



ANNUAL INFORMATION FORM
FOR THE YEAR ENDED DECEMBER 31, 2019

November 9, 2020

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NOTE REGARDING FORWARD LOOKING STATEMENTS

This Annual Information Form (“AIF”) contains forward looking statements and information including, without limitation, information and statements respecting ViveRE Communities Inc.’s (“ViveRE” or the “Corporation”) expectations (as defined herein) with regard to the planned growth of the property portfolio, future acquisitions including the amount expected to be spent on such acquisitions, the location of such acquisitions, improvements in the profitability of ViveRE’s property portfolio and management’s expectations regarding capital improvement costs. Such forward looking information and statements relate, but are not limited to, ViveRE’s expectations, intentions, plans and beliefs.

In some cases, forward-looking statements can be identified by the use of words such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “potential”, “continue” or the negative of these terms or other comparable terminology, and by discussions of strategies that involve risks and uncertainties. Readers should be aware that these statements are subject to known and unknown risks, uncertainties and other factors that could cause actual results to differ materially from those anticipated or implied, or those suggested by any forward looking statements, including: competition within each of ViveRE’s business segments, national and regional economic conditions and the availability of capital to fund further investments in ViveRE’s business, as well as those described under the heading “Risk Factors” in this AIF. Given these uncertainties, readers are cautioned not to place undue reliance on any forward-looking statements contained in this AIF.

By their nature, forward-looking statements involve numerous assumptions, inherent risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and various future events will not occur. Although management of ViveRE (“Management”) believes that the expectations reflected in the forward-looking statements are reasonable, there can be no assurance that future results, levels of activity, performance or achievements will occur as anticipated. Neither ViveRE nor any other person assumes responsibility for the accuracy and completeness of any forward-looking statements, and no one has any obligation to update or revise any forward-looking statement, whether as a result of new information, future events, circumstances or such other factors which affect this information, except as required by applicable law.

The following should also be read in conjunction with ViveRE’s December 31, 2019 financial statements and the notes thereto, along with other posted information concerning ViveRE, including Management’s Discussion and Analysis for the year ended December 31, 2019. All of these documents are available under the Corporation’s profile on SEDAR at www.sedar.com, and are hereby incorporated by reference in this AIF.

NON-IFRS MEASURES

There are measures included in this document that do not have a standardized meaning under IFRS and therefore may not be comparable to similarly titled measures presented by other publicly traded companies. The Corporation includes these measures as a means of measuring financial performance.

- Net operating income (“NOI”) is calculated by the Corporation as income from property operations. The use of NOI when referring to a particular segment is calculated as property revenue less property operating costs for that segment.
- Capitalization rate (“cap-rate”) is the rate calculated by dividing the forecasted NOI from a property by the property’s purchase price.

CORPORATE STRUCTURE

The Corporation

ViveRE Communities Inc. (the “**Corporation**” or “**ViveRE**”), based in Halifax, Nova Scotia, is a publicly traded residential landlord, owning, operating and managing multi-family residential properties focused upon residents aged 55 years and up.

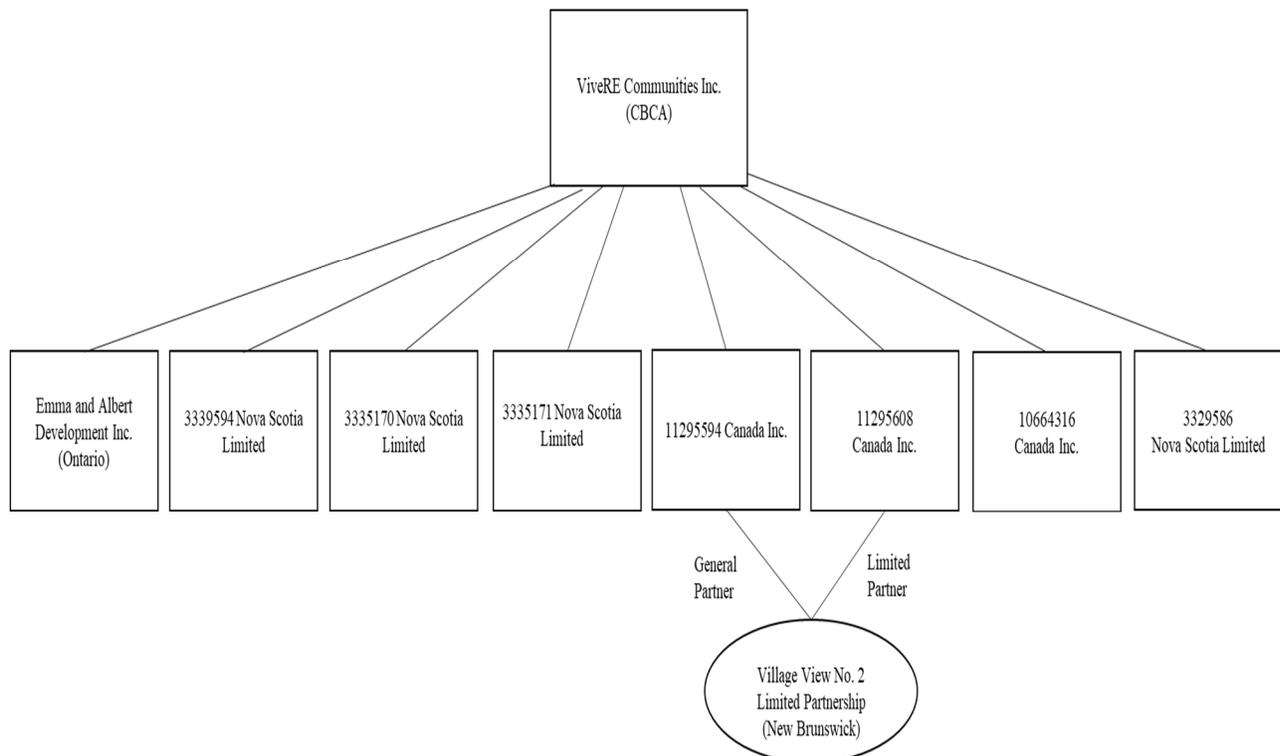
Incorporation

ViveRE was incorporated as “NSX Silver Inc.” under the *Canada Business Corporations Act* (the “**CBCA**”) on August 9, 2011. The registered office, head office and principal business office of the Corporation is located at 1969 Upper Water Street, Suite 2108, Halifax, Nova Scotia, B3J 3R7.

On August 23, 2018, the Corporation completed a change of business transaction in accordance with TSX Venture Exchange (“**TSXV**” or the “**Exchange**”) Policy 5.2 – *Changes of Business and Reverse Takeovers* (the “**Change of Business**”). Pursuant to the Change of Business, the Corporation changed its business from a mining and mineral exploration company to a real estate company, and changed its name to “ViveRE Communities Inc.”

ViveRE has eight (8) direct corporate subsidiaries, and one (1) indirect limited partnership subsidiary. ViveRE owns 100% of the issued and outstanding voting common shares of each corporate subsidiary. No other class of security has been issued in any of the corporate subsidiaries. The Corporation indirectly owns 100% of the limited partnership units and general partnership units of the limited partnership subsidiary. No other class of security has been issued in its limited partnership subsidiary.

The following organizational chart presents the Corporation and its subsidiaries as of the date of this AIF, including jurisdiction of incorporation or formation.



GENERAL DEVELOPMENT OF THE BUSINESS

History

ViveRE, previously NSX Silver Inc. (“NSX”), was incorporated on August 9, 2011 under the CBCA and its common shares commenced trading on the TSXV on March 14, 2012 as a Tier 2 Mining Issuer.

On August 23, 2018, NSX completed an acquisition of the property and related assets located at 41 Noel Avenue (the “**41 Noel Property**”). The acquisition of the 41 Noel Property represented the Corporation’s Change of Business from a mining and mineral exploration company to a real estate company. In connection with the Change of Business, the Corporation changed its name to ViveRE Communities Inc. and re-listed its common shares (the “**Common Shares**” and each, a “**Common Share**”) on the TSXV as a Tier 2 real estate company. ViveRE began trading on the TSXV under the symbol “VCOM” on September 11, 2018. For more information about the Change of Business, and the associated financing, please see the Corporation’s filing statement, dated August 21, 2018, and the section entitled “*Company Overview*” in ViveRE’s Management’s Discussion and Analysis for the year ended December 31, 2019, both of which are available under the Corporation’s profile on SEDAR at www.sedar.com, and are hereby incorporated by reference in this AIF.

On April 9, 2019, the Corporation closed a short form prospectus offering of Common Shares. A total of 14,226,834 Common Shares were sold at a price of \$0.20 per Common Share for aggregate gross proceeds of \$2,845,367 (the “**2019 Public Offering**”). For more information about the 2019 Public Offering, please see the Corporation’s final short form prospectus, dated March 29, 2019, which is available under the Corporation’s profile on SEDAR at www.sedar.com, and is hereby incorporated by reference in this AIF.

On April 11, 2019, the Corporation announced that it had completed the acquisition of Village View No. 2 Limited Partnership, a limited partnership formed under the laws of the Province of New Brunswick (“**Village View LP**”), whose sole asset was a multi-family rental property located at 50 Noel Avenue, Saint John, New Brunswick (the “**Noel Property**”). The terms of the acquisition are set forth in the partnership interest purchase agreement, dated February 15, 2019, by and among ViveRE, Village View LP, SBLS Holdings Inc., 621946 N.B. Inc., Anron Inc. and Residential Investors and Developers Ltd. (the “**Village View LP Purchase Agreement**”), which is available under the Corporation’s profile on SEDAR at www.sedar.com, and is hereby incorporated by reference in this AIF. The purchase price for Village View LP was \$7,900,000, subject to customary adjustments. The purchase price was paid with the assumption of the approximately \$5,340,000 existing 2.55% APR (annual percentage rate) mortgage (with respect to the Noel Property), the issuance of 1,000,000 Common Shares a price of \$0.20 per Common Share and approximately \$2,360,000 in cash raised pursuant to the 2019 Public Offering. For more information about the Corporation’s acquisition of Village View LP, please see the Corporation’s business acquisition report, dated June 24, 2019, which is available under the Corporation’s profile on SEDAR at www.sedar.com, and is hereby incorporated by reference in this AIF.

On September 30, 2019, the Corporation closed a non-brokered private placement offering of Tier 1 and Tier 2 units. A total of 19 Tier 1 units were sold at a price of \$25,000 per Tier 1 unit and four (4) Tier 2 units at a price of \$250,000 per Tier 2 unit for aggregate gross proceeds of \$1,475,000 (the “**September 30 Private Placement**”). Each Tier 1 Unit was comprised of 56,818 Common Shares and a \$12,500 convertible debenture, bearing annual interest of 7%, with a term of two years. Each Tier 2 Unit was comprised of 568,181 Common Shares, a \$125,000 convertible debenture, bearing annual interest of 7% for a term of two years, and 500,000 common share purchase warrants, exercisable at a price of \$0.25 per share for a period of two years from the date of issuance. The debentures included in the Tier 1 and Tier 2 units are convertible, at the holder’s option, into Common Shares at a price of \$0.25 per share for a period

of two years from the date of issuance. Directors of the Corporation subscribed for an aggregate of approximately 15% of the offering.

