

THIS OFFER TO PURCHASE made the \_\_\_ day of June, 2010.

**To:** CUSHMAN & WAKEFIELD LTD.  
1730, 111 5<sup>th</sup> Avenue SW  
East Tower – Suncor Energy Centre  
Calgary, Alberta T2P 3Y6  
**(hereinafter called  
the “Agent”)**

**Between:** \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
**(hereinafter called  
the “Purchaser”)**

**And:** 1547406 ALBERTA INC.  
2208, 910 – 5 Avenue SW  
Calgary, Alberta T2P 0C3  
**(hereinafter called  
the “Vendor”)**

We the undersigned hereby offer to purchase those lands and premises outlined and described in Schedule A (hereinafter called the “Property”), subject to those encumbrances listed in Schedule C attached hereto (the "Permitted Encumbrances") on the following terms and conditions:

**1. PURCHASE PRICE**

The PURCHASE PRICE shall be the sum of  
\_\_\_\_\_

(\$ \_\_\_\_\_) payable as follows:

- (a) INITIAL DEPOSIT: Within two business days of acceptance of this Offer, the sum of \$ \_\_\_\_\_ shall be paid to Cushman & Wakefield Ltd., to be held in trust;
- (b) FINAL DEPOSIT: A further portion of the purchase price, namely an additional \$ \_\_\_\_\_ shall be paid by the Purchaser upon the removal of the subject conditions referred to in Clause 4 by way of a cheque or bank draft made payable to Cushman & Wakefield Ltd. and to be held in an interest-bearing trust account with interest accruing to the Purchaser;
- (c) BALANCE OF PURCHASE PRICE: The balance of the purchase price shall be payable by way of cash, plus a combination of new mortgage proceeds and/or solicitor’s certified trust cheque at the time of closing as herein provided.

**2. PARKING**

The Landlord shall provide \_\_\_\_\_ (\_\_\_\_\_) titled parking stalls attached to the Property as outlined in Schedule A.

**3. VENDOR RESPONSIBILITIES**

The Vendor covenants to deliver to the Purchaser within five (5) business days from the acceptance of this Offer, the “Project Documents” outlined in Schedule B of this Offer to Purchase.

The Vendor will give the Purchaser access to its Architect for space planning purposes after receiving the initial deposit. The Vendor shall incur the cost of the space planning if conditions are waived and this Offer is Closed. However if Conditions are not waived by the Purchaser the cost of the Architectural drawings for the space will be deducted from the initial deposit.

**4. CONDITIONS PRECEDENT**

This Offer is subject to the following conditions precedent being satisfied or waived by the Purchaser on or before the day (the “Purchaser’s Conditions Removal Date”) which is \_\_\_\_\_ (\_\_\_\_) **calendar days** following the Purchaser’s receipt of the Project Documents or receipt of notice from the Vendor that there are no items for delivery to the Purchaser pursuant to Clause 3:

- (a) The Purchaser has satisfied itself with regard to its review of the Project Documents, with regard to the Property’s title and related issues, and with regard to its review of the Property’s physical status; and
- (b) The Purchaser has arranged, or is satisfied that it will be able to arrange, satisfactory financing on the Property.

The Vendor hereby agrees to give the Purchaser access to the Property up to the Purchaser's Conditions Removal Date to perform the due diligence mentioned in 3(a) above. In addition, following the acceptance of the Offer by the Vendor and until the Closing Date.

If the Purchaser fails to notify the Vendor in writing that these conditions precedent have been satisfied or waived within the time specified, or by such time as may be subsequently agreed, then this Agreement will become null and void and the initial deposit, with accrued interest will be returned in its entirety to the Purchaser.

These conditions precedent are for the sole benefit of the Purchaser. The Purchaser has the right to waive the conditions precedent set out in Clause 4 herein at its discretion within the time stipulated and proceed with the transaction herein contemplated. Upon removal of all conditions precedent set out in Clause 4 herein, the deposit will be increased as described in Clause 1 and shall become non-refundable, together with accrued interest, subject only to the provisions in Clause 5 below.

