

FORM 45-106F2

Offering Memorandum for Non-Qualifying Issuers



addy (45604 AIRPORT) LIMITED PARTNERSHIP

OFFERING OF LIMITED PARTNERSHIP UNITS

Date: August 8, 2020

The Issuer

Name: addy (45604 Airport) Limited Partnership (the “Issuer” or the “Partnership”)
Head office: Suite #352 – 3381 Cambie Street, Vancouver, British Columbia V5Z 4R3
Phone #: 1-833-462-9888
E-mail address: support@addyinvest.com

Currently listed or quoted? No. **These securities do not trade on any exchange or market.**

Reporting issuer? No.

SEDAR filer? No.

The Offering

Securities offered: Up to 520,000 units (each, a “Unit”) of the Partnership.

Price per security: \$1.00 per Unit.

Minimum/Maximum offering: **There is no Minimum Offering. You may be the only purchaser. Funds available under the offering may not be sufficient to accomplish our proposed objectives.** The maximum offering is 520,000 Units.

Minimum Subscription: The minimum subscription amount is \$1.00. The maximum subscription amount is \$1,500.

Payment terms: The full Subscription Price is payable to the Issuer via the subscriber’s addy Wallet payable to “addy (45604 Airport) Limited Partnership” or such other means acceptable to the Issuer. See Item 5.2 “Subscription Procedure”.

Proposed closing date(s): This is a continuous offering. Closings will occur from time to time at such times as addy GP (45604 Airport) Corp. (the “GP”), the general partner of the Partnership may determine. The GP may terminate the offering at any time.

Income tax consequences: There are important tax consequences to these securities. See Item 6 “Summary of Income Tax Consequences and Eligibility.”

Selling Agent? No.

Resale restrictions: You will be restricted from selling your securities for an indefinite period. See Item 10 “Resale Restrictions”.

Purchaser’s rights: You have 2 business days to cancel your agreement to purchase these securities. If there is a misrepresentation in this offering memorandum, you have the right to sue either for damages or to cancel the agreement. See Item 11 “Purchasers’ Rights”.

No securities regulatory authority or regulator has assessed the merits of these securities or reviewed this offering memorandum. Any representation to the contrary is an offence. This is a risky investment. See Item 8 “Risk Factors”.

The Partnership conditionally offers the Units for sale by way of private placement to qualified investors who are residents of the Province of British Columbia.

This Offering Memorandum constitutes a private offering of securities only in those jurisdictions and to those persons where and to whom they may be lawfully offered for sale, sold and therein only by those entities permitted to sell such securities. This Offering Memorandum is not, and under no circumstances is to be construed as, a prospectus or advertisement or a public offering of the securities referred to herein. This Offering Memorandum is for the confidential use of only those persons to whom it is transmitted in connection with this Offering. No person has been authorized to give any information or to make any representation not contained in this Offering Memorandum. The securities offered hereunder have not been and will not be registered under the United States Securities Act of 1933, as amended, (the “**U.S. Securities Act**”) and the securities laws of any state of the United States, and may not be offered or sold to, directly or indirectly, in the United States or for the account or benefit of a person in the “United States” or a “U.S. person” (as such terms are defined in Regulation S under the U.S. Securities Act), except pursuant to registration under the U.S. Securities Act and the securities laws of all applicable states or available exemptions therefrom. The Issuer has no obligation or present intention of filing a registration statement under the U.S. Securities Act in respect of any of the securities offered herein.

Cautionary Note Regarding Forward-looking Statements

This Offering Memorandum contains “forward-looking statements”. These statements relate to future events or the Partnership’s views or predictions of possible future performance, operations, and its strategy. All statements other than statements of historical fact are forward-looking statements. Forward-looking statements can be identified by words such as: “anticipate”, “intend”, “plan”, “seek”, “believe”, “project”, “estimate”, “expect”, “strategy”, “future”, “likely”, “may”, “should”, “will” and similar references to future periods. Examples of forward-looking statements include, among others, statements we make regarding (capitalized terms used in this section that are not otherwise defined in this section are defined within the main body of this Offering Memorandum):

- the ability of the Issuer to raise sufficient funds under the offering to accomplish proposed objectives;
- the ability of the Issuer to source alternative equity and debt financing alternatives, and the availability of any such financing alternatives to the Issuer;
- the expected ability of the tenant of the Property to make monthly lease payments and pay monthly management expenses associated with the upkeep and maintenance of the Property; and
- the ability of the Property LP to sell the Property at the price, in the manner and within the time frame consistent with the long-term objectives of the Issuer.

These statements are based on assumptions made by the Partnership about the success of the Partnership’s investment strategies in certain market conditions, relying on the experience of the GP’s officers and employees and their knowledge of historical economic and market trends. These statements are only predictions. Even though the Partnership believes that the assumptions made and the expectations represented by such statements or information are reasonable, there can be no assurance that the forward-looking statements or information will prove to be accurate.

Undue reliance should not be placed on these forward-looking statements as there can be no assurance that the plans, intentions or expectations upon which they are based will occur. By its nature, forward-looking information involves numerous assumptions, known and unknown risks and uncertainties, both general and specific, that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur and may cause actual results or events to differ materially from those anticipated in such forward-looking statements. Factors which could cause actual results, events, circumstances, expectations or performance to differ materially from those expressed or implied in forward-looking statements include, but are not limited to,

general economic, political, market and business factors and conditions; the ability of the Partnership to raise capital, the value of real estate assets; volatility in the capital or credit markets; interest rates fluctuations; statutory and regulatory developments; ability to obtain financing; increased competition; loss of key employees; impact of securities regulation on the Partnership's activities, including the ability to raise capital through the online funding platform; cybersecurity issues, additional funding requirements; catastrophic events; and other factors, including acts of war, terrorism, natural disasters or pandemics or epidemics, such as COVID-19, and the severity and duration thereof. The foregoing factors are not intended to represent a complete list of the factors that could affect the Partnership. Additional factors are noted under Item 8 "Risk Factors".

To the extent any forward-looking statements or forward-looking information used herein constitutes "future-oriented financial information" or "financial outlooks" within the meaning of applicable Canadian securities laws, such information reflects current expectations with respect to current events and is not a guarantee of future performance. Subscribers should not place undue reliance on such future-oriented financial information and financial outlooks. Future-oriented financial information and financial outlooks, as with forward-looking information generally, are, without limitation, based on the assumptions and subject to the risks set out. The Issuer's actual financial position and results of operations may differ materially from management's current expectations and, as a result, the Issuer's revenue and expenses may differ materially from the revenue and expenses profiles provided herein. Such information is presented for illustrative purposes only and may not be an indication of the Issuer's actual financial position or results of operations

The forward-looking statements and forward-looking information contained in this Offering Memorandum are expressly qualified by this cautionary statement. The forward-looking statements and information are made as of the date of this Offering Memorandum. Except as otherwise required by applicable law, the Partnership does not intend to, and assumes no obligation to, update or revise these or other forward-looking statements and information it may provide, whether as a result of new information, plans or events or otherwise.

Currency

All dollar amounts stated herein, unless otherwise stated, are expressed in Canadian currency.

Reliance

Prospective investors should rely only on information contained in this Offering Memorandum and on the website located at: <https://vancouver.addyinvest.com/properties/1bISdz>, as such information specifically relates to the Issuer and its proposed business, operated by addy Technology Corp. The information on the website relating to the Issuer and its business or assets and relating to the sale of securities described in this Offering Memorandum are deemed to be incorporated by reference and form part of this Offering Memorandum, and such marketing materials will be subject to the same liability and rights of action for a misrepresentation as other disclosure in this Offering Memorandum. The Issuer has not authorized any other person to provide prospective investors with different information other than as contained in this Offering Memorandum. If a prospective investor is provided with different or inconsistent information, the prospective investor should not rely on such information.

Prospective investors should thoroughly review this Offering Memorandum and are advised to consult with their own legal, investment, accounting, and tax advisors concerning this investment.

Item 1. Use of Available Funds

1.1 Funds

		Assuming min. offering ⁽¹⁾	Assuming max. offering
A.	Amount to be raised by this offering	\$0	\$520,000 ⁽²⁾
B.	Selling commissions and fees	\$0	\$0 ⁽²⁾
C.	Estimated offering costs (e.g., legal, accounting, audit.)	\$40,000	\$40,000
D.	Available funds: D = A - (B+C)	\$(40,000)	\$480,000
E.	Additional sources of funding required or available ⁽³⁾	\$55,020	\$55,020
F.	Working capital deficiency	\$-	\$-
G.	Total: G = (D+E) - F	\$15,020	\$535,020

Notes:

- (1) There is no minimum offering.
(2) The Partnership does not intend to pay any selling commissions or fees.
(3) Cash on hand as of July 31, 2020.

1.2 Use of Available Funds

The Partnership intends to use the subscription proceeds, together with cash on hand, to invest in units (each, a “**Property LP Unit**”) in the capital of 45604 Airport Road Limited Partnership (the “**Property LP**”). On May 31, 2020, Triple E Investments Ltd. (the “**Purchaser**”) entered into an offer to purchase (the “**Purchase Agreement**”) with Genica Midtown III Ltd. (the “**Nominee**”) and 1110264 B.C. Ltd. (the “**Vendor**”) in respect of a single-tenant commercial property located at: 45604 Airport Road, Chilliwack, British Columbia (the “**Property**”) for a purchase price of \$2,350,000, subject to customary adjustments and closing costs. An appraisal from a qualified independent third party appraiser in respect of the Property included a value of \$2,500,000 for the Property as at May 21, 2020. Title to the Property is registered in the name of the Nominee. On July 27, 2020, the Purchase Agreement was assigned (the “**Assignment Agreement**”) by the Purchaser to the Property LP. See Item 2.2 “*The Partnership’s Business – The Property*” and Item 2.7 “*Material Agreements – The Purchase Agreement and Assignment Agreement*”.

The Property LP will use the net subscription proceeds received from the issuance of the Property LP Units, together with cash on hand, to acquire, own, operate and sell the Property.

Description of intended use of available funds listed in order of priority	Assuming min. offering	Assuming max. offering
Purchase up to a maximum of 49% of the outstanding Property LP Units ⁽¹⁾	\$15,020	\$535,020
Total: Equal to G in the Funds table above	\$15,020	\$535,020

Notes:

- (1) The Property LP has a limited operating history. To date, the Property LP’s operations have been limited to capital raising and the assignment of the Purchase Agreement. 45604 Airport Road GP Ltd. (the “**Property GP**”) is the general partner of the Property LP. The issued shares of the Property GP are owned by Triple E Investments Ltd., a company controlled by Mr. Steve Evans. Mr. Evans is also a director of addy Technology Corp. (“**addy**”). The Partnership and addy have certain directors and officers in common. Upon acquisition of the Property by the Property LP, the Property LP may enter into a property management agreement with the Property GP, or another entity controlled by Mr. Evans, as the property manager, to provide property management services in respect of the Property. It is expected that tenant of the Property would be responsible to pay any such property management fees to the property manager.

If the proceeds from the offering are insufficient to allow the Issuer to complete the proposed purchase of the maximum percentage, the Issuer may reduce its purchase commitment in the Property LP with no penalty.

1.3 Reallocation

The Partnership intends to spend the subscription proceeds as stated. Funds will be reallocated only for sound business reasons.

Item 2. Business of addy (45604 Airport) Limited Partnership

2.1 Structure

For information concerning the structure of the Partnership, see Appendix A to this Offering Memorandum under “addy (45604 Airport) Limited Partnership – Structure”.

2.2 Development of Business

The Partnership was recently formed and has not yet completed a fiscal year. It does not have any operating history.

For information concerning the business of the Partnership and the Property, see Appendix A to this Offering Memorandum under “addy (45604 Airport) Limited Partnership – The Partnership’s Business”.

2.3 Long Term Objectives

For the long term objectives of the Partnership, see Appendix A to this Offering Memorandum under “addy (45604 Airport) Limited Partnership – Long Term Objectives”.

2.4 Short Term Objectives and How We Intend to Achieve Them

For the short term objectives of the Partnership, see Appendix A to this Offering Memorandum under “addy (45604 Airport) Limited Partnership – Short Term Objectives”.

2.5 Insufficient Funds

Not applicable.

2.6 Material Agreements

The following is a list of agreements which are material to this offering and to the Partnership, all of which are in effect:

- (a) The limited partnership agreement dated July 16, 2020, establishing the Partnership and made between the GP, addy Real Estate Holdings Corp. and all persons who become holders of Units as provided therein (the “**Partnership Agreement**”). See Item 5.1 “Terms of Units – The Partnership” and Appendix A to this Offering Memorandum under “addy (46504 Airport) Limited Partnership – Terms of Securities Offered – The Partnership”.
- (b) The amended and restated limited partnership agreement dated effective as of June 16, 2020 (as so amended and restated, the “**Property LP Agreement**”), establishing the Property LP and made between the Property GP and Triple E Investments Ltd. See Item 5.1 “Terms of Units – The Property LP” and Appendix A to this Offering Memorandum under “addy (46504 Airport) Limited Partnership – Terms of Securities Offered – The Property LP”.
- (c) The Purchase Agreement and the Assignment Agreement. See Appendix A to this Offering Memorandum under “addy (46504 Airport) Limited Partnership – Material Agreements – Purchase Agreement and Assignment Agreement”.
- (d) The lease agreement dated April 3, 2018, as amended October 31, 2019 (as so amended, the “**Lease**”), between the Vendor and Starbucks Coffee Canada, Inc. (“**Starbucks**”). See Appendix A to this Offering Memorandum under “addy (46504 Airport) Limited Partnership – Material Agreements – Lease”.

Item 3. Interests of Directors, Management, Promoters and Principal Holders

addy GP (45604 Airport) Corp. is the general partner of the Partnership. The GP has no material assets or liabilities. It carries on no business activities other than acting as general partner of the Partnership. The issued shares of the GP are owned directly by addy.

3.1 Compensation and Securities Held

The following table provides the specified information about the GP's directors and officers, the promoter of the Partnership, and each person who, directly or indirectly, beneficially owns or controls, or who will own or control following the offering, 10% or more of any class of voting securities of the Issuer.

Name and municipality of principal residence	Positions held (e.g., director, officer, promoter and/or principal holder) and the date of obtaining that position	Compensation paid by issuer or related party in the most recently completed financial year and the compensation anticipated to be paid in the current financial year	Number, type and percentage of securities of the issuer held after completion of min. offering ⁽¹⁾	Number, type and percentage of securities of the issuer held after completion of max. offering ⁽²⁾
Michael Stephenson Vancouver	President, Chief Executive Officer and Director March 9, 2020	\$0	Nil	Nil
Adrienne Uy Vancouver	Chief Financial Officer and Director March 9, 2020	\$0	Nil	Nil
addy Real Estate Holdings Corp. Vancouver	Principal Holder July 16, 2020	\$0	55,010 Units 100 %	55,010 Units 9.6%
addy GP (45604 Airport) Corp. Vancouver	Promoter July 16, 2020	\$0	Nil	Nil

Notes:

- (1) There is no minimum offering.
- (2) The maximum offering is 520,000 Units.

3.2 Management Experience

The following table discloses the principal occupations of the directors and senior officers of the GP over the past five years:

Name	Principal occupation and related experience
Michael Stephenson	<p>Mr. Stephenson is a serial entrepreneur and real estate technologist. He started his entrepreneurial journey in 2000 when he co-founded Combustion Hosting (which was acquired in 2006). Mr. Stephenson followed Combustion Hosting up with founding Ubertor Realtor Software which won the Most Innovative Web Service Award in 2009 from Inman News (which was acquired in 2013). Ubertor Realtor Software helped sell over 120,000 homes worth over \$90 billion.</p> <p>In 2012, Mr. Stephenson moved to the Philippines with his co-founder Stephen Jagger and setup OutsourcingThingsDone.com to provide virtual assistants to real estate professionals. OutsourcingThingsDone.com grew to 150 employees. In the Philippines, Mr. Stephenson discovered the lack of affordable and usable HR and payroll software. Mr. Stephenson addressed this by setting up a company called PayrollHero. Recently Mr. Stephenson launched Instant Messaging Real Estate Corp. to provide artificial intelligence services to the real estate industry and addy to eradicate barriers to home ownership for everyone.</p> <p>Mr. Stephenson previously served on the board for the Douglas Park Community, and volunteers for Out In School.</p>

Name	Principal occupation and related experience
Adrienne Uy	<p>Ms. Uy is an experienced finance and operations executive with over 22 years of learning from companies large and small. She started her career at Jones Soda Co. where she was a VP responsible for ecommerce, distribution and logistics. Ms. Uy has also held positions at the Starbucks Coffee Company in the Financial Policies & Compliance, Financial Reporting and Corporate Accounting Groups, and as the Corporate Controller for 3TIER, a global, renewable energy information-to-decision technology leader with global offices. Most recently, Ms. Uy served in numerous capacities, including COO and CFO, at SPUD.CA and Food-X Technologies, an online grocery retailer and technology platform with a focus on sustainability and a mission to change the world one bite at a time.</p> <p>Ms. Uy serves on the board of the Canadian Health Food Association and is the chair of the audit committee. Ms. Uy holds an MBA from Seattle University and is CPA designated.</p>

3.3 Penalties, Sanctions and Bankruptcy

No penalty or sanction has been in effect during the last 10 years, no cease trade order has been in effect for a period of more than 30 consecutive days during the past 10 years, and no declaration of bankruptcy, voluntary assignment in bankruptcy, proposal under any bankruptcy or insolvency legislation, proceedings, arrangement or compromise with creditors, appointment of a receiver, receiver manager or trustee to hold assets has been in effect during the last ten years against or with regard to any:

- (a) director, executive officer or control person of the GP, or
- (b) an issuer of which any person referred to in sub-paragraph (a) above was a director, executive officer, or control person of at that time.

3.4 Loans

There are no other debentures or loans to or from directors, management or promoters.

3.5 Promoter

By reason of their initiative in forming and establishing the Partnership and taking steps necessary for the public distribution of the Units, the GP is the promoter of this Offering. The directors of the GP are Michael Stephenson and Adrienne Uy. The GP will not receive any benefits, directly or indirectly from the issuance of the Units other than as described in this Offering Memorandum.

Item 4. Capital Structure

4.1 Share Capital

The following table describes the Issuer's outstanding securities as at the date of this Offering Memorandum (including options, warrants and other securities convertible into units).

Description of security	Number authorized to be issued	Price per security	Number outstanding as at July 31, 2020	Number outstanding after min. offering ⁽¹⁾	Number outstanding after max. offering ⁽²⁾
Units	Unlimited	\$1.00	55,010	55,010	575,010

Notes:

- (1) There is no minimum offering.
- (2) The maximum offering is 520,000 Units.

4.2 Long Term Debt Securities

None.