On October 3, 2019, the Corporation completed the acquisition of the real estate properties located at 542 and 550 Ryan Street, Moncton, New Brunswick (collectively, the “**Ryan Street Properties**”). The terms of the acquisition are set forth in the purchase agreement, dated August 15, 2019, between ViveRE and Ryan Oak Estates Inc. (the “**Ryan Street Purchase Agreement**”). ViveRE acquired the Ryan Street Properties for an aggregate purchase price of \$5,488,000 subject to customary adjustments. The Corporation satisfied the purchase price via a collateral mortgage on the Ryan Street Properties in the amount of \$4,115,785 and cash from the proceeds of the September 30 Private Placement. The mortgage bears a fixed annual interest rate of 3.45% and has a term of 5 years with monthly principal and interest payments of \$20,440. The Ryan Street Properties were constructed in 2012, and consist of two 23-unit apartment buildings comprised of six one-bedroom units, 40 two-bedroom units and a separate three season community use building and a utility building for equipment storage. The Ryan Street Properties are conveniently located in the north end of Moncton, close to shopping, healthcare and recreation facilities.

On March 16, 2020, ViveRE announced that it had completed the acquisition of the real estate properties located at 150 Lewisville Road (55 units), 154 Lewisville Road (34 units) and 39 Pleasant Street (35 units) in Moncton, New Brunswick (the “**Denaco Properties**”) from Denaco Group Ltd. (“**Denaco**”). The terms of the acquisition are set forth in the purchase agreement, dated February 10, 2020, between ViveRE and Denaco Group Ltd. (the “**Denaco Purchase Agreement**”). The Corporation acquired the Denaco Properties for a purchase price of \$13,500,000, subject to customary adjustments. ViveRE satisfied the purchase price with the issuance to Denaco of 2,083,333 Common Shares at a price of \$0.24 per share, representing consideration of \$500,000, with the balance being paid in cash. ViveRE also placed mortgages on the Denaco Properties in the aggregate amount of \$10,125,000 having a fixed annual rate of interest of 2.05% and a 25-year amortization period. In connection with the acquisition of the Denaco Properties, Denis Arsenault, the owner of Denaco, subscribed for: (i) 7,291,667 common shares of ViveRE at a price of \$0.24 per Common Share for aggregate gross proceeds of \$1,750,000; (ii) an unsecured convertible debenture in the principal amount of \$1,750,000; and (iii) 7,000,000 common share purchase warrants having a 3-year term and an exercise price of \$0.27 per common share. The Debenture has a 2-year term, bears interest at the rate 7% per annum to be paid annually, and is convertible into 6,481,481 Common Shares at a price of \$0.27 per common share, assuming full conversion.

On March 16, 2020, in connection with the acquisition of the Denaco Properties, the holders of the Series A and Series B convertible debentures, issued to such holders in connection with the Change of Business (the “**2018 Convertible Debentures**”), agreed to amend the terms of the 2018 Convertible Debentures such that each unit, as converted, would now consist of one Common Share and 0.75 of a common shares purchase warrant (rather than one (1) common share purchase warrant), and converted the outstanding principal of \$1,300,000 of such 2018 Convertible Debentures into 8,666,662 units. After the foregoing amendment, each unit consisted of one Common Share and 0.75 of a common share purchase warrant (with each full common share purchase warrant entitling the holder to acquire one common share at a price of \$0.175 per common share for a period of two years from the date of issuance of the warrants). For more information about the 2018 Convertible Debentures, please see the section entitled “*Transaction Financing – Debenture Financing*” in the Corporation’s filing statement, dated August 21, 2018, which is available under the Corporation’s profile on SEDAR at www.sedar.com, and is hereby incorporated by reference in this AIF.

The Corporation also completed the first tranche of a non-brokered private placement on April 16, 2020, and the second tranche of the private placement on May 15, 2020, for a total of 38 Tier 1 units at a price of \$25,000 per Tier 1 unit, and a total of three (3) Tier 2 units at a price of \$250,000 per Tier 2 unit, for aggregate gross proceeds of \$1,700,000 (collectively, the “**Emma Private Placement**”). Each Tier 1 Unit

was comprised of 52,083 Common Shares and a \$12,500 convertible debenture, bearing annual interest of 7% for a term of two years. Each Tier 2 Unit was comprised of 520,833 Common Shares, a \$125,000 convertible debenture, bearing annual interest of 7% for a term of two years, and 500,000 common share purchase warrants, exercisable at a price of \$0.27 per share for a period of two years from the date of issuance. The debentures included in the Tier 1 and Tier 2 units are convertible, at the holder's option, into Common Shares at a price of \$0.27 per share for a period of two years from the date of issuance.

On April 28, 2020, the Corporation acquired all the shares of Emma and Albert Development Inc. ("**Emma**"), whose sole asset is the real property located at 75 Emma Street, Oshawa, Ontario (the "**Emma Street Property**"). The Emma Street Property is a newly built multi-unit residential property totaling 20 units. The terms of the acquisition are set forth in the purchase agreement, dated January 6, 2020, by and among ViveRE, Hans Jain, Hitesh Gajiwala and Emma and Albert Development Inc., as amended (the "**Emma Purchase Agreement**"). ViveRE acquired Emma for a purchase price of \$7,300,000, subject to customary adjustments. The Corporation satisfied the purchase price with a mortgage in the amount of \$4,780,750, the issuance to the vendors of 2,083,333 Common Shares at a deemed price of \$0.24 per share representing consideration of \$500,000, the vendors providing an unsecured vendor take back loan in the form of a convertible debenture in the amount of \$500,000 repayable in 24 months and bearing interest at 7% per annum (convertible at the option of the vendors into 1,851,851 Common Shares at a deemed price of \$0.27 per Common Share for 24 months from the closing date), the issuance of 2,000,000 warrants to acquire Common Shares at an exercise price of \$0.27 per Common Share for a term of 24 months from the closing date and the balance in cash from the cash proceeds of tranche 1 of the Emma Private Placement.

On September 1, 2020, ViveRE announced the completion of an acquisition of a seven property multi-unit residential portfolio comprised of 128 units located at 145-155 McLaughlin Road in Moncton, New Brunswick (the "**McLaughlin Properties**"). The terms of the acquisition are set forth in the purchase agreement, dated February 26, 2020, between ViveRE and A.T.M.J. Properties Inc., as amended (the "**ATMJ Purchase Agreement**"). The Corporation acquired the McLaughlin Properties for a purchase price of \$14,700,000, subject to customary adjustments. ViveRE satisfied the purchase price by placing a collateral mortgage on the McLaughlin Properties in the amount of \$11,537,250 (having an effective annual rate of interest of 1.56% and a 25-year amortization period), issuing to the vendor 5,681,818 Common Shares at a price of \$0.22 per share for total consideration of \$1,250,000, issuing to the vendor 2,500,000 common share purchase warrants having an exercise price of \$0.27 per Common Share (and a term of three years) and the cash proceeds from a \$2,470,000 non-brokered private placement of convertible debentures (the "**August 31 Private Placement**"). The debentures issued pursuant to the August 31 Private Placement have a par value of \$1,000 per Debenture, an issue price of \$950 per Debenture, an annual interest rate of 7% payable semi-annually in cash, mature on September 15, 2022, and are secured by properties currently in the Corporation's portfolio. The debentures are convertible at the holder's option into Common Shares at a price of \$0.24 per share. If certain conditions are met, the debentures are redeemable by ViveRE at par value plus accrued interest commencing February 28, 2022.

As of the date of this AIF, ViveRE owns 15 multi-unit residential properties located in bedroom communities across the Maritimes and Ontario, and has another three multi-unit residential properties comprising 129 units under agreement for an aggregate purchase price of \$25,398,500: (i) a 64 unit property located at 2380 Mountain Road, Moncton, New Brunswick (the terms of which are set forth in the ATMJ Purchase Agreement); (ii) an 18 unit property located at 27 Edmond Street, Moncton, New Brunswick (the terms of which are set forth in the ATMJ Purchase Agreement); and (iii) a 47 unit property located at 51 Noel Avenue, Saint John, New Brunswick (the "**51 Noel Property**"). The terms of the acquisition of the 51 Noel Property are set forth in the purchase agreement, dated November 6, 2020, among, *inter alia*, Village View No. 3 Limited Partnership, a limited partnership formed under the laws of the Province of New Brunswick ("**VVLP3**"), ViveRE, Brittain Seale Holdings Inc., in its own capacity and in its capacity as general partner of VVLP3 and 621946 N.B. Inc. (the "**51 Noel Purchase Agreement**"). Pursuant to the

terms of the 51 Noel Purchase Agreement, the Corporation, subject to customary closing conditions, shall acquire VVLP3, whose sole asset is the 51 Noel Property, for a purchase price of \$11,250,000, subject to customary adjustments. ViveRE shall satisfy the purchase price with the issuance to VV LP of 2,727,272 Common Shares at a price of \$0.22 per share, representing consideration of \$600,000, with the balance being paid in cash. The Corporation expects to close all of these acquisitions on or before December 31, 2020.

Significant Acquisitions

The only significant acquisition (as determined in accordance with National Instrument 51-102 – *Continuous Disclosure Obligations*) that the Corporation has completed since January 1, 2019 was the acquisition of Village View LP (as described above). ViveRE filed a business acquisition report in respect of the acquisition of Village View LP on June 24, 2019 (which is available under the Corporation’s profile on SEDAR at www.sedar.com), and is incorporated by reference in this AIF.

DESCRIPTION OF THE BUSINESS

Summary

As of the date of this AIF, the Corporation owns 15 multi-unit residential properties located in bedroom communities across the Maritimes and Ontario. ViveRE plans to continue to expand its portfolio by acquiring multi-family rental properties in communities and markets with age demographics that support the niche of “Naturally Occurring Retirement Communities” or “NORC”. Proximity to healthcare, public transit and community services are just some of the factors driving the creation of this portfolio. ViveRE expects that the buildings will be predominantly low and mid-rise, with elevators and room to introduce amenities specific to the 55+ resident interested in an age in place lifestyle.

For the year ended December 31, 2018, the Corporation generated revenue of \$157,492, consisting of rental income from the sole property in its portfolio during such fiscal year, being the 41 Noel Property.

For the year ended December 31, 2019, the Corporation generated revenue of \$1,089,545, consisting of rental income from the properties in its portfolio during such fiscal year.

