

COURT FILE NUMBER	1801 04745
COURT	COURT OF QUEEN'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	HILLSBORO VENTURES INC.
RESPONDENT	CEANA DEVELOPMENT SUNRIDGE INC.
DOCUMENT	RESPONSES TO UNDERTAKINGS - QUESTIONING OF KEITH FERREL HELD OCTOBER 29, 2020
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	Field LLP 400, 444 – 7 Avenue S.W. Calgary AB T2P 0X8 Lawyer: Douglas S. Nishimura Phone Number: (403) 260-8548 Fax Number: (403) 264-7084 File No. 69701-1 / 72103-1

November 24, 2020

File No.: 559316-3

Sent Via E-mail: dnishimura@fieldlaw.com and ryan@firstwest.comField Law LLP
400, 444 - 7th Ave SW
Calgary, AB T2P 0X8First West Law LLP
15011 – 1st Street SW, #100
Calgary, AB T2R 0W1

Attention: Douglas Nishimura

Attention: Ryan Moneo

Dear Sirs:

**Re: Hillsboro Ventures Inc. v. Ceana Development Sunridge Inc.
Queen's Bench Action No. 1801-04745
Cross-examination of Keith Ferrel**

We write further to the cross-examination on Affidavit of Keith Ferrel, held October 29, 2020, and the undertakings requested of Mr. Ferrel at that time. Mr. Ferrel's responses to those requests are as follows:

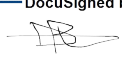
	<i>Questioning by Mr. Nishimura</i>	
	Undertaking Requested	Response
1.	To advise if there is an assignment document between Hillsboro and Liberty.	Hillsboro has reviewed its records and has not located an assignment document. It is noted the Commitment Letter clearly states the lender may be Liberty <i>or its nominee</i> .
2.	To provide a copy of the budget given to Mr. Ferrel as to where the money was going to go.	Please see the attached documentation annexed as TAB A .
3.	To provide the list of pre-sales.	Please see the attached documentation annexed as TAB B .
4.	To provide the list of deposits that had been made in 2017.	Please see the attached documentation annexed as TAB B .
5.	To provide any updates to the list referred to in Undertaking No. 4 that were provided in the course of this or the other two facilities.	Please see the attached documentation annexed as TAB B and TAB C .

6.	To provide records of where Ceana was telling Mr. Ferrel particularly what money they had spent.	Please see the attached documentation annexed as TAB D .
7.	To advise if the sale agreements of 1785337 Alberta Ltd., 1695411 Alberta Ltd., Mr. Dhaliwal, and Mr. Mavi were part of the sale confirmation; to confirm that Mr. Ferrel was aware that they paid deposits.	Reference is made to TAB B as to what information was provided to Mr. Ferrel in respect of deposits. Further reference is made to TAB E , showing parties Mr. Ferrel was advised by Ceana had acquired equity interests in the project, including 1785337 Alberta Ltd., Mr. Dhaliwal and Mr. Mavi.
8.	To provide copies of any assignment documentation between Hillsboro Ventures Inc. and Hillsboro Enterprises Inc.	This undertaking request is refused.
<i>Questioning by Mr. Moneo</i>		
1.	To provide a copy of the list given to Hillsboro that reflects the Joint Venture monies versus the purchaser deposit monies paid to Ceana.	Please see the attached documentation annexed as TAB B , TAB C and TAB E .

We trust you will find the foregoing to be satisfactory. Should you have any questions or wish to discuss the matter further, please contact the writer.

Yours truly,

Dentons Canada LLP

DocuSigned by:

 156B6CBFCA0D47B...

Derek Pontin

DP/tt

Enclosures

TAB A

11/13/16

2255 32 Street NE
CEANA

COST ANALYSIS

Name: **Ceana Sunridge Project** Dwg: Selka Arch 20150910
Location: **2255 - 32 Street N.E., Calgary**
Gross Building Area: **45,000**
Land Area: **149,411 sq. ft.**
Zoning: **DC 47Z95**
Preconstruction Period: **8 months**
Construction Period: **12 months**
Leaseup/Fixturing period:
Construction Financing Rate **Prime + 1.50%** **4.20%**
Development Fee: **3.0% on hard costs**

LAND COSTS

Land Purchase Price	\$	6,000,000
Legal Fees	\$	15,000
CARRYING COSTS/INTEREST TO DATE	\$	78,518
TOTAL LAND COSTS	\$	6,093,518

CONSTRUCTION COSTS

Base Building	\$	124.00	\$	5,580,000
Site Improvements			\$	700,000
Test./ Ins./	\$	2.00	\$	40,000
Site Supervisor Fee			\$	120,000
Pylon Signs		0	\$	40,000
Addtl. Landlords Work (ceiling system, security etc)	\$	-	\$	315,000
Off-Site work (benches, tree grades, roof screening, utility connections)			\$	250,000
Construction & Design Contingency		4.00%	\$	293,800
Traffic Light			\$	300,000
Land titles fees, Registration Condo Registration			\$	80,000
TOTAL CONSTRUCTION COSTS			\$	7,188,800

SOFT COSTS

Consulting Fees A, S, M, E & C			230,000	
Consulting Fees TI work				
TI Allowance	\$		245,000	OFFICE 7000 SQ F \$ 35
Real Property Report/Survey	\$		7,500	
Legal Fees	\$		55,000	
Realty Taxes	\$		23,000	
Environmental Cons./ Geotechnical	\$		17,000	
Insurance	\$	0.90	\$	25,000
Development Permit	\$	0.15	\$	-
Building Permit	\$	10.75	\$	70,000
Zoning Consultant				
Appraisal(s)	\$		5,000	
Development Fee				
BOMA space certification	\$		6,000	
Cost Consultant/ QS	\$		20,000	
Finance Fee Lender	\$		112,000	
Finance Fee Mortgage Broker	\$		84,000	
Operating costs until lease up	\$		-	
Leasing Signs	\$		3,500	
Misc. Overhead (Travel/ Mktg. etc.)	\$		4,000	
TOTAL SOFT COSTS	\$		907,000	

INTEREST

Equity Return/Mezzanine Interest	\$		
Interim	\$		400,000
TOTAL INTEREST COSTS	\$		400,000

TOTAL DEVELOPMENT COSTS	\$	15,119,318
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2.1

Loan Advance Recommendation Certificate
 Project: Sunridge Business Park
 Location: Calgary, AB

Insp. Date: February 15, 2017
 Claim No: 1

LENDER:

Chinook Financial (First Mortgage)
 99 - 2nd Street West, Brooks, AB. T1R 1B9
 Liberty Investments Inc. (Mezzanine)
 Suite 216, 20 Sunpark Plaza Se, Calgary, AB. T2X 3T2

BORROWER:

Ceana Development Sunridge Inc.
 Suite 101, 3115 - 12 Street NE
 Calgary, AB
 T2E 7J2

Attention: Mrs. Judy Elliot, Mr. Clinton Evangelista

Attention: Mr. Bob Gaidhar

Original Project Budget	\$	15,115,882	
Approved Budget Revisions	\$	250,000	
REVISED PROJECT BUDGET		15,365,882	100.0%
Mezzanine Loan Amount	\$	1,000,000	
First Mortgage Loan Amount	\$	9,825,323	
Approved Loan Amount	\$	0	
REVISED LOAN AMOUNT		10,825,323	70.5%
Original Equity Requirement	\$	4,290,558	
Approved Equity Revisions	\$	250,000	
REVISED EQUITY REQUIREMENT		4,540,558	29.5%
Work In Place			
Construction	\$	1,449,876	
Development	\$	6,457,445	
TOTAL WORK IN PLACE		7,907,321	51.5%
Cost to Complete			
Construction	\$	6,275,924	
Development	\$	1,182,637	
TOTAL COST TO COMPLETE		7,458,561	48.5%
Advance Calculation			
Revised Loan Amount	\$	10,825,323	
Less: Cost to Complete	\$	(7,458,561)	
Less: Builders Lien Holdback	\$	0	
Add: Holdback Release	\$	0	
Gross Amount Available to Advance		3,366,763	31.1%
Less: Previous Advances	\$	0	
NET AMOUNT THIS ADVANCE:		3,366,763	31.1%
Liberty Investments Inc. Recommended Advance Amount (Mezzanine Loan)	\$	1,000,000	
Chinook Financial Recommended Advance Amount (First Mortgage)	\$	2,366,763	

RECOMMENDED BY:

Micahel Jenkins, B.A.
 Associate Director

29-Jun-17

REVIEWED BY:

Alistair Dearie, MRICS, PQS
 Partner

29-jun-17

BTY Group

6/29/2017

File Number: 3-9251

Handwritten notes and calculations:

- Top: 314/17, 28/17, Metal Int Bldings, #341K
- Right: Extra Steel Bldg, 350K
- Center: 4.5m, 1.0m, 2.5m, 1.0m
- Bottom: FIS Oct 3m, (547), 29-jun-17, 2.5m, Hills 2.0m, Should 5.5m, 5.5, 1.3, 6.8m, 2.2

Progress Claim Form

Project: Sunridge Business Park
 Lenders: Chnook Financial and Liberty Investments
 Borrower: Ceana Development Sunridge Inc.
 Claim No: 1



