



A LIMITED PARTNERSHIP INVESTMENT SYNDICATED BY

FRASER PROPERTIES LIMITED

AND MILLENNIUM III CAPITAL CORPORATION

MEMBERS OF THE MILLENNIUM III GROUP OF COMPANIES



3027 Millar Avenue, Saskatoon, SK



2233 Speers Avenue, Saskatoon, SK

OFFERING MEMORANDUM

November 2025

2612 KOYL AVENUE, SASKATOON, SASKATCHEWAN S7L 5X9
TOLL FREE: 1-888-622-8885 FAX: (306) 955-4175
info@millennium3.ca





Millar North
3027 Millar Avenue



The Properties



The Speers Building
2233 Speers Avenue



The Properties





OFFERING MEMORANDUM
Form 45-106F2

Date: November 10, 2025

The Issuer

Name: Fraser Properties Limited Partnership
Head Office: c/o Millennium III Capital Corporation
Address: 2612 Koyl Avenue
Saskatoon, SK S7L 5X9
Phone Number: (306) 955-4174
E-mail Address: info@millennium3.ca
Fax Number: (306) 955-4175
Currently listed or quoted: These securities do not trade on any exchange or market.
Reporting issuer: No.

The Offering

Securities offered: Limited Partnership Units (the "Units" or "Securities")
Price per security: \$24,700 (the "Subscription Price")
Minimum offering: There is no minimum. You may be the only purchaser. Funds available under the offering may not be sufficient to accomplish our proposed objectives.
Maximum offering: 108 Units - \$2,667,600
Minimum subscription amount: 1 Unit - \$24,700
Payment Terms: The Subscription Price is payable in its entirety on closing.
Proposed closing date(s): December 22, 2025 or such date or dates as determined by the General Partner.
Income Tax consequences: There are important tax consequences to these Securities. See Item 8, "Income Tax Consequences and RRSP/TFSA Eligibility".

Insufficient Funds:

Funds available under the Offering may not be sufficient to accomplish the proposed objectives. See Item 2.6, "Insufficient Funds".

Compensation Paid to Sellers and Finders:

A person has received or will receive compensation for the sale of securities under this Offering. See Item 9, "Compensation Paid to Sellers and Finders/Underwriter Conflicts".

Underwriter:

No. See, however, Item 5.3, "Subscription Procedure" and see Item 9, "Compensation Paid to Sellers and Finders/Underwriter Conflicts".

Resale Restrictions:

You will be restricted from selling your Securities for an indefinite period. See Item 12, "Resale Restrictions".

Payments to Related Party:

All of your investment will be paid to a related party of the Issuer. See Item 1.2, "Use of Available Funds".

Certain Related Party Transactions:

This Offering Memorandum contains disclosure with respect to one or more transactions between Fraser Properties Limited Partnership and a related party, where Fraser Properties Limited Partnership paid more to a related party than the related party paid for a business, asset or real property. See Item 2.7 "Material Agreements/Summary of Agreement for Sale" and Item 3.1 "Compensation and Securities Held".

Purchaser's Rights:

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 13, "Purchasers' Rights".

No securities regulatory authority has assessed the merits of these Securities or reviewed this Offering Memorandum. Any representation to the contrary is an offence. This is a risky investment. See Item 10, "Risk Factors".

Fraser Properties Limited Partnership is a related issuer of M3 Securities Corporation as a result of Fraser Properties Limited Partnership and M3 Securities Corporation being "related issuers" or "connected issuers" to the same third parties. See Item 9, "Compensation Paid to Sellers and Finders/Underwriter Conflicts".

TABLE OF CONTENTS

GLOSSARY AND EXPLANATORY NOTES	1
ITEM 1 USE OF AVAILABLE FUNDS	3
ITEM 2 BUSINESS OF FRASER PROPERTIES LIMITED PARTNERSHIP	5
2.1 Structure	5
2.2 The Business.....	5
2.3 Development of the Business	9
2.4 Long-term Objectives	10
2.5 Short-term Objectives.....	11
2.6 Insufficient Funds	12
2.7 Material Agreements	12
ITEM 3 COMPENSATION AND SECURITY HOLDINGS OF CERTAIN PARTIES	22
3.1 Compensation and Securities Held.....	22
3.2 Management Experience	23
3.3 Penalties, Sanctions, Bankruptcy, Insolvency and Criminal or Quasi-Criminal Matters	Error! Bookmark not defined.
3.4 Certain Loans	Error! Bookmark not defined.
ITEM 4 CAPITAL STRUCTURE.....	28
4.1 Securities Except for Debt Securities	28
4.2 Long Term Debt	28
4.3 Prior Sales.....	29
ITEM 5 SECURITIES OFFERED.....	30
5.1 Terms of Securities.....	30
5.2 Who May Subscribe For Units.....	30
5.3 Subscription Procedure.....	31
ITEM 6 REPURCHASE REQUESTS.....	33
ITEM 7 CERTAIN DIVIDENDS OR DISTRIBUTIONS	33
ITEM 8 INCOME TAX CONSEQUENCES AND RRSP/TFSA ELIGIBILITY.....	33
ITEM 9 COMPENSATION PAID TO SELLERS AND FINDERS/UNDERWRITER CONFLICTS	38
ITEM 10 RISK FACTORS.....	39
ITEM 11 REPORTING OBLIGATIONS.....	43
ITEM 12 RESALE RESTRICTIONS.....	44
12.1 General	44
12.2 Restricted Period	44
12.3 Manitoba Resale Restrictions	44
12.4 Other	44
ITEM 13 PURCHASERS' RIGHTS	45
13.1 Statement Regarding Purchasers' Rights	45
13.2 Cautionary Statement Regarding Report, Statement or Opinion by Expert.....	47
ITEM 14 FINANCIAL STATEMENTS	47
ITEM 15 FUTURE ORIENTED FINANCIAL INFORMATION	69
ITEM 16 DATE AND CERTIFICATE	80

The following information is annexed to and forms part of this Offering Memorandum:

ANNEX I: PARTNERSHIP AGREEMENT
ANNEX II: PROPERTY PLANS AND PHOTOS
ANNEX III: FORM OF SUBSCRIPTION AGREEMENT
ANNEX IV: PROPERTY APPRAISAL

FORWARD LOOKING STATEMENTS

Certain statements contained in this Offering Memorandum constitute forward-looking statements. When used in this document, the words "may", "would", "could", "will", "intend", "plan", "anticipate", "believe", "seek", "propose", "estimate", "expect", and similar expressions are intended to identify forward-looking statements. Such statements reflect the Partnership's current views with respect to future events and are subject to certain risks, uncertainties, and assumptions (known and unknown), including, without limitation, those described in this Offering Memorandum under "Business of Fraser Properties Limited Partnership" and "Risk Factors". Many factors could cause the Partnership's actual results, performance or achievements to vary from those described in this Offering Memorandum. Should one or more of these risks or uncertainties materialize, or should assumptions underlying forward-looking statements prove incorrect, actual results may vary materially from those described in this Offering Memorandum as intended, planned, anticipated, sought, proposed, believed, estimated or expected. The Partnership does not intend, and does not assume any obligation, to update these forward-looking statements, except as required by law.

MARKETING MATERIALS

Any documents of the type referred to in National Instrument 45-106 – *Prospectus Exemptions* to be incorporated by reference in an Offering Memorandum, including any marketing materials that are effective after the date of this Offering Memorandum and before the termination of the Offering, are deemed to be incorporated by reference in this Offering Memorandum. Copies of the documents incorporated herein by reference may be obtained on request without charge from the Partnership at 2612 Koyl Avenue, Saskatoon, Saskatchewan S7L 5X9.

GLOSSARY AND EXPLANATORY NOTES

Fraser Properties Limited Partnership has been organized by Millennium III Capital Corporation to acquire an interest in and operate two modern industrial buildings, on two sites – **The Enterprise Group II** – located in the City of Saskatoon, Saskatchewan, and to provide qualified investors the opportunity to participate in the ownership of **The Enterprise Group II** in a tax advantageous manner.

In this Offering Memorandum:

“**Business**” means the business of the Partnership, to acquire, develop, manage, and operate the Property, or interest therein, as described in this Offering Memorandum.

“**Cash Flow Deficiency Loans**” means loans that will be made to the Partnership by the Project Promoter during the Commitment Period pursuant to the Services Agreement. See Item 2.7, “Material Agreements”.

“**Closing Date**” means the date or dates, as selected by the General Partner, on which subscriptions are accepted and Units are issued hereunder, the first of which Closing Dates is expected to occur on or prior to December 22, 2025 and, in any event, not later than December 30, 2025, as more particularly described in Item 5.3, “Subscription Procedure”.

“**Commitment Period**” means the period ending December 31, 2030.

“**Fiscal Period**” means a fiscal year of the Partnership, which fiscal year’s end is December 31.

“**Fortress Properties**” or “**Property Manager**” means Fortress Properties Inc., a body corporate pursuant to the laws of Saskatchewan, and extra-provincially registered in Alberta.

“**Future Oriented Financial Information**” or “**FOFI**” means the information concerning the Issuer and the Business set forth in Item 15 of this Offering Memorandum.

“**General Partner**” means Fraser Properties Limited, a body corporate pursuant to the laws of Saskatchewan, in its capacity as general partner of the Partnership.

“**Independent Director**” means a director of the General Partner who is Independent by the definition of National Instrument 52-110 – *Audit Committees* (“NI 52-110”). The Partnership has not adopted NI 52-110, but utilizes this definition.

“**Issuer**”, “**Partnership**”, “**us**”, and “**we**” all mean Fraser Properties Limited Partnership.

“**Material Agreements**” or “**Material Contracts**” means the Partnership Agreement, Agreement for Sale, Services Agreement, Property Management Agreement, and Co-Ownership Agreement described in Item 2.7 of this Offering Memorandum.

“**Millar North**” and “**The Speers Building**”, represent 3027 Millar Avenue, Saskatoon, Saskatchewan and 2233 Speers Avenue, Saskatoon, Saskatchewan, respectively.

“Net Cash Receipts” means, for any Fiscal Period of the Partnership, all revenues and monies received by the Partnership in that Fiscal Period from or relating to the operation of the Business, including extraordinary receipts such as capital contributions of Limited Partners, mortgage or other loan advances, or the proceeds of any sale, exchange, insurance claim, expropriation or other disposition of all or any part of the Property, or interest therein, or other assets of the Partnership, after deducting therefrom all expenditures of the Partnership for that Fiscal Period (excepting non-cash expenses such as depreciation, amortization, and capital cost allowance) which expenditures may include, without limiting the generality of the foregoing, all operating expenses, extraordinary expenses, debt service payments (including principal and interest), and capital expenditures; and after making such allowances and reserves as the General Partner considers reasonably necessary for the proper operation of the Property and Business and anticipated cash shortages in future years. A **“Cash Surplus”** exists and the Partnership is said to have **“Surplus Cash”** when the Partnership has positive Net Cash Receipts. If Net Cash Receipts are negative, the Partnership has a **“Cash Flow Deficiency”**.

“Offering” means the offering and distribution of Units to Canadian residents in the described jurisdictions pursuant to this Offering Memorandum, **“minimum offering”** means the distribution of Units for gross proceeds of \$0 and **“maximum offering”** means the distribution of Units for gross proceeds of up to \$2,667,600, which Units are to be issued on and subject to the terms and conditions described in Item 5, **“Securities Offered”**.

“Project” includes, but is not limited to, the Property, or interest therein. A reference herein to the Project is meant to refer, collectively, to the Property, or an interest therein, the business and structure of the Partnership pursuant to the Limited Partnership Agreement, and the services and commitments provided to the Partnership pursuant to the other Material Agreements.

“Promoter”, “Project Promoter” or “Millennium” means Millennium III Capital Corporation, a body corporate pursuant to the laws of Saskatchewan, and extra-provincially registered in Alberta.

“Property” or “The Enterprise Group II” means the collective land, buildings, and related facilities located at 3027 Millar Avenue and 2233 Speers Avenue, Saskatoon, Saskatchewan, as described in this Offering Memorandum.

“Proportionate Interest” or “Proportionate Share” means the respective interests of the Partnership or the Project Promoter in the Project in the event the maximum offering is not achieved. The Partnership’s Proportionate Interest shall be the ratio that the number of Units subscribed for under the Offering bears to the total number of Units offered (108 Units) under the Offering. The Project Promoter’s Proportionate Interest shall be the ratio that the number of Units unsubscribed for under the Offering bears to the total number of Units offered (108 Units) under the Offering.

“Subscriber”, “investor”, “Limited Partner”, “you”, and “they” all mean persons or companies who subscribe for Units and who, on such subscriptions being accepted, are admitted as limited partners in the Partnership.

“Units” means the limited partnership units of the Partnership.

ITEM 1 USE OF AVAILABLE FUNDS

The following tables summarize the sources and uses of funds for the Project.

1.1 - Funds		Assuming minimum offering	Assuming maximum offering
A	Amount to be raised by this Offering ¹	\$0	\$2,667,600
B	Selling commissions and fees ²	Nil	Nil
C	Estimated offering costs (eg., legal, accounting, audit) ²	Nil	Nil
D	Available Funds: D=A-(B+C)	\$0	\$2,667,600
E	Additional sources of funding required ³	\$0	\$3,837,240
F	Working capital deficiency	\$0	\$0
G	Total: G=(D+E)-F	\$0	\$6,504,840
Notes: (1) See Item 5, "Securities Offered". There is no minimum offering threshold. All funds received from subscribers will be utilized for the business objectives of the Partnership. (2) Offering costs, including all organizational expenses of the Issuer and the General Partner, all legal, accounting, and printing costs and all regulatory authority filing and/or registration fees in connection with the Offering, together with the fees or commissions, if any, that may be paid in connection with the Offering are estimated at \$261,900. However, all such Offering costs are the responsibility of and will be paid for by the Project Promoter as part of the services that the Project Promoter provides, and for which it is compensated, in proportion to the Issuer's Proportionate Share and pursuant to the Services Agreement. See Item 2.7, "Material Agreements/Summary of Services Agreement" and see Item 9, "Compensation Paid to Sellers and Finders/Underwriters Conflicts". (3) Additional sources of funding required consist of mortgage financing of not less than \$3,837,240, which is expected to include a first mortgage in the amount of \$3,535,296, and a second mortgage in the amount of \$301,944. If the Offering is not fully subscribed by December 30, 2025, then the Partnership shall use the proceeds raised under the Offering to purchase a Proportionate Interest in the Project, which also includes assuming its Proportional Share of the obligations of the mortgage financing related for the Project. See Item 2.7, "Material Agreements/Summary of Co-Ownership Agreement" and Item 4, "Capital Structure".			

1.2 - Use of Available Funds	Assuming minimum offering	Assuming maximum offering
Purchase of Property: ^{1,2,3}		
-Land	\$0	\$1,414,800
-Buildings	0	2,997,000
-Existing Pavement and Site Work	0	372,600
Services: ^{1,2,4}		
-Partnership Syndication and Financing Costs	\$0	\$572,400
-Management Takeover, Interior Refurbishing, and Lease Enhancement Services	0	807,840
-Building Exterior and Site Refurbishing Services	0	232,200
Contingency Reserve ¹	\$0	\$108,000
Total	\$0	\$6,504,840
Notes: (1) The Partnership may not achieve the maximum offering by December 30, 2025 and may not have enough funds in the Offering to fully invest in the Project. If the Offering is not fully subscribed, the Partnership shall apply the proceeds raised from the Offering and its Proportionate Share of the mortgage financing to purchase a Proportionate Interest in the Project from the Project Promoter, wherein the Partnership shall then receive a Proportionate Interest in the Property, be charged a Proportionate Share of the Services Costs and contribute its Proportionate Share to the Contingency Reserve. See Item 2.7 "Material Agreements", Item 4, "Capital Structure", and Item 10, "Risk Factors". (2) The Property, or interest therein, will be acquired and all Services will be performed on a fixed-price basis pursuant to agreements between the Partnership and Project Promoter pursuant to the Partnership's Proportionate Interest. See Item 2.7, "Material Agreements". (3) The purchase price of the Property from Millennium is \$4,784,400, a price that exceeds the purchase price paid by Millennium in the amount of \$59,400. Millennium will purchase the Property in November 2025 at a collective purchase price of \$4,725,000 and shall sell the Property to the Partnership pursuant to the Agreement for Sale. Mr. Everett J. Kearley and Mr. John A.W. Kearley are the shareholders, directors, and officers of Millennium. See also Item 2.7, "Material Agreements/Summary of Agreement for Sale", Item 3.1, "Compensation and Securities Held" and Item 10, "Risk Factors". (4) Millennium will receive fees up to \$1,612,440 for services provided to the Partnership under the Services Agreement. Mr. Everett J. Kearley and Mr. John A.W. Kearley are the shareholders, directors and officers of Millennium. See also Item 2.7, "Material Agreements/Summary of Services Agreement", Item 3.1, "Compensation and Securities Held" and Item 10, "Risk Factors".		

ITEM 2 BUSINESS OF THE ISSUER AND OTHER INFORMATION AND TRANSACTIONS

2.1 Structure

The Partnership was formed under the laws of the Province of Saskatchewan pursuant to a Limited Partnership Agreement originally made March 1, 2024 between Fraser Properties Limited, as general partner, and FLP Investments Limited, as Founding Limited Partner, and was constituted a limited partnership under the laws of Saskatchewan on March 1, 2024 when a Declaration of Limited Partnership was registered in respect of the Partnership pursuant to *The Business Names Registration Act* (Saskatchewan) and *The Partnership Act* (Saskatchewan). The limited partnership agreement was amended and restated as of November 5, 2025 to reflect and confirm the objectives of the Partnership to that of acquiring and operating **The Enterprise Group II**, or an interest therein. This amended and restated agreement (the “**Partnership Agreement**”) together with *The Business Names Registration Act* (Saskatchewan) and *The Partnership Act* (Saskatchewan) and other relevant legislation in Saskatchewan governs the Partnership.

Subscribers to this Offering will become limited partners in the Partnership (the “Limited Partners”) and will be issued Units in the Partnership. As described in the Partnership Agreement, each Unit represents an equal interest in the assets and business of the Partnership; entitles the holder to share, pro rata, in the distribution of the Net Cash Receipts and in the income (or losses) of the Partnership; to vote - one vote per Unit - on certain matters that affect the Partnership; and to share in the proceeds of liquidation if and when the Project, or its Proportionate Interest therein, is sold and/or the Partnership is dissolved. These rights are set out in more detail in the Partnership Agreement, which is attached as ANNEX I to this Offering Memorandum. See also Item 2.7, “Material Agreements/Summary of Partnership Agreement”.

The general partner of the Partnership is Fraser Properties Limited. Fraser Properties Limited was incorporated under *The Business Corporations Act* (now *The Business Corporations Act, 2021*) (Saskatchewan) on February 28, 2024. The registered office of the General Partner is located at 2612 Koyl Avenue, Saskatoon, Saskatchewan. For mailing and contact purposes, communications with the General Partner and Partnership should be addressed c/o Millennium III Capital Corporation, 2612 Koyl Avenue, Saskatoon, Saskatchewan, S7L 5X9.

2.2 The Business

General Nature of the Business

The Partnership’s sole business is to acquire outright, or an interest therein, and operate two modern industrial buildings, on two sites, named **The Enterprise Group II**. The civic locations and legal descriptions of the Property are as follows:

Millar North

3027 Millar Avenue
Saskatoon, Saskatchewan
Lot 5
Block 950
Plan 78S06459 Ext 0
Surface Parcel 131933617

The Speers Building

2233 Speers Avenue
Saskatoon, Saskatchewan
Lot 12
Block 791
Plan 75S10686 Ext 0
Surface Parcel 118922283

The Partnership will not acquire or operate any other properties, and will not be involved in any other business. Other than maximizing revenue from the Property, and building equity therein for the benefit of its Limited Partners, the operation of **The Enterprise Group II** will be the Partnership's sole business.

The location of the Property, the condition of the buildings and long-term trends in the Saskatchewan economy combine to make **The Enterprise Group II**, in the opinion of management, an excellent investment opportunity. See Item 10, "Risk Factors".

Location

The Enterprise Group II is located in Saskatoon, Saskatchewan and is comprised of two properties: Millar North at 3027 Millar Avenue and The Speers Building at 2233 Speers Avenue. The sites are situated in the Hudson Bay Industrial and Airport Business Area neighbourhoods, respectively. The locations provide easy access to Circle Drive and Idylwyld Drive via a variety of crossing arteries, allowing for efficient transportation throughout the entire city.

The Hudson Bay Industrial neighbourhood is bordered by 60th Street in the north, Idylwyld Drive to the west, 51st Street in the south, and Wanuskewin Road to the east. Airport Business Area is bordered by the Airport Management Area to the north, Idylwyld Drive to the east, the Canadian Pacific Railway tracks to the south, and the neighbourhoods of Hampton Village and Westview to the west. Hudson Bay Industrial and Airport Business Area are established areas, comprised of both industrial and commercial developments. These neighbourhoods consist primarily of Light and Heavy Industrial zoning. Please refer to Property Plans and Photos ANNEX II.

Saskatoon is the hub of private capital in Saskatchewan. A low business tax rate and young workforce have encouraged investment, so much so that The Globe and Mail has recognized Saskatoon as one of Canada's most livable cities for entrepreneurs (The Globe and Mail, December 2024). These key factors have led to significant economic movement beyond traditional resource and agriculture sectors towards the establishment of rapidly growing high tech and biotechnology industries. The result is an economy The Conference Board of Canada has referred to as one of the most diversified in the country.

At the Millennium III Group of Companies, we have long believed in the potential of Saskatchewan. With ongoing development of its world-class natural resource reserves and a focus on economic diversification, the province is well positioned to compete in the global marketplace.

Northern Saskatchewan holds what are currently considered to be the largest high-grade uranium deposits in the world (InvestSK.ca), the source of almost a quarter of the global supply for electrical generation. This, along with recent developments in rare earth exploration and secondary processing, has led the Fraser Institute to repeatedly rank Saskatchewan as one of the most attractive jurisdictions in the world for mining investment. (Fraser Institute's Annual Survey of Mining Companies 2024, July 2025).

The central belt of the province is home to the largest potash industry in the world, as well as nearly half of known global reserves (InvestSK.ca). Both Nutrien and The Mosaic Company have long focused on this resource, investing billions into the development and expansion of large

mining operations. More recently, K+S Group opened the province's first new potash mine in over 45 years and global mining giant BHP Billiton has announced a further investment of \$6.4 billion towards the second stage of its Jansen mine which is currently under construction. Upon completion the Jansen mine will be one of the largest in the world with a total investment of over \$14 billion (BHP.com, July 2025). With massive capital expenditures such as these, the long-term commitment to development in the province by these industries cannot be underestimated.

Southern Saskatchewan contains large and attainable resources of both conventional oil and natural gas. The province is the second largest oil-producing jurisdiction in Canada and ranks as number five in onshore production in North America (InvestSK.ca).

Not all of Saskatchewan's resources are below ground, however. The province produces over a billion dollars of forestry products annually, and has more than a century of commitment to intensive agricultural development. Saskatchewan's production of durum wheat, peas, and oats each comprise approximately a third of the global export market. In addition, half of the world's lentils are grown in the province (InvestSK.ca). Beyond traditional agriculture, the agri-food sector continues to grow, making Saskatchewan Canada's largest exporter of agri-food products.

In recent years, the province has encouraged innovative pursuits as a means of diversifying the economy. The development of Canadian Light Source, Canada's largest science research initiative in the last 30 years, has attracted scientists from around the globe, fostering significant tertiary investment. The University of Saskatchewan's VIDO-InterVac, Canada's largest CL3-AG facility, is home to some of the most advanced biocontainment and research infrastructure in the world. Currently, a new manufacturing facility to support vaccine production is being developed, which will establish VIDO-InterVac as one of Canada's major centers for infectious disease research.

At Millennium III, we believe in the continued and sustainable growth of our home province, and we see commercial real estate as the pre-eminent opportunity to invest in its future.

Description of the Property

Millar North was constructed in 1981 with a total of 19,075 leasable square feet currently demised into nine tenant bays. The building consists of pre-engineered steel frames for the roof and wall systems, with a concrete grade beam on piles and cast in place concrete slab on grade. Exterior walls consist of a combination of masonry, glazing, and metal cladding. The roof is mostly a standing seam metal roof system, with a thermoplastic polyolefin membrane roofing system utilized in the southeast corner of the building. Heating is provided by unit heaters in the warehouse sections and heating and cooling is provided by forced air furnaces and smaller wall/baseboard units in the office areas. Interior finishes include tile, carpet, laminate flooring, painted drywall, acoustic tile, and hanging or flush-mounted light fixtures in the office/show room areas. The warehouse area consists of exposed concrete floors, painted drywall, and hanging light fixtures.

The Speers Building was constructed in 1978 and currently has one tenant bay totaling 12,000 square feet. The building consists of pre-engineered steel frames for the roof and wall systems, with a concrete grade beam on piles and cast in place concrete slab on grade. Exterior walls consist of a combination of glazing and metal cladding. The roof is a low sloped steel roofing system.

Heating is provided by unit heaters and radiant heaters in the warehouse sections and heating and cooling by a forced air furnace in the office areas. Interior finishes include tile, carpet, laminate flooring, painted drywall, and hanging or flush-mounted light fixtures in the show room areas. The warehouse area consists of exposed concrete floors, painted drywall, and hanging light fixtures.

Please refer to the site plan in Property Plans and Photos ANNEX II for the building layouts.

Millar North is equipped with a three-phase, 120/240 volt, 400 amp electrical service, while The Speers Building is equipped with a three phase, 277/480 volt, 600 amp electrical service. The mechanical systems were inspected and are reported to be in fair condition with a recommendation to replace equipment as needed. Each tenant has their own individual gas meter. The sites are currently zoned IH - Heavy Industrial District at Millar North, and IL1 - General Light Industrial District at The Speers Building, allowing for a variety of different uses.

The Millar North site measures 89,642 square feet, with site coverage of approximately 22.2%. The back yard and the 42-stall parking lot can be accessed via entrances off Millar Avenue.

The Speers Building site measures 43,204 square feet, with site coverage of approximately 27.8%. The back yard and the 9-stall parking lot can be accessed via entrances off Speers Avenue.

Please refer to Property Plans and Photos in ANNEX II and in the front cover pages of this Offering Memorandum.

Leases

The buildings presently are divided into 10 rental units with a total of 31,075 square feet of leasable space. As of October 1, 2025, 100% of the leasable space in the buildings was rented. The following table summarizes the terms of the Property's existing leases for 2026, including name of tenant, square footage, rental rate per square foot, net annual rental, and the expiry date of the lease (and, in the case of space where the leases come up for renewal before the end of 2026, the projected net annual rental for such space). All rentals are absolute net to the Partnership, as landlord, with the tenants being additionally responsible for all taxes, utilities, insurance, and other occupancy costs, including administrative charges that will cover the management fees paid to Fortress Properties pursuant to the Property Management Agreement. See Item 2.7, "Material Agreements/Summary of Property Management Agreement".

Bay	Tenant	Size (Sq. Ft.)	Rate (\$Sq. Ft. Per Annum)	Annual Absolute Net Rent	Expiry Date of Existing Leases/ Additional Renewal Options
MILLAR NORTH					
A	BUNS HOUSE RESTAURANT (2020) LTD.	3,000	\$12.00	\$36,000.00	31-Dec-30
B	RONNIE CARSON AND DANI GENEST O/A CARSON'S Q & SKIP A BEET	2,400	12.00	28,800.00	30-Apr-29/ 1 x 5yrs

C	MOBILE AUGERS AND RESEARCHERS LTD.	2,400	11.00	26,400.00	31-Mar-27/ 1 x 2yrs
D	VERTFARMS YXE	1,200	12.00	14,400.00	31-Oct-28/ 1 x 1yr
E	ACCU SHARP TOOLING LTD.	2,400	10.67	25,608.00	30-Apr-26/ 1 x 5yrs
F	ELLIS MECHANICAL SERVICES INC.	1,775	11.15	19,791.00	31-May-26
G	101177224 SASKATCHEWAN LTD. O/A MAKO SIGNS	1,200	11.42	13,704.00	30-Apr-26
H	RUBBER STONE SASKATOON INC.	2,400	11.17	26,808.00	30-Apr-28/ 1 x 5yrs
I	SHOWTIME GLASS INC.	2,300	11.27	25,921.00	1-May-26/ 1 x 2yrs
	SIGNAGE			3,000.00	
THE SPEERS BUILDING					
	G AND K CLEANING INC. O/A SERVICEMASTER RESTORE	12,000	10.00	120,000.00	13-Nov-26/ 1 x 1yr
	TOTALS /AVERAGE	31,075	\$10.86	\$340,432.00	

Appraisal of the Property

As part of the due diligence on the Property, the Partnership obtained an appraisals for Millar North and The Speers Buildings by Suncorp Valuations dated effective July 31, 2025 and October 14, 2025, respectively. The appraised fair market value of the Property is \$5,195,000. The appraisal is required to be delivered to the Subscriber at the same time or before the Offering Memorandum is delivered to the Subscriber.

2.3 Development of the Business

Companies associated with the Project Promoter have been actively involved in Saskatoon's commercial real estate market for over 30 years and expanded their operations into Alberta in 2005. During this time, the Project Promoter and associated companies have successfully acquired or developed 96 real estate projects, and currently oversee 63 of these projects, most of which have been syndicated through limited partnerships in a manner similar to this Project. See Item 3.2, "Management Experience".

The Partnership was established on March 1, 2024 and the Partnership Agreement was subsequently amended and restated as of November 5, 2025 as described above in Item 2.1. The Partnership was established for the purpose of facilitating the within offering and raising sufficient capital to carry on the business purposes outlined above under Item 2.1, “Structure” and Item 2.2, “The Business”. The Partnership has not carried on any prior business activities other than what is described in this Offering Memorandum. Prior to the date of this Offering Memorandum, the Project Promoter and the General Partner, on behalf of the Partnership, entered into the Agreement for Sale and Services Agreement and Fortress Properties entered into the Property Management Agreement with the Partnership, all as described below in Item 2.7, “Material Agreements”.

2.4 Long-term Objectives

The primary long-term objective of the Issuer is to purchase the Property, or interest therein, and offer investors the opportunity to invest in a commercial real estate project that is operated by a professional and experienced promoter with a view of generating income, capital appreciation, and other returns on investments for the Subscriber.

A Subscriber’s return on investment in respect of Units purchased hereunder consists of the following four basic components (see also, Item 15, “Future Oriented Financial Information”):

- **Surplus Cash** is paid out to Partners within six months following the completion of each Fiscal Period in which Surplus Cash is available. The FOFI projects that Surplus Cash will be available for distribution to Limited Partners beginning six months after the Partnership’s 2026 fiscal year-end, with approximately \$867 in aggregate distributed per Unit over the 2027 to 2030 Fiscal Periods. Distributions are expected to be made within six months of the end of the fiscal year to which they relate.

- **Tax Considerations** – Unlike a corporation, a limited partnership is not a taxable entity. Rather, as discussed in more detail in Item 8, “Income Tax Consequences and RRSP/TFSA Eligibility”, income or loss of the Partnership is allocated amongst the partners and will be taxed in the hands of the Subscribers/Limited Partners. The taxable income or loss of the Partnership in any Fiscal Period may vary significantly from the Net Cash Receipts of the Partnership. In particular, non-cash expenses that may be claimed for tax purposes, including especially capital cost allowance claimed on the Property (excluding the land component of the Property) and the amortization of costs paid by the Partnership pursuant to the Services Agreement, may result in the Partnership having positive Net Cash Receipts while at the same time having losses for income tax purposes. In this regard, capital cost allowance and the amortization of costs paid pursuant to the Services Agreement are estimated to be, on a per Unit basis, \$12,010 in 2025 and smaller amounts in subsequent years for a total (before accounting for other income of the Partnership) of approximately \$18,161 by 2029.

- **Mortgage Principal Reduction** – Subscribers/Limited Partners will be building equity in the Project through the payment of principal on the mortgage financing for the Project. Once this mortgage financing is paid off, the Limited Partners may continue to operate the Project as income-producing properties indefinitely, or, by Special Resolution, decide to take their equity out by selling or refinancing the Project (subject to the Co-Ownership Agreement, if applicable).

- **Capital Appreciation** – In addition to the distribution of Surplus Cash, tax considerations, and mortgage reduction described above, the Property value is expected to increase as a product of future rental rate increases.

In addition to the financial investment considerations described above, the Project has been structured to mitigate many of the risks typically associated with real estate ownership. See Item 10, “Risk Factors”. In this regard, the Project Promoter is of the opinion that prospective Subscribers should consider the following factors:

- **Limited Liability for Investors** – The limited partnership vehicle provides investors with limited liability. An investor’s liability is limited to his initial Subscription Price. Mortgage lenders and other creditors of the Partnership have no recourse against investors/Limited Partners beyond their initial investment and the Partnership has no right to require additional capital contributions – i.e. cash calls – from investors.
- **Management Commitment** – The Project Promoter is demonstrably committed to the Project:
 - the Project Promoter arranges for, or provides, all mortgage financing for the Project;
 - the Project Promoter will facilitate the closure of this Offering by no later than December 30, 2025. See Item 5.3, “Subscription Procedure”;
 - the Project Promoter is responsible for all lease-up costs in 2025 and 2026 – including the cost of refurbishing rental premises – but excluding commissions, if any, payable to third party registered real estate brokers.
- **Experienced Management** – Experienced, professional rental and property management is provided by Fortress Properties until December 31, 2030 and will continue thereafter in certain events specified in the Property Management Agreement; and thereafter, will be subject to annual review and renewal. In addition to the 46 commercial properties Fortress currently manages in Saskatchewan, that shall include **The Enterprise Group II**, it also manages 29 major commercial properties in Alberta. See Item 3.2, “Management Experience”.
- **Other Services** – The Project Promoter will pay all costs associated with the organization and establishment of the General Partner and the Partnership and all costs of this Offering; provide funds to the Partnership on a timely basis to permit payment of all of the Partnership’s obligations under the Material Agreements prior to the time that mortgage funds are advanced and/or this Offering closes; and arrange for and pay all other costs associated with the takeover of the Project on behalf of the Partnership, including negotiating and resolving any conflicts with the existing tenants and the integration of rental and management records into a property management system for the Partnership.

2.5 Short-term Objectives

The short term objectives of the Partnership can be summarized as follows:

Actions to be taken.	Target completion date or number of months to complete	Our cost to complete
Interior cleanup and refurbishment of premises upon their leases being renewed or the premises being vacant.	Ongoing	\$324,000.00 (based on anticipated costs and assuming Offering fully subscribed)
Refurbishment of the exterior of the buildings, repair and remark the parking areas, and landscaping the front of the Property.	December, 2026	\$232,200.00 (based on anticipated costs and assuming Offering fully subscribed)

2.6 Insufficient Funds

Funds available as a result of the Offering may not be sufficient to accomplish all the Partnership’s objectives, primarily being able to solely purchase the Property. If the Offering is not fully subscribed, the Partnership will purchase a Proportionate Interest in the Project, with the Project Promoter retaining the balance of the Project and carrying the costs associated therein (including those under the Services Agreement), with the Project Promoter having a right to sell its Proportionate Interest in the Property to another party. See Item 1, “Use of Available Funds” and Item 2.7, “Material Agreements”.

In the event the Partnership experiences a Cash Flow Deficiency, the Project Promoter agrees to loan to the Partnership up to \$400,000.00, or if the Offering is not fully subscribed then the Proportionate Share therein. Any Cash Flow Deficiency loans are interest free until January 1, 2031 at which time they become payable on demand and bear interest at prime plus 2% compounded annually. See Item 2.7, “Material Agreements/Summary of Services Agreement”.

2.7 Material Agreements

Overview

Material Agreements relating to the Partnership include the following:

- Limited Partnership Agreement originally made as of March 1, 2024 between Fraser Properties Limited, as general partner, and FLP Investments Limited, as founding limited partner, as amended and restated November 5, 2025 (the “**Partnership Agreement**”);
- Agreement for Sale Agreement made as of November 5, 2025 between the Partnership and Millennium (the “**Agreement for Sale**”);
- Services Agreement made as of November 5, 2025 between the Partnership and Millennium (the “**Services Agreement**”);

- Property Management Agreement made as of November 5, 2025 between the General Partner and Fortress Properties (the “**Property Management Agreement**”); and
- Co-Ownership Agreement between the Partnership and Millennium to be entered into on the Closing Date in the event the Offering is not fully subscribed (the “**Co-Ownership Agreement**”).

Each of these Material Agreements is summarized below. **These summaries are not intended to be complete, and are qualified by the express terms and conditions of the respective Material Agreements.** For that purpose, the Partnership Agreement is attached as ANNEX I to this Offering Memorandum. The Material Agreements (other than the Co-Ownership Agreement) may be viewed by prospective investors at the offices of the Project Promoter – 2612 Koyl Avenue, Saskatoon, Saskatchewan – at any time during normal business hours prior to the Closing Date.

Summary of Partnership Agreement

- **Business of the Partnership** – The sole business of the Partnership shall be to acquire, manage, and operate the Property, or interest therein (the "Business").
- **The General Partner and Management of the Partnership** – The General Partner of the Partnership is Fraser Properties Limited. The General Partner is owned and controlled by the Kearley Family. The General Partner has exclusive authority to direct and manage the affairs of the Partnership with power to manage and operate the Business. Some of these management functions have been delegated to the Project Promoter pursuant to the Services Agreement and to the Property Manager pursuant to the Property Management Agreement. In exercising its powers and duties, the General Partner shall act honestly, in good faith and in the best interests of the Partnership and must exercise the care, diligence and skill that a reasonably prudent person would exercise in comparable circumstances. Although the General Partner has exclusive authority to manage the Business of the Partnership, certain actions by the Partnership require prior approval by an Extra-ordinary Resolution (as defined in Section 1.01 of the Partnership Agreement) of the Limited Partners. Subject to the Co-Ownership Agreement, if applicable, matters requiring Extra-ordinary Resolution include (subject to the expressed provisions of the Partnership Agreement) the following:
 - a decision to carry on any business or enter into any partnership, joint venture, syndicate or other form of organization to carry on any business other than the Business described above, other than that contemplated in the Co-Ownership Agreement;
 - any significant amendment to the Partnership Agreement;
 - a decision to dissolve the Partnership; and

The sale of the Property, or its Proportionate Interest therein, and the decision to remove and replace Fraser Properties Limited as general partner both require the prior approval by a Special Resolution (as defined in Section 1.01 of the Partnership Agreement) of the Limited Partners (subject to the Co-Ownership Agreement, if applicable).

The General Partner has contributed \$1 to the capital of the Partnership and is entitled to receive 0.01% of the income of the Partnership. The General Partner is also entitled to reimbursement for all expenses incurred on behalf of the Partnership and to have its \$1 capital contribution returned to it upon dissolution of the Partnership. Otherwise, subject to Section 6.08 of the Partnership Agreement, the General Partner does not share in the assets or income of the Partnership. See also Item 3.1, “Compensation and Securities Held”.

- **Partnership Assets and Funds** - The Partnership Agreement authorizes the General Partner to hold the Partnership’s property including, without limitation, the Property, or interest therein, in the name of the Partnership or the name of the General Partner, but in trust for the Limited Partners and additionally authorizes the General Partner to invest funds not immediately required for the Business of the Partnership in Qualified Investments (as defined in Section 1.01 of the Partnership Agreement). A Qualified Investment is defined to include deposit accounts at, or debt obligations or other securities of or guaranteed by, a bank or certain other financial institutions and/or a security of or guaranteed by the Government of Canada or any province or territory of Canada, as more specifically defined in Section 1.01 of the Partnership Agreement.

The Partnership Agreement also provides that, generally, the funds and assets of the Partnership shall not be commingled with the funds or assets of any other person. As a limited exception to this, Section 4.07 of the Partnership Agreement authorizes the General Partner to deposit funds forming part of the Contingency Reserve (see below, “Contingency Reserve”) or other funds of the Partnership not required for the immediate use of the Partnership and authorizes the General Partner to deposit or invest such funds in Qualified Investments. In accordance with these provisions of the Partnership Agreement, it is expected that the Contingency Reserve will be and other Surplus Cash may be held by the General Partner in Qualified Investments, pending the application of such funds towards Partnership operating expenses and/or transferring funds to the Project Promoter for the purpose of distribution to Limited Partners.

Additionally, the Property Manager will from time to time hold rental revenues and other funds such as tenant security deposits on behalf of the Partnership. All funds so held by the Project Promoter and/or the Property Manager are held in trust for the Partnership.

- **Limited Partners and Units** – Subscribers to this Offering will become parties to the Partnership Agreement as Limited Partners and will be issued Units in the Partnership. These Units represent the interest of the Limited Partners in the assets and Business of the Limited Partnership. All Units are equal to all other Units and, generally, the rights and interests of the Limited Partners in the assets and business of the Partnership are distributed pro rata amongst the Limited Partners according to the respective number of Units held. This pro rata distribution is generally referred to in the Partnership Agreement as a Limited Partner's Sharing Ratio. The Sharing Ratio of a Subscriber/Limited Partner means, at any time, the ratio that the number of Units held by that Limited Partner bears to the aggregate number of Units outstanding at that time held by all Limited Partners. Pursuant to the Partnership Agreement and/or pursuant to *The Partnership Act* (Saskatchewan):
 - each Limited Partner, in effect, beneficially owns the assets of the Partnership in proportion to his Sharing Ratio;

- subject to limited exceptions for income tax purposes (see Item 8, "Income Tax Consequences and RRSP/TFSA Eligibility") all income or loss (other than the General Partner's nominal share of 0.01% of income) is allocated exclusively to, and all Surplus Cash of the Partnership is distributed exclusively amongst, the Limited Partners in accordance with their respective Sharing Ratios;
 - all returns of capital of the Partnership, including any appreciation in the net value of the Property or other assets, and including, for example, the net proceeds realized by the Partnership from the sale of the Property (other than the General Partner's nominal \$1 contribution) are returned exclusively to the Limited Partners in accordance with their respective Sharing Ratios;
 - Limited Partners are generally not entitled to participate in the management or control of the Partnership. Pursuant to *The Partnership Act*, a Limited Partner who does participate in management or control of the Partnership risks losing his limited liability. However, Limited Partners are entitled to attend meetings of the Partnership, receive financial information and statements about the Partnership (see Item 11, "Reporting Obligations") and to one vote per Unit on all matters which, pursuant to the Partnership Agreement, require or permit a vote of Limited Partners.
- **Income, Losses and Net Cash Receipts of the Partnership** – The Fiscal Periods of the Partnership end on December 31 of each year. All income or loss of the Partnership in each Fiscal Period (other than the General Partner's share of 0.01% of the income and other than certain income resulting from a recapture of capital cost allowance which may be allocated as provided in Section 4.04 of the Partnership Agreement) is allocated amongst the Limited Partners who were Limited Partners as at the end of that Fiscal Period in accordance with their respective Sharing Ratios as at the end of such Fiscal Period. Surplus Cash of the Partnership for any Fiscal Period will be distributed within 180 days following the end of the Fiscal Period amongst those persons who were Limited Partners and in accordance with such Limited Partner's Sharing Ratios as at the end of the relevant Fiscal Period.
 - **Contingency Reserve** - Each Limited Partner's Subscription Price of \$24,700 per Unit includes \$1,000 to establish a Contingency Reserve for the Partnership. Pursuant to Section 4.08 of the Partnership Agreement, during the Commitment Period the General Partner may draw upon funds from the Contingency Reserve to prevent or mitigate a Cash Flow Deficiency, but during or at the end of the Commitment Period, or so soon thereafter as permitted by law, if the General Partner determines that all or any part of the Contingency Reserve is not likely to be required to prevent or mitigate a Cash Flow Deficiency, funds in the Contingency Reserve shall be distributed, as a partial return of capital, to Limited Partners in accordance with their respective Sharing Ratios.
 - **Power of Attorney** – Pursuant to Section 10.01 of the Partnership Agreement and pursuant to the Subscription Agreements signed by each Subscriber (see ANNEX III) each Subscriber/Limited Partner appoints the General Partner, with power of substitution, as his attorney for the purposes of signing certain documents and doing certain other things as described in Section 10.01 of the Partnership Agreement.

- **Reorganization Transaction** – In order to provide potential liquidity to Limited Partners, Section 12.10 of the Partnership Agreement authorizes the General Partner to call a meeting of the Partnership, at any time following the expiration of the Commitment Period, for the purpose of considering and, if thought fit, approving by Extra-ordinary Resolution, a transaction (a “**Reorganization Transaction**”) pursuant to which the General Partner may be authorized to sell and transfer the Property, or interest therein, and all or substantially all of the other assets of the Partnership or, as attorney and agent for each Limited Partner, to sell and transfer all Units of the Partnership and/or all of the interests of the respective Limited Partners in the Partnership, on a tax deferred basis, to a mutual fund corporation or trust, a corporation or limited partnership (a “**Merger Entity**”) in exchange for shares, limited partnership units and/or other securities of such Merger Entity and to thereupon or as soon as reasonably possible thereafter distribute the shares, limited partnership units, or other securities so received to the Limited Partners in proportion to their respective Sharing Ratios. Implementation of a Reorganization Transaction will be subject to: completion of a definitive transfer agreement or like agreements between the General Partner on behalf of the Partnership (and/or as applicable as attorney and agent for the Limited Partners) and the Merger Entity to whom the Property or Units are to be transferred; obtaining any necessary regulatory approvals; and approval by Extra-ordinary Resolution of the Limited Partners.

Notwithstanding the above, a Reorganization Transaction where the Merger Entity is a limited partnership organized on same or similar terms as the Partnership Agreement and whose sole business is to own, manage and operate the Property, or an interest therein, shall be deemed a permitted transaction and is hereby approved and authorized by the Partners.

- **Liquidity Event** – In order to provide potential liquidity to Limited Partners, Section 12.11 of the Partnership Agreement requires that within fifteen (15) years from the end of the Commitment Period the General Partner shall at a meeting of the Partnership initiate discussions with the Limited Partners to assess the interest regarding the potential sale of the Property in order to provide liquidity to the Limited Partners at that time. Approval for the sale of the Property shall be by Special Resolution (as defined in Section 1.01 of the Partnership Agreement).

Summary of Agreement for Sale

The Partnership has entered into an Agreement for Sale as of November 5, 2025 with Millennium to acquire the Property, at a purchase price of \$4,784,400. \$1,414,800 of this Purchase Price is to be allocated to the land component of the Property, \$2,997,000 to the commercial buildings, and \$372,600 to existing pavement and site work.

Millennium will acquire 3027 Millar Avenue and 2233 Speers Avenue, Saskatoon, Saskatchewan in November of 2025, at an aggregate purchase price to Millennium of \$4,725,000; at which time title to the Property will be registered in the name of the General Partner. However, the General Partner will hold the Property in trust, beneficially for Millennium, until December 30, 2025, (or such date as may be mutually agreed to by Millennium and the General Partner) (the “**Adjustment Date**”). Prior to this Adjustment Date, Millennium will be entitled to all rents and revenues from the Property and be responsible for all expenses in respect of the Property. The beneficial interest of Millennium in the Property will then revert to the General Partner, on behalf of the Partnership,

as of the Adjustment Date, as and from which date the Partnership will be entitled to all rents and revenues from, and be responsible for all expenses in respect of, the Property.

Notwithstanding the above, if the Partnership is unable to pay the full purchase price to Millennium under the Agreement for Sale, the Partnership has the option to purchase a partial interest in the Property. In that event, the Partnership and Millennium shall enter into the Co-Ownership Agreement on or about the Adjustment Date and the General Partner shall hold legal title of the Property in trust for the Partnership and Millennium as per their respective Proportionate Interests.

The General Partner and Millennium are owned and controlled by the Kearley family.

Summary of Services Agreement

Pursuant to the Services Agreement, the Project Promoter provides virtually all services reasonably necessary for the acquisition, financing, and initial operations (i.e. 2025 and 2026) of the Property (collectively the "Partnership Syndication and Financing Costs"); provides all services related to the acquisition of the Property from its previous owner(s) and its sale to the Partnership, arranges for interior refurbishing of the buildings, and provides services related to the lease enhancement of the Project (collectively the "Management Takeover, Interior Refurbishing, and Lease Enhancement Services"); as well as providing certain "building exterior and site refurbishing services". These services, and the fees to be paid by the Partnership to the Project Promoter for the provision of these services (the "**Service Costs**"), are summarized in the table below, assuming the maximum offering is achieved:

• Partnership Syndication and Financing Costs	Service Costs	
	Total	Per Unit
- Partnership syndication and distribution services: The Project Promoter has and will be responsible for organizing and structuring the Partnership, preparing all Material Agreements, this Offering Memorandum and all other documents relative to this Offering and for ensuring that this Offering is carried out in accordance with applicable securities legislation and other laws. Additionally, the Project Promoter will pay all costs associated with the Offering including printing costs, regulatory authority filing fees, and the fees and commissions of any dealers or other agents retained in respect of the Offering.	\$261,900	\$2,425
- Mortgage Placement Services: The Project Promoter arranges for, or itself provides, mortgage financing for the Project in a total amount, as of December 30, 2025, of not less than \$3,837,240; which is expected to include first mortgage financing of \$3,535,296 and second mortgage financing, to be provided by the Project Promoter itself, or a related company, of \$301,944. See Item 4, "Capital Structure".		
- First Mortgage Placement	\$35,100	\$325

- Second Mortgage Placement	\$8,100	\$75
- Interim Financing Services: The Project Promoter will lend to, or advance on behalf of, the Partnership, on an interest-free basis, all monies necessary for the Partnership to fund its obligations pursuant to the Material Agreements pending closing of this Offering and pending the advance of funds under the Partnership's mortgage financing. These advances include, for example, the payment of all deposits and cash to close the acquisition of the Property pursuant to the Agreement for Sale and commitment fees, mortgage brokerage fees and like expenses in connection with the mortgage financing for the Partnership.	\$70,200	\$650
- Cash Flow Shortfall Coverage: After closing of this Offering and continuing until December 31, 2030, if the Partnership experiences a Cash Flow Deficiency, the Project Promoter will lend to the Partnership such monies, up to a maximum of \$400,000 (or an amount representing the Partnership's Proportionate Share if the Offering is not fully subscribed), as may be necessary to cure such Cash Flow Deficiency. These Cash Flow Deficiency Loans will be interest-free until January 1, 2031, at which time they begin to accrue interest at prime plus 2% compounded annually. These loans are repayable only from Surplus Cash of the Partnership or, after January 1, 2031, on demand. Despite the demand nature of these Cash Flow Deficiency Loans, the Project Promoters' sole recourse to recover the loans is to the cash flow and assets of the Partnership. The Project Promoter has no recourse against Limited Partners.	\$75,600	\$700
- Closing Facilitation: The Project Promoter will facilitate the successful closing of this Offering. See Item 5.3, "Subscription Procedure"	\$81,000	\$750
- Legal and Accounting: The Project Promoter will pay all legal and accounting fees of the Partnership in respect of the above Partnership Syndication and Financing Costs.	\$40,500	\$375
Total Partnership Syndication and Financing Costs:	\$572,400	\$5,300
• Management Takeover, Interior Refurbishing, and Lease Enhancement Services		
- Property Management Takeover: The Project Promoter will acquire and compile all rental and management information relevant to the Property, and analyze and evaluate all leases in effect at the time the Property is taken	\$378,000	\$3,500

over. It also will negotiate lease extensions and/or renewals with all existing tenants, arrange new leases where required and negotiate and resolve any conflicts with existing tenants.		
- Interior Refurbishing and Lease Enhancement Services: The Project Promoter will diligently negotiate leases and endeavour to lease all premises in The Enterprise Group II that are or may become vacant during 2025 and 2026, and will cleanup and refurbish all other premises upon their leases being renewed or the premises becoming vacant in 2025 and/or 2026 (provided this service does not include items of a capital nature which may be negotiated with tenants as part of an individual lease package).	\$324,000	\$3,000
- Legal and Accounting: The Project Promoter will pay all legal and accounting fees incurred in connection with the Partnership's acquisition of the Property and/or in connection with the provision of the above management takeover, interior refurbishing, and lease enhancement services.	\$105,840	\$980
Total Management Takeover, Interior Refurbishing, and Lease Enhancement Services:	\$807,840	\$7,480
• Building Exterior and Site Refurbishing Services: The Project Promoter will refurbish the exterior of the buildings as well as repair and re-mark the parking areas, all in accordance with plans and specifications agreed upon between the General Partner and Project Promoter. See Annex II, "Property Plans and Photos" and see the Project Photos included in the cover page of this Offering Memorandum.	\$232,200	\$2,150
TOTAL, ALL SERVICES	\$1,612,440	\$14,930

These Service Costs are payable to Millennium on December 30, 2025. It is expected that these Service Costs will then be deductible over a period of five years including \$1,297,080 (\$12,010 per Unit) in the Fiscal Period ending December 31, 2025, \$108,000 (\$1,000 per Unit) in 2026, and \$69,120 (\$640 per Unit) in each of 2027, 2028, and 2029.

If the Offering is not fully subscribed, the Partnership shall use the proceeds raised to purchase its Proportionate Interest in the Project and Millennium shall only charge out to the Partnership its Proportionate Share of the Service Costs. Also, Millennium shall only provide Cash Flow Deficiency Loans up to or equal to the Partnership's Proportionate Interest multiplied by \$400,000. If the Offering is not fully subscribed, under the Agreement for Sale and the Co-Ownership Agreement, Millennium has the right to sell its Proportionate Interest in the Property to other

parties and will charge out the balance of the Service Costs to the new purchaser(s) at or around that time.

The Services Agreement also contains provisions pursuant to which the Project Promoter expressly acknowledges and agrees that all funds from time to time held by it or its associated or affiliated companies for the Partnership are deemed to be held in trust for the Partnership, are to be deposited or invested by the Project Promoter or its associated or affiliated companies only in Qualified Investments, and are to be repaid to the Partnership or its order upon demand by the General Partner. The Services Agreement further provides that if Millennium or an associated or affiliated company defaults in so repaying such funds to the Partnership, and/or if the Property Manager should default in remitting funds to the Partnership in accordance with its obligations under the Property Management Agreement, the full amount that ought to have been paid by the Project Promoter or Property Manager to the Partnership may be setoff against any amounts that may then otherwise be owing by the Partnership to Millennium, including, without limiting the generality of the foregoing, against any amounts that are then outstanding under the Second Mortgage or any Cash Flow Deficiency Loans. See also “Summary of Partnership Agreement – Partnership Assets and Funds”.

The General Partner and Millennium are owned and controlled by the Kearley family.

Summary of Property Management Agreement

Pursuant to the Property Management Agreement, Fortress Properties has been appointed to manage the Property. The Property Manager's appointment ends December 31, 2030, but such appointment will thereafter be automatically renewed on an annual basis, subject to the Agreement, unless notice of termination is given at least 90 days prior to the end of the relevant Fiscal Period.

The Property Manager is authorized, generally, to do all things as are reasonably necessary or desirable for the proper management and operation of the Property with a view to maximizing the net revenue and income. More specifically, subject to the detailed terms of the Agreement, the Property Manager's duties include collecting all rents, negotiating new leases and/or renewal of existing leases for premises that become vacant, administering and enforcing all leases, arranging for and coordinating the supply of all operational services, utilities, insurance and other matters relative to the Property, administering the payment of all rental expenses, keeping proper books of account, and fully accounting and reporting with respect to the operation of the Property.

The Property Manager is paid a fee equal to 5% of the gross rents payable in respect of the Property and also is entitled to be reimbursed for out-of-pocket expenses incurred in managing the Property. These fees and reimbursement of expenses are paid from the occupancy costs payable by tenants of the Property under their respective leases, and the management fee is only payable to the Property Manager to the extent that it is recoverable from the respective tenants under their leases. Accordingly, the management fee payable to the Property Manager does not affect the absolute net rentals as detailed above in Item 2.2, “The Business/Leases”.

Additionally, the Property Manager will be entitled to a fee equal to 4% of the net rent payable over the term of any new lease or renewal lease entered into during the term of the Property Manager's appointment. This fee, however, will not be paid in respect of new leases or renewal leases entered into in 2025 or 2026. Also, this fee will be reduced by the amount, if any, of any

fees or commissions payable to any third party real estate broker or dealer in respect of such new or renewal leases.

The success or failure of the arrangement from the Property Management Agreement will depend in part on the abilities of the Property Manager.

The General Partner and Fortress Properties are owned and controlled by the Kearley family.

Summary of Co-Ownership Agreement

If the Offering is not fully subscribed, and then no later than December 30, 2025, pursuant to the Agreement for Sale the Partnership may purchase a Proportionate Interest in the Property. In that event, the Partnership and Millennium shall enter into the Co-Ownership Agreement at the Closing Date which shall govern the parties' rights and obligations relating to the Property as co-owners. The following is a summary of the proposed Co-Ownership Agreement, however, it is subject to change prior to the Closing Date.

Under the Co-Ownership Agreement each owner shall have a specified undivided beneficial interest in the Property based on their Proportionate Interest, with legal title held by the General Partner. All income and expenses arising from the Property shall be allocated to the Partnership and Millennium as per their respective Proportionate Interests.

The General Partner shall make all management decisions relating to the Property under the Co-Ownership Agreement. The Limited Partners have no control or management of the Property or the Partnership's interest therein. However, certain fundamental decisions relating to the Property, including, but not limited to, the sale of the Property, requires 2/3 majority direct approval of the stakeholders of the co-owners, specifically the Limited Partners of the Partnership and the shareholders of Millennium (or its successor owner). The weight of a stakeholder's vote on fundamental matters relating to the Property is determined by each stakeholder's percentage interest in their co-owner multiplied by their respective co-owner's Proportionate Interest.

Millennium has the right under the Co-Ownership Agreement to sell its Proportionate Interest in the Property to another party without the approval of the Partnership and assign the Co-Ownership Agreement to the new purchaser, or the parties shall enter into a new agreement on the generally same terms. It is the intention of the parties that Millennium will sell its Proportionate Interest in the Property to another limited partnership similarly structured to the Partnership.

The General Partner and Millennium are owned and controlled by the Kearley family.

ITEM 3 COMPENSATION AND SECURITY HOLDINGS OF CERTAIN PARTIES

3.1 Compensation and Securities Held

The following table sets forth: the name and municipality of principal residence of; the position (and date of obtaining position) with the Partnership (or the General Partner, Fraser Properties Limited) held by each director, officer, and promoter of the Partnership.

Name and municipality of principal residence	Position and date position obtained	Compensation paid by issuer or related party in the most recently completed financial year and the compensation expected to be paid in the current financial year	Number, type and percentage of securities of the Issuer held after completion of maximum offering
Everett J. Kearley Saskatoon, SK ¹	Director and Chairman of General Partner Since February, 2024	Nil	Nil ^{2,3}
John Kearley Saskatoon, SK ¹	Controlling Shareholder, Director and President of General Partner Since February, 2024	Nil	Nil ³
Daniel H. Bollinger Cranbrook, BC	Director of the General Partner Since November, 2025	\$10,000	Nil
Millennium III Capital Corporation Saskatoon, SK ¹	Promoter Since November, 2025	Nil	Nil
Allan Lebiszcak Saskatoon, SK	Secretary-Treasurer of General Partner Since November, 2025	Nil	Nil ³
FLP Investments Limited Saskatoon, SK ²	Founding Limited Partner	Nil	Nil

Notes:

- (1) Mr. Everett J. Kearley, together with his spouse Marlo Winter Kearley, daughter Sheilagh Lepine, and son John Kearley (collectively the “Kearley Family”) own or control, directly or indirectly, and individually and/or collectively, all of the outstanding shares of each of the General Partner, Millennium, and Fortress Properties. Everett Kearley and John Kearley are directors of Millennium and Everett Kearley, John Kearley, and Marlo Kearley are directors of Fortress Properties. Everett Kearley and John Kearley are officers of Millennium and Everett Kearley, John Kearley, and Marlo Kearley are officers of Fortress Properties. See also Item 3.2 below, “Management Experience”.
- (2) John Kearley is the sole shareholder of FLP. On the formation of the Issuer, FLP was issued, and currently holds, one unit of the Issuer representing 100% of the outstanding securities of the Issuer as at the date of this Offering Memorandum. However, this founding unit will be cancelled upon closing of the Offering.
- (3) It is anticipated that officers and senior employees of the General Partner or Project Promoter will purchase up to 6.5% of the issued Units under the Offering.

Except for Daniel Bollinger, who is an Independent Director, the above mentioned directors and officers of the General Partner receive no direct compensation from the Partnership or the General Partner for serving in such capacities. However, as noted in the table above, members of the Kearley Family own or control the General Partner, the Project Promoter and the Property Manager, all of which companies receive compensation from the Partnership pursuant to one or more of the Material Agreements, all as more particularly described in Item 2.7 “Material Agreements”. In particular, assuming the maximum offering is achieved, the purchase price to be paid for the Property by the Partnership to Millennium pursuant to the Agreement for Sale exceeds

the purchase price paid by Millennium to the original Vendors to acquire the Property by \$59,400 and Millennium will also receive fees of \$1,612,440 payable by the Partnership under the Services Agreement, for a total of \$1,671,840, all of which is payable in 2025. Also, Millennium, or a related company, is expected to be the mortgagee under the Partnership's \$301,944 second mortgage and will receive interest thereunder at 5% per annum compounded annually. Fortress Properties will receive management fees from the Partnership pursuant to the Property Management Agreement as summarized in Item 2.7, "Material Agreements/Summary of Property Management Agreement".

Pursuant to the Partnership Agreement, the General Partner, in return for a \$1 contribution to the Partnership upon its formation, is entitled to receive 0.01% of the annual income of the Partnership and upon dissolution of the Partnership is entitled to receive a return of this \$1 capital contribution. Additionally, pursuant to Section 6.07 of the Partnership Agreement, the General Partner is entitled to reimbursement for all expenses incurred on behalf of the Partnership and, pursuant to Section 6.08 of the Partnership Agreement, after December 31, 2028, the General Partner (or the Project Promoter or its associated companies) is entitled to receive an annual administrative fee.

3.2 Management Experience

The following table discloses the principal occupation of each of the directors and officers of the General Partner over the past five years. Additional information about some of these individuals, and companies with whom they are associated, is set forth following the table.

Full Legal Name	Principal Occupation and Description of Experience, also see above
Everett J. Kearley	Chairman of Millennium III Capital Corporation, and Chairman of Fortress Properties Inc.
John Kearley	President of Millennium III Capital Corporation
Daniel Bollinger	Senior Manager, Novamodus Consulting
Allan Lebiszcak	Vice President of Accounting Services, Millennium III Capital Corporation

Everett J. Kearley is a professional engineer with over 40 years of experience in the development, design, construction, and management of a wide variety of buildings and other projects in Saskatchewan, Alberta, and eastern Canada. In 1981, he founded the Millennium III Group of Companies, and he is presently the Chairman and a director of Millennium III Capital Corporation and associated companies; Fortress Properties Inc. and M3 Securities Corporation. During the past 40 plus years, the Millennium III Group of Companies, or predecessor companies associated with Mr. Kearley, have been actively involved in the acquisition, development, syndication, and management of over 70 major properties in Saskatchewan and Alberta. Until 2004, the Millennium III Group of Companies focused on properties in and around Saskatoon, Saskatchewan. Since then, business operations of the Millennium III Group of Companies have expanded into Alberta and Southern Saskatchewan.

John A.W. Kearley is the President of Millennium III Capital Corporation and President of M3 Securities Corporation. He has been involved with the Millennium III Group of Companies since its inception and has provided management services since 1994. Currently, Mr. Kearley is responsible for the overall operations of the Millennium III Group of Companies, while heading

the acquisition and product development team. In addition, he oversees major construction projects for the group and acts as liaison to Fortress Properties.

Daniel Bollinger, CPA, CMA, obtained his CMA designation in 2000 after graduating from Saskatchewan Polytechnic (formerly SIAST) in 1996 with a Diploma in Accounting. Mr. Bollinger has a well-rounded accounting skill set as a result of working in a variety of industries throughout his career including three years of experience in public practice as a staff accountant performing financial statement reviews and audits; two years of experience as the Controller of a publicly traded company; five years of experience in the property management industry as the chief accountant; over eighteen years of experience in the public sector as Director, Financial Services for SaskWater; and one year providing a combination of Oracle Cloud ERP consultation and implementation services to clients. Mr. Bollinger has recently transitioned roles and is currently the Chief Financial Officer for the Ktunaxa Nation Council in Cranbrook, BC.

Allan Lebiszczak, CPA, CMA, has been an employee of Millennium III Group of Companies, or under contract with Fortress Properties or other property management companies associated with Mr. Everett Kearley, since 1993. He is presently serving as Vice President of Accounting Services for Millennium III Capital Corporation. Mr. Lebiszczak graduated from the University of Saskatchewan in 1989 with a Bachelor of Commerce degree, majoring in accounting and computer science. From 1989 to 1993 he worked with different chartered accountancy firms in Saskatoon and Edmonton. Mr. Lebiszczak is also the Secretary-Treasurer of the General Partner.

The above management group, in some form or another, has been actively involved in the acquisition and management of over 50 current real estate projects as summarized below, most of which were syndicated through limited partnerships in a manner similar to **The Enterprise Group II**.

<u>Project Name</u>	<u>Address</u>	<u>Owner</u>
<u>Alberta Commercial</u>		
(unless otherwise noted, all Alberta properties are located in Edmonton)		
The Brunel Building	8009 - 39 Street (Leduc)	Bonfoy Properties Limited
Plaza 104	9825 - 9839 - 104 Street (Fort Saskatchewan)	Carson Properties Limited
Plaza 55	5524 - 5552 Calgary Trail	Cormack Properties Limited
Centre 120	11507 - 120 Street	Dempsey Properties Limited
The Bessemer Building	8306 - 113 Street (Fort Saskatchewan)	Dorrill Properties Limited
Delton Industrial Centre	8542 - 8662 - 126 Avenue	Drake Properties Limited
Summit Centre	7435 - 7457 Roper Road	Easton Properties Limited
Capilano Industrial Centre	4630 - 4732 - 91 Avenue	Eastport Properties Limited
Leduc Gateway Group	5205 & 5213 50 Avenue 4922 51 Avenue (Leduc)	Gambier Properties Limited
Plaza 100	16703 - 100 Street	Glover Properties Limited
Centre Plaza	162 - 200 Kaska Road (Sherwood Park)	Gower Properties Limited
Southwood Shopping Centre	9203 - 34 Avenue	Green Point Properties Limited
Leduc Towne Centre	50 Avenue & 50 Street (Leduc)	Hardy Properties Limited
The Broadmoor Building	202 - 250 Sioux Road (Sherwood Park)	Hawkins Properties Limited
Plaza 44	4402/4410 - 52 Avenue (Lloydminster)	Hayman Properties Limited
High Park Corner	14925 - 111 Avenue	Holloway Properties Limited
Strathcona Distribution Centre	4115 - 4143 - 101 Street	Mackinson Properties Limited
Fort Road Centre	13411 - 13443 Fort Road	Markland Properties Limited
Centre 137	13560 - 13594 Fort Road	Medley Properties Limited
Klondike Centre	11082 - 156 Street	Milbanke Properties Limited
Clareview Shopping Centre	3504 - 3540 - 137 Avenue	Montagu Properties Limited
Yellowhead Corner	14803 - 14827 Yellowhead Trail	Morrissey Properties Limited
Riverpointe Plaza	9902 - 93 Street (Fort Saskatchewan)	Rendell Properties Limited
Greenbay Business Park	17506 - 17552 - 105 Avenue	Saunders Properties Limited
Mirror Lake Plaza	5422 - 5610 - 48 Avenue (Camrose)	Shuldham Properties Limited
Weststreet Building	10703 - 10721 - 181 Street	Simpson Properties Limited
Belle Rive Plaza	8304 - 8336 - 160 Avenue	Tanfield Properties Limited
Davies Industrial Centre	8136 Davies Road	Vinland Properties Limited

Saskatchewan Commercial

(unless otherwise noted, all Saskatchewan properties are located in Saskatoon)

The Asquith Building	733 - 1 st Avenue N	Asquith Properties Limited
Eastwood Centre II	3501 - 8 th Street E	Bannerman Properties Limited
Herald Place	288 – 296 Henderson Drive (Regina)	Bedford Properties Limited

Eastwood Centre I The Industrial Group V	3521 - 8 th Street E 217 – 225 - 4 th Avenue East 608 – 628 - 4 th Avenue East (Regina)	Campbell Properties Limited Cartwright Properties Limited
The Cavendish Building Airport Business Centre Lakeview Square Hodsman Group	2610 Koyl Avenue 2103/2121 Airport Drive 1945 McKercher Drive 220 – 230 Hodman Road (Regina)	Cavendish Properties Limited Connelly Properties Limited Devonport Properties Limited Fairford Properties Limited
The Falkingham Building Northwest Place The Industrial Group IV	139 – 143 - 2 nd Avenue N 2213/2217 Hanselman Court 810 - 57 th Street E 3342 Millar Avenue	Falkingham Properties Limited Findlay Properties Limited Franklin Properties Limited
Heritage Square The Forest Centre The Enterprise Group	600 - 606 - 22 nd Street W 415 - 115 th Street E 2343 – 1st Avenue N 3347 Millar Avenue	Gilbert Properties Limited Grey Properties Limited Hazelton Properties Limited
Rochdale Centre	5910 – 5970 Rochdale Blvd. (Regina)	Henley Properties Limited
Hopewell Mall The Industrial Group III	96 – 33 rd Street E 510 – 44 th Street E 418/502 0 47 th Street E	Hudson Properties Limited Kirke Properties Limited
Warman Plaza	520 Central Street W (Warman)	LeMarchant Properties Limited
Solomon Industrial Centre The Newcastle Building South Millar Centre The Shoquist Building The Mercantile Group II	520 Solomon Drive (Regina) 501 - 23 rd Street W 2210 Millar Avenue 410 - 420 Duchess Street 727 - 22 nd Street W 2409 - 22 nd Street W	McKay Properties Limited Newcastle Properties Limited Palmerston Properties Limited Peel Properties Limited Pepperrell Properties Limited
The P.F. Little Mall West Venture Mall Fairlight Plaza Martensville Shopping Centre	1715 Boychuk Drive 2305 - 22 nd Street W 3322 Fairlight Drive #7 Centennial Drive (Martensville)	P.F. Little Properties Limited Portland Properties Limited Rockingham Properties Limited Rosebery Properties Limited
Wellington Place Portal Business Park - Phase III The Landing Millar Landing Primrose Plaza Portal Business Park - Phase II Mall 33 825 North The Industrial Group	501 - 45 th Street W 301/401/501 Pakwa Place 2345/2365 Avenue C N 2830/2834 Millar Avenue 234 Primrose Drive 301/401 - 45 th Street W 511 - 33 rd Street W 825 - 48 th Street E 817 - 829 - 46 th Street W 1902 & 2001 Alberta Avenue	Smallwood Properties Limited Spencer Properties Limited Temple Properties Limited Walwyn Properties Limited Warren Properties Limited Wells Properties Limited Wentworth Properties Limited Whitbourne Properties Limited Wilmington Properties Limited

3.3 Penalties, Sanctions, Bankruptcy, Insolvency and Criminal or Quasi-Criminal Matters

No penalty, sanction, bankruptcy, insolvency and criminal or quasi-criminal matters has occurred within 10 years of the date of this Offering Memorandum with respect to a director, executive officer or control person of the Partnership, the Project Promoter, Fortress Properties or an issuer of which any of those persons was a director, executive officer or control person.

