

THIS OFFER TO PURCHASE (hereinafter called the "Agreement") made the 31 day of July, 2018.

To: CUSHMAN & WAKEFIELD ULC
1730, 111 5th Avenue SW
East Tower – Suncor Energy Centre
Calgary, Alberta T2P 3Y6
(hereinafter called the "Agent")

Between: NORFOLK HOUSING ASSOCIATION
1118 Kensington Road NW
Calgary, Alberta T2N 3P1
Attention: Maya Kambeitz
T: 403-270-3062
F: 403-283-3051
E: EXEC@NORFOLKHOUSING.CA
(hereinafter called the "Purchaser")

And: RAINY CHIEF INVESTMENTS LTD.
C/O ROBB & EVENSON, LAWYERS
506, 933 17 AVENUE SW
CALGARY, AB T2T 5R6
ATTN: JANE EVENSON
T:403-541-1600
F:403-541-1604
E: JEVENSON@ROBBEVENSON.COM
(hereinafter called the "Vendor")

We the undersigned hereby offer to purchase those lands and premises outlined and described in **Schedule A** (hereinafter called the "**Property**"), subject to those encumbrances listed in **Schedule C** attached hereto (the "**Permitted Encumbrances**") on the following terms and conditions:

1. PURCHASE PRICE

The PURCHASE PRICE shall be the sum of FOUR MILLION, TWO HUNDRED AND EIGHTY THOUSAND DOLLARS (\$4,280,000.00) payable as follows:

- (a) INITIAL DEPOSIT: Within five (5) business days of acceptance of this Offer, the sum of \$42,000 shall be paid by the Purchaser by way of a cheque or bank draft made payable to the Purchaser's Solicitor, to be held in trust and written confirmation of receipt shall be sent to the Vendor's lawyer;
- (b) FINAL DEPOSIT: A further portion of the purchase price, namely an additional \$250,000 shall be paid by the Purchaser upon the removal of the subject conditions referred to in Clause 3 by way of a cheque or bank draft made payable to the Purchaser's Solicitor and to be held in trust and written confirmation of receipt shall be sent to the Vendor's lawyer;
- (c) BALANCE OF PURCHASE PRICE: The balance of the purchase price, as adjusted, shall be payable to the Vendor's Solicitor by way of bank draft or solicitor's certified trust cheque at the time of closing as herein provided.

No interest shall be payable on any of the deposits.

The Purchase Price to include any buildings, improvements, fixtures, appurtenances and attachments, and chattels owned by the Vendor and used in the day-to-day operation of the Property.

In addition to the Purchase Price, the applicable Goods and Services Tax will be paid by the Purchaser. On or before thirty (30) days before the Closing Date, the Purchaser shall confirm to the Vendor's solicitor that it is registered for the purposes of Part IX of the Excise Tax Act (Canada) (the "Act") and will provide its registration number. In that event, the Purchaser covenants to assume liability for applicable G.S.T. accruing with respect to the contemplated transaction and further covenants to pay the applicable G.S.T. immediately after the Closing Date or to complete, sign and file such forms, filings or reports required by the Act within the prescribed time limits. The Purchaser agrees to indemnify and save harmless the Vendor from and against all liability, fines, penalties, costs, expenses and interest, which the Vendor incurs or may incur as a result of or arising out of a default by the Purchaser of its obligations described in this paragraph and the Purchaser agrees to execute the form of Statutory Declaration and Indemnity provided by the Vendor in that regard. If the Purchaser does not confirm that it is a registrant under Part IX of the Act thirty (30) calendar days before the Closing Date then the Vendor will collect from the Purchaser and the Purchaser will pay the applicable G.S.T. and the Vendor will then remit the G.S.T. amount as required by the Act.

The Vendor represents it is a GST registrant.

The Purchaser acknowledges that the Vendor does not warrant or represent that the leases or tenancies existing at the date of acceptance of this Offer will be existing at the Closing Date and the Purchaser agrees that the Purchase Price will not be adjusted due to any change in the number of leases or tenancies in the Property.

The Purchaser agrees to accept the Property subject to the concrete into the road and asphalt into Condominium Plan 021 2346 as set out in the Real Property Report dated October 26, 2017 for the Property.

The Purchaser agrees to accept the Real Property Report dated October 27, 2017 for the Property with City of Calgary Development Permit No. DP2018-1148 and Certificate of Compliance stamp endorsed thereon.

