

Form 45-501F7
Offering Memorandum – Real Estate Securities

General Instructions and Interpretation

Contents of the Offering Memorandum

Cover Page

Item 1 Use of available funds

- 1.1 Funds
- 1.2 Use of available funds
- 1.3 Insufficient funds
- 1.4 Reallocation
- 1.5 Future cash calls

Item 2 Business of [name of issuer or other term used to refer to issuer]

- 2.1 Structure
- 2.2 Our business

Item 3 The real estate project

- 3.1 Real estate project
- 3.2 Objectives
- 3.3 Real property
- 3.4 Values of the real property or real estate project
- 3.5 History of ownership of the real property
- 3.6 Approvals
- 3.7 Capital requirements of the real estate project
- 3.8 Condominium or strata information OR Leasehold units information OR Time share developments information OR Cooperative association information OR Share interest in land information
- 3.9 Material agreements
- 3.10 Interest of management and others in material transactions

Item 4 Interests of directors, management, promoters and control persons of the issuer

- 4.1 Compensation and securities held
- 4.2 Management experience
- 4.3 Penalties, sanctions and bankruptcy
- 4.4 Loans
- 4.5 Conflicts of interest

Item 5 Promoters of the real estate project and principal holders of the real estate securities

- 5.1 Compensation and securities held
- 5.2 Promoter experience
- 5.3 Penalties, sanctions and bankruptcy
- 5.4 Loans

Item 6 Capital Structure

- 6.1 Equity securities
- 6.2 Debt securities
- 6.3 Prior sales

Item 7 Description of the offering and the real estate security

- 7.1 Offering and real estate security
- 7.2 Purchaser's interest in real property
- 7.3 Subscription procedure

Item 8 Guarantees or other similar financial commitments

Item 9 Income tax consequences and RRSP eligibility

Item 10 Compensation paid

Item 11 Risk factors

Item 12 Reporting obligations

Item 13 Resale restrictions

- 13.1 General statement
- 13.2 Restricted period
- 13.3 Other resale restrictions

Item 14 Purchasers' rights

Item 15 Financial statements

- 15.1 Financial statements of the real estate project
- 15.2 Requirements for other financial statements

Item 16 Other disclosure

Item 17 Date and certificate

Schedule A Condominium or Strata Information

Schedule B Leasehold Units Information

Schedule C **Time Share Developments**

Schedule D **Disclosure for Cooperative Association Real Estate Projects**

Schedule E **Shared Interest in Land Information**

Form 45-501F7
Offering Memorandum – Real Estate Securities

GENERAL INSTRUCTIONS AND INTERPRETATION

1. *In a CMR Jurisdiction, an issuer must prepare its offering memorandum in accordance with this form if it is offering real estate securities as defined in this form using the offering memorandum exemption in section 2.9 of National Instrument 45-106 Prospectus Exemptions or the real estate securities exemption in section 23 of CMRA Regulation 45-501 Prospectus and Registration Exemptions. An issuer who is issuing other types of securities based on real estate or mortgages should use Form 45-106F2 Offering Memorandum for Non-Qualifying Issuers.*

2. *When the term “real estate security” is used in this form, it means*
 - (a) *an investment contract under which the purchaser’s economic entitlement is to a material extent attributable to a real estate project, and the purchaser’s occupation or use of the real property that is the subject of the real estate project may be prohibited or materially restricted,*

 - (b) *an investment contract that is comprised of a direct interest in real property with a rental pool agreement or rental management agreement, or*

 - (c) *an investment contract*
 - (i) *that is comprised of a direct interest in real property and an option to enter into a rental pool agreement for that property;*

 - (ii) *that does not include or purport to include any rental or cash flow guarantee or other financial commitment on the part of any person connected with the offering;*

 - (iii) *under which the rental pool agreement is entered into at the sole discretion of the owner and is terminable by the owner at any time at the owner’s discretion with reasonable notice or other reasonable intentions; and*

 - (iv) *under which the owner has the right to occupy the property, at any time, with reasonable notice.*

3. *When the term “real estate project” is used in this form, it refers to:*
 - (a) *a business or undertaking that is proposed primarily to generate for purchasers of real estate securities, income, gain or other return, or funds, including through a rental pool or a rental management agreement, distributable on dissolution or sale, the amount of which is primarily dependent on the use or management of real property by persons other than those purchasers, or*

 - (b) *real property that is proposed to be developed or redeveloped for use in a business or undertaking described in (a) or for resale.*

4. *Draft the offering memorandum so that it is easy to read and understand. Be concise and use clear, plain language. Avoid technical terms. If technical terms are necessary, provide definitions.*
5. *Address the items required by this form in the order set out in this form. However, it is not necessary to provide disclosure about an item that does not apply.*
6. *The issuer may include additional information in the offering memorandum other than that specifically required by this form. An offering memorandum must provide a prospective purchaser with sufficient information to make an informed investment decision.*
7. *The issuer may wrap the offering memorandum around a prospectus or similar document. However, all matters required to be disclosed by the offering memorandum must be addressed and the offering memorandum must provide a cross-reference to the page number or heading in the wrapped document where the relevant information is contained. The certificate to the offering memorandum must be modified to indicate that the offering memorandum, including the document around which it is wrapped, does not contain a misrepresentation.*
8. *The issuer should review applicable provincial or territorial real estate legislation and include any disclosure required by that legislation that is necessary for an investor to make an informed decision. If real estate legislation requires the issuer to attach a copy of any document to this offering memorandum, the issuer may do so even if this offering memorandum only requires that document to be made available to a purchaser.*
9. *It is an offence to make a misrepresentation in the offering memorandum. A misrepresentation is defined in the Capital Markets Act as an untrue statement of a material fact or an omission to state a material fact that is required to be stated or that is necessary to make a statement not misleading in light of the circumstances in which it was made. This applies both to information that is required by the form and to any additional information that is voluntarily provided. Include particulars of any material facts (a term that is also defined in the Capital Markets Act) that have not been disclosed under any Item numbers and for which failure to disclose would constitute a misrepresentation in the offering memorandum. Refer also to subsection 3.8(3) of the Companion Policy to National Instrument 45-106 Prospectus Exemptions for additional information.*
10. *When the term “related party” is used in this form, it refers to:*
 - (a) *a director, officer, promoter or control person of the issuer,*
 - (b) *in regard to a person referred to in (a), a child, parent, grandparent or sibling, or other relative living in the same residence,*
 - (c) *in regard to a person referred to in (a) or (b), his or her spouse or common law partner,*
 - (d) *an insider of the issuer;*

- (e) *a company controlled by one or more individuals referred to in (a) to (d), and*
 - (f) *in the case of an insider, promoter or control person that is not an individual, any person that controls that insider, promoter or control person.*
11. *In this form, the term “manager” means any manager or operator under a rental pool agreement or rental management agreement.*
 12. *During the course of a distribution of securities, any material forward-looking information disseminated must only be that which is set out in the offering memorandum. If an extract of FOFI, as defined in National Instrument 51-102 Continuous Disclosure Obligations, is disseminated, the extract or summary must be reasonably balanced and have a cautionary note in bold stating that the information presented is not complete and that complete FOFI is included in the offering memorandum.*

Form 45-501F7
Offering Memorandum – Real Estate Securities

Cover Page

Mandatory Disclosure on the Cover Page

- (1) The information required under this heading must be disclosed on the first page of the offering memorandum.
- (2) State the date of the offering memorandum, which must be the same date as on the certificate page.
- (3) State the issuer's full legal name, addresses of the issuer's head office and registered office, phone number and e-mail address.
- (4) State whether the issuer is a reporting issuer or is not a reporting issuer. If the issuer is a reporting issuer, list the jurisdictions in which it is a reporting issuer.
- (5) State whether the issuer is currently listed or quoted on any exchange or market. If no, state in bold: "**These securities do not trade on any exchange or market**". If yes, state where e.g. TSX/TSX Venture Exchange, and disclose the issuer's trading symbol.
- (6) State whether the issuer is a SEDAR or EDGAR filer.
- (7) Provide a summary of the offering including the following information:
 - (a) describe the real estate securities being offered, including price, payment terms and key terms.
 - (b) state whether there is a minimum and maximum to the offering. State whether there is a minimum for each investor. If there is no minimum for the offering state in bold: "**There is no minimum amount for this offering and you may be the only purchaser. Funds available under the offering may not be sufficient to accomplish our proposed objectives.**"
 - (c) state the proposed closing date(s).
 - (d) state "There are important tax consequences to these securities. See item 9." [If income tax consequences are not material, delete this item.]
 - (e) state the name of the selling agent.

SPECIFIC INSTRUCTIONS:

If the issuer can change a closing date by reducing it or extending it, disclose that fact.

(8) State in bold:

“You will be restricted from selling your securities. See item 13.”

(9) State in bold:

“You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this offering memorandum, you have the right to sue either for damages or to cancel the agreement. See item 14.”

(10) State in bold:

“The Chief Regulator has not assessed the merits of these securities or reviewed this offering memorandum. Any representation to the contrary is an offence. The information disclosed on this page is a summary only. Purchasers should read the entire offering memorandum for full details about this offering. This is a risky investment. You could lose all the money you invest. See item 11.”

(11) Insert any additional cover and second page disclosure required by applicable provincial or territorial real estate legislation.

Item 1 Use of available funds

1.1 Funds

Using the following table, disclose the funds available as a result of the offering. If the issuer plans to combine additional sources of funding with the available funds from the offering to achieve its principal capital-raising purpose, please provide details about each additional source of funding. If there is no minimum offering, state “\$0” as the minimum.