## 5. CLOSING

The closing shall take place in Calgary at the office of the Vendor's solicitor at 10:00 a.m. on the day which is \_\_\_\_\_ ( ) **calendar days from the removal of the conditions precedent** contained in Clause 4 herein (the "Closing Date"). The Purchaser shall have possession of the Property, subject to the Permitted Encumbrances following payment of the balance of the purchase price and any other sums due to the Vendor under this offer to the Vendor or the Vendor's solicitor on the Closing Date. All adjustments both incoming and outgoing with respect to rent, taxes, security deposits, tenant underpayments or operating costs, utilities, condominium fees and other items normally adjusted between a Vendor and a Purchaser with respect to the Property, shall be made as of 12:01 a.m. on the Closing Date. Any adjustments that cannot be determined as of the Closing Date shall be adjusted between the Purchaser and Vendor once they become known.

The Closing Date may be accelerated upon the approval of a written request submitted from the Purchaser to the Vendor.

The obligation of each party to complete the purchase and sale transactions herein contemplated will be subject to the condition that all of the substantial obligations herein and monetary obligations of the other party will have been performed by such other party in accordance with this Agreement except as may be waived in writing by the first mentioned party, and that all substantial representations, warranties, covenants and agreements in this Agreement or any document delivered in connection with the transaction herein contemplated will be true and correct at and as of the time of closing as though such representations, warranties, covenants and agreements were made at and as of the time of closing.

All money due and owing to the Vendor shall be paid to the Vendor's lawyer on or before the Closing Date. If the Vendor agrees to accept payment after the Closing Date, the Purchaser shall pay interest at the rate of 4% per annum above the prime rate set by The Province of Alberta Treasury Branches on all monies owing to the Vendor, from the Closing Date until the monies owing have been paid.

If the Purchaser fails or refuses to complete the purchase and sale herein contemplated after all the conditions precedent in favor of the Purchaser have been satisfied or waived, the deposits described under Clauses 1(a) and (b) hereof together with accrued interest thereon shall be forfeited to the Vendor as liquidated damages as a genuine pre-estimate of its damages and the Vendor shall have no further remedies against the Purchaser at law or in equity.

If the Vendor fails or refuses to complete the purchase and sale herein, the deposits together with the accrued interest thereon shall forthwith be refunded to the Purchaser upon demand by the Purchaser, however, without prejudice to any other rights and remedies which the Purchaser may have at law or in equity.

## 6. VENDOR REPRESENTATIONS AND WARRANTIES

The Vendor hereby represents and warrants that as of the date of this Agreement and as of the Closing Date:

- (a) The Vendor has the power to dispose of the Property free and clear of all encumbrances save for reservations in the original grant from the Crown and the Permitted Encumbrances and the leases described herein;
- (b) there will be no tenancies affecting the Property at the time of closing, other than those provided in the Project Documents pursuant to Clause 3 and any new leases or tenancies entered into after the removal of all conditions in Clause 4, will be done with the Purchaser's approval (such approval not to be unreasonably withheld, and to be provided by the Purchaser in writing to the Vendor, within 48 hours of receipt of such notice by the Purchaser);
- (c) the Vendor has not received written notice of any expropriation or other proceedings by the City of Calgary or any other department or government agency or engineering department or any utility company which has jurisdiction over the Property, which may affect the size of the Property;
- (d) the Vendor has not received written notice of any outstanding orders against the Property by the Fire Warden, Health Department, Building or Engineering Departments of the City of Calgary or any other department or government agency which has jurisdiction over the Property;
- (e) to the best of the Vendor's knowledge, the buildings located on the Property are wholly situate within the boundaries of the Property and comply with all By-Laws and requirements of governmental and public authorities;
- (f) the Property will be free and clear of all liens, charges and encumbrances at the Closing Date except for the Permitted Encumbrances;
- (g) subject to and without in any way limiting the other representations and warranties herein contained, the Property will be maintained and transferred to the Purchaser in substantially the same condition as inspected by the Purchaser pursuant to Clause 4(a);
- (h) the Vendor is not a non- resident of Canada within the meaning of the Income Tax Act;
- (i) all employees of the Property shall be terminated as of the Closing Date, and any compensation due to any such employees shall be the sole responsibility of the Vendor;

- (j) at the time of closing, the Vendor shall deliver a certificate executed by a senior officer of the Vendor familiar with the Property stating that at such time the above representations and warranties continue to be true and correct or, if not true and correct, stating details thereof; and
- (k) to the best of the Vendor's knowledge, the Property are not affected by any environmental pollutants or other hazardous materials.