3.4 Certain Loans

In the event the Partnership experiences a Cash Flow Deficiency, the Project Promoter agrees to loan to the Partnership up to \$400,000.00, or if the Offering is not fully subscribed then the Proportionate Share therein. Any Cash Flow Deficiency loans are interest free until January 1, 2031 at which time they become payable on demand and bear interest at prime plus 2% compounded annually. See Item 2.7, “Material Agreements/Summary of Services Agreement”.

The second mortgage financing of \$301,944 will be provided by Millennium or a related company bearing interest at 5%, compounded annually, will be payable as to interest only on December 31, annually, commencing in 2026, is due December 31, 2040 and shall be secured by a second mortgage on the Property.

ITEM 4 CAPITAL STRUCTURE

4.1 Securities Except for Debt Securities

The following table describes the capital structure of the Partnership as at November 10, 2025 and what it will be on the conclusion of this Offering:

Description of Security	Authorized to be Issued	Price Per Security	Number/Amount outstanding as of November 10, 2025	Number/Amount outstanding after minimum Offering	Number/Amount outstanding after maximum Offering
General Partner's Contribution ¹	-		\$1	\$1	\$1
Limited Partnership Units ¹	Unlimited	\$24,700	One Unit / \$1	One Unit/\$1	108 Units / \$2,667,600
First Mortgage ^{2,3}	-		\$0	\$0	\$3,535,296
Second Mortgage ^{2,3}	-		-	-	\$301,944
Retained Earnings/Deficit	-		-	-	-
TOTAL			\$2	\$2	\$6,504,841

Notes:

- (1) See Item 2.7, "Material Agreements/Summary of Partnership Agreement"
- (2) Subject to Note 3 below, pursuant to the Services Agreement, the Project Promoter will arrange mortgage financing totalling \$3,837,240 as at December 30, 2025. This includes first mortgage financing in the original principal amount of \$3,535,296 as of December 30, 2025 (the "First Mortgage"), together with second mortgage financing of \$301,944 (the "Second Mortgage") that will be provided by Millennium or a related company. The First Mortgage is expected to be repayable in monthly instalments of \$21,823.00 including principal and interest, with an interest rate of 4.64% compounded semi-annually and amortized over 21 years and 2 months. Pursuant to the Agreement for Sale, Millennium is responsible for these principal and interest payments until the Adjustment Date – which is anticipated to be December 30, 2025. See Item 2.7, "Material Agreements/Summary of Agreement for Sale". The Second Mortgage will bear interest at 5%, compounded annually, and will be payable as to interest only on December 31, annually, commencing in 2026. It is the intention of the General Partner to reduce the amortization periods under the Partnership's mortgage financing over time as the financing is paid down with the objective of paying out all mortgage financing by 2040. Based on the operation of similar projects and properties, the business model of the Project Promoter and General Partner is to reduce the amortization periods of the mortgage financing over time and then payout the mortgage so that the anticipated net rental revenues of the Property would be approximately \$5,000 per Unit at that time.
- (3) The First Mortgage was arranged by the Project Promoter pursuant to the Services Agreement for the General Partner as legal title holder of the Property and on behalf on the Project Promoter as beneficial owner of the Property. If the Offering is not fully subscribed, the Partnership shall pay the proceeds raised in the Offering to the Project Promoter and assume its Proportionate Share of the First Mortgage and receive its Proportionate Share of the indebtedness under the Second Mortgage in return for a Proportionate Interest in the Property. In that event, the Project Promoter shall retain its Proportionate Interest in the Project and shall pay its Proportionate Share of the principal and interest payments under the First Mortgage. See Item 2.7, "Material Agreements".

4.2 Long Term Debt

The following table describes the outstanding debt of the Issuer for which all or a portion is due, or may be outstanding, more than 12 months from the date of this Offering Memorandum:

Description of Debt	Interest Rate	Repayment Terms	Amount outstanding at a date not more than 30 days before the date of this Offering Memorandum
Mortgage	4.64%	Repayable in monthly instalments of \$21,823.00 including principal and interest compounded semi-annually and amortized over 21 years and 2 months.	\$3,535,296
Mortgage	5%	Payable as interest only on December 31 annually and principal is due December 31, 2040.	\$301,944
1) The Partnership currently has no long term debt. Pursuant to the Services Agreement, the Project Promoter will arrange mortgage financing, as described above, as at December 30, 2025. Pursuant to the Agreement for Sale, Millennium is responsible for these principal and interest payments until the Adjustment Date – which is anticipated to be December 30, 2025. See Item 2.7, “Material Agreements/Summary of Agreement for Sale”.			

4.3 Prior Sales

The Partnership has not previously issued any Units or other securities except for a single Unit issued to FLP Investments Limited effective upon the founding of the Partnership on March 1, 2024. This founding Unit was issued at a consideration of \$1 and will be returned to the Partnership at a price of \$1, and cancelled, upon closing of the Offering.

ITEM 5 SECURITIES OFFERED

5.1 Terms of Securities

Subscribers to this Offering will become Limited Partners in the Partnership and will be issued Units in the Partnership. As described in the Partnership Agreement, each of the 108 Units offered pursuant to this Offering Memorandum represents an equal interest in the assets and business of the Partnership; entitles the holder to share, pro rata, in the distribution of Net Cash Receipts and in the income (or losses) of the Partnership; to vote - 1 vote per Unit - on certain matters that affect the Partnership; and to share pro rata in the proceeds of liquidation if and when the Project and/or interest therein is sold and/or the Partnership is dissolved. These rights and obligations attaching to the Units are set out in more detail in the Partnership Agreement which is attached as ANNEX I to this Offering Memorandum, and which is summarized in Item 2.7, “Material Agreements/Summary of Partnership Agreement”.

5.2 Who May Subscribe For Units

The Units are being offered for sale by the Partnership, as principal, in, and to residents of all jurisdictions of Canada (other than Quebec) in reliance on the “offering memorandum” exemption in Part 2.9 of National Instrument 45-106 – *Prospectus Exemptions* (“**NI 45-106**” or the “**Instrument**”), which has been adopted by the securities regulatory authorities in all provinces and territories of Canada, and which exempts certain distributions of securities carried out in compliance with the Instrument from the prospectus requirements that may otherwise apply pursuant to applicable securities legislation. In accordance with NI 45-106, and in the circumstances of this Offering, a Subscriber for Units must purchase the Units as principal and, if a resident of Alberta, Manitoba, Northwest Territories, New Brunswick, Nova Scotia, Nunavut, Prince Edward Island, Ontario, Saskatchewan or Yukon, the Subscriber must be an “eligible investor” as defined in the Instrument. This requirement that Subscribers be “eligible investors” does not apply to purchasers resident in British Columbia or Newfoundland and Labrador.

The Instrument contains a detailed definition of the term “eligible investor”. Generally, in the circumstances of this Offering, an “eligible investor” includes any individual:

- (a) whose net assets, alone or with a spouse, exceed \$400,000;

OR

- (b) whose net income before taxes exceeded \$75,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year;

OR

- (c) whose net income before taxes combined with that of a spouse exceeded \$125,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year;

OR

- (d) who is a close personal friend or close business associate of one or more of Mr. Everett J. Kearley, Mr. John Kearley, Mr. Daniel Bollinger, or Mr. Allan Lebiszczak;

Prospective Subscribers resident in Alberta, Manitoba, Northwest Territories, New Brunswick, Nova Scotia, Nunavut, Prince Edward Island, Ontario, Saskatchewan or Yukon who are not individuals - e.g. corporations, partnerships, trusts, etc. - are urged to contact the Issuer and/or consult with their own professional advisors to determine and confirm that they are “eligible investors” as defined by the Instrument.

Prospective individual Subscribers resident in Alberta, Saskatchewan, Ontario, New Brunswick and Nova Scotia may be limited in how much they can invest in the Offering. NI 45-106 imposes investment limits on individuals resident in these jurisdictions on all securities acquired using the offering memorandum exemption in NI 45-106, with such investment limits being as follows:

- (a) in the case of an eligible investor, the acquisition cost of all securities acquired by that purchaser under the offering memorandum exemption in the preceding 12 months cannot exceed \$30,000; and
- (b) in the case of an eligible investor who receives advice from a portfolio manager, investment dealer or exempt market dealer that the investment above \$30,000 is suitable, the acquisition cost of all securities acquired by the purchaser under the offering memorandum exemption in the preceding 12 months cannot exceed \$100,000.

The Partnership may offer and sell Units in the above jurisdictions and Quebec in reliance on other exemptions from the prospectus requirements of the securities legislation in such jurisdictions. **Notwithstanding the foregoing, this Offering Memorandum is not intended as an offer to sell, nor a solicitation of an offer to purchase, any of the Securities described herein in any jurisdiction and/or to any person in contravention of applicable securities legislation or other laws.**

5.3 Subscription Procedure

To subscribe for Units under this Offering through the offering memorandum exemption a Subscriber must, prior to the Closing Date, complete, initial, sign, and deliver to the General Partner on behalf of the Partnership the following:

- (a) a Subscription Agreement in the form attached as ANNEX III to this Offering Memorandum;
- (b) an Offering Memorandum Risk Acknowledgement in the form attached as Part II of Exhibit 2 to the Subscription Agreement;
- (c) an Offering Memorandum Exemption Representation Letter in the form attached as Part I of Exhibit 2 to the Subscription Agreement;

- (d) if you are an individual and a resident of Alberta, Saskatchewan, Ontario, New Brunswick or Nova Scotia, a *Classification of Investors Under the Offering Memorandum Exemption* in the form attached as Schedule 1 to the Offering Memorandum Risk Acknowledgement, to confirm that the Subscriber is an “eligible investor” as defined in NI 45-106;
- (e) if you are an individual and a resident of Alberta, Saskatchewan, Ontario, New Brunswick or Nova Scotia, an *Investment Limits for Investors Under the Offering Memorandum Exemption* in the form attached hereto as Schedule 2 to the Offering Memorandum Risk Acknowledgement to confirm that the individual Subscriber has not exceeded their prescribed investment limit;
- (f) if you are an eligible investor because you are an “accredited investor”, as that term means in NI 45-106, an Accredited Investor Exemption Representation Letter and Accredited Investor Risk Acknowledgement in the forms attached as Exhibit 1 to the Subscription Agreement;
- (g) such additional or alternative acknowledgements, declarations, certificates, and other forms and filings as may be requested by the Partnership and/or as may reasonably be necessary or desirable pursuant to the securities legislation of any jurisdiction to permit the distribution and sale of the Units subscribed for to be made in reliance on a statutory exemption from the registration and prospectus requirements of any applicable securities legislation and/or to confirm the status of the Subscriber as a person to whom the Units subscribed for may be issued in reliance on such statutory exemption from the registration and prospectus requirements of any applicable securities legislation; and
- (h) payment of the Subscription Price of \$24,700 per Unit by certified cheque, bank draft or solicitor’s trust cheque payable to Fraser Properties Limited;

Subscription funds will be held in trust by the General Partner on behalf of the Partnership until this Offering is closed and the conditions of closing as described below have been met and, without limiting the generality of the foregoing, all such subscription funds will be held in trust for at least two days after receipt of such funds and applicable subscription documents pending the exercise of the Subscriber’s cancellation rights as described in Item 13 “Purchasers’ Rights”.

The Units are offered for sale by the Partnership, as principal, and will be issued if, as and when Subscriptions are accepted by the General Partner on behalf of the Partnership (each date on which Subscriptions are accepted and Units issued being referred to as a “Closing Date”). The Issuer reserves the right, in the sole discretion of the General Partner, to reject any Subscription for any reason and/or to terminate this Offering at any time. The Issuer anticipates that the Offering will close on or prior to December 22, 2025, and in any event not later than December 30, 2025, provided that, subject to the exceptions noted below, the following are conditions of closing this Offering:

1. All Material Agreements shall have been signed by the respective parties (including the Co-Ownership Agreement, if applicable).

Provided that condition 1 above has been satisfied, an initial closing may be held and subscription monies released to the Issuer. In such case, one or more subsequent closings would then be held on or prior to December 30, 2025.

Should all conditions of closing not be achieved on or before December 30, 2025, this Offering will not close and all monies raised under this Offering will be returned to investors within 60 days of the date that this Offering was to close. Additionally, if for any other reason a Subscription is rejected, all monies paid on account of such unaccepted subscription will be promptly returned to the relevant subscriber. There will be no deductions from and no interest paid on these refunds.

ITEM 6 REPURCHASE REQUESTS

Not applicable.

ITEM 7 CERTAIN DIVIDENDS OR DISTRIBUTIONS

Not applicable.

ITEM 8 INCOME TAX CONSEQUENCES AND RRSP/TFSA ELIGIBILITY

This commentary is of a general nature only and is not intended to be tax advice to any particular investor. You should consult with your own professional advisors to obtain advice on the income tax consequences that apply to you.

In the opinion of McDougall Gauley LLP, general counsel for the Limited Partnership and the General Partner, the following is a fair summary of Canadian federal income tax considerations that may be considered material to the acquisition, holding, and disposition of Units in the Partnership. The income tax consequences applicable to any particular Subscriber will not necessarily be the same as those that are expected to apply to Subscribers generally, as variations may occur depending on individual circumstances. The comments in this Item 8 are restricted to the case of Subscribers who are residents of Canada for purposes of the *Income Tax Act* (the “Tax Act”) and are based on the current provisions of the Tax Act and all amendments thereto which have been announced by the Minister of Finance prior to the date hereof. These comments also assume: that each Subscriber holds the Units acquired under this Offering as capital property and not in the course of a business or an adventure in the nature of a trade and that no Limited Partner finances any part of his subscription price for Units with financing that is deemed to be limited recourse financing as defined in the Tax Act.

Except as expressly mentioned, this summary does not take into account any possible change in law whether by legislation, government or judicial action or Department of Finance Release, does not consider any possible change in assessing policy by Canada Revenue Agency, Taxation, and does not take into account the income tax legislation of any Province.

Eligibility of Units for Registered Retirement Savings Plans or Tax Free Savings Accounts –

The Units are not “qualified investments” for trusts governed by Registered Retirement Savings Plans (RRSP) or Tax Free Savings Accounts (TFSA), as defined by the Tax Act.

Taxation of Partnership Income or Loss – The Partnership is not itself a taxable entity. However, the income (or loss) of the Partnership will be computed for each fiscal year of the Partnership as if the Partnership were a separate person resident in Canada and such income (or loss) will be allocated amongst the Limited Partners and, if applicable, General Partner in accordance with the Partnership Agreement. In that regard, the Partnership Agreement generally provides that 99.99% of all income, or 100% of all losses, incurred by the Partnership in each fiscal year will be allocated amongst the Limited Partners who were limited partners as at the last day of the relevant fiscal year (regardless of the time when a Limited Partner becomes a limited partner) in proportion to their respective Sharing Ratios as at such date. 0.01% of the income, if any, in any fiscal year shall be allocated to the General Partner. Income or losses – including ordinary income from operations, net realizable capital gains and allowable capital losses – are allocated amongst the Limited Partners as aforesaid in the form claimed or incurred by the Partnership and the source of income or loss is identified on the "Statement of Partnership Income", Canada Revenue Agency form T5013 that the General Partner is required to provide to each Limited Partner following each fiscal year of the Partnership. The income (or loss) allocated to a Limited Partner must be included (or may be deducted) in calculating the taxable income of that Limited Partner and when reporting such taxable income in the personal income tax return of the Limited Partner.

Investors should be aware that the income or loss of the Partnership allocated to them for income tax purposes may vary from the accounting income or loss recorded on the Partnership's financial statements and that income or loss allocated for either tax or accounting purposes may vary considerably from the Net Cash Receipts actually distributed to them by the Partnership. Taxable income earned by the Partnership may create a tax obligation where investors must pay taxes above and beyond what cash is distributed by the Partnership to that investor.

Disposition of Units – On the disposition of Units, including for example a sale of Units or a deemed disposition on the dissolution of the Partnership, a Limited Partner will realize a capital gain (or capital loss) to the extent that his proceeds of disposition, net of costs of disposition, exceed (or are less than) the adjusted cost base of a Limited Partner's Units. It is anticipated that the adjusted cost base of a Limited Partner's Units at any particular time will generally be equal to the Subscription Price for his Units, increased by the Limited Partner's share of any Partnership income for fiscal periods ending before the particular time, and reduced by (i) the Limited Partner's share of any Partnership losses for such fiscal periods and (ii) the Limited Partner's share of the value of any property and money distributed as capital by the Partnership during such fiscal periods.

One-half of any capital gain realized by a Limited Partner on the disposition or deemed disposition of a Unit will be required to be included as a taxable capital gain in computing an individual Limited Partner's taxable income. One-half of any capital loss realized by a Limited Partner on the disposition or deemed disposition may normally be deducted against taxable capital gains for the year, any of the three preceding years, or any subsequent year, subject to the provisions of the Tax Act in that regard.

The Units do not qualify for any capital gains exemption.

Interest Expenses on Funds Borrowed to Acquire Units – Reasonable interest expense incurred by an investor on funds borrowed to acquire Units are generally expected to be deductible in the

year the interest is paid or payable, depending on the method the Subscriber regularly follows, provided that the Subscriber continues to own, throughout the period during which the interest accrues, the Units acquired with the borrowed funds. Certain provisions in the Tax Act extend the deductibility of interest in certain circumstances where Units have been disposed of. However, certain legislative amendments proposed by the Department of Finance may restrict the ability to deduct interest expenses in certain situations (see the following discussion under the heading “Proposed Loss Limitation Rule”).

Exceptions – Pursuant to the Tax Act or the Partnership Agreement, the tax consequences to Limited Partners may be expected to vary from those described above in the following circumstances:

- (i) **At Risk Rules** – As described above under "Taxation of Partnership Income or Loss", losses allocated to Limited Partners in any fiscal year may generally be deducted in determining the taxable income of the individual Limited Partner for that year. Also, as described above under "Disposition of Units", the aggregate of all losses allocated to a Limited Partner, net of the aggregate of all income allocated to that Limited Partner, will generally reduce the adjusted cost base of the Limited Partner's Unit. The Issuer and its Limited Partners will, however, be subject to the so called "at risk rules" of the Tax Act, pursuant to which no losses may be allocated to or claimed by Limited Partners in calculating their personal taxable income if and to the extent that such losses exceed, in the aggregate, the Limited Partner's "at risk amount". The Tax Act contains a detailed definition of "at risk amount" but, in the circumstances applicable to the Issuer, it is anticipated that an individual Limited Partner's "at risk amount" will generally equal the adjusted cost base of his Units. Accordingly, if and when the aggregate losses (net of aggregate income) allocated to a Limited Partner exceed his aggregate subscription price of \$24,700 per Unit, the Partnership will not be able to allocate to and the Limited Partner will not be able to write-off his share of losses subsequently incurred by the Partnership unless and until the Partnership subsequently generates and allocates income to the Limited Partner. Losses that cannot be claimed due to these "at risk rules" can, however, be used to shelter income allocated to a Limited Partner in subsequent years.
- (ii) **Alternative Minimum Tax** – Under the Tax Act, an alternative minimum tax ("AMT") is payable by an individual, other than certain trusts, equal to the amount by which the AMT exceeds the income tax otherwise payable. A Limited Partner subject to AMT rules in the Tax Act must generally calculate the minimum tax payable without deducting certain partnership losses allocated to the Limited Partner and associated carrying charges from adjusted taxable income. The realization of a capital gain on the disposition of Units or the realization by the Partnership of a capital gain may give rise to an increased liability for AMT. Limited Partners should consult their own tax advisors for advice respecting the application of the AMT rules in their particular circumstances.
- (iii) **Recapture of Capital Cost Allowance** – As discussed above, generally, 99.99% of all income and 100% of all losses of the Partnership in each year is allocated amongst the Limited Partners in accordance with their respective Sharing Ratios. This includes capital cost allowance claimed by the Partnership and, in the absence

of special provisions in the Partnership Agreement, would generally include any recapture of capital cost allowance that may be included in the Partnership's income as a result of the sale or other disposition or deemed disposition of the Property or any other capital assets of the Partnership. If and where the membership of the Partnership or the relative number of Units held by Limited Partners changes as a result of the issuance of new Units over and above the 108 Units offered pursuant to this Offering Memorandum, inequities could arise between Limited Partners who get the benefit of claiming capital cost allowance and the Limited Partners who may have to include recaptured capital cost allowance in calculating their taxable income. To offset these potential inequities the Partnership Agreement provides that a notional capital cost allowance account will be established on the books of the Partnership for each Limited Partner in which account each Limited Partner's respective share of capital cost allowance claimed by the Limited Partnership in any fiscal year will be recorded. If a Limited Partner transfers his Units, these notional capital cost allowance accounts will, in effect, be transferred to the purchaser of the Units. Any recapture of capital cost allowance subsequently realized by the Partnership will be allocated to those persons who are Limited Partners at the time of the disposition or deemed disposition that gives rise to the recapture, with each such Limited Partner's share of such recapture determined by multiplying the total recapture incurred by the Partnership by a fraction, the numerator of which is the balance in the respective Limited Partner's notional capital cost allowance account and the denominator of which is the aggregate of the balances in the notional capital cost allowance accounts of all Limited Partners.

- (iv) **Tax Shelter Rules** – The Tax Act contains complicated provisions pursuant to which a property (which may include an interest in a partnership) is considered a tax shelter if statements or representations have been made, or are proposed to be made, regarding tax deductions that a hypothetical purchaser would be expected to incur or to have allocated to the purchaser as a result of acquiring the property where it can reasonably be considered that, at the end of any taxation year that ends within four years after the day on which the purchaser acquires the property, (a) the total amount of such deductions represented to be deductible in respect of the property, including an allocation of a partnership loss, and expected to be incurred by or allocated to the purchaser in the year or any preceding year; (b) would equal or exceed the purchaser's net cost in the property at the end of that year.

The hypothetical purchaser's net cost at the end of a particular year is the purchaser's cost at the end of that year less the total of all prescribed benefits that it is expected that the purchaser (or a person not at arm's length with the purchaser) will receive or enjoy in respect of the property. "Prescribed benefit" is a concept defined in the Regulations under the Tax Act and, essentially, is an amount in relation to a tax shelter that may reasonably be expected, having regard to statements or representations made in respect of the tax shelter, to be received by or made available to a person who acquires an interest in the tax shelter (or another person not at arm's length from the purchaser) and which has the effect of reducing the impact of any loss that the purchaser may sustain by acquiring, holding, or disposing of the tax shelter. If a property is found to be a tax shelter, the property is also a tax shelter investment for the purposes of the Tax Act. Consequences of a property being classified as a tax shelter include the fact that an investor in a tax

shelter cannot deduct any amount in respect of the tax shelter unless the tax shelter is, in effect, registered under the Tax Act and a tax-shelter identification number obtained. The Partnership, the Project, and this Offering is not intended as a tax shelter as defined in the Tax Act and absolutely no representation is made by the Partnership, the General Partner or the Project Promoter that the deductions expected to be available to Subscribers investing in Units will equal or exceed their costs in the property less any prescribed benefits. Accordingly, no tax-shelter identification number has been applied for or received. There can be, however, no absolute assurance that Canada Revenue Agency, Taxation would not take a different view and, if the Project were determined to be a tax shelter, the tax implications to Subscribers would be materially and adversely different than those otherwise contemplated in this Offering Memorandum.

- (v) **Proposed Loss Limitation Rule** – In October 2003, the Department of Finance (the “Department”) released for public consultation a package of legislative proposals regarding the deductibility, for income tax purposes, of interest and other expenses. The proposal, commonly referred to as the Proposed Loss Limitation Rule (the “2003 Proposal”), responded to certain court decisions that the Department believed departed significantly from what had been the accepted understanding of the law in this area.

In computing income from a business or property, a taxpayer can deduct many kinds of expenses, provided that they are incurred for the purpose of earning income. In this context, “income” had been understood by the Department to be a net amount comparable to “profit”, and to exclude capital gains. The Department believes the above-mentioned court decisions took a different view; that is, income was read as the equivalent of gross revenue and the distinction between income and capital gain was blurred. The 2003 Proposal was intended to restore the Department’s view of the law on these points.

An extended period of public consultation on the 2003 Proposal ended in August 2004. Many commentators expressed concerns with the 2003 Proposal: in particular, that it codified an objective “reasonable expectation of profit” test that might inadvertently limit the deductibility of a wide variety of ordinary commercial expenses. In the Federal Budget of February 23, 2005 the Government publicly announced (the “2005 Announcement”) that the Department has now sought to respond by developing “a more modest legislative initiative” that would respond to these concerns while still achieving the Government’s objectives. This 2005 Announcement stated that the Department will “at an early opportunity” release this alternative proposal for comment. This release will be combined with a Canada Revenue Agency publication that addresses, in the context of this alternative proposal, “certain administrative questions relating to deductibility”.

At the present time, the Partnership expects that it will realize a cumulative profit over the period of time that it operates the Business and the Property, or interest therein, such that the 2003 Proposal or a “more modest legislative initiative” as appears to be contemplated by the 2005 Announcement, would not adversely affect the Partnership or the Limited Partners therein. However, as there is uncertainty as to the particulars of the amendments that may be made to the Tax Act in light of

the 2005 Announcement, no views or assurances of any kind as to deductibility of interest or other expenses can be provided at this time. Accordingly, there is a risk that the tax treatment of Limited Partners may be materially and adversely different than otherwise contemplated in this Offering Memorandum.

The provisions of the Tax Act are complicated and will vary depending on the individual circumstances of each investor/Limited Partner. Accordingly, Subscribers are urged to consult their own personal tax advisors with respect to their specific circumstances and, in particular but without limiting the generality of the foregoing, with respect to "at risk rules", "alternative minimum tax", "recapture of capital cost allowance", "tax shelter rules", and the "Proposed Loss Limitation Rule".

ITEM 9 COMPENSATION PAID TO SELLERS AND FINDERS/UNDERWRITER CONFLICTS

The Partnership will not itself pay any commissions, corporate finance fees or finder's fees in connection with this Offering. The Project Promoter may, however, enter into agreements or arrangements with registered dealers or, subject to applicable securities legislation, with others and may pay commissions or referral fees on terms to be negotiated between the Project Promoter and such registered dealers or others. Based on past experience on similar projects with the Project Promoter, the commissions payable on the sale of Units would be estimated at \$2,300. However, any commissions or fees so payable shall be the responsibility of the Project Promoter pursuant to the Services Agreement. More generally, the Project Promoter and/or companies related to the Project Promoter are parties to and will receive compensation under the Material Agreements with the Issuer. See Item 2.7, "Material Agreements", Item 3.1, "Compensation and Securities Held", and Paragraph 10 of Item 10, "Risk Factors".

Fraser Properties Limited Partnership is a related issuer of M3 Securities Corporation as a result of Fraser Properties Limited and M3 Securities Corporation being related or connected issuers to the same parties. M3 Securities Corporation is a registered exempt market dealer in the Provinces of British Columbia, Alberta, Saskatchewan, and Manitoba. M3 Securities Corporation may be selling Units to investors, and under National Instrument 33-105 *Underwriting Conflicts* must disclose the relationship between the Partnership and M3 Securities Corporation.

The basis on which the Partnership and M3 Securities Corporation are related is from the cross ownership of John Kearley in the General Partner, the Promoter, and M3 Securities Corporation. M3 Securities Corporation is one of several registered dealers who will be marketing and/or selling Units of the Partnership. The effect of the issue of the Units on M3 Securities Corporation will be from the payment of sales commissions to M3 Securities Corporation's and its dealing representatives from the Promoter, which are comparable to those commissions paid to third party dealers. The effect of the issue of Units will be applied to the benefit of M3 Securities Corporation and its dealing representatives in this manner.

ITEM 10 RISK FACTORS

Prospective Subscribers should consider the following risks before they decide to buy Securities under this Offering:

1. The Securities are speculative in nature. An investment is appropriate only for investors who are prepared to have their money invested for a long period of time and have the capacity to absorb a loss of some or all of their investment.
2. There is no public market for the Securities nor is one expected to develop. Therefore investors may find it difficult to sell their Securities.
3. There are restrictions on the resale of the Securities. See Item 12, “Resale Restrictions”.
4. In the event the Partnership fails to raise the maximum amount under the Offering, there may be insufficient funds to complete some or all of the objectives sought to be accomplished by the Partnership. If so, the Partnership shall use the proceeds raised under the Offering to purchase its Proportionate Interest in the Property from the Project Promoter and enter into the Co-Ownership Agreement.
5. There are risks in co-owning property. If the Offering is not fully subscribed, the Partnership shall purchase its Proportionate Interest in the Property and shall be a co-owner with the Project Promoter pursuant to the Co-Ownership Agreement. In that event, decisions relating to the Property will be subject to the Co-Ownership Agreement and the rights and mandates of the other co-owner(s). See Item 2.7, “Material Agreements/Summary of Co-Ownership Agreement”.
6. The Issuer may not achieve a level of profitability to permit payments of income to Security holders. Investors should not count on any returns from these Securities.
7. The price for the Securities was arrived at arbitrarily and may not bear relationship to the actual value of the Securities.
8. There are risks in borrowing money to purchase the Securities. Investors are obligated to repay any loan principal, interest and lending costs associated with the loan to purchase the Securities regardless of the performance of the Securities. The Securities are not traded on a public market so the Investor may not be able to sell the Securities to repay any loan associated with the purchase of the Securities. Investors should not expect the cash distributions of the Securities to service any loan to purchase the Securities.
9. The Future Oriented Financial Information included in this Offering Memorandum was prepared by management of the General Partner under the direction of, and was approved by, a director of the General Partner, John Kearley, effective November 5, 2025, based upon available information about the Project as it exists and upon reasonable and well informed estimates of future rental revenues, costs and assessments. This FOFI is presented as a projection using assumptions that reflect the Issuer’s planned course of action for the periods covered by the FOFI given management’s judgment as to the most probable set of economic conditions, together with one or more hypotheses that are assumptions which are consistent

with the purpose of the information but are not necessarily the most probable in management's judgment. These assumptions and hypotheses, which are set out in the Notes to the FOFI, form an integral part of the FOFI. Apart from the FOFI, this Offering Memorandum contains other forward-looking statements and opinions of the General Partner and Project Promoter that involve risks and uncertainties. These forward-looking statements and opinions relate to, amongst other things, the economic outlook for Saskatchewan in general and other factors that may impact on the revenue generating potential of the Property and/or the financial condition and financial results of the Partnership. The FOFI and the assumptions and hypotheses contained therein, together with other forward-looking statements and opinions in this Offering Memorandum, are considered reasonable and achievable individually and in relation to one another but are inherently subject to uncertainty and variation depending upon evolving events whether material or not. There is no representation that the projected results or other forward-looking statements contained in this Offering Memorandum will be realized in full or in part. All Material Agreements involve non-arm's length transactions with related parties with inherent conflicts of interest.

10. Assuming the Offering is fully subscribed, the purchase price to be paid for the Property by the Partnership to Millennium pursuant to the Agreement for Sale exceeds the purchase price paid by Millennium to acquire the Property by \$59,400 and Millennium will also receive fees up to \$1,612,440 payable by the Partnership under the Services Agreement, for up to a total of \$1,671,840, all of which is payable in 2025, subject to the maximum offering being met. Also, Millennium, or a related company, is expected to be the mortgagee under the Partnership's second mortgage of up to \$301,944 and receive interest thereunder at 5% per annum compounded annually and Fortress Properties will receive management fees from the Partnership pursuant to the Property Management Agreement. Additionally, the General Partner is entitled to reimbursement for all expenses incurred on behalf of the Partnership and, after the first three full years from the Closing Date, the General Partner (or the Project Promoter or its associated companies) is entitled to receive an annual administrative fee as set by the General Partner on an annual basis based on the degree of management functions and duties preformed. See Item 2.7, "Material Agreements" and Item 3, "Compensation and Security Holdings of Certain Parties". More generally, prospective Subscribers should appreciate that they will be relying, significantly, on the good faith and expertise of management of the General Partner and the good faith, expertise, and financial condition of the Project Promoter and the Property Manager for the success of the Project and their investment in the Securities. Members of the Kearley Family own and/or control, directly or indirectly, all of the outstanding shares of each of the General Partner, Millennium, and Fortress Properties; and one or more members of the Kearley Family, together with Mr. Allan Lebiszczak, Mr. Daniel Bollinger, are the only directors and/or officers of the General Partner, Millennium, and Fortress Properties. See Item 3, "Compensation and Security Holdings of Certain Parties". Accordingly, conflicts of interest may exist or arise with respect to the ongoing administration and enforcement of Material Agreements to which the Partnership as represented by the General Partner, on the one hand, and Millennium and/or Fortress Properties, on the other hand, are or will be a party. Further, the Project Promoter and the directors and/or officers of the General Partner have direct or indirect interests in numerous other properties in Saskatchewan and Alberta, which may be considered competitors of the Partnership.

11. Funds not spent towards refurbishment of the Property may convert to a service fee payable to the Project Promoter under the Services Agreement. Limited Partners are relying on management's experience and expertise in making decisions relating to the refurbishment of the Property that will best benefit the leasing potential and capital appreciation of the Property.
12. There are risks involved with commingling of funds. The Project Promoter, or one or more companies associated with the Project Promoter, may from time to time hold funds belonging to the Partnership in trust for the Partnership pending such funds being applied towards Partnership expenses and/or distribution to Limited Partners. Additionally, in the ordinary course of performing its property management functions, the Property Manager, or one or more companies associated or affiliated with the Property Manager, will hold rental revenues collected by the Property Manager from tenants of the Property, as well as tenant security deposits and a working capital float, on behalf of the Partnership pending the application of such rental revenues to operating expenses and/or pending paying over these net rental revenues to the Partnership.

Funds so held by the Project Promoter and/or Property Manager and/or their associated or affiliated companies on behalf of the Partnership are held in trust for the Partnership and may only be held in Qualified Investments, but may be commingled with funds held by the Project Promoter and/or Property Manager and/or such associated or affiliated companies on behalf of other projects/partnerships promoted and/or managed by the Project Promoter and/or Property Manager and/or such associated or affiliated companies. See Item 2.7, "Material Agreements/Summary of Partnership Agreement/Partnership Assets and Funds". There is a risk that in the event of the insolvency of the Project Promoter, Property Manager or such associated or affiliated companies, funds held by them on behalf the Partnership could become subject to the legal claims of judgement or other creditors thereby causing the Project Promoter and/or Property Manager and/or such associated or affiliated companies to default in their obligations to repay such funds to the Partnership.

More generally, neither the financial statements nor other information pertaining to the financial condition of either the Project Promoter, the Property Manager or any of their associated or affiliated companies is included in this Offering Memorandum. Prospective Subscribers should appreciate that they will be relying on the good faith and ongoing financial condition and solvency of the Project Promoter and Property Manager with respect to these ongoing financial obligations to the Partnership and that a breach or other default in the performance of these obligations could have a material, adverse effect on the Partnership and the Subscribers' investment in the Securities.

13. Pursuant to *The Partnership Act* (Saskatchewan), limited partners who take part in the management and control of a limited partnership may lose the limited liability that is otherwise provided by that Act. Accordingly, pursuant to the Partnership Agreement, no Limited Partner is permitted, as such, to take part in the control or management of the Partnership. Although Limited Partners may vote on certain matters affecting the Partnership, generally, exclusive authority and responsibility for controlling and managing the Partnership rests with the General Partner and those persons, including the Project Promoter and Property Manager, retained by the General Partner on behalf of the Partnership. Accordingly,

Subscribers should appreciate they will be relying on the good faith, expertise, and ability of the General Partner, Project Promoter, and Property Manager for the success of the Project.

14. The acquisition, financing, and ownership of the Project has been structured to be tax advantageous to investors by creating, in the early years of the Partnership, losses that investors can deduct in calculating their personal taxable income. The structure and amount of the projected tax deductions discussed in this Offering Memorandum are consistent with deductions that Canada Revenue Agency has allowed in previous years with respect to similar projects in which the Project Promoter or its associated or affiliated companies have been involved. However, no advance ruling has been sought or obtained from the Canada Revenue Agency in respect of the Project and there is no assurance that Canada Revenue Agency's administrative procedures or that income tax laws will not change in the future. Such changes, if any, could result in a material change in the income tax consequences of holding or disposing of the Securities.
15. Only 108 Units are offered for sale under this Offering and Subscribers/Limited Partners are not liable to make additional contributions to the Partnership beyond their initial Subscription Price. It is not anticipated that additional Units will be offered in the foreseeable future, or ever. However, the Partnership Agreement does authorize the General Partner, in certain circumstances, to create and issue additional Units at a price and otherwise on terms and conditions determined by the General Partner. In such case, such Units would first be offered for sale to then existing Limited Partners but any such new Units not purchased by existing Limited Partners may be offered for sale to others. Depending on the price at which such new Units are offered for sale, the issuance of such new Units could result in a dilution of the partnership interests Subscribers acquire under this Offering. Pursuant to the Partnership Agreement, in creating and issuing new Units the General Partner must comply with all applicable securities legislation and must act honestly, to the best of its ability, in good faith, and in the best interests of the Limited Partners and the Partnership.
16. The Partnership is subject to the normal risks associated with the ownership and operation of commercial real estate, including: fluctuations in interest rates, rental rates, and vacancy rates; the ability to obtain and maintain tenants for rental premises; strength of the local and regional economy; and other factors wholly or partially beyond the control of management. Changes in general economic conditions may affect the Partnership. The Partnership is exposed to local, regional, national and international economic conditions and other events and occurrences beyond their control, including, but not limited to the following: recent significant market reactions to the novel coronavirus (COVID-19), credit and capital market volatility, business investment levels, government spending levels, consumer spending levels, changes in laws, rules or regulations, trade barriers, commodity prices, currency exchange rates and controls, national and international political circumstances (including wars, terrorist acts or security operations), changes in interest rates, inflation rates, the rate and direction of economic growth, and general economic uncertainty. Changes in any of the above may have a material adverse effect on the performance of the investment. No assurance can be given as to the effect of these events on the investment. In addition, economic conditions in North America and globally may be affected, directly or indirectly, by political events throughout the world. Although the Project Promoter has taken a number of steps to mitigate these risks through available limited cash flow loans and other commitments, and by providing to the Partnership experienced property management (see Item 2.3, "Development of the Business")

the profitability of the Partnership will be affected – positively or negatively – by this risk factor.

17. A local, regional, national or international outbreak of a contagious disease, including, but not limited to, COVID-19, Middle East Respiratory Syndrome, Severe Acute Respiratory Syndrome, H1N1 influenza virus, avian flu, or any other similar illness could result in: a general or acute decline in economic activity in the regions the Partnership operates in, a decrease in the willingness of the general population to travel, staff shortages, reduced tenant traffic, mobility restrictions and other quarantine measures, supply shortages, increased government regulation, and the quarantine or contamination of the Partnership's properties. Contagion in the Partnership's investment or a market in which the Partnership operates could negatively impact such investment's occupancy, its reputation or the attractiveness of that market. All of these occurrences may have a material adverse effect on the business, financial condition and results of operations of the Partnership's investment. With respect to the coronavirus pandemic, the General Partner is monitoring the situation closely and has proactively raised its level of preparedness planning to adapt more quickly should risk levels rise. The General Partner has developed a business continuity plan and will continue to monitor and adjust its plans as the coronavirus pandemic evolves.
18. The Securities are not eligible investments for RRSP's or TFSA's.

Your rights relating to your interest in real property will be those provided under the laws of the jurisdiction in which the real property is located. Therefore, it is prudent to consult a lawyer who is familiar with the laws of that jurisdiction before making an investment.

All real estate investments are subject to significant risk arising from changing market conditions.

ITEM 11 REPORTING OBLIGATIONS

The General Partner will prepare or cause to be prepared annual audited financial statements of the Partnership, together with a report of the Partnership's auditor thereon, in compliance with International Financial Reporting Standards as at the end of each Fiscal Period, and will distribute such financial statements to each Limited Partner within ninety days of the end of each Fiscal Period and together with such additional information as may reasonably be necessary to permit Limited Partners to report their respective share of income or losses of the Partnership for income tax purposes.

Copies of the audited financial statements shall be filed or delivered to the securities regulatory authorities in Alberta, Saskatchewan, Ontario, and New Brunswick within 120 days from the end of the Fiscal Period provided there are Limited Partners resident in those jurisdictions.

The Partnership shall also provide the Limited Partners resident in Alberta, Saskatchewan, Ontario, Nova Scotia, New Brunswick, and Quebec a notice from the Partnership disclosing in reasonable detail the use of the aggregate gross proceeds raised from this Offering in the prescribed form from NI 45-106 as required under applicable securities laws.

The Partnership shall provide to Limited Partners resident in New Brunswick, Nova Scotia, and Ontario notice within 10 days of a discontinuance of the Partnership's business, a change in the Partnership's industry or a change of control of the Partnership.

The Partnership shall follow the above reporting obligations provided these obligations are required under applicable securities laws.

ITEM 12 RESALE RESTRICTIONS

12.1 General

These Securities will be subject to a number of resale restrictions, including a restriction on trading. Until the restriction on trading expires, you will not be able to trade the Securities unless you comply with an exemption from the prospectus and registration requirements under securities legislation.

12.2 Restricted Period

Unless permitted under securities legislation, or unless you are a resident of Manitoba and then subject to the restrictions discussed below, you cannot trade the Securities before the date that is four months and a day after the date that the Partnership becomes a reporting issuer in any province or territory of Canada.

12.3 Manitoba Resale Restrictions

Unless permitted under securities legislation, you must not trade the Securities in Manitoba without the prior written consent of the regulator in Manitoba unless:

- (a) the Partnership has filed a prospectus with the regulator in Manitoba with respect to the Securities you have purchased and the regulator in Manitoba has issued a receipt for that prospectus, or
- (b) you have held the Securities for at least twelve months.

The regulator in Manitoba will consent to your trade if the regulator is of the opinion that to do so is not prejudicial to the public interest.

12.4 Other

In addition to the foregoing, the transfer of Securities is subject to administrative requirements as set out in Section 7.07 of the Partnership Agreement attached as ANNEX I to this Offering Memorandum.

ITEM 13 PURCHASERS' RIGHTS

13.1 Statement Regarding Purchasers' Rights

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 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

British Columbia, Alberta, Manitoba, or Newfoundland and Labrador: If you are a resident of British Columbia, Alberta, Manitoba, or Newfoundland and Labrador, and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Partnership to cancel your agreement to buy these securities, or
- (b) for damages against the Partnership, every person who was a director of the General Partner at the date of this Offering Memorandum and every other person who signed this Offering Memorandum.

Prince Edward Island, the Northwest Territories, Nunavut, and Yukon: If you are a resident of Prince Edward Island, the Northwest Territories, Nunavut, or Yukon, and there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Partnership to cancel your agreement to buy these securities, or
- (b) for damages against the Partnership, the selling security holder on whose behalf the distribution is made, every person who was a director of the General Partner at the date of this Offering Memorandum and every other person who signed this Offering Memorandum.

Saskatchewan: If you are a resident of Saskatchewan and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the Partnership to cancel your agreement to buy these securities, or
- (b) for damages against the Partnership, every promoter of the Partnership, every person who was a director of the General Partner at the date of this Offering Memorandum and every other person who signed this Offering Memorandum, every person whose consent has been filed in respect of the Offering Memorandum, but only with respect to reports, opinions or

statements made by them, and every person or company that sells these securities on behalf of the Partnership.

New Brunswick: If you are a resident of New Brunswick and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue the Partnership:

- (a) to cancel your agreement to buy these securities, or
- (b) for damages against the Partnership, the selling security holder on whose behalf the distribution is made, every person who was a director of the General Partner at the date of this Offering Memorandum, and every person who signed this Offering Memorandum

Nova Scotia: If you are a resident of Nova Scotia and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to sue:

- (a) the seller to cancel your agreement to buy these securities, or
- (b) for damages against the seller, every person who was a director of the seller at the date of this Offering Memorandum and every other person who signed this Offering Memorandum.

Ontario: If you are a resident of Ontario and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to:

- (a) sue for damages against the Partnership and a selling security holder on whose behalf the distribution is made; or
- (b) sue the Partnership or the selling security holder on whose behalf the distribution is made to cancel your agreement to buy these securities.

Quebec: If you are a resident of Quebec and if there is a misrepresentation in this Offering Memorandum, you have a statutory right to:

- (a) rescind the agreement to buy the securities; or
- (b) apply to have the price paid revised; or
- (c) damages from the Partnership or holder of the securities, as the case may be, or against the officers and directors of the Issuer, or against the dealer under contract to the issuer or holder whose securities were distributed, or against any person who is required to sign an attestation in the Offering Memorandum, or against any expert whose opinion, containing a misrepresentation, appeared in this Offering Memorandum with his consent.

These statutory rights to sue are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or

companies 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 above, you must do so within strict time limitations. You must commence your action to cancel the agreement within 180 days after the date that you purchased the Securities. In British Columbia, Alberta, Prince Edward Island, Newfoundland and Labrador, Ontario, the Northwest Territories, Nunavut or Yukon, you must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and three years after the date you purchased the Securities. In Saskatchewan and New Brunswick, you must commence your action for damages within the earlier of one year after you first had knowledge of the facts giving rise to the cause of action and six years after the date you purchased the Securities. In Manitoba, you must commence your action for damages within the earlier of 180 days after you first had knowledge of the facts giving rise to the cause of action and two years after the date you purchased the Securities. In Nova Scotia, you must commence your action for damages within 180 days after the date payment was made for the Securities (or after the date on which initial payment was made for the Securities where payments subsequent to the initial payment are made pursuant to a contractual commitment assumed prior to, or concurrently with, the initial payment). In Quebec, you must commence any action for rescission or for revision of the price, three years from the date of the transaction. For an action for damages, you must commence your action within 5 years from the date of filing the Offering Memorandum with the *Autorité des marchés financiers*. Provided however that Subsection 236(3) of the *Securities Act* (Quebec) overrides the above limitation periods and limits the right of action to six months from the publication of any press release announcing that authorization has been granted by the court to bring an action regarding misrepresentation.

13.2 Cautionary Statement Regarding Report, Statement or Opinion by Expert

This Offering Memorandum includes appraisals of Millar North and The Speers Building by Suncorp Valuations dated effective July 15, 2025 and October 14, 2025. You do not have a statutory right of action against this party for misrepresentation in the Offering Memorandum. You should consult with a legal adviser for further information.

ITEM 14 FINANCIAL STATEMENTS

Fraser Properties Limited Partnership has not commenced active operations as at the date of this Offering Memorandum and, accordingly, its financial statements are not included herein. The financial statements of the General Partner, Fraser Properties Limited are included, starting on the following page.

FRASER PROPERTIES LIMITED
Financial Statements
For the Period Ended December 31, 2024



INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Fraser Properties Limited

Opinion

We have audited the financial statements of Fraser Properties Limited (the Company), which comprise the statement of financial position as at December 31, 2024, and the statements of operations and comprehensive loss, changes in shareholder's equity and cash flows for the period then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 2024, and the financial performance and cash flows for the period then ended in accordance with International Financial Reporting Standards.

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with ethical requirements that are relevant to our audit of the financial statements in Canada, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Canadian generally accepted auditing standards, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

(continues)



Independent Auditor's Report to the Shareholder of Fraser Properties Limited *(continued)*

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Lingard + Dreger

Saskatoon, Saskatchewan
November 5, 2025

Chartered Professional Accountants

FRASER PROPERTIES LIMITED
Statement of Financial Position
(In Canadian Dollars)

51

December 31
2024

ASSETS

CURRENT

Cash

\$ 100

LIABILITIES

CURRENT

Due to Millennium III Capital Corporation (Note 4)

\$ 800

SHAREHOLDER'S DEFICIENCY

SHARE CAPITAL (Note 5)

100

DEFICIT

(800)

(700)

\$ 100

APPROVED ON BEHALF OF THE BOARD



Director

See notes to the financial statements

FRASER PROPERTIES LIMITED
Statement of Operations and Comprehensive Loss
For the Period Ended December 31, 2024
(In Canadian Dollars)

	2024
REVENUE	\$ -
EXPENSES	
Professional fees	800
NET LOSS AND COMPREHENSIVE LOSS FOR THE PERIOD	\$ (800)
EARNINGS PER SHARE - BASIC AND DILUTED	\$ (8)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - BASIC AND DILUTED	100

See notes to the financial statements

FRASER PROPERTIES LIMITED
Statement of Changes in Shareholder's Equity
(In Canadian Dollars)

53

	Share capital	Deficit	Total equity
Balance as at February 28, 2024	\$ -	\$ -	\$ -
Purchase of share capital	100	-	100
Net loss and comprehensive loss for the period	-	(800)	(800)
Balance as at December 31, 2024	\$ 100	\$ (800)	\$ (700)

See notes to the financial statements

FRASER PROPERTIES LIMITED
Statement of Cash Flows
For the Period Ended December 31, 2024
(In Canadian Dollars)

	2024
OPERATING ACTIVITY	
Net loss and comprehensive loss for the period	\$ (800)
	(800)
INVESTING ACTIVITY	
Purchase of share capital	100
	100
FINANCING ACTIVITY	
Advances from (to) Millennium III Capital Corporation	800
	800
INCREASE IN CASH FLOW	100
CASH - BEGINNING OF PERIOD	-
CASH - END OF PERIOD	\$ 100
CASH FLOWS SUPPLEMENTARY INFORMATION	
Interest paid	\$ -
Income taxes recovered	\$ -
CASH CONSISTS OF:	
Cash	\$ 100

See notes to the financial statements

1. CORPORATE INFORMATION AND NATURE OF OPERATIONS

Fraser Properties Limited ("the Company") was incorporated under the Saskatchewan *Business Corporations Act* on February 28, 2024.

The objective of the Company is to operate as the general partner of a limited partnership known as Fraser Properties Limited Partnership. The sole business of this partnership is to acquire all, or an interest therein, and operate two modern industrial properties known as The Enterprise Group II located at 3027 Millar Avenue and 2233 Speers Avenue, Saskatoon, Saskatchewan.

The registered office of the Company is 2612 Koyl Avenue, Saskatoon, Saskatchewan S7L 5X9.

2. BASIS OF PRESENTATION AND GOING CONCERN

A) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements were approved by the Board of Directors on November 5, 2025.

B) Basis of Presentation

The preparation of financial statements in compliance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and the related underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These financial statements are prepared on the historical cost basis. The Company's presentation and functional currency is Canadian dollars.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Interest income is recognized using the effective interest method.

Cash and equivalents

Cash equivalents consist of highly liquid investments which are readily convertible into cash and subject to an insignificant risk of change in value. Interest from cash is recorded on an accrual basis. The Company has designated cash as fair value through profit and loss. All gains are recognized in income in the period in which they arise.

(continues)

FRASER PROPERTIES LIMITED
Notes to the Financial Statements
For the Period Ended December 31, 2024

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

Income tax expense represents current tax and deferred tax. The Company records current tax based on the taxable profits for the period which is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred income taxes are accounted for using the liability method. The liability method requires that income taxes reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred income tax assets and liabilities are determined for each temporary difference based on currently enacted or substantially enacted tax rates that are expected to be in effect when the underlying items of income or expense are expected to be realized. The effect of a change in tax rates or tax legislation is recognized in the period of substantive enactment. Deferred tax assets, such as non-capital loss carry forwards, are recognized to the extent it is probable that taxable profit will be available against which the asset can be utilized.

The determination of income taxes requires the use of judgment and estimates. If certain judgments or estimates prove to be inaccurate, or if certain tax rates or laws change, the Company's results of operations and financial position could be materially impacted.

Share capital

The Company records proceeds from share issuances net of issue costs.

Basic and diluted earnings per share

Basic earnings per share are computed by dividing the income for the period by the weighted average number of common shares outstanding during the period. Diluted earnings per share reflect the potential dilution that could occur if potentially dilutive securities were exercised or converted to Common Shares. The dilutive effect of options and warrants and their equivalent is computed by application of the treasury stock method and the effect of convertible securities by the "if converted" method. Fully diluted amounts are not presented when the effect of the computations are anti-dilutive due to the losses incurred.

Financial instruments

All financial assets are initially recorded at fair value and classified into one of four categories: held to maturity, available for sale, loans and receivable or at fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities.

4. DUE TO MILLENNIUM III CAPITAL CORPORATION

The shareholder of Fraser Properties Limited is also the shareholder of Millennium III Capital Corporation ("Millennium III"). This balance is non-interest bearing without fixed terms of repayment.

5. SHARE CAPITAL

(a) Authorized:

The Company is authorized to issue:

- An unlimited number of voting Class A common shares
- An unlimited number of voting Class B common shares
- An unlimited number of voting Class C common shares
- An unlimited number of non-voting Class D common shares
- An unlimited number of non-voting Class E common shares
- An unlimited number of non-voting Class F common shares
- An unlimited number of voting, retractable, redeemable, Class G preferred shares
- An unlimited number of non-voting, non-cumulative, retractable, redeemable, Class H preferred shares
- An unlimited number of non-voting, non-cumulative, retractable, redeemable, Class I preferred shares
- An unlimited number of non-voting, non-cumulative, retractable, redeemable, Class J preferred shares
- An unlimited number of non-voting, non-cumulative, retractable, redeemable, Class K preferred shares

(b) Issued and outstanding:

See the Statement of Changes in Shareholder's Equity.

FRASER PROPERTIES LIMITED
Notes to the Financial Statements
For the Period Ended December 31, 2024

6. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at December 31, 2024, the classification of the financial instruments, as well as their carrying values and fair values are shown in the table below:

	December 31, 2024	
	Fair value	Carrying value
<i>Financial assets</i>		
Cash and equivalents	\$ 100	\$ 100
Accounts receivable	-	-
<i>Financial liabilities</i>		
Accounts payable	-	-

Financial instruments recognized at fair value on the statement of financial position must classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurement. The fair value hierarchy levels are as follows:

- Level 1: Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques based on inputs that are other than Level 1 quoted prices that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices).
- Level 3: Valuation techniques with unobservable market inputs (involves assumptions and estimates by management).

The fair values of the Company's financial instruments measured at December 31, 2024 approximate their carrying values and constitute Level 1 measurements for its cash and equivalents within the fair value hierarchy.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company monitors its cash flows generated from operations and balances this with anticipated committed and contemplated outflows.

7. MANAGEMENT OF CAPITAL

The Company considers the items included in equity as capital.

The Company's objective in managing capital is to maintain adequate levels of funding to safeguard its ability to continue as a going concern. In order to achieve these objectives, the Company may adjust its capital in light of changes in its business plans and results as well as overall economic conditions.

FRASER PROPERTIES LIMITED
Interim Financial Statements
For the Nine Month Period Ended September 30, 2025



COMPILATION ENGAGEMENT REPORT

To the Shareholder of Fraser Properties Limited

On the basis of information provided by management, we have compiled the statement of financial position of Fraser Properties Limited as at September 30, 2025, and the statements of operations and comprehensive income, changes in shareholder's equity and cash flows for the nine month period then ended, and Note 1, which describes the basis of accounting applied in the preparation of the compiled financial statements.

Management is responsible for the accompanying financial statements, including the accuracy and completeness of the underlying information used to compile it and the selection of the basis of accounting.

We performed this engagement in accordance with Canadian Standard on Related Services (CSRS) 4200, *Compilation Engagements*, which requires us to comply with relevant ethical requirements. Our responsibility is to assist management in the preparation of the financial statements.

We did not perform an audit engagement or a review engagement, nor were we required to perform procedures to verify the accuracy or completeness of the statements provided by management. Accordingly, we do not express an audit opinion or a review conclusion, or provide any form of assurance on the financial statements.

Readers are cautioned that the financial statements may not be appropriate for their purposes.

Lingard + Dreger

Saskatoon, Saskatchewan
November 5, 2025

Chartered Professional Accountants

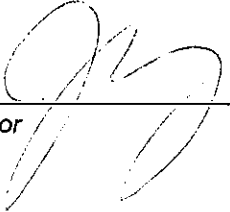


FRASER PROPERTIES LIMITED
Statement of Financial Position
(In Canadian Dollars)

61

	<i>(Unaudited)</i> September 30, 2025	<i>(Unaudited)</i> September 30, 2024
ASSETS		
CURRENT		
Cash	\$ 100	\$ 100
LIABILITIES		
CURRENT		
Due to Millennium III Capital Corporation (Note 5)	\$ 800	\$ 800
SHAREHOLDER'S DEFICIENCY		
SHARE CAPITAL (Note 6)	100	100
DEFICIT	(800)	(800)
	(700)	(700)
	\$ 100	\$ 100

APPROVED ON BEHALF OF THE BOARD



Director

See notes to the financial statements

FRASER PROPERTIES LIMITED
Statement of Operations and Comprehensive Income
For the Nine Month Period Ended September 30, 2025
(In Canadian Dollars)

	2025	2024
REVENUE	\$ -	\$ -
EXPENSES		
Professional fees	-	800
NET INCOME (LOSS) AND COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD	\$ -	\$ (800)
EARNINGS PER SHARE - BASIC AND DILUTED	\$ -	\$ (8)
WEIGHTED AVERAGE NUMBER OF SHARES OUTSTANDING - BASIC AND DILUTED	100	100

See notes to the financial statements

FRASER PROPERTIES LIMITED
Statement of Changes in Shareholder's Equity
(In Canadian Dollars)

63

	Share capital	Deficit	Total equity
Balance as at February 28, 2024	\$ -	\$ -	\$ -
Purchase of share capital	100	-	100
Net loss and comprehensive loss for the period	-	(800)	(800)
Balance as at September 30, 2024	\$ 100	\$ (800)	\$ (700)
Balance as at October 1, 2024	\$ 100	\$ (800)	\$ (700)
Net income and comprehensive income for the period	-	-	-
Balance as at December 31, 2024	100	(800)	(700)
Balance as at January 1, 2025	100	(800)	(700)
Net income and comprehensive income for the period	-	-	-
Balance as at September 30, 2025	\$ 100	\$ (800)	\$ (700)

See notes to the financial statements

FRASER PROPERTIES LIMITED
Statement of Cash Flows
For the Nine Month Period Ended September 30, 2025
(In Canadian Dollars)

	2025	2024
OPERATING ACTIVITY		
Net income (loss) and comprehensive income (loss) for the period	\$ -	\$ (800)
	-	(800)
INVESTING ACTIVITY		
Purchase of share capital	-	100
	-	100
FINANCING ACTIVITY		
Advances from (to) Millennium III Capital Corporation	-	800
	-	800
INCREASE IN CASH FLOW	-	100
CASH - BEGINNING OF PERIOD	100	-
CASH - END OF PERIOD	\$ 100	\$ 100
CASH FLOWS SUPPLEMENTARY INFORMATION		
Interest paid	\$ -	\$ -
Income taxes recovered	\$ -	\$ -
CASH CONSISTS OF:		
Cash	\$ 100	\$ 100

See notes to the financial statements

1. BASIS OF ACCOUNTING

The basis of accounting applied in the preparation of the statement of financial position of Fraser Properties Limited as at September 30, 2025, and the statements of operations and comprehensive income, changes in shareholder's equity and cash flows for the nine month period then ended is International Financial Reporting standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

2. CORPORATE INFORMATION AND NATURE OF OPERATIONS

Fraser Properties Limited ("the Company") was incorporated under the Saskatchewan Business Corporations Act on February 28, 2024.

The objective of the Company is to operate as the general partner of a limited partnership known as Fraser Properties Limited Partnership. The sole business of this partnership is to acquire all, or an interest therein, and operate two modern industrial properties known as The Enterprise Group II located at 3027 Millar Avenue and 2233 Speers Avenue, Saskatoon, Saskatchewan.

The registered office of the Company is 2612 Koyl Avenue, Saskatoon, Saskatchewan S7L 5X9.

3. BASIS OF PRESENTATION AND GOING CONCERN

A) Statement of compliance

These financial statements have been prepared in accordance with International Financial Reporting standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

These financial statements were approved by the Board of Directors on November 5, 2025.

B) Basis of Presentation

The preparation of financial statements in compliance with IFRS requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and revenue and expenses. The estimates and the related underlying assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

These financial statements are prepared on the historical cost basis. The Company's presentation and functional currency is Canadian dollars.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Revenue recognition

Interest income is recognized using the effective interest method.

Cash and equivalents

Cash equivalents consist of highly liquid investments which are readily convertible into cash and subject to an insignificant risk of change in value. Interest from cash is recorded on an accrual basis. The Company has designated cash as fair value through profit and loss. All gains are recognized in income in the period in which they arise.

(continues)

FRASER PROPERTIES LIMITED
Notes to the Financial Statements
For the Nine Month Period Ended September 30, 2025

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Income taxes

Income tax expense represents current tax and deferred tax. The Company records current tax based on the taxable profits for the period which is calculated using tax rates that have been enacted or substantively enacted by the reporting date.

Deferred income taxes are accounted for using the liability method. The liability method requires that income taxes reflect the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred income tax assets and liabilities are determined for each temporary difference based on currently enacted or substantially enacted tax rates that are expected to be in effect when the underlying items of income or expense are expected to be realized. The effect of a change in tax rates or tax legislation is recognized in the period of substantive enactment. Deferred tax assets, such as non-capital loss carry forwards, are recognized to the extent it is probable that taxable profit will be available against which the asset can be utilized.

The determination of income taxes requires the use of judgment and estimates. If certain judgments or estimates prove to be inaccurate, or if certain tax rates or laws change, the Company's results of operations and financial position could be materially impacted.

Share capital

The Company records proceeds from share issuances net of issue costs.

Basic and diluted earnings per share

Basic earnings per share are computed by dividing the income for the period by the weighted average number of common shares outstanding during the period. Diluted earnings per share reflect the potential dilution that could occur if potentially dilutive securities were exercised or converted to Common Shares. The dilutive effect of options and warrants and their equivalent is computed by application of the treasury stock method and the effect of convertible securities by the "if converted" method. Fully diluted amounts are not presented when the effect of the computations are anti-dilutive due to the losses incurred.

Financial instruments

All financial assets are initially recorded at fair value and classified into one of four categories: held to maturity, available for sale, loans and receivable or at fair value through profit or loss ("FVTPL"). All financial liabilities are initially recorded at fair value and classified as either FVTPL or other financial liabilities.

5. DUE TO MILLENNIUM III CAPITAL CORPORATION

The shareholder of Fraser Properties Limited is also a shareholder of Millennium III Capital Corporation ("Millennium III"). This balance is non-interest bearing without fixed terms of repayment.

6. SHARE CAPITAL

(a) Authorized:

The Company is authorized to issue:

- An unlimited number of voting Class A common shares
- An unlimited number of voting Class B common shares
- An unlimited number of voting Class C common shares
- An unlimited number of non-voting Class D common shares
- An unlimited number of non-voting Class E common shares
- An unlimited number of non-voting Class F common shares
- An unlimited number of voting, retractable, redeemable, Class G preferred shares
- An unlimited number of non-voting, non-cumulative, retractable, redeemable, Class H preferred shares
- An unlimited number of non-voting, non-cumulative, retractable, redeemable, Class I preferred shares
- An unlimited number of non-voting, non-cumulative, retractable, redeemable, Class J preferred shares
- An unlimited number of non-voting, non-cumulative, retractable, redeemable, Class K preferred shares

(b) Issued and outstanding:

See the Statement of Changes in Shareholder's Equity.

FRASER PROPERTIES LIMITED
Notes to the Financial Statements
For the Nine Month Period Ended September 30, 2025

7. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

As at September 30, 2025, the classification of the financial instruments, as well as their carrying values and fair values, with comparative figures for September 30, 2024 are shown in the table below:

	September 30, 2025		September 30, 2024	
	Fair value	Carrying value	Fair value	Carrying value
<i>Financial assets</i>				
Cash and equivalents	\$ 100	\$ 100	\$ 100	\$ 100
Accounts receivable	-	-	-	-
<i>Financial liabilities</i>				
Accounts payable	-	-	-	-

Financial instruments recognized at fair value on the statement of financial position must classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurement. The fair value hierarchy levels are as follows:

- Level 1: Valuations based on unadjusted quoted prices in active markets for identical assets or liabilities.
- Level 2: Valuation techniques based on inputs that are other than Level 1 quoted prices that are observable for the asset or liability, either directly (prices) or indirectly (derived from prices).
- Level 3: Valuation techniques with unobservable market inputs (involves assumptions and estimates by management).

The fair values of the Company's financial instruments measured at September 30, 2025 approximate their carrying values and constitute Level 1 measurements for its cash and equivalents within the fair value hierarchy.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its obligations associated with financial liabilities. The Company monitors its cash flows generated from operations and balances this with anticipated committed and contemplated outflows.

8. MANAGEMENT OF CAPITAL

The Company considers the items included in equity as capital.

The Company's objective in managing capital is to maintain adequate levels of funding to safeguard its ability to continue as a going concern. In order to achieve these objectives, the Company may adjust its capital in light of changes in its business plans and results as well as overall economic conditions.

ITEM 15 FUTURE ORIENTED FINANCIAL INFORMATION

The accompanying Future Oriented Financial Information (“FOFI”) of Fraser Properties Limited Partnership, consisting of the balance sheet as at December 31, 2025 to December 31, 2030 and the statements of income and partners’ equity and cash flows for the six years then ending, has been prepared by management under the direction of, and has been approved by, a director of the General Partner using assumptions, including hypotheses, set out in the notes that form part of such FOFI, with an effective date of November 5, 2025.

This FOFI has been prepared by management for inclusion in this Offering Memorandum to assist prospective investors in evaluating a potential investment in the securities that are offered for sale pursuant to this Offering Memorandum and may not be appropriate for other purposes.

In the opinion of management, the assumptions in this FOFI are reasonable in the circumstances, the hypothesis included amongst the assumptions are consistent with the purpose of the FOFI, information in the FOFI can be reasonably estimated for the time period covered by the FOFI, and the accounting policies used in the preparation of the FOFI are consistent with the accounting policies that the Partnership expects to use to prepare its historical financial statement for the periods covered by the FOFI.

Since this FOFI is based upon assumptions regarding future events, actual events will vary from the information presented even if the hypotheses occur, and the variations may be material. See also Item 10, “Risk Factors” and see especially Risk Factor number 9 regarding Future Oriented Financial Information.

Neither the Partnership, the General Partner or the Project Promoter undertakes any obligation to update or revise this FOFI, whether as a result of new information, future events or otherwise, unless required by applicable laws.