For more details of the results of operations for the years ended December 31, 2018 and December 31, 2019, please see ViveRE’s financial statements for each of the years ended December 31, 2018 and December 31, 2019, and the notes thereto, along with other posted information concerning ViveRE, including Management’s Discussion and Analysis for each of the years ended December 31, 2018 and December 31, 2019, all of which are available under the Corporation’s profile on SEDAR at www.sedar.com, and are hereby incorporated by reference in this AIF.

ViveRE is focused on increasing the value of its real estate portfolio by maximizing revenue and operating efficiencies. To achieve NOI growth, ViveRE addresses five critical factors; occupancy, turn-over, rental rates, third party services revenue and operating costs. The Corporation focuses on investing in its properties, relationships with its third party suppliers and operating cost control to maximize these outcomes.

Information describing the business of the Corporation is as of November 9, 2020, unless otherwise stated.

Detailed Description of the Business

The Corporation owns and manages multi-unit residential buildings targeted to residents aged 55 years and older. Property management is handled by third party providers on a contract basis, and will only be brought in-house as resources and business activity support such a change. A condo or hospitality style level of service is part of the business plan, with third party providers to be chosen with this level of service in mind. ViveRE is working on the introduction of a menu of services that will enhance the living experience of its residents. Today's active 55+ individual or family is interested in community and independence, and seek properties that attract like-minded residents. The Corporation's target tenant desires a life style that eliminates the work and risk associated with a single family home at a stage when the resident desires convenience and freedom. The 55+ demographic includes approximately 10,000,000 Canadians.

As part of its service platform, ViveRE intends to introduce third party supplied services such as home healthcare, wireless internet and communications, technology support, housekeeping, pet care, grocery and dry cleaning delivery, mobility vehicle parking and storage and other services to enhance the lives of its residents. Revenue from these services has the potential to enhance the operating profitability of a property beyond a traditional rental revenue model. In essence, a condo or hospitality style level of service is part of the Corporation's business plan, with third party providers to be chosen with this level of service in mind.

Community building amenities are also planned for the Corporation's properties and its future acquisitions. Workshops and community gardens will be added as space and resources allow. The Corporation seeks to add high value, low capital cost amenities wherever possible.

ViveRE believes that the target resident base of 55+ will deliver a lower turnover property and will keep capital and operating costs down through respectful use of premises. Currently, the Corporation is able to directly control approximately 40% of operating expenses, including labour costs, repairs and maintenance and property general and administrative expenses. The remaining operating costs, including utility and energy costs, and property taxes, are less controllable. ViveRE's apartments are currently heated with electricity, and all units are individually metered.

Like other real estate companies, ViveRE expects to have a highly scalable business model where a small team can drive a large number of transactions. As such, ViveRE expects to continue to operate in the near term with its hands-on board of directors (the "**Board**") and limited management team. The Corporation plans to continue on executing on its strategy of aggressively acquiring additional properties that offer attractive cash-on-cash returns. The Corporation believes that the properly managed execution of its growth strategy and careful attention to its shareholders will help create a successful publicly listed real estate company.

The Corporation intends to continue to acquire multi-family rental properties in bedroom communities, focusing on highly leased properties that are new, recent build or recently refurbished. These communities across the country, which larger investors tend to overlook, fit ViveRE's business model. With less competition for product, the Corporation believes that these markets will deliver a greater spread between cost of capital and capitalized income (cap rate) therefore delivering greater potential for profitability. ViveRE's management team has successfully developed relationships with smaller, independent local developers whose properties often have a definable gap between in-place and market rents. The Corporation has developed a set of screens to determine whether an opportunity fits the business model.

Focus on New and Newly Refurbished Properties

The Corporation believes that increasing ViveRE's ownership in newer, high-quality buildings will result in above-market and long- term demand for Corporation's assets from an aging population, reduce annual

capital requirements for deferred maintenance, and transform its portfolio over time into one of the highest quality portfolios in Canada.

ViveRE expects that any new properties that will be considered as additions to its portfolio will be of condominium quality, providing tenants with features and amenities traditionally associated with ownership. The Corporation believes that demand for this type of rental accommodation will grow given an increasing number of homeowners reaching retirement age and looking for alternatives to home ownership. ViveRE is also attracted to the low capital spend requirements for new assets compared to older buildings, which often include significant capital investment to address deferred maintenance. Generally, the amount of annual capital to maintain a property increases as the building ages. In addition, with energy efficient features, the NOI margins are generally higher in newer buildings.

Select newly refurbished older properties will also be considered for acquisition, where they meet the Corporation's acquisition criteria and have a resident base matching the Corporation's 55+ focus. When major capital items have been replaced, such as roof or parking surface, and upgrades to apartment finishes and appliances are significantly completed, older buildings may fit the Corporation's proposed portfolio.

With strong demand for the acquisition of apartments over the last five years, cap-rates have declined and the pricing differential between older and newer buildings has narrowed. This enables ViveRE to increase the amount of newer apartments in its portfolio without paying a significant premium for quality assets.

Geographic Diversification

Geographic diversification is a priority for ViveRE. With Atlantic Canada representing only 5.0% of the Canadian rental market, ViveRE's growth opportunities increase significantly when considering assets outside Atlantic Canada.

Principal Markets

ViveRE has chosen a group of buildings that closely match its defined criteria developed by Management and the Board as its entry point into multi-family residential properties. The Saint John and Moncton, New Brunswick and Oshawa, Ontario market are attractive given their lower percentage of new build apartments.

Characteristics of Apartment Properties

The Corporation's properties are generally low-rise, with proximity to healthcare, public transit and community services.

Competitive Conditions

The residential real estate market is competitive, but ViveRE believes that its deeply experienced Board, professional management, focus on resident service and well maintained properties all contribute to its ability to remain competitive. With experience in real estate markets from coast to coast, the ViveRE team brings insight and experience in local, regional and national multi-residential opportunities.

100% of ViveRE's 2019 apartment NOI was generated from Atlantic Canada. There are approximately 107,000 rental units in Atlantic Canada, as surveyed by CMHC (October 2019), 84% of which are included in the six largest markets. CMHC provides statistics on the health of rental markets across the country twice annually in its Rental Market Reports. The following chart summarizes the vacancy rates across ViveRE's Atlantic market and the year-over-year change in two bedroom rents, for each of the last two years, for the months of October 2019 and 2018.

Vacancy and Rental Increases in ViveRE's Atlantic Markets

Source: CMHC Fall 2019 Rental Market Reports

Vacancy Rate Two Bedroom Rent Increases*

Primary Apartment Markets	Oct-19	Oct-18	Oct-19	Oct-18
Halifax	1.0%	1.6%	3.7%	1.8%
Moncton	2.2%	2.7%	2.6%	3.0%
Saint John	3.3%	3.7%	4.4%	3.1%
St. John's	6.9%	6.3%	1.1%	-0.8%
Charlottetown	1.2%	0.2%	2.9%	2.5%
From CMHC reports				
2019/2018				

*The percentage change is based on those structures that were common to the survey for both years.

ViveRE's vacancy and average monthly rent for its portfolio of properties at December 31, 2018 and December 31, 2019 are noted in the following chart:

Apartment Vacancy & Average Monthly Rent by Core Market

	<u>Vacancy</u>		<u>Average Monthly Rent</u>		<u>Number of Apartments</u>	
	2019	2018	2019	2018	2019	2018
As at December 31						
ViveRE	0%	0%	\$1,194	\$1,208	119	31
ViveRE - Saint John	0%	0%	\$1,318	\$1,208	73	31
ViveRE - Moncton	0%	0%	\$996	\$0	46	0
Saint John	3.30%	3.70%	\$797	\$755	9,384	9,255
Moncton	2.20%	2.70%	\$870	\$831	12,652	12,066

ViveRE had occupancy of 100% for its portfolio of properties at December 31, 2019.

Limited Exposure to Rent Control

ViveRE is generally able to adjust rent rates on an annual basis in accordance with its leasing arrangements. New Brunswick does not have rent control. In Ontario landlords can move rents to market on a unit-by-unit basis as they become vacant. Overall only 8.5% of ViveRE's NOI is generated in markets subject to rent control, however, owners in these regions may apply for above-guideline increases to offset significant capital expenditures.

To determine rental increases for its portfolio, the Corporation analyzes each property on a regular basis, considering its location, resident base and vacancy, to evaluate the ability to increase rents for both existing residents and on turnovers.

Seasonality of Results

ViveRE's apartment results are impacted by seasonality as operating costs are higher in the first and fourth quarters when heating costs, maintenance and snow removal are highest. ViveRE's operating costs are lower during the third quarter due primarily due to lower utility costs. ViveRE's revenue is not typically seasonal in nature.

CMHC Insured Debt Available

ViveRE's apartments are financed with first mortgages. At the time of acquisition, mortgage debt typically represents between 60% and 75% of the value of the asset. The Corporation typically places or assumes mortgages with terms ranging from one to seven years.

Canadian apartment owners can apply for CMHC mortgage loan insurance. The mortgage insurance guarantees the repayment of the loan to the lender, eliminating default risk to the lender which results in lower interest rates for the borrower than with conventional mortgages. ViveRE has CMHC insurance on its property located at 50 Noel. ViveRE plans to consider increasing the percentage of insured debt as mortgages mature and are refinanced, as well as on future acquisitions.

Improvements

ViveRE intends to invest in capital improvements to maintain and enhance the value of its properties. The amount of capital investment is determined on a property by property basis.

Annual capital spend includes a mix of maintenance capital and value enhancing upgrades. Maintenance capital varies with market conditions and relates to investments that are not expected to lead to an increase in the NOI, or increased efficiency, of a building; however, it is expected to extend the life of a building. Examples of maintenance capital include roof and structural repairs and are in addition to regular repairs and maintenance costs that are expensed to NOI. Value enhancing upgrades are investments in the properties that are expected to result in higher rents and/or increased efficiencies. This includes unit and common area upgrades and energy investments.

Operating Platform has Capacity for Growth

ViveRE's operational platform can support a larger and more geographically diverse portfolio. In addition to a head office in Halifax, properties are managed by arm's length, third-party management firms.

Acquisition and Investment Policy

To be successful as a fully integrated real estate company and to meet the Corporation's stated business objectives, the Corporation will continue to expand its portfolio through acquisitions. All potential acquisitions are screened initially by Management to determine their economic viability. When evaluating potential acquisitions, Management considers each property's NOI or potential NOI and evaluates such projection against a benchmark minimum return on investment. The Corporation completes customary due diligence prior to completing any acquisition. All potential acquisitions require the approval of the Board, and Management draws on the expertise and experience of all board members when evaluating such potential acquisitions, having regard for sound business fundamentals.

Employees

ViveRE has no employees as all management is delivered via professional services companies. Property management is handled via third party providers.