Disclose also the amount of any working capital deficiency of the issuer as at a date not more than 30 days prior to the date of the offering memorandum. If the working capital deficiency will not be eliminated by the use of available funds, state how the issuer intends to eliminate or manage the deficiency.

		Assuming min. offering	Assuming max. offering
A.	Amount to be raised by this offering	\$	\$
B.	Selling commissions and fees	\$	\$
C.	Estimated offering costs (e.g. legal, accounting, audit.)	\$	\$
D.	Net proceeds: $D = A - (B+C)$	\$	\$
E.	Additional sources of funding required	\$	\$
F.	Working capital deficiency	\$	\$
G.	Total: $G = (D+E) - F$	\$	\$

SPECIFIC INSTRUCTIONS

1. *Provide a date for the working capital amount. It should be given as of the month end prior to the date of the offering memorandum. Issuers can also state if there is positive working capital.*
2. *When providing details about additional sources of funding, a prospective purchaser would usually find it beneficial to know the amount, source and all conditions that must be satisfied to receive the funding.*

1.2 Use of available funds

Using the following table, provide a detailed breakdown of how the issuer will use the available funds. If any of the available funds will be paid to a related party, disclose in a note to the table the name of the related party, the relationship to the issuer, and the amount. If the issuer has a working capital deficiency, disclose the portion, if any, of the available funds to be applied against the working capital deficiency. If more than 10% of the available funds will be used by the issuer to pay debt and the issuer incurred the debt within the two preceding financial years, describe why the debt was incurred.

Description of intended use of available funds listed in order of priority	Assuming min. offering	Assuming max. offering
	\$	\$
	\$	\$
Total: Equal to G in the Funds table above	\$	\$

SPECIFIC INSTRUCTIONS:

1. *When describing the use of available funds, be specific. Generic descriptions such as “development costs” or “general corporate purposes” will not usually provide prospective purchasers with sufficient information to make an informed investment decision.*
2. *If the real estate securities are redeemable and if any of the available funds may be used to fund redemptions or distributions, a prospective purchaser would usually want to know that this is an intended use for the available funds.*

1.3 Insufficient funds

If applicable, disclose that the funds available as a result of the offering either may not or will not be sufficient to accomplish all of the issuer’s proposed objectives and there is no assurance that alternative financing will be available. If alternative financing has been arranged, disclose the amount, source and all outstanding conditions that must be satisfied.

SPECIFIC INSTRUCTIONS:

If the available funds will be insufficient to accomplish the issuer’s objectives, including disclosure about how the issuer will fund the proposed objectives would help a prospective

purchaser make an informed decision. Where there is alternative funding from a related party, information about the relationship would also help a prospective purchaser make an informed investment decision.

1.4 Reallocation

The available funds must be used for the purposes disclosed in the offering memorandum. The board of directors of the issuer can reallocate the proceeds to other uses only for sound business reasons. If the available funds may be reallocated, include the following statement:

“We intend to spend the available funds as stated. We will reallocate funds only for sound business reasons. “

1.5 Future cash calls

Disclose whether the real estate security requires the purchaser to contribute additional funds in the future and if so, disclose the following:

- (a) how much the purchaser will be required to contribute;
- (b) when the purchaser will be required to contribute; and
- (c) the effect on the purchaser’s investment and the purchaser’s interest in the real estate security if
 - (i) the purchaser fails to contribute, and
 - (ii) if the purchaser contributes, but other purchasers fail to contribute.

Item 2 Business of [name of issuer or other term used to refer to issuer]

2.1 Structure

State the business structure (e.g., partnership, corporation or trust), the statute and the province or territory, state or other jurisdiction under which the issuer is incorporated, continued or organized, and the date of incorporation, continuance or organization. If the manager is different from the issuer, state the laws under which the manager is organized and the manager’s date of formation.

2.2 Our business

Describe the issuer’s business for the past 5 years. The disclosure must provide sufficient information to enable a prospective purchaser to make an informed investment decision, and must include the nature and extent of the experience of the issuer in the real estate development, management and investment industry. This disclosure may include principal projects, services, operations, market, marketing plans and strategies.

If the issuer was incorporated specifically for the purposes of developing the real estate project, state that.

Item 3 The real estate project

3.1 Real estate project

Describe the real estate project.

3.2 Objectives

- (a) Disclose the short-term objectives for the real estate project over the next 24 months, including the following:
 - (i) when and how the issuer intends to meet those short-term objectives;
 - (ii) what the estimated costs will be; and
 - (iii) how the issuer will fund those costs.

- (b) Disclose the long-term objectives for the real estate project, including the following:
 - (i) a timeline for meeting those long-term objectives; and
 - (ii) if the long-term objectives are to be completed in phases, provide details about each phase.

- (c) Discuss what might happen if any of the stated objectives are not met, including the effect on the following:
 - (i) the real estate project;
 - (ii) the purchaser's investment; and
 - (iii) the purchaser's interest in the real property pertaining to the real estate project.

SPECIFIC INSTRUCTIONS:

The issuer's objectives are important for prospective purchasers. Investors should understand whether an issuer can change either the short or long term objectives without security holder approval.

3.3 Real property

- (a) Describe the real property pertaining to the real estate project in sufficient detail to enable a prospective purchaser to make an informed investment decision, including the following:
- (i) its location, legal, civic and descriptive, including the total number of lots, strata lots or condominium units, leasehold units, time share interests or cooperative interests being marketed by the issuer;
 - (ii) ownership as described on legal title. If the issuer is not the registered owner, describe the legal arrangements that enable the issuer to develop or market the real estate project;
 - (iii) a summary of encumbrances, legal notations, covenants and conditions relating to the real property including, any encumbrances the issuer proposes to register against the real property and a description of how they may affect the real property and the purchaser's investment;
 - (iv) present use of the real property;
 - (v) proposed use of the real property and why the issuer considers the real property to be suitable for the real estate project;
 - (vi) if the real estate project is part of a larger development controlled by the issuer or a related party, disclose the overall development plan and the arrangements, if any, for the amalgamation or the sharing of costs or facilities;
 - (vii) disclose whether the real property will be constructed in phases, and if the real property will be phased, describe the phasing aspects of the real property, including the number of phases, the total number of potential strata lots or condominium units in each phase and the phase or phases the issuer is currently marketing, and include a warning that the issuer is entitled not to proceed with the subsequent phases;
 - (viii) disclose who provides utilities and services or, if they are not being provided, describe how they will be provided and who will provide them;
 - (ix) any outstanding or contingent litigation or liabilities in respect of the real property that may affect the owners thereof;
 - (x) any environmental liabilities and hazards; and
 - (xi) any tax arrears.
- (b) Disclose that a copy of the actual or proposed plans for the real property showing the layout of the real property and the dimensions or areas of the lots or strata lots or condominium units, limited common property and common property, as the case may be, is available for review to a prospective purchaser and that a

prospective purchaser can request a copy of the plans. Also disclose the address and hours during which the plans are available for review.

- (c) Describe any requirements, consents or procedures that pertain to a sale or disposition of the real property.

3.4 Values of the real property or real estate project

- (a) Except for a value included in a financial statement for an annual or interim period, only values of the real property or the real estate project that have been determined by an appraiser who is an accredited member of the Appraisal Institute of Canada in good standing who is independent of the issuer, the real estate project, and the real property can be disclosed in the offering memorandum.

- (b) Values must be determined in an appraisal in accordance with the standards of the Appraisal Institute of Canada.

- (c) If the real estate project is a proposal to develop or redevelop real property for use in a business or undertaking (paragraph (b) of the definition of “real estate project”), disclose the market value of the real property, based on the current permitted use of the real property, as determined by an appraiser.

- (d) Disclosure of value of the real property or the real estate project, whether required under this form or disclosed voluntarily, must set out the following:

- (i) a summary of the appraisal;
- (ii) the qualified appraiser’s name and credentials;
- (iii) the date of the appraisal;
- (iv) the definition of “value” used by the appraiser;
- (v) the valuation technique and the key inputs used for the technique on which the value was determined; and
- (vi) the following mandatory statement:

“The stated value for [the real property or the real estate project] is an estimate only. The amount that a purchaser might actually receive if [the real property or the real estate project] were sold may vary materially from this value because the value of real estate is inherently volatile and is subject to numerous market conditions.”

- (e) State that the purchaser is entitled to receive, on request and without charge, a copy of the appraisal referred to in paragraph (d).

3.5 History of ownership of the real property

Using the following table and starting with the most recent owner, disclose the following in respect of the real property pertaining to the real estate project for the 2 years preceding the date of the offering memorandum. If a transfer required to be disclosed was to a related party, do not limit the disclosure to this time period.

- (a) the date of any transfer of the real property;
- (b) whether the transfer was to a related party, and if not, state “arm’s length”;
- (c) if the transfer was to a related party, state the name of the related party and describe the relationship to the issuer, the real estate project or the real property; and
- (d) the amount and form of consideration exchanged for each transfer.

Date of Transfer	Arm’s length or related party transfer	Name and Relationship (if Related Party)	Amount and Form of Consideration Exchanged
			\$
			\$
			\$

3.6 Approvals

- (a) Disclose any approvals – municipal, provincial, territorial or otherwise – anticipated to be required for the real estate project.
- (b) Describe how the approvals will be obtained, including anticipated cost and timing.
- (c) Describe any reports that may be required, including anticipated cost and timing.
- (d) Discuss what will happen if the approvals are not obtained, including the effect on the following:
 - (i) the real estate project;
 - (ii) the purchaser’s investment; and
 - (iii) the purchaser’s interest in the real property pertaining to the real estate project.