CODE	ELEMENT	(1) ORIGINAL BUDGET	(2) OVERALL REVISIONS (5-1)	(5) CURRENT BUDGET	(6) PREVIOUS CLAIM	(7) CURRENT CLAIM (8-6)	(8) TOTAL CLAIM	(9) COST TO COMPLETE CLAIM (5-8)
1000	GENERAL REQUIREMENTS	954,252	0	954,252	0	295,636	295,636	638,616
2000	SITE WORK	853,862	0	853,862	0	421,864	421,864	431,998
3000	CONCRETE	485,816	0	485,816	0	362,056	362,056	123,760
4000	MASONRY	160,152	0	160,152	0	0	0	160,152
5000	METALS	962,005	0	962,005	0	0	0	962,005
6000	WOOD & PLASTICS	45,500	0	45,500	0	0	0	45,500
7000	THERMAL & MOISTURE	953,082	0	953,082	0	0	0	953,082
8000	DOORS & WINDOWS	986,486	0	986,486	0	0	0	986,486
9000	FINISHES	519,000	0	519,000	0	0	0	519,000
10000	SPECIALTIES	53,000	0	53,000	0	0	0	53,000
11000	EQUIPMENT	0	0	0	0	0	0	0
12000	FURNISHINGS	0	0	0	0	0	0	0
13000	SPECIAL CONSTRUCTION	0	0	0	0	0	0	0
14000	CONVEYING SYSTEMS	78,150	0	78,150	0	0	0	78,150
15000	MECHANICAL	906,495	0	906,495	0	0	0	906,495
16000	ELECTRICAL	468,000	0	468,000	0	0	0	397,680
	SUBTOTAL CONSTRUCTION	7,475,800	0	7,475,800	0	1,149,876	1,149,876	6,275,924
17000	NON-CONTRACT WORKS	50,000	0	50,000	0	0	0	0
	TOTAL CONSTRUCTION	7,475,800	250,000	7,775,800	0	1,149,876	1,149,876	6,275,924
18000	LAND	6,000,000	0	6,000,000	0	6,000,000	6,000,000	0
19000	CONSULTANTS	265,500	0	268,440	0	179,559	179,559	88,881
20000	DEVELOPMENT	173,518	0	173,518	0	67,287	67,287	106,231
21000	GOVERNMENT TAXES & LEVIES	131,246	0	131,246	0	104,131	104,131	27,115
22000	MARKETING	7,500	0	7,500	0	3,250	3,250	4,250
23000	FINANCING	716,636	318	716,636	0	103,218	103,218	613,418
24000	CONTINGENCY	25,000	(3,258)	342,742	0	0	0	342,742
	TOTAL DEVELOPMENT	7,640,882	0	7,640,882	0	6,457,445	6,457,445	1,182,637
	TOTAL PROJECT COSTS	15,115,882	250,000	15,365,882	0	7,907,321	7,907,321	7,458,561

Progress Claim Form

Project: Sunridge Business Park
 Lenders: Chinook Financial and Liberty Investments
 Borrower: Ceana Development Sunridge Inc.
 Claim No:1



CODE	ELEMENT	(1) ORIGINAL BUDGET	(2) OVERALL REVISIONS (5-1)	(5) CURRENT BUDGET	(6) PREVIOUS CLAIM	(7) CURRENT CLAIM (8-6)	(8) TOTAL CLAIM	(9) COST TO COMPLETE (5-8)
1001	General Condition	906,252	0	906,252	0	271,636	271,636	634,616
1002	Contingencies	0	0	0	0	0	0	0
1003	Winter Condition	48,000	0	48,000	0	24,000	24,000	24,000
	Subtotal General Requirements	954,252	0	954,252	0	295,636	295,636	658,616
2001	Earthwork	242,081	0	242,081	0	217,873	217,873	24,208
2002	Site Servicing	407,981	0	407,981	0	203,991	203,991	203,990
2003	Paving & Exterior Improvements	97,200	0	97,200	0	0	0	97,200
2004	Site Concrete	33,700	0	33,700	0	0	0	33,700
2005	Landscape	26,500	0	26,500	0	0	0	26,500
2006	Irrigation	46,400	0	46,400	0	0	0	46,400
	Subtotal Site Works	853,862	0	853,862	0	421,864	421,864	431,998
3001	Forming	318,546	0	318,546	0	318,546	318,546	0
3002	Concrete Reinforcing	11,670	0	11,670	0	11,670	11,670	0
3003	Concrete Supply	31,840	0	31,840	0	31,840	31,840	0
3004	Concrete Finish	123,760	0	123,760	0	0	0	123,760
	Subtotal Concrete	485,816	0	485,816	0	362,056	362,056	123,760
4001	Masonry	160,152	0	160,152	0	0	0	160,152
	Subtotal Masonry	160,152	0	160,152	0	0	0	160,152
5001	Structural Steel & Miscellaneous Metals	962,005	0	962,005	0	0	0	962,005
	Subtotal Metals	962,005	0	962,005	0	0	0	962,005
6001	Framing Materials	45,500	0	45,500	0	0	0	45,500
	Subtotal Wood & Plastics	45,500	0	45,500	0	0	0	45,500
7001	Insulation	81,370	0	81,370	0	0	0	81,370
7002	Roofing	574,657	0	574,657	0	0	0	574,657
7003	Stucco	175,000	0	175,000	0	0	0	175,000
7004	Metal Cladding	18,755	0	18,755	0	0	0	18,755
7005	Spray Fireproofing	68,500	0	68,500	0	0	0	68,500
7005	Soffits, Downspouts	34,800	0	34,800	0	0	0	34,800
	Subtotal Thermal & Moisture	953,082	0	953,082	0	0	0	953,082
8001	Doors & Windows	986,486	0	986,486	0	0	0	986,486
	Subtotal Doors & Windows	986,486	0	986,486	0	0	0	986,486

Progress Claim Form

Project: Sunridge Business Park

Lenders: Chinook Financial and Liberty Investments

Borrower: Ceana Development Sunridge Inc.

Claim No:1



CODE	ELEMENT	(1) ORIGINAL BUDGET	(2) OVERALL REVISIONS (5-1)	(5) CURRENT BUDGET	(6) PREVIOUS CLAIM	(7) CURRENT CLAIM (8-6)	(8) TOTAL CLAIM	(9) COST TO COMPLETE (5-8)
9001	Drywall, Steel Studs & Insulation	519,000	0	519,000				
	Subtotal Finishes	519,000	0	519,000				519,000 100%
10001	Signage / Public Art	53,000	0	53,000				
	Subtotal Specialties	53,000	0	53,000				53,000 100%
11001	Equipment - General	0	0	0				
	Subtotal Equipment	0	0	0				0 0%
12001	Furnishings - General	0	0	0				
	Subtotal Furnishings	0	0	0				0 0%
13001	Special Construction - General	0	0	0				
	Subtotal Special Construction	0	0	0				0 0%
14001	Elevator Supply	78,150	0	78,150				
	Subtotal Conveying Systems	78,150	0	78,150				78,150 100%
15001	Mechanical	859,595	0	859,595				
	Subtotal Mechanical	859,595	0	859,595				859,595 100%
16001	Electrical (includes shallow servicing)	706,000	0	706,000				
	Subtotal Electrical	706,000	0	706,000				706,000 100%
SUBTOTAL CONSTRUCTION		7,425,800	0	7,425,800	0	1,149,876	1,149,876	6,275,924
17001	Offsite Electrical (Traffic Lights)	50,000	250,000	300,000				
	Subtotal Non Contract Works	50,000	250,000	300,000				300,000 100%
TOTAL CONSTRUCTION		7,475,800	250,000	7,725,800	0	1,149,876	1,149,876	6,275,924

BTY Group

5/25/2017

File No. 3-9251

Progress Claim Form

Project: Sunridge Business Park
 Lenders: Chinoak Financial and Liberty Investments
 Borrower: Ceana Development Sunridge Inc.
 Claim No.1



CODE	ELEMENT	(1) ORIGINAL BUDGET	(2) OVERALL REVISIONS (5-1)	(5) CURRENT BUDGET	(6) PREVIOUS CLAIM	(7) CURRENT CLAIM (8-6)	(8) TOTAL CLAIM	(9) COST TO COMPLETE (5-8)
18001	Land	6,000,000	0	6,000,000	0	6,000,000	6,000,000	0
	Subtotal Land	6,000,000	0	6,000,000	0	6,000,000	6,000,000	0
19001	Architect	230,000	0	230,000	0	159,469	159,469	70,531
19002	Land Surveyor	7,500	0	7,500	0	4,650	4,650	2,850
19003	Geotechnical Engineer	17,000	0	17,000	0	7,500	7,500	9,500
19004	Appraisal	5,000	2,940	7,940	0	7,940	7,940	0
19005	BOMA Space Certification	6,000	0	6,000	0	0	0	0
	Subtotal Consultants	265,500	2,940	268,440	0	179,559	179,559	88,881
20001	Legal Fees	55,000	0	55,000	0	0	0	55,000
20002	Legal Fees (Land)	15,000	0	15,000	0	0	0	15,000
20003	Additional Legal Fees (Liberty)	0	0	0	0	0	0	0
20004	Insurance	25,000	0	25,000	0	1,200	1,200	23,800
20005	Carrying Costs (Land)	78,518	0	78,518	0	56,087	56,087	12,431
	Subtotal Development	173,518	0	178,518	0	67,287	67,287	106,231
21001	Development Permit	6,750	0	6,750	0	638	638	6,112
21002	Building Permit	70,000	0	70,000	0	66,693	66,693	3,307
21003	Property Taxes	52,256	0	52,256	0	36,800	36,800	17,696
	Subtotal Government Taxes & Levies	131,256	0	131,256	0	104,131	104,131	27,115
22001	Signage	3,500	0	3,500	0	0	0	3,500
22002	Misc. Marketing	4,000	0	4,000	0	3,250	3,250	750
	Subtotal Marketing	7,500	0	7,500	0	3,250	3,250	4,250
23001	Interest Reserve (1st Mortgage)	500,000	0	500,000	0	0	0	500,000
23002	Interest Reserve (Mezz. Loan)	0	0	0	0	0	0	0
23003	Commitment Fee (1st Mortgage)	98,318	0	98,318	0	0	0	98,318
23004	Commitment Fee (Mezz. Loan)	0	0	0	0	0	0	0
23005	Broker Fees (1st Mortgage)	98,318	318	98,318	0	98,318	98,318	0
23006	Broker Fees (1st Mortgage)	0	0	0	0	0	0	0
23006	Project Monitoring	20,000	0	20,000	0	4,900	4,900	15,100
	Subtotal Financing	716,318	318	716,536	0	103,218	103,218	613,418
24001	Contingency	346,000	(3,258)	342,742	0	0	0	342,742
	Subtotal Contingency	346,000	(3,258)	342,742	0	0	0	342,742
TOTAL DEVELOPMENT		7,640,082	0	7,640,082	0	6,457,445	6,457,445	1,182,637



