (collectively your "Personal Information") to other organizations which may fund all or any part of your loan and/or own all or any part of your loan and the security securing your loan from time to time and permit prospective investors in your loan to inspect your Personal Information.

Even though your loan and the security securing your loan may be funded or owned by one or more other organizations, CSMC will continue to service your loan.

If you are in agreement with the foregoing terms and conditions, please indicate by signing and returning one (1) copy of this Commitment to the Lender's office by February 9th, 2015 together with your cheque in the amount of $20,000 payable to Cameron Stephens Mortgage Capital representing the Commitment Fee due and payable, failing which this letter shall be deemed null and void.

Yours truly,
Cameron Stephens Mortgage Capital Ltd.

Per: Scott Cameron
President

Justin Walton
Vice President

Borrower and Guarantor hereby accept the terms and conditions of the above-mentioned Commitment, agree to be responsible for all fees and disbursements payable in accordance with provisions of this Commitment and authorize the credit checks contemplated herein.

By signing this Commitment Letter, Borrower acknowledges that this loan is solely for its own benefit, and not for the benefit of any third party, except as specifically disclosed herein.

For your protection, personal information in the possession of other organizations as provided for herein is subject to their: (i) compliance with applicable law; and (ii) compliance with their own privacy codes, rules and regulations if and to the extent applicable. In some instances, such organizations or their applicable service providers may be located in jurisdictions outside of Canada, and your personal information may be subject to the laws of those foreign jurisdictions. To find out more about our privacy policy or to obtain information about our privacy practices, send a written request to Cameron Stephens Privacy Officer, Suite 600, 25 Adelaide Street East, Toronto, Ontario, M5C 3A1.

ACCEPTANCE

I/WE HEREBY accept the terms and conditions as stated herein.

DATED AT Wpg, this 6 day of Feb, 2015

Borrower

5448124 Manitoba Ltd.

Per:
I have the authority to bind the corporation

Per:
I have the authority to bind the corporation

Guarantors

[Witness]

Russ Knight

[Witness]

Susannah Simes

SCHEDULE "A":
INSURANCE REQUIREMENTS

1. GENERAL
   a. All insurance policies referred to herein shall be in form and with insurers reasonably acceptable to Lender and contain the original signatures of the insurers, not just the insurance broker or agent, unless otherwise agreed, and shall be delivered to the Lender within 30 days of issuance of the insurance cover note or binder.
   b. All policies shall be permitted to contain reasonable deductibles.
   c. The Builder's Risk Insurance shall contain a Standard Mortgage Clause and show the lender as Mortgagee and Loss Payee and shall provide for sixty days (60) prior notice to Lender of any adverse material change or cancellation.
   d. If the Borrower fails to take out and keep in force such minimum insurance as is required hereunder, then Lender may, but shall not be obligated to, take out and keep in force such insurance at the immediate sole cost and expense of the Borrower plus costs incurred, or use other means at its disposal under the terms of the Mortgage.
   e. It is clearly understood and agreed that the Insurance Requirements contained herein are a minimum guide and, although must be adhered to throughout the life of the Mortgage, in no way represent an opinion as to the full scope of insurance cover a prudent Borrower would arrange to adequately protect its interest and the interest of Lender, and the Borrower must govern itself accordingly.

SCHEDULE "B":

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PERSONAL & EMPLOYMENT INFORMATION

First Name:		Spouse's Name:	
Last Name:		Marital Status:	
Telephone (home):		Telephone (work):	
SIN (required):		Date of Birth:	
Driver's License:		# of dependents:	
Are you currently a client of Cameron Stephens Financial Corporation?			
Current Address:		Length of time at current address:	
Employer's Name:		Present Position:	
Address:		Length of Service:	
Annual Employment Income:	$	Details:	
Income from other sources (specify):	$		
Total Annual Income (state year of reference):	$		
Bank Reference:			
Address:			

SUMMARY ~ FINANCIAL INFORMATION

	ASSETS	VALUE	LIABILITIES	Description	BALANCE OWING
CASH, DEPOSITS & MARKETABLE SECURITIES	BANK/TRUST CU/LNGH	$	OUTSTANDING LOANS	Refer to section D	$
REAL ESTATE	Must agree with section "B"	$	MARGIN ACCOUNTS Refer to section "A"	Refer to section A	$
EQUITY IN NON-ARMS LENGTH COMPANIES	Must agree with section "C"	$	OUTSTANDING MORTGAGES	Refer to Refer to section B	$
INVESTMENTS (Specify)		$	OTHER LIABILITIES (itemize)		$
OTHER ASSETS (itemize)					
TOTAL ASSETS		$	TOTAL LIABILITIES		$
			NET WORTH		$

AS J Aft

(Supporting Schedules)

ASSETS

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SECTION "A" – SECURITIES AND TAX SHELTERS

Description of Security and Quantity Held	Registered to/ To whom pledged	Market Value	Cost	Margin Accts Balance Owing	Annual Profit or Loss
1		$		$	$
2		$		$	$
3		$		$	$
4		$		$	$
	TOTAL	$		$	$

SECTION "B" – REAL ESTATE

Address and Description (Acreage, Home, Business)	Title in Name of	Date Purchased	Market Value	Purchase Price	% Owned
1			$		0%
2			$		0%
3			$		0%
4			$		0%
5			$		0%
6			$		0%
		TOTAL	$		

SECTION "C" – EQUITY IN NON ARMS-LENGTH COMPANIES

Name of Company	Nature of Business	Position / Relationship	Value of Equity Invested	% Ownership
1			$	0%
2			$	0%
3			$	0%
4			$	0%
5			$	0%
6			$	0%
NOTE: ATTACH FINANCIAL STATEMENTS	TOTAL	$		

LIABILITIES

SECTION "D" – SECURITY

Lender Name	Security	Amount	Terms & Rate	Outstanding Balance
1				$
2				$
3				$
4				$
5				$
6				$
			TOTAL	$

I warrant and confirm that the information given herein is true and I understand clearly that it is being used to determine my credit responsibility. You are authorized to obtain any information you require relative to this application from any sources to which you may apply and each such source is hereby authorized to provide you with such information. You are furthermore authorized to disclose any response to direct inquiries from any other lender or credit bureau, such information on my loaning account as you consider appropriate, and I hereby agree to indemnify you against and save you harmless from any and all claims in damages or otherwise arising from such disclosure on your part. You are also authorized to retain the application whether or not the relative mortgage is approved

Dated this ______ day of ________________, ______

____
Signature (In Ink)

AS NP

SCHEDULE "C":
MINIMUM SELLING PRICES

Intentionally Deleted

SCHEDULE "D"
Please complete either the corporate or individual source of funds

Corporation

STATUTORY DECLARATION
(Down Payment Verification)

CANADA

) IN THE MATTER OF title to the lands known
) municipally as ______________
) in the City of ______________
) (the "Property")
)
) AND IN THE MATTER OF a mortgage loan from
) Cameron Stephens Mortgage Capital Ltd
) on the security of the Property (the "Mortgage")

I, ______________, of the City of ______________, in the Province of ______________ make oath and say as follows:

1. I am the ________ of ______________ (the "Corporation") named in the Mortgage and as such have knowledge of the matters hereinafter deposed.

2. In connection with the purchase of the Property, the Corporation is providing equity in the amount of ________ ($ ________) DOLLARS (the "Equity").

3. The source of the Equity is:

   a. Proceeds from the sale of property municipally known as ______________ ______________ (copy of purchase agreement attached)

   b. Other (please describe): ______________

4. None of the Equity has come from accounts or operations primarily situated outside of Canada.

AND I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath pursuant to the Canada Evidence Act.

DECLARED before me at the
City of ______________
In the Province of ______________
this ____ day of ________, 20____

____
(Name of declarant)

____
A Commissioner, etc.

NOTE: This statutory declaration is required only in connection with a new financing. Significant detail must be given in connection with the source of the down payment funds.

AA JJ KK

Individual

STATUTORY DECLARATION
(Down Payment Verification)

CANADA	) IN THE MATTER OF title to the lands known) municipally as ____________) in the City of ____________) (the "Property"))) AND IN THE MATTER OF a mortgage loan from) Cameron Stephens Mortgage Capital Ltd) on the security of the Property (the "Mortgage")

I, ______________, of the City of ______________, in the Province of ______________ make oath and say as follows:

1. In connection with the purchase of the Property, I am providing equity in the amount of __________ ($ __________) DOLLARS (the "Equity").

2. The source of the Equity is:

   a. Proceeds from the sale of property municipally known as
   ____
   (copy of purchase agreement attached)

   b. Other (please describe): ______________________

3. None of the Equity has come from accounts or operations primarily situated outside of Canada.

AND I make this solemn declaration conscientiously believing it to be true, and knowing that it is of the same force and effect as if made under oath pursuant to the Canada Evidence Act.

DECLARED before me at the City of ______________ in the Province of ______________ this ____ day of ______, 20 ______	)
	) ______________________) (Name of declarant)
______________________ A Commissioner, etc.	)

SCHEDULE "E"
RELIANCE CERTIFICATE

TO: Cameron Stephens Financial Corporation, and such persons for whom they act as agent or trustee from time to time, and in each case, their respective successors and assigns

RE: [Describe agreement in respect of which reliance is being permitted] dated [insert date], prepared by [insert name of consultant] and addressed to [name addresses of report] (the "Report")

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby certifies, agrees and confirms that the addressees hereof, and their respective successors and assigns, shall be entitled to rely on the Report to the same extent and with such effect as if such Report were prepared for and addressed to them.

DATED the ______ day of _________, 2015

By: ______________________________
Name:
Title:

SCHEDULE "F"
TERMS OF REFERENCE

Intentionally Deleted

CAMERON STEPHENS | MORTGAGE CAPITAL LTD.

February 26th, 2015

Jeff Silverstein
Approved Financial

Attention: Jeff Silverstein

Re: 1st Mortgage Term Financing / Burnell Apartments, Winnipeg, Manitoba

Cameron Stephens Mortgage Capital Ltd. is pleased to advise that the Commitment Letter dated February 4th, 2015 has been approved by our syndication partner subject to the following changes.

Amortization:

Original
20 years

Revised
15 years

Repayment:

Original
Principal and interest payable monthly in arrears from the Borrower's own resources. The Borrower agrees to make payments by way of pre-authorized debits to the Borrower's Project account.

Revised
Principal and interest payable monthly in arrears from the Borrower's own resources. The Borrower will also provide a payment of $20,000 per month which will be applied against the outstanding principal balance. The Borrower agrees to make payments by way of pre-authorized debits to the Borrower's Project account.

Note: The accelerated principal payment will be reviewed annually by the Lender.

If you are in agreement with the foregoing terms and conditions, please indicate by signing and returning one (1) copy of this Syndication Waiver to the Lender's office by March 2nd, 2015.

Yours truly,

Cameron Stephens Mortgage Capital Ltd.

per. Scott Cameron
President

Justin Walton
Vice President

Borrower and Guarantor hereby accept the terms and conditions of the above-mentioned Commitment, agree to be responsible for all fees and disbursements payable in accordance with provisions of this Commitment and authorize the credit checks contemplated herein.

By signing this Syndication Waiver, the Borrower acknowledges that this loan is solely for its own benefit, and not for the benefit of any third party, except as specifically disclosed herein.

ACCEPTANCE

I/WE HEREBY accept the terms and conditions as stated herein.

DATED AT ______, this ____ day of ______, 2015

Borrower
5448124 Manitoba Ltd

Per:
I have the authority to bind the corporation

Guarantors

[Witness]

Ross Knight

[Witness]

Sunderesh Simes

CAMERON STEPHENS | MORTGAGE CAPITAL LTD.

March 3rd, 2015

Jeff [illegible]
Approved Financial

Attention: Jeff [illegible]

Re: 1st Mortgage Term Financing / [illegible] Apartments, Winnipeg, Manitoba

Cameron Stephens Mortgage Capital Ltd. is pleased to advise that the Commitment Letter dated February [illegible], 2015 has been approved by our syndication partner subject to the following changes:

Commitment Fee:

Original
$[illegible],250 (1.00%)

Revised
$78,250 ([illegible]%)

If you are in agreement with the foregoing terms and conditions, please indicate by signing and returning one (1) copy of this Syndication Waiver to the Lender's office by March [illegible], 2015.

Yours truly,

Cameron Stephens Mortgage Capital Ltd.

Scott Cameron
President

Justin Wilson
Vice President

Borrower and Guarantor hereby accept the terms and conditions of the above-mentioned Commitment, agree to be responsible for all fees and disbursements payable in accordance with provisions of this Commitment and authorize the credit checks contemplated herein.

By signing this Syndication Waiver, the Borrower acknowledges that this loan is solely for its own benefit, and not for the benefit of any third party, except as specifically disclosed herein.

ACCEPTANCE

WE HEREBY accept the terms and conditions as stated herein.

DATED AT 3RD Winnipeg the 3RD day of MARCH 2015

Borrower:
5448124 Manitoba Ltd.

Per:
I have the authority to bind the corporation

Signature

Witness

Witness

Russ Knight

Scannah Simon

This is Exhibit "C" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

CERTIFICATE RE: REPRESENTATIONS AND WARRANTIES

TO: CAMERON STEPHENS FINANCIAL CORPORATION

RE: Cameron Stephens Financial Corporation ("**CSFC**") financing of 5448124 Manitoba Ltd. (the "**Borrower**") - $9,425,000.00 (the "**Loan Facility**") on the security of the property described as 519 Burnell Street, Winnipeg, Manitoba (the "**Property**"), pursuant to the terms of a commitment letter dated February 4th, 2015, entered into between CFSC, the Borrower and Russell Knight and Susannah Simes (the "**Guarantors**") (the "**Commitment Letter**")

Capitalized terms used but not defined herein shall have the respective meanings ascribed thereto in the Commitment Letter.

The Borrower and Guarantors hereby jointly and severally represent and warrant that each of the representations and warranties set out in the Commitment Letter are true and accurate as of the date hereof, and shall survive the advance of funds under the Loan Facility and continue in full force and effect for the benefit of CSFC, its successors and assigns.

Each of the Borrower and Guarantors agree that they shall, on a joint and several basis, indemnify and save harmless CSFC from and against all losses, damages and expenses directly or indirectly suffered by CSFC resulting from any inaccuracy or misrepresentation in any representation or warranty set forth in the Commitment Letter, save any such matter as may have been disclosed to CSFC, in writing, prior to the advance of funds under the Loan Facility.

DATED the 30 day of March, 2015

5448124 MANITOBA LTD.

Per:

Name: Susannah Simes

Title: President

I have authority to bind the Corporation.

Witness:

Russell Knight

Witness:

Susannah Simes

This is Exhibit "D" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

CERTIFICATE OF ADVANCE

TO: CAMERON STEPHENS FINANCIAL CORPORATION

AND TO: DICKINSON WRIGHT LLP

RE: CAMERON STEPHENS FINANCIAL CORPORATION loan to 5448124 MANITOBA LTD.
519 Burnell Street, Winnipeg, Manitoba
Loan Ref. #3366-81

The undersigned, being an officer and director of the above-noted corporation (the "**Borrower**"), certifies that:

1. This certificate is made in connection with an advance of the above-noted loan (the "**Loan**") made by the above-noted lender (the "**Lender**") to the Borrower.
2. The following amounts were advanced on account of the Loan on the following dates:

AMOUNT OF GROSS ADVANCE	ADVANCE DATE
$ 9,425,000.00	April 27, 2015

and accordingly, the sum of $9,425,000.00 has been accounted for or received by or on behalf of the Borrower and there is no defence, offset or counterclaim with respect to such amount.

3. All net proceeds of the Loan advanced to date, as herein acknowledged, have and shall be utilized only for one or more of the following purposes:

(a) acquiring the above-noted property (the "Property");

(b) paying the costs of any construction, erection, installation or improvement on or to the Property or any alteration, addition or repair to, or any demolition or removal of, any building, structure, works or other improvements on the Property (collectively the "**Improvements**");

(c) paying any other costs approved by the Lender with respect to the Property or the Improvements;

(d) refinancing any loan, the proceeds of which were utilized for any of the purposes expressed in subparagraphs 3(a), (b) and (c) hereof; or

(e) any such other purposes as are expressly allowed under the terms of the Commitment Letter entered into between the Borrower and Cameron Stephens Financial Corporation, dated February 4th, 2015, as amended, restated, superseded or replaced from time to time.

4. All buildings, structures and other improvements on the Property whether above or below ground level are within the boundaries of the Property and are in compliance with the building and zoning regulations of all authorities having jurisdiction.
5. All hard and soft costs incurred with respect to the Improvements have been paid in full as of the date of the immediately preceding advance of the Loan.
6. There are no contracts or agreements in any way relating to the Improvements other than as disclosed to the Lender prior to the date hereof.
7. There have been no notices of non-compliance received from any governmental body which may have any authority over the Property or the development thereof.
8. The Borrower is not an insolvent person within the meaning of the Bankruptcy and Insolvency Act (Canada) and regulations thereunder, and that the security given pursuant to the Loan in favour of the Lender does not constitute all or substantially all of:

(a) the inventory;

(b) the accounts receivable; or

(c) the other property;

that was acquired for, or is used in relation to, a business carried on by the Borrower.

9. I have carefully reviewed the appropriate records of the Borrower and have made such inquiries and investigations as are necessary so as to enable me to make all of the statements and declarations set out herein.

10. This certificate is intended and shall serve as a full estoppel as against the Borrower with respect to the facts stated herein.

DATED effective as of the 27 day of April, 2015.

5448124 MANITOBA LTD.

Per: ______________________
Name: Susannah Simes
Title: President

I have authority to bind the Corporation.

This is Exhibit "E" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

CAMERON STEPHENS | MORTGAGE CAPITAL LIMITED

25 Adelaide Street East Suite 600
Toronto, Ontario
Canada M5C 3A1
T: 416 591 8787
F: 416 591 9001

Date: September 21, 2015
Lender Solicitor: Fogler Rubinoff LLP

Mortgage Discharge Statement - for Demand Letter purposes

Loan No: 3366-81
Borrower(s): 5448124 Manitoba Ltd.
Property Address: 519 Burnell Street
Closing Date: September 21, 2015

Interest Rate:	3.75%	Principal & Interest:	$	9,354,841.61
Maturity Date:	May 1, 2030	Property Tax:		
Payment Frequency:	Monthly	Escrow:		
Next Payment Due:	August 1, 2015	**TOTAL PAYMENT:**	$	9,455,591.61

Principal Balance	$	9,306,457.02
Accrued Interest from Aug 1 2015 to Sept 21 2015	$	48,384.59
NSF Fees	$	200.00
Discharge Fee	$	550.00
Loan Termination Costs	$	100,000.00
Total amount required in certified funds (1:00 p.m. September 21, 2015)	**$**	**9,455,591.61**

CONDITIONS

This statement is correct only if all payments have been made and honoured and is subject to the correction of any errors or omissions. Should this transaction not close prior to the next payment due date then this statement will be void and Cameron Stephens Mortgage Capital Ltd. will require the **October 1, 2015** payment made and a new statement requested.

Should the mortgage be in arrears, the "Principal Balance" will be as at the due date of the last paid installment. All taxes and other charges paid by us from the time of preparation to the closing date and not indicated on this statement, are the responsibility of the mortgagor.

Certified Funds received after 1:00pm of the proposed discharge date will be subject to an additional daily interest charge of **$948.76** until paid. If the proposed discharge date is on Friday, funds after 1:00pm will be subject to additional interest until the next business day.

It is the responsibility of your office to ensure that the appropriate discharge documents are prepared and forwarded to Cameron Stephens Mortgage Capital for execution. This includes any applicable PPSA discharge documentation.

This statement is valid up the last day of the current month of the expected payout date. Should the rate change prior to payout then this statement will be void and a new statement issued to reflect the change in the interest rate.

Yours truly,

MA

Marco Amadasi
Funding Officer

Giuliana Mauro
Funding Manager

ESEO

This is Exhibit "F" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

STATUS OF TITLE

Title Number	**2291534/1**
Title Status	**Accepted**
Client File	1503332 KM

The Property Registry
A Service Provider for the Province of Manitoba

1. REGISTERED OWNERS, TENANCY AND LAND DESCRIPTION

5448124 MANITOBA LTD.

IS REGISTERED OWNER SUBJECT TO SUCH ENTRIES RECORDED HEREON, IN THE FOLLOWING DESCRIBED LAND:

LOTS 42 TO 47 BLOCK 3 PLAN 775 WLTO
IN RL 65 PARISH OF ST JAMES

The land in this title is, unless the contrary is expressly declared, deemed to be subject to the reservations and restrictions set out in section 58 of *The Real Property Act.*

2. ACTIVE INSTRUMENTS

Instrument Type:	**Mortgage**
Registration Number:	**4597987/1**
Instrument Status:	**Accepted**
Registration Date:	2015-04-29
From/By:	5448124 MANITOBA LTD.
To:	CAMERON STEPHENS FINANCIAL CORPORATION
Amount:	$9,425,000.00
Notes:	No notes
Description:	No description

Instrument Type:	**Caveat**
Registration Number:	**4597988/1**
Instrument Status:	**Accepted**
Registration Date:	2015-04-29
From/By:	CAMERON STEPHENS FINANCIAL CORPORATION
To:	BY AGENT: JONATHAN GOLDENBERG
Amount:	
Notes:	No notes
Description:	GENERAL ASSIGNMENT OF RENTS AND LEASES

Instrument Type:	**Personal Property Security Notice**
Registration Number:	**4597989/1**
Instrument Status:	**Accepted**
Registration Date:	2015-04-29
From/By:	CAMERON STEPHENS FINANCIAL CORPORATION
To:	BY AGENT: JONATHAN GOLDENBERG
Amount:	
Notes:	No notes
Description:	INTEREST EXPIRES: 2035/03/19

Instrument Type:	**Notice**
Registration Number:	**4611029/1**
Instrument Status:	**Accepted**
Registration Date:	2015-06-08
From/By:	DIRECTOR OF RESIDENTIAL TENANCIES, PROVINCE OF MANITOBA
To:	
Amount:	
Notes:	No notes
Description:	REHABILITATION SCHEME NOTICE

3. ADDRESSES FOR SERVICE

5448124 MANITOBA LTD.
1 - 1549 ST. MARY'S ROAD
WINNIPEG, MB.
R2M 5G9

5448124 MANITOBA LTD
C/O 902 - 388 PORTAGE AVENUE
WINNIPEG MB
R3C 0C7

4. TITLE NOTES

ADDRESS FOR SERVICE ADDED BY VIRTUE OF MORTGAGE NO. 4257156/1
2012/08/20 GK

5. LAND TITLES DISTRICT

Winnipeg

6. DUPLICATE TITLE INFORMATION

Duplicate not produced

7. FROM TITLE NUMBERS

2233437/1 All

8. REAL PROPERTY APPLICATION / CROWN GRANT NUMBERS

No real property application or grant information

9. ORIGINATING INSTRUMENTS

Instrument Type:	**Transfer Of Land**
Registration Number:	**3S98222/1**
Registration Date:	2008-04-09
From/By:	5307296 MANITOBA LTD.
To:	5448124 MANITOBA LTD.
Consideration:	$450,000.00

10. LAND INDEX

Lot 42 Block 3 Plan 775
RL 65 JA

Lot 43 Block 3 Plan 775
RL 65 JA

Lot 44 Block 3 Plan 775
RL 65 JA

Lot 45 Block 3 Plan 775
RL 65 JA

Lot 46 Block 3 Plan 775
RL 65 JA

Lot 47 Block 3 Plan 775
RL 65 JA

CERTIFIED TRUE EXTRACT PRODUCED FROM THE LAND TITLES DATA STORAGE SYSTEM OF TITLE NUMBER 2291534/1

STATUS OF TITLE

The Property Registry
A Service Provider for the Province of Manitoba

Title Number	**2291538/1**
Title Status	**Accepted**
Client File	1503332 KM

1. REGISTERED OWNERS, TENANCY AND LAND DESCRIPTION

5448124 MANITOBA LTD.

IS REGISTERED OWNER SUBJECT TO SUCH ENTRIES RECORDED HEREON, IN THE FOLLOWING DESCRIBED LAND:

SP LOT 28 PLAN 33661 WLTO
IN RL 63 TO 65 PARISH OF ST JAMES

The land in this title is, unless the contrary is expressly declared, deemed to be subject to the reservations and restrictions set out in section 58 of *The Real Property Act*.

2. ACTIVE INSTRUMENTS

Instrument Type:	**Mortgage**
Registration Number:	**4597987/1**
Instrument Status:	**Accepted**
Registration Date:	2015-04-29
From/By:	5448124 MANITOBA LTD.
To:	CAMERON STEPHENS FINANCIAL CORPORATION
Amount:	$9,425,000.00
Notes:	No notes
Description:	No description

Instrument Type:	**Caveat**
Registration Number:	**4597988/1**
Instrument Status:	**Accepted**
Registration Date:	2015-04-29
From/By:	CAMERON STEPHENS FINANCIAL CORPORATION
To:	BY AGENT: JONATHAN GOLDENBERG
Amount:	
Notes:	No notes
Description:	GENERAL ASSIGNMENT OF RENTS AND LEASES

Instrument Type:	**Personal Property Security Notice**
Registration Number:	**4597989/1**
Instrument Status:	**Accepted**
Registration Date:	2015-04-29
From/By:	CAMERON STEPHENS FINANCIAL CORPORATION
To:	BY AGENT: JONATHAN GOLDENBERG
Amount:	
Notes:	No notes
Description:	INTEREST EXPIRES: 2035/03/19

3. ADDRESSES FOR SERVICE

5448124 MANITOBA LTD.
1 - 1549 ST. MARY'S ROAD
WINNIPEG, MB.
R2M 5G9

5448124 MANITOBA LTD
C/O 902 - 388 PORTAGE AVENUE
WINNIPEG MB
R3C 0C7

4. TITLE NOTES

ADDRESS FOR SERVICE ADDED BY VIRTUE OF MORTGAGE NO. 4257156/1
2012/08/20 GK

5. LAND TITLES DISTRICT

Winnipeg

6. DUPLICATE TITLE INFORMATION

Duplicate not produced

7. FROM TITLE NUMBERS

2233441/1 All

8. REAL PROPERTY APPLICATION / CROWN GRANT NUMBERS

No real property application or grant information

9.	**ORIGINATING INSTRUMENTS**	
	Instrument Type:	**Transfer Of Land**
	Registration Number:	**3598222/1**
	Registration Date:	2008-04-09
	From/By:	5307296 MANITOBA LTD.
	To:	5448124 MANITOBA LTD.
	Consideration:	$450,000.00
10.	**LAND INDEX**	
	Lot 28 Plan 33661	

CERTIFIED TRUE EXTRACT PRODUCED FROM THE LAND TITLES DATA STORAGE SYSTEM OF TITLE NUMBER 2291538/1

This is Exhibit "G" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

MORTGAGE Form 6.1

[X] Mortgage [ ] Encumbrance [ ] Mortgage of Mortgage/Encumbrance

1. MORTGAGOR(S)/GRANTOR(S) OF ENCUMBRANCE (Encumbrancee(s))
5448124 MANITOBA LTD.
902-388 Portage Avenue, Winnipeg, Manitoba R3C 0C8 Active

see schedule [ ]

2. LAND DESCRIPTION
Lots 42 to 47, Block 3, Plan 775 WLTO
in RL 65 Parish of St. James
Title No. 2291534/1

SP Lot 28 Plan 33661 WLTO
in RL 63 TO 65 Parish of St. James
Title No. 2291538/1

TITLE NO.(S) **2291534/1 and 2291538/1** MORTGAGE/ENCUMBRANCE NO.(S) see schedule [ ]

3. ENCUMBRANCES, LIENS AND INTERESTS — The within document is subject to instrument number(s) Mortgage Nos. 4452308/1, 4452377/1, 4499095/1, 4581561/1, Caveat Nos. 4452309/1 and 4452378/1, PPSN Nos. 4452310/1 and 4452379/1, Certificate of Judgment No. 4490076/1

see schedule [ ]

4. MORTGAGEE(S)/ENCUMBRANCER(S) *(full legal name and address for service)*
CAMERON STEPHENS FINANCIAL CORPORATION
25 Adelaide Street East, Suite 600
Toronto ON M5C 3A1

see schedule [ ]

5. TERMS
The following terms are incorporated herein:
~~(a) Standard Charge Mortgage Terms filed as Number: Name:~~ ______

(b) The terms and provisions attached hereto as schedule(s) [A] [ ] [ ] [ ]
In this instrument, unless otherwise specified, "herein" means this instrument, all schedules to this instrument and the terms referred to in Boxes 5 and 6.

6. PAYMENT PROVISIONS see schedule [A]

(a) Principal amount $ 9,425,000.00
(b) Interest - As per Schedule A Rate % per annum
(c) Calculation Period As per Schedule A

	Y	M	D			Y	M	D
(d) Interest adjustment date	xx	xx	xx	(e) Payment date and period: First day of each month, Monthly	(f) First payment date	xx	xx	xx
(g) Last payment date	xx	xx	xx	(h) Amount of each payment dollars $ ______ As per Schedule A				
(i) Balance due date	xx	xx	xx	(j) Guarantee mortgage [ ]				

Additional provisions
As per Schedule A.

see schedule [A]

7. SIGNATURE OF MORTGAGOR(S)/ENCUMBRANCEE(S) see schedule [ ]

1. I am (entitled to be) (an/the) owner of the (land/~~mortgage/encumbrance of the land~~).
2. As security for performance of all my obligations herein, I hereby (mortgage/~~encumber~~) to the (mortgagee/~~encumbrancer~~) my interest in the (land/~~mortgage/encumbrance~~) of the land.
3. I promise to pay the principal amount and interest and all other charges and money hereby secured and to be bound by all the terms herein.
4. I acknowledge receipt of a copy of this instrument and all of the terms herein.
5. I am of the age of majority.
6. The registration of this instrument does not contravene the provisions of The Farm Lands Ownership Act because (insert appropriate Farm Lands Ownership Act evidence):
the within land is not farm land as defined in The Farm Lands Ownership Act
7. ~~The registration of this instrument does not contravene the provisions of The Homesteads Act because (insert appropriate Homesteads Act evidence):~~

5448124 MANITOBA LTD.
Per:

witness signature	name and title	signature	date (YYYY/MM/DD)
[signature]	Susannah Simes, President	[signature]	2015/03/30
[signature]	Per: Russell Knight, Secretary	[signature]	2015/03/30

PETER GINAKES
A Practicing Manitoba Lawyer
666 Leila Avenue
Winnipeg, Manitoba R2V 3N7

Prior to signing and witnessing this document, please carefully review the notices in Box 8.
Insert name, position and address of witness below signature. See subsection 72.5(5) of *The Real Property Act.*

8. IMPORTANT NOTICES

WHO MAY BE A WITNESS to this document: Only those persons specified in section 72.7 of *The Real Property Act* may act as a witness to this document.

NOTICE TO WITNESSES: By signing as witness you confirm that the person whose signature you witnessed:

1. Is either personally known to you, or that their identity has been proven to you.

AND

2. That they have acknowledged to you that they:
   (a) are the person named in this instrument;
   (b) have attained the age of majority in Manitoba; and
   (c) are authorized to execute this instrument.

By virtue of section 194 of *The Real Property Act*, any statement set out in this document and signed by the party making the statement has the same effect and validity as an oath, affidavit, affirmation or statutory declaration given pursuant to *The Manitoba Evidence Act*.

The Mortgage Act provides that the mortgagor can obtain free of charge, from the mortgagee, a statement of the debts secured by this mortgage once every 12 months, or as needed for pay off or sale.

SINGULAR INCLUDES PLURAL AND VICE VERSA WHERE APPLICABLE. In this document "I" or "me" is to be read as including all mortgagors whether individual or corporate.

