

## **PURCHASE AGREEMENT**

**THIS AGREEMENT** made the 24<sup>th</sup> day of November, 2020.

**BETWEEN:**

**NAWOC HOLDINGS LIMITED,**

a corporation incorporated under the laws  
of the Province of Ontario

(hereinafter referred to as “**Nawoc**”)

OF THE FIRST PART

- and -

**SRS REALTY GROUP INC.,**

a corporation incorporated under the laws of  
the Province of Ontario

(hereinafter referred to as “**SRS**”,  
and collectively with Nawoc, hereinafter referred to  
as the “**Vendors**”)

OF THE SECOND PART

- and -

**PARKIT ENTERPRISE INC.,**

a corporation incorporated under the laws  
of the Province of British Columbia

(hereinafter referred to as the “**Purchaser**”)

OF THE THIRD PART

**WHEREAS:**

- A. Nawoc is the registered and beneficial owner of the Finch Avenue East Property.
- B. SRS is the registered and beneficial owner of the Paletta Court Property.
- C. The Vendors have agreed to sell and the Purchaser has agreed to purchase all of the right, title and interest of the Vendors in and to the Properties as herein provided.

**IN CONSIDERATION** of the mutual agreements herein contained, the sufficiency of which is hereby acknowledged by each of the Vendors and the Purchaser, the Vendors and the Purchaser hereby agree as follows:

### **ARTICLE 1** **INTERPRETATION**

#### **1.1 Definitions**

In this Agreement the terms defined in this Section 1.1 shall have the following meanings, unless the context expressly or by necessary implication otherwise requires:

- (a) “**Adjustments**” has the meaning set out in Section 2.4(a).
- (b) “**Affiliates**” has the meaning ascribed thereto in the *Business Corporations Act* (Ontario).
- (c) “**Agreement**”, “this Agreement”, “the Agreement”, “hereto”, “hereof”, “herein”, “hereby”, “hereunder” and similar expressions mean or refer to this purchase agreement executed by the Purchaser and accepted by the Vendors, as amended or supplemented from time to time in writing by the Parties hereto in accordance with Section 9.6.
- (d) “**Applicable Law**” means the laws of the Province of Ontario, including the federal laws of Canada applicable therein (including the common law and principles of equity), statutes, regulations, treaties, bylaws, ordinances, judgments, decrees and (whether or not having the force of law) all applicable official directive, rules, consents, approvals, authorizations guidelines, standards, codes of practice, orders (including judicial administrative orders) and policies of any Authority having, or purporting to have authority over, or application to a Person, the Properties, the Transaction or event, as the same may be amended up to and including the Closing Date.
- (e) “**Approved Contracts**” and “**Approved Leases**” has the meaning set out in Section 7.2.
- (f) “**Article**” and “**Section**” mean and refer to the specified Article and Section of this Agreement.
- (g) “**Assignment of Contracts**” means the agreement to be made between the Vendors and the Purchaser providing for the assignment to, and the assumption by, the Purchaser of all Contracts (provided that, in the case of Contracts entered into pursuant to Section 7.2, the Purchaser shall only be required to assume Approved Contracts).
- (h) “**Assignment of Leases**” means the agreement to be made between the Vendors and the Purchaser providing for the assignment to, and the assumption by, the Purchaser of the Leases (provided that in the case of Leases entered into pursuant to Section 7.2, the Purchaser shall only be required to assume Approved Leases).
- (i) “**Assignment of Permitted Encumbrances**” means the agreement to be made between the Vendors and the Purchaser providing for the assignment to, and the assumption by, the Purchaser of all of the right, title, interest, obligations, duties and liabilities of the Vendors in and under the Permitted Encumbrances and the benefit of all covenants, guarantees and indemnities thereunder, including an indemnity given by the Purchaser in favour of the Vendors with respect to Claims under the Permitted Encumbrances for matters occurring on or after the Closing Date, and an indemnity given by the Vendors in favour of the Purchaser with respect to Claims under the Permitted Encumbrances for matters occurring prior to the Closing Date, with such assignment and assumption taking effect as of and from the Closing Date in the form to be agreed upon by the Vendors' and the Purchaser's Solicitors each acting reasonably.
- (j) “**BAR Financial Statements**” means the financial statements of the Vendors prepared in accordance with the BAR Requirements relating to the Properties, copies of which are to be delivered to the Purchaser pursuant to Section 3.7 hereof.
- (k) “**BAR Requirements**” means the requirement to file a business acquisition report, including applicable annual and interim financial statements and pro forma financial statements, as required pursuant to Part 8 of NI 51-102.
- (l) “**Books and Records**” means all books, records, books of account, and all other documents, files, records, correspondence and other data and information, financial or otherwise, relating

to or in connection with the Properties but does not include books, records and documents required to be retained by the Vendors pursuant to the *Income Tax Act* (Canada).

- (m) **“Buildings”** means all buildings, structures, fixtures, installations and improvements located on, in or under the Lands.
- (n) **“Building Systems”** means the mechanical, electrical, sprinkler, plumbing, sewer, heating and air conditioning systems, equipment and facilities servicing the Buildings.
- (o) **“Business Day”** means any day on which chartered banks in the Province of Ontario are open for business and which day is not a Saturday, Sunday or statutory or civic holiday in the Province of Ontario.
- (p) **“Canopy Ground Lease”** means the Ground Lease, dated October 17, 2008, by and between Allied Waste Systems of Colorado, as successor in interest to [REDACTED], LLC, and Canopy Airport Parking, LLC, as successor in interest to [REDACTED], as amended by that certain Amendment to Ground Lease dated November 21, 2008, that certain Second Amendment to Ground Lease dated October 19, 2009, that certain Third Amendment to Ground Lease dated April 1, 2010, that certain Fourth Amendment to Ground Lease dated May 25, 2010, and that certain Fifth Amendment to Ground Lease dated September, 2013. Redactions to parties to leases in (p) and (q) removed as Parkit does not have authorization to disclose.
- (q) **“Chapel Ground Lease”** means the Ground Lease, dated December 23, 2004, by and between the [REDACTED] acting by and through the [REDACTED] and [REDACTED] Amendment No.1 to the Lease, dated June 1, 2010, by and between the [REDACTED].
- (r) **“Chattels”** means the equipment, personal property and other chattels owned by the Vendors, in whole or in part, and located on and used in operation of the Properties.
- (s) **“CIBC”** means Canadian Imperial Bank of Commerce.
- (t) **“CIBC Mortgage”** means the existing first mortgage registered in favour of CIBC against the Paletta Court Property in the principal amount of approximately \$9,300,000.00.
- (u) **“Claim”** means: (i) any suit, action, dispute, investigation, claim, arbitration, order, summons, citation, directive, ticket, charge, demand or prosecution, whether legal or administrative; (ii) any other proceeding; or (iii) any appeal or application for review, at law or in equity or before or by any Governmental Authority.
- (v) **“Closing”** means the closing of the purchase and sale of the Purchase Assets as contemplated herein on the Closing Date.
- (w) **“Closing Date”** means the later of: (i) November 30, 2020; (ii) thirty (30) days immediately following the waiver of all Initial Conditions by the Purchaser and the Vendors; (iii) if applicable, five (5) business days after Purchaser Shareholder Approval is obtained; or (iv) such earlier or later date as the Vendors and Purchaser shall mutually agree upon in writing.
- (x) **“Closing Documents”** means the agreements, instruments and other deliveries to be delivered on the Closing Date pursuant to Sections 8.2 and 8.3 or any other applicable provisions of this Agreement.

- (y) **"Common Shares"** means common shares in the capital of the Purchaser.
- (z) **"Conditional Period"** means the period commencing on the Execution Date and expiring twenty-one (21) days thereafter.
- (aa) **"Contracts"** means all contracts and agreements relating to the ownership, use, operation, maintenance and management of the Properties, including, without limitation, any supply contracts providing for the provision of goods and services to the Properties and all site plans agreements, development agreements and other agreements entered into between either of the Vendors and any Governmental Authority or any other third party with respect to the Properties.
- (bb) **"Control Person"** has the meaning as set for in the TSXV Corporate Finance Policies.
- (cc) **"CTC"** means Community Trust Company.
- (dd) **"CTC Mortgage"** means the existing second mortgage registered in favour of CTC against the Finch Avenue East Property in the principal amount of approximately \$3,200,000.00.
- (ee) **"Deliveries"** has the meaning set out in Section 3.8.
- (ff) **"Draft Estoppel"** has the meaning set out in Section 3.10(b).
- (gg) **"Encumbrances"** means any charge, lien, security interest, mortgage, hypothec, right of way, easement, restrictive covenants or any other encumbrance.
- (hh) **"Environmental Laws"** means all federal, provincial, municipal or local statutes, regulations, by-laws, guidelines, policies or rules, and orders of any Authority and the common law, relating in whole or in part to the environment and includes those laws relating to the storage, generation, use, handling, manufacture, processing, transportation, import, export, treatment, release or disposal of any Hazardous Substance and any laws relating to asbestos or asbestos containing materials in the environment, in the workplace or in any building.
- (ii) **"Environmental Liabilities"** means all past, present and future liabilities pertaining to the Properties in respect of the environment and related to the past or present interests of the Vendors in the Properties, whether or not caused by a breach of any Environmental Law, including, liabilities related to, in respect of the Properties:
  - (i) the transportation, storage, use or disposal of toxic or Hazardous Substances;
  - (ii) the release, spill, escape or emission of toxic or Hazardous Substances;
  - (iii) any other pollution or contamination of the surface, substrate, soil, air, ground water, surface water or marine environments;
  - (iv) damages and losses suffered by third parties as a result of the occurrences in paragraphs (i) to (iii) of this Section; and
  - (v) any obligations imposed by an Environmental Law to protect the environment or to rectify environmental problems.
- (jj) **"Estoppel Delivery Date"** has the meaning set out in Section 3.10(c).

- (kk) **“Execution Date”** means the date this Agreement is executed by both the Vendors and the Purchaser.
- (ll) **“Financial Statements”** means the financial statements of the Vendors as they relate to the operation of the Properties for the periods July 1, 2019 and June 30, 2020, copies of which have been provided to the Purchaser.
- (mm) **“Finch Avenue VTB Mortgage”** has the meaning ascribed thereto in Section 2.3(e) hereof.
- (nn) **“Finch Avenue East Property”** means the lands and premises municipally known as 5600 Finch Avenue East, Toronto, Ontario.
- (oo) **“FNF”** means First National Financial GP Corporation.
- (pp) **“FNF Mortgage”** means the existing first mortgage registered in favour of FNF against the Finch Avenue East Property in the principal amount of approximately \$8,500,000.00.
- (qq) **“Governmental Authority”** means any domestic or foreign government, whether federal, provincial, state, territorial, local, regional, municipal, or other political jurisdiction, and any agency, authority, instrumentality, court, tribunal, board, commission, bureau, arbitrator, arbitration tribunal or other tribunal, or any quasi-governmental or other entity, insofar as it exercises a legislative, judicial, regulatory, administrative, expropriation or taxing power or function of or pertaining to government.
- (rr) **“Greenswitch America”** means Greenswitch America Inc. company incorporated under the laws of the State of Delaware.
- (ss) **“Greenswitch Capital”** means Greenswitch Capital Ltd. a company incorporated under the laws of the Province of British Columbia.
- (tt) **“Ground Leases”** means the Canopy Ground Lease and the Chapel Ground Lease and **“Ground Lease”** means either one of them.
- (uu) **“Hazardous Substance”** means any pollutant, dangerous substance, liquid waste, industrial waste, hauled liquid waste, toxic substance, hazardous waste, hazardous material, hazardous substance, flammable substance or contaminant (as defined in any statute, regulation or directive issued by any governmental authority including without limitation the *Environmental Protection Act* (Ontario), as amended), including, without limitation, any polychlorinated biphenyl, radioactive substances, asbestos, heavy metals or petroleum products.
- (vv) **“HST”** means the tax imposed under Part IX of the Excise Tax Act (Canada), as amended or re-enacted from time to time.
- (ww) **“Information Circular”** means the management information circular of the Purchaser, together with all appendices thereto to be mailed or otherwise distributed by Purchaser to its shareholders, and such other securityholders of the Purchaser as may be required pursuant to Applicable Laws in connection with the Purchaser Meeting.
- (xx) **“Initial Conditions”** means the conditions for the benefit of the Purchaser set out in Section 4.1A hereto and the conditions for the benefit of the Vendors set out in Section 4.1B hereto.
- (yy) **“Interim Period”** means the period commencing on the Execution Date and ending on the Closing Date.

- (zz) “**JV/Partner Financials Statements**” means the OP Holdings Financial Statements, Pave LLC Financial Statements and the Pave Nashville Financial Statements;
- (aaa) “**Lands**” means the lands which are legally described in Schedule 1.1(aaa) attached hereto.
- (bbb) “**Land Title Office**” means the Toronto Land Title Office where the Finch Avenue East Property is registered and the Burlington Land Title Office where the Paletta Court Property is registered.
- (ccc) “**Leases**” means agreements to lease or leases entered into by or on behalf of the Vendors, as Landlord, and any Tenants, with respect to the leasing of premises at any of the Properties, copies of which have been delivered to the Purchaser and “**Lease**” means any one of the Leases.
- (ddd) “**Losses**” means, in respect of any matter, all Claims, demands, losses, damages, liabilities, deficiencies, costs and expenses (including all legal and other professional fees and disbursements, interest, penalties and amounts paid in settlement) arising as a consequence of that matter, but excluding consequential and punitive damages.
- (eee) “**Material Adverse Change**” means any change, or any development or event which arises or pertains to the period from and after the Execution Date and which has a material and adverse effect on the continued use of any of the Properties or the U.S. Properties in the same manner and to the same extent as existed during the previous two (2) year period, or which has a material and adverse effect on the revenues, expenses, business, or the legal or financial position of a Party and “**Material Adverse Effect**” shall have a corresponding meaning. Notwithstanding the foregoing, the parties acknowledge that the impact of COVID-19 on the revenue generated from the Properties or the U.S. Properties shall not constitute a Material Adverse Change.
- (fff) “**Mortgages**” means the CIBC Mortgage and the FNF Mortgage , collectively and “**Mortgage**” means either one of them.
- (ggg) “**Mortgagees**” means CIBC and FNF , collectively and “**Mortgagee**” means either one of them.
- (hhh) “**Nashville Property**” means the real property municipally known as 1671 and 1723 Murfreesboro Pike, Nashville, Tennessee.
- (iii) “**NI 51-102**” means National Instrument 51-102 - “*Continuous Disclosure Obligations*” of the Canadian Securities Administrators, as amended or replaced.
- (jjj) “**Notice**” has the meaning ascribed thereto in Section 9.16.
- (kkk) “**OP Holdings**” means OP Holdings JV, LLC, a limited liability company incorporated under the laws of the State of Delaware.
- (lll) “**OP Holdings Financial Statements**” means the unaudited reviewed consolidated financial statements of OP Holdings and its Subsidiaries dated March 1, 2020, prepared by ██████████, Certified Public Accountants, as at the fiscal year ended December 31, 2019, together with the notes thereto, and the interim internally prepared financial statements of OP Holdings and its Subsidiaries for the interim period of January 1, 2020, to July 31, 2020;
- (mmm) “**OP Holdings JV Agreement**” means the Limited Liability Company Agreement dated April 22, 2015, entered into among OP Holdings, OP Holdings JV Member LLC and Pave LLC, as amended.

- (nnn) **“OP Holdings Subsidiaries”** means OP Canopy Holdings, LLC, OP Canopy Owner, LLC, OP Riccio Owner, LLC, OP Z Parking Owner, LLC and OP Chapel Square Owner, LLC.
- (ooo) **“Open Building Permits”** means the building permits listed in Schedule 1.1(ooo).
- (ppp) **“Paletta Court Property”** means the lands and premises municipally known as 4390 Paletta Court, Burlington, Ontario.
- (qqq) **“Paletta VTB Mortgage”** has the meaning ascribed thereto in Section 2.3(d) hereof.
- (rrr) **“Parties”** means the Vendors and the Purchaser, as the case may be, and **“Party”** means any one of them.
- (sss) **“Pave Admin”** means Pave Admin LLC, a limited liability company incorporated under the laws of the State of Delaware.
- (ttt) **“Pave Admin Operating Agreement”** means the Operating Agreement dated April 22, 2015, among Pave Admin and the members listed therein, as amended.
- (uuu) **“Pave LLC”** means Parking Acquisition Ventures, LLC, a limited liability company incorporated under the laws of the State of Delaware.
- (vvv) **“Pave LLC Financial Statements”** means the unaudited internally prepared financial statements of Pave LLC and its Subsidiaries, as at the fiscal year ended December 31, 2019, together with the notes thereto, and the interim internally prepared financial statements of Pave LLC for the interim period of January 1, 2020, to July 31, 2020
- (www) **“Pave LLC Operating Agreement”** means the Operating Agreement dated April 22, 2015, entered into among PAVE LLC and the members listed therein, as amended.
- (xxx) **“Pave Nashville”** means Pave Nashville, LLC, a limited liability company incorporated under the laws of the State of Delaware.
- (yyy) **“Pave Nashville Financial Statements”** means the unaudited internally prepared financial statements of Pave Nashville as at the fiscal year ended December 31, 2019, together with the notes thereto, and the interim internally prepared financial statements of Pave Nashville for the interim period of January 1, 2020, to July 31, 2020.
- (zzz) **“Permitted Encumbrances”** means those encumbrances listed on Schedule 1.1(zzz) attached hereto.
- (aaaa) **“Person”** is to be broadly interpreted and includes an individual, a corporation, a partnership, a joint venture, a trust, an association, an unincorporated organization, a Governmental Authority, an executor or administrator or other legal or personal representative, or any other juridical entity.
- (bbbb) **“Plans, Permits and Approvals”** means the as built building plans and drawings for the Properties, all surveys of the Properties, all annual licences and approvals and permits for Properties, all municipal agreements relating to the Properties, provided in each case they are in the possession or control of and owned by the Vendors.
- (cccc) **“Private Placement”** means a private placement of Common Shares to be completed by the Purchaser on or immediately following Closing for a total amount of TEN MILLION DOLLARS

(\$10,000,000.00) at a price per Common Share that is mutually agreed upon in writing by the Purchaser and the Vendors.

- (dddd) **“Properties”** means the Buildings and the Lands upon which the Buildings are situated and which comprise the Finch Avenue East Property and the Paletta Court Property, respectively, and **“Property”** means any one of them.
- (eeee) **“Purchase Assets”** means the Properties and other assets situated at either one of the Properties and used in the operation of the Properties, including without limitation, all trade fixtures and improvements situated in or on the Properties, the Buildings, the Lands, the Chattels, the Contracts, the Leases, the Warranties, the Plans, Permits and Approvals, the Books and Records of or relating to the Properties and the billing systems used in the operation of the Properties.
- (ffff) **“Purchase Price”** means the sum of THIRTY-SIX MILLION, TWO HUNDRED AND FIFTY THOUSAND\_DOLLARS (\$36,250,000.00) in Canadian funds, subject to any Adjustments provided for in Section 2.4 hereof.
- (gggg) **“Purchaser Annual Financial Statements”** means the audited consolidated financial statements of the Purchaser as at and for the periods ended October 31, 2018 and October 31, 2019, together with the notes thereto.
- (hhhh) **“Purchaser Financial Statements”** means, collectively, the Purchaser Annual Financial Statements and the Purchaser Interim Financial Statements.
- (iiii) **“Purchaser Interim Financial Statements”** means the unaudited consolidated financial statements of the Purchaser as at and for the three and nine months ended July 31, 2020, together with the notes thereto.
- (jjjj) **“Purchaser Meeting”** means the annual and special meeting of the Purchaser’s shareholders and other securityholders, if applicable, to be held in accordance with this Agreement to obtain the approval of the shareholders of the Purchaser, and other securityholders, if applicable, for the Transaction, any aspect of the Transaction, including the creation of a new Control Person, or the Private Placement and any adjournment(s) or postponement(s) thereof;
- (kkkk) **“Purchaser Permitted Encumbrances”** means those encumbrances listed on Schedule 1.1 (kkkk) attached hereto;
- (llll) **“Purchaser Public Documents”** means all documents and information filed by Purchaser under applicable Securities Laws on the System for Electronic Document Analysis Retrieval (SEDAR), during the two (2) years prior to the date hereof.
- (mmmm) **“Purchaser Shareholder Approval”** means the approval, in accordance with Securities Laws, of the Purchaser’s shareholders and other securityholders, if applicable, obtained at the Purchaser Meeting or by other means in accordance with Securities Laws, of the Transaction, any aspect of the Transaction, including the creation of a new Control Person, or the Private Placement, all as more particularly described in the Information Circular or other documents utilized for obtaining such Purchaser Shareholder Approval;
- (nnnn) **“Purchaser Subsidiaries”** means Greenswitch Capital, Greenswitch America and Park Drive Capital, LLC.