The representations and warranties contained in Section 6 herein shall not merge with the completion of the transaction of purchase and sale contemplated by this Agreement, but shall survive the completion for a period of one (1) year, so that written notification of any breach of any representation or warranty must be provided by the Purchaser to the Vendor within one (1) year of the completion of the sale.

## 7. CLOSING DOCUMENTS

The Vendor will convey the Property to the Purchaser by delivering to the Purchaser at or before the time of closing a freehold transfer (the "Transfer") in registrable form. The Purchaser shall bear the cost of the conveyance, and the Vendor shall bear the cost of clearing title of any charges not to be conveyed to the Purchaser as described in Clause 6(a).

**At least ten (10) business days prior to the Closing Date** the Vendor shall cause its solicitors to prepare and deliver to the Purchaser's solicitor in trust all documents reasonably required by the Vendor's solicitors to complete this transaction in accordance with its terms including the Transfer, a statement of adjustments, an assignment and assumption of the Vendor's interest in any leases or outstanding guarantees, warranties or indemnities with respect to the Property, a bill of sale for the Chattels, any documents and certificates referred to herein and such other documents as may be reasonably necessary for more perfectly and absolutely transferring, assuring and vesting title to the Property to the Purchaser as contemplated hereby, and the Purchaser shall return to the Vendor with the Purchase Price one copy of each of such document requiring execution by the Purchaser.

If the Vendor has existing financial charges to be cleared from title the Vendor, while still required to clear such charges, may wait to pay and discharge existing financial charges until immediately after receipt of the purchase price, but in this event, the Purchaser shall pay the purchase price to a lawyer in trust, on undertakings to pay and discharge the financial charges and remit the balance, if any to the Vendor.

If the Purchaser is relying upon a new mortgage to finance the purchase price the Purchaser, while still required to pay the purchase price on the completion date, may wait to pay the purchase price to the Vendor until after the transfer and new mortgage documents have been lodged for registration in the appropriate Land Title office, but only if, before such lodging, the Purchaser has: (a) made available for tender to the Vendor that portion of the purchase price not secured by the new mortgage, and (b) fulfilled all the new mortgagee's conditions for funding except lodging the mortgage for registration, and (c) made available to the Vendor, a lawyer's undertaking to pay the purchase price upon the lodging of the transfer and new mortgage documents and the advance by the mortgagee of the mortgage proceeds.

## 8. ASSIGNMENT

The Purchaser may assign this Agreement or the benefit of any covenants herein contained or any part thereof without the prior consent of the Vendor (but with notice to the Vendor), to a non-arms length affiliated company of the Purchaser, the principals of which are substantially the same as the Purchaser, provided that the Purchaser shall not be released from any of its obligations under this Agreement by virtue of such assignment. In all other events the Purchaser may not assign this Agreement or the benefit of any covenants herein contained or any part thereof without the prior written consent of the Vendor.