9. SIGNATURE OF COVENANTOR(S) see schedule ☐

I acknowledge receipt of a copy of this instrument and all of the terms herein, and I agree to perform my obligations herein.

witness signature	name	signature	date (YYYY/MM/DD)
[signature]	RUSSELL KNIGHT	[signature]	2015/03/30
[signature]	SUSANNAH SIMES	[signature]	2015/03/30

10. ~~HOMESTEADS ACT CONSENT TO DISPOSITION AND ACKNOWLEDGEMENT~~

~~Note: For consent by widow(er) or surviving common-law partner, see section 22 of *The Homesteads Act*.~~

~~I, the spouse or common-law partner of the (mortgagor/encumbrancee), consent to the disposition of the homestead effected by this instrument and acknowledge that:~~

~~1. ☐ I am the first spouse or common-law partner to acquire homestead rights in the property; or~~
~~☐ A previous spouse or common-law partner of the (mortgagor/encumbrancee) acquired homestead rights in the property but those rights have been released or terminated in accordance with *The Homesteads Act*.~~
~~2. I am aware that *The Homesteads Act* gives me a life estate in the homestead and that I have the right to prevent this disposition of the homestead by withholding my consent.~~
~~3. I am aware that the effect of this consent is to give up my life estate in the homestead to the extent necessary to give effect to this disposition.~~
~~4. I execute this consent apart from my spouse or common-law partner freely and voluntarily without any compulsion on the part of my spouse or common-law partner.~~

name of spouse or common-law partner	signature of spouse or common-law partner	date (YYYY/MM/DD)
		/ /

name of witness	signature of witness	date (YYYY/MM/DD)
		/ /

A Notary Public in and for the Province of Manitoba
A Commissioner for Oaths in and for the Province of Manitoba
My commission expires: ____________
Or other person authorized to take affidavits under *The Manitoba Evidence Act (specify)*: ____________

11. INSTRUMENT PRESENTED FOR REGISTRATION BY (*include address, postal code, contact person and phone number*)

Jonathan Goldenberg, D'Arcy & Deacon LLP,
2200 One Lombard Place,
Winnipeg, MB R3B 0X7
File # 107081-22

The District Registrar hereby certifies that this is a true copy of a record maintained in the public records of The Property Registry of Manitoba

LAND TITLES OFFICE USE ONLY MAY 12 2015

SEE ATTACHED LETTER/FAX/ADDITIONAL EVIDENCE FOR BOX(ES) ____________

Set for acceptance [initials]		Fee ______
Examined by:	APR ... 2015	Fee adjustment ______
Fees checked		☐ Extra Fee ☐ Refund
		Registration No. /

SCHEDULE Form 16.1

SCHEDULE A

TERMS, PAYMENT PROVISIONS AND ADDITIONAL PROVISIONS

IN CONSIDERATION of the sum of NINE MILLION FOUR HUNDRED AND TWENTY-FIVE THOUSAND DOLLARS ($9,425,000.00) lent to the Mortgagor by

CAMERON STEPHENS FINANCIAL CORPORATION

(who and whose successors and assigns, are hereinafter included in the expression "the Mortgagee"), the receipt of which sum the Mortgagor does hereby acknowledge, the Mortgagor COVENANTS with the Mortgagee:

(1) That the Mortgagor will pay to the Mortgagee the above sum of NINE MILLION FOUR HUNDRED AND TWENTY-FIVE THOUSAND DOLLARS ($9,425,000.00), in lawful money of Canada at Toronto, Ontario, or such other place in Canada as the Mortgagee may direct as follows:

a) The principal sum of NINE MILLION FOUR HUNDRED AND TWENTY-FIVE THOUSAND DOLLARS ($9,425,000.00) (the "Loan") shall become due and be paid on the 1st day of May, 2020 (the "Balance Due Date");

b) Provided this Mortgage to be void on payment of NINE MILLION FOUR HUNDRED AND TWENTY-FIVE THOUSAND ($9,425,000.00) DOLLARS of lawful money of Canada with interest at the rate of 3.75 per centum per annumm, calculated half-yearly, not in advance, as well after as before maturity and both before and after default, as follows:

Interest at the aforesaid rate on the amounts advanced from time to time, computed from the respective dates of such advances, shall become due and be paid on the 1st day of May, 2015, and thereafter, the sum of NINE MILLION FOUR HUNDRED AND TWENTY-FIVE THOUSAND ($9,425,000.00) DOLLARS with interest thereon at the aforesaid rate, computed from the 1st day of June, 2015, shall become due and be paid in instalments of $68,405.36 each, on the 1st day of each and every month in each and every year from and including the 1st day of June, 2015 (such instalments to be applied FIRST in payment of the interest due from time to time, calculated at the said rate of 3.75 per centum per annum, and the BALANCE to be applied in reduction of the principal sum) and the BALANCE of the said principal sum of NINE MILLION FOUR HUNDRED AND TWENTY-FIVE THOUSAND ($9,425,000.00) DOLLARS with interest thereon as aforesaid shall become due and payable on the 1st day of, 2020.

c) The Mortgagor further covenants to pay to the Mortgagee an additional principal sum of $20,000.00 per month on the same dates as the payments noted in paragraph (1) b). Such accelerated principal payment will be reviewed annually by the Mortgagee.

All payments to be made by the Mortgagor shall be made without compensation, set-off or counterclaim and without any deduction of any kind in the event that demand shall be made under this Mortgage. This Mortgage shall become immediately due and payable on demand in the event that there is any default by the Mortgagor under the terms of the Mortgage.

(2) And that in case the sums hereby secured be not paid on the days above set forth, the Mortgagor will, so long as said sums or any part thereof remain unpaid, pay interest thereon at the rate and in the manner aforesaid. And the Mortgagor further covenants that on default in payment of any interest, such interest shall at once become principal and bear interest from the time when the same becomes due, at the rate and calculated in the manner aforesaid.

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(3) It is agreed that the taking of a judgment or judgments under any of the covenants herein contained shall not operate as a merger of said covenants or affect the Mortgagee's right to interest at the rate and times aforesaid.

(4) And the Mortgagor further covenants with the Mortgagee that the Mortgagor will forthwith insure, and during the continuance of this security keep insured, against loss or damage by fire, and such other hazards as shall be required by the Mortgagee, each and every building on the said Land in the total sum of the full insurable value thereof in some Insurance Company to be approved of by the Mortgagee, and that the Mortgagor will not do or suffer anything whereby the said policy or policies may be vitiated, and will pay all premiums and sums of money necessary for such purposes as the same shall become due, and will assign and deliver over unto the Mortgagee the policy or policies of insurance, receipt or receipts thereto appertaining, and if the Mortgagor shall neglect to keep the said buildings or any of them insured as aforesaid, or to pay the said premiums or deliver such policy or policies of insurance and receipts, or to assign unto the Mortgagee such policy or policies or renewals thereof, then it shall be lawful for the Mortgagee to insure the said buildings in such an amount up to the full insurable value thereof as the Mortgagee in its sole discretion may from time to time decide, and all moneys expended by it with interest at the rate aforesaid computed from the time or times of advancing the same shall be repaid by the Mortgagor to the Mortgagee on demand, and in the meantime the amount of such payments shall be added to the said principal sum hereby secured and shall bear interest at the rate aforesaid and compounded as aforesaid from the time of such payment and shall be payable at the time appointed for the next ensuing payment of interest on the said principal sum and all such payments shall become a part of the principal secured by this Mortgage and shall be a charge upon the said Land and all of the Mortgagor's estate and interest therein.

(5) It is hereby agreed that all moneys received by virtue of any policy or policies of insurance may, at the option of the Mortgagee, either be forthwith applied in or towards substantially rebuilding, reinstating and repairing the said premises or in or towards the payment of the last instalment of principal falling due under and by virtue of these presents, and in case of surplus, in or towards payment of the instalment next preceding in point of time of payment, and so on until the whole of the principal hereunder shall be paid, and in case of a surplus, then, in or towards payment of interest.

(6) And the Mortgagor further agrees forthwith on the happening of such loss or damage by fire to furnish at its expense all the necessary proofs and do all the necessary acts to enable the Mortgagee to obtain payment of the insurance moneys. Provided always that such insurance must be in a company selected by the Mortgagee and that the Mortgagee may effect same without reference to the Mortgagor and charge any moneys paid by the Mortgagee in respect thereof upon the said Land.

(7) And for the purpose of better securing the punctual payment of the said Mortgage moneys the Mortgagor, does hereby attorn tenant to the Mortgagee for the said Land, at a monthly rental equivalent to the monthly instalment hereinbefore agreed to be paid, such rental to be paid on the date for payment of each of said monthly instalments, the legal relation of landlord and tenant being hereby constituted between the Mortgagee and the Mortgagor; provided however, this paragraph shall not be applicable to any premises comprising of the said Land or any portion thereof that fall within the meaning of "rental units" or "residential complexes" as defined in *The Residential Tenancies Act*.

(8) Provided, also, that the Mortgagee may at any time after default in payment hereunder, enter into and upon the said Land or any part thereof without giving any notice to quit, and may lease the said Land or any part thereof, but it is agreed that neither the existence of this clause, nor anything done by virtue thereof, shall render the Mortgagee, Mortgagee in possession, or accountable for any moneys except those actually received, whether from a tenant thereof or otherwise.

(9) And further that if the Mortgagor shall make default in payment of any part of the said principal or interest at any day or time hereinbefore limited for the payment thereof, it shall and may be lawful for the Mortgagee, and the Mortgagor does hereby grant full power and license to the Mortgagee to enter, seize and distrain upon the said Land or any part thereof, and by distress warrant to recover by way of rent reserved as in the case of a demise of the said Land as much of said principal and interest as shall from time to time be or remain in arrear and unpaid, together with all costs, charges and expenses attending such levy or distress as in like cases of distress for rent.

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(10) It is also covenanted between the Mortgagor and the Mortgagee that if the Mortgagor shall make default in payment of the said principal sum and interest thereon or any part thereof at any of the above appointed times, then the Mortgagee shall have the right and power, and the Mortgagor does hereby covenant with the Mortgagee for such purpose and do grant to the Mortgagee full license and authority for such purpose when and so often as in its discretion it shall think fit, to enter into possession either by itself or its agent of the said Land, and to collect the rents and profits thereof and to make any demise or lease of the said Land or any part thereof for such terms, periods and at such rent as it shall think proper, and that the power of sale herein embodied and contained, either expressly or implied, may be exercised either before or after and subject to such demise.

(11) Provided that any sale made under the powers herein may be for cash or credit, or partly for cash and partly upon credit, and that the Mortgagee may vary or rescind any contract for sale made or entered into by virtue thereof.

(12) Provided also, that upon and after default in payment of any of the moneys hereby secured or payable under these presents from time to time the Mortgagee shall be entitled to send its inspector or agent to inspect and report upon the value, state and conditions of the Land at its expense of the Mortgagor, and all expenses incurred and paid in so doing together with all costs and charges (between solicitor and client) which the Mortgagee may incur or pay in enforcing or attempting to enforce all or any of the remedies and powers given hereby or subsisting for the recovery of the moneys hereby secured, or any part thereof, whether the proceedings then prove abortive or not, and of, in and about taking, recovering and keeping or attempting to procure possession of the said Land or any part thereof, shall form and be a charge upon the said Land and be payable forthwith to the Mortgagee, and shall bear interest at the rate aforesaid until paid, and the Mortgagor hereby covenants to pay the same.

(13) It is also agreed between the Mortgagor and the Mortgagee that if the Mortgagor shall commit any act of waste upon the said Land, or if any default shall happen to be made in any payment of interest or principal or any moneys hereby secured or any part thereof, or in the performance of any of the covenants or provisoes herein contained, then, and in any such case the principal money hereby secured and every part thereof shall, at the option of the Mortgagee, become due and payable in like manner and to all intent and purposes as if the time herein mentioned for payment of such principal sum had come and expired.

(14) Provided that the Mortgagee may at its discretion at all times release any part or parts of the said Land or any other security for the moneys hereby secured either with or without any consideration therefor, and without being accountable for the value thereof or for any moneys except those actually received by it and without thereby releasing any other part of the said Land or any of the covenants herein contained.

(15) And the Mortgagor agrees that the execution or registration of this Mortgage or the advance in part of the money secured, shall not bind the Mortgagee to advance the said moneys or any of the unadvanced portion thereof, but nevertheless the lien and charge hereby created shall take effect forthwith on the execution of these presents, and the expenses of the examination of the title and of this Mortgage and valuation are to be secured hereby in the event of the whole or any balance of the principal sum not being advanced, the same to be charged hereby upon the said Land, and shall be, without demand thereof, payable forthwith with interest at the rate provided for in this Mortgage, and in default, the Mortgagee's power of sale hereby given and all other remedies hereunder shall be exercisable.

(16) The Mortgagor COVENANTS to pay all taxes, rates and other impositions whatsoever, already charged or hereafter be charged by any authority on the Land as they fall due and that the Mortgagor will within thirty (30) days from the date fixed for the payment of each and every instalment due date for such taxes, rates or other impositions in each year, furnish the Mortgagee with receipted tax bills showing all such taxes, rates and other impositions paid.

(17) The Mortgagor COVENANTS with the Mortgagee that the Mortgagor will, on or before the first day of July in each and every year, produce and leave with the Mortgagee a receipt for the payment of all liens, taxes, charges or encumbrances upon said Land, and that it will keep down and destroy all noxious weeds on the said Land, and the Mortgagee may pay all Builder's or other liens, taxes, rates, charges, mortgages or encumbrances upon said Land and any moneys for insurance against damage by fire, tempest, lightning, or for hail insurance on crops on said Land, or for keeping down and destroying noxious weeds on the Land,

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and may pay all claims to liens or claims to payment by any workman, contractors or persons for any work done, contract made or material supplied, for or in respect of the said Land, or any building, work, improvement or erection thereon, and the amounts paid for any of the purposes aforesaid together with all costs, charges and expenses which may be incurred in taking, recovering and keeping possession of said Land, or in inspecting the same and generally in any other proceedings taken to realize or protect the moneys hereby secured, or to perfect the title of the said Land, shall be deemed to be secured hereby, and shall be a charge on the Land in favour of the Mortgagee, and shall be without demand thereof payable forthwith by the Mortgagor, to the Mortgagee with interest at the rate and compounded as provided for in this Mortgage until paid, and in default the principal and interest hereby secured shall at the option of the Mortgagee become due and payable, and the power of sale hereby given shall, without notice, be exercisable in addition to all other remedies. And the Mortgagor does hereby agree to pay to the Mortgagee any sum or sums of money which, in addition to the said principal sum hereby secured, the Mortgagee may pay for the purpose of satisfying and paying off any balance of purchase price, mortgage, lien, charge, encumbrance or other claim that may be outstanding against the property in order to perfect the title to the said Land or any part thereof and make this Mortgage a first charge and encumbrance thereon, the propriety of paying out any sum or sums to be a matter upon which the decision of the Mortgagee shall be absolute and final, any such sum or sums so paid shall be and remain a charge on the said Land and shall be repaid to the Mortgagee by the Mortgagor, with interest at the rate and compounded as herein provided, and in default, the power of sale hereby given shall be exercisable in addition to all other remedies. In the event of the money hereby advanced, or any part thereof being applied to the payment of any lien, charge, mortgage or encumbrance, the Mortgagee shall stand in the position of and be entitled to all the equities of the person or persons so paid off, whether any such lien, charge, mortgage or encumbrance has or has not been discharged.

(18) Provided that the Mortgagor shall not be entitled to a discharge of this Mortgage until and unless it shall have kept and performed all the covenants, provisoes, agreements and stipulations herein contained, whether the Mortgagee has taken legal proceedings thereon and recovered judgment or otherwise, and the Mortgagor covenants with the Mortgagee that the Mortgagor shall and will in everything do, perform, and keep all the provisions and covenants in these presents according to the true intent and meaning thereof.

(19) And it is hereby declared and agreed that any erections, buildings or improvements now on or that shall hereafter be put upon said premises shall be fixtures and a part of the realty and form a part of this security, even though not attached to the Land otherwise than by their own weight.

(20) And the Mortgagor, covenants with the Mortgagee that the Mortgagee, at such time or times as it may deem necessary, and without the concurrence of any other person, may make arrangements for the repairing, finishing, and putting in order of any building or improvement on the mortgaged premises, and for inspecting, taking care of, keeping down and destroying noxious weeds, leasing (either on crop shares or otherwise) collecting the rents of (including the costs incurred by the Mortgagee for its officer or agent attending on the harvesting, threshing and marketing the crop) and managing generally the mortgaged property, and of working, breaking, summer fallowing and otherwise farming or improving the said mortgaged premises and may expend money for any and all of the premises aforesaid as it may deem expedient, and all moneys expended, costs, charges and expenses, including allowance for the time and service of any officer of the Mortgagee, or other person appointed for any of the above purposes, shall be forthwith payable to the Mortgagee or its assigns, (and the Mortgagor, hereby covenants to pay the same) and shall be a charge upon the mortgaged property, and shall bear interest at the Mortgage rate compounded as aforesaid until paid.

(21) And the Mortgagor further agrees with the Mortgagee that on default of payment of any of the sums hereby secured for the period of two months, it may lease, sell and convey the said Land without entering into possession of the same and without any notice to the Mortgagor or its successors or assigns, and that when any notice is required to be given under any statute, the same may be effectually given by leaving the same with a grown-up person of the said Land, if occupied, or by placing the same thereon, or any part thereof if unoccupied, or at the option of the Mortgagee by publishing the same in some newspaper published in the Province of Manitoba and this notice shall be sufficient though not addressed to any person or persons by name or designation, and notwithstanding any person or persons to be affected thereby may be unknown, unascertained or under disability, and such notice shall be sufficient if addressed to the Mortgagor or to any officer or director thereof. And that no want of notice or publication when required hereby or by any statute or any other impropriety or irregularity shall invalidate any sale made or purporting to be made hereunder, but the vendor alone shall be responsible, and the said powers may be exercised by the assigns of the

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Mortgagee and against the Mortgagor, its successors and assigns, and in any event of a sale on credit or for part cash and part credit the Mortgagee is not to be accountable for or charged with any moneys until actually received, and that sale may be made from time to time of portions of said Land to satisfy interest or parts of the principal overdue, leaving the principal or parts thereof to run with interest payable as aforesaid, and may make any stipulation of the principal overdue, leaving the principal or parts thereof to run with interest payable as aforesaid, and may make any stipulation as to title or evidence or commencement of title or otherwise as it shall deem proper, and may buy in or rescind or vary any contract for sale of any of the said Land and may sell without being answerable for loss occasioned thereby, and for any of such purposes may make and execute all agreements and assurances as it shall think fit.

(22) Provided also that all moneys, payments, costs, charges and expenses whatsoever which are by these presents charged or to be charged or chargeable upon the said Land shall be considered as mortgage money and interest and default in payment of the same or any part thereof shall entitle the Mortgagee to exercise the power of sale and all other powers and remedies contained in these presents or subsisting for recovery of mortgage moneys and interest or any part thereof from time to time.

(23) The Mortgagor represents and warrants that the Land does not contain asbestos in any form, urea formaldehyde in any form, polychlorinated biphenyl ("PCB"), or products treated with PCBs, radioactive substances or any other substance which has been determined by any government authority having jurisdiction (including, without limitation, The Workers Compensation Board of Manitoba), to be injurious to human health and that no enforcement actions are threatened or pending. If such a substance is found in the mortgaged premises prior to an advance of funds hereunder, the Mortgagee shall be relieved of its obligation to make such an advance and any standby fee paid by the Mortgagor to the Mortgagee shall be immediately forfeited to the Mortgagee. If such substance is found in the mortgaged premises after funds have been advanced by the Mortgagee to the Mortgagor, then, at the Mortgagee s option, the funds so advanced with all other amounts payable under this Mortgage shall become immediately due and payable by the Mortgagor to the Mortgagee.

(24) The Mortgagor and Covenantors agree that they shall be liable for and indemnify and hold the Mortgagee and its officers, directors, employees and agents harmless from and against any and all costs, expenses, claims, losses, liabilities and damages of any kind whatsoever, directly or indirectly arising from or attributable to the use, generation, storage, release, threatened release, discharge, disposal or presence on, under or about the Land or any improvement thereon, of any hazardous or noxious substances as referred to in paragraph (23) hereof, including without limitation:

(a) reasonable legal fees, disbursements and applicable taxes; and,

(b) the cost, liability or damage arising out of the settlement or any action entered into by the Mortgagee, either with or without the consent of the Mortgagor.

The Mortgagor further covenants and agrees that it shall not, nor shall the Mortgagor permit any other person, to place, hold, locate or disperse on or from the Land any such substance or substances. The Covenantors and all directors shall, at the request of the Mortgagee execute a separate environmental indemnity agreement in form and substance satisfactory to the solicitors for the Mortgagee.

(25) The Mortgagor represents and warrants that the property and its existing prior uses comply and have at all times complied with all laws, requisitions, orders and approvals of all governmental authorities having jurisdiction with respect to environmental matters applicable to the ownership, use, maintenance and operation of the property (collectively, the "Environmental Laws") and, without limiting the generality of the foregoing:

(a) the property has never been used as a landfill site or to store pollutants either above or below ground, storage tanks or otherwise;

(b) all pollutants used in connection with the business conducted at the property have at all times been received, handled, used, stored, treated, shipped and disposed of in strict compliance with all Environmental Laws;

(c) no pollutants have been released into the environment or deposited, discharged, placed or disposed of at, on or near the property as a result of the conduct of business on the property;

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(d) no notices of any violation of any matters referred to above relating to the property or its use have been received by the Mortgagor and there are no directions, writs, injunctions, orders or judgments outstanding, no law suits, claims, proceedings, or investigations pending or threatened, relating to the ownership, use, maintenance or operation of the property nor is there any basis for such law suits, claims, proceedings, or investigations being instituted or filed.

For the purposes of this Mortgage, a hazardous substance includes but is not limited to contaminants, pollutants, dangerous substances, gasoline, oil, liquid, wastes, industrial wastes, whole liquid wastes, toxic substances, hazardous wastes, hazardous materials and pollutants as defined in or pursuant to the *Environment Act* or any applicable environmental law.

At the option of the Mortgagee, giving consideration to the potential for a subsequent discovery of contamination after excavation, and rectification thereof, it shall be an event of default under the Mortgage if any of the foregoing representations or warranties shall be false or misleading as at the time given.

The Mortgagor further acknowledges and agrees to:

(a) Provide the Mortgagee with copies of all communications received from environmental agencies with respect to the property, whether written or verbal.
(b) Provide the Mortgagee with copies of all communications received by any person relating to an environmental claim, whether written or verbal.
(c) It shall become an event of default if at any time the property is designated as contaminated site of non-compliance with an environmental requirement (such as a remediation order).
(d) Provide an Environmental Indemnity to the benefit of the Mortgagee. Said Indemnity shall survive the repayment and discharge of the Mortgage. A separate Environmental Indemnity Agreement may be required at the Mortgagee's option.
(e) The Mortgagee shall have the right, before and after default, to enter the property at any time to carry out any environmental investigations which are deemed necessary, beyond a Phase I Investigation, which involves more intrusive tests such as boreholes for soil and water samples. The cost of any such further investigation shall be payable by the Mortgagor and shall be a charge upon the property. The exercise of any of the powers enumerated in this clause shall not deem the Mortgagee to be in possession, management or control of the said lands and buildings.

It shall be an event of default under this Mortgage if any of the foregoing representations or warranties shall be false or misleading as at the time given.

(26) The representations, covenants and indemnities contained in paragraphs (23), (24) and (25) hereof shall survive any action of foreclosure pursuant to this Mortgage, notwithstanding anything to the contrary contained herein, and any other extinguishing of the obligations of the Mortgagor and the Covenantors and any other exercise by the Mortgagee of any remedies available to it pursuant to default hereunder.

(27) The Mortgagor agrees to permit reasonable access to the Land by the Mortgagee at any time, and its agents and employees from time to time, in order to conduct further inspections and investigations regarding hazardous or toxic substances on, under or about the Land and make available at any time and from time to time, upon reasonable notice, all of the Mortgagor's records of account, books, business and assets to ensure compliance with the provisions of paragraphs (23) and (24) hereof. All costs associated with such inspection rights shall be the responsibility of the Mortgagor.

(28) The Mortgagor agrees to hold the Mortgagee and its officers, directors, employees and agents harmless from and against all cost, expense, claim, damage or liability directly or indirectly attributable to such inspections and investigations including, without limitation, injury to persons or property (including the Land) occasioned by such inspection or inspections and investigation or investigations.

(29) The Mortgagor and/or Covenantors covenant and agree to provide the Mortgagee:

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(a) Within 90 days of each fiscal year end during the term of the Mortgage and any renewal thereof, accountant prepared financial statements for the Mortgagor. The statements are to be prepared by a recognized firm of accountants and will include a balance sheet, a detailed statement of income and expenditures, and supporting notes and schedules;

(b) updated Rent Rolls for the property, on a semi-annual basis;

(c) operating statements for the property on a semi-annual basis;

(d) updated financial statements and/or net worth statements annually for each personal Covenantor;

(e) all such other financial and supporting information as the Mortgagee may require.

(30) Provided that in the event of a further encumbrance or a sale, conveyance or transfer of the property or any portion thereof, or a lease of the whole of the property, all sums secured hereunder, shall, unless the written consent of the Mortgagee has been first obtained, forthwith become due and payable at the Mortgagee's option. The rights of the Mortgagee pursuant to this provision shall not be affected or limited in any way by the acceptance of payments due under this Mortgage from the Mortgagor or any person claiming through our under him and the rights of the Mortgagee hereunder shall continue without diminution for any reason whatsoever until such time as the Mortgagee has consented in writing as required by this provision.

Provided further that no permitted sale or other dealing by the Mortgagor with the property or any part thereof shall in any way change the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor or any other person liable for payment of the monies hereby secured.

(31) If after the date of execution of this Mortgage, the shares of the Mortgagor are transferred by sale, assignment, bequest, inheritance, operation of law or other disposition, or issued by subscription or allotment, or cancelled or redeemed, or as to result in a change in the effective voting or other control of the Mortgagor by the person or persons holding control on the date of execution of this Mortgage, or if other steps are taken to accomplish a change of the control, the Mortgagor shall promptly notify the Mortgagee in writing of the change, and shall request the approval of the Mortgagee to such change. In the event that the Mortgagee shall not approve such change, such approval not to be unreasonably withheld, then, and in that event, the principal balance and all accrued interest secured hereby, shall immediately become due and payable. The Mortgagor shall make available to the Mortgagee or its lawful representative at the request of the Mortgagee, and from time to time, all corporate books and records of the Mortgagor for inspection at all reasonable times, to ascertain to the extent possible whether there has been a change of control.

(32) This Mortgage shall be closed for the term contemplated.

(33) Without limiting or restricting any other covenant or obligation on the part of the Mortgagor under these presents it is understood and agreed that the Mortgagee shall have the right to estimate the amount of all taxes, rates, assessments, levies, liens and penalties payable in each year and the Mortgagor covenants and agrees with the Mortgagee that:

(a) The Mortgagor will pay to the Mortgagee one-twelfth of such estimated amount on the first day of each and every month during the term of this Mortgage, commencing with the date fixed for the payment of the first instalment of principal and or interest;

(b) In the event that the taxes, rates, assessments, levies and liens actually charged for any one year together with any interest and penalties thereon exceed the estimated amount or in the event of any part of the estimated amount paid to the Mortgagee being applied by the Mortgagee in or towards principal, interest or other moneys in default, the Mortgagor will pay to the Mortgagee on demand the amount required to make up the deficiency;

(c) The Mortgagor will transmit to the Mortgagee the assessment notices, tax bills and other notices affecting the imposition of taxes forthwith after the receipt of same by the Mortgagor. It is further understood and agreed that

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(i) so long as there is not default under any covenant or agreement in this Mortgage contained, the Mortgagee shall apply such payments on the taxes chargeable against said Land but the Mortgagee shall be under no obligation to apply such payments oftener than annually;

(ii) if before any such sum or sums in the hands of the Mortgagee shall have been so applied there shall be default in respect to any payment of principal, interest or other moneys as herein provided, the Mortgagee may, at the option of the Mortgagee, apply such sum or sums in or towards payment of the principal, interest or other moneys so in default.

(34) Notwithstanding anything herein contained, it is declared and agreed that any time and from time to time when there shall be default under the provisions of this Mortgage the Mortgagee may at such time and from time to time and with or without entry into possession of the mortgaged premises or any part thereof, by instrument in writing appoint any person, whether an officer or officers or an employee of the Mortgagee or not, to be a Receiver (which term as used herein includes a Receiver-Manager and also includes the plural as well as the singular) of the mortgaged premises or any part thereof and of the rents and profits thereof and with or without security and may from time to time by similar writing remove any Receiver and appoint another in the Receiver s stead and that in making any such appointment or removal the Mortgagee shall be deemed to be acting as the agent or attorney of the Mortgagor but no such appointment shall be revocable by the Mortgagor. The Mortgagor undertakes to ratify and confirm whatever such Receiver may do concerning the mortgaged premises. The remuneration and expenses of the Receiver shall be paid by the Mortgagor on demand and shall be a charge on the mortgaged premises and shall bear interest from the date of demand at the Mortgage rate.

Upon appointment of any such Receiver from time to time the following provisions shall apply:

(a) Every such Receiver shall have unlimited access to the mortgaged premises as agent and attorney for the Mortgagor (which right of access shall not be revocable by the Mortgagor) and shall have full power and unlimited authority to:

(i) collect the rents and profits from tenancies whether created before or after this Mortgage;

(ii) rent any portion of the mortgaged premises which may become vacant on such terms and conditions as the Receiver considers advisable and enter into and execute leases, accept surrenders and terminate leases;

(iii) complete the construction of any building or buildings or other erections or improvements on the mortgaged premises left by the Mortgagor in an unfinished state or award the same to others to complete; and purchase, repair and maintain any personal property including, without limitation, appliances and equipment necessary or desirable to render the mortgaged premises operable or rentable and take possession of and use or permit others to use all or any part of the Mortgagor's materials, supplies, plans, tools, equipment (including appliances) and property of every kind and description; and

(iv) manage, operate, repair, alter or extend the mortgaged premises or any part thereof.

(b) The Mortgagee may at its discretion vest the Receiver with any or all of the rights and powers of the Mortgagee;

(c) The Mortgagee may fix the reasonable remuneration of the Receiver who shall be entitled to deduct the same out of the revenue of the sale proceeds of the mortgaged premises;

(d) Every such Receiver shall be deemed the agent or attorney of the Mortgagor and, in any event, the Mortgagee and its agents shall not be responsible for the Receiver's acts or omissions;

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(e) The appointment of any such Receiver by the Mortgagee shall not result in or create any liability or obligation on the part of the Mortgagee to the Receiver or to the Mortgagor or to any other person and no appointment or removal of a Receiver and no actions of a Receiver shall constitute the Mortgagee a mortgagee in possession of the mortgaged premises;

(f) No such Receiver shall be liable to the Mortgagor to account for money other than money actually received by the Receiver in respect of the mortgaged premises or any part thereof and out of such money so received every such Receiver shall pay in the following order:

(i) the Receiver's remuneration aforesaid;

(ii) all costs and expenses of every nature and kind incurred by the Receiver in connection with the exercise of the Receiver's powers and authority hereby conferred;

(iii) interest, principal and other money which may, from time to time, be or become charged upon the mortgaged premises in priority to this Mortgage, including taxes;

(iv) all interest, principal and other money due to the Mortgagee hereunder to be paid in such order as the Mortgagee in its discretion shall determine;

(v) thereafter, every such Receiver shall be accountable to the Mortgagor for any surplus.

(g) Save as to claims for accounting under sub-paragraph (f) hereof, the Mortgagor hereby releases and discharges any such Receiver from every claim of every nature which may arise or be caused to the Mortgagor or any person claiming through or under the Receiver by reason or as a result of anything done by such Receiver unless such claim be the direct and proximate result of dishonesty or fraud;

(h) The Mortgagee may, at any time and from time to time, terminate any such Receivership by notice in writing to the Mortgagor and to any such Receiver;

(i) The statutory declaration of an officer of the Mortgagee as to default under the provisions of this Mortgage and as to the due appointment of the Receiver pursuant to the terms hereof shall be sufficient proof thereof for the purposes of any person dealing with a Receiver who is ostensibly exercising powers herein provided for and such dealing shall be deemed, as regards such person, to be valid and effectual;

(j) The rights and powers conferred herein in respect of the Receiver are supplemental to and not in substitution of any other rights and powers which the Mortgagee may have.

(35) In consideration of the advance to the Mortgagor of the moneys hereby secured and the sum of Five ($5.00) Dollars paid by the Mortgagee to the Covenantors (the receipt and sufficiency whereof is hereby acknowledged), the said Russell Knight and Susannah Simes, for themselves, their heirs, their executors, administrators and assigns, do hereby jointly and severally covenant, promise and agree as principal debtor and not as a surety, to and with the Mortgagee, its successors and assigns, that they, the said Russell Knight and Susannah Simes, shall pay or cause to be paid the principal money and interest hereby secured on the days, at the times and in the manner hereinbefore provided for the payment of the same, and they shall observe and keep all the covenants and provisoes on the part of the Mortgagor and the Covenantors herein contained and the Mortgagee may without the consent of the said Russell Knight and Susannah Simes, extend the time for payments or release or deal with the Land hereby secured or with the Mortgagor as in its absolute discretion it may see fit, but nevertheless, this covenant shall remain in full force until all monies payable under this Mortgage are fully paid and satisfied. The Mortgagee shall not be bound to exhaust its recourses against the Mortgagor or other parties pursuant to this Mortgage or any security it may hold before requiring payment from the Covenantors, and the Mortgagee may enforce the various remedies available to it in such order as the Mortgagee may determine, in its sole discretion.

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(36) The Covenantors covenant and agree that they shall, during the term of this Mortgage and any extension or renewal thereof, forthwith upon the request of the Mortgagee, deliver to the Mortgagee their net worth statement current to within six (6) months of the providing of such statement.

(37) The Mortgagor covenants and agrees that it will not further encumber the Land by any mortgage or mortgages or debenture debt (including collateral debt), without the expressed written consent of the Mortgagee.

(38) The Mortgagor covenants and agrees that it shall have no right to obtain a partial discharge of this Mortgage prior to its maturity.

(39) If default be made by the Mortgagor in the payment of any instalment of principal (and/or interest) under any mortgage to which this Mortgage is subject, then, in that event, the monies hereby secured shall forthwith become due and payable and all the powers conferred by this Mortgage shall become exercisable, and the powers of sale herein may be exercised forthwith without any notice.

(40) It is understood and agreed that if any payment shall be made by the Mortgagee herein of any mortgage payments or costs incurred, by virtue of default by the Mortgagor with respect to any Mortgage having precedence over this Mortgage, it shall be deemed that such payment shall have been made by the Mortgagee on behalf of the Mortgagor herein and all monies so expended by the Mortgagee shall be repayable to it by the Mortgagor and in the meantime until paid, the amount of such payments shall become a part of the principal secured by this Mortgage and shall bear interest at the rate aforesaid and shall be a charge upon the Land and all the estate or interest therein of the Mortgagor and shall be repayable in full at the time appointed for the next ensuing payment of principal and/or interest on the said principal sum.