RISK FACTORS

In evaluating the Corporation and its business, the following risk factors should be considered in addition to the other information outlined in this AIF and the documents incorporated by reference herein. These risks and uncertainties are not the only ones facing the Corporation. Additional risks and uncertainties not currently known to the Corporation, or that the Corporation currently deems immaterial, may also impair the operations of the Corporation. If any such risks actually occur, the financial condition, liquidity and results of operations of the Corporation could be materially adversely affected and the ability of the Corporation to implement its growth plans could be adversely affected.

Business Risks***Reliance on Management***

The ability of the Corporation to successfully implement its business strategy and operate its business will depend in large part on the continued involvement of the Corporation's current management team. Shareholders of the Corporation (the "**Shareholders**") should realize that they are relying on the experience, judgment, discretion, integrity and good faith of the management team. If the Corporation loses the services of one or all of the members of its current management team, the business, financial condition and results of operations of ViveRE may be materially adversely affected.

Lack of Operating History

ViveRE has only conducted an active business since August 2018. While the Corporation has successfully completed the acquisition of additional investment properties in 2019 and to date in 2020, there is no assurance that the Corporation will be successful in achieving a return on Shareholders' investments and the likelihood of success must be considered in light of its early stage of operations.

Going Concern

The ability of the Corporation to continue as a going concern, and to realize its assets and discharge its liabilities when due, is dependent upon its ability to generate sufficient cash flow from operations and to secure sufficient financing to fund its general and administrative costs. Management cannot provide assurance that the Corporation will ultimately achieve profitable operations or raise additional debt and/or equity capital.

Internal Controls

Effective internal controls are necessary for ViveRE to provide reliable financial reports and to help prevent fraud. Although management of ViveRE will undertake a number of procedures and implement a number of safeguards in order to help ensure the reliability of ViveRE's financial reports, including those imposed on ViveRE under Canadian securities law, ViveRE cannot be certain that such measures will ensure that ViveRE will maintain adequate control over financial processes and reporting. Failure to implement required new or improved controls, or difficulties encountered in their implementation, could harm the Corporation's results of operations or cause it to fail to meet its reporting obligations. If the Corporation or its auditors discover a material weakness, the disclosure of that fact, even if quickly remedied, could reduce

the market's confidence in the Corporation's consolidated financial statements and harm the trading price of the Common Shares.

Litigation Risks

In the normal course of the Corporation's operations, it may become involved in, named as a party to or the subject of, various legal proceedings, including regulatory proceedings, tax proceedings and legal actions relating to personal injuries, property damage, property taxes, land rights, the environment and contract disputes. The outcome with respect to outstanding, pending or future proceedings cannot be predicted with certainty and may be determined adversely to the Corporation and as a result, could have a material adverse effect on the Corporation's assets, liabilities, business, financial condition and results of operations. Even if the Corporation prevails in any such legal proceeding, the proceedings could be costly and time-consuming and would divert the attention of management and key personnel from the Corporation's business operations, which could adversely affect its financial condition.

In addition to being subject to litigation in the ordinary course of business, in the future, the Corporation may be subject to class actions, derivative actions and other securities litigation and investigations. This litigation may be time consuming, expensive and may distract the Corporation from the conduct of its daily business. It is possible that the Corporation will be required to pay substantial judgments, settlements or other penalties and incur expenses that could have a material adverse effect on its operating results, liquidity or financial position. Expenses incurred in connection with these lawsuits, which would be expected to include substantial fees of lawyers and other professional advisors, and the Corporation's obligations to indemnify officers and directors who may be parties to such actions, could materially adversely affect the Corporation's reputation, operating results, liquidity or financial position.

Volatility of Share Price

Securities markets throughout the world are cyclical and, over time, tend to undergo high levels of price and volume volatility. A publicly traded company will not necessarily trade at values determined by reference to the underlying value of its business. The prices at which the Common Shares will trade cannot be predicted. The market price of the Common Shares could be subject to significant fluctuations in response to variations in quarterly and annual operating results, the results of any public announcements the Corporation makes, general economic conditions, and other factors. Increased levels of volatility and resulting market turmoil may adversely impact the price of the Common Shares. If the Corporation is (as it is expected to be) required to access capital markets to carry out its business objectives, the state of domestic and international capital markets and other financial systems could affect its access to, and cost of, capital. Such capital may not be available on terms acceptable to the Corporation or at all, and this could have a material adverse impact on its business, financial condition, results of operations or prospects.

Dilution

ViveRE is authorized to issue an unlimited number of Common Shares and other securities for such consideration and on such terms and conditions as may be established by the Board without the approval of the Shareholders. The Corporation expects to conduct additional equity financings in order to finance additional property acquisitions and develop the business of the Corporation as currently planned and envisioned by Management. Any further issuance of Common Shares pursuant to such equity financings will dilute the interests of existing Shareholders and such Shareholders will have no pre-emptive rights in connection with such future issuances. In addition, conversion of the debentures will also dilute the interests of existing Shareholders.

Financing Risks

ViveRE has a limited history of earnings and there can be no assurance that the Corporation will be profitable. In addition, the Corporation's business model is expected to be dependent on making investments in additional properties, and the Corporation anticipates having to raise additional capital to fund these investments. While the Corporation may generate additional working capital through equity or debt offerings, or through the receipt of revenue or other payments from properties, there is no assurance that such funds will be sufficient to facilitate the development of ViveRE's business as envisioned or, in the case of equity financings, that such funds will be available on terms acceptable to the Corporation or at all. If available, future equity financing may result in substantial dilution to the Shareholders.

Conflicts of Interest

Certain of the directors and officers of the Corporation will also serve as directors and/or officers of other companies. Consequently, there exists the possibility for such directors and officers to be in a position of conflict. Any decision made by any of such directors and officers will be made in accordance with their duties and obligations under the CBCA and other applicable laws to deal fairly and in good faith with a view to the best interests of the Corporation and the Shareholders. In addition, each of the directors is required to declare and refrain from voting on any matter in which such directors may have a conflict of interest in accordance with the procedures set forth in the CBCA, and other applicable laws.

Early Stage of Development

The Corporation is in an early stage of development. There is limited financial, operational and other information available with which to evaluate the prospects of the Corporation. There can be no assurance that the Corporation's operations will be profitable in the future or will generate sufficient cash flow to satisfy its working capital requirements.

Limited Number of Future Investments

While the Corporation's intention is to negotiate and fund additional investments in properties in different communities, it could take many years to create a diversified portfolio of multi-family rental properties and there is no guarantee the Corporation will ever achieve a portfolio of sufficient size. The Corporation may have a significant portion of its assets dedicated to a single property or community for an extended period of time. In the event that any such property or community is unsuccessful or experiences a downturn, this could have a material adverse effect on the Corporation's business, results of operations and financial condition.

Ability to Negotiate Additional Investments

A key element of the Corporation's growth strategy is expected to involve negotiating and finding investments in other multi-family rental properties. Achieving the benefits of future investments will depend in part on successfully identifying and capturing such opportunities in a timely and efficient manner and in structuring such arrangements to ensure a stable and growing stream of revenues. The Corporation's ability to identify investee multi-family rental properties and negotiate and fund additional investments in such a manner is not guaranteed.

Ability to Manage Future Growth

The Corporation's ability to achieve desired growth will depend on its ability to identify, evaluate and successfully negotiate and fund investments in other multi-family rental properties. As the Corporation

grows, it will also be required to hire, train, supervise and manage new employees. Failure to manage any future growth or to successfully negotiate suitable investments effectively could have a material adverse effect on the Corporation's business, financial condition and results of operations.

Effect of General Economic and Political Conditions

The Corporation's business and the business of its investee properties are expected to be subject to the impact of changes in national or international economic conditions, including but not limited to, recessionary or inflationary trends, equity market conditions, consumer credit availability, interest rates, consumers' disposable income and spending levels, job security and unemployment, and overall consumer confidence. These economic conditions may be further affected by political events throughout the world that cause disruptions in the financial markets, either directly or indirectly. Adverse economic and political developments could have a material adverse effect on the Corporation and its investee companies' business, financial condition, results of operations and cash flows.

Payment of Dividends

The Corporation has never declared dividends on any of its securities. The Corporation intends to reinvest all future earnings to finance the development and growth of its business. As a result, the Corporation does not intend to pay dividends on its securities in the foreseeable future, except as explicitly required by the rights and restrictions of such securities. Any future determination to pay dividends will be at the discretion of the Board and will depend on the Corporation's financial condition, operating results, capital requirements, contractual restrictions on the payment of dividends; prevailing market conditions and any other factors that the Board deems relevant.

Liquidity and Capital Resources

There is no guarantee that cash flow from real property investments will be readily available or will provide the Corporation with sufficient funds to meet its ongoing financial obligations. The Corporation may therefore require additional equity or debt financing to meet its operational requirements. The Corporation also plans to rely on additional equity financing to make investments in properties to grow the Corporation's business to the level envisioned by its management. There can be no assurance that such financing will be available when required or available on commercially favourable terms or on terms that are otherwise satisfactory to the Corporation. The ability of the Corporation to arrange such financing in the future will depend in part upon prevailing capital market conditions as well as its business performance.

Real Estate Risks

Indirect Investment in Real Estate

An investment in the Common Shares is an investment in real estate through the Corporation's indirect interest in the investment properties it acquires. Investment in real estate is subject to numerous risks, including the factors listed below and other events and risk factors which are beyond the control of the Corporation.

Acquisition Risk

The acquisition of the real estate entails risks that the investment will fail to perform in accordance with expectations. In undertaking such acquisitions, ViveRE will incur certain risks, including the expenditure of funds, including non-refundable deposits, due diligence costs and inspection fees and the devotion of management's time. The operation of the properties may not generate sufficient funds to make the payments

of principal and interest due on its financial debts and, upon default, one or more lenders could exercise their rights including foreclosure or the sale of the properties.

General Real Estate Ownership Risks

All real property investments are subject to a degree of risk and uncertainty. The value of real property and any improvements thereto depend on the credit and financial stability of tenants and upon the vacancy rates of such properties. The Property and targeted properties will generate revenue through rental payments made by the tenants thereof. The ability to rent vacant suites will be affected by many factors, including changes in general economic conditions (such as the availability and cost of mortgage funds), local conditions (such as an oversupply of space or a reduction in demand for real estate in the area), government regulations, changing demographics, competition from other available properties and various other factors. If a significant number of tenants are unable to meet their obligations under their leases or if a significant amount of available space in the properties becomes vacant and cannot be re-leased on economically favourable terms, the properties may not generate revenues sufficient to meet operating expenses, including debt service and capital expenditures, and ViveRE's net income will be adversely affected.