The Purchaser agrees to assume the following contracts of the Vendor in respect of the Property:

- a. Elevator Repair Contract with Hayes Elevator (Calgary) Inc.**
- b. Elevator Maintenance/Service Contract with Hayes Elevator (Calgary) Inc.**
- c. Waste Collection Contract (Recycling) with Bluplanet Recycling Inc.**
- d. Waste Collection Contract (Organics) with Bluplanet Recycling Inc.**
- e. Management Agreement with Emerald Management & Realty Ltd.**

2. VENDOR RESPONSIBILITIES

The Vendor covenants to deliver to the Purchaser within five (5) business days from the acceptance of this Offer, the "Project Documents" outlined in **Schedule B** of this Offer to Purchase, if such documents are in its possession.

3. CONDITIONS PRECEDENT

This Offer is subject to the following conditions precedent being satisfied or waived by the Purchaser on or before the day (the "**Purchaser's Conditions Date**") which is THIRTY (30) calendar days following receipt of written notice from the Vendor that there are no further items for delivery to the Purchaser pursuant to Clause 2. The Purchaser shall confirm in writing the receipt of aforementioned letter from the Vendor:

- a) Approval of the Board of Directors of Norfolk Housing Association;
- b) All other required regulatory or third party consents and approvals for the transaction obtained;
- c) The Purchaser having negotiated financing on terms and conditions satisfactory to the Purchaser in its sole and absolute discretion; and
- d) Physical inspection of the exterior and interior of the Property, including all units occupied and vacant, the title, and financial and related due diligence items to the Purchaser's sole satisfaction.

The Vendor hereby agrees to give the Purchaser access to the Property up to the Purchaser's Conditions Date to perform the due diligence mentioned above in this Clause 3. In addition, following the acceptance of the Offer by the Vendor and until the Closing Date (as hereinafter defined), the Purchaser may make inquiries of any relevant authority in respect of the Property (but will not request or permit any such relevant authority to undertake any inspections) and with respect to information concerning existing encumbrances, service contracts, all other contracts regarding the Property, certificates of occupancy, permits, environmental matters, sub-division, building or zoning requirements, insurance policies, warranties, and any other agreements, reports, studies, inspections or investigations of the Property and any other contracts or documents of significance to the Property. The Purchaser shall make good any damage arising out of or resulting from its access to the Property and any inspections made thereof or tests performed in respect thereof and shall (and does hereby agree to) indemnify and save the Vendor harmless from any costs, expenses or claims whatsoever incurred or suffered by the Vendor arising out of or resulting from its access hereunder to, and the occupation of, the Property and any inspections made thereof or tests performed in respect thereof and any costs incurred by the Vendor in remedying such damage may be set off against any deposits to be returned to the Purchaser.

If the Purchaser fails to notify the Vendor in writing that these conditions precedent have been satisfied or waived within the time specified, or by such time as may be subsequently agreed in writing between the Vendor and the Purchaser, then this Agreement will become null and void and the initial deposit, will be returned in its entirety to the Purchaser subject to any deduction for indemnification costs referenced above in this Clause 3 owing to the Vendor.

These conditions precedent are for the sole benefit of the Purchaser. The Purchaser has the right to waive the conditions precedent set out in Clause 3 herein at its discretion within the time stipulated and proceed with the transaction herein contemplated. Upon removal of all conditions precedent set out in Clause 3 herein, the deposit will be increased as described in Clause 1 and shall become non-refundable, subject only to the provisions in Clause 4 below.

The Purchaser shall give reasonable notice to the Vendor of its desire to access any leased units in the Property so to enable the Vendor to provide the required notice to the tenant(s).

Any expenses incurred by the Purchaser, pertaining to the Conditions Precedent, shall be at the sole expense of the Purchaser.

4. CLOSING

The closing shall be on the day which is FORTY FIVE (45) calendar days from the removal of the conditions precedent contained in Clause 3 herein, and not prior to August 31st, 2018 (the "**Closing Date**"). The Purchaser shall have possession of the Property, subject to the tenants existing as at the Closing Date and to the Permitted Encumbrances following payment of the balance of the purchase price, as adjusted and any other sums due to the Vendor under this Offer, to the Vendor's solicitor on the Closing Date. All adjustments both incoming and outgoing with respect to rent, taxes, security deposits, tenant underpayments or operating costs, utilities and other items normally adjusted between a Vendor and a Purchaser with respect to the Property, shall be made as of 12:01 a.m. on the Closing Date. Any normal adjustments that cannot be determined as of the Closing Date shall be adjusted between the Purchaser and Vendor once they become known.