- (oooo) **“Purchaser’s Certificate”** means a certificate from the Purchaser certifying that the covenants, representations and warranties of the Purchaser contained in this Agreement are true and fulfilled as if given again on Closing.
- (pppp) **“Purchaser’s Closing Documents”** has the meaning set out in Section 8.3.
- (qqqq) **“Purchaser’s Solicitors”** means Fogler Rubinoff, LLP., Toronto, Ontario.
- (rrrr) **“Rent Roll”** has the meaning ascribed thereto in Section 3.8(b).
- (ssss) **“Securities Jurisdictions”** means the provinces of Canada in which the Purchaser is registered as a “reporting issuer” under applicable Securities Laws.
- (tttt) **“Securities Laws”** means, collectively, the securities laws, and the rules, regulations, instruments, blanket orders and policies published and/or promulgated thereunder, and exchange rules, including the TSXV Corporate Finance Manual, as such may be amended from time to time prior to the Effective Date, having application to the Purchaser or its business, undertaking, property or securities.
- (uuuu) **“Securities Regulators”** means the securities commissions or other securities regulatory authorities of each of the Securities Jurisdictions.
- (vvvv) **“Tenant Estoppels”** means estoppel certificates to be provided by Cascades Containerboard Packaging Ontario Inc. (“Cascades”) and Win-Trak Logistics Inc. (“Win-Trak”) with respect to their respective rented premises at the Finch Avenue East Property and by Aqua-Tech Sales and Marketing Inc. (“Aqua-Tech”) with respect to its rented premises at the Paletta Court Property, substantially (but with no material changes or additions thereto and consistent with their respective Leases) in the form of Schedule 1.1(vvvv) attached hereto with the details of each particular Lease provided in the appropriate spaces thereon.
- (wwww) **“Tenants”** means the Persons named as tenants or otherwise bound as Tenants under the Leases.
- (xxxx) **“TSXV”** means the TSX Venture Exchange Inc.
- (yyyy) **“Transaction”** means the purchase and sale of the Purchase Assets pursuant to the terms and conditions as contained in, and as contemplated in, this Agreement.
- (zzzz) **“U.S. Properties”** means the real properties listed and described in Schedule 1.1(zzzz).
- (aaaa) **“Vendors”** means, collectively, Nawoc and SRS and **“Vendor”** means either one of them.
- (bbbb) **“Vendors’ Certificate”** means a certificate from each of the Vendors certifying that the covenants, representations and warranties of the Vendors contained in this Agreement are true and fulfilled as if given again on Closing.
- (cccc) **“Vendors’ Closing Documents”** has the meaning set out in Section 8.2.
- (dddd) **“Vendors’ Lease Certificate”** has the meaning set out in Section 3.10(c).
- (eeee) **“Vendors’ Solicitors”** means Marrelli & Co., Toronto, Ontario and DLA Piper (Canada) LLP, Calgary, Alberta.

- (fffff) “**VTB Mortgages**” means the Paletta VTB Mortgage and the Finch Avenue VTB Mortgage collectively.
- (ggggg) “**Warranties**” means all warranties and guarantees obtained by the Vendors or benefitting the Properties in respect of the development, construction, maintenance and/or the existing operation of any Properties that are assignable and that are in effect on the Closing Date.
- (hhhhh) “**Work Orders**” means (i) any work orders, deficiency notices, notices of violation or non-compliance, outstanding building permits, orders, or requirements to comply with any Applicable Laws issued by any Governmental Authority; or (ii) any default or non-compliance under any subdivision, site plan, development, encroachment, easement or right-of-way or other similar regional or municipal agreement affecting the Properties, but does not include the Open Building Permits.

## 1.2 **Knowledge**

In addition, in this Agreement, any reference to knowledge, “**to the knowledge of**” or “**to its knowledge**” and other similar phrases limiting the scope of any representation, warranty, acknowledgement, covenant or statement by the Vendors or the Purchaser will be understood to be made on the basis of the actual knowledge of the person who is the President, Chief Financial Officer or Chief Operating Officer of the Vendors or the Purchaser, as applicable, and who has made inquiries of such Persons as are reasonably necessary as to the matters that are the subject of such representation, warranty, acknowledgement, covenant or statement.

## 1.3 **Schedules**

The following schedules form part of this Agreement:

Schedule 1.1(aaa)	Lands
Schedule 1.1(ooo)	Open Building Permits
Schedule 1.1(zzz)	Permitted Encumbrances
Schedule 1.1 (kkkk)	Purchaser Permitted Encumbrances
Schedule 1.1(vvvv)	Tenant Estoppel
Schedule 1.1(zzzz)	List of U.S. Properties
Schedule 2.7	Purchase Price Allocation
Schedule 5.2(ee)	Ownership of U.S. Properties
Schedule 5.2(hh)	Pro Forma Waterfall Calculations
Schedule 5.2(ii)	Material Agreements
Schedule 5.2(ll)	Employee Information
Schedule 5.2(mm)	Employment Agreements
Schedule 5.2(oo)	Related Party Transactions
Schedule 5.2(pp)	Obligations for Mortgage Debt on U.S. Properties
Schedule 5.2(rr)	Outstanding Litigation

## **ARTICLE 2**

### **AGREEMENT TO PURCHASE AND PURCHASE PRICE**

- 2.1 The Vendors hereby agree to sell to the Purchaser and the Purchaser hereby agrees to purchase from the Vendors all of the right, title and interest of the Vendors in and to the Purchase Assets for the Purchase Price, as adjusted in the manner set forth in this Agreement, and upon and subject to the other terms and conditions set out herein.

- 2.2 The Purchase Price for the Purchase Assets is THIRTY-SIX MILLION, TWO HUNDRED AND FIFTY THOUSAND DOLLARS (\$36,250,000.00), as allocated to each Property in the amounts set out in Schedule 2.7, and subject to the Adjustments relating to each Property.
- 2.3 The Purchase Price shall be payable as follows:
- (a) The sum of TEN MILLION DOLLARS (\$10,000,000) shall be paid and satisfied by the issuance to the Vendors, on an equal basis, of 40,000,000 Common Shares at a deemed price of \$0.25 per Common Share issued in the names of or to the order of the Vendors (the “**Payment Shares**”).
  - (b) The sum of approximately NINE MILLION THREE HUNDRED THOUSAND DOLLARS (\$9,300,000.00) shall be paid and satisfied by way of assumption by the Purchaser of all principal, interest and other amounts outstanding under the CIBC Mortgage as at the Closing Date.
  - (c) The sum of approximately EIGHT MILLION FIVE HUNDRED THOUSAND DOLLARS (\$8,500,000.00) shall be paid and satisfied by way of assumption by the Purchaser of all principal, interest and other amounts outstanding under the FNF Mortgage as at the Closing Date.
  - (d) The sum of approximately THREE MILLION TWO HUNDRED THOUSAND DOLLARS (\$3,200,000.00) shall be evidenced by a Charge/Mortgage to be registered in favour of SRS against title to the Paletta Court Property on Closing (the “**Paletta VTB Mortgage**”). The Paletta VTB Mortgage will be subordinate only to the existing CIBC Mortgage, will have a term of two (2) years, will bear interest at the rate of 6% per annum, calculated semi-annually, and will be payable in full, as to both principal and interest, on maturity. The final principal amount of the Paletta VTB Mortgage will be the amount of the Purchase Price allocated to the Paletta Court Property (as set out Schedule 2.7) less the sum of \$5,000,000.00 for the Payment Shares allocated and issued to SRS and less the outstanding principal, interest and other amounts owing under the CIBC Mortgage as of the Closing Date.
  - (e) Subject to Section 2.3(c), the sum of approximately FIVE MILLION TWO HUNDRED AND FIFTY THOUSAND DOLLARS (\$5,250,000.00) shall be evidenced by a Charge/Mortgage to be registered in favour of Nawoc against title to the Finch Avenue East Property on Closing (the “**Finch Avenue VTB Mortgage**”). The Finch Avenue VTB Mortgage will be subordinate only to the existing FNF Mortgage will have a term of two (2) years, will bear interest at the rate of 6% per annum, calculated semi-annually, and will be payable in full, as to both principal and interest, on maturity. The final principal amount of the Finch Avenue VTB Mortgage will be the amount of the Purchase Price allocated to the Finch Avenue East Property (as set out Schedule 2.7) less the sum of \$5,000,000.00 for the Payment Shares allocated and issued to Nawoc and less the outstanding principal, interest and other amounts owing under the FNF Mortgage as of the Closing Date.
  - (f) The Vendors and the Purchasers acknowledge and agree that any and all Payment Shares issued pursuant to the Transaction will be subject to a restricted period imposed by Securities Laws which will restrict the trading of such Payment Shares for a period of four (4) months and one (1) day following the date of the issuance of such Payment Shares, and the certificates for such Payment Shares will bear the following legend to that effect:

“Without the prior written approval of the TSX Venture Exchange and compliance with all applicable securities legislation, the securities represented by this certificate may not be sold, transferred, hypothecated or otherwise traded on or through the facilities of the TSX Venture Exchange or otherwise in Canada or to or for the benefit of a Canadian resident until \_\_\_\_, 20\_\_\_. Unless permitted under securities legislation, the holder of this security must not trade the security before \_\_\_\_, 20\_\_.”

- (g) In the event that the Purchaser shall, prior to the Closing Date undertake a subdivision or consolidation of any of the issued and outstanding Common Shares, the number of the Payment Shares, which may otherwise be issued pursuant to the Transaction, shall be adjusted accordingly.

## 2.4 Adjustments

- (a) The Vendors and the Purchaser shall adjust the Purchase Price in respect of the following items which, for greater certainty, will be determined separately for each Property:
- (i) security deposits paid pursuant to the Leases;
  - (ii) rent, including prepaid rent, paid or payable under the Leases;
  - (iii) municipal property taxes;
  - (iv) utilities and fuel accounts;
  - (v) any amounts under the Permitted Encumbrances and the Contracts which are being assigned to and assumed by the Purchaser on Closing;
  - (vi) all other items of adjustment contemplated by this Agreement; and
  - (vii) all other items reasonably capable of and, subject to the provisions of this Agreement, properly and usually the subject of adjustment in connection with the ownership, operation and management of the Properties (collectively, the “**Adjustments**”).
- (b) The Adjustments relating to the Paletta Court Property will be determined on a net basis and if the net adjustment amount is in favour of SRS, the amount of the net adjustment will be added to the principal amount of the Paletta VTB Mortgage. If the net adjustment amount is in favour of the Purchaser, the amount of the net adjustment will be deducted in calculating the principal amount of the Paletta VTB Mortgage.
- (c) The Adjustments relating to the Finch Avenue East Property will be determined on a net basis and if the net adjustment amount is in favour of Nawoc, the amount of the net adjustment will be added to the principal amount of the Finch Avenue VTB Mortgage. If the net adjustment amount is in favour of the Purchaser, the amount of the net adjustment will be deducted in calculating the principal amount of the Finch Avenue VTB Mortgage.
- (d) It is agreed by and between the Parties hereto that if the final cost or amount of any item which is to be adjusted under Section 2.4(a) hereof cannot be determined at the Closing, then the initial adjustment for such item made as of the Closing Date shall be estimated by the Vendors on the basis of the best evidence available to them as of the Closing

Date as to what the final cost or amount of the said item will be and all such items shall be readjusted once by no later than six (6) months after the Closing Date. In the absence of agreement by the Parties hereto, acting reasonably, the final cost or amount of an item shall be determined by consensus among the Purchaser's and Vendors' accountants with the fees of such accountants shared equally between the Purchaser and the Vendors. If the Purchaser's and Vendors' accountants are unable to agree upon the final cost such accounts shall appoint a third independent accounting firm to determine such cost.

- (e) There shall be no adjustment for outstanding rents, operating cost recoveries and receivables (which shall remain the property of the Vendors) other than for the calendar month in which Closing takes place, save if a Tenant is in arrears of rent for any period prior to the month of Closing, in which event there shall be no adjustment for unpaid rent for such Tenant(s) for the month of Closing. After Closing, the Vendors shall have the right to recover from Tenants any arrears of rent, operating cost recoveries and receivables which accrued prior to the Closing Date, and the Purchaser agrees to reasonably co-operate with the Vendors to recover said arrears (provided the Purchaser shall not be required to distrain under or terminate any Lease for that purpose and shall exclude resorting to any litigation). For receivables not adjusted for, to the extent the Purchaser, after Closing, receives any amount from a Tenant on account of receivables at a time when no amounts are owing by that Tenant to the Purchaser, the Purchaser shall pay such amount to the Vendors.

#### 2.5 **Allocation of Adjustments on Closing Date**

The Purchaser shall be credited with and shall be entitled to income received or receivable in respect of that period commencing on the Closing Date and shall be responsible for and shall be debited with and shall pay all obligations and Adjustments to be paid or payable from and after the Closing Date.

#### 2.6 **Utilities**

The Vendors agree to arrange for all metered utilities to be read on the Closing Date and all amounts owing for utilities for any period prior to the Closing Date shall be paid and satisfied by the Vendors as and when due.

#### 2.7 **Allocation of Purchase Price**

The Purchase Price shall be allocated among the Properties in the manner set out in Schedule 2.7 attached hereto and the Payment Shares shall be allocated to each Vendor on an equal basis. The Purchaser and the Vendors shall agree to execute all documentation and file all income tax and other returns consistent with the agreed upon allocations, both before and after Closing of the Transaction. If the Parties are unable to agree on any such allocations, each Party shall undertake its own allocations of the Purchase Price as among the Purchase Assets.

#### 2.8 **Payment Shares**

All filing and registration fees in respect of the Payment Shares to be issued to the Vendors pursuant to Section 2.3(a), including but not limited to the transaction filing fee with the TSVX, the filing fee with the Securities Regulators and the transfer agent's processing fee shall be paid by the Purchaser, at its sole expense.

#### 2.9 **Assumption of Mortgages**

The Purchaser shall assume the existing Mortgages subject to the prior written consent of the Mortgagees, and provided that the assumption of the Mortgages will be on substantially the same terms currently in effect or otherwise on terms satisfactory to the Purchaser acting reasonably. The Mortgages will have an outstanding aggregate principal balance of approximately \$17,800,000.00 as of Closing. The Mortgages will be considered to be Permitted Encumbrances. The Purchaser will pay and be responsible for any fees payable to the Mortgagees in connection with the assumption of the Mortgages by the Purchaser. The Purchaser will provide all financial, corporate and other information as may be reasonably requested by the Mortgagees and will execute and deliver all such loan applications, commitments, assumption agreements and other documents, including opinions of Purchaser's Solicitors, as may be reasonably requested by the Mortgagees. The Parties will use reasonable efforts to ensure that the personal guarantees provided by Access Self Storage Inc. ("**Access**") in respect of the FNF Mortgage are released on Closing, failing which the Purchaser will execute in favour of and deliver to Access an indemnity agreement with respect to any such guarantees that are not released by either of such Mortgagees. The Vendors agree to execute such documents as the Mortgagees may require in connection with the Mortgagees' consent to the assumption of the Mortgages by the Purchaser, including any assumption agreement.

#### 2.10 **Purchase Price and Payment Calculations**

The Parties acknowledge and confirm that all Purchase Price and payment calculations contemplated in this Article 2 will be determined separately for each Property in the same form as set out in Schedule 2.7.

#### 2.11 **Private Placement**

On or prior to the Closing Date, the Parties will utilize reasonable commercial efforts to settle the terms of the Private Placement and to complete all terms sheets, subscription agreements, offering materials, if any, and related materials to be circulated to prospective investors. The Purchaser's existing directors, officers, shareholders and their Affiliates shall subscribe for up to \$2,500,000.00 of the Private Placement.

### **ARTICLE 3 DELIVERIES AND INSPECTIONS**

#### 3.1 **Authorizations**

The Vendors will, upon request, execute and deliver to the Purchaser authorizations (the "**Authorizations**") that may be sent by the Purchaser or the Purchaser's Solicitors to various Authorities that authorize them to reveal to the Purchaser's Solicitors all information, if any, on any files they have in respect of the Properties, but which shall expressly state that there are not to be any inspections of any Property. Neither the Purchaser nor the Purchaser's Solicitors will request any inspections of the Properties by any Authorities and no inquiries shall be made to Canada Revenue Agency.

#### 3.2 **Key Assumptions**

The Purchaser acknowledges, covenants and agrees that:

- (a) except for the representations and warranties of the Vendors expressly set out in this Agreement, the Vendors make no representation or warranties whatsoever with respect to the condition, zoning or lawful use, marketability, title or environmental condition of the Properties or as to the revenues, expenses and net operating income derived from the Properties;

- (b) except as otherwise expressly set out in this Agreement, and in particular, the representations and warranties as set forth in this Agreement, the Purchaser enters into this Agreement relying solely on its own inspections;
- (c) it is the obligation of the Purchaser to satisfy itself (at the Purchaser's sole cost and expense) with respect to the following matters relating to or affecting the Properties and the Purchase Assets:
  - (i) the state of repair or condition of the Buildings and/or the Properties including any latent or patent defects;
  - (ii) the development potential or the fitness of the Properties for any use, including the intended use of them by the Purchaser;
  - (iii) the general condition and state of any utilities systems in, on, under or servicing the Properties;
  - (iv) the boundaries and dimensions of the Properties;
  - (v) the access to and egress from the Properties;
  - (vi) past, present or future permitted uses or zoning of the Properties; and
  - (vii) the municipal bylaws or other laws applicable to the Properties;
- (d) the Vendors have no obligation to make any investigations, tests, studies or reviews of any kind whatsoever with respect to any matter relating to the Properties or the Purchase Assets;
- (e) the Vendors make no representation or warranty as to the accuracy or completeness of any reports or information received from any Person, other than the Vendors and provided to the Purchaser hereunder but the Vendors hereby confirm that they have no knowledge of any such inaccuracy or incompleteness.

### 3.3 **Purchaser's Environmental Matters.**

If the Transaction is completed and the Purchaser acquires the Properties, the Purchaser shall on the Closing Date, assume and be responsible for and release the Vendors and their respective officers, directors and shareholders from and against all losses, damages, costs, expenses, claims, liabilities, actions, causes of action and demands, caused after the Closing Date with respect to any matter or thing whatsoever arising out of or in any way related to Hazardous Substances brought on or migrating on or generated from or in the Properties or any one or more of them that originated after the Closing Date. Without limiting the generality of the foregoing assumption and release the Purchaser shall indemnify the Vendors and their officers, directors and shareholders from any liability with respect to any, cause, matter or thing whatsoever arising out of or in any way related to Contaminants on any of the Properties or arising out of or in any way related to compliance with Environmental Laws caused by the Purchaser or its representatives or agents from and after the Closing Date.

### 3.4 **Physical Inspections by the Purchaser**

- (a) The Purchaser will, until the expiry of the Conditional Period, have the right, from time to time, and upon prior notice to the Vendors from the Purchaser of at least one (1) Business Day, subject to any notice to be given to any Tenant pursuant to the Leases to

enter the Properties, with a designated employee of the Vendors, on any Business Day during the Vendors' regular business hours, at the Purchaser's sole risk and expense, for the purpose of conducting inspections, tests and audits (including environmental inspections) relating to the Properties, including, without limitation, soils tests, chemical analysis tests, inspections and tests of the roof and structural soundness of the Buildings situate on the Properties and the operating capability of all Building Systems serving the Properties, provided that the performing of such inspections, tests and audits shall be conducted in a manner that minimizes interference with the use and enjoyment of the Properties by the Vendors or the Tenants. The Purchaser hereby agrees to pay all costs of any repairs required to be made to the Properties as a result of the aforesaid inspections, tests and audits so that the Properties are restored to the condition they were in immediately prior to the inspection, test or audit. Furthermore, the Purchaser agrees to indemnify and save harmless the Vendors, their respective directors, officers and employees from and against any Claims they may suffer or incur by reason of personal injury or death to any person or loss of or damage to property that occurs during the course of or as a result of the Purchaser's inspections. The Purchaser shall provide evidence of public liability insurance, acceptable to the Vendors acting reasonably, prior to accessing the Properties or any one or more of them.

### 3.5 **Public Announcements**

No Party shall make any public statement or issue any press release concerning the Transaction except as agreed by the Parties acting reasonably or as may be necessary, in the opinion of counsel to the Party making that disclosure, to comply with the requirements of any Applicable Law. If any public statement or release is so required, the Party making the disclosure shall consult with the other Parties before making that statement or release, and the Parties shall use all reasonable efforts, acting in good faith, to agree on a text for the statement or release that is satisfactory to the Parties. Notwithstanding the foregoing provisions of this Section 3.5, the Parties acknowledge and agree that upon the execution of this Agreement the Purchaser will issue a news release in form and substance approved by the Vendors.

### 3.6 **Disclosure and Consultation in Respect of the Transaction**

No Party shall disclose this Agreement or any aspect of the Transaction to any Person except to its board of directors, its senior management, its legal, accounting, financial or other professional advisors, its bankers, any financial institution contacted by it with respect to approvals for the Transaction, any financial institution, dealer or other financier contacted by it with respect to any financing required in connection with the Transaction and counsel to those financial institutions, dealers or financiers, or as may be required by any Applicable Law or as agreed by the Parties. The Vendors and the Purchaser shall consult with each other concerning the manner by which either Parties' employees, customers, suppliers and other Persons having dealings with such Party shall be informed of the Transaction.