2.0 Executive Summary

2.1 Key Inputs

Lender	Chinook Financial and Liberty Investments Ltd.
Borrower	Ceana Development Sunridge Inc.
Total Project Budget	\$15,115,882*
Project Description	4 low rise commercial & 1 low rise commercial / office building development in Calgary, AB
Gross Floor Area (GFA)	42,862sf
Loan Amount (Chinook Financial)	\$9,825,323*
Loan Amount (Liberty Investments Ltd)	\$2,215,882**
Equity Requirement	\$3,074,677
Loan Interest Rate (Chinook Financial)	Prime Rate + 1.75%
Loan Interest Rate (Liberty Investments Ltd)	18.0%
Initial Drawdown Date Rate (Chinook Financial)	N/A
Initial Drawdown Date Rate (Liberty Investments Ltd)	On or about January 10, 2017
Term (Chinook Financial)	Payable no later than March 31, 2018
Term (Liberty Investments Ltd)	12 months (payable on January 1, 2018)
Procurement Route	Stipulated Price
Main Contractor	Fast Track Commercial Inc.
Contract Price	\$7,425,800 (excl. GST)
Start Date	October 27, 2016
Completion Date	August 30, 2017
Construction Budget	\$7,475,800 (incl. Non Contract Works)
Development Budget	\$7,640,082
Permits	Building Permit Received
Home Warranty Provider	N/A
Insurance Provider	Lundgren & Young Insurance
Legal Address	Lot 1, Block 8, Plan 9811891
Municipal Address	2255 – 32 Street NE, Calgary, AB

***The Chinook Financial Commitment Letter notes that their financing is limited to 65% of costs to complete regardless of the approved amount. Based on the Total Project Budget noted above, we calculate the maximum funding available for the Chinook Financial loan to be \$9,825,323.**

****We note that the current Project Budget is \$784,118 less than the Project Budget shown in the Liberty Investments Ltd., Commitment Letter. The Lenders have subsequently advised that the Liberty Investments Ltd. loan amount is to be reduced by this amount.**

Chinook Financial and Liberty Investments Ltd. | Sunridge Business Park – Calgary, AB
Report Number 1.0 | March 3, 2017



Terms of Loan Commitment Cont'd

CONDITIONS PRECEDENT

Pertinent requirements prior to the initial advance that are to be monitored in the context of our reports include, but are not limited to the following:

- Fixed Price Contract (See Section 5.0) ✓
- Bonding (See Section 5.0)
- Certificate of Insurance (See Section 11.0)

4.2 Project Financing – Second Mortgage (Liberty Investments Ltd.)

We have received a copy of the Second Mortgage Lender's Commitment Letter issued by Liberty Investments Ltd., (the "Lender"), dated January 2, 2017, which confirms its commitment to Ceana Development Sunridge Inc., (the "Borrower"), to provide Mezzanine/2nd Mortgage financing in the amount of \$3,000,000 (Three Million Dollars).

Pertinent points pursuant to the terms of loan agreement (the "Commitment Letter") have been summarized below, and shall be monitored through the course of the project.

CREDIT FACILITIES

The Mezzanine/2nd Mortgage Facility is a non-revolving loan of \$3,000,000.

As noted in Section 2.1, the current Project Budget is \$784,118 less than the Project Budget shown in the Liberty Investments Ltd., Commitment Letter. Accordingly, the Lenders have advised that the Liberty Investments Ltd. loan amount is to be reduced by this amount. As such, the current Mezzanine/2nd Mortgage Facility availability stands at \$2,215,882.

TERMS

The funding will have a 12 month term, with the full outstanding Principal and all accrued and outstanding Interest due and payable on January 1, 2018.

EQUITY REQUIREMENT

The Lender's Commitment Letter notes a minimum equity requirement of not less than \$3,000,000. However, based on an overall Project Budget of \$15,115,882, we calculate a combined (First and Second Mortgage) minimum equity requirement of \$3,074,677.

APPLICABLE INTEREST RATE

Interest will be set at a rate of 18% per annum.

FEES

The Borrower is to pay the Lender a non-refundable processing fee of \$2,500.

A Standby fee may also be charged if the Borrower has not drawn down on the initial advance within 7 days from the funding date (on/about January 10, 2017). The standby fee is equal to the face rate of this loan per month on funds not disbursed.

DATE OF 1ST ADVANCE DATE

On/about January 10, 2017

645 404 6th Avenue SW, Calgary, AB, T2P 0G9 | 403-269-5155

This report has been prepared at the request of Chinook Financial and Liberty Investments Ltd. and is the exclusive property of BTY Group. The information must be treated as confidential and not to be disclosed, reproduced or permitted to be disclosed to any party without the prior consent of BTY Group.



5.3 Benefits and Potential Risks

The benefits and potential risks of this procurement route include:

Benefits	Potential Risks
The 'Owner' has a definitive price for the project before commencement on site, and therefore lower financial uncertainty;	If price certainty is required tenders cannot be obtained until all design is completed which may mean a longer overall programme;
The contractor has full responsibility for his sub-contractors;	If unforeseen events occur, or if design information is issued late, then costly 'claims' may arise;
Changes are easy to arrange and value;	A full design prior to tender is rarely achieved.
A commonly used form of procurement with which all parties will be familiar.	

5.4 Cash Allowances

Based on the detailed budget provided by the Contractor, there do not appear to be any cash allowances within the Stipulated Price Contract Amount.

5.5 Bonding

The Commitment Letter received from Chinook Financial notes that the Contractor should be bonded as to performance and labour and materials.

We note that we have not received documentation confirming that the Contractor has bonding in place. The Borrower has advised that the Contractor has applied for bonding, and will provide confirmation once received.

We understand the Lender's solicitor will review the detailed provisions of the bonding documents.

6.0 Budget Review

6.1 Construction Budget

We have been provided with a breakdown of the Construction Budget prepared by the Borrower, in the amount of \$7,425,000. We have reviewed this budget and have increased it to \$7,475,800 as follows:

Budget Item	\$	Comments
Construction Budget	\$ 7,425,000	Per Borrower
Adjust Construction Budget	\$ 800	Per Stipulated Price Contract
Include Offsite Electrical	\$ 50,000	Per Borrower
Adjusted Construction Budget	\$ 7,475,800	

Based on the information received, by comparison with similar developments and current market conditions, it is our opinion that the construction budget of \$7,475,800, which equates to a unit rate of \$174/sf, appears reasonable, and should be adequate for the proposed works. This is subject to the Project being managed in a professional manner, adequate resources maintained on site, completion within the scheduled timeframe, and completion of the project by the current Borrower and Contractor.

Chinook Financial and Liberty Investments Ltd. | Sunridge Business Park – Calgary, AB
Report Number 1.0 | March 3, 2017



Budget Review Cont'd

GOVERNMENT TAXES & LEVIES

The Government Taxes and Levies allowance includes Permit Fees and Property Tax allowances in the amount of \$131,246. Based on the City of Calgary Building Permit Fee Schedule, and current assessed value of the property, these allowances appear reasonable.

MARKETING

The overall Marketing budget of \$7,500 includes for signage and miscellaneous marketing costs, which appears low. We understand that Tenant Improvement allowances will be funded directly by the Borrower. Only on the basis of all retail units having been pre-sold, as indicated in the Borrower's sales summary, and the Borrower securing the sales and/or lease of the 5 office units directly do we consider the Marketing budget to be reasonable.

FINANCING

The Financing budget includes allowances for Lender Fees, Project Monitoring, and Broker Fees. Based on the Commitment Letter's received to date, these allowances appear reasonable. We note that the Project Monitoring allowance is sufficient for 12 monthly progress claim reports, which appears reasonable based on the projected construction duration of 10 months, as noted in 7.0.

INTEREST RESERVE

An Interest Reserve allowance of \$500,000 has been included, as noted in the Chinook Financial Commitment Letter. Based on an interest rate of 4.45%(Prime + 1.75%) and 18% for Chinook Financial and Liberty Investments Ltd., respectively, the Interest Reserve appears adequate for a borrowing period of 10 months, which is in line with the duration of construction noted by the Contractor. Should construction delays occur, additional Borrower equity may be required.

CONTINGENCIES

The Contingency budget of \$346,000 represents 4.7% of the Construction Budget. Based on the procurement route chosen, the Contingency allowance appears reasonable. However, this is subject to an ongoing review of any change orders or variations raised by the Borrower.

Please refer to Appendix 1 for the Detailed Budget Summary.

Chinook Financial and Liberty Investments Ltd. | Sunridge Business Park – Calgary, AB
Report Number 1.0 | March 3, 2017



Construction Schedule Cont'd

Scope	Start	Finish
<u>Building C</u>		
Excavation	December 8, 2016	December 14, 2016
Foundation	December 15, 2016	January 26, 2017
Structural Steel	February 27, 2017	March 17, 2017
Roofing	May 11, 2017	May 31, 2017
Exterior Cladding	May 15, 2017	June 9, 2017
Mech. & Elec. Rough-ins	May 15, 2017	July 26, 2017
Slab on Grade	July 3, 2017	July 14, 2017
Drywall	July 17, 2017	July 28, 2017
Exterior Finishes	July 17, 2017	August 11, 2017
Completion		September 1, 2017

Scope	Start	Finish
<u>Building D</u>		
Excavation	December 8, 2016	December 14, 2016
Foundation	December 15, 2016	January 26, 2017
Structural Steel	February 27, 2017	March 17, 2017
Roofing	May 8, 2017	May 26, 2017
Exterior Cladding	May 15, 2017	June 9, 2017
Mech. & Elec. Rough-ins	May 15, 2017	July 21, 2017
Slab on Grade	July 3, 2017	July 14, 2017
Drywall	July 17, 2017	July 28, 2017
Exterior Finishes	July 17, 2017	August 9, 2017
Completion		September 1, 2017

645 404 6th Avenue SW, Calgary, AB T2P 0S8 | 403-269-5154

This report has been prepared at the request of Chinook Financial and Liberty Investments Ltd. and is the exclusive property of BTY Group. The information herein be treated as confidential and not to be disclosed, reproduced or permitted to be disclosed to any party without the prior consent of BTY Group.



Construction Schedule Cont'd

Scope	Start	Finish
Building E		
Excavation	December 8, 2016	December 14, 2016
Foundation	December 15, 2016	February 8, 2017
Structural Steel	March 13, 2017	March 31, 2017
Roofing	May 11, 2017	May 31, 2017
Exterior Cladding	May 15, 2017	June 9, 2017
Mech. & Elec. Rough-ins	May 15, 2017	July 26, 2017
Slab on Grade	July 3, 2017	July 7, 2017
2 nd Floor Slab	July 10, 2017	July 14, 2017
Drywall	July 17, 2017	July 28, 2017
Exterior Finishes	July 17, 2017	August 9, 2017
Completion		September 1, 2017

Based on the Contractor's schedule, a 10-month construction period for the buildings is reasonable, provided that the development is managed in a professional manner and critical milestones are met. We note that the construction works are scheduled to take place concurrently for all buildings within the development.