3.7 Capital requirements of the real estate project

Disclose the following:

- (a) estimated costs to complete the real estate project;

- (b) material assumptions that underlie the cost estimates; and
- (c) when major costs will be incurred.

3.8 Condominium or strata information

Where the real property pertaining to the real estate project is to be a condominium unit or strata lot project consisting of five or more condominium units or strata lots, provide, as section 3.8, the information contained in Schedule A.

OR

3.8 Leasehold units information

Where the real property pertaining to the real estate project will consist of five or more leasehold units in a residential leasehold complex, provide, as section 3.8, the information contained in Schedule B.

OR

3.8 Time share developments information

Where the real property pertaining to the real estate project consists of five or more time share interests but is not a time share ownership plan, provide, as section 3.8, the information set out in Schedule C.

OR

3.8 Cooperative association information

Where the real property pertaining to the real estate project consists of two or more cooperative interests provide, as section 3.8, the information set out in Schedule D.

OR

3.8 Shared interest in land information

Where the real property pertaining to the real estate project is to consist of two or more shared interests in land, provide, as section 3.8, the information set out in Schedule E.

3.9 Material agreements

- (a) Disclose all material agreements in connection with the offering of the real estate securities and the real estate project that have been entered into, including any

agreement that the purchaser may have to enter into. Where the material agreements are not attached to the offering memorandum, disclose a time and place at which these agreements or copies thereof may be inspected during the distribution of the real estate securities.

- (b) For each material agreement referred to in paragraph (a) disclose the following:
 - (i) the effective date;
 - (ii) the parties' names and relationship with the issuer or manager or the real estate project;
 - (iii) summary of obligations of each party;
 - (iv) any direct and any indirect compensation paid or payable including acquisition fees, development fees, construction fees, management fees, and fees paid in the form of equity or participating interests;
 - (v) the purchase price and payment terms for any asset, property or interest in an asset or property that has been or will be acquired, disposed of, leased or under option;
 - (vi) the principal amount, repayment terms, security, due date and interest rate for any credit agreement, mortgage, debenture or loan;
 - (vii) the amount of any finder's fee or commission paid or payable;
 - (viii) how each party can terminate the agreement including any costs associated with terminating the agreement; and
 - (ix) the consequences if the agreement is breached or becomes unenforceable.

- (c) For each rental and/or expense pool agreement or rental management agreement:
 - (i) summarize in plain language the key sections, including those provisions dealing with whether the agreement is mandatory or optional, the term of the agreement, opting out of the agreement, termination of the agreement, the sharing of revenues and losses, and any fees assessed against holders of the real estate securities that the person who manages the rental and/or expense pool or any affiliated company of that person will be entitled to;
 - (ii) disclose the experience in managing rental pools of the person that will manage the rental and/or expense pool or the experience of the person that will manage under the rental management agreement, including the success or failure of such pool or agreement; and
 - (iii) disclose the nature, verification (whether audited or subject to independent review), timing and frequency of, as well as access to, the

financial and other information concerning the operation of the rental and/or expense pool that will be provided to the holders of the real estate securities.

The reference to expense pool is not intended to refer to the sharing of common expenses generally required for strata corporations, but rather the expenses of the rental management.

3.10 Interest of management and others in material transactions

- (a) Describe and state the approximate amount of any material interest, direct or indirect, of any related party in any transaction within the 36 months preceding the date of the offering memorandum, or in any proposed transaction, that has materially affected or will materially affect the issuer, the real property or the real estate project.
- (b) For the purposes of paragraph (a), the materiality of an interest is to be determined on the basis of the significance of the information to purchasers of the real estate security in light of the circumstances of the particular case.

SPECIFIC INSTRUCTIONS:

The factors to consider in determining the significance of the information to those purchasers include:

- (i) the importance of the interest to the person having the interest;*
 - (ii) the relationship of the parties to the transaction with each other; and*
 - (iii) the amount involved.*
- (c) The disclosure required under paragraph (a) must include the following:
 - (i) a description of the transaction;
 - (ii) the name of each related party;
 - (iv) the nature of the relationship to the issuer, the real property and the real estate project; and
 - (v) for any transaction involving the purchase of assets by, or sale of assets to, the issuer or the real estate project, state the cost of the assets to the purchaser, and the cost of the assets to the seller if acquired by the seller within the 36 months preceding the date of the offering memorandum.

Item 4 Interests of directors, management, promoters and control persons of the issuer

4.1 Compensation and securities held

Using the following table, provide the specified information about each director, officer, promoter and control person of the issuer. If any of the above-referenced persons is not an individual, state in a note to the table the name of any person that, directly or indirectly, beneficially owns or controls more than 50% of the voting rights of the named entity. If the issuer has not completed its first financial year, then include compensation paid since inception. Compensation includes any form of remuneration including cash, shares and options.

Name and municipality of principal residence	Positions held (e.g., director, officer, promoter and/or control person) and the date of obtaining that position	Compensation paid by issuer or related party in the most recently completed financial year and the compensation anticipated to be paid in the current financial year	Number, type and percentage of securities in the issuer held	Number and percentage of real estate securities held	
				After completion of minimum offering	After completion of maximum offering

SPECIFIC INSTRUCTIONS:

Since many names are common, issuers should provide the full legal name of the persons listed in this chart.

4.2 Management experience

Using the following table, disclose the principal occupations of the directors, executive officers and promoters of the issuer over the past five years. If the real estate securities provide holders with a means to participate financially in a business such as a hotel, motel, resort or apartment hotel or other commercial enterprise, provide the name, municipality of residence and principal occupation for the last five years of the person managing the business if that person is an individual, or the directors and officers of the person where the person is not an individual. In addition, for each individual, describe any relevant experience in a business similar to the issuer's, and in a project similar to the real estate project.

The disclosure in this table must be sufficiently detailed to enable a person to assess management's ability to operate the issuer's business.

Name and municipality of residence	Principal occupation and related experience and brief description of responsibilities.

SPECIFIC INSTRUCTIONS:

1. *Since many names are common, issuers should provide the full legal name of the persons listed in this chart.*
2. *When describing relevant experience, if a person has no experience it would be relevant for the issuer to state that fact.*

4.3 Penalties, sanctions and bankruptcy

- (a) Disclose any penalty or sanction imposed by a court, mortgage or real estate regulatory authority, or securities regulatory authority, including, without limitation, relating to the sale, lease, promotion or management of real estate or securities or to theft or fraud (including a description of any penalty or sanction imposed, the reason for it and whether it is currently in effect) that has been in effect during the last 10 years, or any cease trade order that has been in effect for a period of more than 30 consecutive days within the 10 years before the date of the attached certificate, against:
 - (i) the issuer,
 - (ii) a director, officer, manager, promoter or control person of the issuer,
 - (iii) an issuer of which a person referred to in (ii) was a director, officer, promoter or control person at the time,
 - (iv) any person who directly or indirectly beneficially owns or controls 10% or more of any class of voting securities (a "principal holder") of the issuer or manager, or
 - (v) any director or officer of the manager and principal holder of the issuer.
- (b) Disclose any declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver manager, sequestrator, trustee, or liquidator to hold its assets, that has been in effect during the last 10 years with regard to:
 - (i) the issuer,
 - (ii) any director, officer, promoter or control person of the issuer, or
 - (iii) an issuer of which a person referred to in (ii) was a director, officer, promoter or control person at that time.
- (c) Disclose, to the best of the issuer's knowledge, whether any director, officer or principal holder of the issuer or manager, or any director or officer of the principal holder of the issuer or manager, within the 10 years prior to the date of the certificate attached to the offering memorandum, has been a director, officer or

principal holder of any other issuer or manager that, while that person was acting in that capacity, that other issuer or manager:

- (i) was subject to any penalties or sanctions imposed by a court, real estate regulatory authority, or securities regulatory authority relating to the sale, lease, promotion, or management of real estate or securities or to theft or fraud, and describe any penalties or sanctions imposed, or
 - (ii) was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or insolvency or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager, sequestrator, trustee, or liquidator appointed to hold its assets.
- (d) Disclose any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a prospective purchaser in making an investment decision.

4.4 Loans

Disclose the principal amount of any debenture or loan, the repayment terms, security, due date and interest rate due to or from the directors, management, promoters and control persons as at a date not more than 30 days prior to the date of the offering memorandum.

4.5 Conflicts of interest

Disclose any existing or potential conflicts of interest among the issuer, manager, any directors, officers and principal holders, management, promoters and control persons of the issuer and the manager and any of the directors, management, and officers of the control persons, and any directors and officers of the principal holders of the issuer and any person providing goods or services to the developer, manager or holders of the real estate securities in connection with the real estate securities that could reasonably be expected to affect the purchaser's investment decision.

Item 5 Promoters of the real estate project and principal holders of the real estate securities

5.1 Compensation and securities held

Using the following table, provide the specified information about each promoter of the real estate project and each holder of the real estate securities who holds a sufficient number of the real estate securities to affect materially the control of the real estate project (a "principal holder of real estate securities"). If the principal holder of real estate securities is not an individual, state in a note to the table the name of any person that, directly or indirectly, beneficially owns or controls more than 50% of the voting rights of the principal holder or is one of a combination of persons acting in concert that hold collectively more than 50% of the voting rights of the promoter or principal holder.

