

Court File No. CV-21-00663051-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

B E T W E E N:

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

SUNRISE ACQUISITIONS (HWY 7) INC.

Respondent

APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43, AS AMENDED

AFFIDAVIT OF DANIEL POLLACK SWORN MAY 28, 2021

I, Daniel Pollack, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Senior Director, Special Loans and Portfolio Management, of the Applicant, KingSett Mortgage Corporation (“**KingSett**”). I have responsibility for matters pertaining to the borrowings of the Respondent, Sunrise Acquisitions (Hwy 7) Inc. (“**Sunrise**”) from KingSett and, as such, have personal knowledge of the matters contained in this affidavit. Where I make statements based on information and belief, the source of that information is identified, and I verily believe the statements to be true. I am authorized to swear this affidavit on behalf of KingSett.

I. PURPOSE

2. I am making this affidavit in support of KingSett’s application to appoint KSV Restructuring Inc. (“**KSV**”) as receiver and manager pursuant to section 243(1) of the *Bankruptcy and*

Insolvency Act (Canada) (the “**BIA**”) and section 101 of the *Courts of Justice Act* (Ontario) over all of the assets, undertakings and properties of Sunrise and the proceeds therefrom (the “**Property**”), including, without limitation, certain real property owned by Sunrise in Markham, Ontario, the legal descriptions of which are set out within the title searches attached hereto as **Exhibit “A”** (the “**Real Property**”).

3. The Real Property currently comprises five townhome units developed and built by Sunrise as part of its “Unionvillas” development project located in Markham, Ontario. Since 2015, KingSett has provided senior secured financing to Sunrise to enable the development of the Unionvillas project, which comprises 52 built townhomes, the vast majority of which have been sold and transferred to purchasers.

4. As discussed further below, the five remaining townhome units (the “**Remaining Units**”) are subject to sale agreements that do not meet the net minimum purchase price thresholds under KingSett’s loan terms due to the deposits and raise significant issues and concerns.

5. In particular, four of these sale agreements are between Sunrise and related parties (including three that are between Sunrise and the spouse of one of Sunrise’s principals) and contain unusually high deposits (in some cases exceeding 50% of the total purchase price) which have purportedly been spent by Sunrise and are no longer available.

6. In the circumstances, KingSett and Sunrise’s second-ranking mortgagee have not consented to the sales of the Remaining Units and are not prepared to discharge their security against those units in the current circumstances.

7. On May 1, 2021, Sunrise defaulted under its loan facility with KingSett by failing to make a required interest payment, which default is continuing. KingSett’s security gives it the right to appoint a receiver upon a default by Sunrise.

8. KingSett is seeking to appoint KSV as receiver of the Property to thoroughly examine the circumstances of the sales agreements for the Remaining Units with a view to completing a sale of the Remaining Units, distributing the proceeds to Sunrise's creditors and addressing any related outstanding issues.

9. As at May 10, 2021, the amount owing by Sunrise to KingSett is \$1,950,807.35, plus accrued and accruing interest, fees and costs (the "**Indebtedness**").

10. It is in the best interest of all parties that a receiver be appointed to realize on the Property in a manner that is efficient, open, and transparent. I believe that the appointment of KSV in these circumstances is just and convenient.

II. BACKGROUND

The Parties

11. KingSett is incorporated pursuant to the laws of Canada and is a subsidiary of KingSett Capital Inc. ("**KingSett Capital**"), a private equity real estate investment firm with over \$15 billion of assets under management. KingSett is the entity through which KingSett Capital provides mortgage strategies to its clients. KingSett is headquartered in Toronto.

12. Sunrise is part of a real property development group known as Sunrise Homes, which develops residential and commercial projects in southern Ontario. Sunrise is a privately held company incorporated under the *Business Corporations Act* (Ontario), RSO 1990, c. B.16. The registered office address for Sunrise is 50 West Wilmot Street, Suite #100, in Richmond Hill, Ontario. A copy of a corporation profile report for Sunrise current to May 21, 2021 is attached hereto as **Exhibit "B"**.

13. The sole directors and officers of Sunrise are Sajjad Hussain and Muzammil Kodwavi.

14. Sunrise is the registered owner of the Real Property, with the exception of the property legally described within PIN 29951-0001(LT), which I am advised by KingSett's counsel is commonly owned as an access route within the development.

15. Sunrise is developing the 52-unit "Unionvillas" townhome development project located in Markham, Ontario. The development is in an advanced state, with all 52 townhomes having been constructed and only the five Remaining Units remaining to be transferred to a purchaser.

The KingSett Loan Facility and Security

16. KingSett entered into a Commitment Letter with Sunrise on May 5, 2015, as amended from time to time (the "**Commitment Letter**"), under which it agreed to provide, among other things:

- a. a land acquisition loan facility in the principal amount of \$11,700,000;
- b. a non-revolving servicing loan facility in the principal amount of \$20,185,550;
- c. a revolving construction loan facility in the principal amount of \$5,000,000; and
- d. letters of credit in the amount of \$500,000.

17. A copy of the initial Commitment Letter is attached hereto as **Exhibit "C"**.

18. The Commitment Letter has subsequently been amended a total of 13 times, most recently on January 26, 2021, which amendments have from time to time changed the nature of the facilities offered and extended the maturity of the loan facilities. Copies of each of the amendments to the Commitment Letter are attached hereto as **Exhibit "D"**.

19. Following these amendments, at present, the Commitment Letter provides for a single non-revolving demand loan facility in the maximum principal amount of \$4,410,000 and bearing

interest at the Royal Bank of Canada prime rate + 6.05% (floor rate of 10%) per annum, calculated on the daily outstanding balance, compounded and payable monthly, not in advance, both before and after maturity. The facility matures on July 1, 2021.

20. Pursuant to a Guarantee and Postponement of Claim dated May 15, 2015 (the "**Guarantee**"), the loan is guaranteed by Sajjad Hussain and Muzammil Kodwavi (the "**Guarantors**"), who are the directors and officers of Sunrise. Under the terms of the Guarantee, the Guarantors agreed to jointly and severally guarantee payment to KingSett of all the Guarantors' debts and liabilities. A copy of the Guarantee is attached hereto as **Exhibit "E"**.

21. As security for its indebtedness, Sunrise granted to KingSett, among other things: (i) a first-ranking mortgage against the Real Property ("**Mortgage**"), (ii) a general assignment of rents ("**GAR**") in respect of the Real Property, and (iii) a general security agreement ("**GSA**"). Copies of the Mortgage, GAR and GSA are attached hereto as **Exhibits "F", "G" and "H"**, respectively.

22. KingSett registered the Mortgage and GAR on title to the Real Property on June 2, 2015.

23. While the Commitment Letter has been amended multiple times as noted above, KingSett's security has continued unaffected by such amendments, subject to certain additions and modifications as follows:

- a. on November 3, 2016, KingSett registered a subsequent charge (the "**Subsequent Charge**") against title to the Real Property in the principal amount of \$1,648,878.75, a copy of which is attached hereto as **Exhibit "I"**;
- b. on September 12, 2018, KingSett registered a notice amending the Subsequent Charge to the principal amount of \$5,500,000, a copy of which is attached hereto as **Exhibit "J"**; and

- c. on September 24, 2019, the Mortgage was amended to reflect certain of the amended loan terms in effect at that time. A copy of the notice registered on title to the Real Property on September 24, 2019 is attached hereto as **Exhibit “K”**.