### 3.7 **BAR Financial Statements**

Within 60 days after the Closing Date, the Vendors covenant and agree to provide the Purchaser with the BAR Financial Statements required to be filed subsequent to the Closing Date in compliance with the BAR Requirements.

### 3.8 **Vendors' Initial Deliveries**

The Vendors shall deliver or cause the manager of the Properties to deliver or make available to the Purchaser (to the extent not previously provided), as the case may be, the following that are applicable and have been prepared by or are in the possession of the Vendors:

- (a) a copy of each Lease;
- (b) an up-to-date rent roll (the "**Rent Roll**") detailing: tenant, unit number, unit area, net rent, TMI, rent increases, renewal options, arrears, lease start date and lease end date;
- (c) copies of all Contracts including all Warranties;
- (d) a copy of any report that has been obtained by or is in the possession or control of the Vendors with respect to environmental matters including investigations, inspections, soil and/or ground water tests building condition report and any like reports;
- (e) a list of all continuing litigation affecting the Properties as of the date hereof;
- (f) income and expense statements for the last two years for the operation of the Properties;
- (g) realty tax bills, assessments and appeals for the current and last two years for the Properties;
- (h) a Tenant recovery reconciliation for the 2019 year;
- (i) copies of existing building and unit floor plans together with a certificate from an architect, surveyor or engineering firm certifying as to the square footage of each Tenant based on current BOMA standards together with as is plans prepared by a duly licensed architect;
- (j) access to the building records and Tenant files;
- (k) copy of the current insurance policy and invoice respecting the Properties;
- (l) list of Chattels;
- (m) list and details of insurance claims by the Vendors and/or Tenant(s) to which Tenant's insurance the Vendor is seeking reimbursement for Claims; and
- (n) copies of any tax appeals and all relevant information in respect of same.

(collectively the "**Deliveries**")

### 3.9 **Subsequent Deliveries**

At least five (5) Business Days prior to Closing, the Vendors shall deliver a draft statement of adjustments to the Purchaser for the Purchaser's review.

### 3.10 **Tenant Estoppels**

- (a) The Vendors shall use reasonable and diligent efforts (which shall exclude the payment of money or resorting to litigation) to obtain and deliver to the Purchaser, by the Closing Date, Tenant Estoppels from each of Cascades, Win-Trak and Aqua-Tech. The Tenant Estoppels shall be dated a date no earlier than twenty-eight (28) days prior to the Closing Date.
- (b) The Vendors shall prepare draft estoppel certificates for each of Cascades, Win-Trak and Aqua-Tech using the template attached hereto as Schedule "7", completed in each

case based on the terms and status of the Lease and tenancy to which it relates and in conformity with the Rent Roll and the Leases (each a "**Draft Estoppel**" and collectively, the "**Draft Estoppels**") and deliver the Draft Estoppels to the Purchaser for its review and comments at least two (2) Business Days prior to the expiry of the Conditional Period. The Purchaser shall have to and including the last day of the Conditional Period to review the Draft Estoppels to verify the accuracy of the information contained in the Draft Estoppels and whether same comply with the Deliveries provided by the Vendors to the Purchaser. The Purchaser shall provide any comments it may have on the Draft Estoppels within such time period and the Vendors shall make any reasonable corrections to the Draft Estoppels requested in the Purchaser's comments.

- (c) At least two (2) Business Days prior to the Closing Date (the "**Estoppel Delivery Date**"), the Vendors shall have delivered to the Purchaser, Tenant Estoppels from each of Cascades, Win-Trak and Aqua-Tech. In the event the Vendors do not obtain the Tenant Estoppels at least two (2) Business Days prior to the Closing Date, then, at least one (1) Business Day prior to the Closing date, the Vendors shall provide the Purchaser with a certificate of the Vendors confirming the relevant information of such missing Tenant Estoppel (the "**Vendors' Lease Certificate**") for those Tenant Estoppels that the Vendors did not provide to the Purchaser as set forth in this Section 3.10.

#### **ARTICLE 4**

#### **CONDITIONAL PERIOD AND CLOSING CONDITIONS**

##### 4.1 A. **Purchaser's Initial Conditions**

The Purchaser's obligation to complete the Transaction provided for in this Agreement shall be conditional until the expiry of the Conditional Period upon the Purchaser either satisfying, in its sole and unfettered discretion, or waiving, the following (the "**Purchaser's Initial Conditions**"):

- (a) the Purchaser shall have obtained the initial conditional acceptance of the TSXV of the Transaction and the Private Placement, including, without limitation, the issuance of all Common Shares to be issued pursuant to the Transaction and the Private Placement, subject to satisfaction by the Purchaser of customary post-closing conditions imposed by the TSXV for transactions similar to the Transaction and the Private Placement;
- (b) if required pursuant to the policies of the TSXV or the conditional acceptance letter of the TSXV, the Purchaser shall have obtained the approval of the shareholders of the Purchaser of the Transaction, any aspect of the Transaction including the creation of a new Control Person, and the Private Placement, in accordance with the policies of the TSXV;
- (c) the Purchaser shall be satisfied, acting reasonably, with the title to the Properties and that the present uses of the Properties may be lawfully continued and that there is no non-compliance with the Permitted Encumbrances or any Applicable Laws which the Purchaser, acting reasonably, will not waive;
- (d) the Purchaser shall be satisfied, acting reasonably, that the Mortgages are in good standing and that the Mortgagees have provided consent (the "**Mortgagee Consents**") of the Purchaser's assumption of the Mortgages on substantially the same terms currently in effect or otherwise on terms satisfactory to the Purchaser acting reasonably;
- (e) the Purchaser and the Vendors, each acting reasonably, shall have settled the terms of the VTB Mortgages; and

- (f) on or before two (2) Business Days prior to the expiry of the Conditional Period, the Purchaser shall have received the Draft Estoppels.

The Purchaser shall provide Notice to the Vendors prior to the expiry of the Conditional Period as to whether or not any or all of the Purchaser's Initial Conditions have been satisfied, fulfilled or waived. In the event that the Notice does not confirm that all of the Purchaser's Initial Conditions are satisfied, fulfilled or waived or in the event the Purchaser does not provide any such Notice, then this Agreement shall become null and void, and, subject only to the obligations of a Party pursuant to Sections 3.4, 3.5 and 3.6 hereof, no Party shall have any further obligations to the other hereunder. The waiver of any of the Purchaser's Initial Conditions by the Purchaser does not in any way limit or restrict the representations and warranties of the Vendors hereunder. The Parties agree that the Purchaser's Initial Conditions have been included for the sole and exclusive benefit of the Purchaser and, notwithstanding that any same may be a true condition precedent, the Purchaser may waive any or all of the Purchaser's Initial Conditions in whole or in part at any time prior to the expiry of the Conditional Period without prejudice to any of its rights of termination in the event of non-performance in whole or in part of any other condition for its benefit.

#### **B. Vendors' Initial Conditions**

The Vendors' obligation to complete the Transaction provided for in this Agreement shall be conditional until the expiry of the Conditional Period upon the satisfaction, or the waiving, both in the Vendors' sole and unfettered discretion, of the following conditions (the "**Vendors' Initial Conditions**"):

- (a) the Purchaser shall have obtained the initial conditional acceptance of the TSXV of the Transaction and the Private Placement, including, without limitation, the issuance of all Common Shares to be issued pursuant to the Transaction and the Private Placement, subject to satisfaction by the Purchaser of customary post-closing conditions imposed by the TSXV for transactions similar to the Transaction and the Private Placement;
- (b) if required pursuant to the policies of the TSXV or the conditional acceptance letter of the TSXV, the Purchaser shall have obtained the approval of the shareholders of the Purchaser of the Transaction, any aspect of the Transaction including the creation of a new Control Person, and the Private Placement, in accordance with the policies of the TSXV;
- (c) the Vendors shall be satisfied, acting reasonably, that the Mortgagees have provided consent of the Purchaser's assumption of the Mortgages on terms satisfactory to the Purchaser acting reasonably; and
- (d) the Purchaser and the Vendors, each acting reasonably, shall have settled the terms of the VTB Mortgages.

The Vendors shall provide Notice to the Purchaser prior to the expiry of the Conditional Period as to whether or not any or all of the Vendors' Initial Conditions have been satisfied, fulfilled or waived. In the event that the Notice does not confirm that all of the Vendors' Initial Conditions are satisfied, fulfilled or waived or in the event the Vendors do not provide any such Notice, then this Agreement shall become null and void and, subject only to the obligations of a Party pursuant to Sections 3.4, 3.5 and 3.6 hereof, no Party shall have any further obligations to the other hereunder. The waiver of any of the Vendors' Initial Conditions by the Vendors does not in any way limit or restrict the representations and warranties of the Purchaser hereunder. The Parties agree that the Vendors' Initial Conditions have been included for the sole and exclusive benefit of the Vendors and, notwithstanding that any same may be a true condition precedent,

the Vendors may waive any or all of the Vendors' Initial Conditions in whole or in part at any time prior to the expiry of the Conditional Period without prejudice to any of their rights of termination in the event of non-performance in whole or in part of any other condition for their benefit.

#### 4.2 **Closing Conditions of the Purchaser**

The completion of the Transaction is subject to the following terms and conditions, which conditions are for the exclusive benefit of the Purchaser, are to be fulfilled and/or performed at or prior to the Closing Date and may be waived by the Purchaser only (the "**Purchaser Closing Conditions**"):

- (a) the representations and warranties of the Vendors contained in this Agreement and the schedules hereto shall be, in all material respects, true and correct at Closing with the same force and effect as if such representations and warranties were made at and as of such time and the Vendors shall deliver to the Purchaser at Closing the Vendors' Certificate;
- (b) all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Vendors at or before the Closing Date shall have been complied with or performed;
- (c) the Purchaser shall on or before the Closing Date have received all regulatory approvals that are required in connection with the completion of the Transaction contemplated herein;
- (d) there shall not be pending or threatened in writing any suit, action or proceeding by any governmental entity or any other person in respect of the Properties that is reasonably likely to result in a prohibition or restriction on the consummation of the Transaction;
- (e) no Material Adverse Change shall have occurred with respect to the Properties, on an aggregate basis, from the Execution Date to the Closing Date;
- (f) the Vendors shall have delivered to the Purchaser good and marketable title to the Purchase Assets, free and clear of all Encumbrances, except for the Permitted Encumbrances; and
- (g) the Vendors shall have delivered all of the Closing Documents to be delivered by the Vendors and shall have complied with all of their other covenants and obligations under this Agreement;

If any of the Purchaser's Closing Conditions described in this Section 4.2 shall not have been fulfilled and performed at or prior to Closing to the satisfaction of the Purchaser, acting reasonably, and the Purchaser has given Notice thereof to the Vendors, the Purchaser may terminate this Agreement by Notice to the Vendors and the Purchaser shall, except with respect to its obligations under Sections 3.4, 3.5 and 3.6 hereof, be released from all of its obligations hereunder; provided, however, that the Parties agree that the Purchaser's Closing Conditions have been included for the sole and exclusive benefit of the Purchaser and, notwithstanding that same may be a true condition precedent, the Purchaser shall be entitled to waive compliance with any such Purchaser's Closing Conditions in whole or in part if it sees fit without prejudice to any of its rights of termination in the event of non-performance in whole or in part of any other condition for its benefit.

#### 4.3 Closing Conditions of the Vendors

The Transaction is subject to the following terms and conditions, which conditions are for the exclusive benefit of the Vendors, are to be fulfilled and/or performed at or prior to the Closing Date and may be waived by the Vendors only (the “**Vendors’ Closing Conditions**”):

- (a) the representations and warranties of the Purchaser contained in this Agreement and the schedules hereto shall be, in all material respects, true and correct at Closing with the same force and effect as if such representations and warranties were made at and as of such time and the Purchaser shall deliver to the Vendors at Closing the Purchaser’s Certificate;
- (b) all of the terms, covenants and conditions of this Agreement to be complied with or performed by the Purchaser at or before the Closing Date shall have been complied with or performed;
- (c) the Purchaser shall on or before the Closing Date have received all regulatory approvals that may be required in connection with the completion of the Transaction contemplated herein;
- (d) there shall not be pending or threatened in writing any suit, action or proceeding by any governmental entity or any other person, in respect of the Purchaser or the U.S. Properties, that is reasonably likely to result in: (A) a prohibition or restriction on consummation of the Transaction; or (B) an imposition of limitations on the ability of Vendors to acquire or hold, or exercise full rights of ownership of, any Payment Shares, including the right to vote the Payment Shares to be acquired by it on all matters properly presented to the shareholders of the Purchaser;
- (e) the Purchaser shall be a reporting issuer not listed in default pursuant to applicable Securities Laws, the Common Shares of the Purchaser shall not be subject to a cease trade order pursuant to applicable Securities Laws and the Common Shares shall be listed and posted for trading on the TSXV or the Toronto Stock Exchange;
- (f) no Material Adverse Change shall have occurred with respect to the Purchaser or the U.S. Properties, on an aggregate basis, from the Execution Date to the Closing Date; and
- (g) the Purchaser shall have delivered all of the Closing Documents to be delivered by the Purchaser and shall have complied with all of its other covenants and obligations under this Agreement.

If any of the conditions described in this Section 4.3 shall not have been fulfilled and performed at or prior to Closing to the satisfaction of the Vendors, acting reasonably, and the Vendors have given Notice thereof to the Purchaser, the Vendors may terminate this Agreement by Notice to the Purchaser and the Vendors shall, except with respect to its obligations under Sections 3.4, 3.5 and 3.6 hereof, be released from all of its obligations hereunder; provided, however, that the Parties agree that the Vendors’ Closing Conditions have been included for the sole and exclusive benefit of the Vendors and, notwithstanding that same may be a true condition precedent, the Vendors shall be entitled to waive compliance with any such Vendors’ Closing Conditions in whole or in part if they see fit without prejudice to any of their rights of termination in the event of non-performance in whole or in part of any other condition for their benefit.

#### 4.4 **Best Efforts to Satisfy Conditions**

Each of the Parties covenants and agrees that it shall utilize its continuing best efforts to ensure that each of the conditions set out in Sections 4.1, 4.2 and 4.3 hereof are satisfied on or before the Closing Date. Notwithstanding the foregoing, the Purchaser will use its reasonable best efforts to satisfy the conditions set forth in Sections 4.1A(a), 4.1(A)(b), 4.1B(a), 4.1B(b) and 4.3(e) prior to the termination of the Conditional Period.

### **ARTICLE 5** **REPRESENTATIONS, WARRANTIES, COVENANTS AND INDEMNITIES**

#### 5.1 **Vendors' Representations and Warranties**

The Vendors hereby severally represent, warrant or covenant, as applicable, to and in favour of the Purchaser (which representations, warranties and covenants are relied upon by the Purchaser and without which representations, warranties and covenants the Purchaser would not have executed this Agreement) that:

- (a) each of the Vendors has been duly incorporated, is validly subsisting and is in good standing under the laws of the Province of Ontario and is properly registered to own its property and conduct business in each province where the Purchase Assets owned by the Vendors are located;
- (b) each of the Vendors has the necessary authority, power and capacity to enter into and deliver this Agreement and to perform its obligations, and to consummate the Transaction, under this Agreement and the agreements contemplated herein on the terms and conditions herein contained and each of the Vendors has taken all necessary action required by Applicable Law and its constating documents to authorize and permit the execution and delivery of the Agreement and the Closing Documents and the performance of its obligations thereunder;
- (c) this Agreement and the performance of the obligations of the Vendors hereunder, and the Closing Documents required to be delivered by the Vendors hereunder shall upon delivery by the Vendors constitute legal, valid and binding obligations of the Vendors enforceable against the Vendors in accordance with their terms, subject, as to enforcement, to bankruptcy, insolvency and other law affecting creditor's rights generally and to general principles of equity;
- (d) neither the entering into nor the delivery of this Agreement nor the completion of the Transaction by the Vendors will result in a violation of or a default under:
  - (i) any of the provisions of the constating documents or by-laws of the Vendors;
  - (ii) any agreement or other instrument to which the Vendors are a party or by which the Vendors are bound; or
  - (iii) any Applicable Law;
- (e) other than the Mortgagee Consents, no authorization, consent or approval of, or filing with or notice to, any Governmental Authority or other person is required by the Vendors in connection with the execution, delivery or performance of this Agreement and the Closing Documents or the completion of the Transaction;

- (f) each of the Vendors is not a non-resident of Canada for the purposes of Section 116 of the *Income Tax Act* (Canada);
- (g) the Properties are rented only to the Tenants pursuant to the Leases and there are no leases, licenses, agreements to lease or other tenancy agreements with respect to the Properties which are currently in effect, save and except the Leases, and at Closing there will be no leases, licenses, agreements to lease or other tenancy agreements with respect to the Properties which are in effect at Closing, save and except the Leases and the Approved Leases.
- (h) except as otherwise disclosed to the Purchaser in writing during the Conditional Period, there are no disputes with the Tenants with respect to payments of rents, the calculation or payment of common area maintenance payments, operating costs or tax escalations or payments, damage to or loss of any of the assets or property of any Tenant or as to any repair obligations of the Vendors, each of the Leases is in good standing and there are no defaults by the Vendors thereunder;
- (i) true copies of all the Leases, including all amendments thereto, have been provided to the Purchaser;
- (j) all of the Leases have been duly executed and delivered by the Tenants and are assignable to the Purchaser, and except as disclosed to the Purchaser during the Conditional Period, all of the Leases are in good standing and to the Vendors' knowledge there are no defaults by the Vendors or the Tenants under the Leases, save and except that SRS and Gym Magic have entered in a rent reduction agreement under the CECRA federal rental assistance program with respect to the period March, 2020 to September, 2020;
- (k) the Vendors have not received any notice from any Tenant that it does not intend to renew its Lease or it is terminating its Lease;
- (l) no Tenant is or shall be entitled to any concession, rebate, allowance, tenant inducement, leasehold allowance, or rent-free period after Closing with respect to the occupancy of its premises;
- (m) the Rent Roll is accurate, correct and true in all material respects;
- (n) the Financial Statements have been prepared in accordance with GAAP applied on a basis consistent with prior periods and present fairly, in all material respects, the assets, liabilities (whether accrued, absolute, contingent or otherwise), financial position and results of operations of the Properties as at, and for the periods covered by such financial statements;
- (o) since the date of the Financial Statements, there has not been any Material Adverse Change in the affairs, prospects, operations or condition of the Properties and to the Vendors' knowledge no event has occurred or circumstance exists which may result in such a Material Adverse Change;
- (p) no Person has any written or oral contract, agreement or understanding, option, right of first refusal, or any other right or privilege (whether by law, pre-emptive or contractual) capable of becoming such for the purchase or acquisition of any part of any Property;

- (q) no Person has any written or oral contract, agreement or understanding, option, right of first refusal, or any other right or privilege (whether by law, pre-emptive or contractual) capable of becoming such to license or option to license any part of any Property other than the right of the Tenants to rent space pursuant to the Leases;
- (r) the Vendors have not entered into any service contract, maintenance contract, management contract or any other contract relating to the use, operation, maintenance and/or management of any Property which the Purchaser would be required to assume on the Closing Date other than the Contracts;
- (s) Nawoc is the registered and beneficial owner of the Finch Avenue East Property, free and clear of all Encumbrances, other than for Permitted Encumbrances;
- (t) SRS is the registered and beneficial owner of the Paletta Court Property, free and clear of all Encumbrances, other than Permitted Encumbrances;
- (u) each of the Properties is serviced by municipal, private and public utility services, including, without limiting the generality of the foregoing, municipal sewer, municipal water, hydro and telephone.
- (v) no Work Orders (other than the Open Building Permits) have been received by the Vendors from any Governmental Authorities alleging or relating to any non-compliance of any Property with any Applicable Laws, including Work Orders respecting building restrictions, zoning by-laws, fire codes, compliance with directives or requirements of the Electrical Safety Authority and the Technical Standards Safety Authority, public health, environmental protection, conservation or heritage legislation or regulations, and the Vendors shall promptly deliver to the Purchaser copies of any such Work Orders that may be received by the Vendors after the date hereof;
- (w) to the Vendors' knowledge, the Chattels are in good operating condition, free of any material defects, and in a state of good maintenance and repair having regard to the use to which the Chattels are put and the age thereof;
- (x) to the Vendors' knowledge, each Property complies with all Applicable Laws in all material respects;
- (y) there is no litigation, Claim or proceeding, appeal or application for review in progress or pending or to the knowledge of the Vendors, threatened against or affecting the Vendors or the Properties;
- (z) all accounts for work and services performed or materials placed or furnished upon or in respect of construction at the Properties (excluding all Tenant work not undertaken by or on behalf of the landlord of the Leases) will have been fully paid by Closing and no one will be entitled on Closing to claim a lien under the *Construction Lien Act* (Ontario) or the *Construction Act* (Ontario) for work performed by or on behalf of it;
- (aa) to the Vendors' knowledge, there are no pending or threatened expropriation proceedings relating to the Properties;
- (bb) the Vendors have not received notice of any Claims in respect of Environmental Liabilities which remains outstanding against the Vendors or against any Person whose liability for a Claim in respect of Environmental Liabilities has been retained or assumed by the Vendors by contract or otherwise with respect to the Purchase Assets;

- (cc) the Vendors have not received notice of any administrative or judicial judgments, orders or decrees that relate to violations of Environmental Laws with respect to the Properties or to the release, discharge, emission or disposal of Hazardous Substances on, to, from or under the Lands or the Buildings;
- (dd) to the Vendors' knowledge, and without making any independent inquiry, (i) there have been no releases, discharges, emissions or disposals of Hazardous Substance to from or under the Properties in violation of an Environmental Law that have not been remediated to the satisfaction of the Governmental Authority with jurisdiction over said release, discharge, emission or disposal, and (ii) no part of the Lands or the Buildings is or contains, in violation of an Environmental Law, a waste disposal site for hazardous waste as defined by the *Environmental Protection Act* (Ontario);
- (ee) that all municipal services are available to the Properties, including water, storm sewers, sanitary sewers, electricity, gas, roads, sidewalks, and street lights have been installed and are operating and fully paid for and that none are subject to local improvement rates, levies, development charges or any like charges;
- (ff) the Vendors have not entered into any agreement with any Governmental Authority having jurisdiction which would have the result of making the Properties subject to any sewer charges, local improvement rates, development charges or charges of a similar nature, nor have the Vendors received notice of any present or future obligation to pay any such amounts;
- (gg) the information and data, including without limitation as may be provided in the Deliveries, prepared by the Vendors (collectively the "**Information**"), and provided to the to the Purchaser in connection with its purchase of the Purchase Assets, and all the Schedules attached hereto prepared by the Vendors, was true and correct in all material respects on the date provided and did not omit any material information necessary for the accuracy and full disclosure of such Information;
- (hh) the Vendors have not received notice of any material breach of or material default on the part of the Vendors under the Leases, the Contracts or the Permitted Encumbrances;
- (ii) to the Vendors' knowledge and except as disclosed in writing to the Purchaser: (i) the Vendors are not in default of any material obligation of the Vendors under the Permitted Encumbrances; and (ii) as of the date of this Agreement, no other party is in breach of its obligations under the Permitted Encumbrances in any material respect;
- (jj) subject to Permitted Encumbrances, the Vendors are the registered and beneficial owners of the Purchase Assets as herein set out;
- (kk) to the Vendors' knowledge, all charges or mortgages of leasehold interest of any Tenant of the Properties were consented to by the Vendors;
- (ll) no Tenants have provided the Vendors with any Letters of Credit; and
- (mm) no representation or warranty contained in this Section 5.1, and no statement contained in any schedule, certificate, list, summary or other disclosure document provided or to be provided to the Purchaser pursuant hereto or in connection with the Transaction, to the knowledge of the Vendors, contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact which is necessary in order to make the statements contained therein not misleading.