Name and municipality of principal residence	Number and percentage of real estate securities held	
	After completion of minimum offering	After completion of maximum offering

5.2 Promoter experience

Using the following table, disclose the principal occupations of each promoter of the real estate project over the past five years. In addition, for each promoter, describe any relevant experience in a real estate project similar to the real estate project. If the person has no experience state that fact.

Name	Principal occupation and related experience and brief description of responsibilities

5.3 Penalties, sanctions and bankruptcy

- (a) Disclose any penalty or sanction (including the reason for it and whether it is currently in effect) that has been in effect during the last 10 years, or any cease trade order that has been in effect for a period of more than 30 consecutive days during the past 10 years against:
- (i) a promoter of the real estate project or a principal holder of real estate securities, or
 - (ii) an issuer of which a person referred to in (i) was a promoter of the real estate project or a principal holder of real estate securities at the time.
- (b) Disclose any declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors or appointment of a receiver, receiver manager, sequestrator, trustee or liquidator to hold assets that has been in effect during the last 10 years with regard to any:
- (i) promoter of the real estate project or a principal holder of real estate securities, or
 - (ii) issuer of which a person referred to in (i) was a promoter of the real estate project or a principal holder of real estate securities at that time.
- (c) Disclose any other penalties or sanctions imposed by a court or regulatory body that a promoter of the real estate project or a principal holder of real estate securities has been subject to that would likely be considered important to a prospective purchaser in making an investment decision.

5.4 Loans

Disclose the principal amount of any debenture or loan, the repayment terms, security, due date and interest rate due to or from a promoter of the real estate project or a principal holder of real estate securities as at a date not more than 30 days prior to the date of the offering memorandum.

Item 6 Capital Structure

6.1 Equity securities

Using the following table, provide the required information about outstanding securities of the issuer (including options, warrants and other securities convertible into shares). If necessary, add notes to the table to describe the material terms of the securities.

Description of security	Number authorized to be issued	Price per security	Number outstanding as at [a date not more than 30 days prior to the offering memorandum date]	Number outstanding after min. offering	Number outstanding after max. offering

6.2 Debt securities

Using the following table, provide the required information about outstanding debt of the issuer. Disclose the portion of the debt due within 12 months of the date of the offering memorandum. If the securities being offered are debt securities, add a column to the table disclosing the amount of debt that will be outstanding after both the minimum and maximum offering. If the debt is owed to a related party, indicate that in a note to the table and identify the related party.

Description of (including whether secured)	Interest rate	Repayment terms, including due date	Amount outstanding at [a date not more than 30 days prior to the offering memorandum date]

6.3 Prior sales

Using the following table, disclose prior sales of the real estate security. If real estate securities were previously issued in exchange for assets or services, describe in a note to the table the assets or services that were exchanged.

Date of issuance	Number of subscribers	Number of real estate securities issued	Price per real estate security	Total funds received

Item 7 Description of the offering and the real estate security

7.1 Offering and real estate security

Describe the nature of the investment offered and include any material attributes and terms of the real estate security, such as voting rights or restrictions on voting, the issuer's policy about redeeming the real estate security, rights of occupancy and other similar entitlements, and the material terms of all agreements that the purchaser must enter into with the issuer.

7.2 Purchaser's interest in real property

- (a) If, as part of the investment in the real estate security, the purchaser will acquire an interest in real property, disclose the following:
 - (i) what the interest in the real property is;
 - (ii) how the ownership of that interest will be evidenced;
 - (iii) any existing or anticipated encumbrances on that interest; and
 - (iv) any risks that pertain to owning that interest.
- (b) If, as part of the investment in the real estate security, the purchaser will not acquire an interest in real property, disclose that fact.

7.3 Subscription procedure

- (a) Describe the means by which the real estate securities will be distributed.
- (b) Describe how a purchaser can subscribe for the securities and the method of payment.
- (c) Discuss any conditions of closing. If a minimum amount of funds is required to be raised through the offering, disclose the date by which the minimum amount must be met and the consequences to the purchaser of the failure to raise that amount, including the return of funds to the purchaser and any deduction or penalty imposed and whether the issuer will pay the purchaser interest on the funds. State the name and address of any person who will hold subscription funds until the minimum amount is raised.
- (d) If there are any arrangements under which any part of the net proceeds will be held in trust or will only become available to the issuer, or manager if certain

conditions are fulfilled, describe those conditions and the procedure for the return of funds to the purchaser if the conditions are not met and any deduction or penalty imposed. Refer at least to the mandatory two-day period required by subsection 2.9(16) of National Instrument 45-106 *Prospectus Exemptions*.

Item 8 Guarantees or other similar financial commitments

- (a) Attach a copy of any guarantee or other similar financial commitment agreement provided in connection with the offering by any person involved in the offering as an appendix to the offering memorandum. Do not include guarantees offered by financial institutions in connection with interest rates offered on mortgages.
- (b) Summarize, in plain language, the key terms of any guarantee or other financial commitment, including whether the guarantee or commitment is based on gross or net revenues, and whether the return guaranteed is inclusive or exclusive of strata maintenance fees, reserves, property, income and other taxes, any debt financing costs, etc. Provide an illustration of how the guarantee or commitment works.
- (c) Where there is a guarantee or other financial commitment, disclose the business experience of the person providing such guarantee or other financial commitment.
- (d) Where there is a guarantee or other financial commitment, attach as an appendix to the offering memorandum a copy of the audited financial statements of the person providing the guarantee or commitment or provide disclosure about where the audited financial statements can be reviewed. Indicate whether holders of the real estate securities will be entitled to ongoing disclosure of the financial position of that person during the period of guarantee or commitment, and if so, the nature, verification (whether audited or subject to an independent review), timing and frequency of, as well as access to, the disclosure that will be provided to holders.
- (e) Where there is a guarantee or other financial commitment, disclose whether it is supported by a letter of credit from a financial institution and whether any provision has been made for a sinking fund.

Item 9 Income tax consequences and RRSP eligibility

9.1 State in bold:

“You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you. The stated tax consequences may not apply uniformly to all purchasers.”

9.2 If income tax consequences are a material aspect of the real estate securities being offered, provide:

- (a) a summary of the significant income tax consequences to individuals who are residents of Canada; and
- (b) the name of the person providing the income tax disclosure in paragraph (a).

9.3 Provide advice regarding the RRSP eligibility of the real estate securities and the name of the person providing the advice or state in bold:

“Not all securities are eligible for investment in a registered retirement savings plan (RRSP). You should consult your own professional advisers to obtain advice on the RRSP eligibility of these securities.”

Item 10 Compensation paid

If any person has or will receive any compensation in connection with the offering, including, without limitation, commission, corporate finance fees or finder’s fees, provide the following information to the extent applicable:

- (a) state the person’s relationship with the issuer;
- (b) a description of each type of compensation and the estimated amount to be paid for each type;
- (c) if a commission is being paid, the percentage that the commission will represent of the gross proceeds of the offering (assuming both the minimum and maximum offering);
- (d) if any portion of the compensation will be paid in real estate securities, details of the securities (including aggregate number and price of the real estate securities to be paid); and
- (e) If any portion of the compensation will be paid as an option or other right to acquire a real estate security, disclose its conversion terms including the exercise price, expiry date and the aggregate number of real estate securities to be acquired.

Item 11 Risk factors

11.1 State in bold:

“Your rights under an agreement pertaining to real property may be construed under the laws of the province or territory in which the real property is located. Therefore, it is prudent to consult a lawyer who is familiar with those laws before entering into an agreement to purchase the real estate securities.

All real estate investment is subject to significant risk arising from rapidly changing market conditions.”

11.2 State in bold:

“A real estate investment is, by its nature, speculative. If you are purchasing the real estate as an investment, you should be aware that this investment has not only the usual risks when purchasing real estate, but also those risks that are inherent to the nature of real estate securities.”

11.3 Risk factors

- (a) Starting with the most important, disclose and explain the risk factors that make the offering a risk or speculation and the risk factors material to the real estate project that would most likely influence a reasonable purchaser’s decision to purchase the real estate securities.

SPECIFIC INSTRUCTIONS:

Risk factors may include but are not limited to such matters as:

- *risks associated with real estate investments generally*
- *reliance on the efforts of the issuer, promoter or manager*
- *ability and experience, inexperience of management*
- *lack of financial expertise*
- *reliance on the financial strength of the person offering the guarantee or financial commitment*
- *cash flow and liquidity risks*
- *financing risk*
- *potential liability to make additional contributions beyond initial investments*
- *restricted rights of a holder in the management and control of the strata corporation or business*
- *inability to change the manager*
- *restrictions on resale of the real estate securities*
- *issuer, promoter or manager conflicts of interests*
- *where the offering provides holders with a means to participate financially in a business such as a hotel, motel, resort or apartment hotel or other commercial*

enterprise, the general risks of the business, absence of an operating history of the business and competition.

When describing the risk factors, be specific. Do not use generic risk factors.

- (b) If the real estate securities include a rental pool, state:

“The success or failure of the rental pool will depend in part on the abilities of the manager of the rental pool.”

- (c) If the owner will be responsible for paying a portion of the costs of the operation of the rental pool, state:

“If the revenue generated from the rental pool is less than the costs of operating the rental pool, then you must make additional contributions over and above the purchaser’s initial investment and financing costs.”

- (d) If the real estate securities include a guarantee or other financial commitment, state:

“The ability of [the person providing the guarantee] to perform under the [guarantee or other financial commitment] will depend on the financial strength of [the person]. See [the person’s] financial statements on page []. There is no assurance that [the person] will have the financial ability to be able to satisfy its obligations under the [guarantee or other financial commitment] and therefore you may not receive any return from your investment.”