4.3 Prior Sales

Prior to this offering, the Issuer has raised the following funds:

Date of issuance	Type of security issued	Number of securities issued	Price per security	Total funds received
July 16, 2020	Units	55,010	\$1.00	\$55,010

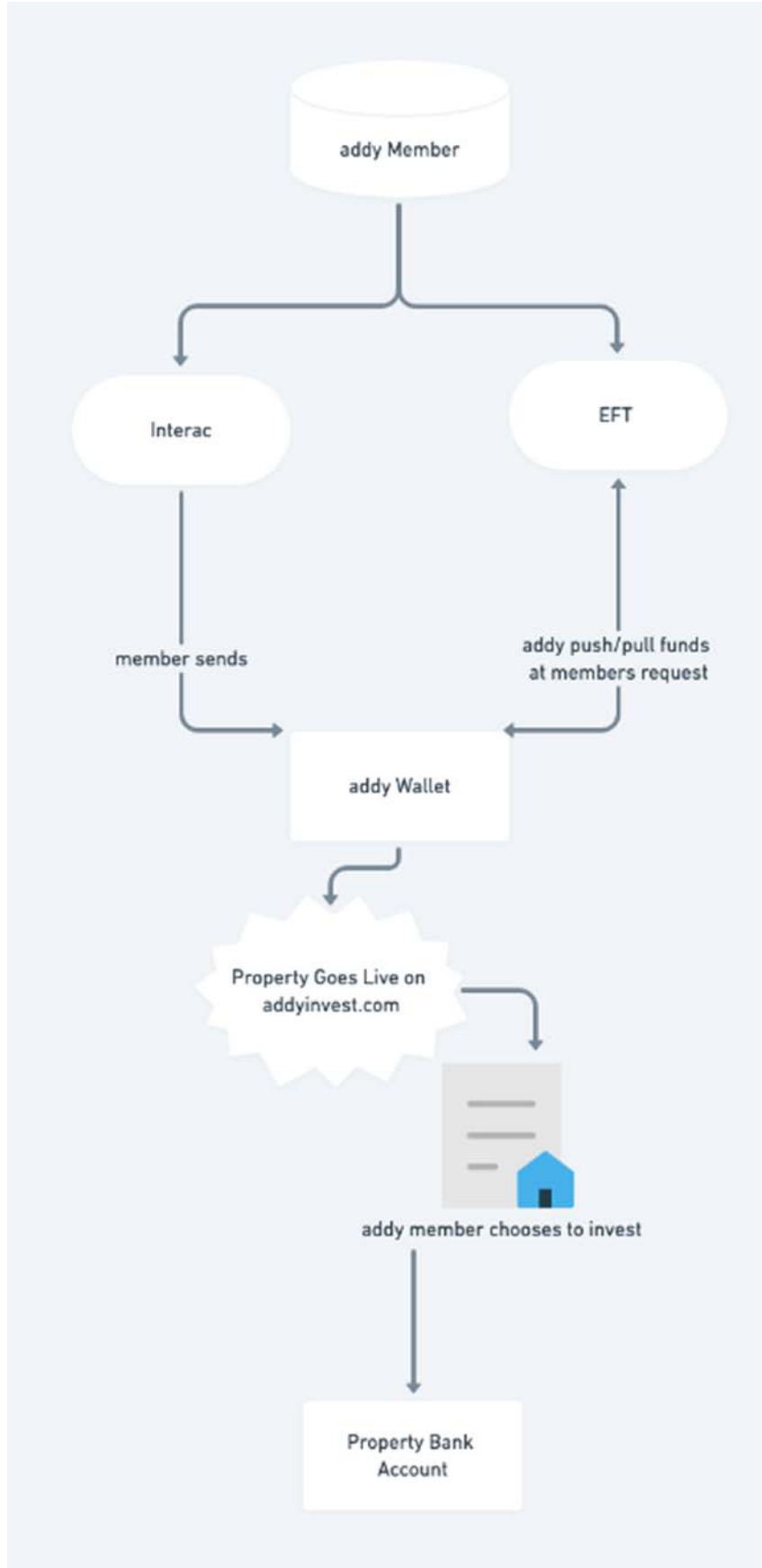
Item 5. Securities Offered

5.1 Terms of Securities

For information concerning the material terms of the Units, including a summary of the Partnership Agreement and the Property LP Agreement, see Appendix A to this Offering Memorandum under “addy (45604 Airport) Limited Partnership – Terms of the Securities Offered”.

5.2 Subscription Procedure

In order to be eligible to subscribe for Units, subscribers must create an account and register with addy at www.addyinvest.com. After successfully registering with addy, subscribers will be able to fund their “addy Wallet” using interact or electronic funds transfer (or EFT). addy members will be able to view the current property listings hosted by addy, including the Property. Only qualified addy members will be able to complete a subscription for Units using funds from their addy Wallet to complete the investment. The process is illustrated below:



The Units are being offered for sale in the Province of British Columbia. The Units are conditionally offered if, as and when subscriptions are accepted by the Partnership and subject to prior sale. Subscriptions for Units will be received by the Partnership subject to rejection or allotment in whole or in part and the Partnership's right is reserved to close the subscription books at any time without notice.

This offering is being made in reliance upon the "Offering Memorandum" exemption in Section 2.9(1) of National Instrument 45-106 *Prospectus Exemptions* ("NI 45-106") and without the use of a registered dealer. As such, Subscribers: (i) will not receive the benefits associated with the involvement of such registrants; and (ii) will not receive the benefits associated with purchasing the Units pursuant to a filed prospectus, including the review of the material by the securities commissions or similar regulatory authority.

In order to subscribe for Units, subscribers must agree to provide the Partnership with such information in order to enable it to determine the availability of the exemption, including:

- (a) a duly completed and executed subscription agreement (including all applicable schedules, appendices, acknowledgements, certificates and other documents requested by the Partnership); and
- (b) two copies of a Risk Acknowledgement Form (Form 45-106F4).

Subscribers may subscribe for Units by returning to the Issuer at Suite #352 – 3381 Cambie Street, Vancouver, British Columbia V5Z 4R3 the following:

- (a) a completed subscription agreement (including all applicable schedules, appendices, acknowledgements, certificates and other documents requested by the Partnership); and
- (b) transfer of the aggregate subscription amount from the subscriber's addy Wallet, or, in very limited circumstances, such other means acceptable to the Issuer, including a certified cheque, bank draft, money order or wire transfer (instructions to be provided) payable to "addy (45604 Airport) Limited Partnership".

In accordance with the requirements of NI 45-106, the Partnership will hold the subscription monies advanced by each subscriber in trust for the subscriber until midnight on the second business day after the subscription agreement is signed by the subscriber. Following execution of the subscription agreement by the subscriber, the subscriber has no right to withdraw the amount of the Subscription Price or any interest earned thereon after the statutory two business day cooling-off period.

Once executed and delivered by the subscriber, a subscription agreement constitutes an offer to purchase the Units. The Units will be sold only to subscribers who have submitted the documentation specified above, duly executed and delivered. Units will be subject to restrictions on transfer. See Item 10.

The Issuer has the right to reject any prospective purchaser of Units for any reason whatsoever. If the Issuer decides to accept an offer to purchase the Units, the Issuer will execute a copy of the subscription agreement remitted by the subscriber and return one copy to such subscriber.

If a request to purchase is accepted, Units will be issued and the Issuer will cause addy to update the subscriber's addy Dashboard to include a written notification (the "**Confirmation Notice**") confirming the completion of such issuance of Units, including, but not restricted to, a statement as to the number of Units issued to the subscriber and the date of the issuance of the Units. Upon the written demand of the subscriber, the Issuer will deliver or cause the delivery of a Confirmation Notice to the investor.

THIS OFFERING IS SUBJECT TO A MAXIMUM OF 520,000 UNITS AND IS MADE ON A CONTINUOUS BASIS. UNLESS TERMINATED EARLIER BY THE ISSUER, THIS OFFERING WILL TERMINATE ON THE DATE ON WHICH ALL OF THE UNITS OFFERED HEREBY HAVE BEEN SOLD.

The Units have not been and will not be registered under the United States Securities Act of 1933, as amended. Subject to certain exceptions, therefore, these securities may not be offered or sold in the United States.

Each investor is urged to consult with his own legal adviser as to the details of the statutory exemption being relied upon and the consequences of purchasing securities pursuant to such exemption.

Item 6. Income Tax Consequences and RRSP Eligibility

For a summary of certain Canadian income tax considerations and RRSP eligibility, see Appendix A to this Offering Memorandum under “addy (45604 Airport) Limited Partnership – Income Tax Consequences and RRSP Eligibility”.

Item 7. Compensation Paid to Sellers and Finders

Not applicable.

Item 8. Risk Factors

For risk factors relating to the Partnership, its business, its industry and an investment in Units, see Appendix A to this Offering Memorandum under “addy (45604 Airport) Limited Partnership – Risk Factors”.

Item 9. Reporting Obligations

As the Partnership is not a “reporting issuer” as defined in the applicable securities legislation, the continuous reporting requirements of those statutes do not generally apply to the Partnership.

The Partnership is not required to send you any documents on an annual or ongoing basis. The Partnership will, however, on or before March 31 in each calendar year, provide to each holder of Units annual financial statements and all other information required to file Canadian income tax returns.

Item 10. Resale Restrictions

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

Unless permitted under securities legislation, holders of Units cannot trade the securities before the date that is four months and a day after the date the Partnership becomes a reporting issuer in any province or territory of Canada. The Partnership does not intend to become a reporting issuer at any time, with the result that the holders of Units may never be able to trade or re-sell their Units.

Item 11. Purchasers’ Rights

If you purchase the Units described in this Offering Memorandum, you will have certain rights, some of which are described below. For information about your rights you should consult a lawyer.

11.1 Two Day Cancellation Right

You can cancel your agreement to purchase these securities. To do so, you must send a notice to the Issuer by midnight on the second business day after you sign the agreement to buy the securities.

11.2 Statutory Rights of Action in the Event of a Misrepresentation

Applicable securities laws in the offering jurisdictions provide you with a remedy to sue to cancel your agreement to buy the Units or for damages if this Offering Memorandum, or any amendment thereto, contains a misrepresentation. Unless otherwise noted, in this section, a “**misrepresentation**” means an untrue statement or omission of a material fact that is required to be stated or that is necessary in order to make a statement in this Offering Memorandum not misleading in light of the circumstances in which it was made.

These remedies are available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the securities. In addition, these remedies, or notice with respect thereto, must be exercised or delivered, as the case may be, by you within the strict time limit prescribed in the applicable securities laws.

The applicable contractual and statutory rights are summarized below. Subscribers should refer to the applicable securities laws of their respective offering Jurisdiction for the particulars of these rights or consult with professional advisors.

Investors in British Columbia

If you are a resident in British Columbia and this Offering Memorandum, together with any amendments hereto, contains a misrepresentation, you have a statutory right to sue:

- (a) the Partnership to cancel your agreement to buy the Units; or
- (b) for damages against the Partnership, the GP, every person who was a director of the GP at the date of this Offering Memorandum, and every person or company who signed this Offering Memorandum.

If a misrepresentation is contained in a record incorporated by reference in, or is deemed to be incorporated into, this Offering Memorandum, the misrepresentation is deemed to be contained in this Offering Memorandum.

This statutory right to sue is available to you whether or not you relied on the misrepresentation. However, there are various defences available to the persons or companies that you have a right to sue. In particular, they have a defence if you knew of the misrepresentation when you purchased the Units. If you intend to rely on the rights described in (a) or (b) above, you must do so within strict time limitations.

You must commence your action to cancel the agreement within 180 days after the date of the transaction that gave rise to the cause of action or commence your action for damages within the earlier of: (i) 180 days after the plaintiff first had knowledge of the facts giving rise to the cause of action, or (ii) three years after the transaction that gave rise to the cause of action.

You should refer to the applicable provisions of the securities legislation for particulars of the rights and/or consult with a lawyer.

You should consult your own legal advisers with respect to your rights and the remedies available to you. The rights discussed above are in addition to and without derogation from any other rights or remedies, which you may have at law.

Item 12. Financial Statements

See Appendix C to this Offering Memorandum.

APPENDIX A
TO OFFERING MEMORANDUM DATED AUGUST 8, 2020

(Capitalized and other terms used in this Appendix A which are not defined in this Appendix A have the meanings given to them in the Offering Memorandum dated August 8, 2020 to which this Appendix A is attached).

addy (45604) AIRPORT LIMITED PARTNERSHIP

Structure

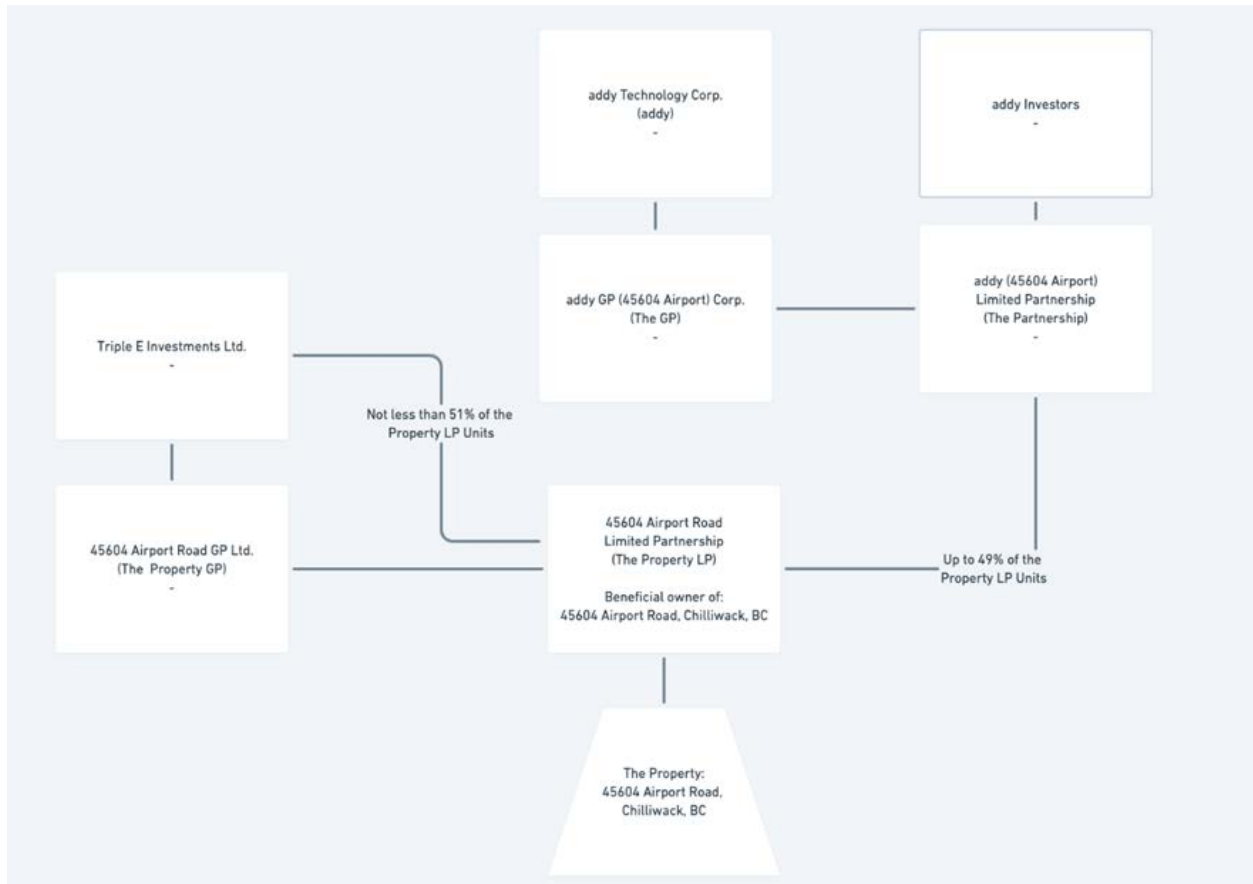
The Partnership – The Partnership was formed by addy Real Estate Holdings Corp. and the GP under the name “addy (45604 Airport) Limited Partnership” by a Certificate of Limited Partnership filed pursuant to the *Partnership Act* (British Columbia) on July 22, 2020, under registration number LP0811992. The registered and records office and head office of the Partnership is located at Suite #352 - 3381 Cambie Street, Vancouver, BC V5Z 4R3.

The GP – The GP is a corporation incorporated under the *Business Corporations Act* (British Columbia) on March 9, 2020 under Incorporation No. BC1243650. The GP’s registered and records office and head office is located at Suite #352 - 3381 Cambie Street, Vancouver, BC V5Z 4R3. The directors of the GP are Michael Stephenson and Adrienne Uy. The issued shares of the GP are owned by addy.

The Property LP – The Property LP was formed by Triple E Investments Ltd. and the Property GP under the name “45604 Airport Limited Partnership” by a Certificate of Limited Partnership filed pursuant to the *Partnership Act* (British Columbia) on June 16, 2020, under registration number LP0809372. The registered and records office of the Property LP is located at: 800 – 885 West Georgia Street, Vancouver, British Columbia V6C 3H1 and the head office is located at: Suite 910, 925 West Georgia Street, Vancouver, British Columbia V6C 3L2.

The Property GP – The Property GP is a corporation incorporated under the *Business Corporations Act* (British Columbia) on June 19, 2020 under Incorporation No. BC1254022. The Property GP’s registered and records office is located at: 800 – 885 West Georgia Street, Vancouver, British Columbia V6C 3H1 and the head office is located at: Suite 910, 925 West Georgia Street, Vancouver, British Columbia V6C 3L2. The sole director of the Property GP is Steve Evans.

addy (45604 Airport) Limited Partnership - Investment Structure



The Partnership's Business

The Partnership

The Partnership has been formed to carry on the business of direct and indirect investments in real estate-related entities and projects, including without limitation, by way of loan and equity investments, ownership interests and partnership or joint venture relationships with other parties carrying out such business, across single and multi-tenant commercial real estate developments, with a view to making a profit and the Partnership may exercise powers ancillary and incidental thereto. The primary purpose of the Partnership is to invest in the Property LP Units. The subscription proceeds received from the issuance of the Units will be invested in Property LP Units issued by the Property LP. An investment in Units is intended to provide investors with the opportunity to receive a return on their investment plus a share of profits, if any, originating from the sale of the Property. The Partnership is entitled to receive annual distributions, at a minimum, of the cash flow generated from the Property and its current tenant.

The Property LP

Proceeds from the issuance of the Units will be invested in the Property LP through the Partnership's investment in Property LP Units. The Property LP has been formed to acquire, own, operate and sell the Property with a view to making a profit and the Property LP may exercise powers ancillary and incidental thereto.

On May 31, 2020, the Purchaser entered into a Purchase Agreement with the Nominee and the Vendor in respect of the Property for a purchase price of \$2,350,000, subject to customary adjustments and closing costs. Title to the

Property is registered in the name of the Nominee. On July 27, 2020, the Purchase Agreement was assigned by the Purchaser to the Property LP.

The Property

The Vendor of the Property is a real estate developer. The Property forms part of a larger parcel of land which was acquired to be subdivided, constructed, developed and sold.

The Vendor initially acquired the lands comprising the Property for development, construction and resale, subject to completion of a subdivision. The Property has been held for sale by the Vendor since it commenced operation. The Vendor continues to develop and construct the lands which form part of the larger parcel of land. Once completed, such lands will be sold. The Property was never intended to be the business of the Vendor. Rather, it has been viewed as an asset held for sale. The Property has been listed for sale since the completion of construction and development, pending the subdivision thereof. The Vendor and the Purchaser had been in discussions regarding the purchase and sale of the Property before negotiating the Purchase Agreement.

Through its ownership of Property LP Units, the Partnership will indirectly hold the Property, located at: 45604 Airport Road, Chilliwack, British Columbia, and legally described as: Lot 38 District Lot 257 Group 2 New Westminster District Plan EPP64448.

The Property presents a unique opportunity to own a newly built building with drive-thru designed for a food service retailer at a highly trafficked intersection in the City of Chilliwack, British Columbia, one of BC's fastest-growing communities. Much of what makes the Property an attractive and viable investment opportunity is that the tenant offers a strong covenant in the form of Starbucks. The property is 100% occupied by Starbucks Coffee Canada, Inc. ("**Starbucks**") with built-in rental escalations over the lease term.