(41) Neither the execution or registration of this Mortgage, nor the execution and registration of any securities, collateral or additional to this Mortgage shall in any way merge or terminate the Mortgagor's undertakings, promises and agreements as set forth and contained within the certain commitment letter issued by the Mortgagee dated February 4th, 2015, and accepted by the Mortgagor on February 6th, 2015, and any addendum thereto (collectively the "**Commitment Letter**") and there shall be no merger of the provisions or conditions of the Commitment Letter with those contained herein or any other security documents, provided that in the case of a conflict between the provisions of the Commitment Letter or any of the security documents, the Mortgagee may elect which provisions shall prevail.

(42) If any term or provision contained in this Mortgage or the application thereof to any person or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Mortgage or the application of such term or provision to any person or circumstances other than those as to which it is held invalid or unenforceable, shall not be affected thereby and each term and provision of this Mortgage shall be valid and enforceable to the fullest extent permitted by law.

(43) Provided that the Mortgagor, its successors and assigns, are and shall be bound by the covenants and stipulations herein contained, and the benefit of every covenant or stipulation herein contained on the part of the Mortgagor shall enure to, and every power herein contained may be exercised by the Mortgagee and the successors and assigns of the Mortgagee and against the successors and assigns of the Mortgagor, and that all covenants herein contained are to be construed as both joint and several.

(44) The Mortgagor covenants and agrees that it shall not, without the prior written consent of the Mortgagee, execute or deliver any mortgage, charge, lien or other encumbrance of the property intended to rank subordinate to this Mortgage or any security documents given in support of the Mortgage.

(45) As further security to the Mortgage and without limiting any other provision hereof, the Mortgagor covenants and agrees to grant to the Mortgagee promptly from time to time upon request, a specific assignment of any or all leases, agreements to lease, tenancy agreements or occupancy agreements, as the case may be, relating to the property.

(46) The Mortgagor agrees to submit to the Mortgagee all agreements to lease, leases, rents, income and profits arising from or in connection with the property and all renewals, amendments, assignments or other agreements relating to same (collectively "the Leases") for its review and approval prior to the initial advance

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hereunder. All leases entered into after the execution of this Mortgage shall be subject to the review and approval of the Mortgagee. The Mortgagor shall not collect any amounts due under the Leases for rents or otherwise in advance, other than last month's rent due under any of the Leases and shall not waive, release, reduce or discount any such rents or other charges due under the Leases and shall not consent to any assignment of the Leases or subletting thereunder whereby any party is released from the tenant's obligations under the Lease without the prior written consent of the Mortgagee. On the first anniversary date of this Mortgage and each anniversary date thereafter for so long as the Mortgage remains outstanding, the Mortgagor shall provide to the Mortgagee a detailed list of all current tenants, rentals and other income of the Property. Unless otherwise authorized in writing by the Mortgagee, the Mortgagor will not collect rentals in advance from any tenant, subtenant or occupant of the property or grant any concessions or privileges that would have the effect of reducing the rental consideration stated in the Leases.

(47) The Mortgagor covenants and agrees to make payments by way of pre-authorized debits to the Mortgagor's Project Account.

(48) The Mortgagor shall pay to the Mortgagee a discharge fee of $100.00 for each discharge or partial discharge document executed by the Mortgagee, exclusive of legal fees and H.S.T.

(49) The Mortgagor shall pay to the Mortgagee an administration fee of $350.00 for each advance under the Loan, exclusive of legal fees and H.S.T.

(50) And for better securing to the Mortgagee the repayment in manner aforesaid of the principal and interest and other charges and money hereby secured, the Mortgagor hereby mortgages to the Mortgagee all of its estate and interest in the Land above described.

(51) This Mortgage, and any matter arising from it, is governed by the laws of the Province of Manitoba.

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SCHEDULE Form 16.1

(52) It is also agreed, wherever the singular and the masculine are used throughout this Mortgage, the same shall be construed as meaning the plural, or the feminine or neuter where the context or the parties require.

This Schedule forms part of a Mortgage *(insert instrument type)*,

dated March 30, 20 15, *(insert date of that instrument)*

from 5448124 MANITOBA LTD.

to CAMERON STEPHENS FINANCIAL CORPORATION

5448124 MANITOBA LTD.

Per: ______________________
President - Susannah Simes

Per: ______________________
Secretary - Russell Knight

RUSSELL KNIGHT

SUSANNAH SIMES

IMPORTANT NOTICES

By virtue of section 194 of *The Real Property Act*, any statement set out in this document and signed by the party making the statement has the same effect and validity as an oath, affidavit, affirmation or statutory declaration given pursuant to *The Manitoba Evidence Act*.

The date at the bottom of this schedule must be the same as the execution date of the instrument that it forms a part of.

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Industry Canada   Industrie Canada

Certificate of Compliance

Canada Business Corporations Act
s. 263.1

Certificat de conformité

Loi canadienne sur les sociétés par actions
art. 263.1

CAMERON STEPHENS FINANCIAL CORPORATION

Corporate name / Dénomination sociale

671060-3

Corporation number / Numéro de société

I HEREBY CERTIFY that the corporation named above:

- exists under the *Canada Business Corporations Act;*
- has filed the required annual returns; and
- has paid all prescribed fees required.

JE CERTIFIE, par la présente, que la société ci-dessus mentionnée :

- existe en vertu de la *Loi canadienne sur les sociétés par actions;*
- a déposé les rapports annuels exigés; et
- a acquitté les droits prescrits.

Virginie Ethier

Director / Directeur

2015-03-25

Issuance date (YYYY-MM-DD)
Date d'émission (AAAA-MM-JJ)

Canada

This is Exhibit "H" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

GENERAL ASSIGNMENT OF RENTS AND LEASES

THIS AGREEMENT made as of the 30 day of March, 2015

BETWEEN:

5448124 MANITOBA LTD.

(hereinafter called the "**Mortgagor**")

OF THE FIRST PART

- and –

CAMERON STEPHENS FINANCIAL CORPORATION
a corporation incorporated under the laws of Canada

(hereinafter called the "**Mortgagee**")

OF THE SECOND PART

WHEREAS the Mortgagor is the owner of the Lands (described hereinafter), subject to the Mortgage (defined hereinafter), and has agreed to enter into this Agreement with the Mortgagee as collateral security for the due payment of the Mortgage.

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the making of the loan represented by the Mortgage, the sum of $2.00 and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the Mortgagor), it is hereby covenanted and agreed and declared by the Mortgagor as follows:

1. In this Agreement, unless there is something in the subject matter or context inconsistent therewith:

   (a) "Agreement" shall mean this agreement.

   (b) "Lands" shall mean, together with any buildings or structures now or hereafter erected thereon, the lands and premises legally described as Lots 41 to 47, Block 3, Plan 775 WLTO in RL 65 Parish of St. James, being title No. 2291534/1 and SP Lot 38 Plan 33661 WLTO in RL 63 to 65 Parish of St. James, being Title Number 2291538/1, as more particularly set out in the "Land Description" section of the Caveat Form 10.1 dated of even date herewith, and to be registered in the Winnipeg Land Titles Office.

   (c) "Mortgage" shall mean the Mortgage of the Lands from the Mortgagor to and in favour of the Mortgagee, dated of even date herewith, which Mortgage secures the principal sum of $9,425,000.00, together with interest thereon as therein set out, and registered or to be registered in the Winnipeg Land Titles Office, which affects the Lands. Whenever in this indenture reference is made to the Mortgage, it shall be deemed to include any renewals or extensions thereof and any Mortgage taken in substitution therefor either in whole or in part.

   (d) "Leases" shall mean:

      (i) each and every existing and future lease of and agreement to lease of the whole or any portion of the Lands;

      (ii) each and every existing and future tenancy agreement as to use or occupation and licence in respect of the whole or any portion of the Lands, whether or not pursuant to any written lease, agreement or licence, and including any such lease, agreement or licence granting or permitting occupancy to any of the members of the Mortgagor;

(iii) each and every existing and future guarantee of all or any of the obligations of any existing or future tenant, user, occupier or licensee of the whole or any portion of the Lands; and

(iv) each and every existing and future assignment and agreement to assume the obligations of tenants of the whole or any portion of the Lands.

(e) "Rents" shall mean all rents, charges and other moneys (including, without limitation, any subsidies payable by any governmental bodies or agencies) now due and payable or hereafter to become due and payable and the benefit of all covenants of tenants, users, occupiers, licensees and guarantors under or in respect of the Leases.

2. The Mortgagor hereby assigns, transfers and sets over unto the Mortgagee, its successors and assigns (as security for payment of the principal, interest and other moneys secured by the Mortgage and for performance of the obligations of the Mortgagor thereunder and until the moneys due under and by virtue of the Mortgage have been fully paid and satisfied) the Rents, with full power and authority to demand, collect, sue for, recover, receive and give receipts for the Rents and to enforce payment thereof in the name of the Mortgagor or the owner from time to time of the Lands, and their respective heirs, executors, administrators, successors or assigns.

3. Subject to Section 5 hereof, the Mortgagor does hereby assign, transfer and set over unto the Mortgagee, its successors and assigns as and by way of a first, fixed and specific assignment, all of the Mortgagor's right, title and interest in and to the Leases and the full benefit and advantage thereof and of all covenants and agreements contained in the Leases on the part of the lessees therein or any guarantor or indemnity thereof to be observed, performed or kept and all rents and monies thereby reserved or payable thereunder and thereafter to become due, payable or owing.

4. The Mortgagor hereby represents, warrants, covenants and agrees that:

(a) except in accordance with good management practice, as determined by the Mortgagee, in its sole discretion, the Mortgagor has not and will not, without the prior written consent of the Mortgagee, do or omit to do any act having the effect of terminating, cancelling or accepting surrender of any of the Leases or of waiving, releasing, reducing or abating any rights or remedies of the Mortgagor or obligations of any other party thereunder or in connection therewith;

(b) except in accordance with good management practice, none of the Leases or the Mortgagor's rights thereunder, including the right to receive the Rents, have been nor, without the prior written consent of the Mortgagee, will be altered, varied, amended, assigned, encumbered, discounted, or anticipated in priority to this assignment;

(c) except in accordance with good management practice, the Mortgagor has not and will not consent to any assignments of the lessees' interests in the Leases which will in any way relieve or reduce the liability of the lessees in connection therewith;

(d) none of the Rents under any of the Leases has been nor will be paid prior to the due date for payment thereof, except rent for the ensuing month and except rent for the last month of the term of any Lease;

(e) the Mortgagor will from time to time and at all times hereafter observe, perform and keep all of its obligations, covenants and agreements under each of the Leases;

(f) there has been no default of a material nature which has not been remedied under any of the existing Leases by any of the parties thereto;

(g) the Mortgagor will not do any act which would destroy or impair the benefits to the Mortgagee of this Agreement; and

(h) the Leases have not been amended in any way, either orally or in writing, since the time of their execution, the Leases are good, valid and subsisting leases and the Mortgagor now has in its good and rightful power absolute authority to assign the Leases according to the true intent and meaning of this Agreement.

5. The Mortgagor shall be permitted to collect and receive the Rents as and when they shall become due and payable according to the terms of each of the Leases, unless and until the Mortgagor is in default under any of the provisions of the Mortgage. Thereafter, if the Mortgagee gives notice to the tenant, user, occupier, licensee or guarantor thereunder requiring the same to pay the Rents to the Mortgagee, such notice shall be binding upon the Mortgagor and may not be contested by it. It is further agreed that a statement of default purporting to be made by or on behalf of the Mortgagee shall be deemed to be, for all purposes, sufficient evidence of default having been made in the payment of principal moneys and interest or some part thereof secured by the Mortgage or in the observance, performance or keeping of any of the terms, covenants or agreements therein contained on the part of the Mortgagor to be observed, performed or kept and the continuance of such default, and notice of such default shall be deemed to be well and sufficiently given to the lessees named in the Leases if such notice is sent by mail addressed to the lessees.

6. Provided further and it is hereby expressly agreed that nothing herein contained shall have the effect of making the Mortgagee, its successors or assigns, responsible for the collection of Rents or any of them or for the performance of any of the covenants, obligations, provisions or conditions under or in respect of the Leases or any of them to be observed or performed by the Mortgagor, and the Mortgagee shall not, by virtue of this Agreement, its receipt of the Rents or the taking of possession of the Lands become or be deemed a Mortgagee in possession or the Lands and the Mortgagee shall not be under any obligation to take any action or exercise any remedy in the collection or recovery of the Rents or any of them or to see to or enforce the performance of the obligations and liabilities of any person under or in respect of the Leases or any of them, and the Mortgagee shall be liable to account only for such moneys as shall actually come into its hands, less all costs and expenses, collection charges and other proper deductions and that such moneys may be applied on account of any indebtedness of the Mortgagor to the Mortgagee. The Mortgagee shall have the right to make the assignment of the Mortgagor's rights absolute and binding upon the Mortgagor in respect of any or all of the Leases, upon delivery to the applicable tenant of its undertaking to be fully responsible for the obligations of the Mortgagor under such Leases (the "Obligations") until the Lands are conveyed to a third party purchaser who agrees to assume the Obligations.

7. In the event, however, that the Mortgagor shall reinstate the Mortgage completely in good standing, having complied with all the terms, covenants and conditions of the Mortgage, then the Mortgagee shall within 1 month after demand re-deliver possession of the Lands to the Mortgagor and the Mortgagor shall remain in possession unless and until another default occurs, at which time the Mortgagee may, at the Mortgagee's sole option, again take possession of the Lands under authority of this Agreement.

8. If the Mortgagee shall have exercised its rights under Section 5 and shall have received any of the Rents and if the Mortgagor shall cure the default under the Mortgage which gave rise to such exercise and shall have resumed collection of the Rents, the Mortgagee will provide the Mortgagor with details of all Rents received by it prior to such resumption.

9. The Mortgagee shall not be responsible or accountable for any failure to collect, realize, sell or obtain payment of the Rents or any part thereof and shall not be bound to institute proceedings for the purpose of collecting, realizing or obtaining payment of same or for the purpose of preserving any rights of the Mortgagee, the Mortgagor or any other person, firm or corporation in respect of the Rents or any part thereof.

10. The Mortgagee may grant extensions, take and give up securities, accept compositions, grant releases and discharges and, generally, deal with the Rents in its absolute discretion without the consent of or notice to the Mortgagor, but otherwise in accordance with the provisions hereof.

11. In furtherance of the foregoing assignment, the Mortgagor hereby authorizes the Mortgagee, by its employees or agents, at its option, after the occurrence of a default

hereunder or under the Mortgage, to enter upon the Lands and to collect in the name of the Mortgagor as its agent or in its own name as Mortgagee the Rents accrued but unpaid and in arrears at the date of such default, as well as the Rents thereafter accruing and becoming payable during the period of the continuance of the said default or any other default and, to this end, the Mortgagor further agrees that it will facilitate in all reasonable ways the Mortgagee's collection of said Rents and will, upon request by the Mortgagee, execute a written notice to each tenant under any of the Leases directing the tenant to pay rent to the said Mortgagee.

12. The Mortgagor also hereby authorizes the Mortgagee upon such entry, at its option, to take over and assume the management, operation and maintenance of the Lands and, for such purpose, to retain such agents or employees as it may deem advisable and to perform all acts necessary and proper and to expend such sums out of the income of the Lands, the Leases and the Rents as may be needful in connection therewith in the same manner and to the same extent as the Mortgagor theretofore might do, including the right to effect new Leases, to cancel or surrender existing Leases, to alter or amend the terms of existing Leases, to renew existing Leases or to make concessions to tenants. The Mortgagor hereby releases all claims against the Mortgagee arising out of such management, operation and maintenance.

13. The Mortgagee acknowledges and agrees that no such entry herein or pursuant to its rights under the Mortgage by the Mortgagee, shall be deemed to be an exercise by the Mortgagee of any priority over any of the Leases under the Mortgage or this General Assignment of Rents and Leases, unless the Mortgagee specifically advises by delivery of written notice (the "Notice") to the applicable tenant under its lease, that the Mortgagee is exercising its rights to seek priority of its Mortgage over such lease.

14. Upon possession of the Lands being taken by the Mortgagee pursuant to its rights herein or under the Mortgage, the Mortgagee shall be deemed to have agreed to honour the terms of the Leases and the Mortgagor's obligations therein during the term of such possession unless and until the Notice is given under Section 22.

15. The Mortgagee shall, after payment of all proper charges and expenses, including reasonable compensation to any agent or employee as it shall select and employ and after the accumulation of a reserve, to meet taxes, assessments, water rates and other public utility charges and fire and liability insurance in the requisite amounts, credit the net amount of income received by it from the Lands by virtue of this Agreement and to any amounts due and owing to it by the Mortgagor under the terms of the Mortgage, but the manner of the application of such net income and what items shall be credited shall be determined in the sole discretion of the Mortgagee.

16. The Mortgagor shall from time to time forthwith upon request furnish to the Mortgagee in writing all information requested relating to the Rents and the Leases and the Mortgagee shall be entitled from time to time to inspect such documentation and records, including all securities, bills, notes, books, papers, files, correspondence and other documents constituting or connected with the Rents and the Leases or take temporary custody thereof and, for such purposes, the Mortgagee shall have access to all premises occupied by the Mortgagor.

17. The Mortgagor shall from time to time forthwith upon the request of the Mortgagee do, make and execute all such financing statements, further assignments, documents, acts, matters and things as may be required by the Mortgagee of or with respect to the Rents and the Leases or any part thereof or as may be required to give effect or further effect hereto, and the Mortgagor hereby constitutes and appoints the Mortgagee the true and lawful attorney of the Mortgagor irrevocably, with full power of substitution to do, make and execute all such assignments, documents, acts, matters or things, with the right to use the name of the Mortgagor as required and, without limitation, for the purpose of demanding, suing for, collecting, comprising, compounding and giving releases for any and all sums owing or which now or hereinafter may become due upon the Rents and the Leases, provided that the Mortgagee shall be under no obligation or duty to exercise such powers or authority or to collect or realize upon the Rents.

18. The Mortgagor covenants and agrees that whenever in the future any Lease with respect to the Lands is made, the Mortgagor will forthwith advise the Mortgagee of the terms

thereof and the Mortgagor further covenants and agrees that upon the request of the Mortgagee made at any time, the Mortgagor will assign, transfer and set over unto the Mortgagee the Leases or such of them so requested by a valid first assignment thereof, and the Mortgagor hereby irrevocably appoints the Mortgagee its attorney to effect and execute such assignment.

19. The Mortgagor further agrees that the Mortgagor will not lease or agree to lease any part of the Lands, except in accordance with good management practice as determined by the Mortgagee, in its sole discretion.

20. The Mortgagor hereby covenants and warrants to the Mortgagee that neither the Mortgagor nor any previous owner of the Lands has executed any prior assignment or pledge of the Rents of the Lands, nor any prior assignment or pledge of the Mortgagor's interest as landlord in the Leases which to this date have not been executed, satisfied and released, and that the Mortgagor has provided to the Mortgagee full written details of all prepayments on account of the Rents received by the Mortgagor in respect of the Leases.

21. It is understood and agreed that this Agreement is being taken as collateral security for the due payment of any sum due under the Mortgage and that none of the rights or remedies of the Mortgagee under the Mortgage shall be delayed or in any way prejudiced by these presents and that following registration of a discharge of the whole of the Mortgage, this Agreement shall be of no further force or effect and, if requested by the Mortgagor, the Mortgagee will execute and deliver a separate reconveyance of this Agreement and the Land Registrar is hereby authorized to delete reference to this Agreement from the title to the Lands. Following registration of a discharge of the Mortgage, this Agreement shall be of no further force or effect only in respect of that part or parts of the Lands in respect of which the Mortgage has been discharged.

22. Any notice or communication to be given hereunder shall be validly given if delivered by hand or, if sent by registered prepaid mail, addressed:

(a) in case of the Mortgagor:

5448124 Manitoba Ltd.
902-388 Portage Avenue
Winnipeg, Manitoba
R3C 0C8

Attention: Susannah Sitnes

(b) in case of the Mortgagee:

Cameron Stephens Financial Corporation
c/o Cameron Stephens Mortgage Capital Ltd.
25 Adelaide Street East
Suite 600
Toronto ON M5C 3A1

with a courtesy copy to:

Dickinson Wright LLP
Barristers and Solicitors
199 Bay Street, Suite 2200
Toronto ON M5L 1G4

Attention: Stewart J. Wallace

All such notices and communications sent by registered prepaid mail as aforesaid shall be deemed (in the absence of an interruption in postal services affecting the handling or delivery thereof) to have been given and received on the 3rd day (excluding Saturdays, Sundays and statutory holidays) following the date of mailing and all such notices delivered by hand shall be deemed to have been given and received on the date of delivery. Either party hereto may, by notice given as aforesaid to the other party, change the address to which, or the party to whom, future notices are to be sent to the party giving such notice.

23. The provisions of this Agreement shall be construed according to the laws of the Province of Manitoba.

24. This Agreement and everything herein contained shall bind and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and assigns.

IN WITNESS WHEREOF the undersigned has executed this agreement as of the date and year first above written.

5448124 MANITOBA LTD.

Per: ____________________
Name: Susannah Simes
Title: President

Per: ____________________
Name: Russell Knight
Title: Secretary

We have authority to bind the Corporation.

This is Exhibit "I" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

CAVEAT Form 10.1

1. CAVEATOR(S) *(full legal name and address for service)*
CAMERON STEPHENS FINANCIAL CORPORATION
25 Adelaide Street East, Suite 600
Toronto ON M5C 3A1

claim(s) an interest in the following land or mortgage, and forbids the registration of any instrument affecting the interest unless such instrument be expressed to be subject to their claim.

2. ESTATE OR INTEREST IN LAND CLAIMED *(please specify)*

- [ ] Easement *(you must specify both dominant and servient lands in Box 4)*
- [ ] Statutory Easement *(the agreement must be attached)*
- [ ] Agreement for Sale of Land
- [ ] Unregistered Transfer of Land
- [ ] Equitable Mortgage / Unregistered Mortgage
- [ ] Option to Purchase
- [ ] Unpaid Vendor's Lien
- [ ] Development Agreement pursuant to either *The Planning Act* or *The City of Winnipeg Charter (if the Development Agreement is pursuant to The Planning Act, it must be attached)*
- [ ] Restrictive Covenant *(you must specify both the restricted and the benefitting lands in Box 4)*
- [ ] Building Scheme/Development Scheme *(you must specify both the lands affected by and benefitting from the scheme in Box 4)*
- [ ] Beneficial Interest under a Trust
- [ ] Reversionary Right/Determinable Fee Simple
- [ ] Conservation Agreement
- [ ] Lease. Expiry of term and all renewals *(YYYY/MM/DD)*:____/____/____
- [ ] Petroleum and Natural Gas Lease.
  Expiry of term and all renewals *(YYYY/MM/DD)*:____/____/____
  Other expiry details:________________
- [x] Other *(specify)*: General Assignment of Rents and Leases

see schedule ☐

3. BASIS FOR CLAIM An equitable interest in the Land pursuant to a General Assignment of Rents and Leases between 5448124 MANITOBA LTD., as Mortgagor, and CAMERON STEPHENS FINANCIAL CORPORATION, as Mortgagee, dated the 30th day of March, 2015, wherein the Mortgagor assigned, transferred and set over unto the Mortgagee all of its right, title and interest in respect of all leases entered into by the said party as Landlord of the lands described herein.

see schedule ☐

4. LAND DESCRIPTION
Lots 42 to 47, Block 3, Plan 775 WLTO
in RL65 Parish of St. James

SP Lot 28 Plan 33661 WLTO
in RL 63 to 65 Parish of St. James

TITLE NO.(S) 2291534/1; 2291538/1 MORTGAGE/ENCUMBRANCE NO.(S) see schedule ☐

5. NAME OF REGISTERED OWNER(S) WHOSE INTEREST(S) IS(ARE) AFFECTED
5448124 MANITOBA LTD.

6. EVIDENCE OF CAVEATOR(S) see schedule ☐
(strike out inappropriate statement(s) and sign below:)

1. I am (the agent of) the caveator(s) and the statements made in this caveat are true in substance and in fact.
2. I personally believe that the within caveator(s) (has/have) a good and valid claim upon the within land.
3. This caveat is not filed for the purpose of delaying or embarrassing any person.
4. This caveat is not being filed for the purpose of giving notice of a disposition that is prohibited by section 4 of *The Homesteads Act*.
5. The registration of this instrument does not contravene the provisions of *The Farm Lands Ownership Act* because:
   (a)~~The interest being claimed is not claimed pursuant to a purchase, an option, a lease or a loan.~~
   (b)The within land is not farm land as defined in *The Farm Lands Ownership Act*.
   (c)~~The interest in the farm land is being claimed pursuant to a bona fide debt obligation.~~
   (d)~~Other (specify section of The Farm Lands Ownership Act):~~________
   Particulars:
   CAMERON STEPHENS FINANCIAL CORPORATION
   by its Solicitor and Agent, Jonathan Goldenberg

name of caveator or agent	signature	date (YYYY/MM/DD)
		2015/04/27
name of caveator or agent	signature	date (YYYY/MM/DD)
		//

7. **IMPORTANT NOTICES**

By virtue of section 194 of *The Real Property Act*, any statement set out in this document and signed by the party making the statement has the same effect and validity as an oath, affidavit, affirmation or statutory declaration given pursuant to *The Manitoba Evidence Act*.

SINGULAR INCLUDES PLURAL AND VICE VERSA WHERE APPLICABLE. In this document "I" or "me" is to be read as including all caveators whether individual or corporate.

8. **INSTRUMENT PRESENTED FOR REGISTRATION BY** *(include address, postal code, contact person and phone number)*

Jonathan Goldenberg, D'Arcy & Deacon LLP
2200 One Lombard Place, Winnipeg, MB R3B 0X7 204-925-5371
File # 107081-22

The District Registrar hereby certifies that this is a true copy of a record maintained in the public records of The Property Registry of Manitoba

MAY 12 2016

LAND TITLES OFFICE USE ONLY

SEE ATTACHED LETTER/FAX/ADDITIONAL EVIDENCE FOR BOX(ES) ____________

Set for acceptance		Fee 85	
Examined by:	LAND TITLES OFFICE APR 28 2016 WINNIPEG, MB	Fee adjustment	
		☐ Extra Fee ☐ Refund	
Fees checked		Registration No. 4597485/1	

This is Exhibit "J" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

GENERAL SECURITY AGREEMENT
(site specific)

THIS AGREEMENT dated as of the 30 day of March, 2015

BY:

5448124 MANITOBA LTD.

hereinafter called the "**Debtor**"

IN FAVOUR OF:

CAMERON STEPHENS FINANCIAL CORPORATION

hereinafter called the "**Secured Party**"

IN CONSIDERATION of the Secured Party extending credit and making or agreeing to make one or more advances to the Debtor and for other good and valuable consideration, the Debtor covenants with the Secured Party as follows:

ARTICLE 1 - DEFINITIONS

Section 1.1. Definitions: Capitalized terms used in this Agreement that are not defined in this section have the respective meanings ascribed thereto in the Act and all other capitalized terms used in this Agreement have the respective meanings ascribed thereto in this section:

(a) "Act" means the *Personal Property Security Act* (Manitoba), as amended or re-enacted from time to time;

(b) "Buildings" means all structures, buildings and other improvements constructed, being constructed or to be constructed on the Lands;

(c) "Collateral" means all Personal Property (including, without limitation, each Account, Chattel Paper, Document of Title, Equipment, Instrument, Intangible, Inventory, Money, Security and Goods) that is now or hereafter owned or acquired by or on behalf of the Debtor or in respect of which the Debtor now or hereafter has any rights and which is now or hereafter may become located on, affixed or attached to, placed upon, situate in or on, or which may arise out of, from or in connection with the ownership, construction, development, redevelopment, use or disposition of, the Lands or the Buildings or any part thereof including, without limitation, all increases, additions, substitutions, repairs, renewals, replacements, accessions, accretions and improvements to any snch Personal Property and all Proceeds and other amounts derived directly or indirectly from any dealings with any such Personal Property, and further including, without limitation, all book debts, rents and leases of the Debtor in respect to the Project, all present and after acquired personal property of the Debtor in respect of the Project and all rights of the Debtor under (i) all building/development permits and the monies paid thereunder; (ii) all plans, specifications and drawings related to the Project, as hereinafter defined.

(d) "Expenses" means all costs, fees and expenses (including legal fees and disbursements on a solicitor and his own client basis) incurred by or on behalf of the Secured Party in connection with or arising out of or from any one or more of the following:

(i) any act done or taken by the Secured Party or any Receiver, or any proceeding instituted by the Secured Party, the Debtor or any other person, firm or corporation, in connection with or in any way relating to any one or more of the Act, this Agreement or any part hereof, the preservation, protection, enforcement or realization of the Collateral or the Security Interest or both, the recovery of the Indebtedness and responding to enquiries regarding the scope of the Security Interest perfected by the registration of a Financing Statement under the Act;

(ii) the remuneration of the Receiver and its agents, if any; and

(iii) all amounts incurred or paid by or on behalf of the Secured Party pursuant to Section 5.3. hereof;

(e) "Indebtedness" means all present and future debts and liabilities due or to become due, absolute or contingent, direct or indirect, now existing or hereafter arising, owing by the Debtor to the Secured Party, whether pursuant to or under the Letter of Commitment, the Loan Documents or otherwise and includes any extensions, renewals or replacements thereof and includes the Expenses;

(f) "Lands" means the lands and premises described on Schedule "A" annexed hereto;

(g) "Letter of Commitment" means that certain commitment letter dated February 4th, 2015 issued by the Secured Party, as same may be further amended from time to time;

(h) "Loan Documents" means all agreements, instruments and other documents made or assigned by the Debtor in favour of the Secured Party in connection with the loan transaction contemplated in the Letter of Commitment, as same may be amended from time to time;

(i) "Project" means the apartment building situate at 519 Burnell Street, Winnipeg, Manitoba, being a 3.5 storey building comprised of 66 one-bedroom and 22 two-bedroom units;

(j) "Security Interest" means the assignment, transfer, mortgage, charge and security interest provided for in Section 2.1. hereof and "security interest" has the meaning ascribed thereto in the Act.

ARTICLE 2 - GRANT OF SECURITY INTEREST AND ATTACHMENT

Section 2.1. Security Interest: As continuing security for the payment of the Indebtedness and the performance, fulfillment and satisfaction of all covenants, obligations and conditions on the part of the Debtor set out herein, in the Letter of Commitment and in the Loan Documents, the Debtor:

(a) assigns, transfers, mortgages and charges to and in favour of the Secured Party all of the Debtor's rights, title and interest in and to the Collateral; and

(b) grants to and in favour of the Secured Party a security interest in the Collateral; as and by way of a fixed charge.

Section 2.2. Exclusion of Last Day of Leasehold Interest from Security Interest: The Security Interest referred to in Section 2.1. hereof shall not extend to or apply to the last day of the term of any lease or agreement therefor that is now or may hereafter be held by the Debtor; provided, however, if the Security Interest becomes enforceable, the Debtor shall thereafter stand possessed of the last day of each such lease or agreement therefor and shall hold the same in trust for, and shall, upon receipt of a written request to that effect from the Secured Party assign the same to, any person who acquires the term of any such lease or any agreement therefor in the course of any enforcement of the Security Interest or in the course of any realization upon the Collateral or any part thereof.

Section 2.3. Attachment: The Debtor and Secured Party confirm that they have not postponed or agreed to postpone the time for attachment of the Security Interest and that the Debtor has received Value.

ARTICLE 3 - REPRESENTATIONS, WARRANTIES AND COVENANTS

Section 3.1. Representations and Warranties: The Debtor represents and warrants that the Collateral is owned by the Debtor with good and marketable title thereto, free and clear of any assignments, executions, mortgages, charges, hypothecations, pledges, security interests, liens, demands, adverse claims and any other encumbrances whatsoever.

Section 3.2. Covenants: The Debtor covenants and agrees with the Secured Party that so long as any of the Indebtedness remains outstanding:

(a) the Debtor will at all times maintain its corporate existence;

(b) the Debtor shall diligently maintain and operate the Collateral and shall conduct its operations in a reasonable and prudent manner so as to maintain, preserve and protect the Collateral;

(c) the Debtor will pay all taxes, rates, levies, government fees and dues levied, assessed or imposed in respect of the Collateral or any part thereof, as and when the same become due and payable, and shall forthwith upon request by the Secured Party deliver such evidence as may satisfy the Secured Party that such taxes, rates, levies, fees and dues have been paid;

(d) the Debtor will at all times repair and keep in good order and condition any part or parts of the Collateral that constitutes tangible personal property, and renew and replace all and any of the same which may become unrepairable or destroyed;

(e) the Debtor will insure, at its own expense, on a replacement cost basis, all items of Collateral for which insurance coverage is purchasable, at all times during which any Indebtedness exists, with insurers and pursuant to policies approved by the Secured Party, for such risks and perils as a reasonable owner of similar Collateral would consider prudent and for such other insurable risks and perils as the Secured Party may from time to time consider advisable or desirable and in respect of which insurance coverage may be available. All cancellation clauses in such policies are to provide for at least thirty (30) days' prior notice of such cancellation to the Secured Party;

(f) the Debtor shall deliver to the Secured Party original or certified true copies of all policies of insurance required to be maintained by the Debtor pursuant hereto and the Debtor shall, at least thirty (30) days prior to the expiry of any such insurance policy, deliver to the Secured Party a renewal receipt, binder or new policy replacing such expiring insurance policy, or otherwise satisfy the Secured Party that such insurance has been renewed;

(g) the Debtor shall cause all proceeds payable under all policies of insurance required to be maintained by the Debtor hereunder to be made payable to the Secured Party, as its interest may appear, and shall otherwise deal with such policies in such manner so as to enable all proceeds payable thereunder to be collected by the Secured Party from the insurer. The Secured Party may elect to have such insurance money applied in the reinstatement of the relevant Collateral or towards repayment of the Indebtedness whether then due or not;

(h) the Debtor shall not create, grant, assume or otherwise permit to exist any assignment, execution, mortgage, charge, hypothec, pledge, lien, security interest or other encumbrance upon the Collateral or any part thereof or the Debtor's interest therein that ranks or is capable of being enforced in priority to or pari passu with the Security Interest;

(i) the Debtor will from time to time at the request of the Secured Party and at the expense of the Debtor, make and do all such acts and things and execute and deliver all such instruments, security agreements and other writings and assurances as may be necessary or desirable or recommended by counsel to the Secured Party with respect to this Agreement or the Collateral or in order to perfect, keep perfected, maintain and preserve the Security Interest;

(j) the Debtor will pay or reimburse the Secured Party upon demand for all Expenses together with interest thereon from the date of payment by the Secured Party until paid in full to the Secured Party by the Debtor at the highest rate of interest payable under the Loan Documents, calculated and compounded monthly before and after demand, maturity, default and judgment, together with interest on overdue interest at the same rate; and

(k) the Debtor shall not transfer, convey, sell, sublease, assign or otherwise deal with or part with possession of the Collateral or any part thereof.