- (e) If a risk factor has been disclosed under another item, there is no need to repeat the disclosure about that risk factor under this item; however, the issuer may provide a cross-reference to that disclosure.

- (f) The disclosure about a risk factor should describe how the risk factor could affect, where applicable, the following:

- (i) the real estate project;
- (ii) the purchaser’s investment; and
- (iii) the purchaser’s interest in the real property.

- (g) The following are examples of risk factors that might be material to the real estate project:

- (a) risks that are particular to the type of real estate project, for example industry risks associated with

- (i) the development of undivided land into subdivisions, or

- (ii) the operation of rental or time-share businesses;
- (b) risks associated with encumbrances, conditions, or covenants on the real property that could affect
 - (i) the purchaser's interest in the real property, and
 - (ii) the completion of the real estate project;
- (c) risks pertaining to the management of the real estate project, for example,
 - (i) rights of the purchaser in the management and control of the real estate project, and
 - (ii) right of the purchaser to change the manager or developer of the real estate project;
- (d) risks particular to ownership of the real property, for example, potential liability for
 - (i) environmental damage, and
 - (ii) unpaid obligations to builders, contractors and trades; and
- (e) any outstanding material litigation that relates to the real estate project or a past real estate project against
 - (i) the issuer,
 - (ii) a director, officer, promoter or control person of the issuer, or
 - (iii) a promoter of the real estate project.

Item 12 Reporting obligations

- 12.1** Disclose the nature, assurance (whether audited or subject to an independent review), timing and frequency of, as well as access to, financial and other information concerning the affairs of the real estate project, that will be provided to holders of the real estate securities. Include disclosure about any records, including financial information required by the issuer's corporate legislation, constating documents, or other records under which the issuer is organized, that will be sent to purchasers on an annual or on-going basis. If the issuer is not required to send any records to the purchasers on an annual or on-going basis, state in bold:

“We are not required to send you any records on an annual or ongoing basis.”

12.2 If corporate or securities information about the issuer is available from a government, the securities regulatory authority or regulator, or a self-regulatory organization, disclose where that information can be located (including website address).

12.3 State in bold:

“Financial or other information relating to the real estate project provided to you in the future may not by itself be sufficient for your needs – for example, to enable you to prepare your income tax returns or to assess the performance of your investment.”

Item 13 Resale restrictions

13.1 General statement

State in bold:

“These real estate securities are subject to resale restrictions under securities legislation. You will not be able to trade the real estate securities unless you are eligible to rely on an exemption from the prospectus requirements under securities legislation. For more information about these resale restrictions, you should consult a lawyer.”

13.2 Restricted period

State one of the following, as applicable:

(a) If the issuer is not a reporting issuer in a jurisdiction at the distribution date state:

“Unless permitted under securities legislation, you cannot trade the securities before the date that is 4 months and a day after the date [insert name of issuer or other term used to refer to the issuer] becomes a reporting issuer.”

(b) If the issuer is a reporting issuer in a jurisdiction at the distribution date state:

“Unless permitted under securities legislation, you cannot trade the securities before the date that is 4 months and a day after the distribution date.”

13.3 Other Resale Restrictions

Describe any restrictions on the purchaser’s ability to:

(a) resell the real estate securities that arise under the terms of the material agreements;

- (b) assign any agreements that the purchaser is a party to; or
- (c) resell the purchaser's interest in the real property (including whether the purchaser has to obtain consent from others before the purchaser can sell).

Item 14 Purchasers' rights

State the following:

"If you purchase these securities you will have certain rights, some of which are described below. For information about your rights you should consult a lawyer.

1. Two Day Cancellation Right – You can cancel your agreement to purchase these securities. To do so, you must send a written notice to us by midnight on the 2nd business day after you sign the agreement to buy the securities.
2. Statutory Rights of Action in the Event of a Misrepresentation – If there is a misrepresentation in this offering memorandum, you have a statutory right to sue:
 - (a) [name of issuer or other term used to refer to issuer] to cancel your agreement to buy these securities, or
 - (b) for damages against [state the name of issuer or other term used to refer to issuer and the title of any other person against whom the rights are available].

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities.

If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations. You must commence your action to cancel the agreement within the time period provided by section 146 of the *Capital Markets Act*. You must commence your action for damages within the time period provided by section 146 of the Act."

Item 15 Financial statements

15.1 Financial statements of the real estate project

- (a) Include in the offering memorandum financial statements of a real estate project that is currently a business, or that was a business at any time within the 12 months preceding the date of the offering memorandum, that comply with Instruction B. Financial Statements – General of Form 45-106F2 *Offering Memorandum for Non-Qualifying Issuers*. References to "an issuer" in the Instructions must be read as references to "a real estate project".

- (b) If financial statements of the real estate project for a more recent annual or interim period than those required by Item 15.1(a) have been prepared, include those more recent financial statements in the offering memorandum and prepare them on a basis consistent with the basis required by Item 15.1(a).

15.2 Requirements for other financial statements

Include financial statements of a real estate project not required by Item 15.1(a) or (b), or of another entity, if the inclusion of those financial statements is necessary to prevent the offering memorandum from containing a misrepresentation. Such additional financial statements must be prepared on a basis consistent with the basis required by Item 15.1(a).

Item 16 Other disclosure

If the real estate legislation of any province or territory requires further information or disclosure in respect of the offering of real estate securities, include such information and disclosure in the offering memorandum as required by such legislation.

Item 17 Date and certificate

The last page of the offering memorandum must contain a certificate that states the following:

“Dated [insert the date the certificate page of the offering memorandum is signed].

This offering memorandum does not contain a misrepresentation.”

Schedule A
Condominium or Strata Information

Where the real property pertaining to the real estate project is to be a strata project consisting of five or more condominium units or strata lots in a stratified building, provide, as section 3.8, the following information:

- (a) Phasing – If applicable, state whether the phasing has been approved by the appropriate governmental or regulatory authority under applicable provincial or territorial strata or condominium legislation and attach any phased strata plan declaration, condominium declaration or like record as an Exhibit. If the strata plan will contain common facilities or further phases, describe those facilities and the security arrangements, if any, for their construction.
- (b) Unit Entitlement/Unit Factors – Explain unit entitlement or unit factors, its or their effect and the basis on which unit entitlement or unit factors are being calculated. Attach a copy of the Schedule of unit entitlement or unit factors that the issuer has filed or proposes to file, under the applicable provincial or territorial condominium or strata property legislation, as an Exhibit.
- (c) Voting Rights – Explain the allocation of voting rights. If the issuer has filed or proposes to file a Schedule of Voting Rights under the applicable provincial or territorial condominium or strata property legislation, attach a copy of the Schedule as an Exhibit.
- (d) Common Property and Facilities – Describe the common property, common facilities and common assets of the condominium or strata corporation, including any restrictions or privileges that relate to their use.
- (e) Limited Common Property – Disclose whether the strata plan contains any limited common property. If it does, describe the proposed or actual method of its designation. Explain the respective responsibilities of the condominium or strata corporation and condominium unit or strata lot owners for its repair and maintenance and for the payment of costs related to the repair and maintenance.
- (f) Bylaws – State that the bylaws of the strata corporation or condominium entity are or will be as required under the relevant provisions of applicable provincial or territorial condominium or strata property legislation or disclose the content of any filed or proposed bylaw or bylaw amendment. Provide a summary of any bylaw that imposes restrictions on the age of occupants, pets, rentals, or the use or resale of condominium units or strata lots. If the condominium or strata corporation's bylaws create sections or types of condominium units or strata lots, describe the arrangements and their effect.
- (g) Furnishings and Equipment – Describe any furnishings and equipment that are included in the purchase price of a condominium unit or strata lot.
- (h) Budget – Disclose who is responsible for paying the cost of utilities and other services. Attach a copy of the estimated operating budget of the condominium or strata corporation as an Exhibit, including a schedule showing how the budget

will be allocated amongst the individual condominium unit or strata lot owners. If the condominium or strata corporation has approved a budget at an annual general meeting, attach a copy of its most recent budget as an Exhibit, including a schedule showing how the budget is allocated amongst the individual condominium unit or strata lot owners.

SPECIFIC INSTRUCTION:

If the expenses of the condominium or strata corporation are allocated by reason of sections, type of strata lot or designation of limited common property, the budget should reflect the allocation.

- (i) Utilities and Services – If the real property pertaining to the real estate project is located outside a municipality, disclose particulars of the following services, including whether they are available, the required permits, who is responsible for obtaining the permits and installing the services, whether those permits have been obtained and the expected date of completion for the servicing:
 - (i) Water;
 - (ii) Electricity;
 - (iii) Sewerage;
 - (iv) Natural gas;
 - (v) Fire protection;
 - (vi) Telephone; and
 - (vii) Access.

If the real property relating to the real estate project is located inside a municipality and any of the utilities and services listed above will not be provided, disclose which of them will not be provided.

- (j) Property, Condominium and Strata Management Contracts – Describe any property, condominium and strata management contracts that the issuer has entered into or intends to enter into that will bind the condominium or strata corporation. If the condominium or strata manager is related to the issuer, attach a copy of the condominium or strata management contract as an Exhibit.
- (k) Insurance – Describe the insurance coverage to be placed on the real property pertaining to the real estate project and condominium units and strata lots by the issuer in the name of the condominium or strata corporation.
- (l) Development Approval – State the facts that establish that the issuer has met the requirements for development approvals under applicable provincial or territorial real estate legislation.