**9. GENERAL**

- (a) Time shall be of the essence of this Agreement.
- (b) This Agreement shall be governed by and construed in accordance with the laws of the Province of Alberta.
- (c) It is understood that there are no representations, warranties, guarantees, promises or agreements other than those contained in this Agreement. All of the covenants and obligations contained in this Agreement to be observed or performed by the Vendor or by the Purchaser shall in no way merge with the registration of the transfer of land for the Property and shall in all respects remain in full force and effect notwithstanding payment of the purchase price and conveyance of the Property to the Purchaser, other than the provisions of Clause 6 , which shall only survive for one (1) year after the Closing Date
- (d) In the event that any date referred to in this Offer falls on a non-business day, the relevant date shall be moved to the next business day.
- (e) The Property shall be at the risk of the Vendor until the time of the closing of the sale and purchase of the Property, and thereafter at the risk of the Purchaser.
- (f) All parties to this Agreement are in agreement that facsimile transmission is an acceptable and binding means of conveying offer, acceptance, waiver of conditions or such other notice as may be required between the parties.
- (g) The Purchaser shall be solely responsible for any retail sales tax and for any goods and services tax (the "GST") payable with respect to the purchase of the Property. If the Vendor is required to remit the GST with respect to the Property, by virtue of the fact that the Purchaser is not a registrant pursuant to the *Excise Tax Act* (the "Act") for GST purposes, the Purchaser shall deliver to the Vendor, on the Closing Date, a certified or solicitor's trust cheque in the amount of the GST payable in respect of the purchase by the Purchaser of the Property. If the Purchaser is a registrant pursuant to the Act for GST purposes, the Purchaser shall provide the Vendor, on the Closing Date, with a statutory declaration of an officer of the Purchaser, confirming such registration.

**10. DISCLOSURE**

The Purchaser acknowledges and agrees that until the Project is completed, and a Board of Directors of the Condominium Corporation are elect from the owners and occupants of the Project (excluding the Developer's representatives) the Developer may operate the Project.

## **11. CONDOMINIUM CORPORATION**

The Purchaser is aware that a corporation (the "Corporation") has been or will be, by virtue of the Act, be established to operate and maintain the common elements of the Project (as such elements are described in Schedule B, and if a unit, same will be conveyed to the Condominium Corporation). The Purchaser will observe and perform the terms and conditions of the Act, the by-laws and regulations of the Corporation and management agreements entered into by the Corporation, all of which the developer may amend from time to time, and in particular, the Purchaser is aware that:

- (a) The owners of all Units must pay monthly assessments imposed by the Corporation to meet common expenses including among others, such things as management fees, insurance premiums and common utilities – It is hereby acknowledged that such assessments may not be assessed on the basis of unit factor, but will be assessed in accordance with the provisions of the By-Laws of the Corporation, as referred to in Schedule B.
- (b) The Developer estimates the initial amount of the monthly assessments for the Unit to be Eight Dollars and Twenty Five Cents (\$8.25) per square foot, which is an estimate only and is subject to change by the Corporation or its Board; and
- (c) The Developer will have the right to arrange for management of the Project as set out in the management agreement referred to in the Schedule B with such manager as the Developer shall in its sole discretion select;

## **12. MIXED USE PROJECT**

The Purchaser acknowledges that the Project is or will be for mixed use (residential and commercial), whereunder the main floor will be used for retail commercial purposes with the main floor parking designated for occupants and customers of the Commercial Unit(s). It is further acknowledged that the Developer has established, in the Bylaws of the Corporation, that such commercial use of the main floor shall continue in a lawful manner without disturbance or interference of the Corporation, and the Purchaser agrees to accept such use in the Project. In addition, the Parking Units will be subject to a Restrictive Covenant (as set forth in Schedule B) limiting use of such units to the parking of motor vehicles (and prohibiting certain types of vehicles from the Project), which may include a restriction against use of Parking Units by non-residents of the Project (except where used by invitees to the commercial units). Commercial Unit occupants will be obliged to avoid creating a nuisance to occupants of the Residence Units, and shall not have any right to access or use of any of the amenities and recreational facilities available to occupants of the Residence Units.

**13. CHANGE IN REPRESENTATION CAPACITY**

The Vendor and Purchaser acknowledge and agree to the change in representation capacity of the Agent as outlined in Schedule D.

**14. BINDING AGREEMENT**

Upon acceptance by both the Purchaser and the Vendor this offer shall constitute a binding agreement for the purchase and sale of the Property on the terms and conditions contained herein.

**15. SCHEDULES**

Schedules "A", "B", "C" and "D" attached hereto form part of this Agreement.