7.1 Cash Flow

The Contractor has provided a Cash Flow which notes a 10 month duration. We note that the construction schedule provided above also indicates a 10 month duration.

The cash flow indicates, that to meet the above schedule, the monthly draws will need to range from approximately \$380,000 to \$1,570,000 at the peak of construction

Please refer to Appendix 4 for a copy of the Construction Schedule and Cash Flow.



7.0 Construction Schedule / Cash flow

The Contractor has provided a copy of their construction schedule, dated February 24, 2017, indicating the following milestone dates:

Scope	Start	Finish
Building A		
Excavation	December 8, 2016	December 14, 2016
Foundation	December 15, 2016	January 26, 2017
Structural Steel	February 27, 2017	March 17, 2017
Roofing	May 8, 2017	May 26, 2017
Exterior Cladding	May 15, 2017	June 9, 2017
Mech. & Elec. Rough-ins	May 15, 2017	July 21, 2017
Slab on Grade	July 3, 2017	July 14, 2017
Drywall	July 17, 2017	July 28, 2017
Exterior Finishes	July 17, 2017	August 9, 2017
Completion		September 1, 2017

Scope	Start	Finish
Building B		
Excavation	December 8, 2016	December 14, 2016
Foundation	December 15, 2016	January 26, 2017
Structural Steel	February 27, 2017	March 17, 2017
Roofing	May 11, 2017	May 31, 2017
Exterior Cladding	May 15, 2017	June 2, 2017
Mech. & Elec. Rough-ins	May 15, 2017	July 26, 2017
Slab on Grade	July 3, 2017	July 7, 2017
Drywall	July 17, 2017	July 28, 2017
Exterior Finishes	July 17, 2017	August 9, 2017
Completion		September 1, 2017

645-404 6th Avenue SW, Calgary, AB T2P 0P9 | 403-269-5155

This report has been prepared at the request of Chinook Financial and Liberty Investments Ltd. and is the exclusive property of BTY Group. The information must be treated as confidential and not to be disclosed, reproduced or permitted to be disclosed to any party without the prior consent of BTY Group.

SPATIAL ANALYSIS

PROJECT: Sunridge Business Park
 LENDER: Connect First Credit Union Ltd. (First Mortgage)
 LENDER: Liberty Investments Ltd. (Second Mortgage)
 BORROWER: Ceana Development Sunridge Inc.

Date: 3-Mar-17
 File: 3-9251

DRAWINGS: Issued for Development / Building Permit prepared by Selka Architecture Ltd., dated September 9, 2016.

OVERALL SUMMARY

Description:	Main	Second	Total (sf)
--------------	------	--------	------------

Building A			
Number of Commercial Units	1	-	1
Commercial Building	5,757	-	5,757
Net Floor Area	5,757	-	5,757
M&E Areas	140	-	140
Washroom	357	-	357
Gross Floor Area	6,254	-	6,254

Building B			
Number of Commercial Units	3	-	3
Commercial Building	4,925	-	4,925
Net Floor Area	4,925	-	4,925
M&E Areas	165	-	165
Washroom	-	-	-
Gross Floor Area	5,090	-	5,090

Building C			
Number of Commercial Units	2	-	2
Commercial Building	4,535	-	4,535
Net Floor Area	4,535	-	4,535
M&E Areas	165	-	165
Washroom	-	-	-
Gross Floor Area	4,700	-	4,700

Building D			
Number of Commercial Units	3	-	3
Commercial Building	5,558	-	5,558
Net Floor Area	5,558	-	5,558
M&E Areas	165	-	165
Washroom	-	-	-
Gross Floor Area	5,723	-	5,723

Building E			
Number of Commercial Units	9	-	9
Number of Office Units	-	5	5
Commercial Building	13,166	7,550	20,716
Net Floor Area	13,166	7,550	20,716
M&E Areas	379	-	379
Washroom	-	-	-
Corridor/Lobby	945	1,500	-
Gross Floor Area	14,490	9,050	21,095
TOTAL GROSS FLOOR AREA			42,862

SURFACE PARKING		
Number of Parking Stalls	208	208
Parking Area	92,764	92,764

Statistics

Site Area	152,289 sf
Landscape area	59,525 sf
Roof Area	36,257 sf

Note: This area schedule has been prepared for the use in preparation of the Budget Review and is not to be used for any other purpose.

SUNRIDGE WAY

Date: Oct, 25, 2016

GST#: 808032015RT0001

Project Cash Flow Projection

	1	2	3	4	5	6	7	8	9
	11%	22%	31%	52%	68%	78%	86%	91%	97%
	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9
	\$87,329.32	\$87,329.32	\$87,329.32	\$87,329.32	\$87,329.32	\$87,329.32	\$87,329.32	\$87,329.32	\$87,329.32
	\$4,800.00	\$9,600.00	\$9,600.00	\$4,800.00	\$4,800.00	\$4,800.00	\$4,800.00	\$4,800.00	
	\$145,248.60	\$48,416.20	\$24,208.10	\$24,208.10					
15						\$20,220.00	\$49,480.00	\$24,740.00	\$24,740.00
							\$13,480.00		
									\$27,840.00
	\$254,836.80	\$63,709.20							
	\$9,336.00	\$2,334.00							
	\$25,472.00	\$6,368.00							
				\$53,040.00	\$53,040.00	\$53,040.00	\$17,680.00		
		\$517,203.00	\$344,802.00			\$106,768.00	\$106,768.00	\$53,384.00	
			\$13,650.00	\$13,650.00	\$13,650.00	\$4,550.00			
on									
				\$287,328.50	\$48,822.00	\$32,548.00			
					\$172,397.10	\$114,931.40			
								\$11,253.00	\$7,502.00
								\$17,400.00	17400
				\$493,243.00	\$493,243.00				
				\$326,500.00	\$195,900.00	\$130,600.00			
								\$105,000.00	\$70,000.00
								\$31,800.00	\$21,200.00
23							\$62,520.00	\$15,630.00	

GST#: 808032015RT0001

Project Cash Flow Projection

[illegible]

①	②	③	④	⑤
	1742	2.374	3874	5238

1792 2.374
3874

+	10	7	3	2	1
+	10	7	3	2	1

$$\frac{12.32}{1}$$



SUNRIDGE WAY
 2255 32 Street NE Calgary, Alberta

 Date: Nov. 01/2018
 GST# 800032015RT0001

 Calgary Ph 403-234-6610
 Fax 403-234-6616
 Tel 403-464-9619
 Toll Free 855-723-6299
 den@sunridge.ca

Fast Track Commercial Inc.

Project Cash Flow Projection

cash flow projection

Project	31%	21%	31%	21%	31%	21%	31%	21%	31%	21%	100%	
Division	Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9	Month 10		Total cost
000-1 General Condition	\$90,545.17	\$90,545.17	\$90,545.17	\$90,545.17	\$90,545.17	\$90,545.17	\$90,545.17	\$90,545.17	\$90,545.17	\$90,545.17	\$90,545.17	\$905,451.71
700-0 Contingencies												
500-0 Winter Condition	\$4,800.00	\$9,600.00	\$9,600.00	\$4,800.00	\$4,800.00	\$4,800.00	\$4,800.00	\$4,800.00				\$48,800.00
000-2 Site Work & Excavation												
2200 Earthwork	\$145,248.00	\$48,416.20	\$25,208.10	\$24,208.10								\$242,081.00
2235 Paving & Exterior Improvements						\$18,680.00	\$18,640.00	\$18,640.00	\$18,640.00			\$72,700.00
2245 Site Concrete						\$20,220.00	\$18,680.00					\$38,900.00
2900 Landscape								\$13,250.00	\$13,250.00			\$26,500.00
2910 Irrigation									\$27,840.00	\$18,560.00		\$46,400.00
000-3 Concrete												
3100 Forming	\$254,836.80	\$63,709.20										\$318,546.00
3200 Concrete Reinforcing	\$9,336.00	\$2,334.00										\$11,670.00
3700 Concrete Supply	\$25,472.00	\$6,368.00										\$31,840.00
3750 Concrete Finish				\$53,040.00	\$53,040.00	\$53,040.00	\$17,680.00					\$176,800.00
000-4 Masonry						\$106,768.00	\$106,768.00	\$53,384.00				\$266,920.00
000-5 Metals		\$517,203.00	\$444,802.00									\$962,005.00
000-6 Wood, Carpentry & material			\$13,650.00	\$13,650.00	\$13,650.00	\$4,550.00						\$45,500.00
000-7 Thermal / Moisture protection												
7200 Insulation					\$48,872.00	\$37,548.00						\$86,420.00
7400 Roofing			\$287,828.30	\$172,997.10	\$114,931.40							\$575,756.80
7485 Metal Cladding								\$11,253.00	\$7,507.00			\$18,760.00
7500 Soffits, Downspouts								\$17,400.00	17400			\$34,800.00
000-8 Doors & Windows												
8400 Glassing / Metal Doors			\$493,243.00	\$493,243.00								\$986,486.00
000-9 Finishing												
9200 Drywall / Steel Framing			\$328,500.00	\$195,900.00	\$180,600.00							\$605,000.00
9275 Stucco												
9380 Public Art - Signage & Directions								\$105,000.00	\$70,000.00			\$175,000.00
000-12 Common area finishes								\$31,800.00	\$21,200.00			\$53,000.00
000-14 Elevator							\$67,570.00	\$13,630.00				\$81,200.00
000-15 Mechanical												
15050 Mechanical			\$369,834.40	\$171,917.40	\$85,958.70	\$85,958.70	\$85,958.70	\$85,958.70	\$85,958.70			\$1,409,587.00
15300 Sprinkler System						\$18,140.00	\$18,780.00					\$36,920.00
15400 Spray Fireproofing								\$41,000.00	\$27,400.00			\$68,400.00
15500 Site Services	\$203,990.89	\$122,384.38	\$83,596.27									\$409,971.54
000-16 Electrical	\$140,400.00		\$93,600.00	\$93,600.00		\$46,800.00		\$46,800.00		\$46,800.00		\$468,000.00
Sub-Total	\$474,628.38	\$860,568.95	\$728,001.54	\$1,720,740.57	\$1,244,514.87	\$689,751.27	\$446,771.87	\$555,126.87	\$380,535.87	\$175,346.18		\$7,218,800.00
GST	\$43,732.46	\$43,028.49	\$37,900.07	\$86,517.47	\$62,215.73	\$34,536.06	\$27,638.59	\$27,756.04	\$19,026.79	\$8,767.73		\$455,440.00
Total	\$918,360.77	\$903,597.44	\$765,901.61	\$1,807,258.04	\$1,306,730.60	\$724,287.33	\$474,410.46	\$582,882.91	\$399,562.66	\$184,113.91		\$7,664,240.00