The Subordinated Sorrenti Law Charge

24. In addition to KingSett, the other primary financing source for the Unionvillas project was a syndicated mortgage financing arranged by Fortress Real Developments Inc. and its affiliates (“**Fortress**”) and administered by an Ontario lawyer named Derek Sorrenti (“**Sorrenti**”) through his law firm, Sorrenti Law Professional Corporation (“**Sorrenti Law**”). I understand that through this financing vehicle, investors could participate in the mortgage financing with their security being held in trust on their behalf by Sorrenti Law.

25. On August 18, 2015, Sorrenti Law registered a charge against the Real Property in the amount of \$8,000,000, which was later amended by the registration of a notice on September 15, 2016 to increase the principal amount of the charge to \$9,873,262 and to list Sorrenti Law and Olympia Trust Company (“**Olympia**”) as chargees (the “**Sorrenti Law Charge**”).

26. The parcel registers for the Real Property show that the Sorrenti Law Charge was frequently “transferred” to Sorrenti Law and Olympia as trustees on behalf of the investors who invested in the syndicated mortgage loans being administered by Sorrenti Law.

27. On August 14, 2015, KingSett, Sorrenti Law, and Sunrise entered into a Subordination and Standstill Agreement (the “**Sorrenti Law SSA**”), under which Sorrenti Law subordinated and postponed all indebtedness owing by Sunrise to Sorrenti Law and all security in favour of Sorrenti Law in respect thereof in favour of KingSett’s senior indebtedness and security. In addition, Sorrenti Law agreed not to challenge, contest or bring into question the validity, priority or

perfection of KingSett's security or any enforcement action taken by KingSett under its security. A copy of the Sorrenti Law SSA is attached hereto as **Exhibit "L"**.

28. On October 21, 2016, in connection with the registration of KingSett's Subsequent Charge against the Real Property, Sorrenti Law and Olympia again entered into a Subordination and Standstill Agreement with KingSett and Sunrise (the "**Second Sorrenti Law SSA**"), confirming that the indebtedness and security held by Sorrenti Law and Olympia was postponed and subordinated to the senior indebtedness and security held by KingSett. A copy of the Second Sorrenti Law SSA is attached hereto as **Exhibit "M"**.

29. To reflect the terms of the Sorrenti Law SSA and Supplemental Sorrenti Law SSA, Sorrenti Law and Olympia registered postponements in favour of KingSett on title to the Real Property on November 22, 2016 and September 12, 2018 (together, the "**Sorrenti Law Postponements**"). Copies of the Sorrenti Law Postponements are attached hereto as Exhibits "**N**" and "**O**", respectively.

30. On September 30, 2019, FAAN Mortgage Administrators Inc. ("**FAAN**") was appointed as trustee over all of the assets, undertakings and properties of Sorrenti and Sorrenti Law relating to their trusteeship and administration of syndicated mortgage loans in projects affiliated with Fortress, including any real property mortgages registered in the names of Sorrenti and Sorrenti Law. A copy of the order of the Honourable Mr. Justice Hailey dated September 30, 2019 appointing FAAN as trustee (the "**FAAN Appointment Order**") is attached hereto as **Exhibit "P"**.

Sunrise's Other Creditors and Stakeholders

31. On September 9, 2020, a further charge in favour of Rehanna Ameerullah and Mansi Kumari in the principal amount of \$573,750 (the "**September 2020 Charge**") was registered on title to the real property bearing PIN 02985-0591 (LT). KingSett does not have any further details

concerning the September 2020 Charge but intends to serve a copy of this receivership application upon Rehanna Ameerullah and Mansi Kumari at the addresses for service indicated on the registration. The registration of the September 2020 Charge constitutes a default under the Commitment Letter. A copy of the September 2020 Charge is attached hereto as **Exhibit “Q”**.

32. KingSett also registered its security against Sunrise pursuant to the *Personal Property Security Act* (Ontario). A search conducted against Sunrise under the Ontario personal property registration system current to May 20, 2021 discloses a registration from KingSett, which has been renewed several times, but no registrations by any other person. A copy of the Ontario personal property registration system search results is attached hereto as **Exhibit “R”**.

33. I am advised by KingSett’s counsel that based on searches conducted against Sunrise, Sunrise is a defendant to certain construction lien and small claims litigation, the details of which are as follows:

- a. Construction lien action commenced in the Ontario Superior Court of Justice on May 24, 2019 by NG Marin Inc. claiming the amount of \$522,028.98 in respect of certain services in connection with the Unionvillas project. NG Marin Inc. had registered a construction lien against certain of the Real Property, however its lien was deleted on September 17, 2019;
- b. Construction lien action commenced in the Ontario Superior Court of Justice on July 8, 2019 by Columbus Roofing & Aluminum (2015) Ltd. claiming the nominal amount of \$0.01 in respect of certain services in connection with the Unionvillas project. Columbus Roofing & Aluminum (2015) Ltd. had registered a number of instruments against title to the Real Property, including certain construction liens, however all such instruments have been deleted since September 17, 2019;

- c. Construction lien action commenced in the Ontario Superior Court of Justice on August 29, 2019 by Aya Kitchen and Baths Ltd. claiming the nominal amount of \$0.01 in respect of certain services in connection with the Unionvillas project. Aya Kitchen and Baths Ltd. had registered a construction lien against certain of the Real Property, however its lien was deleted on September 17, 2019; and
- d. Action commenced in the Ontario Superior Court of Justice – Small Claims Court on January 18, 2021 by plaintiffs Masters Choice Realty and Hao Yu Yuan. I understand that on or about February 17, 2021, the plaintiffs obtained a default judgment in the amount of \$35,000 in respect of their claim.

34. On January 12, 2018, Sunrise registered an Application to Annex Restrictive Covenants s. 118 against title to the Real Property (the “**Restriction Statement**”). The Restriction Statement states the following:

Any transfer of the lands set out herein, namely PIN 02985-0545(LT) is hereby prohibited unless and until the consent of the Director of Planning and Urban Design, for the Corporation of the City of Markham, or his designate has been obtained.

35. A copy of the Restriction Statement as registered is attached hereto as **Exhibit “S”**. KingSett intends to serve a copy of this receivership application upon the specified officer on behalf of the City of Markham.

III. SUNRISE’S DEFAULT AND CURRENT CIRCUMSTANCES

36. Over the past several months, KingSett has granted Sunrise a series of extensions of the maturity date of its loan, enabling Sunrise to benefit from months of relief. Pursuant to the thirteenth amendment to the Commitment Letter dated January 26, 2021, the maturity date was most recently extended to July 1, 2021.

37. On May 1, 2021, Sunrise failed to make its required interest payment, thereby defaulting under the Commitment Letter, the Mortgage, the Subsequent Mortgage, and the GSA. Following the default, KingSett declared the entire amount of the Indebtedness due and payable.

38. On May 11, 2021, KingSett delivered a demand letter to Sunrise demanding that the Indebtedness be repaid in full by no later than May 21, 2021 (the “**Demand Letter**”). Concurrently, KingSett delivered a notice of intention to enforce security to Sunrise under the BIA (the “**NITES**”). A copy of the Demand Letter and the enclosed NITES is attached hereto as **Exhibit “T”**.

39. Further, on May 11, 2021, KingSett delivered a demand letter to the Guarantors demanding that the Guarantors repay the Sunrise Indebtedness in full by no later than May 21, 2021 (the “**Guarantee Demand Letter**”). A copy of the Guarantee Demand Letter is attached hereto as **Exhibit “U”**.

40. The 10-day period specified in the NITES expired on May 21, 2021 and Sunrise has not repaid the Indebtedness in full or in part.