FRASER PROPERTIES LIMITED PARTNERSHIP
PROJECTED STATEMENT OF FINANCIAL POSITION
AS AT DECEMBER 31, 2025 TO DECEMBER 31, 2030

	Dec 31, 2025	Dec 31, 2026	Dec 31, 2027	Dec 31, 2028	Dec 31, 2029	Dec 31, 2030
ASSETS:						
Cash:						
- Contingency reserve (Note 4(f))	\$ 108,000	98,000	83,000	68,000	48,000	30,500
Due from related parties: (Note 5(a))						
- Current year's cash surplus (Note 4(g))	0	27,548	25,590	27,658	12,896	11,826
- Project reserve	21,600	0	0	0	0	0
- Security deposits held	24,113	24,113	24,113	24,113	24,113	24,113
	45,713	51,661	49,703	51,771	37,009	35,939
Total current assets	153,713	149,661	132,703	119,771	85,009	66,439
Investment property (Note 3(b) and 5(b))	4,784,400	4,634,712	4,492,204	4,356,493	4,227,220	4,104,046
TOTAL ASSETS	\$ 4,938,113	4,784,373	4,624,907	4,476,264	4,312,229	4,170,485
LIABILITIES AND PARTNERS' EQUITY:						
Deferred revenue	\$ 24,113	24,113	24,113	24,113	24,113	24,113
Current portion of long-term debt	118,468	129,489	145,677	163,928	183,071	206,722
Total current liabilities	142,581	153,602	169,790	188,041	207,184	230,835
Mortgages payable (Note 3(c)(ii))						
- 1st mortgage	3,433,772	3,316,783	3,183,606	3,032,178	2,861,607	2,667,385
- 2nd mortgage	285,000	272,500	260,000	247,500	235,000	222,500
Total liabilities	3,861,353	3,742,885	3,613,396	3,467,719	3,303,791	3,120,720
Partners' equity	1,076,760	1,041,488	1,011,511	1,008,545	1,008,438	1,049,765
TOTAL LIABILITIES AND PARTNERS' EQUITY	\$ 4,938,113	4,784,373	4,624,907	4,476,264	4,312,229	4,170,485

FRASER PROPERTIES LIMITED PARTNERSHIP
PROJECTED STATEMENT OF INCOME AND PARTNERS' EQUITY
FOR THE YEARS ENDING DECEMBER 31, 2025 TO DECEMBER 31, 2030

	2025	2026	2027	2028	2029	2030
REVENUES: (Note 4(a) to 4(d))						
Gross rental revenues	\$ 0	491,730	509,717	528,371	547,720	567,790
Less: Occupancy costs	0	168,320	173,370	178,571	183,928	189,446
NET RENTAL REVENUES	<u>0</u>	<u>323,410</u>	<u>336,347</u>	<u>349,800</u>	<u>363,792</u>	<u>378,344</u>
OTHER EXPENSES:						
Accounting, legal and audit	0	11,000	11,500	12,000	12,500	13,000
Depreciation expense (Note 5(b))	0	149,688	142,508	135,711	129,273	123,174
Financial services	0	0	0	0	21,909	22,712
Interest on long-term debt	0	175,444	169,606	163,687	156,141	148,155
Leasing charges	0	0	14,162	14,728	15,318	15,930
Miscellaneous expense	0	950	1,000	1,050	1,100	1,150
Repairs and maintenance	210,600	21,600	0	0	0	0
TOTAL OTHER EXPENSES	<u>210,600</u>	<u>358,682</u>	<u>338,776</u>	<u>327,176</u>	<u>336,241</u>	<u>324,121</u>
NET INCOME (LOSS) FOR THE YEAR	(210,600)	(35,272)	(2,429)	22,624	27,551	54,223
CAPITAL CONTRIBUTIONS DURING THE YEAR (Note 3(c)(i))	2,667,600	0	0	0	0	0
UNIT OFFERING COSTS (Note 3(c))	(1,380,240)	0	0	0	0	0
CAPITAL DISTRIBUTIONS DURING THE YEAR (Note 4(g))	0	0	(27,548)	(25,590)	(27,658)	(12,896)
PARTNERS' CAPITAL, BEGINNING OF YEAR	<u>0</u>	<u>1,076,760</u>	<u>1,041,488</u>	<u>1,011,511</u>	<u>1,008,545</u>	<u>1,008,438</u>
PARTNERS' CAPITAL, END OF YEAR	<u>\$ 1,076,760</u>	<u>1,041,488</u>	<u>1,011,511</u>	<u>1,008,545</u>	<u>1,008,438</u>	<u>1,049,765</u>

FRASER PROPERTIES LIMITED PARTNERSHIP
PROJECTED STATEMENT OF CASH FLOW
FOR THE YEARS ENDING DECEMBER 31, 2025 TO DECEMBER 31, 2030

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>
CASH PROVIDED BY (USED IN):						
Operating Activities:						
Net income (loss) for the year	\$ (210,600)	(35,272)	(2,429)	22,624	27,551	54,223
Item not affecting cash:						
Depreciation expense	<u>0</u>	<u>149,688</u>	<u>142,508</u>	<u>135,711</u>	<u>129,273</u>	<u>123,174</u>
	(210,600)	114,416	140,079	158,335	156,824	177,397
Changes in non-cash working capital:						
Deferred revenue	<u>24,113</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Provided By (Used In) Operating Activities	<u>(186,487)</u>	<u>114,416</u>	<u>140,079</u>	<u>158,335</u>	<u>156,824</u>	<u>177,397</u>
Investing Activities:						
Purchase of investment property	<u>(4,784,400)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Cash Used In Investing Activities	<u>(4,784,400)</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Financing Activities:						
Advances from related parties	0	0	1,958	0	14,762	1,070
Advances to related parties	(45,713)	(5,948)	0	(2,068)	0	0
Increase in long-term debt	3,837,240	0	0	0	0	0
Repayment of long-term debt	0	(118,468)	(129,489)	(145,677)	(163,928)	(183,071)
Capital contributions	2,667,600	0	0	0	0	0
Unit offering costs	(1,380,240)	0	0	0	0	0
Capital distributions	<u>0</u>	<u>0</u>	<u>(27,548)</u>	<u>(25,590)</u>	<u>(27,658)</u>	<u>(12,896)</u>
Cash Provided By (Used In) Financing Activities	<u>5,078,887</u>	<u>(124,416)</u>	<u>(155,079)</u>	<u>(173,335)</u>	<u>(176,824)</u>	<u>(194,897)</u>
Change In Cash During The Year	108,000	(10,000)	(15,000)	(15,000)	(20,000)	(17,500)
Cash, Beginning Of Year	<u>0</u>	<u>108,000</u>	<u>98,000</u>	<u>83,000</u>	<u>68,000</u>	<u>48,000</u>
Cash, End Of Year	<u>\$ 108,000</u>	<u>98,000</u>	<u>83,000</u>	<u>68,000</u>	<u>48,000</u>	<u>30,500</u>

NOTES TO FUTURE ORIENTED FINANCIAL INFORMATION**FOR THE YEARS ENDING DECEMBER 31, 2025 TO DECEMBER 31, 2030****1. FRASER PROPERTIES LIMITED PARTNERSHIP**

Fraser Properties Limited Partnership (the “Partnership”) is a limited partnership formed under the laws of Saskatchewan pursuant to a limited partnership agreement between Fraser Properties Limited, as general partner (the “General Partner”) and FLP Investments Limited as founding limited partner, originally made as of March 1, 2024 and as amended and restated as of November 5, 2025 (the “Partnership Agreement”). Pursuant to this Partnership Agreement, the sole business of the Partnership (the “Business”) is to acquire, or acquire an interest therein, and operate two modern, multi-tenant, industrial buildings, on two sites, known as The Enterprise Group II (the “Property” or “Project”). Pursuant to an Agreement for Sale between the Partnership and Millennium III Capital Corporation (“Millennium”) dated November 5, 2025 (the “Agreement for Sale”) the Partnership will acquire beneficial ownership, or an interest therein, of the Project on or about December 30, 2025. Also effective November 5, 2025 the Partnership entered into a Services Agreement (the “Services Agreement”) with Millennium (the “Project Promoter”) and the General Partner entered into a Property Management Agreement (the “Management Agreement”) with Fortress Properties Inc. (“Fortress Properties” or the “Property Manager”). The Partnership also may enter into a Co-Ownership Agreement with Millennium on or about December 30, 2025, in the event the Partnership purchases a partial interest in the Project.

As at the original date of this Future Oriented Financial Information (“FOFI”) – October 2025 – the Partnership had not commenced active business operations.

The FOFI is based upon hypotheses and assumptions and there is a significant risk that actual results will vary, perhaps materially, from the results projected. Material risk factors include increased vacancy rates, inability to retain tenants, overages on refurbishment costs and failure to renegotiate the first mortgage on the listed terms.

2. FUTURE ORIENTED FINANCIAL INFORMATION

The FOFI, consisting of a projected statement of financial position as at December 31, 2025 to December 31, 2030, projected statement of income and partners’ equity and projected statement of cash flow for the six years then ending, has been prepared by management of the General Partner for inclusion in an Offering Memorandum, pursuant to which the Partnership will offer for sale 108 Limited Partnership Units for gross proceeds of \$2,667,600.00 (\$24,700.00 per Unit) and to assist prospective investors in evaluating a potential investment in the Units under such Offering Memorandum. This FOFI may not be appropriate for any other purposes. This FOFI has been prepared by management using assumptions formulated in October 2025 that reflect its planned course of action for the periods presented given management’s judgment as to the most probable set of economic conditions together with hypotheses that are consistent with the Partnership’s intended course of action and represent plausible circumstances.

Actual results achieved for this period will vary from the projected results and the variations may be material.

NOTES TO FUTURE ORIENTED FINANCIAL INFORMATION

FOR THE YEARS ENDING DECEMBER 31, 2025 TO DECEMBER 31, 2030

Neither the Partnership, the General Partner nor the Project Promoter are responsible for updating this FOFI.

3. SIGNIFICANT HYPOTHESES

The FOFI has been prepared on the basis of the following hypotheses:

- (a) That the offering of 108 Limited Partnership Units by the Partnership is fully subscribed and the Partnership purchases the full beneficial interest of the Project.
- (b) That the Partnership will acquire beneficial ownership of the Property effective December 30, 2025 at a cost, pursuant to the Agreement for Sale, of \$4,784,400.00, which will be allocated between the land, buildings, and existing pavement and site work as follows:

(i)	Land -	\$ 1,414,800.00
(ii)	Buildings -	\$ 2,997,000.00
(iii)	Existing Pavement and Site Work -	<u>\$ 372,600.00</u>
	TOTAL	\$ 4,784,400.00

- (c) The total Project costs of \$6,504,840.00, consisting of capital costs of \$4,784,400.00 as described in paragraph (b) above, together with unit offering costs consisting of all fees payable by the Partnership pursuant to the Services Agreement of \$1,380,240.00, plus \$232,200.00 for building exterior and site refurbishing services and a further \$108,000.00 for the establishment of a contingency reserve. The total Project costs will be financed through a combination of equity and debt financing obtained on or prior to December 30, 2025, as follows:

- (i) the Partnership will receive \$2,667,600.00 through the issuance of 108 Units at \$24,700.00 per Unit pursuant to the Offering; and
- (ii) the Partnership will receive \$3,837,240.00 in mortgage financing arranged by the Project Promoter pursuant to the Services Agreement. Such mortgage financing is projected to include:
- a first mortgage on each property totalling \$3,535,296.00, repayable in monthly instalments of \$21,823.00, including principal and interest calculated at 4.64% compounded semi-annually, amortized over 21 years and 2 months, due November 1, 2028,
 - a second mortgage of \$301,944.00, with interest payable at 5.0% compounded annually, due December 31, 2040,

NOTES TO FUTURE ORIENTED FINANCIAL INFORMATION

FOR THE YEARS ENDING DECEMBER 31, 2025 TO DECEMBER 31, 2030

- an increase in the first mortgage payment on January 1, 2027 to \$22,695.00, including principal and interest, with the amortization reduced by 1 year and 3 months to 18 years and 11 months,
- an increase in the first mortgage payment on January 1, 2028 to \$23,603.00, including principal and interest, with the amortization reduced by 1 year to 16 years and 11 months,
- a renewal of the first mortgage on November 1, 2028, repayable in monthly instalments of \$23,603.00, including principal and interest calculated at 4.64% compounded semi-annually, due November 1, 2033,
- an increase in the first mortgage payment on January 1, 2029 to \$24,547.00, including principal and interest, with the amortization reduced by 11 months to 15 years,
- an increase in the first mortgage payment on January 1, 2030 to \$25,529.00, including principal and interest, with the amortization reduced by 9 months to 13 years and 3 months,
- Lump sum payments on the second mortgage of \$16,944.00 on December 31, 2026 and \$12,500.00 annually on December 31 2027 to 2030.

4. SIGNIFICANT OTHER ASSUMPTIONS

In addition to the hypotheses outlined in Note 3 above, the FOFI is based on the following other assumptions:

- (a) That the Partnership will not acquire beneficial ownership of the Property until December 30, 2025, such that it will not receive any material rental revenues in 2025. Net rental revenues for 2026 are based upon leases in place for the Property as of October 1, 2025 and projected leasing of available space and renewals of existing leases coming due before the end of 2026, as follows:

Unit No.	Sq. Feet	Rent per Sq. Foot	Net Rent
3027 Millar Avenue			
A	3,000 sq. ft.	\$12.00 per sq. ft	\$36,000.00
B	2,400 sq. ft.	\$12.00 per sq. ft	\$28,800.00
C	2,400 sq. ft.	\$11.00 per sq. ft	\$26,400.00
D	1,200 sq. ft.	\$12.00 per sq. ft	\$14,400.00
E	2,400 sq. ft.	\$10.67 per sq. ft	\$25,608.00
F	1,775 sq. ft.	\$11.15 per sq. ft	\$19,791.00
G	1,200 sq. ft.	\$11.42 per sq. ft	\$13,704.00
H	2,400 sq. ft.	\$11.17 per sq. ft	\$26,808.00
I	2,300 sq. ft.	\$11.27 per sq. ft	\$25,921.00

FRASER PROPERTIES LIMITED PARTNERSHIP

NOTES TO FUTURE ORIENTED FINANCIAL INFORMATION

FOR THE YEARS ENDING DECEMBER 31, 2025 TO DECEMBER 31, 2030

Signage			\$3,000.00
Unit No.	Sq.Feet	Rent per Sq. Foot	Net Rent
2233 Speers Avenue	12,000 sq. ft.	\$10.00 per sq. ft	\$120,000.00
Net Rental Revenues Before Revenue Reduction Factor			\$340,432.00
Revenue Reduction – Vacancy			\$17,022.00
Net Rental Revenues Projected for 2026			<u>\$323,410.00</u>

- (b) Net rental revenues (before application of the net revenue reduction factor) are projected to increase by 4% in 2027, 2028, 2029 and 2030.
- (c) A net revenue reduction factor is projected for vacancies and unallocated occupancy costs as follows:
- (i) 2026 - 5% of net rent as calculated in Note 4(a) above;
 - (ii) 2027 - 5% of net rent as calculated pursuant to Note 4(a) and (b) above;
 - (iii) 2028 - 5% of net rent as calculated pursuant to Note 4(a) and (b) above;
 - (iv) 2029 - 5% of net rent as calculated pursuant to Note 4(a) and (b) above;
 - (v) 2030 - 5% of net rent as calculated pursuant to Note 4(a) and (b) above.

The 5% net revenue reduction factor is based on the long-term vacancy and bad debt factor generally used by independent appraisers.

- (d) Gross rental revenues consist of net rental revenues as described in Notes 4(a), (b), and (c) above, plus occupancy costs. Occupancy costs typically include building insurance, property taxes, repair and maintenance, utilities and management fees payable to Fortress Properties by the Partnership pursuant to the Management Agreement. These occupancy costs, as incurred by the Partnership, as landlord, are recoverable from the tenants on a proportionate share basis in addition to the tenants' net rental payments described above. Occupancy costs are estimated at \$168,320.00 for 2026 and are projected to increase at 3% per year thereafter. All occupancy costs are recoverable from the tenants except those allocated to any vacant space.
- (e) The Partnership's cost of the land, buildings, and existing pavement and site work pursuant to the Agreement for Sale are capitalized for accounting purposes as described in Note 3(b) and are then depreciated for accounting purposes as calculated in Note 5(b) below.

For income tax purposes, it is projected that the unit offering costs under the Services Agreement, including the \$232,200.00 in fees for building exterior and site refurbishing services under the Services Agreement, will be deductible over five years as follows:

NOTES TO FUTURE ORIENTED FINANCIAL INFORMATION

FOR THE YEARS ENDING DECEMBER 31, 2025 TO DECEMBER 31, 2030

(i)	2025	\$ 1,297,080.00	\$ 12,010.00 / Unit
(ii)	2026	\$ 108,000.00	\$ 1,000.00 / Unit
(iii)	2027	\$ 69,120.00	\$ 640.00 / Unit
(iv)	2028	\$ 69,120.00	\$ 640.00 / Unit
(v)	2029	\$ 69,120.00	\$ 640.00 / Unit

It is also projected that capital cost allowance on the buildings and existing pavement and site work will be deductible on a declining balance basis at a rate of 4% and 8%, respectively, provided that capital cost allowance will not be claimed to create or increase a loss for income tax purposes in any year.

- (f) The Subscription Price for the 108 Units to be distributed pursuant to the Offering includes \$1,000.00 per Unit to establish a contingency reserve of \$108,000.00 (the "Contingency Reserve"). This Contingency Reserve will be used by the Partnership if required to fund operating shortfalls and prevent or mitigate a Cash Flow Deficiency of the Partnership; but may be refunded in whole or in part at any time if, in the judgment of the General Partner, the Contingency Reserve is not required to fund operating shortfalls. It is projected that this Contingency Reserve will be refunded as part of the Projected Capital Distributions described in Note 4(g) below.
- (g) Capital distributions are projected to be made to Partners beginning in the year 2027 and then continuing over the balance of the period of the FOFI. The Projected Capital Distributions in each of these years are based on the Partnership's Projected Net Income (or Loss) from operations in the preceding year after adding back non-cash expenses (i.e. depreciation) and deducting principal payments on long-term debt in that previous year, and then repaying a portion of the Contingency Reserve, all as described in the following table:

FRASER PROPERTIES LIMITED PARTNERSHIP

NOTES TO FUTURE ORIENTED FINANCIAL INFORMATION

FOR THE YEARS ENDING DECEMBER 31, 2025 TO DECEMBER 31, 2030

Projected Capital Distributions					
	2026	2027	2028	2029	2030
Net income (loss) from operations	\$(35,272)	\$(2,429)	\$22,624	\$27,551	\$54,223
Add back non-cash expenses - depreciation expense	149,688	142,508	135,711	129,273	123,174
Less repayment of long-term debt	(118,468)	(129,489)	(145,677)	(163,928)	(183,071)
Plus allocation from contingency reserve	10,000	15,000	15,000	20,000	17,500
Plus allocation from project reserve ⁽¹⁾	21,600				
Capital distribution to limited partners ⁽²⁾					
- Total	27,548	25,590	27,658	12,896	11,826
- Per Unit	255	237	256	119	110
Notes:					
(1) Projected operating expenses in 2026 include \$21,600 in Building Exterior and Site Refurbishing Services provided pursuant to the Services Agreement and paid for by the Partnership from funds raised pursuant to the Offering.					
(2) Pursuant to Section 4.05 of the Partnership Agreement, Net Cash Receipts, if any, for each Fiscal Period are distributed to Limited Partners within 180 days after each Fiscal Period. Thus, for example, the projected capital distribution of \$27,548 relative to 2026 would be made in the first 180 days of 2027.					

5. ACCOUNTING POLICIES

The FOFI has been prepared in accordance with the accounting policies expected to be used in presenting historical financial statements for the future periods, as follows:

(a) Basis of presentation

This FOFI does not include all of the assets, liabilities, revenues and expenses of the partners, but only those relating to the Business carried on as Fraser Properties Limited Partnership. No provision has been made for salaries to the partners or for interest on the capital accounts of partners as, pursuant to the Partnership Agreement, no such salaries or interest is payable.

Amounts due from related parties consist of funds held on behalf of the Partnership by Fortress Properties pursuant to the Management Agreement and/or by the Project Promoter for distribution to Limited Partners. Such funds include:

NOTES TO FUTURE ORIENTED FINANCIAL INFORMATION

FOR THE YEARS ENDING DECEMBER 31, 2025 TO DECEMBER 31, 2030

- i) rental revenues collected net of expenses paid by the Property Manager on behalf of the Partnership pursuant to the Management Agreement,
 - ii) security deposits paid by the tenants of the buildings, and
 - iii) funds designated to be distributed to Limited Partners.
- (b) Investment property

Investment property is recorded at cost.

Depreciation is recorded, assuming no salvage value, using the diminishing balance method at the following annual rates:

Buildings	4%
Existing pavement and site work	8%

- (c) Income taxes

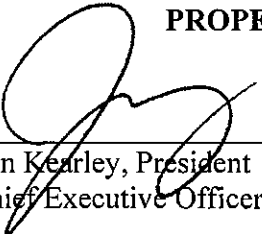
No provision has been made in this FOFI for income taxes which may be payable or recoverable by the Partners by virtue of their participation in this Partnership.

ITEM 16 DATE AND CERTIFICATE

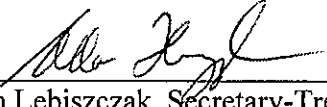
DATED November 10, 2025

This Offering Memorandum does not contain a misrepresentation.

**FRASER PROPERTIES LIMITED, as
General Partner and on behalf of FRASER
PROPERTIES LIMITED PARTNERSHIP**

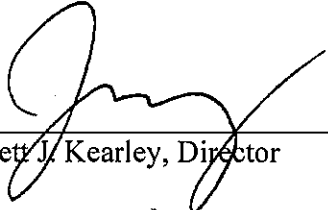
Per: 

John Kearley, President
(Chief Executive Officer)

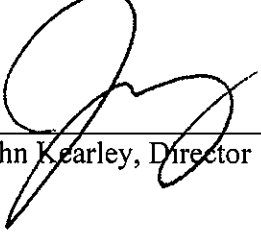
Per: 

Allan Lebiszcak, Secretary-Treasurer
(Chief Financial Officer)

**ON BEHALF OF THE BOARD OF DIRECTORS
OF FRASER PROPERTIES LIMITED**

Per: 

Everett J. Kearley, Director

Per: 

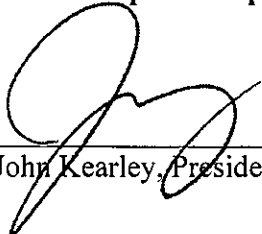
John Kearley, Director

Per: 

Daniel Bollinger, Director

**BY THE PROMOTER OF FRASER
PROPERTIES LIMITED PARTNERSHIP**

Millennium III Capital Corporation

Per: 

John Kearley, President

ANNEX I

FRASER PROPERTIES LIMITED PARTNERSHIP

THIS AGREEMENT originally made as of the 1st day of March, 2024, and as amended and restated as of the 5th day of November, 2025

B E T W E E N:

FRASER PROPERTIES LIMITED, a business corporation incorporated under the laws of Saskatchewan,

(the “General Partner”)

OF THE FIRST PART

- and -

FLP INVESTMENTS LIMITED, a business corporation incorporated under the laws of Saskatchewan,

(the “Founding Limited Partner”)

OF THE SECOND PART

- and -

EACH PARTY WHO FROM TIME TO TIME IS ADMITTED AS A LIMITED PARTNER IN THE LIMITED PARTNERSHIP PURSUANT TO THIS AGREEMENT

OF THE THIRD PART

LIMITED PARTNERSHIP AGREEMENT

WHEREAS the General Partner and Founding Limited Partner have agreed to form a partnership for the purpose of acquiring and operating the Property and deriving income therefrom;

AND WHEREAS the Partners wish to set forth in this Agreement certain provisions respecting the formation, structure, capitalization and operation of the Partnership;

NOW THEREFORE, in consideration of the premises and mutual covenants herein contained, the parties agree as follows:

ARTICLE 1.00 - INTERPRETATION

1.01 Definitions

In addition to the words and phrases defined elsewhere herein, for the purposes of this Agreement, unless the context indicates otherwise, the following terms shall have the following meanings:

- (a) “Agreement” means this limited partnership agreement as it may from time to time be supplemented or amended by one or more agreements entered into pursuant to the applicable provisions hereof and includes any schedules hereto, and the expressions “herein”, “hereto”, “hereof”, “hereby”, “hereunder”, and similar expressions refer to this Agreement as so defined and not to any particular article, section or other subdivision hereof;
- (b) “Business” means the business of the Partnership as described in Section 2.03 hereof;
- (c) “Business Day” means any day other than a Saturday, Sunday or a statutory or civic holiday in Saskatoon, Saskatchewan;
- (d) “*Business Names Registration Act*” means *The Business Names Registration Act* (Saskatchewan), as amended and in force from time to time;
- (e) “Capital Contributions” means the aggregate cash amount contributed to the capital of the Partnership by the General Partner and by the Limited Partners in respect of Units issued to such Limited Partners;
- (f) “Cash Flow Deficiency” means where the Partnership has negative Net Cash Receipts;
- (g) “Cash Flow Deficiency Loans” means loans that may be required to be made by the Project Sponsor to the Partnership during the Commitment Period pursuant to the Services Agreement;
- (h) “Certificate” or “Declaration” means the declaration filed pursuant to the *Partnership Act* and the *Business Names Registration Act* pursuant to which, *inter alia*, the Partnership is created as a limited partnership, as the same may be amended from time to time;
- (i) “Commitment Period” means the period ending December 31, 2030, during which the Project Sponsor may be required, pursuant to the Services Agreement, to provide Cash Flow Deficiency Loans to the Partnership;
- (j) “Co-Ownership Agreement” means a Co-Ownership Agreement between the General Partner, on behalf of the Partnership, and the Project Sponsor to be entered into in the event that the offering of the 108 Units as referenced in Section 3.05 hereof is not fully subscribed and the Partnership purchases a partial interest in the Property, as may be amended and supplemented from time to time;

- (k) “Extra-ordinary Resolution” means a resolution passed by at least seventy-five (75%) percent of the votes cast at a duly constituted meeting of Limited Partners, or alternatively a written resolution in one or more counterparts, a copy of which shall have been delivered to each Limited Partner, and signed by Limited Partners representing, in aggregate, at least seventy-five (75%) percent of the outstanding Units in good standing;
- (l) “Fiscal Period” has the meaning given such term in Section 2.04 hereof;
- (m) “General Partner” means the Party of the First Part, or if it ceases to be the General Partner, any successor general partner appointed in the manner provided in this Agreement;
- (n) “*Income Tax Act*” means the *Income Tax Act* (Canada), as amended and in force from time to time;
- (o) “Limited Partner” means any person who is from time to time admitted and remaining as a limited partner in the Partnership in accordance with this Agreement;
- (p) “Limited Recourse Financing” means borrowing or other indebtedness for which recourse is or is deemed to be limited within the meaning of the Tax Act;
- (q) “Maintenance Reserve” or “Contingency Reserve” has the meaning given such phrase in Section 4.08 hereof;
- (r) “Manager” means the person appointed from time to time by the General Partner as manager of the Property pursuant to the Management Agreement;
- (s) “Management Agreement” means a Property Management Agreement made between the General Partner and Fortress Properties Inc., dated November 5, 2025, pursuant to which the Manager is appointed to provide ongoing rental and property management for the Property. Management Agreement further means such other agreement that may hereafter be entered into in substitution or replacement for the Management Agreement, or either of the foregoing as they may from time to time be renewed or amended;
- (t) “Material Contracts” means, collectively, the Management Agreement, the Purchase Agreement, the Services Agreement and, if applicable, the Co-Ownership Agreement;
- (u) “Merger Entity” has the meaning given that term in Section 12.10;
- (v) “Mortgage” means the mortgage or mortgages of the Property to be arranged by the Project Sponsor for the Partnership or any interest herein pursuant to the Services Agreement, the proceeds of which are necessary or desirable to fund the Partnership's acquisition of the Property pursuant to the Purchase Agreement and/or the obligations of the Partnership pursuant to the Services Agreement.

Also, "Mortgage" means such other mortgage of the Property as the General Partner, acting in accordance with this Agreement, may grant from time to time on behalf of the Partnership, whether in substitution or renewal of the foregoing or otherwise, and further for the purposes of this Agreement includes any other security affecting or encumbering any of the assets of the Partnership that may be granted by the General Partner to collaterally secure such Mortgages;

- (w) "Net Cash Receipts" means, for any Fiscal Period of the Partnership, all revenues and monies received by the Partnership in that Fiscal Period from or relating to the operation of the Business, including extraordinary receipts such as Capital Contributions of Partners, mortgage or other loan advances, or the proceeds of any sale, exchange, insurance claim, expropriation or other disposition of all or any part of the Property or other assets of the Partnership, after deducting therefrom all expenditures of the Partnership for that Fiscal Period (excepting non-cash expenses such as depreciation, amortization and capital cost allowance) which expenditures may include, without limiting the generality of the foregoing, all operating expenses, extraordinary expenses, debt service payments (including principal and interest payments) and capital expenditures, and after making such allowances and reserves as the General Partner considers reasonably necessary for the proper operation of the Property and Business and anticipated cash shortages in future years;
- (x) "Ordinary Resolution" means a resolution passed by more than fifty (50%) percent of the votes cast at a duly constituted meeting of Limited Partners, or alternatively a written resolution in one or more counterparts, a copy of which shall have been delivered to each Limited Partner, and signed by Limited Partners representing, in aggregate, more than fifty (50%) percent of the outstanding Units in good standing;
- (y) "Partner" means the General Partner or any Limited Partner;
- (z) "Partnership" or "Limited Partnership" means the partnership formed under this Agreement and constituted as a limited partnership under the laws of Saskatchewan upon the filing of the Declaration;
- (aa) "*Partnership Act*" means *The Partnership Act* (Saskatchewan), as amended and in force from time to time;
- (bb) "Permitted Transaction" has the meaning given that term in Section 12.10;
- (cc) "Prime Rate" means the rate of interest expressed as an annual rate which the Royal Bank of Canada quotes from time to time as the reference rate of interest (commonly known as prime) for the purpose of determining the rate of interest that it charges to its commercial customers in Canada for loans in Canadian funds;
- (dd) "Project" means, collectively, the Property, the business and structure of the Partnership pursuant to this Agreement and the services and commitments provided to the Partnership pursuant to the Material Agreements;

- (ee) “Project Sponsor” means Millennium III Capital Corporation;
- (ff) “Property” means the lands and premises, or an interest therein, purchased or to be purchased for or on behalf of the Limited Partnership pursuant to the Purchase Agreement, together with such alterations, improvements, and renovations as may from time to time be made thereto, as more particularly described in paragraph 2.03 hereof;
- (gg) “Purchase Agreement” means, the Agreement for Sale made as of November 5, 2025, between the Project Sponsor and the General Partner on behalf of the Partnership pursuant to which the General Partner agrees to purchase the Property on behalf of the Partnership;
- (hh) “Qualified Investment” means deposit accounts at or debt obligations or other securities of or guaranteed by a bank (to which the *Bank Act* (Canada) applies), trust corporation, loan corporation or insurance company (licensed pursuant to, as applicable, *The Trust and Loan Corporations Act, 1997* (Saskatchewan), *The Insurance Act* (Saskatchewan) or *The Credit Union Act, 1998* (Saskatchewan) (or similar legislation of Canada or any other province or territory of Canada), and/or a security of or guaranteed by the Government of Canada or any province or territory of Canada;
- (ii) “Reorganization Transaction” has the meaning given that term in Section 12.10;
- (jj) “*Securities Act*” means the *Securities Act, 1988* (Saskatchewan), as amended and in force from time to time;
- (kk) “Securities Legislation” means the *Securities Act* and, where applicable, the securities legislation of any other jurisdiction having jurisdiction over the Partnership or over the trading or distribution of securities of the Partnership and includes all rules, regulations, orders of Security Regulatory Authorities and other instruments in force from time to time under such legislation;
- (ll) “Securities Regulatory Authority” means the Saskatchewan Financial and Consumer Affairs Authority and, where applicable, the regulatory authorities responsible for the administration of applicable Securities Legislation in any other jurisdiction;
- (mm) “Services Agreement” means an agreement made as of November 5, 2025 between the General Partner on behalf of the Partnership, and the Project Sponsor, pursuant to which the Project Sponsor agrees to provide certain services and commitments in connection with the financing and operations of the Partnership;
- (nn) “Sharing Ratio” means, at any time, the ratio that the number of Units held by a Limited Partner bears to the aggregate number of Units outstanding at that time held by all Limited Partners;
- (oo) “Special Resolution” means a resolution passed by at least sixty-six and two-thirds (66⅔%) percent of the votes cast at a duly constituted meeting of Limited

Partners, or alternatively a written resolution in one or more counterparts, a copy of which shall have been delivered to each Limited Partner, and signed by Limited Partners representing, in aggregate, at least sixty-six and two-thirds (66⅔%) percent of the outstanding Units in good standing;

- (pp) “Subscriber” means a person who subscribes for Units in the Partnership, and who upon acceptance of such subscription by the General Partner and upon registration of an amendment to the Declaration is admitted as a Limited Partner in the Partnership;
- (qq) “Subscribers Loan” means a loan, arranged by the Project Sponsor pursuant to the Services Agreement, and made to a Subscriber by a bank, credit union or other financial institution to assist in the Subscriber's purchase of Units;
- (rr) “Transfer” means a voluntary sale or transfer of Units, in whole or in part, by a Limited Partner;
- (ss) “Transmission” means an involuntary transfer of Units, in whole or in part, by a Limited Partner resulting from the death, insolvency, or bankruptcy of a Limited Partner or otherwise by operation of law;
- (tt) “Unit” means an interest in the Partnership as described in Section 3.04 hereof;
- (uu) “Unit Certificate” means a certificate issued by the General Partner in the name of a Limited Partner pursuant to Section 3.06 hereof, to evidence such Limited Partner's ownership of Units;
- (vv) “Unanimous Resolution” means a resolution passed by one hundred (100%) percent of the votes cast at a duly constituted meeting of Limited Partners, or alternatively a written resolution in one or more counterparts signed by all Limited Partners holding Units in good standing.

1.02

Interpretation

In this Agreement, except as otherwise expressly provided:

- (a) any term used to denote an entity, or to denote a relationship between two or more entities, including without limitation, “associate”, “company”, “individual”, “person”, “affiliate”, “controlled” or “subsidiary”, has the meaning given such term by the *Securities Act*;
- (b) the division of this Agreement into articles and sections and the use of headings is for convenience of reference only and shall not modify or affect the interpretation or construction of this Agreement or any of its provisions. References herein to articles, sections, subsections, paragraphs, clauses or other subdivisions shall refer, unless otherwise expressly stated, to articles, sections, subsections, paragraphs, clauses or other subdivisions of this Agreement;

- (c) all words and personal pronouns relating thereto shall be read and construed as the number and gender of the party or parties required and the verb shall be read and construed as agreeing with the required word and pronoun and grammatical variations of any defined term shall have like meaning;
- (d) when calculating the period of time within which or following which any act is done or step taken pursuant to this Agreement, the date which is the reference date in calculating such period shall be excluded. If the last day of such period is not a Business Day, the period in question shall end on the next succeeding Business Day;
- (e) all references to currency herein are references to Canadian currency;
- (f) any accounting terms that are not specifically defined shall be construed in accordance with International Financial Reporting Standards as prescribed by the CPA Canada Handbook;
- (g) any reference to a statute shall include and shall be deemed to be a reference to such statute and to the regulations made pursuant thereto including, if applicable, bylaws, with all amendments made thereto and in force from time to time, and to any statute or regulation that may be passed which has the effect of supplementing or superseding the statute so referred to or the regulations made pursuant thereto;
- (h) any reference to any entity shall include and shall be deemed to be a reference to any entity that is a successor to such entity.

ARTICLE 2.00 - THE PARTNERSHIP

2.01 Formation and Term

The Partnership was formed pursuant to this Agreement made under the laws of the Province of Saskatchewan on the 1st day of March, 2024 and was constituted as a limited partnership under the laws of the Province of Saskatchewan upon the filing of the Declaration pursuant to the *Partnership Act* and the *Business Names Registration Act* on the 1st day of March, 2024. The Partnership shall continue until dissolved in accordance with this Agreement.

2.02 Name of Partnership

The Partnership shall carry on business under the name and style of Fraser Properties Limited Partnership or such other name or names as the General Partner may determine from time to time.

2.03 Business

The sole business of the Partnership shall be to acquire, outright or an interest in, and develop, manage, and operate the properties civically and legally described as:

3027 Millar Avenue
Saskatoon, Saskatchewan
Lot 5
Block 950
Plan 78S06459 Ext 0
Surface Parcel 131933617

2233 Speers Avenue
Saskatoon, Saskatchewan
Lot 12
Block 791
Plan 75S10686 Ext 0
Surface Parcel 118922283

(collectively, the “Property”).

Once such Property is acquired by the General Partner on behalf of the Partnership, such Property shall not be sold, transferred or otherwise disposed of, except in accordance with this Agreement and the Co-Ownership Agreement, if applicable, and the Partnership shall carry on no business other than that of ownership, development, management, and operation of the Property, or interest therein, to derive rental income therefrom with a view to making a profit. However, the Partnership shall have the power to do any and every act and thing necessary, proper, convenient or incidental to the Business as aforesaid.

2.04 **Fiscal Period**

The first Fiscal Period of the Partnership shall end on December 31 in the year the Partnership was formed, and on December 31 in each subsequent year during the term of the Partnership, or such other date as the General Partner may determine and Canada Revenue Agency may permit during the term of the Partnership and thereafter on the anniversary of such alternate date.

2.05 **Declaration**

As soon as practicable following the execution of this Agreement by the General Partner and Founding Limited Partner, and from time to time thereafter, all Partners shall execute and the General Partner shall cause to be registered the Declaration and such amendments to the Declaration and other documents and instruments as are or may be required pursuant to the *Partnership Act* and the *Business Names Registration Act* and any other applicable legislation, to form, register and maintain in good standing the Partnership as a limited partnership duly qualified to carry on business in Saskatchewan.

2.06 **Place of Business**

The principal place of business shall be the Property and the head office of the Partnership and the General Partner shall be located at 2612 Koyl Avenue, Saskatoon, Saskatchewan, S7L 5X9 or such other place of business as determined by the General Partner from time to time. Notice of any change in the head office of the Partnership or General Partner shall be delivered to the Limited Partners.

ARTICLE 3.00 - CAPITAL CONTRIBUTIONS AND UNITS**3.01 Capital**

The capital of the Partnership shall consist of the aggregate Capital Contributions of the Partners, less any capital properly returned to Partners in accordance with the *Partnership Act* and this Agreement.

3.02 Capital Contribution by General Partner

The General Partner contributed One (\$1.00) Dollar to the capital of the Partnership upon its formation and shall be entitled to 0.01% of the income of the Partnership and to a return of such Capital Contribution upon dissolution of the Partnership as provided in Section 12.06 hereof (such entitlements being hereafter referred to as the "General Partner's Share"). Except for such General Partner's Share, and subject to Section 6.07 and 6.08 hereof, and except to the extent that the General Partner may additionally hold Units as a Limited Partner, the General Partner shall have no right to share in the income, distributions of Net Cash Receipts or capital of the Partnership.

3.03 Capital Contributions of Founding Limited Partner

The Founding Limited Partner contributed One (\$1.00) Dollar to the capital of the Partnership upon its formation and has been issued 1 Unit (the "Founding Unit"). Such Founding Unit shall be surrendered by the Founding Limited Partner for cancellation forthwith upon the admission of any new Limited Partner to the Partnership pursuant to paragraph 3.05 hereof, at which time the original Capital Contribution of the Founding Limited Partner shall be returned. Thereafter, the Founding Limited Partner shall have no right or interest in the Partnership except to the extent that they may acquire Units pursuant to Section 3.05 or Section 7.07 hereof.

3.04 Units Generally

In addition to the Capital Contributions of the General Partner and Founding Limited Partner as set forth in Sections 3.02 and 3.03 hereof, the Partnership may raise capital through the issuance and sale of Units in accordance with Section 3.05 hereof. Subject to Section 3.05 hereof, the Partnership is authorized to issue an unlimited number of Units and, except as specifically provided to the contrary herein, each issued and outstanding Unit shall have the rights, privileges, restrictions, and conditions described below:

- (a) regardless of the price at which a Unit may be issued, each Unit shall represent a beneficial interest in all the assets and undertakings of the Partnership (other than the General Partner's Share) equal to each other Unit, with no Unit having any preference or right over any other Unit;
- (b) each Unit shall entitle the holder thereof to one vote in respect of each Unit held at all meetings of Partners and/or on all written resolutions of the Partnership, subject, however, to the provisions of Section 8.02 and Section 9.08 hereof;

- (c) each Unit shall entitle the holder to share in the income, losses, distribution of Net Cash Receipts and returns of capital of the Partnership as provided in Articles 4.00 and 12.00 hereof; and
- (d) in the event of dissolution of the Partnership, the holders of the Units shall be entitled to share, receive and have allocated to them all capital and other monies and properties available for distribution in accordance with Article 12.00 hereof.

3.05 **Sale and Issue of Units**

The General Partner shall initially be authorized to issue up to 108 Units at a subscription price (i.e. Capital Contribution) of \$24,700 per Unit, and otherwise on such terms and conditions as the General Partner may (subject to this Section 3.05) in its sole discretion determine.

In addition to such 108 Units authorized as aforesaid, additional Units ("Additional Units") may be issued from time to time after the Commitment Period where, in the opinion of the General Partner, additional capital is necessary or desirable to fund additional asset acquisitions or capital improvements or expenditures or in order to prevent or cure a Cash Flow Deficiency which cannot otherwise be prevented or cured by a Cash Flow Deficiency Loan or other borrowing by the Partnership. Subject to this Section 3.05, the General Partner shall have complete discretion in determining the number of Additional Units to be issued; the time or times and price at which such Additional Units are to be issued; the persons to whom such Additional Units are to be issued; and any other terms and conditions relative to the issuance and sale of such Additional Units.

Notwithstanding the foregoing provisions of this Section 3.05:

- (a) no Unit shall be issued to any person, and no person shall be admitted as a Limited Partner in the Partnership unless such person has the status and capacity set forth in Section 7.04 hereof and executes a counterpart of this Agreement or otherwise agrees in a manner satisfactory to the General Partner to be bound by this Agreement;
- (b) in selling Units of the Partnership, the General Partner shall comply with applicable Securities Legislation and shall prepare and cause to be filed and obtained receipts for such prospectuses, offering memorandums, reports and other documents as may be required by applicable Securities Legislation;
- (c) if Additional Units are to be issued as consideration for asset acquisitions, the number, price and other terms and conditions of such issuance and sale of Additional Units for asset acquisitions shall be based on the net asset value of the acquired assets;
- (d) in determining the number, price, persons to whom, and other terms and conditions of such issuance and sale of Units, the General Partner shall act honestly, to the best of its ability, in good faith, and in the best interests of the Limited Partners and the Limited Partnership.

Where in accordance with the aforementioned conditions a Unit or Units are sold to a person, the General Partner shall (i) prepare and file, and the other Partners including the Subscriber at the request of the General Partner shall execute, such amendment to the Declaration as may be necessary or desirable pursuant to the *Partnership Act* and the *Business Names Registration Act*; and (ii) record the particulars of such issuance and sale in the Register.

Upon the registration of the amendment to the Declaration, the Subscriber, unless they are already a Limited Partner, shall be admitted to the Partnership as a Limited Partner and shall be bound by and entitled to all benefits and burdens of this Agreement and the rights, privileges, restrictions and conditions attaching to the Units so purchased.

3.06 **Unit Certificates**

For the sole purpose of evidencing ownership of Units, and then subject to the rights and obligations of this Agreement, each Limited Partner is entitled to obtain from the General Partner a certificate indicating the number of Units (a "Unit Certificate") held by such Limited Partner and the name in which such Units are recorded in the Register, provided that where any Subscriber's Loan remains outstanding, the General Partner may withhold such Unit Certificate from a Limited Partner until the Subscriber's Loan has been paid in full, or, if requested by the lender of such Subscriber's Loan, deliver such Unit Certificate to the lender. Unit Certificates shall be in a form approved by the General Partner from time to time and shall not be valid unless signed by the General Partner. A Limited Partner who has a Unit Certificate representing a portion or all of their Units lost, apparently destroyed, defaced or wrongfully taken, may request a new, replacement Unit Certificate and, subject to the foregoing, the General Partner shall deliver a new, replacement Unit Certificate upon such request, provided the requesting Limited Partner shall first deliver to the General Partner such assurances or indemnities as may reasonably be requested by the General Partner to protect the Partners and the Partnership from any loss, cost or damage that may be suffered or incurred by complying with their request to issue a new Unit Certificate.

3.07 **Receipt by Limited Partners**

The receipt of any money, securities and other property from the Partnership by a person in whose name any Units are recorded, or if such Units are recorded in the names of one or more persons, the receipt thereof by any one person in that regard, shall be sufficient and proper discharge for that amount of money, securities and other property payable, issuable or deliverable in respect of such Units and from all liability of the General Partner and of the Partnership to see to the application thereof.

ARTICLE 4.00 - FINANCIAL MATTERS

4.01 **Additional Financing**

Any financing required by the Partnership beyond the Capital Contributions now or hereafter agreed to be made by Limited Partners and Subscribers, and/or beyond the Cash Flow Deficiency Loans, if any, that may be made by the Project Sponsor pursuant to the Services Agreement, shall be arranged by the General Partner with the Partnership's banker or other financial institution or person as the General Partner in its sole discretion may determine. In this regard, the General Partner is authorized to borrow funds in its own name or in the name of the

Partnership for the purpose of financing the Business and operations of the Partnership and/or distributions to Partners but not for any other purpose, and may grant security for such borrowing in the form of mortgages or other charges or security interests in or against the Property and operations of the Partnership, in priority to the interest therein of the Limited Partners hereunder.

4.02 **Capital Cost Allowance Accounts**

There shall be established for each Partner on the books of account of the Partnership a notional capital cost allowance account in which that Partner's share of capital cost allowance claimed by the Partnership in each Fiscal Period in respect of the Property, or interest therein, or other depreciable capital property of the Partnership shall be recorded. The sole purpose of the capital cost allowance accounts is to assist in the determination of how recapture is to be allocated amongst the Partners pursuant to Section 4.04 hereof.

4.03 **Allocation of Income and Losses**

Subject to Sections 4.04, 6.07, 6.08, and 8.02 hereof, the net income or loss of the Partnership for each Fiscal Period, including capital cost allowance claimed by the Partnership, shall, for accounting and tax purposes, be allocated as at the end of the Fiscal Period as follows:

- (a) the General Partner's Share shall be allocated to the General Partner; and
- (b) all other income or loss, including capital cost allowance, shall be allocated between the Limited Partners who are recorded in the Register as Partners as at such Fiscal Period end (regardless of when they became Partners) in proportion to their respective Sharing Ratios.

4.04 **Recapture of Capital Cost Allowance**

Notwithstanding Section 4.03 hereof, in the event of the disposition, or deemed disposition pursuant to the *Income Tax Act*, of the Property, or interest therein, or of any other capital assets of the Partnership, the recapture of any capital cost allowance previously claimed by the Partnership or Partners, shall be allocated to those persons who are Limited Partners at the time of such disposition or deemed disposition, with each such Limited Partner's share of such recapture determined by multiplying the total recapture incurred by the Partnership by a fraction, the numerator of which is the balance in the respective Limited Partner's notional capital cost allowance account and the denominator of which is the aggregate of the balances in the notional capital cost allowance accounts of all Limited Partners.

4.05 **Distribution of Net Cash Receipts**

Net Cash Receipts, when positive, for each Fiscal Period shall be paid and distributed by the General Partner on behalf of the Partnership within 180 days after each Fiscal Period end to those Limited Partners who are recorded in the Register of Partners as at such Fiscal Period end (regardless of when they became Partners) in proportion to their respective Sharing Ratios.

4.06 **Determination of Income, Losses, and Net Cash Receipts**

Income and losses, together with Net Cash Receipts, of the Partnership shall be determined by the General Partner or by accountants appointed by the General Partner, in accordance with International Financial Reporting Standards consistently applied, and such determination shall be binding upon the Partners.

4.07 **Commingling of Funds**

The funds and assets of the Partnership shall not be commingled with the funds or assets of any other person, provided:

- (a) the Maintenance Reserve or other funds of the Partnership not required for the immediate use of the Partnership may, from time to time be deposited or invested by the General Partner in Qualified Investments;
- (b) the General Partner shall transfer Net Cash Receipts to the Project Promoter's distribution account for the purpose of distributing these funds to the Limited Partners; and
- (c) nothing herein contained shall prohibit the Manager from collecting, holding, and applying rental revenues from the Property on behalf of the Partnership in accordance with the terms of the Management Agreement or from depositing or investing such funds in deposit accounts or other Qualified Investments with other funds of, or under the control or direction of, the Manager (and/or by one or more companies associated or affiliated with the Manager);

provided that, all funds held by the Manager (or any company associated or affiliated with the Manager) shall be accounted for and remitted to or to the order of the General Partner in accordance with the provisions of the Management Agreement.

4.08 **Initial Maintenance Reserve**

In the raising of capital for the Partnership the General Partner may enter into agreements with Subscribers to set apart for a fixed or determinable period of time a portion of such Subscriber's Capital Contribution as reserves for the operation of the Business in future years, in light of anticipated or unanticipated future cash shortages (the "Maintenance Reserve" or the "Contingency Reserve"). In such case, the General Partner shall have the right to draw upon funds from the Maintenance Reserve to prevent or mitigate a Cash Flow Deficiency, but at the end of such fixed or determinable period, or over the course of such fixed or determinable period if the General Partner determines that all or any part of the Maintenance Reserve is not likely to be required to prevent or mitigate a Cash Flow Deficiency, or so soon after the expiry of such fixed or determinable period as is permitted by law, funds remaining in the Maintenance Reserve shall be distributed, as a partial return of capital, to those Limited Partners who contributed to the Maintenance Reserve pro rata to their respective contributions.

4.09 **Restrictions on Distributions and Return of Capital**

No Partner shall be entitled to withdraw any part of their Capital Contribution or to receive any distribution of Net Cash Receipts except as provided by this Agreement and except as permitted by law. All Partners shall look solely to the assets of the Partnership for the return of their respective Capital Contributions or any other distributions. If assets remaining after payment or discharge, or provision for payment or discharge, of the debts and liabilities of the Partnership are insufficient to return the Capital Contributions or to make any other distribution to the Partners, no Partner shall have any recourse against the personal assets of any other Partner for that purpose, except in respect of the obligations of the General Partner pursuant to Section 7.03.

4.10 **Capital Cost Allowance**

Except where the Limited Partners by Unanimous Resolution direct otherwise, the General Partner shall cause the Partnership to claim the maximum amount allowable in each Fiscal Period for income tax purposes in respect of capital cost allowance.

4.11 **Adjustments**

If any Partner receives a distribution of Net Cash Receipts or otherwise receives monies from the Partnership which exceed their entitlement hereunder, then that Partner shall forthwith repay to the Partnership such excess amount upon demand by the General Partner and, in the absence of such repayment, the Partnership shall be entitled to deduct such excess amount from any subsequent distribution from the Partnership to such Partner. Further, where any Limited Partner is indebted to the Partnership for any reason, the General Partner, on behalf of the Partnership, shall be entitled to deduct such indebtedness in whole or in part from any distribution such Partner would otherwise be entitled to hereunder.

4.12 **Individuality of Limited Partners**

No Limited Partner shall be responsible for any of the losses of any other Limited Partner, and subject to Section 8.02, no Limited Partner shall share in the income or allocation of expenses attributable to the Units of any other Limited Partner.

ARTICLE 5.00 - ACCOUNTING AND REPORTING

5.01 **Books and Records**

The General Partner shall keep and maintain, or cause to be kept and maintained, on behalf of the Partnership:

- (a) full, complete and accurate books of account and records of the Business of the Partnership and shall enter and record therein fully and accurately all transactions and other matters related to the business and affairs of the Partnership; and
- (b) a registry listing the name and address of all Limited Partners and their respective number of Units, together with the particulars of the issue, Transfer and Transmission of Units from time to time (the "Register").

At the expense of the requesting Limited Partner, a Limited Partner shall be entitled to inspect and examine and make copies of or take extracts from all such books and Register at all reasonable times upon reasonable notice to the General Partner.

5.02 **Annual Financial Statements and Income Tax Information**

The General Partner shall prepare or cause to be prepared annual financial statements of the Partnership as at the end of each Fiscal Period, and shall distribute to each Limited Partner, within ninety (90) days of the end of each Fiscal Period, such financial statements together with, if applicable, the report of the Partnership's accountant or auditor thereon, and together with such additional information as may reasonably be necessary to permit Limited Partners to report their respective share of income or losses of the Partnership for income tax purposes.

5.03 **Compliance with Securities Legislation and Undertakings**

In addition to the books, records, and financial statements referred to in Section 5.01 and 5.02 hereof, the General Partner shall maintain, distribute to Limited Partners and file with applicable Securities Regulatory Authorities such additional financial information and other documents or instruments, if any, as may be necessary pursuant to the provisions of applicable Securities Legislation or pursuant to any undertakings or agreements that may be made by the General Partner or by the Partnership with any Securities Regulatory Authority.

5.04 **Accounting Principles and Audit**

The financial statements of the Partnership shall be audited and prepared in accordance with International Financial Reporting Standards, consistently applied, by qualified accountants retained by the General Partner for that purpose. Notwithstanding the above, provided only as permitted by applicable Securities Legislation, the Limited Partners may by Ordinary Resolution remove the audit requirement of the financial statements and the Partnership shall provide unaudited financial statements relying on Accounting Standards for Private Enterprises. In that situation, the Limited Partners may reinstate the audit requirement for financial statements by an Ordinary Resolution.

ARTICLE 6.00 - THE GENERAL PARTNER

6.01 **Number of General Partners**

The Partnership shall have one general partner, who initially shall be the Party of the First Part.

6.02 **Status and Capacity**

The General Partner represents and warrants to and covenants with each Limited Partner that the General Partner:

- (a) is and will continue to be a valid and subsisting corporation in good standing under the laws of Saskatchewan and shall be and remain registered throughout the

term of the Partnership entitled to carry on business in the Province of Saskatchewan;

- (b) has and will continue to have the capacity and qualifications to act as the General Partner and to perform its obligations under this Agreement without conflicting with its constating documents or being in default under any agreement by which it is bound;
- (c) is not a “non-Canadian” within the meaning of the *Investment Canada Act*;
- (d) is not a “non-resident” within the meaning of the *Income Tax Act*;
- (e) may acquire and hold Units and be and have all rights and powers of a Limited Partner in respect of such Units;
- (f) subject to Section 4.07 hereof, will not commingle its funds or assets with the funds or assets of any other person.

6.03 **Powers and Authority of General Partner**

Subject to the *Partnership Act*, the Co-Ownership Agreement if applicable, and to those limitations expressly set forth in this Agreement, the General Partner shall have exclusive authority to direct and manage the affairs of the Partnership, with full power and authority to administer, manage, control and operate the Business of the Partnership and to do any act, take any proceedings, make any decisions and execute and deliver any instrument, deed, agreement or document necessary for or incidental to carrying on the Business of the Partnership for and on behalf of the Partnership. No person dealing with the Partnership shall be required to inquire into the authority of the General Partner to do any act, take any proceedings, make any decision or execute and deliver any instrument, deed, agreement or document for or on behalf of or in the name of the Partnership. Without limiting the generality of the foregoing, and in addition to any other powers and authority granted the General Partner hereunder, the General Partner shall have the full and exclusive power and authority on behalf of the Partnership:

- (a) to retain property managers to manage the Project;
- (b) to act as the registrar and transfer agent;
- (c) to retain accountants and, subject to Section 5.04, auditors of the Partnership;
- (d) to engage such professional advisers as the General Partner considers advisable in order to perform its powers and duties hereunder, and, without limiting the generality of the foregoing, but subject to Section 6.08, to engage a person or company to perform and/or manage any of the administrative, reporting, accounting, and other record-keeping functions of the General Partner hereunder;
- (e) to open and operate in its own name or in the name of the Partnership bank accounts in order to deposit and to distribute funds with respect to the Partnership;

- (f) to execute and carry out all other agreements which require execution by or on behalf of the Partnership;
- (g) to pay all taxes, fees, and other expenses relating to the orderly maintenance and management of the Property, or interest therein;
- (h) to commence or to defend on behalf of the Partnership any and all actions and other proceedings pertaining to the Partnership or the Property, or its interest therein;
- (i) to determine the amount and type of insurance coverage to be maintained in order to protect the Property, the Business, and the Partnership from all usual perils of the type covered in comparable properties and businesses and in order to comply with the requirements of the lenders of funds to the Partnership and to place or insure the placement and maintenance of such insurance;
- (j) subject to Section 4.07 and subsection 6.03(k), to hold the Partnership properties including, without limitation, the Property, or interest therein, and all chattels therein in the name of the Partnership or in the name of the General Partner, but in trust for the Limited Partners;
- (k) to invest funds not immediately required for the Business of the Partnership in Qualified Investments;
- (l) to file any returns and maintain such records as are required by any governmental, regulatory or like authority with respect to the Partnership; and
- (m) to do anything that is in furtherance of or incidental to the Business of the Partnership, and to make for and on behalf of the Partnership and for and on behalf of each Partner, in respect of such Partner's interest in the Partnership, any and all filings, elections, determinations or designations under the *Income Tax Act* or any other taxation or other legislation or similar laws of Canada or of any province or jurisdiction thereof, and execute any and all deeds, documents, and instruments and do all acts as may be necessary or desirable to carry out the intent and purpose of this Agreement.

6.04 **Material Contracts**

Before issuing any Units pursuant to Section 3.05 hereof (other than the Founding Unit) all parties to the Material Contracts, including the General Partner on behalf of the Partnership, shall have executed and delivered the Material Contracts, as applicable.

6.05 **Restrictions on Powers and Authority of General Partner**

The Partnership shall not, and the General Partner shall not cause the Partnership to, take any of the following actions except with the approval of the Limited Partners as specified below:

- (a) as approved by the Limited Partners granted by Special Resolution and subject to Section 9.08 and the Co-Ownership Agreement, as applicable, sell, transfer or otherwise dispose of the Property, or interest therein, provided that for greater certainty the granting of a mortgage or other security on the Property shall not constitute a disposition for the purposes of this section and a disposition consisting of the foreclosure or sale of the Property by a mortgagee or other realization of security shall not require approval of the Limited Partners hereunder. Further, in the event that any mortgagee commences or threatens to commence foreclosure or like proceedings and the General Partner, acting reasonably, is of the opinion that there is no reasonable defence to such proceedings, or if the debts of the Partnership which form charges against the Property equal or exceed the fair market value of the Property, the General Partner may, upon notice to the Limited Partners, quit claim and/or transfer the Property to the mortgagee for the purpose of settling any foreclosure or like proceedings or threatened foreclosure or like proceedings in or towards the satisfaction of claims by that mortgagee against the Partnership, unless within thirty (30) days of the General Partner delivering to each Limited Partner a notice of its intent to so quit claim and/or transfer the Property, the Limited Partners by Ordinary Resolution direct the General Partner to defend the proceedings and provide to the General Partner sufficient funds for that purpose;
- (b) as approved by the Limited Partners granted by Extra-ordinary Resolution carry on any business other than the Business of the Partnership as described in Section 2.03; or
- (c) as approved by the Limited Partners granted by Extra-ordinary Resolution enter into any partnership, joint venture, syndicate or other form of organization to carry on any business other than the Partnership Business as described in Section 2.03, other than the co-ownership of the Property as set out in the Co-Ownership Agreement, if applicable.

6.06 **Duties**

The General Partner shall perform all its duties and exercise all its power and authority hereunder as such duties, power, and authority are contemplated by this Agreement to be performed. The General Partner in exercising its powers and discharging its duties under this Agreement shall act honestly, in good faith, and in the best interests of the Partnership and shall exercise the care, diligence, and skill that a reasonably prudent person would exercise in comparable circumstances.

6.07 **Reimbursement of General Partner**

The Partnership shall reimburse the General Partner for all expenses reasonably and properly incurred by the General Partner in conducting the Partnership Business and in exercising and fulfilling its duties pursuant to this Agreement, including administrative overhead and the cost of such professional, technical, administrative, and other services and advice as the General Partner shall consider necessary.

6.08 Administrative Fee

For each Fiscal Year of the Partnership after December 31, 2028, and in consideration of the General Partner continuing to perform, and/or arranging to have the Project Sponsor or an associate or affiliate of the General Partner perform, the managerial functions, and duties contemplated by Section 6.03 hereof, and in particular, the administrative, reporting, accounting, and other record keeping functions described in Sub-Section 6.03(d) hereof, the General Partner shall be entitled to receive from the Partnership (or, if applicable, arrange for payment to the Project Sponsor or to such associates or affiliates of the General Partner as may perform such services on behalf of the Partnership) an annual fee (the “Administrative Fee”). This Administrative Fee shall be set on an annual basis by the General Partner based on the degree of management functions and duties performed. Such Administrative Fee shall be paid within 90 days following the end of the Fiscal Year to which it relates and any amounts not paid within such 90 day period shall bear interest at the Prime Rate plus 2% per annum until paid in full.

6.09 Liability to Partnership

Neither the General Partner nor its officers, directors, partners, agents or employees shall be liable, responsible or accountable in damages or otherwise to the Partnership for any action taken or failure to act on behalf of the Partnership within the scope of the authority conferred on the General Partner by this Agreement or by law, provided such persons have acted honestly, in good faith, and in a manner consistent with the best interests of the Partnership and provided such action or omission does not constitute fraud, bad faith, gross negligence, wilful misconduct or breach of fiduciary duty.

6.10 Indemnification by Partnership

The Partnership shall indemnify and hold harmless the General Partner, its officers, directors, partners, agents, and employees from and against any and all losses (other than loss of profits), expenses, claims or liabilities incurred by any of them arising out of any claims based upon any acts performed or omitted to be performed by them in connection with the Business of the Partnership, including costs, expenses, and solicitors fees expended in the settlement or defence of any such claim, provided that such persons have acted honestly, in good faith, and in a manner consistent with the best interests of the Partnership and provided such act or omission does not constitute fraud, bad faith, gross negligence or wilful misconduct by or breach of fiduciary duty of such person or entity and, provided further, that any such indemnification shall be recoverable only from the assets of the Partnership and not from the Limited Partners personally.

6.11 Maintenance of Limited Liability

The General Partner will conduct the business and affairs of the Partnership in such a manner that the liability of Limited Partners will be limited to the extent set forth in Section 7.02.

6.12 **Unlimited Liability of General Partner**

The General Partner shall have unlimited liability for the debts, liabilities, and obligations of the Partnership.

6.13 **Resignation of General Partner**

The General Partner shall not resign as general partner of the Partnership prior to the expiration of the Commitment Period and shall not thereafter resign except on not less than one year written notice to the Limited Partners of its intention to resign. In such case, the General Partner's resignation shall be effective, and subject to Section 12.04 the General Partner shall cease to be the general partner, upon the earlier of:

- (a) the date specified in the notice of resignation; and
- (b) the date on which a new General Partner, selected by Ordinary Resolution of the Limited Partners, is admitted to the Partnership.

6.14 **Bankruptcy or Dissolution**

The General Partner shall cease to be qualified to act as general partner of the Partnership upon:

- (a) the General Partner becoming bankrupt or insolvent (except in the case of a bankruptcy or insolvency caused by the bankruptcy or insolvency of the Partnership itself); or
- (b) in the event of the appointment of a trustee or a permanent receiver or receiver-manager of the affairs of the General Partner,

and in the event the General Partner becomes disqualified as a result of any of the foregoing, the General Partner shall be removed as general partner effective upon the appointment of a new general partner by the Limited Partners by Ordinary Resolution, which appointment shall be made within one hundred and eighty (180) days following the occurrence of the event giving rise to the disqualification of the General Partner, and the General Partner agrees to provide notice to the Limited Partners of the occurrence of any of the foregoing events forthwith upon the occurrence of the event.

6.15 **Removal of General Partner**

Except in the event of the General Partner's resignation or disqualification as contemplated by Sections 6.13 and/or 6.14 hereof, the General Partner may only be removed as the general partner of the Partnership for cause and pursuant to an Special Resolution of the Limited Partners, provided such Special Resolution shall only be effective if it includes provision for the appointment of a substitute general partner and further provided that during the Commitment Period or during such further period as the Project Sponsor, or any associate or affiliate of the Project Sponsor, is a guarantor or co-covenantor of any Mortgage or other indebtedness or obligation of the Partnership, or is owed any money by the Partnership, whether pursuant to a Mortgage, Cash Flow Deficiency Loan or otherwise, then subject to the Partnership

first obtaining the release of such Project Sponsor (and/or of any associates or affiliates of the Project Sponsor), from such guarantees or co-covenants and/or paying all monies owing to such Project Sponsor (and/or its applicable associates or affiliates). Notwithstanding the above, if the Partnership owns an interest in the Property as a co-owner, any Special Resolution of the Limited Partners passed to remove the General Partner as contemplated in this section is subject to a veto by the co-owners of the Property under the Co-Ownership Agreement, if applicable. In the event the veto of the Special Resolution to remove the General Partner is exercised by the said co-owners, the General Partner shall continue on as the general partner of the Partnership.

6.16 **Transfer of Management**

On the admission of a new general partner (the “New General Partner”) to the Partnership on the resignation, disqualification or removal of the General Partner (the “Outgoing General Partner”) pursuant to Section 6.13, 6.14 or 6.15 hereof, the Outgoing General Partner will do all things and take all steps to transfer title to the Partnership's property, administration, management, control, and operation of the Business of the Partnership and the books, records, and accounts of the Partnership to the New General Partner and will execute and deliver all deeds, certificates, declarations, and other documents necessary or desirable to effect such transfer.

6.17 **Release and Indemnification**

In the event of a change of the General Partner, the Partnership and the Limited Partners shall release and the Partnership shall indemnify and hold harmless the Outgoing General Partner from all actions, claims, costs, demands, losses, damages, and expenses with respect to events which arise in relation to the Partnership after the effective date of removal or resignation of the Outgoing General Partner. The indemnification herein shall be made from the assets of the Partnership and no Limited Partner shall be personally liable to the Outgoing General Partner.

6.18 **New General Partner**

A New General Partner appointed hereunder shall sign a counterpart hereof and thereupon shall be bound by all the provisions hereof and shall have the power and authority and shall assume the obligations, duties, and liabilities of the General Partner hereunder as and from the date the New General Partner becomes a party to this Agreement.

6.19 **Becoming a Limited Partner**

If after the resignation, disqualification or removal of the General Partner, the Outgoing General Partner holds Units, the Outgoing General Partner shall be a Limited Partner and shall continue to be bound by and entitled to the benefits of this Agreement as a Limited Partner and the New General Partner shall prepare and file, and all Partners shall execute and deliver, such amendments to the Declaration as may be necessary or desirable pursuant to the *Partnership Act* and the *Business Names Registration Act* in respect of such change of status.

ARTICLE 7.00 - LIMITED PARTNERS

7.01 Number of Limited Partners

There is no limit as to the number of Limited Partners that the Partnership may have, provided that, except with the consent of the General Partner, a Unit may not be divided or split into fractions and the Partnership will not accept any subscriptions for or record any Transfer or Transmission of any interest in the Partnership of less than a whole Unit.

7.02 Limited Liability

Subject to the provisions of the *Partnership Act* and other applicable legislation, the liability of a Limited Partner for the debts, liabilities, and obligations of the Partnership shall be limited to their Capital Contribution and their share of any undistributed Net Cash Receipts. No Limited Partner owes to any other Limited Partner or to the General Partner any fiduciary or other duty of good faith which might otherwise be imposed upon them as a Partner by the common law pertaining to partnerships or by any statute relating thereto.

7.03 Indemnity

The General Partner shall indemnify and hold harmless each Limited Partner for any costs, damages, liabilities, expenses or losses suffered or incurred by a Limited Partner if their liability is not limited in the manner provided in Section 7.02 provided such costs, damages, liabilities, expenses or losses arise out of an act or omission of the General Partner.

7.04 Status and Capacity of Limited Partners

Each Limited Partner represents and warrants to each other Limited Partner and to the General Partner that:

- (a) they are not a “non-resident” within the meaning of the *Income Tax Act*;
- (b) they are not a “non-Canadian” within the meaning of the *Investment Canada Act*;
- (c) they have not and will not finance any part of their subscription price for Units with Limited Recourse Financing;
- (d) they are not an investment fund, private equity or an institutional investor;
- (e) they are the legal and beneficial owner of their Units and do not own the Units for the benefit of any other person;
- (f) if an individual, they have attained the age of majority and have full power and capacity to execute and be bound by this Agreement; and
- (g) if a corporation or body corporate, partnership, unincorporated association or other entity, it is legally competent to execute this Agreement and to take all actions required pursuant hereto, and it further certifies that all necessary

approvals of directors, shareholders, partners, members or otherwise have been given.