## 5.2 **Purchaser's Representations and Warranties**

The Purchaser hereby represents, warrants and covenants, as applicable to and in favour of the Vendors (which representations, warranties and covenants are relied upon by the Vendors and without which representations, warranties and covenants the Vendors would not have executed this Agreement) that:

- (a) the Purchaser has been duly incorporated, is validly subsisting and is in good standing under the laws of the Province of British Columbia and is properly registered to own its property and conduct business in each province or jurisdiction where it conducts business or owns any assets;
- (b) the Purchaser has the necessary authority, power and capacity to enter into and deliver this Agreement and to perform its obligations, and to consummate the Transaction, under this Agreement and the agreements contemplated herein on the terms and conditions herein contained and the Purchaser has taken all necessary action required by Applicable Law and its constating documents to authorize and permit the execution and delivery of the Agreement and the Closing Documents and the performance of its obligations thereunder;
- (c) this Agreement and the performance of the obligations of the Purchaser hereunder, and the Closing Documents required to be delivered by the Purchaser hereunder shall upon delivery by the Purchaser constitute legal, valid and binding obligations of the Purchaser enforceable against the Purchaser in accordance with their terms, subject, as to enforcement, to bankruptcy, insolvency and other law affecting creditor's rights generally and to general principles of equity;
- (d) neither the entering into nor the delivery of this Agreement nor the completion of the Transaction by the Purchaser will result in a violation of or a default under:
  - (i) any of the provisions of the constating documents or by-laws of the Purchaser;
  - (ii) any agreement or other instrument to which the Purchaser is a party or by which the Purchaser is bound; or
  - (iii) any Applicable Law;
- (e) other than ordinary course Securities Law filings in respect of the consummation of the Transaction contemplated herein, no authorization, consent or approval of, or filing with or notice to, any Governmental Authority or other person is required by the Purchaser in connection with the execution, delivery or performance of this Agreement and the Closing Documents or the completion of the Transaction;
- (f) the Purchaser has no subsidiaries other than the Purchaser Subsidiaries, and, except as set forth in the Purchaser Public Documents, the Purchaser has no joint ventures or partnerships. There are no rights of first refusal or similar rights restricting the transfer of the Common Shares contained in shareholders, partnership, joint venture or similar agreements or pursuant to existing financing arrangements and there are no outstanding contractual or other obligations of the Purchaser to repurchase, redeem or otherwise acquire any of its securities or with respect to the voting or disposition of any outstanding securities of the Purchaser;

- (g) the corporate records and minute books of the Purchaser and the Purchaser's Subsidiaries are substantially complete and accurate in all respects and contain minutes of substantially all material meetings of the directors and shareholders of the Purchaser and the Purchaser's Subsidiaries held to date and all resolutions passed by the directors and shareholders of the Purchaser and the Purchaser's Subsidiaries on consent, since the date of incorporation of the Purchaser and the Purchaser's Subsidiaries. The share certificate books, register of shareholders, register of transfers and register of directors of the Purchaser and the Purchaser's Subsidiaries are substantially complete, accurate and current;
- (h) the authorized share capital of the Purchaser consists of an unlimited number of Common Shares. As at the Execution Date, the Purchaser's issued share capital is 34,854,257 Common Shares, all of which have been validly issued and are outstanding as fully-paid and non-assessable. Except as disclosed in the Purchaser Public Documents, (i) there are no options, warrants, conversion privileges, calls or other rights, shareholder rights plans, agreements, arrangements, commitments, or obligations of the Purchaser to issue or sell any shares of the Purchaser or securities or obligations of any kind convertible into, exchangeable for or otherwise carrying the right or obligation to acquire any shares of the Purchaser; and (ii) no Person is entitled to any pre-emptive or other similar right granted by the Purchaser. The Common Shares are listed on the TSXV, and are not listed or quoted on any market other than the TSXV and the OTCQX;
- (i) no order ceasing or suspending trading in securities of the Purchaser, nor prohibiting the sale of such securities has been issued and is outstanding against the Purchaser or to the knowledge of the Purchaser, its directors, officers or promoters;
- (j) all Payment Shares, when issued in accordance with the terms of this Agreement will be duly authorized, validly issued, fully-paid and non-assessable Common Shares, and will be listed and posted for trading on the TSXV or the Toronto Stock Exchange (with all listing fees paid thereon) subject only to the restricted period imposed by Securities Laws as further described in Section 2.3(f) hereof and such restrictions that may apply to controlling shareholders, if applicable;
- (k) on Closing, the Vendors will have good title to the Payment Shares, free and clear of any Encumbrances or rights of third parties, voting trusts, proxies and other interests, claims or demands of every kind or nature whatsoever, except as may have been created by or entered into by the Vendors;
- (l) the Purchaser has filed with all applicable Securities Regulators true and complete copies of the Purchaser Public Documents that the Purchaser is required to file under applicable Securities Laws except where such non-filing has not had and would not reasonably be expected to have a Material Adverse Effect on the Purchaser. The Purchaser Public Documents, at the time filed, complied in all material respects with the requirements of applicable Securities Laws. The Purchaser has not filed any confidential material change report with any governmental entity which at the date hereof remains confidential;
- (m) except in relation to the Securities Regulators and TSXV acceptance, the Purchaser is not under any obligation to request or obtain the approval of any Governmental Authority or any third party consent in connection with the execution, delivery or performance of this Agreement and the Transaction contemplated herein;

- (n) the Purchaser is not “non-Canadian” or “non-resident” within the meaning of the *Investment Canada Act* (Canada) and the Income Tax Act, nor will they be within sixty (60) days after the Closing Date;
- (o) the Purchaser Financial Statements have been, and all financial statements of the Purchaser which are publicly disseminated by the Purchaser in respect of any subsequent periods prior to the Closing Date will be, prepared in accordance with IFRS applied on a basis consistent with prior periods and present fairly, in all material respects, the assets, liabilities (whether accrued, absolute, contingent or otherwise), financial position and results of operations of the Purchaser as of the respective dates thereof and its results of operations and cash flows for the respective periods covered thereby;
- (p) to the knowledge of the Purchaser, the JV/Partner Financial Statements have been, prepared in accordance with GAAP applied on a basis consistent with prior periods and present fairly, in all material respects, the assets, liabilities (whether accrued, absolute, contingent or otherwise), financial position and results of operations of the parties reflected in such financial statements as of the respective dates thereof and its results of operations and cash flows for the respective periods covered thereby;
- (q) neither the Purchaser nor, to the Purchaser’s knowledge, any director, officer, employee, auditor or accountant of the Purchaser, has received or otherwise had or obtained knowledge of any complaint, allegation, assertion, or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of the Purchaser or its internal accounting controls, including any complaint, allegation, assertion, or claim that the Purchaser has engaged in questionable accounting or auditing practices, which has not been resolved to the satisfaction of the audit committee of the Purchaser’s board;
- (r) the Purchaser does not have any liabilities or obligations of any nature, whether or not accrued, contingent or otherwise, except for: (i) liabilities and obligations that are specifically presented on the Purchaser Financial Statements; (ii) liabilities and obligations incurred since the date of the Purchaser Interim Financial Statements in the ordinary course of business consistent with past practice that are not and would not, individually or in the aggregate with all other liabilities and obligations of Purchaser reasonably be expected to have a Material Adverse Effect, or have a Material Adverse Effect, on the Purchaser or its business; or (iii) the new credit facilities established for the Purchaser by the Bank of Montreal as set out in the Purchaser Public Documents. Without limiting the foregoing, the Purchaser Annual Financial Statements reflect reasonable reserves in accordance with IFRS for contingent liabilities of the Purchaser;
- (s) the Purchaser does not have any "off-balance sheet arrangements" (as such term is defined under IFRS) other than as disclosed in the Purchaser Financial Statements;
- (t) the Purchaser has filed when due all tax returns and such returns are true, correct and complete in all material respects and have been prepared on a consistent basis. There are no agreements, waivers or other arrangements providing for an extension of time with respect to filing of any tax return or the expiration of any period within which an assessment or reassessment may be made for the payment of any Taxes. There are no outstanding issues relating to Taxes which have been raised by any Governmental Authority;
- (u) as of the date hereof, the Purchaser is a reporting issuer not in default (or the equivalent) under the Securities Laws of the Provinces of British Columbia, Alberta, Saskatchewan, Ontario and Nova Scotia and the Purchaser is in compliance in all material respects with

all applicable Securities Laws and the applicable listing and corporate governance rules and regulations of the TSXV;

- (v) the Purchaser is not in violation of any Applicable Laws which violation could reasonably be expected to have a Material Adverse Effect. The operations and business of the Purchaser is and has been carried out in compliance with and not in violation of any Applicable Laws, other than non-compliance or violation which would not, individually or in the aggregate, reasonably be expected to have a Material Adverse Effect or would significantly impact the ability of Purchaser to consummate the Transaction, and Purchaser has not received any notice of any alleged violation of any such Applicable Laws;
- (w) to the knowledge of the Purchaser, there is no ongoing or threatened investigation by any securities regulatory authority or other regulatory body relating to the Purchaser, its officers or directors or its securities;
- (x) no action or proceeding has been commenced or filed by or against the Purchaser which seeks or would reasonably be expected to lead to:
  - (i) receivership, bankruptcy, a commercial proposal or similar proceeding of the Purchaser;
  - (ii) the adjustment or compromise of claims against the Purchaser; or
  - (iii) the appointment of a trustee, receiver, liquidator, custodian or other similar officer for the Purchaser or any portion of its assets, and no such action or proceeding has been authorized or is being considered by or on behalf of Purchaser;
- (y) the Purchaser has not made, nor is it considering making, an assignment for the benefit of its creditors;
- (z) the Purchaser is the registered and beneficial owner of all the issued and outstanding shares in the capital of Greenswitch Capital and Greenswitch Capital is the registered and beneficial owner of all of the issued and outstanding shares in the capital of Greenswitch America;
- (aa) Greenswitch America is the registered and beneficial owner of 50% of all of the issued and outstanding Class A shares in the capital of Pave Admin, LLC;
- (bb) Greenswitch America is the registered and beneficial owner of 81.2% of all the issued and outstanding Class A shares in the capital of Green Park Denver, LLC, representing a 40.6% interest in and to the remaining assets of Green Park Denver, LLC;
- (cc) Greenswitch America is the registered and beneficial owner of 82.83% of the Class A shares in the capital of Pave LLC;
- (dd) Pave LLC holds an ownership interest of 29.45% in OP Holdings;
- (ee) all of the US Properties, other than the Nashville Property, are registered in the names of the OP Holdings Subsidiaries as the sole beneficial owners thereof as reflected in Schedule 5.2(ee) attached hereto, free and clear of all Encumbrances other than Purchaser Permitted Encumbrances;

- (ff) OP Holdings is the registered and beneficial owner of all the issued and outstanding shares in the capital of the OP Holdings Subsidiaries;
- (gg) Pave Nashville is the 100% registered and beneficial owner of the Nashville Property, free and clear of all Encumbrances other than Purchaser Permitted Encumbrances; the Purchaser holds an indirect undivided 50% economic interest in and to the Nashville Property;
- (hh) Schedule 5.2(hh) attached hereto is a pro forma calculation reflecting the manner of distribution of available cash derived from the U.S. Properties which pro forma calculation has been prepared in conformity with the rights and benefits of: (i) Greenswitch America under the Pave LLC Operating Agreement under the Pave Admin Operating Agreement and (ii) Pave LLC under the OP Holdings JV Agreement.
- (ii) except as set forth in Schedule 5.2(ii) or any other Schedule to this Agreement, the Purchaser is not a party to or otherwise bound by any of the following Contracts (collectively, the “**Material Agreements**”):
  - (i) except for the Office Lease (as hereinafter defined), any lease, sublease or license of real property;
  - (ii) any lease of any equipment;
  - (iii) any Contract for capital expenditures or the purchase of goods, services, materials, supplies or equipment providing for either: (A) annual payments in excess of \$20,000.00; or (B) aggregate payments in excess of \$50,000.00;
  - (iv) any Contract for any partnership, joint venture, strategic alliance or other similar arrangement;
  - (v) any Contract granting any Person a right of first refusal, right of first offer or similar right to purchase or acquire any of the equity interests, assets or properties of the Corporation;
  - (vi) any Contract requiring the Corporation to make any advance, loan, extension of credit or capital contribution to, or other investment in, any Person;
  - (vii) any Contract: (A) relating to the incurrence, assumption or guarantee of any indebtedness (including all loan agreements, notes, bonds, debentures, indentures or guarantees) by the Corporation; or (B) creating or granting an Encumbrance on any assets or properties of the Corporation;
  - (viii) any Contract relating to the employment, engagement or termination of any employees, including any deferred compensation agreements, severance agreements, restrictive covenant agreements, collective bargaining agreements or change of control agreements;
  - (ix) any other Contract of a type that is not covered by the foregoing clauses of this Section 5.2(ii) that: (A) is not terminable on not more than ninety (90) days’ notice and without the payment of any penalty by, or any other material consequence to, the Corporation; or (B) is material to the ownership and operation of the Property;
- (jj) except as disclosed in this Agreement or any Schedule:

- (i) the Purchaser is not in default or in breach of any of its material obligations under any one or more of the Material Agreements and there exists no state of facts which, after notice or lapse of time or both, would constitute such a material default or breach;
  - (ii) the Purchaser has not received written notice advising that the Corporation is in material default under any of the Material Agreements;
  - (iii) none of the Material Agreements provide that the rights of the Corporation or the performance of its obligations are dependent upon or supported by the guarantee of any security provided by any other Person; and
  - (iv) the Office Lease constitutes a legally valid and binding obligation of the parties thereto in accordance with its terms and neither the Purchaser, nor the current owner of the office premises described therein is in default of any of its obligations under the Office Lease, nor has any event occurred which with notice or lapse of time or both would constitute a default under the Office Lease.
- (kk) except as disclosed in the Purchaser Financial Statements, the Purchaser is not a party to or bound by any agreement of guarantee, indemnification, assumption or endorsement or any other like commitment of the obligations, liabilities (contingent or otherwise) or indebtedness of any Person, including, without limitation, any debts or obligations of OP Holdings, any OP Holdings Subsidiaries or Pave Nashville;
- (ll) Schedule 5.2(ll) contains a complete and accurate list of individuals who are employees of the Purchaser or any Purchaser Subsidiary specifying the length of service, title, rate of salary or hourly wage, bonuses, pension contributions, policies relating to personal use of motor vehicles owned by the Purchaser, date of last revision, review and adjustment to remuneration for each such employee, agent or representative; Schedule 5.2(ll) contains a complete and accurate list of all individuals who are agents or representatives of the Purchaser and the Purchaser Subsidiaries and any contractual arrangements entered into with them;
- (mm) except as set out in Schedule 5.2(mm), neither the Purchaser nor any of the Purchaser Subsidiaries is a party to any written employment, collective or pension agreement or commitment therefor relating to employees, directors or officers or other individuals;
- (nn) there are no termination, severance, bonus or other obligations or payments required to be paid to directors, officers, employees, consultants or contractors of the Purchaser as a result of the completion of the Transaction, including as a result of the resignations set forth in Section 8.3(d) or Section 8.3(e) (other than the payment of accrued directors fees as set forth in the Purchaser Financial Statements);
- (oo) Schedule 5.2(oo) sets forth a correct and complete list of all arrangements, contracts, understanding, agreements and transactions (whether written or oral) in existence between the Purchaser or any Purchaser Subsidiary, on the one hand, and any director, officer, shareholder or any other Person not dealing at arm's length (as such term is defined in the Income Tax Act (Canada)) with the Purchaser, on the other hand (each a "**Related Party Transaction**"). The Purchaser shall terminate or cause to be terminated all such Related Party Transactions (other than employment and/or consulting agreements with officers and/or directors of the Purchaser) effective as of the Closing without any cost, expense or liability to the Purchaser or any of the Purchase Subsidiaries;

- (pp) except as disclosed in Schedule 5.2(pp), the Purchaser and the Purchaser Subsidiaries do not have any commitments and obligations whatsoever in respect of any mortgage debt registered against title to any of the U.S. Properties;
- (qq) since October 31, 2019:
- (i) the Purchaser has conducted its business only in the ordinary course of business and consistent with past practice, except as disclosed in the Purchaser Public Documents;
  - (ii) there has been no Material Adverse Change in the business, operations, affairs or condition of the Purchaser, financial or otherwise, or arising as a result of any legislative or regulatory change or revocation of any licence, approval or right with respect to the Purchaser's property, or the U.S. Properties, that has not been disclosed to the Vendors and, to the Purchaser's knowledge, there is no event, circumstance or occurrence which is reasonably likely to have any Material Adverse Effect on the business, operations, affairs or condition of the Purchaser, or the U.S. Properties, financial or otherwise, or arising as a result of any legislative or regulatory change or revocation of any licence, approval or right with respect to the Purchaser or the U.S. Properties;
  - (iii) no liability or obligation of any nature (whether absolute, accrued, contingent or otherwise) has had or is reasonably likely to have a Material Adverse Effect;
  - (iv) there has not been any change in the accounting practices used by the Purchaser, except as disclosed in the Purchaser Public Documents;
  - (v) there has not been any redemption, repurchase or other acquisition of Common Shares by the Purchaser; and
  - (vi) there has not been any satisfaction or settlement of any material claims or material liabilities that were not reflected in the Purchaser Financial Statements, other than the settlement of claims or liabilities incurred in the ordinary course of business consistent with past practice;
- (rr) except as set out in Schedule 5.2(rr), there is no Claim, demand, litigation, investigation, grievance, arbitration, governmental proceeding or other proceeding including appeals and applications for review, in progress against, by or relating to the Purchaser, any Purchaser Subsidiary, Pave LLC, Pave Admin, Pave Nashville, OP Holdings or any OP Holdings Subsidiary, nor to the knowledge of the Purchaser are any of the same pending or threatened. The Purchaser is not aware of any state of facts which would provide a valid basis for any of the foregoing. To the knowledge of the Purchaser, there is not at present outstanding or pending against the Purchaser, any Purchaser Subsidiaries, Pave LLC, Pave Admin, Pave Nashville, OP Holdings or any OP Holdings Subsidiary, any order of any court or regulatory body that materially and adversely affects its business or any property or assets of the Purchaser or any such Person in any way or that in any way relates to this Agreement or the transactions contemplated hereby;
- (ss) to the knowledge of the Purchaser, the Purchaser has not, directly or indirectly: (i) made or authorized any contribution, payment or gift of funds or property to any official, employee or agent of any governmental agency, authority or instrumentality of any jurisdiction; or (ii) made any contribution to any candidate for public office, in either case, where either the payment or the purpose of such contribution, payment or gift was, is, or

would be prohibited under the *Corruption of Foreign Public Officials Act (Canada)*, the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada)* or the rules and regulations promulgated thereunder or under any other legislation of any relevant jurisdiction covering a similar subject matter applicable to Purchaser and its operations and have instituted and maintained policies and procedures designed to ensure, and which are reasonably expected to continue to ensure, continued compliance with such legislation;

- (tt) as of the date of this Agreement, no Person has reported evidence of a violation of any applicable Securities Laws, breach of fiduciary duty or similar violation by the Purchaser or its officers, directors, employees, agents or independent contractors to a director or officer of the Purchaser, or the audit committee (or other committee designated for that purpose) of the Purchaser;
- (uu) the Purchaser has not received notice of any Claims in respect of Environmental Liabilities which remains outstanding against the Purchaser or against any Person whose liability for a Claim in respect of Environmental Liabilities has been retained or assumed by the Purchaser by contract or otherwise;
- (vv) the Purchaser has not received notice of any administrative or judicial judgments, orders or decrees that relate to violations of Environmental Laws or to the release, discharge, emission or disposal of Hazardous Substances on, to, from or under the U.S. Properties;
- (ww) to the Vendors' knowledge, and without making any independent inquiry, (i) there have been no releases, discharges, emissions or disposals of Hazardous Substance to from or under the U.S. Properties in violation of an Environmental Law that have not been remediated to the satisfaction of the Governmental Authority with jurisdiction over said release, discharge, emission or disposal, and (ii) no part of the U.S. Properties is or contains, in violation of an Environmental Law, a waste disposal site for hazardous waste as defined by the Environmental Laws of the jurisdictions of the U.S. Properties;
- (xx) the information and data prepared by the Purchaser (collectively the "**Purchaser Information**"), and provided to the to the Vendors in connection with the Purchaser's purchase of the Purchase Assets, and all the Schedules attached hereto prepared by the Purchaser, was true and correct in all material respects on the date provided and did not omit any material information necessary for the accuracy and full disclosure of such Purchaser's Information; and
- (yy) no representation or warranty contained in this Section 5.2, and no statement contained in any schedule, certificate, list, summary or other disclosure document provided or to be provided to the Vendors pursuant hereto or in connection with the Transaction, to the knowledge of the Purchaser, contains or will contain any untrue statement of a material fact, or omits or will omit to state any material fact which is necessary in order to make the statements contained therein not misleading.