ARTICLE 4 - EVENTS OF DEFAULT AND REMEDIES

Section 4.1. Events of Default: The Debtor shall be in default hereunder upon the occurrence of any one or more of the following events (which shall collectively be called "Events of Default" and individually an "Event of Default"):

(a) if the Debtor is in default under or pursuant to, or otherwise fails to perform, fulfill or satisfy any covenant, obligation or condition set out in, or upon the occurrence of an event described as an "Event of Default" or a "Default" in this Agreement, the Letter of Commitment or any of the Loan Documents; and

(b) if the Debtor or any guarantor or covenantor of the Indebtedness or any part thereof commits an act of bankruptcy or becomes insolvent or has a receiver or receiver and manager appointed for it or over any of its assets or if any creditor takes possession of any of its assets or if any execution, distress or other like process is levied or enforced upon the Collateral or any part thereof or if any compromise or arrangement with creditors is made by any of them.

Section 4.2. Remedies Upon Default: Upon the occurrence of an Event of Default the full amount of the Indebtedness shall, at the option of the Secured Party, become due and payable whereupon the Security Interest shall immediately be enforceable by the Secured Party, and the Secured Party shall have, in addition to all other rights, powers and remedies available at law and in equity, the following rights, powers and remedies:

(a) the Secured Party may immediately sue for the Indebtedness;

(b) the Secured Party may appoint and reappoint by instrument in writing, or institute proceedings in any court of competent jurisdiction for the appointment or reappointment of, any person (including the Secured Party) or persons to be a receiver or receiver and manager (collectively called a "Receiver") of all or any part of the Collateral. The Secured Party may remove or replace the Receiver from time to time, and appoint another person or persons in his stead or make application to a court of competent jurisdiction to do so. Subject to the provisions of the instrument or court order appointing the Receiver, the Receiver so appointed or replaced shall have, possess and may exercise all or any part of the rights, powers and remedies of the Secured Party (whether conferred upon the Secured Party by this Agreement or otherwise). For greater certainty, where the Secured Party is referred to in this Agreement, the term shall, where the context permits, include the Receiver so appointed or replaced and the officers, employees, servants or agents of the Secured Party and the Receiver;

(c) the Secured Party may, without notice, take such steps as it considers necessary or desirable to obtain possession of all or any part of the Collateral by any method permitted by law, and to that end the Debtor agrees:

(i) to deliver possession of the Collateral to the Secured Party forthwith upon its receipt of a written or verbal demand therefor, at such place or places specified by the demand; and

(ii) that the Secured Party may, at any time during the day or night, by any lawful means, enter upon the Lands and Buildings and upon any other premises where any of the Collateral may be found for the purpose of rendering unusable any part of the Collateral which constitutes equipment or for the purpose of taking possession of and removing the Collateral or any part thereof or both;

(d) subject to the Act, the Secured Party may without notice, advertisement, demand for payment or any other formality (all of which are hereby waived) do any act or thing to preserve the Collateral or its value, or seize, collect, realize upon, lease, dispose of, release to third parties, sell by public or private sale or any other mode of disposition as the Secured Party may consider advisable or otherwise deal with the Collateral or any part thereof in such manner, for such consideration, upon such terms and conditions and at such time or times as may, in the absolute discretion of the Secured Party, seem to it necessary or advisable;

(e) subject to the Act, the Secured Party may without notice, retain the Collateral or any part thereof and postpone the sale or any other disposition or dealing with the Collateral or any part thereof for such period as may, in the absolute discretion of the Secured Party, seem to it necessary or advisable;

(f) subject to the Act, the Secured Party may without notice, elect to retain all or any part of the Collateral in satisfaction of the Indebtedness or any part thereof;

(g) subject to the Act, the Secured Party may purchase all or any part of the Collateral at any public or private sale, auction, tender or by way of any other mode of disposition;

(h) the Secured Party may borrow money on the security of the Collateral and create security interests in the Collateral, whether or not in priority to the Security Interest, which, in the absolute discretion of the Secured Party, may impair the Debtor's right to redeem the Collateral;

(i) the Secured Party may carry on or concur in the carrying on of all or any part of the business of the Debtor and may enter upon, occupy and use all or any of the Buildings and buildings occupied or used by the Debtor, or in which the Collateral or any part thereof is situate for such time as the Secured Party sees fit, free of charge, to the exclusion of the Debtor; and

(j) the Secured Party may pay any indebtedness of the Debtor, post any security or otherwise deal with any other creditors of the Debtor in order to obtain the discharge of any mortgage, charge, hypothecation, pledge, security interest, lien, claim or other encumbrance that may exist against the Collateral or any part thereof.

Section 4.3. Receiver as Agent: The Receiver shall be the agent of the Debtor for all purposes except possession of the Collateral only, which possession shall be on behalf of and as agent of the Secured Party and not the Debtor.

Section 4.4. Risk of Loss: Where all or any part of the Collateral is in the possession of the Secured Party or the Receiver the risk of loss or damage, whether caused by the negligence of the Secured Party, the Receiver or otherwise, shall be the sole responsibility and obligation of the Debtor.

ARTICLE 5 - GENERAL CONTRACT PROVISIONS

Section 5.1. Secured Party not Liable: Neither the Secured Party nor the Receiver shall be bound to do any one or more of the following:

(a) give any notice;

(b) make or do any repair, processing or preparation for disposition of the Collateral (whether commercially reasonable or not);

(c) use reasonable care in the custody or preservation of any of the Collateral in its possession;

(d) keep the Collateral identifiable;

(e) proceed in a commercially reasonable manner in the collection from debtors of the Debtor;

(f) exercise any rights, powers and remedies whatsoever including, without limitation, seize, collect, realize upon, lease, sell or otherwise dispose of, borrow money on the security of, release to third parties, obtain possession of, obtain payment for, maintain or preserve or protect, the Collateral or any part thereof or its value; and

(g) institute proceedings for the purpose of seizing, collecting, realizing upon, disposing of or obtaining possession of or payment for, the Collateral or any part thereof or for the purpose of preserving any rights of the Secured Party, the Debtor or any other person, firm or corporation in respect of same;

nor shall the Secured Party or the Receiver be liable or accountable for doing or for failing to do any one or more of the foregoing. Notwithstanding Section 4.3. hereof, the Debtor shall be liable for all actions, causes of action, proceedings, debts, demands, claims, losses, damages and other liabilities incurred or suffered by the Debtor, the Secured Party or the Receiver by reason of or on account of any act or failure to act of the Receiver.

Section 5.2. Application of Funds: All amounts realized from the Collateral upon the enforcement of the Security Interest shall be applied by the Secured Party or the Receiver firstly, to the payment of Expenses, secondly, to the payment of such part of the Indebtedness as constitutes interest, and thirdly, to the payment of the balance of the Indebtedness; and any deficiency shall be and remain payable by the Debtor to the Secured Party. If any surplus remains after the payments itemized herein, such surplus shall be applied in the manner provided for in the Act. Notwithstanding the foregoing, the Secured Party reserves the right to interplead or make any appropriate application pursuant to the Trustee Act (Ontario) or any successor legislation thereto.

Section 5.3. Performance by Secured Party: If the Debtor fails to perform, fulfill or satisfy any covenant, obligation or condition herein set out including, without limitation, the payment of money, the Secured Party may, in its absolute discretion, but without being bound to do so, perform any such covenant, obligatiou or condition capable of being performed by the Secured Party. No such performance or payment shall relieve the Debtor from any default under this Agreement or any consequence of such default.

Section 5.4. Rights, Powers and Remedies: Each right, power and remedy of the Secured Party provided for in this Agreement or available at law or in equity may be exercised separately from or in combination with, and is in addition to and not in substitution for, any other right, power and remedy of the Secured Party however created. Without limiting the generality of the foregoing, the taking of judgment or judgments by the Secured Party shall not operate as a merger or affect the right of the Secured Party to interest as provided herein.

Section 5.5. Waiver: No consent or waiver, express or implied, by the Secured Party to or of any breach or default by the Debtor in the performance of its obligations hereunder shall be deemed or construed to be a consent to or a waiver of any other breach or default in the performance of the Debtor's obligations hereunder. Failure on the part of the Secured Party to complain of any act or failure to act of the Debtor or to declare the Debtor in default, irrespective of how long such failure continues, shall not constitute a waiver by the Secured Party of its rights hereunder.

Section 5.6. Dealings with Persons: The Secured Party may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release any part of the Collateral to third parties and otherwise deal with the Collateral, the Debtor, debtors of the Debtor, guarantors, sureties and others, as the Secured Party may see fit, without prejudice to the Secured Party's rights, powers and remedies whatsoever.

Section 5.7. Notices: Any notice or demand which may or is required to be given pursuant to this Agreement shall be in writing and shall be sufficiently given or made if served personally or by telefax upon the party for whom it is intended, or (except in the case of an actual or pending disruption of postal service) mailed by registered mail, in the case of the Debtor, addressed to it at any address for service provided by the Debtor to the Secured Party under any of the Loan Documents and in the case of the Secured Party, addressed to it at the address for service of the Secured Party set out in any mortgage held by the Secured Party in connection with the Indebtedness. The date of receipt of such notice or demand, if served personally or by telefax, shall be deemed to be the date of the delivery thereof, or if mailed as aforesaid, the fourth business day following the date of mailing. For the purposes hereof, personal service on the Debtor shall be effectively given by delivery to any officer, director or employee of the Debtor. The Secured Party or the Debtor may, from time to time, change its address or stipulate another address from the address described in this Agreement by giving notice in the manner provided in this section.

Section 5.8. Successors and Assigns: This Agreement and each of the covenants, warranties and representations herein set out shall enure to the benefit of the successors and assigns of the Secured Party and be binding upon the successors and permitted assigns of the Debtor.

Section 5.9. Survival: All covenants, undertakings, agreements, representations and warranties made by the Debtor in this Agreement shall survive the execution and delivery of this Agreement and shall continue in full force and effect until the Indebtedness is paid in full. All representations and warranties made by the Debtor herein shall be deemed to have been relied upon by the Secured Party.

Section 5.10. Entire Agreement: This Agreement constitutes the entire agreement between the Debtor and the Secured Party relating to the Security Interest and may not be amended in any manner except by written instrument signed by both of them.

Section 5.11. Applicable Law: This Agreement shall be governed by and construed in accordance with the laws of the Province of Manitoba.

Section 5.12. Time of the Essence: Time is and shall continue to be of the essence of this Agreement.

Section 5.13. Headings: The insertion of headings in this Agreement is for the convenience of reference only and shall not affect the construction or interpretation of this Agreement.

Section 5.14. Number and Gender: All nouns and personal pronouns relating thereto shall be read and construed as the number and gender may require and the verb shall be read and construed as agreeing with the noun and pronoun.

Section 5.15. Acknowledgement: The Debtor acknowledges receipt of a duplicate executed copy of this Agreement.

55448124 MANITOBA LTD.

Per: ________________
Name: Russell E. Knight
Title: Secretary

Per: ________________
Name: Susannah C. Simes
Title: President

We have authority to bind the Corporation.

SCHEDULE "A"

LAND DESCRIPTION

LOTS 42 TO 47, BLOCK 3, PLAN 775 WLTO
IN RL 65 PARISH OF ST. JAMES
TITLE NUMBER 2291534/1

SP LOT 28 PLAN 33661 WLTO
IN RL 63 TO 65 PARISH OF ST. JAMES
TITLE NUMBER 2291538/1

Municipal Address: 519 Burnell Street, Winnipeg, Manitoba

This is Exhibit "K" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

PERSONAL PROPERTY SECURITY NOTICE Form 25.1

1. APPLICANT(S) *(full legal name and address for service)*

CAMERON STEPHENS FINANCIAL CORPORATION
25 Adelaide Street East, Suite 600
Toronto ON M5C 3A1

see schedule ☐

2. APPLY BY VIRTUE OF a security interest under Section 49 of *The Personal Property Security Act* in:

☐ Growing crops ☒ Fixtures ☒ Payments under a lease

Pursuant to a security agreement

☒ registered in PPSR as No. 201504632801 or ☐ not registered in PPSR

☐ which interest expires on 2035-03-19 or ☐ which interest does not expire

Attaching the interest of:

☒ the registered owner as debtor; ~~or~~

☐ ______________________________, as debtor
(indicate relationship with registered owner)

3. LAND DESCRIPTION

Lots 42 to 47, Block 3, Plan 775 WLTO
in RL 65 Parish of St. James
title No. 2291534/1

SP Lot 28 Plan 33661 WLTO
In RL 63 to 65 Parish of St. James
title No. 2291538/1

AFFECTED TITLE NO.(S) 2291534/1 and 2291538/1

see schedule ☐

4. CURRENT REGISTERED OWNER(S)

5448124 MANITOBA LTD.
902-388 Portage Avenue
Winnipeg, Manitoba R3C 0C8

see schedule ☐

5. EVIDENCE OF APPLICANT(S)

1. That I am of the age of majority and have personal knowledge of the facts stated herein.

CAMERON STEPHENS FINANCIAL CORPORATION
by its Solicitor and Agent, Jonathan L. Goldenberg

name of applicant	signature	2015/04/27 date (YYYY/MM/DD)
name of applicant	signature	// date (YYYY/MM/DD)

see schedule ☐

6. IMPORTANT NOTICES

By virtue of section 194 of *The Real Property Act*, any statement set out in this document and signed by the party making the statement has the same effect and validity as an oath, affidavit, affirmation or statutory declaration given pursuant to *The Manitoba Evidence Act*.

SINGULAR INCLUDES PLURAL AND VICE VERSA WHERE APPLICABLE. In this document "I" or "me" is to be read as including all applicants whether individual or corporate.

7. INSTRUMENT PRESENTED FOR REGISTRATION BY *(include address, postal code, contact person and phone number)*

Jonathan Goldenberg, D'Arcy & Deacon LLP
2200 One Lombard Place, Winnipeg, MB R3B 0X7 204-925-5371

File# 107081-22

The District Registrar hereby certifies that this is a true copy of a record maintained in the public records of The Property Registry of Manitoba

MAY 1 2 2015

LAND TITLES OFFICE USE ONLY			
SEE ATTACHED LETTER/FAX/ADDITIONAL EVIDENCE FOR BOX(ES)			
Set for acceptance	LAND TITLES OFFICE APR 2 9 2015 WINNIPEG, MB	Fee 35 Fee adjustment Extra Fee Refund	PP
Examined by: Fees checked		Registration No. 4159794	

This is Exhibit "L" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

ASSIGNMENT OF INSURANCE POLICIES

TO: Cameron Stephens Financial Corporation (the "**Lender**")

AND TO: Intact Insurance Company

AND TO: BFL CANADA Insurance Broker Services Inc.

RE: Loan to 5448124 Manitoba Ltd. (the "**Borrower**") by the Lender
Collaterally secured by a first mortgage given on the security of the property municipally known as 519 Burnell Street, Winnipeg, Manitoba (the "**Property**")
Loan Ref. # 3366-81

KNOW ALL MEN BY THESE PRESENTS that in consideration of the sum of one dollar and other good and valuable consideration, the receipt whereof is hereby acknowledged, all sums of money which may become payable to the undersigned (the "**Assignor**") are hereby transferred, assigned, and set over to **CAMERON STEPHENS FINANCIAL CORPORATION** (together with any successor lender and its assigns, "**Lender**"), together with all of the Assignor's right, title and interest in any present or future insurance policies (the "**Insurance Policies**") with respect to the Property, including without limitation, the insurance policies described on Schedule "A" attached hereto (as amended, supplemented or otherwise modified from time to time). The Insurance Policies shall include, without limitation, any proceeds from the Insurance Policies and all benefits to be derived therefrom or included therein, and all documents and papers evidencing or relating to such Insurance Policies.

The subject insurance company is hereby notified of the foregoing transfer and assignment.

IN WITNESS WHEREOF the Assignor has executed this agreement as of the 30 day of March, 2015.

5448124 MANITOBA LTD.

Per: ______________________
Name: Susannah Simes
Title: President

I have authority to bind the Corporation.

SCHEDULE "A"

POLICY NO.	ISSUED BY	COVERING
500210491	Intact Insurance Company	Building Contents of Every Description Rents Boiler & Machinery Commercial General Liability

This is Exhibit "M" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

GINAKES LAW OFFICE

666 Leila Avenue
Winnipeg, Manitoba R2V 3N7
Telephone: (204) 942-0396
Facsimile: (204) 942-0397
pginakes@dbglawyers.com

April 27, 2015

TO: CAMERON STEPHENS FINANCIAL CORPORATION

AND TO: DICKINSON WRIGHT LLP
Barristers and Solicitors
199 Bay Street
Suite 2200, P.O. Box 447
Commerce Court Postal Station
Toronto ON M5L 1G4

Dear Sirs:

Re: Cameron Stephens Financial Corporation ("**CSFC**") financing of 5448124 Manitoba Ltd. - $9,425,000.00 (the "**Loan**") on the security of the property municipally known as 519 Burnell Street, Winnipeg, Manitoba (the "**Property**") pursuant to the terms of the commitment letter entered into between CSFC, as Lender, and 5448124 Manitoba Ltd., as Borrower (the "**Commitment Letter**") (the "**Transaction**")

We are counsel to 5448124 Manitoba Ltd. (the "**Corporation**") in connection with the Documents delivered in connection with the Transaction:

(a) Mortgage of Land executed by the Corporation in favour of CSFC with respect to the Property;

(b) General Security Agreement from the Corporation in favour of CSFC;

(c) Environmental Indemnity Agreement in favour of CSFC; and

(d) General Assignment of Rents and Leases.

(all of the above are collectively referred to as the "**Documents**").

For the purposes of the opinions herein provided, we have also examined the following books, records, documents and reports:

(1) Articles of Incorporation and the By-laws of the Corporation and all amendments thereto;

(2) Resolutions of the Board of Directors of the Corporation as we consider necessary; and

(3) Such other records and documents as we consider necessary for the purposes of rendering the opinions expressed herein.

We have made such investigations and examined originals or copies, certified or otherwise of such documents, corporate records and other instruments as we have considered necessary or advisable for the purposes of giving these opinions. We have relied on certificates of appropriate public officials and corporate officers of the Corporation with respect to the accuracy of the statements therein contained.

ASSUMPTIONS

In rendering the opinions expressed herein, we have:

1. Assumed the legal capacity of all natural persons executing the Documents and the genuineness of all signatures; and

2. Assumed the authenticity of all documents submitted to us as originals, and the conformity with the originals of all documents submitted to us as certified, conformed or photostatic copies of original documents.

As to various questions of fact material to the opinions rendered herein, we confirm that we have been instructed to rely exclusively, without making independent investigation, upon a Certificate of Officer of the Corporation dated March 30, 2015.

We have not undertaken any independent investigation to determine the existence or absence of facts, and no inference as to our knowledge of the existence or absence of such facts should be drawn from the fact of our representation of the Corporation.

We have obtained a certificate of status dated April 24, 2015, issued by Entrepreneurship Manitoba, Companies Office in respect of the Corporation to establish the subsistence of the Corporation.

OPINIONS

Based and relying upon the foregoing and subject to the qualifications listed in the attached Schedule "A", we are of the opinion that, on the date hereof:

1. The Corporation is incorporated under the laws of Manitoba and has not been dissolved;

2. The Corporation has the corporate power to enter into, execute and deliver the Documents and to perform its obligations thereunder;

3. all necessary corporate action has been taken by the Corporation to authorize the execution and delivery by the Corporation of the Documents to which it is a party and each of the Documents has been duly authorized, executed and delivered by the Corporation;

4. To the best of our knowledge, neither the creation, execution or delivery by the Corporation of the Documents, nor the performance by the Corporation of its obligations thereunder, conflicts with or results in a breach of any of the terms, conditions or provisions of, or constitutes a default under the constating documents of the Corporation, its by-laws or any unanimous shareholders' agreement; and

5. Each of the Documents is a legal, valid and binding obligation of the Corporation, enforceable against it in accordance with its terms.

This opinion letter is limited to matters governed by the laws of the Province of Manitoba and the laws of Canada applicable therein.

This opinion letter and the opinions expressed herein are exclusively for use by the addressees hereof in connection with the transactions contemplated herein, and these opinions may only be relied upon by the addressees hereto (collectively, the "**Addressees**") in connection with the Documents. These opinions may not be relied upon in any manner by any person except for the Addressees. These opinions may not be disclosed, quoted from, filed with a governmental agency or otherwise referred to without our prior written consent.

Yours very truly,

GINAKES LAW OFFICE

Per:

PETER GINAKES
PG/jc

SCHEDULE "A" QUALIFICATIONS AND LIMITATIONS

Our opinions expressed in this letter are also subject to the following qualifications and limitations:

(a) No opinion is given as to the title or ownership of the Corporation to any real or personal property or as to the priority of any mortgage, assignment, charge or security interest provided for in any of the Documents;

(a) The legality, validity, binding effect and enforceability of the Documents are subject to and may be limited by applicable bankruptcy, reorganization, liquidation, moratorium, winding-up, insolvency, arrangement, fraudulent preference and conveyance, assignment and preference and other similar laws of general application affecting the enforcement of creditors' rights generally;

(b) We have assumed the inherent validity and enforceability of the Documents against borrowers generally, and the opinions expressed in this letter are qualified to the extent that any provision of any Document would not be valid or enforceable against borrowers generally;

(c) In as much as registration in respect of the Documents is being attended to by the Lender's counsel, we express no opinion in respect of the registration of the Documents;

(d) A court may (i) exercise discretion in the granting of equitable remedies such as specific performance and injunction, (ii) limit the availability of a remedy under certain circumstances where another remedy has been elected, (iii) stay proceedings before the court or stay execution of judgments or grant relief from forfeiture, (iv) relieve the parties from penalties or consequences of default (particularly if the default is minor or non-substantive), and (v) decline to enforce any provision in the Documents which purports to stipulate or limit the level of damages to which a party is entitled;

(e) The enforceability of the Documents may be limited by general principles of law and equity relating to the conduct of the parties thereto prior to execution of or in the administration or performance of the Documents, including, without limitation, (i) undue influence, unconscionability, duress, misrepresentation and deceit, (ii) estoppel and waiver, (iii) laches, reasonableness and good faith in the exercise of discretionary powers; and (iv) the course of conduct of the parties;

(f) A court may decline to hear an action, including without limitation, if it is not the proper forum to hear the action or if concurrent proceedings are being brought elsewhere;

(g) The *Currency Act* (R.S.C. 1985, c. C-52) precludes a court in Canada from giving judgment in any currency other than Canadian currency and such judgment may be based on a rate of exchange on a day other than the day of payment of such judgment;

(h) A court may decline to accept the factual and legal determinations of a party notwithstanding that a contract or instrument provides that the determinations of that party shall be conclusive;

(i) We express no opinion as to the enforceability of, nor as to the manner in which a court would interpret and apply any provision which:

 (i) Refers to, incorporates by reference or requires compliance with, any law, statute, rule or regulation of any jurisdiction other than the Province of Manitoba; and

 (ii) Incorporates provisions of any document governed by the laws of any jurisdiction other than the Province of Manitoba;

(j) No opinion is given as to the enforceability of any term providing for the severance of illegal or unenforceable provisions from the remaining provisions of an agreement since such a provision may only be enforced in the discretion of a court;

(k) We express no opinion as to the enforceability of any provision(s) of the Documents which require the Corporation to pay or indemnify any party for costs and expenses in connection with judicial proceedings since the recoverability of such costs and expenses are in the discretion of the court and the court has the discretion to determine by whom and to what extent these costs shall be paid;

(l) We express no opinion as to the enforceability of any provision that states that modifications, amendments or waivers are not binding unless in writing;

(m) We express no opinion as to the enforceability of any provision (i) exculpating any party from liability in respect of acts or omissions that may be illegal, fraudulent or involve willful misconduct or gross negligence, or (ii) which limits rights of set-off otherwise than in accordance with applicable law;

(n) A court may decline to enforce rights of indemnification or contribution to the extent that they directly or indirectly relate to liabilities imposed by law on any indemnified party for which it would be contrary to public policy to require indemnification by the indemnified party or which relate to liabilities for non-Canadian taxes;

(o) The effectiveness of terms exculpating a party from a liability or duty otherwise owed by it to another may be limited by law;

(p) We express no opinion as to the enforceability of any provision of a Document that is inconsistent with any provision of any other Document except, where that inconsistency is addressed by a paramountcy clause, and the paramountcy clause would itself be enforceable;

(q) We express no opinion as to compliance with the *Personal Information Protection and Electronic Documents Act* (S.C. 2000, c. 5) or any other privacy laws with respect to any provision in the Documents which purport to grant to any party access to books, correspondence, records or other information of the Corporation;

(r) No opinion is expressed as to the enforceability of any provision(s) in the Documents which purport to bind or affect, or confer a benefit upon, persons who are not a party to the Documents;

(s) No opinion is expressed as to the enforceability of any provision(s) in the Documents which purport to waive or affect any rights to notices or purport to prevent a defence or counterclaim;

(t) No opinion is expressed as to the enforceability of any provision(s) in the Documents for service of legal process by any means other than personal service;

(u) No opinion is expressed as to the enforceability of any provision(s) in the Documents which states that any failure to exercise, or any delay in exercising, any right or remedy shall not operate as a waiver thereof;

(v) A waiver of a provision of law may not be effective;

(w) A power of attorney which is expressed to be irrevocable may not be enforceable as such unless the court considers it to be coupled with a proprietary interest;

(x) No opinion is expressed as to any factor such as: financial capacity; the exercise of or refusal to exercise discretion by a court or the continued existence of any party which may make such obligation, act, agreement or instrument unenforceable in fact;

(y) A court may decline to enforce rights of indemnity and contribution under any of the Documents to the extent that they are found to be contrary to public policy;

(z) Notwithstanding any conclusive evidence provision of any of the Documents, any certificate or determination provided under any Documents may be subject to challenge in a court on the grounds of fraud, collusion, mistake on the face of the certificate, or mistake on the basis that the certificate differed in a material respect from the certificate contemplated in such a provision;

(aa) The enforceability of the Documents is subject to the limitations contained in *The Limitation of Actions Act*, (C.C.S.M. c. L150), and we express no opinion as to whether a court may find any provision of the Documents to be unenforceable as an attempt to vary or exclude a limitation period under that Act in a manner that is not permitted by that Act. The failure to exercise a right of action under any of the Documents within generally applicable limitation periods may act as a bar to the enforcement of those rights at any time thereafter and the enforceability of any provision of the Documents which purports to impose a specific redemption period is subject to the discretion of the court;

(bb) Whenever an obligation, act, agreement or instrument is expressed to be "legal, valid and binding", "enforceable", "legally binding", or words of like effect, we are expressing no opinion as to any factors such as financial capacity, title to assets or continued existence of the parties which may make such obligation, act, agreement or instrument unenforceable in fact;

(cc) We express no opinion as to any provision in the Documents pursuant to which the parties have agreed to submit any disputes arising out of the Documents to the exclusive jurisdiction of the courts of a specific jurisdiction;

(dd) A court might not allow the Lender to exercise rights to accelerate the performance of obligations or otherwise seek the enforcement of the Documents based upon the occurrence of a default deemed immaterial;

(ee) Any provision that provides for interest to be paid at a higher rate after than before default, that provides for a forfeiture of a deposit or any other property or that provides for a particular calculation of damages upon breach may not be enforceable if it is interpreted by a court to be a penalty or if the court determines that relief from forfeiture is appropriate;

(ff) The Lender may be required to give the Corporation a reasonable time to repay following a demand for payment prior to taking any action to enforce right of repayment or before exercising any of the rights and remedies expressed to be exercisable by the Lender in any of the Documents;

(gg) *The Personal Property Security Act* (C.C.S.M. c. P35) (the "**PPSA**") and other laws of general application to creditors impose certain obligations on secured creditors which cannot be varied by contract. The legislation, as applicable, may also affect the enforcement of certain rights and remedies under the Documents to the extent that these rights and remedies are inconsistent with or contrary to the legislation;

(hh) The provisions for the payment of interest in any of the Documents may not be enforceable if those provisions provide for the receipt of interest by the Lender at a "criminal rate" within the meaning of section 347 of the *Criminal Code* (R.S.C 1985, c. C-46);

(ii) A receiver, manager or receiver-manager appointed pursuant to the applicable Documents may, for certain purposes, be treated as agent for the Lender and not solely as agent for the Corporation (and the Lender may not be deemed to be acting as the agent and attorney of such Corporation in making such appointment) notwithstanding any provision in such Document to the contrary. We express no opinion as to any provision of any of the Documents which purports to relieve a party from liability for any acts or omissions of any receiver or receiver or manager appointed by it or absolve any receiver or receiver and manager from liability for its acts or omissions;

(jj) Any amounts borrowed by a receiver or a receiver and manager appointed by the Lender and any interest thereon may not be secured by the Documents;

(kk) Interest after judgment may be limited by a court to a rate less than the rate specified in the Documents;

(ll) A court may limit the right of a creditor to use force or cause a breach of the peace in enforcing rights;

(mm) A sale by a creditor of any property of the Corporation must be commercially reasonable;

(nn) We express no opinion as to the creation of any security interest in:

(i) Property consisting of a receivable, license, approval, privilege, franchise, permit, lease or agreement (collectively the "**Special Property**") to the extent that the terms of the Special Property or any applicable law prohibit the assignment or require, as a condition of assignability, a consent, approval, or other authorization or registration which has not been made or given;

(ii) Federal crown debts to the extent the *Financial Administration Act* (R.S.C. 1985, c. F-11) has not been complied with;

(oo) We have taken no steps to provide the notices or to obtain the acknowledgments prescribed in part VII of the said *Financial Administration Act* relating to the assignment of federal crown debts. An assignment of federal Crown debts which does not comply with that Act is ineffective as between the assignor and the assignee and as against the Crown. Consequently, the Lender would not have a valid interest in federal Crown debts unless that Act is complied with.

(pp) We express no opinion as to any licences, permits or approvals that may be required in connection with the enforcement of the security interests created by or pursuant to the Documents, whether such enforcement involves the operation of the business of the Corporation or a sale, transfer or disposition of the assets of the Corporation;

(qq) We express no opinion as to any security interest purported to be created by the Documents in any of the circumstances described in the PPSA in respect of which that statute is stated to have no application including, without limitation, an assignment of an insurance policy. We have not given notice of any such assignment to any broker or insurer under any policy of insurance held by the Corporation;

(rr) We express no opinion regarding any security interest created by or pursuant to the Documents with respect to any collateral that is transformed in such a way that it is not identifiable or traceable, or any proceeds of collateral that are not identifiable or traceable;

(ss) Notwithstanding that the security interests created by the Documents has been perfected by registration under the PPSA:

(i) Such security interest in investment property, instruments, chattel paper, documents of title or money, as those terms are respectively defined in the PPSA, will be defeated by certain claimants obtaining control of that property in the circumstances described in the PPSA and *The Securities Transfer Act,* (S.M. 2008, c.14), or obtaining possession in the circumstances described in the *Bills of Exchange Act* (R.S.C. 1985, c. B-4), as applicable;

(ii) Such security interest in goods (as defined in the PPSA) will be defeated by certain claimants to whom the Corporation sells or leases those goods in the ordinary course of business in the circumstances described in the PPSA;

(tt) We express no opinion as to the enforceability of any provision of the Documents which may be characterized by a court as an unenforceable penalty and not as a genuine pre-estimate of damage;

(uu) We express no opinion as to the enforceability of any non-competition covenant that may be found in the Documents;

(vv) We express no opinion as to the enforceability of any provision requiring arbitration ("Arbitration Clause") found within the Documents in all circumstances since under the *Arbitration Act* (C.C.S.M. c. A120), a court of competent jurisdiction in Manitoba may, in its discretion and upon certain grounds, refuse to stay judicial proceedings required by or arising in connection with an Arbitration Clause. In addition, the said *Arbitration Act* provides that a court may hear an appeal of an arbitration award on a question of law, or set aside an arbitration award or declare it invalid, in each case on certain prescribed grounds; and

(ww) We express no opinion as to whether the Documents may be reasonable and fair to the Corporation in cases where a director or officer of a Corporation is a party to a material contract with the Corporation, giving rise to a possible conflict of interests. If a court were to hold that any of the Documents is not reasonable and fair, such Document may be declared void or voidable.