41. The outstanding Indebtedness calculated as at May 10, 2021 is in the amount of \$1,950,807.35, plus accrued and accruing interest, fees and costs, which is broken down as follows:

Principal Balance (as at April 1, 2021)	\$1,083,190.53
Accrued Interest	\$21,418.88
Discharge Fee	\$550.00
Legal Fees	\$10,000.00
L/C Cash Collateralization	\$823,158.52
Outstanding L/C Fees	\$6,989.42
NSF Fee	<u>\$500.00</u>
TOTAL:	<u>\$1,950,807.35</u>

42. With respect to the Remaining Units, Sunrise has purportedly entered into agreements of purchase and sale which raise significant issues and concerns. In particular:

- a. the purchase price under these agreements does not meet the minimum threshold for a compliant sale under the Commitment Letter, which is \$930,000 per sale;
- b. four of the five agreements are with related parties, including three with the spouse of one of the Guarantors;
- c. the deposits were purportedly approximately \$500,000 per agreement, which are unusually high, some of which exceeded 50% of the purchase price for the properties. By comparison, the deposits for the prior townhome sales were typically paid in multiple smaller payments totalling \$120,000 in aggregate per unit; and
- d. Sunrise has also advised KingSett that the deposits (totalling \$2,575,000) have been depleted by Sunrise and are no longer available.

43. In these circumstances, KingSett is not prepared to consent to the proposed sales or discharge its Mortgage and KingSett has lost faith with management of Sunrise.

44. I have also been advised by FAAN that, as the trustee of Sorrenti Law, it objects to proposed sales and does not intend to voluntarily discharge the Sorrenti Law Charge.

IV. PROPOSED RECEIVERSHIP

45. KingSett has the right under its security to apply to the Court for the appointment of a receiver upon default by Sunrise, and Sunrise consented to such an appointment pursuant to the terms of the Mortgage.

46. KingSett believes the appointment of KSV as receiver is the most effective and appropriate manner to address the Remaining Units and all related issues, including the ultimate sale of the Remaining Units and the distribution of proceeds to creditors. Based on the likely value of the Remaining Units, I believe that, after payment of the Indebtedness, there will likely not be sufficient proceeds to fully pay out Sunrise's indebtedness under the Sorrenti Law Charge.

47. A receiver will be able to examine the sales contracts and determine whether any further investigation or action is required. A receiver is best positioned to make such examinations and determine the appropriate path forward, with a view to ultimately completing a sale of the Remaining Units for the benefit of Sunrise's creditors.

48. Given Sunrise's default and the current circumstances, I believe the appointment of a receiver over the Property is just and convenient and KingSett respectfully requests that the Court grant a receivership order substantially in the form attached to KingSett's Application Record.

49. It is proposed that, if appointed, KSV as receiver will be empowered pursuant to the form of receivership order to borrow funds for purposes of funding the costs of the receivership, including the professional costs and disbursements of the receiver.

50. KSV is prepared to act as receiver if so appointed. I am advised by Noah Goldstein of KSV that KSV is a licensed trustee as defined in the BIA, with extensive experience in Canadian insolvency proceedings, including with respect to residential real estate developments. A copy of KSV's consent to act as receiver is attached hereto as **Exhibit "V"**.

V. CONCLUSION

51. I swear this affidavit in support of KingSett's application to appoint KSV as receiver over the Property.

SWORN BEFORE ME

by videoconference on May 28, 2021 in accordance with O.Reg. 431/20: Administering Oath or Declaration Remotely. The deponent was located in the Town of Buckhorn in the Province of Ontario and I was located in the City of Toronto in the Province of Ontario



Commissioner for Taking Affidavits
(or as may be)

Commissioner: Benjamin Goodis
LSO# 703030H

DANIEL POLLACK

This is Exhibit "C" referred to in the Affidavit of Daniel Pollack sworn May 28, 2021.

A handwritten signature in black ink, appearing to read "Brian Goody". The signature is written in a cursive style with a prominent initial "B".

Commissioner for Taking Affidavits (or as may be)



May 5, 2015

Sunrise Homes Ltd.
50 West Wilmot Street, Suite 100
Richmond Hill, ON, L4B 1M5

Re: 4116, 4128 & 4142 Highway 7 East, Markham, ON

Dear Sajjad Hussain and Muzammil Kodwavi

KingSett Mortgage Corporation ("KingSett") is pleased to advise that we have approved the following loan facilities subject to the terms and conditions outlined below and within schedules A, B, C, D, E, F, G, H and I (hereinafter called the "Commitment" or "Commitment Letter").

Borrower Name: Sunrise Acquisitions (Hwy 7) Inc. (the "Borrower")

Guarantees: The joint and several personal guarantees of Muzammil Kodwavi and Sajjad Hussain (the "Guarantor(s)") for 100% of the Borrower's indebtedness to the Lender together with postponements of shareholder and creditor claims against the Borrower and the Project. These guarantees shall include the following:

- i) A guarantee to complete the project;
- ii) A cost overrun guarantee to keep the Project free of all liens and to fund all costs to complete the Project including, without limitation, all interest costs, fees, insurance premiums and other payments associated with the Project;
- iii) A guarantee to repay the Loan in full including all unpaid loan principal, unpaid loan interest and all unpaid costs and expenses incurred by the Lender in connection with the Loan; and.
- iv) A guarantee for environmental issues, misrepresentations, negligence and willful misconduct.

(Hereinafter, the "Guarantee").

Lender: KingSett Mortgage Corporation (the "Lender").

Legal Description: To be determined by the Lender's Solicitor.

Project Description: To provide land, development and construction financing for 52 townhouse lots. The project is located on Highway 7, just east of Warden Avenue in Markham, ON.

(Hereinafter the "Project" or "Property").

Project Budget: See Schedule "I"

Project Monitor: The Lender's consultant shall be Intrepid Quantity Surveying (the "Cost Consultant" or "Project Monitor"). The scope of the Project Monitor's mandate is outlined in Schedule "B" Project Monitor Mandate / Reporting. The cost of the Project Monitor and its reports, including HST, shall be for the exclusive account of the Borrower.

Minimum Project Equity: The Borrower shall maintain a minimum equity position of \$3,336,897 in the Project until the Loan has been fully repaid (the "Equity").

Loan Facility:

Facility 1:	\$11,700,000	Land Acquisition Loan ("Facility 1")
Facility 2:	\$20,185,550	Non-Revolving Servicing Loan ("Facility 2")
Note: The initial advance of Facility 2 will refinance Facility 1.		
Facility 3:	\$ 5,000,000	Revolving Construction Loan ("Facility 3")