Appraisal

An appraisal (the "**Appraisal**") from a qualified independent third party appraiser registered with the Appraisal Institute of Canada in respect of the Property included a final value estimate of \$2,500,000 for the Property, representing a going-in capitalization rate of 4.31%, as at May 21, 2020. In addition, the Appraisal included a valuation summary based on the direct comparison approach, which valued the Property at \$2,425,000, and the income approach, based on direct income capitalization, which valued the Property at \$2,525,000. The approaches are described below:

The direct comparison approach examines the cost of acquiring equally desirable and valuable substitute properties, indicated by transactions of comparable properties, within the market area. The characteristics of the sale properties are compared to the Property on the basis of time and such features as location, size and quality of improvements, design features and income generating potential of the property.

The income approach is based on the premise that properties are purchased for their income producing potential. It considers both the annual return on the invested principal and the return of the invested principal. This valuation technique entails careful consideration of contract rents currently in place, projected market rents, other income sources, vacancy allowances, and projected expenses associated with the efficient operation and management of the property. The relationship of these income estimates to property value, either as a single stream or a series of projected streams, is the essence of the income approach. The two fundamental techniques utilized within the income approach include the overall income capitalization and discounted cash flow techniques.

The overall income capitalization technique analyzes the relationship of current projected stabilized net operating income to total property value. The stabilized net operating income is capitalized at a rate that implicitly considers expected growth in cash flow and growth in property value over a buyer's investment horizon. The implied value may be adjusted to account for non-stabilized conditions or required capital expenditures to reflect an as is value.

For purposes of the foregoing: (a) going-in capitalization rate is calculated based on the first-year net operating income (NOI) divided by the initial investment or purchase price. The capitalization rate is calculated under the assumption that annual rental income approximates annual net operating income. As the lease is a triple net lease, the tenant will pay all real estate taxes, building insurance, and maintenance. As such, the net operating income should be equal to the annual rental income; and (b) NOI is income from the property after operating expenses have been deducted, but before deducting interest expense, amortization expense, general and administrative expenses, income taxes, leasehold improvement and external leasing costs, capital expenditures, and before adjustments for fair value changes and gains/losses on disposition.

The total 2020 assessment was \$2,432,000 and the total 2019 tax levy was \$18,072. Upon subdivision of the Property from the parent parcel, the realty taxes and assessment will change.

Property Highlights

- Freestanding, single-tenant drive-thru building comprised of 2,147 SF new build retail
- 12 owned parking stalls
- 100% occupied by Starbucks with built-in rental escalations over the lease term
- Built in 2019
- Additional details from the May 21, 2020 appraisal of the Property include the following:

Starbucks Midtown Station
45604 Airport Road
Chilliwack, British Columbia

Final Value Estimate
\$2,500,000

PROPERTY INFORMATION		OCCUPANCY INFORMATION	
Property Type	Retail / Pad	Size (SF)	2,146
Year Built	2019	Occupied (100.0%)	2,146
Quality / Condition	Good/Excellent / Good/Excellent	Vacancy (0.0%)	0
District			
Access	Average	Number of Tenants	1
Frontage	220 Feet	Number of Vacant Units	0
Parking (UG / Surface / Other)	0 / 12 / 0		
Parking Ratio (Stalls/1,000 SF)	6		
Site Area (acres)	0.48		
Density	0.10		
Excess Density	None		
Land Use/Zoning	C2 (Local Commercial Zone)		

Age / Life Analysis

Subject to the above description and the comments below, the following is a summary age / life analysis.

Actual Age	1 years
Effective Age	1 years
Economic Life	60 years
Remaining Economic Life	59 years

The above Age/Life Analysis pertains to the economic viability of the Subject Property in its current state, being the object of professional property management and proactive repairs and maintenance, with regularly scheduled capital expenditures occurring. The Remaining Economic Life does not necessarily represent the remaining physical viability of the existing improvements.

Comments

The property is assumed to be in good to excellent overall condition, free from any visible deferred maintenance that would significantly impact the property's market value or its marketability. It is assumed in this report that all mechanical equipment is in adequate working condition, is maintained in a professional manner, and that no atypical capital expenses are required.

Tenant and Lease Highlights

- Starbucks is an American coffee company and coffeehouse chain founded in 1971
- Starbucks operates 30,000 stores across 80 markets (as of June 30, 2019)
- Starbucks Corporation's common shares are listed on NASDAQ under the trading symbol "SBUX"
- 10 year lease with four five-year renewal options
- Stabilized net operating income of \$107,724.

For additional information concerning the Property, see Appendix B to this Offering Memorandum under "The Property – 45604 Airport Road, Chilliwack, British Columbia".

Material Agreements

Purchase Agreement and Assignment Agreement

On May 31, 2020, the Purchaser entered into the Purchase Agreement with the Nominee and the Vendor in respect of the Property, a single-tenant commercial property located at: 45604 Airport Road, Chilliwack, British Columbia, for a purchase price of \$2,350,000, subject to customary adjustments and closing costs.

The obligations of the parties to complete the purchase and sale of the Property are subject to and conditional upon the certain conditions precedent being satisfied or waived by the appropriate party, as follows:

The obligation of the Purchaser to complete the purchase of the Property is subject to and conditional upon the following: (a) the Purchaser obtaining a financing commitment for the purchase; (b) the Purchaser being satisfied (in its sole discretion) with its review of the due diligence material in relation to and investigations of the Property; (c) the Purchaser being satisfied in its reasonable discretion with its review of the proposed form of encumbrances to be registered against the Property; and (d) the representations and warranties of the Vendor and Nominee being true and accurate as of the completion date and the delivery of closing documents.

The obligation of the Vendor to complete the sale of the Property is subject to and conditional upon the following: (a) the Vendor completing a proposed subdivision of the Property; (b) the representations and warranties of the Purchaser being true and accurate as of the completion date, the Purchaser having complied with or performed the covenants in the Purchase Agreement, and the delivery of closing documents.

The Purchase Agreement may be assigned by the Purchaser with the prior written consent of the Vendor and the Nominee. The Purchaser may assign the Purchase Agreement to an affiliated entity to the Purchaser without the prior written consent of the Vendor or Nominee.

On July 27, 2020, the Purchaser entered into the Assignment Agreement with the Property LP to assign the Purchaser's interest therein to the Property LP.

Lease

On April 3, 2018, the Vendor and Starbucks entered into the Lease in respect of the Property, which was still under construction at such time. The terms of the Lease provide for a term of 10 years commencing on the rent commencement date, being the earlier to occur of: (a) Starbucks opening for business on the Property; and (b) 120 days after the later of the date Starbucks: (i) accepted possession of the Property; and (ii) received all government approvals necessary to construct and operate its business. The rent commencement date was April 1, 2019.

The Lease includes an option for Starbucks to extend the term of the Lease for four consecutive five year periods on the same terms and conditions contained in the Lease.

Pursuant to the Lease, Starbucks agreed to pay base rent, annual additional rent, and any applicable GST, HST, value-added or other similar taxes assessed on such rental payments under the Lease in accordance with the provisions of the legislation imposing such tax or taxes.

The base rent: (a) remains the same throughout years one to three of the Lease; (b) is subject to a 6.25% increase, compared to the base rent for years one to three, for years four to six of the Lease; and (c) is subject to a 12.5% increase, compared to the base rent for years one to three, for years seven to 10 of the Lease. Additional increases to the base rent apply in the event that Starbucks exercises its option to extend the term of the Lease. In addition, Starbucks has agreed to pay annual additional rent in respect of its *pro rata* share of certain operating expenses (which include reasonable and necessary expenses actually paid in any year directly attributable to owning, maintaining, operating, managing and providing services to and for the common areas and structures on the Property) and the Vendor's insurance and real property taxes, provided such costs do not increase by more than 7% per calendar year.

The Lease includes customary provisions regarding the use of the Property for tenant's business, compliance with laws, rules and regulations made by any governmental authority having jurisdiction over a tenant's use of the Property, the tenant's discretion regarding its business operations, and certain exclusivity provisions. In addition, the Lease includes provisions regarding the landlord's and tenant's duties in respect of maintenance, repairs and alterations to the Property, tenant's and landlord's insurance and indemnification obligations, the use of hazardous substances and damage or destruction provisions relating to the Property.

The Lease allows the tenant to sublet or assign any portion of the leased Property to an affiliate without the landlord's consent. Any other subletting or assignment will be subject to the landlord's consent.

The tenant may terminate the Lease as of the last day of the 60th full calendar month of the term of the Lease subject to 180 days of notice of the early termination. In the event of an early termination, the tenant has agreed to pay the landlord a prescribed amount under the Lease.

In addition, in the event of certain prescribed defaults under the Lease by the landlord or the tenant, as applicable, the other party has the right to terminate the Lease subject to certain notice and cure periods.

Long Term Objectives

The long term objectives of the Partnership are:

- (a) to issue the maximum number of Units and acquire Property LP Units to indirectly enable the Property LP to acquire, own, operate and sell the Property; and
- (b) to provide holders of Units with distributions from lease income from the current tenant and a share of profits, if any, on the sale of the Property.

Short Term Objectives and How We Intend to Achieve Them

The business objectives of the Partnership for the next 12 months are to complete the offering of a sufficient number of Units pursuant to this Offering Memorandum to be able to acquire sufficient Property LP Units to indirectly enable the Property LP to acquire, own, operate and sell the Property on a commercially reasonable basis.

What the Issuer must do and how it must do it	Target Completion date or, if not known, number of months to complete	Cost to Complete
Subscribe for Property LP Units	Three months	\$535,000

The Property LP will use the net subscription proceeds received from the issuance of the Property LP Units to acquire, own, operate and sell the Property. See Item 1.2 "Use of Available Funds".

Terms of Securities Offered

The Partnership

The rights and obligations of the holders of Units (each, a “**Limited Partner**”) are governed by the Partnership Agreement dated July 16, 2020, and made among the GP and addy Real Estate Holdings Corp. and all persons who become holders of Units as provided therein. The following is a summary of certain material provisions of the Partnership Agreement. **This summary does not purport to be complete and reference should be to the Partnership Agreement itself, a copy of which is available from the GP. Capitalized terms used in this summary which are not defined in this section or in the Offering Memorandum are defined in the Partnership Agreement.**

Units

The capital of the Partnership consists of an unlimited number of Units. Generally, a Limited Partner will have the same rights and obligations as each other Limited Partner including: (a) the right to an allocation of income or loss, distributions on wind-up or other dissolution, or any return of capital, *pro rata* in accordance with their respective “**Proportionate Share**” (being, for each Limited Partner, that fraction which has as its denominator the total number of Units and has as its numerator the number of Units held by the Limited Partner); and (b) the right to exercise one vote for each Unit held by the Limited Partner in respect of all matters to be decided by the Limited Partners.

Except as otherwise provided in the Partnership Agreement, no Unit shall have any preference or right in any circumstances over any other Unit. Certificates will not be issued for the Units.

Capital Contributions

Capital contributions will be made by Limited Partners if, as and when Units are subscribed for and issued. Each Limited Partner’s capital contribution will be equal to total consideration contributed by such Limited Partner in respect of a subscription for Units plus any additional capital contributions provided by that Limited Partner in respect of such Units.

The contribution by the GP entitles the GP to an interest in the profits of the Partnership as set out in the Partnership Agreement and to the return of its \$10.00 capital contribution and the other rights as are specifically set out in the Partnership Agreement, and no more.

Distributions

Distributable Cash and Extraordinary Net Cash Receipts shall be distributed from time to time as determined by the GP, as follows:

- (a) to the GP, in an amount equal to 0.1% of the Distributable Cash and Extraordinary Net Cash Receipts; and
- (b) to the Limited Partners, *pro rata* in accordance with their Proportionate Share, the balance of the Distributable Cash and Extraordinary Net Cash Receipts.

The GP shall, in its discretion, be entitled to retain such reserves as it considers prudent for the business of the Partnership from any Distributable Cash or Extraordinary Net Cash Receipts.

Allocation of Net Income / Taxable Income and Net Loss / Taxable Loss

The Net Income/Taxable Income of the Partnership shall be allocated among the GP and the Limited Partners (collectively, the “**Partners**”) on the following basis:

- (a) first, to each of the Partners, *pro rata* an amount, if any, in proportion to and to the extent of any Net Loss/Taxable Loss previously allocated to each such Partner in the previous Fiscal Years, less the cumulative amount allocated to each such Partner in previous Fiscal Years; and
- (b) second, the balance:
 - (i) 0.1% to the GP; and
 - (ii) 99.9% to the Limited Partners, *pro rata* in accordance with their Proportionate Share.

The Net Loss/Taxable Loss of the Partnership shall be allocated among the Partners on the following basis:

- (a) to the Limited Partners, *pro rata* in accordance with their Proportionate Share, an amount which, when aggregated with all previous allocations hereunder, is equal to but not in excess of the Net Equity of such Limited Partners; and
- (b) to the GP, in an amount equal to the balance of the Net Loss/Taxable Loss.

Notwithstanding the foregoing, if any Limited Partner has a negative balance in its capital account, the GP shall have the right to allocate Net Income/Taxable Income to that Limited Partner in priority to other Limited Partners to the extent of the negative balance. The GP shall not allocate Net Loss/Taxable Loss to a Limited Partner if, after the allocation, the Limited Partner would have a negative balance in its capital account.

Powers, Duties and Obligations of the GP

The GP shall carry on the business of the Partnership with full power and authority to administer, manage, control and operate the business of the Partnership, and to do or cause to be done any act, take or cause to be taken any proceeding, make or cause to be made any decision and execute and deliver or cause to be executed and delivered any instrument, deed, agreement or document necessary, appropriate or incidental to the carrying on of the business of the Partnership. No person dealing with the Partnership is required to enquire into the authority of the GP to do any act, take any proceeding, make any decision or execute and deliver any instrument, deed, agreement or document for or on behalf of or in the name of the Partnership. The GP may execute any document or instrument under seal or without a seal as it deems appropriate notwithstanding whether or not any document authorizing it to act on behalf of the Partnership or any Limited Partner was executed under seal.

The GP is authorized, at all appropriate times and from time to time, on behalf of and without further authority from the Limited Partners, to do all things which in its sole judgment are necessary, proper or desirable to carry on the business and purposes of the Partnership including but not limited to the following:

- (a) to engage such counsel and other professional advisors or consultants as the GP considers advisable in order to perform its duties under the Partnership Agreement;
- (b) to open and operate, either in its own name or in the name of the Partnership, a separate bank account or bank accounts in order to deposit and to distribute funds with respect to the Partnership;
- (c) to execute, deliver and carry out all other agreements, documents and instruments which from time to time require execution by or on behalf of the Partnership;
- (d) to pay all taxes, fees and other expenses relating to the orderly maintenance, repair, management and operation of the business of the Partnership;

- (e) to act on behalf of the Partnership with respect to any and all actions and other proceedings pertaining to the Partnership or the assets of the Partnership brought by or against the Partnership;
- (f) to determine the amount and type of insurance coverage to be maintained in order to protect the Partnership from all usual perils of the type covered in respect of comparable businesses to that of the Partnership;
- (g) to determine the amount, if any, to be claimed by the Partnership and Partners in any year in respect of income allocation, capital cost allowance and initial services incurred by the Partnership;
- (h) to hold the Partnership assets in the name of the GP, a nominee trustee, the Partnership or other designated Person;
- (i) to enter into contracts for and on behalf of the Partnership and to conduct the business of the Partnership prior to the Partnership being registered with the BC Registrar of Companies;
- (j) to lease, rent or sell the Partnership assets, or any part thereof upon such terms and conditions as it shall think fit in its absolute discretion at any time;
- (k) to purchase or acquire assets or property on behalf of the Partnership or sell, transfer or otherwise dispose of the whole or any part of the Partnership's assets or property, all on such terms and conditions as the GP may determine;
- (l) to invest funds not immediately required for the business of the Partnership in such manner as the GP shall think fit in its absolute discretion;
- (m) to provide or arrange for the provision of such financial and other reporting functions as may be required by the provisions hereof or applicable securities regulatory authorities;
- (n) to make distributions of Distributable Cash and Extraordinary Net Cash Receipts as and when cash flow permits;
- (o) to issue Units for such consideration and upon such terms as the GP may decide in its sole discretion and if required to engage accountants, valuers or appraisers for such purposes;
- (p) to redeem or repurchase Units in whole or in part from any Limited Partner from time to time, in its sole discretion and to engage such professional advisors as necessary to value such Units;
- (q) to borrow money for and on behalf of the Partnership and to give security therefor, in the name of the Partnership or the GP, for the purposes of the Partnership including, without limitation, for the purpose of financing and refinancing the Partnership's interest in the business and operation of the Partnership;
- (r) to grant and execute debentures, promissory notes, mortgages, documents and other instruments charging the whole or any part of the assets and undertaking of the Partnership and any undivided interest of the Limited Partners in such assets, and to do all acts relating thereto as may be necessary or desirable to further the business of the Partnership;
- (s) to make, execute, acknowledge and deliver, under seal or otherwise, any instrument, deed, agreement, contract, lease, mortgage, conveyance, charge, guarantee, indemnity, covenant, waiver and other deed, document or instrument, and take any other steps as are necessary or

desirable to effect the power and authority of the GP and on behalf of and in the name of the Partnership;

- (t) to do anything that is in furtherance of or is incidental to the business of the Partnership;
- (u) to re-finance, sell, transfer or otherwise dispose of the whole or any part of the Partnership's assets or property, as, when and on such terms and conditions as the GP may determine in its sole discretion, provided that any such sale shall be to on terms applicable an arm's length third party, and to undertake any and all action necessary or desirable to complete such sale or refinancing, including the execution and delivery of any agreements, documents or financing, agreements or the granting of any mortgages or other security relating to the sale or refinancing;
- (v) to delegate any of the duties to a third party or person on such terms as the GP may determine in its sole discretion, which may be to an affiliate of the GP or an officer or director thereof; and
- (w) to execute any and all other deeds, documents and instruments and to do or cause to be done all acts and things as may be necessary or desirable to carry out the intent and purpose of the Partnership Agreement, including, without limitation, retaining qualified agents to carry out any of the foregoing.

The Partnership will reimburse the GP for all reasonable third party costs and expenses actually incurred by it on behalf of the Partnership in the ordinary course of business or other costs and expenses incidental to acting as the GP to the Partnership which are incurred, provided that the GP is not in default of its duties.

The GP will exercise its powers and discharge its duties under the Partnership Agreement honestly, in good faith, and in the best interests of the Limited Partners, and that it will exercise the care, diligence and skill of a reasonably prudent person, and will maintain the confidentiality of financial and other information and data which it may obtain through or on behalf of the Partnership, the disclosure of which may adversely affect the interests of the Partnership or a Limited Partner, except to the extent that disclosure is required by law or is in the best interests of the Partnership, and it will utilize the information and data only for the business of the Partnership. The GP shall be entitled to retain advisors, experts and consultants, any of whom may be an affiliate, to assist it in the exercise of its powers and the performance of its duties.

The validity of a transaction, agreement or payment involving the Partnership and an affiliate of the GP is not affected by reason of the relationship between the GP and the affiliate or by reason of the approval or lack thereof of the transaction, agreement or payment by the directors of the GP, all of whom may be officers, directors, or employees of, or otherwise interested in or related to such affiliate.