- (m) Rental Disclosure Statement – State the issuer’s intent with respect to rentals. Attach a copy of any Rental Disclosure Statement that has been or will be filed under applicable provincial or territorial condominium or strata property legislation as an Exhibit.
- (n) Previously Occupied Building – If an existing building is being converted into condominium units or strata lots, provide confirmation that any approvals for the conversion have been met. Provide a summary of a previously occupied building’s condition, together with the basis on which the condition of the building has been summarized. If the building was constructed more than five years before the date of the offering memorandum, or defects are known to exist, disclose all material facts related to the condition of the building.
- (o) Deposits – If applicable, describe any deposit requirements and state the name of the trustee who will be holding purchasers’ deposits and that all money received from a purchaser will be held in trust by that person in the manner required by applicable provincial or territorial real estate legislation. If the issuer has entered into a deposit protection contract, describe the subject matter and terms of the insurance, explain that the issuer may use the deposit money to construct and market the development and state the aggregate and per claim limits of the insurance. If required under applicable provincial or territorial real estate legislation, state the name and business address of the insurer, the name of the issuer who entered into the deposit protection contract and the date on which the insurance takes effect.
- (p) Issuer’s Commitments – If applicable, describe any commitment made by the issuer that will be met after completion of the sale of condominium units or strata lots to purchasers and explain whether the issuer has posted any security to meet the commitment. In **bold** explain any risks associated with the issuer’s commitment.
- (q) Permitted Use – State the zoning applicable to the real property and describe the permissible uses of the real property intended by the issuer. State whether any condominium unit or strata lots may be used for commercial or other purposes not ancillary to residential purposes.

State whether there may be other permissible uses of the real property beyond those intended by the issuer. Issuers are not required to disclose all of the potential uses. Issuers must provide purchasers with information about where to obtain further information and details about zoning requirements and permissible uses.

- (r) Parking – Explain the parking arrangements, including the number and location of parking stalls and the method of allocating the right to use the stalls.
- (s) Construction – State the actual or estimated dates of commencement and completion of construction.
- (t) Warranties – Describe any construction or equipment warranties.

- (u) Applicable Legislation – If any disclosure is provided to comply with provincial or territorial real estate legislation, provide the name of the legislation and identify the disclosure being provided to comply with that legislation.

Schedule B
Leasehold Units Information

Where the real property pertaining to the real estate project will consist of five or more leasehold units in a residential leasehold complex, provide, as section 3.8, the following information:

- (a) The Lease – Describe the term of the lease. Attach a copy of the lease and any offer to lease as Exhibits.
- (b) Occupancy Restrictions – Explain any restrictions placed on occupancy pursuant to the lease agreement.
- (c) Termination Provisions – Summarize the circumstances in which the lease may be terminated.
- (d) Prepayment Cost – State whether any portion of the leasehold cost must be prepaid and, if so, describe the arrangements.
- (e) Repayment Provisions – If a portion of the leasehold cost is prepaid, state whether any portion of the prepaid cost is repayable to the tenant and, if so, describe the arrangements including how the repayment amount is calculated, when the repayment is due, how priority to repayment is determined amongst tenants and whether a reserve fund or other arrangements exist to facilitate repayments.
- (f) Risks Associated with Repayment – If a portion of the prepaid leasehold cost is repayable, describe all risks associated with obtaining a refund in **bold**, including the following, as applicable:
 - (i) If real estate sales are slow, it may be difficult to sell a house or condominium. Similarly, if few people are interested in leasing in the development, it may be difficult to find new tenants.
 - (ii) If the condition of the building has deteriorated, it may be difficult to find new tenants.
 - (iii) If the landlord has insufficient funds and cannot find new tenants, you may not be repaid or you may have to wait for your repayment.
- (g) Registration – State whether the lease agreement is in registerable form and whether the tenant is permitted to register the lease in the applicable land title office, land titles office or land registry office.

Disclose how the issuer complies with the requirements of applicable provincial or territorial real estate legislation in respect of assurance of title or other interests for which purchasers have contracted.

- (h) Assignment and Subleasing – Describe the tenant's ability, if any, to assign or sublease his, her or its premises.

- (i) Occupancy Charges – Describe who is responsible for paying the cost of utilities and other services. Attach a copy of the estimated or actual operating budget for the real estate project, including a schedule showing how the budget will be allocated amongst the tenants, as an Exhibit.
- (j) Taxes – State who is responsible for property taxes, whether tenants are entitled to claim the home owner grant in respect of their proportionate share of property taxes and whether the leasing of the premises attracts property transfer tax.
- (k) Management – Describe the manner, if any, in which tenants are able to participate in the management of the leasehold units.
- (l) Provincial or Territorial Residential Tenancy Act – State whether the applicable provincial or territorial residential tenancy act applies to the leasing arrangements.
- (m) Common Areas and Facilities – Describe the common areas and common facilities in the real estate project or the real property pertaining thereto, including an explanation of any restrictions or privileges that relate to their use.
- (n) Furnishings and Equipment – Describe any furnishings and equipment that are included with the leasehold units.
- (o) Issuer’s Rights – Describe any rights or controls to be retained by the issuer in relation to the leasehold units.
- (p) Utilities and Services – If the real estate project or real property pertaining to the project is located outside a municipality, disclose particulars of the following services, including whether they are available, the required permits, who is responsible for obtaining the permits and installing the services, whether those permits have been obtained and the expected date of completion for the servicing:
 - (i) Water;
 - (ii) Electricity;
 - (iii) Sewerage;
 - (iv) Natural gas;
 - (v) Fire protection;
 - (vi) Telephone; and
 - (vii) Access.

If the real property pertaining to the real estate project is located inside a municipality and any of the utilities or services listed above will not be provided, disclose which of them will not be provided.

- (q) Insurance – Describe the insurance coverage to be placed on the real property pertaining to the real estate project and leasehold units by the issuer and the insurance coverage that should be arranged by the tenant.
- (r) Previously Occupied Building – If any building containing a leasehold unit was built more than five years before the date of the offering memorandum, or defects are known to exist, disclose all material facts related to the condition of the building, together with the basis for determination of the condition of the building.
- (s) Development Approval – State the facts that establish that the issuer has met the development requirements or approvals under applicable provincial or territorial real estate legislation.
- (t) Deposits – If applicable, describe any deposit requirements and state the name of the trustee who will be holding purchasers’ deposits and that all money received from a purchaser will be held in trust by that person in the manner required by applicable provincial or territorial real estate legislation. If the issuer has entered into a deposit protection contract, describe the subject matter and terms of the insurance, explain that the issuer may use the deposit money to construct and market the real estate project and state the aggregate and per claim limits of the insurance. If required under applicable provincial or territorial real estate legislation, state the name and business address of the insurer, the name of the issuer who entered into the deposit protection contract and the date on which the insurance takes effect.
- (u) Issuer’s Commitments – If applicable, describe any commitment made by the issuer that will be met after completion of the lease of the leasehold units and explain whether the issuer has posted any security to meet the commitment. In **bold** explain any risks associated with the issuer’s commitment.
- (v) Permitted Use – State the zoning applicable to the real property and describe the permissible uses of the development property intended by the issuer. State whether any leasehold unit may be used for commercial or other purposes not ancillary to residential purposes.

State whether there may be other permissible uses of the real property beyond those intended by the issuer. Issuers are not required to disclose all of the potential uses. Issuers must provide purchasers with information about where to obtain further information and details about zoning requirements and permissible uses.

- (w) Parking – Explain the parking arrangements, including the number and location of parking stalls and the method of allocating the right to use the stalls.
- (x) Construction – State the actual or estimated dates of commencement and completion of construction.
- (y) Warranties – Describe any construction or equipment warranties.

- (z) Applicable Legislation – If any disclosure is provided to comply with provincial or territorial real estate legislation, provide the name of the legislation and identify the disclosure being provided to comply with that legislation.

Schedule C
Time Share Developments

Where the real property pertaining to the real estate project consists of five or more time share interests, provide, as section 3.8, the following information:

- (a) General Description – If not already disclosed, provide a general description of the time share plan and the land that is subject to the time share plan. Attach a copy of the actual or proposed plans, or a portion of those plans, showing the layout of the development and the dimensions or areas of the land that is subject to the time share plan as an Exhibit.

SPECIFIC INSTRUCTION:

Examples of material facts in relation to the general description of a time share plan include the number of sites in the plan, the nature of the membership or other interest that a purchaser acquires, the maximum number of time share interests that may be in the time share plan and the number of time share interests being marketed by the issuer. In all cases, after reading this paragraph, potential purchasers should have a basic understanding of the structure and scope of the time share plan and what is being offered for sale.

- (b) Time Share Plan Agreements – Summarize the key terms of the agreements that establish the time share plan. Attach a copy of the agreements to the offering memorandum as an Exhibit.
- (c) Accommodations – Describe the land and buildings that are subject to the time share plan. Include a description of the civic location of the land and buildings that are subject to the time share plan, the number of strata lots or condominium units, lots or other parcels at each location, and the nature of the time share plan's ownership interest in the land.
- (d) Title Protection – Explain the arrangements the issuer has made to ensure the land that is subject to the time share plan will not be subject to foreclosure or other proceedings that would impair or destroy good, safe and marketable title to the land. Provide any disclosure required under applicable provincial or territorial legislation in respect of assurances of title to purchasers. In the case of time share interests where purchasers do not acquire a registered ownership interest in the land that is subject to the time share plan, adequate arrangements must be made to provide and maintain security of title to the land that is subject to the time share plan.
- (e) Inventory Protection – Describe the arrangements the issuer has made to ensure that the number of sold time share interests does not exceed the maximum number of time share interests that may be accommodated in the time share plan. Attach a copy of the key agreements to the offering memorandum as an Exhibit. Provide any disclosure required under applicable provincial or territorial real estate legislation in respect of assurance of the interest for which purchasers have contracted. For time share interests where purchasers do not acquire a registered ownership interest in the land that is subject to the time share plan,

disclose the arrangements that have been made to ensure that the time share plan is not oversold.