### 5.3 Accuracy of Representations

The representations and warranties of the Vendors set out in Section 5.1 shall be true or fulfilled, as the case may be, in all material respects on Closing and the Vendors' Certificate shall state this to be the case. The representations and warranties of the Purchaser set out in Section 5.2 shall be true or fulfilled, as the case may be, in all material respects on Closing and the Purchaser's Certificate shall state this to be the case.

#### 5.4 **Survival of Representations, Warranties and Covenants; Indemnities**

- (a) The representations and warranties of the Vendors contained in this Agreement and in any contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, shall survive Closing and shall continue for the benefit of the Purchaser for twelve (12) months from the Closing Date notwithstanding the Closing, any investigation made by or on behalf of the Purchaser or any knowledge of the Purchaser.
- (b) The covenants and other obligations of the Vendors contained in this Agreement and in any contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, to the extent that they have not been fully performed at or prior to the Closing Time, shall survive Closing and shall continue for the benefit of the Purchaser for twelve (12) months from the Closing Date notwithstanding Closing.
- (c) The representations and warranties of the Purchaser contained in this Agreement and in any contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement shall survive Closing and shall continue for the benefit of the Vendors for twelve (12) months from the Closing Date notwithstanding the Closing, any investigation made by or on behalf of the Vendors or any knowledge of the Vendors.
- (d) The covenants and other obligations of the Purchaser contained in this Agreement and in any contract, agreement, instrument, certificate or other document executed or delivered pursuant to this Agreement, to the extent that they have not been fully performed at or prior to the Closing Time, shall survive Closing and shall continue for the benefit of the Vendors for twelve (12) months from the Closing Date notwithstanding Closing.
- (e) Notwithstanding Sections 5.4(a), (b), (c) or (d), a Claim for any breach of any of the representations and warranties contained in this Agreement or in any contract, agreement, instrument, certificate or other document executed or delivered pursuant hereto involving fraud or fraudulent misrepresentations may be made at any time following the Closing Date, subject only to applicable limitation periods imposed by Applicable Law.

#### 5.5 **Indemnification by the Vendors for Breach**

In addition to any other indemnifications by the Vendors contained in this Agreement, for twelve (12) months from the Closing Date, the Vendors shall severally indemnify and save harmless the Purchaser from any and all Losses suffered or incurred by the Purchaser as a result of or arising directly or indirectly out of or in connection with:

- (a) any inaccuracy of or any breach by such Vendor of, any representation or warranty of such Vendor contained in this Agreement, or in any contract, agreement, instrument, certificate, or other document delivered pursuant to this Agreement; and
- (b) any breach or non-performance by such Vendor of any covenant or other obligation to be performed by such Vendor that is contained in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement.

#### 5.6 **Indemnification by the Purchaser for Breach**

In addition to any other indemnifications by the Purchaser contained in this Agreement, for twelve (12) months from the Closing Date, the Purchaser shall indemnify and save harmless the Vendors from any and all Losses suffered or incurred by the Vendors as a result of or arising directly or indirectly out of or in connection with:

- (a) any inaccuracy of or any breach by the Purchaser of, any representation or warranty of the Purchaser contained in this Agreement, or in any contract, agreement, instrument, certificate, or other document delivered pursuant to this Agreement; and
- (b) any breach or non-performance by the Purchaser of any covenant or other obligation to be performed by it that is contained in this Agreement or in any contract, agreement, instrument, certificate or other document delivered pursuant to this Agreement.

#### 5.7 **Limitations**

- (a) The Parties shall not be entitled to require payment of any amount by the other Party with respect to the indemnities contained in this Agreement until the aggregate of all such amounts for which a Party would otherwise be required to remit payment exceeds \$200,000 (the “**Aggregate Threshold Amount**”); provided that, once the Aggregate Threshold Amount has been exceeded, such Party shall be entitled to require payment on the indemnities contained in this Agreement for the full amount of the Claim(s) or Losses giving rise to the right of indemnification hereunder up to a maximum amount equal to the Liability Cap (as defined below), subject to Section 5.7(d).
- (b) Subject to Section 5.7(d), the Parties shall not be entitled to require payment of any amount with respect to the indemnities contained in this Agreement, taken in the aggregate, in excess of \$5,000,000.00 (the “**Liability Cap**”) provided that the aggregate Liability Cap for the Vendors shall be \$5,000,000.00.
- (c) The amount of any Claim or Losses required to be paid by Party pursuant to this Agreement shall be reduced to the extent of any amounts actually received by such Party pursuant to the terms of insurance policies covering such Claim or Losses.
- (d) For the purposes of this Section 5.7, Claims or Losses based on fraud or wilful misrepresentation, and Claims or Losses pursuant to Section 3.3, shall be excluded from and do not form part of the Aggregate Threshold Amount and the Liability Cap.

#### 5.8 **Vendors’ Covenants**

If the Vendors have actual knowledge or information prior to Closing of matters then existing which make the Vendors’ representations and warranties contained herein to be untrue, then the Vendors will immediately communicate such information to the Purchaser by way of a Notice specifically referring to the representation.

#### 5.9 **Purchaser’s Covenants**

If the Purchaser has actual knowledge or information prior to Closing of matters then existing which make the Purchaser’s representations and warranties contained herein to be untrue, then the Purchaser will immediately communicate such information to the Vendors by way of a Notice specifically referring to the representation.

**ARTICLE 6**  
**TITLE MATTERS**

- 6.1 At Closing, title to the Purchase Assets (including, without limitation, each Property) shall be free from all Encumbrances whatsoever save and except for Permitted Encumbrances.
- 6.2 During the Conditional Period, the Purchaser shall be allowed to examine the title to the Purchase Assets (including each Property). If within the Conditional Period any valid objection is made in writing to the Vendors (the “**Requisition Notice**”) that title to the Purchase Assets (including any Property) is not validly held by the Vendors, which the Vendors shall be unable to discharge, remove, satisfy or remedy prior to the Closing Date and which the Purchaser will not waive, notwithstanding any intermediate acts or negotiations in respect of such objection, this Agreement shall be terminated. Except for any valid objection so made and except for any objection going to the root of title or for any other title defect or encumbrance arising after the Requisition Notice, the Purchaser shall be conclusively deemed to have accepted title of each Vendor to the Purchase Assets of such Vendor and satisfied itself with respect to the other matters referred to in this Section 6.2.

**ARTICLE 7**  
**INTERIM MATTERS**

7.1 **Interim Period-Vendors**

- (a) From the Execution Date until Closing, the Vendors shall operate the Properties with sound business and management practices in the same manner as would a prudent owner of comparable properties and will carry out all routine day-to-day maintenance and repairs thereof. Pending the Closing Date, the Vendors shall not sell, assign, transfer, mortgage or pledge any part of the Purchase Assets or grant any rights or privileges including, without limitation, any easements, rights of way or restrictions with respect to the Lands or amend, modify or otherwise alter in any material respect any Contract, Lease, commitment or agreement relating to any Property without the prior consent of the Purchaser, such consent not to be unreasonably withheld.
- (b) In the event that any Work Orders are:
- (i) issued after the expiry of the Conditional Period but prior to the Closing Date, provided such Work Orders are not the result of the actions or work conducted by the Purchaser under Section 3.4, the Vendors shall, at their own expense, perform the work required pursuant to such Work Order. However, should the estimated costs of rectifying such Work Orders exceed the sum of \$50,000.00 in the aggregate, the Vendors may elect, by written notice to the Purchaser, to terminate this Agreement. The Purchaser may rescind any such notice of termination delivered by the Vendors to the Purchaser by written notice delivered to the Vendors within five (5) days after receipt of the Vendors’ notice of termination, in which event the Vendors shall pay and be responsible for the repair costs up to a maximum of \$50,000.00, and the Purchaser shall pay and be responsible for all repair costs that are in excess of such amount.
- (ii) issued before the expiry of the Conditional Period, the parties shall endeavour to agree on the apportionment of the remedial costs, failing which the Purchaser may terminate this Agreement upon written notice to the Vendors or, at its option, may elect to continue with the purchase of the Properties in which case the Purchaser shall accept responsibility for the cost of rectifying all such Work Orders.

- (c) Each of the Vendors will utilize reasonable commercial efforts to have the Open Building Permits closed by the applicable Governmental Authority no later than the Closing Date. In the event any such Open Building Permits remain outstanding with respect to the Finch Avenue East Property, Nawoc shall use its reasonable commercial efforts to have such Open Building Permits closed as soon as practicable and in any event within 180 days after Closing and if any deficiencies are required to be remedied in order to close any such Open Building Permits, Nawoc shall pay and be responsible for all of the costs and expenses required to remedy such deficiencies. In the event any such Open Building Permits remain outstanding with respect to the Paletta Court Property, SRS shall use its reasonable commercial efforts to have such Open Building Permits closed as soon as practicable and in any event within 180 days after Closing and if any deficiencies are required to be remedied in order to close any such Open Building Permits, SRS shall pay and be responsible for all of the costs and expenses required to remedy such deficiencies. The Purchaser acknowledges and agrees that the Vendors shall not be required to initiate any legal action to obtain the closure of any Open Building Permits, it being acknowledged by the Parties that certain of the Open Building Permits have been outstanding for many years and it may not be possible to obtain closure thereof.
- (d) The obligations of the Parties contained in this Section 7.1 shall not merge on Closing but shall survive Closing.

## 7.2 Approvals of the Purchaser

From and after the date hereof, the Vendors covenant and agree not to enter into any Lease or Contract or renewal or amendment of any Lease or Contract nor amend, cancel or accept a surrender or forfeiture of any Lease or Contract other than in the ordinary course of business and on terms and conditions consistent with the rental policy (in the case of a Lease) or the purchasing policy (in the case of a Contract) of the Properties existing as of the date hereof. The Vendors shall promptly give Notice with full particulars (and, if possible, a copy of the relevant document) to the Purchaser in connection with any of the foregoing. In the event the Vendors propose to enter into a Lease or Contract or a renewal or amendment of any Lease or Contract, or propose to amend, cancel or accept a surrender or forfeiture of a Lease or Contract other than in the ordinary course of business and on terms and conditions which are not consistent with the rental policy (in the case of a Lease) or the purchasing policy (in the case of a Contract) existing as of the date hereof, the Purchaser's consent shall be required, such consent not to be unreasonably withheld. The Vendors shall promptly give Notice with full particulars to the Purchaser if the Vendors propose to do any of the foregoing. Within three (3) Business Days after receiving such Notice, the Purchaser shall give Notice to the Vendors whether or not it is granting its approval under this Section 7.2 and if the Purchaser does not deliver such Notice to the Vendors, then it shall be deemed to have given its approval to the relevant actions specified in the Vendors' Notice. In this Agreement "**Approved Leases**" means Leases entered into after the date hereof where the Purchaser has been given the necessary Notice or has granted the necessary approval, as the case may be, and "**Approved Contracts**" means any Contracts entered into after the date hereof where the Purchaser has been given the necessary Notice or has granted the necessary approval, as the case may be.

## 7.3 Notice of Default

From and after the date hereof, the Vendors shall provide to the Purchaser on a timely basis a copy of any notices of default that the Vendors receive in respect of any Lease or Contract alleging default on the part of the Vendors and any notice alleging default under any Lease or Contract that they send to another person. The Vendors shall also provide to the Purchaser on

a timely basis a copy of any notice received from any Tenant by the Vendors which indicate the intention of such Tenant to vacate its premises in the Property prior to the scheduled expiry date of its Lease, as the case may be.

#### 7.4 **Insurance**

During the Interim Period, the Vendors shall maintain policies of insurance in current amounts and coverages covering the Properties.

#### 7.5 **Interim Period - Purchaser**

Without in any way limiting any other obligations of the Purchaser hereunder, during the Interim Period:

- (a) **Conduct Operations in the Ordinary Course:** The Purchaser will conduct its operations only in the ordinary and normal course consistent with past practice and will not, without the prior written consent of the Vendors, do or permit to be done any acts or things which would or may cause any of the representations and warranties contained herein to be untrue if made on Closing or constitute a breach of any other provision hereof;
- (b) **Discharge of Trade Debts and Liabilities:** The Purchaser will pay and discharge all of its debts and liabilities in the ordinary course of business in accordance and consistent with past practice except for liabilities contested in good faith by the Purchaser;
- (c) **Incurring of Obligations:** The Purchaser will not, without the prior written consent of the Vendors, undertake any capital expenditures, increase any salaries, wages or benefits to employees other than salaries at their customary rates or enter into any Contracts having a term greater than six (6) months or an aggregate expenditure of more than \$10,000.00 out of the ordinary course of business;
- (d) **Dividends, Bonuses etc.:** The Purchaser will not declare, pay or distribute any dividends, bonuses or other amounts to its shareholders or any other Person or undertake any other transaction that would cause a reduction in the Shareholders Equity of the Purchaser;
- (e) **Corporate Reorganizations, etc.:** The Purchaser shall not undertake any consolidation, payment of dividends, return of capital, amalgamation or corporate reorganizations without the consent of the Vendors such consent not to be unreasonably withheld; and
- (f) **Continuing Disclosure:** The Purchaser shall provide to the Vendors on a continuing basis prior to Closing full particulars of all revenues received since April 30, 2020, and will also provide to the Vendors all such continuing financial information as may be required by the Purchaser or its professional advisors.

#### 7.6 **Damage or Destruction**

- (a) Each Property shall remain at the risk of the Vendors until Closing. Pending Closing, the Vendors shall hold all insurance policies relating to the Properties and the proceeds thereof relating to the Properties in trust for the Parties as their interest may appear. In the event of damage to, or destruction of, any Property to the extent that all losses and damages (on a replacement cost basis and including consequential damages and loss of income) as determined by the Vendors' architect or engineer, as the sole determinant,

(who shall not be an employee of the Vendors) acting impartially, and provided that the full details of his valuation and calculation have been provided, will exceed One Million Dollars (\$1,000,000.00), then the Vendors shall notify the Purchaser of such damage, and the Purchaser may elect:

- (i) to terminate this Agreement, and in such event, this Agreement shall become null and void, and subject only to the obligations of a Party pursuant to Sections 3.4, 3.5, or 3.6 hereof, and no Party shall have any further obligations to the other hereunder subject only to such Sections;
- (ii) to extend the Closing Date to such date that is ten (10) Business Days after the date all of such damage is repaired, all contractors, tradesmen and suppliers have been paid in full and all construction lien periods have expired, in which event the Vendors will complete all of the repairs at their sole cost and expense; or
- (iii) to complete the Transaction contemplated herein and accept the Property at Closing in its damaged condition, in which event all of the insurance proceeds payable in respect of such damage shall be paid to the Purchaser and the Purchase Price shall be reduced by an amount equal to the deductible, if any, applicable to the insurance payable in respect of such damage.

The Purchaser shall be required to make its election within fifteen (15) days after receipt from the Vendors of Notice of the extent of damage or destruction as set out in the certificate of the Vendors' architect or engineer. In the event that the Purchaser does not make its election within such period, it shall be deemed to have elected to extend the Closing Date until the damage is repaired as aforesaid pursuant to Section 7.6(a)(ii).

- (b) If damage of less than One Million Dollars (\$1,000,000.00) occurs with respect to any Property, the Purchaser may elect:
  - (i) to have the Vendors complete all required repairs and replacements and have the Closing Date shall be postponed to a date that is ten (10) Business Days after the completion of all such repairs and replacements with Vendors ensuring and confirming that all contractors, tradesmen and suppliers have been paid in full and all applicable construction lien periods have expired; or
  - (ii) to complete the Transaction contemplated herein and accept the Property at Closing in its damaged condition, in which event all of the insurance proceeds payable in respect of such damage shall be paid to the Purchaser and the Purchase Price shall be reduced by an amount equal to the deductible, if any, applicable to the insurance payable in respect of such damage.
- (c) The Vendors shall promptly give Notice to the Purchaser of any damage to or destruction of any Property.

#### **7.7 Purchaser Shareholder Approval, Purchaser Meeting and Information Circular**

If the Purchaser is required to obtain approval of its shareholders or securityholders for the Transaction, any aspect of the Transaction including the creation of a new Control Person, or the Private Placement, then the Purchaser covenants and agrees that as promptly as reasonably practicable following the execution of this Agreement, and in compliance with Applicable Laws (including applicable Securities Laws):

- (a) the Purchaser shall prepare an Information Circular and the Vendors shall provide to the Purchaser, in a timely manner, all information of the Purchaser requires for inclusion in the Information Circular and any amendments or supplements thereto, in each case complying in all material respects with all requirements of Applicable Laws on the date of issue thereof;
- (b) the Purchaser shall call, give notice of and convene the Purchaser Meeting forthwith after it receives written notice from the TSXV (the “**Conditional Acceptance Letter**”) that shareholder or other securityholder approval of the Purchaser is required for the completion of the Transaction, any aspect of the Transaction including the creation of a new Control Person, or the Private Placement, and in any event, such Purchaser Meeting shall be called with five (5) Business Days of receipt of the Conditional Acceptance Letter;
- (c) the Purchaser shall ensure that the Information Circular provides the shareholders and securityholders, if applicable, of the Purchaser with information in sufficient detail to permit them to form a reasoned judgment concerning the matters before them;
- (d) the Purchaser shall, with assistance from and participation of the Vendors, cause the Information Circular to be prepared in compliance, in all material respects, with applicable Securities Laws;
- (e) the Purchaser shall, subject to compliance with applicable Securities Laws, incorporate the Vendors’ information into the Information Circular substantially in the form as provided by the Vendors, and the Purchaser shall provide the Vendors and the Vendors’ Solicitors with an opportunity to review and comment on the Information Circular and any other relevant documentation in relation to the Purchaser Meeting and shall give due consideration to all comments made by the Vendors and the Vendors’ Solicitors. The Information Circular shall be in form and content satisfactory to the Purchaser and the Vendors, each acting reasonably;
- (f) the Purchaser shall cause the Information Circular to be mailed to the Purchaser’s shareholders and other securityholders, if applicable, and filed with applicable regulatory authorities and other Governmental Authorities in all jurisdictions where the same is required to be mailed and filed; and
- (g) a Party shall promptly notify the other Party if it becomes aware that the Information Circular contains a misrepresentation, or otherwise requires an amendment or supplement; and the Parties shall co-operate in the preparation of any such amendment or supplement as required or appropriate, and the Purchaser shall promptly mail, file or otherwise publicly disseminate any such amendment or supplement to the Purchaser’s shareholders and other securityholders, if applicable, and, if required by Applicable Law, file the same with the applicable Securities Regulators and other Governmental Authorities as required.