Limitation on Authority and Liability of Limited Partners

No Limited Partner shall:

- (a) take part in the control or management of the business of the Partnership;
- (b) execute any document which binds or purports to bind the Partnership, the GP or any Limited Partner as such;
- (c) hold itself out as having the power or authority to bind the Partnership, the GP or any Limited Partner as such;
- (d) have any authority to undertake any obligation or responsibility on behalf of the Partnership (except that the GP may act on behalf of the Partnership notwithstanding that it may also be a Limited Partner); or

- (e) be entitled to bring any action for sale or otherwise in connection with any interest in any property of the Partnership, or register, or permit to be filed or registered or remain undischarged against any property of the Partnership, any lien or charge in respect of the Interest of such Partner.

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

Subject to the foregoing, the liability of each Limited Partner for the debts, liabilities, losses and obligations of the Partnership is limited to the amount of the capital contributed or agreed to be contributed to the Partnership by it in respect of its Unit(s), as the case may be, as stated in the declaration or any amending declaration or certificate filed pursuant to the *Partnership Act* (British Columbia) relating to the Partnership, plus any additional capital required or agreed to be contributed by Limited Partners pursuant to the provisions hereof, plus its share of any undistributed income of the Partnership, if any.

Restrictions on Transfers

A Unit may not be assigned or transferred without the consent of the GP. In addition, the transferor must comply with the applicable securities legislation and the following conditions must be satisfied:

- (a) the transferee has executed, in a form acceptable to the Registrar and Transfer Agent of the Units, a transfer form;
- (b) the transferee agrees to assume the obligations of the transferor that pertain to the Unit transferred;
- (c) the transferee acquires the assigning Limited Partner's capital account;
- (d) the transferee has paid such costs, expenses and disbursements, including legal fees, as are reasonably incurred by the Partnership by reason of the transfer; and
- (e) such other requirements as may reasonably be required by the Registrar and Transfer Agent are satisfied,

provided that a transferee of a Unit will not become a Limited Partner in respect of that Unit until all filings and recordings required by law to validly effect a transfer have been duly made.

When a transferee is entitled to become a Limited Partner pursuant to the provisions the Partnership Agreement, the GP shall be authorized to admit such person to the Partnership as a Limited Partner and the Limited Partners hereby consent to the admission of, and will admit, the transferee to the Partnership as a Limited Partner, without further act of the Limited Partners. The GP, or the Registrar and Transfer Agent if not the GP, will:

- (a) record at the registered office of the Partnership in British Columbia any such assignment and transfer;
- (b) make such filings and cause to be made such recordings as are required by law; and
- (c) forward notice of the transfer to the transferee.

Book and Records; Financial Information

The GP will keep or cause to be kept on behalf of the Partnership books and records reflecting the assets, liabilities, income and expenditures of the Partnership and a register listing all Limited Partners and the Units. Such books, records and register will be kept available for inspection by any Limited Partner or its duly authorized

representative (at the expense of such Limited Partner) during business hours at the offices of the GP. In the event the GP ceases to be the Registrar and Transfer Agent, the register shall thereupon be maintained at the office of such Registrar and Transfer Agent as may be appointed by the GP.

The GP, or its agent in that behalf, shall be responsible for the preparation of annual financial statements of the Partnership as at the end of each fiscal year of the Partnership. The GP, or its agent in that behalf, shall distribute a copy of such annual financial statements to each Limited Partner within ninety (90) days after the end of each fiscal year and will provide each Limited Partner with annual income tax information for each Fiscal Year by March 31 of the following year to assist in declaring his share of the Partnership income; provided however, each Limited Partner shall be solely responsible for filing all income tax returns and reporting its share of the Partnership income or loss. All financial statements shall be prepared in accordance with generally accepted accounting principles applied on a consistent basis. The GP shall provide interim financial and management reports regarding the affairs of the Partnership on a semi-annual basis.

Meetings of Holders of Limited Partners

There is no requirement to hold annual general meetings; however, the GP may call periodic information meetings from time to time to advise Limited Partners as to the status of the business of the Partnership. The GP may convene meetings of the Limited Partners at any time and, upon the written request of one or more Limited Partners holding not less than 50% of the number of all issued and outstanding Units (the "Requisitioning Partners"), will convene a meeting of the Limited Partners. If the GP fails or neglects to call such a meeting, within 60 days of receipt of written request of the Requisitioning Partners, then any Requisitioning Partner may convene such meeting by giving notice to the Limited Partners in accordance with the Partnership Agreement, signed by such person or persons as the Requisitioning Partners specify. Every meeting, however convened, will be conducted in accordance with the Partnership Agreement.

Every meeting will be held in the City of Vancouver, British Columbia or at such other place in Canada as may be designated by the GP.

Notice of any meeting will be given to each Limited Partner by email, prepaid mail or personal delivery not less than twenty-one (21) days prior to such meeting, and will state: (a) the time, date and place of such meeting; and (b) in general terms, the nature of the business to be transacted at the meeting.

Any Limited Partner entitled to vote at a meeting may vote by proxy if a proxy has been received by the GP or the chairperson of the meeting for verification prior to the meeting.

A quorum at any meeting of Limited Partners will consist of two or more persons present in person who collectively hold or represent by proxy not less than 50% of the outstanding Units in the Partnership and who are entitled to vote on any resolution and a quorum for any specific resolution presented to the meeting shall be two or more persons present who hold or represent by proxy not less than 50% of the outstanding Units entitled to vote on such resolution. If, within half an hour after the time fixed for the holding of such meeting, a quorum for the meeting is not present, the meeting will be held at the same time and, if available, the same place not less than ten (10) days or more than twenty-one (21) days later (or if that date is not a business day, the first business day after that date), and the GP who called the meeting will give at least seven (7) days' notice to all Limited Partners of the date of the reconvening of the adjourned meeting.

Every question submitted to a meeting: (a) which requires a Special Resolution under the Partnership Agreement will be decided by a poll; and (b) which does not require a Special Resolution will, except as otherwise provided in the Partnership Agreement, be decided by an Ordinary Resolution on a show of hands unless a poll is demanded by a Limited Partner, in which case a poll will be taken. In the case of an equality of votes, the chairperson will not have a casting vote and the resolution will be deemed to be defeated. The chairperson will be entitled to vote in respect of any Units held by the chairperson or for which the chairperson may be proxyholder. On any vote at a meeting of Limited Partners, a declaration of the chairperson concerning the results of the vote will be conclusive.

The following powers shall only be exercisable by Special Resolution passed by the Limited Partners:

- (a) consenting to the amendment of the Partnership Agreement except as provided therein;
- (b) waiving any default by the GP on such terms as the Limited Partners may determine;
- (c) agreeing to any compromise or arrangement by the Partnership with any creditor, or class or classes of creditors;
- (d) changing the Fiscal Year of the Partnership;
- (e) amending, modifying, altering or repealing any Special Resolution previously passed by the Limited Partners;
- (f) dissolving or terminating the Partnership; and
- (g) approving a settlement of an action against the GP as a result of a breach of its duties.

Where the GP, any affiliate of the GP, and any director or officer thereof is the owner of a Unit, they shall be required to abstain from voting in respect of items (b) or (g) above and in addition, shall be required to abstain in any other circumstance in which there is a conflict of interest.

Any other matters to be determined by the Limited Partners other than as is otherwise expressly provided for in the Partnership Agreement shall be determined by Ordinary Resolution, provided such matter shall be permitted subject to the limitation on authority of the Limited Partners contained in the Partnership Agreement.

Termination and Dissolution of Partnership

The Partnership shall be dissolved upon the earlier of:

- (a) the expiration of its term pursuant to the Partnership Agreement;
- (b) the authorization of a dissolution by Special Resolution; or
- (c) upon the completion of the liquidation of the assets of the Partnership and distribution to the Limited Partners of all funds remaining after payment of all debts, liabilities and obligations of the Partnership to its creditors, on the date set out in a notice from the GP to all Limited Partners of the dissolution of the Partnership.

Notwithstanding any rule of law or equity to the contrary, the Partnership shall not be terminated except in the manner provided for in the Partnership Agreement.

Upon: (a) the dissolution of the Partnership, the assets of the Partnership shall be liquidated and all proceeds thereof collected by the GP; or (b) a sale of the whole of the assets of the Partnership occurring, other than in the ordinary course of business of the Partnership, all proceeds payable to the Partnership from a sale of the assets shall be collected by the GP; and all such proceeds shall be distributed as follows in the following order:

- (c) to pay all expenses incurred in the winding-up of the Partnership;
- (d) to pay all of the liabilities of the Partnership, including any loans or advances made by Limited Partners, any amounts owing to the GP in respect of costs and expenses owing to it pursuant to the Partnership Agreement, in the manner required by law;
- (e) to establish such reserves as the GP considers necessary;
- (f) to return to each Limited Partners the amount in such Limited Partners' Net Equity;

- (g) to return to the GP the balance in its respective capital account;
- (h) to distribute any balance, and allocate any income, then remaining, 0.1% to the GP and 99.9% to the Limited Partners, *pro rata* in accordance with the Limited Partners' Proportionate Shares.

Alternatively, the Limited Partners may approve by Special Resolution distributions of all assets of the Partnership in kind or *in specie* in which event each Limited Partner shall, subject to the provisions contained in the Partnership Agreement, be entitled to receive an undivided interest in each and every asset of the Partnership in accordance with such Limited Partner's Proportionate Share as of the date of dissolution or sale.

Amendments

The GP may, without prior notice to or consent from any Partner amend the Partnership Agreement:

- (a) to add covenants, restrictions or provisions which, in the opinion of counsel for the Partnership, are for the protection of the Limited Partners;
- (b) to cure any ambiguity or to correct or supplement any provision which, in the opinion of counsel for the Partnership, may be defective or inconsistent with any other provision thereof if, in the opinion of such counsel, such amendment does not and shall not in any way adversely affect the rights of any Limited Partner;
- (c) amendments to create one or more Classes of Units on such terms and conditions as may be determined by the GP, provided that such creation does not adversely affect the pecuniary value of the interest of any Limited Partner; or
- (d) if in the opinion of counsel for the Partnership, such amendment does not and shall not adversely affect the rights of any Limited Partner;

but all Partners shall be notified of full details of any amendment to the Partnership Agreement prior to the effective date of such amendment and, in the case of any amendment which adversely affects the rights of the GP, such amendment is approved by the GP.

The foregoing is a summary only of certain of the material provisions of the Partnership Agreement. For a complete understanding of all of the provisions of the Partnership Agreement, reference should be made to the Partnership Agreement itself, a copy of which is available from the GP.

The Property LP

The rights and obligations of the Property GP and the limited partners of the Property LP (each, a "**Property LP Limited Partner**") are governed by the Property LP Agreement made among the Property GP, Triple E Investments Ltd. and all persons who subscribe for Property LP Units forming the Property LP. The following is a summary of certain material provisions of the Property LP Agreement. **This summary does not purport to be complete and reference should be to the Property LP Agreement itself, a copy of which is available from the GP. Capitalized terms used in this summary which are not defined in this section or in the Offering Memorandum are defined in the Property LP Agreement.**

Property LP Units

The capital of the Partnership consists of an unlimited number of Property LP Units. Generally, a holder of Property LP Units will have the same rights and obligations as each other Property LP Limited Partner including: (a) the right to an allocation of income or loss, distributions on wind-up or other dissolution, or any return of capital, *pro rata* in accordance with their respective "**Property LP Proportionate Share**" (being, for each Property LP Limited Partner, that fraction which has as its denominator the total number of Property LP Units and has as its numerator the number of Property LP Units held by the Property LP Limited Partner); and (b) the right to exercise one vote for

each Property LP Unit held by the Property LP Limited Partner in respect of all matters to be decided by the Property LP Limited Partners.

Except as otherwise provided in the Property LP Agreement, no Property LP Unit shall have any preference or right in any circumstances over any other Property LP Unit. Certificates will not be issued for the Property LP Units.

Capital Contributions

Capital contributions will be made by Property LP Limited Partners if, as and when Property LP Units are subscribed for and issued. Each Property LP Limited Partner's capital contribution will be equal to total consideration contributed by such Property LP Limited Partner in respect of a subscription for Property LP Units plus any additional capital contributions provided by that Property LP Limited Partner in respect of such Property LP Units.

The contribution by the Property GP entitles the Property GP to an interest in the profits of the Property LP as set out in the Property LP Agreement and to the return of its \$10.00 capital contribution and the other rights as are specifically set out in the Property LP Agreement, and no more.

Distributions

Distributable Cash and Extraordinary Net Cash Receipts shall be distributed from time to time as determined by the Property GP, as follows:

- (a) to the Property GP, in an amount equal to 0.1% of the Distributable Cash and Extraordinary Net Cash Receipts; and
- (b) to the Property LP Limited Partners, *pro rata* in accordance with their Property LP Proportionate Share, the balance of the Distributable Cash and Extraordinary Net Cash Receipts.

The Property GP shall, in its discretion, be entitled to retain such reserves as it considers prudent for the business of the Property LP from any Distributable Cash or Extraordinary Net Cash Receipts.

Allocation of Net Income / Taxable Income and Net Loss / Taxable Loss

The Net Income/Taxable Income of the Partnership shall be allocated among the Property GP and the Property LP Limited Partners (collectively, the "**Property LP Partners**") on the following basis:

- (a) first, to each of the Property LP Partners, *pro rata* an amount, if any, in proportion to and to the extent of any Net Loss/Taxable Loss previously allocated to each such Partner in the previous Fiscal Years, less the cumulative amount allocated to each such Partner in previous Fiscal Years; and
- (b) second, the balance:
 - (i) 0.1% to the Property GP; and
 - (ii) 99.9% to the Property LP Limited Partners, *pro rata* in accordance with their Property LP Proportionate Share.

The Net Loss/Taxable Loss of the Property LP shall be allocated among the Property LP Partners on the following basis:

- (a) to the Property LP Limited Partners, *pro rata* in accordance with their Property LP Proportionate Share, an amount which, when aggregated with all previous allocations, is equal to but not in excess of the Net Equity of such Property LP Limited Partners; and
- (b) to the Property GP, in an amount equal to the balance of the Net Loss/Taxable Loss.

Notwithstanding the foregoing, if any Property LP Limited Partner has a negative balance in its capital account, the Property GP shall have the right to allocate Net Income/Taxable Income to that Property LP Limited Partner in priority to other Property LP Limited Partners to the extent of the negative balance. The Property GP shall not allocate Net Loss/Taxable Loss to a Property LP Limited Partner if, after the allocation, the Property LP Limited Partner would have a negative balance in its capital account.

Powers, Duties and Obligations of the Property GP

The Property GP shall carry on the business of the Property LP with full power and authority to administer, manage, control and operate the business of the Property LP, and to do or cause to be done any act, take or cause to be taken any proceeding, make or cause to be made any decision and execute and deliver or cause to be executed and delivered any instrument, deed, agreement or document necessary, appropriate or incidental to the carrying on of the business of the Property LP. No person dealing with the Property LP is required to enquire into the authority of the Property GP to do any act, take any proceeding, make any decision or execute and deliver any instrument, deed, agreement or document for or on behalf of or in the name of the Property LP. The Property GP may execute any document or instrument under seal or without a seal as it deems appropriate notwithstanding whether or not any document authorizing it to act on behalf of the Property LP or any Property LP Limited Partner was executed under seal.

The Property GP is authorized, at all appropriate times and from time to time, on behalf of and without further authority from the Property LP Limited Partners, to do all things which in its sole judgment are necessary, proper or desirable to carry on the business and purposes of the Property LP including but not limited to the following:

- (a) to engage such counsel and other professional advisors or consultants as the Property GP considers advisable in order to perform its duties under the Property LP Agreement;
- (b) to open and operate, either in its own name or in the name of the Property LP, a separate bank account or bank accounts in order to deposit and to distribute funds with respect to the Property LP;
- (c) to execute, deliver and carry out all other agreements, documents and instruments which from time to time require execution by or on behalf of the Property LP;
- (d) to pay all taxes, fees and other expenses relating to the orderly maintenance, repair, management and operation of the business of the Property LP;
- (e) to act on behalf of the Property LP with respect to any and all actions and other proceedings pertaining to the Property LP or the assets of the Partnership brought by or against the Property LP;
- (f) to determine the amount and type of insurance coverage to be maintained in order to protect the Property LP from all usual perils of the type covered in respect of comparable businesses to that of the Property LP;
- (g) to determine the amount, if any, to be claimed by the Property LP and Property LP Partners in any year in respect of income allocation, capital cost allowance and initial services incurred by the Property LP;
- (h) to hold the Property LP assets in the name of the Property GP, a nominee trustee, the Property LP or other designated person;
- (i) to enter into contracts for and on behalf of the Property LP and to conduct the business of the Property LP prior to the Property LP being registered with the BC Registrar of Companies;

- (j) to lease, rent or sell the Property LP assets, or any part thereof upon such terms and conditions as it shall think fit in its absolute discretion at any time;
- (k) to purchase or acquire assets or property on behalf of the Property LP or sell, transfer or otherwise dispose of the whole or any part of the Property LP's assets or property, all on such terms and conditions as the Property GP may determine;
- (l) to invest funds not immediately required for the business of the Property LP in such manner as the Property GP shall think fit in its absolute discretion;
- (m) to provide or arrange for the provision of such financial and other reporting functions as may be required by the provisions hereof or applicable securities regulatory authorities;
- (n) to make distributions of Distributable Cash and Extraordinary Net Cash Receipts as and when cash flow permits;
- (o) to issue Property LP Units for such consideration and upon such terms as the Property GP may decide in its sole discretion and if required to engage accountants, valuers or appraisers for such purposes;
- (p) to redeem or repurchase Property LP Units in whole or in part from any Property LP Limited Partner from time to time, in its sole discretion and to engage such professional advisors as necessary to value such Property LP Units;
- (q) to borrow money for and on behalf of the Property LP and to give security therefor, in the name of the Property LP or the Property GP, for the purposes of the Property LP including, without limitation, for the purpose of financing and refinancing the Property LP's interest in the business and operation of the Property LP;
- (r) to grant and execute debentures, promissory notes, mortgages, documents and other instruments charging the whole or any part of the assets and undertaking of the Property LP and any undivided interest of the Property LP Limited Partners in such assets, and to do all acts relating thereto as may be necessary or desirable to further the business of the Property LP;
- (s) to make, execute, acknowledge and deliver, under seal or otherwise, any instrument, deed, agreement, contract, lease, mortgage, conveyance, charge, guarantee, indemnity, covenant, waiver and other deed, document or instrument, and take any other steps as are necessary or desirable to effect the power and authority of the Property GP and on behalf of and in the name of the Property LP;
- (t) to do anything that is in furtherance of or is incidental to the business of the Property LP;
- (u) to re-finance, sell, transfer or otherwise dispose of the whole or any part of the Property LP's assets or property, as, when and on such terms and conditions as the Property GP may determine in its sole discretion, provided that any such sale shall be to on terms applicable an arm's length third party, and to undertake any and all action necessary or desirable to complete such sale or refinancing, including the execution and delivery of any agreements, documents or financing, agreements or the granting of any mortgages or other security relating to the sale or refinancing;
- (v) to delegate any of the duties to a third party or person on such terms as the Property GP may determine in its sole discretion, which may be to an affiliate of the Property GP or an officer or director thereof; and

- (w) to execute any and all other deeds, documents and instruments and to do or cause to be done all acts and things as may be necessary or desirable to carry out the intent and purpose of the Property LP Agreement, including, without limitation, retaining qualified agents to carry out any of the foregoing.

The Property LP will reimburse the Property GP for all reasonable third party costs and expenses actually incurred by it on behalf of the Property LP in the ordinary course of business or other costs and expenses incidental to acting as Property GP to the Property LP which are incurred, provided that the Property GP is not in default of its duties.