- (f) Permitted Use – Time share use plans – For time share use plans, describe the permitted use of land that is subject to the time share use plan and the manner in which the issuer or another person may use unsold time in the plan. In addition, if the land that is subject to the time share use plan does not comprise all of the lots or strata lots or condominium units in the relevant subdivision plan or strata or condominium plan, describe the manner in which the other lots or strata lots or condominium units may be used and who controls their use.
- (g) Additions and Deletions to the Plan – Explain the process and requirements for adding land to and deleting land from the time share plan.
- (h) Compliance with Foreign Legislation – If land that is subject to the time share plan is located outside a province or territory, state whether the issuer and the time share plan are in compliance with the laws of the foreign jurisdiction in which the land is located.
- (i) Modification or Termination of the Time Share Plan – Explain the circumstances in which the time share plan could be modified or terminated and describe what would happen if the time share plan is modified or terminated.
- (j) Interest Acquired – Describe the membership or other interest that purchasers acquire, including an ownership interest. Describe the rights time share interest owners have to the recurring use, occupation or possession of all or part of the land that is subject to the time share plan. Examples of material facts in relation to a time share interest include the type or nature of the membership or other interest acquired (e.g. “points” or a licence to use), the duration of the interest, and the method of determining the period of recurring use available to owners of time share interests.

SPECIFIC INSTRUCTION:

The disclosure should enable potential purchasers to have a basic understanding of the interest being offered for sale and the restrictions and rights associated with the interest.

- (k) Reservation System – Summarize the key terms of the reservation system that allocates the use of the time share interests in the time share plan amongst time share interest owners and other persons, including persons who may be eligible to exchange into or use unassigned time in the time share plan. Attach a copy of the reservation agreement to the offering memorandum as an Exhibit.
- (l) Purchase Procedure – Describe the procedure for purchasing a time share interest. Disclose how deposits will be held.
- (m) Financing Assistance Program – State whether the issuer is offering to finance the purchase of time share interests and, if it is, describe the financing available. Attach a copy of any financing agreement that the issuer intends to use as an

Exhibit. Disclose how the financing agreement complies with cost of borrowing legislation.

- (n) Resale, Sub-licensing, Assignments – Describe the methods by which purchasers may resell, sub-licence or assign their time share interest. Summarize the key terms of any agreement related to the disposition of a time interest to a subsequent purchaser or the issuer. Disclose any risks associated with the disposition of a time share interest.
- (o) Default – Describe the circumstances that could lead to a time share interest owner being in default under the terms of the time share plan agreements, the manner in which the default may be cured and what could happen if the default continues.
- (p) Restrictions on Use – Describe any rules or other restrictions that apply to a purchaser’s use, occupancy or possession of the time share interest.
- (q) Time Share Manager – Identify the time share plan manager. Disclose whether the manager is related to the issuer. If the land subject to the time share plan consists of an ownership interest in a strata lot or bare land strata lot, explain whether the time share manager is related to the strata manager and describe the respective duties of each manager. Summarize the key terms of the time share plan management agreement, including the length of the agreement, the responsibilities and duties of the manager, renewal provisions, termination rights, financial reporting and management fees.
- (r) Time Share Association – State whether the issuer intends to create or has created a time share association by which purchasers participate in administering the time share plan. If there is a time share association, identify the association and summarize the key terms of any agreement, including articles of incorporation, rules or bylaws that relate to its creation or operation and by which purchasers are able to participate in administering the time share plan. Attach a copy of any agreement to the offering memorandum as an Exhibit.
- (s) Operating and Reserve Costs – Explain how the operating and reserve costs of the time share plan are determined and allocated amongst time share interest owners. Disclose who is responsible for payment of the operating and reserve costs of the time share plan, how they are collected and when they are due. Explain whether financial statements in respect of the time share plan will be prepared, whether the financial statements will be audited, and whether purchasers are entitled to a copy. Attach a copy of the estimated operating budget of the time share plan as an Exhibit, including a schedule showing how the budget will be allocated amongst the individual time share interest owners. If the time share plan has approved a budget, attach a copy of its most recent budget as an Exhibit, including a schedule showing how the budget is allocated amongst the individual time share interest owners.
- (t) Issuer’s Contribution to Maintenance and Operations – Describe the issuer’s obligations towards contributing to the operating and reserve costs of the time share plan and describe the type and amount of the security that the issuer has posted in relation to performing its obligations. Provide any disclosure required

under applicable provincial or territorial real estate legislation about the adequacy of arrangements for utilities and services associated with the time share plan.

- (u) Maintenance – Explain the arrangements related to maintaining the land and buildings that are subject to the time share plan.
- (v) Taxes and Utilities – Describe who is responsible for the payment of property taxes and utilities.
- (w) Insurance – Describe any property or liability insurance that indemnifies time share interest owners and explain who is responsible for payment of the insurance premium.
- (x) Furniture and Equipment – Describe the furnishings and equipment included in the time share plan.
- (y) Guest Services – Describe any additional guest services that are part of the time share plan.
- (z) On Site Sales Program – Describe the nature of any on site sales program the issuer intends to use.
- (aa) Exchange Program General Description – State whether an exchange program is associated with the time share plan and whether participation by purchasers in the exchange program is mandatory or optional. Provide a general description of the exchange program and summarize the key terms of any agreement related to it. Disclose whether the exchange program operator is related to the issuer and whether the operator is regulated in any jurisdiction.

SPECIFIC INSTRUCTION:

Material terms of an exchange program may include whether the purchaser's participation in the exchange program is dependent upon the continued affiliation of the time share plan with the exchange program operator, the procedures used to make, cancel or amend exchanges, the cost of participating in the exchange program, the cost of making a specific exchange, the duration of the affiliation with the exchange program and the availability and priority of exchange requests.

- (bb) Development Approval – State the facts that establish that the issuer has met the requirements for development approvals under applicable provincial or territorial real estate legislation.
- (cc) Deposits – If applicable, describe the deposit requirements and state the name of the trustee who will be holding purchasers' deposits and that all money received from a purchaser will be held in trust by that person in the manner required by applicable provincial or territorial real estate legislation. If the issuer has entered into a deposit protection contract, describe the subject matter and terms of the insurance, explain that the issuer may use the deposit money to construct and market the real estate project and state the aggregate and per claim limits of the insurance. If required under applicable provincial or territorial real estate

legislation, state the name and business address of the insurer, the name of the issuer who entered into the deposit protection contract and the date on which the insurance takes effect.

- (dd) Issuer's Commitments – If applicable, describe any commitment made by the issuer that will be met after completion of the sale or lease of the time share interests and explain whether the issuer has posted any security to meet the commitment. In **bold** explain any risks associated with the issuer's commitment.
- (ee) Construction – State the actual or estimated dates of commencement and completion of construction. State either that the offered time share interests are available for use, or, if they are not yet available for use, state an estimated date range, not exceeding three months, for when the offered time share interests will become available for use.
- (ff) Warranties – Describe any construction or equipment warranties.
- (gg) Permitted Use – Time share ownership plans – State the zoning applicable to the real property and describe the permissible uses of the real property intended by the issuer. State whether any lot or strata lot may be used for commercial or other purposes not ancillary to residential purposes.

State whether there may be other permissible uses of the real property beyond those intended by the issuer. Issuers are not required to disclose all of the potential uses. Issuers must provide purchasers with information about where to obtain further information and details about zoning requirements and permissible uses.

Describe the manner in which the issuer or another person may use unsold time in the plan. In addition, if the land that is subject to the time share plan does not comprise all of the lots or strata lots in the relevant subdivision plan or strata plan, describe in general terms the manner in which the other lots of strata lots may be used and who controls their use.

- (hh) Type of Interest in Land – For time share ownership plans, include any other disclosure required by Schedules A, B, D or E, as applicable to the type of interest in land that is subject to the time share plan.
- (ii) Applicable Legislation – If any disclosure is provided to comply with provincial or territorial real estate legislation, provide the name of the legislation and identify the disclosure being provided to comply with that legislation.
- (jj) Common Facilities in Future Phases – For a time share ownership plan, if the plan will contain common facilities in future phases, describe those facilities and the security arrangements, if any, for their construction.