Certain significant expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges must be made throughout the period of ownership of real property regardless of whether the asset is producing any income. Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relationship with demand for and the perceived desirability of such investments. Such illiquidity will tend to limit the Corporation's ability to vary its portfolio promptly in response to changing economic or investment conditions. If the Corporation were to be required to quickly liquidate its real property investments, the proceeds might be significantly less than the aggregate carrying value of the property or less than what could be expected to be realized under normal circumstances. The Corporation may, in the future, be exposed to a general decline of demand by tenants for space in the properties. As well, certain of the leases of the property held by the Corporation may have early termination provisions which, if exercised, would reduce the average lease term.

Historical occupancy rates and revenues are not necessarily an accurate prediction of the future occupancy rates or revenues to be derived therefrom. There can be no assurance that, upon the expiry or termination of existing leases, the average occupancy rates and revenues will be higher than historical occupancy rates and revenues, and it may take a significant amount of time for market rents to be recognized by ViveRE due to internal and external limitations on its ability to charge these new market-based rents in the short-term.

Substitutions for Residential Rental Suites

Demand for rental suites is impacted by and inversely related to the relative cost of home ownership. The cost of home ownership depends upon, among other things, interest rates offered by financial institutions on mortgages and similar home financing transactions. With the recent global economic crisis, interest rates offered by financial institutions for financing home ownership have been at historically low levels. If the interest rates offered by financial institutions for home ownership financing remain low or fail to rise, demand for rental suites may be adversely affected. A reduction in the demand for rental suites may have an adverse effect on the Corporation's ability to lease suites or lower the rents charged.

Government Regulation

Certain provinces in Canada may have enacted residential tenancy legislation which may impose, among other things, rent control guidelines that limit a landlord's ability to raise rental rates at its properties. In addition to limiting a landlord's ability to raise rental rates, residential tenancy legislation in certain

provinces may provide certain rights to tenants, while imposing obligations upon landlords. Residential tenancy legislation may also prescribe procedures which must be followed by a landlord in order to terminate a residential tenancy. As certain proceedings may need to be brought before the respective judicial or administrative body governing residential tenancies as appointed under a province's residential tenancy legislation, it may take several months to terminate a residential lease, even where the tenant's rent is in arrears.

Further, residential tenancy legislation in certain provinces may provide tenants with the right to bring certain claims to the respective judicial or administrative body seeking an order to, among other things, compel landlords to comply with health, safety, housing and maintenance standards. As a result, landlords may, in the future, incur capital expenditures which may not be fully recoverable from tenants.

Residential tenancy legislation may be subject to further regulations or may be amended, repealed or enforced, or new legislation may be enacted, in a manner which will materially adversely affect the ability of landlords to maintain the historical level of earnings of their properties.

Interest Rate Fluctuations

The Corporation's financing arrangement may include indebtedness with interest rates based on variable lending rates that will result in fluctuations in the Corporation's cost of borrowing.

Environmental Matters

Under various environmental and ecological laws, the Corporation could become liable for the costs of removal or remediation of certain hazardous or toxic substances released on or in its Property or disposed of at other locations. The failure to deal effectively with such substances may adversely affect the Corporation's ability to sell the investment properties or to borrow using the investment properties as collateral, and could potentially also result in claims against the Corporation by third parties.

Uninsured Losses

The Corporation has and will arrange for comprehensive insurance, including fire, liability and extended coverage, of the type and in the amounts customarily obtained for properties similar to investment properties to be owned by the Corporation and will endeavour to obtain coverage where warranted against earthquakes and floods. However, in many cases certain types of losses (generally of a catastrophic nature) are either uninsurable or not economically insurable. Should such a disaster occur with respect to the investment properties, the Corporation could suffer a loss of capital invested and not realize any profits which might be anticipated from the disposition of the investment properties.

Risk of Natural Disasters

While the Corporation has insurance coverage, the insurance coverage may have deductible amounts and may not cover all natural disasters which may occur. Floods, hurricanes, storms, earthquakes, terrorism, or other natural disasters may significantly affect the Corporation's operations and assets, and may cause the Corporation to experience reduced rental revenue, incur clean-up costs or otherwise incur costs in connection with these natural disasters. These events may have a material adverse effect on the Corporation's business, cash flows, financial condition and results of operations and ability to make dividend payments to its Shareholders, to the extent declared.

Reliance on Property Management

The Corporation may rely upon independent management companies to perform property management functions in respect of its properties. To the extent the Corporation relies upon such management companies, the employees of such management companies will devote as much of their time to the management of the investment properties as in their judgment is reasonably required and may have conflicts of interest in allocating management time, services and functions among the properties and their other development, investment and/or management activities.

Competition for Real Property Investments or Tenants

The Corporation will compete for suitable real property investments with individuals, corporations, real estate investment trusts and similar vehicles and institutions (both Canadian, U.S. and foreign) which are presently seeking or which may seek in the future real property investments or tenants similar to those sought by the Corporation. Such competition could have an impact on the Corporation's ability to lease suites and on the rents charged. An increased availability of investment funds allocated for investment in real estate would tend to increase competition for real property investments and increase purchase prices, reducing the yield on such investments. There is a risk that continuing increased competition for real property acquisitions may increase purchase prices to levels that are not accretive.

Revenue Shortfalls

Revenues from its assets may not increase sufficiently to meet increases in operating expenses or debt service payments under the financing arrangements or to fund changes in the variable rates of interest charged in respect of such loans.

Fluctuations in Capitalization Rates

As interest rates fluctuate in the lending market, generally capitalization rates will as well, which affects the underlying value of real estate. As such, when interest rates rise, generally capitalization rates should be expected to rise. Over the period of investment, capital gains and losses at the time of disposition can occur due to the increase or decrease of these capitalization rates.

Canadian Market Factors

The Property is located in Canada and economic conditions since the beginning of 2008 have been challenging in the North American economy. As a result, income from, and the value of, the Property may decline if there is a downturn in the Canadian economy.

Impact of COVID-19

As of the date of this AIF, the impact of COVID-19 on the Corporation's operations has been minimal. As of the date of this AIF the Corporation's portfolio of 391 rental units had less than 1% vacancy and none of its tenants requested deferral of any of their monthly rents. This reflects the demographic and quality of the Corporation's resident base. ViveRE's priority at this time continues to be operating in a manner that promotes the safety and health of our residents, staff, business partners and communities. The overall impact of COVID-19 on the Corporation's business will depend on a number of factors that are unknown at this time, including the duration of states of emergency in the various jurisdictions where the Corporation has investment properties.

DIVIDENDS

No dividends have been paid and it is the Corporation's current intention that no dividends will be paid in the foreseeable future. The Corporation intends to retain its earnings, if any, to finance the growth and development of business and does not intend to pay dividends on the Common Shares in the foreseeable future. Any return on an investment in ViveRE's securities will come from the appreciation, if any, in the value of the Common Shares. The payment of future dividends, if any, will be reviewed periodically by the Board and will depend upon, among other things, conditions then existing, including earnings, financial condition and capital requirements, restrictions in financing agreements, business opportunities and conditions and other factors.

CAPITAL STRUCTURE

Common Shares

ViveRE is authorized to issue an unlimited number of Common Shares. As of December 31, 2019, the Corporation had 49,189,824 Common Shares issued and outstanding. As at November 9, 2020, ViveRE had 80,736,074 Common Shares issued and outstanding. The holders of Common Shares are entitled to dividends, if, as and when declared by the Board, entitled to one vote per Common Share at meetings of the Shareholders and, upon dissolution, entitled to share equally in such assets of the Corporation as are distributable to the holders of Common Shares. All of the Common Shares rank equally within their class as to voting rights, participation in assets and in all other respects. None of the Common Shares are subject to any call or assessment nor pre-emptive or conversion rights. There are no provisions attached to the Common Shares for redemption, purchase for cancellation, surrender or sinking or purchase funds.

Preferred Shares

ViveRE is authorized to issue an unlimited number of preferred shares, issuable in series. As of December 31, 2019 and November 9, 2020, no preferred shares are issued and outstanding. The Board may fix, from time to time, before any series of preferred shares is issued, the number of preferred shares which are to comprise each series and the designation, rights, privileges, restrictions and conditions attaching to each series including, the rate or amount of dividends, if any, the dates of payment thereof, the terms and conditions of redemption, if any, and conversion rights, if any. The preferred shares shall be non-voting except as otherwise required pursuant to the CBCA. The preferred shares shall rank in priority to all Common Shares with respect to a distribution of assets upon the liquidation, dissolution or winding-up of the Corporation.

Convertible Debentures

As of November 9, 2020, the following convertible debentures are outstanding:

- (a) Pursuant to the September 30 Private Placement, on September 30, 2019, the Corporation issued unsecured convertible debentures in the aggregate principal amount of \$737,500. Such debentures bear interest at 7.00% per annum, payable annually, and have a maturity date of September 30, 2022. Such debentures are convertible at the holder's option into Common Shares at a price of \$0.25 per share, and are redeemable, in full, by ViveRE at par value plus accrued interest.
- (b) In connection with the acquisition of the Denaco Properties, on March 16, 2020, the Corporation issued unsecured convertible debentures in the aggregate principal amount of \$1,750,000. Such debentures bear interest at 7.00% per annum, payable annually, and have

a maturity date of March 16, 2022. Such debentures are convertible at the holder's option into Common Shares at a price of \$0.27 per share, and are redeemable, in full, by ViveRE at par value plus accrued interest.

- (c) In connection with the acquisition of the Emma Street Property, ViveRE issued to the vendors an unsecured vendor take back loan in the form of a convertible debenture in the principal amount of \$500,000. The convertible debenture bears interest at 7.00% per annum, payable annually, and has a maturity date of April 27, 2022. The debenture is convertible at the holder's option into Common Shares at a price of \$0.27 per share, and is redeemable, in full, by ViveRE at par value plus accrued interest.
- (d) Pursuant to the Emma Private Placement, the Corporation issued unsecured convertible debentures in the aggregate principal amount of \$850,000. Such debentures bear interest at 7.00% per annum, payable annually, and have a maturity date of two years from the date of issuance. Such debentures are convertible at the holder's option into Common Shares at a price of \$0.27 per share, and are redeemable, in full, by ViveRE at par value plus accrued interest.
- (e) Pursuant to the August 31 Private Placement, the Corporation issued secured convertible debentures in the approximate aggregate principal amount of \$2,600,000. Such debentures have a par value of \$1,000 per debenture, an issue price of \$950 per debenture, an annual interest rate of 7% payable semi-annually in cash, mature on September 15, 2022 and are secured by properties currently in the Corporation's portfolio. Such debentures are convertible at the holder's option into Common Shares at a price of \$0.24 per share. If certain conditions are met, the debentures are redeemable by ViveRE at par value plus accrued interest commencing February 28, 2022.