## 7.8 **Termination of Leases**

Other than the office lease dated February 21, 2020, entered into between the Purchaser, as tenant, and Regus, as landlord, with respect to for 666 Burrard Street, Suite 500, Vancouver, BC V6C 2X8 (the “Office Lease”), the Purchaser shall, on or before Closing, terminate all leases, subleases, licenses or other agreements relating to the use of any rental offices or other

premises by the Purchaser, without any cost or liability to the Purchaser, and each such termination shall be effective on or before the Closing Date.

## 7.9 **Management Contract**

Access Results Management Services Inc. ("**ARMS**"), an Affiliate of SRS, will manage the Properties under a management contract to be entered into on Closing (the "**Management Agreement**") between ARMS and the Purchaser. Notwithstanding the foregoing, the term of the Management Agreement will commence on the Closing Date and will continue until the earlier of: (i) five (5) years immediately following the Closing Date; and (ii) the end of the month in which the Purchaser achieves a market capitalization of \$500,000,000.00. The Management Agreement will provide for payment of the following compensation to ARMS:

- (a) an asset management fee of 0.25% of gross fair market value of the Purchaser's real properties (excluding the U.S. Properties);
- (b) a fee of 3.5% of the gross rental income received from the Purchaser's real properties (other than the U.S. Properties);
- (c) a construction management fee of 5% of all hard construction costs incurred with respect to any of the Purchaser's real properties where ARMS is the project manager and where the construction hard costs are in excess of \$100,000.00; and
- (d) a development fee in an amount to be negotiated between the Purchaser's and ARMS, not to exceed market rates for comparable services.

ARMS and the Purchaser shall jointly determine the timing for the internalizing of the management responsibilities by the Purchaser, including such terms as may be agreed upon between ARMS and the Purchaser.

## **ARTICLE 8** **CLOSING MATTERS**

### 8.1 **Closing Arrangements**

The Closing shall commence on the Closing Date at 10:00 o'clock a.m. in the offices of the Vendors' Solicitors, or at such other time or place as the Parties shall mutually agree upon in writing.

### 8.2 **Vendors' Documents**

The Vendors shall, or shall cause the Vendors' Solicitors to, provide the Purchaser's Solicitors with drafts of the Vendors' Closing Documents and the draft VTB Mortgages at least five (5) Business Days prior to the Closing Date and the Vendors shall on Closing deliver or cause to be delivered to the Purchaser in form and substance satisfactory to the Purchaser, the following duly executed by the Vendors as appropriate (the "**Vendors' Closing Documents**"):

- (a) the statement of adjustments;
- (b) a Transfer/Deed of Land with respect to each Property, with *Planning Act* (Ontario) statements duly completed;
- (c) a statutory declaration of a senior officer of each Vendor confirming that such Vendor is not a non-resident of Canada within the meaning of the *Income Tax Act* (Canada), or in

the alternative, a Clearance Certificate issued by the Minister of National Revenue pursuant to the *Income Tax Act* (Canada) in respect of the sale of the Purchase Assets by such Vendor;

- (d) the Assignment of Leases;
- (e) the Assignment of Contracts;
- (f) the Assignment of Permitted Encumbrances;
- (g) a Bill of Sale respect to the Chattels;
- (h) notice to all Tenants advising of the sale of the Properties to the Purchaser and directing rental payments to the Purchaser or as it may further direct;
- (i) the Tenant Estoppels, or failing delivery of any required Tenant Estoppels, the Vendors' Lease Certificate in respect of such undelivered Tenant Estoppel(s);
- (j) all Books and Records of the Vendors in relation to the Properties;
- (k) the Vendors' Certificate;
- (l) an undertaking by the Vendors to readjust the Adjustments as provided in Section 2.4;
- (m) good and valid discharges in registrable form of all Encumbrances, other than the Permitted Encumbrances;
- (n) keys, duplicate keys, security cards, combinations, and passcodes to all locks in each Property;
- (o) an assignment of the Warranties and the Plans, Permits and Approvals;
- (p) a statement from each of the Mortgagees setting out all principal, accrued and unpaid interest and other amounts, if any, outstanding under the Mortgages as at the Closing Date;
- (q) a list of security deposits and prepaid rents relating to the Leases;
- (r) vacant possession of each Property, subject only to the rights of the Tenants under the Leases and Approved Leases;
- (s) a statutory declaration of a senior officer of each Vendor attaching an up-to-date Rent Roll for its Property as of the day before the Closing Date;
- (t) evidence of compliance with the *Family Law Act* (Ontario);
- (u) all original files in respect of the Properties, including without limitation, original copies of the Leases and the Approved Leases, the Plans, Permits and Approvals, the Contracts and the Approved Contracts, in the Vendors' possession;
- (v) a declaration of possession and any statutory declaration required by the Purchaser's title insurer;
- (w) all post-dated cheques held by the Vendors for rents and any other amounts due under

the Leases in respect of rental periods following Closing endorsed in favour of the Purchaser “without recourse” to the Vendors;

- (x) undertaking to pay final utilities and to provide vacant possession subject to the Leases and the Approved Leases;
- (y) a copy of the Management Agreement executed by SRS; and
- (z) all other conveyances and other documents which are required under the applicable provisions of this Agreement or which, in the reasonable opinion of the Purchaser’s Solicitors, are required to give effect to the proper transfer, assignment and conveyance of the Purchase Assets by the Vendors to the Purchaser.

### 8.3 **Purchaser’s Documents**

The Purchaser shall, or shall cause the Purchaser’s Solicitors to, provide the Vendors’ Solicitors with drafts of the Purchaser Closing Documents at least five (5) Business Days prior to the Closing Date and the Purchaser shall on Closing deliver or cause to be delivered to the Vendors in form and substance satisfactory to the Vendors, the following duly executed by the Purchaser as appropriate (the “**Purchaser’s Closing Documents**”):

- (a) an executed mortgage assumption agreement and all related certificates, agreements, opinions and other documents which the Mortgages may reasonably require with respect to the assumption of the Mortgages by the Purchaser
- (b) executed VTB Mortgages, in registrable form, together with all related certificates, agreements, opinions and other documents which the Vendors’ Solicitors may reasonably require.
- (c) share certificates of the Purchaser with respect to the Payment Shares as determined pursuant to Article 2, in each case issued to and in the name of the Vendors or as the Vendors may otherwise direct;
- (d) the resignation of all of the existing directors of the Purchaser and each Purchaser Subsidiary, other than Avi Geller, Brad Dunkley and David Delaney (the “**Resigning Directors**”);
- (e) the resignation of the existing officers of the Purchaser and each Purchaser Subsidiary, other than Avi Geller and JoAnne Odette (the “**Resigning Officers**”);
- (f) full and final releases of any and all Claims the Resigning Directors and Resigning Officers of the Purchaser and each Purchaser Subsidiary may have against the Purchaser and each Purchaser Subsidiary howsoever arising or incurred;
- (g) resolutions of the shareholders of the Purchaser and each Purchaser Subsidiary fixing the board of directors of each at seven (7) directors and appointing four (4) nominees of the Vendors as directors of the Purchaser and each Purchaser Subsidiary to replace the Resigning Directors;
- (h) resolutions of the directors of the Purchaser and each Purchaser Subsidiary appointing nominees of the Vendors as officers of the Purchaser and the Purchasers Subsidiaries to replace the Resigning Officers;
- (i) the Purchaser’s Certificate;

- (j) an undertaking by the Purchaser to readjust the Adjustments as provided in Section 2.4;
- (k) the registration number of the Purchaser for purposes of HST and a copy of the certificate of registration of such Purchaser;
- (l) executed copies of the right of first negotiation agreements among each of the current major and principal shareholders of the Purchaser (including Avi Geller, Brad Dunkley and David Delaney, and their associated entities) (collectively, the “**Principal Shareholders**”), respectively, and SRS (the “**ROFN Agreement**”) pursuant to which each of the Principal Shareholders will grant SRS a right of first negotiation to acquire all or a portion of such Principal Shareholders’ Common Shares of the Purchaser for cash consideration and expiring at such time as the Principal Shareholders hold, on an individual basis, the maximum number of Common Shares as agreed upon between the parties, if such Principal Shareholders decide to sell their Common Shares;
- (m) a copy of the Management Agreement executed by the Purchaser; and
- (n) all other documents which are required under the applicable provisions of this Agreement or which, in the reasonable opinion of the Vendors’ Solicitors, are required to give effect to the Transaction contemplated herein.

#### 8.4 **Closing Escrow**

All Closing Documents delivered pursuant to Section 8.2 and 8.3 shall be delivered and held in escrow at the place of Closing specified in Section 8.1, provided that when all of the Closing Documents have been delivered in escrow and all conditions to Closing have been satisfied other than registration of those documents requiring registration, then those documents requiring registration shall be released from escrow for the purposes of registration; provided, however, that if for any reason the Transaction contemplated herein is not completed, then any of the Purchase Assets which has been conveyed by the registration of documents shall be immediately reconveyed and, where applicable, any such documents which have been registered shall immediately be discharged. The Transaction contemplated herein shall not be closed unless and until the transfer to the Purchaser of each of the Properties has been registered in the appropriate land registry office in each jurisdiction which has an instantaneous land registry system, PROVIDED THAT, for jurisdictions without an instantaneous land registry transfer system, Closing will occur on the Closing Date with land transfers and applicable payments being provided pursuant to customary closing undertakings by the solicitors for the Parties, acting reasonably.

#### 8.5 **Tender**

Any tender of documents or money may be made upon the party being tendered or upon its solicitors and money may be tendered by solicitor's certified trust cheque or bank draft or wire transfer. If for any reason out of the control of the Purchaser (which, for greater certainty, will not include any event which is a default by the Purchaser under this Agreement), the Purchaser cannot ensure that such amount will be received by the Vendors’ Solicitors on or before 3:00 p.m. (Toronto time) on the Closing Date, then provided the Purchaser’s Solicitors confirm in writing to the Vendors’ Solicitors on the Closing Date that the Purchaser’s Solicitors are holding such amount in their trust account, they may initiate the wire transfer to the Vendors’ Solicitors on or before 3:00 p.m. (Toronto time) on the next Business Day following the Closing Date and the Purchaser will pay to the Vendors, in addition to such amount, interest on such amount at a rate equal to the five percent (5.0%) per annum for each day after the Closing Date until the such amount is received by the Vendors (and if it is received after 3:00 pm (Toronto time) on any day, then one additional day’s interest will be added). For example, if such amount is

received by the Vendors' Solicitors at or after 3:01 pm (Toronto time) on the date that is two days following the Closing Date, the Purchaser will pay the Vendors three day's interest on the such amount.

#### 8.6 **Taxes and Fees**

The Purchaser shall be responsible for and pay any land transfer taxes payable on the transfer of the Properties to the Purchaser, all registration fees payable in respect of registration of the Closing Documents (other than fees for the registration of discharges or other registrations which are the responsibility of the Vendors in order to comply with their obligations under this Agreement), and all federal or provincial sales or other taxes payable upon or in connection with the conveyance or transfer of the Purchase Assets, including provincial retail sales tax and HST, if any, but excluding any income taxes payable by the Vendors upon or in connection with the Transaction contemplated herein. Each Party shall pay its own legal fees with respect to this Agreement and the Transaction contemplated herein.

#### 8.7 **HST**

The Parties agree that the Purchase Price does not include any harmonized sales tax that may be eligible under the *Excise Tax Act* (Canada) in connection with the sale of the Purchase Assets herein provided and that the Purchaser shall assess itself for such tax and shall remit any such tax to the appropriate governmental authorities as and when due. The Purchaser shall indemnify and save harmless the Vendors from and against any and all taxes, interest and penalty the Vendors may suffer or incur by reason of the Vendors' failure to collect harmonized sales tax and shall provide to the Vendors on Closing a Declaration and Indemnity in form and content satisfactory to the Vendors' Solicitors.

#### 8.8 **Post-Closing Access**

After Closing, upon reasonable notice, each of the Purchaser and the Vendors will give, or cause to be given, to the representatives, employees, counsel and accountants of the other, access, during normal business hours, to the Books and Records which relate to the Properties for any periods prior to the Closing, and will permit such Persons to examine and copy such Books and Records to the extent reasonably requested by the other Party in connection with the preparation of tax and financial reporting matters, audits, legal proceedings, governmental investigations and other business purposes. However, no Party shall be obligated to take any action pursuant to this Section 8.8 that would unreasonably disrupt the normal course of its business, violate the terms of any contract to which it is a party or to which it or any of its assets is subject or grant access to any of its proprietary, confidential or classified information. The Vendors and the Purchaser will cooperate with each other in the conduct of any tax audit or similar proceedings involving or otherwise relating to the Corporation in respect of any period prior to the Closing Date and each will execute and deliver such powers of attorney and other documents as are necessary to carry out the intent of this Section.

### **ARTICLE 9 GENERAL**

#### 9.1 **Gender and Number**

Words importing the singular include the plural and vice versa. Words importing gender include all genders.

#### 9.2 **Captions**

The captions and headings contained herein are for reference only and in no way affect this Agreement or its interpretation.

9.3 **Obligations as Covenants**

Each agreement and obligation of each Party hereto in this Agreement, even though not expressed as a covenant, shall be considered for all purposes to be a covenant.

9.4 **Applicable Law**

This Agreement shall be construed and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable thereto without reference to the principles of conflicts of law.

9.5 **Currency**

All references to currency in this Agreement shall be deemed to be references to Canadian dollars.

9.6 **Amendment of Agreement**

No supplement, modification or waiver of this Agreement shall be binding unless executed in writing by both Parties hereto.

9.7 **Time of the Essence**

Time shall be of the essence of this Agreement. All reference to time in this Agreement shall be to Vancouver time.

9.8 **Further Assurances**

Each of the Parties hereto shall from time to time hereafter and upon any reasonable request of the other Party, execute and deliver, make or cause to be made all such further acts, deeds, assurances and things as may be required or necessary to more effectually implement and carry out the true intent and meaning of this Agreement.

9.9 **Entire Agreement**

This Agreement, the Non-Disclosure Agreement entered into between the Parties prior to the date hereof and the other documents and agreements referenced herein constitute the entire agreement between the Parties hereto pertaining to the Transaction provided for herein and supersedes all prior agreements, understandings, negotiations and discussions, whether oral or written, with respect thereto, and there are no other warranties or representations and no other agreements between the Parties hereto in connection with the Transaction provided for herein except as specifically set forth in this Agreement.

9.10 **Change in terms**

The Parties agree that, if mutually agreed upon during the Conditional Period, the Parties may complete this Transaction in such other format and on such other terms as may be acceptable to the Parties and their professional advisors.

9.11 **Waiver**

No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision (whether or not similar) nor shall any waiver constitute a continuing waiver unless otherwise expressed or provided.

9.12 **Survival After Termination**

Notwithstanding the termination of this Agreement for any reason, the provisions of Sections 3.4, 3.5 and 3.6 shall continue to be applicable.

9.13 **Survival After Closing**

All Sections of this Agreement shall survive the Closing contemplated herein and shall remain in full force and effect thereafter for the greater of twelve (12) months from the Closing Date or, if applicable, the survival period as set forth in any Section of this Agreement.

9.14 **Successors and Assigns**

All of the covenants and agreements in this Agreement shall be binding upon the Parties hereto and their respective successors and assigns and shall enure to the benefit of and be enforceable by the Parties hereto and their respective heirs, estate trustees, successors and their permitted assigns pursuant to the terms and conditions of this Agreement.

9.15 **Assignment**

No Party may assign or transfer, whether absolutely, by way of security or otherwise, this Agreement or all or any part of its rights or obligations under this Agreement to any Person without the prior written consent of the other Party.

9.16 **Notice**

Any notice, demand, approval, consent, information, agreement, offer, payment, request or other communication (hereinafter referred to as a "**Notice**") to be given under or in connection with this Agreement shall be in writing and shall be given by personal delivery or by facsimile or other electronic communication which results in a written or printed notice being given, addressed or sent as set out below or to such other address or electronic number as may from time to time be the subject of a Notice:

Vendors: c/o 100 Canadian Road  
Toronto, Ontario  
M1R 4Z5

Attention: Mr. Steven Scott  
Email: [REDACTED]

with a copy to: Marrelli & Co.  
Barristers & Solicitors  
100 Canadian Road  
Toronto, Ontario M1R 4Z5

Attention: Mr. James Marrelli  
Email: [REDACTED]

and to (re matters relating to TSXV)

DLA Piper (Canada) LLP  
1000, 250 - 2<sup>nd</sup> Street SW  
Calgary, AB T2P 0C1

Purchaser: Attention: Mr. Derrick Auch  
Email: [REDACTED]  
Parkit Enterprise Inc.  
666 Burrard Street,  
Suite 500  
Vancouver, BC  
V6C 2X8

Attention: Mr. Avi Geller  
Email: [REDACTED]

with a copy to: Fogler Rubinoff  
77 King Street West  
Suite 3000, PO Box 95  
TD Centre North Tower  
Toronto, Ontario  
M5K 1G8

Attention: Mr. Eric Roblin  
Email: [REDACTED]

Any Notice so given shall be deemed to have been validly and effectively given and received on the date it is so given, unless it is given after 4:00 p.m. (Vancouver time) on any given day, in which case it shall be deemed to have been validly and effectively given and received on the Business Day next following the day it was received, provided that in the case of a Notice sent by facsimile or other electronic communication, it shall not be deemed to have been given and received unless there has been confirmation of transmission.

9.17 **Non Business Days**

If the Closing Date or if the last date for any term or condition of this Agreement to be performed, or complied with or waived shall fall on a day which is not a Business Day, then the Closing Date or the said last date shall be deemed to be the Business Day next following the scheduled date.

9.18 **Real Estate Commissions**

The Vendors and the Purchaser each warrant and represent to the other that it has not retained with any broker or finder in the negotiation of the Transaction. Each Party agrees to and does hold the other harmless against the payment of any commission or fee to any Person claiming by, through, or under such Party as applicable. The indemnities set forth in this Section 9.18 will survive the completion of the Transaction or earlier termination of this Agreement.

9.19 **Counterparts**

This Agreement may be executed by the Parties in one or more counterparts, each of which will be deemed an original and all of which, taken together, will constitute one and the same instrument. This Agreement may be executed and transmitted electronically and if so executed and transmitted this Agreement will be for all the purposes as if the Parties had delivered an executed original Agreement.

**[The remainder of this page is blank as the next page is the execution page.]**

**DATED** as of the day and year first above written.

**NAWOC HOLDINGS LIMITED**

Per: "Iqbal Khan"  
Name: Iqbal Khan  
Title: Treasurer

*I have authority to bind the corporation*

**SRS REALTY GROUP INC.**

Per: "Steven Scott"  
Name: Steven Scott  
Title: President

*I have authority to bind the corporation*

**PARKIT ENTERPRISE INC.**

Per: "Avi Geller"  
Name: Avi Geller  
Title: Interim CEO

Per: "David Delaney"  
Name: David Delaney  
Title: Director

*We have authority to bind the corporation*

**SCHEDULE 1.1(aaa)  
LANDS**

**FINCH AVENUE EAST PROPERTY**

PIN 06049-0213 (LT)

PT LT 17 CON 4 SCARBOROUGH PTS 1 TO 9 64R16752; S/T SC535371, SC540102 ,  
TB449828 & TR66715; T/W SC540102, TB449828 & TR66715; TORONTO, CITY OF  
TORONTO

**PALETTA COURT PROPERTY**

PIN 07035-0001 (LT)

PCL 2-1 , SEC M232 ; LT 2 , PL M232 ; PCL 3-2 , SEC M232 ; PT LT 3 , PL M232 ,  
PART 1, 2 & 3 , 20R6374 ; S/T H150036,H150318,H229029,H232605,H629759  
BURLINGTON

**SCHEDULE 1.1(ooo)  
OPEN BUILDING PERMITS**

**Paletta Court**

1. IP 89 000211 000 00 3914 SQ M total addition to an existing industrial building
2. CP 89 002424 000 00 Office Partitions for 2<sup>nd</sup> floor space for Ruscott Investments, this permit also covers the revised existing facilities from 2<sup>nd</sup> storey areas
3. IP 93 000273 000 00 Partitions for Offices
4. CP 00 342374 000 00 Installing a second-floor exit on the outside of building (west bldg elevation)
5. CP 00 386198 000 00 New offices for Mayhew & Associates
6. IP 02 433851 000 00 Construct new separation walls, openings in an existing wall and adding of 2 new docks.
7. Active ESA on file.