COMPANIES OFFICE
OFFICE DES COMPAGNIES

Manitoba

Certificate of Status/ Certificat de Status

This is to certify that / Nous certifions par les présentes que

5448124 MANITOBA LTD.

Business Number / Numéro d'entreprise

858693591MC0001

incorporated / constituée

28 FEBRUARY / FÉVRIER 2007

current jurisdiction / autorité législative courante

MANITOBA

is registered under The Corporations Act. According to the information contained on our records, as of this date, the body corporate is still in existence.

est enregistrée sous le régime de la Loi sur les corporations. D'après les renseignements que nous avons, cette personne morale existe toujours aujourd'hui.

Dated / Fait le

24 APRIL / AVRIL, 2015

Director / Le directeur
The Corporations Act / Loi sur les corporations

This is Exhibit "N" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

Business Debtor

Search by Business Debtor

Date: 2015-09-18
Time: 2:36:44 PM
Inquiry Number: 10223592178
User ID: Kim McKeever

Business Name: 5448124 Manitoba Ltd.

Account Balance: $10,674.00

2 exact matches were found.

0 similar matches were found.

EXACT MATCHES

Business Debtor Name	No. of Registrations
1. 5448124 MANITOBA LTD.	2
2. 5448124 Manitoba Ltd.	1

1. 5448124 MANITOBA LTD.

1.1 5448124 MANITOBA LTD.: Registration 201504632801 (2015-03-19 3:32:58 PM)	
Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2035-03-19
Debtor Address	902-388 PORTAGE AVENUE WINNIPEG, MB CANADA R3C 0C8
Secured Parties (party code, name, address)	CAMERON STEPHENS FINANCIAL CORPORATION C/O CAMERON STEPHENS MORTGAGE CAPITAL LTD., 25 ADELAIDE ST. E., SUITE 600 TORONTO, ON CANADA M5C 3A1
General Collateral Description	*The security interest is taken in all of the debtor's present and after-acquired personal property. 1. GENERAL ASSIGNMENT OF RENTS AND LEASES A GENERAL ASSIGNMENT OF RENTS AND LEASES WHEREBY THE DEBTOR HAS ASSIGNED TO THE SECURED PARTY ALL RENTS, ISSUES, PROFITS, INCOME AND REVENUE OF AND FROM THE LAND HEREINAFTER DESCRIBED NOW DUE OR PAYABLE OR WHICH SHALL FROM TIME TO TIME AT ANY TIME THEREAFTER BECOME DUE AND PAYABLE UNDER OR BY VIRTUE OF ANY AND EVERY DEMISE OR LEASE OR AGREEMENT FOR THE USE OR OCCUPANCY OF THE LAND HEREINAFTER DESCRIBED OR ANY PART THEREOF, WHETHER WRITTEN OR VERBAL OR OF ANY AND EVERY OCCUPANCY OF SAID LAND OR ANY PART THEREOF NOW EXISTING OR WHICH SHALL HEREAFTER EXIST AT ANY TIME PRIOR TO DUE PAYMENT TO THE SECURED PARTY OF ALL PRINCIPAL, INTEREST AND OTHER MONIES PAYABLE UNDER AND SECURED BY OR TO BECOME PAYABLE UNDER AND SECURED BY A CERTAIN REAL PROPERTY MORTGAGE SECURING THE PROPERTY COMMONLY KNOWN AS 519 BURNELL STREET, WINNIPEG, MANITOBA, AND LEGALLY DESCRIBED AS - PARCEL 1- LOTS 42 TO 47 BLOCK 3 PLAN 775 WLTO IN RL 65 PARISH OF ST JAMES PARCEL 2- SP LOT 28 PLAN 33661 WLTO IN RL 63 TO 65 PARISH OF ST. JAMES OR ANY PART THEREOF, TOGETHER WITH ALL BENEFITS AND ADVANTAGES TO BE DERIVED FROM ANY AND ALL OF THE RIGHTS

	AND REMEDIES EXERCISABLE BY THE SECURED PARTY FROM TIME TO TIME IN RESPECT OF ANY AND EVERY SUCH DEMISE, LEASE, AGREEMENT OR POSSESSION, AS COLLATERAL SECURITY FOR THE PAYMENT OF MONEYS FROM TIME TO TIME FALLING DUE UNDER A MORTGAGE FROM THE DEBTOR IN FAVOUR OF THE SECURED PARTY IN THE AMOUNT OF $9,425,000.00, SAID ASSIGNMENT TO BE EFFECTIVE IMMEDIATELY UPON DEFAULT BY THE DEBTOR UNDER THE TERMS OF SAID MORTGAGE IN FAVOUR OF THE SECURED PARTY. 2. SECURITY AGREEMENT ALL APPLIANCES, FURNISHINGS, FIXTURES, PLANT, MACHINERY, IMPROVEMENTS AND EQUIPMENT, AND ALL ACCRETIONS THERETO AND REPLACEMENTS OR SUBSTITUTIONS THEREOF FROM TIME TO TIME SITUATE AT OR LOCATED UPON THE PROPERTY COMMONLY KNOWN AS 519 BURNELL STREET, WINNIPEG, MANITOBA AND LEGALLY DESCRIBED AS- PARCEL 1- LOTS 42 TO 47 BLOCK 3 PLAN 775 WLTO IN RL 65 PARISH OF ST JAMES PARCEL 2- SP LOT 28 PLAN 33661 WLTO IN RL 63 TO 65 PARISH OF ST. JAMES INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE FOLLOWING- ALL HEATING, VENTILATION AND AIR CONDITIONING EQUIPMENT, ALL FRIDGES, STOVES AND HOT WATER TANKS.

1.2 5448124 MANITOBA LTD.: Registration 201401492602 (2014-01-27 2:23:41 PM)

Registered under	The Personal Property Security Act
Status	Discharged
Expiry Date (YYYY-MM-DD)	2017-02-01
Debtor Address	902-388 Portage Avenue Winnipeg, Manitoba Canada R3C 0C8
Secured Parties (party code, name, address)	FISGARD CAPITAL CORPORATION c/o 210-2112 West Broadway Vancouver, BC Canada V6K 2C8 LANYARD INVESTMENTS INC., as General Partner and on behalf of LFC BURNEL14LP LIMITED PARTNERSHIP c/o 210-2112 West Broadway Vancouver, BC Canada V6K 2C8 LFC BURNEL14LP LIMITED PARTNERSHIP 210-2112 West Broadway Vancouver, BC Canada V6K 2C8
General Collateral Description	*The security interest is taken in all of the debtor's present and after-acquired personal property. 1. GENERAL ASSIGNMENT OF RENTS AND LEASES A General Assignment of Rents and Leases whereby the Debtor has assigned to the Secured Party all rents, issues, profits, income and revenue of and from the land hereinafter described now due or payable or which shall from time to time at any time thereafter become due and payable under or by virtue of any and every demise or lease or agreement for the use or occupancy of the land hereinafter described or any part thereof, whether written or verbal or of any and every occupancy of said land or any part thereof now existing or which shall hereafter exist at any time prior to due payment to the Secured Party of all principal, interest and other monies payable under and secured by or to become payable under and secured by a certain real property mortgage securing the property commonly known as 519 Burnell Street, Winnipeg, Manitoba, and legally described as PARCEL 1:

	LOTS 42 TO 47 BLOCK 3 PLAN 775 WLTO IN RL 65 PARISH OF ST JAMES PARCEL 2: SP LOT 28 PLAN 33661 WLTO IN RL 63 TO 65 PARISH OF ST JAMES or any part thereof, together with all benefits and advantages to be derived from and all of the rights and remedies exercisable by the Secured Party from time to time in respect of any and every such demise, lease, agreement or possession, as collateral security for the payment of moneys from time to time falling due under a mortgage from the Debtor in favour of the Secured Party in the amount of $5,800,000.00 dated January 27, 2014 said assignment to be effective immediately upon default by the Debtor under the terms of said mortgage in favour of the Secured Party. 2. SECURITY AGREEMENT All appliances, furnishings, fixtures, plant, machinery, improvements and equipment, and all accretions thereto and replacements or substitutions thereof from time to time situate at or located upon the property commonly known as 519 Burnell Street, Winnipeg, Manitoba, and legally described as PARCEL 1: LOTS 42 TO 47 BLOCK 3 PLAN 775 WLTO IN RL 65 PARISH OF ST JAMES PARCEL 2: SP LOT 28 PLAN 33661 WLTO IN RL 63 TO 65 PARISH OF ST JAMES including, without limiting the generality of the foregoing, the following all heating, ventilation and air conditioning equipment, 88 fridges, 88 stoves and 88 hot water tanks.
Change History	Registration Number: 201516437311 (2015-08-28 10:45:38 AM) Sections Changed: Status

2. 5448124 Manitoba Ltd.

2.1 5448124 Manitoba Ltd.: Registration 201401398800 (2014-01-24 2:12:24 PM)	
Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2016-01-15
Special Notices	Purchase Money Security Interest
Debtor Address	902-388 Portage Avenue Winnipeg, MB Canada R3C 0C8
Secured Parties (party code, name, address)	Crossroads-DMD Mortgage Investment Corporation 200, 136-17th Ave NE Calgary, AB Canada T
General Collateral Description	A general security agreement from the business debtor to the secured party wherein the Debtor grants to the Secured party a continuing, specific and fixed security interest in all of the Debtor's property, assets, rights and undertakings of every nature and kind now or at any time owned and from time to time situate on or in any way relating to and required for the operation of the real and immoveable property located on 519 Burnell Street, Winnipeg MB (Parcel A: Title 2291534/1 - Lots 42 to 47 Block 3 Plan 775 WLTO in RL 65 Parish of St. James; and Parcel B: Title 2291538/1 - SP Lot 28 Plan 33661 WLTO in RL 63 to 65 Parish of St. James) including but not limited to accounts, books and records, chattel paper, documents of title, equipment, instruments, intangibles, inventory, money and proceeds.

END OF EXACT MATCHES

Close

This is Exhibit “O” referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

Crossroads-DMD Mortgage Investment Corporation
Payout Statement

5448214 Manitoba Ltd.
(5448214 Manitoba Ltd.)
519 Burnell Street
Winnipeg, MB R3G 2B4

Security Details

Address:	519 Burnell Street Winnipeg, MB R3G 2B4
Legal Description:	SP LT 28 PL 33661 & LT 42-47, B 3, PL 775

Loan Details

Mortgage Id:	143376
Principal Amount:	$1,125,709.78
Amortization:	1,800
Prime Plus:	
Nominal Rate:	16.500%
Minimum Rate:	0.000%
Compound Frequency:	Monthly
Payment Frequency:	Monthly
Term:	12
First Payment:	$12,810.11
Maturity Date:	07-Feb-2016
Mortgage Payment:	$12,810.11

Payout Details

Balance owing as of March 31, 2015	$1,165,468.13
Interest March 31 - April 15	$8,429.69
Penalty (0 Months interest)	$0.00
Discharge fee	$0.00
Property Taxes Balance	$0.00
Total due April 15, 2015	$1,173,897.82
Per Diem thereafter	$530.67

Please be advised that we require five banking days to make changes to preauthorized payments. Also, note that the principal assumes all of borrower's payments clear borrower's bank account. If you have any questions, please contact Maureen Macdonald (403-291-0425)

GINAKES LAW OFFICE

☐ 666 Leila Avenue
Winnipeg, Manitoba R2V 3N7

Telephone: (204) 942-0396
Facsimile: (204) 942-0397
pginakes@dbglawyers.com

April 28, 2015
DELIVERED

Crossroads -DMD Mortgage Investment Corporation
200-136 17th Avenue NE
Calgary, Alberta
T2E 1L6

ATTENTION: Mortgage Manager

Dear Sirs:

Re: 5448124 Manitoba Ltd.
Ref. No. 143376
Mortgage - 519 Burnell Street

Enclosed please find our trust cheque in the sum of $1,181,327.20, representing the amount required to liquidate the above noted mortgage loan together with interest to date, which we have calculated as follows:

Balance due on payout statement dated April 15, 2015	$1,173,897.82
Interest per diem $530.67 x *14 day*	7,429.38
TOTAL:	$1,181,327.20

The enclosed funds are sent to you in trust on the following conditions:

1. That you will provide our office with a registrable Discharges for Mortgage No.4452377/1, Caveat No. 4452378/1 and PPSN No. 4452379/1, together with a Release of Interest in any, all fire insurance policies on the property and any registrations that you have in the Personal Property Registry.

2. That you will confirm in writing that the enclosed funds represent payment in full of the mortgage loan and that there are no further sums outstanding in that regard.

Please apply that portion of the funds provided towards the unused portion of the prepayment privilege of the mortgage and reduce any penalty payable accordingly.

Yours truly,

GINAKES LAW OFFICE

per:

PETER GINAKES
PG/jc

Enc.

DISCHARGE Form 7.1 (May 24, 2013)

1. REGISTERED INTEREST HOLDER(S)

Crossroads-DMD Mortgage Investment Corporation
200, 136 – 17 Avenue NE, Calgary, AB T2E 1L6

see schedule ☐

2. INSTRUMENT BEING DISCHARGED

☒ Mortgage ☐ Caveat ☐ Other (*specify*): ____________

Instrument No. 4452377/1 (one instrument per discharge)

3. TYPE OF DISCHARGE (*select only one*)

☒ **FULL DISCHARGE** — Fully discharge the above instrument from all affected lands and titles.

☐ **PARTIAL DISCHARGE AS TO ENTIRE TITLE(S)** — Discharge the above instrument from all of the lands in the following title(s) (*include only title numbers*):

☐ **PARTIAL DISCHARGE AS TO SPECIFIC LANDS** — Discharge the above instrument from the following described land (*include both the legal description of the land and their title numbers*):

see schedule ☐

4. SIGNATURE OF REGISTERED INTEREST HOLDER(S)

1. I hereby discharge the above instrument as set out above.
2. I agree and acknowledge that by executing this discharge I am releasing any interest that the above instrument either created or gave notice of in the lands set out above.

(*strike out inappropriate statements and sign below:*)

3. All money due or to grow due on same has been paid.
4. ~~All monies due or to grow due on same have not been paid.~~
5. This instrument has not been assigned.
6. ~~This instrument has been assigned, as follows.~~

Particulars: I am an employee of the Corporation and have authority to bind same.
Crossroads-DMD Mortgage Investment Corporation
Per

witness signature	name	signature	date (YYYY/MM/DD)
B. Blaque	GERRY MACDONALD	Gerry Macdonald	2015/05/08

Prior to signing and witnessing this document, please carefully review the notices in Box 5.
If the witness is not a lawyer practicing in the province/territory where this document is signed (or either a notary public or a practicing lawyer if signed in B.C. or Quebec), an Affidavit of Witness will be required. If this document is signed outside of Canada, please review section 72.9 of *The Real Property Act*.

5. IMPORTANT NOTICES

NOTICE TO WITNESSES: By signing as witness you confirm that the person whose signature you witnessed:

1. Is either personally known to you, or that their identity has been proven to you.

AND

2. That they have acknowledged to you that they:
   (a) are the person named in this instrument;
   (b) have attained the age of majority in Manitoba; and
   (c) are authorized to execute this instrument.

The Real Property Act limits the amount that can be charged for preparing and registering a discharge. The maximum amount that a person may charge for preparing and registering a discharge is $100 plus the amount paid under *The Real Property Act* for the registration of the discharge and for one search of each title affected by the interest being discharged.

By virtue of section 194 of *The Real Property Act*, any statement set out in this document and signed by the party making the statement has the same effect and validity as an oath, affidavit, affirmation or statutory declaration given pursuant to *The Manitoba Evidence Act*.

SINGULAR INCLUDES PLURAL AND VICE VERSA WHERE APPLICABLE. In this document "I" or "me" is to be read as including all registered interest holders whether individual or corporate.

6. INSTRUMENT PRESENTED FOR REGISTRATION BY *(include address, postal code, contact person and phone number)*

PETER GINAKES
Barrister and Solicitor
666 Leila Avenue
Winnipeg, Manitoba R2V 3N7

Attn: Peter Ginakes
Phone No. 204 942 0396
LTO Box No. 4
File No. 15-0046

7. AFFIDAVIT OF WITNESS

I, BRANDI STAIGER of the CITY (city/town, etc.) of CALGARY in the PROVINCE (province/state, etc.) of ALBERTA make an oath and say/ hereby affirm that:

1. I was personally present and did see GERRY MACDONALD, the registered interest holder, sign this discharge at the CITY (city/town, etc.) of CALGARY in the PROVINCE (province/state, etc.) of ALBERTA.

2. I personally know the person whose signature I witnessed

~~OR~~

~~The identity of the person whose signature I witnessed has been proven to me to my satisfaction.~~

3. The person whose signature I witnessed acknowledged to me that they
(a) are the person named in the attached instrument;
(b) have attained the age of majority; and
(c) were authorized to execute the instrument.

SWORN/AFFIRMED before me at the CITY of CALGARY in ALBERTA this 8 day of MAY, 2015

signature

B Staiger
signature

BRIAN N. CLARK
A Notary Public in and for
The Province of Alberta

Name, address and telephone number *(required)*:

BRIAN N. CLARK
BARRISTER & SOLICITOR
SUITE 203, 125 - 17th AVE. N.E.
CALGARY, ALBERTA
T2E 1L6

A Notary Public in and for the Province of Manitoba
or
A Commissioner for Oaths in and for the Province of Manitoba
My commission expires: ____________
or
Other person authorized to take affidavits under *The Manitoba Evidence Act (specify)*: ____________

LAND TITLES OFFICE USE ONLY

SEE ATTACHED LETTER/FAX/ADDITIONAL EVIDENCE FOR BOX(ES) ____________

Set for acceptance ☐		Fee ____________
Examined by: ☐		Fee adjustment ____________ ☐ Extra Fee ☐ Refund
Fees checked ☐		Registration No.

DISCHARGE Form 7.1 (May 24, 2013)

1. REGISTERED INTEREST HOLDER(S)
Crossroads-DMD Mortgage Investment Corporation
200, 136 – 17 Avenue NE, Calgary, AB T2E 1L6

see schedule ☐

2. INSTRUMENT BEING DISCHARGED

☐ Mortgage ☒ Caveat ☐ Other *(specify)*: ____________

Instrument No. 4452378/1 (one instrument per discharge)

3. TYPE OF DISCHARGE *(select only one)*

☒ **FULL DISCHARGE** — Fully discharge the above instrument from all affected lands and titles.

☐ **PARTIAL DISCHARGE AS TO ENTIRE TITLE(S)** — Discharge the above instrument from all of the lands in the following title(s) *(include only title numbers)*:

☐ **PARTIAL DISCHARGE AS TO SPECIFIC LANDS** — Discharge the above instrument from the following described land *(include both the legal description of the land and their title numbers)*:

see schedule ☐

4. SIGNATURE OF REGISTERED INTEREST HOLDER(S)

1. I hereby discharge the above instrument as set out above.
2. I agree and acknowledge that by executing this discharge I am releasing any interest that the above instrument either created or gave notice of in the lands set out above.

(strike out inappropriate statements and sign below:)

3. All money due or to grow due on same has been paid.
4. ~~All monies due or to grow due on same have not been paid.~~
5. This instrument has not been assigned.
6. ~~This instrument has been assigned, as follows:~~

Particulars: I am an employee of the Corporation and have authority to bind same.
Crossroads-DMD Mortgage Investment Corporation
Per

B Staiger ... Gerry MacDonald ... [signature] ... 2015/05/08
witness signature ... name ... signature ... date (YYYY/MM/DD)

..../......
witness signature ... name ... signature ... date (YYYY/MM/DD)

Prior to signing and witnessing this document, please carefully review the notices in Box 5.
If the witness is not a lawyer practicing in the province/territory where this document is signed (or either a notary public or a practicing lawyer if signed in B.C. or Quebec), an Affidavit of Witness will be required. If this document is signed outside of Canada, please review section 72.9 of *The Real Property Act*.

5. IMPORTANT NOTICES

NOTICE TO WITNESSES: By signing as witness you confirm that the person whose signature you witnessed:

1. Is either personally known to you, or that their identity has been proven to you.

AND

2. That they have acknowledged to you that they:
   (a) are the person named in this instrument;
   (b) have attained the age of majority in Manitoba; and
   (c) are authorized to execute this instrument.

The Real Property Act limits the amount that can be charged for preparing and registering a discharge. The maximum amount that a person may charge for preparing and registering a discharge is $100 plus the amount paid under *The Real Property Act* for the registration of the discharge and for one search of each title affected by the interest being discharged.

By virtue of section 194 of *The Real Property Act*, any statement set out in this document and signed by the party making the statement has the same effect and validity as an oath, affidavit, affirmation or statutory declaration given pursuant to *The Manitoba Evidence Act*.

SINGULAR INCLUDES PLURAL AND VICE VERSA WHERE APPLICABLE. In this document "I" or "me" is to be read as including all registered interest holders whether individual or corporate.

6. INSTRUMENT PRESENTED FOR REGISTRATION BY *(include address, postal code, contact person and phone number)*

PETER GINAKES
Barrister and Solicitor
666 Leila Avenue
Winnipeg, Manitoba R2V 3N7

Attn: Peter Ginakes
Phone No. 204 942 0396
LTO Box. 4
File No. 15-0046

7. AFFIDAVIT OF WITNESS

I, BRANDI STAIGER of the CITY (city/town, etc.) of CALGARY in the PROVINCE (province/state, etc.) of ALBERTA make an oath and say/ hereby affirm that:

1. I was personally present and did see GERRY MACDONALD, the registered interest holder, sign this discharge at the CITY (city/town, etc.) of CALGARY in the PROVINCE (province/state, etc.) of ALBERTA.

2. I personally know the person whose signature I witnessed

~~OR~~

BJS ~~The identity of the person whose signature I witnessed has been proven to me to my satisfaction.~~

3. The person whose signature I witnessed acknowledged to me that they
   (a) are the person named in the attached instrument;
   (b) have attained the age of majority; and
   (c) were authorized to execute the instrument.

SWORN/AFFIRMED before me at the CITY of CALGARY in ALBERTA this 8 day of MAY 2015

B Staiger
signature

signature

BRIAN N. CLARK
A Notary Public in and for
The Province of Alberta
BRIAN N. CLARK
BARRISTER & SOLICITOR
SUITE 203, 136 - 17th AVE. N.E.
CALGARY, ALBERTA
T2E 1L6

Name, address and telephone number *(required)*:

A Notary Public in and for the Province of Manitoba
or,
A Commissioner for Oaths in and for the Province of Manitoba
My commission expires: ________
or
Other person authorized to take affidavits under *The Manitoba Evidence Act (specify)*: ________

LAND TITLES OFFICE USE ONLY

SEE ATTACHED LETTER/FAX/ADDITIONAL EVIDENCE FOR BOX(ES) ________

Fee ________

DISCHARGE Form 7.1 (May 24, 2013)

1. **REGISTERED INTEREST HOLDER(S)**
Crossroads-DMD Mortgage Investment Corporation
200, 136 – 17 Avenue NE, Calgary, AB T2E 1L6

see schedule ☐

2. **INSTRUMENT BEING DISCHARGED**

☐ Mortgage ☐ Caveat ☒ Other *(specify)*: PPSN

Instrument No. 4452379/1 (one instrument per discharge)

3. **TYPE OF DISCHARGE** *(select only one)*

☒ **FULL DISCHARGE** — Fully discharge the above instrument from all affected lands and titles.

☐ **PARTIAL DISCHARGE AS TO ENTIRE TITLE(S)** — Discharge the above instrument from all of the lands in the following title(s) *(include only title numbers)*:

☐ **PARTIAL DISCHARGE AS TO SPECIFIC LANDS** — Discharge the above instrument from the following described land *(include both the legal description of the land and their title numbers)*:

see schedule ☐

4. **SIGNATURE OF REGISTERED INTEREST HOLDER(S)**

1. I hereby discharge the above instrument as set out above.
2. I agree and acknowledge that by executing this discharge I am releasing any interest that the above instrument either created or gave notice of in the lands set out above.

(strike out inappropriate statements and sign below:)

3. All money due or to grow due on same has been paid.
4. ~~All monies due or to grow due on same have not been paid.~~
5. This instrument has not been assigned.
6. ~~This instrument has been assigned, as follows:~~

Particulars: I am an employee of the Corporation and have authority to bind same.
Crossroads-DMD Mortgage Investment Corporation
Per

B. Staiger | Gerry MacDonald | Gerry MacDonald | 2015/05/08
witness signature | name | signature | date (YYYY/MM/DD)

witness signature | name | signature | date (YYYY/MM/DD)

Prior to signing and witnessing this document, please carefully review the notices in Box 5.
If the witness is not a lawyer practicing in the province/territory where this document is signed (or either a notary public or a practicing lawyer if signed in B.C. or Quebec), an Affidavit of Witness will be required. If this document is signed outside of Canada, please review section 72.9 of *The Real Property Act*.

5. **IMPORTANT NOTICES**

NOTICE TO WITNESSES: By signing as witness you confirm that the person whose signature you witnessed:

1. Is either personally known to you, or that their identity has been proven to you.

AND

2. That they have acknowledged to you that they:
   (a) are the person named in this instrument;
   (b) have attained the age of majority in Manitoba; and
   (c) are authorized to execute this instrument.

The Real Property Act limits the amount that can be charged for preparing and registering a discharge. The maximum amount that a person may charge for preparing and registering a discharge is $100 plus the amount paid under *The Real Property Act* for the registration of the discharge and for one search of each title affected by the interest being discharged.

By virtue of section 194 of *The Real Property Act*, any statement set out in this document and signed by the party making the statement has the same effect and validity as an oath, affidavit, affirmation or statutory declaration given pursuant to *The Manitoba Evidence Act*.

SINGULAR INCLUDES PLURAL AND VICE VERSA WHERE APPLICABLE. In this document "I" or "me" is to be read as including all registered interest holders whether individual or corporate.

6. INSTRUMENT PRESENTED FOR REGISTRATION BY *(Include address, postal code, contact person and phone number)*

PETER GINAKES
Barrister and Solicitor
666 Leila Avenue
Winnipeg, Manitoba R2V 3N7

Attn: Peter Ginakes
Phone No.: 204 942 0396
LTO Box No.: 4
File No.: 15-0046

7. AFFIDAVIT OF WITNESS

I, BRANDI STAIGER of the CITY (city/town, etc.) of CALGARY in the PROVINCE (province/state, etc.) of ALBERTA make an oath and say/ hereby affirm that:

1. I was personally present and did see GERRY MACDONALD, the registered interest holder, sign this discharge at the CITY (city/town, etc.) of CALGARY in the PROVINCE (province/state, etc.) of ALBERTA.

2. I personally know the person whose signature I witnessed

~~OR~~

~~The identity of the person whose signature I witnessed has been proven to me to my satisfaction.~~

3. The person whose signature I witnessed acknowledged to me that they
   (a) are the person named in the attached Instrument;
   (b) have attained the age of majority; and
   (c) were authorized to execute the Instrument.

SWORN/AFFIRMED before me at the CITY of CALGARY, in ALBERTA this 8 day of MAY 2015

signature

B Staiger
signature

BRIAN N. CLARK
A Notary Public in and for
The Province of Alberta

Name, address and telephone number *(required)*:

BRIAN N. CLARK
BARRISTER & SOLICITOR
SUITE 205, 138 - 17th
CALGARY, ALB
T2S 1L6

A Notary Public in and for the Province of Manitoba
or
A Commissioner for Oaths in and for the Province of Manitoba
My commission expires: ______
or
Other person authorized to take affidavits under *The Manitoba Evidence Act (specify)*: ______

LAND TITLES OFFICE USE ONLY

SEE ATTACHED LETTER/FAX/ADDITIONAL EVIDENCE FOR BOX(ES) ______

Set for acceptance	☐		Fee ______	
Examined by:	☐		Fee adjustment ______	
Fees checked	☐		☐ Extra Fee ☐ Refund	
			Registration No.	

This is Exhibit "P" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

Freeman, Joshua R.

From: Patricia L. Gerrie <PGerrie@dickinson-wright.com>
Sent: Friday, September 25, 2015 8:37 AM
To: Freeman, Joshua R.
Cc: Giuliana@cameronstephens.com; DMinor@cameronstephens.com; Stewart J. Wallace
Subject: FW: CSFC financing of 5448124 Manitoba Ltd. - Undertaking to Discharge PPSA Registrations Nos. 201401492602 (Lanyard Investments) and 201401398800 (Crossroads-DMD Mortgage Investment Corporation)

Mr. Freeman

Please see e-mail chain below – Mr. Ginakes did copy me on his e-mail – which I've already sent to you.
He also called – to indicate that he should have shortly.

Patricia L. Gerrie Law Clerk

199 Bay Street
Suite 2200
Commerce Court West
Toronto ON M5L 1G4

Phone 416-594-4057
Fax 416-865-1398
Email PGerrie@dickinsonwright.com

DICKINSON WRIGHT LLP
MICHIGAN ARIZONA KENTUCKY NEVADA OHIO TENNESSEE WASHINGTON D.C. TORONTO

From: Peter Ginakes [mailto:PGinakes@dbglawyers.com]
Sent: Monday, September 21, 2015 6:19 PM
To: Patricia L. Gerrie
Subject: RE: CSFC financing of 5448124 Manitoba Ltd. - Undertaking to Discharge PPSA Registrations Nos. 201401492602 (Lanyard Investments) and 201401398800 (Crossroads-DMD Mortgage Investment Corporation)

Hi Patricia

I was speaking with one of the representatives of Crossrtoads DMD last week. They could not find their file and just asked me for another PPR search to confirm what they were discharging. I will copy you on the email.

From: Patricia L. Gerrie [mailto:PGerrie@dickinson-wright.com]
Sent: September-21-15 5:17 PM
To: Peter Ginakes
Cc: Stewart J. Wallace
Subject: CSFC financing of 5448124 Manitoba Ltd. - Undertaking to Discharge PPSA Registrations Nos. 201401492602 (Lanyard Investments) and 201401398800 (Crossroads-DMD Mortgage Investment Corporation)
Importance: High

Good afternoon Mr. Ginakes

Attached is a copy of a current PPSA search conducted against 5448124 Manitoba Ltd., and a copy of your undertaking to discharge the above referenced PPSA registrations.

As noted in the enclosed search report, PPSA registration No. 201401398800 in favour of Crossroads-DMD Mortgage Investment Corporation remains outstanding.

Would you please follow up with Crossroads-DMD and request that they immediately attend to registration of the discharge of PPSA Registration No. 201401398800?

Please also provide us with a copy of the discharge verification for the PPSA registration in favour of Lanyard, if available, and a copy of the discharge verification for the Crossroads-DMD once their registration has been discharged.

Thanks,
Pat

Patricia L. Gerrie Law Clerk

199 Bay Street
Suite 2200
Commerce Court West
Toronto ON M5L 1G4

Phone 416-594-4057
Fax 416-865-1398
Email PGerrie@dickinsonwright.com

DICKINSONWRIGHT LLP
MICHIGAN ARIZONA KENTUCKY NEVADA OHIO TENNESSEE WASHINGTON D.C. TORONTO

Confidentiality Warning: This message and any attachments are intended only for the use of the intended recipient(s), are confidential and may be privileged. If you are not the intended recipient you are hereby notified that any review, retransmission, conversion to hard copy, copying, circulation or other use of this message and any attachments is strictly prohibited. If you are not the intended recipient please notify the sender immediately by return e-mail and delete this message and any attachments from your system.

Information confidentielle : Le présent message, ainsi que tout fichier qui y est joint, est envoyé à l'intention exclusive de son ou de ses destinataires; il est de nature confidentielle et peut constituer une information privilégiée. Nous avertissons toute personne autre que le destinataire prévu que l'examen, la retransmission, l'impression, la copie, la distribution ou toute autre utilisation de ce message et de tout fichier qui y est joint est strictement interdit. Si vous n'êtes pas le destinataire prévu, veuillez en aviser immédiatement l'expéditeur par retour de courriel et supprimer ce message et tout document joint de votre système.

Freeman, Joshua R.

From:	Patricia L. Gerrie <PGerrie@dickinson-wright.com>
Sent:	Monday, September 21, 2015 6:17 PM
To:	PGinakes@dbglawyers.com
Cc:	Stewart J. Wallace
Subject:	CSFC financing of 5448124 Manitoba Ltd. - Undertaking to Discharge PPSA Registrations Nos. 201401492602 (Lanyard Investments) and 201401398800 (Crossroads-DMD Mortgage Investment Corporation)
Attachments:	TORONTO-#1043318-v1-Undertaking_to_Discharge_-_27_APRIL_2015_pdf.pdf; PPSA search - September 2015 - 5448124.pdf
Importance:	High

Good afternoon Mr. Ginakes

Attached is a copy of a current PPSA search conducted against 5448124 Manitoba Ltd., and a copy of your undertaking to discharge the above referenced PPSA registrations.

As noted in the enclosed search report, PPSA registration No. 201401398800 in favour of Crossroads-DMD Mortgage Investment Corporation remains outstanding.

Would you please follow up with Crossroads-DMD and request that they immediately attend to registration of the discharge of PPSA Registration No. 201401398800?

Please also provide us with a copy of the discharge verification for the PPSA registration in favour of Lanyard, if available, and a copy of the discharge verification for the Crossroads-DMD once their registration has been discharged.