The Property GP will exercise its powers and discharge its duties under the Property LP Agreement honestly, in good faith, and in the best interests of the Property LP Limited Partners, and that it will exercise the care, diligence and skill of a reasonably prudent person, and will maintain the confidentiality of financial and other information and data which it may obtain through or on behalf of the Property LP, the disclosure of which may adversely affect the interests of the Property LP or a Property LP Limited Partner, except to the extent that disclosure is required by law or is in the best interests of the Property LP, and it will utilize the information and data only for the business of the Property LP. The Property GP shall be entitled to retain advisors, experts and consultants, any of whom may be an affiliate, to assist it in the exercise of its powers and the performance of its duties.

The validity of a transaction, agreement or payment involving the Property LP and an affiliate of the Property GP is not affected by reason of the relationship between the Property GP and the affiliate or by reason of the approval or lack thereof of the transaction, agreement or payment by the directors of the Property GP, all of whom may be officers, directors, or employees of, or otherwise interested in or related to such affiliate.

Limitation on Authority and Liability of Holders of Property LP Limited Partners

No Property LP Limited Partner shall:

- (a) take part in the control or management of the business of the Property LP;
- (b) execute any document which binds or purports to bind the Property LP, the Property GP or any Property LP Limited Partner as such;
- (c) hold itself out as having the power or authority to bind the Property LP, the Property GP or any Property LP Limited Partner as such;
- (d) have any authority to undertake any obligation or responsibility on behalf of the Property LP (except that the Property GP may act on behalf of the Property LP notwithstanding that it may also be a Property LP Limited Partner); or
- (e) be entitled to bring any action for sale or otherwise in connection with any interest in any property of the Property LP, or register, or permit to be filed or registered or remain undischarged against any property of the Property LP, any lien or charge in respect of the Interest of such Property LP Partner.

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

Subject to the foregoing, the liability of each Property LP Limited Partner for the debts, liabilities, losses and obligations of the Property LP is limited to the amount of the capital contributed or agreed to be contributed to the Property LP by it in respect of its Property LP Unit(s), as the case may be, as stated in the declaration or any amending declaration or certificate filed pursuant to the *Partnership Act* (British Columbia) relating to the Property

LP, plus any additional capital required or agreed to be contributed by Property LP Limited Partners pursuant to the provisions the Property LP Agreement, plus its share of any undistributed income of the Property LP, if any.

Restrictions on Transfers

A Property LP Unit may not be assigned or transferred without the consent of the Property GP. In addition, the transferor must comply with the applicable securities legislation and the following conditions must be satisfied:

- (a) the transferee has executed, in a form acceptable to the Registrar and Transfer Agent of the Property LP Units, a transfer form;
- (b) the transferee agrees to assume the obligations of the transferor that pertain to the Property LP Unit transferred;
- (c) the transferee acquires the assigning Property LP Limited Partner's capital account;
- (d) the transferee has paid such costs, expenses and disbursements, including legal fees, as are reasonably incurred by the Property LP by reason of the transfer; and
- (e) such other requirements as may reasonably be required by the Registrar and Transfer Agent are satisfied,

provided that a transferee of a Property LP Unit will not become a Property LP Limited Partner in respect of that Property LP Unit until all filings and recordings required by law to validly effect a transfer have been duly made.

When a transferee is entitled to become a Property LP Limited Partner pursuant to the provisions of the Property LP Agreement, the Property GP shall be authorized to admit such person to the Property LP as a Property LP Limited Partner and the Property LP Limited Partners hereby consent to the admission of, and will admit, the transferee to the Partnership as a Limited Partner, without further act of the Property LP Limited Partners. The Property GP, or the Registrar and Transfer Agent if not the Property GP, will:

- (a) record at the registered office of the Partnership in British Columbia any such assignment and transfer;
- (b) make such filings and cause to be made such recordings as are required by law; and
- (c) forward notice of the transfer to the transferee.

Prohibition on Transfers

Except as permitted under the Property LP Agreement, no Property LP Limited Partner will, directly or indirectly, make or permit a "Transfer", being a sale, transfer, assignment, mortgage, pledge or any other disposition or agreement for such by a Property LP Limited Partner of the whole or any part of its Property LP Units, including by way of a change of control in the party which controls such Property LP Limited Partner) without the prior written consent of the Property GP and any attempt to do so will be void.

A Property LP Limited Partner (the "Transferor") will be entitled to Transfer (but not mortgage, pledge or otherwise grant an encumbrance of) all (but not part) of its Property LP Units to an affiliate (in each case, a "Transferee") from time to time without the consent of the Purchaser provided that, contemporaneously with such Transfer:

- (a) the Transferee executes and delivers an agreement in favour of the other Property LP Limited Partners and the Property GP whereby it agrees to be bound by and entitled to the benefit of the Property LP Agreement;

- (b) the Transferor will acknowledge, covenant and agree in favour of the other Property LP Limited Partners and the Property GP that the Transferor shall not be released from its obligations Property LP Agreement;
- (c) in the case of a Transfer to an affiliate, the Transferee and the Transferor will agree in favour of Property LP Limited Partners that the Transferee will remain an affiliate of the Transferor; and
- (d) such agreements, acknowledgements and covenants are to be in form and substance satisfactory to the Property GP acting reasonably.

Prohibition on Sale of Units

Notwithstanding anything to the contrary in the Property LP Agreement, no Property LP Limited Partner will be required or forced to sell, transfer or otherwise dispose of its Property LP Units or any part thereof if the price payable for such Property LP Limited Partner's Units is less than 115% of the Property LP Limited Partner's total cost to acquire its Property LP Units.

Right of First Refusal

- (a) If any Property LP Limited Partner (the "Vendor"), other than the Purchaser, receives a *bona fide* offer (the "Offer") from a third party or parties with whom it is dealing at arm's length for the purchase of all, or any, of the Property LP Units owned by the Vendor (the "Vendor's Units") and is prepared to accept the Offer, the Vendor shall give written notice of the Offer to the Purchaser by sending an executed copy of the Offer to the Purchaser with notice thereof.
- (b) The Purchaser shall be entitled to acquire the Vendor's Units at the price per Property LP Unit and upon the terms and conditions contained in the Offer. The right to purchase shall be exercised by the Purchaser delivering notice in writing thereof to the Vendor within 30 days after receipt of a copy of the executed Offer (the "Exercise Period").
- (c) If the Purchaser notifies the Vendor within the Exercise Period of its desire to purchase the Vendor's Units, a binding agreement of purchase and sale shall exist between the Vendor and the Purchaser with respect to the Vendor's Units at and for the price per Property LP Unit specified in the Offer. The purchase and sale of the Vendor's Units shall close on the later of the 30th day after the expiry of the Exercise Period or the closing date prescribed in the Offer, or on such other date as the Vendor and the Purchaser may agree upon.
- (d) If the Purchaser does not notify the Vendor within the Exercise Period of its desire to purchase the Vendor's Units, the Vendor shall be at liberty to sell the Vendor's Units to the purchaser named in the Offer, at and for a price per Property LP Units specified in the Offer and on the other terms and conditions set out in the Offer. If the Vendor fails to complete the sale of the Vendor's Units pursuant to the Offer, then the foregoing terms shall thereafter apply in respect of any further offer received by the Vendor from a third party or parties with whom it is dealing at arm's length for the purchase of all, or any, of the Property LP Units owned by the Vendor.

Drag-Along and Tag-Along Rights

- (a) If a Property LP Limited Partner or Property LP Limited Partners holding not less than 40% of the outstanding Property LP Units (the "Instigating Limited Partners") wish to Transfer all of their Property LP Units to any third party (the "Transaction"), then the Instigating Limited Partners must deliver a written notice (a "Transaction Notice") to the other Property LP Limited Partner or Property LP Limited Partners at least 30 days prior to the completion date specified in the Transaction Notice. The Transaction Notice must include the name of the third party, the consideration and the other terms and conditions of the Transaction, including the completion date and copies of all the documents and materials to be delivered

by the Property LP Limited Partners in connection with the closing of the Transaction (collectively, the "Closing Documents") and the name of the person to whom the Closing Documents are to be delivered.

- (b) The Instigating Limited Partners may provide in the Transaction Notice that the other Property LP Limited Partner or Property LP Limited Partners are required to sell their Property LP Units to the third party on the same terms and conditions and for the same consideration as set out in the Transaction Notice (a "Drag-Along Notice").
- (c) If the Instigating Limited Partners do not include a Drag-Along Notice in the Transaction Notice, then any other Property LP Limited Partner or Property LP Limited Partners may, at least 15 days before the completion date specified in the Transaction Notice, deliver written notice (a "Tag-Along Notice") to the Instigating Limited Partners requiring the Instigating Limited Partners to not sell their Property LP Units to the third party unless, concurrently with the third party's purchase of the Instigating Property LP Limited Partners' Property LP Units, the third party agrees to purchase the other Property LP Limited Partner or Property LP Limited Partners' Property LP Units on the same terms and conditions as those set out in the Transaction Notice. A Tag-Along Notice delivered by another Property LP Limited Partner will not be revocable without the written consent of the Instigating Limited Partners unless the Transaction does not complete within 90 days of the date of the delivery of the Transaction Notice, after which the Tag-Along Notice may be revoked at any time at the option of the Property LP Limited Partner who delivered such Tag-Along Notice.
- (d) If a Property LP Limited Partner receives a Drag-Along Notice or delivers a Tag-Along Notice, then that Property LP Limited Partner will promptly deliver the Closing Documents to the person indicated in the Transaction Notice for tender into the Transaction in order to effect the Transfer of that Property LP Limited Partner's Property LP Units to the third party. If, after delivery of a Drag-Along Notice by the Instigating Limited Partners to the other Property LP Limited Partners or delivery of a Tag-Along Notice by another Limited Partner to the Instigating Limited Partners, a Limited Partner does not deliver the required Closing Documents, then the Instigating Limited Partners will have the right to complete the Transaction described in the Drag-Along Notice or Tag-Along Notice, as the case may be, on behalf of such Property LP Limited Partner pursuant to the power of attorney provided for in the Property LP Agreement. In such event, the Instigating Limited Partners will be entitled to have such Property LP Limited Partner's portion of the proceeds of the Transaction made payable to the Property GP's solicitors, in trust for such Property LP Limited Partner, to be retained without interest until such Property LP Limited Partner delivers the Closing Documents to the Property GP. Promptly following receipt of the Closing Documents by the Property GP, the Property GP will cause its solicitors to deliver the applicable Transaction proceeds to such Property LP Limited Partner.
- (e) If a Property LP Limited Partner delivers a Tag-Along Notice, then the Instigating Limited Partners will only complete the Transfer of their Property LP Units to the third party if that Property LP Limited Partner's Property LP Units are also purchased by the third party on the same terms and conditions.

Book and Records; Financial Information

The Property GP will keep or cause to be kept on behalf of the Property LP books and records reflecting the assets, liabilities, income and expenditures of the Property LP and a register listing all Property LP Limited Partners and the Property LP Units. Such books, records and register will be kept available for inspection by any Property LP Limited Partner or its duly authorized representative (at the expense of such Property LP Limited Partner) during business hours at the offices of the Property GP. In the event the Property GP ceases to be the Registrar and Transfer Agent, the register shall thereupon be maintained at the office of such Registrar and Transfer Agent as may be appointed by the Property GP.

The Property GP, or its agent in that behalf, shall be responsible for the preparation of annual financial statements of the Property LP as at the end of each fiscal year of the Property LP. The Property GP, or its agent in that behalf, shall distribute a copy of such annual financial statements to each Property LP Limited Partner within ninety (90)

days after the end of each fiscal year and will provide each Property LP Limited Partner with annual income tax information for each Fiscal Year by March 31 of the following year to assist in declaring his share of the Property LP income; provided however, each Property LP Limited Partner shall be solely responsible for filing all income tax returns and reporting its share of the Property LP income or loss. All financial statements shall be prepared in accordance with generally accepted accounting principles applied on a consistent basis. The Property GP shall provide interim financial and management reports regarding the affairs of the Property LP on a semi-annual basis.

Meetings of Holders of Property LP Units

There is no requirement to hold annual general meetings; however, the Property GP may call periodic information meetings from time to time to advise Limited Partners as to the status of the business of the Property LP. The Property GP may convene meetings of the Property LP Limited Partners at any time and, upon the written request of one or more Property LP Limited Partners holding not less than 50% of the number of all issued and outstanding Property LP Units (the "**Property LP Requisitioning Partners**"), will convene a meeting of the Property LP Limited Partners. If the Property GP fails or neglects to call such a meeting, within 60 days of receipt of written request of the Property LP Requisitioning Partners, then any Property LP Requisitioning Partner may convene such meeting by giving notice to the Property LP Limited Partners in accordance with the Property LP Agreement, signed by such person or persons as the Property LP Requisitioning Partners specify. Every meeting, however convened, will be conducted in accordance with the Property LP Agreement.

Every meeting will be held in the City of Vancouver, British Columbia or at such other place in Canada as may be designated by the Property GP.

Notice of any meeting will be given to each Property LP Limited Partner by email, prepaid mail or personal delivery not less than twenty-one (21) days prior to such meeting, and will state: (a) the time, date and place of such meeting; and (b) in general terms, the nature of the business to be transacted at the meeting.

Any Property LP Limited Partner entitled to vote at a meeting may vote by proxy if a proxy has been received by the Property GP or the chairperson of the meeting for verification prior to the meeting.

A quorum at any meeting of Property LP Limited Partners will consist of two or more persons present in person who collectively hold or represent by proxy not less than 50% of the outstanding Property LP Units in the Property LP and who are entitled to vote on any resolution and a quorum for any specific resolution presented to the meeting shall be two or more persons present who hold or represent by proxy not less than 50% of the outstanding Property LP Units entitled to vote on such resolution. If, within half an hour after the time fixed for the holding of such meeting, a quorum for the meeting is not present, the meeting will be held at the same time and, if available, the same place not less than ten (10) days or more than twenty-one (21) days later (or if that date is not a business day, the first business day after that date), and the Property GP who called the meeting will give at least seven (7) days' notice to all Property LP Limited Partners of the date of the reconvening of the adjourned meeting.

Every question submitted to a meeting: (a) which requires a Special Resolution under the Property LP Agreement will be decided by a poll; and (b) which does not require a Special Resolution will, except as otherwise provided in the Property LP Agreement, be decided by an Ordinary Resolution on a show of hands unless a poll is demanded by a Property LP Limited Partner, in which case a poll will be taken. In the case of an equality of votes, the chairperson will not have a casting vote and the resolution will be deemed to be defeated. The chairperson will be entitled to vote in respect of any Units held by the chairperson or for which the chairperson may be proxyholder. On any vote at a meeting of Limited Partners, a declaration of the chairperson concerning the results of the vote will be conclusive.

The following powers shall only be exercisable by Special Resolution passed by the Property LP Limited Partners:

- (a) consenting to the amendment of the Property LP Agreement except as provided therein;
- (b) waiving any default by the Property GP on such terms as the Property LP Limited Partners may determine;

- (c) agreeing to any compromise or arrangement by the Property LP with any creditor, or class or classes of creditors;
- (d) changing the Fiscal Year of the Property LP;
- (e) amending, modifying, altering or repealing any Special Resolution previously passed by the Property LP Limited Partners;
- (f) dissolving or terminating the Property LP; and
- (g) approving a settlement of an action against the Property GP as a result of a breach of its duties.

Where the Property GP, any affiliate of the Property GP, and any director or officer thereof is the owner of a Property LP Unit, they shall be required to abstain from voting in respect of items (b) or (g) above and in addition, shall be required to abstain in any other circumstance in which there is a conflict of interest.

Any other matters to be determined by the Property LP Limited Partners other than as is otherwise expressly provided for in the Property LP Agreement shall be determined by Ordinary Resolution, provided such matter shall be permitted subject to the limitation on authority of the Property LP Limited Partners contained in the Property LP Agreement.

Termination and Dissolution of Property LP

The Property LP shall be dissolved upon the earlier of:

- (a) the expiration of its term pursuant to the Property LP Agreement;
- (b) the authorization of a dissolution by Special Resolution; or
- (c) upon the completion of the liquidation of the assets of the Property LP and distribution to the Property LP Limited Partners of all funds remaining after payment of all debts, liabilities and obligations of the Property LP to its creditors, on the date set out in a notice from the Property GP to all Property LP Limited Partners of the dissolution of the Property LP.

Notwithstanding any rule of law or equity to the contrary, the Property LP shall not be terminated except in the manner provided for in the Property LP Agreement.

Upon: (a) the dissolution of the Property LP, the assets of the Property LP shall be liquidated and all proceeds thereof collected by the Property GP; or (b) a sale of the whole of the assets of the Property LP occurring, other than in the ordinary course of business of the Property LP, all proceeds payable to the Property LP from a sale of the assets shall be collected by the Property GP; and all such proceeds shall be distributed as follows in the following order:

- (a) to pay all expenses incurred in the winding-up of the Property LP;
- (b) to pay all of the liabilities of the Property LP, including any loans or advances made by Property LP Limited Partners, any amounts owing to the Property GP in respect of costs and expenses owing to it pursuant to the Property LP Agreement, in the manner required by law;
- (c) to establish such reserves as the Property GP considers necessary;
- (d) to return to each Property LP Limited Partners the amount in such Property LP Limited Partners' Net Equity;

- (e) to return to the Property GP the balance in its respective capital account;
- (f) to distribute any balance, and allocate any income, then remaining, 0.1% to the GP and 99.9% to the Property LP Limited Partners, *pro rata* in accordance with the Property LP Limited Partners' Proportionate Shares.

Alternatively, the Property LP Limited Partners may approve by Special Resolution distributions of all assets of the Property LP in kind or *in specie* in which event each Property LP Limited Partner shall, subject to the provisions contained in the Property LP Agreement, be entitled to receive an undivided interest in each and every asset of the Property LP in accordance with such Property LP Limited Partner's Proportionate Share as of the date of dissolution or sale.

Amendments

The Property GP may, without prior notice to or consent from any Property LP Partner amend the Property LP Agreement:

- (a) to add covenants, restrictions or provisions which, in the opinion of counsel for the Property LP, are for the protection of the Property LP Limited Partners;
- (b) to cure any ambiguity or to correct or supplement any provision which, in the opinion of counsel for the Property LP, may be defective or inconsistent with any other provision thereof if, in the opinion of such counsel, such amendment does not and shall not in any way adversely affect the rights of any Property LP Limited Partner;
- (c) amendments to create one or more Classes of Property LP Units on such terms and conditions as may be determined by the Property GP, provided that such creation does not adversely affect the pecuniary value of the interest of any Property LP Limited Partner; or
- (d) if in the opinion of counsel for the Property LP, such amendment does not and shall not adversely affect the rights of any Property LP Limited Partner;

but all Property LP Partners shall be notified of full details of any amendment to the Property LP Agreement prior to the effective date of such amendment and, in the case of any amendment which adversely affects the rights of the Property GP, such amendment is approved by the Property GP.

The foregoing is a summary only of certain of the material provisions of the Property LP Agreement. For a complete understanding of all of the provisions of the Property LP Agreement, reference should be made to the Property LP Agreement itself, a copy of which is available from the GP.

Income Tax Consequences and RRSP Eligibility

Tax Advice

You should consult your own professional advisers to obtain advice on the income tax consequences that apply to you.

Summary of Income Tax Consequences

PROSPECTIVE INVESTORS SHOULD OBTAIN INDEPENDENT ADVICE FROM THEIR OWN TAX AND LEGAL ADVISORS REGARDING THE INCOME TAX CONSEQUENCES APPLICABLE TO THEIR OWN PARTICULAR CIRCUMSTANCES.