The obligation of each party to complete the purchase and sale transactions herein contemplated will be subject to the condition that all of the substantial obligations herein and monetary obligations of a party will have been performed by such party in accordance with this Agreement except as may be waived in writing by the other party, and that all substantial representations, warranties, covenants and agreements in this Agreement or any document delivered in connection with the transaction herein contemplated will be true and correct at and as of the time of closing as though such representations, warranties, covenants and agreements were made at and as of the time of closing.

All money due and owing to the Vendor shall be paid to the Vendor's solicitor on or before the Closing Date. If the Vendor agrees to accept payment after the Closing Date, the Purchaser shall pay interest at the rate of 3% per annum above the prime rate set by The Province of Alberta Treasury Branches on all monies owing to the Vendor, from the Closing Date until the monies owing have been paid.

If the Purchaser fails or refuses to complete the purchase and sale herein contemplated after all the conditions precedent in favor of the Purchaser have been satisfied or waived, the deposits described under Clauses 1(a) and (b) hereof together shall be forfeited to the Vendor as liquidated damages as a genuine pre-estimate of its damages and not as a penalty and the Vendor shall have no further remedies against the Purchaser at law or in equity.

If the Vendor fails or refuses to complete the purchase and sale herein, the deposits shall forthwith be refunded to the Purchaser upon demand by the Purchaser, however, without prejudice to any other rights and remedies which the Purchaser may have at law or in equity.

Documents by Vendor: The Vendor shall deliver the following to the Purchaser's solicitor on or before the Closing Date:

(i) A registerable Transfer of Land sufficient to transfer title in fee simple to the Property in the name of the Purchaser free and clear of any liens or encumbrances save the Permitted Encumbrances;

(ii) A general assignment of the Leases to be assumed by the Purchaser, in a form prepared by the Vendor's solicitor and satisfactory to the Purchaser and the Vendor acting reasonably, to be executed by the Purchaser and the Vendor, such general assignment to include an indemnity from the Vendor in favour of the Purchaser for the Vendor's obligations contained in the Leases in respect of the period prior to the Closing Date and an indemnity from the Purchaser in favour of the Vendor for the Purchaser's obligations contained in the Lease in respect of the period following the Closing Date. The assignment is not to be acknowledged by the tenants;

(iii) Written directions from the Vendor to the tenants of the Property advising of the sale hereunder and directing that all future rental payments shall be paid to the Purchaser or to whom, in writing, it directs;

(iv) Estoppel Certificates (in a form prepared by the Vendor's solicitor and satisfactory to the Purchaser and the Vendor) from the tenants in the Property shall be completed and made available to the Purchaser. If the Vendor is unable to obtain an estoppel certificate in respect of any tenants, then it will deliver, and the Purchaser shall accept, a certificate from the Vendor to the same effect;

(v) Agreement to Readjust, in a form prepared by the Vendor's solicitor and satisfactory to the Purchaser and the Vendor, to readjust any errors or adjustments in the Statement of Adjustments as well as in respect of this transaction if necessary, after the Closing Date;

(vi) All forms of keys, keycards, access cards, fobs, garage keys or fobs, codes or similar used in connection with entry and access to and securing all aspects of the Property, including but not limited to any Master keys and individual unit keys;

(vii) Such other documents as the Purchaser and its solicitor may reasonably require to give effect to the intent of this Offer.

Documents by Purchaser: On or before the Closing Date, the Purchaser covenants and agrees to provide the Vendor's solicitor with the following:

- (i) The Purchase Price, as adjusted, required to be paid in accordance with the provisions of this Offer to Purchase;
- (ii) Statutory Declaration and Indemnity re G.S.T. in a form (in a form prepared by the Vendor's solicitor and satisfactory to the Purchaser and the Vendor), executed by the Purchaser;
- (iii) A general assignment of Leases, as referenced above, executed by the Purchaser;
- (iv) Agreement to Readjust, as referenced above, executed by the Purchaser;
- (v) Such other documents as the Vendor and its solicitor may reasonably require to give effect to the intent of this Offer to Purchase.