Each Limited Partner shall notify the General Partner immediately if any of the representations and warranties set out above becomes untrue at any time.

7.05 **Restrictions on Limited Partners**

No Limited Partner, in its capacity as a limited partner, shall:

- (a) take part in the control or management of the Business of the Partnership;
- (b) execute any document which binds or purports to bind the Partnership, the General Partner or any other Limited Partner as such;
- (c) hold himself out as having the power or authority to bind the Partnership, the General Partner, or any other Partner as such;
- (d) have any authority in the operation of the Business of the Partnership to undertake any obligation or responsibility on behalf of the Partnership;
- (e) by virtue of this Agreement alone or the Co-Ownership Agreement, if applicable, have or be deemed to have any interest in the Property, other than the beneficial interest described herein, and no Limited Partner shall register or cause to be registered a caveat or other interest against the Property in any land registry or in any other public office for the registration or recording of interests in respect of its beneficial interest in the Property hereunder; or
- (f) bring any action for partition or sale in connection with the Property or other assets of the Partnership, whether real or personal, or register or permit any lien or charge in respect of the Units of such Limited Partner to be filed or registered or remain undischarged against the Property in respect of such Limited Partner's interest in the Partnership.

The Limited Partners shall comply with the provisions of the *Partnership Act* in force from time to time and shall not take any action which will jeopardize or eliminate the status of the Limited Partnership as a limited partnership.

7.06 **Rights of Inspection**

All books of the Partnership, together with the Register, shall be available and open for inspection by any Limited Partner, or their agents, at reasonable times and on reasonable notice to the General Partner and, additionally, on reasonable notice to the General Partner, the General Partner shall provide access to the Property for inspection and examination of any Limited Partner. The costs incurred by the General Partner to provide access to the books for a Limited Partner(s) shall be paid by the Limited Partner(s) asking for the access.

7.07 **Assignment of Limited Partners Interest**

No Limited Partner (the "Transferor") shall sell, transfer, assign, mortgage, hypothecate or otherwise dispose of their interest in the Partnership in whole or in part to any other person (the "Transferee"), except as security for a loan for the purpose of assisting in the purchase of Units or except pursuant to a Transfer or Transmission of Units in accordance with the following terms and conditions:

- (a) except in the case of a Transmission, the Transferor shall deliver to the General Partner the Unit Certificate, if any, issued to the Transferor in respect of the Unit(s) being transferred and the Transferor and the Transferee shall execute and deliver to the General Partner a transfer form or agreement in form and substance satisfactory to the General Partner;
- (b) in the case of a Transmission of Units, the Transferee shall deliver to the General Partner evidence satisfactory to the General Partner that such Transferee has a valid entitlement to the Units of the Transferor;
- (c) no Transfer or Transmission may be made to a Transferee unless they have the status and capacity as set forth in Section 7.04 hereof and they execute a counterpart of this Agreement or otherwise agrees in a manner satisfactory to the General Partner to be bound by this Agreement;
- (d) any outstanding liabilities of the Transferor to the Partnership shall have been paid, or arrangements made satisfactory to the General Partner for the assumption of such liabilities by the Transferee;
- (e) if the Transferor's purchase of the Units being transferred was financed in whole or in part by a Subscriber's Loan which remains outstanding, such Subscriber's Loan shall be paid by the Transferor prior to the Transfer, or arrangements satisfactory to the General Partner and the lender of the Subscriber's Loan shall be made for the assumption of such Subscriber's Loan by the Transferee;
- (f) the Transferee shall pay to the Partnership a transfer fee, if any as may be required by the General Partner, such fee not to exceed industry norms, but which may include the legal fees and disbursements charged by the solicitors for the Partnership for the filing of the amendment to the Declaration required pursuant to the *Partnership Act* and the *Business Names Registration Act* as described below;
- (g) the General Partner in its sole and absolute discretion shall have consented to the Transfer or Transmission; and
- (h) such other requirements as may reasonably be required by the General Partner.

Notwithstanding the above, the General Partner may waive any restrictions on the sale, transfer, assignment, mortgage or hypothecation of Units including any or all of the aforementioned terms and conditions, in whole or in part, where the General Partner considers it to be in the best interest of the Partnership to do so.

7.08 **Registration of Transfer and Transmission**

Upon the conditions in Section 7.07 being met (or waived by the General Partner) the General Partner shall:

- (a) prepare and file, and the other Partners including the Transferor and Transferee, at the request of the General Partner, shall execute, such amendment to this Agreement and/or to the Declaration as the General Partner may consider necessary or desirable or as may be required pursuant to the *Partnership Act* and the *Business Names Registration Act*;
- (b) record the particulars of such Transfer or Transmission in the Register; and
- (c) cancel the certificates representing the Units being transferred or transmitted and issue a new Unit Certificate in respect thereof in the name of the Transferee, subject, however, to the provisions of Section 3.06.

7.09 **Admission of Transferee to Limited Partnership**

Upon the registration of the amendment to the Declaration, the Transferee, unless they are already a Limited Partner, shall be admitted to the Partnership as a Limited Partner and shall be bound by and entitled to all benefits and burdens of this Agreement, and the rights, privileges, restrictions, and conditions attaching to the Units so Transferred or Transmitted including, without limiting the generality of the foregoing, assuming the balance in the notional capital cost allowance account of the Transferor insofar as such balance pertains to the Units Transferred or Transmitted; and the Transferor, except to the extent that they continue to hold other Units, shall be released from all future benefits and burdens of this Agreement and the rights, privileges, restrictions, and conditions attaching to the Units Transferred or Transmitted, except as expressly provided by this Agreement to the contrary, and the Transferor, unless they continue to hold other Units, shall thereupon cease to be a Limited Partner.

7.10 **Not Bound to See to Trust or Equity**

Except where specific provision has been made therefor in this Agreement, the General Partner shall not, nor shall the Limited Partners, be bound to see to the execution of any trust, express, implied or constructive, or any charge, pledge or equity to which any of the Units or any interest therein are subject, or to ascertain or inquire whether any Transfer or Transmission of any such Units or interest therein by any Limited Partner or their personal representatives is authorized by such trust, charge, pledge or equity, or to recognize any person having any interest therein, except for the person or persons recorded as such Limited Partner.

7.11 **No Consent of Limited Partners**

In no event shall the consent of any Limited Partner (other than the Transferor and Transferee in the case of a Transfer, subject however to the provisions of Article 8.00 hereof) be necessary to effect a Transfer or Transmission of the Units or in respect of the issue and sale of Units pursuant to Section 3.05 hereof.

7.12 **Non-Solicitation**

A Limited Partner shall not solicit or communicate with any of the other Limited Partners of the Partnership on any personal business or private matter without the prior consent of the General Partner.

ARTICLE 8.00 - DEFAULTING LIMITED PARTNER

8.01 **Power of Sale**

In the event that:

- (a) the representations and warranties of a Limited Partner as set forth in Section 7.04 hereof should prove to be untrue at the time they were made, or if any such representations and warranties subsequently become untrue;
- (b) a Limited Partner fails to pay when due any sum owing to the Partnership; or
- (c) a Limited Partner fails to pay their Subscriber's Loan, if any, and the Partnership, or the General Partner, or any person affiliated with the General Partner pays such Subscriber's Loan on behalf of such Limited Partner in whole or in part, whether or not such person was legally obligated to make such payment, or if such person becomes legally obligated to pay such Subscriber's Loan whether or not such person actually pays such Subscriber's Loan,

such Limited Partner (hereinafter referred to as the "Defaulting Limited Partner") shall be deemed to be in default of a fundamental term of this Agreement and the General Partner shall have the right to sell the Unit or Units of the Defaulting Limited Partner upon not less than thirty (30) days notice in writing (the "Default Notice") to the Defaulting Limited Partner unless by the time specified in the Default Notice the default is remedied. In such event, the General Partner may, without any further notice, demand or formality, sell all or any of the Units of the Defaulting Limited Partner, on such terms and conditions as the General Partner deems reasonable, at either a public or private sale, and the General Partner may itself purchase the Units. The proceeds of the sale of Units of a Defaulting Limited Partner shall be applied first, in the case of a monetary default towards curing such default; second to pay any other monies that may be owing by the Defaulting Limited Partner to the Partnership regardless of whether such indebtedness was related to the default giving rise to the sale or not; third to the Partnership and/or the General Partner to reimburse the Partnership or General Partner for any costs associated with the sale, including solicitor's and collection fees, if any; and fourth, with the remaining balance, if any, paid to the Defaulting Limited Partner.

The terms and conditions set forth in Sections 7.07, 7.08, 7.09, 7.10, and 7.11 hereof shall apply, mutatis mutandis, to such sale of the Unit or Units of a Defaulting Limited Partner, provided, for greater certainty, that in no event shall the consent of the Defaulting Limited Partner to such sale be required.

8.02 **Suspension of Voting Rights and Reallocation of Losses for Tax Purposes**

Where a Limited Partner becomes a Defaulting Limited Partner, and thereafter until such time as the default is remedied or the Units of the Defaulting Limited Partner are sold pursuant to Section 8.01:

- (a) the right of the Defaulting Limited Partner to vote on any matter requiring or permitting a vote of Limited Partners shall be suspended; and
- (b) if the default is unremedied as at the end of any Fiscal Period of the Partnership, any losses or capital cost allowance of the Partnership for that Fiscal Period that would otherwise be allocated for accounting and tax purposes to the Defaulting Limited Partner, may be reallocated by the General Partner to the other Limited Partners, in accordance with the respective Sharing Ratios of such other Limited Partners determined without reference to the Units of the Defaulting Limited Partner.

ARTICLE 9.00 - PARTNERSHIP MEETINGS

9.01 **Meetings of Partners**

Annual meetings of the Partners shall be called by the General Partner within six months of the end of the Partnership's preceding Fiscal Period:

- (a) in each year during the Commitment Period; and
- (b) in each year after the Commitment Period, if thought necessary or desirable by the General Partners, or if at least one Limited Partner has requested in writing prior to March 31 of that year that the General Partner call an annual meeting for that year.

Additionally, the General Partner may at any time call a meeting of Partners and shall call a meeting if requested in writing to do so by Limited Partners holding, in aggregate, not less than twenty-five (25%) percent of the outstanding Units in good standing. If the General Partner fails to call a meeting when required to do so in accordance with the foregoing provisions of this Section 9.01, then any Limited Partner may call the meeting, by providing notice in accordance with Section 9.02 hereof; provided that if the General Partner and/or one or more Limited Partner(s) purport to call a meeting, the notice given in accordance with this Agreement which calls the meeting for the earliest time will govern and the other notices will be considered invalid.

9.02 **Notice**

Any notice of any meetings of Partners will be mailed or otherwise delivered to each Partner as permitted under this Agreement and to the auditor (if any) of the Partnership not less than ten (10) days nor more than thirty (30) days prior to the date of meeting. Such notice shall include:

- (a) the time of meeting;

- (b) the place of meeting;
- (c) the format of the meeting, whether in person and/or by electronic video conference;
- (d) sufficient information to enable each Limited Partner to make a reasoned judgment on each matter to be considered at the meeting, but it shall not be necessary to deliver the text of any Ordinary, Special, Extra-ordinary or Unanimous Resolution proposed for the meeting; and
- (e) where the meeting is being called by a Partner other than the General Partner, the name(s) of the Partner(s) calling the meeting and the reason for such meeting.

Any Limited Partner may waive notice of any meeting in writing at any time before, during or after such meeting.

9.03 **Place of Meeting**

All meetings will be held at such location in Canada and at such reasonable time as is selected by the person convening the meeting.

9.04 **Attendance**

All Limited Partners including Defaulting Limited Partners and the General Partner, Project Sponsor, Manager and, if applicable, auditor of the Partnership and co-owners under the Co-Ownership Agreement and any other person authorized by the General Partner, or their respective directors, officers, agents or representatives, are entitled to attend and speak at meetings, but only Limited Partners, excluding Defaulting Limited Partners, are entitled to vote, and each such Limited Partner shall have one vote for each Unit registered in the name of such Limited Partner.

9.05 **Quorum**

A quorum for a meeting of Partners shall consist of one or more Limited Partners present or by proxy and owning or representing at least 50% of all outstanding Units. If such quorum is not present within thirty minutes after the time fixed for the meeting, the meeting may be adjourned to be held not earlier than seven (7) days and not later than twenty-one (21) days thereafter. At least three (3) Business Days notice of the adjourned meeting shall be given to the Limited Partners, either in writing or verbally, but such notice of the adjourned meeting need not set forth the matters to be considered unless they are different from those for which the original meeting was called. At an adjourned meeting those Limited Partners present or represented by proxy shall constitute a quorum. An adjourned meeting shall be held at the city or town in Saskatchewan specified in the written or verbal notice of the adjourned meeting but, for greater certainty, an adjourned meeting need not be held at the same place or address as scheduled for the original meeting.

9.06 Chairman

A representative of the General Partner shall be the chairman of meetings of Partners unless those Limited Partners present or represented by proxy at the meeting shall choose, by Ordinary Resolution, some other person present to be chairman. If the General Partner or their representative is not present at any such meeting, those Limited Partners present or represented by proxy shall appoint a chairman of the meeting by Ordinary Resolution. The chairman of the meeting shall not, as such, be entitled to vote at the meeting other than in respect of Units registered in the name of the chairman or in respect of which the chairman holds a valid proxy.

9.07 Voting Rights

Except as otherwise specified in this Agreement, all questions shall be decided by an Ordinary Resolution. The General Partner shall not be entitled to any voting rights in their capacity as General Partner at any meeting of the Partners but, if the General Partner is the holder of any Units, or the duly appointed representative or proxy of a holder of Units, it will be entitled to vote in respect of such Units.

9.08 Co-Ownership Voting

If the Partnership purchases only a partial interest in the Property, the Partnership shall enter into the Co-Ownership Agreement as proposed with the Project Sponsor and its assigns. The Co-Ownership Agreement would allow the Limited Partners to vote directly the Partnership's interest on certain fundamental issues relating to the Property, akin to those in Section 6.05(a). Each Limited Partner's vote on fundamental issues under the Co-Ownership Agreement shall be determined by that Limited Partner's Sharing Ratio being multiplied by the Partnership's proportionate interest in the Property.

9.09 Proxy

A Limited Partner may attend any meeting of the Partnership (personally and/or by electronic video conference as provided for in the notice of meeting) or may be represented by proxy. Votes at meetings of Partners may be cast personally and/or by electronic video conference, as permitted, or by proxy. The instrument appointing a proxy shall be signed by the appointer or their duly authorized attorney in writing, or, if the appointer is a corporation, under its seal or by an officer or attorney thereof duly authorized, and such proxy shall cease to be valid one year from its date. Any person may be appointed a proxy, whether or not they are a Partner. Additionally, the General Partner may secure the consent of any Limited Partner in writing in respect of any matter which is proposed for a meeting or which requires the consent of the Limited Partners pursuant to this Agreement, and such consent may be used in the same manner as a proxy is used for the purpose of a vote at a meeting of the Limited Partners.

9.10 Validity of Proxies

No proxy or written consent shall be voted at any meeting unless it shall either have been placed on file with the General Partner or delivered to the chairman of the meeting prior to the time at which such meeting shall commence. The determination by the chairman of the meeting of the validity of any proxy or written consent shall be final and binding on all

Partners. A proxy or consent purporting to be executed by a Limited Partner shall be presumed valid unless challenged at or prior to its exercise and the burden of proving invalidity shall rest upon the challenger.

9.11 **Revocation of Proxy**

A vote cast in accordance with the terms of any instrument of proxy or written consent shall be valid notwithstanding the previous death, incapacity, insolvency, bankruptcy or insanity of the Limited Partner giving the proxy or consent, or the revocation of the proxy or consent, provided that no written notice of death, incapacity, insolvency, bankruptcy, insanity or revocation shall have been received at the place of meeting prior to the time fixed for holding of the meeting.

9.12 **Conduct of Meeting**

To the extent that the rules and procedures for the conduct of meetings of Partners are not prescribed in this Agreement, such rules and procedures shall be determined by the chairman.

9.13 **Effect of Resolutions**

An Ordinary Resolution, Special Resolution, Extra-ordinary Resolution or a Unanimous Resolution as required by this Agreement and passed at a meeting of Partners or in accordance with Section 9.14 shall be binding on all Partners and their respective heirs, executors, administrators, successors, and assigns.

9.14 **Written Resolutions**

Any matter which may be decided at a Partnership meeting by Ordinary Resolution, Special Resolution, Extra-ordinary Resolution or Unanimous Resolution, as the case may be, may be decided without a formal meeting by an Ordinary Resolution, Special Resolution, Extra-ordinary Resolution or Unanimous Resolution in writing.

9.15 **Attendance at Meetings**

When a meeting of the Partners is called and the notice provides for attendance of the Partners by electronic video conference, appearing by the electronic video conference organized by the Partnership shall constitute proper attendance to the meeting.

ARTICLE 10.00 - POWER OF ATTORNEY

10.01 **Power of Attorney**

Each Limited Partner hereby irrevocably makes, constitutes, and appoints the General Partner to act, with full power of substitution, as their true and lawful attorney and agent, to act on their behalf with full power and authority, in their name, place and stead and for their use and benefit to:

- (a) execute, swear to, and record in the appropriate public offices any and all of the following:
 - (i) the Declaration and any amendments to the Declaration required under the *Partnership Act* and the *Business Names Registration Act* and such other instruments as are necessary to form, qualify or continue and keep in good standing the Partnership as a limited partnership in Saskatchewan;
 - (ii) this Agreement and all documents and agreements necessary to reflect any amendment to this Agreement; and
 - (iii) all conveyances and other instruments necessary to reflect the dissolution and termination of the Partnership, including cancellation of the Declaration and the execution of any elections under the *Income Tax Act*, or other legislation;
- (b) execute and file with any governmental body or instrumentality thereof of the Government of Canada or any province any documents necessary to be filed in connection with the business, property, assets, and undertaking of the Partnership;
- (c) execute and deliver such conveyances, transfers, and other instruments on behalf of a Limited Partner as may be necessary or desirable to effect a Transfer or Transmission of Units made by a Limited Partner (or by the General Partner on behalf of a Defaulting Limited Partner in those circumstances where Section 8.01 hereof is applicable);
- (d) execute, swear to, acknowledge, deliver, file and/or record in appropriate public offices, all instruments and other documents necessary to effect and implement a Reorganization Transaction approved in accordance with this Agreement and in accordance with the Extra-ordinary Resolution by which such approval was granted (as applicable);
- (e) execute and deliver such documents on behalf of and in the name of the Partnership and the Limited Partners as may be necessary to give effect to the Business of the Partnership as described in Section 2.03 hereof;
- (f) execute and deliver such other documents on behalf of and in the name of the Limited Partners and/or the Partnership as may be required to give effect to the provisions of this Agreement; or
- (g) execute and deliver the Co-Ownership Agreement, and any amendments thereto, on behalf of and in the name of the Limited Partners and/or the Partnership, if necessary.

To evidence the foregoing, each Limited Partner has or shall in executing a subscription or transfer form for the purchase of Units, execute a power of attorney substantially in the form noted above. The power of attorney granted herein is irrevocable and is a power coupled with an interest and will survive the death, disability, mental and physical incapacity, and insolvency of a Limited Partner and will extend to and be binding upon the heirs, executors,

administrators, successors, and assigns of the Limited Partner and may be exercised by the General Partner on behalf of each Limited Partner by listing all of the Limited Partners executing any instrument with a single signature as attorney and agent for all of them. Each Limited Partner agrees to be bound by any representations and actions and hereby waives any and all defenses which may be available to contest, mitigate or disaffirm the action of the General Partner taken in good faith and acting legally under such power of attorney.

ARTICLE 11.00 - AMENDMENT TO AGREEMENT

11.01 Amendments

This Agreement may be amended in writing on the initiative of the General Partner with the approval of the Limited Partners given by Extra-ordinary Resolution. Additionally, the General Partner may, without prior notice to or consent from any Limited Partner, amend any provision of this Agreement from time to time:

- (a) for the purpose of adding to this Agreement any further covenants, restrictions, elections or provisions which, in the opinion of counsel to the Partnership, are necessary for the protection of the Limited Partners;
- (b) to evidence or confirm the admission to or removal from the Partnership of any person who, in accordance with the terms of this Agreement, acquires or disposes of Units;
- (c) to cure an ambiguity or to correct or supplement any provisions contained herein which, in the opinion of counsel to the Limited Partners, may be defective or inconsistent with any other provision contained herein, and with respect to which, in the opinion of such counsel, the cure, correction or supplemental provision does not and will not adversely affect the interests of the Limited Partners; or
- (d) to make such other provisions in regard to matters or questions arising under the Agreement which, in the opinion of counsel to the Partnership, do not and will not adversely affect the interests of the Limited Partners.

The Limited Partners will be notified of full details of such amendments to this Agreement as soon as reasonably possible after the effective date of the amendment.

ARTICLE 12.00 - DISSOLUTION AND TERMINATION

12.01 Events of Dissolution

The Partnership shall be dissolved and its affairs wound up if:

- (a) the Limited Partners resolve by Extra-ordinary Resolution to dissolve the Partnership;
- (b) the Property is sold, transferred or otherwise disposed of;

- (c) the General Partner gives notice of its intention to resign pursuant to Section 6.13, becomes disqualified as contemplated by Section 6.14, or is removed by the Limited Partners pursuant to Section 6.15, and the Limited Partners fail to appoint and admit a substitute general partner within the time limits set forth in Sections 6.13, 6.14 or 6.15 hereof, as the case may be;
- (d) the Limited Partners have approved a Reorganization Transaction in accordance with Section 12.10, in which case the General Partner shall thereupon take such steps as may be required to implement such Reorganization Transaction in accordance with the provisions of the Extra-ordinary Resolution approving such Reorganization Transaction and upon or as soon as reasonably possible after such implementation the Partnership shall be dissolved;
- (e) the Partnership undertakes a Permitted Transaction in accordance with Section 12.10, in which case the General Partner shall thereupon take such steps as may be required to implement such Permitted Transaction and upon or as soon as reasonably possible after such implementation the Partnership shall be dissolved; or
- (f) the Partnership becomes insolvent or bankrupt,

(each or any of the foregoing being hereinafter referred to as an “Event of Dissolution”).

12.02 **Termination**

The Partnership shall terminate, following an Event of Dissolution, when all of its assets have been disposed of and the net proceeds thereof (after payment of, or due provision for the payment of, all debts, liabilities, and obligations of the Partnership to creditors) have been distributed as provided in this Article. The General Partner, or such other person as may be acting as receiver of the Partnership, shall have authority to execute and register an amendment to or cancellation of the Declaration as well as any other documents required to give effect to the dissolution and termination of the Partnership.

12.03 **Continuity**

The Partnership shall not be dissolved or terminated by the amendment of this Agreement, the amendment of the Declaration, the admission of a New General Partner or Limited Partner, or the resignation, removal, death, incompetency, bankruptcy, insolvency, dissolution, liquidation, winding up or receivership of the General Partner or any Limited Partner or the issue, Transfer or Transmission of any Unit, except as specifically provided in this Agreement.

12.04 **Receiver**

The General Partner shall serve as the receiver of the Partnership during the period of its liquidation and winding up, provided that if the General Partner is unable or unwilling to act in such capacity, the Limited Partners shall appoint an appropriate person to act as the receiver of the Partnership by Ordinary Resolution (the General Partner, or such other receiver, as applicable, being hereinafter sometimes referred to as the “Receiver”). For greater

certainly, where the dissolution of the Partnership results from the Limited Partners failing to appoint a substitute general partner where the General Partner (the “Outgoing General Partner”) is removed or resigns, the Outgoing General Partner shall have full power and authority to continue to act as general partner for the purpose of liquidating and winding up the Partnership.

12.05 **Liquidation of Assets**

As soon as practicable after an Event of Dissolution, the Receiver shall proceed diligently to wind up the affairs of the Partnership, and all assets of the Partnership shall be liquidated as promptly as is reasonably possible. During the course of such liquidation, the Receiver shall act honestly, in good faith, and in the manner of a prudent receiver and shall operate the properties and undertakings of the Partnership and in so doing shall be vested with all the powers and authorities of the General Partner in relation to the business and affairs of the Partnership under the terms of this Agreement. The Receiver shall be paid its reasonable fees and disbursements in carrying out its duties.

12.06 **Distributions on Dissolution**

The net proceeds from the liquidation of the assets of the Partnership shall be distributed by the Receiver in the following order of priority:

- (a) to pay off any Mortgages or other secured debts of the Partnership;
- (b) to pay the expenses of liquidation, including the fees and disbursements of the Receiver, and all other debts and liabilities of the Partnership to its creditors;
- (c) to provide for such reserves as the Receiver may deem reasonably necessary for any contingent or unforeseen liabilities or obligations of the Partnership;
- (d) the balance, if any:
 - (i) to the General Partner to return its Capital Contribution; and
 - (ii) to the Limited Partners in accordance with their respective Sharing Ratios.

12.07 **Distributions in Specie**

In lieu of the liquidation and distribution of assets pursuant to Sections 12.05 and 12.06 hereof, the Limited Partners by Unanimous Resolution may approve the distribution of all assets of the Partnership in kind or in specie in which event each Limited Partner, subject to the provisions contained herein, shall be entitled to receive an individual interest in each and every asset of the Partnership and shall assume and be responsible for each and every liability of the Partnership, in proportion to their respective Sharing Ratios at the date of dissolution.

12.08 **Partition of Assets**

Except as specifically provided in Section 12.07 hereof, in no event and under no circumstances shall a Partner be entitled, whether during the existence of the Partnership or after the commencement of the dissolution of the Partnership, to compel a partition, judicial or

otherwise, of any of the assets of the Partnership or to have any of the assets of the Partnership distributed to the Partners in kind, in specie, or in any manner other than the distribution of monies from the proceeds of liquidation as provided in Section 12.06 hereof.

12.09 **Return of Capital**

Except as provided in this Agreement, no Partner shall have the right to demand or receive a return of their Capital Contribution in a form other than cash or at any time or in any circumstance except as expressly provided in this Agreement and permitted by the *Partnership Act*. Notwithstanding the foregoing, however, nothing herein is to be construed so as to prohibit such a return of capital in a form other than cash or, subject to the *Partnership Act*, at such other times or in such other circumstances as the General Partner, in its discretion may determine. Except with respect to the General Partner's Share, and except as may otherwise be expressly provided for in this Agreement, any returns of capital shall be distributed amongst the Limited Partners in accordance with their respective Sharing Ratios.

12.10 **Reorganization Transaction**

Notwithstanding any other provision of this Agreement, the General Partner may call a meeting of the Partnership, at any time following the expiration of the Commitment Period, for the purpose of considering and, if thought fit, approving by Extra-ordinary Resolution a proposed transaction (a "Reorganization Transaction") pursuant to which the General Partner may be authorized to sell and transfer the Property, or its interest therein, and all or substantially all of the other assets of the Partnership or, as attorney and agent for each Limited Partner, to sell and transfer all Units of the Partnership and/or all of the interests of the respective Limited Partners in the Partnership, on a tax deferred basis, to a mutual fund corporation or trust, a corporation, limited partnership or real estate investment trust (a "Merger Entity") in exchange for shares, limited partnership units, trust units and/or other securities of such Merger Entity and to thereupon or as soon as reasonably possible thereafter distribute the shares, limited partnership units, trust units or other securities so received to the Limited Partners in proportion to their respective Sharing Ratios. Implementation of a Reorganization Transaction shall be subject to the following:

- (a) completion of a definitive transfer agreement or like agreements between the General Partner on behalf of the Partnership (and/or as applicable as attorney and agent for the Limited Partners) and the Merger Entity to whom the Property and assets (or as the case may be Units) are to be transferred;
- (b) obtaining any necessary regulatory approvals; and
- (c) approval by Extra-ordinary Resolution.

If a Reorganization Transaction is approved in accordance with the foregoing provisions of this Section 12.10, the General Partner shall use its best efforts, and is hereby authorized, on behalf and at the expense of the Partnership and on behalf of each Limited Partner, to execute and deliver all agreements, documents and other instruments, and to do or cause to be done such other acts and things, as the General Partner in its discretion considers to be reasonably necessary or desirable to implement and complete such Reorganization Transaction in accordance with the Extra-ordinary Resolution authorizing the transaction.

Notwithstanding the above, a Reorganization Transaction where the Merger Entity is a limited partnership organized on same or similar terms as this Agreement and whose sole business is to own, manage and operate the Property, or an interest therein, shall be deemed a permitted transaction (a "Permitted Transaction") and is hereby approved and authorized by the Partners. Initiating the Permitted Transaction shall be at the discretion of the General Partner.

12.11 **Liquidity Event**

Notwithstanding any other provision of this Agreement, within fifteen (15) years from the end of the Commitment Period the General Partner shall at a meeting of the Partnership initiate discussions with the Limited Partners to assess the interest regarding the potential sale of the Property in order to provide liquidity to the Limited Partners at that time. If the Limited Partners approve initiating the potential sale of the Property, the General Partner shall canvass the market conditions for the sale of the Property and prepare a report setting out the fair market value of the Property based on licensed third party real estate appraisals. The General Partner will circulate the report to the Limited Partners 90 days from the initial meeting. At that time the Limited Partners may approve by Special Resolution the offering of the Property for sale on the approved terms and any subsequent accepted counteroffers.

ARTICLE 13.00 - NOTICES

13.01 **Notice**

Any notice, communication, document, resolution, payment or demand required or permitted to be given or made hereunder will be sufficiently given or made for all purposes if delivered personally to the party or to an officer of the party to whom it is directed or if sent by ordinary first class mail within Canada, postage prepaid, or if sent by telecopier, facsimile, electronic email or other form of electronic transmission, addressed as follows:

To the General Partner:

c/o Millennium III Capital Corporation
2612 Koyl Avenue
Saskatoon, Saskatchewan
S7L 5X9
Fax No. 306-955-4175

To a Limited Partner:

At the contact information of the Limited Partner as set forth in the Register.

13.02 **Deemed Receipt**

Except as provided in Section 13.03, a document personally delivered will be deemed to be received on the day of delivery, a document sent by mail will be deemed to be received on the third Business Day after mailing and a document sent by telecopier, facsimile or other form of electronic transmission will be deemed to be received on the day of transmission

unless such day is not a Business Day in which case it shall be deemed to be received on the first Business Day following the day of transmission.

13.03 **Mail Disruption**

In the event of any disruption, strike or interruption in the Canadian postal service after mailing or before receipt or deemed receipt of a document, that document shall be delivered only by personal delivery or by telecopier, facsimile or other form of electronic transmission.

13.04 **Change of Address**

The General Partner may change its address by giving written notice of such change to the Limited Partners in accordance with this Article, and a Limited Partner may change their address and/or contact information by giving written notice of such change to the General Partner in accordance with this Article.

ARTICLE 14.00 - GENERAL

14.01 **Competing Interests**

Each Limited Partner is entitled, without the consent of the other Limited Partners or the General Partner, to carry on any business of the same nature and competing with that of the Partnership, and is not liable to account to the other Partners or the Partnership therefor. Without limiting the generality of the foregoing, it is expressly acknowledged and agreed that the Project Sponsor and/or persons associated or affiliated with the Project Sponsor are or may become party with the Limited Partnership in respect of the Material Contracts and may be or become mortgagees of the Partnership or otherwise enter into agreements from time to time with the Partnership, and each Partner and the Partnership hereby acknowledges that the Project Sponsor and such associates and/or affiliates are hereby permitted to enter into such agreements with the Partnership and to earn and/or realize a profit from such Material Contracts without liability to account to the Partnership or to any Limited Partner in respect thereto.

14.02 **Severability**

If any Article, Section or any portion of any Section of this Agreement is determined to be unenforceable or invalid by arbitration or by the decision of any Court of competent jurisdiction which is not appealed or appealable, for any reason whatsoever, that unenforceability or invalidity shall not affect the enforceability or validity of the remaining portions of this Agreement and such unenforceable or invalid Article, Section or portion thereof shall be severed from the remainder of this Agreement.

14.03 **Governing Law**

This Agreement and its application and interpretation shall be governed and construed in accordance with the laws of the Province of Saskatchewan and each Partner hereby irrevocably attorns to the non-exclusive jurisdiction of the Courts of the Province of Saskatchewan.

14.04 **Further Acts**

The parties hereto agree to execute and deliver such further and other documents and perform and cause to be performed such further and other acts and things as may be necessary or desirable in order to give full effect to this Agreement and every part hereof.

14.05 **Counterparts**

This Agreement may be executed in counterparts. All counterparts shall constitute one and the same agreement. Counterparts may be in original, facsimiled or electronic form.

14.06 **Waiver**

No failure or delay on the part of any party exercising any right or privilege hereunder and no indulgence or forbearance by any party in respect of the strict application of the provisions hereof shall operate as a waiver unless made in writing. Any written waiver shall not preclude the further or other exercise by the party giving such waiver of any right, power or privilege hereunder or extend to or apply to any subsequent default of the same or any other nature.

14.07 **Time**

Time shall be of the essence hereof and no extension or variation of this Agreement shall operate as a waiver of this provision.

14.08 **Binding Effect**

Each and all of the covenants, terms, provisions and agreements herein contained shall be binding upon and enure to the benefit of the Partners, their respective heirs, executors, administrators, committees, and legal personal representatives, and to the extent permitted by this Agreement, the respective successors and assigns.

14.09 **Revocation of Prior Agreements**

This Agreement is in substitution for all prior agreements of the parties in respect of the subject matter hereof and the provisions of the same are hereby revoked. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof.

IN WITNESS WHEREOF this Agreement is executed as of the date first above written.

FRASER PROPERTIES LIMITED

Per: 
John Kearley, President

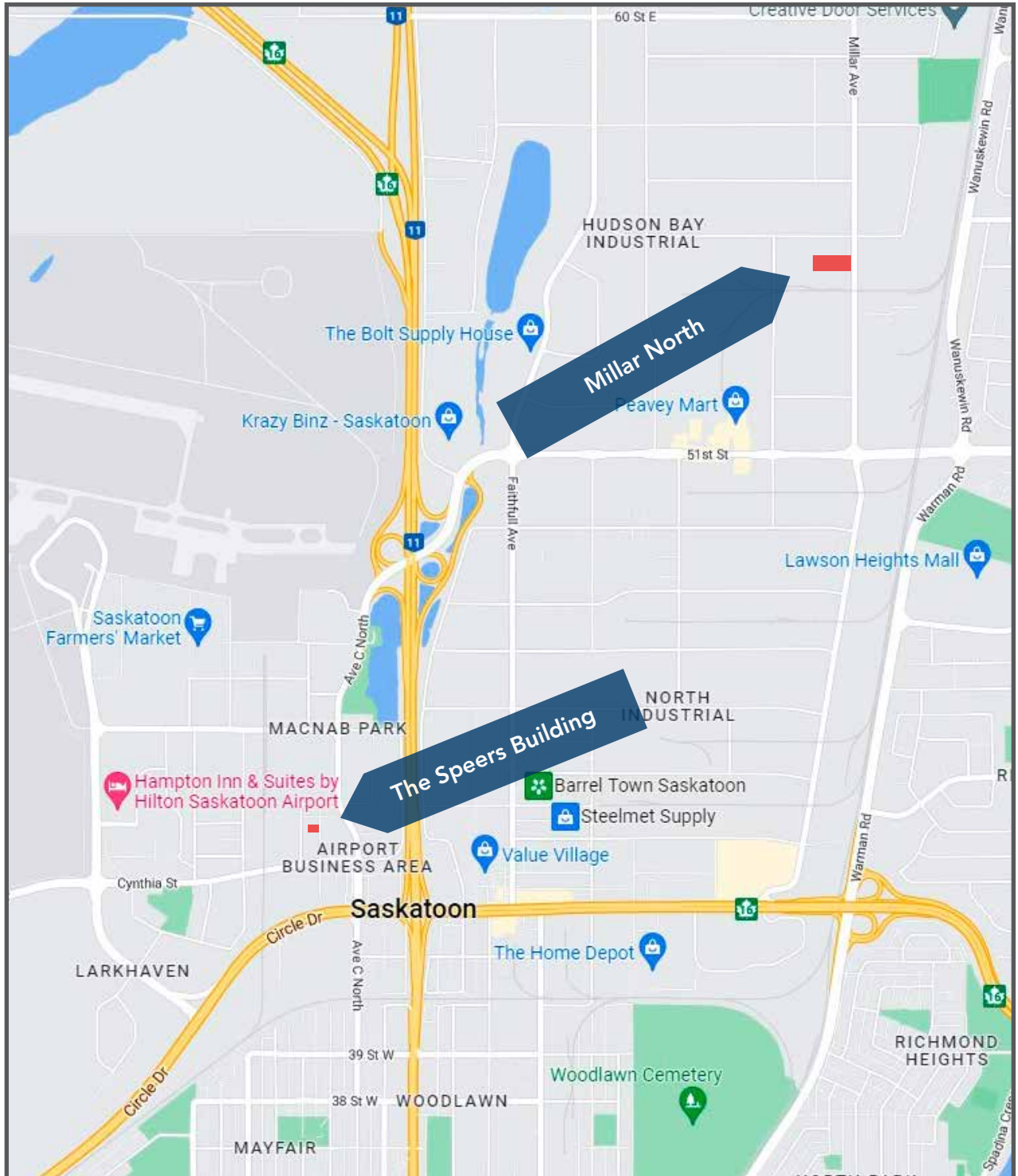
FLP INVESTMENTS LIMITED

Per: 
John Kearley, President

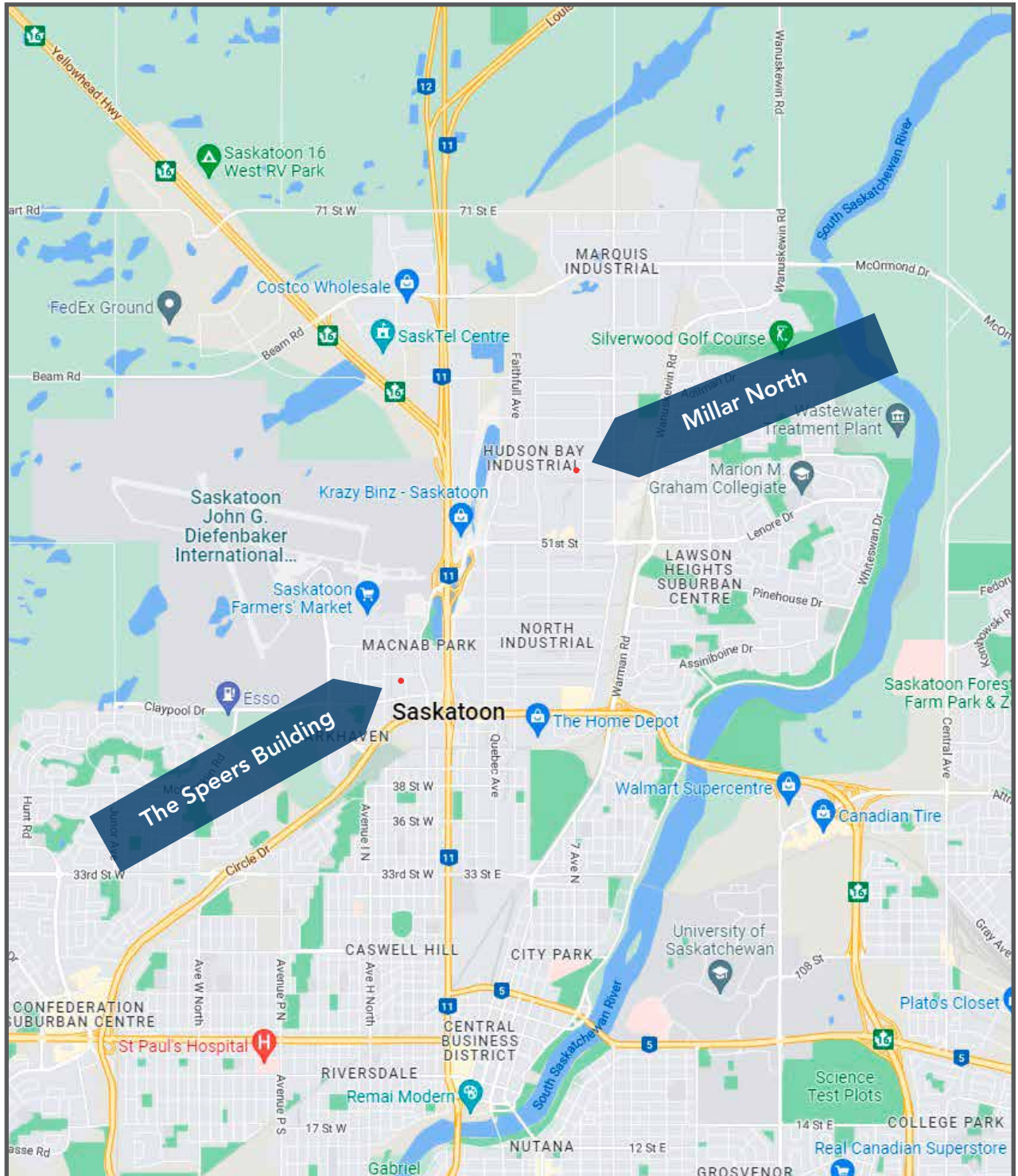
ANNEX II TO OFFERING MEMORANDUM

FRASER PROPERTIES LIMITED PARTNERSHIP

PROPERTY PLANS AND PHOTOS



Location Map



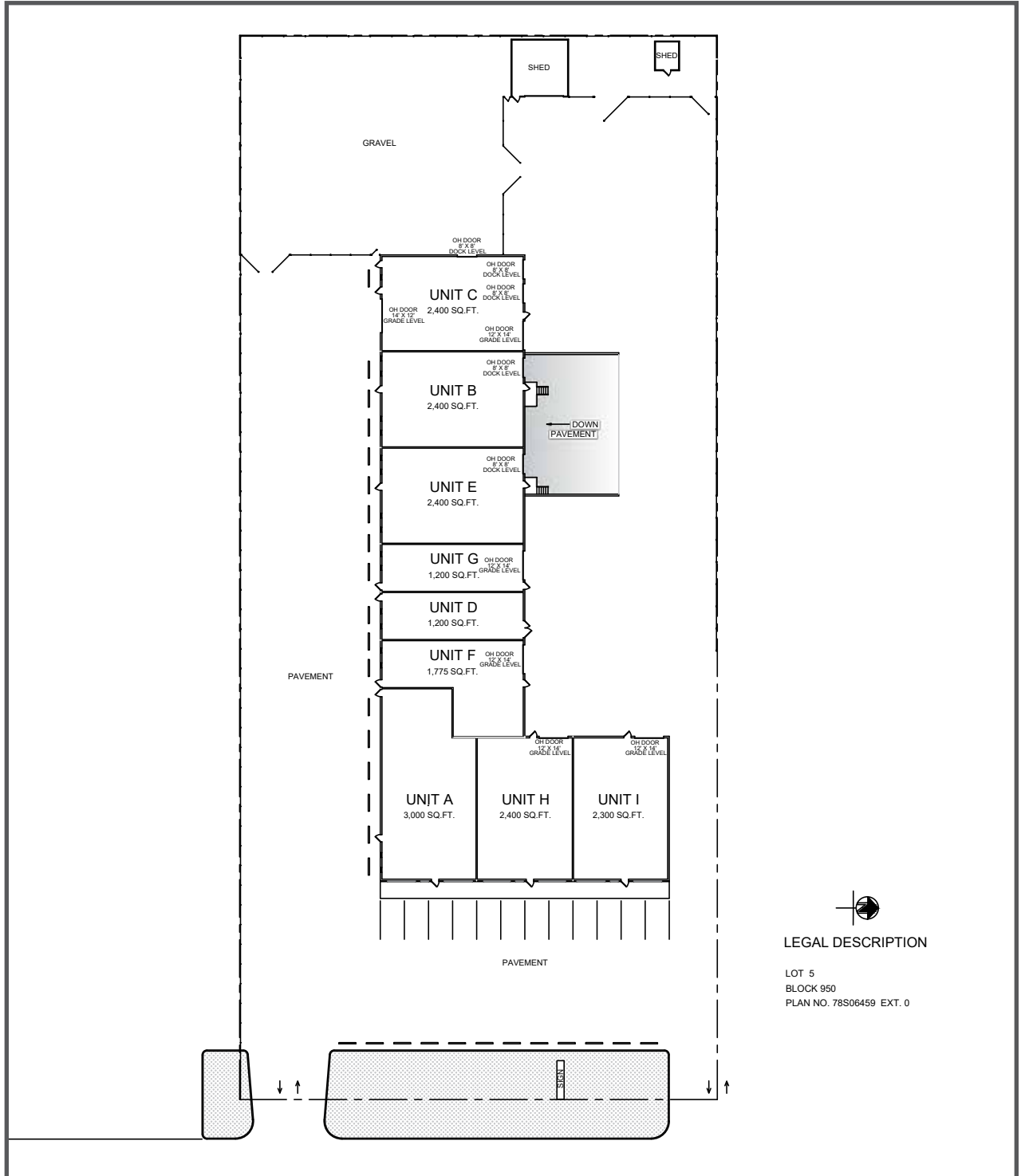
Area Map

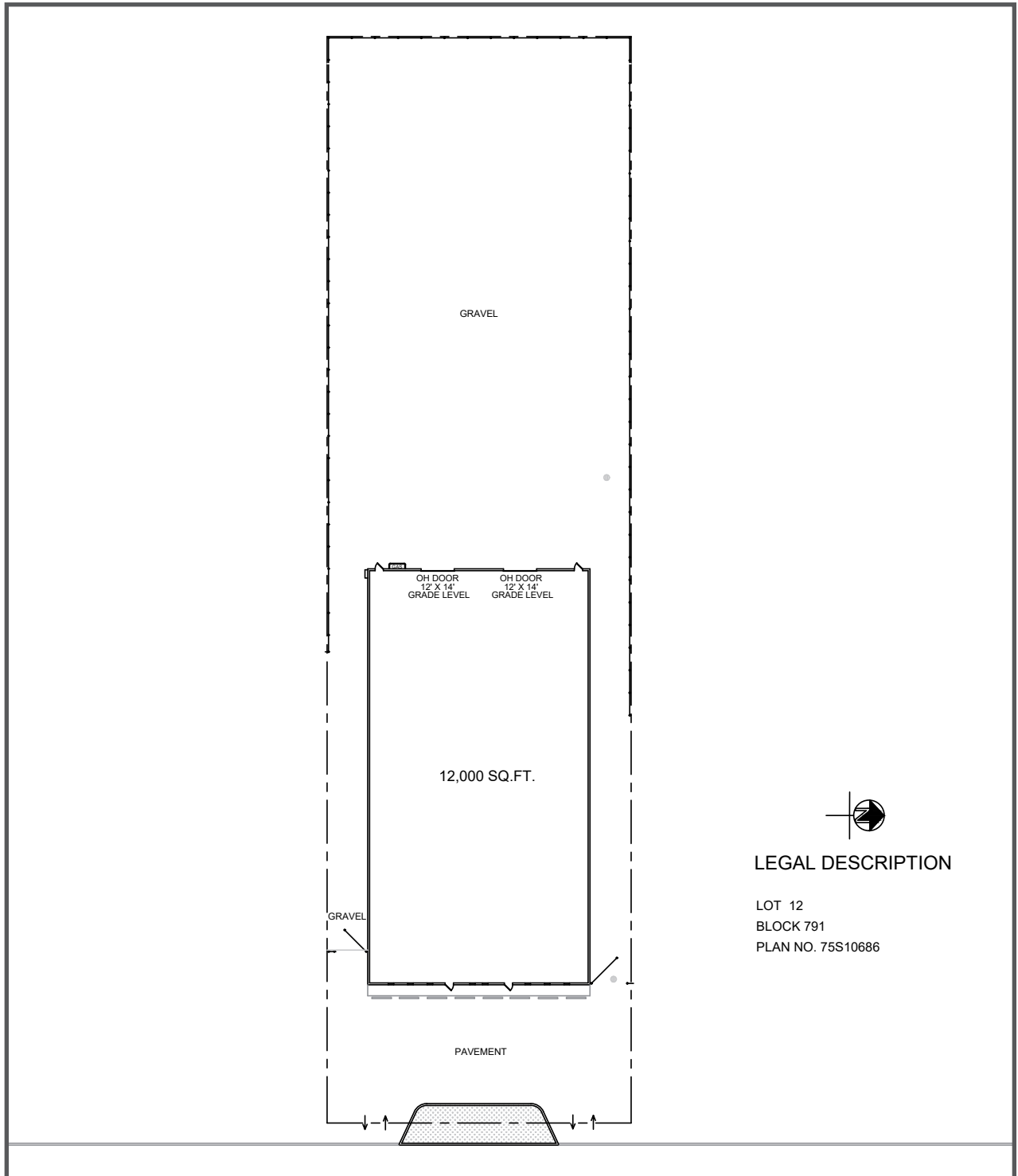



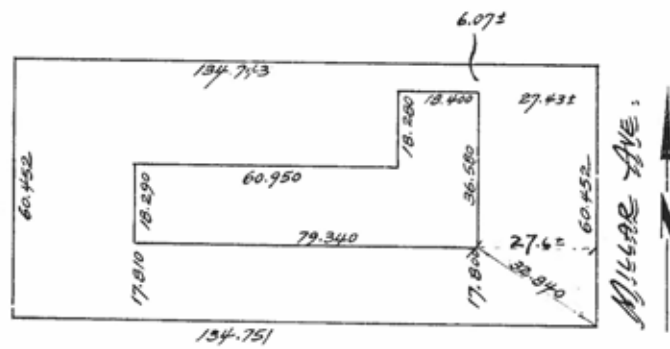

Zoning Map

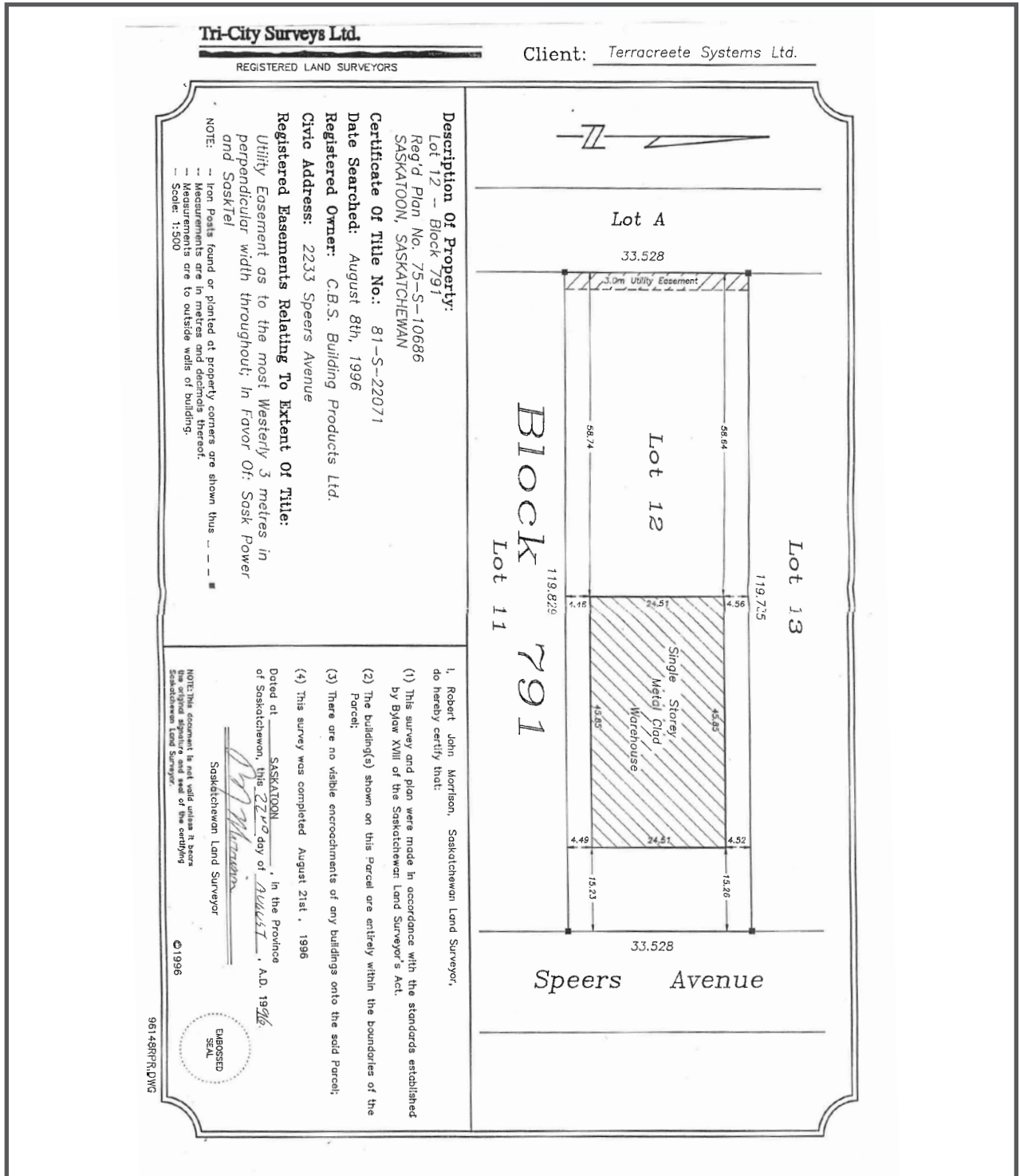


Zoning Map





 Surveyor's Certificate		NO. 85-137
Certificate made for	Ens Construction Ltd.	
Description of property	Lot 5, Block 950,	
according to a plan of record in the Land Titles Office for the Saskatoon Land Registration District as Number 78-S-06459, City of Saskatoon, Saskatchewan.		
<p>I, William Charles SOROSKI, of the City of Saskatoon, in the Province of Saskatchewan, Saskatchewan Land Surveyor, certify that I have made the necessary survey to determine the position of the buildings with reference to the above described property and that:</p> <ol style="list-style-type: none"> 1. The building now constructed thereon is wholly within the boundaries of the above described property as indicated on the sketch below. 2. There are no encroachment of adjacent buildings except as noted below. 3. Unless otherwise specified: <ol style="list-style-type: none"> (a) the dimensions shown relate to distance found from property boundaries to foundation walls only at the date of survey. (b) There are no measurements pertaining to footings, roofing, out buildings, etc. <p style="margin-left: 40px;">N.B. All measurements are shown in Metres and decimals of a Metre (1 ft. = 0.3048m)</p> 4. This plan is for the protection of the Mortgagee only and is not to be used for the location of the property lines, and does not define the bounds of the property. 		
		
Dated at the City of Saskatoon in the Province of Saskatchewan, this 11th day of September A.D. 1985.		 Saskatchewan Land Surveyor. George, Nicholson, Franko & Associates (1982) Ltd. LAND SURVEYORS





Bun's House Restaurant



Carson's Q & Skip a Beet



Mobile Augers and Researchers Ltd.



VertFarms YXE



Accu Sharp Tooling Ltd.



Ellis Mechanical Services Inc.



Mako Signs



Rubber Stone Saskatoon Inc.



Showtime Glass Inc.



Showtime Glass Inc.



ServiceMaster Restore



ServiceMaster Restore

ANNEX III TO OFFERING MEMORANDUM

FRASER PROPERTIES LIMITED PARTNERSHIP

FORM OF SUBSCRIPTION AGREEMENT

SUBSCRIPTION AGREEMENT FOR UNITS

TO: Fraser Properties Limited Partnership (the “Partnership”)
 AND TO: Fraser Properties Limited (the “General Partner”)
 AND TO: Millennium III Capital Corporation (the “Promoter”)

The undersigned (hereinafter referred to as the “Subscriber”) hereby irrevocably subscribes for and agrees to purchase the number of limited partnership units (the “Units”) of the Partnership set forth below, representing a subscription price of \$24,700 per Unit, upon and subject to the terms and conditions set forth in “Terms and Conditions of Subscription for Units of Fraser Properties Limited Partnership” attached hereto (the “Terms and Conditions”) and on the terms and conditions set forth in the limited partnership agreement with respect to the Partnership dated March 1, 2024, as amended, restated or supplemented from time to time (the “Partnership Agreement”). This page plus the Terms and Conditions and the Exhibits attached thereto are collectively referred to as the “Subscription Agreement”. Terms denoted in the Subscription Agreement with initial capital letters and not otherwise defined have the meanings ascribed thereto in the Partnership Agreement, unless the context otherwise requires.

Date: _____

 (Name of Subscriber - please print)

 (Name of Joint Subscriber - please print)

By: _____
 (Authorized Signature)

By: _____
 (Authorized Signature)

 (Official Capacity or Title if Subscriber is a Corporation - please print)

 (Please print name of individual whose signature appears above if different than the name of the Subscriber printed above.)

 (Subscriber’s Address)

 (Email Address)

 (Telephone Number)

 (Social Insurance Number)

 (Social Insurance Number)

 (CRA Business Number)

Price per Unit: \$24,700

Number of Units: _____

Aggregate Subscription Amount: \$ _____

 (Tax Year End)

 (Tax Service Office)

State whether the subscriber is a registrant under applicable securities laws:

☐ YES ☐ NO

Qualification for Securities Exemptions: Please initial beside the following exemption you are relying on and complete the relevant missing information. By executing this Subscription Agreement you represent and warrant that the initialed statements apply to you:

- ____ (a) I am an “accredited investor”. I am subscribing for Units under section 2.3 [Accredited investor] of NI 45-106, and reside in a Province or Territory of Canada. **COMPLETE EXHIBIT 1.**
- ____ (b) I am an “eligible investor”. I am subscribing for Units under section 2.9 [Offering memorandum] of NI 45-106, and reside in a Province or Territory of Canada (except Quebec). **COMPLETE EXHIBIT 2 AS APPLICABLE.**
- ____ (c) I am an “eligible investor” because I am an “accredited investor”. I am subscribing for Units under section 2.9 [Offering memorandum] of NI 45-106 and reside in a Province or Territory of Canada (except Quebec). **COMPLETE EXHIBIT 1 AND EXHIBIT 2 AS APPLICABLE.**

The Subscriber must sign two copies of Part II of Exhibit 1 and/or Part II of Exhibit 2, as applicable. Each of the Subscriber and the Partnership must receive a copy signed by the Subscriber.

FOR DEALING REPRESENTATIVE TO COMPLETE

By submitting this completed Subscription Agreement to the General Partner, the dealing representative hereby acknowledges and confirms that it has fulfilled its relevant “know-your-client”, suitability and anti-money laundering obligations under applicable securities legislation or other laws. It also confirms that it (i) has taken reasonable steps to verify that the Subscriber qualifies for the prospectus exemption indicated by the Subscriber under the heading “Qualification for Securities Exemption” above, (ii) will retain, for a minimum of eight (8) years, all necessary documents to demonstrate such verification, and (iii) will provide copies of such documentation to the General Partner upon request.

Name of Dealer (Firm Name)

Name and ID No. of Dealing Representative

Dealer Transaction Number

Signature of Dealing Representative

Telephone Number of Dealing Representative

Email Address of Dealing Representative

ACCEPTANCE: The General Partner hereby accepts the above subscription on the terms and conditions contained in this Subscription Agreement on behalf of the Partnership this _____ day of _____, 20_____.

FRASER PROPERTIES LIMITED
as General Partner on behalf of
FRASER PROPERTIES LIMITED PARTNERSHIP

Per: _____

This is the second page of an agreement comprised of 11 pages, not including Exhibits 1, 2 or 3.

Please make sure that your subscription includes:

1. One (1) signed copy of this Subscription Agreement.
2. A certified cheque or a bank draft in an amount equal to the Aggregate Subscription Amount payable to “Fraser Properties Limited”.
3. A completed and signed copy of:
 - (a) **Exhibit 1 (Part I and Part II)**, if you initialed beside (a) on the face page of this Subscription Agreement under the heading “Qualification for Securities Exemptions”;
 - (b) **Exhibit 2 (Part I and Part II)**, if you initialed beside (b) on the face page of this Subscription Agreement under the heading “Qualification for Securities Exemptions” and:
 - (i) **Schedule I and Schedule II of Part II of Exhibit 2** if you are an individual resident of Alberta, Saskatchewan, Ontario, New Brunswick or Nova Scotia;
 - (c) **Exhibit 1 (Part I) and Exhibit 2 (Part I and Part II)**, if you initialed beside (c) on the face page of this Subscription Agreement under the heading “Qualification for Securities Exemptions” and:
 - (i) **Schedule I and Schedule II of Part II of Exhibit 2** if you are an individual resident of Alberta, Saskatchewan, Ontario, New Brunswick or Nova Scotia;
4. A completed and signed copy of **Exhibit 3 – Limited Power of Attorney**

Please deliver your subscription to:

FRASER PROPERTIES LIMITED PARTNERSHIP
c/o Millennium III Capital Corporation
2612 Koyl Avenue
Saskatoon SK S7L 5X9
Fax: (306) 955-4175
E-mail: info@millennium3.ca

**TERMS AND CONDITIONS OF SUBSCRIPTION FOR UNITS OF
FRASER PROPERTIES LIMITED PARTNERSHIP**

1. Interpretation.

- (a) In this Subscription Agreement, unless stated otherwise or defined on the cover page or in Section 1(b) of this Subscription Agreement, capitalized terms used herein that are defined in the Partnership Agreement have the meanings ascribed to such terms in the Partnership Agreement;
- (b) In this Subscription Agreement:
 - (i) **“Accredited Investor Risk Acknowledgement”** means the Accredited Investor Risk Acknowledgement (Form 45-106F9) attached hereto as Part II of Exhibit 1;
 - (ii) **“Aggregate Subscription Amount”** means the total amount listed under Aggregate Subscription Amount on the face page;
 - (iii) **“Business Day”** means a day which is not a Saturday, Sunday or statutory holiday in the City of Saskatoon, Saskatchewan;
 - (iv) **“Cancellation Right”** means the right of the Subscriber who is subscribing under section 2.9 [Offering memorandum] of NI 45-106 to cancel this Subscription Agreement by sending notice of cancellation by midnight on the 2nd business day after the Subscriber executes this Subscription Agreement;
 - (v) **“Closing”** means the completion of the subscription for any Units pursuant to this Subscription Agreement;
 - (vi) **“Closing Date”** means the date of the Closing which is expected to occur on December 22, 2025, or such time or times as the General Partner may determine, but shall be no later than December 30, 2025;
 - (vii) **“Closing Time”** means the time on the applicable Closing Date that the Closing occurs;
 - (viii) **“General Partner”** means Fraser Properties Limited in its capacity as general partner of the Partnership;
 - (ix) **“NI 45-106”** means National Instrument 45-106 – *Prospectus Exemptions* of the Canadian Securities Administrators;
 - (x) **“Offering”** means the offering of Units under this Subscription Agreement;
 - (xi) **“Offering Memorandum”** means the Offering Memorandum of the Partnership relating to the sale of Units, as may be amended or supplemented from time to time;
 - (xii) **“Offering Memorandum Risk Acknowledgement”** means the Offering Memorandum Risk Acknowledgement (Form 45-106F4) attached hereto as Part II of Exhibit 2;
 - (xiii) **“Promoter”** means Millennium III Capital Corporation;
 - (xiv) **“Securities Laws”** means, as applicable, the securities laws, regulations, rules, rulings and orders in the Selling Jurisdictions in Canada, the applicable policy statements issued by the securities regulators in the Selling Jurisdictions in Canada and the regulations, rules, rulings and orders of any stock exchange;
 - (xv) **“Selling Jurisdictions”** means all the provinces and territories of Canada and such other jurisdictions as the Partnership may agree to from time to time, as applicable; and
 - (xvi) **“Tax Act”** means the *Income Tax Act* (Canada), together with any and all regulations promulgated thereunder, as amended from time to time.

2. Acknowledgements of the Subscriber. The Subscriber acknowledges that:

- (a) this subscription is subject to rejection or acceptance by the Partnership in whole or in part, and is effective only upon acceptance by the General Partner on behalf of the Partnership;
- (b) the Units subscribed for by it hereunder form part of a larger issuance and sale of Units by the Partnership for aggregate maximum gross proceeds of up to \$2,667,600;
- (c) the Subscriber acknowledges that the Offering is not subject to any minimum offering level and that the Subscriber may be the only subscriber under the Offering;
- (d) the General Partner reserves the right to close the Offering in multiple tranches and the Partnership is entitled to use the subscription proceeds as soon as any Closing has occurred provided the conditions to Closing set out in the Offering Memorandum are met;
- (e) there is no government or other insurance covering the Units;
- (f) the Promoter will pay commissions and certain fees in respect of administrative matters in connection with the Offering realized on the Units sold directly by registered dealers, financial advisors, sales persons, wholesalers, brokers, intermediaries or other eligible persons;
- (g) the Partnership may provide information in respect of the Subscriber’s investment to the advisor and dealer listed on page 2 of this Subscription Agreement;

- (h) there are restrictions on the Subscriber's ability to resell the Units and it is the responsibility of the Subscriber to find out what those restrictions are and to comply with them before selling the Units;
- (i) the Partnership has advised the Subscriber that the Partnership is relying on an exemption from the requirements to provide the Subscriber with a prospectus and, as a consequence of acquiring Units pursuant to this exemption, certain protections, rights and remedies provided by Securities Laws, including statutory rights of rescission or damages, may not be available to the Subscriber (other than the rights set forth in the Offering Memorandum applicable to Subscribers who subscribe for Units under the offering memorandum exemption in Section 2.9 of NI 45-106);
- (j) no prospectus has been filed by the Partnership with any securities commission or similar regulatory authority in the Selling Jurisdictions and the issuance is exempt from the prospectus requirements available under the provisions of Securities Laws and as a result:
 - (i) the Subscriber is restricted from using most of the civil remedies available under Securities Laws (other than remedies available in connection with the Offering Memorandum delivered to Subscribers who subscribe for Units under the offering memorandum exemption in Section 2.9 of NI 45-106);
 - (ii) the Subscriber may not receive information that would otherwise be required to be provided to it under Securities Laws (other than the information set forth in the Offering Memorandum applicable to Subscribers who subscribe for Units under the offering memorandum exemption in Section 2.9 of NI 45-106); and
 - (iii) the General Partner and Partnership are relieved from certain obligations that would otherwise apply under Securities Laws;
- (k) the Subscriber is solely responsible for obtaining such legal advice as it considers appropriate in connection with the execution, delivery and performance of this Subscription Agreement and ownership of the Units;
- (l) participation in the Partnership is subject to acceptance of the Subscription Agreement by the General Partner and to certain other considerations set forth in the Partnership Agreement and that acceptance of this Subscription Agreement shall be effective upon the General Partner, as attorney for the Subscriber, registering or cause to be registered such declarations, or amendments thereto, as may be necessary to so register the Subscriber as a limited partner in accordance with *The Business Names Registration Act* (Saskatchewan) and *The Partnership Act* (Saskatchewan); and
- (m) the Subscriber has been furnished with and has carefully reviewed and fully understands the Partnership Agreement and that it will become a party to the Partnership Agreement at the Closing Time and upon the General Partner's acceptance of this Subscription Agreement and the corresponding registration of the amendment to the declaration for the Partnership.