24

Project Cash Flow Projection

	C	D	E	F	G	H	I	J	K	L
Project Cash Flow Projection										
	Dec-16				AUGUST	SEPT	OCT	NOV	DEC	JAN
	11%	22%	31%	52%	68%	78%	86%	91%	97%	100%
		Month 1	Month 2	Month 3	Month 4	Month 5	Month 6	Month 7	Month 8	Month 9
	90545	90545	90545	90545	90545	90545	90545	90545	90545	90545
	4800	9600	9600	4800	4800	4800	4800	4800		
	145249	48416	24208	24208						
ents							38880	19440	19440	19440
						20220	13480			
								13250	13250	
									27840	18560
	254837	63709								
	9336	2334								
	25472	6368								
				53040	53040	53040	17680			
						106768	106768	53384		
					962005					
			13650	13650	13650	4550				
					48822	32548				
				287329	172397	114931				
								11253	7502	
								17400	17400	
				493243	493243					
				326500	195900	130600				
								105000	70000	
								31800	21200	
							62520	15630		
					171017	85050	85050	85050	85050	85050

2.5

Loan Advance Recommendation Certificate

Project: Sunridge Business Park

Location: Calgary, AB

All BTY shows is net process bty

Insp. Date: February 15, 2017

Claim No: 1

LENDER:

Chinook Financial (First Mortgage)
99 - 2nd Street West, Brooks, AB. T1R 1B9
Liberty Investments Inc. (Mezzanine)
Suite 216, 20 Sunpark Plaza Se, Calgary, AB. T2X 3T2

BORROWER:

Ceana Development Sunridge Inc.
Suite 101, 3115 - 12 Street NE
Calgary, AB
T2E 7J2

Attention: Mrs. Judy Elliot, Mr. Clinton Evangelista

Attention: Mr. Bob Gaidhar

Original Project Budget	\$	15,115,882	
Approved Budget Revisions	\$	250,000	
REVISED PROJECT BUDGET		\$ 15,365,882	100.0%
Mezzanine Loan Amount (Liberty)	\$	3,000,000	
Mezzanine Loan Amount Adjustments (Liberty)	\$	(784,118)	
First Mortgage Loan Amount (Chinook)	\$	9,825,323	
First Mortgage Loan Amount Adjustments (Chinook)	\$	0	
REVISED LOAN AMOUNT		\$ 12,041,205	78.7%
Original Equity Requirement	\$	3,074,676	
Approved Equity Revisions		250,000	
REVISED EQUITY REQUIREMENT		\$ 3,324,676	21.6%
Work In Place			
Construction	\$	1,449,876	
Development	\$	7,055,763	
TOTAL WORK IN PLACE		\$ 8,505,639	55.4%
Cost to Complete			
Construction	\$	6,275,924	
Development	\$	584,319	
TOTAL COST TO COMPLETE		\$ 6,860,243	44.6%
Advance Calculation			
Mezzanine Loan Amount (Liberty)	\$	2,215,882	
First Mortgage Loan Amount (Chinook)	\$	9,825,323	
Less: Cost to Complete	\$	(6,860,243)	
Less: Builders Lien Holdback	\$	0	
Add: Holdback Release	\$	0	
Gross Amount Available to Advance		\$ 5,180,963	43.0%
Less: Previous Advances (Liberty)	\$	(2,215,882)	18.4%
Less: Previous Advances (Chinook)	\$	0	0.0%
NET AMOUNT THIS ADVANCE:		\$ 2,965,081	24.6%

RECOMMENDED BY:

Chin 9.8

REVIEWED BY:

6.8m

Micahel Jenkins, B.A.
Associate Director

Alistair Dearie, MRICS, PQS
Partner

BTY Group

7/17/2017

File Number: 3-9251

PREPAID INT Book

6.3m

2.6

26

TAB B

SUNRIDGE SALES

Sold for

WITH

SQ FT	\$/ sq ft	SALE PRICE	TOTAL SALE/	FUNDS/CEANA	WITH LAWYER	CASH TO CLOSE	
1	6185	\$450.00	\$2,783,250.00	\$2,783,250.00	\$417,487.50	\$2,365,762.50	CEANA
2	1650	\$475.00	\$783,750.00	\$783,750.00	\$500,000.00	\$283,750.00	CEANA
3	1565	\$500.00	\$782,500.00	\$782,500.00	\$195,625.00	\$586,875.00	DUNKLY
4	1635	\$450.00	\$755,250.00	\$755,250.00	\$178,125.00	\$577,125.00	DUNKLY
5	2530	\$475.00	\$1,201,750.00	\$1,201,750.00	\$334,750.00	\$867,000.00	CRU 5&6
6	1944	\$475.00	\$923,400.00	\$923,400.00	\$0.00	\$923,400.00	COMBINED CEANA
7A	1793	\$475.00	\$851,675.00	\$851,675.00	\$127,751.25	\$723,923.75	DUNKLY
7B	1970	\$500.00	\$985,000.00	\$985,000.00	\$200,000.00	\$785,000.00	
8	1675	\$450.00	\$753,750.00	\$753,750.00	\$120,000.00	\$633,750.00	CEANA
9	1535	\$500.00	\$767,500.00	\$767,500.00	\$300,000.00	\$376,500.00	CEANA
10	1535	\$500.00	\$767,500.00	\$767,500.00	\$100,000.00	\$667,500.00	CEANA
11	1535	\$500.00	\$767,500.00	\$767,500.00	\$130,000.00	\$637,500.00	CEANA
12	1535	\$475.00	\$712,500.00	\$712,500.00	\$71,250.00	\$641,250.00	DUNKLY
13	1535	\$500.00	\$767,500.00	\$767,500.00	\$70,000.00	\$697,500.00	CEANA
14	755	\$500.00	\$377,500.00	\$377,500.00			PENDING
15	1535	\$500.00	\$767,500.00	\$767,500.00	\$70,000.00	\$697,500.00	CEANA
16	1535	\$500.00	\$767,500.00	\$767,500.00			PENDING
17	1542	\$500.00	\$771,000.00	\$771,000.00	\$101,250.00	\$669,750.00	CEANA
ICE-1	2100	\$400.00		\$840,000.00			BOB CEANA PURCHASED
ICE-2	1000	\$450.00		\$450,000.00			BOB CEANA PURCHASED
ICE-3	1000	\$450.00		\$450,000.00			FOR LEASE \$28./SQ FT
ICE-4	900	\$450.00		\$405,000.00			FOR LEASE \$28./SQ FT
ICE-5	2590	\$400.00		\$1,036,000.00			LAW FIRM LEASE/\$28/SQ FT

16.286 19,376 2,343 572 12,134

TOTAL OBLIGATION/OR DEPOSIT HELD \$2,577,836.50

; CLOSING=CASH TO CLOSE PLUS DEPOSIT WITH LAWYERS \$12,706,837.50
S INTEREST OF 10 %

CERTIFICATE OF INCUMBENCY

I, Bahadur Gaidhar, being an officer of **CEANA DEVELOPMENT SUNRIDGE INC.** (the "Corporation"), DO HEREBY CERTIFY:

1. THAT the Articles of Incorporation, Articles of Continuance (if any), Articles of Amalgamation (if any) or Bylaws of the Corporation have not been amended in any way which restricts the ability of the Corporation to borrow money.

2. THAT the following persons are the Directors of the Corporation:

NAME

Bahadur Gaidhar

3. THAT any of the following persons are the authorized signing officers of the Corporation for the purposes of the loan made by **HILLSBORO ENTERPRISES INC.** in the sum of **\$630,000.00** and the signatures set out opposite their names are their genuine signatures.

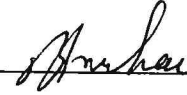
NAME

POSITION

SPECIMEN SIGNATURE

Bahadur Gaidhar

President, Secretary,
Treasurer, Director



4. THAT the following persons are the Shareholders of the Corporation:

NAME

PERCENTAGE OF SHARES HELD

SEE SCHEDULE "A" ATTACHED

WITNESS my hand and signature as an officer of the Corporation this 19 day of April, 2016.