5. VENDOR REPRESENTATIONS AND WARRANTIES

The Vendor hereby represents and warrants that as of the date of this Agreement and as of the Closing Date:

- (a) The Vendor is a corporation duly existing under the laws of the Province of Alberta and is in good standing with respect to the filing of annual reports in the office of the Alberta Registrar of Companies, has never been struck from the register maintained by the Registrar or dissolved or liquidated, and has full power and capacity to enter into, carry out the transactions contemplated by, and duly observe and perform all its obligations contained in this Agreement;
- (b) The Vendor has the necessary authority, power and capacity to dispose of the Property free and clear of all encumbrances save for reservations in the original grant from the Crown, the Permitted Encumbrances, and the leases described herein;
- (c) All necessary corporate actions, approvals and authorizations have been taken or given to authorize the execution and delivery of this Agreement and the performance of the obligations herein by the Vendor, and this Agreement constitutes legal, valid and binding obligations of the Vendor enforceable against it in accordance with its terms;
- (d) there will be no tenancies affecting the Property at the time of closing, other than those provided in the Project Documents pursuant to Clause 2 and any new leases or tenancies entered into after the removal of all conditions in Clause 3, will be done with the Purchaser's approval (such approval not to be unreasonably withheld, and to be provided by the Purchaser in writing to the Vendor, within 48 hours of receipt of such notice by the Purchaser);
- (e) Unless the Vendor has provided written notice to the Purchaser stating otherwise, each of the tenants referred to in the leases contained in the Project Documents to be provided by the Vendor to the Purchaser, is in possession of the premises demised to such tenant and paying the full rent described in the lease of such premise and that no notice has been received from any such tenant indicating an intention to surrender its lease or to assign the same or sublet the premises demised to it;

- (f) That save as set forth in the rent roll to be delivered by the Vendor to the Purchaser, pursuant to the provisions hereof, there are no security deposits, damage deposits or prepaid rents outstanding from any tenants and none of the leases contain provisions pursuant to which tenants may be entitled to occupy the premises demised to them, or other premises, on a rent-free or rent reduced basis;
- (g) Unless the Vendor has provided written notice to the Purchaser stating otherwise, all of the leases are valid and subsisting, no defaults or disputes exist hereunder, none of the obligations of the tenants have been released, the leases have not been surrendered and contain the entire and only agreement between the Vendor as landlord and the tenants, with respect to the premises demised or any other portions of the Property;
- (h) The Vendor has good right and lawful authority to assign any leases to the Purchaser;
- (i) Unless the Vendor has provided written notice to the Purchaser stating otherwise, there are no defaults now existing in the payment of rent or tenant's covenants or obligations contained in the leases, and no notice has been received by the Vendor, or its agents, or any managers, from any tenant alleging default by the Vendor in the performance of its or their obligations as landlord pursuant to the leases, or alleging any defect in the condition or state of repair or state of completion of the premises occupied by such tenants;
- (j) There are no commission contracts outstanding whereby the Vendor is obliged to pay commission to any agent on the entering into of any lease, license, agreement to lease or commitment therefore, or the renewal of any lease **with the exception of a commission of \$400.00 payable to the property management company, Emerald Management & Realty Ltd., for each unit newly rented out;**
- (k) That save as set for in the rent roll to be delivered by the Vendor to the Purchaser, pursuant to the provisions hereof, the Vendor is not under any obligations to alter, repair, improve, or otherwise expend monies on the premises demised to any tenant;
- (l) That none of the tenants presently have any right of abatement, set-off or deduction in respect to the rent payable by such tenant;
- (m) Unless the Vendor has provided written notice to the Purchaser stating otherwise, that the information contained in the rent roll to be delivered by the Vendor to the Purchaser, pursuant to the provisions hereof, will be true and accurate in all respects;
- (n) the Vendor has not received written notice of any expropriation or other proceedings by the City of Calgary or any other department or government agency or engineering department or any utility company which has jurisdiction over the Property, which may affect the size of the Property **except for Development Permit No. DP2018-1148**
- (o) the Vendor has not received written notice of any outstanding orders, including but not limited to, any notice advising of any defect in construction or state of repair of any improvements or mechanical systems or ordering or directing of any alteration, repair, improvement or other work to be done with respect thereto, or relating to non-compliance with any building permit, building restriction, by-law, regulation or ordinance, or relating to any threatened or impending condemnation against the Property by the Fire Warden, Health Department, Building or Engineering Departments of the City of Calgary or any other department or government agency which has jurisdiction over the Property **except for the Alberta Elevating Devices & Amusement Rides Safety Association notification to upgrade the elevator to current regulatory standards;**