Schedule D
Disclosure for Cooperative Association Real Estate Projects

Where the real property pertaining to the real estate project consists of two or more cooperative interests, provide, as section 3.8, the following information:

- (a) General Description of the Development – Cooperative interests may be in relation to the use of an area in a building or an area of land. In either case, disclose all material facts about the physical and legal form of the real estate project or the real property pertaining thereto, including the total number of cooperative interests in the project, the number being marketed by the issuer and the civic location of the project. Attach a copy of the actual or proposed plans, showing the layout of the project and the dimensions or areas of the cooperative interests and common areas as an Exhibit. If the cooperative association is part of a larger development plan, describe the overall development plan and the arrangements, if any, for amalgamation or the sharing of costs or facilities.
- (b) Cooperative Association – State the jurisdiction, date of incorporation, and incorporation number of the cooperative association. If the cooperative association is not incorporated, amend this item, as required, to disclose all material facts about the cooperative association.
- (c) Form of Ownership – Describe the form of ownership, membership or partnership in the cooperative association. Attach a schedule showing the proportionate interest of the cooperative interest owners in the cooperative association as an Exhibit.
- (d) Use Agreement – Summarize the key terms of the use or other agreement that limits use and occupation of the cooperative interest owners to a part of the land or building owned by the cooperative association and that controls use of the common areas. Attach a copy of the agreement as an Exhibit.
- (e) Articles, Bylaws and Rules – Summarize the key terms of the actual or proposed bylaws, articles, memorandum, constitution, rules or regulations governing the cooperative association. Describe any rights or restrictions associated with the disposition of an interest in the cooperative association. Attach a copy of the records as an Exhibit.
- (f) Issuer's Rights – Describe any rights or controls retained by the issuer in relation to the cooperative association.
- (g) Assets and Liabilities – Describe the assets and liabilities of the cooperative association.
- (h) Common Areas and Facilities – Describe the common areas and common facilities of the cooperative association, including any restrictions or privileges that relate to their use.
- (i) Furnishings and Equipment – Describe any furnishings and equipment that are included in the purchase price of a cooperative interest.

- (j) Budget – Disclose who is responsible for paying the cost of utilities and other services. Attach a copy of the estimated operating budget of the cooperative association as an Exhibit, including a schedule showing how the budget will be allocated amongst the individual cooperative interest owners. If the cooperative association has approved a budget at an annual general meeting, attach a copy of its most recent budget as an Exhibit, including a schedule showing how the budget is allocated amongst the individual cooperative interest owners.
- (k) Utilities and Services – Disclose particulars of the following services, including whether they are available, the required permits, who is responsible for obtaining the permits and installing the services, whether those permits have been obtained and the expected date of completion for the servicing:
 - (i) Water;
 - (ii) Electricity;
 - (iii) Sewerage;
 - (iv) Natural gas;
 - (v) Fire protection;
 - (vi) Telephone; and
 - (vii) Access
- (l) Management Contracts – Describe any cooperative association management contracts that the issuer has entered into, or intends to enter into, that will bind the cooperative association. If the property manager is related to the issuer, attach a copy of the management contract as an Exhibit.
- (m) Insurance – Describe the insurance coverage to be placed on the real estate property pertaining to the real estate project and development units by the issuer in the name of the cooperative association.
- (n) Development Approval – State the facts that establish that the issuer has met the requirements for development approvals under applicable provincial or territorial real estate legislation.
- (o) Deposits – If applicable, describe the deposit requirements and state the name of the trustee who will be holding purchasers’ deposits and that all money received from a purchaser will be held in trust by that person in the manner required by applicable provincial or territorial real estate legislation. If the issuer has entered into a deposit protection contract, describe the subject matter and terms of the insurance, explain that the issuer may use the deposit money to construct and market the real estate project and state the aggregate and per claim limits of the insurance. If required under applicable provincial or territorial real estate legislation, state the name and business address of the insurer, the name of the

issuer who entered into the deposit protection contract and the date on which the insurance takes effect.

- (p) Issuer's Commitments – If applicable, describe any commitment made by the issuer that will be met after completion of the sale of cooperative interests and explain whether the issuer has posted any security to meet the commitment. In **bold** explain any risks associated with the issuer's commitment.
- (q) Permitted Use – State the zoning applicable to the real property and describe the permissible uses of the development property intended by the issuer. State whether any cooperative interest may be used for commercial or other purposes not ancillary to residential purposes.

State whether there may be other permissible uses of the real property beyond those intended by the issuer. Issuers are not required to disclose all of the potential uses. Issuers must provide purchasers with information about where to obtain further information and details about zoning requirements and permissible uses.

- (r) Parking – Explain the parking arrangements, including the number and location of parking stalls and the method of allocating the right to use the stalls.
- (s) Construction – State the actual or estimated dates of commencement and completion of construction.
- (t) Warranties – Describe any construction or equipment warranties.
- (u) Previously Occupied Building – If an existing building is being converted into cooperative interests, provide confirmation that any approvals for the conversion have been obtained. Provide a general summary of a previously occupied building's condition, together with the basis on which the condition of the building has been summarized. If the building was constructed more than five years before the date of the offering memorandum, or defects are known to exist, disclose all material facts related to the condition of the building.
- (v) Applicable Legislation – If any disclosure is provided to comply with provincial or territorial real estate legislation, provide the name of the legislation and identify the disclosure being provided to comply with that legislation.

Schedule E
Shared Interest in Land Information

Where the real property pertaining to the real estate project is to consist of two or more shared interests in land, provide, as section 3.8, the following information:

- (a) General Description of the Development – Describe the physical and legal form of the real estate project or the real property pertaining thereto, including the total number of shared interests in land in the project, the number being marketed by the issuer and the civic location of the project. Attach a copy of the actual or proposed plans, showing the layout of the project and the dimensions or areas of the common areas and the portions of the parcel or parcels of land that the shared interest in land owners are entitled to use or occupy, as an Exhibit. If the shared interests in land are part of a larger development plan, describe the overall development plan, including the arrangements, if any, for amalgamation or the sharing of costs or facilities. Shared interests in land may be in relation to the use of an area in a building or an area of land. In either case, disclose all material facts about the physical and legal form of the development property.
- (b) Use Agreement – Summarize the key terms of the use or other agreement that limits the use or occupation of shared interest in land owners to a portion of the land or building subject to development and that controls use of the common areas. Attach a copy of the agreement as an Exhibit.
- (c) Owners' Association – State whether there is an owners' association. If there is, summarize the key terms of the actual or proposed bylaws, articles, memorandum, constitution, rules and regulations governing the association. Attach a copy of the records as an Exhibit.
- (d) Issuer's Rights – Describe any rights or controls retained by the issuer in relation to the shared interests in land.
- (e) Disposition Rights and Restrictions – Describe any rights or restrictions associated with the disposition of a shared interest in land.
- (f) Common Areas and Facilities – Describe the common areas and common facilities of the real estate project or the real property pertaining thereto, including any restrictions or privileges that relate to their use.
- (g) Furnishings and Equipment – Describe any furnishings and equipment that are included in the purchase price of a shared interest in land.
- (h) Budget – Disclose who is responsible for paying the cost of utilities and other services. Attach a copy of the estimated operating budget of the development as an Exhibit, including a schedule showing how the budget will be allocated amongst the individual shared interest in land owners. If the shared interest in land owners have approved a budget, attach a copy of the most recent budget as an Exhibit, including a schedule showing how the budget is allocated amongst the individual shared interest in land owners.

- (i) Utilities and Services – Disclose particulars of the following services, including whether they are available, the required permits, who is responsible for obtaining the permits and installing the services, whether those permits have been obtained and the expected date of completion for the servicing:
 - (i) Water;
 - (ii) Electricity;
 - (iii) Sewerage;
 - (iv) Natural gas;
 - (v) Fire protection;
 - (vi) Telephone; and
 - (vii) Access.
- (j) Management Contracts – Describe any management contracts that the issuer has entered into, or intends to enter into, that will bind the shared interest in land owners. If the property manager is related to the issuer, attach a copy of the management contract as an Exhibit.
- (k) Insurance – Describe the insurance coverage to be placed on the real property pertaining to the real estate project by the issuer on behalf of the shared interest in land owners.
- (l) Property Taxes – Disclose whether individual purchasers are entitled to claim the home owner grant in respect of their proportionate share of property taxes and whether the sale or lease of the shared interests in land attracts property transfer tax.
- (m) Development Approval – State the facts that establish that the issuer has met the development requirements or approvals under applicable provincial or territorial real estate legislation.
- (n) Deposits – If applicable, describe the deposit requirements and state the name of the trustee who will be holding purchasers' deposits and that all money received from a purchaser will be held in trust by that person in the manner required by applicable provincial or territorial real estate legislation. If the issuer has entered into a deposit protection contract, describe the subject matter and terms of the insurance, explain that the issuer may use the deposit money to construct and market the real estate project and state the aggregate and per claim limits of the insurance. If required under applicable provincial or territorial real estate legislation, state the name and business address of the insurer, the name of the issuer who entered into the deposit protection contract and the date on which the insurance takes effect.
- (o) Issuer's Commitments – If applicable, describe any commitment made by the issuer that will be met after completion of the sale or lease of shared interests in

land and explain whether the issuer has posted any security to meet the commitment. In **bold**, explain any risks associated with the issuer's commitment.

- (p) Permitted Use – State the zoning applicable to the real property and describe the permissible uses of the development property intended by the issuer. State whether any shared interest in land may be used for commercial or other purposes not ancillary to residential purposes.

State whether there may be other permissible uses of the real property beyond those intended by the issuer. Issuers are not required to disclose all of the potential uses. Issuers must provide purchasers with information about where to obtain further information and details about zoning requirements and permissible uses.

- (q) Parking – Explain the parking arrangements, including the number and location of parking stalls and the method of allocating the right to use the stalls.
- (r) Construction – State the actual or estimated dates of commencement and completion of construction.
- (s) Warranties – Describe any construction or equipment warranties.
- (t) Previously Occupied Building – If an existing building is being converted into a shared interest in land development, provide confirmation that any approvals for the conversion have been obtained. Provide a summary of a previously occupied building's condition, together with the basis on which the condition of the building has been summarized. If the building was constructed more than five years before the date of the offering memorandum, or defects are known to exist, disclose all material facts related to the condition of the building.
- (u) Applicable Legislation – If any disclosure is provided to comply with provincial or territorial real estate legislation, provide the name of the legislation and identify the disclosure being provided to comply with that legislation.