Warrants

As of November 9, 2020, the Corporation has 23,040,856 warrants outstanding – each such warrant exercisable into one Common Share – which are made up of the following types and amounts:

Description	Number of Warrants	Expiry Date	Exercise Price
Agents' common share purchase warrants issued in connection with the Change of Business ⁽¹⁾	50,000	May 5, 2022	\$0.25
Agents' common share purchase warrants issued in connection with the Change of Business ⁽¹⁾	290,876	August 26, 2022	\$0.25
Agents' common share purchase warrants issued pursuant to the 2019 Public Offering ⁽²⁾	485,980	April 9, 2021	\$0.20
Common share purchase warrants issued pursuant to the September 30 Private Placement ⁽³⁾	2,000,000	September 30, 2021	\$0.25
Loan bonus warrants ⁽⁴⁾	714,000	January 20, 2021	\$0.21
Common share purchase warrants issued in connection with the conversion of the 2018 Convertible Debentures ⁽⁵⁾	6,500,000	March 16, 2022	\$0.175
Warrants issued in connection with the acquisition of the Denaco Properties ⁽⁶⁾	7,000,000	March 16, 2023	\$0.27
Common share purchase warrants issued in connection with the Emma Private Placement ⁽⁷⁾	500,000	April 16, 2022	\$0.27
Common share purchase warrants issued in connection with the acquisition of the Emma Street Property ⁽⁸⁾	2,000,000	27-Apr-22	\$0.27
Common share purchase warrants issued in connection with the Emma Private Placement ⁽⁹⁾	1,000,000	15-May-22	\$0.27
Common share purchase warrants issued in connection with the acquisition of the McLaughlin Properties ⁽¹⁰⁾	2,500,000	31-Aug-23	\$0.27
Total	23,040,856		

Notes:

- (1) As partial consideration for their services in connection with the Change of Business (and associated financing), the Corporation issued the agents 681,572 Agent Options (the "Agent Options") at a price of \$0.15 per Agent Option, each

- Agent Option entitling the holder to acquire one unit of the Corporation for a period of 24 months from the closing date of the Change of Business. Each such unit consisted of one Common Share and one-half of one common share purchase warrant. Each full warrant entitled the holder to purchase one additional Common Share at a price of \$0.25 for a period of 24 months from the issued date of the common share purchase warrant. 100,000 Agent Options were exercised by the agents on May 22, 2020 (for 50,000 common share purchase warrants), and the balance, being 581,572 Agent Options, were exercised on August 26, 2020 by the agents (for an aggregate of 290,876 common share purchase warrants). For more information about the issuance of the Agent Options, please see the section entitled “*Transaction Financing – Brokered Private Placement*” in the Corporation’s filing statement, dated August 21, 2018, which is available under the Corporation’s profile on SEDAR at www.sedar.com, and is incorporated by reference in this AIF.
- (2) As partial consideration for their services in connection with the 2019 Public Offering, ViveRE issued the agents non-transferable common share purchase warrants equal to 6.0% of the number of the offered shares sold under the offering (3.0% in respect of the president’s list), with each such common share purchase warrant exercisable into one Common Share at \$0.20 for a period of 24 months from the issue date. For more information about the common share purchase warrants issued to the agents pursuant to the 2019 Public Offering, please see the Corporation’s final short form prospectus, dated March 29, 2019, which is available under the Corporation’s profile on SEDAR at www.sedar.com, and is incorporated by reference in this AIF.
 - (3) Pursuant to the September 30 Private Placement, the Corporation issued four (4) Tier 2 units. Each Tier 2 Unit was comprised, among other things, of 500,000 common share purchase warrants, exercisable at a price of \$0.25 per share for a period of two years from the date of issuance. For more information, please see the section entitled “*General Description of the Business – History*” above.
 - (4) Issued to arm’s length lenders pursuant to promissory notes held by such lenders as a loan bonus pursuant to TSXV Policy 5.1 – *Loans, Loan Bonuses, Finder’s Fees and Commissions* (“**Policy 5.1**”). Each such warrant is exercisable into one Common Share for a period of 12 months from the date of issuance, at an exercise price of \$0.21 per share. For more information about the loan bonus warrants, please see the Corporation’s news release, dated January 20, 2020, which is available under the Corporation’s profile on SEDAR at www.sedar.com, and is incorporated by reference in this AIF.
 - (5) In connection with the Change of Business, the Corporation completed a non-brokered private placement of the 2018 Convertible Debentures. As described in the section entitled “*General Description of the Business – History*” above, on March 16, 2020, the holders of the 2018 Convertible Debentures converted the outstanding principal of \$1,300,000 of such 2018 Convertible Debentures into 8,666,662 units, each such unit consisting of one Common Share and 0.75 of a common share purchase warrant (with each full common share purchase warrant entitling the holder to acquire one common share at a price of \$0.175 per common share for a period of two years from the date of issuance of the warrants), resulting in this issuance of 6,500,000 common share purchase warrants.
 - (6) As described in the section entitled “*General Description of the Business – History*” above, in connection with the acquisition of the Denaco Properties, Denis Arseneault, the owner of Denaco, subscribed for, among other things, 7,000,000 common share purchase warrants having a 3-year term and an exercise price of \$0.27 per common share.
 - (7) Pursuant to the Emma Private Placement, the Corporation issued one (1) Tier 2 unit on April 16, 2020. Each Tier 2 Unit was comprised, among other things, of 500,000 common share purchase warrants, exercisable at a price of \$0.27 per share for a period of two years from the date of issuance. For more information, please see the section entitled “*General Description of the Business – History*” above.
 - (8) As described in the section entitled “*General Description of the Business – History*” above, as partial satisfaction of the purchase price for the Emma Street Property, ViveRE issued 2,000,000 common share purchase warrants, exercisable at a price of \$0.27 per share for a period of two years from the date of issuance.
 - (9) Pursuant to the Emma Private Placement, the Corporation issued two (2) Tier 2 unit on April 16, 2020. Each Tier 2 Unit was comprised, among other things, of 500,000 common share purchase warrants, exercisable at a price of \$0.27 per share for a period of two years from the date of issuance. For more information, please see the section entitled “*General Description of the Business – History*” above.
 - (10) As described in the section entitled “*General Description of the Business – History*” above, as partial satisfaction of the purchase price for the McLaughlin Properties, ViveRE issued 2,500,000 common share purchase warrants, exercisable at a price of \$0.27 per share for a period of three years from the date of issuance.

Stock Options

The Board and Shareholders approved a 10% “rolling” stock option plan on June 29, 2016 (the “**Option Plan**”). The Option Plan is a 10% rolling plan pursuant to TSXV Policy 4.4 – *Incentive Stock Options*, and is subject to annual Shareholder approval.

The purpose of the Option Plan is to attract and retain employees, officers and directors and to motivate them to advance the interests of the Corporation by affording them the opportunity to acquire an equity interest in the Corporation through options granted under the Option Plan to purchase Common Shares.

For more information about the Option Plan, please see the Option Plan itself, which is attached to the Corporation's management information circular, dated May 30, 2016, which is available under the Corporation's profile on SEDAR at www.sedar.com, and is hereby incorporated by reference in this AIF.

As of November 9, 2020, the Corporation had reserved 8,076,607 Common Shares, representing 10% of its issued and outstanding Common Shares, for issuance pursuant to the exercise of options to acquire Common Shares under the Option Plan. As of November 9, 2020, ViveRE has 300,000 options outstanding, each with an exercise price of \$0.24 and an expiry of May 15, 2030.

Deferred Share Units

At the Corporation's annual and special meeting of Shareholders held on May 31, 2019, the Shareholders approved and ratified ViveRE's deferred share unit ("DSU") plan (the "DSU Plan").

The DSU Plan was adopted for the benefit of employees, officers and directors of the Corporation and related entities of the Corporation designated for the purposes of the DSU Plan (each, a "Participant"). The purpose of the DSU Plan is to enhance the Corporation's ability to attract and retain talented individuals to serve as employees, officers and directors and to promote a greater alignment of interests between the employees, officers and directors and the shareholders of the Corporation by linking the compensation of employees, officers and directors to the future value of the Common Shares of the Corporation.

Each DSU represents the right of the Participant to receive, after his or her death, resignation, termination with or without cause or retirement, that number of Common Shares representing the DSUs then held by such Participant. Since the value of DSUs increase or decrease with the price of the Corporation's Common Shares, DSUs reflect a philosophy of aligning the interests of Participants with those of the Shareholders by tying compensation to share price performance.

The maximum number of Common Shares that may be issued under the DSU Plan is 7,000,000. As of November 9, 2020, ViveRE has 2,775,000 DSUs outstanding under the DSU Plan.

For more information about the DSU Plan, please see the DSU Plan itself, which is attached to the Corporation's management information circular, dated May 3, 2019, which is available under the Corporation's profile on SEDAR at www.sedar.com, and is hereby incorporated by reference in this AIF.

MARKET FOR SECURITIES

Common Shares

The Corporation's Common Shares are listed and posted for trading on the TSXV under the trading symbol "VCOM".

The following table summarizes the trading activity for the Common Shares since the start of the year ended December 31, 2019 up to November 5, 2020.

2019	High (\$)	Low (\$)	Volume
January	0.14	0.075	135,300
February	0.19	0.14	32,000
March	0.245	0.18	90,060
April	0.245	0.165	54,132

May	0.20	0.15	73,080
June	0.20	0.14	302,850
July	0.18	0.16	156,000
August	0.195	0.145	300,850
September	0.23	0.12	410,110
October	0.19	0.17	154,446
November	0.185	0.175	11,802
December	0.23	0.18	386,550
2020			
January	0.265	0.20	297,500
February	0.35	0.24	1,078,077
March	0.275	0.16	1,023,500
April	0.245	0.195	258,500
May	0.22	0.20	232,450
June	0.22	0.185	559,486
July	0.195	0.13	1,036,803
August	0.195	0.16	611,657
September	0.195	0.175	593,967
October	0.190	0.165	195,700
November (1-5)	0.20	0.18	37,400

Prior Sales

ViveRE does not have any class of securities that is outstanding but not listed or quoted on an exchange other than the warrants, debentures, options and DSUs described elsewhere in this AIF. See, in particular, the sections entitled “*General Development of the Business*” and “*Capital Structure*” above for details about the issuances of such securities since January 1, 2019.

ESCROWED SECURITIES

As of November 9, 2020, to the Corporation’s knowledge, the following securities were held in escrow with Computershare Investor Services Inc. pursuant to Tier 2 value escrow agreements:

Designation of Class	Number of securities held in escrow	Percentage of class
Common Shares	4,301,198 (Tier 2)	5%
Warrants	1,162,500 (Tier 2)	5%

Under the Tier 2 value escrow agreements, 10% of the escrowed securities were released on September 12, 2018 upon the issuance of the Final Exchange Bulletin in connection with the Corporation’s Change of Business (the “**Initial Release**”), and an additional 15% was released on each of the dates which were 6 months, 12 months, 18 months and 24 months following the Initial Release. An additional 15% shall be released on each of the dates that are 30 months and 36 months following the Initial Release. The securities released from escrow upon the Initial Release are not reflected in the above table.