Thanks,
Pat

Patricia L. Gerrie Law Clerk

199 Bay Street
Suite 2200
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Toronto ON M5L 1G4

Phone 416-594-4057
Fax 416-865-1398
Email PGerrie@dickinsonwright.com

DICKINSON WRIGHT LLP
MICHIGAN ARIZONA KENTUCKY NEVADA OHIO TENNESSEE WASHINGTON D.C. TORONTO

Information confidentielle : Le présent message, ainsi que tout fichier qui y est joint, est envoyé à l'intention exclusive de son ou de ses destinataires; il est de nature confidentielle et peut constituer une information privilégiée. Nous avertissons toute personne autre que le destinataire prévu que l'examen, la retransmission, l'impression, la copie, la distribution ou toute autre utilisation de ce message et de tout fichier qui y est joint est strictement interdit. Si vous n'êtes pas le destinataire prévu, veuillez en aviser immédiatement l'expéditeur par retour de courriel et supprimer ce message et tout document joint de votre système.

Business Debtor

Search by Business Debtor

Date: 2015-09-18
Time: 2:36:44 PM
Inquiry Number: 10223592178
User ID: Kim McKeever

Business Name: 5448124 Manitoba Ltd.

Account Balance: $10,674.00

2 exact matches were found.

0 similar matches were found.

EXACT MATCHES

Business Debtor Name	No. of Registrations
1. 5448124 MANITOBA LTD.	2
2. 5448124 Manitoba Ltd.	1

1. 5448124 MANITOBA LTD.

1.1 5448124 MANITOBA LTD.: Registration 201504632801 (2015-03-19 3:32:58 PM)	
Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2035-03-19
Debtor Address	902-388 PORTAGE AVENUE WINNIPEG, MB CANADA R3C 0C8
Secured Parties (party code, name, address)	CAMERON STEPHENS FINANCIAL CORPORATION C/O CAMERON STEPHENS MORTGAGE CAPITAL LTD., 25 ADELAIDE ST. E., SUITE 600 TORONTO, ON CANADA M5C 3A1
General Collateral Description	*The security interest is taken in all of the debtor's present and after-acquired personal property. 1. GENERAL ASSIGNMENT OF RENTS AND LEASES A GENERAL ASSIGNMENT OF RENTS AND LEASES WHEREBY THE DEBTOR HAS ASSIGNED TO THE SECURED PARTY ALL RENTS, ISSUES, PROFITS, INCOME AND REVENUE OF AND FROM THE LAND HEREINAFTER DESCRIBED NOW DUE OR PAYABLE OR WHICH SHALL FROM TIME TO TIME AT ANY TIME THEREAFTER BECOME DUE AND PAYABLE UNDER OR BY VIRTUE OF ANY AND EVERY DEMISE OR LEASE OR AGREEMENT FOR THE USE OR OCCUPANCY OF THE LAND HEREINAFTER DESCRIBED OR ANY PART THEREOF, WHETHER WRITTEN OR VERBAL OR OF ANY AND EVERY OCCUPANCY OF SAID LAND OR ANY PART THEREOF NOW EXISTING OR WHICH SHALL HEREAFTER EXIST AT ANY TIME PRIOR TO DUE PAYMENT TO THE SECURED PARTY OF ALL PRINCIPAL, INTEREST AND OTHER MONIES PAYABLE UNDER AND SECURED BY OR TO BECOME PAYABLE UNDER AND SECURED BY A CERTAIN REAL PROPERTY MORTGAGE SECURING THE PROPERTY COMMONLY KNOWN AS 519 BURNELL STREET, WINNIPEG, MANITOBA, AND LEGALLY DESCRIBED AS - PARCEL 1- LOTS 42 TO 47 BLOCK 3 PLAN 775 WLTO IN RL 65 PARISH OF ST JAMES PARCEL 2- SP LOT 28 PLAN 33661 WLTO IN RL 63 TO 65 PARISH OF ST. JAMES OR ANY PART THEREOF, TOGETHER WITH ALL BENEFITS AND ADVANTAGES TO BE DERIVED FROM ANY AND ALL OF THE RIGHTS

	AND REMEDIES EXERCISABLE BY THE SECURED PARTY FROM TIME TO TIME IN RESPECT OF ANY AND EVERY SUCH DEMISE, LEASE, AGREEMENT OR POSSESSION, AS COLLATERAL SECURITY FOR THE PAYMENT OF MONEYS FROM TIME TO TIME FALLING DUE UNDER A MORTGAGE FROM THE DEBTOR IN FAVOUR OF THE SECURED PARTY IN THE AMOUNT OF $9,425,000.00, SAID ASSIGNMENT TO BE EFFECTIVE IMMEDIATELY UPON DEFAULT BY THE DEBTOR UNDER THE TERMS OF SAID MORTGAGE IN FAVOUR OF THE SECURED PARTY. 2. SECURITY AGREEMENT ALL APPLIANCES, FURNISHINGS, FIXTURES, PLANT, MACHINERY, IMPROVEMENTS AND EQUIPMENT, AND ALL ACCRETIONS THERETO AND REPLACEMENTS OR SUBSTITUTIONS THEREOF FROM TIME TO TIME SITUATE AT OR LOCATED UPON THE PROPERTY COMMONLY KNOWN AS 519 BURNELL STREET, WINNIPEG, MANITOBA AND LEGALLY DESCRIBED AS- PARCEL 1- LOTS 42 TO 47 BLOCK 3 PLAN 775 WLTO IN RL 65 PARISH OF ST JAMES PARCEL 2- SP LOT 28 PLAN 33661 WLTO IN RL 63 TO 65 PARISH OF ST. JAMES INCLUDING, WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, THE FOLLOWING- ALL HEATING, VENTILATION AND AIR CONDITIONING EQUIPMENT, ALL FRIDGES, STOVES AND HOT WATER TANKS.

1.2 5448124 MANITOBA LTD.: Registration 201401492602 (2014-01-27 2:23:41 PM)

Registered under	The Personal Property Security Act
Status	Discharged
Expiry Date (YYYY-MM-DD)	2017-02-01
Debtor Address	902-388 Portage Avenue Winnipeg, Manitoba Canada R3C 0C8
Secured Parties (party code, name, address)	FISGARD CAPITAL CORPORATION c/o 210-2112 West Broadway Vancouver, BC Canada V6K 2C8 LANYARD INVESTMENTS INC., as General Partner and on behalf of LFC BURNEL14LP LIMITED PARTNERSHIP c/o 210-2112 West Broadway Vancouver, BC Canada V6K 2C8 LFC BURNEL14LP LIMITED PARTNERSHIP 210-2112 West Broadway Vancouver, BC Canada V6K 2C8
General Collateral Description	*The security interest is taken in all of the debtor's present and after-acquired personal property. 1. GENERAL ASSIGNMENT OF RENTS AND LEASES A General Assignment of Rents and Leases whereby the Debtor has assigned to the Secured Party all rents, issues, profits, income and revenue of and from the land hereinafter described now due or payable or which shall from time to time at any time thereafter become due and payable under or by virtue of any and every demise or lease or agreement for the use or occupancy of the land hereinafter described or any part thereof, whether written or verbal or of any and every occupancy of said land or any part thereof now existing or which shall hereafter exist at any time prior to due payment to the Secured Party of all principal, interest and other monies payable under and secured by or to become payable under and secured by a certain real property mortgage securing the property commonly known as 519 Burnell Street, Winnipeg, Manitoba, and legally described as PARCEL 1:

	LOTS 42 TO 47 BLOCK 3 PLAN 775 WLTO IN RL 65 PARISH OF ST JAMES PARCEL 2: SP LOT 28 PLAN 33661 WLTO IN RL 63 TO 65 PARISH OF ST JAMES or any part thereof, together with all benefits and advantages to be derived from and all of the rights and remedies exercisable by the Secured Party from time to time in respect of any and every such demise, lease, agreement or possession, as collateral security for the payment of moneys from time to time falling due under a mortgage from the Debtor in favour of the Secured Party in the amount of $5,800,000.00 dated January 27, 2014 said assignment to be effective immediately upon default by the Debtor under the terms of said mortgage in favour of the Secured Party. 2. SECURITY AGREEMENT All appliances, furnishings, fixtures, plant, machinery, improvements and equipment, and all accretions thereto and replacements or substitutions thereof from time to time situate at or located upon the property commonly known as 519 Burnell Street, Winnipeg, Manitoba, and legally described as PARCEL 1: LOTS 42 TO 47 BLOCK 3 PLAN 775 WLTO IN RL 65 PARISH OF ST JAMES PARCEL 2: SP LOT 28 PLAN 33661 WLTO IN RL 63 TO 65 PARISH OF ST JAMES including, without limiting the generality of the foregoing, the following all heating, ventilation and air conditioning equipment, 88 fridges, 88 stoves and 88 hot water tanks.
Change History	Registration Number: 201516437311 (2015-08-28 10:45:38 AM) Sections Changed: Status

2. 5448124 Manitoba Ltd.

2.1 5448124 Manitoba Ltd.: Registration 201401398800 (2014-01-24 2:12:24 PM)	
Registered under	The Personal Property Security Act
Expiry Date (YYYY-MM-DD)	2016-01-15
Special Notices	Purchase Money Security Interest
Debtor Address	902-388 Portage Avenue Winnipeg, MB Canada R3C 0C8
Secured Parties (party code, name, address)	Crossroads-DMD Mortgage Investment Corporation 200, 136-17th Ave NE Calgary, AB Canada T
General Collateral Description	A general security agreement from the business debtor to the secured party wherein the Debtor grants to the Secured party a continuing, specific and fixed security interest in all of the Debtor's property, assets, rights and undertakings of every nature and kind now or at any time owned and from time to time situate on or in any way relating to and required for the operation of the real and immoveable property located on 519 Burnell Street, Winnipeg MB (Parcel A: Title 2291534/1 - Lots 42 to 47 Block 3 Plan 775 WLTO in RL 65 Parish of St. James; and Parcel B: Title 2291538/1 - SP Lot 28 Plan 33661 WLTO in RL 63 to 65 Parish of St. James) including but not limited to accounts, books and records, chattel paper, documents of title, equipment, instruments, intangibles, inventory, money and proceeds.

END OF EXACT MATCHES

Close

This is Exhibit "Q" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

Search Criteria

Surname/Company:	5448124 Manitoba Ltd	**Given Name:**	
Lawyer Name:		**Firm Name:**	
Registration Start Date:	Jan, 1984	**Registration End Date:**	Sep, 2015
Divisions:	ALL		

Search Results

2 matches found

File Number	Reg Date	Short Title
CI12-01-78797	18-Jul-2012	P.C.I.L. INC., VS 5448124 MANITOBA LTD.
CI12-01-80931	04-Dec-2012	GUY'S MECHANICAL LTD. VS 5448124 MANITOBA LTD, ET ALL

Manitoba

Justice

Sheriff Services Civil Enforcement Section
2nd floor - 373 Broadway
WINNIPEG MB R3C 4S4

SHERIFF'S CERTIFICATE

THIS IS TO CERTIFY that there is no Executions or Attachments filed in this office against the goods and chattels of

5448124 MANITOBA LTD.

excepting the following:

- NONE -

Dated at WINNIPEG in the Province of MANITOBA

This 21 day of September 2015, at 08:33 AM

Sandy Whiteford

SANDY WHITEFORD

Sheriff
for the Province of Manitoba

This is Exhibit "R" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

DICKINSONWRIGHTLLP

199 BAY STREET, SUITE 2200
P.O. BOX 447, COMMERCE COURT POSTAL STATION
TORONTO, ON CANADA M5L 1G4
TELEPHONE: (416) 777-0101
FACSIMILE: (416) 865-1398
http://www.dickinsonwright.com

STEWART J. WALLACE
SWallace@dickinsonwright.com
(416) 777-4002

August 12, 2015

REGISTERED & REGULAR MAIL

5448124 Manitoba Ltd.
902-388 Portage Avenue
Winnipeg, MB R3C 0C8

Attention: Ms. Susannah Simes, President

Dear Ms. Simes:

Re: **Your Mortgage dated March 30th, 2015 to Cameron Stephens Financial Corporation ("CSFC")**

We are counsel for CSFC and as such have been instructed to make demand for payment on a $9,425,000.00 Credit Facility (the "**Loan**") secured by a Mortgage, as amended, on the lands known municipally as 519 Burnell Street, Winnipeg, Manitoba (the "**Property**").

Pursuant to the terms of a Commitment Letter dated February 4th, 2015, as amended (the "**Commitment Letter**"), CSFC advanced the Loan upon the security of a Mortgage on the Property. The Mortgage was registered in the Winnipeg Land Titles Office on April 29th, 2015 (the "**Mortgage**").

The Mortgage secures the principal amount of $9,425,000.00, bearing interest at the rate of 3.75% per annum, calculated semi-annually, not in advance, and being repayable in blended monthly payments of $68,405.36, payable on the 1st day of each and every month, commencing on the 1st day of June, 2015 and maturing on May 1st, 2015. In addition to these blended payments, you agreed to pay an additional principal sum of $20,000.00 per month on the same dates as the blended payments of principal and interest set out above. The total monthly payment due was accordingly $88,405.36.

We are instructed that you have committed the following defaults in respect of the Loan and/or Mortgage:

1. the monthly payments due on July 1st, 2015 and August 1st, 2015 are outstanding; and

2. the representations made by you with respect to the validity of the rent roll are incorrect.

As a result of the foregoing defaults, CSFC is exercising its right to accelerate the Loan and Mortgage and accordingly demands payment of the following amounts:

1) $9,306,457.02 on account of principal;
2) $39,847.81 on account of accrued interest; and
3) $100.00 on account of an NSF fee.

Unless the sum of $9,346,404.83 plus per diem interest of $948.76 is paid in full to CSFC on or before August 24th, 2014, we have instructions to commence realization proceedings in respect of the Loan and Mortgage, in accordance with the enclosed Notice of Intention to Enforce Security.

Should you have any questions with regard to the foregoing, please do not hesitate to contact us.

Very truly yours,
Dickinson Wright LLP

Stewart J. Wallace

SJW:plg
Enclosures
TORONTO 50581-12 1073982v1

This is Exhibit "S" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

NOTICE OF INTENTION TO ENFORCE SECURITY (SUBSECTION 244(1) OF THE BANKRUPTCY AND INSOLVENCY ACT)

TO: 5448124 Manitoba Ltd.
902-388 Portage Avenue
Winnipeg, MB R3C 0C8

TAKE NOTICE THAT:

1. Cameron Stevens Financial Corporation, a secured creditor, intends to enforce its security on the property of 5448124 Manitoba Ltd., described below:

   (a) the lands and premises known municipally as 519 Burnell Street, Winnipeg, Manitoba (the "Premises"); and

   (b) the rents in respect of the Premises.

2. The security that is to be enforced is in the form of:

   (a) a Mortgage of land in respect of the Premises registered on April 29th, 2015 in the Winnipeg Land Titles Office as Instrument No. 4597987/1;

   (b) a Caveat relating to a General Assignment of Rents and Leases in respect of the Premises which was registered on April 29th, 2015 in the Winnipeg Land Titles Office as Instrument No. 4597988/1; and

   (c) a Personal Property Security Notice which was registered on August 29th, 2015 in the Winnipeg Land Titles Office as Instrument No. 4597989/1

3. The total amount of indebtedness secured by the security is $9,346,404.83 for principal, interest and costs as at the date hereof, together with interest at the rate of $948.76 per day to the date of payment.

4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period following the sending of this notice, unless 5448124 Manitoba Ltd. consents to an earlier enforcement.

Dated at Toronto, Ontario, this 12th day of August, 2015.

CAMERON STEVENS FINANCIAL CORPORATION, by its lawyers, Dickinson Wright LLP, per Stewart J. Wallace as authorized

Per: ______________________
Stewart J. Wallace

CONSENT

TO: The Secured Party

RE: Notice of Intention to Enforce Security dated 5 March 2014

5448124 Manitoba Ltd. hereby consents to the immediate enforcement of the security in accordance with Section 244(1) of the *Bankruptcy and Insolvency Act* and acknowledges that the amount owing to the Secured Party is $9,346,404.83 as of August 12th, 2015.

DATED at WINNIPEG, this day of August, 2015.

5448124 MANITOBA LTD.

Per: ______________________________

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

ANADA POSTES
OST CANADA

Registered Receipt (Bulk)

This receipt is necessary if enquiry is desired. Fragile and perishable articles are not indemnified against damage. Idemnity and fees information is available on request from your Postal Outlet.

Récépissé (en nombre) Recommandé

À produire en cas de réclamation. Aucune indemnité ne sera versée pour l'avarie d'un objet fragile ou périssable. Vous pouvez obtenir des renseignements sur les indemnités et les droits à votre installation postale.

der Expéditeur

Sender Instructions - Note: Bulk Receipt is to be completed for 3 or more items. Present mailings at any Postal Outlet.

A. Complete and remove customer receipt.
B. Remove paper backing from receipt.
C. Affix receipt to this form.

Delivery confirmation may be obtained by calling 1-888-550-6333 or through the Internet at www.canadapost.ca

Instructions pour l'expéditeur - Avis : Récépissé en nombre, pour 3 articles et plus. Doit être complété avant de déposer à l'installation postale.

A. Remplissez et retirez le récépissé du client.
B. Retirez la pellicule protectrice du récépissé.
C. Collez le récépissé sur cette formule.

Une confirmation de la livraison peut être obtenue en composant le 1 800 550-6333 ou par Internet au www.postescanada.ca.

)

CANADA POST POSTES CANADA

REGISTERED DOMESTIC — **RECOMMANDÉ RÉGIME INTÉRIEUR** — **R**

CUSTOMER RECEIPT — REÇU DU CLIENT

To / Destinataire: 5448121 Manitoba Ltd
Name / Nom: Susannah Simes
Address / Adresse: 900 - 388 Portage Ave
City / Prov. / Postal Code / Ville / Prov. / Code postal: Winnipeg, MB R3C0C8
Declared Value / Valeur déclarée: $ 9.77

Delivery Confirmation / Confirmation de la livraison: www.canadapost.ca or/ou www.postescanada.ca
1 888 550-6333
CPC Tracking Number / Numéro de repérage de la SCP

RN 047 531 474 CA

33-086-584 (14-06)

(2)

CANADA POST POSTES CANADA

REGISTERED DOMESTIC — **RECOMMANDÉ RÉGIME INTÉRIEUR** — **R**

CUSTOMER RECEIPT — REÇU DU CLIENT

To / Destinataire
Name / Nom: Ms. Susannah Simes
Address / Adresse: 624 Fairmont Road
City / Prov. / Postal Code / Ville / Prov. / Code postal: Winnipeg, MB R3R 1B1
Declared Value / Valeur déclarée: $ 10.18

Delivery Confirmation / Confirmation de la livraison: www.canadapost.ca or/ou www.postescanada.ca
1 888 550-6333
CPC Tracking Number / Numéro de repérage de la SCP

RN 047 531 491 CA

33-086-584 (14-06)

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COMMERCE COURT POST OFFICE
TORONTO ON
M5L 1A0

CANADA POST POSTES CANADA

REGISTERED DOMESTIC — **RECOMMANDÉ RÉGIME INTÉRIEUR** — **R**

CUSTOMER RECEIPT — REÇU DU CLIENT

To / Destinataire
Name / Nom: Mr. Russell E. Knight
Address / Adresse: 624 Fairmont Road
City / Prov. / Postal Code / Ville / Prov. / Code postal: Winnipeg, MB R3R1B1
Declared Value / Valeur déclarée: $ 10.18

Delivery Confirmation / Confirmation de la livraison: www.canadapost.ca or/ou www.postescanada.ca
1 888 550-6333
CPC Tracking Number / Numéro de repérage de la SCP

RN 047 531 488 CA

33-086-584 (14-06)

(6)

This is Exhibit "T" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

DICKINSON WRIGHT LLP

199 BAY STREET, SUITE 2200
P.O. BOX 447, COMMERCE COURT POSTAL STATION
TORONTO, ON CANADA M5L 1G4
TELEPHONE: (416) 777-0101
FACSIMILE: (416) 865-1398
http://www.dickinsonwright.com

STEWART J. WALLACE
SWallace@dickinsonwright.com
(416) 777-4002

August 12, 2015

REGISTERED &
REGULAR MAIL

Mr. Russell E. Knight
624 Fairmont Road
Winnipeg, MB R3R 1B1

-and-

Ms. Susannah Simes
624 Fairmont Road
Winnipeg, MB R3R 1B1

Dear Mr. Knight and Ms. Simes:

Re: Guarantee of the Indebtedness of 5448124 Manitoba Ltd. dated March 30th, 2015

We are counsel for Cameron Stevens Financial Corporation ("CSFC").

We are instructed that you both executed and delivered a Guarantee and Postponement of Claim dated March 30th, 2015 in favour of CSFC.

Pursuant to your Guarantee, you jointly and severally agreed to repay upon demand all present and future indebtedness and liability owing by 5448124 Manitoba Ltd. to CSFC in respect of a loan established by a letter of commitment dated February 4th, 2015, as amended.

Enclosed please find a copy of our Letter and Notice, both dated August 12th, 2015, addressed to 5448124 Manitoba Ltd., setting out the indebtedness owing in respect of the loan.

Unless you or 5448124 Manitoba Ltd. pay the sum of $9,346,404.83 plus per diem interest of $948.76 to our client on or before August 24th, 2015, we have been instructed to commence collection proceedings against you in respect of your Guarantee.

Should you have any questions with regard to the foregoing. please do not hesitate to contact me.

Very truly yours,
Dickinson Wright LLP

Stewart J. Wallace

SJW:plg
Enclosures
TORONTO 50581-12 1073996v1

This is Exhibit "U" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

519 BURNELL STREET

SEPTEMBER 2014 RENT ROLL

R3G 2B3

Tenant name	Unit	#Beds	Unit rent	Move In	Damage deposit	Notes
Richardo Traverse	101	1	$ 2,000.00	May 12/14 bill June 1/14	$ 500.00	
Ruby & William Schuman	102	1	$ 1,500.00	Sep 1/14	$ 400.00	
Christina Moar	103	1	$ 2,000.00	Aug 15/14	$ 650.00	
Billy Sinclair	104	1	$ 2,000.00	Aug 1/14		
Erin Anderson	105	2	$ 1,300.00	July 1/14	$ 650.00	
Savannah Berens	106	1	$ 2,000.00	Jun 19/14 bill Jun 19/14	$ 500.00	
Victoria Bau	107	2	$ 1,300.00	July 1/14	$ 650.00	
Sherman Omera	109	1	$ 2,000.00	June 1/14	$ 250.00	
Joey Peebles	111	1	$ 2,000.00	Apr 23/14	$ 500.00	
Stewart Shorting	113	1	$ 1,000.00	Sep 1/14	$ 500.00	
Office	114	1				
Lorna Summer Traverse	115	1	$ 2,000.00	Feb 17/14	$ 250.00	
Michael McDonald	116	1	$ 2,000.00	May 1/12	$ 500.00	
Megan Spence	117	1	$ 1,500.00	Sep 1/14		
Riley Beardy	119	1	$ 2,000.00	Mar 14/14	$ 250.00	
Ryan Peters - Caretaker	121	2	$ 2,000.00			
Samuel Ross	122	1	$ 2,000.00	Feb 17/14	$ 250.00	
Alicia Anderson	123	2	$ 2,000.00	Jan 15/14	$ 250.00	
Gordon Ryle	124	1	$ 2,000.00	Mar 15/14	$ 250.00	
Gavin Anderson	125	1	$ 2,000.00	Apr 25/14	$ 500.00	
Janice Traverse	126	2	$ 2,000.00	May 12/14 bill June 1/14	$ 500.00	
Eileen Anderson	127	2	$ 1,315.00	Mar 31/14	$ 250.00	
Julia Beardy	201	1	$ 2,000.00	Aug 1/14	$ 500.00	
Evan Hart	202	1	$ 2,000.00	Aug 1/14	$ 500.00	
Shawna Sumner	203	1	$ 1,000.00	July 1/14	$ 500.00	
	204	1				

Tenant name	Unit	#Beds	Unit rent	Move in	Damage deposit	Notes
Dean & Rhonda Traverse	205	2	$ 2,000.00	Jun 1/14	$ 500.00	
Terrance Sinclair (no lease)	206	1		Jul 1/14		
Cecily Beardy	207	2	$ 1,845.00	Jun 17/14 bill Jul 1/14	$ 250.00	
Marla Shorting	209	1	$ 2,000.00	Aug 1/14	$ 500.00	
Dale Edward Sumner	211	1	$ 2,000.00	Feb 20/14	$ 250.00	
Chantal Sumner	213	1	$ 2,000.00	Sep 1/14	$ 500.00	
Jared McKay	214	1	$ 2,000.00	Jun 16/14 bill Jul 1/14	$ -	
Gabriel Nanacowop	215	1	$ 2,000.00	Aug 15/14	$ 500.00	
Don Traverse	216	1	$ 2,000.00	May 20/14	$ 500.00	
Daniel Fontaine	217	1	$ 2,000.00	Feb 12/14	$ 250.00	
Jordan Beardy	219	1	$ 2,000.00	Aug 1/14	$ 500.00	
Clarence Shorting & Lena Sumner	221	2	$ 2,000.00	Feb 28/14	$ 250.00	
Clarence Ross	222	1	$ 2,000.00	July 1/14	$ 500.00	
Diane Traverse	223	2	$ 2,000.00	Jan 15/14	$ 250.00	
Rheanna Deafie	224	1	$ 1,000.00	May 12/14 bill June 1/14	$ 500.00	
Joseph Traverse	225	1	$ 2,000.00	Feb 15/14	$ 250.00	
Clifford Ross	226	2	$ 2,000.00	Feb 17/14	$ 250.00	
Alice Thompson	227	2	$ 1,500.00	Jun 25 /14 bill Aug 1/14	$ 250.00	
Ricky Sinclair	301	1	$ 2,000.00	Jan 15/14	$ 250.00	
William & Elsie Roulette	302	1	$ 2,000.00	Jul 10 /14 Bill Aug 1/14		
Hoke Traverse	303	1	$ 2,000.00	Jul 14 /14 Bill Aug 1/14		
	304	1				
Justin Traverse	305	2	$ 2,000.00	Sep 1/14	$ 650.00	
Linda Kork	306	1	$ 2,000.00	Jul 14 /14 Bill Aug 1/14		
Elizabeth Bighity	307	2	$ 3,000.00			
Standley Bruce	309	1	$ 2,000.00	Sep 1/14	$ 500.00	

Tenant name	Unit	#Beds	Unit rent	Move in	Damage deposit	Notes
Sam Marrsden	311	1	$ 2,000.00	Sep 1/14	$ 500.00	
	313	1				
Robin Glen Bruce	314	1	$ 2,000.00	Sep 1/14	$ 500.00	
	315	1				
	316	1				
Jordan Sumner	317	1	$ 2,000.00	Sep 1/14	$ 500.00	
Rene Bruce	319	1	$ 2,000.00	May 1/14	$ 500.00	
Darlene Ross	321	2	$ 2,000.00	Jul 7 /14 Bill Aug 1/14		
Felicia Moar	322	1	$ 2,000.00	Jul 16 /14 Bill Aug 1/14	$ 500.00	
Albert Sinclair	323	2	$ 2,000.00	April 1/14	$ 250.00	
Nadine Richard	324	1	$ 2,000.00	Jul 10 /14 Bill Aug 1/14		
Nicholas Richard	325	1	$ 2,000.00	Feb 28/14	$ 250.00	
Pearl Beardy	326	2	$ 1,515.00	Aug 1/14	$ 757.50	
Camelia Thompson	327	1	$ 1,300.00	Sep 1/14	$ 650.00	

Tenant name	Unit	#Beds	Unit rent	Move In	Damage deposit	Notes
Alex & Florence Ryle	B1	1	$ 2,000.00	Sep 15/14	$ 250.00	
	B4	1				
	B5	2				
	B6	1				
	B7	1				
	B9	1				
	B11	1				
	B13	1				
	B14	1				
	B15	1				
	B16	1				
	B17	1				
	B19	1				
	B21	1				
	B22	1				
Jocelyn & Darlene Ross	B23	2	$ 1,200.00	Aug 1/14	$ 600.00	
	B24	1				
Jonathan Jacquette	B25	1	$ 2,000.00	Sep 1/14	$ 500.00	
Holly Sumner	B26	1	$ 2,000.00	Sep 1/14	$ 757.50	
Wilfred Ross	B27	2	$ 2,000.00	Sep 1/14	$ 250.00	
[illegible]			$ [illegible]		$ [illegible]	

This is Exhibit "V" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

519 BURNELL STREET						
Tenant Name	Unit	# Beds	Unit Rent	Move In	Damage Deposit	Notes
Richardo Traverse	101	1	$2,000	May 12/14 bill June 1/14	$500	
Ruby & William Schuman	102	1	$1,500	Sept 1/14	$400	
Christina Moar	103	1	$2,000	Aug 15/14	$650	
Billy Sinclair	104	1	$2,000	Aug 1/14	none	no term
Erin Anderson	105	2	$1,300	July 1/14	$650	
Savannah Berens	106	1	$2,000	Jun 19/14 bill Jun 19/14	$500	
Victoria Bau	107	2	$1,300	July 1/14	$650	
Sherman Omera	109	1	$2,000	June 1/14	$250	tenant moved from 103 to 109
Joey Peebles	111	1	$2,000	Apr 23/14	$500	
Stewart Shorting	113	1	$1,000	Sept 1/14	$500	
Office	114	1				
Lorna Summer Traverse	115	1	$2,000	Feb 17/14	$250	expired
Michael McDonald	116	1	$2,000	May 1/12	$500	
Megan Spence	117	1	$1,500	Sept 1/14		
Riley Beardy	119	1	$2,000	Mar 14/14	$250	
Ryan Peters – Caretaker	121	2	$2,000			
Billy Ross	122	1	$2,000	Feb 17/14	$250	
Alicia Anderson	123	2	$2,000	Jan 15/14	$250	expired
Gordon Ryle	124	1	$2,000	Mar 15/14	$250	
Gavin Anderson	125	1	$2,000	Apr 25/14	$500	
Janice Traverse	126	2	$2,000	May 12/14 bill June 1/14	$500	
Kristen Smith	127	2	$1,200	Feb 1/15	$600	
Julia Beardy	201	1	$2,000	Aug 1/14	$500	
Evan Hart	202	1	$2,000	Aug 1/14	$500	
Shawna Sumner	203	1	$1,000	July 1/14	$500	
Vacant	204	1				
Dean & Rhonda Traverse	205	2	$2,000	Jun 1/14	$500	
Terrance Sinclair	206	1	$2,000	Jul 1/14		Not executed by Landlord – no term
Cecily Beardy	207	2	$1,845	Jun 17/14 bill Jul 1/14	$250	
Maria Shorting	209	1	$2,000	Aug 1/14	$500	
Dale Edward Sumner	211	1	$2,000	Feb 20/14	$250	expired
Chantal Sumner	213	1	$2,000	Sept 1/14	$500	
Jared McKay	214	1	$2,000	June 16/14 bill Jul 1/14	$500	
Gabriel Nanacowop	215	1	$2,000	Aug 15/14	$500	Lease changed from Unit 214 to Unit 215
Don Traverse	216	1	$2,000	May 20/14	$500	
Daniel Fontaine	217	1	$2,000	Feb 12/14	$250	expired
Jordan Beardy	219	1	$2,000	Aug 1/14	$500	
Clarence Shorting & Lena Sumner	221	2	$2,000	Feb 28/14	$250	expired
Clarence Ross	222	1	$2,000	July 1/14	$500	
Diane Traverse	223	2	$2,000	Jan 15/14	$250	expired
Rheanna Deafie	224	1	$1,000	May 12/14 bill June 1/14	$500	can terminate on one months' notice
Joseph Traverse	225	1	$2,000	Feb 15/14	$250	expired
Clifford Ross	226	2	$2,000	Feb 17/14	$250	expired
Alice Thompson	227	2	$1,500	Jun 25/14 bill Aug 1/14	$250	
Ricky Sinclair	301	1	$2,000	Jan 15/14	$250	expired
William & Elsie Roulette	302	1	$2,000	Jul 10/14 bill Aug 1/14		no term
Hoke Traverse	303	1	$2,000	Jul 14/14 bill Aug 1/14		no term
Trevor Sumner	304	1	$2,000	Jul 1/14		Lease changed from Unit 305 to Unit 304
Justin Traverse	305	2	$2,000	Sep 1/14	$650	
Linda Kork	306	1	$2,000	Jul 1/14 bill Aug 1/14		No term
Elizabeth Bighetty	307	2	$3,000	June 25, 2014		Month to month tenancy Signing page missing.
Standley Bruce	309	1	$2,000	Sep 1/14	$500	
Sam Marrsden	311	1	$2,000	Sep 1/14	$500	
Mildred Sinclair	313	1	$2,000	Oct 1/14	$500	Lease changed from Unit 311

519 BURNELL STREET						
Tenant Name	Unit	# Beds	Unit Rent	Move In	Damage Deposit	Notes
						to unit 313
Robin Glen Bruce	314	1	$2,000	Sep 1/14	$500	
Stephanie Beardy	315	1	$2,000	Sep 1/14	$500	Lease changed from Unit 117 to Unit 315
Derek Spence	316	1	$2,000	Oct 1/14	$500	Lease changed from Unit 317 to Unit 316
Jordan Sumner	317	1	$2,000	Sept 1/14	$500	
Rene Bruce	319	1	$2,000	May 1/14	$500	
Darlene Ross	321	2	$2,000	Jul 7/14 bill Aug 1/14		No term
Felicia Moar	322	1	$2,000	Jul 16/14 bill Aug 1/14	$500	No term
Albert Sinclair	323	2	$2,000	Apr 1/14	$250	
Nadine Richard	324	1	$2,000	Jul 10/14 bill Aug 1/14		No term
Nicholas Richard	325	1	$2,000	Feb 28/14	$250	Expired
Pearl Beardy	326	2	$1,515	Aug 1/14	$757.50	
Camelia Thompson	327	1	$1,300	Sep 1/14	$650	No term
Alex & Florence Ryle	B1	1	$2,000	Sep 15/14	$250	
Vacant	B2					
Vacant	B3					
Ron Larount	B4	1	$2,000	Oct 20/14		
Bernice McKenzie	B5	2	$2,000	Nov 1/14		Tenant moved from Unit 221 to Unit B5
Michael Ross	B6	1	$2,000	Nov 1/14		
Kelly Beardy	B7	1	$2,000	Nov 1/14		
Rebecca Sinclair	B9	1	$2,000	Nov 1/14		No term
Holly Traverse	B11	1	$2,000	Nov 1/14		
Jeremy Knight	B13	1	Security			No lease
Steve Dunn	B14	1	$2,000	Sep 1/14		
Justin Pariseau	B15	1	$2,000	Oct 1/14		
Felice Mariani	B16	1	$2,000	Oct 1/14		
Danial Anderson	B17	1	$2,000	Nov 1/14		
Michael Dano	B19	1	$2,000	Nov 1/14		Tenant moved from Unit 309 to Unit B19
Crystal Beardy	B21	1	$2,000	Nov 1/14		
Mason Smith	B22	1	$2,000	Nov 1/14		
Jocelyn & Darlene Ross	B23	2	$1,200	Aug 1/14	$600	
Zachary Knight	B24	1	$2,000	Nov 1/14		
Jonathan Jacquettte	B25	1	$2,000	Sep 1/14	$500	
Holly Sumner	B26	1	$2,000	Sep 1/14	$757.50	
Wilfred Ross	B27	2	$2,000	Sep 1/14	$250	
Grand Total:			**$158,160.00**			

STATUTORY DECLARATION
(Landlord – commercial loan)

CANADA

Province of Ontario

IN THE MATTER OF title to the lands municipally known as 519 Burnell Street, Winnipeg, Manitoba (the "**Property**")

AND IN THE MATTER OF a loan made on the security thereof

by CAMERON STEPHENS FINANCIAL CORPORATION

to 5448124 MANITOBA LTD.