**16. DATE OF ACCEPTANCE**

This Offer to Purchase is irrevocable and shall be open for acceptance by the Vendor up to 4:00 p.m. (M.S.T.) on \_\_\_\_\_, 2010 and, upon acceptance, will constitute a binding agreement for the purchase and sale of the said Property on the terms and conditions contained herein. In the event that this Offer to Purchase is not accepted on or before the aforesaid time and date, then this Offer to Purchase shall be null and void.

IN WITNESS WHEREOF the Purchaser has executed this Offer the day and year first above written.

**PURCHASER**

Per: \_\_\_\_\_  
(Authorized Signatory)

Name: \_\_\_\_\_

Per: \_\_\_\_\_  
(Authorized Signatory)

Name: \_\_\_\_\_

THE VENDOR HEREBY ACCEPTS the above Offer on the terms and conditions set out above, this \_\_\_\_ day of \_\_\_\_\_, 2010.

**VENDOR**

Per: \_\_\_\_\_  
(Authorized Signatory)

Name: \_\_\_\_\_



**SCHEDULE A**

**THE PROPERTY**

Legal Description

1010721; \_\_\_\_\_

Municipal Description

Unit \_\_\_\_\_, 5430 17<sup>th</sup> Avenue SE

## **SCHEDULE B**

### **PROJECT DOCUMENTS**

- This agreement
- Condominium Documents
  - The Tentative Condominium Plans
  - The Bylaws of the Corporation
  - Reserve Fund Study
  - Condominium Fees & Quick Facts
  - The Management Agreement
  - The Restrictive Covenant
  - 25 Year Cashflow Plan
  - Unit Addressing
  - Phase 1 Environmental Site
  - Geotechnical Evaluation
- Architectural Plans
  - Elevations
  - Floor Plans
  - Roof Plan
  - Site Plan
  - Survey
  - Underground Parking
- A description of the commercial unit; including interior and exterior finishing of all major improvements pertaining to the subject Property.

**SCHEDULE C**

**PERMITTED ENCUMBRANCES**

- None – Vendor to provide Clear Title

**SCHEDULE D**

**TRANSACTION BROKERAGE AGREEMENT**

**BETWEEN:**

1547406 Alberta Inc.  
2208, 910 – 5 Avenue SW  
Calgary, Alberta T2P 0C3

Attention: \_\_\_\_\_  
(hereinafter referred to as the "Vendor")

**BETWEEN:**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Attention: \_\_\_\_\_  
(hereinafter referred to as the "Purchaser")

**AND:** CUSHMAN & WAKEFIELD LTD.  
Suite 1730, 111 - 5<sup>th</sup> Avenue S.W.  
Calgary, Alberta T2P 3Y6  
Attention: Chris Anderson, Broker

(hereinafter referred to as "Cushman & Wakefield")

The Vendor acknowledges and agrees that from time to time Cushman & Wakefield or a member of the Listing Team, may also represent the interests of a purchaser, and as such, may be placed in a conflict of interest as a result of representing both the Vendor and a prospective purchaser in the same transaction. In such an event, the Vendor and prospective purchaser shall acknowledge such a relationship and hereby consent to Cushman & Wakefield acting as a Transaction Facilitator, as outlined below.

In the event that a prospective purchaser (the "Purchaser") who is also represented by Cushman & Wakefield is interested in purchasing the Property, the parties acknowledge and agree that:

- (a) Cushman & Wakefield concurrently represents both the Vendor and the Purchaser;
- (b) Such concurrent representation of both parties by Cushman & Wakefield prevents it from:
  - (i) being loyal both to the Vendor and the Purchaser and to act solely in both of their best interests;

- (ii) avoiding all conflicts of interest including conflicts that may arise between the interests of the Purchaser, and the Vendor and Cushman & Wakefield;
  - (iii) making full disclosure of all facts that may influence the decisions of the Purchaser or of the Vendor; and
  - (iv) maintaining the confidentiality of information obtained from the Purchaser or from the Vendor.
- (c) Such concurrent representation by Cushman & Wakefield is only permitted by law with the fully informed and voluntary consent of both the Vendor and the Purchaser;
- (d) The Vendor and the Purchaser have been given the opportunity to seek further information and independent advice concerning Transaction Brokerage representation.