3. **Representations, Warranties and Covenants of the Subscriber.** By executing this Subscription Agreement, the Subscriber represents, warrants and covenants to the General Partner and the Partnership (and acknowledges that the General Partner and the Partnership and their counsel are relying thereon) that:

- (a) if the Subscriber is an individual, the Subscriber is of the full age of majority in the jurisdiction in which this Subscription Agreement is executed and is legally competent to execute and deliver this Subscription Agreement, the Partnership Agreement and all other agreements, instruments and other documents contemplated hereby and thereby and that it will perform all of its obligations, undertake all actions required of the Subscriber hereunder and thereunder;
- (b) if the Subscriber is not an individual: (i) it has been duly incorporated, formed or created and is valid and subsisting under the laws of the jurisdiction of its incorporation, formation, or creation; (ii) has the requisite power, authority, legal capacity and competence to execute and deliver this Subscription Agreement, the Partnership Agreement and all other agreements, instruments and other documents contemplated hereby and thereby and to perform all of its obligations, and to undertake all actions required of the Subscriber; and (iii) all necessary approvals of its directors, partners, shareholders, trustees or otherwise with respect to such matters that have been given or obtained;
- (c) this Subscription Agreement and the Partnership Agreement have been duly and validly authorized, executed and delivered by, and constitute a legal, valid, binding and enforceable obligation of the Subscriber;
- (d) the execution, delivery and performance by the Subscriber of this Subscription Agreement and the Partnership Agreement and the completion of the transactions contemplated herein and therein do not and will not result in a violation of any law, regulation, order or ruling applicable to the Subscriber, and do not and will not constitute a breach of or default under any of the Subscriber's constating documents (if the Subscriber is not an individual) or any agreement to which the Subscriber is a party or by which it is bound;
- (e) the Subscriber:
 - (i) has such knowledge in financial and business affairs as to be capable of evaluating the merits and risks of its investment in the Units;
 - (ii) is capable of assessing the proposed investment in the Units as a result of the Subscriber's own experience or as a result of advice received from a person registered under the Securities Laws;
 - (iii) is aware of the characteristics of the Units and the risks relating to an investment therein; and
 - (iv) is able to bear the economic risk of loss of its investment in the Units;
- (f) it understands that no securities commission, stock exchange, governmental agency, regulatory body or similar authority in Canada or elsewhere has made any finding or determination or expressed any opinion with respect to the merits of investing in the Units;
- (g) it confirms that neither the General Partner, the Partnership, the Promoter nor any of their respective representative directors, employees, officers or affiliates, have made any representations (written or oral) to the Subscriber:
 - (i) regarding the future value of the Units;

- (ii) that any person will resell or repurchase the Units;
 - (iii) that any person will refund the purchase price of the Units; or
 - (iv) that the Units will be listed and posted for trading on a stock exchange or that application has been made to list and post the Units for trading on a stock exchange;
- (h) the Subscriber has been advised to consult its own legal, tax and financial advisors with respect to the suitability of the Units as an investment for the Subscriber and the resale restrictions and “hold periods” to which the Units are subject under Securities Laws, it has been independently advised as to the meanings of all terms contained herein relevant to it for purposes of the representations, warranties, undertakings and covenants contained in this Subscription Agreement, and has not relied upon any statements made by or purporting to have been made on behalf of the Partnership or the General Partner in deciding to subscribe for Units hereunder;
- (i) it has not become aware of, and it has not entered into this Subscription Agreement as a result of: (i) any advertisement in printed media of general and regular paid circulation (or other printed public media), radio, television or telecommunications or other form of advertisement (including electronic display such as the internet) with respect to the Partnership, the Offering or the distribution of the Units; or (ii) any general solicitation or general advertising;
- (j) except in the case of a Subscriber who is subscribing under the offering memorandum exemption in section 2.9 of NI 45-106 and the PowerPoint presentation, the Subscriber has not received, requested and does not have any need to receive any offering memorandum or any other document describing the business and affairs of the Partnership which has been prepared for delivery to and review by prospective subscribers in order to assist it in making an investment decision in respect of the Units;
- (k) in the case of a Subscriber who is subscribing under the offering memorandum exemption in section 2.9 of NI 45-106, the Subscriber has received, reviewed and fully understands the Offering Memorandum and has had an opportunity to ask and have answered any and all questions which it wished to raise with respect to the business and affairs of the Partnership, the nature of its activities, the proposed use of proceeds, the Units, the Partnership Agreement and this Subscription Agreement;
- (l) except in the case of a Subscriber who is subscribing under the offering memorandum exemption in Section 2.9 of NI 45-106, the Subscriber acknowledges that certain protections, rights and remedies provided by an offering memorandum and other Securities Laws, including statutory rights of rescission or damages, may not be available to the Subscriber;
- (m) the Subscriber confirms that it is, or is deemed to be, purchasing the Units as principal for its own account, not for the benefit of any other person, and for investment purposes only and not with a view to the resale or distribution of all or any of the Units, it is resident in the jurisdiction set out as the “Subscriber’s Address” on the face page hereof, and it fully complies with one or more of the criteria set forth below:
- (i) **it is resident of a province of Canada**, it is an “accredited investor”, as such term is defined in NI 45-106 or, where applicable, section 73.3(1) of the *Securities Act* (Ontario), it was not created and is not used solely to purchase or hold securities as an accredited investor as described in paragraph (m) of the definition of “accredited investor” in NI 45-106, and has duly completed and executed Exhibit 1 (and particularly, if the Subscriber is an individual who has initialed category (j), (k) or (l) of the definition of “accredited investor” in Part I of Exhibit 1, he or she has duly completed and executed two (2) copies of the Accredited Investor Risk Acknowledgement, one copy for each of the Partnership and the Subscriber); or
 - (ii) **it is resident of a province of Canada other than Quebec**, it has received or been provided with a copy of the Offering Memorandum and has duly completed and executed Exhibit 2, as applicable, including two (2) copies of the Offering Memorandum Risk Acknowledgement (one copy for each of the Partnership and the Subscriber), and:
 - A. if the Subscriber is an individual and resident in Alberta, Saskatchewan, Ontario, New Brunswick or Nova Scotia, the Subscriber
 - (1) is an “eligible investor” as such term is defined in NI 45-106 and the acquisition cost of all securities acquired by the Subscriber under section 2.9 [Offering memorandum] of NI 45-106 in the preceding 12 months (including the Units to be acquired hereunder) does not exceed \$30,000;
 - (2) is an “eligible investor” as such term is defined in NI 45-106, has received advice from a portfolio manager, investment dealer or exempt market dealer that the investment is suitable and the acquisition cost of all securities acquired by the Subscriber under section 2.9 [Offering memorandum] of NI 45-106 in the preceding 12 months (including the Units to be acquired hereunder) does not exceed \$100,000;
 - (3) is an “accredited investor” as such term is defined in NI 45-106 or, where applicable, section 73.3(1) of the *Securities Act* (Ontario) and the Subscriber has duly completed and executed Exhibit 1; or
 - (4) is a family, friend or business associate as such term is used in section 2.5 [Family, friends and business associates] of NI 45-106;
 - B. if the Subscriber is resident in Manitoba, Northwest Territories, Nunavut, Prince Edward Island or Yukon, the Subscriber is an “eligible investor” as such term is defined in NI 45-106;
 - C. it was not created, and is not used, solely to purchase or hold securities in reliance on the exemption from the prospectus requirement set out in section 2.9 [Offering memorandum] of NI 45-106;
- (n) **if it is a resident of any jurisdiction referred to in the preceding paragraph 3(m)** but not purchasing thereunder, it is purchasing pursuant to an exemption from prospectus requirements available to it under Securities Laws and shall deliver to the Partnership such further particulars of the exemption(s) and the Subscriber’s qualifications thereunder as the Partnership or its counsel may request;

- (o) it understands and acknowledges that: (i) there is no market for the Units and there is no assurance that a market will develop in the future and confirms that no representation has been made to it by or on behalf of the General Partner or the Partnership with respect thereto; (ii) it is aware of the characteristics of the Units; (iii) it is aware of the risks relating to an investment therein; and (iv) the Partnership is not a “reporting issuer” under Securities Laws, and as a result of the Partnership not being a reporting issuer the Units will be subject to an indefinite “hold period” or “restricted period” under Securities Laws of 4 months and a day from the later of the Closing Date and the date the Partnership becomes a reporting issuer under Securities Laws, during which time the Subscriber may not trade the Units without filing a prospectus or being able to rely on one of the limited exemptions from the requirement to file a prospectus under Securities Laws, and that the Subscriber is solely responsible for (and neither the Partnership, General Partner nor the Promoter are in any way responsible for) the Subscriber’s compliance with applicable resale restrictions. **The Subscriber further acknowledges that the Partnership may never become a reporting issuer, and therefore, the hold period or restricted period may never expire and that it has been advised to consult legal counsel in the jurisdiction in which it resides or is deemed to reside for full particulars of resale restrictions and hold periods to which the Units are subject under Securities Laws;**
 - (p) it understands that the transfer of the Units is restricted pursuant to both the Partnership Agreement and Securities Laws and that any certificates representing the Units will bear a legend, or legends, indicating that the resale of such securities is restricted;
 - (q) it will not resell any of the Units, except in accordance with Securities Laws and the Partnership Agreement;
 - (r) it has relied solely upon the information in the Offering Memorandum (as applicable) and publicly available information relating to the Partnership and not upon any verbal or written representation as to fact or otherwise made by or on behalf of the Partnership and acknowledges that the Partnership’s counsel acts as counsel to the Partnership and not as counsel to the Subscriber;
 - (s) it is not a “non-Canadian” within the meaning of the *Investment Canada Act* (Canada), as amended, replaced, restated or re-enacted from time to time;
 - (t) it is not a “non-resident” within the meaning of the Tax Act;
 - (u) it understands that it and/or either the General Partner or the Partnership may be required to provide securities regulatory authorities or stock exchanges with information concerning the identities of the purchasers of the Units and, if required by Securities Laws or by any securities regulatory authority or stock exchange, the Subscriber will execute, deliver, file and otherwise assist the General Partner and the Partnership in filing such reports, undertakings and other documents with respect to the issue of the Units as may be required;
 - (v) it will ensure that its status as described above in sections 3(s) and (t) will not be modified and he or she will not transfer his or her Units in whole or in part to any person who would be unable to make such representations and warranties without the express written consent of the General Partner; and
 - (w) the Subscriber has not and will not finance any part of the Aggregate Subscription Amount with borrowing or other indebtedness for which recourse is or is deemed to be limited within the meaning of the Tax Act, it being acknowledged that, for this purpose, limited recourse indebtedness includes, without limitation:
 - (i) indebtedness in respect of which bona fide written arrangements were not made at the time the indebtedness was incurred for repayment of all principal and interest within a reasonable period not exceeding 10 years;
 - (ii) indebtedness on which interest is not payable, at least annually, at a rate equal to or greater than the lesser of the rate prescribed under the Tax Act at the time the indebtedness arose and the prescribed rate that is applicable from time to time during the term of the indebtedness; and
 - (iii) indebtedness in respect of which such interest is not paid by the debtor within 60 days of the end of the debtor’s tax year.
4. **Timeliness of Representations, etc.** The Subscriber agrees that the representations, warranties and covenants of the Subscriber herein (including the Exhibits attached hereto) will be true and correct both as of the execution of this Subscription Agreement and as of the Closing Time, and will survive the completion of the distribution of the Units and any subsequent disposition by the Subscriber of the Units.
5. **Indemnity.** The Subscriber acknowledges that each of the General Partner, the Partnership and the Promoter are relying upon the representations, warranties and covenants of the Subscriber set forth herein in determining the eligibility (from a securities law perspective) of the Subscriber to purchase Units under the Offering, and hereby agrees to indemnify each of the General Partner, the Partnership and the Promoter against all losses, claims, costs, expenses, damages or liabilities that either of them may suffer or incur as a result of or in connection with its reliance on such representations, warranties and covenants. The Subscriber undertakes to immediately notify the Partnership and the General Partner at 2612 Koyl Avenue, Saskatoon, Saskatchewan S7L 5X9, Fax: (306) 955-4175, E-mail: info@millennium3.ca, of any change in any statement or other information relating to the Subscriber set forth herein.
6. **Partnership Agreement.** The Subscriber acknowledges and agrees that it has read and understands the terms and provisions of the Partnership Agreement, that it has been independently advised as to the terms and provisions of the Partnership Agreement, and irrevocably acknowledges and agrees that, if this subscription is accepted, as of the Closing Time, it shall become a party to the Partnership Agreement and a limited partner upon amendment of the Partnership’s certificate or declaration to add the Subscriber as a limited partner, and shall be fully bound by, and subject to, all of the covenants, terms and conditions and other provisions of the Partnership Agreement.
7. **Deliveries by Subscriber prior to Closing.** The Subscriber agrees to deliver to the General Partner, or as the General Partner may direct, not later than 10:00 a.m. (Saskatoon time) on the business day preceding the applicable Closing Date, (or one business day before any applicable Closing Date of which the Subscriber receives notice):
- (a) one copy of this duly completed and executed Subscription Agreement;
 - (b) a certified cheque or bank draft made payable to “Fraser Properties Limited” in an amount equal to the Aggregate Subscription Amount, or such other party as the General Partner may direct;

- (c) if subscribing for Units under the “Accredited Investor” exemption pursuant to section 2.3 of NI 45-106, a duly completed and executed Exhibit 1 (and particularly, if the Subscriber is an individual who has initialed category (j), (k) or (l) of the definition of “accredited investor” in Part I of Exhibit 1, he or she has duly completed and executed two (2) copies of the Accredited Investor Risk Acknowledgement, one copy for each of the Partnership and the Subscriber);
 - (d) if subscribing for Units under the “Offering Memorandum” exemption pursuant to section 2.9 of NI 45-106, a duly completed and executed Exhibit 2 (including two (2) copies of the Offering Memorandum Risk Acknowledgement, one copy for each of the Partnership and the Subscriber);
 - (e) a duly completed and executed Exhibit 3; and
 - (f) such other documents as may be requested by the General Partner.
8. **Partial Acceptance or Rejection of Subscription.** The General Partner may, in its absolute discretion, accept or reject the Subscriber’s subscription for Units as set forth in this Subscription Agreement, in whole or in part, and the General Partner reserves the right to sell to the Subscriber less than the amount of Units subscribed for under this Subscription Agreement. If this Subscription Agreement is rejected in whole, any certified cheque(s), bank draft(s) or wire(s) delivered by the Subscriber to the General Partner on account of the subscription price for the Units subscribed for will be promptly returned to the Subscriber without interest. If this Subscription Agreement is accepted only in part, a cheque representing the amount by which the payment delivered by the Subscriber to the General Partner exceeds the subscription price of the number of Units sold to the Subscriber pursuant to a partial acceptance of this Subscription Agreement, will be promptly delivered to the Subscriber without interest.
9. **Time and Place of Closing.** The sale of the Units will be completed at the offices of the General Partner’s counsel in Saskatoon, Saskatchewan at the Closing Time. The General Partner reserves the right to close the Offering in multiple tranches, in one or more Closings.
10. **Money Laundering.** The Subscriber represents and warrants that the funds representing the Aggregate Subscription Amount which will be advanced by the Subscriber to the Partnership hereunder will not represent proceeds of crime for the purposes of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) (the “PCMLTFA”) and the Subscriber acknowledges that the Partnership may in the future be required by law to disclose the Subscriber’s name and other information relating to this Subscription Agreement and the Subscriber’s subscription hereunder, on a confidential basis, pursuant to the PCMLTFA. To the best of the Subscriber’s knowledge: (a) none of the subscription funds to be provided by the Subscriber: (i) have been or will be derived from or related to any activity that is deemed criminal under the laws of Canada, the United States of America, or any other jurisdiction; or (ii) are being tendered on behalf of a person or entity who has not been identified to the Subscriber; and (b) it shall promptly notify the General Partner and the Partnership if the Subscriber discovers that any of such representations ceases to be true, and to provide the General Partner and the Partnership with appropriate information in connection therewith.
11. **Expenses.** The Subscriber acknowledges and agrees that all costs incurred by the Subscriber (including any fees and disbursements of any counsel retained by the Subscriber) relating to the sale of the Units to the Subscriber shall be borne by the Subscriber.
12. **Governing Law.** The contract arising out of acceptance of this Subscription Agreement by the General Partner, on behalf of the Partnership, shall be governed by and construed in accordance with the laws of the Province of Saskatchewan and the federal laws of Canada applicable therein. The parties irrevocably attorn to the exclusive jurisdiction of the courts of the Province of Saskatchewan.
13. **Time of Essence.** Time shall be of the essence of this Subscription Agreement.
14. **Entire Agreement.** This Subscription Agreement represents the entire agreement of the parties hereto relating to the subject matter hereof, and there are no representations, covenants or other agreements relating to the subject matter hereof except as stated or referred to herein.
15. **Electronic Copies and Counterpart Execution.** The General Partner and the Partnership shall be entitled to rely on delivery of a facsimile or electronic copy of executed subscriptions, and acceptance by the General Partner, on behalf of the Partnership, of such facsimile subscriptions shall be legally effective to create a valid and binding agreement between the Subscriber and the General Partner, on behalf of the Partnership, in accordance with the terms hereof. This subscription may be signed in any number of counterparts. Each such counterpart shall, for all purposes, be deemed an original. All such counterparts together shall constitute but one and the same subscription agreement.
16. **Severability.** The invalidity, illegality or unenforceability of any provision of this Subscription Agreement shall not affect the validity, legality or enforceability of any other provision hereof.
17. **Survival.** The covenants, representations and warranties contained in this Subscription Agreement shall survive the closing of the transactions contemplated hereby, and shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns.
18. **Interpretation.** The headings used in this Subscription Agreement have been inserted for convenience of reference only and shall not affect the meaning or interpretation of this Subscription Agreement or any provision hereof. In this Subscription Agreement, unless otherwise indicated, all references to money amounts are in Canadian dollars.
19. **Amendment.** Except as otherwise provided herein, this Subscription Agreement may only be amended by the parties hereto in writing.
20. **Assignment.** Neither party may assign all or part of its interest in or to this Subscription Agreement without the consent of the other party in writing.
21. **Power of Attorney.** The Subscriber hereby grants to the General Partner and the Partnership, its successors and assigns, a power of attorney constituting the General Partner as their true and lawful attorney to act on their behalf, with full power and authority in their name, place and stead, to execute, under seal or otherwise, swear to, acknowledge, deliver, make, or file or record, when, as and where required:
- (a) execute, swear to and record in the appropriate public offices any and all of the following:
 - (i) the declaration and any amendments to the declaration required under *The Business Names Registration Act* (Saskatchewan) and *The Partnership Act* (Saskatchewan) and such other instruments as are necessary to form, qualify or continue and keep in good standing the Partnership as a limited partnership in Saskatchewan and other jurisdictions;

- (ii) the Partnership Agreement and all documents and agreements necessary to reflect any amendments to the Partnership Agreement; and
 - (iii) all conveyances and other instruments necessary to reflect the dissolution and termination of the Partnership, including cancellation of the declaration for the Partnership and the execution of any elections under the Tax Act, or other legislation;
- (b) execute and file with any governmental body or instrumentality thereof of the Government of Canada or any Province any documents necessary to be filed in connection with the business, property, assets and undertaking of the Partnership;
 - (c) execute and deliver such conveyances, transfers and other instruments on behalf of the Subscriber as may be necessary or desirable to effect a transfer or transmission of the Units made by the Subscriber (or by the General Partner in the event that the Subscriber becomes a defaulting limited partner in those circumstances where section 8.01 of the Partnership Agreement is applicable);
 - (d) execute, swear to, acknowledge, deliver, file and/or record in appropriate public offices all instruments and other documents necessary to effect and implement a Reorganization Transaction approved in accordance with section 12.10 of the Partnership Agreement and in accordance with the Extra-ordinary Resolution by which such approval was granted (as applicable);
 - (e) execute and deliver such documents on behalf of and in the name of the Partnership and the limited partners as may be necessary to give effect to the business and purposes of the Partnership as described in the Partnership Agreement;
 - (f) execute and deliver the Co-Ownership Agreement, and any amendments thereto, as described in the Partnership Agreement, on behalf of and in the name of the Partnership and the limited partners, if necessary; and
 - (g) execute and deliver such other documents on behalf of and in the name of the limited partners and/or the Partnership as may be required to give effect to the provisions of the Partnership Agreement.

The power of attorney granted hereby is irrevocable and is a power coupled with an interest and will survive the Subscriber's death, disability, incapacity, insanity and insolvency and will extend to and be binding upon the Subscriber's heirs, executors, administrators, successors and assigns and may be exercised by the General Partner on behalf of each limited partner by listing all of the limited partners executing any instrument with a single signature as attorney and agent for all of them. The Subscriber agrees to be bound by any representations and actions and hereby waives any and all defences which may be available to contest, mitigate or disaffirm the actions of the General Partner taken in good faith and acting legally under such power of attorney.

22. **Permitted Transaction.** By execution of this Subscription Agreement, the Subscriber authorizes and approves a Permitted Transaction as set out in section 12.10 of the Partnership Agreement and authorizes the General Partner to effect a Permitted Transaction, as determined by the General Partner.

23. **Language.** The parties hereto expressly request and require that this document be drawn up in English. Les parties aux présentes conviennent et exigent que cette entente et tous les documents qui s'y rattachent soient rédigés en anglais.

PRIVACY NOTICE AND USE OF INFORMATION

Use of Information

The Subscriber acknowledges being notified by the Partnership of:

- (a) the delivery to applicable securities regulators of certain personal information pertaining to the Subscriber, including the Subscriber's full name, residential address and telephone number, email address, the number of Units purchased by the Subscriber, the total purchase price paid for such Units, the prospectus exemption relied on by the Partnership and the date of distribution of the Units;
- (b) such information is being collected for the purposes of the administration and enforcement of the securities legislation of the local jurisdiction;
- (c) the Subscriber may contact the following public official with respect to questions about the indirect collection of such information at the following address and telephone number:

Alberta Securities Commission
Suite 600, 250 – 5th Street SW
Calgary, Alberta T2P 0R4
Telephone: (403) 297-6454
Toll free in Canada: 1-877-355-0585
Facsimile: (403) 297-6156
Email: inquiries@asc.ca

Public official contact regarding indirect collection of information:
FOIP Coordinator

The Manitoba Securities Commission
500 – 400 St. Mary Avenue
Winnipeg, Manitoba R3C 4K5
Telephone: (204) 945-2548
Toll free in Manitoba 1-800-655-5244
Facsimile: (204) 945-0330
Email: securities@gov.mb.ca

Public official contact regarding indirect collection of information:
Director

Office of the Superintendent of Securities Service
Consumer and Financial Services Division
Newfoundland and Labrador
100 Prince Philip Drive
P.O. Box 8700
St. John's, Newfoundland A1B 4J6
Telephone: (709) 729-4189
Facsimile: (709) 729-6187
Email: consumeraffairs@gov.nl.ca

Public official contact regarding indirect collection of information:
Superintendent of Securities

Nova Scotia Securities Commission
Suite 400, 5251 Duke Street
Duke Tower
P.O. Box 458
Halifax, Nova Scotia B3J 2P8
Telephone: (902) 424-7768
Facsimile: (902) 424-4625
Email: NSSCinquiries@novascotia.ca

Public official contact regarding indirect collection of information:
Executive Director

Government of Prince Edward Island
The Office of the Superintendent Securities
Consumer, Corporate and Insurance Services Divisions Office of
the Attorney General
95 Rochford Street,
4th Floor Shaw Building
P.O. Box 2000
Charlottetown, Prince Edward Island C1A 7N8
Telephone: (902) 368-4569
Facsimile: (902) 368-5283
Public official contact regarding indirect collection of information:
Superintendent of Securities

Government of Yukon
Office of the Yukon Superintendent of Securities
307 Black Street, 1st Floor
P.O. Box 2703, C-6
Whitehorse, Yukon Y1A 2C6
Telephone: (867) 667-5466
Facsimile: (867) 393-6251
Email: securities@gov.yk.ca
Public official contact regarding indirect collection of information:
Superintendent of Securities

British Columbia Securities Commission
P.O. Box 10142, Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Inquiries: (604) 899-6500
Toll free in Canada: 1-800-373-6393
Facsimile: (604) 899-6506

Email: inquiries@bcsc.bc.ca
Public official contact regarding indirect collection of information:
FOI Inquiries

Financial and Consumer Services Commission (New Brunswick)
85 Charlotte Street, Suite 300
Saint John, New Brunswick E2L 2J2
Telephone: (506) 658-3060
Toll free in Canada: 1-866-933-2222
Facsimile: (506) 658-3059
Email: info@fcnb.ca

Public official contact regarding indirect collection of information:
Chief Executive Officer and Privacy Officer

Government of the Northwest Territories
Office of the Superintendent of Securities
P.O. Box 1320
5009 49th Street
1st Floor, Stuart Hodgson Building
Yellowknife, Northwest Territories X1A 2L9
Telephone: (867) 767-9305
Facsimile: (867) 873-0243
Public official contact regarding indirect collection of information:
Superintendent of Securities

Government of Nunavut
Office of the Superintendent of Securities Nunavut
P.O. Box 1000, Station 570
1st Floor, Brown Building
Iqaluit, Nunavut X0A 0H0
Telephone: (867) 975-6590
Facsimile: (867) 975-6594
Email: securitiesregistry@gov.nt.ca
Public official contact regarding indirect collection of information:
Superintendent of Securities

Financial and Consumer Affairs Authority of Saskatchewan
Suite 601 - 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 4H2
Telephone: (306) 787-5842
Facsimile: (306) 787-5899
Public official contact regarding indirect collection of information:
Director

Ontario Securities Commission
20 Queen Street West, 22nd Floor
Toronto, Ontario M5H 3S8
Telephone: (416) 593-8314
Toll free in Canada: 1-877-785-1555
Facsimile: (416) 593-8122
Email: inquiries@osc.gov.on.ca
Public official contact regarding indirect collection of information:
Inquiries Officer

Government of Quebec
Autorité des marchés financiers
800, rue du Square-Victoria, 22e étage
C.P. 246, tour de la Bourse
Montréal, Québec H4Z 1G3
Telephone: (514) 395-0337 or 1-877-525-0337
Facsimile: (514) 873-6155 (For filing purposes only)
Facsimile: (514) 864-6381 (For privacy requests only)
Email: financementdessocietes@lautorite.qc.ca
(For corporate finance issuers);
fonds_dinvestissement@lautorite.qc.ca (For investment fund
issuers)
Public official contact regarding indirect collection of information:
Corporate Secretary

The Subscriber authorizes the indirect collection of the information by the applicable securities regulator.

EXHIBIT 1

PART I – ACCREDITED INVESTOR EXEMPTION REPRESENTATION LETTER

**MUST BE COMPLETED BY ALL SUBSCRIBERS SUBSCRIBING FOR UNITS UNDER THE ACCREDITED INVESTOR EXEMPTION PURSUANT TO
S. 2.3 [ACCREDITED INVESTOR] OF NI 45-106
OR S. 73.3(1) OF THE SECURITIES ACT (ONTARIO)**

**MUST BE COMPLETED BY ALL SUBSCRIBERS SUBSCRIBING FOR UNITS UNDER THE OFFERING MEMORANDUM EXEMPTION UNDER S. 2.9
[OFFERING MEMORANDUM] OF NI 45-106
WHO IS AN ELIGIBLE INVESTOR, AS A PERSON DESCRIBED IN S. 2.3 [ACCREDITED INVESTOR]
OF NI 45-106 OR S. 73.3(1) OF THE SECURITIES ACT (ONTARIO)**

**TO: Fraser Properties Limited Partnership
AND TO: Fraser Properties Limited**

(Capitalized terms not specifically defined in this Exhibit have the meaning ascribed to them in the Subscription Agreement to which this Exhibit is attached)

In connection with the execution by the undersigned subscriber (the “Subscriber”) of the Subscription Agreement which this Exhibit forms a part of, the Subscriber hereby represents, warrants, covenants and certifies that:

1. the Subscriber is resident in the jurisdiction set out as the “Subscriber’s Address” on the face page of the Subscription Agreement;
2. the Subscriber is either: (i) purchasing the Units as principal for its own account, or (ii) is deemed to be purchasing the Units as principal in accordance with subsection 2.3(2) or (4) of NI 45-106;
3. the Subscriber was not created, and is not used, solely to purchase or hold securities as an accredited investor as described in paragraph (m) of the definition of “accredited investor” in NI 45-106;
4. the Subscriber is an “accredited investor” within the meaning of NI 45-106 or the *Securities Act* (Ontario), where applicable, by virtue of satisfying the indicated criterion set out below:

[Instructions: Initial beside the applicable description]

- | | | | | |
|-------|-------|-------|------|--|
| _____ | _____ | (a) | (i) | except in Ontario, a Canadian financial institution or a Schedule III bank; or; |
| | | | (ii) | in Ontario, (A) a bank listed in Schedule I, II or III to the <i>Bank Act</i> (Canada); (B) an association to which the <i>Cooperative Credit Association Act</i> (Canada) applies or a central cooperative credit society for which an order has been made under subsection 473(1) of that Act; or (C) a loan corporation, trust corporation, insurance company, treasury branch, credit union, caisse populaire, financial services cooperative or credit union league or federation that is authorized by a statute of Canada or Ontario to carry on business in Canada or Ontario, as the case may be; |
| _____ | _____ | (b) | | the Business Development Bank of Canada incorporated under the <i>Business Development Bank of Canada Act</i> (Canada); |
| _____ | _____ | (c) | (i) | except in Ontario, a subsidiary of any person referred to in paragraphs (a)(i) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary; |
| | | | (ii) | in Ontario, a subsidiary of any person referred to in paragraphs (a)(ii) or (b), if the person owns all of the voting securities of the subsidiary, except the voting securities required by law to be owned by directors of that subsidiary; |
| _____ | _____ | (d) | | a person registered under the securities legislation of a jurisdiction of Canada as an adviser or dealer; |
| _____ | _____ | (e) | | an individual registered under the securities legislation of a jurisdiction of Canada as a representative of a person referred to in paragraph (d); |
| _____ | _____ | (e.1) | | an individual formerly registered under the securities legislation of a jurisdiction of Canada, other than an individual formerly registered solely as a representative of a limited market dealer under one or both of the <i>Securities Act</i> (Ontario) or the <i>Securities Act</i> (Newfoundland and Labrador); |
| _____ | _____ | (f) | | the Government of Canada or a jurisdiction of Canada, or any crown corporation, agency or wholly owned entity of the Government of Canada or a jurisdiction of Canada; |
| _____ | _____ | (g) | | a municipality, public board or commission in Canada and a metropolitan community, school board, the Comité de gestion de la taxe scolaire de l’île de Montréal or an intermunicipal management board in Québec; |
| _____ | _____ | (h) | | any national, federal, state, provincial, territorial or municipal government of or in any foreign jurisdiction, or any agency of that government; |
| _____ | _____ | (i) | | a pension fund that is regulated by the Office of the Superintendent of Financial Institutions (Canada), a pension commission or similar regulatory authority of a jurisdiction of Canada; |

- _____ (j) an individual who, either alone or with a spouse, beneficially owns financial assets having an aggregate realizable value that, before taxes, but net of any related liabilities, exceeds \$1,000,000; **[Instruction: If you select this paragraph (j), complete the Accredited Investor Exemption Risk Acknowledgement in Part II of this Exhibit 1];**
- _____ (j.1) an individual who beneficially owns financial assets having an aggregate realizable value that, before taxes but net of any related liabilities, exceeds \$5,000,000;
- _____ (k) an individual whose net income before taxes exceeded \$200,000 in each of the 2 most recent calendar years or whose net income before taxes combined with that of a spouse exceeded \$300,000 in each of the 2 most recent calendar years and who, in either case, reasonably expects to exceed that net income level in the current calendar year; **[Instruction: If you select this paragraph (k), complete the Accredited Investor Exemption Risk Acknowledgement in Part II of this Exhibit 1];**
- _____ (l) an individual who, either alone or with a spouse, has net assets of at least \$5,000,000; **[Instruction: If you select this paragraph (l), complete the Accredited Investor Exemption Risk Acknowledgement in Part II of this Exhibit 1];**

(Note: if individual accredited investors wish to purchase through wholly-owned holding companies or similar entities, such purchasing entities must qualify under section (t) below, which must be initialed.)

- _____ (m) a person, other than an individual or investment fund, that has net assets of at least \$5,000,000 as shown on its most recently prepared financial statements;
- _____ (n) an investment fund that distributes or has distributed its securities only to:
- (i) a person that is or was an accredited investor at the time of the distribution,
- (ii) a person that acquires or acquired securities in the circumstances referred to in Sections 2.10 [Minimum amount investment] or 2.19 [Additional investment in investment funds] of NI 45-106, or;
- (iii) a person described in paragraph (i) or (ii) that acquires or acquired securities under Section 2.18 [Investment fund reinvestment] of NI 45-106;
- _____ (o) an investment fund that distributes or has distributed securities under a prospectus in a jurisdiction of Canada for which the regulator, or in Québec, the securities regulatory authority, has issued a receipt;
- _____ (p) a trust company or trust corporation registered or authorized to carry on business under the *Partnership and Loan Companies Act* (Canada) or under comparable legislation in a jurisdiction of Canada or a foreign jurisdiction, acting on behalf of a fully managed account managed by the trust company or trust corporation, as the case may be;
- _____ (q) a person acting on behalf of a fully managed account managed by that person, if that person is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction;
- _____ (r) a registered charity under the *Income Tax Act* (Canada) that, in regard to the trade, has obtained advice from an eligibility adviser or an adviser registered under the securities legislation of the jurisdiction of the registered charity to give advice on the securities being traded;
- _____ (s) an entity organized in a foreign jurisdiction that is analogous to any of the entities referred to in paragraphs (a) to (d) or paragraph (i) in form and function;
- _____ (t) a person in respect of which all of the owners of interests, direct, indirect or beneficial, except the voting securities required by law to be owned by directors, are persons that are accredited investors;
- _____ (u) an investment fund that is advised by a person registered as an adviser or a person that is exempt from registration as an adviser;
- _____ (v) (i) a person that is recognized or designated by the securities regulatory authority or, except in Ontario and Québec, the regulator as an accredited investor;
- (ii) in Ontario, a person that is recognized or designated by the Ontario Securities Commission as an accredited investor; or
- _____ (w) a trust established by an accredited investor for the benefit of the accredited investor's family members of which a majority of the general partners are accredited investors and all of the beneficiaries are the accredited investor's spouse, a former spouse of the accredited investor or a parent, grandparent, brother, sister, child or grandchild of that accredited investor, of that accredited investor's spouse or of that accredited investor's former spouse.

For the purpose of this Accredited Investor Exemption Representation Letter, NI 45-106 and the *Securities Act* (Ontario):

“financial assets” means (a) cash, (b) securities, or (c) a contract of insurance, a deposit or an evidence of a deposit that is not a security for the purposes of securities legislation;

“related liabilities” means (a) liabilities incurred or assumed for the purpose of financing the acquisition or ownership of financial assets, or (b) liabilities that are secured by financial assets.

Upon execution of this Accredited Investor Exemption Representation Letter by the Subscriber, this Accredited Investor Exemption Representation Letter shall be incorporated into and form a part of the Subscription Agreement to which it is attached.

EXECUTED by the Subscriber(s) on _____.

Full Legal Name of Subscriber (please print)

Signature of Subscriber or its Authorized Representative

Official Title or Capacity (please print)

Name of Signatory (please print name of individual whose signature appears above if different than name of Subscriber)

Full Legal Name of Joint Subscriber (please print)

Signature of Joint Subscriber or its Authorized Representative

EXHIBIT 1

**PART II – ACCREDITED INVESTOR RISK ACKNOWLEDGEMENT
FORM 45-106F9**

MUST BE COMPLETED BY ALL INDIVIDUAL SUBSCRIBERS PURCHASING UNITS UNDER THE ACCREDITED INVESTOR EXEMPTION PURSUANT TO S. 2.3 OF NATIONAL INSTRUMENT 45-106, *PROSPECTUS AND REGISTRATION EXEMPTIONS*, WHO FALL UNDER SUBSECTIONS (J), (K) OR (L) OF THE DEFINITION OF ACCREDITED INVESTOR AS SET OUT IN PART I OF THIS EXHIBIT 1

WARNING!

This investment is risky. Don't invest unless you can afford to lose all the money you pay for this investment.

SECTION 1 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER		
1. About your investment		
Type of securities: LIMITED PARTNERSHIP UNITS	Issuer: FRASER PROPERTIES LIMITED PARTNERSHIP	
Purchased from: the issuer, FRASER PROPERTIES LIMITED PARTNERSHIP		
SECTIONS 2 TO 4 TO BE COMPLETED BY THE PURCHASER		
2. Risk acknowledgement		
This investment is risky. Initial that you understand that:	Your initials	
Risk of loss – You could lose your entire investment of \$_____ [Instruction: Insert the total dollar amount of the investment.]		
Liquidity risk – You may not be able to sell your investment quickly – or at all.		
Lack of information – You may receive little or no information about your investment.		
Lack of advice – You will not receive advice from the salesperson about whether this investment is suitable for you unless the salesperson is registered. The salesperson is the person who meets with, or provides information to, you about making this investment. To check whether the salesperson is registered, go to www.aretheyregistered.ca .		
3. Accredited investor status		
You must meet at least one of the following criteria to be able to make this investment. Initial the statement that applies to you. (You may initial more than one statement.) The person identified in section 6 is responsible for ensuring that you meet the definition of accredited investor. That person, or the salesperson identified in section 5, can help you if you have questions about whether you meet these criteria.	Your initials	
• Your net income before taxes was more than \$200,000 in each of the 2 most recent calendar years, and you expect it to be more than \$200,000 in the current calendar year. (You can find your net income before taxes on your personal income tax return.)		
• Your net income before taxes combined with your spouse's was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year.		
• Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities.		
• Either alone or with your spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.)		
4. Your name and signature		
By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.		
First and last name of Subscriber (please print):		
Signature of Subscriber:		Date:
First and last name of Joint Subscriber (please print):		
Signature of Joint Subscriber:		

SECTION 5 TO BE COMPLETED BY THE SALESPERSON	
5. Salesperson information	
<i>[Instruction: The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer or selling security holder, a registrant or a person who is exempt from the registration requirement.]</i>	
First and last name of salesperson (please print):	
Telephone:	Email:
Name of firm (if registered):	
SECTION 6 TO BE COMPLETED BY THE ISSUER OR SELLING SECURITY HOLDER	
6. For more information about this investment	
Fraser Properties Limited Partnership c/o Millennium III Capital Corporation 2612 Koyl Avenue Saskatoon SK S7L 5X9 Attention: John Kearley Phone Number: (306) 955-4174 E-mail Address: info@millennium3.ca	
For more information about prospectus exemptions, contact your local securities regulator. You can find contact information at www.securities-administrators.ca.	

Form instructions:

1. This form does not mandate the use of a specific font size or style but the font must be legible.
2. The information in sections 1, 5 and 6 must be completed before the purchaser completes and signs the form.
3. The purchaser must sign this form. Each of the purchaser and the issuer or selling security holder must receive a copy of this form signed by the purchaser. The issuer or selling security holder is required to keep a copy of this form for 8 years after the distribution.

EXHIBIT 2

PART I – OFFERING MEMORANDUM EXEMPTION REPRESENTATION LETTER

MUST BE COMPLETED BY ALL SUBSCRIBERS SUBSCRIBING FOR UNITS UNDER THE OFFERING MEMORANDUM EXEMPTION UNDER S. 2.9 [OFFERING MEMORANDUM] OF NI 45-106

TO: Fraser Properties Limited Partnership
 AND TO: Fraser Properties Limited

(Capitalized terms not specifically defined in this Exhibit have the meaning ascribed to them in the Subscription Agreement to which this Exhibit is attached)

In connection with the execution by the undersigned subscriber (the “Subscriber”) of the Subscription Agreement which this Exhibit forms a part of, the Subscriber hereby represents, warrants, covenants and certifies that:

1. the Subscriber is resident in the jurisdiction set out as the “Subscriber’s Address” on the face page of the Subscription Agreement;
2. the Subscriber is purchasing the Units as principal for its own account;
3. the Subscriber was not created, and is not used, solely to purchase or hold securities in reliance on the exemption from the prospectus requirements set out in Section 2.9 of NI 45-106;
4. if the Subscriber is an individual and resident in Alberta, Saskatchewan, Ontario, New Brunswick or Nova Scotia, the Subscriber:

[Instruction: Initial beside the applicable description]

- | | | |
|-------|-------|--|
| _____ | _____ | (a) is an “eligible investor” as such term is defined in NI 45-106 and the acquisition cost of all securities acquired by the Subscriber under Section 2.9 [<i>Offering memorandum</i>] of NI 45-106 in the preceding 12 months (including the Units to be acquired hereunder) does not exceed \$30,000; |
| _____ | _____ | (b) is an “eligible investor” as such term is defined in NI 45-106, has received advice from a portfolio manager, investment dealer or exempt market dealer that the investment is suitable and the acquisition cost of all securities acquired by the Subscriber under Section 2.9 [<i>Offering memorandum</i>] of NI 45-106 in the preceding 12 months (including the Units to be acquired hereunder) does not exceed \$100,000; |
| _____ | _____ | (c) is an “accredited investor” as such term is defined in NI 45-106 or, where applicable, section 73.3(1) of the <i>Securities Act</i> (Ontario) and the Subscriber has duly completed and executed Exhibit 1; or |
| _____ | _____ | (d) is a family, friend or business associate as such term is used in section 2.5 [Family, friends and business associates] of NI 45-106; |
5. if the Subscriber is resident of Manitoba, Northwest Territories, Nunavut, Prince Edward Island or Yukon, the Subscriber is an “eligible investor” as such term is defined in NI 45-106;
 6. if the Subscriber has indicated that it is an “eligible investor” in (4) or (5) above, the Subscriber is an “eligible investor” by virtue of satisfying the indicated criterion set out below:

[Instruction: Initial beside the applicable description]

- | | | | | | | | | |
|-------|--|---|-----|---|------|---|-------|--|
| _____ | _____ | (a) a person whose: <table border="0" style="margin-left: 20px;"> <tr> <td style="vertical-align: top; padding-right: 10px;">(i)</td> <td>net assets, alone or with a spouse, in the case of an individual, exceed \$400,000;</td> </tr> <tr> <td style="vertical-align: top; padding-right: 10px;">(ii)</td> <td>net income before taxes exceeded \$75,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year; or</td> </tr> <tr> <td style="vertical-align: top; padding-right: 10px;">(iii)</td> <td>net income before taxes, alone or with a spouse, in the case of an individual, exceeded \$125,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year;</td> </tr> </table> | (i) | net assets, alone or with a spouse, in the case of an individual, exceed \$400,000; | (ii) | net income before taxes exceeded \$75,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year; or | (iii) | net income before taxes, alone or with a spouse, in the case of an individual, exceeded \$125,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year; |
| (i) | net assets, alone or with a spouse, in the case of an individual, exceed \$400,000; | | | | | | | |
| (ii) | net income before taxes exceeded \$75,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year; or | | | | | | | |
| (iii) | net income before taxes, alone or with a spouse, in the case of an individual, exceeded \$125,000 in each of the two most recent calendar years and who reasonably expects to exceed that income level in the current calendar year; | | | | | | | |
| _____ | _____ | (b) a person of which a majority of the voting securities are beneficially owned by eligible investors or a majority of the directors are eligible investors; | | | | | | |
| _____ | _____ | (c) a general partnership of which all of the partners are eligible investors; | | | | | | |
| _____ | _____ | (d) a limited partnership of which the majority of the general partners are eligible investors; | | | | | | |
| _____ | _____ | (e) a trust or estate of which all of the beneficiaries or a majority of the General Partners or executors are eligible investors; or | | | | | | |
| _____ | _____ | (f) an accredited investor (as such term is defined in NI 45-106 or, where applicable, section 73.3(1) of the <i>Securities Act</i> (Ontario)). [Instruction: If you select this paragraph (f), complete Exhibit 1.]; | | | | | | |

For the purposes hereof, the following definitions are included for convenience:

- (a) **“person”** includes: (i) an individual; (ii) a corporation; (iii) a partnership, trust, fund and an association, syndicate, organization or other organized group of persons, whether incorporated or not; and (iv) an individual or other person in that person’s capacity as a general partner, executor, administrator or personal or other legal representative; and
- (b) **“spouse”** means, an individual who: (i) is married to another individual and is not living separate and apart within the meaning of the *Divorce Act* (Canada), from the other individual; (ii) is living with another individual in a marriage-like relationship, including a marriage-like relationship between individuals of the same gender; or (iii) in Alberta, is an individual referred to in paragraph (i) or (ii) above, or is an adult interdependent partner within the meaning of the *Adult Interdependent Relationships Act* (Alberta).

Upon execution of this Offering Memorandum Exemption Representation Letter by the Subscriber, this Offering Memorandum Exemption Representation Letter shall be incorporated into and form a part of the Subscription Agreement to which it is attached.

EXECUTED by the Subscriber(s) on _____.

Full Legal Name of Subscriber (please print)

Signature of Subscriber or its Authorized Representative

Official Title or Capacity (please print)

Name of Signatory (please print name of individual whose signature appears above if different than name of Subscriber)

Full Legal Name of Joint Subscriber (please print)

Signature of Joint Subscriber or its Authorized Representative

EXHIBIT 2

**PART II – OFFERING MEMORANDUM RISK ACKNOWLEDGEMENT
FORM 45-106F4**

**MUST BE COMPLETED BY ALL SUBSCRIBERS PURCHASING UNITS UNDER THE OFFERING
MEMORANDUM EXEMPTION PURSUANT TO S. 2.9 OF NI 45-106**

WARNING!

This investment is risky. Don't invest unless you can afford to lose all the money you pay for this investment.

SECTION 1: RISKS AND OTHER INFORMATION	
This investment is risky. Initial that you understand that:	Your initials
Risk of loss – You could lose your entire investment of \$ _____ <i>[Instruction: Insert the total dollar amount of the investment.]</i>	
No approval – No securities regulatory authority or regulator has evaluated or approved the merits of these securities or the disclosure in the offering memorandum.	
Liquidity risk – You will not be able to sell these securities except in very limited circumstances. You may never be able to sell these securities.	
You are buying Exempt Market Securities - They are called exempt market securities because the issuer does not have to give you a prospectus (a document that describes the investment in detail and gives you some legal protections). Exempt market securities are more risky than other securities.	
The securities you are buying are not listed - The securities you are buying are not listed on any stock exchange, and they may never be listed.	
The issuer of your securities is a non-reporting issuer - A <i>non-reporting issuer</i> does not have to publish financial information or notify the public of changes in its business. You may not receive ongoing information about this issuer. For more information on the exempt market, contact your local securities regulator. You can find contact information at www.securities-administrators.ca .	
Total investment – You are investing \$ _____ <i>[Instruction: total consideration]</i> in total; this includes any amount you are obliged to pay in future. Millennium III Capital Corporation will pay \$ _____ <i>[Instruction: amount of fee or commission]</i> of this to _____ <i>[Instruction: name of person selling the securities]</i> as a fee or commission.	
Your name and signature	
By signing this form, you confirm that you have read this form and you understand the risks of making this investment as identified in this form.	
First and last name of Subscriber (please print): Signature of Subscriber: _____ Date: _____ First and last name of Joint Subscriber (please print): Signature of Joint Subscriber: _____	
SECTION 2: TO BE COMPLETED BY THE SALESPERSON	
Salesperson information	
<i>[Instruction: The salesperson is the person who meets with, or provides information to, the purchaser with respect to making this investment. That could include a representative of the issuer, a registrant or a person who is exempt from the registration requirement.]</i>	
First and last name of salesperson (please print): _____	
Telephone: _____	Email: _____
Name of firm (if registered): _____	

SECTION 3: ADDITIONAL INFORMATION**You have 2 business days to cancel your purchase**

To do so, send a notice to Fraser Properties Limited Partnership stating that you want to cancel your purchase. You must send the notice before midnight on the 2nd business day after you sign the agreement to purchase the securities. You can send the notice by fax or email or deliver it in person to Fraser Properties Limited Partnership at its business address. Keep a copy of the notice for your records.

Fraser Properties Limited Partnership
 c/o Millennium III Capital Corporation
 2612 Koyl Avenue
 Saskatoon SK S7L 5X9
 Attention: John Kearley
 Phone Number: (306) 955-4174
 Fax Number: (306) 955-4175
 E-mail Address: info@millennium3.ca

You will receive an offering memorandum

Read the offering memorandum carefully because it has important information about the issuer and its securities. Keep the offering memorandum because you have rights based on it. Talk to a lawyer for details about these rights.

Instruction: The Subscriber must sign two copies of this form. The Subscriber and the Partnership must each receive a signed copy.

EXHIBIT 2

PART II SCHEDULE 1

CLASSIFICATION OF INVESTORS UNDER THE OFFERING MEMORANDUM EXEMPTION

INSTRUCTIONS: This schedule must be completed together with the Offering Memorandum Exemption Risk Acknowledgement Form (above) and Schedule 2 (see next page) by individuals purchasing securities under the exemption (the offering memorandum exemption) in section 2.9 of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) in Alberta, New Brunswick, Nova Scotia, Ontario, Quebec and Saskatchewan.

How you qualify to buy securities under the offering memorandum exemption
Initial the statement under A, B, C or D containing the criteria that applies to you. (You may initial more than one statement.) If you initial a statement under B or C, you are not required to complete A.

A. You are an eligible investor because:		Your initials	
ELIGIBLE INVESTOR	Your net income before taxes was more than \$75,000 in each of the 2 most recent calendar years, and you expect it to be more than \$75,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)		
	Your net income before taxes combined with your spouse's was more than \$125,000 in each of the 2 most recent calendar years, and you expect your combined net income to be more than \$125,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)		
	Either alone or with your spouse, you have net assets worth more than \$400,000. (Your net assets are your total assets, including real estate, minus your total debt including any mortgage on your property.)		

B. You are an eligible investor, as a person described in section 2.3 [<i>Accredited investor</i>] of NI 45-106 or, as applicable in Ontario, subsection 7.3(3) of the <i>Securities Act</i> (Ontario), because:		Your initials	
ACCREDITED INVESTOR	Your net income before taxes was more than \$200,000 in each of the 2 most recent calendar years, and you expect it to be more than \$200,000 in this calendar year. (You can find your net income before taxes on your personal income tax return.)		
	Your net income before taxes combined with your spouse's was more than \$300,000 in each of the 2 most recent calendar years, and you expect your combined net income before taxes to be more than \$300,000 in the current calendar year.		
	Either alone or with your spouse, you own more than \$1 million in cash and securities, after subtracting any debt related to the cash and securities.		
	Either alone or with your spouse, you have net assets worth more than \$5 million. (Your net assets are your total assets (including real estate) minus your total debt.)		

C. You are an eligible investor, as a person described in section 2.5 [Family, friends and business associates] of NI45-106, because:		Your initials	
FAMILY, FRIENDS AND BUSINESS ASSOCIATES	<p>You are:</p> <p>1) [check all applicable boxes]</p> <p><input type="checkbox"/> a director of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> an executive officer of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> a control person of the issuer or an affiliate of the issuer</p> <p><input type="checkbox"/> a founder of the issuer</p> <p>OR</p> <p>2) [check all applicable boxes]</p> <p><input type="checkbox"/> a person of which a majority of the voting securities are beneficially owned by, or a majority of the directors are, (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p> <p><input type="checkbox"/> a trust or estate of which all of the beneficiaries or a majority of the trustees or executors are (i) individuals listed in (1) above and/or (ii) family members, close personal friends or close business associates of individuals listed in (1) above</p>		
	<p>You are a family member of _____</p> <p>[Instruction: Insert the name of the person who is your relative either directly or through his or her spouse], who holds the following position at the issuer or an affiliate of the issuer: _____</p> <p>You are the _____ of that person or that person's spouse [Instruction: To qualify for this investment, you must be (a) the spouse of the person listed above or (b) the parent, grandparent, brother, sister, child or grandchild of that person or that person's spouse].</p>		
	<p>You are a close personal friend of _____</p> <p>[Instruction: Insert the name of your close personal friend], who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You have known that person for _____ years.</p>		
	<p>You are a close business associate of _____</p> <p>[Instruction: Insert the name of your close business associate], who holds the following position at the issuer or an affiliate of the issuer: _____.</p> <p>You have known that person for _____ years.</p>		
D. You are not an eligible investor.		Your initials	
NOT AN ELIGIBLE INVESTOR	You acknowledge that you are not an eligible investor.		

**EXHIBIT 2
PART II SCHEDULE 2**

INVESTMENT LIMITS FOR INVESTORS UNDER THE OFFERING MEMORANDUM EXEMPTION

INSTRUCTIONS: This schedule must be completed together with the Offering Memorandum Exemption Risk Acknowledgement Form (above) and Schedule 1 (see previous page) by individuals purchasing securities under the exemption (the offering memorandum exemption) in section 2.9 of National Instrument 45-106 *Prospectus Exemptions* (NI 45-106) in Alberta, New Brunswick, Nova Scotia, Ontario, Quebec and Saskatchewan.

SECTION 1 TO BE COMPLETED BY THE PURCHASER

1. Investment limits you are subject to when purchasing securities under the offering memorandum exemption

You may be subject to annual investment limits that apply to all securities acquired under the offering memorandum exemption in a 12 month period, depending on the criteria under which you qualify as identified in Schedule 1. Initial the statement that applies to you.

A. You are an eligible investor.		Your initials	
ELIGIBLE INVESTOR	As an eligible investor that is an individual, you cannot invest more than \$30,000 in all offering memorandum exemption investments made in the previous 12 months, unless you have received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule, that your investment is suitable.		
	Initial one of the following statements:		
	You confirm that, after taking into account your investment of \$ _____ today in this issuer, you have not exceeded your investment limit of \$30,000 in all offering memorandum exemption investments made in the previous 12 months.		
	You confirm that you received advice from a portfolio manager, investment dealer or exempt market dealer, as identified in section 2 of this schedule that the following investment is suitable.		
	You confirm that, after taking into account your investment of \$ _____ today in this issuer, you have not exceeded your investment limit in all offering memorandum exemption investments made in the previous 12 months of \$100,000.		

B. You are an eligible investor, as a person described in section 2.3 [<i>Accredited investor</i>] of NI 45-106 or, as applicable in Ontario, subsection 7.3(3) of the <i>Securities Act</i> (Ontario).		Your initials	
ACCREDITED INVESTOR	You acknowledge that, by qualifying as an eligible investor as a person described in section 2.3 [<i>Accredited investor</i>], you are not subject to investment limits.		

C. You are an eligible investor, as a person described in section 2.5 [<i>Family, friends and business associates</i>] of NI 45-106.		Your initials	
FAMILY, FRIENDS AND BUSINESS ASSOCIATES	You acknowledge that, by qualifying as an eligible investor as a person described in section 2.5 [<i>Family, friends and business associates</i>], you are not subject to investment limits.		

D. You are not an eligible investor.		Your initials	
NOT AN ELIGIBLE INVESTOR	<p>You acknowledge that you cannot invest more than \$10,000 in all offering memorandum exemption investments made in the previous 12 months.</p> <p>You confirm that, after taking into account your investment of \$ _____ today in this issuer, you have not exceeded your investment limit of \$10,000 in all offering memorandum exemption investments made in the previous 12 months.</p>		

SECTION 2 TO BE COMPLETED BY THE REGISTRANT	
2. Registrant information	
<i>[Instruction: this section must only be completed if an investor has received advice from a portfolio manager, investment dealer or exempt market dealer concerning his or her investment.]</i>	
First and last name of registrant (please print):	
Registered as: <i>[Instruction: indicate whether registered as a dealing representative or advising representative]</i>	
Telephone:	Email:
Name of firm: <i>[Instruction: indicate whether registered as an exempt market dealer, investment dealer or portfolio manager.]</i>	
Date:	

EXHIBIT 3

LIMITED POWER OF ATTORNEY

NOTE: The following Limited Power of Attorney is limited in scope to permit Fraser Properties Limited to deal with the transfer and sale of your units or beneficial interest in the undivided assets and liabilities of Fraser Properties Limited Partnership ("Fraser LP") prior to the dissolution of Fraser LP.

The undersigned (the "**Limited Partner**"), who is the holder of a number of units of Fraser LP (the "**Units**"), or as a limited partner of Fraser LP may be entitled to become the beneficial owner of a proportionate undivided interest in the assets and liabilities distributed by Fraser LP to its limited partners prior to its dissolution, (the "**Distributed Assets and Liabilities**"), hereby irrevocably makes, constitutes and appoints Fraser Properties Limited (the "**General Partner**"), with full power of substitution, as his, her or its true and lawful attorney and agent and with full power and authority in the name, place and stead of the undersigned and for the benefit of the undersigned to do the following, namely:

- (a) settle and enter into or sign, for and on behalf of the undersigned, any agreements, transfers, conveyances, instruments, subscriptions, deeds, elections, amendments and other documents required to complete in the transfer and sale of the Units or the Distributed Assets and Liabilities to a limited partnership (the "**Merger Entity**") organized on same or similar terms as Fraser LP and whose sole business is to own, manage and operate the properties civically described 3027 Millar Avenue and 2233 Speers Avenue, Saskatoon Saskatchewan, or an interest therein;
- (b) make, do, execute, and file, on behalf of the undersigned all elections pursuant to the *Income Tax Act* (Canada) and/or any other federal, provincial, or municipal legislation, as the General Partner in its discretion deems necessary or appropriate in completing the transfer and sale of the Units or the Distributed Assets and Liabilities to the Merger Entity; and
- (c) complete, amend or modify any of the foregoing to complete any missing information, including dates, or correct any clerical or other errors in the completion of any of the foregoing.

The forgoing Limited Power of Attorney so granted is given for valuable consideration (the receipt and sufficiency of which are hereby acknowledged), is irrevocable, is coupled with an interest, will survive the death, disability, incapacity, insolvency or other legal incapacity of the undersigned and will survive the dissolution of Fraser LP. This Limited Power of Attorney extends to the undersigned's heirs, executors, administrators, successors and assigns, and may be exercised by the General Partner, on behalf of the undersigned, by executing any instrument with a single signature as the General Partner or as attorney and agent for the undersigned or by such other form of execution as the General Partner may determine, and it will not be necessary for the General Partner to execute any instrument under seal.

IN WITNESS WHEREOF, this Limited Power of Attorney has been granted on _____.

(Signature of Limited Partner or authorized representative)

(print name of Limited Partner)

(Signature of Limited Partner or authorized representative)

(print name of Limited Partner)

Note: A copy of this signed Limited Power of Attorney may need to be filed with, or provided to, Canada Revenue Agency or other regulatory or governmental authorities as well as third parties with whom the Merger Entity or the General Partner wishes to contract in order for the General Partner to satisfy such person that the General Partner has been granted the within Limited Power of Attorney.

ANNEX IV TO OFFERING MEMORANDUM

FRASER PROPERTIES LIMITED PARTNERSHIP

PROPERTY APPRAISAL

REAL PROPERTY APPRAISAL OF:

3027 Millar Avenue
Saskatoon, Saskatchewan

File No. 102725



Prepared By:
Suncorp Valuations

Effective Date:
July 31, 2025

September 11, 2025

Fraser Properties Limited
2612 Koyl Avenue
Saskatoon, SK S7L 5X9

**RE: Appraisal of 3027 Millar Avenue, Saskatoon, Saskatchewan
Our File No. 102725**

In accordance with your instructions, the attached Real Property Appraisal report has been developed for the Purpose of estimating the current Market Value of the above referenced Subject Property, as of July 31, 2025.

Please note that, in order to be properly and completely understood, this report must be read in its entirety and may only be relied upon in its entirety.

Based on our inspection and appraisal, it is our opinion that the current Market Value of the above referenced Subject Property, as of July 31, 2025, is:



THREE MILLION ONE HUNDRED EIGHTY THOUSAND DOLLARS

\$3,180,000

On behalf of,
SUNCORP VALUATIONS

Adam Saunders, B.Comm., AIC Candidate Member

Kira Penner, BBRE, P.App., AACI

300 – 261 1st Avenue North Saskatoon, SK S7K 1X2

Ph 306.652.0311 Fx 306.652.8373

E-mail: suninfo@suncorpvaluations.com Website: www.suncorpvaluations.com

Victoria . Vancouver . Kelowna . Prince George . Edmonton . Saskatoon . Toronto . Montreal
Seattle . Milwaukee . Philadelphia

TABLE OF CONTENTS

PART I – INTRODUCTION

Executive Summary.....	1
------------------------	---

PART II – BASIS OF APPRAISAL

Authorized Client, Intended Authorized User, Intended Authorized Use	3
Purpose and Effective Date.....	3
Identification of the Subject Property	3
Scope of Work.....	4

PART III – FACTUAL DATA

Region/City.....	6
Neighbourhood Profile.....	12
Description of Subject Site	13
Description of the Subject Building.....	14
Land Titles Certificate.....	16
Sales History.....	16
Assessment and Taxes	16
Land Use Controls and Current Existing Use.....	17

PART IV – ANALYSIS AND CONCLUSIONS

Highest and Best Use	18
Valuation Methodology	19
The Direct Comparison Approach	20
The Income Approach	27
The Cost Approach	34
Reconciliation and Final Estimate of Value.....	35
Reasonable Exposure Time	35
Assumptions and Limiting Conditions.....	36
Certification.....	39

PART V – ADDENDA

Photographs	Parcel Picture
Provincial Map	Certificate of Title
City of Saskatoon Map	Zoning Regulations
City of Saskatoon Zoning and Address Map	Comparable Sales

PART I – INTRODUCTION

EXECUTIVE SUMMARY

Subject Property:	3027 Millar Avenue Lot 5, Block 950, Plan 78S06459 Saskatoon, Saskatchewan
Type of Property:	Industrial
Land Size/Shape:	Site is rectangular in shape, for a total area of 87,642 square feet or 2.01 acres.
Building Area:	19,200 square feet
Zoning:	IH - Heavy Industrial District
Highest and Best Use:	Industrial Building
Reasonable Exposure Time:	The Reasonable Exposure Time is estimated to be three to six months.
Date of Inspection:	July 31, 2025
Effective Date:	July 31, 2025
Date of Report:	September 11, 2025
Direct Comparison Approach:	\$3,330,000
Income Approach:	\$3,180,000
Final Estimate of Value:	\$3,180,000

TARIFFS AND ECONOMIC UNCERTAINTY STATEMENT

As of the date of this report, the Government of the United States has announced significant tariffs on Canadian goods, introducing economic uncertainty and potential disruptions across various sectors. In response, Canada has introduced counter tariffs. The full impact of these tariffs on macro and microeconomic conditions, as well as on real estate markets, raw material costs, labour, and machinery and equipment markets, remains unknown at this time.

There is potential for adverse effects on supply chains, business operations, market liquidity, labour costs, material costs, and asset values, but the extent of such impact is uncertain and will depend on evolving trade relations, additional countermeasures by the Government of Canada, and market responses. Accordingly, this appraisal is based on the data available as of the Effective Date.

Our appraisal of the Subject Property is therefore reported as being subject to material valuation uncertainty. Consequently, a higher degree of caution should be attached to our appraisal than would normally be the case.

Given these economic uncertainties, we reserve the right to revise the estimate set out in this report for a fee, with an updated appraisal report under a separate appraisal engagement, incorporating market information available at that time.

PART II – BASIS OF APPRAISAL

AUTHORIZED CLIENT, INTENDED AUTHORIZED USER, INTENDED AUTHORIZED USE

The Authorized Client of this report is identified as Fraser Properties Limited. The Authorized Client's representative is Jarvis Rein.

The Intended Authorized Use of this report is to assist with securing first mortgage financing.

The Intended Authorized User of this report is the Authorized Client. Accordingly, the Authorized Client is the sole Intended Authorized User of this report until third party authorization has been extended in a stand-alone letter authorizing use by a specific lender.

The use of this report by third parties and/or for other uses is prohibited. Any and all liability in this respect is strictly denied. Suncorp Valuations and the signing appraiser assume no obligation, liability, or accountability to anyone other than the Intended Authorized User(s).

PURPOSE AND EFFECTIVE DATE

The Purpose of this report is to develop an estimate of the current Market Value of the Subject Property.

Market Value is defined as:

"The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress."

Source: The Appraisal of Real Estate 3rd Canadian Edition

The Effective Date of this report is July 31, 2025.

IDENTIFICATION OF THE SUBJECT PROPERTY

The Subject Property is identified as the Leased Fee Interest of the property located at 3027 Millar Avenue, Saskatoon, Saskatchewan.

Leased Fee Interest is defined as:

"An ownership interest held by a landlord with the right of use and occupancy conveyed by the lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by the contract terms contained within the lease."

At the termination of the leases, the Subject Property would revert to a Fee Simple Interest. Fee Simple Interest is defined as:

"The greatest interest that can be held in real property. It consists of all of the bundle of rights associated with ownership of property subject to the powers of government, police, taxation, expropriation and escheat."

Source: The Appraisal of Real Estate 3rd Canadian Edition

The Subject Property consists of the following legal description:

Lot 5, Block 950, Plan 78S06459

The term "property" as it is referred to in this report, includes:

"The physical land and building affixed thereto. Any contents or equipment not considered as part of the building, and any value generated from business conducted on these premises are excluded from this report."

SCOPE OF WORK

This report is developed in compliance with the Canadian Uniform Standards of Professional Appraisal Practice.

INSPECTION

A site visit to the Subject Property was completed on July 31, 2025 by Chetan Thakore, B.A., B.Comm, who is an employee of Suncorp Valuations and authorized to conduct site inspections; the site visit included a cursory walk-through of the interior of the property, as well as a walk around the exterior of the property (where permitted), to determine its physical and functional state. Information regarding present use, building management, and building history was obtained through discussion with on-site personnel and through personal observation, unless otherwise stated.

DATA RESEARCH

Factual data pertaining to the Subject Property, such as the assessment and taxes, land use controls, and the community in general, were requested from the municipality and other sources considered reliable.

Comparable sales and other market data were obtained from a variety of sources considered reliable. Other investigations included research and analysis of the applicable real estate market and trends, plus other data that influences the estimation of value in general. The data obtained from all these sources is assumed accurate. Independent verification was conducted only where deemed appropriate. Reasonable effort was made to verify the accuracy of the information obtained; however, no guarantee is provided as to the veracity thereof. The data and value estimates contained herein may require adjustment if any information is determined to be inaccurate or incorrect.

Unless otherwise stated herein, we did not verify Authorized Client-supplied information which we believed to be correct.

The mandate for the appraisal did not require a report prepared to the standard appropriate for court purposes or for arbitration, so we did not fully document or confirm by reference to primary sources all information herein.

AUDITS AND TECHNICAL INVESTIGATIONS

Unless otherwise specifically stated, technical investigations were not completed as part of this assignment including:

- Detailed inspections or engineering reviews of the structure, roof or mechanical systems;
- Environmental reviews or studies;
- A site or building survey;
- A building abstract or occupancy permit;
- Investigation of bearing capacity of the soil;
- Audits of financial or legal arrangements concerning any leases; and
- Legal advice on Title related issues.

PART III – FACTUAL DATA

REGION/CITY

SASKATCHEWAN

Saskatchewan has a wealth of resources that is the envy of nations. Once highly dependent on agriculture, the Saskatchewan economy is now undertaking a more balanced approach to economic activity. After a period of stagnation in 2016, Saskatchewan experienced economic growth from 2017-2019. The COVID-19 global pandemic severely affected Saskatchewan's economy in 2020 and 2021, as it did Canada as a whole. Saskatchewan appears to be back on track with strong projected economic growth and job creation. As a result, Saskatchewan's economic outlook has improved significantly as the province continues to make its way out of the pandemic. However, volatile world events and increases in inflation are making commodity prices difficult to forecast. Given the province's impressive diversity of commodity exports, no other province is as well positioned to benefit from the most recent surge in prices than Saskatchewan. A return to more normal weather and crop conditions during 2022 helped agricultural production recover from 2021's devastating drought. The 2024 growing season in Saskatchewan concluded with mixed outcomes. While favorable spring moisture initially supported good crop development, hot and dry conditions in July and August accelerated growth and stressed yields. Despite these challenges, the harvest was completed by late October, with most crops yielding slightly above the 10-year average. The seeding for most crops for the province's 2025 growing season is nearly complete and producers have noted that topsoil moisture conditions have improved compared to last year, though some areas still face short to very short moisture levels. The following indicators provide a current snapshot of Saskatchewan's economic outlook from a development perspective ([Province of Saskatchewan's Business and Economy Dashboard](#)):

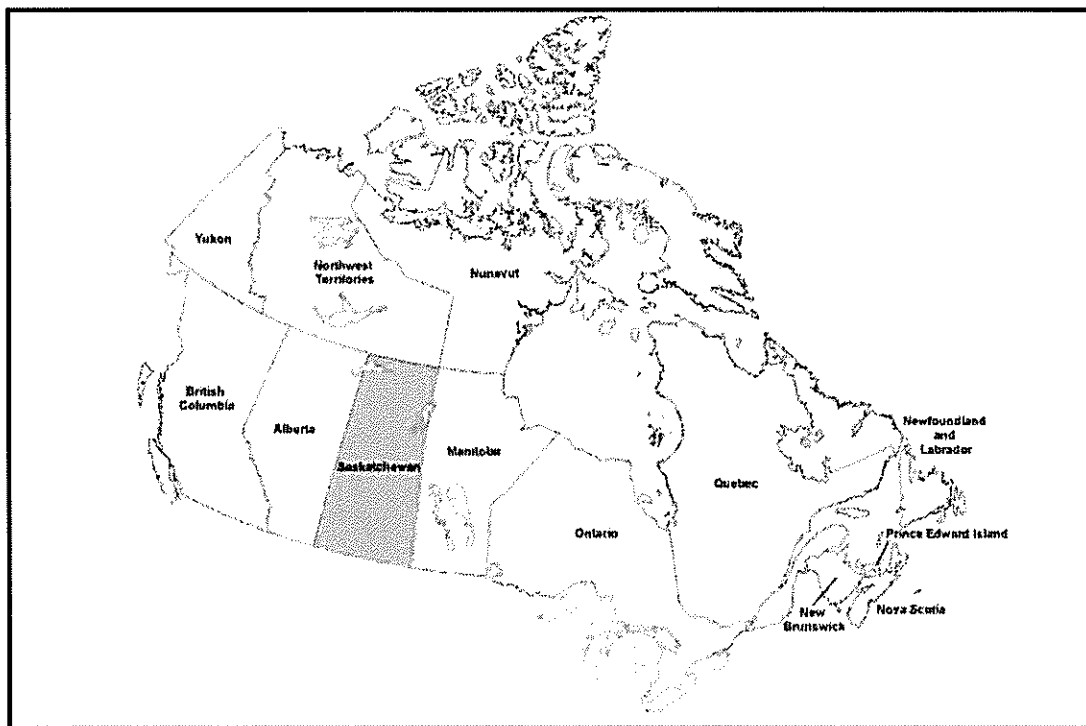


Image Source: Statistics Canada

Population:	Saskatchewan's population reached 1,250,909 as of January 01, 2025, an increase of 24,061 year-over-year. Saskatchewan's population increased by .03% over the previous quarter, second in percentage change among the provinces.
Employment:	Saskatchewan's (seasonally adjusted) unemployment rate was 4.2%, as of May 2025, which is a decrease of 1.2% year-over-year. Saskatchewan had the lowest unemployment rate among the provinces and below the national average of 7.0%.
New Capital Investment:	In 2024, capital investment in Saskatchewan totalled \$19.9 billion, a 16.9% increase from \$17 billion in 2023. In 2025, capital investment in Saskatchewan is expected to be at \$22.1 billion, a 10.8% increase from 2024.
Manufacturing:	In March 2025, manufacturing sales in Saskatchewan were down by 6.0%, to approximately \$1.8 billion, compared to \$1.9 billion in March 2024 (seasonally unadjusted). During this period, Saskatchewan ranked eighth in terms of percentage change among the provinces. The national average increased by 3.7%.
Mineral Production:	In March 2025, the value of Saskatchewan's total mineral sales was \$938M, an increase of 6.2% compared to March 2024. During this period, salt sales increased by 9.3%, potash sales decreased by 7.2%, uranium sales increased 82.6%, and other minerals sales increased by 25.5%. For production, comparing March 2025 to March 2024, Saskatchewan's uranium production decreased by 8.9%, potash production increased by 2.1%, salt production increased by 2.5%, and other minerals production decreased by 48.4%.
Farm Cash Receipts:	In the first quarter of 2025, total farm cash receipts in Saskatchewan decreased by 3.6% to \$6.3B, compared to the same period in 2024. During this period, crop receipts decreased by 4.1%, reaching \$4.7B, livestock receipts increased by 23.0%, to \$1B, and program payments decreased by 30.8%, to \$512.9M, compared to the same period in 2024.
Retail Sales:	Saskatchewan's unadjusted retail sales in March 2025 increased by 9.5%, compared to March 2024. Saskatchewan retail sales ranked second in terms of percentage change among the provinces. During the same period, national retail sales increased by 5.4%.
Wholesale Trade:	Saskatchewan's Wholesale Trade data is not readily available. According to the Saskatchewan Dashboard, the data has been suppressed to meet confidentiality at this time.
Building Permits:	In March 2025, building permits in Saskatchewan increased by 9.7%, compared to March 2024 (seasonally unadjusted). Saskatchewan ranked sixth among the provinces in terms of percentage change. Nationally, building permits increased by 23.5% (seasonally unadjusted) in the same period. In the first three months of 2025, building permits increased by 88.9% compared to the same period in 2024. Saskatchewan ranked first among the provinces in terms of percentage change.
Housing Starts:	In March 2025, housing starts in Saskatchewan increased by 160.8%, compared to March 2024. Saskatchewan ranked third among the provinces in terms of percentage change. Nationally, housing starts decreased by 12.5%. In the first three months of 2025, housing starts in Saskatchewan increased by 96.2%, compared to the same period in 2024. Saskatchewan ranked first among the provinces in terms of percentage change.