	Facility 4:	\$ 500,000 Letters of Credit ("Facility 4" or "Letters of Credit")
		Collectively the "Loan" or "Loan Facility".
Purpose:	Facility 1:	To provide land acquisition financing.
	Facility 2:	To provide a non-revolving facility to assist with the servicing of the lots.
	Facility 3:	To provide a revolving construction facility to assist in the construction of all units of the Project.
	Facility 4:	Letters of Credit in support of the Project.
Interest Rate:	Facility 1:	8.00% per annum (the "Facility 1 Interest Rate").
	Facility 2:	6.50% per annum (the "Facility 2 Interest Rate").
	Facility 3:	6.00% per annum (the "Facility 3 Interest Rate").
	Facility 4:	6.50% per annum (the "Facility 4 Interest Rate") applicable to all drawings under Letters of Credit. No interest shall accrue on this facility until the Letters of Credit are drawn upon.
LC Fees:		2.50% per annum. Subject to a minimum fee of \$500 annually per Letter of Credit. Any amendments to a Letter of Credit will be subject to a minimum fee of \$350 per amendment
		Interest on the Loan facilities shall be calculated daily and compounded and payable monthly, not in advance, based on the number of days that the applicable loan facility is outstanding.
Monthly Payments:		Monthly payments of interest only, not in advance, are required to be made by the Borrower to the Lender in connection with the Loan at the various interest rates set out above and subject to the Interest Reserve provisions of this Commitment (the "Monthly Payments"). Monthly Payments are to be made on the first calendar day of every month until the Loan is repaid in full commencing on the first calendar day of the month next following the date of initial advance of the Loan or, more particularly, following the date of initial advance of the applicable loan facility forming part of the Loan.
Interest Reserve:	<u>Facility 1</u>	Provided the Loan is not in default, monthly interest shall be capitalized to the outstanding principal balance of Facility 1 until the earlier of repayment of Facility 1 in full or the capitalization of a total of \$780,000 of monthly interest payments to Facility 1 (the "Facility 1 Interest Reserve"). Upon default by the Borrower under the Loan or Security or upon full utilization of the Facility 1 Interest Reserve, the Borrower shall be required to make Monthly Payments to the Lender from resources other than the Facility 1 Interest Reserve.
	<u>Facility 2</u>	Provided the Loan is not in default, monthly interest shall be capitalized to the outstanding principal balance of Facility 2 until the earlier of repayment of Facility 2 in full or the capitalization of a total of \$1,185,000 of monthly interest payments to Facility 2 (the "Facility 2 Interest Reserve"). Upon default by the Borrower under the Loan or Security or upon full utilization of the Facility 2 Interest Reserve, the Borrower shall be required to make Monthly Payments to the Lender from resources other than the Facility 2 Interest Reserve.



Note: the Facility 1 Interest Reserve and the Facility 2 Interest Reserve are collectively referred to herein as the "Interest Reserve".

Term:

Facility 1

Twelve (12) months from the first day of the month next following the first advance of funds under Facility 1 (the "Facility 1 Maturity Date"). Subject to the Loan or the Security therefor not being in default, two (2) extensions of the Facility 1 Maturity Date of up to three (3) months each may be granted at the Lender's option subject to payment, in advance, of the Extension Fee by the Borrower to the Lender.

Facility 2

Eighteen (18) months from the first day of the month next following the first advance of funds under Facility 2 (the "Facility 2 Maturity Date"). Subject to the Loan or the Security therefor not being in default, two (2) extensions of the Facility 2 Maturity Date of up to three (3) months each may be granted at the Lender's option subject to payment, in advance, of the Extension Fee by the Borrower to the Lender.

Facility 3

Twelve (12) months from the first day of the month next following the first advance of funds under Facility 3 (the "Facility 3 Maturity Date"). Subject to the Loan or the Security therefor not being in default, two (2) extensions of the Facility 3 Maturity Date of up to three (3) months each may be granted at the Lender's option subject to payment, in advance, of the Extension Fee by the Borrower to the Lender.

The "Maturity Date" shall herein be defined as the Facility 1 Maturity Date, the Facility 2 Maturity Date or the Facility 3 Maturity Date, whichever is the furthest date from the date of this Commitment.

Repayment:

Facility 1, 2 & 3

Unit/lot sale proceeds from the Project will be used to repay the Loan Facility. All outstanding principal, interest and other monies contemplated herein are due upon the earlier occurrence of the following: (a) on demand at the option of the Lender or upon the occurrence of an Event of Default by the Borrower in observing and performing their respective obligations hereunder or under the Security; and (b) upon the maturity date or any renewal thereof with respect to any one or more of the Loan Facilities.

Facility 4

Cancellation by beneficiaries.

Commitment Fee:

\$559,940 (the "Commitment Fee") deemed earned upon acceptance of the Commitment Letter by the Borrower and payable by the Borrower to the Lender from the proceeds of the initial loan advance of each loan facility as follows:

Facility 1:	\$204,750 (1.75%)
Facility 2:	\$292,690 (1.45%)
Facility 3:	\$ 62,500 (1.25%)

The Borrower acknowledges that the Commitment Fee is a reasonable estimate of the Lender's cost incurred in sourcing, investigating, underwriting and preparing the Loan Facility and holding monies available to fund the Loan Facility and that said fee is still earned by and payable to the Lender if the initial advance of Facility 1 is not advanced by June 1, 2015.

Good Faith Deposit:

Lender acknowledges receipt of the \$30,000 good faith deposit. This deposit will be used for expenses and the related HST, GST and/or PST that may be incurred by the Lender prior to the initial advance of the Loan, such as, but not limited to, the cost of property inspections, legal fees and disbursements, environmental site assessments, appraisal reports, insurance consultant reports and the cost of title insurance, if



- applicable, with the remaining balance, if any, to be credited towards the Commitment Fee (the "Good Faith Deposit").
- Discharge Fee:** Until the Loan is repaid in full, a discharge fee of \$550 per lot/unit ("Discharge Fee") shall be earned by the Lender and be payable to it by the Borrower prior to the delivery of a partial mortgage discharge, for the same lot, by the Lender to the Borrower.
- Extension Fee:** Facility 1, 2 & 3
Should the Borrower request an extension of the maturity date for Facility 1, Facility 2 and/or Facility 3 and should, at the Lender's discretion, an extension of the maturity date be granted, or extensions if more than one, an extension fee equivalent to 0.50% of the authorized Facility 1, Facility 2 and/or Facility 3 loan amount, as applicable, shall be earned by the Lender (the "Extension Fee") and be payable by the Borrower to the Lender immediately prior to each such three (3) month extension of the Maturity Date until full repayment of the Loan.
- Over Holding Fee:** If any one or more of Facility 1, Facility 2 or Facility 3 is not repaid in full by its respective maturity date as heretofore defined, the Borrower shall be required to pay to the Lender an over holding fee, in addition to any and all other rates, fees and costs to be paid to the Lender by the Borrower pursuant to this Commitment. More particularly, this fee shall be earned by and payable to the Lender monthly, in advance, on the first business day of each month and shall be payable at the rate of 0.25% per month, or part thereof, multiplied by the then outstanding amount of Facility 1, Facility 2 and/or Facility 3, as applicable (the "Over Holding Fee"). The Borrower hereby acknowledges that the requirement to pay the Over Holding Fee does not constitute an extension of the Loan or, more particularly, any of the separate loan facilities that comprise the Loan as herein defined. If any of the loan facilities that comprise the Loan are not repaid in full by their respective maturity date, the same shall constitute monetary default by the Borrower under the Commitment and Security documents notwithstanding payment of the Over Holding Fee. The Borrower further acknowledges that the Lender, at its option, may add the Over Holding Fee to the outstanding principal balance of the Loan and that the Security for the Loan also secures the Over Holding Fee.
- Partial Discharges:** Facility 2 and 4
Provided there has been no default under this Commitment or the Security for the Loan and until such time as the Facility 2 has been repaid in full and the Letters of Credit issued pursuant to Facility 4 have been 100% secured by cash, the Lender will provide partial mortgage and PPSA discharges to the Borrower for Facility 2 and Facility 4 upon receipt by the Lender of \$542,500 per lot (the "Partial Discharge Amount"), plus the Discharge Fee defined above.
- In order of priority, the Partial Discharge Amount will be applied as follows: firstly to the permanent reduction of Facility 1 until repaid in full; secondly, to cash secure 100% of the outstanding Letters of Credit; and, thirdly, to the permanent reduction of Facility 2 until repaid in full.
- Facility 3
Provided there has been no default under this Commitment or the Security for the Loan, the Lender will provide partial mortgage and PPSA discharges to the Borrower for Facility 3 upon receipt by the Lender of the Facility 3 principal amount advanced against the applicable unit plus accrued interest and the Discharge Fee.
- Prepayment:** This Loan Facility shall be closed to prepayment save and except from the proceeds of sale from individual unit closings following substantial completion and issuance of occupancy certificates for said units.
- Security:** The Borrower, prior to any advance of funds under the Loan Facility, shall execute and deliver to the Lender the following security documents, which shall be in form,



scope and substance satisfactory to the Lender and its legal counsel (collectively the "Security"):