Therefore, the Vendor and the Purchaser consent and agree to the continued representation by Cushman & Wakefield of both parties now acting in the capacity of Transaction Facilitator, on the following terms:

## **1.0 FACILITATION SERVICES**

- 1.1 Cushman & Wakefield shall: **(a)** present to the Vendor and the Purchaser, in a timely fashion, all offers and counter-offers to and from either regardless of whether the Property is already the subject of a contract; **(b)** convey to the Vendor and the Purchaser, in a timely manner, all information that either wishes to have communicated to the other; **(c)** keep the Vendor and the Purchaser informed regarding the progress of the transaction; and **(d)** comply with the provisions of the *Real Estate Act* and its regulations, and the rules and bylaws of the Real Estate Council of Alberta.
- 1.2 Cushman & Wakefield shall also perform for the Vendor and the Purchaser all necessary facilitation services, that is, those services needed to assist the Vendor and the Purchaser to complete a transaction that do not require the Listing Team to exercise discretion or judgment, or the giving of confidential advice or advocating on behalf of either the Vendor or the Purchaser, and shall, when requested by either party: **(a)** provide real estate statistics and information other Property including comparable property information available through listing services or other local databases; **(b)** provide standard offer to purchase agreements and other documents and act as scribe in their preparation in accordance with the instructions of the Vendor or the Purchaser; and **(c)** provide the names of service providers, but Cushman & Wakefield shall not recommend any particular service provider to either the Vendor or the Purchaser.

## **2.0 CUSHMAN & WAKEFIELD'S RESPONSIBILITY**

- 2.1 Cushman & Wakefield shall ensure that the member of Cushman & Wakefield providing facilitation services to the Vendor and the Purchaser under this Agreement: **(a)** complies with Cushman & Wakefield's policies and procedures governing Transaction Brokerage; and, **(b)** treats the interests of both the Purchaser and Vendor in an even-handed, objective and impartial manner.
- 2.2 Cushman & Wakefield shall supervise the member of Cushman & Wakefield and support staff providing facilitation services to the Purchaser and Vendor to ensure that they properly adhere to this Schedule.

## **3.0 DISCLOSURE AND NON-DISCLOSURE OF INFORMATION**

- 3.1 Cushman & Wakefield shall disclose all information it provides or receives during the course of this Agreement and, in particular, shall disclose: **(a)** to the Purchaser, all material latent defects affecting the Property known to Cushman & Wakefield; and **(b)** to the Vendor, all material facts relevant to the Purchaser's ability to purchase the Property known to Cushman & Wakefield.
- 3.2 Cushman & Wakefield shall **not** disclose without the informed written consent of the Vendor or the Purchaser as the case may be: **(a)** that the Purchaser may be prepared to offer a higher price or terms other than those contained in the offer to purchase; **(b)** that the Vendor may be prepared to accept a lower price or terms other than those contained in the Vendor's Exclusive Listing Agreement; **(c)** the motivation of the Vendor or the Purchaser for wishing to respectively purchase or sell the Property; and **(d)** personal information relating to the Vendor or the Purchaser and other information disclosed at any time in confidence by either to Cushman & Wakefield.

## **4.0 GENERAL**

- 4.1 Cushman & Wakefield's knowledge concerning the Vendor or the Purchaser shall not be attributed to the other.
- 4.2 Neither the Vendor nor the Purchaser shall be vicariously liable to the other for any acts of Cushman & Wakefield.
- 4.3 No amendment to the terms of this Schedule shall be effective unless it is in writing and signed by the Vendor, the Purchaser and Cushman & Wakefield.



ACKNOWLEDGED AND ACCEPTED by the VENDOR this \_\_\_ day of \_\_\_\_\_, 2010.

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

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

ACKNOWLEDGED AND ACCEPTED by the PURCHASER this \_\_\_ day of \_\_\_\_\_, 2010.

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

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

ACKNOWLEDGED AND ACCEPTED by CUSHMAN & WAKEFIELD this \_\_\_\_ day of \_\_\_\_\_, 2010.

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

Authorized Signature  
CUSHMAN & WAKEFIELD LTD.