- (i) The Vendor represents and warrants that, upon the Closing Date and the payment of the balance of the purchase price by the Purchaser to the Vendor, as more thoroughly contemplated in Clause 4 herein, the Vendor shall holdback the sum of \$100,000.00, to be held by the Vendor's solicitor in trust, without interest (the "Holdback") with such Holdback to be applied by the Vendor to pay the invoiced costs of the repair of the elevator in the building pursuant to a notice from the Alberta Elevating Devices & Amusement Rides Safety Association notification to upgrade the elevator to current regulatory standards (the "Elevator Repair").
 - (ii) The Elevator Repair is estimated to be completed on or before October 1, 2018 subject to any written extension of the estimated repair completion date by the elevator repair company hired to complete the repairs. The Purchaser hereby agrees to give the Vendor and their employees, agents, or contractors reasonable and required access to the Property to perform and complete the Elevator Repair. Upon completion of the Elevator Repair the Purchaser shall have the right to inspect the work completed and the Vendor shall provide proof of completion detailing the work completed and provide the Purchaser with an engineer's report, from an engineer authorized in elevator repair work, confirming compliance of the elevator with current regulatory standards. Upon delivery of such engineer's report confirming compliance to the Purchaser, the balance of the Holdback amount is releasable to the Vendor.
 - (iii) Notwithstanding anything contained in this Agreement, in the event the Vendor fails to complete the Elevator Repair pursuant to the obligations contained herein by **December 31, 2018**, the Vendor shall, on demand, immediately forward the balance of the Holdback amount, to the Purchaser's solicitor, without offset, deduction, or penalty except for payments of invoiced costs for the Elevator Repair and the Purchaser shall assume all responsibility in respect of the Elevator Repair.
- (p) All buildings, fixtures, leasehold improvements and facilities located on the Property and owned or leased by the Vendor are wholly situate within the boundaries of the Property and do not infringe upon or contravene the provisions of any easements, right of way, restrictive covenants or encumbrances registered against or otherwise affecting any of the Property and further, to the Vendor's knowledge, there is compliance with all By-Laws and requirements of any governmental and public authorities **with the exception of Development Permit No. DP2018-1148 and for the concrete into the road and asphalt into Condominium Plan 021 2346 as set out in the Real Property Report dated October 26, 2017 for the Property;**
- (q) the Property will be free and clear of all liens, charges and encumbrances at the Closing Date except for the Permitted Encumbrances;

- (r) subject to and without in any way limiting the other representations and warranties herein contained, the Property will be maintained and transferred to the Purchaser in substantially the same condition as inspected by the Purchaser prior to the acceptance of this Offer.
- (s) the Vendor is not a non-resident of Canada within the meaning of the Income Tax Act;
- (t) at the time of closing, the Vendor shall deliver a certificate stating that at such time the above representations and warranties continue to be true and correct or, if not true and correct, stating details thereof;
- (u) to the best of the Vendor's knowledge, the Property is not affected by any environmental pollutants or other hazardous materials;
- (v) save as disclosed by the Vendor to the Purchaser prior to the Purchaser's Condition Date, the Vendor has not received any notice and is not aware of any violation of any environmental law relating to the Property or the lands upon which the Property is situate, as the case may be, and there is no litigation or regulatory proceeding pending, or to the best knowledge of the Vendor, threatened against the Vendor in respect of environmental matters relating to the Property or the lands upon which the Property is situate, as the case may be, or the current use thereof by the Vendor; and
- (w) other than as specifically provided for in this Agreement, the Property is being transferred to the Purchaser in "as is" and "where is" condition and the Vendor provides no warranty or representation as to the condition of the Property or fitness for purpose of the Property.

The representations and warranties contained in Clause 5 herein shall not merge with the completion of the transaction of purchase and sale contemplated by this Agreement, but shall survive the completion for a period of one (1) year immediately following the Closing Date, so that written notification of any breach of any representation or warranty must be provided by the Purchaser to the Vendor within one (1) year immediately following the Closing Date.