I, Susannah Simes, of the City of Winnipeg, in the Province of Manitoba, DO HEREBY SOLEMNLY DECLARE THAT:

1. I am the President of 5448124 Manitoba Ltd. (the "**Landlord**") and as such have knowledge of the matters hereinafter deposed to.

2. The Landlord is the owner of the Property.

3. Attached hereto as Schedule "A" is a list, schedule or ledger sheet (the "**Rent Roll**") setting forth the particulars of each tenancy of the whole or any part of the Property including, without limitation, the name of each tenant (individually referred to as a "**Tenant**" and collectively as the "**Tenants**"), the unit or suite occupied by each Tenant, the monthly rental payments and security deposits or advance rent paid by each Tenant, the date of expiry of the current term of each Tenant's tenancy, the particulars of any rights or options to renew or purchase in favour of each Tenant and the date of each lease or tenancy agreement (individually referred to as a "**Lease**" and collectively as the "**Leases**").

4. The Rent Roll is accurate and up-to-date and, as of the date hereof, the aggregate rental income from the Property is not less than $158,160.00 per month payable by the Tenants.

5. Each of the Tenants is in possession and occupation of the premises leased to them, and where the term of the lease has been stated to have expired on the attached Schedule "A", I confirm that each of such Leases has been renewed on the same terms and conditions.

6. The Leases are in full force and effect and have not been amended. There are no arrears for rents or other amounts due and owing by any of the Tenants, other than as set forth in the Rent Roll, and the Landlord has received no claims from any of the Tenants for setoff or otherwise in connection with their use and occupation of the Property or any part thereof. There are no claims or other equities that exist between the Landlord and any of the Tenants. As at the date hereof, the Landlord holds no amount from any of the Tenants on account of advance rent, last month's rent or security deposits, except as expressly set forth in the Rent Roll.

7. The Landlord is not aware of: (a) any assignment, subletting or encumbering by any Tenant of its Lease or the premises leased to it; or, (b) the existence of any event or circumstance which, by the lapse of time or the giving of notice, could result in default by any Tenant under its Lease.

8. I have carefully reviewed the appropriate records of the Landlord and have made such

inquiries and investigations as are necessary so as to enable me to make all of the statements and declarations set out herein.

AND I MAKE THIS SOLEMN DECLARATION conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath.

DECLARED BEFORE ME at the City of Winnipeg in the Province of Manitoba this 30 day of March 2015	)))))	Susannah Simes

~~A COMMISSIONER, ETC.~~
A NOTARY PUBLIC IN AND FOR THE PROVINCE OF MANITOBA

This is Exhibit "W" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

Parker, Kate

From: Tim Ryder <TRyder@cameronstephens.com>
Sent: Thursday, August 27, 2015 2:28 PM
To: Russ Knight
Cc: David Minor
Subject: Burnell (Winnipeg)

Russ,

As discussed, please forward a copy of the commitment letter relating to the refinancing of our loan in addition to an updated rent roll addressing the following on a per unit basis:

1. Name of Leasee (named person in lease)
2. # of occupants per unit in addition to their names
3. Monthly contracted rent per unit
4. Arrears per unit

If you have any questions please let me know.

Tim Ryder

Senior Underwriter
Cameron Stephens Mortgage Capital Ltd.
Broker # 10769

Tim Ryder | Senior Underwriter | Cameron Stephens Mortgage Capital Ltd.
25 Adelaide Street East, Suite 600 | Toronto | Ontario | M5C 3A1
PH: 416-591-8787 ext.222 | FX: 416-591-9001

This is Exhibit “X” referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

Parker, Kate

From: Tim Ryder <TRyder@cameronstephens.com>
Sent: Friday, August 07, 2015 10:48 AM
To: Russ Knight
Subject: RE: 519 Burnall

Correct. We will call you then.

-----Original Message-----
From: Russ Knight [mailto:russknight51@gmail.com]
Sent: August-07-15 10:47 AM
To: Tim Ryder <TRyder@cameronstephens.com>
Cc: David Minor <DMinor@cameronstephens.com>; Giuliana Mauro <giuliana@cameronstephens.com>
Subject: Re: 519 Burnall

I will make myself available. I assume that would be 1 pm Wpg time ?

Sent from my iPhone

> On Aug 7, 2015, at 9:07 AM, Tim Ryder <TRyder@cameronstephens.com> wrote:
>
> Russ,
>
> We would like to schedule a call for 2 pm this afternoon (Toronto time) in order to address the current status of the Burnell financing and provide clarification of the process moving forward. Could you please provide confirmation that this time works for you. My contact information can be found below.
>
> Best Regards,
>
> Tim Ryder
> Senior Underwriter
> Cameron Stephens Mortgage Capital Ltd.
> Broker # 10769
>
> Tim Ryder | Senior Underwriter | Cameron Stephens Mortgage Capital Ltd.
> 25 Adelaide Street East, Suite 600 | Toronto | Ontario | M5C 3A1
> PH: 416-591-8787 ext.222 | FX: 416-591-9001
>

>
>
>
>
>
> Original Message
> From: Russ Knight <russknight51@gmail.com>
> Sent: Thursday, August 6, 2015 11:07 PM
> To: Giuliana Mauro
> Subject: 519 Burnall
>
>

> Dear Giuliana
> It's important that I give you a bit of a larger perspective as to my situation and explain how close we are to getting everything on track .
> Lake St Martin is my tenant at the school I own at 1970 Ness Ave and are my tenants at 519 Burnall . They lost their community 3.5 hours north of Winnipeg in 2011 due to flooding . Only a small percentage of the 2800 person community will ever return home . They have received a 300 million settlement package that is about to be ratified in the next two months . One of the key people helping them complete the paperwork on this settlement is Jeff Seddon from Ontario . He has had a lot of years of experience working with 1st Nations Peoples . I have a close working relationship with the chief and counsel and I introduced Seddon to the band . The band trusts both of us and we have an awesome working relationship with them .
> The Bands needs are for several hundred dwelling units in Winnipeg , a trade school and a band office . Between my school , 519 Burnall , my 23 vacant lot land parcel at 301 Burnall and 258 Burnall (vacant warehouse) across the street from the vacant land , we can meet all their needs .
> Seddon and myself have been finalizing the sale and joint venture agreements since March 2015 and are ready to close . Financing is in place . The joint venture agreement between Seddon and the Band is in place . The BCR between Seddon and the band is signed off wherein the band will pay $2,000/ month/ unit in rent for the next 20 years . At the end of 20 years the band retains 100% clear title ownership of all the assets .
> The new product being built are mainly 3 bedrm units which represents the majority of needs that the community has . 519 Burnall are 1/3 two bedrooms and 2/3 one bedroom units . This building has been designated to house mainly single people , single Moms and some seniors .
> At the beginning of March I had a meeting with the Chief , Counsel and Elders where they gave me a mandate to help their community in a special niche way . Knowing that we were doing a large package deal that will address the education of their children , brand new housing for crowded families and a new band office the final need was to house a large group of homeless couch surfing singles . These people (300) are members who have slipped through the cracks and have been placed on a non qualified evacuee list . They are members of LSM but they are not recognized as being qualified evacuee status therefor they are not covered by the Federal Government under the Emergency Measures Office (EMO) . The band will have funds from their 300 mill settlement $ to pay for these people while they wait to become reinstated . In the mean time I have taken them into Burnall under the Band Counsel Resolution (BCR). The reason they were removed from the qualified list was because they lost their treaty cards and their identification in the flood and had no proof of who they were . Some of them moved to Wpg just Pryor to the flood and were not actually present the day the evacuee list was made on site by the Gov rep .
> I have dozens of these people living in my building that I do not receive any rent for . I feed them , house them , clothe some of them , pay for their laundry , utilities and furniture . I have been doing this for several reasons . 1. The promise from the band to eventually pay me . They owe me about $250,000 in rent . 2. Good politics in helping me complete the larger sale . 3. The need to help these people until Jeff Seddon and staff can get them reinstated was something I could not turn away from . > under the BCR agreement with the Band and Seddon the $2,000/month for all these people will flow instantly .
> When I said the band is holding back rent until the sale is completed that isn't quite accurate . They are unable to pay the rent for those particular peoples until the sale is completed > that is accurate . I have paid out everything from all sources to house these people pending the closing of this sale . My Aug 1 st mortgage payment that is about to default due to the non payment of these rents is not because the Band doesn't want to pay the rents but it's because the mechanism that Seddon has helped them put together under the BCR will only be in place upon closing . Closing was supposed to happen on July 31/15 . The lender was called out of town for 4 days and wasn't available to sign off . He final signed off on Wednesday night in Winnipeg along with Seddon .
> Having said all of that which I had to say , obviously , the good news is that the funding is 100% approved and will be in trust with the lawyers within 2 business days . This will do several things . 1. That will put me in funds immediately on Ness and 301 Burnall . I can then pay the Aug 1 mortgage from my own source . 2. Then Seddon can apply to assume the shares and hopefully negotiate the mortgage back to a 20 year amm like Cameron Stephens told me they would strongly consider . 3. This will insure a long term successful relationship with Seddon and Cameron Stephens . 4. LSM has a large 300 million fund about to be released for LSM to use for investments etc . LSM , Seddon and myself would love to work together with Cameron Stephens do more deals over the next few years on behalf of LSM .
> Finally , if you could please just work with me for a couple of days I promise that Seddon's lawyer will confirm that he is in funds and that all will be resolved shortly .
> Yours truly : Russ Knight

Parker, Kate

From: David Minor <DMinor@cameronstephens.com>
Sent: Friday, August 28, 2015 6:24 PM
To: Russ Knight
Cc: Tim Ryder
Subject: Re: Burnell (Winnipeg)

Russ - did you send the loan documents you mentioned? - we also need the rent information that Tim emailed you about. Lastly we are sending you our demand letter next week - if there is lawyer you want it sent to as well let us know

David Minor CPA, CA, CBV, CFA
Vice President, Underwriting and Investor Relations | Cameron Stephens Mortgage Capital Ltd.
25 Adelaide Street East, Suite 600 | Toronto | Ontario | M5C 3A1
PH: 416-591-8787 ext. 207 | Cell: 416-271-9925

On Aug 27, 2015, at 5:18 PM, Russ Knight <russknight51@gmail.com> wrote:

Just got off the phone with Seddon and he says the lender signed off on everything this afternoon , they all fly out at 7 pm in different directions . They are wrapping everything up as we speak . Am waiting for a letter from someone today still confirming it's completed . Deposits and payments to follow shortly . I will forward to you as soon as I receive it or they may send it to you directly . Am doing everything in my power to help get this done ASAP . Thanks . Russ

On Aug 27, 2015, at 1:28 PM, Tim Ryder <TRyder@cameronstephens.com> wrote:

Russ,

As discussed, please forward a copy of the commitment letter relating to the refinancing of our loan in addition to an updated rent roll addressing the following on a per unit basis:

1. Name of Leasee (named person in lease)
2. # of occupants per unit in addition to their names
3. Monthly contracted rent per unit
4. Arrears per unit

If you have any questions please let me know.

Tim Ryder

Senior Underwriter
Cameron Stephens Mortgage Capital Ltd.
Broker # 10769

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legislation. The authorized addressee of this information, by its retention and use, agrees to protect the information contained herein from loss, disclosure, theft or compromise with at least the same care it employs to protect its own confidential information. Any dissemination or use of this information by a person other than the intended recipient is unauthorized and may be illegal. If you have received this e-mail in error, please notify us immediately by reply e-mail and destroy all copies.

Parker, Kate

From:	Tim Ryder <TRyder@cameronstephens.com>
Sent:	Tuesday, September 01, 2015 1:00 PM
To:	Russ Knight; David Minor
Cc:	Giuliana Mauro
Subject:	RE: Burnell (Winnipeg)

Russ,

Any update on the payout statement?

From: Russ Knight [mailto:russknight51@gmail.com]
Sent: August-28-15 7:49 PM
To: David Minor <DMinor@cameronstephens.com>
Cc: Tim Ryder <TRyder@cameronstephens.com>; Giuliana Mauro <giuliana@cameronstephens.com>
Subject: Re: Burnell (Winnipeg)

Yes they will give that to you Monday . I think it is Sept 15

Sent from my iPhone

On Aug 28, 2015, at 6:30 PM, David Minor <DMinor@cameronstephens.com> wrote:

> Hi Russ - to do a payout statement we need to know the payout date
>
> David Minor CPA, CA, CBV, CFA
> Vice President, Underwriting and Investor Relations | Cameron Stephens Mortgage Capital Ltd.
> 25 Adelaide Street East, Suite 600 | Toronto | Ontario | M5C 3A1
> PH: 416-591-8787 ext. 207 | Cell: 416-271-9925
>
> On Aug 28, 2015, at 7:25 PM, Russ Knight <russknight51@gmail.com> wrote:
>
> Please send demand to same lawyer , Peter Ginakes . The purchasers financing commitment is 100% satisfied and we will ask for a payout statement on Monday plus our lawyer and lender will satisfy you on Monday . Have a nice weekend . Russ
>
> Sent from my iPhone
>
> On Aug 28, 2015, at 5:24 PM, David Minor <DMinor@cameronstephens.com> wrote:
>
>> Russ - did you send the loan documents you mentioned? - we also need the rent information that Tim emailed you about. Lastly we are sending you our demand letter next week - if there is lawyer you want it sent to as well let us know
>>
>> David Minor CPA, CA, CBV, CFA
>> Vice President, Underwriting and Investor Relations | Cameron Stephens Mortgage Capital Ltd.
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As discussed, please forward a copy of the commitment letter relating to the refinancing of our loan in addition to an updated rent roll addressing the following on a per unit basis:

1. Name of Leasee (named person in lease)
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4. Arrears per unit

If you have any questions please let me know.

Tim Ryder

Senior Underwriter
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Broker # 10769

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PH: 416-591-8787 ext.222 | FX: 416-591-9001

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Parker, Kate

From: Tim Ryder <TRyder@cameronstephens.com>
Sent: Thursday, September 10, 2015 3:41 PM
To: Russ Knight
Subject: RE: Burnall

Russ,

We have yet to be contacted by Jeff Seddon. Can you forward us a copy of the executed commitment letter for the refinance.

Best Regards,

Tim Ryder
Senior Underwriter
Cameron Stephens Mortgage Capital Ltd.
Broker # 10769

Tim Ryder | Senior Underwriter | Cameron Stephens Mortgage Capital Ltd.
25 Adelaide Street East, Suite 600 | Toronto | Ontario | M5C 3A1
PH: 416-591-8787 ext.222 | FX: 416-591-9001

-----Original Message-----
From: Russ Knight [mailto:russknight51@gmail.com]
Sent: September-09-15 3:04 PM
To: Tim Ryder <TRyder@cameronstephens.com>
Subject: Burnall

Hi Tim , Seddon is sending us instructions later today through his Toronto Lawyer , Michael Hanley and it's my understanding that they will be contacting you today or tomorrow to make arrangements with you to rectify our situation . Thanks . Russ

This is Exhibit "Y" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

REALTOR

Brandon Real Estate Board
Manitoba Real Estate Association
Portage La Prairie Real Estate Board
Thompson Real Estate Board
Winnipeg Real Estate Board

OFFER TO PURCHASE REAL ESTATE – COMMERCIAL
(FOR USE IN THE PROVINCE OF MANITOBA)

LISTING BROKER ______________________________
(name of Agency ["Broker"]) (name of Salesperson)

SELLING BROKER ______________________________
(name of Agency ["Co-Operating Broker"]) (name of Salesperson)

CONFIRMATION OF REPRESENTATION: In representing the parties in the negotiations for the purchase and sale of the Property:

The Selling Broker represents (check applicable statement)	The Listing Broker represents (check applicable statement)
_____ The Buyer and does not represent the Seller	_____ The Seller and does not represent the Buyer
_____ The Seller and does not represent the Buyer	_____ The Buyer and does not represent the Seller
_____ Both parties with the consent of each	_____ Both parties with the consent of each
_____ (Buyer's initials) _____ (Seller's initials)	_____ (Seller's initials) _____ (Buyer's initials)
_____ (Selling Salesperson's initials)	_____ (Listing Salesperson's initials)

BUYER (or its Nominee), GTAC INVESTMENT CORP agrees to purchase from
(Full legal names of all Buyers)

SELLER, 5448124 MANITOBA LTD through the
(Full legal names of all Sellers)

BROKER(s) the **PROPERTY** described herein on the following terms:

Address 519 BURNELL ST.

fronting on the EAST side of BURNELL ST in the CITY OF WINNIPEG
(city, town or municipality)

and having a frontage of 190' more or less by a depth of 147.64 more or less and legally described as PLAN 775, BLOCK 3, LOTS 42-47 AND PLAN 33661 LOT 28 (the "Property")
(Legal description of land including easements not described elsewhere)

at and for the **PURCHASE PRICE** of: TWELVE MILLION Dollars Canadian

(CDN$ 12,000,000) payable at WINNIPEG, in Manitoba, as follows:
(city,town or municipality)

A. An initial deposit delivered with this Offer, payable by cash/cheque/certified cheque to the Broker (to be refunded immediately to the Buyer in the event that the Offer expressed herein is not accepted by the Seller) of: $__________

B. RK ~~A further deposit payable three business days after satisfaction or waiver of all the Buyer's conditions of:~~ PAYABLE TO CAMERON STEPHENS BY SEPT 30/15 $100,000

C. (i) By assumption of existing mortgage(s) having a(n) (aggregate) balance

S Initial(s) RK
B Initial(s) ____

of principal and interest on the Possession Date ("*Assumption of Mortgage(s) Schedule" must be attached)* of: $__________.

(ii) By net proceeds of a new mortgage to be arranged by the Buyer as follows: term _____ years; annual interest rate not to exceed ______ %; monthly payments excluding taxes not to exceed $__________, of: $__________.

D. By the Buyer executing a Seller take back Mortgage in favour of the Seller as follows: term _____ years; annual interest rate not to exceed ______ %; monthly payments excluding taxes not to exceed $__________, of: $__________.

E. The balance of the purchase price plus or minus adjustments (payable by solicitor's trust cheque or by certified cheque) to be paid to the Seller or his solicitor on or before the Possession Date. $11,900,000.

TOTAL PURCHASE PRICE $12,000,000

The deposit shall be held in trust by the Broker and shall be kept invested for the ~~account of the Buyer pending~~ completion or other termination of the agreement arising from the acceptance of this Offer. In the event the purchase is not completed by the Buyer by reason of the nonfulfillment of the conditions as herein contained or by reason of the default of the Seller, the deposit shall be returned to the Buyer without deduction together with all interest earned thereon. In the event that the purchase is not completed by reason of the default of the Buyer, the deposit and interest earned thereon shall be forfeited immediately to the Seller and he may exercise whatever other remedies are available to the Seller at law.

Upon acceptance of this Offer, the Buyer shall have __________ working days in which to arrange new first mortgage financing on terms and conditions satisfactory to Buyer in his sole and ~~absolute discretion, and to confirm in~~ writing that he is satisfied with said financing. If, however, the conditions set forth in the commitment letter by the mortgage company (eg) appraised value and environmental property assessment are unsatisfactory, or if the mortgage company for whatever reason decides to withdraw causing the commitment to become null and void, then the Buyer shall be able to withdraw from this transaction upon written notice to the Seller of the mortgage company's withdrawal, which shall make this transaction null and void and all monies paid hereunder shall be returned to the Buyer without any deduction whatsoever.

Other Financing Clauses:

NONE

SCHEDULE(S) ____________________ attached hereto form(s) part of this Offer.

1. **APPORTIONMENT:** If Seller and Buyer at the time of execution of this Offer have not agreed upon an apportionment of purchase price, the Agreement arising out of the acceptance of this Offer shall be conditional upon the Seller and Buyer agreeing to such allocation on or before the Due Diligence Date.

2. **INCLUSIONS:** The Purchase Price shall include without limitation, if appropriate:
All buildings, structures, erections, improvements, appurtenances and fixtures situate in or upon the Property and all systems, machinery and equipment used or intended to be used in connection with the operation and maintenance thereof, including but not limited to, all electrical fixtures, panels and switch boxes, heating fixtures and equipment, air conditioning units and equipment (owned by the Seller), plumbing and bathroom fixtures as installed, screens, storm windows and doors, window blinds, partitions, power wiring and installations, pumps and compressors, washers, dryers, dishwashers, refrigerators, stoves and other household appliances if appropriate, all of which are now situate on the Property and are to be free and clear of all liens, mortgages, encumbrances and security interests (excepting however all tenants' fixtures now upon the Property and belonging to tenants at present occupying the building under lease to the Seller), except: (list mortgages, Personal Property Security Act Registrations, etc.)

2A. **OTHER CHATTELS AND/OR FIXTURES INCLUDED:** ALL FURNITURE

2B. **CHATTELS AND/OR FIXTURES EXCLUDED:** NONE

3. **RENTAL ITEMS:** The following equipment is rented and not included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable: NONE

4. **OFFER IS IRREVOCABLE:** This Offer shall be irrevocable by 5748124 Manitoba Ltd (Seller/Buyer) until 10 a.m./p.m. on the 18 day of SEPT (month), 2015 (year) after which time, if not accepted, this Offer shall be null and void and the deposit shall be returned to the Buyer in full with interest accrued to date of return, if any.

5. **POSSESSION DATE:** This Offer shall be completed by no later than 6:00 p.m. on the 30 day of OCT (month) OR SOONER OR LATER BY MUTUAL AGREEMENT. 2015 (year) ("Possession Date"). On Possession Date, vacant possession of the Property shall be given to the Buyer unless otherwise provided for in this Offer.

6. **NOTICES:** Seller hereby appoints the Broker as his Agent for the purpose of giving and receiving notices pursuant to this Offer. **Only if a co-operating broker ("Co-operating Buyer Broker") represents the interests of the Buyer in this transaction,** the Buyer hereby appoints the Co-operating Buyer Broker as his Agent for the purpose of giving and receiving notices pursuant to this Offer. Any notice relating hereto or provided for herein shall be in writing. This offer, any counter offer, notice of acceptance thereof, or any notice shall be deemed given and received, when hand delivered to the address for service provided in the Acknowledgement below, or where a facsimile number is provided in the acknowledgement below, when transmitted electronically to that facsimile number or when an e-mail address is provided in the Acknowledgement below, when transmitted electronically with signature to that e-mail address.

7. **GST: If this transaction is subject to Goods and Services Tax ("GST"), then such tax shall be payable by the Buyer in addition to the Purchase Price.** The Seller will not collect GST if the Buyer provides to the Seller a statutory declaration whereby the Buyer represents and warrants that he is registered under the Excise Tax Act (Canada) ["ETA"], and will be so registered on Possession Date, together with the Buyer's ETA registration number, a representation and warranty that the Buyer shall self-assess and remit the GST payable and file the prescribed form and shall indemnify the Seller in respect of any GST payable. The foregoing representations and warranties shall not merge on Possession Date but shall survive the completion of the transaction. If this transaction is not subject to GST, Seller agrees to certify on or before Possession Date, that the transaction is not subject to GST.

8. **DUE DILIGENCE SEARCHES:** Buyer shall be allowed until 6:00 p.m. on the ________ day of ____________ (Month), __________ (year) ("Due Diligence Date") to examine the title to the Property at his own expense and conduct such due diligence inquiries thought appropriate by the Buyer, at his own expense to satisfy himself that there are no outstanding work orders or deficiency notices affecting the Property, that its present use (APARTMENT BLDING) may be lawfully continued and that the principal building on the Property may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders affecting the Property, and Seller agrees to execute and deliver such further authorizations and consents in this regard as Buyer may reasonably require.

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the Property by Buyer is or will be lawful except as may be specifically provided for in this Offer.

10A. **TITLE:** Seller represents and warrants that the title to the Property stands registered in the name of the Seller free and clear of all mortgages, liens, and encumbrances endorsed upon title except as otherwise specifically provided in

S Initial(s) ______
B Initial(s) ______

this Offer and save and except for (a) any registered restrictions or covenants that run with the Property providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any easements for the supply of domestic utilities or telephone services to the Property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services which do not materially affect the present use of the Property ("Permitted Encumbrances"). If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy and which Buyer will not waive, this Offer, notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned to the Buyer together with the accrued interest thereon until date of return, if any, without deduction and Seller, Broker and Co-operating Broker shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the Property.

10B. By acceptance of this Offer, the Seller covenants, represents and warrants with the Buyer, and confirms that the Buyer is relying upon the accuracy of each of such covenant, representation and warranty in connection with the purchase of the Property:

(i)That there are not now and will not at the Possession Date be:

(a) any agreement or option for the purchase of the Property other than the agreement resulting from the acceptance of this Offer;

(b) any right-of-way or other easement howsoever created upon, over or in respect of the Property;

(c) any subsisting lease or agreement for a lease affecting the Property, except those leases, particulars of which are set forth in the Schedule of Leases annexed and marked as Schedule _________ hereto;

LAKE ST MARTIN IS THE TENANT

(ii) That at the Possession Date all accounts for work, labour and materials with respect to the Property shall have been fully paid and the time for filing liens pursuant to *The Builders' Lien Act* (Manitoba) shall have expired without any liens having been filed.

(iii) The Seller warrants that he has no notice of or knowledge of any restrictions or covenants other than those registered against his title in any way adverse to his interest therein.

(iv) There are no service or maintenance contracts or any other contracts relating to the Property to which the Seller is a party other than those which will be terminated by the Seller on or before the Possession Date.

(v) That the Seller has not received any complaint, order or direction from any competent authority concerning the use of or condition of the Property under any applicable statute, law, by-law, regulation or ordinance affecting the use and occupation of or condition of same, other than any complaint, order or direction complied with by the Seller.

(vi) That on the Possession Date the Seller shall have no engagements, undertakings, agreements and commitments to which it is then a party with respect to the Property other than the Permitted Encumbrances.

(vii) To the Seller's knowledge the Seller has operated his business on the Property and received, handled, used, stored, treated, shipped and disposed of all environmental contaminants (including the propane which the Seller stores and uses on the Property) in compliance with all applicable environmental, health or safety laws, regulations, orders or approvals and no hazardous or toxic materials, substance, pollutants, contaminants or wastes are or have been released into the environment, or deposited, discharged, placed or disposed of at or near the Property in the conduct of the business of the Seller and, to the knowledge of the Seller, no part of the Property is being used by any person, firm or corporation; or has been used by any person, firm or corporation as a land fill or waste disposal site.

(viii) To the Seller's knowledge, all applicable environmental, health or safety laws, regulations, orders or approvals have been and continue to be complied with by the Seller, and no hazardous or toxic materials, substances, pollutants, contaminants or waste are being released into the environment, or deposited, discharged, placed or disposed of, from, at or near the Property by the Seller and none of the Property is being used as a land fill or waste disposal site; no above ground tanks are located above the Property and to the knowledge of the current site manager of the Seller, without having made particular enquiries, no underground tanks are located under the Property, nor have been located under the Property and subsequently removed or filled.

(ix) To the Seller's knowledge, no hazardous materials, wastes, pollutants or similar substances, as those terms are defined by current applicable laws and regulations, and no other materials have been or are used, stored, treated or otherwise disposed of, from, at or near the Property by the Seller, in violation of current applicable laws and regulations.

(x) To the Seller's knowledge the Building is not now and never has been insulated with friable asbestos insulation which is not encapsulated, nor has it contained aluminum wiring, polychlorinated biphenyl (PCB), hydroflurocarbons, radon gas or urea formaldehyde foam insulation.

(xi) The Seller has the Property insured for its full insurable value on a replacement cost basis and such insurance is in full force and effect and will remain so until Possession Date expensed to the Seller.

(xii) The Seller, if a corporation, is a corporation duly organized and validly existing under the laws of its jurisdiction of incorporation and is duly qualified in the Province of Manitoba to own the Property and conduct its business thereon and the Seller has good right, full corporate power and absolute authority to enter into this Offer and to sell, and assign and transfer the Property to the Buyer in the manner contemplated herein and to perform all of the Seller's obligations under this Offer. The Seller shall take, prior to the Possession Date, all necessary or desirable actions, steps and corporate and other proceedings to approve or authorize, validly and effectively, the entering into of, and the execution, delivery and performance of, this Offer and the sale and purchase of the Property by the Seller to the Buyer. The Agreement resulting from the acceptance of this Offer is a legal, valid and binding obligation of the Seller, and enforceable against it, in accordance with its terms.

(xiii) The Seller has no knowledge of any expropriation proceedings or any action, proceeding or investigation pending or threatened (or any basis therefor) which either affect or may affect the title of the Seller to the Property or the validity and enforceability of this Offer, or the ability of the Seller to carry out the terms of this Offer.

(xiv) On the Possession Date, all buildings, structures and improvements comprising the Property shall be wholly situate within the boundaries of the Property, the boundaries of the Property shall not conflict with those of adjoining properties and there shall be no encroachments of any improvements on, to or from the adjoining properties and the locations of the buildings, structures and improvements comprising the Property will comply and conform with all municipal government laws and regulations and other applicable restrictions, and the building and other fixtures on the Property will not encroach upon any easement or utility right of way on the Property.

(xv) As of the Possession Date, all municipal taxes, rates, levies and assessments with respect to the Property and improvements thereon will have been paid in full by the Seller and there will be no local improvement levies or charges or on site or off site levies or charges in respect of the Property.

10C All of the representations and warranties contained in Section 10B shall survive the completion of the agreement resulting from the acceptance of this Offer and notwithstanding its completion, shall continue and remain in full force and effect for the benefit of the Buyer and shall not be merged or suspended by any document, transfer or conveyance delivered by the Seller hereunder or by the issuance of title to the Property in the name of the Buyer for a period of five years after the Possession Date, after which no claims may be brought by the Buyer with respect thereto.

10D The Seller acknowledges that any agreement resulting from acceptance of this Offer is conditional upon the representations and warranties contained in paragraph 10B being true and correct on the Possession Date and that the truth or correctness of each of them are conditions inserted herein exclusively for the benefit of the Buyer, as a condition precedent to the Buyer's obligation to complete the purchase, and any one or more of them may therefore be waived by the Buyer, at any time and agreement resulting from the acceptance of this Offer shall be amended to delete them ipso facto accordingly. If any of such conditions shall not be fulfilled on or before the Possession Date and any of them not so fulfilled shall not have been waived by the Buyer or if any representation or warranty in Section 10B is materially untrue, then unless the parties hereto agree in writing at or before the Possession Date, the agreement resulting from acceptance of this Offer shall be at an end and the Seller and the Buyer shall each be released from all obligations to the other under or pursuant to this Offer and resulting agreement, and the deposits and all monies paid by the Buyer hereunder and all interest earned thereon as herein provided shall be paid to the Buyer forthwith without deduction.

10E In the event that any of the conditions contained in this Offer or any schedule attached hereto shall not be fulfilled on or before the Possession Date, or such earlier period as may be provided for hereunder, then any party for whose benefit the condition has been included shall have the right to:

(i) terminate the agreement resulting from the acceptance of this Offer and the Seller and the Buyer shall each be released from all obligations to the other under or pursuant to this Offer and the resulting agreement: or

(ii) waive compliance with the condition in whole or in part without prejudice to its rights of termination in the event of non-fulfillment of any other condition in whole or in part.

If the agreement resulting from acceptance of this offer is terminated hereunder, the deposits paid by the Buyer hereunder, and all interest earned thereon as herein provided, shall be paid to the Buyer forthwith without deduction.