Facility 1, 2, 3 & 4

1.	Registered first mortgage in the amount of \$31,481,940 plus Letter of Credit exposure (~125% gross up).
2.	General Assignment of any and all agreements of purchase and sale, including purchaser deposits, pertaining to the Project, in whole or in part. Any and all purchaser deposits from the sale of the Property, in whole or in part, including with respect to individual townhome unit sales must be held in a solicitor's deposit trust account in accordance with provincial legislation for such deposits to the extent they are not used as a part of the financing program as per the Lender approved sources and uses set out within Schedule "I" hereto.
3.	Guarantee(s) from the Guarantors as per the Guarantees section of this Commitment Letter.
4.	General Security Agreement registered under the Personal Property Security Act Ontario.
5.	General assignment of rents and leases registered on title to the Project Lands.
6.	General assignment of all current and future material contracts for the Project including, without limitation, those relating to engineering specifications and drawings, architectural specifications and drawings, plans, land servicing contract, construction contracts, licenses and permits.
7.	Negative Pledge by Borrower and Guarantors to not repay any shareholder loans, redeem shares, pay out dividends or to otherwise compensate the Project sponsors and other non-arm's length parties until such time as the Loan has been repaid in full, save and except for those development, marketing and/or construction fees specifically approved in writing by the Lender and included in the Project budget prepared by the Project Monitor.
8.	Acknowledgement, direction and security agreement from the beneficial owners of the Property, if the same are different than the registered owner of the Property, with respect to all of the security agreements entered into by the registered owner of the Property in favour of the Lender.
9.	Pledge to the Lender of any and all issued and outstanding common shares, preferred shares and limited partnership units of the Borrower (and any and all shares of a general partner for a limited partnership). The Lender's interest in such securities shall be perfected by possession and control by the Lender (or its legal counsel on behalf of the Lender) of the original share and unit certificates. If the registered owners of such shares and units are not a Guarantor (as defined previously herein), then such registered owners shall be required to jointly and severally guarantee the Loan; provided, however, that such guarantee shall be limited in scope to the pledge of shares/units. If the registered owners are different than the beneficial owners of such securities, the beneficial owners of such securities shall be required to enter into an acknowledgement, direction and security agreement authorizing the registered owner to pledge the shares/units to the Lender.
10.	Assignment of Insurance - Insurance coverage's as set out Schedule "A" hereto which shall include without limitation: comprehensive general liability insurance for the Property in an amount not less than \$5,000,000 per occurrence naming the Lender as additional insured; satisfactory all-perils,



	<p>boiler & machinery and business interruption policies as applicable to the Project to be in place with the Lender added as first mortgagee and loss payee there under; policies to include industry standard mortgage clause. Any other insurance coverage required by the Lender, acting reasonably. Insurance company or companies if more than one, to be satisfactory to the Lender and its insurance consultant, acting reasonably.</p> <p>The Lender's independent insurance consultant shall, at the Borrower's expense, review the required insurance coverage's and policies;</p>
11.	Indemnification Agreement in respect to any Letters of Credit.
12.	Hazardous Substance Indemnity with respect to the Project.
13.	Assignment or charge over the cash, term deposit or GIC, as the case may be, securing the LC's will be required.
14.	Such other and further security and documentation as may be required by the Lender, acting reasonable, for a project of this nature.

The Lender's mortgage and general assignment of rents and leases shall be registered on title to the Project lands. Where applicable, as determined by the Lender, PPSA registrations shall be granted in favour of the Lender with respect to the Lender's personal property security for the Loan. All such security must be first ranking on title to the Project Lands or under the PPSA, as applicable.

Costs and Expenses

Borrower to bear all costs and expenses of Lender in connection with the subject Loan opportunity regardless of whether or not the Loan Facility is ever advanced; such costs may include, but shall not be limited to, legal fees, disbursements, environmental site assessment reports, appraisal reports, building condition reports, insurance consulting reviews, reliance letters, title insurance and out-of-pocket expenses for property inspections.

Conditions Precedent

The Loan shall be subject to the following pre-funding conditions which shall each have been received, reviewed and/or met, as the context implies, to the satisfaction of the Lender in its sole, absolute, and unfettered discretion prior to any advance of, as applicable, Facility 1, Facility 2, Facility 3 or Facility 4 (collectively, the "Conditions Precedent"):

Facility 1

1.	Due diligence by Lender re: Borrower, Guarantor(s), and Project.
2.	Receipt and satisfactory review by the Lender of personal net worth statements and organizational charts from the Guarantor.
3.	Preliminary budget review from the Lender's Cost Consultant substantiating the Project Budget as set out in Schedule "I" to this Commitment.
4.	Copies of all required letters of credit for the Project. The Project Monitor will confirm that all letters of credit are duplicates of project costs included with the Project Budget.
5.	Receipt of the Agreement of Purchase and Sale of the Project lands.
6.	Receipt and Satisfactory review by the Lender of a fully executed sub-division agreement.
7.	Receipt and satisfactory review by the Lender of evidence confirming zoning and Draft Plan Approvals are in place permitting the development and



	construction of the Project with satisfactory review of all conditions thereof.
8.	Receipt and satisfactory review by the Lender of a fully executed cost sharing agreement with neighbouring landlords should one be required in connection with the development of the Project and neighbouring lands.
9.	Receipt and satisfactory review by the Lender of an environmental report(s) and reliance letter(s) addressed to the Lender. The environmental report(s) should indicate that any contaminants are within applicable MOE guidelines.
10.	Receipt and satisfactory review by the Lender of a geotechnical / soil report and reliance letter addressed to the Lender. This report should confirm that the Project lands and soil conditions support the proposed Project.
11.	Receipt by the Lender and the Project Monitor of all Project architectural and engineering plans, drawings and specifications together with all related architectural and engineering fee-for-service soft cost contracts. Such contracts to be acceptable to the Lender and the Project Monitor.
12.	Receipt and satisfactory review by the Lender and its insurance consultant, Canrisc Insurance Consulting Services, of appropriate insurance coverages for the Project including, without limitation, liability and builder's "all risks" policies. The cost of the insurance review by the Lender's insurance consultant will be for the exclusive account of the Borrower. See attached Schedule "A" for Lender's insurance requirements.
13.	Confirmation that all realty taxes, development charges, levies, etc. have been paid in full.
14.	Receipt and satisfactory review by the Lender of a real property report / survey for the Project prepared by an accredited Ontario land surveyor confirming no encroachments, easements or rights of way, save those which the Lender may specifically accept, and setting out the relationship of the lands and proposed improvements thereon to public thoroughfares for access purposes. Alternatively, at the cost of the Borrower, title insurance with First Canadian Title may be put in place that is satisfactory in form, scope and content to the Lender and its legal counsel.
15.	Receipt and satisfactory review by the Lender and its solicitors of all customary off-title searches for properties of similar nature to that of the Project including, without limitation, searches for unregistered easements, rights-of way, property tax status and environmental notices. The off-title searches are to be obtained by the Borrower's solicitors and forwarded to the Lender's solicitors for review. Alternatively, title insurance with First Canadian Title may be put in place, at the cost of the Borrower, that is deemed satisfactory to the Lender and its solicitors.
16.	Evidence satisfactory to the Lender of clean title including the absence of liens and other encumbrances save and except for any encumbrances specifically approved in writing by the Lender.
17.	Satisfactory appraisal confirming an "as is" land value of not less than \$13,500,000.
18.	Satisfactory site inspection by the Lender.
19.	Borrower to execute Lender's Pre Authorized Debit ("PAD") Form, which shall permit the Lender to debit the Borrower's applicable current account each month for the Monthly Payment required hereunder should full utilization, suspension or cancelation of the Interest Reserve occur. See Schedule "F".
20.	Borrower to complete the Lender's Notice to Property Tax Authority form