DIRECTORS AND OFFICERS

Directors and Officers

The name, municipality of residence and principal occupation during the last five years of each of the directors and officers of ViveRE, as of the date of this AIF, are as set forth in the table below. Each director elected or appointed holds office until the next annual general meeting of the Shareholders of the Corporation or until his or her successor is elected or appointed, unless his or her office is earlier vacated in accordance with the articles of the Corporation or with the provisions of the CBCA.

Name, Province and Country of Residence and Positions and Offices Held	Director Since	Principal Occupation During Past 5 years
Jeffrey Dean ⁽³⁾ <i>Director</i> Ontario, Canada	2018	Managing Partner at Maven Capital, an advisory and private equity firm.
Michael Anaka ICD.D <i>President and CEO; Director</i> Nova Scotia, Canada	2018	President and Chief Executive Officer, ViveRE Communities Inc. Prior to joining ViveRE, Mr. Anaka was a business consultant and until 2016, he was the Atlantic Regional Managing Partner at PricewaterhouseCoopers LLPs, a professional accounting firm
Glenn Jessome <i>Corporate Secretary</i> Nova Scotia, Canada	2018	Lawyer and principal of JessomeLaw.
Glenn Holmes CPA <i>CFO</i> Nova Scotia, Canada	2011	Chief Financial Officer, ViveRE Communities Inc.
Kent Farrell ⁽²⁾ <i>Director</i> Ontario, Canada	2018	Managing Partner of Maven Capital, an advisory and private equity firm. Prior to joining Maven, Mr. Farrell was Head of Equity Sales at Credit Suisse Canada.
Drew Koivu ^(1,2) <i>Director</i> Ontario, Canada	2018	Principal, multi-residential properties Avison Young, a real estate brokerage.
David Pappin ^(1, 2, 3) <i>Director</i> Ontario, Canada	2018	President, Integrated Asset Management (IAM) Real Estate Group.
T. Richard Turner ICD.D ⁽¹⁾ <i>Director and Chairman of the Board</i> British Columbia, Canada	2018	Chairman and CEO, TitanStar Capital Corp.
Dr. Brian Ramjattan ⁽³⁾ <i>Director</i> Newfoundland and Labrador, Canada	2018	Physician and President, Miranda Management, a private real estate investment and management company.

Notes:

- (1) Members of the Audit Committee.
- (2) Members of the HR Committee.
- (3) Members of the Corporate Governance Committee.

As of the date of this AIF, all directors and executive officers of ViveRE as a group, beneficially own, directly or indirectly, or exercise control or direction over, 23,820,752 Common Shares, representing approximately 30% of all outstanding Common Shares.

For more information on the Corporation's directors and officers as of May 29, 2020, see the Corporation's management information circular dated May 29, 2020, a copy of which is available under the Corporation's profile on SEDAR at www.sedar.com, and is hereby incorporated by reference in this AIF.

Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as set forth below, to the knowledge of ViveRE, no director, executive officer or shareholder holding a sufficient number of securities of the Corporation to affect materially the control of ViveRE:

- (a) is, as at the date of this AIF, or has been within the ten years before the date of this AIF, a director or executive officer of any company (including ViveRE) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or
- (b) has, within the ten years before the date of this AIF, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become subject to or instituted any proceedings, arrangement or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold the assets of the director, executive officer or shareholder.

To the knowledge of ViveRE:

- (a) no director or executive officer is, as at the date of this AIF, or was within ten years before the date of this AIF, a director, chief executive officer or chief financial officer of any company (including the Corporation) that:
 - (i) was subject to an Order that was issued while such person was acting in the capacity as director, chief executive officer or chief financial officer; or
 - (ii) was subject to an Order that was issued after such person ceased to be a director, chief executive officer or chief financial officer and which resulted from an event while that person was acting in the capacity as director, chief executive officer or chief financial officer; and
- (b) no director, executive officer or shareholder holding a sufficient number of securities of ViveRE to affect materially the control of the Corporation has been subject to:
 - (i) any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority; or
 - (ii) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor in making an investment decision.

For the purposes of the foregoing, an “Order” means a cease trade order, an order similar to a cease trade order, or an order that denied the relevant company access to any exemption under securities legislation and, in each case, that was in effect for a period of more than 30 consecutive days.

The British Columbia Securities Commission, as principal regulator for the Corporation, issued a Management Cease Trade Order (“MCTO”) against NSX Silver Inc. (as it was then known) on May 2, 2016 in response to an application submitted by the Corporation. Mr. Holmes was the Chief Financial Officer of NSX Silver Inc. at the time of the MCTO. The MCTO was issued because of the late filing of the audited annual financial statements and MD&A for the year ended December 31, 2015. The MCTO was revoked by the British Columbia Securities Commission on July 19, 2016.

Conflicts of Interest

There are potential conflicts of interest to which some of the directors and officers of the Corporation may be subject in connection with its operations. Conflicts of interest, if any, will be subject to and governed by the procedures and remedies set forth in the CBCA.

Directors and officers of the Corporation may also serve as directors and/or officers of other companies and may be presented from time to time with situations or opportunities which give rise to apparent conflicts of interest which cannot be resolved by arm’s length negotiations but only through exercise by the officers and directors of such judgment as is consistent with their fiduciary duties to ViveRE which arise under applicable corporate law, especially insofar as taking advantage, directly or indirectly, of information or opportunities acquired in their capacities as directors or officers of ViveRE. It is expected that all conflicts of interest will be resolved in accordance with the CBCA. It is expected that any transactions with officers and directors will be on terms consistent with industry standards and sound business practice in accordance with the fiduciary duties of those persons to the Corporation, and, depending upon the magnitude of the transactions and the absence of any disinterested Board members may be submitted to the Shareholders for their approval.

LEGAL PROCEEDINGS AND REGULATORY ACTIONS

There are no legal proceedings material to ViveRE to which it is or was a party or of which any of its property is or was the subject matter during the financial year ended December 31, 2019, and to ViveRE’s knowledge, no such proceedings are currently contemplated.

There:

- (a) were no penalties or sanctions imposed against ViveRE by a court relating to securities legislation or by a securities regulatory authority during the financial year ended December 31, 2019;
- (b) are no other penalties or sanctions imposed by a court or regulatory body against ViveRE that would likely be considered important to a reasonable investor in making an investment decision; and
- (c) were no settlement agreements which ViveRE entered into before a court relating to securities legislation or with a securities authority during the financial year ended December 31, 2019.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

To the knowledge of ViveRE, no director or executive officer of ViveRE, or any person or company that beneficially owns, or controls or directs, directly or indirectly, more than 10% of the Common Shares, or associates or affiliates of any of those persons or companies, has had any material interest, direct or indirect, in any transaction since January 1, 2017 that has materially affected or is reasonably expected to materially affect ViveRE.

AUDITORS, TRANSFER AGENT AND REGISTRAR

The auditors of the Corporation are KPMG LLP, Purdy's Wharf, Tower I, 1959 Upper Water Street, Suite 1500, Halifax, Nova Scotia, B3J 3N2.

Computershare Investor Services, at its principal offices in Toronto, is the transfer agent and registrar for the Common Shares.

MATERIAL CONTRACTS

ViveRE is a party to the following material contracts, all of which were entered into since January 1, 2019 or which are otherwise currently in effect:

- (a) the Village View LP Purchase Agreement, which is disclosed in this AIF;
- (b) the Ryan Street Purchase Agreement, which is disclosed in this;
- (c) the Denaco Purchase Agreement, which is disclosed in this AIF;
- (d) the Emma Purchase Agreement, which is disclosed in this AIF;
- (e) the ATMJ Purchase Agreement, which is disclosed in this AIF; and
- (f) the 51 Noel Purchase Agreement, which is disclosed in this AIF.

INTERESTS OF EXPERTS

The audited annual financial statements and notes thereto of the Corporation for the year ended December 31, 2019 have been audited by KPMG LLP, Chartered Professional Accountants.

KPMG LLP are the auditors of the Corporation and have confirmed that they are independent within the meaning of the relevant rules and related interpretations prescribed by the relevant professional bodies in Canada and any applicable legislation or regulation.

To the knowledge of management of ViveRE, as of the date of this AIF, no expert, nor any Associate or Affiliate of such person, has any beneficial interest, direct or indirect, in the securities or other property of ViveRE.

AUDIT COMMITTEE INFORMATION

Audit Committee Charter

The Corporation's Audit Committee charter sets out the Committee's purpose, organization, duties and responsibilities. A copy of the charter is attached hereto as Appendix "A".

Composition of Audit Committee

The Corporation's Audit Committee is comprised of Richard Turner, David Pappin and Drew Koivu, all of whom are financially literate and the majority of which are independent, as such terms are defined in National Instrument 52-110 – *Audit Committees* ("NI 52-110").

Relevant Education and Experience

Richard Turner, ICD.D

Mr. Turner holds a Bachelor of Commerce in finance from the University of British Columbia, a diploma from the Canadian Securities Institute and a diploma from the Institute of Corporate Directors. He has served on the audit committees of numerous organizations, including as chair of the audit committees of the Vancouver Organizing Committee for the 2010 Winter Olympic Games, the Vancouver Fraser Port Authority and TG Residential Value Properties Ltd. and as a member of the audit committees of WesternOne Equity GP Inc. and Sun Gro Horticultural Income Fund. He served as chair of the Insurance Corporation of British Columbia and of the BC Lottery Corporation. He has been involved in four IFRS conversions. Mr. Turner is the Board Chair of TitanStar Capital Corp., a private company engaged in the provision of private equity capital to mid-market businesses and capital for real estate developments and acquisitions. Earlier in his career, Mr. Turner worked for a variety of financial institutions where he learned risk assessment.

David Pappin

Mr. Pappin has been actively participating in the commercial real estate business in Canada for 29 years. His career began within a National Brokerage Firm, specializing in Industrial Sales and Leasing in an agent capacity. From this beginning David moved into Senior Management responsible for a business unit of the same brokerage firm in Toronto. An opportunity presented itself in 2000 to acquire a multifaceted real estate service business which included a Commercial component active within the Atlantic Canada Marketplace. David, with his partners grew this business substantially and he subsequently sold his interest in this business in 2006. At this point in his career, David moved into the Advisor Business assuming responsibility for sourcing and completing all investments within all investment fund vehicles across the Country. David has completed numerous acquisitions, joint ventures and development transactions over his career and was instrumental in growing a new open fund to an AUM in excess of \$1B in two years.