**Finch Avenue East**

1. Building Permit 10 136262 PSA 00 PS regarding Industrial Manufacturing Plant. Work proposed: Backflow Prevention Devices (Water Only)
2. Active ESA on file.

**SCHEDULE 1.1(zzz)  
PERMITTED ENCUMBRANCES**

**General**

1. **Crown Grant:** The reservations, limitations, provisos and conditions expressed in the original grant from the Crown;
2. **Liens:** Any liens for realty taxes accrued but not yet due;
3. **Her Majesty the Queen:** Unregistered liens, charges, adverse claims, security interests or other encumbrances of any nature claimed or held by Her Majesty the Queen in Right of Canada, her agency or authority under or pursuant to any applicable legislation, statute or regulation, save and except for unregistered liens for public utilities and realty taxes which are due and payable;
4. **Expropriation:** All rights of expropriation of any federal, provincial or municipal authority or agency;
5. **Up-to-Date Survey:** Any minor defects, irregularities, easements or encroachments that might be revealed by any up-to-date survey of the Property;
6. **Land Use Control:** All applicable governmental orders, laws, by-laws and regulations respecting matters related to land use control;
7. **Utility Easements:** Any easement or right-of-way in favour of any utility (either municipal, private or public) whether it be for gas, water, electricity, cable and/or telephone, or otherwise, and any conveyance of any lands for streets, highways, parks, one foot reserves or to any municipality, or for any other public purpose to any public authority as required by relevant authorities having jurisdiction over the Property;
8. **Unregistered Easements or Rights-of-Way:** Any unregistered easements or rights-of-way and any errors of any public officials and/or surveyors;
9. **Municipal and Other Agreements:** Any subdivision, site plan, development, servicing or industrial agreement with any governmental authority provided that the terms and conditions thereof have been complied with;
10. **Covenants:** Registered restrictive covenants, registered private deed restrictions, and other similar registered land use control agreements that do not materially impair the use, operation or marketability of the Property and provided that the terms and conditions thereof have been complied with;
11. **Minor Encroachments:** Minor encroachments by the Property over neighbouring lands including those permitted under registered agreements with neighbouring landowners and minor encroachments over the Property by improvements of neighbouring landowners including those permitted under registered agreements with neighbouring landowners that in either case do not materially impair the use, operation or marketability of the Property and in the case of those permitted under an agreement, provided that the terms and conditions thereof have been complied with;

12. **Minor Defects:** Any minor title defects, irregularities, easements, servitudes, encroachments, rights-of-way or other discrepancies in title or possession relating to the Property that do not materially impair the use, operation or marketability of the Property;
13. **Land Titles Act:** The exceptions and qualifications contained in Section 44(1) of the *Land Titles Act*, save and except paragraph 11 thereof respecting the *Planning Act* paragraph 14 thereof, provincial succession duties and escheats or forfeiture to the crown; and

<b>4359 PALETTA COURT, BURLINGTON, ONTARIO</b>				
<b>Parcel Identification No.:</b>		07035-0001 (LT)		
<b>Legal Description:</b>		PCL 2-1 , SEC M232 ; LT 2 , PL M232 ; PCL 3-2 , SEC M232 ; PT LT 3 , PL M232 , PART 1, 2 & 3 , 20R6374 ; S/T 150036, H150318, H229029, H232605, H629759, BURLINGTON		
<b>Current Owner:</b>		SRS Realty Group Inc.		
<b>Instrument No.</b>	<b>Registration Date</b>	<b>Instrument Type</b>	<b>Description</b>	
H150036	1980/04/29	Transfer Easement	Easement in favour of the Regional Municipality of Halton for the construction, maintenance, and repair of water work and sewage disposal infrastructures.	
H150317	1980/05/02	Notice	Subdivision Agreement dated October 15, 1979 between Pat Paletta, the Corporation of the city of Burlington, Burlington Hydro-Electric Commission, and Mohican Holdings Limited, Maressa Investments Ltd., and Dollar Investments Limited (as the then mortgagees on title)	
H150318	1980/05/02	Transfer Easement	An easement in perpetuity in favour of the Corporation of the City of Burlington for the construction, maintenance, and repair of infrastructure for storm sewage, electricity and other public utilities and municipal services.	
H229029	1984/07/25	Transfer Easement & Postponement	An easement in perpetuity in favour of the Corporation of the City of Burlington for the construction, maintenance, and repair of infrastructure	

			for storm sewage, electricity and other public utilities and municipal services.  A postponement from RBC (then mortgagee on title) of its mortgage to this easement.	
H232605	1984/09/24	Transfer Easement & Postponement	An easement in perpetuity in favour of the Regional Municipality of Halton for the construction maintenance, and repair of infrastructure for sanitary sewage. A postponement from RBC (then mortgagee on title) of its mortgage to this easement.	
H401825	1989/05/02	Notice	Development Agreement dated April 28, 1989 between HEVAC-Fireplace Furnace MFG. Ltd. and the Corporation of the City of Burlington.	
H629759	1996/05/01	Transfer Easement	Easement in gross in favour of Union Gas Limited for the construction, maintenance and repair of infrastructure for distribution of gas. A postponement from the Bank of Montreal (the mortgagee on title) of its mortgage to this easement.	
HR328492	2004/10/18	Notice of Lease	From Ruscott Investment Corporation to Aqua-Tech Sales & Marketing Inc. of a lease having a term of 5 years and expiring on 2007/12/31 with an option to extend for a second term expiring 2012/12/31 and for a third term expiring 2017/12/31.	
HR1206857	2014/08/21	Notice of Lease	From Sky Solar (Canada) Ltd. (the tenant therein) to Ruscott Investment Corporation (the landlord therein) of a lease having a	

			term of 21 years, expiring on the 21 <sup>st</sup> anniversary of the Commercial Operation Date (as defined under the lease).	
HR1302661	2015/09/25	Notice Assignment of Lessee Interest	Assignment from Sky Solar (Canada) Ltd. to Sky Solar (Canada) Fit 1 GP Inc. of the lease registered as HR1206857	
HR1302670	2015/09/25	Notice of Charge of Lease in HR1206857	A charge of the leasehold interest registered in HR 1302661 given by Sky Solar (Canada) Fit 1 Limited Partnership and Sky Solar (Canada) Fit 1 GP Inc. in favour of PNC Bank Canada Branch for the principal sum of \$2,173,141.00.	
HR1662618	2019/11/01	Charge	From SRS Realty Group Inc. in favour of Canadian Imperial Bank of Commerce for the principal sum of \$11,216,000.00	
HR1662619	2019/11/01	Notice Assignment of Rents General	From SRS Realty Group Inc. in favour of Canadian Imperial Bank of Commerce. This instrument relates to HR1662618.	

<b>5600 FINCH AVENUE EAST, TORONTO, ONTARIO</b>			
<b>Parcel Identification No.:</b>		06049-0213 (LT)	
<b>Legal Description:</b>		PT LT 17 CON 4 SCARBOROUGH PTS 1 TO 9 64R16752; S/T SC535371, SC540102 , TB449828 & TR66715; T/W SC540102, TB449828 & TR66715; TORONTO, CITY OF TORONTO	
<b>Current Owner:</b>		Nawoc Holdings Limited	
<b>Instrument No.</b>	<b>Registration Date</b>	<b>Instrument Type</b>	<b>Description</b>
SC535371	1976/07/27	Transfer Easement	An Easement Agreement dated January 2, 1976 between Commerce First Company Limited, Normarc Realty Limited and John Weir Investments Limited (as owners), the Corporation of the Borough

			of Scarborough, and Lois Joan Lenore Montgomery (as the mortgagee) whereby an easement is granted to the Corporation of the Borough of Scarborough for purposes of construction and maintenance of storm and sanitary sewers.
SC540102	1976/10/27	Transfer	A right-of-way over PT 16 on 64R5023 for the purposes of ingress and egress in favour of PTS 2, 3, 4, 15 and 17 on 64R5023. (See area highlighted in green in the annotated 64R5025 annexed hereto.) Easement released by Instrument No. CA812548.
TB449828	1987/09/23	Transfer	Same easements noted as above. Termination right released by Instrument No. CA812548.
TR66715	2000/09/21	Transfer	Easement in favour of PTS 10 and 11 on 64R16752 over PTS 5 and 8 on 64F16752 for construction and maintenance of storm sewers, and for the entry and passage upon such easement lands by agents and contractors to exercise the right of and easement hereby granted.
SC577618	1978/11/02	Agreement	Easement agreement dated July 20, 1978 between Commerce First Company Limited to Equity Six Ontario Ltd. whereby Commerce First Company Limited agrees to grant an alternative right-of-way to Equity Six Ontario Ltd. in the event that the owner of PT 5 on 64R5023 terminates the right-of-way granted in SC540102

			marked in green in the annotated 64R5023 annexed hereto.
TR69770	2000/11/30	Agreement	Encroachment Agreement dated September 15, 2000 between Nawoc Holdings Limited and the City of Toronto whereby the City agrees to allow Nawoc Holdings Limited to encroach by its building upon the City's easement lands granted to the City in Transfer registered as SC535371.
CA812548	2008/10/31	Agreement	Agreement dated October 31, 2008 between Nawoc Holdings Limited to Cinram International Inc. and Rodenbury Investments Limited: (a) Releasing the exclusive easement over the westerly 20 feet in perpendicular width over PT 5 on 64R5023, as marked in red in the annotated 64R5025 annexed hereof; (b) Releasing the termination right in favour of Nawoc Holdings Limited as granted in Transfer Instrument No. TB449828.
AT5025699	2018/12/06	Charge	From Nawoc Holdings Limited in favour of First National Financial GP Corporation for a principal sum of \$8,800,000.00
AT5025700	2018/12/06	Notice Assignment of Rents	From Nawoc Holdings Limited in favour of First National Financial GP Corporation. Relates to Charge AT5025699
AT5043133	2018/12/28	Charge	From Nawoc Holdings

			Limited in favour of Community Trust Company for a principal sum of \$3,200,000.00
AT5043134	2018/12/28	Notice Assignment of Rents	From Nawoc Holdings Limited in favour of Community Trust Company. Relates to Charge AT5043133

Note: Charge No. AT5043133 and Notice of Assignment of Rents AT5043134 in favour of Community Trust Company will not be Permitted Encumbrances in the event Nawoc elects to pay and satisfy such Charge on or before Closing as contemplated in Section 2.3(c).

### **All Properties**

All Properties are subject to the subsisting exceptions or reservations or other rights contained or reserved to the Crown in the original grant from the Crown;

**SCHEDULE 1.1(kkkk)**  
**PURCHASER PERMITTED ENCUMBRANCES**

**General**

1. **Grant:** The reservations, limitations, provisos and conditions expressed in the original grant;
2. **Liens:** Any liens for realty taxes accrued but not yet due;
3. **Expropriation:** All rights of expropriation of any federal, state or municipal authority or agency;
4. **Up-to-Date Survey:** Any minor defects, irregularities, easements or encroachments that might be revealed by any up-to-date survey of the U.S. Property;
5. **Land Use Control:** All applicable governmental orders, laws, by-laws and regulations respecting matters related to land use control;
6. **Utility Easements:** Any easement or right-of-way in favour of any utility (either municipal, private or public) whether it be for gas, water, electricity, cable and/or telephone, or otherwise, and any conveyance of any lands for streets, highways, parks, one foot reserves or to any municipality, or for any other public purpose to any public authority as required by relevant authorities having jurisdiction over the U.S. Property;
7. **Unregistered Easements or Rights-of-Way:** Any unregistered easements or rights-of-way and any errors of any public officials and/or surveyors;
8. **Municipal and Other Agreements:** Any subdivision, site plan, development, servicing or industrial agreement with any governmental authority provided that the terms and conditions thereof have been complied with;
9. **Covenants:** Registered restrictive covenants, registered private deed restrictions, and other similar registered land use control agreements that do not materially impair the use, operation or marketability of the U.S. Property and provided that the terms and conditions thereof have been complied with;
10. **Minor Encroachments:** Minor encroachments by the U.S. Property over neighbouring lands including those permitted under registered agreements with neighbouring landowners and minor encroachments over the U.S. Property by improvements of neighbouring landowners including those permitted under registered agreements with neighbouring landowners that in either case do not materially impair the use, operation or marketability of the U.S. Property and in the case of those permitted under an agreement, provided that the terms and conditions thereof have been complied with;
11. **Minor Defects:** Any minor title defects, irregularities, easements, servitudes, encroachments, rights-of-way or other discrepancies in title or possession relating to the U.S. Property that do not materially impair the use, operation or marketability of the U.S. Property.

**Fly Away Airport Parking, consisting of approximately 1,140 spaces and located at 1671 Murfreesboro Pike, Nashville, TN 37217**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**Parking facility known as Z Airport Parking, consisting of approximately 800 spaces and located at 3 International Drive, East Granby, CT 06026**

[REDACTED]

[REDACTED]

**Parking facility known as Canopy Airport Parking, consisting of approximately 4,201 spaces and located at 8100 Tower Road, Commerce City, CO 80022**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**Parking facility known as Chapel Square Garage, consisting of approximately 325 spaces and located at 155 Temple Street, New Haven, CT 06510**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

The parties acknowledge that a full title search was not completed on the 155 Temple Street property and that the Purchaser Permitted Encumbrances on such property may also include any encumbrances that would otherwise appear on a full title search of such property.

**SCHEDULE 1.1(vvvv)  
ESTOPPEL CERTIFICATE**

TO:       ● (the “**Purchaser**”) and its mortgagees, its successors and assigns (the  
          “**Lender**”)

RE:       Suite ● (the “**Premises**”)  
          ● (the “**Building**”)

The undersigned tenant does hereby certify that as of the date of this certificate:

1.     The undersigned is a tenant of the Premises in the Building under a lease made between ●, as Landlord, and the undersigned, as Tenant, dated ● (the “**Lease**”).
  
2.     Exhibit A accurately reflects the principal terms of the Lease, including the initial term, commencement date, renewal options, the area of the Premises, the basic rent, the additional rent, percentage rent, any rent-free period, any prepayment of basic rent, and any unapplied security deposit paid to the Landlord.
  
3.     **SAVE AND EXCEPT AS SET OUT IN EXHIBIT B:**
  - (a)    the Lease is unamended, is in full force and effect, and contains the entire agreement between the Landlord and the undersigned relating to the terms of the use and occupation by the undersigned of the Premises, and there are no other agreements or understandings between the undersigned and the Landlord relating to the Premises;
  
  - (b)    the Lease has not been assigned, nor has the whole or any part of the premises been sublet by the undersigned;
  
  - (c)    the undersigned has taken possession of the Premises and has commenced paying regular instalments of full monthly rent which is payable on the ● day of each month and was last paid on ●;
  
  - (d)    the Premises are being used for the purpose set out in the Lease;
  
  - (e)    all improvements required to be made to the Premises by the Landlord have been fully completed to our satisfaction;
  
  - (f)    there is no default or breach under the Lease on our part or, to the best of our knowledge and belief, on the part of the Landlord, and the Lease is in good standing;

- (g) the undersigned has no right of termination, option to purchase, or right of first refusal with respect to the Premises or the Building;
- (h) there is no existing dispute, claim, set-off, defence or counterclaim by or against the Landlord by the undersigned;
- (i) to the best of our knowledge and belief, there is no litigation, or governmental or municipal proceeding commenced, pending or threatened against the undersigned with respect to the Premises;
- (j) there are no allowances, incentives, inducements, benefit packages or any other monies owing or which may become due and owing by the Landlord to the undersigned at any time (howsoever characterized) under the Lease, except as set out in Exhibit "B";
- (k) the Tenant does not have the benefit of any "exclusive rights of use" in the Building except as set out in Exhibit "B";
- (l) the Tenant acknowledges that the Lease and the net rents payable thereunder may be assigned to a mortgagee of the Purchaser as collateral security for a mortgage loan and then in such event the Tenant is to continue to make rental and other payments under the Lease to the Purchaser in accordance with the Lease until the Tenant is notified to the contrary in writing by such mortgagee. The Tenant has not received notice of any other assignment of the Lease or the rents payable thereunder by the Landlord except to any existing mortgagee of the Property.

The undersigned agrees that this certificate may be relied upon by any owner or Lender of the Building in regard to the status of the Lease at the date hereof.

DATED this            day of            , 202●.

●

Per: \_\_\_\_\_

Name:

Title:

Per: \_\_\_\_\_

Name:

Title:

I/We have authority to bind the Corporation

**EXHIBIT A**

**PRINCIPAL LEASE TERMS**

Landlord:	•	
Tenant:	•	
Date of Lease:	•	
Area of Premises:	•	
Current Term:	•	
Commencement Date of Current Term:	•	
Minimum/Base Rent:(Current Term)	•	
Additional Rent:(Current Term)		Lease is fully net
Percentage Rent:(Current Term)	•	
Renewal Options:	•	
Minimum/Base Rent:(Renewal Term)	•	
Additional Rent:(Renewal Term)		Same as during the current term
Percentage Rent:(Renewal Term)	•	
Deposit/Letter of Credit:	•	
Prepaid Rent:	•	
Rent Free Period:	•	

**EXHIBIT B**

**EXCEPTIONS TO THE STATEMENTS  
SET OUT IN PARAGRAPH 3  
OF THE TENANT ESTOPPEL CERTIFICATE**

**SCHEDULE 1.1(zzzz)**  
**U.S. PROPERTIES**

**The U.S. Properties include the following:**

- 1) **The Canopy Property** means the parking facility known as Canopy Airport Parking, consisting of approximately 4,201 spaces and located at 8100 Tower Road, Commerce City, Colorado, USA, 80022.
- 2) **The Chapel Square Property** means the parking garage known as Chapel Square Garage, consisting of approximately 325 spaces and located at 155 Temple Street, New Haven, Connecticut, USA, 06510.
- 3) **The Z Park Property** means the parking facility known as Z Airport Parking, consisting of approximately 800 spaces and located at 3 International Drive, East Granby, Hartford County, Connecticut, USA, 06026.
- 4) **The Nashville Property** means the parking facility known as Fly Away Airport Parking, consisting of approximately 1,140 spaces and located at 1671 Murfreesboro Pike, Nashville, Davidson County, Tennessee, USA, 37217

**SCHEDULE 2.7  
PURCHASE PRICE ALLOCATION**

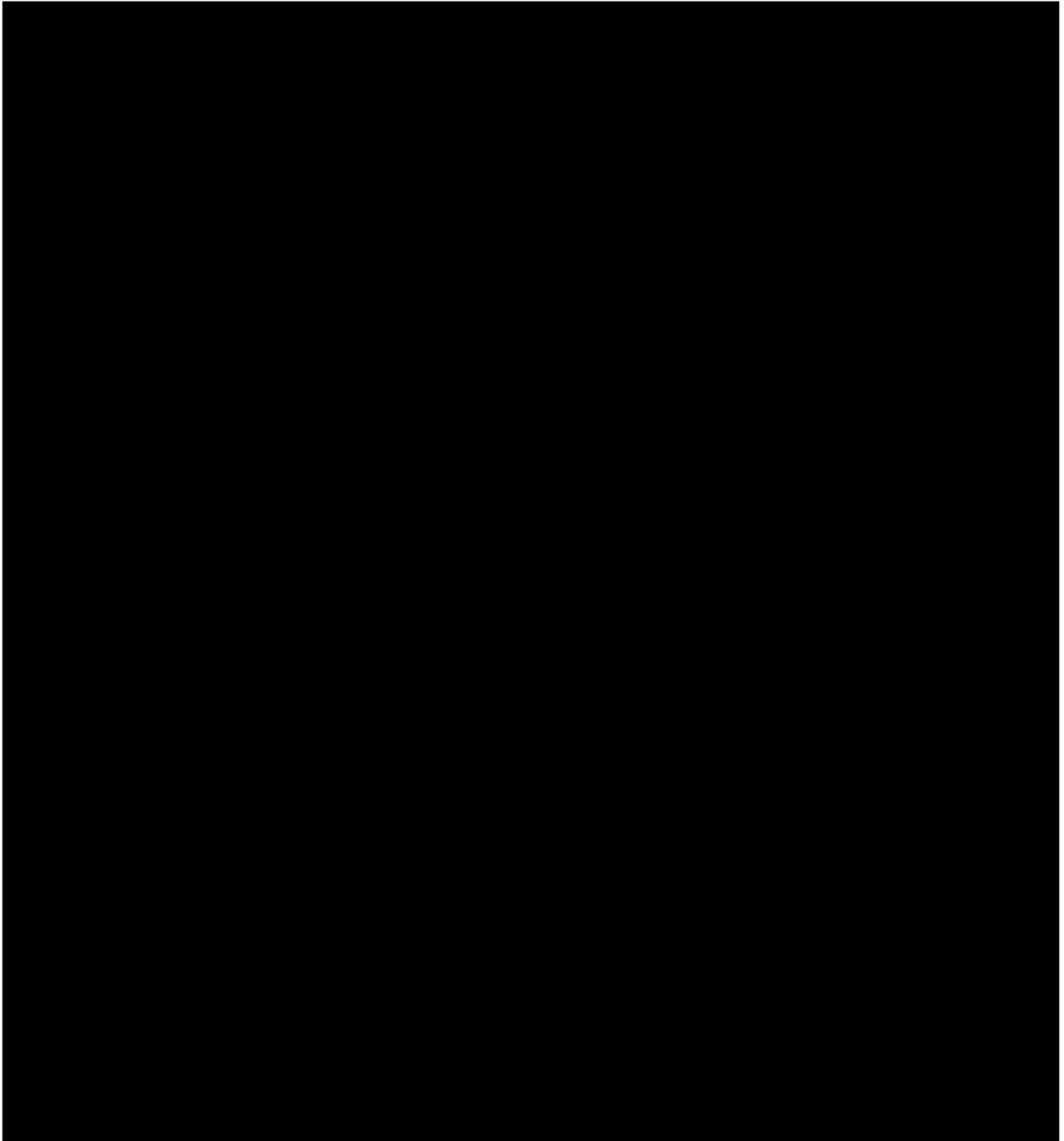
1. **Paletta Court Property:**

(a)	Purchase Price Allocation:		\$17,500,000.00
(b)	Payment Shares:	\$5,000,000.00	
(c)	CIBC Mortgage:	\$9,300,000.00	
(d)	Paletta VTB Mortgage:	<u>\$3,200,000.00</u>	
		<u>\$17,500,000.00</u>	<u>\$17,500,000.00</u>

2. **Finch Avenue East Property**

(a)	Purchase Price Allocation:		\$18,750,000.00
(b)	Payment Shares:	\$5,000,000.00	
(c)	FNF Mortgage:	\$8,500,000.00	
(d)	Finch Avenue VTB Mortgage:	<u>\$5,250,000.00</u>	
		<u>\$18,750,000.00</u>	<u>\$18,750,000.00</u>

**SCHEDULE 5.2(ee)  
OWNERSHIP OF U.S. PROPERTIES**



## SCHEDULE 5.2(ee) OWNERSHIP OF U.S. PROPERTIES (continued)

**Note 1:** *The Operating Agreement of PAVe Admin, LLC dated April 22, 2015 has two classes of interests and two classes of members:*

**"Class A Members"** means those Members of the Company holding Class A Interests who are entitled to receive the distributions of the Company. The Class A Interests are non-voting and, therefore, do not entitle the holders thereof to any vote on any matters submitted to a vote of the Members unless otherwise required by the Act or expressly provided for in the operating agreement.