General

As each individual investor has unique income and financial backgrounds, the exact nature of the income tax consequences to you, should you choose to purchase the offered securities, cannot be determined.

Summary

The following summary, as of the date of this Offering Memorandum, describes the principal Canadian federal income tax considerations of acquiring, holding and disposing of Units generally applicable to an investor (who acquires Units under this Offering Memorandum) who is an individual, other than a trust, and who, for the purposes of the Income Tax Act (Canada) (the "Tax Act") is, or is deemed to be, a resident of Canada, deals at arm's length with the Partnership and is not affiliated with the Partnership, holds the Units as capital property and has not made a foreign currency reporting election under the Tax Act.

Generally, Units will be considered to be capital property to an investor provided the investor does not hold the Units in the course of carrying on a business and has not acquired the Units in one or more transactions considered to be an adventure in the nature of trade.

This summary assumes that at all material times no interest in any investor will be a "tax shelter investment" as defined in the Tax Act, that Units will not be acquired with financing for which recourse is, or is deemed to be, limited for purposes of the Tax Act and that no more than 50% of the Units will be held by "financial institutions" as defined in the Tax Act. Financing is deemed to be limited recourse for purposes of the Tax Act unless: (i) bona fide arrangements were made in writing at the time the financing was obtained providing for repayment within a reasonable period, not exceeding 10 years; (ii) interest is payable at least annually at a rate that is not less than the rate prescribed under the Tax Act; and (iii) interest is paid no later than 60 days after the end of each taxation year. If an interest in an investor becomes a tax shelter investment, an investor finances an acquisition of Units with limited recourse financing or if more than 50% of the Units are held by "financial institutions" there may be adverse tax consequences to the Partnership and its members.

This summary assumes that at all material times the Partnership will not be a "SIFT partnership" as defined in the Tax Act. If investments in the Partnership are listed or traded on a stock exchange or other public market then the Partnership, if it holds one or more non-portfolio properties, which generally does not include real property situated outside of Canada, may be a SIFT partnership and the Canadian federal income tax considerations described below will be materially different. This summary also assumes that the Units will not be listed or traded on a stock exchange or other public market for the purposes of the Tax Act.

This summary is based upon the facts set out in this Offering Memorandum, the provisions of the Tax Act in force as of the date hereof, all specific proposals to amend the Tax Act that have been publicly announced prior to the date hereof by the Minister of Finance (Canada) (the "Tax Proposals") and the Partnership's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency publicly available prior to the date hereof. This summary is not exhaustive of all possible Canadian federal income tax considerations and, except for the Tax Proposals, does not take into account or anticipate any changes in the law, whether by legislative, governmental or judicial action, nor does it take into account provincial, territorial or foreign tax considerations, which may differ significantly from those discussed herein.

This summary is of a general nature only and is not intended to be legal or tax advice to any particular purchaser of Units. Consequently, prospective purchasers should seek independent professional advice regarding the income tax consequences of investing in the Units, having regard to their own particular circumstances.

References to "income" or "loss" in this summary mean income or loss as determined for purposes of the Tax Act.

Computation of Income

The Partnership is not itself generally liable for income tax. However, the Partnership must compute its income or loss for each fiscal period as though it was a separate person resident in Canada and file an annual information return. The fiscal period of the Partnership ends on December 31 each year. Subject to the comments below, each Limited Partner will be required to include (or be entitled to deduct) in computing its income (or loss), its share of the income (or loss) of the Partnership allocated to it pursuant to the Partnership Agreement for the fiscal period of the Partnership ending in the holder of Units (in this section, a "Limited Partner") taxation year, regardless of whether any cash or other assets have been distributed to it.

The income of the Partnership as determined for purposes of the Tax Act may differ from its income as determined for accounting purposes and may not be matched by cash distributions. In computing the income or loss of the Partnership for purposes of the Tax Act, deductions may be claimed in respect of reasonable administrative costs, interest and other expenses incurred by the Partnership for the purposes of earning income, subject to the relevant provisions of the Tax Act.

Losses allocated by the Partnership to a Limited Partner are deductible only to the extent the Limited Partner has an "at-risk amount" (within the meaning of the Tax Act) in respect of the Limited Partner's interest in the Partnership. Losses from the Partnership that are not deductible by a Limited Partner because they exceed the Limited Partner's at-risk amount at the particular time generally may be carried forward indefinitely and may be deducted against income only to the extent the Limited Partner has an at risk amount in a subsequent year. In general, a Limited Partner's at-risk amount will be the adjusted cost base of his Units at the relevant time (plus, where that time is the end of the Partnership's fiscal period, income allocated to the Limited Partner for that fiscal period), less any amounts owing by the Limited Partner (or by a person or partnership that does not deal at arm's length with the Limited Partner) to the Partnership (or to a person or partnership that does not deal at arm's length with the Partnership) and less any amount or benefit provided to the Limited Partner (or to a person or partnership that does not deal at arm's length with the Limited Partner) for the purpose of protecting the Limited Partner against any loss the Limited Partner may sustain as a consequence of being a member of the Partnership or holding or disposing of an Unit.

Subject to the comments above, a Limited Partner may apply its share of non-capital losses allocated to it by the Partnership to reduce net income for the relevant taxation year and, to the extent such non-capital losses exceed net income for the year, they may generally be applied in the three previous taxation years or the 20 subsequent taxation years.

Disposition of Units

A disposition or deemed disposition by an investor of his Units should generally result in a capital gain (or capital loss) to the investor to the extent the proceeds of disposition of such Units, net of reasonable disposition costs, exceed (or are exceeded by) the adjusted cost base of the Units. In general, the adjusted cost base of a Limited Partner's Units at a particular time will be equal to the subscription price of the Units, plus income of the Partnership that has been allocated to the Limited Partner for completed fiscal periods, minus losses of the Partnership allocated to the Limited Partner for completed fiscal periods and minus distributions received by the Limited Partner from the Partnership. Where a Limited Partner disposes of all of its LP Units in a fiscal period of the Partnership, any income or loss allocated to the Limited Partner for such fiscal period will be taken into account in determining the adjusted cost base of the Limited Partner's Units. Losses which are not deductible because a Limited Partner does not have a sufficient at-risk amount will not reduce the adjusted cost base of Units.

If a Limited Partner disposes of Units and a person who is exempt from tax under the Tax Act, or who is a non-resident of Canada for purposes of the Tax Act, directly or indirectly through a partnership or a trust of which a tax exempt person or non-resident is a member or a beneficiary, as the case may be, acquires the Units as part of a transaction or event, or series of transactions or events, then the gain may be taxed as ordinary income of the Limited Partner.

If, at the end of any fiscal period of the Partnership, the deductions in computing the adjusted cost base of a Limited Partner's Units exceed the subscription price and additions in computing such adjusted cost base, such negative amount will be deemed to be a capital gain of the Limited Partner from a disposition of the Units and the adjusted cost base of the Limited Partner's Units will be nil at the beginning of the next fiscal period of the Partnership.

Capital Gains and Losses

One-half of the capital gain realized by a holder from a disposition or deemed disposition of Units must be included in computing the holder's income as a taxable capital gain. One-half of a capital loss realized in a taxation year from a disposition or deemed disposition of Units will be deductible as an allowable capital loss against taxable

capital gains realized in that year, and to the extent such allowable capital losses exceed taxable capital gains in the year, may be applied in the three previous taxation years or any subsequent taxation year, subject to certain restrictions contained in the Tax Act. A holder may be liable to pay alternative minimum tax as a result of realizing a capital gain.

Advice Regarding RRSP Eligibility

Units will not constitute qualified investments for purposes of the Tax Act for trusts governed by registered retirement savings plans, registered retirement income funds, registered disability savings plans, registered education savings plans, deferred profit sharing plans or tax-free savings accounts (collectively, "Deferred Plans") and should not be acquired by Deferred Plans.

Risk Factors

The purchase of securities hereunder involves a number of risk factors. The risks described below are not the only risks involved with an investment in the Units. If any of the following risks occur, or if others occur, the issuer's business, operating results and financial condition could be seriously harmed and purchasers may lose all of their investment. Risks affecting the Partnership will affect its ability to make distributions on the Units. In addition to the risk factors set forth elsewhere in this Offering Memorandum, prospective purchasers should consider the following risks associated with a purchase of such securities.

Risks Related to the Investment

No Regulatory Review -Purchasers under this offering will not have the benefit of a review of this Offering Memorandum by any securities or other regulatory authorities.

No Assurance of Achieving Investment Objectives - There is no assurance that the Partnership will be able to achieve its investment objectives or any guarantee that the Partnership will pay distributions or that an investment in the Units will earn a specified rate of return or any return in the short or long term.

Highly Speculative - The purchase of the Units is highly speculative. A prospective purchaser should buy them only if he is able to bear the risk of the entire loss of its investment and has no need for immediate liquidity.

No Market for Units - There currently is no market whatsoever for the Units and it is expected that there will be no market for the Units. Consequently, holders of such securities may not be able to sell them readily, and Units may not be readily accepted as collateral for a loan. Purchasers should be prepared to hold these securities indefinitely and cannot expect to be able to liquidate their investment even in the case of an emergency. Accordingly, an investment in Units is suitable solely for persons able to make and bear the economic risk of a long-term investment.

Reliance on Management - Prospective purchasers assessing the risks and rewards of this investment should appreciate that they will, in large part, be relying on the good faith and expertise of the Property GP and its principals in the ownership, operation and sale of the Property.

Conflicts of Interest - None of the principals of the GP or the Property GP is in any way limited or affected in his or her ability to carry on other business ventures for his or her own accounts and for the accounts of others, and each is now, and intends in the future to be, engaged in the development of, investment in and management of other real estate properties. None of these persons will have any obligation to account to the Partnership or the holders of Units for profits made in such other activities.

Return not Guaranteed - There can be no guarantee that holders of Units will not realize losses from an investment in the Units and there can be no assurance that the strategy of owning, operating and selling the Property will be successful. Real estate investment involves a high degree of risk that even the combination of experience and knowledge may not be able to avoid. Success in such objectives will depend to a certain extent on the efforts and abilities of the management of the Property GP and on a number of other external factors, including, among other

things, the success of the residential and commercial real estate markets in the vicinity of the Property and the general political and economic conditions that may prevail from time to time, which factors are beyond the control of the Partnership and the GP.

The likelihood of success of the Partnership must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection with the establishment of any real estate investment.

Future profits, if any, will depend upon various factors, including the growth of the community surrounding the Property, the success, if any, of the marketability of the Property, and general political and economic conditions. There is no assurance that the Partnership will successfully implement its plans.

Units Not Redeemable – Holders of Units have no right to demand that the Partnership redeem the Units.

Uninsured Losses - There are, however, certain types of risks, generally of a catastrophic nature, such as wars, natural disasters, climate change or environmental contamination, which are either uninsurable or not insurable on an economically viable basis. Should the Property suffer any uninsured or under-insured loss, the Partnership could lose its investment in, and anticipated profits and cash flows from, the Property.

Tax Risks - No assurance can be given that changes in the Tax Act, or changes in the administrative policies and assessing practices of the Canada Revenue Agency, or future court decisions, or the implementation of new taxes will not adversely affect the Partnership or fundamentally alter the income tax consequences to holders of Units with respect to acquiring, holding or disposing of Units. Investors are strongly encouraged to consult their tax advisors as to the tax consequences of acquiring, holding and disposing of Units.

Risks Related to the Issuer

Risks of Real Estate Investment and Ownership - Real estate investments are generally subject to varying degrees of risk depending on the nature of the property. Such risks include the highly competitive nature of the real estate industry, changes in general economic conditions (such as the availability and cost of mortgage funds), local conditions (such as the supply of office, industrial, retail space or warehousing or the demand for residential real estate in the area and thereby the prices at which serviced lots and parcels may be sold), government regulation and changes therein (such as planning, zoning, taxation of property and environmental legislation), changes in governments and the political environment in the applicable jurisdictions, competition from other available properties and the attractiveness of the property to potential purchasers, including builders. In addition, each segment in the real estate industry is capital intensive and is typically sensitive to interest rates and general economic conditions. The income generated by real estate properties, if any, is dependent upon general economic conditions and, accordingly, the return on investment may be affected by changes in those conditions.

In addition, increased weakness and volatility in local markets may significantly reduce the amount of debt financing available for real estate projects. As a result, the current value of real estate investments could considerably decrease. These factors may have a negative impact on the value of the Partnership's indirect interests in the Property, on the length of time the Property LP will be required to hold the Property, on the sale price of the Property when it is intended for sale, and on the value of the Units.

Real Property Investment Not Liquid - Real property investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to the demand for, and for the perceived desirability of, the investment.

The costs of holding real estate are considerable and the Partnership, as a holder of an indirect interest in the Property during a recessionary period, may be faced with ongoing expenditures with little prospect of significant income. If it was necessary to liquidate all or a portion of the Property, the proceeds to the Partnership might be significantly less than the total value of its investment on a going concern basis.

Reliance on Ability and Judgment of Management - The success of the Partnership will, to a large extent, depend on the good faith, experience, ability and judgment of management of the Property GP and their consultants and

advisors to make appropriate decisions with respect to the operations of the Property. If the Property GP loses the services of one or more of its directors or officers the business, financial condition and results of operations of the Property LP and indirectly the Partnership may be materially adversely affected. Subscribers must rely on the good faith, experience, ability and judgment of management of the Property GP.

Environmental Matters and Other Concerns - Under various environmental laws, ordinances and regulations, the current or previous owners or operators of the Property may be liable for the costs of removal or remediation of hazardous or toxic substances on, under or in the Property. These costs could be substantial. Such laws could impose liability whether or not there was knowledge of, or responsibility for, the presence of such hazardous or toxic substances. The presence of hazardous or toxic substances, or the failure to remove or remediate such substances, if any, or restrictions imposed by environmental laws on the manner in which the Property may be operated or developed, could adversely affect the ability to sell the Property or to borrow using the Property as collateral and also could potentially result in claims. Environmental laws provide for sanctions for non-compliance and may be enforced by governmental agencies or, in certain circumstances, by private parties. Certain environmental laws and common law principles could be used to impose liability for release of, and exposure to, hazardous substances into the air. Third parties may seek recovery from real property owners or operators for personal injury or property damage associated with exposure to released hazardous substances. The cost of defending against claims of liability, of complying with environmental regulatory requirements, of remediating any contaminated property, or of paying personal injury claims could be substantial and reduce the value of the investment in the Units. The Property LP may be subject to liability for undetected pollution or other environmental hazards against which it cannot insure, or against which it may elect not to insure where premium costs are disproportionate to the perception of relative risk.

General Economic, Political and Market Conditions - The success of the Partnership's activities may be affected by general economic, political and market conditions, such as interest rates, availability of credit, financial circumstances of tenants, inflation rates, economic uncertainty, changes in laws, and national and international political circumstances. These factors may affect the level and volatility of capital markets and the liquidity of the Partnership's properties. Unexpected volatility or illiquidity could impair the Partnership's profitability or result in losses.

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

Lack of Operating History - To date, operations have been limited to organizing the Partnership, the acquisition of the Property by the Property LP, the preparation of this Offering Memorandum, and obtaining other sources of financing. The Partnership's operations are subject to all the risks inherent in the establishment of a new enterprise. The likelihood of our success must be considered in light of the problems, expenses, difficulties, complications and delays frequently encountered in connection real estate projects. The Property GP is aware of and attentive to the demands of the project and construction lending markets, the funds from which are essential to managing the Property. However, if such risks or difficulties or changing conditions are not adequately addressed, the Partnership's financial condition will likely suffer. Future revenues and profits, if any, will depend primarily upon the successful development, construction and sale of the Property, government regulations and enforcement and general economic conditions. There is no assurance that the Partnership will realize a profit.

Other Risks

Tax Related Risks - There can be no assurance that income tax laws (or the judicial interpretation thereof or the administrative and assessing practices of the Canada Revenue Agency) will not be changed in a manner which would adversely affect the Partnership or holders of Units.

Cybersecurity - Failures or breaches of the electronic systems of the Partnership, the GP and/or the Property GP's other service providers, if any, have the ability to cause disruption and negatively impact Partnership's business operations, potentially resulting in financial losses to Partnership and holders of Units. While the Partnership will take steps to establish continuity plans and risk management systems to mitigate the risk of system breaches or failures, there are inherent limitations with such plans and systems. In addition, the GP cannot control the cybersecurity plans and the systems of the Property GP and/or other services providers. Security breaches could materially compromise information, disrupt business operations or cause the Partnership to breach obligations, thereby exposing Partnership to liability, reputational harm and/or significant remediation costs. A theft, loss, corruption, exposure, fraudulent use or misuse of information whether by third parties or as a result of employee malfeasance could result in significant remediation and other costs, fines, litigation or regulatory actions against the Partnership, as well as, cause reputational harm, negatively impact the Partnership's competitive position and affect financial results.

COVID-19 - The pandemic has led (and may continue to lead) to disruptions in global economic activity, resulting in, among other things, a general decline in capital markets and lower interest rates. These circumstances are likely to have an adverse effect on levels of employment, which may adversely impact the ability of tenants, borrowers and other counterparties to make timely payments on their rents, mortgages and other loans. An increase in delinquent payments by tenants, borrowers and other counterparties may negatively affect the Partnership's financial position.

The full extent of the duration and impact that COVID-19, including any regulatory responses to the outbreak, will have on the Canadian economy and the Partnership's proposed business is highly uncertain and difficult to predict at this time.

For all of the aforesaid reasons and others set forth and not set forth herein, the Units involve a certain degree of risk. Any person considering the purchase of the Units should be aware of these and other factors set forth in this Offering Memorandum and should consult with his/her legal, tax and financial advisors prior to making an investment in the Units. The Units should only be purchased by persons who can afford to lose all of their total investment.

**APPENDIX B
TO OFFERING MEMORANDUM DATED AUGUST 8, 2020**

(Capitalized and other terms used in this Appendix B which are not defined in this Appendix A have the meanings given to them in the Offering Memorandum dated August 8, 2020 to which this Appendix A is attached).

THE PROPERTY – 45604 AIRPORT ROAD, CHILLIWACK, BRITISH COLUMBIA

Property Synopsis

45604 Airport Road in Chilliwack, B.C.

August 2020



PREPARED BY
addy Technology Corp.

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Highlights

This property presents a unique opportunity to own a newly built commercial property tenanted to Starbucks at a highly trafficked intersection in the City of Chilliwack, BC.

Property Highlights

- Freestanding, single-tenant drive-thru building comprised of 2,146 SF new build retail
- 12 owned parking stalls
- 100% occupied by Starbucks
- Built in 2019

Tenant Highlights¹

- Starbucks is an American coffee company and coffeehouse chain founded in 1971
- Starbucks operates 30,000 stores across 80 markets (as of June 30, 2019)
- Starbucks Corporation's common stock is listed on NASDAQ, under the trading symbol SBUX.