Office: President

SCHEDULE "A"
OWNERSHIP DETAILS

Name	Shares / Ownership
Ceana Development Inc.	400 Class "A" Voting Shares
Bhupinder Basati and Ravinder Kaur Basati	50 Class "C" Non-Voting Shares
Zahir Karmali and Almas Karmali	200 Class "C" Non-Voting Shares
HMA Homes and Investments Ltd.	50 Class "C" Non-Voting Shares
Mounir Alein	250 Class "C" Non-Voting Shares
909472 Alberta Ltd.	62 Class "C" Non-Voting Shares
Shafique Kanji and Yasmin Kanji	125 Class "C" Non-Voting Shares
Gurjit Singh Dhillon	51 Class "C" Non-Voting Shares
1814121 Alberta Ltd.	50 Class "C" Non-Voting Shares

SUNKRIDGE SALES					ADDITIONAL SALE PROCEEDS WHEN SOLD
BUILDING PURCHASER	BAY	SQ. FT.	Sold for \$/ sq ft	STATL SALE PRICE	
BUILDING A LA JAWWAB	CRU1	6185	\$450.00 SOLD	\$2,783,250.00	\$278,325.00
BUILDING B MOUNIR ALIEN PAUL NG	CRU2	1650	\$460.00 SOLD	\$760,000.00	\$76,000.00
USVEER GREWAL/SANDHU	CRU3	1565	\$500.00 SOLD	\$782,500.00	\$195,625.00
	CRU4	1635	\$450.00 SOLD	\$712,500.00	\$71,250.00
BUILDING C SUKHDEEP DHALIWAL & MANDEEP MAVI	CRU5	2530	\$475.00 SOLD	\$1,201,750.00	\$120,175.00
BUILDING D KARIM SHARIFAT VACANT	CRU6	1944	\$475.00 SOLD	\$923,400.00	\$100,000.00
	CRU7A	1790	\$475.00 SOLD	\$851,675.00	\$127,751.25
	CRU7B	1790	\$500.00		
DR MUNDI	CRU8	1790	\$450.00 SOLD	\$805,500.00	\$895,000.00
BUILDING E SULEMAN S. IAKHANI ZOHRA LAKHANI	CRU9	1535	\$500.00 C/S		
DREAM SLEEP RESPIRATORY	CRU10	1535	\$475.00 SOLD	\$729,125.00	\$767,500.00
	CRU11	1535	\$475.00 SOLD	\$729,125.00	\$72,912.50
	CRU12	1535	\$475.00 SOLD	\$729,125.00	\$17,085.00
	CRU13	1535	\$475.00 SOLD	\$729,125.00	\$72,912.50
	CRU14	755	\$600.00 C/S		\$729,125.00
1396081 ALBERTA LTD GURJIT DHILLON	CRU15	1535	\$475.00		\$453,000.00
	CRU16	1535	\$440.00 SOLD	\$675,000.00	\$729,125.00
	CRU17	1542	\$438.00 SOLD	\$675,000.00	\$51,250.00
BUILDING E2 OFFICES CEANA DEVELOPMENT CEANA DEVELOPMENT	OFFICE	2100	\$400.00 SOLD	\$1,240,000.00	\$400,000.00
	OFFICE	1000	\$400.00 SOLD	\$400,000.00	\$124,000.00
	OFFICE	1000	\$400.00 C/S		\$40,000.00
	OFFICE	900	\$400.00 C/S		\$400,000.00
	OFFICE	2590	\$400.00		\$360,000.00
					\$1,036,000.00

TOTAL Gross 45,151 sq. ft.
ALL ADJUSTMENTS MADE AFTER BOMA MEASUREMENTS

41511

\$13,997,950.00

\$1,477,836.25

\$5,369,750.00

SUNRIDGE SALES

Sold for

716.90

SQ FT \$/sq ft

SALE PRICE

TOTAL SALE/

FUNDS/CEANA Deposit Ceana WITH LAWYER

WITH

Joint Venture

CEANA

BAY

SQ FT

CRU1

6185 \$450.00

\$2,783,250.00

\$2,783,250.00

CRU2

1650 \$475.00

✓ \$783,750.00

\$783,750.00

CRU3

1565 \$500.00

✓ \$782,500.00

\$782,500.00

CRU4

1635 \$450.00

✓ \$755,250.00

\$755,250.00

CRU5

2530 \$475.00

✓ \$1,201,750.00

\$1,201,750.00

CRU6

1944 \$475.00

✓ \$923,400.00

\$923,400.00

CRU7A

1793 \$475.00

✓ \$851,675.00

\$851,675.00

TIONS CRU7B

1970 \$500.00

✓ \$985,000.00

\$985,000.00

CRU8

1675 \$450.00

✓ \$753,750.00

\$753,750.00

LTD CRU9

1535 \$500.00

✓ \$767,500.00

\$767,500.00

LTD CRU10

1535 \$500.00

✓ \$767,500.00

\$767,500.00

VI CRU11

1535 \$475.00

✓ \$712,500.00

\$712,500.00

PIRAT CRU12

1535 \$475.00

✓ \$712,500.00

\$712,500.00

TEAT L CRU13

1535 \$500.00

✓ \$767,500.00

\$767,500.00

NCE CRU14

750 \$475.00

✓ \$356,250.00

\$356,250.00

LTD CRU15

1535 \$500.00

✓ \$767,500.00

\$767,500.00

IMON CRU16

1535 \$500.00

✓ \$767,500.00

\$767,500.00

IAN CRU17

1535 \$500.00

✓ \$2,302,500.00

\$2,302,500.00

AN CRU18

1535 \$500.00

✓ \$2,302,500.00

\$2,302,500.00

OFFICE-1

2100 \$400.00

✓

\$840,000.00

OFFICE-2

1000 \$450.00

✓

\$450,000.00

OFFICE-3

1000 \$450.00

✓

\$450,000.00

OFFICE-4

900 \$450.00

✓

\$405,000.00

OFFICE-5

2590 \$400.00

✓

\$1,036,000.00

LEASE

LEASE

FOR LEASE

FOR LEASE

FOR LEASE

7/10/17

374

TAB C

Keith Ferrel

From: Kunle Popoola <kpopoola@connectfirstcu.com>
Sent: Thursday, May 30, 2019 4:04 PM
To: Keith Ferrel
Cc: Usman Vahidy
Subject: FW: Ceana Sunridge Project - Bldgs. A B C D Sales
Attachments: SUNRIDGE SALES 4 BUILDINGS.xlsx

From: Hector MacMullin [mailto:hmacmullin@yorkfield.com]
Sent: Wednesday, April 24, 2019 9:20 AM
To: Kunle Popoola <kpopoola@connectfirstcu.com>; Usman Vahidy <uvahidy@connectfirstcu.com>; alex@qssi.ca
Subject: Ceana Sunridge Project - Bldgs. A B C D Sales

Good Morning Gentlemen

I met with Bob Gaidhar yesterday and reviewed the status of all Sales Contracts in Buildings A, B, C, & D.

Here is the summary:

Building A.

CRU 1 - Sold to 1785337 Alberta Ltd for \$2,788,250.00 and there is a JV deposit in the project of \$417,487.50.

The purchaser owns a very successful restaurant called LaJawaab in northeast Calgary and owns a take-out restaurant which leases space in Bob Gaidhar's Westwinds Building. A copy of the buyers financing confirmation from the Bank of Nova Scotia is attached. We spoke with the client yesterday and he will obtain an updated letter from the Bank of Nova Scotia.

CRU 2 - Sold to Mounir Allen for \$907,500.00 with a deposit of \$76,000.00 at the KH Dunglely Law Offices. The purchase is planning a Coffee Shop and has a mortgage application for \$437,500.00 and balance is cash to close.

CRU 3 - Sold to Paul Ng for \$821,625.00 with a deposit at the same law firm for \$195,625.00. He is to open a Jewellery Shop and will close with cash.

CRU 4 - Sold to Zahir Karmali for \$872,550.00 with a JV deposit of \$200,000.00. He will open an Insurance Agency. He will arrange a 50% loan to close.

CRU 5 & 6 - Sold to Simon Touchan, Orthodontist for \$2,237,000.00 with \$230,000.00 deposit with the same law firm. In addition to the purchase, Dr Touchan is planning to spent upwards to \$2,000,000.00 on improvements to the new facility.

CRU 7A - Sold Karim Sharifat for \$894,258.00 with \$127,751.00 deposit with the same law firm. The purchaser is planning to open a Bread/Baklawa Pastry shop.

CRU 7B - Sold to Eureka Prescriptions Inc. for \$1,034,250.00 with a deposit of \$200,000.00. at the same law firm. The purchaser will open a Pharmacy.

TAB D

EXPENSES PAID TO DATE

JCB ENGINEERING	TIA	\$8,679.51
MWC CONSULTING	STRUCTURAL	\$9,576.00
PRIMARY ENG SERVICES	SERVICES	\$24,129.00
SEIKA ARCHITECT	FEES	\$21,000.00
818 STUDIO	LANDSCAPING	\$4,252.50
818 STUDIO	LANDSCAPING	\$3,465.00
818 STUDIO	LANDSCAPING	\$393.75
EMBE ENG	HVAC/ELEC.	\$20,901.50
MWC CONSULTING		\$9,576.00
VISTA GEOMATICS	SURVEY	\$2,100.00
VISTA GEOMATICS	SURVEY	\$2,782.50
PROPERTY TAX ADJ		\$11,023.95
KH DUNKLEY	LEGAL	\$19,549.17
YORKFIELD		\$35,000.00
YORKFIELD	FEES	\$6,300.00
SOUTH ASIAN BROADCASTING	ADVERTISING	\$3,412.50
CITY OF CALGARY DP	FEES/AMEX	\$3,388.84
JUBILEE ENGINEERING		\$10,613.23
JUBILEE ENGINEERING		\$2,940.00
PEACE HILLS INSURANCE		\$1,200.00
SEIKA ARCHITECT		\$7,875.00
SEIKA ARCHITECTURE		\$3,468.52
Totals		\$211,626.97

Defect

CASH WITH CWB GIC FOR PROJECT	CASH FROM CEANA
FROM CEANA L/C SECURED WITH CASH DEPOSIT	\$300,000.00
2ND DEPOSIT	\$300,000.00
	\$50,000.00
	\$250,000.00
RECEIVED FROM CEANA as per statement of adjustment	\$1,150,000.00
RECEIVED FROM CEANA as per statement of adjustment from	\$522,000.00
REC FROM BORDEN LADNER/LIBERTY/HILLSBORO	\$567,670.43
blg/hillsboro 2nd mortgage	\$5,500.00
other charges	\$49.25
disbrsmnts	\$145.48
gst	\$283.23
Hillsboro 630,000 - 567,670.43 =	\$62,629.57
	\$68,607.53
INTEREST TO CWB	\$65,290.10
Street Light Cash Security	\$9,500.00

PAYMENTS

SEIKA ARCHITECTURE	\$32,148.36	→ 68,040
PRIMARY ENG	\$24,129.00	→
STUDIO 818	\$2,126.25	→ 8132.8539
MWC CONSULTING STRUCTURAL ENGINEERING	\$26,502.00	