	(Schedule "G" attached hereto) for each Property which shall permit the Lender to request information from the municipality regarding the Property's property taxes should the Borrower not provide such information to the Lender (in a form acceptable to the Lender) within 20 calendar days of a written request from the Lender to the Borrower for confirmation of the status of property tax payments related to the Property.
21.	All Security to be executed by, as applicable, the Borrower, the Lender and all guarantors and to, as applicable, be registered on title to the Project lands, and/or under the PPSA at least one (1) business day prior to the initial advance of the Loan.
22.	Such other conditions precedent to the initial advance of Facility 1 as may be required by the Lender acting reasonably and in good faith
23.	See Schedule "C" for list of due diligence material.

Facility 2

1.	All Facility 1 conditions precedent have been met to satisfaction of Lender.
2.	The Borrower shall provide satisfactory evidence to the Lender and its Cost Consultant that the total Project budget shall not exceed \$23,636,897 as detailed within Schedule "I" hereto.
3.	Receipt and satisfactory review by the Lender and Cost Consultant of evidence confirming engineering approvals or other approvals as required permitting commencement of servicing of the Project.
4.	Receipt and satisfactory review by the Project Monitor of the full and final set of engineering and other relevant drawings required pursuant to the conditions of sub-division approval.
5.	Lender to be satisfied in its absolute, unfettered discretion with the Borrower's land servicing contractor for the Project.
6.	Receipt and satisfactory review of an executed contract with the land servicing contractor, in scope, form and content acceptable to the Lender.
7.	Confirmation that all realty taxes, development charges, levies, etc. have been paid in full.
8.	Satisfactory appraisal confirming a serviced lot value (inclusive of development charges) of not less than \$23,636,897 (\$454,556 per lot), and a completed project valuation of not less than \$48,360,000 (\$930,000 per unit) before deduction of HST.
9.	Confirmation that the Borrower and the Project are registered and enrolled with Tarion.
10.	Receipt and satisfactory review of 32 firm and binding unit presales (to arm's length purchasers) at gross prices of not less than \$930,000 per unit (before deduction for HST) including purchaser deposits of not less than \$80,000 per unit together with satisfactory evidence of mortgage qualification for each pre-sale.
11.	Such other conditions precedent to the initial advance of Facility 2 as may be required by the Lender acting reasonably and in good faith.



Facility 3

1.	All Facility 1 and Facility 2 conditions precedent have been met to the satisfaction of the Lender.
2.	The Borrower shall have provided evidence verified by the Lender's Cost Consultant, that the total costs for the Project shall not exceed \$39,236,897 as detailed under the Project Budget.
3.	<p>For all presold homes, the Lender shall receive:</p> <ul style="list-style-type: none"> (i) A copy of the agreement of Purchase and Sale for such unit, which shall be unconditional (or for which all conditions have been waived or are deemed to have been waived), and provides for a total contracted deposit of not less than 5% of the gross purchase price per unit. (ii) A report listing all purchaser deposit cheques received to date accompanied by a statutory declaration signed by the Borrower. (iii) Confirmation of take-out mortgage financing for each purchaser to be obtained on a best efforts basis. (iv) The Lender and Cost Consultant are to receive copies of all building permits applicable to any unit for which a construction advance is requested. <p>The form and content of the Purchase and Sale agreement shall be satisfactory to the Lender, acting reasonably. The Lender may elect to lower the minimum deposit required to qualify for financing provided that the purchaser has qualified and accepted first time buyer take out mortgage financing at a financial institution acceptable to the Lender in its sole discretion.</p>
4.	Evidence satisfactory to the Lender that there are not more than three inventory and model homes under construction.
5.	Evidence satisfactory to the Lender that not less than 50% of the units have been pre-sold within each townhouse block under construction.
6.	Such other conditions precedent to the initial advance of Facility 3 as may be required by the Lender acting reasonably and in good faith.

Facility 4

1.	Satisfaction of all of the conditions precedent for Facility 1 and Facility 2.
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Minimum House Prices:

Notwithstanding anything contained in this Commitment to the contrary, the Borrower shall not be permitted to sell homes for prices less than \$930,000 per unit without the Lender's prior written consent, which consent the Lender may withhold, condition and/or delay given that the Lender has made the Loan Facilities available to the Borrower on its representation that each home will sell for not less than \$930,000 before deduction for HST.

Availability:

Facility 1

A one-time advance of \$10,920,000, with the Facility 1 Interest Reserve of \$780,000 to be capitalized monthly.

Facility 2

1.	The initial advance of Facility 2 will repay Facility 1. All advances to complete the servicing of the Project shall be funded on both a work in place and cost to complete basis in amounts not less than \$100,000 and not more frequently than once per month. The outstanding balances of all advances under Facility 2 are, at all times, not to exceed \$20,185,550 and Facility 2 shall be non-revolving.
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2.	All advances to be supported by, except in the case of advances of the Facility 2 Interest Reserve alone, a progress advance report prepared by Project Monitor in scope, form and substance acceptable to the Lender as detailed in schedule "B".
3.	All requests for advances shall, in writing, include the following, each in a form and substance satisfactory to the Lender: <ul style="list-style-type: none"> (i) Certificate from the Lender's Cost Consultant indicating: <ul style="list-style-type: none"> a. Cost of work in place; b. That the work to date is in accordance with the plans and specifications previously submitted to the Lender; c. Interest, the amount of holdbacks, and cost to complete; and d. Estimated completion date. (ii) Report from the Lender's legal counsel showing clear title.
4.	Accumulated advances shall at no time exceed the cost of work-in-place less the sum of the following: (i) holdbacks required under the construction lien act; (ii) Borrower equity invested in the Project, not to be less than the Equity, as defined herein; (iii) purchaser deposits; and (iv) deferred costs as per Schedule "I";
5.	Lender reserves the right to make advances directly to the contractor, other trades (sub-trades or otherwise) and/or suppliers if the Borrower is in default under the Loan or if the Lender believes, in its sole and unfettered discretion without the need to furnish evidence to the Borrower thereof, that Loan advances are being diverted from the Project and/or are being used to fund Project costs not provided for in the Lender approved Project budget set out in the most recent Project Monitor report.
6.	For each advance under Facility 2, save for those exclusively related to the Facility 2 Interest Reserve, the Borrower shall sign a statutory declaration satisfactory to the Lender and its legal counsel confirming that all Facility 2 proceeds are being used solely to pay all Lender-approved accounts payable of the Project and for no other purpose whatsoever. Any use of Loan proceeds for any purpose other than that which has been approved by the Lender in connection with the Project Budget shall constitute default by the Borrower under this Commitment Letter and the Security agreements.
7.	All costs incurred by the Lender in making each Facility 2 advance including, without limitation, the cost of a sub-search of title are for the account of the Borrower and may, at the Lender's option, be deducted from any advance of Facility 2.
8.	All loan advances, save and except for the initial advance of the Loan and advances under the Facility 2 Interest Reserve alone, shall be subject to a \$500 loan advance fee payable to the Lender which amount shall be deducted from the applicable Facility 2 advance by the Lender.
9.	All realty taxes including, without limitation, all levies, development charges, educational development charges and local improvement rates billed to the date of each advance of Facility 2 are to be paid in full.