¹ <https://www.starbucks.com/about-us/company-information/starbucks-company-profile>

Overview

Municipal Address:	100 - 45604 Airport Road, Chilliwack, BC
Building Size:	2,146 SF
Site Size:	20,829 SF
Year Built:	2019
Current Zoning:	C2 (Local Commercial)
Parking	12 Owned Parking Stalls
Occupancy:	100%
Tenant:	Starbucks Coffee Canada, Inc.
Tenant Covenant:	Corporate
Lease Term:	10 Years ²
Renewal Options:	Starbucks may extend the Term of this Lease for four (4) consecutive five (5) year period(s) ³

² Starbucks Commercial Lease (pg. 1)

³ Starbucks Commercial Lease (pg. 2)

Photos



Subject Exterior Looking East



Subject Exterior Looking Southeast

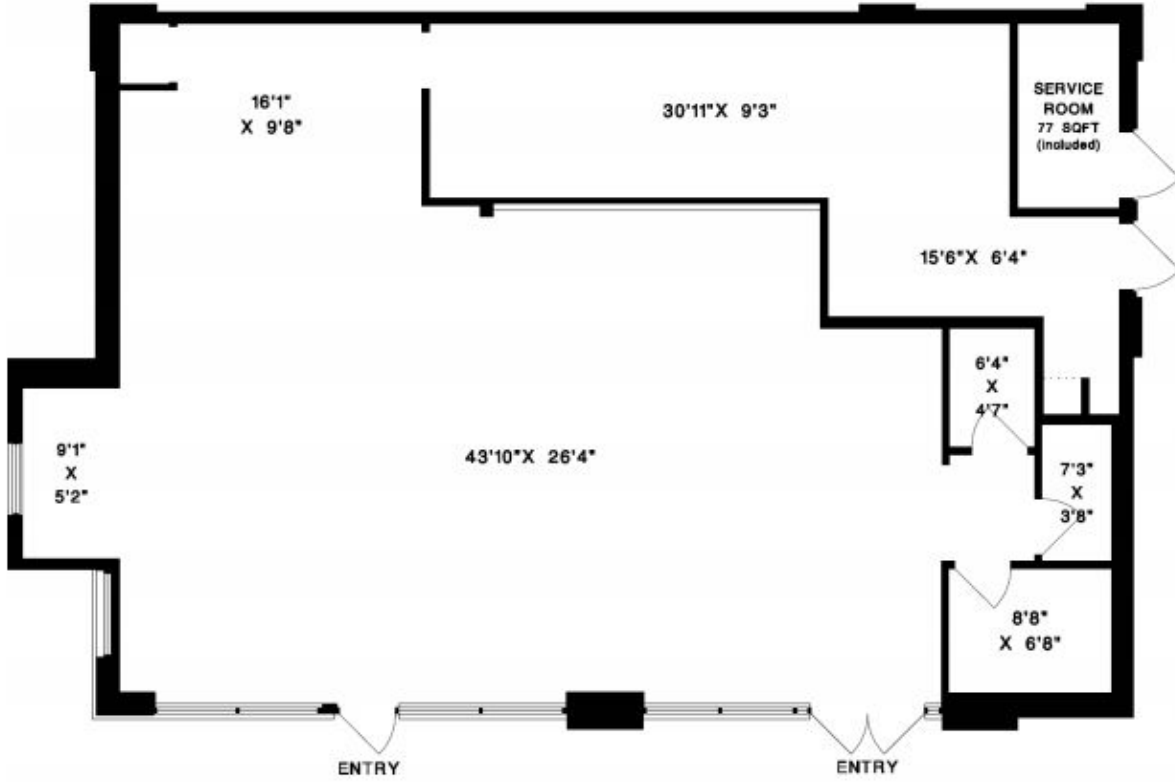


Subject Exterior Looking Southwest



Subject Exterior Looking Northwest

Floor Plan



Zoning

The City of Chilliwack Zoning Bylaw 2800 currently designates the property as C2 (Local Commercial Zone).

Zoning Summary

Municipality Governing Zoning	City of Chilliwack
Zoning Bylaw Number	2800
Current Zoning	Local Commercial Zone (C2)
Permitted Uses	Convenience Commercial (Subject To Special Regulation), Accessory Dwelling Unit, Urban Ancillary Uses, Accessory Off
Current Use	Retail - Drive Through Quick Service Restaurant
Is Current Use Legally Permitted?	Yes
Zoning Change	No likely

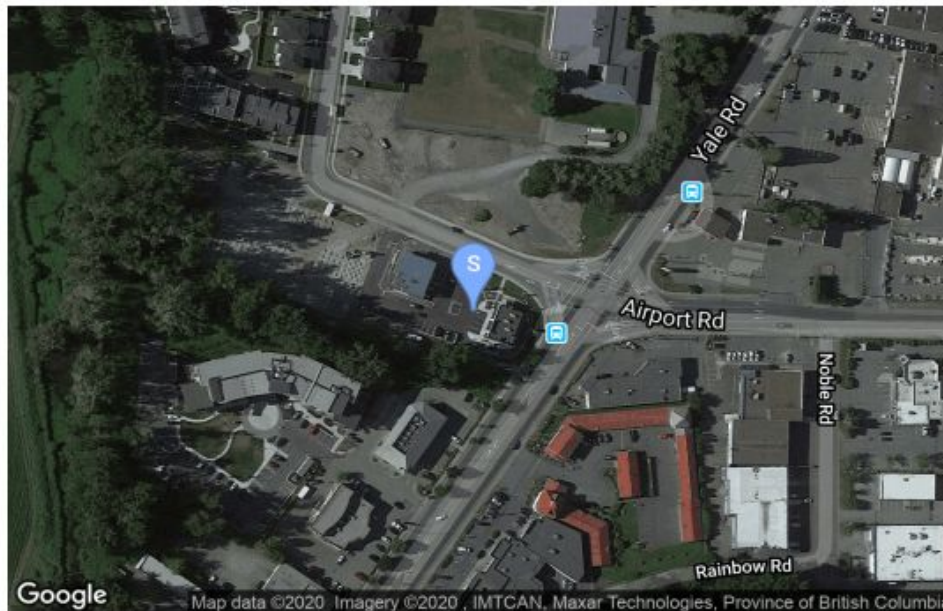


Location

General Location Map



Aerial Photograph



Location Overview

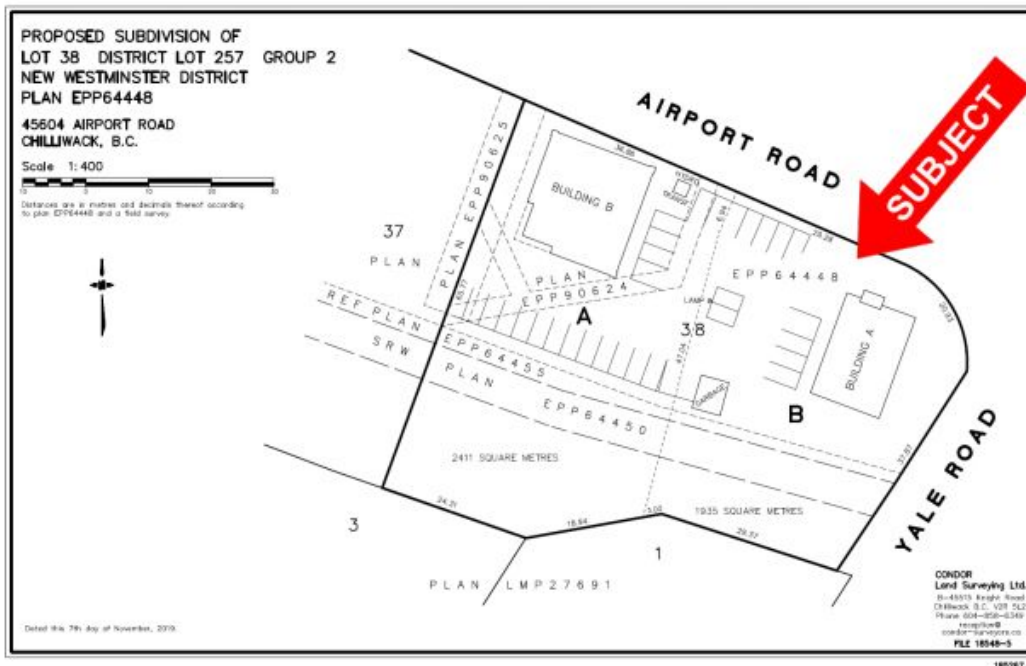
The property is situated in the commercial/residential district known as Chilliwack Proper, Chilliwack. Chilliwack Proper is located approximately 103 kilometres east of Vancouver's central business district

and Port of Vancouver, and hosts Chilliwack’s central core. Major arterials for the district include: Trans-Canada Highway (Highway 1), Young Road, Evans Road, and Yale Road. Chilliwack Proper benefits from its diverse inventory and arterial access.

	District Boundaries	Adjacent Districts
North	Hope River Road	Fairfield
South	Highway 1	Sardis
East	James Street	Little Mountain
West	Ashwell Road	Eagle Landing

The Chilliwack Proper area is composed of commercial and residentially zoned land. Residential inventory is focused along the outer perimeter of the district with a diverse mixture of detached, attached, and strata apartments throughout. Industrial inventory is centralized between the commercially zoned Yale Road and Young Road corridors with a focus in light industrial operations. The area is composed of larger commercial-type users and multi-tenant facilities. Retail services are located along the Yale Road and Young Road corridors with a blend of strip retail and larger shopping centres. There is a moderate supply of purpose-built office space within the area.

Site Description




Starbucks' In The Area

You can view all Starbucks locations on the Starbucks [website here](#). These are the ones listed as of July 30, 2020:

1. [45604 Airport Rd, Chilliwack, BC V2P 7Y1](#) (Chilliwack Midtown)
 - Stand-alone location with a Drive-thru
2. [46030 Yale Rd Stes B3-B5, Chilliwack, BC V2P 7V2](#) (Salish Plaza - Chilliwack)
 - Multi-unit commercial building
3. [Safeway Grocery Store, 45610 Luckakuck Way, Chilliwack, BC V2R 1A2](#) (Safeway #4968 Sardis, Chilliwack)
 - In a Safeway
4. [5584 Vedder Rd #202, Chilliwack, BC V2R 5P4](#) (Vedder & Keith Wilson)
 - Multi-unit commercial building with a Drive-thru
5. [45955 Yale Rd, Chilliwack, BC V2P 2M4](#) (Edwards Crossing - Yale & Ontario)
 - Multi-unit commercial building with a Drive-thru
6. [45585 Luckakuck Way Unit No. P3, 02 Cottonwood Mall, Chilliwack, BC V2R 1A1](#) (Cottonwood Mall)
 - Within the mall
7. [45750 Luckakuck Way Unit A, Chilliwack, BC V2R 4E8](#) (Luckakuck Way)
 - Drive-thru


Walkscore⁴




Walk Score  [Get Scores](#) [Find Apartments](#) [My Favorites](#) [Add to Your Site](#)

Type an address, neighborhood or city

45604 Airport Road

Chilliwack, British Columbia, V2P 2N3

Commute to **Downtown Chilliwack** 

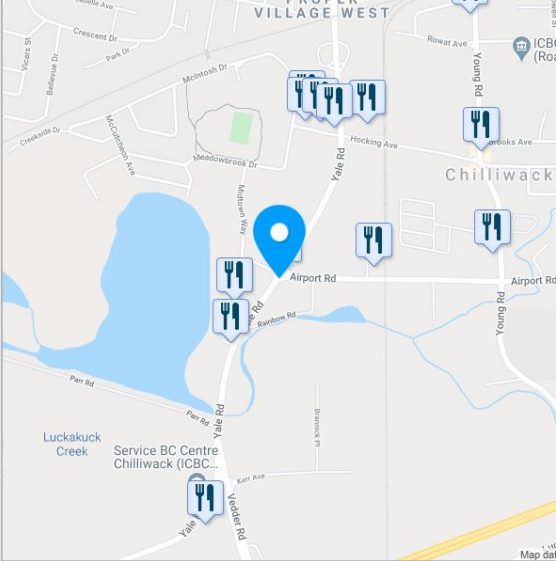
 2 min  3 min  14 min [View Routes](#)

Walk Score
41
Car-Dependent
Most errands require a car.

Transit Score
30
Some Transit
A few nearby public transportation options.

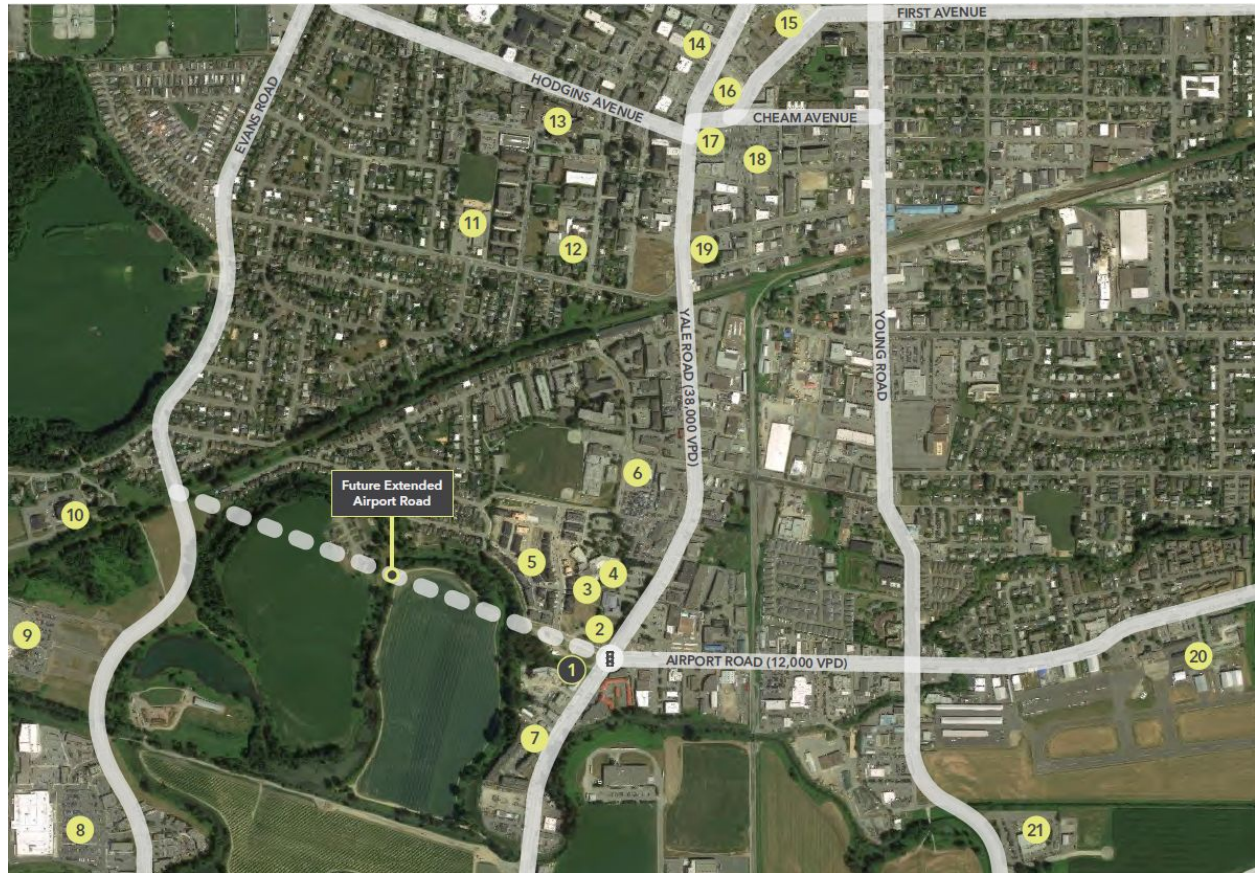
Bike Score
72
Very Bikeable
Biking is convenient for most trips.

[About your score](#)



⁴ <https://www.walkscore.com/score/45604-airport-rd-chilliwack-bc-canada>

Neighbours



1. 45604 Airport Road in Chilliwack, B.C. (Investment Property)
2. Future Midtown North Commercial Development
3. Proposed Future High School (SD #33)
4. Cascade Christian School
5. Midtown Residential Community
6. O'Connor Dodge Jeep Ram
7. Tim Hortons, Esso
8. Eagle Landing: Walmart Supercentre, Galaxy Cinemas, BMO, Shell, Lifelabs, Eagle Landing Liquor, Starbucks, Browns Socialhouse, Original Joe's, PetSmart, Five Guys, Tim Hortons, Carl's Junior
9. Home Depot
10. Squiala First Nation

11. Bernard Elementary
12. St. Mary's Elementary
13. Chilliwack General Hospital
14. Starbucks, KFC, Panago
15. Salish Plaza: Save-On-Foods, CIBC, BC Liquor Stores, Starbucks, Subway
16. Husky, A&W
17. Chevron
18. City Gate Shopping Centre: Safeway, HSBC, Envision, Liquor Depot
19. McDonald's
20. Chilliwack Municipal Airport
21. Chances Chilliwack



1. 45604 Airport Road in Chilliwack, B.C. (Investment Property), Midtown Community
2. Cottonwood Mall: Source, London Drugs, Dollarama, Vancity, Davids Tea, TD Canada Trust, Earls
3. Chilliwack Mall: Safeway, Sportchek, Winners, Reitmans, BMO
4. Coast Capital Savings, Fabricland
5. White Spot, KFC, Taco Bell
6. The Brick
7. Boston Pizza
8. McDonald's
9. Chilliwack Municipal Airport
10. Molson Coors Canada Brewery
11. Best Buy
12. Superstore
13. Mark's Work Warehouse, Tim Hortons, Pizza Hut
14. Staples
15. Dollar Tree
16. Canadian Tire
17. Rona
18. Save-on-Foods
19. Safeway

Chilliwack Economic Overview

Introduction

The City of Chilliwack is located 100 kilometres east of Vancouver and is bounded on the north by the Fraser River, and on the south by the Canada-United States border. Chilliwack is the second largest city within the Fraser Valley Regional District whose members include Abbotsford, Mission, Hope, Kent, Harrison Hot Springs and seven electoral areas. Primary access to Chilliwack is provided by the Trans Canada Highway 1 with the Abbotsford International Airport located 42 kilometers east. Other transportation options include Via Rail Canada. Furthermore, rail cargo service is provided by the CP Rail line located on the north side of the Fraser River and the CN Rail line providing service directly through Chilliwack.

Economic Activity

Historically, Chilliwack's economy was based on basic sector activities including farming, cattle ranching and forestry. Furthermore, in 1942, Canadian Forces Base (CFB) Chilliwack was established two months after Japan's attack on Pearl Harbour. After World War II, CFB Chilliwack, became the City's single largest employer with more than 2,000 jobs with a training centre and an air force squadron. After 54 years of operations, CFB Chilliwack, closed its operations in 1996. Today, agriculture is Chilliwack's primary industry comprising 30 percent of its economic activity. Chilliwack is home to more than 900 farms and it is a major producer of dairy products, corn and honey. The City's other economic activities include specialized logging operations, a Forest Service nursery, a fish hatchery, gravel mines and inmate institutions. More recently, tourism, especially around the Cultus Lake area has become an important contributor to the city's economy. The Chilliwack Arts Centre, Chilliwack Academy of Music, and Chilliwack Symphony Orchestra are local institutions, along with the Chilliwack Cultural Centre, which has a 500+ seat theatre, a smaller studio theatre, music rooms, arts and crafts studios and an art gallery. Moreover, CFB Chilliwack has been transformed to Canada Education Park and the University of the Fraser Valley. Lastly, as a result of high housing prices within the Vancouver area, Chilliwack is experiencing a residential housing boom as home buyers are moving east. Residents from Metro Vancouver are selling their homes and buying a small acreage with a bigger, newer and nicer house.

Population

Approximately 110,200 people call Chilliwack home representing less than 1.0% of British Columbia's population. From 2014 to 2019, Chilliwack's population has grown an average of 1.9% annually outpacing the provincial growth rate of 1.1%. Over the next ten years, Chilliwack's average population

growth is projected to slow to 1.3% annually but continue to outpace the provincial average of 1.1%. By the end of 2029, Chilliwack’s population is expected to reach 125,400 residents.