- (x) **The Vendor will, on or before, the Closing Date, cancel or terminate any and all operating contracts affecting the Property as better described as paragraph e) of Schedule B hereto, with the exception of the contracts listed in section 1 of this Agreement which the Purchaser has agreed to assume. Upon this Agreement becoming unconditional and all deposits being paid by the Purchaser, the Vendor will give notice to terminate the Management Contract with Emerald Management & Realty Ltd.**

6. CLOSING DOCUMENTS

The Vendor will convey the Property to the Purchaser by delivering to the Purchaser at or before the time of closing a freehold transfer of land in registrable form. The Purchaser shall bear the cost of the conveyance, and the Vendor shall bear the cost of clearing title of any charges not to be conveyed to the Purchaser as described in Clause 5(a).

At least ten (10) business days prior to the Closing Date the Vendor shall cause its solicitor to prepare and deliver to the Purchaser's solicitor in trust all documents reasonably required by the Vendor's solicitor to complete this transaction in accordance with its terms including the Transfer, a statement of adjustments, an assignment and assumption of the Vendor's interest in any leases or outstanding guarantees, warranties or indemnities with respect to the Property, a bill of sale for the chattels, any documents and certificates referred to herein and such other documents as may be reasonably necessary for more perfectly and absolutely transferring, assuring and vesting title to the Property to the Purchaser as contemplated hereby, and the Purchaser shall return to the Vendor with the Purchase Price one copy of each of such document requiring execution by the Purchaser.

If the Vendor has existing financial charges to be cleared from title the Vendor, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the Purchase Price, but in this event, the Purchaser shall pay the Purchase Price to the Vendor's solicitor in trust, on undertakings to pay and discharge the financial charges and remit the balance, if any to the Vendor.

If the Purchaser is relying upon a new mortgage to finance the Purchase Price the Purchaser, while still required to pay the Purchase Price on the Closing Date, may wait to pay the Purchase Price to the Vendor until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Titles Office, but only if, before such lodging, the Purchaser has at least fifteen (15) business days before the Closing Date: (a) tendered to the Vendor's solicitor that portion of the Purchase Price not secured by the new mortgage, and (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration, and (c) provided to the Vendor's solicitor, a lawyer's undertaking to pay the Purchase Price upon the lodging of the transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds, and (d) provided to the Vendor's solicitor all the documents listed under the "Documents by Purchaser" in Clause 4 signed by the Purchaser.

7. ASSIGNMENT

The Purchaser may assign this Agreement without the prior consent of the Vendor (but with written notice to the Vendor), to a non-arm's length affiliated company of the Purchaser, the principals of which are substantially the same as the Purchaser, provided that the Purchaser shall not be released from any of its obligations under this Agreement by virtue of such assignment and provided written notification is given to the Vendor's solicitor at least thirty (30) calendar days before the Closing Date of the name of the assignee. In all other events the Purchaser may not assign this Agreement or the benefit of any covenants herein contained or any part thereof without the prior written consent of the Vendor.

8. GENERAL

(a) Time shall be of the essence of this Agreement.

- (b) This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta.
- (c) This Agreement and the Schedules attached constitute the entire agreement between the Vendor and the Purchaser in respect of the purchase and sale of the Property. It is understood that there are no representations, warranties, guarantees, promises or agreements other than those contained in this Agreement. All of the covenants and obligations contained in this Agreement to be observed or performed by the Vendor or by the Purchaser shall in no way merge with the registration of the transfer of land for the Property and shall in all respects remain in full force and effect notwithstanding payment of the purchase price and conveyance of the Property to the Purchaser, other than the provisions of Clause 5, which shall only survive for one (1) year immediately following the Closing Date.
- (d) In the event that any date referred to in this Offer falls on a non-business day, the relevant date shall be moved to the next business day.
- (e) The Property shall be at the risk of the Vendor until the time of the closing of the sale and purchase of the Property, and thereafter at the risk of the Purchaser.
- (f) All parties to this Agreement are in agreement that both facsimile and email transmission are acceptable and binding means of conveying offer, acceptance, waiver of conditions or such other notice as may be required between the parties. Notices shall be delivered to the intended party to the address or email provided on Page 1 of this Agreement, with a copy to the Agent, or sent to the Agent for delivery.