SASKATOON

Saskatoon is centrally located in Saskatchewan and is the province's largest city. According to the 2021 Statistics Census of Population, Saskatoon has a population of 266,141, which is a 7.7% increase since 2016. Saskatoon Census Metropolitan Area (CMA), which includes a large area of land surrounding Saskatoon, has a population of 336,614. The table below outlines changes in the city and CMA population since 2001.

Year	City Population	% change	Saskatoon CMA Population
2021	266,141	+7.7%	336,614
2016	247,201	+10.9%	295,095
2011	222,246	+9.8%	262,215
2006	202,408	+2.8%	235,215
2001	196,861	--	227,277

Source: Statistics Canada

In 2024, the Saskatoon Region demonstrated robust economic performance, contributing significantly to Saskatchewan's overall growth. The region generated 32.6% of the province's GDP, amounting to \$25.6 billion, despite comprising only 30.2% of the provincial population. This underscores Saskatoon's role as a key economic driver within the province. Employment figures further highlight this strength. As of December 2024, Saskatoon's unemployment rate decreased to 4.8%, down from 5.2% in November and 5.4% in October. This decline reflects a thriving job market, with employment up by 10,500 positions—a 5.2% increase compared to November 2023. Notably, Saskatoon's employment growth ranked sixth among 35 census metropolitan areas during this period. Additionally, the Saskatoon Region accounted for 69.5% of residential and 59.8% of non-residential construction investments in the province, indicating robust growth in both housing and infrastructure development. While specific economic forecasts for 2025 are not readily available, the positive trends observed in 2024 suggest that Saskatoon is well-positioned for continued growth. The region's diverse economy, decreasing unemployment rates, healthy real estate market, and rising incomes all indicate that Saskatoon will remain an attractive and competitive city, poised to overcome global economic challenges and sustain its prosperity.

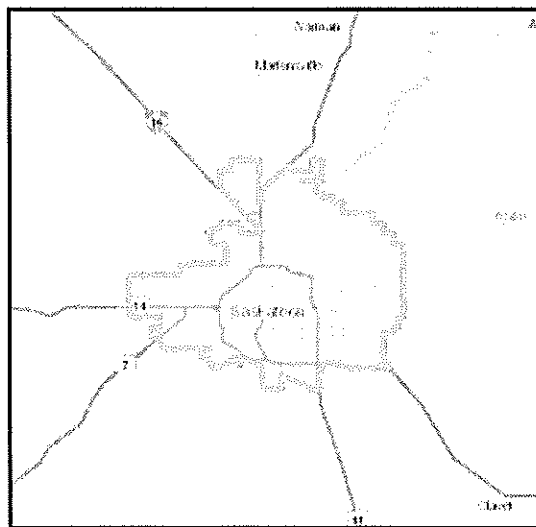


Image Source: Government of Saskatchewan

Being centrally located, Saskatoon serves as the cultural and economic hub of the region. The city lies 348 km north of the United States border, 225 km east of the Alberta border and 346 km west of the Manitoba border. Saskatoon is located at the junction of two major Canadian highways: Highway 16 (a.k.a. Trans-Canada Yellowhead Highway) and Highway 11, both of which are four-lane highways that allow for excellent transportation. The twinning of Highway 11 between Saskatoon and Prince Albert has helped with transportation demands as the resource sectors continue to grow. Highway 7, located west of Saskatoon, is twinned to the Village of Vanscoy. Highway 16, located east of Saskatoon, is twinned to the Town of Clavet.

The John G. Diefenbaker International Airport (YXE) is located in the northwest section of Saskatoon. The newly expanded YXE was designed to accommodate 1.4 million passengers annually. The primary airlines operating at YXE include Air Canada, WestJet, Delta Air Lines, United Airlines, and Transwest Air. Seasonal carriers such as Sunwing Airlines also provide services during peak travel periods. The airport employs over 1,460 people and has an economic impact of \$1.5 billion.

RESIDENTIAL MARKET

According to the Saskatchewan Realtors Association (SRA), as of May 2025, Saskatoon's housing market remained active despite a slight year-over-year dip in sales. The city recorded 544 transactions for the month—down nearly 5% from May 2024 but still almost 20% above the 10-year average, reflecting continued long-term strength. New listings saw a 13% increase compared to the previous year, aligning closely with historical trends for May. However, supply constraints persisted, as nearly 300 of the 881 units on the market by month's end were already under conditional sale, leaving just 555 active listings and only 1.6 months of inventory heading into June. These ongoing supply limitations contributed to a new record benchmark price of \$433,700, marking a sharp increase from \$422,600 in April and more than 9% higher than prices reported in May 2024.

MULTI-FAMILY MARKET

According to 2024 CMHC Rental Market Report, Saskatoon's rental market remained competitive in 2024, with vacancy rates holding steady despite a 3% increase in rental supply. Growth was largely driven by two-bedroom units, particularly in the Northeast zone, which saw notable expansion but maintained one of the lowest vacancy rates at just 1.0%. High demand from students and renters drawn to nearby amenities kept this area's rental market especially tight, pushing average rents upward. Newly built units continued to attract strong interest, allowing landlords to command higher-than-average rents. Properties completed in 2015 or later maintained low vacancy rates, further driving up rental prices. In contrast, older buildings from the 1960-1974 period had higher vacancy rates and offered lower-than-average rents, highlighting a clear preference among renters for modern features and updated living spaces.

	2024		2023		2022		2021		2020	
Vacancy Rate	2.0%		2.0%		3.4%		4.7%		5.9%	
Number of Apartments	17,273		16,759		15,887		15,263		14,687	
Average Rents	Bachelor	\$938	Bachelor	\$829	Bachelor	\$780	Bachelor	\$745	Bachelor	\$729
	1 BR	\$1,193	1 BR	\$1,090	1 BR	\$1,016	1 BR	\$971	1 BR	\$957
	2 BR	\$1,470	2 BR	\$1,362	2 BR	\$1,243	2 BR	\$1,186	2 BR	\$1,166
	3 BR	\$1,657	3 BR	\$1,488	3 BR	\$1,374	3 BR	\$1,351	3 BR	\$1,326

Source: CMHC

INDUSTRIAL MARKET

The Saskatoon industrial market is a driver of growth in the city and one of the strongest performing asset classes in the market. According to the [ICR Saskatoon Industrial Market Report for Q1 2025](#), Saskatoon's industrial real estate market began with a slight rise in vacancy, climbing to 3.59%, up from 3.11% in the final quarter of 2024. This increase was primarily driven by a net negative absorption of 124,073 square feet, as more than 185,000 square feet of new space entered the market. Significant additions included 28,125 square feet at 123 and 127 Radu Crescent, and 29,000 square feet at 2802 Idylwyld Drive North. Although there has been an increase in vacancy, market fundamentals remain solid. The average asking rent saw a slight increase to \$13.62 per square foot, up from \$13.35, suggesting that landlords are maintaining rental expectations despite the growing supply. The rise in available space extends a trend that began in late 2024, driven by the completion of new developments and the release of previously inaccessible properties. This expansion is creating more options for larger occupiers and supports potential for multi-tenant redevelopment. Overall, Saskatoon's industrial market continues to demonstrate stability, with steady rental growth, active development, and consistent interest from key industry sectors contributing to a positive market outlook.

	2023	2024	2025F	YoY
Inventory (million sq. ft.)	24.45	24.56	24.71	▲
Availability Rate (%)	3.4%	3.0%	2.9%	▼
Net Asking Rent (per sq. ft.)	\$12.10	\$12.71	\$12.66	▼
Sale Price (per sq. ft.)	\$190	\$194	\$198	▲
Land Price (per acre)	\$575,000	\$583,000	\$587,000	▲
Net Absorption (million sq. ft.)	0.47	0.20	0.16	▼
New Supply (million sq. ft.)	0.04	0.11	0.15	▲

Source: CBRE 2025 Canadian Real Estate Market Outlook Report

RETAIL MARKET

According to the [ICR Saskatoon Retail Market Report for Q1 2025](#), Saskatoon's retail market posted a vacancy rate of 2.80%, a slight improvement from 3.07% in Q4 2024. The quarter saw positive absorption of 40,306 square feet, signaling stronger leasing activity as more space was occupied than vacated. Average asking rents also rose to \$22.70 per square foot. Overall, the retail sector entered the year with stable demand, improved occupancy, and continued confidence from both landlords and tenants in key commercial areas.

In 2025, Saskatchewan's growth is expected to align more closely with the national average as external pressures increase. Although domestic conditions remain strong, the province's export-dependent economy faces challenges, including a 100% tariff on Canadian canola oil imposed by China starting March 20—a measure that could replicate the negative GDP impact seen with the 2019 export ban. Despite these headwinds, stability is anticipated from key exports such as energy, potash, and rising uranium production, which benefit from low tariffs in the U.S. The labour market continues to be resilient, particularly in public services, with Saskatchewan projected to have Canada's lowest unemployment rate at 5.7%, even amid slower job growth. Consumer spending has been supported by lower interest rates, while sustained capital investment—backed by the province's low debt burden—helps fuel construction activity. The upcoming provincial budget is expected to reinforce these positive developments.

	2023	2024	2025F	YoY
Total Retail Sales per Capita	\$19,592	\$19,360	\$19,031	▼
Total Retail Sales Growth	1.8%	2.1%	0.8%	▼
Vacancy Rate	3.96%	3.07%	2.80%	▼
Vacant Square Feet	547,923	443,053	404,777	▼
Average Asking Rate	\$21.67	\$22.07	\$22.70%	▲

Source: ICR Q1 2025 Retail Market Survey & CBRE 2025 Canadian Real Estate Market Outlook Report

OFFICE MARKET

According to the ICR Saskatoon Office Market Report for Q1 2025, Saskatoon's office market showed mixed trends across its submarkets, with an overall vacancy rate slightly increasing to 12.21% from 12.16% in the final quarter of 2024. The downtown area experienced a rise in vacancy to 15.35%, up from 14.83%, accompanied by negative absorption of 20,466 square feet, as larger tenants continued to adjust their space needs. Average asking rents downtown remained stable at \$19.42 per square foot, ranging from \$10.00 to \$29.00. Peripheral downtown offices posted a vacancy rate of 12.85%. In contrast, the suburban office market improved, with vacancy falling to 8.47% from 9.22% and positive absorption of 11,215 square feet. Suburban rents averaged \$21.50 per square foot, with a range of \$11.00 to \$39.00. Overall, while downtown vacancies have edged up, the suburban sector's recovery and steady rental rates suggest a balanced but evolving office market in Saskatoon.

	DOWNTOWN				SUBURBAN				OVERALL			
	2023	2024	2025F	YoY	2023	2024	2025F	YoY	2023	2024	2025F	YoY
Inventory (million sq. ft.)	3.32	3.32	3.32	--	3.23	3.23	3.23	--	6.55	6.55	6.55	--
Vacancy Rate (%)	20.1%	19.4%	15.35%	▼	13.1%	11.5%	8.47%	▼	16.7%	15.5%	12.21%	▼
Average Asking Rent (PSF)	\$19.03	\$19.51	\$19.42	▲	\$22.43	\$23.07	\$21.50	▼	\$21.56	\$22.08	\$20.08	▼
Net Absorption (million sq. ft.)	-0.03	0.03	0.03	--	0.07	0.05	0.01	▼	0.04	0.08	0.04	▼
New Supply (million sq. ft.)	0.00	0.00	0.00	--	0.04	0.00	0.00	--	0.04	0.00	0.00	▼

Source: ICR Q1 2025 Office Market Report & CBRE 2025 Canadian Real Estate Market Outlook Report

NEIGHBOURHOOD PROFILE

HUDSON BAY INDUSTRIAL

The Subject Property is located within the area known as the Hudson Bay Industrial neighbourhood of Saskatoon. Boundaries for the neighbourhood are Idylwyld Drive to the west, Wanuskewin Road to the east, 51st Street to the south, and 60th Street to the north.

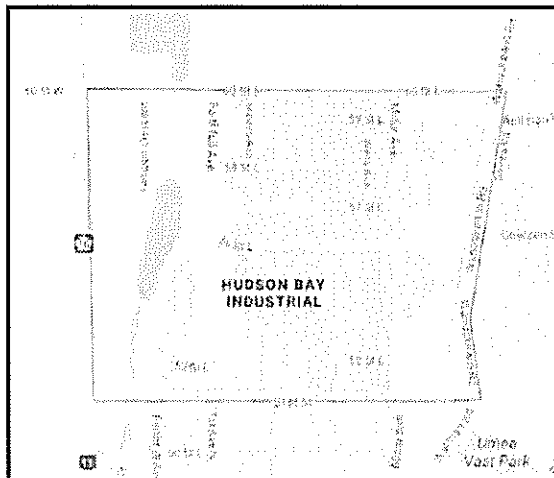


Image Source: Google Maps

Idylwyld Drive is a highway route that intersects with 51st Street East, providing good access to and from the area. Millar Avenue, Miners Avenue, and Faithfull Avenue are the major north-to-south roadways, as they extend between 51st Street to 60th Street and have increased density development compared to other streets in the area. Hudson Bay Industrial is predominantly made up of industrial uses with retail uses along 51st Street East. These retail uses include many fast-food restaurants and home building retail stores.

Other neighbourhoods within this area include North Industrial, Airport Business Area, Marquis Industrial and Agriplace. Along with the North Industrial and Marquis Industrial neighbourhoods, Hudson Bay Industrial is one of the three main industrial areas in North Saskatoon. The majority of industrial development that has occurred in Saskatoon since the early 1960s has been within these three neighbourhoods. Land in Hudson Bay Industrial is limited, as most of the neighbourhood has been developed with industrial buildings. In terms of recreation, Saskatoon's Rugby fields are located between Tubby and English Crescent.

The Chief Mistawasis Bridge opened in October 2018, offering improved access to the area. The new six-lane bridge connects northeast Saskatoon via McOrmond Drive and Central Avenue to Marquis Drive. Traffic volumes on the new bridge were expected to be 14,600 to 21,700 vehicles per day; however, as of November 2019 they have fallen short of these numbers at an average of 9,900 vehicles per day (City of Saskatoon Traffic Study). Despite this lower volume, the bridge has lessened traffic on Circle Drive North Bridge which was one of the project's aims.

DESCRIPTION OF THE SUBJECT SITE

Location: The Subject Property is located on the west side of Millar Avenue, between 52nd and 56th Street East. The overhead image below, as taken from Information Services Corporation (ISC), depicts the Subject's location, configuration and general surroundings (highlighted in red, north is up):



Image Source: ISC

Visibility of Property: Rated as good, given Millar Avenue is a collector street.

Dimensions: The site is rectangular in shape, with approximately 198 feet of frontage along Millar Avenue. The total site area is 87,642 square feet, or 2.01 acres, according to assessment records and ISC.

Topography: Considered level, allowing for adequate drainage.

Utilities: All municipal services are available to the Subject.

Roadway and Parking: The site is located on a paved bi-directional roadway where on-street parking is not permitted due to its busy nature; however, on-street parking is permitted along Molaro Place. Access is not restricted, as there are no centre medians on either roadway; however, it should be noted that there is only an approach onto the Subject Site off Millar Avenue (and not Molaro Place). On-site parking is available in the paved parking lots to the east (front) and south of the building for approximately 44 vehicles, with additional parking available in the gravel yard if needed.

Site Improvements:	The site is improved with paved parking lots to the east and south of the building, a soft landscaping strip along Milar Avenue, and rear gravelled yards to the west and north sides of the building. There is a fenced-off, gravelled compound area directly west of the building that is for Bay C's use only and includes an approximately 576 square foot detached garage.
Neighbouring Uses:	The Subject is surrounded by various industrial and commercial/retail uses and is considered suitable to its surroundings.

DESCRIPTION OF THE SUBJECT BUILDING

This building description is compiled from a visit to the site and a cursory walk-through of the interior of the property, as well as a walk around the exterior of the property (where permitted) on July 31, 2025.

Year Constructed:	According to assessment records, the Subject Building was constructed in 1981.
Design:	Single-storey, multi-tenant industrial building.
Building Size:	The building footprint is 19,200 square feet. The rentable area based upon the leases is 19,075 square feet and will be utilized for the Income Approach.
Foundation:	Foundation is assumed to be concrete grade beam and piles (as-built structural drawings were not available for Purposes of this report).
Exterior Walls/Condition:	The Subject is pre-engineered steel frame with metal panel and brick exterior. Overall, the exterior rates as average.
Roof:	Metal roof cover. The roof was not personally inspected and determining its condition is beyond the scope of this assignment. According to a previous Suncorp Valuations report, the Subject had the southeast portion of its roof replaced in 2014. The remainder of the roof has its original roof cover and there are no known issues with the roof cover. Based on this information, the roof cover is assumed to be in at least average condition.
Interior Development:	The Subject contains nine separate tenant bays. All of the bays are currently leased out to different tenants. Each tenant bay has varying levels of development from approximately 5% (Bay C) to being completely built-out (Bay A).
Estimated Remaining Life:	The Subject Property is estimated to have an economic life of 40 years, with a remaining economic life of 25-30 years, based on its current condition and continuing to be well maintained.

INTERIOR FINISH

Floors:	Developed areas are a combination of laminate, carpet, sheet vinyl, and ceramic tile in average condition. The warehouse areas include exposed concrete flooring.
Walls:	Developed areas are finished with painted Gyproc and some wood paneling in areas in average condition. The warehouse areas include painted Gyproc in average condition.
Ceilings:	Suspended T-bar and painted and textured Gyproc in developed areas are in average condition. The warehouse areas have exposed vinyl-backed insulation.
Sidewall Height:	Approximately 16 feet.
Lighting:	Fluorescent and incandescent.
Electrical:	Each bay is separately metered.
Plumbing:	Each bay has its own bathroom facilities and hot water heaters. The restaurant space in Bay A has plumbing for a full commercial kitchen.
Heating/Cooling:	All developed areas are heated with forced-air furnaces and some have electric baseboard heaters, which are used as supplemental heat. There are also air conditioning units for the developed areas. Warehouse areas have suspended forced air space heaters and there is a rooftop mounted HVAC unit at the rear of the building that serves one of the bays.
Fuel:	Natural gas and electricity.
Condition:	Rated as average.
Additional Comments:	<p>The Subject is a multi-tenant building that has a variety of uses within the building, ranging from industrial office/warehouse space to restaurant space. All of the tenant bays, with the exception of Bay A (restaurant space), have overhead doors to their warehouse areas. Areas of the building have been updated over the years; however, there are also areas that have more dated finishings. Overall, the building appears to have been well maintained and shows in average condition for its age.</p> <p>The approximately 576 square foot detached garage on site is wood frame construction and not considered rentable area. However, it is regarded as an extra feature.</p>

LAND TITLES CERTIFICATE

Title to the property is currently held in the name of Four Oaks Investments Ltd. under Title number 136307594. A copy of the Certificate of Title is included in the Addenda of this report for reference. There are three interests registered on Title;

- A CNV Easement jointly held by Saskatchewan Power Corporation and Saskatchewan Telecommunications;
- A Mortgage held by Business Development Bank of Canada; and
- An Assignment of Rents held by Business Development Bank of Canada.

The encumbrances registered on Title are deemed not to influence the Market Value of the Subject Property.

Please note that the preceding comments are not intended to be a legal opinion and are therefore subject to verification.

SALES HISTORY

To the appraiser's knowledge, the Subject has not been listed or sold over the past three years. The Subject Property is currently under contract for sale in the amount of \$3,125,000. A copy of the Offer to Purchase dated July 10, 2025 was made available by the Authorized Client.

ASSESSMENT AND TAXES

Assessment for property tax purposes is mandated via an Act of the Saskatchewan Provincial Legislature where assessments are carried out on an ends or results based mass appraisal Market Value assessment system. The Provincial Agency (Saskatchewan Assessment Management Agency) carries out the assessments in all urban and rural areas, except for the largest cities where local assessors complete the valuations – they must, however, still follow the same methodology based upon mass appraisal Market Value. In 2025, a revaluation was undertaken which updated values from the old base date of January 1, 2019 to January 1, 2023. It is legislated that such revaluations be done every four years.

The 2025 revaluation for Saskatchewan is based on a Market Value standard for assessments. The principles under this system emphasize equity among properties, but permit the use of the cost, sales comparison and income approaches where appropriate. The process embraces valuation methodologies that accurately measure the economic realities of the real estate market.

The Subject's 2025 total assessment and tax levy are summarized as follows:

Total Assessment	\$3,023,800.00
Taxes	\$51,352.17

*Note: For taxation purposes, commercial property is assessed at 85% of fair value and residential is assessed at 80% of fair value.

Please note that an audit of the property assessment and property tax levy is outside of the scope of this report; therefore, we have assumed that the Subject Property has been assessed and is taxed on a fair and equitable basis.

LAND USE CONTROLS AND CURRENT EXISTING USE

LAND USE CONTROLS

The Subject Property is zoned IH, Heavy Industrial District, under the Zoning Bylaws of Saskatoon. The purpose of the IH District is to facilitate economic development through industrial activities that may have the potential for creating nuisance conditions during the normal course of operations.

CURRENT EXISTING USE

As of the Effective Date, the Current Existing Use of the Subject Property is an industrial building.

ANALYSIS

Although not verified with the municipality, the Current Existing Use appears to be in conformance with the bylaw. For full particulars, the zoning bylaw itself should be consulted.

It has been assumed that the Subject Property is also in conformance with all other jurisdictional requirements, including fire code, building code, health department regulations, and similar bodies that each influence land and/or building use.

PART IV – ANALYSIS AND CONCLUSIONS

HIGHEST AND BEST USE

Highest and Best Use is defined as: *“The reasonably probable use of real property, that is physically possible, legally permissible, financially feasible and maximally productive, and that results in the highest value.”*

HIGHEST AND BEST USE AS IMPROVED

Legal Permissibility: The Current Existing Use appears to be a legally conforming use. According to the land use bylaw, there are a number of alternate legal uses. Upon a review of the Land Titles Certificate, there are no restrictive covenants or other instruments which may impact potential legal uses.

Physical Possibility: The Subject Property has been specifically designed for its Current Existing Use and appears well suited for that use. Conversion to an alternate legal use may be physically possible, but would create conversion costs which may not be feasible.

Financial Feasibility and Maximum Productivity: The Current Existing Use appears to be a feasible use. A feasibility study is outside the scope of this report; thus, none of the alternate potential uses were tested.

Conclusions: It is concluded that the Highest and Best Use of the Subject Property is for a continuation of its Current Existing Use as an industrial building.

HIGHEST AND BEST USE AS IF VACANT

Legal Permissibility: According to the land use classification, the Subject Property as a vacant site may be used and/or developed for a number of uses in conformance with the bylaw. There are no restrictive covenants or other instruments on the Land Titles Certificate which may reduce potential legal uses.

Physical Possibility: The Subject Property's land size and dimensions, topography, location characteristics, etc. appear to be such that development to a number of legal uses is likely possible.

Financial Feasibility and Maximum Productivity: A feasibility study is outside the scope of this report; thus, none of the potential uses were tested. However, in considering the nature and dynamics of the market and economy, it is reasonable that there exists a number of potential uses that meet the legal and physical tests, which could also be feasible over the longer term.

Conclusions: It is concluded that the Highest and Best Use of the Subject Property as if a vacant site is for use or development in conformance with the land use bylaw.

VALUATION METHODOLOGY

There are three generally accepted approaches to estimating value: the Direct Comparison Approach; the Income Approach; and the Cost Approach. These are defined as:

Direct Comparison Approach:

A set of procedures in which a value indication is derived by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison, and making adjustments to the sale prices of the comparables based on the elements of comparison.

Income Approach:

A set of procedures through which an Appraiser derives a value indication for an income producing property by converting its anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year's income expectancy can be capitalized at a market derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate.

Cost Approach:

A set of procedures through which a value indication is derived for the Fee Simple interest in a property by estimating the current cost to reconstruct a reproduction of, or replacement for, the existing structure; deducting accrued depreciation from the reproduction or replacement cost; and adding the estimated land value plus an entrepreneurial profit. Adjustments may then be made to the indicated Fee Simple value of the Subject Property to reflect the value of the property interest being appraised.

Source: The Dictionary of Real Estate Appraisal, Third Edition.

The determination of which of these approaches to value are most applicable for a specific property is largely dependent upon the nature of the property being appraised, and the quality and quantity of data available.

With respect to the valuation of the Subject Property, it is the appraiser's opinion that the only relevant valuation approaches are the Direct Comparison Approach and Income Approach.

THE DIRECT COMPARISON APPROACH

The Direct Comparison Approach is generally considered to be the most reliable approach to value that is available to the appraiser. This is especially true when recent comparable sales exist that can be adjusted appropriately to indicate a value for the property under consideration. This method is a direct reflection of market activity and is usually the strongest indication of value, particularly when it is applied without undue consideration of income factors (which are better reflected in the Income Approach).

The Direct Comparison Approach involves the analysis of market data; primarily the selling prices of comparable properties, to determine a value estimate for the Subject Property. The application of this Approach is founded upon the Principle of Substitution, which states that one will not pay more for a given property than the cost of acquiring an equally acceptable substitute property, provided the substitution can be made without undue delay. The Direct Comparison Approach therefore uses historical selling prices or current listings to predict the most probable selling price (i.e. the Market Value) for the Subject Property.

There are several methods that can be used to forecast or predict a value estimate for a given property. The two most common methods are through an adjustment grid (quantitative), or through a comparative weighing (qualitative) approach of the differences between the comparables and the Subject.

The adjustment grid process is the most common example of a quantitative technique. It is popular because it involves application of a series of individual adjustments to comparables; essentially inventorying, then adjusting for each difference between the comparable properties and the Subject. These adjustments are generally arrived at through analysis, but sometimes rely more directly on the skill and judgment of the analyst.

In ideal circumstances, the "paired sales" technique can be used to quantify the appropriate adjustment. This process involves analysis of two sales that are similar in all aspects except for one variable. The variable is isolated, and the difference between the selling prices of the two sales in the pair (presumably) fully explains the difference in selling prices. In theory this method is logical and reasonable; however in practice, the market is not perfect and this adds to the difficulty in applying this methodology consistently. It is often found that market comparables have numerous differences, thus making it difficult to reliably isolate a single variable for a paired sales analysis.

The second process that some appraisers use is defined as a qualitative approach, where the appraiser measures the comparable sale's characteristics against those of the Subject. For example, if a comparable property was in better condition than the Subject, this sale would be rated as superior and/or may set an upper end value range for the Subject, all other factors being equal.

The problem with this process is that specific adjustments are not made, and the comparable sales are rationalized based on concepts and judgments alone. Just how "superior" or "inferior" a comparable is to the Subject is a matter of judgment, kept within the realm of the analyst's own interpretation of such factors. Although the appraiser may provide logical arguments, there is no way to mathematically prove or disprove the adjustment process.

THE QUALITY POINT METHOD

A method called "Quality Point" has been used in the analysis of the Subject Property. Quality Point is a rating system that develops a model to predict the selling prices of the comparable sales by recognizing variables that affect their selling prices. Once a best fit is established, the model is then used to predict the Subject Property's selling price (Market Value).

The Quality Point system has been the subject of theoretical study for over 30 years, but only reached its present level of sophistication since the introduction of the personal computer. The methodology evolved chiefly as a result of the work of four prominent valuation theorists: The foundations of Quality Point began in 1968, with the publication of Henry Babcock's rating method that was used to predict selling prices; In 1972, Dr. Richard Ratcliff developed the first iteration of a computer program to handle the multiple calculations required by the system, refining the principles that Babcock established; Dr. Graaskamp further evolved this process; and by 1984, Gene Dilmore both advanced the theory and labelled the methodology as "Quality Point." One of the chief drivers of these developments was the advancements in computing technology. With the advent of personal computers able to do thousands of computations in seconds, limitations for application of this methodology have disappeared.

The Direct Comparison Approach by its nature attempts to reach a value conclusion by analyzing comparable sales. It follows that if the variation in selling prices of comparable sales can be explained or expressed through a common unit of comparison, the more reliably that same criteria can be applied to a Subject Property. The Quality Point rating system examines the differences of comparable sales through a combination of both quantitative and qualitative adjustments; a combination of the better of the two most common options.

Other direct comparison models tend to use only one of the two types of adjustment procedures (quantitative or qualitative). Quality Point predicts selling prices of the comparables with the highest possible degree of accuracy, then uses an analogous approach to predict the Market Value for the Subject. The main advantage of this methodology is the ability to test the model for accuracy before applying like criteria for the Subject; thus, biases that might otherwise apply are eliminated.

If there is little variance shown between the predicted selling price and the actual selling price of the comparables, then the ordinal ratings of factors that are important determinants for comparable sales are proven. This in turn also creates a good model to predict the Market Value for the Subject.

APPLICATION FOR THE SUBJECT PROPERTY

The indicators analyzed in this report are considered the best available indicators of current market trends. Each indicator is adjusted and/or rated in a manner leading to an opinion of where the judgment of most typical purchasers would likely meet. The following grid shows the required adjustments and ratings to the sales, providing an indication of Market Value within a range in per square foot values. A detailed reference sheet for each improved sale can be found in the Addenda of this report.

SUNCORP VALUATIONS

SALE DETAILS	Subject	Index 1	Index 2	Index 3	Index 4	Index 5
Address	3027 Millar Avenue	826 43rd Street East	802 57th Street East	2520 Millar Avenue	859 60th Street East	655 51st Street East
City	Saskatoon	Saskatoon	Saskatoon	Saskatoon	Saskatoon	Saskatoon
Date of Sale	N/A	November-24	July-23	June-24	May-24	September-23
Building in Square Feet	19,200	10,536	13,958	19,800	10,000	19,200
Site Size in Square Feet	87,642	51,731	45,157	95,522	33,480	86,896
Sale Price	N/A	\$2,300,000	\$1,750,000	\$4,475,000	\$1,580,000	\$4,200,000
Sale Price/Sq.Ft. of Building Area	N/A	\$218.30	\$125.38	\$226.01	\$158.00	\$218.75
Building Characteristics						
Site Coverage	0.22	0.20	0.31	0.21	0.30	0.22
Office Development	Varies Between Bays	20%	25%	13%	22%	16%
Construction	Steel Frame	Steel Frame	Steel Frame	Steel Frame	Steel Frame	Steel Frame
Sidewall Height	16'	16'	20'	20'	16'	20'
Year Built	1981	1987	1980	1978	1982	1986
Condition	Average	Average	Slightly Below Average	Average	Average	Average
Extra Features	Multi-Tenant Building	Single-Tenant Building, 1,200 SF Office Mezzanine	Single-Tenant Building, 4,150 SF Low Quality Office Mezzanine, 896 SF Storage Mezzanine	Single-Tenant Building	Dual-Tenant Building, 2,175 SF Storage Mezzanine	Dual-Tenant Building, 474 SF Office Mezzanine, 608 SF Storage Mezzanine
Quantitative Adjustments						
Property Rights Conveyed	1.00	1.00	1.00	1.00	1.00	1.00
Financing Terms	1.00	1.00	1.00	1.00	1.00	1.00
Motivation	1.00	1.00	1.00	1.00	1.00	1.00
Market Conditions	1.00	1.02	1.06	1.03	1.04	1.06
Adjusted Price/Sq.Ft. of Building Area	\$0.00	\$222.67	\$132.90	\$233.36	\$163.53	\$230.78
Building Size Adjustment Factor	1.00	1.00	1.00	1.00	1.00	1.00
Adjusted Price/Sq.Ft. of Building Area	\$0.00	\$222.67	\$132.90	\$233.36	\$163.53	\$230.78

QUALITY POINT RATINGS	Weights Market	Subject	Index 1	Index 2	Index 3	Index 4	Index 5
Location	(x 0.38)	5	4	4	5	4	6
Site Coverage	(x 0.10)	4	4	3	4	3	4
Development	(x 0.10)	3	4	4	2	3	3
Design	(x 0.10)	2	3	2.5	4	3	4
Age/Condition	(x 0.32)	3	3	2	3	3	3
Total Weighted Quality Points	(x 1.00)	3.76	3.58	3.11	3.86	3.38	4.34
Building Size Adj. Factor	1						
Curve	0%						
Adjusted Sale Price/Sq.Ft. of Building Area Per Point			\$62.21	\$42.76	\$60.49	\$48.40	\$53.21

PREDICTED UNIT PRICE	Subject	Index 1	Index 2	Index 3	Index 4	Index 5
Predicted Selling Price/Sq.Ft.	N/A	\$191.17	\$166.01	\$206.07	\$180.48	\$231.66
Actual Selling Price/Sq.Ft.	N/A	\$222.67	\$132.90	\$233.36	\$163.53	\$230.78
Absolute Error (Predicted less Actual)	N/A	-31.50	33.11	-27.28	16.95	0.88
Absolute Error As % of Actual Price	N/A	-14.1%	24.9%	-11.7%	10.4%	0.4%

Adjusted Selling Price Output	
Mean	\$53.41
Standard Deviation %	\$7.30
Coefficient of Variance	14%

Estimated Value Range of the Subject Property	
Estimated Value Range	\$/Sq.Ft.
\$3,327,534	\$173.31
\$3,854,001	\$200.73
\$4,380,467	\$228.15

QUALITY SCALE	
Rating	Points
Excellent	7
Very Good	6
Good	5
Slightly Above Average	4
Average	3
Slightly Below Average	2
Fair	1

The analysis of the foregoing transactions provides a selling price per unit, without any adjustment, between \$125.38 and \$226.01 per square foot. In order for these sale comparables to be meaningful, the variation between the sale prices must be explained and reduced. The variables that are causing the variation in the sale comparables provide the basis for the adjustment process. Current appraisal theory also dictates that when adjustments for differences between properties are necessary, a specific order must be followed; this order of application is of particular importance. The four categories to be considered are as follows:

- Property rights conveyed;
- Financing terms;
- Motivation; and
- Market conditions (time).

These must be considered individually and in succession, with each adjustment being calculated upon the previously adjusted value. Specific adjustments for other characteristics can then be made. Quality Point considers these quantitative adjustments before attempting to adjust for other physical variables or characteristics.

QUANTITATIVE ANALYSIS

The first adjustment consideration is for property rights conveyed. The rights examined in this assignment are the Leased Fee Interest. This is considered similar between all of the comparable sales and the Subject Property (i.e. they all involved transfer of the Fee Simple Title or close equivalent Leased Fee Title); no adjustment is required.

Financing terms were also considered, to determine if any unusual financing conditions existed at the time of sale for the comparable properties. The comparable sales used did not have any unusual financing terms; no adjustment is made.

Motivation is the third characteristic that must be considered in influencing the selling price of a property. None of the sales used were found to be motivated; no adjustments have been made.

Market conditions must also be considered. The best guidance in this regard is through analysis of the markets for properties sold and/or rented recently. There is a direct correlation between lease rates and selling prices. These can then be cross-checked through discussions with realtors active and knowledgeable in these markets, and referenced to published reports from various real estate and related sources. Research of past and present lease rates indicates that prices have risen approximately 3% in the Subject neighbourhood since 2023 and therefore, a 3% positive time adjustment per year has been applied to all sales and prorated to the month.

QUALITATIVE ANALYSIS

In order to explain the variance in the selling prices for the comparable sales, five variables were identified. Each variable is scored on an ordinal scale of one through seven, with one being inferior and seven being superior. The variation within the scale reflects the difference between a given variable; it does not mean that a score of seven indicates that a particular property is seven times superior to a score of one. Following is the rationale for scoring the variables for each of the comparable sales and the Subject Property.

LOCATION:

The scale for location is described as follows: a quality rating of one refers to a poor location with poor access, exposure, and something less than full services. A rating of seven refers to a high traffic location with good exposure and access, plus all municipal services. Generally (but not always) the land value correlates with the location rating.

The Comparables:

Indicators 1, 2 and 4 rated as slightly above average given they are not located on collector streets, but are located in comparable industrial neighbourhoods. Indicator 3 is located on Millar Avenue and rated as good, like the Subject. Indicator 5 rated as very good given its 51st Street East location, which is a very high-traffic corridor in the Subject neighbourhood.

The Subject:

The Subject has been rated as good in terms of location due to being located along Millar Avenue, which is a collector street in the Hudson Bay Industrial neighbourhood.

SITE COVERAGE:

The rating scale for site coverage is an important variable, as lower site coverage allows for better on-site parking and larger yards for storage, etc. A quality rating of three is based on an average site coverage ratio in the area. A lower site coverage ratio than average would potentially receive a higher quality rating, while a higher site coverage than average would receive a lower quality rating.

The Comparables:

Indicators 1, 3 and 5 have site coverage ratios between 0.20 and 0.22 and rate as slightly above average. Indicators 2 and 4 have site coverage ratios of 0.31 and 0.30, respectively, and rate as average.

The Subject:

The Subject has a site coverage ratio of 0.22 and rates as slightly above average.

INTERIOR DEVELOPMENT:

Interior development relates to the amount of office finish and extra features of a building. A quality rating of one refers to a property with little or no interior development and no extra features; a seven rating would indicate a property with high quality interior development and several extra features.

The Comparables:

Indicators 1 and 2 rate as slightly above average given they have 20% and 25% office development as well as additional office mezzanine space. Indicator 3 has 13% office development and rated as slightly below average. Indicators 4 and 5 have 22% and 16% office development, respectively, while Indicator 5 also has a small office mezzanine. These Indicators rated as average.

The Subject:

The Subject is a multi-tenant building and each bay has a varying level of development from being mainly warehouse space to being completely built-out as restaurant space. Overall, the Subject is rated as average.

STRUCTURAL DESIGN:

Structural design describes the construction of a building and its sidewall height. A quality rating of one relates to a wood or steel frame building with a 12 foot or less sidewall height, whereas a rating of seven describes a masonry building with a sidewall height of 25 feet or greater.

The Comparables:

Indicators 1 and 4 rate as average given their steel frame construction and sidewall height of approximately 16 feet. Indicator 2 is steel frame construction and has a sidewall height of approximately 20 feet, but rates as a midpoint between slightly below average and average given its choppy layout at the time of sale. Indicators 3 and 5 are steel frame construction with 20 foot sidewall heights and rate as slightly above average.

The Subject:

The Subject is steel frame construction and has a sidewall height of approximately 16 feet and rates as slightly below average given several bays have limited to no street exposure.

AGE/CONDITION:

This category relates to both the age of a building and its overall condition. A quality rating of seven describes a new building in excellent condition, whereas a rating of one relates to an older building in poor condition. In order to determine if the property is new or old depends upon the dataset used.

The Comparables:

Indicators 1, 3, 4 and 5 were constructed in the late 1970s and 1980s and were reported in average condition at their sale dates and rate as average. Indicator 2 was constructed in 1980, but the office throughout showed as worn and dated at the time of sale, so was rated as slightly below average.

The Subject:

The Subject was built in 1981 and was in average condition at the site visit and rates as average.

The next step in the process is to run the mathematical solver program to determine the weights that will be assigned to the variables. The weighted outcomes for each comparable sale are then converted into a predicted selling price for the comparables. This predicted selling price is then compared to the actual selling prices. If there was still a large variance between actual selling price and the predicted selling price, then there is an error and the model would require evaluating. Due to selling prices being predicted within a 14% coefficient of variance, the model can safely be relied upon for estimating the Subject's value.

The Subject's overall value range is determined by examining the mean (central tendency) and the dispersion (standard deviation). In the Subject's case, the mean (\$53.41) is multiplied by the Subject's Quality Point score and its unit of comparison (square feet or number of units). The dispersion (take the mean plus/minus the standard deviation) is calculated on either side of the mean to determine the Subject's low and high range estimates of value. The following grid summarizes these calculations. The value range indicated by the Quality Point model is between \$173.31 and \$228.15 per square foot for the Subject.

Subject Score		Unit of Comparison		Price Per Quality Point Per Unit		Predicted Value	Rounded
3.76	x	19,200	x	\$46.12	=	\$3,327,534	\$3,330,000
3.76	x	19,200	x	\$53.41	=	\$3,854,001	\$3,850,000
3.76	x	19,200	x	\$60.71	=	\$4,380,467	\$4,380,000

* The predicted values are arrived at using a non-rounded dataset and may differ from what is suggested by the above formula.

From this range, a single-point valuation must be determined. Considering the Subject's location, its multi-tenant L-shape design which somewhat limits the exposure to Millar Avenue for some of the tenant bays, while keeping in mind the current real estate market, a low range value is concluded.

VALUE INDICATED BY DIRECT COMPARISON APPROACH

\$3,330,000

THE INCOME APPROACH

This approach focuses on a forecast of operating revenues and expenses for the property. This estimate of net income is then converted to an estimate of current Market Value, with an overall capitalization rate referred to as Direct Capitalization. The mechanics of this methodology essentially relate to dividing the net earnings with a singular rate, or current-earnings ratio, which takes into account all of the comparative investment characteristics of the property. Direct Capitalization produces an expression of the current Market Value of the investment portion of a property, which might have to be adjusted for extraordinary circumstances that cannot be reflected in the straight capitalization of earnings.

The type of “net earnings” used in the appraisal process is usually the net operating income produced by the property. The net operating income of a property represents the residual amount of rental income, after deducting only those annual expenditures directly associated with, or incidental to, the production of rental income and to the ownership and operation of the realty. This approach is also considered applicable to properties that are owner-occupied, as it indicates the income that could be earned from the Subject if it was rented to an outside tenant.

Revenues and expenses normally excluded from the Statement of Operation, developed for the purpose of valuing real estate, consist of interest income and other non-realty income, interest expense on operating debt, capital cost allowance (depreciation), executive and shareholder remuneration, and interest on reinvestment of retained earnings, working capital, or extraordinary reserve funds.

LEASE SYNOPSIS

The following table provides a brief summary of the leases presently in effect for the Subject Property. This summary is based upon review of the actual lease documents, as supplied by the Authorized Client.

Bay	Tenant	Area (sq. ft.)	Term	Commencement	Expiry	Rent (\$/psf)
A	Buns House Restaurant	3,000	6 years	January 1, 2025	December 31, 2030	\$12.00
B	Ronnie Carson and Dani Genest	2,400	5 years, 1 month	April 1, 2024	April 30, 2029	\$12.00
C	Mobile Augers and Researchers Ltd.	2,400	5 years	April 1, 2022	March 31, 2027	\$11.00
D	Vertfarms YXE	1,200	3 years	July 15, 2025	July 30, 2028	\$12.00
E	Accu Sharp Tooling Ltd.	2,400	5 years, 1 month	March 31, 2021	April 30, 2026	Yr 1-2; \$8.50 Yr 3; \$9.00 Yr 4; \$9.50 Yr 5; \$10.00
F	Ellis Mechanical Services Inc.	1,775	3 years, 1 month	May 1, 2023	May 31, 2026	\$11.00
G	Mako Signs	1,200	2 years	May 1, 2024	April 30, 2026	\$11.25
H	Rubber Stone Saskatoon Inc.	2,400	5 years, 1 month	April 1, 2023	April 30, 2028	Yr 1; \$10.00 Yr 2-3; \$11.00 Yr 4; \$11.25 Yr 5; \$11.50
I	Showtime Glass Inc.	2,300	5 years	June 1, 2021	May 31, 2026	\$11.00
Total Rentable Area		19,075				

RENTAL ANALYSIS

In order to formulate an opinion of market rent for the Subject, an investigation into rents of similar properties was undertaken. The rents quoted represent total amounts of net rent payable to the property owner. The property owner of an investment property generally incurs income loss due to vacancies and collection expenses, and they are generally responsible for structural repair and maintenance. These amounts must be deducted from rental revenues to reflect a net income the typical owner could expect from the property, and consequently the return that investment yields.

A review of recent market activity reveals the following details pertaining to market lease rates:

Indicators of Market Rent			
Indicator	Rental Rate	Area	Comparability
1	\$11.13	2,981	New lease, comparable neighborhood, small front office and rear warehouse space, comparable year built, lacks street exposure.
2	\$11.40	1,500	New lease, Hudson Bay Industrial neighbourhood, small front office and rear warehouse space, comparable year built, lacks street exposure.
3	\$11.80	1,664	New lease, comparable neighborhood, front office and rear warehouse space, comparable year built.
4	\$12.00	2,020	Recent lease, Hudson Bay Industrial neighbourhood, front small office and rear warehouse space, comparable year built.
5	\$12.95	2,400	*Asking rate, comparable neighborhood, front is average quality office development and rear warehouse, comparable year built.
6	\$13.22	2,500	New lease, comparable neighbourhood, 50% good quality office development, newer year built.
7	\$14.95	1,464	*Asking rate, comparable neighborhood, small front office and rear warehouse, comparable year built.
8	\$15.95	1,750	*Asking rate, comparable neighborhood, small front office and rear warehouse, comparable year built.

RENTAL ANALYSIS AND CONCLUSION

A review of the market lease rates suggests a range of \$11.13 to \$15.95 per square foot for industrial space in Saskatoon.

Indicators 7 and 8 set the upper end of the range. These indicators are listings and are expected to lease below their asking rates. Given these are asking rates only, lower lease rates will be concluded.

Indicator 1 sets the low end of the range and is located in a slightly inferior industrial neighbourhood (Airport Business Area) and lacks street exposure. For these reasons, market rent above this indicator will be concluded.

This tightens the rental rate range from \$11.40 to \$13.22 per square foot for comparable industrial space.

Indicator 2 is a new lease, has a comparable year built, is in the same neighbourhood as the Subject, yet lacks street exposure. Indicator 3 is also a new lease in a comparable neighbourhood, and most comparable to the Subject in terms of use/design and year built. Indicator 4 is a recent lease in the same neighbourhood as the Subject. It is a strong comparable for the Subject as it has a comparable year built and level of finishes.

Indicator 5 is an asking rate only, but is a strong comparable for the Subject. Given this, a slightly lower rental rate will be concluded. Indicator 6 is a new lease, but has 50% good quality office development and is a newer built building. Given this, a rental rate below this indicator will be concluded.

Considering all factors, the market lease rate for comparable industrial space is concluded to be \$12.00 per square foot. Bays A, B and D have recently signed leases at \$12.00 per square foot for the Subject. Bay E's lease was signed during COVID in May 2021 when lease rates were lower but is up for renewal in April 2026. The remaining bays are between \$11.00 and \$11.25 per square foot and up for renewal in the next couple years.

Accordingly, the actual rental rates for the Subject are relied upon in the estimate of Net Operating Income.

OPERATING STATEMENT

The following statement provides an estimate of stabilized Net Operating Income based on a typical year of operation:

INCOME:**Rental Income**

3,000	square feet (Bay A)	\$12.00	\$36,000
2,400	square feet (Bay B)	\$12.00	\$28,800
2,400	square feet (Bay C)	\$11.00	\$26,400
1,200	square feet (Bay D)	\$12.00	\$14,400
2,400	square feet (Bay E)	\$10.00	\$24,000
1,775	square feet (Bay F)	\$11.00	\$19,525
1,200	square feet (Bay G)	\$11.25	\$13,500
2,400	square feet (Bay H)	\$11.00	\$26,400
2,300	square feet (Bay I)	\$11.00	\$25,300

Ancillary Income

1	Signage (per month)	\$300	<u>\$3,600</u>
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Total Gross Income		\$217,925
Less Vacancy and Bad Debt	4%	<u>(\$8,717)</u>
Effective Gross Income (EGI)		\$209,208

EXPENSES:

Structural Repairs / Maintenance	3%	(\$6,276)
Unallocated Operating Expense		
(19,075 x 4% x \$5.50)	\$5.50	<u>(\$4,197)</u>
Total Expenses		(\$10,473)

NET OPERATING INCOME:		<u>\$198,735</u>
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COMMENTS ON THE OPERATING STATEMENT

Under net leases, the expense recovery covenants in the leases usually provide that virtually all expenses are recoverable from the tenants except for structural maintenance, for which an allowance must be made.

However, it is first necessary to provide for some loss due to vacancy. The vacancy allowance provides for loss in income through uncollected rents and associated occupancy charges (bad debt), in addition to allowing for actual vacancies that may occur. These adjustments are required, as a building cannot be expected to be occupied fully throughout its useful life. Vacancy allowances are local in application and will vary from time to time, and location to location. The magnitude of the vacancy and rent loss allowances is estimated by analysing the local real estate market for this particular type of property. Considering the physical amenities of the premises, competitive influences, current demand, and preferences, it is concluded that a 4% vacancy allowance should be appropriate at this time.

The effective gross annual income is the total possible gross income that would be produced by the property, less the losses incurred by vacancy and uncollected rents.

It is also necessary to make an allowance for structural maintenance. Although tenants are responsible for operating costs in a net rental situation, the property owner usually remains responsible for required maintenance to the foundations, floor slab, roof, exterior walls, and periodic upgrades or replacement of major mechanical systems such as electrical and heating services. This type of maintenance is not required on a routine or scheduled basis. Therefore, the amount estimated for this type of expense represents an annual increment that would allow for a larger periodic expenditure when necessary. The percentage allotted is used to reflect an annualized figure over the full life of the property. In view of the current condition of the building, an allowance of 3% is chosen.

Finally, an allowance must be made for unallocated operating expenses, as the landlord must cover the cost of the taxes, insurance, and utilities over the period that the property (or a portion thereof) is vacant. The unallocated operating expenses are based on the 4% vacancy allowance, with estimated total operating expenses at \$5.50 per square foot.

As suggested, the estimate of net income that is derived accounts for only those expenses necessary to ensure the continued income productivity of the property. This net income estimate forms the base income to be converted to an estimate of value through Direct Capitalization.

METHOD OF CAPITALIZATION

It is recognized that revenue producing real estate is an investment, similar in principal to other forms of investment such as stocks, bonds, term certificates, etc. Revenue producing real estate should therefore be appraised and analysed as an alternative form of investment based on similar criteria.

The income stream being earned by the Subject Property does not have the characteristics of annuity calculations. Annuities provide a guaranteed income in return for a fixed sum of money. They generally are highly secure and require minimal management. Real estate investors must consider risk factors that relate to real estate when analysing appropriate rates of return. After considering the various methods of capitalization, it is concluded that Direct Capitalization is the most appropriate method to use in this appraisal. This approach to capitalization essentially involves converting the stabilized annual income at a singular rate, taking into account all of the comparative investment features of the property.

When using this method, it is not necessary to develop separate rates for land and buildings. The often impossible task of estimating the remaining economic life of the building, or projecting the net income for such a period, is not required. The Direct Capitalization method does not presume that land value will remain constant for the economic life of the building. The net income being generated is recognized as flowing from the entire property, with the land and buildings as one integrated investment. The Direct Capitalization method is the most realistic method in its application, and most adequately encompasses the thoughts of the investor as they apply to real estate.

THE DIRECT CAPITALIZATION APPROACH

The Direct Capitalization Approach examines market sales to derive a market capitalization rate for the Subject Property.

Capitalization rates or expected rates of return are governed by the following factors:

- Inflation;
- Risk;
- Management; and
- Pure Rate of Return.

All investors seek to achieve defined investment objectives both short term and long term. In general, there are four main investment objectives:

1. Safety of Principal;
2. Income;
3. Growth of Capital; and
4. Liquidity.

Historically, the pure rate of return has been roughly 3%, representing the value at which someone will lend their capital in a riskless, management free investment, net of inflation.

Capitalization rates and value have an inverse relationship (i.e. capitalization rates that emanate from sales are inversely proportional to the income and/or selling prices; the lower the capitalization rate when applied to the income stream, the higher the value estimate). Acceptable capitalization rates are therefore a strong reflection of confidence and personal risk.

It is noted that the income figures used in the capitalization rate calculations are mostly based on estimates of market rent, as opposed to actual lease rates. These calculations do help to define an applicable band of, or range in capitalization rates.

Reference to the sales presented in the Direct Comparison Approach yields the following summary of capitalization rates:

Market Capitalization Rates						
Address	Indicator	Building Size (sq. ft.)	Sale Date	Net Income	Sale Price	Cap Rate
826 43rd Street East	1	10,536	Nov-24	\$137,207	\$2,300,000	5.97%
802 57th Street East	2	13,958	Jul-23	\$134,382	\$1,750,000	7.68%
2520 Millar Avenue	3	19,800	Jun-24	\$248,236	\$4,475,000	5.55%
859 60th Street East	4	10,000	May-24	\$108,981	\$1,580,000	6.90%
655 51st Street East	5	19,200	Sep-23	\$291,810	\$4,200,000	6.95%

CAPITALIZATION OF NET INCOME

The sales utilized in the Direct Comparison Approach to value suggest a range in stabilized capitalization rates from 5.55% to 7.68%, with a mean of 6.61%.

The low end of the range is set by Indicator 3 at a capitalization rate of 5.55%. This property is also located on Millar Avenue and comparable to the Subject in terms of size. As such, consideration has been given to this Indicator. The high end of the range is set by Indicator 2 which is the most dated sale and was determined to be in slightly below average condition and had a very choppy layout at the time of sale. Therefore, no consideration has been given to this Indicator.

The remaining Indicators and Indicator 3 suggest a narrower range in capitalization rates from 5.55% to 6.95%. Indicator 1 has the second lowest capitalization rate at 5.97%. It is significantly smaller than the Subject, but is inferior in terms of location. Indicator 4 is the smallest sale with a building size of only 10,000 square feet and is inferior in terms of location. Indicator 5 is slightly superior in terms of location as it is located on 51st Street East, but is comparable to the Subject having the same building size.

Considering the Subject's location, its multi-tenant L-shape design which somewhat limits the exposure to Millar Avenue for some of the tenant bays, while keeping in mind the current real estate market, a capitalization rate slightly below the mean is deemed reasonable.

Accordingly, a rate of 6.25% is deemed reasonable in the application of the Direct Capitalization to the estimated income stream.

Net Operating Income \$198,735

Capitalization Rate 6.25%

Value = $\frac{\$198,735}{0.0625}$ = \$3,179,760

VALUE BY THE INCOME APPROACH (Rounded)

\$3,180,000

THE COST APPROACH

The third approach that can be used to provide an estimate of value is the Cost Approach. It is based on the principle of substitution, which affirms that where a property is replaceable, its value tends to be set by the cost of acquiring an equally desirable substitute property (assuming that no unreasonable time delay is involved). The reference to acquisition also considers the actual cost of construction. The value of the property is derived by adding the estimated value of the land to the estimated cost of reproduction new of the improvements, after appropriate deductions for depreciation.

The Cost Approach tends to be subjective in nature, as buyers in the marketplace infrequently use it. The Subject has a year built of 1981 and, given it is not new construction, has accumulated physical depreciation. Estimating the appropriate amount of physical depreciation which has accrued is subjective in nature and is considered an inherent weakness in this approach to value. The Cost Approach is, therefore, not presented in this report; it being concluded that it would not add to the validity or credibility of the appraisal result.

RECONCILIATION AND FINAL ESTIMATE OF VALUE

Direct Comparison Approach	\$3,330,000
Income Approach	\$3,180,000

The value by the Direct Comparison Approach is considered reliable. It is significant as it directly reflects the actions of real estate investors and owner-users. This value estimate was based on the analysis of several market indicators. The buildings are similar to the Subject as to utility, but vary as to age, size, location and style. This approach will be given serious consideration.

The Income Approach considers value based on the ability of the property to produce net income after provisions for expenses, and allows for recapture of the investment over a reasonable period of time. The estimate of net income is directly market-oriented and based on an analysis of the actual rental market. The capitalization rate was derived from market data. The value by the Income Approach is considered reliable and is based on a minimum of assumptions.

The values by the Income Approach and the Direct Comparison Approach are both considered to be representative of the real estate marketplace for the Subject. For this particular type of property, more weight is placed on the value by the Income Approach, which is supported by the Direct Comparison Approach value. The Cost Approach has not been developed as part of this valuation; the judgment being made that it would not contribute to the validity of the result.

Based on the preceding data and analysis, the current Market Value of the Subject Property is estimated to be:

THREE MILLION ONE HUNDRED EIGHTY THOUSAND DOLLARS

\$3,180,000

REASONABLE EXPOSURE TIME

An estimate of Reasonable Exposure Time is intended to set the context within which the value conclusion is rendered. The estimate is typically based on an analysis of actual marketing times for comparable properties; however, this data is not generally available for all sales. Therefore, based on a review of available data and general market observations, an exposure time in the range of three to six months is estimated to have been sufficient to have achieved a sale at the value estimated herein.

On behalf of,
SUNCORP VALUATIONS



Adam Saunders, B.Comm., AIC Candidate Member



Kira Penner, BBRE, P.App., AACI

ASSUMPTIONS AND LIMITING CONDITIONS

The certification that appears in this report is subject to compliance with the Personal Information and Electronics Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP), and the following conditions:

1. This report is prepared only for the Authorized Client and Intended Authorized Users specifically identified in this report and only for the specific use identified herein. No other person or entity may rely on this report or any part of this report without first obtaining consent from the Authorized Client and written authorization from the author(s) and Suncorp Valuations. Liability is expressly denied to any other person or entity, and accordingly no responsibility is accepted for any damage suffered by any other person or entity as a result of decisions made or actions taken based on this report. Liability is expressly denied for any unauthorized user or for anyone who uses this report for any purpose not specifically identified in this report. Payment of the professional services fee has no effect on liability. Reliance on this report without authorization, or for an unauthorized use is unreasonable.
2. Because market conditions, including economic, social and political factors, may change rapidly, and on occasion without warning, this report cannot be relied upon as of any date other than the Effective Date specified in this report, unless specifically authorized by the author(s).
3. The author and Suncorp Valuations will not be responsible for matters of a legal nature that affect either the property being appraised or the Title to it. The property is appraised on the basis of it being under responsible ownership. Unless otherwise stated and analyzed herein, no registry office search has been performed, and the author assumes that the Title is good and marketable, free and clear of all encumbrances. Matters of a legal nature, including confirming who holds legal Title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the author. Any information provided by the author regarding the identity of a property's owner, or identifying the property owned by the listed Authorized Client and/or applicant, is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the author does not constitute Title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor, or other appropriate experts to verify matters of ownership and/or Title.
4. Verification of compliance with governmental regulations, bylaws, or statutes is outside the scope of work and expertise of the author. Any information provided by the author is for informational purposes only and any reliance is unreasonable. Any information provided by the author does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.
5. No survey of the property has been made. Any sketch in this report shows approximate dimensions only, and is included to assist the reader of this report in visualizing the property. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.

6. The compensation for services rendered in this assignment does not include a fee for expert witness services such as preparation and/or appearance at depositions, arbitrations, or court, which must be negotiated separately. However, neither this nor any other of these limiting conditions is an attempt to limit the use that might be made of this report should it properly become evidence in a judicial or quasi-judicial proceeding. In such a case, it is acknowledged that it is the judicial body that will decide the use of the report which best serves the administration of justice. In the event that Suncorp Valuations is required by subpoena or other legal process to provide testimony or produce documents relating to this assignment, whether in court, deposition, arbitration or in any other proceeding, and regardless of the identity of the party requiring such testimony or production of documents, the Authorized Client agrees to compensate Suncorp Valuations for the time incurred in connection with the preparation for and provision of such testimony and/or documents. Our rate for Expert Witness services is \$300/hour plus all reasonable and actual expenses, and we require a minimum four hours for internal file review.
7. Unless otherwise stated in this report, the author has no knowledge of any hidden or unapparent conditions (including, but not limited to its soils, physical structure, mechanical or other operating systems, foundation, etc.) of/on the Subject Property, or of/on a neighbouring property, that could affect the value of the Subject Property. It has been assumed that there are no such conditions. Any such conditions that were visibly apparent at the time of inspection, or that became apparent during the normal research involved in completing the report, have been noted in the report. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the author. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.
8. The author is not qualified to comment on detrimental conditions that may affect the Market Value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater, or air, which may include but are not limited to moulds or mildews, or the conditions that might give rise to either. Any such conditions that were visibly apparent at the time of inspection or that became apparent during the normal research involved in completing the report have been noted in the report, in compliance with all regulatory environmental requirements, government or otherwise, and free of any detrimental condition, past, present or future, that might affect the Market Value of the property appraised. If a party relying on this report requires information about detrimental conditions, that party is cautioned to retain an expert qualified in such issues. The author expressly denies any legal liability relating to the effect of detrimental conditions on the Market Value of the Subject Property.
9. The analyses set out in this report relied on written and verbal information obtained from a variety of sources the author considered reliable. Unless otherwise stated herein, the author did not verify Authorized Client-supplied information which the author believed to be correct.
10. The term "inspection" refers to observation only as defined by CUSPAP and reporting of the general material finishing and conditions observed for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only.

11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The author has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The author has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this visual inspection does not imply compliance with any building code requirements, as this is beyond the professional expertise of the author.
12. The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The author acknowledges that the information collected herein is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with Suncorp Valuation's privacy policy. The Authorized Client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained herein and shall comply in all material respects with the contents of the author's privacy policy and in accordance with the PIPEDA.
13. The author has agreed to enter into the assignment as requested by the Authorized Client named in this report for the use specified by the Authorized Client, which is also stated in this report. The Authorized Client has agreed that the performance of this report and the format are appropriate for the Intended Authorized User.
14. This report, its content and all attachments/addendums and their content are the property of Suncorp Valuations. The Authorized Client, Intended Authorized Users and any facilitator are prohibited, strictly forbidden, and no permission is expressly or implicitly granted or deemed to be granted to modify, alter, merge, publish (in whole or in part), screen scrape, database scrape, exploit, reproduce, decompile, reassemble, or participate in any other activity intended to separate, collect, store, reorganize, scan, copy, manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments, and the data contained within, for any commercial or other use.
15. If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by Suncorp Valuations can be reasonably relied upon.
16. Where the Intended Authorized User of this report is for financing or mortgage lending or mortgage insurance, it is a condition of reliance on this report that the Intended Authorized User has or will conduct lending, underwriting and insurance underwriting, and rigorous due diligence in accordance with the standards of a reasonable and prudent lender or insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct loan underwriting or insuring due diligence similar to the standards set out by the Office of the Superintendent of Financial Institutions (OSFI), even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition. Any reliance on this report without satisfaction of this condition is unreasonable.

CERTIFICATION

We certify, to the best of our knowledge and belief, that:

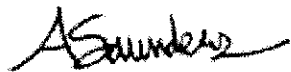
- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, impartial and unbiased professional analyses, opinions and conclusions.
- We have no present or prospective interest in the property that is the Subject of this report, and no personal interest with respect to the parties involved.
- We are not in a conflict of interest to undertake this assignment.
- We have no bias with respect to the property that is the Subject of this report or to the parties involved with this assignment.
- Our engagement in and compensation for this assignment were not contingent upon developing or reporting predetermined results, the amount of the value estimate, or a conclusion favouring the Authorized Client.
- Our analysis, opinions and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice.
- We have the knowledge, skills and experience to complete the assignment competently.
- Professional Assistance in the form of site inspection was provided by Chetan Thakore, B.A., B.Comm., who is an employee of Suncorp Valuations and experienced with appraisal site inspections.
- As of the date of this report, the undersigned have fulfilled the requirements of The Appraisal Institute of Canada's Continuing Professional Development Program for Members.
- The undersigned are members in good standing of the Appraisal Institute of Canada.