YORKFIELD			
JCB ENGINEERING	\$35,000.00	-	
EMBE MECHANICAL ENGINEERING	\$8,679.51	-	
MCINTOSH GEOTECH	\$20,901.56	-	
JUBILEE ENGINEERING-CIVIL	\$7,875.00	-	
ACUMEN	\$10,613.23	-	
CITY OF CALGARY (PERMIT)	\$10,676.20	-	
CHRIS SKOWROW	\$66,693.04	-	
CITY OF CALGARY	\$10,000.00	-	
CITY OF CALGARY	\$580.00	-	
CHINOOK FINANCIAL	\$953.00	-	
PRIMARY SERVICES/ENMAX	\$10,000.00	-	
REAL ESTATE COMMISSION	\$120,846.00	-	
REAL ESTATE COMMISSION	\$15,000.00	-	
DENTONS	\$10,000.00	-	
BTY GROUP	\$18,893.92	-	
	\$5,145.00	-	
TOTAL	\$648,767.23	X	??
			\$580,159.70
TOTAL INTO PROJECT			\$3,226,949.80
PAID TO CONTRACTOR			\$200,000.00
PAID TO CONTRACTOR			\$200,000.00
PAID TO CONTRACTOR BY LAWYER--DUNKLEY LAW OFFICE			\$500,000.00
TOTAL			\$4,126,949.80
LAND COST			
INTEREST TO VENDOR			
	\$6,100,000.00		
	\$48,000.00		
TOTAL	\$6,148,000.00		

Not Right
Answer Twice

RECEIVED FROM CWB		\$3,410,000.00	
RECEIVED FROM LIBERTY		\$2,400,000.00	
<u>Short on closing</u>		\$338,000.00	\$338,000.00
2017 payments			
REAL ESTATE COMMISSIONS-PARAMJEET GILL C-21		\$10,500.00	
PS TECHNICAL DESIGN		\$3,780.00	
EMBE		\$10,500.00	
SEIKA ARCHITECTURE		\$15,500.00	
818 STUDIO		\$2,159.75	
MWC CONSULTING		\$3,864.00	
MULTI CORP-ENVIRONMENTAL		\$2,100.00	
PAID CONTRACTOR			
<u>TOTAL THIS YEAR 2017</u>		\$48,403.75	\$48,403.00
FAST TRACK COMMERCIAL INS	PAYMENT	81,983.54	
FAST TRACK COMMERCIAL INS	PAYMENT	12,000.00	
	SITE SERVICES		
	EXTRA		
<u>TOTALS</u>		93,983.54	\$93,983.54
<u>TOTAL EQUITY</u>			\$4,607,336.34
MWC CONSULTING ENGINEERING	FINAL PAYMENT	14,596.00	\$14,596.00
TOTAL INTO PROJECT			\$4,621,932.34

2255 32 Street NE
CEANA

EXPENCES PAID TODATE

JCB ENGINEERING	TIA	\$8,679.51	
MWC CONSULTING	STRUCTURAL	\$9,576.00	
PRIMARY ENG SERVICES	SERVICES	\$24,129.00	
SEIKA ARCHITECT	FEES	\$21,000.00	
818 STUDIO	LAND SCAPING FEES	\$6,378.25	
EMBE ENG	HVAC/ELECTRICAL	\$20,901.50	
MWC CONSULTING		\$9,576.00	
VISTA GEOMATICS	SURVEY	\$2,782.50	
PROPERTY TAX ADJ		\$11,023.95	
KHDUNKLEY	LEGAL	\$19,549.17	
YORKFIELD	FEES	\$6,300.00	
SOUTH ASIAN BROADCASTING	ADVERTISING	\$3,412.50	
CITY OF CALGARY DP	FEES/AMEX	\$3,388.84	
JUBILEE ENGINEERING		\$2,940.00	
Macintosh Lallani geotech		\$7,875.00	
PEACE HILLS INSURANCE		\$1,200.00	
SEIKA ARCHITECTURE		\$3,468.52	
BUILDING PERMIT		\$66,693.04	
TOTAL		\$228,873.78	\$228,873.78
DEPOSIT		\$50,000.00	
2ND DEPOSIT		\$250,000.00	
RECEIVED FROM CEANA		\$1,150,000.00	
RECEIVED FROM CEANA		\$522,000.00	
REC FROM BORDEN LADNER/LIBERT/HILLSBOROUGH		\$567,670.43	
TOTAL		\$2,539,670.43	\$2,539,670.00
blg/hillsboro 2nd mortgage	Pd Liberty fees	\$5,500.00	
other charges		\$49.25	
disbrsments		\$145.48	
gst		\$283.23	
hills boro 630,000.-567,670.43=	fees/int res-4 mths.etc	\$62,629.57	
TOTAL		\$68,607.53	\$68,607.53
Signal Light Cash Security		\$300,000.00	\$300,000.00
Street Light Cash Security		\$9,500.00	\$9,500.00
Grand total		\$3,146,651.74	\$3,146,651.31
PAYABLES			
ARCHITECT		\$40,000.00	
MECHANICAL		\$20,000.00	
STRUCTURAL		\$4,000.00	
CIVIL ENG		\$8,000.00	
TOTAL		\$72,000.00	

Chinook FINANCIAL

A division of Connect First Credit Union

October 19, 2016

Borrowing Company: Ceana Development Sunridge Inc.

Dear Sir/Madam;

RE: LETTER OF INTEREST

Chinook Financial a division of Connect First Credit Union Ltd. is pleased to provide the following discussion paper outlining terms and conditions of our financing package. The information below will be recommended, however this discussion paper is not to be construed as a formal offer of financing.

Financing:

We are proposing the following.

Term Loan:

\$11,340,000 or 60% LTV based on the lowest of all appraisal valuations

Interest Rate: Prime plus 1.75%

Term: 12 months

Amortization: 12 months

Monthly payments: Interest only

Security:

- 1st Registered All Purpose Mortgage against the property being financed. The mortgage would be registered by a solicitor (applicable fees to be the responsibility of the borrower). There will be the need for dual solicitors, one to represent you and the other to represent Chinook Financial. This is at your cost.
- Personal Guarantee & Postponement of the shareholder equal to the amount being financed
- Corporate Guarantee & Postponement from Ceana Development Inc. equal to the amount being financed supported by General Security Agreement
- 1st Position General Security Agreement
- Assignment of Rents registered via Caveat
- Assignment of Insurance
- Any and all security or supporting documentation as requested by Connect First Credit Union Ltd. or its corporate solicitor in the course of finalization.

Conditions of Credit:

- Connect First Credit Union Ltd. advances to be the last money in and the first money out of the project.
- Letter of transmittal to be provided allowing use of the appraisal by Connect First Credit Union Ltd.
- Interest Reserve of \$400,000 to be held on deposit at Connect First Credit Union Ltd.
- Unconditional Joint Venture and Sale Agreements in place. Agreements to be reviewed by Connect First Credit Union Ltd. solicitor at the borrower's cost
- Detailed Business Plan including timelines for funding and construction
- Sale proceeds to be applied to principal pay down of term loan.
- Draws on the captioned loan will be based on a formal cost to complete basis.

11,340
<400>

Fee (113K)

10,827

Say 10.7M Net

Application Fee: In order to proceed with a formal approval; we would require \$10,000 of the total fee up-front. Of this \$10,000 fee, we would consider \$5,000 to be non-refundable if we are unable to provide financing. If financing is approved and the borrower decides to finance elsewhere, we would consider the full \$10,000 to be non-refundable. Total Fee is 1.0% (\$113,400.00) of the financing request and the remaining amount would be due upon disbursement date. 

Once the financing is approved, we can start the documentation process. To do this, we will require the borrowing company's corporation information and a membership opened at Chinook Financial.

We wish to thank you for allowing Chinook Financial the opportunity to present this Letter of Interest for your consideration. We look forward to hearing from you. Please feel free to contact me on my direct line (403) 501-7520.

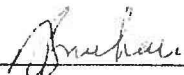
Yours truly,



Judy Elliott
Assistant Manager Business Banking

We hereby acknowledge and accept the terms and conditions outlined in the Letter of Intent dated October 19, 2016, on this 24th day of OCTOBER, 2016.

Ceana Development Sunridge Inc.

Per:  _____

ALPHA STEEL BUILDERS INC

9390 ENTERPRISE WAY SE
CALGARY, ALBERTA T3S 0A1
(403) 236-7023 FAX (403) 236-7498
E-Mail: acct@alphasteel.ca

Progress Invoice

Customer:

Ceana Development Inc

Address:

1013115 12 Street NorthEast

Calgary Alberta, T2E 7J2

Phone: (403) 397-6606

Fax: (403) 464 8616

Invoice No.:

4264

Date:

March 23, 2017

Billing Period:

March 1 - 31, 2017

Progress No.:

1

Project:

Sunridge Commercial

Project No.:

Description (Subcontract breakout)	Base Contract Amount	Previous Claim Amount	Amount this Claim	% Total Complete	Total Amount Complete to Date
Drawings for Structural Steel and fifty Percent deposit	\$ 888,528.00	\$ -	\$ 444,264.00	50%	\$ 444,264.00
					\$ -
Original Contract Value	\$ 888,528.00	\$ -	\$ 444,264.00	50.00%	\$ 444,264.00
CHANGE ORDER AMOUNT					
List 2	\$ -				
Total Amount of the COs to Date	\$ -	\$ -	\$ -	\$ -	\$ -
Total of Revised Contract to Date	\$ 888,528.00	\$ -	\$ 444,264.00	50.00%	\$ 444,264.00
Less Previous Claim Amount (amount before HB & GST)					\$ -
Net Amount this Claim (current claim)					\$ 444,264.00
Less 10% Holdback Retainage					\$ 44,426.40
Sub-total (amount after HB Retained)					\$ 399,837.60
Plus GST (88845 4964 RT0001)					\$ 19,991.88
Total Amount Payable this Claim					\$ 419,829.48
Balance to be Completed					\$ 444,264.00

Terms: Net 30 Days
2% interest will be charge
on overdue balance.

- ☐ Statutory Declaration Attached
☐ WCB Clearance Letter Attached
☐ List 1 for change orders Attached
☐ List 2, for Change Orders Attached
☐ Insurance Certificate Attached

Total Holdback Retainage to date:

\$ 44,426.40

bg@ceana.ca
Dan Deilami

Prepared By: _____

35% of 888,528 = 310,985

Please see attached List of change orders/extras for details of work completed.