9. PURCHASER'S CAVEAT ON TITLE

The Purchaser may, after the waiver or satisfaction of all conditions contained in this Agreement, register a caveat protecting, and in respect of, its interest in the Lands under the Agreement, provided that no financial terms are disclosed and provided that the Purchaser shall promptly remove such caveat at the Purchaser's sole cost and expense in the event the Purchaser as a result of its default fails to complete the transaction contemplated in this Agreement.

10. REAL ESTATE COMMISSION

The Vendor shall be and remain fully responsible for any fee or commission which may be payable to the Agent in respect to this transaction and shall hold harmless and indemnify the Purchaser with respect to such fee or commission. The Purchaser represents and warrants that it is not represented by any agent other than Cushman & Wakefield Ltd. with respect to the Property. The Vendor and Purchaser acknowledge and agree to a Transaction Brokerage agency relationship with the Agent.

11. BINDING AGREEMENT

Upon acceptance by both the Purchaser and the Vendor this offer shall constitute a binding agreement for the purchase and sale of the Property on the terms and conditions contained herein.

12. SCHEDULES

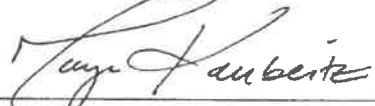
Schedules "A", "B" and "C" attached hereto form part of this Agreement.

13. DATE OF ACCEPTANCE

This Offer to Purchase is irrevocable and shall be open for acceptance by the Vendor up to 4:00 p.m. (M.S.T.) on August 2nd, 2018 and, upon acceptance, will constitute a binding agreement for the purchase and sale of the said Property on the terms and conditions contained herein. In the event that this Offer to Purchase is not accepted on or before the aforesaid time and date, then this Offer to Purchase shall be null and void.

The Purchaser has executed this Offer the day and year first above written.

NORFOLK HOUSING ASSOCIATION

Per: 
(Authorized Signatory)

Name: MAJA KAMBERTZ

I have authority to bind this association.

THE VENDOR HEREBY ACCEPTS the above Offer on the terms and conditions set out above, this 3rd day of July, 2018.

RAINY CHIEF INVESTMENTS LTD.

Per: 
(Authorized Signatory)

Name: R.S. THARP

I have authority to bind this company.

SCHEDULE A

THE PROPERTY

Legal Description

Plan Calgary 24480
Block Five (5)
Lots On (1) to Five (5) Inclusive and
The South Half of Lot Six (6)

Municipal Description

806 – 10th Street NW, Calgary, Alberta

SCHEDULE B

PROJECT DOCUMENTS

- a) current, itemized rent roll (suite numbers, tenant's names, rents, and security deposits) for the Property
- b) copies of all leases, and other rental agreements affecting the Property
- c) copies of Financial Statements for the current year to date, plus the last two (2) fiscal years of the Vendor
- d) utility bills for the last two years
- e) copies of all operating contracts affecting the Property, such as but not limited to building management contracts, waste removal, landscaping, alarm, elevator, and pest control contracts
- f) summary of capital improvements made
- g) summary of any current litigation or legal proceedings related to the Property
- h) parking stall count and any assignments to existing units
- i) copies of any Environmental Assessments or Reports in the Vendor's possession
- j) any fire and building inspections completed in the last 3 years
- k) any backflow testing, and boiler inspection certificates
- l) any building, structural, mechanical, electrical, roof or other reports, inspections or studies relating to the Property, in the Vendor's possession
- m) Real Property Report dated October 27, 2017 for the Property with City of Calgary Development Permit No. DP2018-1148 and Certificate of Compliance stamp endorsed thereon.
- n) a permission letter authorizing the Purchaser or the Purchaser's agent to obtain information relating to the Property on file with the City of Calgary, the Provincial Government of Alberta, including building plans, documents relating to the Property, fire safety inspections, life safety, health department, and the fire prevention bureau
- o) any building plans of the Property in the Vendor's possession
- p) a copy of the most recent tax assessment and Property Tax bill for the Property
- q) a chattels list comprised solely of the quantity of fridges, stoves, clothes washing machines and clothes dryers; there will be no make, model or serial number description

SCHEDULE C

PERMITTED ENCUMBRANCES

- (i) Vendor's Caveat which will be removed from the title of the Property when the Purchase Price, as adjusted, is unconditionally released to the Vendor.
- (ii) Purchaser's Caveat of its interest in the Property which will be removed from the title of the Property if this Offer becomes null and void.