Drew Koivu

Mr. Koivu holds a Master of Business Administration degree, specializing in Real Property, from the Schulich School of Business at York University and a Bachelor of Applied Science degree, specializing in Industrial Engineering, from the University of Toronto where he was a member of the Dean's List. He has more than 25 years of multi-residential experience. He is currently a principal of Avison Young Commercial Real Estate Inc. Prior to Avison Young, he served as Director of Real Estate in BMO Capital Markets Real Estate Group. There he was responsible for public and private financings, M&A and brokerage sales for all the major multi-residential REITS and Pension Funds in Canada. In 2013, he was part of the team that IPO'ed Milestone Apartment REIT. Milestone was the largest REIT listed on the TSX focused solely on the U.S. multi-residential sector. The REIT's initial portfolio consists of 53 multifamily garden-style residential properties comprised of 17,290 units located in Southeast and Southwest U.S. Previously, he was Vice President of the Apartment Group with Cushman & Wakefield LePage and was previously at CB Richard Ellis. He started his career as a Systems Engineer with IBM Canada Ltd. Mr. Koivu is also a principal of Birchtree Developments, an owner/operator of multi-residential properties and developments in Ontario.

Audit Committee Oversight

At no time since the commencement of ViveRE's most recently completed financial year have any recommendations by the Audit Committee respecting the nomination or compensation of ViveRE's external auditor not been adopted by the Board.

Pre-Approval Policies and Procedures

Except as otherwise set forth in the Audit Committee charter, the Audit Committee has not adopted specific policies and procedures for the engagement of non-audit services.

External Audit Fees by Category

KPMG LLP has served as the Corporation's external auditor since 2016. The following table lists the fees paid to KPMG LLP, by category, for the last two fiscal years.

Nature of Services	Fiscal Year Ended December 31, 2019	Fiscal Year Ended December 31, 2018
Audit Fees ⁽¹⁾	\$37,500	\$36,000
Audit-Related Fees ⁽²⁾	Nil	Nil
Tax Fees ⁽³⁾	Nil	Nil
All Other Fees ⁽⁴⁾	\$36,000	\$19,886
Total	\$73,500	\$55,886

Notes:

- (1) "Audit Fees" include fees necessary to perform the annual audit and quarterly reviews of the Corporation's financial statements. Audit Fees also include fees for review of tax provisions and for accounting consultations on matters reflected in the financial statements, including audit or other attest services required by legislation or regulation, such as comfort letters, consents, reviews of securities filings and statutory audits.
- (2) "Audit-Related Fees" include services that are traditionally performed by the auditors, including employee benefit audits, due diligence assistance, accounting consultations on proposed transactions, internal control reviews and audit or attest services not required by legislation or regulation.
- (3) "Tax Fees" include fees for all tax services other than those included in "Audit Fees" and "Audit-Related Fees". This includes fees for tax compliance, tax planning and tax advice.
- (4) "All Other Fees" include all other non-audit services provided by KPMG LLP.

Exemptions

The Corporation is relying upon the exemption set out in Section 6.1 of NI 52-110 applicable to venture issuers.

ADDITIONAL INFORMATION

Additional information, including directors' and officers' remuneration and indebtedness, principal holders of ViveRE securities, and options to purchase securities, is contained in the Corporation's management information circular dated May 29, 2020. Additional financial information is provided in ViveRE's December 31, 2019 financial statements and the notes thereto, and the Corporation's Management's Discussion and Analysis for the year ended December 31, 2019. Additional information relating to ViveRE may be found on SEDAR at www.sedar.com.

APPENDIX “A” - AUDIT COMMITTEE CHARTER

VIVERE COMMUNITIES INC.

I. Audit Committee Purpose

The Audit Committee (the “Committee”) is appointed by the Board of Directors to assist the Board in fulfilling its oversight responsibilities. The Audit Committee’s primary duties and responsibilities are to:

Identify and monitor the management of the principal risks that could impact the financial reporting of ViveRE Communities Inc. (the “Corporation” or “ViveRE”).

Monitor the integrity of the Corporation’s financial reporting process and system of internal controls regarding financial reporting and accounting compliance.

Monitor the independence and performance of ViveRE’s external auditors.

Provide an avenue of communication among the external auditors, management, and the Board of Directors.

The Audit Committee has the authority to conduct any investigation appropriate to fulfilling its responsibilities, and it has direct access to the external auditors as well as anyone in the organization. The Audit Committee has the ability to retain, at the Corporation’s expense, special legal, accounting or other consultants or experts it deems necessary in the performance of its duties.

II. Audit Committee Composition and Meetings

Audit Committee members shall meet the requirements of the Canada Business Corporations Act, the TSX and applicable securities regulations.

The Audit Committee shall be comprised of three or more directors as determined by the Board, the majority of whom shall be independent directors as defined in Multilateral Instrument 52-110 – Audit Committees.

All members of the Committee shall be financially literate, being defined as able to read and understand a set of financial statements which present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of the issues that can reasonably be expected to be raised by the Corporation’s financial statements, and at least one member of the Committee shall have accounting or related financial management expertise.

Committee members are encouraged to enhance their familiarity with finance and accounting by participating in seminars, conferences, roundtables and other educational programs conducted by the Corporation or outside organizations.

Audit Committee members shall be appointed by the Board on recommendation from the nominating process. If an Audit Committee Chair is not designated or present, the members of the Committee may designate a Chair by majority vote of the Committee membership.

The Committee shall meet at least four times annually, or more frequently as circumstances dictate. The Audit Committee Chair shall prepare and/or approve an agenda in advance of each meeting.

The Committee shall meet privately at least annually with management and the external auditors to discuss any matters that the Committee or each of these groups believes should be discussed.

In addition, the Committee will consider with management and the external auditors the need or requirement for the external auditors to review the Corporation's interim financial statements.

III. Audit Committee Responsibilities and Duties

Review Procedures

1. Review and assess the adequacy of the charter at least annually and submit the charter to the Board of Directors for approval.
2. Review the Corporation's annual audited financial statements, management's discussion and analysis and related documents (i.e. Annual Information Form, Information Circular, Annual Report and earnings press releases) prior to filing or distribution and make appropriate recommendations to the Board of Directors. Review shall include discussion with management and external auditors of significant issues regarding accounting principles, practices and significant management estimates and judgments.
3. Annually, in consultation with management and external auditors, consider the integrity of the Corporation's financial reporting processes and controls. Discuss significant financial risk exposures and the steps management has taken to monitor, control, and report such exposures. Review significant findings prepared by the external auditors together with management responses.
4. Review the effectiveness of the overall process for identifying the principle risks affecting financial reporting and provide the Committee's view to the Board of Directors.
5. Review with financial management the Corporation's quarterly financial results, management's discussion and analysis, and related documents to the Corporation's quarterly financial statements, prior to filing or distribution. Discuss any significant changes to the Corporation's accounting principles.
6. Review policies and practices concerning officers' expenses and perquisites.

External Auditors

1. The Audit Committee shall review the independence and performance of the auditors and annually recommend to the Board of Directors the appointment of the external auditors or approve the discharge of auditors when circumstances warrant.
2. Approve fees and other significant compensation to be paid to the external auditors.
3. On an annual basis, the Committee will review and discuss with the external auditors all significant relationships they have with the Corporation that could impair the auditors' independence.
4. Review the external auditors' audit plan – discuss and approve audit scope, staffing, reliance upon management and general audit approach.
5. Prior to releasing the year-end results, discuss the results of the audit with the external auditors including certain matters required to be communicated to audit committees in accordance with the standards established by the CICA.

6. Consider the external auditors' judgments about the quality and appropriateness of the Corporation's accounting principles as applied in the Corporation's financial reporting.

Non-Audit Services

1. The Committee shall be responsible for reviewing and pre-approving all non-audit services to be provided by the external auditor.
2. The Committee shall be permitted to establish specific policies and procedures concerning the performance of non-audit services which are to be reviewed annually.

Other Audit Committee Responsibilities

1. The Committee shall be responsible for reviewing and approving ViveRE's hiring policy concerning partners or employees, as well as former partners and employees of the present or former external auditors.
2. The Committee shall ensure that procedures are in place relating to the receipt and treatment of complaints which may be received concerning accounting, internal controls or auditing matters. In addition, the Committee shall ensure procedures are in place concerning the confidential, anonymous submissions of concerns by ViveRE's employees relating to these matters.
3. Review and approve management's decision related to the need for internal auditing.
4. On at least an annual basis, review with the Corporation's counsel any legal matters that could have a significant impact on the Corporation's financial statements, the Corporation's compliance with applicable laws and regulations and inquiries received from regulators or government agencies.
5. Annually assess the effectiveness of the Committee against its charter and report the results to the Board of Directors.
6. Prepare and disclose a summary of the charter to the Shareholders.

Administrative Matters

1. A quorum of the Audit Committee shall be the attendance of two (2) members thereof. No business may be transacted by the Audit Committee except at a meeting of its members at which a quorum of the Audit Committee is present or by a resolution in writing signed by all members of the Committee.
2. Any member of the Audit Committee may be removed or replaced at any time by resolution of the directors of the Corporation. If and whenever a vacancy shall exist on the Audit Committee, the remaining members may exercise all its powers so long as a quorum remains. Subject to the foregoing, each member of the Audit Committee shall hold such office until the close of the annual meeting of the Shareholders next following the date of appointment as a member of the Audit Committee or until a successor is duly appointed.
3. The Audit Committee may invite such officers, directors and employees of the Corporation or affiliates as it may see fit from time to time to attend at meetings of the Audit Committee and to assist thereat in the discussion of matters being considered by the Audit Committee. The external auditor is to appear before the Audit Committee when requested to do so by the Audit Committee.

4. The Audit Committee, having regard to the by-laws of the Corporation, shall determine the time and place for Audit Committee meetings, the calling and the procedure at such meetings.
5. Notice of all meetings of the Audit Committee shall be given to the external auditor and the external auditor shall be entitled to attend and be heard at each Audit Committee meeting. The external auditor must attend every meeting of the Audit Committee that is specially requested to attend by a member of the Audit Committee. Upon the request of the external auditor or any member of the Audit Committee, the Audit Committee shall convene a meeting of the Audit Committee to consider any matters that should be brought to the attention of the directors of the Corporation.
6. The Audit Committee shall report to the directors of the Corporation on such matters and questions relating to the financial position of the Corporation or any affiliates of the Corporation as the directors of the Corporation may from time to time refer of the Audit Committee.
7. The members of the Audit Committee shall, for the purpose of performing their duties, have the right to inspect all the books and the records of the Corporation and its affiliates, and to discuss such books and records that are in any way related to the financial position of the Corporation with its officers, employees and external auditor of the Corporation and its affiliates.
8. Maintain minutes of meetings and periodically report to the Board of Directors on significant results of the foregoing activities.