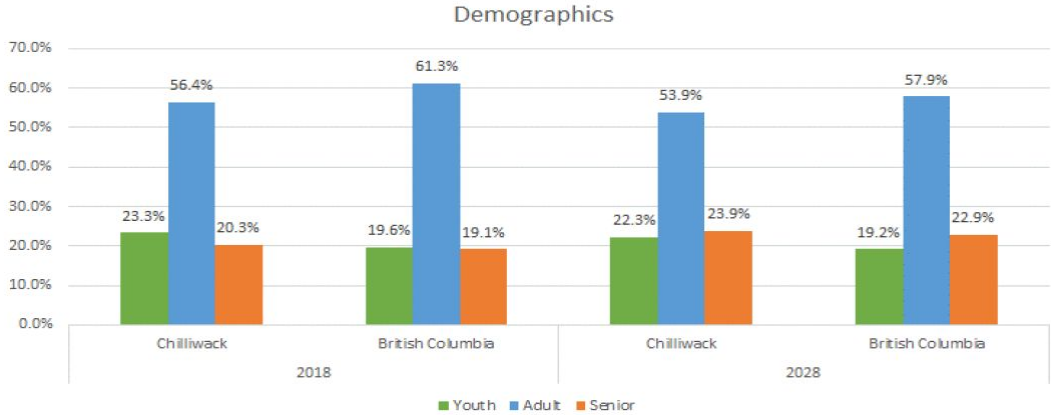
Income

The average income of Chilliwack households is \$93,800 which is 11.1% lower than the provincial average of \$105,500. Over the next ten years, the income gap is projected to widen to 12.1% as the city’s household income is projected to grow 3.2 annually while income provincially is projected to grow by 3.3%. By 2029, the city’s household income is expected to reach over \$124,300 with the provincial average reaching \$141,800.

Demographics

On average, the population of Chilliwack is slightly older than the rest of British Columbia. In 2019, Chilliwack’s median age was 42.4 years of age as compared to 42.3 years of age for the rest of the province. Overall, Youth comprise 23.3% of Chilliwack’s population while Adults represent 56.4% and Seniors at 20.3%. This compares to provincial averages of 19.6%, 61.3% and 19.1% for Youth, Adults and Seniors.

By 2029, it is expected that Chilliwack’s median age will rise to 43.9 years of age with the city’s Youth population falling to 22.3%, Adult population falling to 53.9% and Seniors growing to 23.9%. A similar trend is projected to occur provincially with the median age expected to rise to 43.6 years of age with the Province’s Youth population falling to 19.2%, Adult population falling to 57.9% and seniors growing to 22.9% of the province’s population.



Due Diligence

All due diligence documents can be found within your account. [Login](#) or [sign-up](#).

APPENDIX C
TO OFFERING MEMORANDUM DATED AUGUST 8, 2020

Financial Statements

Financial Statements of

**addy (45604 AIRPORT)
LIMITED PARTNERSHIP**

And Independent Auditors' Report thereon

Period from the date of formation on July 16, 2020 to
July 31, 2020



KPMG LLP
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
Fax (604) 691-3031

INDEPENDENT AUDITOR'S REPORT

To the Unitholders of addy (45604 Airport) Limited Partnership

Opinion

We have audited the financial statements of addy (45604 Airport) Limited Partnership (the Partnership), which comprise:

- the statement of financial position as at July 31, 2020
- the statement of comprehensive income for the period from formation on July 16, 2020 to July 31, 2020
- the statement of changes in equity for the period from formation on July 16, 2020 to July 31, 2020
- the statement of cash flows for the period from formation on July 16, 2020 to July 31, 2020
- and notes to the financial statements, including a summary of significant accounting policies

(hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Partnership as at July 31, 2020, and its financial performance and its cash flows for the period from formation on July 16, 2020 to July 31, 2020 in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Partnership in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Partnership's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Partnership's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Partnership to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Vancouver, Canada
August 7, 2020

addy (45604 AIRPORT) LIMITED PARTNERSHIP

Statement of Financial Position

July 31, 2020

2020

Assets

Current assets:

Cash	\$ 55,020
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Equity

Partnership capital:

Capital contributions (note 5)	\$ 55,020
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See accompanying notes to financial statements.

DocuSigned by:

Adrienne Uy

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Director

addy (45604 AIRPORT) LIMITED PARTNERSHIP

Statement of Comprehensive Income

Period from the date of formation on July 16, 2020 to July 31, 2020

	2020
Revenue	\$ -
Expense	-
Net income	-
Other comprehensive income	-
Income for the period and comprehensive income	\$ -

See accompanying notes to financial statements.

addy (45604 AIRPORT) LIMITED PARTNERSHIP

Statement of Changes in Equity

Period from the date of formation on July 16, 2020 to July 31, 2020

	Capital contributions		Total
Balance at July 16, 2020	\$	-	\$ -
Issuance of units (note 5)		55,010	55,010
Capital contribution from General Partner		10	10
Balance at July 31, 2020	\$	55,020	\$ 55,020

See accompanying notes to financial statements.

addy (45604 AIRPORT) LIMITED PARTNERSHIP

Statement of Cash Flows

Period from the date of formation on July 16, 2020 to July 31, 2020

	2020
Cash flows from financing activities:	
Capital contributions received	\$ 55,020
Net cash from financing activities	55,020
Net increase in cash	55,020
Cash, beginning of period	-
Cash, end of period	\$ 55,020

See accompanying notes to financial statements.

addy (45604 AIRPORT) LIMITED PARTNERSHIP

Notes to Financial Statements

Period from the date of formation on July 16, 2020 to July 31, 2020

1. Nature of the business:

addy (45604 Airport) Limited Partnership (the "Partnership") was formed under the British Columbia Partnership Act on July 16, 2020 in British Columbia, Canada registered at 352 - 3381 Cambie Street, Vancouver B.C., V5Z 4R3. The Partnership was formed pursuant to a limited partnership agreement between addy GP (45604 Airport) Corp. (the "General Partner") and addy Real Estate Holdings Corp. ("the Partnership"). The Partnership has been formed to carry on the business of direct and indirect investments in real estate related entities and projects, including without limitation, by way of loan and equity investments, ownership interests and partnership or joint venture relationships with other parties carrying out such business, across single and multi-tenant commercial real estate developments, with a view to making a profit and the Partnership may exercise powers ancillary and incidental thereto.

2. Basis of preparation:

(a) Statement of compliance:

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

The financial statements were authorized for issue by the Directors on August 7, 2020.

(b) Basis of measurement:

These financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currencies:

These financial statements are presented in Canadian dollars, which is also the functional currency of the Partnership.

(d) Use of estimates and judgments:

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are made prospectively.

No significant areas requiring management estimate or management judgment were noted by management in the preparation of these financial statements.

addy (45604 AIRPORT) LIMITED PARTNERSHIP

Notes to Financial Statements

Period from the date of formation on July 16, 2020 to July 31, 2020

3. Significant accounting policies:

The accounting policies set out below have been applied in the preparation of these financial statements. These policies have been applied consistently in the period unless otherwise stated.

(a) Allocation of net income or net loss:

The net loss of the Partnership will be allocated among the partners on the following basis:

(i) to addy Real Estate Holdings Corp. and any party who is accepted by the General Partner and acquires units in accordance with the terms of the partnership agreement (the "Limited Partners"), pro rata in accordance with their proportionate share, an amount which, when aggregated with all previous allocations, is equal to but not in excess of the net equity of such Limited Partners; and

(ii) to the General Partner, in an amount equal to the balance of the net loss.

Net income of the Partnership is allocated as follows:

First, to each of the Partners, pro rata an amount, if any, in proportion to and to the extent of any net loss previously allocated to each such Partner, less the cumulative amount allocated to each such partner in prior years and second, the balance:

(i) 0.1% to the General Partner; and

(ii) 99.9% to the Limited Partners, pro rata in accordance with their proportionate share.

(b) Financial instruments:

Recognition and initial measurement:

Trade receivables and debt securities issued are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Partnership becomes a party to the contractual provisions of the instrument.

A financial asset (unless it is a trade receivable without a significant financing component) or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue. A trade receivable without a significant financing component is initially measured at the transaction price.

Classification and subsequent measurement:

On initial recognition, a financial asset is classified and measured at: amortized cost, fair value through other comprehensive income (FVOCI) – debt instrument, FVOCI – equity investment or FVTPL.

Financial assets are not reclassified subsequent to their initial recognition unless the Partnership changes its business model for managing financial assets.

addy (45604 AIRPORT) LIMITED PARTNERSHIP

Notes to Financial Statements

Period from the date of formation on July 16, 2020 to July 31, 2020

3. Significant accounting policies (continued):

(b) Financial instruments:

Classification and subsequent measurement (continued):

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as FVTPL if it is classified as held-for-trading, it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit and loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit and loss. Any gain or loss on derecognition is also recognized in profit or loss.

(i) Derecognition:

The Partnership derecognizes a financial asset when the contractual rights to the cash flows from the asset expire, or it transfers the rights to receive the contractual cash flows on the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Partnership neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

The Partnership derecognizes a financial liability when its contractual obligations are discharged or cancelled, or expire. The Partnership also derecognizes a financial liability when its terms are modified and the cash flows of the modified liability are substantially different, in which case a new financial liability based on the modified terms is recognized at fair value.

On derecognition of a financial liability, the difference between the carrying amount extinguished and the consideration paid (including any non-cash assets transferred or liabilities assumed) is recognized in profit or loss.

(ii) Offsetting:

Financial assets and financial liabilities are offset and the net amount presented in the balance sheet when, and only when, the Partnership currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realize the asset and the settle the liability simultaneously.

(c) Partnership capital:

Limited Partner units are presented as equity in accordance with IAS 32 *Financial Instruments: Presentation*. Incremental costs directly attributable to the issue of partnership units are recognized as a deduction from capital contributions.

(d) Income taxes:

The Partnership is not subject to income taxes. The net income or loss of the Partnership is allocated to the individual partners for taxation purposes.

addy (45604 AIRPORT) LIMITED PARTNERSHIP

Notes to Financial Statements

Period from the date of formation on July 16, 2020 to July 31, 2020

4. Financial instruments and financial risk management:

(a) Accounting classifications and fair values:

The following table summarizes the classification and measurement of financial assets and financial liabilities:

Financial assets	Classification	Carrying amount
Cash	Amortized cost	\$ 55,020

For financial assets not stated at fair value their carrying amount is a reasonable approximation of their fair value due to their nature.

(b) Risk management framework:

The overall responsibility for the establishment and oversight of the Partnership's risk management policies resides with the Board of Directors of the General Partner, addy GP (45604 Airport) Corp. The Partnership's risk management policies are established to identify, analyze and manage the risks faced by the Partnership and to implement appropriate procedures to monitor risks and adherence to established controls. Risk management policies and systems are reviewed periodically in response to the Partnership's activities and to ensure applicability.

5. Partnership capital:

	Partnership units
Number of units:	
In issue at July 16, 2020	-
Issued for cash	55,010
In issue at July 31, 2020 – fully paid	55,010
Partnership units – issued at \$1 per unit	\$ 55,010
Capital contribution from General Partner	10
Partnership capital	\$ 55,020

(a) Partnership Units:

The Partnership is authorized to issue an unlimited number of partnership units where each unit represents an interest of a Limited Partner in the Partnership consisting of a right to participate in the income and losses of the Partnership which are allocated to the holders of the units, to participate in the distribution of the net assets of the Partnership which are allocated to the holders of the units upon a liquidation or winding up of the Partnership, and such other rights as are prescribed under the partnership agreement.

addy (45604 AIRPORT) LIMITED PARTNERSHIP

Notes to Financial Statements

Period from the date of formation on July 16, 2020 to July 31, 2020

5. Partnership capital (continued):

(a) Partnership Units (continued):

More specifically, holders of partnership units are entitled to the following:

- (i) Each Limited Partner has the right to exercise one vote for each whole unit held by the Limited Partner;
- (ii) Limited Partners are entitled to receive allocations of income or loss (as per note 3a), distributions and proceeds from dissolution pro rata in accordance with their respective proportionate shares after allocation to the General Partner of 0.1%;
- (iii) A Limited Partner is only entitled to demand a return of its capital contribution upon the dissolution, winding-up or liquidation of the Partnership;
- (iv) In order for Limited Partners to maintain the limited liability afforded to them, Limited Partners are restricted from taking part in the control or management of the business of the Partnership, or transacting any business on behalf of the Partnership; and
- (v) Limited Partners must maintain status as a resident of Canada, or if a Limited Partner ceases to be a Canadian resident, they will transfer their units to a resident of Canada who is qualified to hold units.

(b) Issue of Partnership Units:

During the period from the date of formation on July 16, 2020 to July 31, 2020, 55,010 partnership units were issued at a price of \$1 per partnership unit. Of the partnership units issued, 10 units were issued to addy Real Estate Holdings Corp. and 55,000 were issued to Limited Partners.

Financial Statements of

**addy GP
(45604 AIRPORT) CORP.**

And Independent Auditors' Report thereon

Period from the date of formation on March 9, 2020 to
June 30, 2020



KPMG LLP
PO Box 10426 777 Dunsmuir Street
Vancouver BC V7Y 1K3
Canada
Telephone (604) 691-3000
Fax (604) 691-3031

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of addy GP (45604 Airport) Corp.

Opinion

We have audited the financial statements of addy GP (45604 Airport) Corp. (the Entity), which comprise:

- the statement of financial position as at June 30, 2020
- the statement of comprehensive income for the period from formation on July 16, 2020 to June 30, 2020
- the statement of changes in equity for the period from formation on March 9, 2020 to June 30, 2020
- the statement of cash flows for the period from formation on March 9, 2020 to June 30, 2020
- and notes to the financial statements, including a summary of significant accounting policies

(Hereinafter referred to as the "financial statements").

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Entity as at June 30, 2020, and its financial performance and its cash flows for the period from formation on March 9, 2020 to June 30, 2020 in accordance with International Financial Reporting Standards (IFRS).

Basis for Opinion

We conducted our audit in accordance with Canadian generally accepted auditing standards. Our responsibilities under those standards are further described in the "**Auditors' Responsibilities for the Audit of the Financial Statements**" section of our auditors' report.

We are independent of the Entity in accordance with the ethical requirements that are relevant to our audit of the financial statements in Canada and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



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

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

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

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Canadian generally accepted auditing standards will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

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

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Entity's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.



- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Entity's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG LLP

Chartered Professional Accountants

Vancouver, Canada
August 7, 2020

addy GP (45604 AIRPORT) CORP.

Statement of Financial Position

June 30, 2020

2020

Assets

Cash	\$	10
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Shareholder's Equity

Share capital (note 5)	\$	10
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Subsequent event (note 6)

See accompanying notes to financial statements.

DocuSigned by:

Adrienne Uy

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Director

addy GP (45604 AIRPORT) CORP.

Statement of Comprehensive Income

Period from the date of formation on March 9, 2020 to June 30, 2020

	2020
Revenue	\$ -
Expense	-
Net income	-
Other comprehensive income	-
Income for the period and comprehensive income	\$ -

See accompanying notes to financial statements.

addy GP (45604 AIRPORT) CORP.

Statement of Changes in Equity

Period from the date of formation on March 9, 2020 to June 30, 2020

	Share capital	Total
Balance at March 9, 2020	\$ -	\$ -
Issuance of common shares (note 5)	10	10
Balance at June 30, 2020	\$ 10	\$ 10

See accompanying notes to financial statements.

addy GP (45604 AIRPORT) CORP.

Statement of Cash Flows

Period from the date of formation on March 9, 2020 to June 30, 2020

	2020
Cash flows from financing activities:	
Proceeds from issuance of share capital	\$ 10
Net cash from financing activities	10
Net increase in cash	10
Cash, beginning of period	-
Cash, end of period	\$ 10

See accompanying notes to financial statements.

addy GP (45604 AIRPORT) CORP.

Notes to Financial Statements

Period from the date of formation on March 9, 2020 to June 30, 2020

1. Nature of the business:

addy GP (45604 Airport) Corp. (the "Entity") was incorporated under the British Columbia Business Corporations Act on March 9, 2020 in British Columbia, Canada registered at 352 -3381 Cambie Street, Vancouver B.C., V5Z 4R3. The Entity was established to be the general partner of addy (45604 Airport) Limited Partnership ("addy LP") (note 6).

2. Basis of preparation:

(a) Statement of compliance:

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

These financial statements were authorized for issue by the Directors on August 7, 2020.

(b) Basis of measurement:

These financial statements have been prepared on the historical cost basis.

(c) Functional and presentation currencies:

These financial statements are presented in Canadian dollars, which is also the functional currency of the Entity.

(d) Use of estimates and judgments:

The preparation of financial statements requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses.

Actual results may differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are made prospectively.

No significant areas requiring management estimate or management judgment were noted by management in the preparation of these financial statements.

3. Significant accounting policies:

The accounting policies set out below have been applied in the preparation of these financial statements. These policies have been applied consistently in the period unless otherwise stated.

(a) Share capital:

Incremental costs directly attributable to the issue of ordinary shares are recognized as a deduction from equity. Income tax relating to transaction costs of an equity transaction is accounted for in accordance with IAS12 *Income taxes*.

addy GP (45604 AIRPORT) CORP.

Notes to Financial Statements

Period from the date of formation on March 9, 2020 to June 30, 2020

4. Financial risk management:

Risk management framework:

The overall responsibility for the establishment and oversight of the Entity's risk management policies resides with the Board of Directors. The Entity's risk management policies are established to identify, analyze and manage the risks faced by the Entity and to implement appropriate procedures to monitor risks and adherence to established controls. Risk management policies and systems are reviewed periodically in response to the Entity's activities and to ensure applicability.

5. Share capital:

	Common shares
Number of shares:	
In issue at March 9, 2020	-
Issued for cash	10
In issue at June 30, 2020 – fully paid	10
Authorized – issued at \$1 per share	\$ 10

(a) Common shares:

The Entity is authorized to issue an unlimited number of common shares without par value. Holders of common shares are entitled to dividends as declared from time to time and are entitled to one vote per share at general meetings of the Entity.

(b) Issue of common shares:

During the period from the date of formation on March 9, 2020 to June 30, 2020, 10 common shares were issued at a price of \$1 per share.

6. Subsequent event:

Investment:

On July 16, 2020, the Entity was established as the general partner of addy (45604 Airport) Limited Partnership ("addy LP") and became a party to a limited partnership agreement with addy LP. Subsequent to becoming the general partner of addy LP, the Entity contributed \$10 in the form of a capital contribution to addy LP. addy LP is a limited partnership formed under the British Columbia Partnership Act on July 16, 2020 in British Columbia, Canada and registered at 352 - 3381 Cambie Street, Vancouver B.C., V5Z 4R3. addy LP plans to invest directly and indirectly in real estate.

Item 13. Date and Certificate

Dated August 8, 2020

This offering memorandum does not contain a misrepresentation.

On behalf of addy GP (45604 Airport) Corp. in its capacity as general partner of the Partnership and as Promoter:

"Michael Stephenson"

Michael Stephenson
President and Chief Executive Officer

"Adrienne Uy"

Adrienne Uy
Chief Financial Officer

On behalf of addy Technology Corp. and as Promoter:

"Michael Stephenson"

Michael Stephenson
Director

"Adrienne Uy"

Adrienne Uy
Chief Financial Officer

"Stephen Jagger"

Stephen Jagger
Director

addy Real Estate
for Everyone