**"Class B Members"** means those Members of the Company holding Class B Interests. The Class B Members are not entitled to receive any distributions. The Class B Interests are voting and, therefore, entitle the holders thereof to vote on all matters submitted to a vote of the Members.

**Note 1(a):** The members of Parking Real Estate, LLC as disclosed in the Schedule 11.3(b) of the OP Holdings JV Agreement are [REDACTED]. Names of individual members redacted as Parkit does not have authority to disclose names publicly.

**Note 1(b):** [REDACTED]  
[REDACTED]  
[REDACTED]. Terms of a settlement agreement with former officer redacted as they are subject to confidentiality provisions.

**Note 2:** *The Operating Agreement of Parking Acquisition Ventures, LLC dated April 22, 2015 has four classes of interests and four classes of members:*

**"Class A Members"** means those Members of the Company holding Class A Interests who are entitled to receive the Class A Distributions. The Class A Interests are nonvoting and, therefore, do not entitle the holders thereof to any vote on any matters submitted to a vote of the Members unless otherwise required by the Act or expressly provided in the operating agreement.

**"Class A Distributions"** means the distributions received by the Company as a member of the JV\* pursuant to Sections 6.4(a)(i); 6.4(a)(ii)(y); 6.4(a)(iii)(y); 6.4(a)(iv)(y); 6.4(b)(i), 6.4(b)(ii)(y), 6.4(b)(iii), 6.4(c)(ii) and 6.4(c)(iv), but only to the extent such distributions under Sections 6.4(b)(i), 6.4(b)(ii)(y), 6.4(b)(iii), or 6.4(c)(iv), as applicable, are attributable to the foregoing provisions of Section 6.4(a), of the JV Agreement\*\*.

**"Class B Members"** means those Members of the Company holding Class B Interests who are entitled to receive the Class B Distributions. The Class B Interests are voting and, therefore, entitle the holders thereof to vote on all matters submitted to a vote of the Members.

**"Class B Distributions"** means the distributions received by the Company as a member of the JV pursuant to Sections 6.4(a)(ii)(x); 6.4(a)(iii)(x) and 6.4(a)(iv)(x) and all amounts received by the Company pursuant to Section 4.6 of the JV Agreement.

**"Class C Members"** means those Members of the Company holding Class C Interests who are entitled to receive the Class C Distributions. Class C Interests are non-voting and, therefore, do not entitle the holders thereof to any vote on any matters submitted to a vote of the Members unless otherwise required by the Act or expressly provided in the operating agreement.

**"Class C Distributions"** means the distributions received by the Company as a member of the JV pursuant to Section 6.4(b)(ii)(x) and Section 6.4(c)(iii) of the JV Agreement.

**"Class D Members"** means those Members of the Company holding Class D Interests who are entitled to receive the Class D Distributions. Class D Interests are non-voting and, therefore, do not entitle the holders thereof to any vote on any matters submitted to a vote of the Members unless otherwise required by the Act or expressly provided in the operating agreement.

**"Class D Distributions"** means the distributions received by the Company as a member of the JV pursuant to Section 6.8 of the JV Agreement.

\* **JV** means OP Holdings.

\*\* **JV Agreement** means the OP Holdings JV Agreement.

**Note 2(a):** The members of Parking Real Investors, LLC as disclosed in the Schedule 11.3(b) of the OP Holdings JV Agreement are [REDACTED]. Names of individual members redacted as Parkit does not have authority to disclose names publicly.

**Note 2(b):** The Class C and Class D interests are non-voting and track certain economic rights.

Class C Member - Canopy Airport Parking, LLC - see note 3 for ownership.

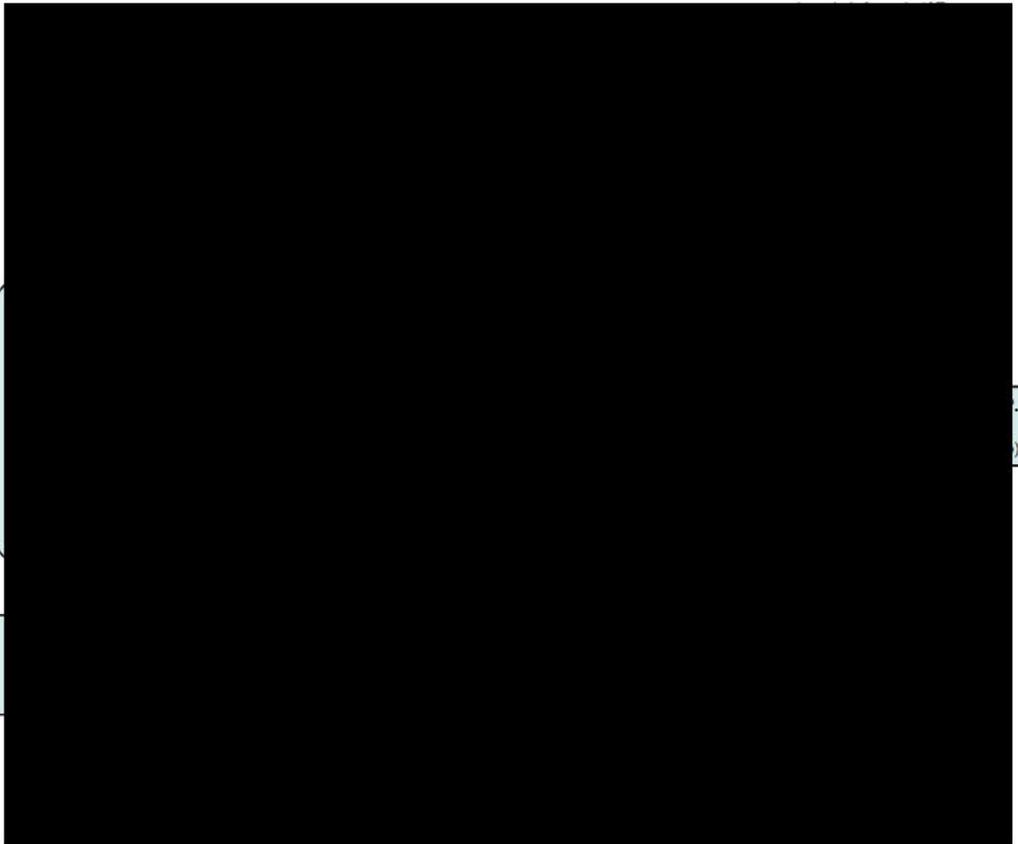
Class D Member - The members of Marvin Gardens of CT, LLC, as disclosed in the Schedule 11.3(b) of the OP Holdings JV Agreement are [REDACTED]. Names of individual members redacted as Parkit does not have authority to disclose names publicly.

**SCHEDULE 5.2(ee)  
OWNERSHIP OF U.S. PROPERTIES (continued)**

**Note 3:** [REDACTED]

■

GREEN PARK DENVER, LLC ORGANIZATION CHART



Organizational chart contains names of parties that have not consented to public disclosure of their interest in this entity.

**Note 4:** Owners, as tenants-in-common, of real property of Fly Away Parking, located at 1671 Murfreesboro Road, Nashville, Tennessee, USA 37217

[REDACTED]

The co-ownership of rental property in an arrangement classified under the laws of the State of Tennessee as a tenancy in common, and not a partnership or other business entity.

100.0%

Total economic interest of the Nashville Property to Greenswitch America Inc:

Tenant in common:	17.5%
Indirect through PAVe Nashville	
(50% *65%)	<u>32.5%</u>
	<u>50.0%</u>

**SCHEDULE 5.2(hh)**  
**PRO FORM WATERFALL CALCULATION**

**1) Distributions from OPH Holdings to its members:**

- The allocation and priority of distributions are made in accordance with Article VI of the OP Holdings JV Agreement.
- Included below is an extract of formulas used in an excel model used for the waterfall calculations. The excerpt shows the first two columns of the excel model. The calculation of any proforma distribution requires the excel model to be updated for the dates and amounts of all prior contributions by, and all distributions to, the OP Holdings members. A waterfall schedule updated for actual contributions and distributions from April 22, 2015 to July 31, 2020 was provided by Purchaser to Vendors as part of their due diligence request.

**Legend for the OP Holdings members in pro-forma waterfall calculation below**

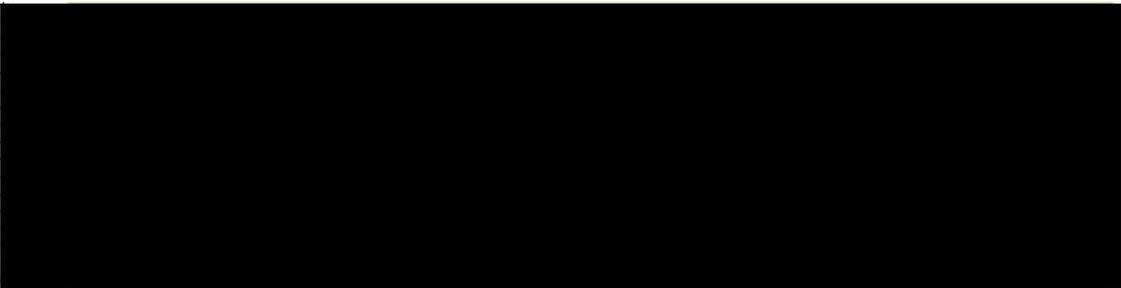
OZRE = OP Holdings JV Member LLC

Propark = Parking Acquisition Ventures, LLC

	A	B	E	F	G
1					
2		<i>Date of Contribution/Distribution</i>			
3					
17		<i>Contribution (distribution)</i>			
18					
19		Contribution			
20		<i>Current Cash Flow</i>			
21		<i>Capital Event Cash Flow</i>			
22		Leveled Cash Flow			
23					
24		<i>OZRE Percentage Interests</i>			
25		BOP			
26		Contributions			
27		EOP			
28		Percentage Interests			
29					
30	6.4(c)(i)	<i>Preferred to OZRE</i>			
31		BOP			
32		Accrued			
33		Contribution			
34		Distribution to OZRE (Cash Flow)			
35		Distribution to OZRE (Capital Events)			
36		EOP			
37		Distribution to Propark (Cash Flow)			
38		Distribution to Propark (Capital Events)			
39		Remaining Cash Flow (Cash Flow)			
40		Remaining Cash Flow (Capital Events)			
41					
42	6.4(c)(ii)	<i>Catch-up to Propark</i>			
43		BOP			
44		Accrued			
45		Contribution			
46		Prior Distribution to Propark			
47		Distribution to Propark (Cash Flow)			
48		Distribution to Propark (Capital Events)			
49		EOP			
50		Distribution to OZRE (Cash Flow)			
51		Remaining Cash Flow			
52					
53	6.4(a)(i)	Tier 1			
54		BOP			
55		Accrued			

Redacted to comply with confidentiality provisions of agreements with joint venture partners.

56	Contribution	
57	Prior Distributions to JV	
58	Distribution to JV	
59	EOF	
60	Promote to Propark	
61	Remaining Cash Flow	
62		
63	6.4(b)(0) Tier 2	
64	BOP	
65	Accrued	
66	Contribution	
67	Prior Distribution to JV	
68	Distribution to JV	
69	EOF	
70	Promote to Propark	
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Redacted to comply with confidentiality provisions of agreements with joint venture partners



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104		
105	6.4(a)(iii)	MOIC HURDLE
106		BOP
107		Contributions
108		Required Profit
109		Prior Distribution to JV
110		Distribution to JV
111		EOF
112		Promote to Propark
113		Remaining Cash Flow
114		
115		=IF(SUM(F100:X100)=SUM(F110:X110),"HURD
116		Distribution to JV
117		Promote to Propark
118		Remaining Cash Flow
119		
120	6.4(a)(iv)	Tier 4+
121		Remaining Cash Flow
122		Promote to Propark
123		
124		Gross Cash Flow
125		Preferred Catch-up to OZRE
126		Preferred Catch-up to Propark
127		Promote to Propark
128		Earnout III to Seller
129		Net Cash Flow
130		
131		OZRE Cash Flow
132		
133		Propark Cash Flow

Redacted to comply with confidentiality provisions of agreements with joint venture partners



**SCHEDULE 5.2(ii)**  
**MATERIAL AGREEMENTS**

Contracts where Purchaser is a party or otherwise bound (excludes contracts held by its joint ventures):

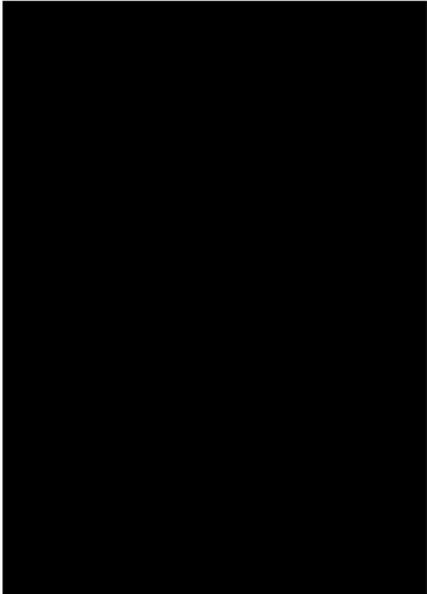
- i. In addition to the Office Premises Lease, Parkit Enterprise Inc. rents its Toronto office space from Avi Minkowitz. The two year lease dated July 1, 2018 expired June 30, 2020, and in an email dated June 30, 2020, the parties agreed to continue on a month-to-month basis at a monthly rent of \$500 plus taxes.
- ii. No equipment leases.
- iii. Contracts for capital expenditures or the purchase of goods, services, materials, supplies or equipment providing for either: (A) annual payments in excess of \$20,000.00; or (B) aggregate payments in excess of \$50,000.00:
  - There is an annual engagement for the audit. The engagement for fiscal year October 31, 2019 is complete. The engagement for fiscal year October 31, 2020 has not yet been signed.
  - There will be transaction costs for this agreement, including an engagement letter dated July 26, 2020 to FMI Capital Advisory Inc. for a fairness opinion.
  - Directors & Officers Liability insurance policy issued by Great American Insurance Group covering March 22, 2020 to March 22, 2021.
  - Commercial Insurance policy issued by Intact Insurance Company covering October 14, 2020 to October 14, 2021.
- iv. Material agreements with joint ventures and strategic alliances by the Purchaser and the Purchaser Subsidiaries
  - Pave Admin Operating Agreement
  - Side letter dated April 22, 2015 between Greenswitch America, Inc and Parking Real Estate Investors, LLC, regarding indemnification and transfer letter agreement.
  - Pave LLC Operating Agreement
  - Parkit Enterprise Inc. and Propark America; Letter of agreement dated March 10, 2014; letter regarding Propark Overhead Allocation account dated August 24, 2014; letter regarding Propark Overhead Allocation account dated September 25, 2014; letter regarding Propark Overhead Allocation account dated April 22, 2015; email dated January 21, 2020 from Tim Wiley confirming the balance receivable from Parking Real Estate, LLC as of October 31, 2019.
  - Tenancy-in-common loan agreement dated October 30, 2015 between PAVE Nashville, CT TIC Member, Greenswitch America and Timer Lane LLC.



- [REDACTED]

Agreements involving joint venture in which Parkit has an interest but which are not material. Redacted to comply with confidentiality obligations to third parties.

## SCHEDULE 5.2(II) EMPLOYEE INFORMATION

<i>Name</i>	<i>Position</i>	<i>Officer: Y/N</i>	<i>Work Location</i>	<i>Reports to:</i>	<i>Start Date</i>	<i>Compensation:</i>	
<b>Employee</b>							
<i>JoAnne Odette</i>	Chief Financial Officer	Yes	Vancouver, BC	CEO			
<i>Steven Strauss</i>	Vice President	Yes	Toronto, Ontario	CEO			
<i>Avraham ("Avi") Minkowitz</i>	Vice President	Yes	Toronto, Ontario	CEO			
<b>Consultant</b>							
<i>Shoni Bernard</i>	Corporate Secretary	Yes	Vancouver, BC	CEO			
<i>Avi Geller</i>	Interim CEO	Yes	New York, USA	Board			



Redacted information relates to personal information regarding officers and their compensation terms.

**SCHEDULE 5.2(mm)**  
**EMPLOYMENT AGREEMENTS**

Steven Strauss – employment agreement dated July 1, 2018

Avi Minkowitz – employment agreement dated July 1, 2018.

JoAnne Odette – employment MOU (memorandum of understanding) dated July 7, 2017; amendment dated August 15, 2018 for pay adjustment.

Shoni Bernard – letter dated August 31, 2018 confirming re-appointment to office of Corporate Secretary as independent contractor

Work-sharing agreement dated May 15, 2020 between Parkit Enterprise, Steven Strauss as Employee representative and the Canada Employment Insurance Commission.

**SCHEDULE 5.2(oo)  
RELATED PARTY TRANSACTIONS**

This schedule sets forth a correct and complete list of all arrangements, contracts, understanding, agreements and transactions (whether written or oral) in existence between the Purchaser or any Purchaser Subsidiary, on the one hand, and any director, officer, shareholder or any other Person not dealing at arm's length (as such term is defined in the Income Tax Act (Canada)) with the Purchaser, on the other hand (each a "Related Party Transaction").

- See SCHEDULE 5.2(mm) for employment agreements of current employees.
- Director fees C\$2,000 per month. Effective March 2020, the director fees are being accrued and not paid out in order to help conserve the Purchaser's cash-flow.
- Share-based compensation to officers and directors of Parkit Enterprise Inc pursuant to the terms of Parkit Enterprise Inc. stock option plan.

The Purchaser is also disclosing the following arrangements, contracts, understanding, agreements and transactions in existence by its directors, officers, shareholders that are not a "Related Party Transaction" of the Purchaser as defined above:

- A receivable from Smart Parking Solutions Canada Inc. to Parkit Enterprise Inc. Both Mr. Minkowitz and Mr. Strauss are officers of Parkit Enterprise Inc. and have an indirect ownership interest in Smart Parking Solutions Canada.
- [REDACTED]

Redacted as information is confidential information of our joint venture partner regarding a promissory note which it has outstanding.

**SCHEDULE 5.2(pp)**  
**OBLIGATIONS OF PURCHASER AND PURCHASERS SUBSIDIARIES**  
**FOR MORTGAGE DEBT ON U.S. PROPERTIES**

- Existing loan and security agreement dated October 30, 2015 among [REDACTED]  
[REDACTED]  
[REDACTED] as secured party.
- Existing subordinated promissory note dated October 30, 2015 among [REDACTED]  
[REDACTED]  
[REDACTED] as holder.

Redacted to comply requests for confidentiality by third parties.

**SCHEDULE 5.2(rr)  
OUTSTANDING LITIGATION**

Purchaser - None