Facility 3

1.	Loan proceeds to a maximum of \$5,000,000 shall be provided as a revolving construction loan for pre-sold townhouses and approved inventory units. Inventory financing (including model homes) for townhouse blocks shall be
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	limited to a maximum of 25% of the units contained in the townhouse block and the total number of inventory units under construction within the Project shall not exceed 5 units at any given time.
2.	All advances, except in the case of advances of the Facility 3 Interest Reserve alone, shall be supported by a progress advance report prepared by the Project Monitor in scope, form and substance acceptable to the Lender as detailed in schedule "B".
3.	For each advance under Facility 3, save for those exclusively related to the Facility 3 Interest Reserve, the Borrower shall sign a statutory declaration satisfactory to the Lender and its legal counsel confirming that all Facility 3 proceeds are being used solely to pay all Lender-approved accounts payable of the Project and for no other purpose whatsoever. Any use of Loan proceeds for any purpose other than that which has been approved by the Lender in connection with the Project Budget shall constitute default by the Borrower under this Commitment Letter and the Security agreements.
4.	Construction advances shall be funded on a work-in-place basis supported by a Project Monitor's report and shall not exceed 75% of unit value (less HST) for pre-sold homes [i.e. the lesser of purchase price or list price/value] and/or 65% of the unit value (less HST) of model/inventory units [i.e. the average selling price of pre-sold homes that are similar/identical model types to the proposed model/inventory unit; where pre-sold comparable is unavailable, the "unit value" to be determined via a "typical" model appraisal] less (i) partial discharge payments and (ii) holdbacks. The Project Monitor report will, inter alia, attest to the following; <ul style="list-style-type: none"> (a) Cost of work in place; (b) The amount of holdbacks and cost to complete; and (c) Estimated completion date.
5.	Lender reserves the right to make advances directly to the contractor, other trades (sub-trades or otherwise) and/or suppliers if the Borrower is in default under the Loan or if the Lender believes, in its sole and unfettered discretion without the need to furnish evidence to the Borrower thereof, that Loan advances are being diverted from the Project and/or are being used to fund Project costs not provided for in the Lender approved Project budget set out in the most recent Project Monitor report.
6.	The Lender shall charge a loan advance fee of \$500 per Facility 3 loan advance.
7.	All realty taxes including, without limitation, all levies, development charges, educational development charges and local improvement rates billed to the date of each advance of Facility 3 are to be paid in full.
8.	All advances of the Loan are subject to a sub-search by the Lender's legal counsel evidencing clear title to the Project lands save for the Security.
9.	All costs incurred by the Lender in making each Facility 3 advance including, without limitation, the cost of a sub-search of title are for the account of the Borrower and may, at the Lender's option, be deducted from any advance of Facility 3.

Facility 4

1.	As requested by the Borrower from time-to-time subject to \$500,000 in aggregate amount and subject to confirmation by the Project Monitor that any and all such requested Letters of Credit are to secure items whose cost is already reflected in the Project Budget approved by the Lender.
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The initial advance of the Loan is subject to the prior execution and registration of the Security and satisfaction of all terms and conditions of the Loan including, without limitation, the Conditions Precedent. All Security to be in place and, if applicable, registered on title to the Project lands or under the Ontario PPSA, as the case may be, at least one (1) business day prior to the initial advance of the Loan.

In the event the initial advance of the Loan has not been made by 5:00pm Eastern Standard Time on June 1, 2015, at the exclusive option of the Lender, the Lender's obligation under its loan commitment shall cease and be at an end and the Lender shall be released from any and all of its present and/or further obligations under this Loan Commitment including the obligation to advance the Loan. Notwithstanding the same, the Borrower shall remain obligated to make and the Lender shall remain entitled to receive full payment of the Lender's Fee, save and except in the instance the Loan has not been advanced solely as a result of the non-performance of the Lender.

Special Conditions:

The following special conditions shall apply at all times prior to full repayment of the Loan:

1. Notwithstanding anything contained in this Commitment to the contrary, in the case of default brought on by a cost overrun, until such time as all cost overruns and deficiencies are funded the Lender may call upon the Guarantee from the Borrower and/or Guarantor from time to time to fund said cost overruns or deficiencies that have not been so funded.
2. Purchaser deposits may only be used for the following purposes and for no other purpose whatsoever: to fund arms-length Project costs contained in the Project budget carried by the Cost Consultant and approved by the Lender; to reduce the outstanding balance of Facility 1; to reduce the outstanding balance of Facility 2; or to reduce the outstanding balance of Facility 3. Use of purchaser deposits for any other reason shall constitute default under the Commitment and the Security.
3. Subsequent Financing – subsequent indebtedness to the subject Loan, secured or unsecured, is not permitted in connection with the Project without the prior written consent of the Lender, which consent may be arbitrarily withheld, delayed and/or conditioned by the Lender. Subsequent financing of the Property without the Lender's prior written consent shall be deemed an event of default under this Commitment and the Security documents.
4. Sale of Project – Prior to full repayment of the Loan, the Borrower may not sell the Project, in whole or in part, without the Lender's prior written consent and the assumption of the Loan by a purchaser of the Project shall not be permitted. Sale of the Project without the Lender's prior written consent shall be deemed an event of default under this Commitment and the Security documents. Provided, however, that sale of individual units to end users through normal course of business shall be permitted by the Lender.
5. The Borrower shall establish a separate Project account at a financial institution acceptable to the Lender through which all advances and disbursements shall be made in respect to the Project.
6. Real Property Taxes – the Borrower shall pay when due to the taxing authority or authorities having jurisdiction all property taxes and provide to the Lender evidence of such payment at least quarterly or as otherwise requested from time-to-time by the Lender.
7. Ongoing Disclosure - at the Lender's request from time-to-time, the Borrower shall provide the Lender with ongoing Project information including, but not limited to, working and final architects' / engineers' drawings; construction



budgets; artist's renderings; floor plans for the proposed units and Project Monitor reports.