Based on our inspection and appraisal, it is our opinion that the current Market Value of the Subject Property, as of July 31, 2025, is estimated to be:

THREE MILLION ONE HUNDRED EIGHTY THOUSAND DOLLARS

\$3,180,000

On behalf of,
SUNCORP VALUATIONS



Adam Saunders, B.Comm., AIC Candidate Member



Kira Penner, BBRE, P.App., AACI

September 11, 2025

Date Prepared

PHOTOGRAPHS OF SUBJECT PROPERTY

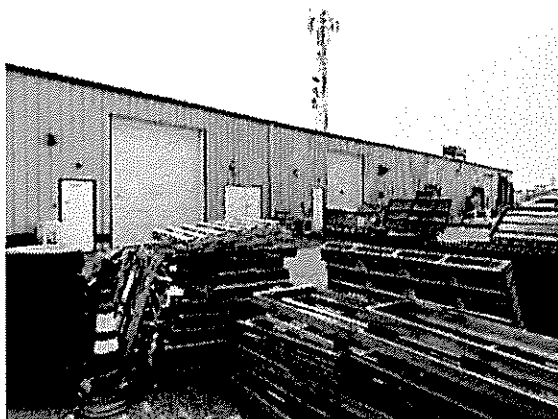
3027 Millar Avenue
Saskatoon, Saskatchewan



FRONT VIEW



SIDE VIEW SOUTH



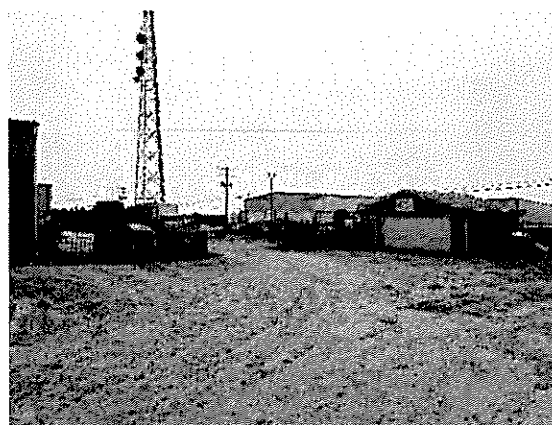
SIDE VIEW NORTH



REAR VIEW



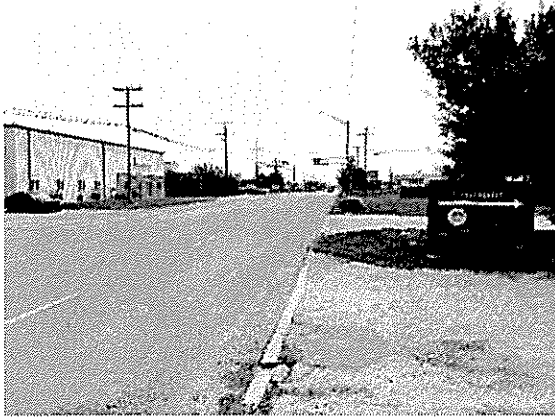
YARD



FENCED COMPOUND AND DETACHED GARAGE

PHOTOGRAPHS OF SUBJECT PROPERTY

3027 Millar Avenue
Saskatoon, Saskatchewan



STREET VIEW



BAY A



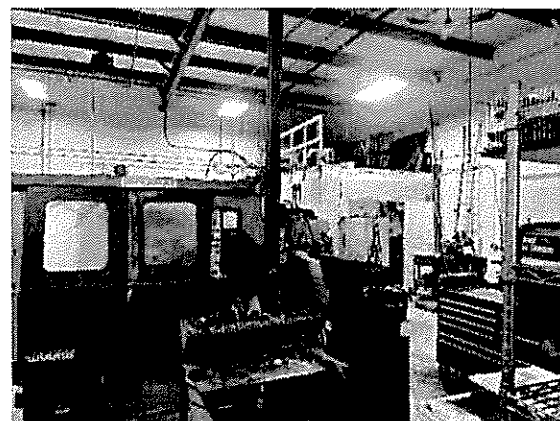
BAY C



BAY D



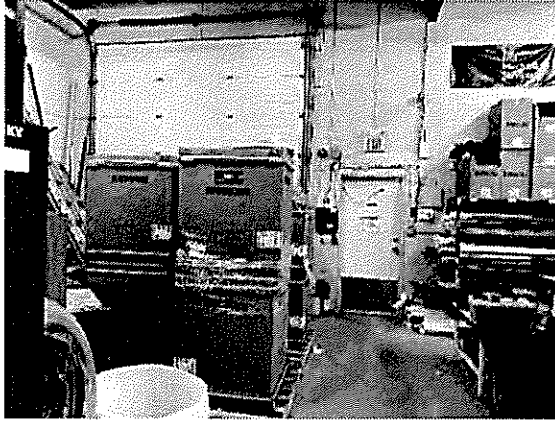
BAY E (OFFICE)



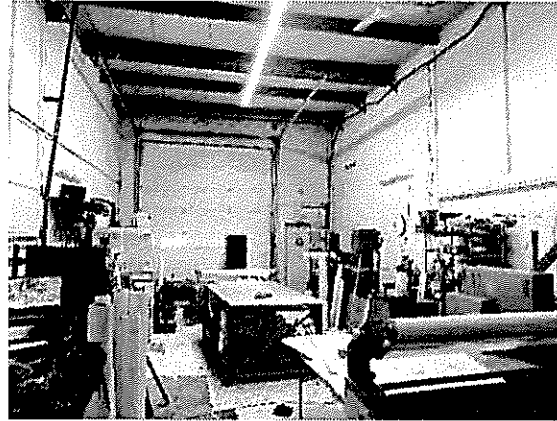
BAY E (WAREHOUSE)

PHOTOGRAPHS OF SUBJECT PROPERTY

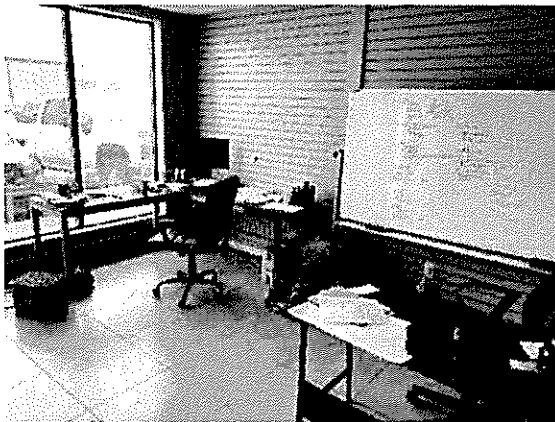
3027 Millar Avenue
Saskatoon, Saskatchewan



BAY F (WAREHOUSE)



BAY G (WAREHOUSE)



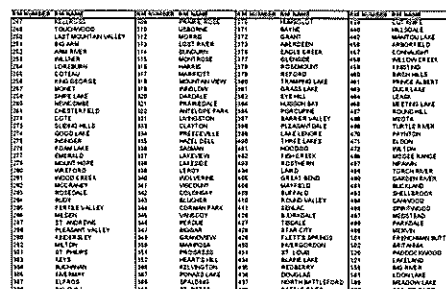
BAY H (OFFICE)



BAY H (WAREHOUSE)



BAY I (WAREHOUSE)



Incorporated (in 2013):	
Number of RMs	296
Number of Cities	15
Number of Towns	145
Number of Villages	266
Number of Resort Villages	40
Number of Northern Towns	2
Number of Northern Villages	11
Number of Northern Hamlets	11
Total Number of Incorporated Municipalities:	766

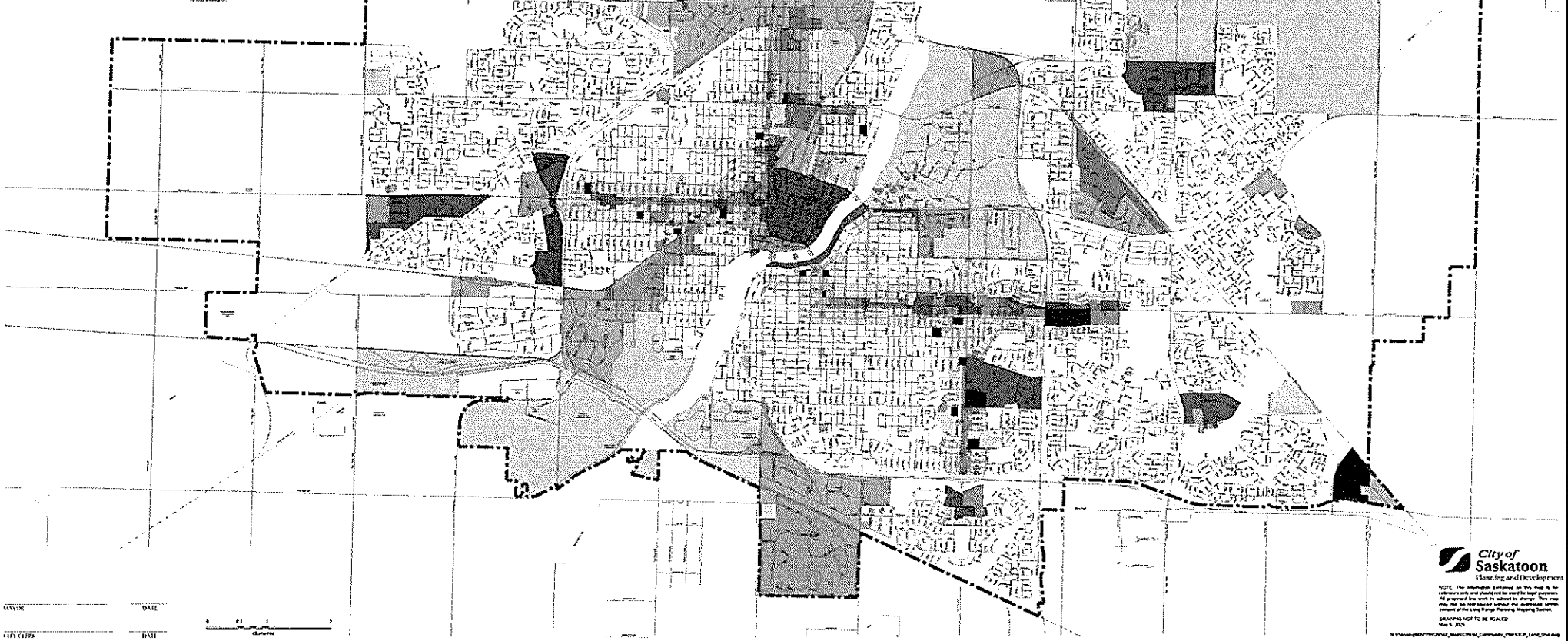
Unincorporated (in 2013):	
Number of Organized Hamlets	172
Number of Northern Settlements	11
Total Number of Unincorporated Municipalities:	183

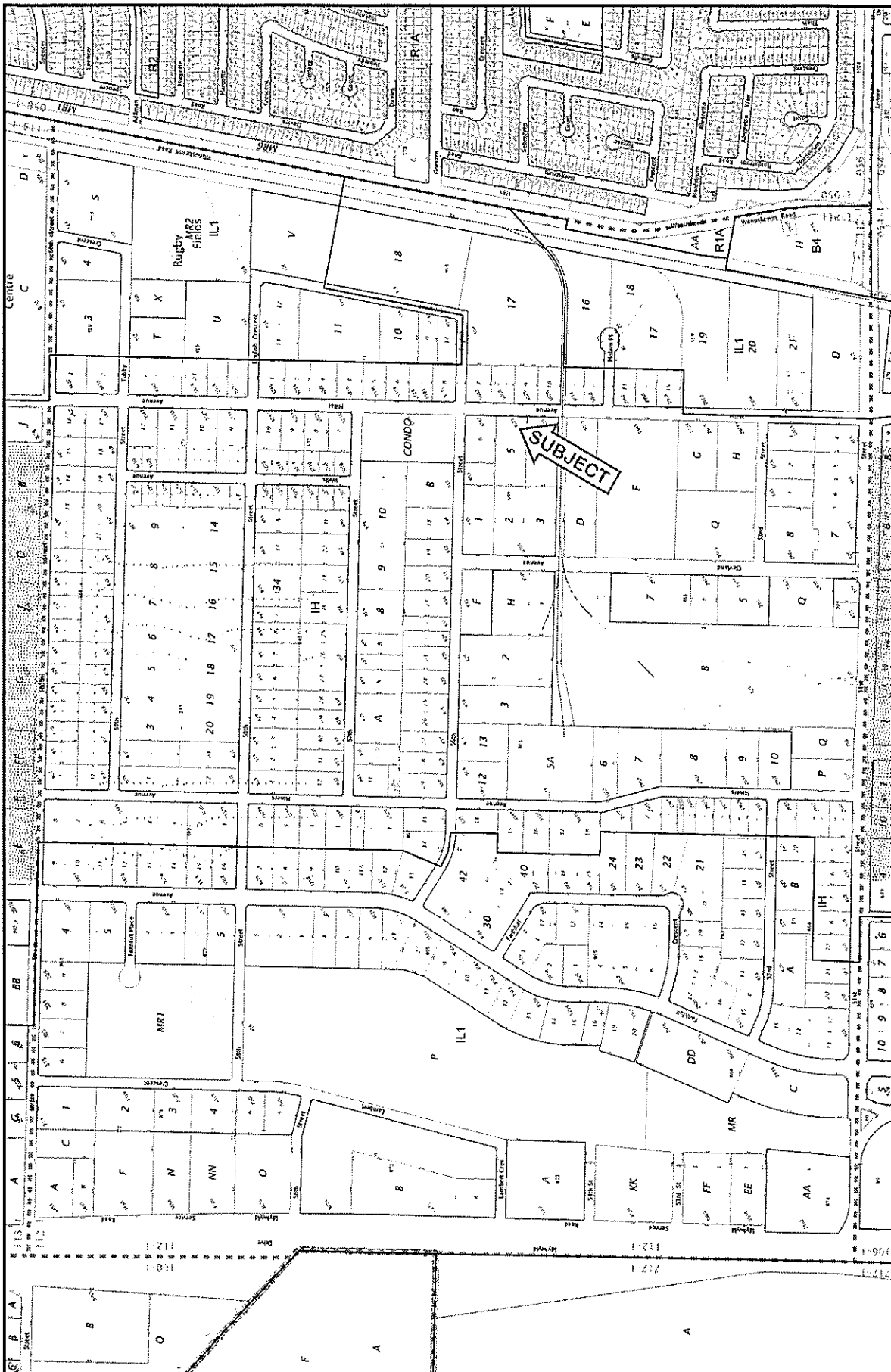
Roads
Parks
Indian Reserves

CITY OF SASKATOON OFFICIAL COMMUNITY PLAN LAND USE

BYLAW NO. 9700
INCLUDING ALL BYLAWS APPROVED
AS OF APRIL 22, 2024

- | | | |
|--------------------------|--|--|
| DOWNTOWN | REGIONAL COMMERCIAL | RESIDENTIAL |
| COMMUNITY FOCAL POINT | URBAN CENTRE COMMERCIAL | RESIDENTIAL LOW DENSITY RESIDENTIAL |
| URBAN CENTRE | ARTERIAL COMMERCIAL | RESIDENTIAL MEDIUM DENSITY RESIDENTIAL |
| DISTRICT VILLAGE | SPECIAL AREA COMMERCIAL | RESIDENTIAL HIGH DENSITY RESIDENTIAL |
| NEIGHBOURHOOD NODE | INDUSTRIAL | RESIDENTIAL MULTI USE |
| CORRIDOR | BUSINESS PARK | |
| CORRIDOR TRANSIT VILLAGE | LIGHT INDUSTRIAL | |
| STATION MIXED USE | HEAVY INDUSTRIAL | |
| CORRIDOR MIXED USE | ENVIRONMENTAL INDUSTRIAL PARK | |
| CORRIDOR MAIN STREET | INSTITUTIONAL | |
| CORRIDOR RESIDENTIAL | INSTITUTIONAL | |
| PARK | COMMUNITY FACILITY | |
| CONSERVATION AREA | TRANSITIONAL | |
| UTILITY AREA | URBAN HOLDING | |
| SPECIAL USE AREA | HIGH DENSITY MIXED USE | |
| DIRECT CONTROL DISTRICT | UNDER CONTROL OF THE CORNSMAN PARK - SASKATOON PLANNING DISTRICT | |





Address Map of Hudson Bay Industrial



Note: The information contained on this map is for reference only and not to be used for legal purpose

- Zoning Designation
- ISC Lots
- ISC Blocks

Scale 1: 7000

112-1

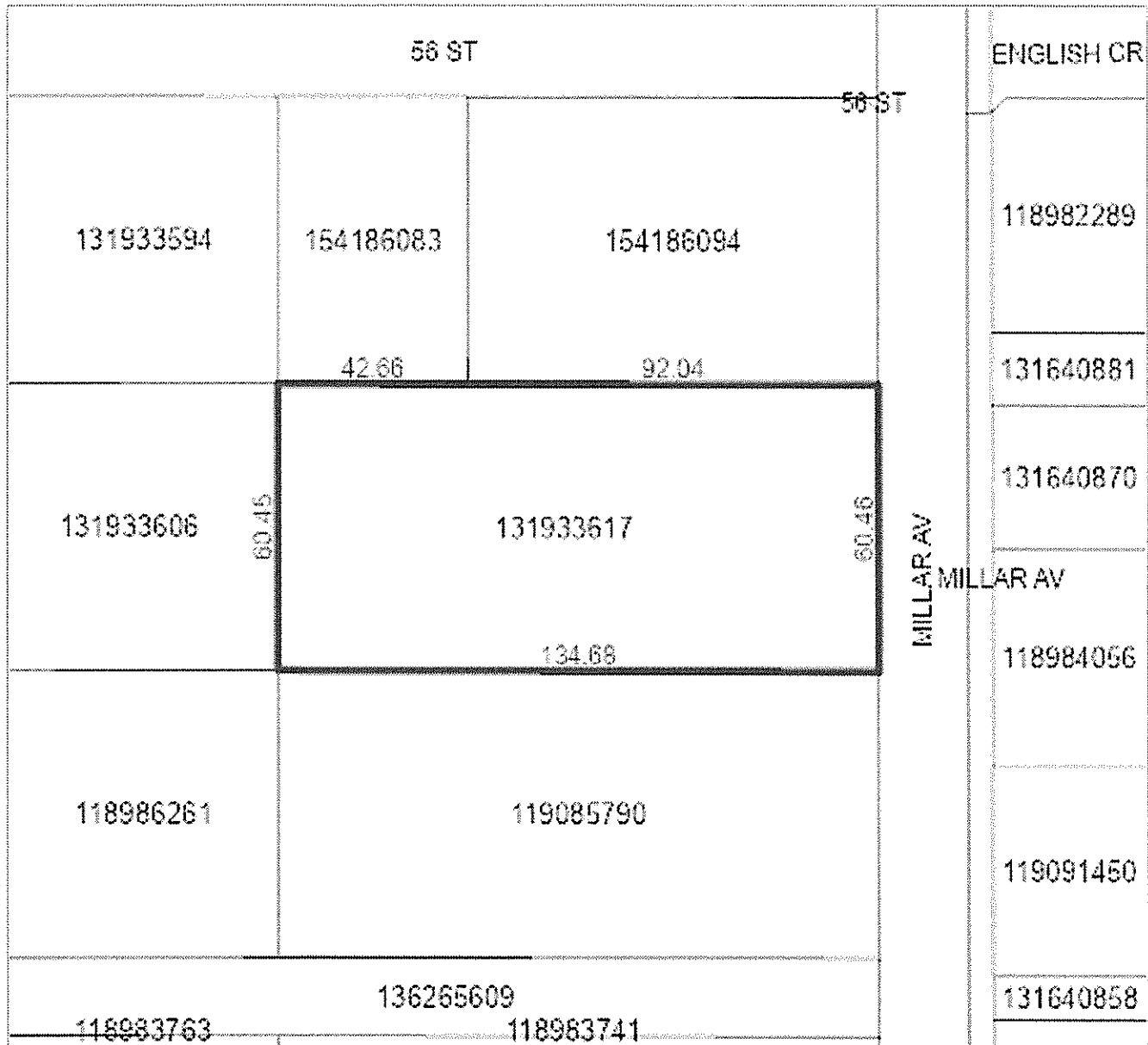
1/24/2025





Surface Parcel Number: 131933617

REQUEST DATE: Wed Aug 6 17:21:11 GMT-06:00 2025



Owner Name(s) : FOUR OAKS INVESTMENTS LTD.

Municipality : CITY OF SASKATOON

Area : 0.814 hectares (2.01 acres)

Title Number(s) : 136307594

Converted Title Number : 82S37572

Parcel Class : Parcel (Generic)

Ownership Share : 1:1

Land Description : Lot 5-Blk/Par 950-Plan 78S06459 Ext 0

Source Quarter Section : SE-16-37-05-3

Commodity/Unit : Not Applicable

DISCLAIMER: THIS IS NOT A PLAN OR SURVEY. It is a compilation of plans to assist in identifying the location, size and shape of a parcel in relation to other parcels. Parcel boundaries and area may have been adjusted to fit with adjacent parcels. To determine actual boundaries, dimensions or area of any parcel, refer to the plan or consult a surveyor.

Province of Saskatchewan Land Titles Registry Title

Title #: 136307594 **As of:** 26 Aug 2025 12:01:23
Title Status: Active **Last Amendment Date:** 25 Nov 2021 09:25:05.930
Parcel Type: Surface **Issued:** 02 Sep 2008 15:41:46.536
Parcel Value: \$1,500,000.00 CAD
Title Value: \$1,500,000.00 CAD **Municipality:** CITY OF SASKATOON
Converted Title: 82S37572
Previous Title and/or Abstract #: 109642541

FOUR OAKS INVESTMENTS LTD. is the registered owner of Surface Parcel
#131933617

Reference Land Description: Lot 5 Blk/Par 950 Plan No 78S06459 Extension 0
As described on Certificate of Title 82S37572.

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

Interest #:
144367476 CNV Easement

Value: N/A
Reg'd: 13 May 1981 02:15:16
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

As to: the most E'ly 3 m of within land for Right of Way

Holder as Tenant in Common

Interest Share: 1/2

Interest Share Number: 148899391

Holder:

Sask. Power Corporation

N/A

Regina, Saskatchewan, Canada

Client #: 101076623

Holder as Tenant in Common

Interest Share: 1/2

Interest Share Number: 148899403

Holder:

Saskatchewan Telecommunications

13th Floor, 2121 Saskatchewan Drive

Regina, Saskatchewan, Canada S4P 3Y2

Client #: 100006861

Int. Register #: 103619088

Converted Instrument #: 81S16262

Interest #:
177515679 Mortgage

Value: \$3,390,000.00 CAD
Reg'd: 16 Dec 2016 14:56:07
Interest Register Amendment Date: N/A

Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

Holder:

Business Development Bank of Canada
Attn: Legal Services, Suite 1500 - 1133 Melville Street
Vancouver, British Columbia, Canada V6E 4E5

Client #: 104272769

Int. Register #: 121993555

Interest #:
177515714

Assignment of Rents

Value: N/A
Reg'd: 16 Dec 2016 14:56:08
Interest Register Amendment Date: N/A
Interest Assignment Date: N/A
Interest Scheduled Expiry Date: N/A
Expiry Date: N/A

Holder:

Business Development Bank of Canada
Attn: Legal Services, Suite 1500 - 1133 Melville Street
Vancouver, British Columbia, Canada V6E 4E5

Client #: 104272769

Int. Register #: 121993566

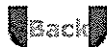
Addresses for Service:**Name****Address****Owner:**

FOUR OAKS INVESTMENTS LTD.
Client #: 124098497

BOX 95, R.R. 3 SASKATOON, Saskatchewan, Canada S7K 3J6

Notes:

Parcel Class Code: Parcel (Generic)



Back to top

12.5 IH - Heavy Industrial District

12.5.1 Purpose

The purpose of the IH district is to facilitate economic development through industrial activities that may have the potential for creating nuisance conditions during the normal course of operations.

12.5.2 Permitted Uses

The permitted uses and minimum development standards in an IH district are set out in the following table:

IH District	Minimum Development Standards (in Metres)						
	Site Width	Site Depth	Site Area (m ²)	Front Yard	Side Yard ₂	Rear Yard ₃	Building Height (Max.)
12.5.2 Permitted Uses							
All uses of buildings and land are permitted except those specifically noted as prohibited or discretionary in clauses 12.5.3 and 12.5.4	7.5	30	225	6	0	0 ₃	46

12.5.3 Prohibited Uses

The prohibited uses in an IH district are:

- Adult mini-theatres
- Campgrounds
- Dwellings, except those necessary for watchmen or caretakers
- Elementary and high schools
- Hospitals
- Hotels
- Intensive livestock operations and stockyards
- Mobile home courts
- Special care homes

12.5.4 Discretionary Uses

The discretionary uses and minimum development standards in an IH district are set out in the following table:

IH District	Minimum Development Standards (in Metres)						
	Site Width	Site Depth	Site Area (m ²)	Front Yard	Side Yard	Rear Yard	Building Height (Max.)
12.5.4 Discretionary Uses							
Amusement parks	7.5	30	225	6	0 ₂	0 ₃	46
Arenas	7.5	30	225	6	0 ₂	0 ₃	46
Assembly halls	7.5	30	225	6	0 ₂	0 ₃	46
Bingo halls	7.5	30	225	6	0 ₂	0 ₃	46
Catering halls	7.5	30	225	6	0 ₂	0 ₃	46
Chemical manufacturing	7.5	30	225	6	0 ₂	0 ₃	46

Commercial schools	7.5	30	225	6	0 ₂	0 ₃	46
Community centres	7.5	30	225	6	0 ₂	0 ₃	46
Day care centres and preschools	7.5	30	225	6	0 ₂	0 ₃	46
Educational institutions	7.5	30	225	6	0 ₂	0 ₃	46
Independent schools	7.5	30	225	6	0 ₂	0 ₃	46
Petroleum refineries	7.5	30	225	6	0 ₂	0 ₃	46
Places of worship	7.5	30	225	6	0 ₂	0 ₃	46
Public libraries	7.5	30	225	6	0 ₂	0 ₃	46
Retail stores and shopping centres with a gross leasable floor area of 5,000m ² or greater,	30	30	10,000	6	3 ₂	7.5 ₃	23
Rinks	7.5	30	225	6	0 ₂	0 ₃	46
Stadiums	7.5	30	225	6	0 ₂	0 ₃	46
Steel mills, blast furnaces, smelters and foundries	7.5	30	225	6	0 ₂	0 ₃	46
Theatres	7.5	30	225	6	0 ₂	0 ₃	46
Trade and vocational schools with a gross floor area of 1,000m ² or greater	7.5	30	225	6	0 ₂	0 ₃	46

12.5.5 Notes to Development Standards

- 1 A retail store or shopping centre with gross leasable floor area of 5,000 square metres or greater may be increased not more than 10% of the approved gross leasable floor area without further discretionary use approval.
- 2
 - (a) Where an IH district abuts an R, M or B district without the intervention of a street or lane, an abutting side yard of not less than 3 metres in width is required.
 - (b) On a corner site where the side yard adjoins the street, the side yard setback must be a minimum of 1.5 metres.
- 3 Where an IH district abuts an R, M or B district without the intervention of a street or lane, a rear yard of not less than 3 metres in width is required.

12.5.6 Signs

The regulations governing signs in an IH district are contained in Appendix A - Sign Regulations.

12.5.7 Parking

The regulations governing parking and loading in an IH district are contained in section 6.0.

12.5.8 Landscaping

The regulations governing landscaping in an IH district are contained in section 7.0.

12.5.9 Outdoor Storage

Outdoor storage areas may be permitted in side and rear yards provided they are suitably screened from any street. Outdoor storage may only be permitted in front yards where it is screened from view from any street and a landscaped strip of not less than 4.5 metres in width is provided adjacent to the front property line to the satisfaction of the Development Officer.

12.5.10 On-Site Waste Spaces

The regulations governing on-site waste spaces in an IH district are contained in clause 5. 2.6.

826 43RD STREET EAST SASKATOON, SASKATCHEWAN



Market Type:	North Saskatoon
Property Type:	Industrial
Gross Building Area(SF):	10,536
Area Above Grade (SF):	0
Area Below Grade (SF):	0
Net Rentable Area (SF):	10,536
Gross Land Area:	1.19 Acres; 51,731 SF
Number of Stories:	1.0
Building Construction:	Steel Frame
Year Built:	1987
Property Condition:	Average
Parking Type:	Surface
Ceiling Height:	16'
% of Office Space:	20.03%

SALE INFORMATION

Sale Price:	\$2,300,000.00	Sale Price/SF GBA:	\$218.30
Sale Status:	Closed	Sale Price/SF NRA:	\$218.30
Contract Sale Date:	November 27, 2024	Capitalization Rate:	5.97%
Conditions of Sale:	No	Effective Gross Revenue Multiplier:	16.07
Rights Conveyed:	Leased Fee	Effective Gross Income:	\$143,079
Grantee:	Stockdales Electric Motor Corp.	Expenses:	\$5,872
Grantor:	Normandale Holdings Ltd.	Net Operating Income:	\$137,207

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802 57TH STREET EAST SASKATOON, SASKATCHEWAN

Source: Suncorp Valuations



Market Type:	North Saskatoon
Property Type:	Industrial
Gross Building Area(SF):	13,958
Area Above Grade (SF):	13,958
Area Below Grade (SF):	0
Net Rentable Area (SF):	13,958
Gross Land Area:	1.04 Acres; 45,157 SF
Number of Stories:	1.0
Building Construction:	Steel Frame
Year Built:	1980
Property Condition:	Fair to Average
Parking Type:	22 Surface
Ceiling Height:	20'
% of Office Space:	24.87%

SALE INFORMATION

Sale Price:	\$1,750,000.00	Sale Price/SF GBA:	\$125.38
Sale Status:	Closed	Sale Price/SF NRA:	\$125.38
Contract Sale Date:	July 11, 2023	Capitalization Rate:	7.68%
Conditions of Sale:	No	Effective Gross Revenue Multiplier:	12.31
Rights Conveyed:	Leased Fee	Effective Gross Income:	\$142,162
Grantee:	Luhning Holdings Inc	Expenses:	\$7,780
Grantor:	Venus Enterprises Inc	Net Operating Income:	\$134,382

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2520 MILLAR AVENUE SASKATOON, SASKATCHEWAN

Source: ICR



Market Type:	North Saskatoon
Property Type:	Industrial
Gross Building Area(SF):	19,800
Area Above Grade (SF):	0
Area Below Grade (SF):	0
Net Rentable Area (SF):	19,800
Gross Land Area:	2.19 Acres; 95,522 SF
Number of Stories:	1.0
Building Construction:	Steel Frame
Year Built:	1978
Property Condition:	Average
Parking Type:	Surface
Ceiling Height:	20'
% of Office Space:	12.93%

SALE INFORMATION

Sale Price:	\$4,475,000.00	Sale Price/SF GBA:	\$226.01
Sale Status:	Closed	Sale Price/SF NRA:	\$226.01
Contract Sale Date:	June 24, 2024	Capitalization Rate:	5.55%
Conditions of Sale:	No	Effective Gross Revenue Multiplier:	17.26
Rights Conveyed:	Fee Simple	Effective Gross Income:	\$259,281
Grantee:	CENAIKO VENTURES LIMITED	Expenses:	\$11,045
Grantor:	Normandale Holdings	Net Operating Income:	\$248,236

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859 60TH STREET EAST SASKATOON, SASKATCHEWAN

Source: Suncorp Valuations



Market Type:	North Saskatoon
Property Type:	Industrial
Gross Building Area(SF):	10,000
Area Above Grade (SF):	10,000
Area Below Grade (SF):	0
Net Rentable Area (SF):	10,000
Gross Land Area:	0.77 Acres; 33,480 SF
Number of Stories:	1.0
Building Construction:	Pre-engineered Steel
Year Built:	1982
Property Condition:	Average
Parking Type:	Surface
Ceiling Height:	16'
% of Office Space:	21.75%

SALE INFORMATION

Sale Price:	\$1,580,000.00	Sale Price/SF GBA:	\$158.00
Sale Status:	Closed	Sale Price/SF NRA:	\$158.00
Contract Sale Date:	May 10, 2024	Capitalization Rate:	6.90%
Conditions of Sale:	No	Effective Gross Revenue Multiplier:	13.86
Rights Conveyed:	Leased Fee	Effective Gross Income:	\$113,975
Grantee:	BTSS Holdings Ltd.	Expenses:	\$4,994
Grantor:	Ryan and Darren Holdings Ltd	Net Operating Income:	\$108,981

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655 51ST STREET EAST SASKATOON, SASKATCHEWAN

Source: Suncorp Valuations



Market Type:	North Saskatoon
Property Type:	Industrial
Gross Building Area(SF):	19,200
Area Above Grade (SF):	19,200
Area Below Grade (SF):	0
Net Rentable Area (SF):	19,200
Gross Land Area:	1.99 Acres; 86,896 SF
Number of Stories:	1.0
Building Construction:	Steel Frame
Year Built:	1986
Property Condition:	Average
Parking Type:	Surface
Ceiling Height:	20'
% of Office Space:	15.58%

SALE INFORMATION

Sale Price:	\$4,200,000.00	Sale Price/SF GBA:	\$218.75
Sale Status:	Closed	Sale Price/SF NRA:	\$218.75
Contract Sale Date:	September 26, 2023	Capitalization Rate:	6.95%
Conditions of Sale:	No	Effective Gross Revenue Multiplier:	13.82
Rights Conveyed:	Leased Fee	Effective Gross Income:	\$303,804
Grantee:	609657 Saskatchewan Ltd.	Expenses:	\$11,994
Grantor:	Northstar Innovative Developments Inc.	Net Operating Income:	\$291,810

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REAL PROPERTY APPRAISAL OF:

2233 Speers Avenue
Saskatoon, SK

File No. 103532



Prepared By:
Suncorp Valuations

Effective Date:
October 14, 2025

October 23, 2025

Fraser Properties Limited
2612 Koyl Avenue
Saskatoon, SK S7L 5X9

**RE: Appraisal of 2233 Speers Avenue, Saskatoon, SK
Our File No. 103532**

In accordance with your instructions, the attached Real Property Appraisal report has been developed for the Purpose of estimating the current Market Value of the above referenced Subject Property, as of October 14, 2025.

Please note that, in order to be properly and completely understood, this report must be read in its entirety and may only be relied upon in its entirety.

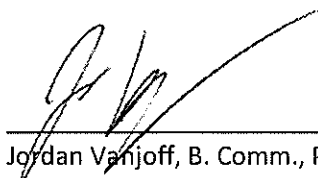
Based on my inspection and appraisal, it is my opinion that the current Market Value of the above referenced Subject Property, as of October 14, 2025, is:



TWO MILLION AND FIFTEEN THOUSAND DOLLARS

\$2,015,000

On behalf of,
SUNCORP VALUATIONS



Jordan Vanjoff, B. Comm., P. App., AACI

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TABLE OF CONTENTS

PART I – INTRODUCTION

Executive Summary.....	1
------------------------	---

PART II – BASIS OF APPRAISAL

Authorized Client, Intended Authorized User, Intended Authorized Use	3
Purpose and Effective Date.....	3
Identification of the Subject Property	3
Scope of Work.....	4

PART III – FACTUAL DATA

Region/City.....	6
Neighbourhood Profile.....	12
Description of the Subject Site.....	13
Description of the Subject Building.....	14
Land Titles Certificate.....	15
Sales History	16
Assessment and Property Taxes	16
Land Use Controls	17

PART IV – ANALYSIS AND CONCLUSIONS

Highest and Best Use	18
Valuation Methodology	19
The Direct Comparison Approach	20
The Income Approach	28
The Cost Approach	35
Reconciliation and Final Estimate of Value.....	36
Reasonable Exposure Time	36
Assumptions and Limiting Conditions.....	37
Certification.....	40

PART V – ADDENDA

Photographs	Parcel Picture
Provincial Map	Certificate of Title
City of Saskatoon Map	Zoning Regulations
City of Saskatoon Zoning and Address Map	Comparable Sales

PART I – INTRODUCTION

EXECUTIVE SUMMARY

Subject Property:	2233 Speers Avenue Lot 12, Block 791, Plan 75S10686 Saskatoon, SK
Type of Property:	Industrial Building
Land Size/Shape:	Site is rectangular in shape, with a total area of 42,204 square feet or 0.99 acres.
Building Area (Main Level):	12,000 Sq. Ft.
Building Area (Second Level):	<u>1,587 Sq. Ft.</u>
Total Building Area:	13,587 Sq. Ft.
Zoning:	IL1 – General Light Industrial District
Highest and Best Use:	Industrial Building
Reasonable Exposure Time:	The Reasonable Exposure Time is estimated to be three to six months.
Date of Inspection:	October 14, 2025
Effective Date:	October 14, 2025
Date of Report:	October 23, 2025
Direct Comparison Approach	\$1,955,000
Income Approach:	\$2,075,000
Final Estimate of Value:	\$2,015,000

TARIFFS AND ECONOMIC UNCERTAINTY STATEMENT

As of the date of this report, the Government of the United States has announced significant tariffs on Canadian goods, introducing economic uncertainty and potential disruptions across various sectors. In response, Canada has introduced counter tariffs. The full impact of these tariffs on macro and microeconomic conditions, as well as on real estate markets, raw material costs, labour, and machinery and equipment markets, remains unknown at this time.

There is potential for adverse effects on supply chains, business operations, market liquidity, labour costs, material costs, and asset values, but the extent of such impact is uncertain and will depend on evolving trade relations, additional countermeasures by the Government of Canada, and market responses. Accordingly, this appraisal is based on the data available as of the Effective Date.

Our appraisal of the Subject Property is therefore reported as being subject to material valuation uncertainty. Consequently, a higher degree of caution should be attached to our appraisal than would normally be the case.

Given these economic uncertainties, we reserve the right to revise the estimate set out in this report for a fee, with an updated appraisal report under a separate appraisal engagement, incorporating market information available at that time.

PART II – BASIS OF APPRAISAL

AUTHORIZED CLIENT, INTENDED AUTHORIZED USER, INTENDED AUTHORIZED USE

The Authorized Client of this report is identified as Fraser Properties Limited.

The Intended Authorized Use of this report to assist with securing first mortgage financing.

The Intended Authorized User of this report is the Authorized Client. Accordingly, the Authorized Client is the sole Intended Authorized User of this report until third party authorization has been extended in a stand-alone letter authorizing use by a specific lender.

The use of this report by third parties and/or for other uses is prohibited. Any and all liability in this respect is strictly denied. Suncorp Valuations and the signing appraiser assume no obligation, liability, or accountability to anyone other than the Intended Authorized User(s).

PURPOSE AND EFFECTIVE DATE

The Purpose of this report is to develop an estimate of the current Market Value of the Subject Property.

Market Value is defined as:

"The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in other precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and seller each acting prudently, knowledgeably, and for self-interest, and assuming that neither is under undue duress."

Source: The Appraisal of Real Estate 3rd Canadian Edition

The Effective Date of this report is October 14, 2025.

IDENTIFICATION OF THE SUBJECT PROPERTY

The property rights considered in this appraisal are those of the Leased Fee Interest of the property located at 2233 Speers Avenue Saskatoon, Saskatchewan.

Leased Fee Interest is defined as:

"An ownership interest held by a landlord with the right of use and occupancy conveyed by the lease to others. The rights of the lessor (the leased fee owner) and the leased fee are specified by the contract terms contained within the lease."

Source: The Appraisal of Real Estate 3rd Canadian Edition

The Subject Property consists of the following legal description:

Lot 12, Block 791, Plan 75S10686

The term "property" as it is referred to in this report, includes:

"The physical land and buildings affixed thereto. Any contents or equipment not considered as part of the building, and any value generated from business conducted on these premises are excluded from this report."

SCOPE OF WORK

This report is developed in compliance with the Canadian Uniform Standards of Professional Appraisal Practice.

INSPECTION

A site visit to the Subject Property was completed on October 14, 2025; the site visit included a cursory walk-through of the interior of the property, as well as a walk around the exterior of the property (where permitted), to determine its physical and functional state. Information regarding present use, building management, and building history was obtained through discussion with on-site personnel and through personal observation, unless otherwise stated.

DATA RESEARCH

Factual data pertaining to the Subject Property, such as the assessment and taxes, land use controls, and the community in general, were requested from the municipality and other sources considered reliable.

Comparable sales and other market data were obtained from a variety of sources considered reliable. Other investigations included research and analysis of the applicable real estate market and trends, plus other data that influences the estimation of value in general. The data obtained from all these sources is assumed accurate. Independent verification was conducted only where deemed appropriate. Reasonable effort was made to verify the accuracy of the information obtained, however no guarantee is provided as to the veracity thereof. The data and value estimates contained herein may require adjustment if any information is determined to be inaccurate or incorrect.

Unless otherwise stated herein, we did not verify Authorized Client-supplied information which we believed to be correct.

The mandate for the appraisal did not require a report prepared to the standard appropriate for court purposes or for arbitration, so we did not fully document or confirm by reference to primary sources all information herein.

AUDITS AND TECHNICAL INVESTIGATIONS

Unless otherwise specifically stated, technical investigations were not completed as part of this assignment including:

- Detailed inspections or engineering reviews of the structure, roof or mechanical systems;
- Environmental reviews or studies;
- A site or building survey;
- A building abstract or occupancy permit;
- Investigation of bearing capacity of the soil;
- Audits of financial or legal arrangements concerning any leases; and
- Legal advice on Title related issues.

PART III – FACTUAL DATA

REGION/CITY

SASKATCHEWAN

Saskatchewan has a wealth of resources that is the envy of nations. Once highly dependent on agriculture, the Saskatchewan economy is now undertaking a more balanced approach to economic activity. After a period of stagnation in 2016, Saskatchewan experienced economic growth from 2017-2019. The COVID-19 global pandemic severely affected Saskatchewan's economy in 2020 and 2021, as it did Canada as a whole. Saskatchewan appears to be back on track with strong projected economic growth and job creation. As a result, Saskatchewan's economic outlook has improved significantly as the province continues to make its way out of the pandemic. However, volatile world events and increases in inflation are making commodity prices difficult to forecast. Given the province's impressive diversity of commodity exports, no other province is as well positioned to benefit from the most recent surge in prices than Saskatchewan. A return to more normal weather and crop conditions during 2022 helped agricultural production recover from 2021's devastating drought. Saskatchewan's 2025 growing season has been mixed, with conditions ranging from fair to good depending on the region. Early warmth and dryness reduced soil moisture, and while some mid-season rains helped, many areas—especially in the southwest and north—remain dry. Crops seeded early developed well in wetter zones, but yields and quality are uneven due to ongoing moisture stress and harvest delays. Pastures and hay fields are also struggling, creating challenges for livestock producers. Overall, the season has been average at best, with decent results where rainfall was timely and weaker outcomes in persistently dry regions. The following indicators provide a current snapshot of Saskatchewan's economic outlook from a development perspective ([Province of Saskatchewan's Business and Economy Dashboard](#)):

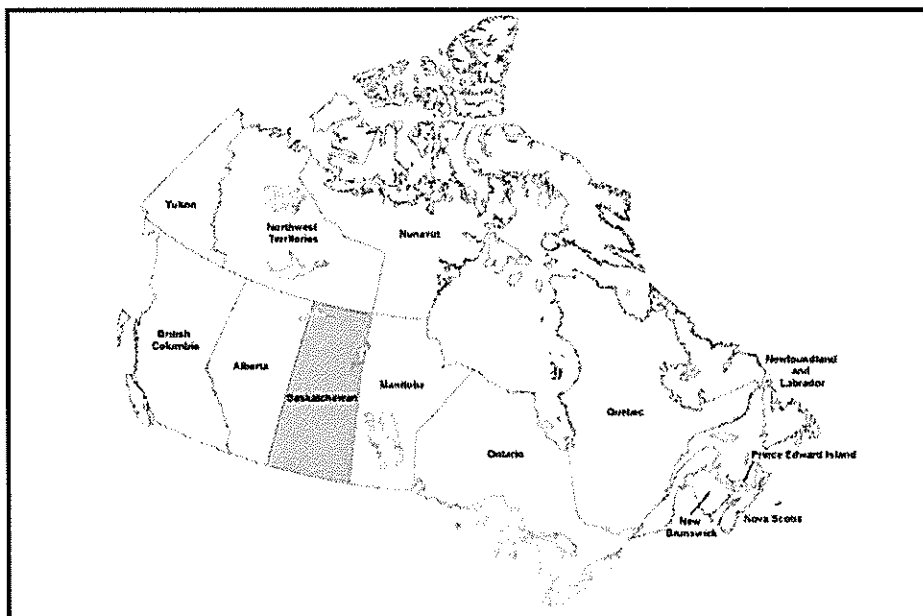


Image Source: Statistics Canada

Population:	Saskatchewan's population reached 1,266,959 as of July 01, 2025, an increase of 19,091 year-over-year. Saskatchewan's population increased by 0.2% over the previous quarter, fourth in percentage change among the provinces.
Employment:	Saskatchewan's (seasonally adjusted) unemployment rate was 4.7%, as of August 2025, which is a decrease of 0.7% year-over-year. Saskatchewan had the lowest unemployment rate among the provinces and below the national average of 7.1%.
New Capital Investment:	In 2024, capital investment in Saskatchewan totalled \$19.9 billion, a 16.9% increase from \$17 billion in 2023. In 2025, capital investment in Saskatchewan is expected to be at \$22.1 billion, a 10.8% increase from 2024.
Manufacturing:	In July 2025, manufacturing sales in Saskatchewan were down by 8.1%, to approximately \$1.9 billion, compared to \$2 billion in July 2024 (seasonally unadjusted). During this period, Saskatchewan ranked seventh in terms of percentage change among the provinces. The national average decreased by 0.9%.
Mineral Production:	In August 2025, the value of Saskatchewan's total mineral sales was \$1.2B, an increase of 24.2% compared to August 2024. During this period, salt sales increased by 15.7%, potash sales increased by 38.9%, uranium sales decreased 25.6%, and other minerals sales decreased by 92.9%. For production, comparing Augusts 2025 to August 2024, Saskatchewan's uranium production increased by 10%, potash production increased by 6.2%, salt production increased by 21.6%, and other minerals production decreased by 54.9%.
Farm Cash Receipts:	In the first quarter of 2025, total farm cash receipts in Saskatchewan decreased by 3.6% to \$6.3B, compared to the same period in 2024. During this period, crop receipts decreased by 4.1%, reaching \$4.7B, livestock receipts increased by 23.0%, to \$1B, and program payments decreased by 30.8%, to \$512.9M, compared to the same period in 2024.
Retail Sales:	Saskatchewan's unadjusted retail sales in July 2025 decreased by 0.3%, compared to July 2024. Saskatchewan retail sales ranked ninth in terms of percentage change among the provinces. During the same period, national retail sales increased by 4.8%.
Wholesale Trade:	In July 2025, Saskatchewan's Wholesale Trade decreased by 1.4% compared to July 2024. Nationally, wholesale trade increased by 0.6% in the same period.
Building Permits:	In July 2025, building permits in Saskatchewan decreased by 29.5%, compared to July 2024 (seasonally unadjusted). Saskatchewan ranked eighth among the provinces in terms of percentage change. Nationally, building permits decreased by 5.6% (seasonally unadjusted) in the same period. In the first seven months of 2025, building permits increased by 33.6% compared to the same period in 2024. Saskatchewan ranked first among the provinces in terms of percentage change. Nationally, building permits increased by 5.6% (seasonally unadjusted) during the same period.
Housing Starts:	In August 2025, housing starts in Saskatchewan increased by 49%, compared to August 2024. Saskatchewan ranked third among the provinces in terms of percentage change. Nationally, housing starts increased by 10.3%. In the first eight months of 2025, housing starts in Saskatchewan increased by 47.7%, compared to the same period in 2024. Saskatchewan ranked second among the provinces in terms of percentage change.

SASKATOON

Saskatoon is centrally located in Saskatchewan and is the province's largest city. According to the [2021 Statistics Census of Population](#), Saskatoon has a population of 266,141, which is a 7.7% increase since 2016. Saskatoon Census Metropolitan Area (CMA), which includes a large area of land surrounding Saskatoon, has a population of 336,614. The table below outlines changes in the city and CMA population since 2001.

Year	City Population	% change	Saskatoon CMA Population
2021	266,141	+7.7%	336,614
2016	247,201	+10.9%	295,095
2011	222,246	+9.8%	262,215
2006	202,408	+2.8%	235,215
2001	196,861	--	227,277

Source: Statistics Canada

In 2024, the Saskatoon Region demonstrated robust economic performance, contributing significantly to Saskatchewan's overall growth. The region generated 32.6% of the province's GDP, amounting to \$25.6 billion, despite comprising only 30.2% of the provincial population. This underscores Saskatoon's role as a key economic driver within the province. Employment figures further highlight this strength. As of December 2024, Saskatoon's unemployment rate decreased to 4.8%, down from 5.2% in November and 5.4% in October. This decline reflects a thriving job market, with employment up by 10,500 positions—a 5.2% increase compared to November 2023. Notably, Saskatoon's employment growth ranked sixth among 35 census metropolitan areas during this period. Additionally, the Saskatoon Region accounted for 69.5% of residential and 59.8% of non-residential construction investments in the province, indicating robust growth in both housing and infrastructure development. The region's diverse economy, decreasing unemployment rates, healthy real estate market, and rising incomes all indicate that Saskatoon will remain an attractive and competitive city, poised to overcome global economic challenges and sustain its prosperity.

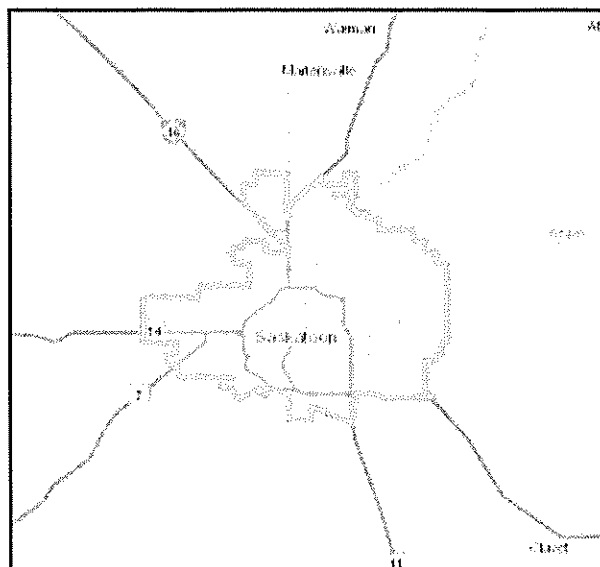


Image Source: Government of Saskatchewan

Being centrally located, Saskatoon serves as the cultural and economic hub of the region. The city lies 348 km north of the United States border, 225 km east of the Alberta border and 346 km west of the Manitoba border. Saskatoon is located at the junction of two major Canadian highways: Highway 16 (a.k.a. Trans-Canada Yellowhead Highway) and Highway 11, both of which are four-lane highways that allow for excellent transportation. The twinning of Highway 11 between Saskatoon and Prince Albert has helped with transportation demands as the resource sectors continue to grow. Highway 7, located west of Saskatoon, is twinned to the Village of Vanscoy. Highway 16, located east of Saskatoon, is twinned to the Town of Clavet.

The John G. Diefenbaker International Airport (YXE) is located in the northwest section of Saskatoon. The newly expanded YXE was designed to accommodate 1.4 million passengers annually. The primary airlines operating at YXE include Air Canada, WestJet, Delta Air Lines, United Airlines, and Transwest Air. Seasonal carriers such as Sunwing Airlines also provide services during peak travel periods. The airport employs over 1,460 people and has an economic impact of \$1.5 billion.

RESIDENTIAL MARKET

According to the Saskatchewan Realtors Association (SRA), As of September 2025, Saskatoon's housing market remained active, with sales holding steady year over year. The city recorded 426 transactions for the month—just 1% lower than September 2024, yet more than 20% above the 10-year average, highlighting sustained market strength. New listings rose by 11% compared to last year, providing some relief, though supply constraints persisted. Of the 942 listings available at month's end, over 250 were under conditional sale, leaving 678 active listings entering October. Limited inventory continued to support prices, with the benchmark price reaching \$431,400—slightly below August's record of \$435,900 but 7% higher than September 2024.

MULTI-FAMILY MARKET

According to 2024 CMHC Rental Market Report, Saskatoon's rental market remained competitive in 2024, with vacancy rates holding steady despite a 3% increase in rental supply. Growth was largely driven by two-bedroom units, particularly in the Northeast zone, which saw notable expansion but maintained one of the lowest vacancy rates at just 1.0%. High demand from students and renters drawn to nearby amenities kept this area's rental market especially tight, pushing average rents upward. Newly built units continued to attract strong interest, allowing landlords to command higher-than-average rents. Properties completed in 2015 or later maintained low vacancy rates, further driving up rental prices. In contrast, older buildings from the 1960-1974 period had higher vacancy rates and offered lower-than-average rents, highlighting a clear preference among renters for modern features and updated living spaces.

	2024		2023		2022		2021		2020	
Vacancy Rate	2.0%		2.0%		3.4%		4.7%		5.9%	
Number of Apartments	17,273		16,759		15,887		15,263		14,687	
Average Rents	Bachelor	\$938	Bachelor	\$829	Bachelor	\$780	Bachelor	\$745	Bachelor	\$729
	1 BR	\$1,193	1 BR	\$1,090	1 BR	\$1,016	1 BR	\$971	1 BR	\$957
	2 BR	\$1,470	2 BR	\$1,362	2 BR	\$1,243	2 BR	\$1,186	2 BR	\$1,166
	3 BR	\$1,657	3 BR	\$1,488	3 BR	\$1,374	3 BR	\$1,351	3 BR	\$1,326

Source: CMHC

INDUSTRIAL MARKET

The Saskatoon industrial market is a driver of growth in the city and one of the strongest performing asset classes in the market. According to the ICR Saskatoon Industrial Market Report for Q2 2025, Saskatoon's industrial real estate market began with a slight rise in vacancy, climbing to 3.75%, up from 3.59% in the first quarter of 2025. This increase was primarily driven by a net negative absorption of 30,228 square feet. Several key properties have re-entered the market, including 850 56th Street East, 3009 Millar Ave, and 119 Wheeler Street, with a combined area exceeding 73,000 square feet. Even with shifts in absorption, average asking rents increased slightly to \$13.75 per square foot, up from \$13.62 in the first quarter. The upward trend highlights ongoing landlord confidence, particularly for newer or well-positioned properties, alongside rising construction costs and higher asking prices for newly built shell-space options. Overall, Saskatoon's industrial market continues to demonstrate stability, with steady rental growth, active development, and consistent interest from key industry sectors contributing to a positive market outlook.

	2023	2024	2025F	YoY
Inventory (million sq. ft.)	24.45	24.56	24.71	▲
Availability Rate (%)	3.4%	3.0%	2.9%	▼
Net Asking Rent (per sq. ft.)	\$12.10	\$12.71	\$12.66	▼
Sale Price (per sq. ft.)	\$190	\$194	\$198	▲
Land Price (per acre)	\$575,000	\$583,000	\$587,000	▲
Net Absorption (million sq. ft.)	0.47	0.20	0.16	▼
New Supply (million sq. ft.)	0.04	0.11	0.15	▲

Source: CBRE 2025 Canadian Real Estate Market Outlook Report

RETAIL MARKET

According to the ICR Saskatoon Retail Market Report for Q2 2025, Saskatoon's retail market posted a vacancy rate of 2.93%, a slight increase from 2.80% in the first quarter. This quarter had a net negative absorption of 12,530 square feet. Average asking rents decreased slightly to \$21.76 per square foot, compared to 22.70% the previous quarter. Properties in desirable trade areas continue to achieve premium rental rates, with East Side, Stonebridge, and Evergreen/Willowgrove averaging \$30 per square foot or higher. While headline growth has softened, the market overall remains steady. A particularly positive shift occurred in the enclosed mall sector: Market Mall's vacancy dropped below 1% after over 37,000 square feet was leased. This positions Market Mall as one of the city's tightest enclosed retail locations, though much of the leasing activity came from office and government tenants rather than traditional retail businesses. Landlords remain cautiously confident, especially in suburban corridors where tenant demand is consistent. Overall, the retail sector remains stable in demand, with improved occupancy, and continued confidence from both landlords and tenants in key commercial areas.

	2023	2024	2025F	YoY
Total Retail Sales per Capita	\$19,592	\$19,360	\$19,031	▼
Total Retail Sales Growth	1.8%	2.1%	0.8%	▼
Vacancy Rate	3.96%	3.07%	2.93%	▼
Vacant Square Feet	547,923	443,053	423,858	▼
Average Asking Rate	\$21.67	\$22.07	\$21.76%	▼

Source: ICR Q2 2025 Retail Market Survey & CBRE 2025 Canadian Real Estate Market Outlook Report

OFFICE MARKET

According to the [ICR Saskatoon Office Market Report for Q2 2025](#), Saskatoon's office market showed mixed trends across its submarkets, with an overall vacancy rate increasing to 13.04% from 12.21% in the first quarter of 2025. The downtown area experienced a rise in vacancy to 16.21%, up from 15.35%, accompanied by negative absorption of 30,353 square feet, as larger tenants continued to adjust their space needs. Average asking rents downtown remained stable at \$20.11 per square foot. As well, the peripheral downtown submarket experienced weaker demand, posting 11,320 square feet of negative net absorption and a resulting vacancy rate of 16.47%, reflecting continued softness in tenant activity within the area. The suburban office market remained stable with a vacancy rate of 8.95%. Overall, the gap between downtown and suburban office market performance continues to widen. Suburban areas remain attractive to smaller professional and service-oriented tenants, while the downtown core is undergoing a gradual and uneven adjustment among long-standing occupiers. With over 992,000 square feet of office space currently available, market stabilization will depend on steady leasing activity from smaller tenants, the repurposing of outdated properties, and potential demand growth driven by public or institutional expansion.

	DOWNTOWN				SUBURBAN				OVERALL			
	2023	2024	2025F	YoY	2023	2024	2025F	YoY	2023	2024	2025F	YoY
Inventory (million sq. ft.)	3.32	3.32	3.32	--	3.23	3.23	3.23	--	6.55	6.55	6.55	--
Vacancy Rate (%)	20.1%	19.4%	16.21%	▼	13.1%	11.5%	8.95%	▼	16.7%	15.5%	13.04%	▼
Average Asking Rent (PSF)	\$19.03	\$19.51	\$19.55	▲	\$22.43	\$23.07	\$21.50	▼	\$21.56	\$22.08	\$20.11	▼
Net Absorption (million sq. ft.)	-0.03	0.03	0.03	--	0.07	0.05	0.01	▼	0.04	0.08	0.04	▼
New Supply (million sq. ft.)	0.00	0.00	0.00	--	0.04	0.00	0.00	--	0.04	0.00	0.00	▼

Source: ICR Q2 2025 Office Market Report & CBRE 2025 Canadian Real Estate Market Outlook Report

NEIGHBOURHOOD PROFILE

AIRPORT BUSINESS AREA

The Subject Property is located in the Airport Business Area neighbourhood of Saskatoon. Formerly known as the Airport Industrial Area, the Airport Business Area is situated in the northwest quadrant of the city and its boundaries are generally defined as 47th Street West to Circle Drive and Airport Drive to Idylwyld Drive. The map below outlines more specific boundaries of the neighbourhood.

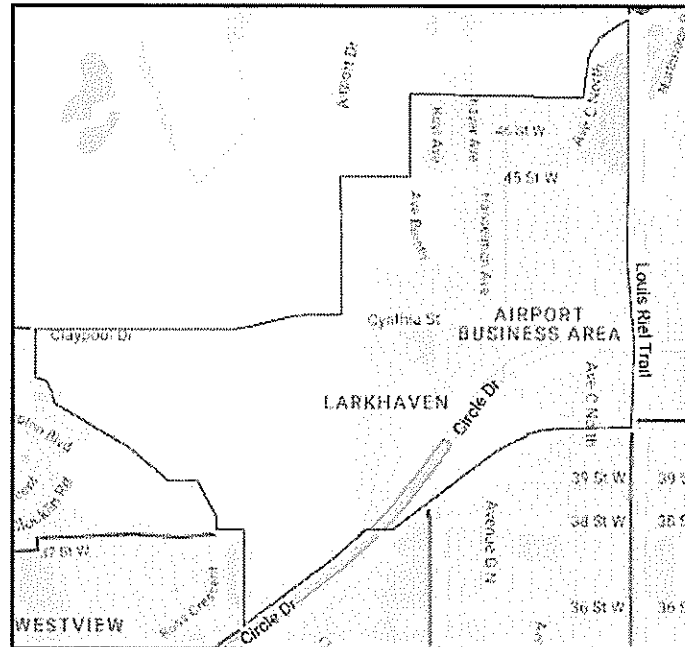


Image Source: City of Saskatoon Zoning Address Map

While the area currently consists of light and medium-industrial activity, the Airport Business Area initially began with residential development known as McNab Park, which was used for military housing until the 1960s. The majority of the area's development occurred in the late 1970s and early 1980s with the Airport Industrial Area and business park, known as Larkhaven.

The Airport Business Area is the conversion of McNab Park to the AeroGreen Business Park. The AeroGreen Business Park is a high-end business park with a campus-style setting. The Saskatoon John G. Diefenbaker International Airport is directly north of the Airport Business area and, therefore, several hotels in this area accommodate the business traveller. This concept is common throughout larger North American centres, in areas adjacent to airports.

The Airport Business Area is also home of the Kahkewistahâw Landing, a 60 acre premium urban reserve which includes development of commercial rental units and the FSIN head office. The Kahkewistahâw Landing will continue to expand with the development of future office buildings and commercial/industrial growth.

DESCRIPTION OF THE SUBJECT SITE

Location: The Subject Property is located on an interior lot on the west side of Speers Avenue. The overhead image below depicts the Subject's location, configuration and general surroundings (highlighted in yellow, north is up):



Image Source: Sask Interactive Mapping

Visibility of Property: Rated as average due to its location on a non-collector street.

Dimensions: The Subject Property's site is rectangular in shape with approximately 110 feet of frontage along Speers Avenue and a depth of approximately 393 feet. Total site area is 43,204 square feet or 0.99 acres.

Topography: Lot slopes from west to east. The ground is raised at the rear of the site but is generally level around the building. There was a small area of standing water at the rear of the building that appears to require some grading for adequate drainage.

Utilities: All municipal services are available to the Subject.

Roadway and Parking: The site is located on a paved bi-directional roadway that allows on-street parking. Access is not restricted, as there are no centre medians. On-site parking is available for nine vehicles at the front of the building, and the rear site provides a large gravel and grass parking area.

Site Improvements:	The site is paved with asphalt at the front and north side of the building. The Subject is landscaped with grass and concrete sidewalks at the east side of the building. Rear of lot is fenced with six-foot chain link with three-strand barb wire.
Neighbouring Uses:	The Subject is surrounded by various industrial and commercial properties and conforms with the area.

DESCRIPTION OF THE SUBJECT BUILDING

This building description is compiled from a visit to the site and an inspection of the interior and the exterior of the Subject Building conducted on October 14, 2025.

Year Constructed:	According to City of Saskatoon records, the Subject Building was constructed in 1978.
Building Size:	According to measurements, the Subject Building is 12,000 square feet on the main level and provides a 1,587 square foot second level mezzanine storage space. The footprint of 12,000 square feet is used for the Purposes of this report, given storage mezzanine area is not typically included in the Saskatoon marketplace. The site coverage ratio is 0.28.
Design:	Single-storey industrial office / warehouse building with second level storage mezzanine.
Foundation:	Foundation is assumed to be concrete grade beams and interior footings supported by piles. (as-built structural drawings were not available for Purposes of this report).
Exterior Walls/Condition:	The Subject is of steel frame construction with a metal panel exterior. There is exterior is damaged to the northwest corner of the building. The exterior condition is rated as fair due to the damage noted.
Roof:	Metal roof cover. The roof was not inspected by the appraiser. Roof is assumed to be in average condition.
Interior Development:	The Subject is used as an owner-occupied office / warehouse building. The developed main office area provides a reception, five private offices, three 2-piece bathrooms and a boardroom. The warehouse area has some lower quality developed areas that include three offices, a two-piece bathroom, mechanical room and storage room. The warehouse developed areas are not tied to the HVAC system. The warehouse also has low quality developed storage rooms and a rear bay partitioned for carpentry. There is a second level mezzanine of 1,587 square feet. The main level of the Subject has approximately 1,587 square feet of good quality developed office space and 10,413 square feet of warehouse space.

Estimated Remaining Life: The Subject Property is estimated to have an economic life of 60 years, with a remaining economic life of 30 years, based on its current condition and continuing to be well maintained.

INTERIOR FINISH

Floors: The building has tile, laminate, vinyl and carpet floors in office areas and concrete floor in the warehouse. Plywood floor in second level storage area.

Walls: Painted drywall in office areas. Warehouse area walls are a combination of painted drywall and exposed insulation.

Ceilings: Primarily painted and textured drywall with some ceiling tile in the office areas. Exposed vinyl backed insulation ceiling in warehouse and storage areas.

Sidewall Height: 8 foot ceiling height in office areas. 16-foot sidewall height in warehouse area.

Lighting: Fluorescent, incandescent and LED fixtures.

Electrical: 400 amp 3-phase service.

Plumbing: Three 2-piece bathrooms. Two sinks and a dishwasher in the warehouse area. 40 gallon natural gas hot water heater.

Heating/Cooling: One forced air natural gas furnace for the main office area. One rooftop HVAC unit for the main office area. Five ceiling mounted natural gas radiant heater units in the warehouse.

Additional Comments: Warehouse features two 12' x 14' overhead doors. The building is in overall average to good condition on the interior. The exterior shows generally in average condition except the portion of the northwest corner of the building which is damaged and in poor condition.

LAND TITLES CERTIFICATE

Title to the property is currently held in the name of MD Building Ltd. under Title Number 148646054. A copy of the Certificate of Title is included in the Addenda of this report for reference. There is a CNV Easement interest registered on the Title by Saskatchewan Power Corporation and Saskatchewan Telecommunications with ½ ownership each. There are two mortgage interests and an assignment of rents registered by Affinity Credit Union.

The encumbrances registered on Title are deemed not to influence the Market Value of the Subject Property. Please note that the preceding comments are not intended to be a legal opinion and are therefore subject to verification.

SALES HISTORY

No current listings of the Subject were found. The Subject has an accepted offer to purchase for \$1,700,000. Jarvis Rein of Millennium3 (purchaser) reported that the purchase includes an agreement that the purchaser lease back the property to the vendor for one year at a lease rate of \$120,000 (\$10 PSF) on a net basis with one 1-year option to renew at market rates. There are no known sales or listings of the Subject property in the past three years other than those noted above.

ASSESSMENT AND TAXES

Assessment for property tax purposes is mandated via an Act of the Saskatchewan Provincial Legislature where assessments are carried out on an ends-or-results based mass appraisal Market Value assessment system. The Provincial Agency, Saskatchewan Assessment Management Agency (SAMA), carries out assessments in all urban and rural areas, except for the largest cities where local assessors complete the valuations. They must, however, still follow the same methodology, based upon mass appraisal Market Value. In 2025 a revaluation was undertaken which updated values to the new base date of January 1, 2023. It is legislated that such revaluations be done every four years.

The 2025 revaluation for Saskatchewan is based on a Market Value standard for assessments. The principles under this system emphasize equity among properties, but permit the use of the Cost, Sales Comparison and Income Approaches where appropriate. The process embraces valuation methodologies that accurately measure the economic realities of the real estate market.

The Subject's Assessment 2025 total assessment and tax levy are summarized as follows:

Total Assessment	\$1,737,900
Taxes	\$29,514

Please note that an audit of the property assessment and property tax levy is outside of the scope of this report; therefore, we have assumed that the Subject Property has been assessed and is taxed on a fair and equitable basis.

LAND USE CONTROLS AND CURRENT EXISTING USE

LAND USE CONTROLS

The Subject Property is zoned IL1, General Light Industrial District, under the Zoning Bylaws of Saskatoon. The purpose of the IL1 district is to facilitate economic development through a wide variety of light industrial activities and related businesses that do not create land use conflicts or nuisance conditions during the normal course of operations.

The Bylaw, which is reasonably well enforced, permits a range of land uses, and provides provisions for setbacks, minimum lot frontages, and side yards.

Included in the Addenda of this report is an excerpt from the municipal Zoning Bylaw. It provides a summary of the primary criteria governing land use. For full particulars, the Zoning Bylaw itself should be consulted.

CURRENT EXISTING USE

As of the Effective Date, the Current Existing Use of the Subject Property is as an industrial office / warehouse building.

ANALYSIS

Although not verified with the municipality, the Current Existing Use appears to be in conformance with the bylaw. For full particulars, the zoning bylaw itself should be consulted.

It has been assumed that the Subject Property is also in conformance with all other jurisdictional requirements, including fire code, building code, health department regulations, and similar bodies that each influence land and/or building use.

PART IV – ANALYSIS AND CONCLUSIONS

HIGHEST AND BEST USE

Highest and Best Use is defined as: *“The reasonably probable use of real property, that is physically possible, legally permissible, financially feasible and maximally productive, and that results in the highest value.”*

HIGHEST AND BEST USE AS IMPROVED

Legal Permissibility: The Current Existing Use appears to be a legally conforming use. According to the land use bylaw, there are a number of alternate legal uses. Upon a review of the Land Titles Certificate, there are no restrictive covenants or other instruments which may impact potential legal uses.

Physical Possibility: The Subject Property has been specifically designed for its Current Existing Use and appears well suited for that use. Conversion to an alternate legal use may be physically possible, but would create conversion costs which may not be feasible.

Financial Feasibility and Maximum Productivity: The Current Existing Use appears to be a feasible use. A feasibility study is outside the scope of this report; thus, none of the alternate potential uses were tested.

Conclusions: It is concluded that the Highest and Best Use of the Subject Property is for a continuation of its Current Existing Use, as an industrial office / warehouse building.

HIGHEST AND BEST USE AS IF VACANT

Legal Permissibility: According to the land use classification, the Subject Property as a vacant site may be used and/or developed for a number of uses in conformance with the bylaw. There are no restrictive covenants or other instruments on the Land Titles Certificate which may reduce potential legal uses.

Physical Possibility: The Subject Property's land size and dimensions, topography, location characteristics, etc. appear to be such that development to a number of legal uses is likely possible.

Financial Feasibility and Maximum Productivity: A feasibility study is outside the scope of this report; thus, none of the potential uses were tested. However, in considering the nature and dynamics of the market and economy, it is reasonable that there exists a number of potential uses that meet the legal and physical tests, which could also be feasible over the longer term.

Conclusions: It is concluded that the Highest and Best Use of the Subject Property as if a vacant site is for use or development in conformance with the land use bylaw.

VALUATION METHODOLOGY

There are three generally accepted approaches to estimating value: the Direct Comparison Approach; the Income Approach; and the Cost Approach. These are defined as:

Direct Comparison Approach:

A set of procedures in which a value indication is derived by comparing the property being appraised to similar properties that have been sold recently, applying appropriate units of comparison, and making adjustments to the sale prices of the comparables based on the elements of comparison.

Income Approach:

A set of procedures through which an Appraiser derives a value indication for an income producing property by converting its anticipated benefits (cash flows and reversion) into property value. This conversion can be accomplished in two ways. One year's income expectancy can be capitalized at a market derived capitalization rate or at a capitalization rate that reflects a specified income pattern, return on investment, and change in the value of the investment. Alternatively, the annual cash flows for the holding period and the reversion can be discounted at a specified yield rate.

Cost Approach:

A set of procedures through which a value indication is derived for the Fee Simple interest in a property by estimating the current cost to reconstruct a reproduction of, or replacement for, the existing structure; deducting accrued depreciation from the reproduction or replacement cost; and adding the estimated land value plus an entrepreneurial profit. Adjustments may then be made to the indicated Fee Simple value of the Subject Property to reflect the value of the property interest being appraised.