11. **DOCUMENTS AND DISCHARGE**: Buyer shall not call for the production of any title documents, or other evidence of title to the Property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any Surveyor's Building Location Certificate for the Property within Seller's control to Buyer as soon as possible and prior to the Due Diligence Date. If a discharge of any mortgage held by a corporation incorporated under the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on Possession Date, is not available in registrable form on Possession Date, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same on title within a reasonable period of time after Possession Date, provided that on or before Possession Date Seller shall provide to Buyer a mortgage statement prepared by the Mortgagee setting out the balance required to obtain the discharge, together with a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on Possession Date.
12. **INSPECTION**: Buyer acknowledges having had the opportunity to inspect the Property and understands that upon acceptance of this Offer there shall be a binding agreement of purchase and sale between Buyer and Seller.
13. **INSURANCE**: All buildings on the Property and all other things being purchased shall be and remain until Possession Date at the risk and responsibility of the Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Offer and have all monies paid returned together with interest accrued thereon until date of return (if any) or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on Possession Date. If Seller is taking back a mortgage, or Buyer is assuming a mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on Possession Date.
14. **THE CITY OF WINNIPEG ACT OR THE PLANNING ACT OF MANITOBA**: This Offer shall be effective to create an interest in the Property only if the Seller complies with the subdivision control provisions of The City of Winnipeg Act or The Planning Act of Manitoba whichever applies, by Possession Date and Seller covenants to proceed diligently at his expense to obtain any necessary consent by Possession Date.
15. **DOCUMENT PREPARATION**: The Transfer shall be prepared in registrable form at the expense of Seller, and the cost of registration of such transfer and any land transfer tax shall be borne by the Buyer. The mortgage to be given back (if any) by the Buyer to the Seller shall be prepared at the expense of the Buyer and registered at the expense of the Seller.
16. **RESIDENCY**: Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act (Canada) by reason of this sale. Buyer shall not claim such credit if Seller delivers on Possession Date (or within such period of time as may be prescribed by regulation or interpretation bulletin) the prescribed certificate or a statutory declaration that Seller is not then a non-resident of Canada.
17. **ADJUSTMENTS**: Any rents, security deposits or prepaid rental deposits, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the Possession Date, the day of possession itself to be apportioned to Buyer.
18. **TIME LIMITS**: Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
19. **TENDER**: Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for possession. Money may be tendered by solicitors' trust cheque or bank draft or certified cheque by a Canadian Financial Institution. The solicitors' for the parties shall be entitled to impose reasonable trust

S Initial(s) KK

B Initial(s)

conditions each upon the other, consistent always with the provisions hereof, in order to protect the interests of their respective clients.

20. **LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the Broker and/or Co-operating Broker is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
21. **CONSUMER REPORTS: The Buyer is hereby notified and consents that a consumer report containing credit and/or personal information may be obtained and referred to in connection with this transaction.**
22. **CONFIRMATION OF REPRESENTATION:** It is understood that the Brokers involved in the transaction represent the parties as set out in the Confirmation of Representation above.
23. **NOMINEE:** The Buyer shall have the right to nominate in writing any person, firm or corporation, including a limited company to be hereinafter incorporated, to take title to the Property in its place and stead; and in such event each and every of the Buyer's covenants representations and warranties herein contained shall be assumed and discharged by such nominee. Provided further the Buyer shall not be released from the obligation of the Buyer under the Offer until Possession Date of this Offer.
24. **OFFER IN WRITING:** If there is any conflict or discrepancy between any provision added to this Offer (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Offer including any Schedule attached hereto, shall constitute the entire Offer between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Offer other than as expressed herein. This Offer shall be read with all changes of gender or number required by the context.
25. **FACSIMILE ACCEPTANCE:** The parties agree that this Offer and the acceptance hereof, together with any notices to be given pursuant to the Offer may be made by facsimile transmission or any other means of electronic transmission.
26. **HEADINGS:** The titles, captions or heading of the Sections herein are inserted for convenience of reference only and are not intended to be a part of or to affect the meaning or interpretation of this Offer.
27. **COUNTERPARTS:** This Offer may be executed in counterparts, each of which shall be an original and all of which together shall constitute one and the same instrument.
28. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein.

DATED at WPG this 17 day of SEPT (month), 15 (year)

SIGNED in the presence of:	IN WITNESS whereof I have hereunto set my hand:
(Witness)	(Buyer if individual)
(Date)	(Date)
(Witness)	(Buyer if individual)
(Date)	(Date)
(Witness)	GTAC INVESTMENT CORP (Buyer if corporation – signing officer - I have the authority to bind the corporation)
(Date)	JEFF SEDDON PRESIDENT (please print/type name and title)
	SEPT 2015 (Date)

MREA Standard Form: Do not alter when printing or reproducing the standard pre-set portion.
Updated on 03/04/02
C:\Documents and Settings\amy\Local Settings\Temporary Internet Files\OLK2E\Commercial Offer- 8X11 2.doc

S Initial(s) RK
B Initial(s)

29. **ACCEPTANCE:** I/We hereby accept the above and agree to and with GTAC INVESTMENT CORP (Buyer) to duly complete the sale on the terms and conditions mentioned herein and to observe and perform the covenants and undertakings herein set out.

By the Seller's signature below, the Seller acknowledges (and agrees) to pay the Broker ~~an agreed commission of~~ ______ (state in terms of percentage of total purchase price or dollars) plus the current ~~rate of~~ GST and do direct and authorize him to retain and apply the deposits or so much thereof as is required to pay the said commission as and when such deposit becomes properly payable to me . I hereby irrevocably direct and authorize my solicitors to promptly pay any unpaid commission out of the sale proceeds. The Seller hereby charges and grants a security interest in the property to the Broker as security for payment of all present and future liability hereunder. Broker is entitled to register notice of this charge and security interest.

Date at Wpg this 17 day of SEPT (Month), 2015 (Year)

SIGNED, in the presence of:	IN WITNESS whereof I have hereunto set my hand:
(Witness)	(Seller if individual)
(Date)	(Date)
(Witness)	(Seller if individual)
(Date)	(Date)
(Witness)	5448124 MANITOBA LTD X (Seller if corporation – signing officer – I have authority to bind the corporation)
SEPT 17 / 15 (Date)	RUSS KNIGHT SECRETARY (Print/type name and title)
	SEPT 17 / 2015 (Date)

PRIVACY:

Use and Disclosure of Sale Information

The Buyer and Seller agree that the sale and other related information regarding this transaction may be retained and disclosed by the Broker and/or the board(s) / association(s) (if the property was listed on an MLS® system) for reporting, appraisal and statistical purposes.

Seller's Authorization ______ Purchaser's Authorization ______

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Offer to Purchase and I authorize the Agent to forward a copy to my lawyer.

____
(Seller)

____
(Date)

____
(Seller)

____
(Date)

Address for Service: __________

Tel. No.(_____) __________

Fax No.(_____) __________

e-mail __________

Seller's Lawyer __________

Address __________

____

Tel. No. (_____) __________

Fax No. (_____) __________

e-mail __________

I acknowledge receipt of my signed copy of this accepted Offer to Purchase and I authorize the Agent to forward a copy to my lawyer.

____
(Buyer)

____
(Date)

____
(Buyer)

____
(Date)

Address for Service: __________

Tel. No.(_____) __________

Fax No. (_____) __________

e-mail __________

Buyer's Lawyer __________

Address __________

____

Tel. No. (_____) __________

Fax No. (_____) __________

e-mail __________

This is Exhibit "Z" referred to in the Affidavit of David Minor sworn September 25, 2015

A Notary in and for the Province of Ontario

JOSHUA R. FREEMAN

Cameron Stephens Financial Corporation

WITH PREJUDICE

September 23, 2015

VIA EMAIL

5448124 Manitoba Ltd.
902-388 Portage Avenue
Winnipeg, Manitoba
R3C 0C8
Attention: Susannah Simes

- and to –

Russell E. Knight
624 Fairmont Road
Winnipeg, Manitoba
R3R 1B1

-and to-

Susannah Simes
624 Fairmont Road
Winnipeg, Manitoba
R3R 1B1

Dear Sir/Madam:

Re: Indebtedness of 5448124 Manitoba Ltd. (the "Corporation")

We refer to the commitment letter dated February 4, 2015 and accepted February 6, 2015 (the "**Credit Agreement**") between and among Cameron Stephens Financial Corporation (the "**Secured Party**") as Lender, and the Corporation as Borrower and each of Russell E. Knight (also known as Russell Knight also known as Russ Knight) and Susannah Simes as Guarantors (collectively, the "**Obligated Parties**"). Capitalized terms used herein shall have the meanings described in the Credit Agreement unless defined otherwise herein.

The Corporation is and has been in default of its obligations under the Credit Agreement since on or before August 12, 2015 and the Secured Party is entitled to enforce its rights and remedies under the Credit Agreement and the security granted by the Obligated Parties to the Secured Party pursuant thereto (the "**Security**"). In particular, the Corporation is in default of its obligation to pay to the Secured Party the sum of $9,455,591.61, as of September 21, 2015, plus interest therefrom at the rate of $948.76 per day until paid in full.

On August 12, 2015, the Secured Party demanded repayment of the Secured Indebtedness (as defined below) and delivered a Notice of Intention to Enforce Security pursuant to Section 244 of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA Notice**") to the Corporation, with copies delivered to each of the other Obligated Parties.

On September 21, 2015, the Corporation delivered to the Secured Party a copy of an Agreement of Purchase and Sale dated September 17, 2015 (the "**Sale Agreement**") pursuant to which GTAC Investment Corp. (the "**Purchaser**") has offered to purchase the lands known municipally as 519 Burnell St., Winnipeg, Manitoba. The Obligated Parties have requested that the Secured Party forbear from enforcing the Security to permit the Obligated Parties to complete the sale transaction contemplated in the Sale Agreement (the "**Sale**"). The Secured Party has advised the Obligated Parties that it is prepared to temporarily forbear from taking further steps to enforce against the assets, undertakings and properties of the Obligated Parties until October 31, 2015 (the "**Forbearance Deadline**"), subject to the terms and conditions contained herein.

Pursuant to the request of the Obligated Parties, for good and valuable consideration (including without limitation, payment of the Forbearance Fee (as defined below) and the granting of the forbearance period provided for herein), the receipt and sufficiency of which are hereby irrevocably acknowledged by the parties hereto, the Secured Party and the Obligated Parties each acknowledge and agree as follows:

INDEBTEDNESS, SECURITY & COLLATERAL

1. The Obligated Parties each acknowledge, confirm, represent, warrant and agree as follows:

   (a) As at September 21, 2015, the amount owing jointly and severally by them under, *inter alia*, the Credit Agreement was $9,455,591.61, as further particularised in the Mortgage Discharge Statement annexed hereto as Schedule "A" (the "**Secured Indebtedness**");

   (b) The Obligated Parties acknowledge and agree that in addition to the Secured Indebtedness, the following amounts are owing by the Obligated Parties to the Secured Party as of the date hereof (collectively, with the Secured Indebtedness, the "**Total Indebtedness**"):

      (i) Forbearance Fee in the amount of $30,000;

      (ii) Accrued Legal Fees in the amount of approximately $15,000; and

      (iii) Other Professional Fees in the amount of approximately $5,000;

   (c) Payment of the Total Indebtedness and performance of certain other obligations under the Credit Agreement are secured by the Security;

   (d) The Security has been registered and validly perfected including under Winnipeg Land Titles Office and *The Personal Property Security Act* in Manitoba (the

"**PPSA**") (as the case may be) pursuant to, *inter alia*, the following registrations in favour of the Secured Party:

(i) a mortgage over the lands known municipally as 519 Burnell Street, Winnipeg, Manitoba (as more fully described in the Status of Titles for said lands registered in the Winnipeg Land Titles Office on April 29, 2015 as Instrument No. 4597987-1;

(ii) a general assignment of rents and leases dated March 30, 2015 - a caveat bearing Instrument No. 4597988/1 was registered in the Winnipeg Land Titles Office on April 29, 2015 as notice of same; and

(iii) a general security agreement by the Debtor in favour of Cameron Stephens dated March 30, 2015 – Cameron Stephens' security over the personal property of the Debtor, as granted under the GSA, was registered under the PPSA as Registration No. 201504632801 and notice was given in the Property Registry under Notice No. 4597989-1 dated April 27, 2015.

(e) Each of the Obligated Parties acknowledges that it is in default of its obligations under the Credit Agreement including, in particular, with respect to payment of principal and interest payments required thereunder to have been paid on August 1, 2015 and September 1, 2015 (the "**Payment Arrears**"), and the Secured Parties are entitled to enforce the Security;

(f) On August 12, 2015, the Secured Party demanded payment of the Secured Indebtedness (in the amount then outstanding) and delivered the BIA Notice to the Corporation, copies of which were sent to the other Obligated Parties;

(g) The Obligated Parties acknowledge and agree that the Secured Party has a valid and properly-perfected security interest in the lands known municipally as 519 Burnell Street, Winnipeg, Manitoba and any and all other assets, undertakings and properties of the Obligated Parties over which security was granted and taken.

(h) The Obligated Parties acknowledge the enforceability of the Total Indebtedness and the Security, and agree that they have no defences in respect thereof.

2. Each of the parties hereto acknowledges, confirms, represents, warrants and agrees as follows:

(a) Save as provided herein or as otherwise agreed in writing by the parties, the Credit Agreement, the Secured Indebtedness, the Total Indebtedness and the Security and all provisions thereof shall continue in full force and effect as the legal, valid and binding rights and obligations of each of the parties thereto enforceable in accordance with their respective terms. Each of the Obligated Parties hereby ratifies and confirms its agreement to perform each and every obligation under the Credit Agreement, the Secured Indebtedness, the Total Indebtedness and the Security; and

(b) The Secured Party has not waived any default under the Credit Agreement, the Secured Indebtedness, the Total Indebtedness or the Security, and has not waived any rights and remedies arising therefrom.

FORBEARANCE

3. The Secured Party and the Obligated Parties each acknowledge and agree as follows:

(a) Unless a Forbearance Terminating Event (as defined below) occurs subsequent to the date hereof the Secured Party shall take no further steps prior to the Forbearance Deadline to enforce the Security held by the Secured Party from any of the Obligated Parties; and

(b) Upon the occurrence of a Forbearance Terminating Event, the Secured Party shall deliver to the Obligated Parties a written notice (a "**Notice of Forbearance Terminating Event**"), and upon any Obligated Party's receipt of a Notice of Forbearance Terminating Event, any agreement by the Secured Party to forbear from enforcing its rights and remedies against the Obligated Parties shall immediately terminate and be of no further force and effect.

APPOINTMENT OF CONSULTANT

4. The Obligated Parties acknowledge and agree that Grant Thornton Limited shall be appointed as the Secured Party's consultant (in such capacity, the "**Consultant**") to monitor the affairs of the Corporation pending completion of the Sale, in accordance with the draft Engagement Letter attached hereto as Schedule "B".

5. The Obligated Parties acknowledge and agree to cooperate with the Consultant during the period of its appointment, including, without limitation:

(a) Providing access to the Corporation's books and records including, in particular, financial and banking records;

(b) Providing "read-only" access to the Corporation's bank accounts;

(c) Providing copies of the Corporation's current rent rolls, information relating to any rents in arrears and all related lease documents and correspondence;

(d) Authorizing the Corporation's officers, directors, employees, independent contractors and agents to disclose information and documents related to the Corporation and its business dealings; and

(e) Such additional information as may be available and requested by the Secured Party or the Consultant for the purpose of assessing the Purchaser's ability to close the Sale.

6. Nothing contained herein shall prevent Grant Thornton Limited from subsequently acting as private or court-appointed receiver, receiver and manager, liquidator, trustee in bankruptcy or monitor in respect of the Corporation or any of its assets.

FORBEARANCE TERMINATING EVENT

7. It is acknowledged and agreed that any agreement by the Secured Party to forbear from enforcing its rights and remedies hereunder shall terminate and be of no force and effect in the event of any of the following (each, a "**Forbearance Terminating Event**"):

   (a) Any further breach of the Credit Agreement or the Security;

   (b) Any breach of this Forbearance Agreement including, without limitation, the payment obligation described at paragraph 8;

   (c) Any failure by the Obligated Parties to pay the Payment Arrears to the Secured Party by October 1, 2015;

   (d) Any failure by the Corporation to cooperate with the Consultant;

   (e) Any breach by any of the Obligated Parties of any other agreement between any of the Obligated Parties and the Secured Party;

   (f) The commencement of any legal proceeding by a third-party seeking the appointment of a receiver, interim receiver, receiver and manager, monitor or trustee in bankruptcy in respect of the Corporation or any of its assets;

   (g) Any assignment in bankruptcy or voluntary liquidation or wind-up by the Corporation;

   (h) Any materially adverse change in the condition or business prospects of the Corporation, or which the Secured Party reasonably believes could negatively affect the Security or the collateral thereunder;

   (i) The deposit in the amount of $100,000 under the Sale Agreement has not been paid by the Purchaser to the Secured Party by September 30, 2015;

   (j) Additional deposit funds in the amount of $400,000 have not been paid by the Purchaser to the Secured Party by October 9, 2015;

   (k) The Consultant determines that the Purchaser is unable to complete the Sale;

   (l) The Sale Agreement is terminated by the Purchaser or the Corporation; or

   (m) The Sale has not been not completed by October 30, 2015.

FORBEARANCE FEE

8. The Corporation shall pay to the Secured Party a forbearance fee in the amount of $30,000 (the "**Forbearance Fee**", which amount has been earned) by no later than September 30, 2015.

OTHER CONDITIONS

9. Each of the Obligated Parties hereby releases the Secured Party and its officers, directors, employees, solicitors, consultants and agents (collectively, the "**Releasees**") of and from any and all claims which any of the Obligated Parties may have against any of the Releasees up to and including the date hereof including, without limitation, any claim arising from any action taken by the Releasees in dealing with the Obligated Parties, the Secured Indebtedness, the Total Indebtedness, the Security, this Forbearance Agreement, any letters, letter agreements, notices or other communications between the Secured Party and any of the Obligated Parties.

10. The Obligated Parties shall indemnify and hold harmless the Secured Party for all expenses incurred by the Secured Party in connection with the issuance of the BIA Notice or this Forbearance Agreement including, without limitation, the reasonable fees and expenses of the Consultant and reasonable legal fees and disbursements, and shall pay such amounts (or reasonable estimate thereof) on demand by the Secured Party.

11. This Forbearance Agreement does not constitute an agreement or course of conduct to grant any amendment, waiver, extension or other modification in the future. It is acknowledged and agreed that all terms and conditions of the Secured Indebtedness, the Total Indebtedness and the Security shall continue in full force and effect save and except as amended by this Forbearance Agreement. To the extent that any provision thereof is inconsistent with this Forbearance Agreement, this Forbearance Agreement shall prevail.

If the terms of this letter agreement are acceptable, then each of the Obligated Parties should execute and deliver a signed copy of this letter agreement to the Secured Party by 4:00 pm EST on September 23, 2015. If the terms of this agreement have not been accepted and delivered to the Secured Party by such time, this offer of forbearance shall cease to have any effect.

Yours truly,

CAMERON STEPHENS FINANCIAL CORPORATION

Scott Cameron
President

For consideration received, each of the undersigned hereby acknowledges, agrees and covenants to the above terms and conditions as of the date first written above:

5448124 MANITOBA LTD.

Per:______________________________

Name:

Title:

(I have authority to bind the corporation)

____

Witness as to the signature of Russell E. Knight

____

Russell E. Knight

____

Witness as to the signature of Susannah Simes

____

Susannah Simes

CAMERON STEPHENS | MORTGAGE CAPITAL LIMITED

25 Adelaide Street East Suite 600
Toronto, Ontario
Canada M5C 3A1
T: 416 591 8787
F: 416 591 9001

Date: September 21, 2015
Lender Solicitor: Fogler Rubinoff LLP

Mortgage Discharge Statement - for Demand Letter purposes

Loan No: 3366-81
Borrower(s): 5448124 Manitoba Ltd.
Property Address: 519 Burnell Street
Closing Date: September 21, 2015

Interest Rate:	3.75%	Principal & Interest:	$	9,354,841.61
Maturity Date:	May 1, 2030	Property Tax:		
Payment Frequency:	Monthly	Escrow:		
Next Payment Due:	August 1, 2015	**TOTAL PAYMENT:**	$	9,455,591.61

Principal Balance	$	9,306,457.02
Accrued Interest from Aug 1 2015 to Sept 21 2015	$	48,384.59
NSF Fees	$	200.00
Discharge Fee	$	550.00
Loan Termination Costs	$	100,000.00
Total amount required in certified funds (1:00 p.m. September 21, 2015)	**$**	**9,455,591.61**

CONDITIONS

This statement is correct only if all payments have been made and honoured and is subject to the correction of any errors or omissions. Should this transaction not close prior to the next payment due date then this statement will be void and Cameron Stephens Mortgage Capital Ltd. will require the **October 1, 2015** payment made and a new statement requested.

Should the mortgage be in arrears, the "Principal Balance" will be as at the due date of the last paid installment. All taxes and other charges paid by us from the time of preparation to the closing date and not indicated on this statement, are the responsibility of the mortgagor.

<u>**Certified**</u> Funds received after 1:00pm of the proposed discharge date will be subject to an additional daily interest charge of <u>**$948.76**</u> until paid. If the proposed discharge date is on Friday, funds after 1:00pm will be subject to additional interest until the next business day.

It is the responsibility of your office to ensure that the appropriate discharge documents are prepared and forwarded to Cameron Stephens Mortgage Capital for execution. This includes any applicable PPSA discharge documentation.

This statement is valid up the last day of the current month of the expected payout date. Should the rate change prior to payout then this statement will be void and a new statement issued to reflect the change in the interest rate.

Yours truly,

MA

Marco Amadasi
Funding Officer

Giuliana Mauro
Funding Manager

E&EO

Cameron Stephens Financial Corporation

September 22, 2015

Grant Thornton Limited
11th Floor
200 King Street West, Box 11
Toronto, ON M5H 3T4

Attention: Michael G Creber, CPA, CA, CF, CIRP
Senior Vice President

Dear Sirs:

Re: 5448124 Manitoba Ltd.
(the "**Company**")

Russ Knight
Susannah Simes
(collectively, the "**Debtor Parties**")

5448124 Manitoba Ltd. (the "**Borrower**") is indebted to Cameron Stephens Financial Corporation (the "**Lender**").

The Debtor Parties have provided certain guarantees of the indebtedness, liabilities and obligations of the Company owing to the Lender.

The Lender and the Debtor Parties have entered into a forbearance agreement. Under terms of the forbearance agreement, Grant Thornton Limited ("GTL") is to be appointed as monitor (the "**Monitor**"). In that regards;

(a) The Company and each of the Debtor Parties hereby consents to the monitoring of its business and affairs by GTL, which shall include, without limitation, ongoing communications with representatives of GTL and the prompt provision of any information requested by GTL.

(b) The Company and each of the Debtor Parties further acknowledges and agrees that:

(i) GTL's monitoring role shall be on terms and conditions acceptable to the Lender and that any Professional Expenses incurred by GTL in such capacity shall be paid by the Company; and

(ii) GTL's role in monitoring the Company shall not prevent GTL from acting as a private or court-appointed interim receiver, receiver and manager, trustee in bankruptcy or monitor under the *Companies' Creditors Arrangement Act* of the Company.

(c) GTL shall be entitled to share any information it receives from the Company or the Debtor Parties with the Lender, and the Company and the Debtor Parties hereby consent to same.

The Company and the Debtor Parties have consented to your engagement effective as of the date hereof upon the terms and conditions set out herein and in Schedule A hereto, and the full co-operation of the management, officers, employees, professional advisors and agents of the Debtor Parties have been assured. In particular, it has been agreed by the Company and the Debtor Parties that:

1. You and your employees and agents shall have unrestricted access to the books, records, information (however stored), facilities, assets and premises of the Company and you may copy any documents or information.

2. The Company and their officers, employees and agents shall answer all inquiries fairly, fully and to the best of their ability and they shall provide you with any information that you may request with respect to the affairs of the Company.

3. The Company authorizes you to contact their professional advisors with whom, and to the extent, in your discretion, you deem appropriate in connection with your engagement herein.

4. The Lender acknowledges that your review will be based mainly on data supplied by the Company supplemented by your discussions with management thereof. The Lender understands that, although all information gathered will be reviewed for reasonableness, you will not be conducting an audit.

5. Your engagement hereunder shall not prejudice, impair or adversely affect the Lender's rights or remedies as against the Company or Debtor Parties or require the Lender to delay in enforcing same.

6. During the course of this engagement, you shall be acting as a Monitor for the Lender in this matter and you shall not be assuming any decision making or other management responsibilities in connection with the affairs of the Company and you shall have no responsibility for the affairs of or a duty of care to the Company or Debtor Parties during your engagement. In addition, you shall not do anything or perform any act pursuant to which you assume any possession or control of the property, assets, undertaking, premises or operations of the Company for any purpose whatsoever.

7. You shall be entitled to provide the Lender with copies of all documents, records, reports and information received or prepared by you in the course of this engagement and you may fully disclose to the Lender all matters arising out of your engagement hereunder.

8. Your fees will be determined on the basis of time spent at your firm's regular hourly rates for the level of staff employed. A Technology and Administrative fee of 5% of professional fees will also be charged. You will submit billings to the Lender showing details of fees and out-of-pocket expenses incurred.

9. The Company and Debtor Parties authorize the Lender to disclose to you any information the Lender has concerning the Company, their subsidiaries and affiliates and their respective businesses, assets and affairs.

10. You are authorized to use any of your employees or agents, including appraisers, as you consider necessary in the course of your engagement hereunder. If appraisals of any of the Company's assets are deemed necessary by the Lender, prior to obtaining any appraisals, you will first advise the Lender of the estimated cost of any such appraisal(s). You are not authorized to deliver a copy of any such appraisal to the Company without the prior written consent of the Lender.

11. Your professional fees and expenses incurred during the course of this engagement shall be for the account of the Company, although the Lender guarantees payment of all amounts due to you.

12. Throughout the course of your engagement, you will be reporting verbally to the Lender on a regular basis. You shall prepare a written report pursuant to this engagement at such times as may be agreed between you and the Lender. Prior to finalizing your written reports to the Lender, you may review the facts set out therein, but not any conclusions or recommendations, with one or more representatives of the Company.

13. The reports prepared by you shall be the property of the Lender and for the sole use of the Lender and shall not be distributed, shown or quoted from or to any person without the express written permission of the Lender.

14. We understand that you will advise the Lender immediately if any situation comes to your attention, which would materially alter the terms of your engagement.

15. You shall be required to keep confidential all information you obtain regarding the Company and its businesses, assets and affairs during the course of your engagement hereunder to the same extent as such duty of confidentiality applies to the Lender. Without limiting the generality of the foregoing, the Company specifically waives any duty of confidentiality which either you or the Lender may have with respect to any such confidential information obtained by you and delivered to the Lender in connection with your engagement hereunder. The Company and the Debtor Parties specifically authorize the Lender to divulge such information pursuant to any Court proceeding commenced by or to which the Lender is a party or in connection with the exercise of any of the Lender's remedies against the Company and the Debtor Parties including, without limitation, enforcing the security held by the Lender from the Company or to any potential assignee of the Lender's debt and security.

Please execute and return one original copy of this letter signifying your acceptance of the engagement described herein, subject to the terms and conditions set out above and in the attached Schedule A.

Yours very truly,

Cameron Stephens Financial Corporation

By:________________________________

Scott Cameron
President

For consideration received, the receipt and sufficiency of which are hereby irrevocably acknowledged, the undersigned hereby acknowledges, consents and agrees to the terms of this letter and the engagement of Grant Thornton Limited under the terms and conditions above and in the attached Schedules A. It is understood and agreed that notwithstanding this engagement, the remedies available to the Lender under the terms of its agreements with the Company and the Debtor Parties, including the security and guarantees held by the Lender, remain in full force and effect. None of the existing defaults of the Company and the Debtor Parties are waived and all rights and remedies of the Lender are reserved and preserved. It is agreed that all costs and expenses incurred by the Lender in relation to the Company and the Debtor Parties or this engagement of the Monitor, including legal fees and disbursements on a full indemnity basis, shall be for the account of the Company. It is specifically acknowledged that the engagement of the Monitor hereunder by the Lender is not an act of enforcement of security by the Lender and that the Company remains solely responsible for the management and operations of its business during the course of this engagement. It is further acknowledged that the Debtor Parties shall remain in sole and exclusive possession and control of its property, assets, undertaking and premises during the course of this engagement.

For the same consideration, notwithstanding the Lender's appointment of the Monitor, it is also understood and agreed that the Lender is not precluded from appointing Grant Thornton Limited as its Receiver, Receiver and Manager, or Agent for the purpose of realizing upon the Lender's security, if the Lender considers same necessary or appropriate. It is further understood that Grant Thornton Limited may, if necessary or desirable, accept any appointment contemplated by the *Bankruptcy and Insolvency Act* (Canada) or the *Companies' Creditors Arrangement Act* (Canada) and that in the course of any such engagement, Grant Thornton Limited may use the information acquired by it as the Monitor hereunder.

5448124 Manitoba Ltd.

By: ______________________________

Name:
Title:

______________________________	______________________________
Witness Print Name:	**Susannah Simes**
______________________________	______________________________
Witness Print Name:______________________	**Russ Knight**

We hereby accept the terms of this monitoring engagement subject to the terms and conditions set out herein and in the attached Schedules A.

GRANT THORNTON LIMITED

Per: ______________________________

Michael G. Creber, Senior Vice-President

Grant Thornton

Schedule A

Standard terms and conditions

For the purpose of these standard terms and conditions, Grant Thornton LLP shall include its partners, principals, employees and associated entities in Canada.

1 **Timely performance** - Grant Thornton LLP will use all reasonable efforts to complete within any agreed upon time-frame the performance of the services described in the engagement letter to which these terms and conditions are attached. However, Grant Thornton LLP shall not be liable for failures or delays in performance that arise from causes beyond its control, including the untimely performance by the Debtor Parties of their obligations as set out in the engagement letter.

2 **Right to terminate services** - Should the Debtor Parties not fulfill their obligations set out herein or in the engagement letter or contract and in the absence of rectification by the Debtor Parties within 10 days, upon written notice Grant Thornton LLP may terminate its performance and will not be responsible for any loss, cost or expense resulting from such early termination.

3 **Governing law** - The engagement will be governed by the laws of Ontario and Cameron Stephens Financial Corporation (the "Agent") and Grant Thornton LLP submit to the exclusive jurisdiction of the Courts of Ontario.

4 **Working papers/reports** - All materials, reports and work created, developed or performed by Grant Thornton LLP during the course of the engagement shall belong to Grant Thornton LLP.

5 **Rights to deliverables** - Upon full payment, Grant Thornton LLP hereby assigns to the Agent all its right, title and interest including, without limitation, copyright and proprietary rights to the deliverables developed or prepared specifically for the Agent hereunder (deliverables). However, the deliverables may include data, modules, components, designs, utilities, subsets, objects, program listings, tools models, diagrams, analysis frameworks, leading practices and specifications (technical elements) owned or developed by Grant Thornton LLP prior to, or independently from, its engagement hereunder and Grant Thornton LLP retains all rights thereto including any modifications or improvements made to the technical elements during or as a result of this engagement. Accordingly, to the extent that any technical elements are integrated into any deliverables, Grant Thornton LLP hereby grants to the Agent a perpetual, worldwide, paid-up limited license to use such technical elements as integrated into such deliverables for internal purposes only. In addition, Grant Thornton LLP retains the right to use its knowledge, experience, and know-how, including processes, ideas, concepts and techniques developed in the course of performing the services.

6 **Release and indemnification** - The Agent agrees to release, indemnify, and hold harmless Grant Thornton LLP from any and all claims, liabilities, costs, and expenses arising out of or based upon: (a) any misstatement or omission in any material, information or representation supplied or approved by the Agent; or (b) any other matter related to or arising out of this engagement, except to the extent finally determined to have resulted from the negligence, willful misconduct or fraudulent behaviour of Grant Thornton LLP.

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Phone: 416-591-8787 Fax: 416-5919001

7 **Limitation of liability** - In any action, claim, loss or damage arising out of the engagement, the Agent agrees that Grant Thornton LLP's liability will be several and not joint and several and the Agent may only claim payment from Grant Thornton LLP of Grant Thornton LLP's proportionate share of the total liability based on degree of fault. In no event shall Grant Thornton LLP be liable to the Agent whether the claim be in tort, contract or otherwise, for an amount in excess of the professional fees paid by the Company of the Agent for the engagement. In no event shall Grant Thornton LLP be liable to the Agent, whether a claim be in tort, contract or otherwise for any consequential, indirect, lost profit or similar damages, or failure to realize expected savings, relating to Grant Thornton LLP's services provided under the engagement letter or contract to which these terms and conditions are attached.

In no event shall Grant Thornton LLP be liable for any claim made more than 24 months after the completion of services by Grant Thornton LLP under this agreement.

8 **Survival of terms** – The Agent and Grant Thornton LLP agree that clauses 6 and 7 will survive termination of the engagement contract.

9 **Independent contractor** - Grant Thornton LLP shall provide all services as an independent contractor and nothing in this agreement shall be construed to create a partnership, joint venture, or other similar relationship with the Debtor Parties or the Agent or any other party. Neither the Agent nor Grant Thornton LLP shall have the right, power or authority to obligate or bind the other in any manner.

10 **Representations and warranties** - Grant Thornton LLP warrants that the services which Grant Thornton LLP is providing will be performed in a professional and competent manner. Grant Thornton LLP makes no (other) warranties or conditions and explicitly disclaims all other warranties and conditions whether expressed or implied by law, usage of trade, course of dealing or otherwise.