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11/13/16

2255 32 Street NE
CEANA

COST ANALYSIS

Name: **Ceana Sunridge Project** Dwg: Seika Arch 20150910
 Location: **2255 - 32 Street N.E., Calgary**
 Gross Building Area: **45,000**
 Land Area: **149,411 sq. ft.**
 Zoning: **DC 47Z95**
 Preconstruction Period: **8 months**
 Construction Period: **12 months**
 Leaseup/Fixturing period:
 Construction Financing Rate: **Prime + 1.50%** **4.20%**
 Development Fee: **3.0% on hard costs**

LAND COSTS

Land Purchase Price \$ 6,000,000
 Legal Fees \$ 15,000
 CARRYING COSTS/INTEREST TO DATE \$ 78,518
TOTAL LAND COSTS \$ 6,093,518

CONSTRUCTION COSTS

Base Building \$ 124.00 \$ 5,580,000
 Site Improvements \$ 700,000
 Test./ Ins./ \$ 40,000
 Site Supervisor Fee \$ 120,000
 Pylon Signs 0 \$ 40,000
 Addtl. Landlords Work (ceiling system, security etc) \$ 315,000
 Off-Site work (benches, tree grades, roof screening, utility connections) \$ 250,000
 Construction & Design Contingency 4.00% \$ 293,800
 Traffic Light \$ 300,000
 Land titles fees, Registration Condo Registration \$ 80,000
TOTAL CONSTRUCTION COSTS \$ 7,718,800

SOFT COSTS

Consulting Fees A, S, M, E & C 230,000
 Consulting Fees TI work 245,000 OFFICE 7000 SQ F \$ 35
 TI Allowance \$ 7,500
 Real Property Report/Survey \$ 55,000
 Legal Fees \$ 23,000
 Realty Taxes \$ 17,000
 Environmental Cons./ Geotechnical \$ 25,000
 Insurance \$ 0.90 \$ 70,000
 Development Permit \$ 0.15 \$ 5,000
 Building Permit \$ 10.75 \$ 6,000
 Zoning Consultant \$ 20,000
 Appraisal(s) \$ 112,000
 Development Fee \$ 84,000
 BOMA space certification \$ 3,500
 Cost Consultant/ QS \$ 4,000
 Finance Fee Lender \$ 907,000
 Finance Fee Mortgage Broker
 Operating costs until lease up
 Leasing Signs
 Misc. Overhead (Travel/ Mktg. etc.)
TOTAL SOFT COSTS \$ 907,000

INTEREST

Equity Return/Mezzanine Interest \$ 400,000
 Interim \$ 400,000
TOTAL INTEREST COSTS \$ 400,000
TOTAL DEVELOPMENT COSTS \$ 15,119,318

65

TAB E

CERTIFICATE OF INCUMBENCY

I, Bahadur Gaidhar, being an officer of **CEANA DEVELOPMENT SUNRIDGE INC.** (the "Corporation"), DO HEREBY CERTIFY:

1. THAT the Articles of Incorporation, Articles of Continuance (if any), Articles of Amalgamation (if any) or Bylaws of the Corporation have not been amended in any way which restricts the ability of the Corporation to borrow money.

2. THAT the following persons are the Directors of the Corporation:

NAME

BAHADUR GAIDHAR

3. THAT any of the following persons are the authorized signing officers of the Corporation for the purposes of the loan made by **HILLSBORO VENTURES INC.** in the sum of **\$3,000,000.00** and the signatures set out opposite their names are their genuine signatures.

NAME

POSITION

SPECIMEN SIGNATURE

Bahadur Gaidhar

President/Secretary
And Treasurer



4. THAT the following persons are the Shareholders of the Corporation:

NAME

PERCENTAGE OF SHARES HELD

Please see attached Schedule A

WITNESS my hand and signature as an officer of the Corporation this 1 day of March, 2017.


Bahadur Gaidhar

Office: Director

7.1

Schedule "A"

**SHAREHOLDERS REGISTER
CEANA DEVELOPMENT SUNRIDGE INC.**

Name and Address of Shareholder	Date Entered as a Shareholder	Date ceased as a Shareholder	Number and Class of Shares Issued
Ceana Development Inc. 101, 3115 – 12 th Street NE Calgary, Alberta T2E 7J2	April 22, 2015 August 1, 2015	August 1, 2015	400 Class "A" Voting (400 Class "A" Voting) 400 Class "A" Voting 400 Class "A" Voting
Bhupinder Basati & Ravinder Kaur Basati Box 32, Site 6, RR 6 LCD 9 Calgary, Alberta T2M 4L5	September 23, 2015		50 Class "C" Non-Voting 50 Class "C" Non-Voting
Zahir Karmali & Almas Karmali 207 Edgeland Rise NW Calgary, Alberta T3A 4G1	September 30, 2015		200 Class "C" Non-Voting 200 Class "C" Non-Voting
HMA Homes and Investment Ltd. 1812, 608 – 9 th Street SW Calgary, Alberta T2P 2B3	November 7, 2015 August 5, 2016		50 Class "C" Non-Voting 60 Class "C" Non-Voting 110 Class "C" Non-Voting
Mounir Alein Site 6, RR 6, Box 29, LCD 9 Calgary, Alberta T2M 6L5	December 12, 2015 May 5, 2016		250 Class "C" Non-Voting 250 Class "C" Non-Voting 500 Class "C" Non-Voting
909472 Alberta Ltd. 115 – 8 th Avenue SW Calgary, Alberta T2P 1B4	January 16, 2016		62 Class "C" Non-Voting 62 Class "C" Non-Voting
Shafique Kanji & Yasmin Kanji 243 Hidden Ranch Circle NW Calgary, Alberta T3A 5R2	January 23, 2016		125 Class "C" Non-Voting 125 Class "C" Non-Voting
Gurjit Singh Dhillon 1731 – 42 nd Street NE Calgary, Alberta T1Y 2L6	February 4, 2016		101 Class "C" Non-Voting 101 Class "C" Non-Voting
1814121 Alberta Ltd. 20, 1915 – 32 nd Avenue NE Calgary, Alberta T2E 7C8	April 18, 2016		50 Class "C" Non-Voting 50 Class "C" Non-Voting

Sameer Dhalla & Aliya Dhalla 21 Taralea Circle NE Calgary, AB T3J 5G8	May 2, 2016		<u>50 Class "C" Non-Voting</u> 50 Class "C" Non-Voting
1630374 Alberta Ltd. 20, 1915 – 32 nd Avenue NE Calgary, Alberta T2E 7C8	April 18, 2016		<u>50 Class "C" Non-Voting</u> 50 Class "C" Non-Voting
854413 Alberta Ltd. 4, 1915 – 32 nd Avenue NE Calgary, Alberta T2E 7C8	April 18, 2016		<u>300 Class "C" Non-Voting</u> 300 Class "C" Non-Voting
Pipan Kumar & Nirmala Kumar 39 Panorama Hills Crescent NW, Calgary, AB T3K 5H9	May 2, 2016		<u>75 Class "C" Non-Voting</u> 75 Class "C" Non-Voting
Amish Morjaria 3, 1632 14 Avenue SW Calgary, AB T3C 0W5	July 19, 2016		<u>100 Class "C" Non-Voting</u> 100 Class "C" Non-Voting
Ashok Morjaria & Mridula Morjaria 595 Evergreen Circle SW Calgary, AB T2Y 0C1	July 19, 2016		<u>100 Class "C" Non-Voting</u> 100 Class "C" Non-Voting
1989207 Alberta Inc. 1528 18 Avenue NW Calgary, AB T2N 0W8	August 23, 2016 September 1, 2016		<u>300 Class "C" Non-Voting</u> * <u>100 Class "C" Non-Voting</u> * 400 Class "C" Non-Voting
Fiazali Devji and Parin Devji 15 Coral Springs Green N.E., Calgary, AB T3J 3S5	October 5, 2016		<u>30 Class "C" Non-Voting</u> 30 Class "C" Non-Voting
Gordon Piper 1002 Northmount Dr N.W., Calgary, AB T2L 0B9	February 11, 2016		<u>20 Class "C" Non-Voting</u> 20 Class "C" Non-Voting
Asif Bhanji and Simeen Bhanji 2424 Wall Street, Vancouver, BC V5I 1B8	October 5, 2016		<u>25 Class "C" Non-Voting</u> 25 Class "C" Non-Voting

Nathan Prof. Corp. 4528 Brisebois Dr. N.W., Calgary T2L 2G4	January 29, 2016		<u>60 Class "C" Non-Voting</u> 60 Class "C" Non-Voting
Mark Pugh 19 Ranchridge Rd N.E., Calgary, AB T3G 1V7	October 5, 2016		<u>25 Class "C" Non-Voting</u> 25 Class "C" Non-Voting
Tarnbir K. Mundi RR6 ,Site 6, Box 40 LCD 9, Calgary, AB T2M 4LS	October 5, 2016		<u>58 Class "C" Non-Voting</u> 58 Class "C" Non-Voting
Nan Investments Ltd. 3310 Country Village Park N.E., Calgary, AB T3K 0W5	October 5, 2016		<u>120 Class "C" Non-Voting</u> 120 Class "C" Non-Voting
Chem-Pet Process Tech P.O. Box 62064 407 Hawkwood Blvd N.W., Calgary, AB T3G 5S7	October 18, 2016		<u>50 Class "C" Non-Voting</u> 50 Class "C" Non-Voting
Saj Paleja	February 13, 2016		<u>25 Class "C" Non-Voting</u> 25 Class "C" Non-Voting
1673300 Alberta Ltd. 122 Citadel Crest Green N.W., Calgary, AB T3G 4W4	October 5, 2016		<u>50 Class "C" Non-Voting</u> 50 Class "C" Non-Voting
909472 Alberta Ltd.	January 16, 2016		<u>29 Class "C" Non-Voting</u> 29 Class "C" Non-Voting
Central Halal Meats 205, 4655 54 Ave N.E., Calgary, AB T3J 3Z4	September 26, 2016		<u>27 Class "C" Non-Voting</u> 27 Class "C" Non-Voting
Sukhdeep Dhaliwal, Mandeep Mavi and Rajinder Mavi 139 Saddlemead Green N.E., Calgary, AB T3N 0C2	December 9, 2016		<u>318 Class "C" Non-Voting</u> 318 Class "C" Non-Voting ✱ ✱

1785337 Alberta Ltd. 44 Skyview Springs Rd N.E., Calgary, AB 13N 0C2	January 30, 2016		417 Class "C" Non-Voting 417 Class "C" Non-Voting ✱
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