Source: The Dictionary of Real Estate Appraisal, Third Edition.

The determination of which of these approaches to value are most applicable for a specific property is largely dependent upon the nature of the property being appraised, and the quality and quantity of data available.

With respect to the valuation of the Subject Property, it is the appraiser's opinion that the only relevant valuation approaches are the Direct Comparison Approach and Income Approach. The Cost Approach was not developed due to the difficulty of estimating depreciation from all sources.

THE DIRECT COMPARISON APPROACH

The Direct Comparison Approach is generally considered to be the most reliable approach to value that is available to the appraiser. This is especially true when recent comparable sales exist that can be adjusted appropriately to indicate a value for the property under consideration. This method is a direct reflection of market activity and is usually the strongest indication of value, particularly when it is applied without undue consideration of income factors (which are better reflected in the Income Approach).

The Direct Comparison Approach involves the analysis of market data; primarily the selling prices of comparable properties, to determine a value estimate for the Subject Property. The application of this Approach is founded upon the Principle of Substitution, which states that one will not pay more for a given property than the cost of acquiring an equally acceptable substitute property, provided the substitution can be made without undue delay. The Direct Comparison Approach therefore uses historical selling prices or current listings to predict the most probable selling price (i.e. the Market Value) for the Subject Property.

There are several methods that can be used to forecast or predict a value estimate for a given property. The two most common methods are through an adjustment grid (quantitative), or through a comparative weighing (qualitative) approach of the differences between the comparables and the Subject.

The adjustment grid process is the most common example of a quantitative technique. It is popular because it involves application of a series of individual adjustments to comparables; essentially inventorying, then adjusting for each difference between the comparable properties and the Subject. These adjustments are generally arrived at through analysis but sometimes rely more directly on the skill and judgment of the analyst.

In ideal circumstances, the "paired sales" technique can be used to quantify the appropriate adjustment. This process involves analysis of two sales that are similar in all aspects except for one variable. The variable is isolated, and the difference between the selling prices of the two sales in the pair (presumably) fully explains the difference in selling prices. In theory this method is logical and reasonable; however, in practice the market is not perfect and this adds to the difficulty in applying this methodology consistently. It is often found that market comparables have numerous differences, thus making it difficult to reliably isolate a single variable for a paired sales analysis.

The second process that some appraisers use is defined as a qualitative approach, where the appraiser measures the comparable sale's characteristics against those of the Subject. For example, if a comparable property was in better condition than the Subject, this sale would be rated as superior and/or may set an upper end value range for the Subject, all other factors being equal.

The problem with this process is that specific adjustments are not made, and the comparable sales are rationalized based on concepts and judgments alone. Just how "superior" or "inferior" a comparable is to the Subject is a matter of judgment, kept within the realm of the analyst's own interpretation of such factors. Although the appraiser may provide logical arguments, there is no way to mathematically prove or disprove the adjustment process.

THE QUALITY POINT METHOD

A method called "Quality Point" has been used in the analysis of the Subject Property. Quality Point is a rating system that develops a model to predict the selling prices of the comparable sales by recognizing variables that affect their selling prices. Once a best fit is established, the model is then used to predict the Subject Property's selling price; its Market Value.

The Quality Point system has been the subject of theoretical study for over 30 years but only reached its present level of sophistication since the introduction of the personal computer - reducing what was days of computations to mere seconds. The methodology evolved chiefly as a result of the work of four prominent valuation theorists. The foundations of Quality Point began in 1968, with the publication of Henry Babcock's rating method that was used to predict selling prices. In 1972, Dr. Richard Ratcliff developed the first iteration of a computer program to handle the multiple calculations required by the system, refining the principles that Babcock established. Dr. Graaskamp further evolved this process, and by 1984, Gene Dillmore both advanced the theory and labelled the methodology as "Quality Point." One of the chief drivers of these developments was the advancements in computing technology. With the advent of personal computers, able to do thousands of computations in seconds, limitations for application of this methodology have disappeared.

The Direct Comparison Approach by its nature attempts to reach a value conclusion by analyzing comparable sales. It follows that, the better the variation in selling prices of comparable sales can be explained, or expressed, through a common unit of comparison, the more reliably that same criteria can be applied to a Subject Property. The Quality Point rating system examines the differences of comparable sales through a combination of both quantitative and qualitative adjustments, a synthesis of the better of the two most common options.

Other direct comparison models tend to use only one of the two types of adjustment procedures (quantitative or qualitative). Quality Point predicts selling prices of the comparables with the highest possible degree of accuracy and then uses an analogous approach to predict the Market Value for the Subject. The main advantage of this methodology is the ability to test the model for accuracy before applying like criteria for the Subject; thus, biases that might otherwise apply are eliminated.

If there is little variance shown between the predicted selling price and the actual selling price of the comparables, then the ordinal ratings of factors that are important determinants for the comparable sales are proven. This in turn creates a good model to predict the Market Value for the Subject.

APPLICATION FOR THE SUBJECT PROPERTY

The indicators analyzed in this report are considered the best available indicators of the current market trends. Each indicator is adjusted and/or rated in a manner leading to an opinion of where the judgment of most typical purchasers would likely meet. The following grid shows the required adjustments and ratings to the sales, providing an indication of Market Value within a range in per square foot values. A detailed reference sheet for each improved sale can be found in the Addenda of this report.

SUNCORP VALUATIONS

SALE DETAILS	Subject	Index 1	Index 2	Index 3	Index 4	Index 5
Address	2233 Speers Avenue	807 60th Street East	851 58th Street East	826 43rd Street East	2956 Portage Avenue	2520 Millar Avenue
City	Saskatoon	Saskatoon	Saskatoon	Saskatoon	Saskatoon	Saskatoon
Date of Sale	N/A	April-25	May-25	November-24	November-24	June-24
Building in Square Feet	12,000	10,625	10,000	10,536	9,000	19,800
Site Size in Square Feet	42,204	32,724	44,281	51,731	28,804	95,522
Sale Price	N/A	\$2,175,000	\$1,930,000	\$2,300,000	\$1,800,000	\$4,475,000
Sale Price/Sq.Ft. of Building Area	N/A	\$204.71	\$193.00	\$218.30	\$200.00	\$226.01
Building Characteristics						
Office Development	13%	13%	40%	20%	13%	13%
Ceiling Height	16'	18'	27'	16'	16'	20'
Age	1978	1981	1999	1987	1981	1978
Condition	Average+	Average	Good	Average	Average	Average+
Site Coverage	0.28	0.32	0.23	0.20	0.31	0.21
Quantitative Adjustments						
Property Rights Conveyed	1.00	1.00	1.00	1.00	1.00	1.00
Financing Terms	1.00	1.00	1.00	1.00	1.00	1.00
Motivation	1.00	1.00	1.00	1.00	1.00	1.00
Market Conditions	1.00	1.015	1.013	1.028	1.028	1.038
Adjusted Price/Sq.Ft. of Building Area	\$0.00	\$207.78	\$195.41	\$224.30	\$205.50	\$234.49
Building Size Adjustment Factor	1.00	1.00	1.00	1.00	1.00	1.00
Adjusted Price/Sq.Ft. of Building Area	\$0.00	\$207.78	\$195.41	\$224.30	\$205.50	\$234.49

QUALITY POINT RATINGS	Weights Market	Subject	Index 1	Index 2	Index 3	Index 4	Index 5
Location	(x 0.45)	3	4	3	3	3	5
Site Coverage	(x 0.31)	3	3	4	4	3	4
Development	(x 0.14)	2	2	5	4	3	2
Design	(x 0.05)	3	4	4	3	3	4
Age/Condition	(x 0.05)	3	3	5	3	3	4
Total Weighted Quality Points	(x 1.00)	2.86	3.36	3.74	3.45	3.00	4.17
Building Size Adj. Factor	1						
Curve	0%						
Adjusted Sale Price/Sq.Ft. of Building Area Per Point			\$61.87	\$52.22	\$64.97	\$68.50	\$56.25

PREDICTED UNIT PRICE	Subject	Index 1	Index 2	Index 3	Index 4	Index 5
Predicted Selling Price/Sq.Ft.	N/A	\$204.05	\$227.37	\$209.77	\$182.29	\$253.30
Actual Selling Price/Sq.Ft.	N/A	\$207.78	\$195.41	\$224.30	\$205.50	\$234.49
Absolute Error (Predicted less Actual)	N/A	-3.72	31.96	-14.53	-23.21	18.81
Absolute Error As % of Actual Price	N/A	-1.8%	16.4%	-6.5%	-11.3%	8.0%

Adjusted Selling Price Output	
Mean	\$60.76
Standard Deviation %	\$5.87
Coefficient of Variance	9.7%

Estimated Value Range of the Subject Property	
Estimated Value Range	\$/Sq.Ft.
\$1,884,351	\$157.03
\$2,085,729	\$173.81
\$2,287,106	\$190.59

QUALITY SCALE	
Rating	Points
Excellent	7
Very Good	6
Good	5
Slightly Above Average	4
Average	3
Slightly Below Average	2
Fair	1

The analysis of the foregoing transactions provides a selling price per unit, without any adjustment, between \$193.00 and \$226.01 per square foot. In order for these sale comparables to be meaningful, the variation between the sale prices must be explained and reduced. The variables that are causing the variation in the sale comparables provide the basis for the adjustment process. Current appraisal theory also dictates that when adjustments for differences between properties are necessary, a specific order must be followed. This order of application is of particular importance. Four categories to be considered are as follows:

- Property rights conveyed;
- Financing terms;
- Motivation; and
- Market conditions (time).

These must be considered individually and in succession with each adjustment being calculated upon the previous adjusted value. After that, specific adjustments for other characteristics can be made. Quality Point considers these quantitative adjustments before attempting to adjust for other physical variables or other characteristics.

QUANTITATIVE ANALYSIS

The first adjustment consideration is for property rights conveyed. The rights examined in this assignment are the Fee Simple Interest. The comparable sales are both the Leased Fee and Fee Simple Interest; where the indicators are the Leased Fee Interest, there was no evidence to suggest that the lease rates in place had a significant impact on their sale price. As such, no adjustments for property rights conveyed have been made to the Subject or the comparable sales.

Financing terms were also considered to determine if any unusual financing conditions existed at the time of sale for the comparable properties. The comparable sales used did not have any unusual financing terms; no adjustment is made.

Motivation is the third characteristic that must be considered that can influence the selling price of a property. None of the sales used were found to be motivated; thus, no adjustments have been made.

Market conditions must also be considered. Unlike the residential market, there is no published statistical information available for commercial or industrial-type properties that quantify the degree to which prices have increased over specific time intervals, especially in rural or more remote locations. The best guidance in this regard is through analysis of the markets for properties sold and/or rented recently.

These can then be cross-checked through discussions with realtors who are active and knowledgeable in these markets, and reference to published reports from various real estate and related sources. Research of past and present comparable sale prices have seen a steady increase over the past couple of years. Accordingly, an upwards 3% per year time adjustment is made to all sales and prorated to the month.

QUALITATIVE ANALYSIS

In order to explain the variance in the selling prices for the comparable sales, five variables were identified. Each variable is scored on an ordinal scale of one through seven, with one being inferior and seven being superior. The variation within the scale reflects the difference between a given variable; it does not mean that a score of seven indicates that a particular property is seven times superior to a score of one. Following is the rationale for scoring the variables for each of the comparable sales and the Subject Property.

LOCATION:

The scale for location is described as follows: a quality rating of one refers to a poor location with poor access, exposure, and something less than full services. A rating of seven refers to a high traffic location with good exposure and access, plus all municipal services. Generally (but not always) the land value correlates with the location rating.

The Comparables:

Indicator No. 1 is located in the Hudson Bay Industrial neighbourhood in the northern area of Saskatoon on a collector street and rates as slightly above average.

Indicator No. 2 is located in the Hudson Bay Industrial neighbourhood in the northern area of Saskatoon on a non-collector street and rates as average.

Indicator No. 3 is located in the North Industrial neighbourhood in the north of Saskatoon on a non-collector street and rates as average.

Indicator No. 4 is located in the C.N. Industrial neighbourhood in the south of Saskatoon on a non-collector street and rates as average.

Indicator No. 5 is located in the North Industrial neighbourhood in the north of Saskatoon on Millar Avenue which is a collector street and rates as good.

The Subject:

The Subject is located in the Airport Business Area neighbourhood in Saskatoon on a non-collector street. The Subject rates as average.

SITE COVERAGE:

The rating scale for site coverage is an important variable as lower site coverage allows for better on-site parking and larger yards for storage, etc. A quality rating of three is based on an average site coverage ratio in the area. A lower site coverage ratio than the average would potentially receive a higher quality rating, while a higher site coverage than the average would receive a lower quality rating.

The Comparables:

Indicator 1 has a site coverage ratio of 0.32 and rates as average.

Indicator 2 has a site coverage ratio of 0.23 and rates as slightly above average.

Indicator 3 has a site coverage ratio of 0.20 and rates as slightly above average.

Indicator 4 has a site coverage ratio of 0.31 and rates as average.

Indicator 5 has a site coverage ratio of 0.21 and rates as slightly above average.

The Subject:

The Subject Property has a site coverage ratio of 0.28 and rates as average.

INTERIOR DEVELOPMENT:

Interior development relates to the amount of office finish and extra features of a building. A quality rating of one refers to a property with little or no interior development and no extra features; a seven rating would indicate a property with high quality interior development and several extra features.

The Comparables:

Indicator 1 has 13% interior development as well as 355 sq. ft. of second level office space and rates as slightly below average.

Indicator 2 has 40% of the main level developed with good quality office space as well as an additional 4,000 square feet of mezzanine office space. This indicator also features a 10-tonne crane. The indicator rates as good for development.

Indicator 3 has 20% interior development and 1,200 sq. ft. of good quality office mezzanine and rates as slightly above average.

Indicator 4 contains approximately 1,194 square feet of good quality office space (13%), and 7,806 square feet of warehouse area. There is also 1,059 square feet of average quality office mezzanine space and two storage mezzanines which are 128 square feet and 379 square feet, for a total of 507 square feet. The indicator rates as average.

Indicator 5 is rated as slightly below average for its 13% office development of average quality office space.

The Subject:

The Subject is approximately 13% developed with good to average quality office space on the main level. There is a second level storage mezzanine of 1,587 square feet. The Subject has some low quality office and storage development in the warehouse. Subject rates as slightly below average overall for development.

STRUCTURAL DESIGN:

Structural design describes the construction of a building and its sidewall height. A quality rating of one relates to a wood or steel frame building with a 12 foot or less sidewall height, whereas a rating of seven describes a masonry building with a sidewall height of 25 feet or greater.

The Comparables:

Indicator 1 is rated as slightly above average for design due to its 18' sidewall height and steel frame construction.

Indicator 2 is rated as slightly above average for its 27' ceiling height and steel frame construction.

Indicator 3 is rated as average for its 16' sidewall height and steel frame construction.

Indicator 4 is rated as average for its 16' sidewall height and steel frame construction.

Indicator 5 is rated as slightly above average for its 20' sidewall height and steel frame construction.

The Subject:

The Subject is steel construction and provides a 16' sidewall height. The Subject rates as average.

AGE/CONDITION:

This category relates to both the age of a building and its overall condition. A quality rating of seven describes a new building in excellent condition, whereas a rating of one relates to an older building in poor condition. In order to determine if the property is new or old depends upon the dataset used.

The Comparables:

Indicator 1 is in average condition and was constructed in 1981. The indicator rates as average.

Indicator 2 is rated as good as it is in good condition and constructed in 1999.

Indicators 3 was constructed in 1987 and was in average condition at the time of sale and, therefore, rates as average.

Indicator 4 was constructed in 1981 and is in average condition and rates as average.

Indicator 5 was constructed in 1978 and is in average to good condition overall. The indicator rates as slightly above average overall for age / condition.

The Subject:

The Subject was constructed in 1978 and is in average to good condition in the interior and average to poor for the exterior due to the damage on the northwest corner of the building. The Subject rates as average overall for age / condition.

The next step in the process is to run the mathematical solver program to determine the weights that will be assigned to the variables. The weighted outcomes for each comparable sale are then converted into a predicted selling price for the comparables. This predicted selling price is compared to the actual selling prices of the comparables. As noted on Page 22, the model predicted the selling price of the comparables within a 9.7% coefficient of variance.

The Subject's overall value range is determined by examining the mean (central tendency) and the dispersion (standard deviation). In the Subject's case, the mean (\$60.76) is multiplied by the Subject's Quality Point score and its unit of comparison (square feet or number of units). The dispersion (take the mean plus/minus the standard deviation) is calculated on either side of the mean to determine the Subject's low and high range estimate of value. The following grid summarizes these calculations. The value range indicated by the Quality Point model is between \$157.03 and \$190.59 per square foot for the Subject.

Subject Score		Unit of Comparison		Price Per Quality Point Per Unit		Predicted Value	Rounded
2.86	x	12,000	x	\$54.90	=	\$1,884,351	\$1,885,000
2.86	x	12,000	x	\$60.76	=	\$2,085,729	\$2,085,000
2.86	x	12,000	x	\$66.63	=	\$2,287,106	\$2,285,000

* The predicted values are arrived at using a non-rounded dataset and may differ from what is suggested by the above formula.

From this range, a single-point valuation must be determined. The Subject Property is a single-tenant building with good quality office development. The condition of the warehouse area is considered average. The building has some exterior damage. Taking into account these factors, an estimated value near to low to middle of the range of \$1,985,000 minus the rental disadvantage of \$29,061 is concluded (The rental disadvantage is detailed under the Income Approach).

VALUE BY THE DIRECT COMPARISON APPROACH (Rounded)	\$1,955,000
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THE INCOME APPROACH

This approach focuses on a forecast of operating revenues and expenses for the property. This estimate of net income is then converted to an estimate of current Market Value, with an overall capitalization rate referred to as Direct Capitalization. The mechanics of this methodology essentially relate to dividing the net earnings with a singular rate, or current-earnings ratio, which takes into account all of the comparative investment characteristics of the property. Direct Capitalization produces an expression of the current Market Value of the investment portion of a property, which might have to be adjusted for extraordinary circumstances that cannot be reflected in the straight capitalization of earnings.

The type of "net earnings" used in the appraisal process is usually the net operating income produced by the property. The net operating income of a property represents the residual amount of rental income, after deducting only those annual expenditures directly associated with, or incidental to, the production of rental income and to the ownership and operation of the realty. This approach is also considered applicable to properties that are owner-occupied, as it indicates the income that could be earned from the Subject if it was rented to an outside tenant.

Revenues and expenses normally excluded from the Statement of Operation, developed for the purpose of valuing real estate, consist of interest income and other non-realty income, interest expense on operating debt, capital cost allowance (depreciation), executive and shareholder remuneration, and interest on reinvestment of retained earnings, working capital, or extraordinary reserve funds.

LEASE SYNOPSIS

The Subject Property is currently owner occupied. The accepted offer to purchase the property includes a lease back of the property to the vendor for one year for \$120,000 (\$10 PSF) on a net basis with an option to renew for one year at market rates.

RENTAL ANALYSIS

In order to formulate an opinion of market rent for the Subject, an investigation into rents of similar properties was undertaken. The rents quoted represent total amounts of net rent payable to the property owner. The property owner of an investment property generally incurs income loss due to vacancies and collection expenses, and they are generally responsible for structural repair and maintenance. These amounts must be deducted from rental revenues to reflect a net income the typical owner could expect from the property, and consequently, the return that the investment yields.

A review of recent market activity reveals the following details pertaining to market lease rates:

RENTAL ANALYSIS AND CONCLUSION

A review of the market lease rates suggests a range of \$11.75 to \$16.00 per square foot for office warehouse properties in Saskatoon.

Indicators of Market Rent				
Indicator	Rental Rate (per sq. ft.)	Area (sq. ft.)	Lease Type	Comparability
1	\$13.00	17,750	Net	*Asking Rate* for industrial warehouse space in Marquis Industrial. Built in 2010, the property is fully sprinklered and has a 29' sidewall height.
2	\$16.00	11,305	Net	* Asking Rate* for new shell industrial space in the Hudson Bay Industrial neighbourhood of Saskatoon.
3	\$14.00	12,000	Net	Leased August 2025 on MLS. Warehouse office space in the Hudson Bay Industrial neighbourhood of Saskatoon. Main floor office space is 7,664 SF; Warehouse is 4,336 SF; Mezzanine office space is 7,234 SF.
4	\$11.75	11,340	Net	Lease commenced April 1, 2024 for a three-year term. Indicator is a 1981 built industrial warehouse / office building.
5	\$12.85	16,120	Net	Lease commenced June 1, 2025. Indicator is a 2001 built industrial warehouse / office building. 6,040 square feet of area is second level office space.
6	\$12.14	7,000	Net	Lease commenced May 1, 2025. Indicator is a 2017 built industrial warehouse building. Bay is finished with 1,104 square feet of average quality office space with an additional 960 square feet of production area that is framed, drywalled and painted. There is storage mezzanine above the office area.
7	\$14.55	9,867	Net	Lease commenced April 1, 2025. Indicator is a 1977 built industrial office / warehouse building. Developed with 2,819 square feet (29%) of good quality office space and 7,048 square feet of warehouse space.
8	\$12.19	12,600	Net	Lease commenced April 1, 2025 for five years. Indicator is a 1989 built warehouse bay with small office component (900 SF).
9	\$13.58	8,000	Net	Lease commenced August 1, 2025 for five years. Indicator is a 2014 built office / warehouse bay in the North Industrial.

Indicator 1 is the asking rate for warehouse space in the Marquis industrial neighbourhood. The indicator has a larger size but no office development. The indicator is superior in design, age and condition. A lease rate near but less than this indicator is considered appropriate for the Subject.

Indicator 2 is the asking rate for new shell industrial space in the Hudson Bay Industrial neighbourhood of Saskatoon. Due to its new condition and range of uses, a lease rate less than this indicator is considered appropriate for the Subject.

Indicator 3 is the lease rate of a similar sized industrial / office space. The indicator is in superior age and condition and interior development compared to the Subject. A lease rate near to but less than this indicator is considered appropriate for the Subject.

Indicator 4 is the lease rate for an industrial office / warehouse building in the Hudson Bay industrial neighbourhood of Saskatoon. This indicator is inferior in development and condition compared to the Subject and a lease rate higher than this indicator is considered appropriate for the Subject.

Indicator 5 is the lease of a larger industrial/ warehouse building in the South West Industrial neighbourhood of Saskatoon. The indicator includes 6,040 square feet of main floor office/developed area and 4,040 square feet of warehouse/shop space. The indicator also includes 6,040 square feet of office mezzanine space which has two access points and can be rented separately and is considered rentable space. The Subject provides a similar sized space that is inferior in development and therefore a lease rate near to but less than this indicator is considered appropriate for the Subject.

Indicator 6 is the lease of a portion of an industrial / warehouse building in the Marquis Industrial neighbourhood of Saskatoon. This indicator is a 2017 built industrial warehouse building. Tenant bay is finished with 1,104 square feet of average quality office space with an additional 960 square feet of production area that is framed, drywalled and painted. There is a storage mezzanine above the office area. The Subject provides a space that has a large amount of office space and therefore a rental rate near to or slightly greater than this indicator is considered appropriate.

Indicator 7 is the lease of a smaller sized industrial office warehouse building in the North Industrial neighbourhood of Saskatoon. This Indicator is a 1977 built building. Single-storey, single-tenant industrial office/warehouse building; Developed with 2,819 square feet (29%) of good quality office space and 7,048 square feet of warehouse space. A rental rate near to but less than this indicator is considered appropriate for the Subject.

Indicator 8 is the lease of a portion of an industrial / warehouse building in the North Industrial neighbourhood of Saskatoon. This Indicator is a 12,600 SF bay in 1989 built industrial warehouse building. Tenant bay is finished with 900 square feet of office space. A lease rate higher than this indicator is considered appropriate for the Subject.

Indicator 9 is the lease of a portion of an industrial office / warehouse building in the North Industrial neighbourhood of Saskatoon. Indicator is an 8,000 SF bay in a 2014 built industrial warehouse building. A lease rate near to but lower than this indicator is considered appropriate for the Subject.

Taking into account the lease comparable indicators, a net rental rate of \$12.50 per square foot is concluded for the Subject. The Subject therefore has a rental disadvantage. The rental disadvantage of the one-year lease included with the offer to purchase of the Subject at \$10 PSF is calculated to be \$29,061.

OPERATING STATEMENT

The following statement provides an estimate of stabilized Net Operating Income based on a typical year of operation.

INCOME:			
Rental Income			
12,000	square feet	\$12.50	\$150,000
Total Gross Income			\$150,000
Less Vacancy and Bad Debt		4%	<u>(\$6,000)</u>
Effective Gross Income (EGI)			<u>\$144,000</u>
EXPENSES:			
Structural Repairs / Maintenance		3%	(\$4,320)
Unallocated Operating Expense			
(12,000 x 4% x \$5.75)		\$5.75	<u>(\$2,760)</u>
Total Expenses			<u>(\$7,080)</u>
NET OPERATING INCOME:			<u><u>\$136,920</u></u>

Note: The above calculated values are rounded to the nearest dollar

COMMENTS ON THE OPERATING STATEMENT

Under net leases, the expense recovery covenants in the leases usually provide that virtually all expenses are recoverable from the tenants, except for structural maintenance for which an allowance must be made.

However, it is first necessary to provide for some loss due to vacancy. The vacancy allowance provides for loss in income through uncollected rents and associated occupancy charges (bad debt), in addition to allowing for actual vacancies that may occur. These adjustments are required, as a building cannot be expected to be occupied fully throughout its useful life. Vacancy allowances are local in application and will vary from time to time, and location to location. The magnitude of the vacancy and rent loss allowances is estimated by analysing the local real estate market for this particular type of property. Considering the physical amenities of the premises, competitive influences, current demand and preferences, it is concluded that a 4% vacancy and bad debt allowance should be appropriate at this time which is inline with long term industrial vacancy rates.

The effective gross annual income is the total possible gross income that would be produced by the property, less the losses incurred by vacancy and uncollected rents.

It is also necessary to make an allowance for structural maintenance. Although tenants are responsible for operating costs in a net rental situation, the property owner usually remains responsible for required maintenance to the foundations, floor slab, roof, exterior walls, and periodic upgrades or replacement of major mechanical systems such as electrical and heating services. This type of maintenance is not required on a routine or scheduled basis. Therefore, the amount estimated for this type of expense represents an annual increment that would allow for a larger periodic expenditure when necessary. The percentage allotted is to reflect an annualized figure over the full life of the property. Considering the age and condition of the buildings of the Subject Property, an allowance of 3% is considered appropriate.

Finally, an allowance must be made for unallocated operating expenses, as the landlord must cover the costs of the taxes, insurance, and utilities over the period that the property (or a portion thereof) is vacant. The unallocated operating expenses are based on the 4% vacancy allowance with estimated total operating expenses at \$5.75 psf.

As suggested, the estimate of Net Income that is derived accounts for only those expenses necessary to ensure the continued income productivity of the property. This net income estimate forms the base income to be converted to an estimate of value through Direct Capitalization.

METHOD OF CAPITALIZATION

It is recognized that revenue producing real estate is an investment, similar in principal to other forms of investment such as stocks, bonds, term certificates, etc. Revenue producing real estate should, therefore, be appraised and analysed as an alternative form of investment based on similar criteria.

The income stream being earned by the Subject Property does not have the characteristics of annuity calculations. Annuities provide a guaranteed income in return for a fixed sum of money. They generally are highly secure and require minimal management. Real estate investors must consider the risk factors that relate to real estate when analysing appropriate rates of return. After considering the various methods of capitalization, it is concluded that direct capitalization is the most appropriate method to use in this appraisal. This approach to capitalization essentially involves converting the stabilized annual income at a singular rate, taking into account all of the comparative investment features of the property.

When using this method it is not necessary to develop separate rates for land and buildings. The often impossible task of estimating the remaining economic life of the building or projecting the net income for such a period is not required. The Direct Capitalization method does not presume that land value will remain constant for the economic life of the building. The net income being generated is recognized as flowing from the entire property, with the land and buildings as one integrated investment. The Direct Capitalization method is the most realistic method in its application, and most adequately encompasses the thoughts of the investor, as they apply to real estate.

THE DIRECT CAPITALIZATION APPROACH

The Direct Capitalization Approach examines market sales to derive a market capitalization rate for the Subject Property.

Capitalization rates or expected rates of return are governed by the following factors:

- Inflation
- Risk
- Management
- Pure Rate of Return

All investors seek to achieve defined investment objectives both short term and long term. In general, there are four main investment objectives:

1. Safety of Principal
2. Income
3. Growth of Capital
4. Liquidity

Historically, the pure rate of return has been roughly 3%, representing the value at which someone will lend their capital in a riskless, management free investment, net of inflation.

Capitalization rates and value have an inverse relationship, i.e. capitalization rates that emanate from sales are inversely proportional to the income and/or selling prices (i.e. the lower the capitalization rate, when applied to the income stream, the higher the value estimate). Acceptable capitalization rates are, therefore, a strong reflection of confidence and personal risk.

It is noted that the income figures used in the capitalization rate calculations are, for the most part, based on estimates of market rent as opposed to actual lease rates. These calculations do help to define an applicable band of, or range in capitalization rates.

Reference to the sale of other similar properties throughout Saskatoon yield the following summary of capitalization rates:

Market Capitalization Rates						
Address	Indicator	Building Size (sq. ft.)	Sale Date	Net Income	Sale Price	Cap Rate
807 60th Street East	1	10,650	25-Apr	\$137,025	\$2,175,000	6.30%
851 58 th Street East	2	10,000	24-May	\$129,926	\$1,930,000	6.73%
826 43rd Street East	3	10,536	24-Nov	\$137,207	\$2,300,000	5.97%
2956 Portage Avenue	4	9,000	24-Nov	\$107,534	\$1,800,000	5.97%
2520 Millar Avenue	5	19,800	24-Jun	\$248,236	\$4,475,000	5.55%
849 56 th Street East	6	11,666	24-Oct	\$130,392	\$2,265,000	5.76%
1810 Saskatchewan Avenue	7	7,188	25-Apr	\$87,837	\$1,360,000	6.46%

CAPITALIZATION OF NET INCOME

The above-noted sales show a range in capitalization rates from 5.55% to 6.73% with a median of 5.97%. The Subject Property is a single-tenant building with good quality office development. The condition of the exterior is considered average to poor due to some damage to the northwest corner of the building. There is currently strong demand for industrial properties in Saskatoon. Taking into account these factors, a capitalization rate near to the high of the range of 6.50% is concluded.

Net Operating Income	\$136,920
Capitalization Rate	6.50%
Value = $\frac{\$136,920}{0.0650}$	\$2,106,461
Minus Rental Disadvantage	\$29,061

VALUE BY THE INCOME APPROACH (Rounded)

\$2,075,000

THE COST APPROACH

The third approach that can be used to provide an estimate of value is the Cost Approach. It is based on the principle of substitution, which affirms that where a property is replaceable, its value tends to be set by the cost of acquiring an equally desirable substitute property (assuming that no unreasonable time delay is involved). The reference to acquisition also considers the actual cost of construction. The value of the property is derived by adding the estimated value of the land to the estimated cost of reproduction new of the improvements, after appropriate deductions for depreciation.

The Cost Approach tends to be subjective in nature, as buyers in the marketplace infrequently use it. The Subject was constructed in 1978 and given it is not new construction, has accumulated physical depreciation. Due to the difficulty of accurately estimating depreciation of the older building, the Cost Approach is not considered as reliable and will not be used.

RECONCILIATION AND FINAL ESTIMATE OF VALUE

Direct Comparison Approach	\$1,955,000
Income Approach	\$2,075,000

The value by the Direct Comparison Approach is considered reliable. It is significant as it directly reflects the actions of real estate investors and owner-users. This value estimate was based on the analysis of five market indicators. The buildings are similar to the Subject as to utility, but vary as to location, age, size, and style. This approach will be given serious consideration.

The Income Approach considers value based on the ability of the property to produce net income after provisions for expenses and allow for recapture of the investment over a reasonable period of time. The estimate of net income is directly market-oriented and based on an analysis of the actual rental market. The capitalization rate was derived from market data. The value by the Income Approach is considered reliable and is based on a minimum of assumptions.

The values by the Direct Comparison Approach and the Income Approach are both considered to be representative of the real estate marketplace for the Subject. For this particular type of property, strong consideration has been given to both approaches to value. The Cost Approach has not been developed as part of this valuation; the judgment being made that it would not contribute to the validity of the result.

Based on the preceding data and analysis, the current Market Value of the Subject Property is estimated to be:

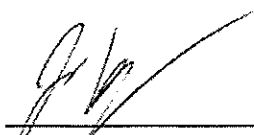
TWO MILLION AND FIFTEEN THOUSAND DOLLARS

\$2,015,000

REASONABLE EXPOSURE TIME

An estimate of Reasonable Exposure Time is intended to set the context within which the value conclusion is rendered. The estimate is typically based on an analysis of actual marketing times for comparable properties; however, this data is not generally available for all sales. Therefore, based on a review of available data and general market observations, an exposure time in the range of three to six months is estimated to have been sufficient to have achieved a sale at the value estimated herein.

On behalf of,
SUNCORP VALUATIONS



Jordan Vanjoff, B. Comm., P.App., AACI

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10. The term "inspection" refers to observation only as defined by CUSPAP and reporting of the general material finishing and conditions observed for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only.

11. The opinions of value and other conclusions contained herein assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The author has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The author has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this visual inspection does not imply compliance with any building code requirements, as this is beyond the professional expertise of the author.
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CERTIFICATION

I certify, to the best of my knowledge and belief, that:

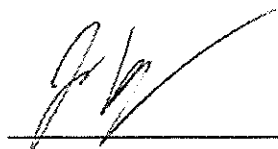
- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are my personal, impartial and unbiased professional analyses, opinions and conclusions.
- I have no present or prospective interest in the property that is the Subject of this report, and no personal interest with respect to the parties involved.
- I am not in a conflict of interest to undertake this assignment.
- I have no bias with respect to the property that is the Subject of this report or to the parties involved with this assignment.
- My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermined results, the amount of the value estimate, or a conclusion favouring the Authorized Client.
- My analysis, opinions and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice.
- I have the knowledge, skills and experience to complete the assignment competently.
- No one provided professional assistance in the development of this report.
- As of the date of this report, the undersigned has fulfilled the requirements of The Appraisal Institute of Canada's Continuing Professional Development Program for Members.
- The undersigned is member in good standing of the Appraisal Institute of Canada.

Based on my inspection and appraisal, it is my opinion that the current Market Value of the Subject Property, as of October 14, 2025, is estimated to be:

TWO MILLION AND FIFTEEN THOUSAND DOLLARS

\$2,015,000

On behalf of,
SUNCORP VALUATIONS



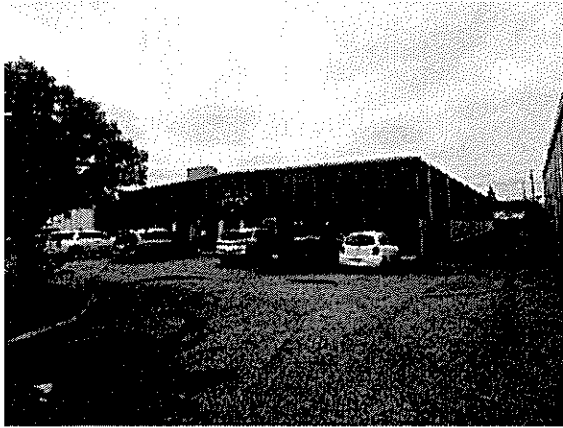
Jordan Vanjoff, B. Comm., P.App., AACI

October 23, 2025

Date Prepared

PHOTOGRAPHS OF SUBJECT PROPERTY

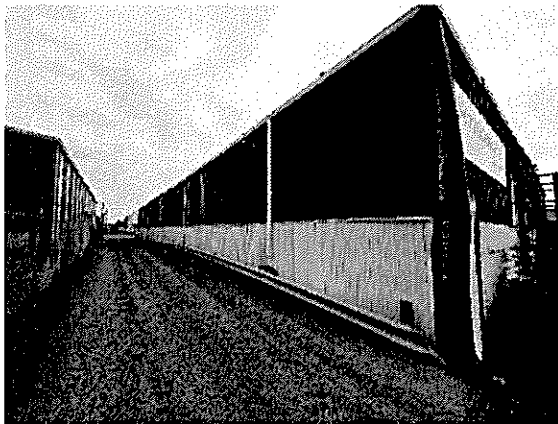
2233 Speers Avenue
Saskatoon, Saskatchewan



FRONT VIEW



REAR OF BUILDING



SIDE OF BUILDING (DAMAGE)



REAR OF SITE



REAR OF SITE



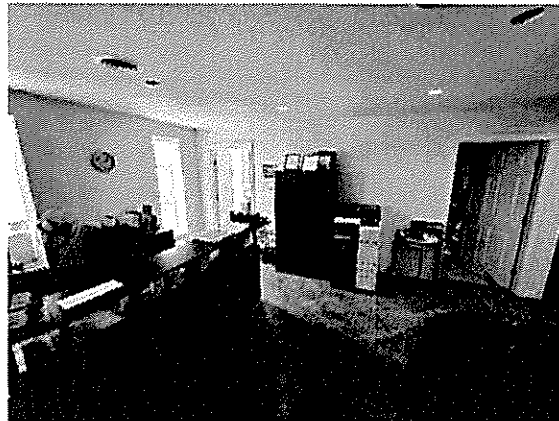
REAR OF SITE

PHOTOGRAPHS OF SUBJECT PROPERTY

2233 Speers Avenue
Saskatoon, Saskatchewan



BUILDING DAMAGE



RECEPTION AREA



RECEPTION AREA



OFFICE



BATHROOM



OFFICE

PHOTOGRAPHS OF SUBJECT PROPERTY

2233 Speers Avenue
Saskatoon, Saskatchewan



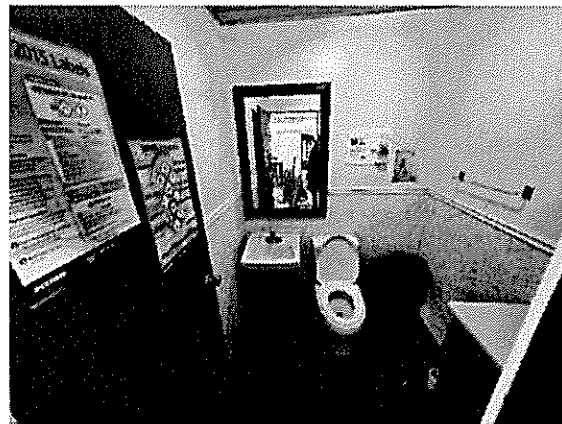
OFFICE



BOARD ROOM



BATHROOM



WAREHOUSE BATHROOM



WAREHOUSE OFFICES



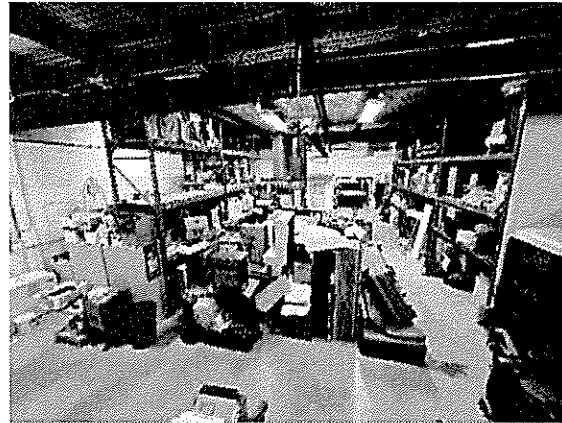
WAREHOUSE OFFICE

PHOTOGRAPHS OF SUBJECT PROPERTY

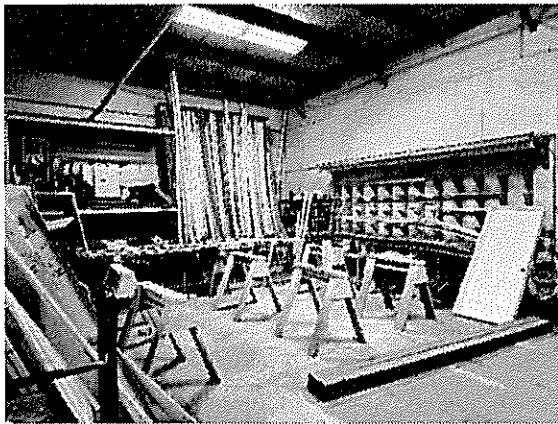
2233 Speers Avenue
Saskatoon, Saskatchewan



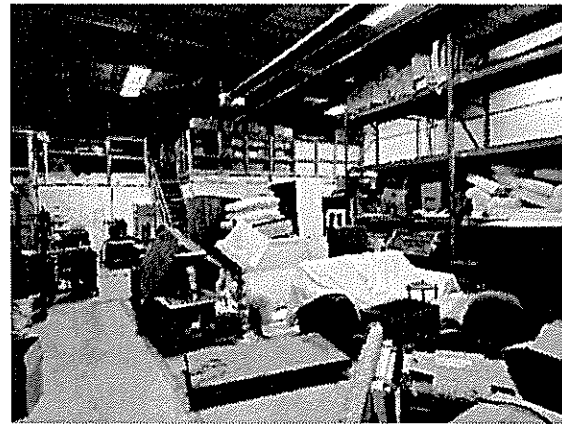
WAREHOUSE



WAREHOUSE



WAREHOUSE



WAREHOUSE



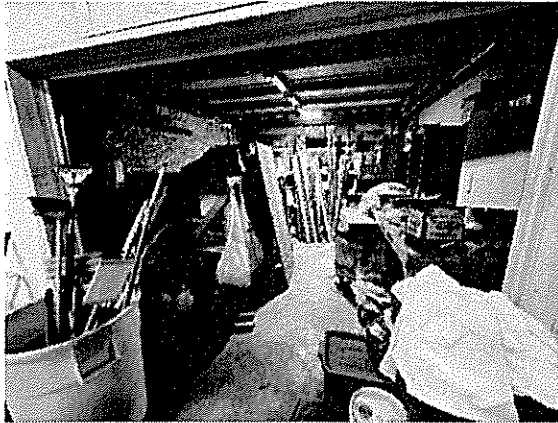
WAREHOUSE & STORAGE BAYS



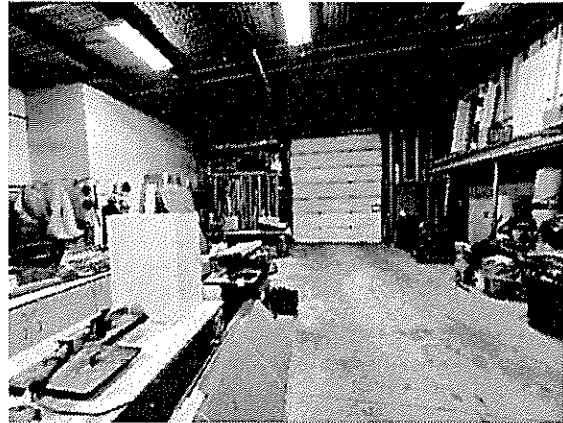
WAREHOUSE STORAGE BAY

PHOTOGRAPHS OF SUBJECT PROPERTY

2233 Speers Avenue
Saskatoon, Saskatchewan



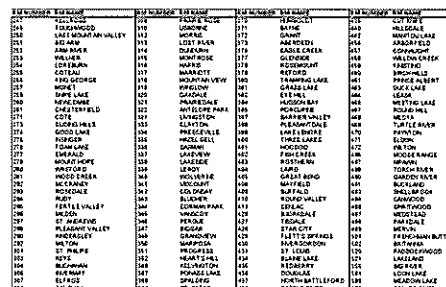
WAREHOUSE STORAGE BAY



WAREHOUSE



WAREHOUSE



Number of RMs	296
Number of Cities	15
Number of Towns	145
Number of Villages	268
Number of Resort Villages	40
Number of Northern Towns	2
Number of Northern Villages	11
Number of Northern Hamlets	11
Total Number of Incorporated Municipalities:	786

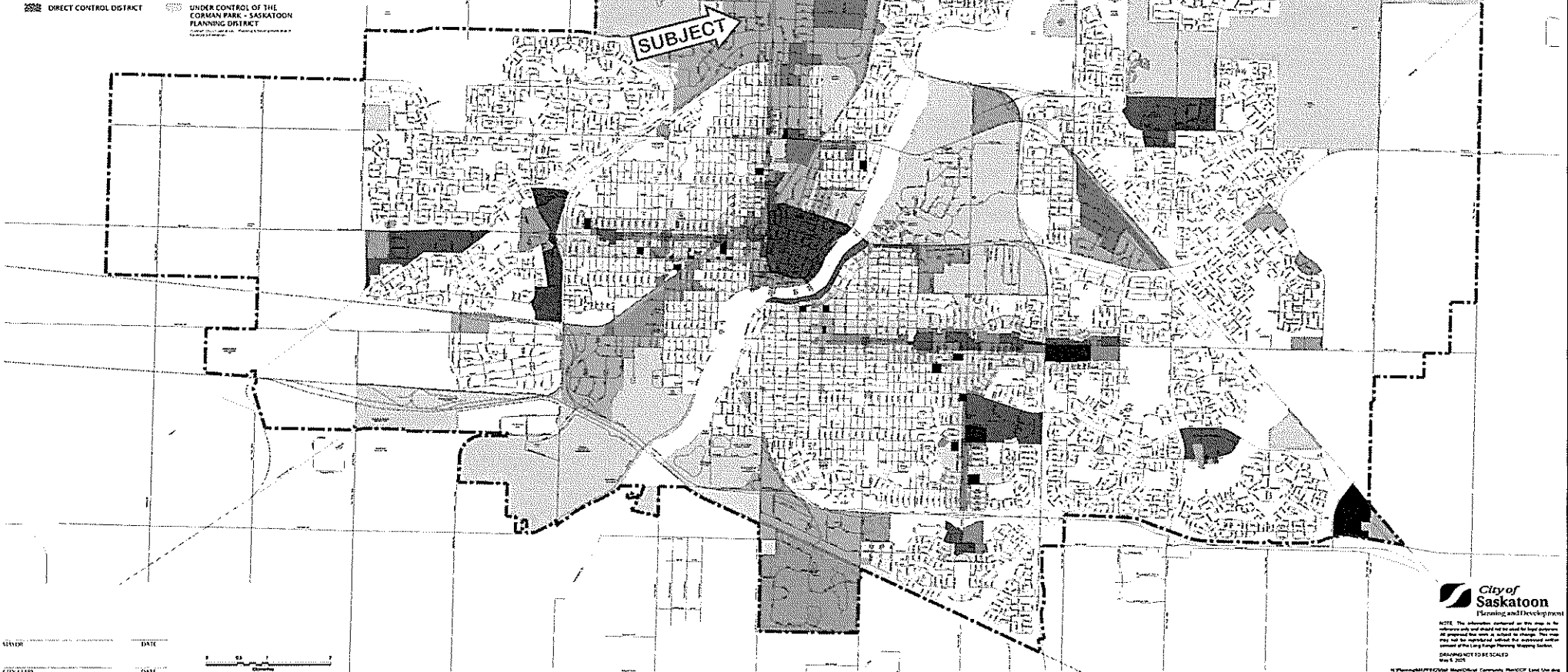
Number of Organized Hamlets	172
Number of Northern Settlements	11
Total Number of Unincorporated Municipalities:	183

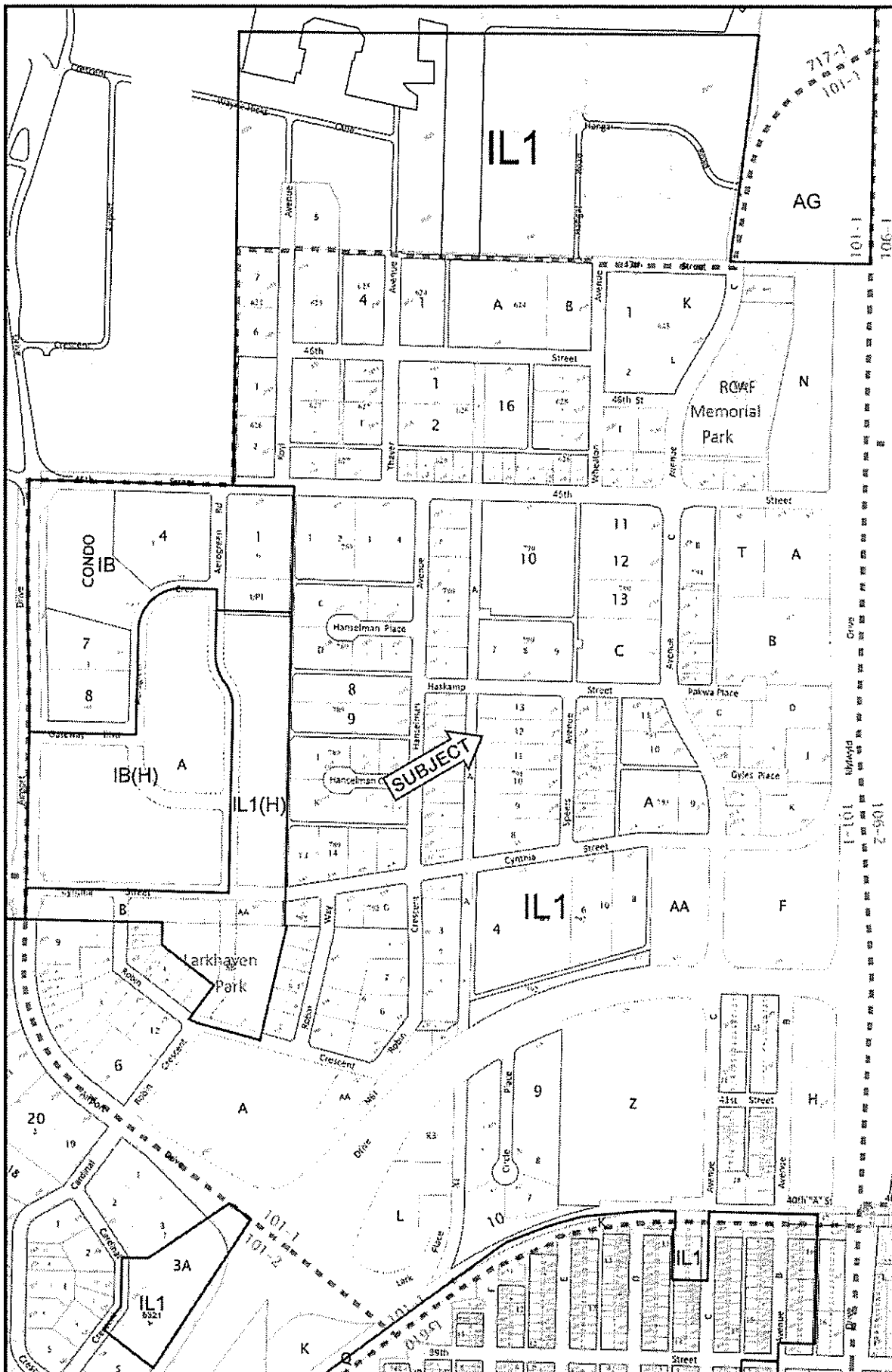
Roads
Parks
Indian Reserves

CITY OF SASKATOON OFFICIAL COMMUNITY PLAN LAND USE

BYLAW NO. 9700
INCLUDING ALL BYLAWS APPROVED
AS OF APRIL 22, 2024

- | | | |
|--------------------------|--|--|
| DOWNTOWN | REGIONAL COMMERCIAL | RESIDENTIAL |
| COMMUNITY FOCAL POINT | URBAN CENTRE COMMERCIAL | RESIDENTIAL LOW DENSITY RESIDENTIAL |
| URBAN CENTRE | ARTERIAL COMMERCIAL | RESIDENTIAL MEDIUM DENSITY RESIDENTIAL |
| DISTRICT VILLAGE | SPECIAL AREA COMMERCIAL | RESIDENTIAL HIGH DENSITY RESIDENTIAL |
| NEIGHBOURHOOD NODE | INDUSTRIAL | RESIDENTIAL MULTI USE |
| CORRIDOR | BUSINESS PARK | |
| CORRIDOR TRANSIT VILLAGE | LIGHT INDUSTRIAL | |
| STATION MIXED USE | HEAVY INDUSTRIAL | |
| CORRIDOR MIXED USE | ENVIRONMENTAL INDUSTRIAL PARK | |
| CORRIDOR MAIN STREET | INSTITUTIONAL | |
| CORRIDOR RESIDENTIAL | INSTITUTIONAL | |
| PARK | COMMUNITY FACILITY | |
| CONSERVATION AREA | TRANSITIONAL | |
| UTILITY AREA | URBAN HOLDING | |
| SPECIAL USE AREA | HIGH DENSITY MIXED USE | |
| DIRECT CONTROL DISTRICT | UNDER CONTROL OF THE CORBIN PARK - SASKATOON PLANNING DISTRICT | |





Address Map of Airport Business Area



Note: The information contained on this map is for reference only and not to be used for legal purpose

- Zoning Designation
- ISC Lots
- ISC Blocks

Scale 1: 5000

101-1

9/15/2025





Surface Parcel Number: 118922283

REQUEST DATE: Tue Oct 21 16:41:54 GMT-06:00 2025

118922340	164131185	118922395	118922384	118922351	118922452
HASKAMP ST	HASKAMP ST	HASKAMP ST	HASKAMP ST	HASKAMP ST	HASKAMP ST
118922306		118922294		136264608	
		119.69			
118922317		118922283		118922272	
		119.79			
118922250	164131163	118922249		136095442	
				136095431	
118931485		118931441		118931418	
				120668429	
118931474		118931430		120668418	
118931463					

Owner Name(s) : MD BUILDING LTD.

Municipality : CITY OF SASKATOON

Area : 0.401 hectares (0.99 acres)

Title Number(s) : 148646054

Converted Title Number : 98SA04257

Parcel Class : Parcel (Generic)

Ownership Share : 1:1

Land Description : Lot 12-Blk/Par 791-Plan 75S10686 Ext 0

Source Quarter Section : SE-08-37-05-3

Commodity/Unit : Not Applicable

DISCLAIMER: THIS IS NOT A PLAN OF SURVEY It is a consolidation of plans to assist in identifying the location, size and shape of a parcel in relation to other parcels. Parcel boundaries and area may have been adjusted to fit with adjacent parcels. To determine actual boundaries, dimensions or area of any parcel, refer to the plan, or consult a surveyor.

Province of Saskatchewan Land Titles Registry Title

Title #: 148646054 **As of:** 20 Oct 2025 16:04:26
Title Status: Active **Last Amendment Date:** 22 Mar 2017 14:09:11.640
Parcel Type: Surface **Issued:** 14 Sep 2016 09:53:45.823
Parcel Value: \$1,650,000.00 CAD
Title Value: \$1,650,000.00 CAD **Municipality:** CITY OF SASKATOON
Converted Title: 98SA04257
Previous Title and/or Abstract #: 107599315

MD BUILDING LTD. is the registered owner of Surface Parcel #118922283

Reference Land Description: Lot 12 Blk/Par 791 Plan No 75S10686 Extension 0
As described on Certificate of Title 98SA04257.

This title is subject to any registered interests set out below and the exceptions, reservations and interests mentioned in section 14 of *The Land Titles Act, 2000*.

Registered Interests:

Interest #:
176534523 CNV Easement **Value:** N/A
 Reg'd: 21 Apr 1977 00:21:37
 Interest Register Amendment Date: N/A
 Interest Assignment Date: N/A
 Interest Scheduled Expiry Date: N/A
 Expiry Date: N/A

W/ly 3 metres throughout
Holder as Tenant in Common
Interest Share: 1/2
Interest Share Number: 189403544
Holder:
 Saskatchewan Power Corporation
 N/A
 N/A, Saskatchewan, Canada
Client #: 100873021

Holder as Tenant in Common
Interest Share: 1/2
Interest Share Number: 189403555
Holder:
 Saskatchewan Telecommunications
 13th Floor, 2121 Saskatchewan Drive
 Regina, Saskatchewan, Canada S4P 3Y2
Client #: 100006861

Int. Register #: 102646582
Converted Instrument #: 77S12973

Interest #:
176534567 Mortgage **Value:** \$375,000.00 CAD
 Reg'd: 14 Sep 2016 09:53:47
 Interest Register Amendment Date: N/A
 Interest Assignment Date: N/A

Interest Scheduled Expiry Date: N/A**Expiry Date:** N/A**Holder:**

Affinity Credit Union 2013
130 1st Avenue North
Saskatoon, Saskatchewan, Canada S7K 0G1

Client #: 128811720**Int. Register #:** 121818809**Interest #:****176534578**

Mortgage

Value: \$700,000.00 CAD**Reg'd:** 14 Sep 2016 09:53:47**Interest Register Amendment Date:** N/A**Interest Assignment Date:** N/A**Interest Scheduled Expiry Date:** N/A**Expiry Date:** N/A**Holder:**

Affinity Credit Union 2013
130 1st Avenue North
Saskatoon, Saskatchewan, Canada S7K 0G1

Client #: 128811720**Int. Register #:** 121818810**Interest #:****176534589**

Assignment of Rents

Value: N/A**Reg'd:** 14 Sep 2016 09:53:48**Interest Register Amendment Date:** N/A**Interest Assignment Date:** N/A**Interest Scheduled Expiry Date:** N/A**Expiry Date:** N/A**Holder:**

Affinity Credit Union 2013
130 1st Avenue North
Saskatoon, Saskatchewan, Canada S7K 0G1

Client #: 128811720**Int. Register #:** 121818821**Addresses for Service:****Name****Owner:**

MD BUILDING LTD.

Client #: 128881907

Address

2233 SPEERS AVENUE SASKATOON, Saskatchewan, Canada
S7L 5X6

Notes:

Parcel Class Code: Parcel (Generic)

**Back to top**

12.0 Industrial Zoning Districts

12.1 IL1 - General Light Industrial District

12.1.1 Purpose

The purpose of the IL1 district is to facilitate economic development through a wide variety of light industrial activities and related businesses that do not create land use conflicts or nuisance conditions during the normal course of operations.

12.1.2 Permitted Uses

The permitted uses and minimum development standards in an IL1 district are set out in the following table:

IL1 District	Minimum Development Standards (in Metres)						
	Site Width	Site Depth	Site Area (m ²)	Front Yard	Side Yard	Rear Yard	Building Height (Max.)
12.1.2 Permitted Uses							
All uses of buildings and land are permitted except those specifically noted prohibited or discretionary in clauses 12.1.3 and 12.1.4, 5	7.5	30	225	6	0 ₁	0 ₃	23

12.1.3 Prohibited Uses

The prohibited uses in an IL1 district are:

- Adult entertainment venues
- Adult mini-theatres
- All uses of land, buildings and industrial processes that may be noxious or injurious, or constitute a nuisance beyond the boundaries of the subject site by reason of the production or emission of dust, smoke, refuse, matter, odour, gas, fumes, noise, vibration or other similar substances or conditions
- Arsenals or gunpowder manufacture or storage
- Breweries
- Campgrounds
- Chemical manufacturing
- Distilleries
- Dwellings, except those necessary for watchmen or caretakers
- Elementary and high schools
- Gas manufacturing, bulk storage, or the filling of bulk gas cylinders
- Hospitals
- Intensive livestock operations and stockyards
- Junk and salvage yards, vehicle wrecking yards and other similar uses
- Mobile home courts
- Municipal public works yard – Type III

- Refining or wholesale storage of petroleum products or explosive derivatives thereof
- Sawmills and planing mills
- Special care homes
- Steel mills, blast furnaces, smelters and foundries

12.1.4 Discretionary Uses

The discretionary uses and minimum development standards in an IL1 district are set out in the following table:

IL1 District	Minimum Development Standards (in Metres)						
	Site Width	Site Depth	Site Area (m ²)	Front Yard	Side Yard	Rear Yard	Building Height (Max.)
12.1.4 Discretionary Uses							
Alcohol establishments – type II and III	7.5	30	225	6	0 ₂	0 ₂	23
Day care centres and preschools	7.5	30	225	6	0 ₂	0 ₂	23
Shopping centres with a gross leasable floor area of 5,000m ² or greater ¹	30	30	10,000	6	3	7.5	23

12.1.5 Notes to Development Standards

- 1 A retail store or shopping centre with a gross leasable floor area of 5,000 square metres or greater may be increased not more than 10% of the approved gross leasable floor area without further discretionary use approval.
- 2 (a) Where an IL1 district abuts an R, M, or B district without the intervention of a street or lane, an abutting side yard of not less than 1.5 metres in width must be provided.

(b) On a corner site where the side yard adjoins the street, the side yard setback must be a minimum of 1.5 metres.
- 3 Where an IL1 district abuts an R, M, or B district without the intervention of a street or lane, a rear yard of not less than 3 metres in depth is required.
- 4 The floor area of a lounge must not exceed 50% of the public assembly floor area of the adjoining restaurant.
- 5 An area that is limited to 250 square metres gross floor area for the on-site consumption of alcohol may be included as an accessory use to a microbrewery – type I.

12.1.6 Signs

The regulations governing signs in an IL1 district are contained in Appendix A - Sign Regulations.

12.1.7 Parking

The regulations governing parking and loading in an IL1 district are contained in section 6.0.

12.1.8 Landscaping

The regulations governing landscaping in an IL1 district are contained in section 7.0.

12.1.9 Outdoor Storage

Outdoor storage areas may be permitted in side and rear yards provided they are suitably screened from any street. Outdoor storage may only be permitted in front yards where it is screened from view from any street and a landscaped strip of not less than 4.5 metres in width is provided adjacent to the front property line to the satisfaction of the Development Officer.

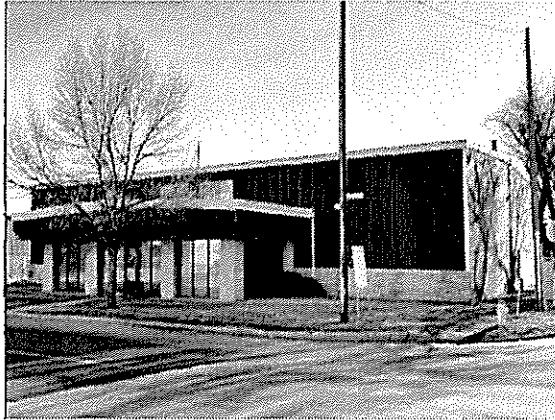
12.1.10 On-Site Waste Spaces

The regulations governing on-site waste spaces in an IL1 district are contained in clause 5. 2.6.

807 60TH STREET EAST

SASKATOON, SASKATCHEWAN

ICR



Market Type: North Saskatoon
 Property Type: Industrial
 Gross Building Area(SF): 10,650
 Area Above Grade (SF): 10,650
 Area Below Grade (SF): 0
 Net Rentable Area (SF): 10,650
 Gross Land Area: 0.75 Acres; 32,670 SF
 Number of Stories: 0.0
 Building Construction: Steel Frame
 Year Built: 1981
 Property Condition:
 Parking Type: 4 Surface
 Ceiling Height: 18 FT
 % of Office Space: 12.97%

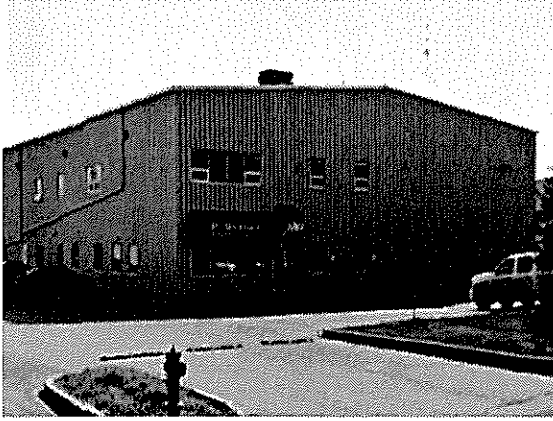
SALE INFORMATION

Sale Price:	\$2,175,000.00	Sale Price/SF GBA:	\$204.23
Sale Status:	Closed	Sale Price/SF NRA:	\$204.23
Contract Sale Date:	April 01, 2025	Capitalization Rate:	6.30%
Conditions of Sale:		Effective Gross Revenue Multiplier:	0.00
Rights Conveyed:	Fee Simple	Effective Gross Income:	\$0
Grantee:	102209635 Saskatchewan Ltd.	Expenses:	\$0
Grantor:		Net Operating Income:	\$0

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851 58TH STREET EAST SASKATOON, SASKATCHEWAN



Market Type:	North Saskatoon
Property Type:	Industrial
Gross Building Area(SF):	10,000
Area Above Grade (SF):	0
Area Below Grade (SF):	0
Net Rentable Area (SF):	10,000
Gross Land Area:	1.02 Acres; 44,281 SF
Number of Stories:	1.0
Building Construction:	Steel Frame
Year Built:	1999
Property Condition:	Good
Parking Type:	0 Surface
Ceiling Height:	27'
% of Office Space:	40.00%

SALE INFORMATION

Sale Price:	\$1,930,000.00	Sale Price/SF GBA:	\$193.00
Sale Status:	Closed	Sale Price/SF NRA:	\$193.00
Contract Sale Date:	May 06, 2024	Capitalization Rate:	6.73%
Conditions of Sale:	No	Effective Gross Revenue Multiplier:	14.21
Rights Conveyed:	Leased Fee	Effective Gross Income:	\$135,800
Grantee:	102010163 Saskatchewan Ltd.	Expenses:	\$5,874
Grantor:	101234698 Saskatchewan Ltd.	Net Operating Income:	\$129,926

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826 43RD STREET EAST SASKATOON, SASKATCHEWAN



Market Type:	North Saskatoon
Property Type:	Industrial
Gross Building Area(SF):	10,536
Area Above Grade (SF):	0
Area Below Grade (SF):	0
Net Rentable Area (SF):	10,536
Gross Land Area:	1.19 Acres; 51,731 SF
Number of Stories:	1.0
Building Construction:	
Year Built:	1987
Property Condition:	Average
Parking Type:	0 Surface
Ceiling Height:	16
% of Office Space:	20.03%

SALE INFORMATION

Sale Price:	\$2,300,000.00	Sale Price/SF GBA:	\$218.30
Sale Status:	Closed	Sale Price/SF NRA:	\$218.30
Contract Sale Date:	November 27, 2024	Capitalization Rate:	5.97%
Conditions of Sale:		Effective Gross Revenue Multiplier:	16.07
Rights Conveyed:	Leased Fee	Effective Gross Income:	\$143,079
Grantee:	Stockdales Electric Motor Corp.	Expenses:	\$5,872
Grantor:	Normandale Holdings Ltd.	Net Operating Income:	\$137,207

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2956 PORTAGE AVENUE SASKATOON, SASKATCHEWAN

Front of Building



Market Type:	East Saskatoon
Property Type:	Industrial
Gross Building Area(SF):	9,000
Area Above Grade (SF):	9,000
Area Below Grade (SF):	0
Net Rentable Area (SF):	9,000
Gross Land Area:	0.66 Acres; 28,804 SF
Number of Stories:	1.0
Building Construction:	Steel Frame
Year Built:	1981
Property Condition:	Average
Parking Type:	5 Surface
Ceiling Height:	20
% of Office Space:	13.27%

SALE INFORMATION

Sale Price:	\$1,800,000.00	Sale Price/SF GBA:	\$200.00
Sale Status:	Closed	Sale Price/SF NRA:	\$200.00
Contract Sale Date:	November 22, 2024	Capitalization Rate:	0.00%
Conditions of Sale:		Effective Gross Revenue Multiplier:	16.07
Rights Conveyed:	Fee Simple	Effective Gross Income:	\$112,043
Grantee:	102031150	Expenses:	\$4,509
Grantor:	Normandale Holdings Inc.	Net Operating Income:	\$107,534

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2520 MILLAR AVENUE SASKATOON, SASKATCHEWAN

Source: ICR



Market Type:	North Saskatoon
Property Type:	Industrial
Gross Building Area(SF):	19,800
Area Above Grade (SF):	0
Area Below Grade (SF):	0
Net Rentable Area (SF):	19,800
Gross Land Area:	2.19 Acres; 95,522 SF
Number of Stories:	1.0
Building Construction:	
Year Built:	1978
Property Condition:	Average
Parking Type:	0 Surface
Ceiling Height:	20'
% of Office Space:	12.93%

SALE INFORMATION

Sale Price:	\$4,475,000.00	Sale Price/SF GBA:	\$226.01
Sale Status:	Closed	Sale Price/SF NRA:	\$226.01
Contract Sale Date:	June 24, 2024	Capitalization Rate:	5.55%
Conditions of Sale:	No	Effective Gross Revenue Multiplier:	17.26
Rights Conveyed:	Fee Simple	Effective Gross Income:	\$259,281
Grantee:	CENAIKO VENTURES LIMITED	Expenses:	\$11,045
Grantor:	Normandale Holdings	Net Operating Income:	\$248,236

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