8. Harmonized Sales Tax - Borrower accepts full responsibility for remittance and payment of any and all HST due and the periodic submission and collection of all HST claims and credits. The approved Project Budget shall include a net difference of \$Nil for HST paid less HST recovered and shall also include a ceiling of \$100,000 at any point in time, prior to full repayment of the Loan, with respect to the permitted difference between HST included in work-in-place less HST recovered by the Borrower from government authorities. If the difference referred to in the previous sentence exceeds \$100,000 at any point in time prior to repayment of the Loan in full, it is a requirement of this Commitment and the Loan that the portion of the difference in excess of \$100,000 be funded by additional Borrower equity.
 9. Lender's Sign – the Lender shall have the right, but shall not be obligated, at the Lender's cost, to place a sign on the Project lands at any time after execution of the Commitment by the Borrower but prior to full repayment of the Loan, which sign shall state that the Lender has assisted with the financing of the Project. The Lender, at the Lender's cost, shall be permitted to take down the sign at any time prior to full repayment of the Loan. Following full repayment of the Loan, the Borrower shall be permitted to take down such sign at any time at the Borrower's cost.
 10. This Commitment and Loan shall be governed by and construed under laws of the Province of Ontario and the federal laws of Canada applicable therein.
 11. Other Conditions: See Schedule "B".
- The Lender to select as solicitor:
 Avrom Brown
 Garfinkle Biderman LLP
 Dundee Place, Suite 801
 1 Adelaide Street East
 Toronto, Ontario M5C 2V9
 Direct: 416.869.1234
 Email: abrown@garfinkle.com
12. The Borrower to select as solicitor (please insert details) :
 13. Reporting : See Schedule "E"
 14. Privacy Act Consent: See Schedule "H"

If you are in agreement with the foregoing terms and conditions, please so indicate by signing and returning one (1) copy of this Commitment to the Lender's office by May 11, 2015, failing which, at the Lender's exclusive option, this Commitment shall be deemed null and void and of no effect.

Yours truly,

KINGSETT MORTGAGE CORPORATION


 Bryan Salazar
 Director, Mortgage Underwriting & Funding


 Scott Coates
 Managing Director, Mortgage Investments

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ACCEPTANCE

We hereby accept the terms and conditions of this Commitment Letter, agree to be responsible for all fees and disbursements (and applicable taxes thereon) payable in accordance with the provisions of this Commitment Letter and authorize any credit checks contemplated herein. By signing this Commitment Letter, the Borrower acknowledges that the Loan is solely for its own benefit and not for the benefit of any third party.

DATED AT RICHMOND Hill, this 6th day of May, 2015.

**BORROWER
SUNRISE ACQUISITIONS (HWY 7) INC.**

Per: [Signature]
Name: SAJJAD HUSSAIN
Title: DIRECTOR

Per: _____
Name: _____
Title: _____

I/we have authority to bind the Corporation.

GUARANTOR(S)

[Signature]
Sajjad Hussain

R. Pirani
Witness RUNEEL PIRANI
Name: SECRETARY.
Address: _____

[Signature]
Muzammil Kodwani

R. Pirani
Witness RUNEEL PIRANI.
Name: SECRETAR.
Address: _____

(Schedules "A" through "I" are located below)



SCHEDULE "A - I" CONSTRUCTION

CONSTRUCTION INSURANCE REQUIREMENTS CHECKLIST

1. All insurance policies must be forwarded to our insurance consultant for review. The cost of such review shall be for the account of the Borrower.
2. All insurance policies shall be in form and with insurers reasonably acceptable to the Lender and contain the original signatures of the insurers.
3. **KingSett Mortgage Corporation** must be shown as **First Mortgagee (per the Security section)** and Loss Payee under the Builder's Risk and, where applicable, Boiler and Machinery Insurance policies.
4. The Borrower/Registered Owner must be shown as a Named Insured or Additional Named Insured under all policies of insurance in force with respect to the subject Project.
5. The insurers, policy numbers, policy limits, policy term, applicable reasonable deductibles and the location of the Property as an insured location must be shown on the insurance policies.
6. The Builder's Risk and, where applicable, Boiler and Machinery policies shall contain a standard mortgage clause in favour of **KingSett Mortgage Corporation**.
7. All policies of insurance must provide **KingSett Mortgage Corporation** with at least 30 days' prior written notice of adverse material change or cancellation, except for the non-payment of premium, in which case the Statutory Conditions may apply.
8. There needs to be evidence of Builders Risk insurance written on an **All Risk or Broad Form** basis, subject to the latest CCDC policy wording.
9. The Builders Risk insurance needs to insure 100% of the projected **Hard Costs** and not less than 25% of the projected recurring **Soft Costs**.
10. There needs to be evidence of full **By-laws** extensions, including the increased cost of construction, cost of demolition of the undamaged portion of the property and resultant loss of income.
11. There needs to be evidence of **Earthquake** insurance.
12. There needs to be evidence of **Flood** insurance
13. There needs to be evidence of **Sewer Back-Up** insurance
14. The Builders Risk policy needs to include a "**Permission to Occupy**" clause.
15. The Builders Risk policy needs to include **Delayed Rental Income / Soft Costs** insurance to cover the anticipated loss of revenue for one year, which may be incurred in the event of an insured loss, during construction.
16. Please provide copies of all policy "**Warranties**" that apply.
17. The Builder's Risk policy will provide coverage for the, **installation, testing and commissioning, of machinery and equipment**.
18. There must be evidence of comprehensive Boiler and Machinery insurance covering all central HVAC and miscellaneous electrical equipment (and production machinery where applicable) for explosion, electrical and mechanical breakdown.
19. Such other insurance as **KingSett Mortgage Corporation** may reasonably require given the nature of the security and that which a prudent owner of similar security would purchase and maintain, or cause to be purchased and maintained.

There must be full, original, certified, endorsed copies of the insurance policies provided to **KingSett Mortgage Corporation**, as soon as available from the insurers. (The certified policy copies should be available within 60 to 90 days). Signed Certificates or Binders of Insurance addressing the above will suffice as insurance evidence for closing purposes. Certificates or Binders of Insurance are not acceptable if they contain the words, "This certificate is issued as a matter of information only and confers no rights upon the certificate holder" and the words "will endeavour to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" under the cancellation clause.



SCHEDULE "A - II" CONSTRUCTION

CONSTRUCTION LIABILITY INSURANCE REQUIREMENTS CHECKLIST

1. All insurance policies must be forwarded to our insurance consultant for review. The cost of such review shall be for the account of the Borrower.
2. All insurance policies shall be in form and with insurers reasonably acceptable to the Lender and contain the original signatures of the insurers.
3. The insurers, policy numbers, policy limits, policy term, applicable reasonable deductibles and the location of the Property as an insured location must be shown on the insurance policies.
4. All policies of insurance must provide **KingSett Mortgage Corporation** with at least 30 days' prior written notice of adverse material change or cancellation, except for the non-payment of premium, in which case the Statutory Conditions may apply.
5. **KingSett Mortgage Corporation** must be an Additional Insured under all Liability Insurance policies covering the Property with respect to claims arising out of the operations of the Named Insured.
6. Such other insurance as **KingSett Mortgage Corporation** may reasonably require given the nature of the security and that which a prudent owner of similar security would purchase and maintain, or cause to be purchased and maintained.

Owners Liability:

7. There must be evidence of **Owners'** liability insurance, with a minimum limit of **\$5,000,000** per occurrence or such other limit as may be agreed to by lender, unless the owner has purchased a Wrap-up Liability policy.

Contractors Liability:

8. There must be evidence of **Contractors** Liability insurance, with a minimum limit of **\$5,000,000** per occurrence or such other limit as may be agreed to by lender.
9. The **Borrower/Owner** must be added as an Additional Named Insured under any Contractor's Liability insurance, but only with respects to claims arising out of the operations of the Named Insured.

Wrap-up Liability:

10. There must be evidence of Wrap-Up Liability insurance, with a minimum limit of **\$5,000,000** per occurrence
11. The **Borrower/Owner** must be added as an **Additional Named Insured** under the Contractor's Wrap-up Liability insurance, but only with respects to claims arising out of the operations of the Named Insured.

Other:

12. The Lender will not accept evidence of insurance on a CSIO form, or an ACORD Form # 25 (or their equivalents), due to the limitation in the wording as to its efficacy, and the restrictive cancellation provisions.
13. Evidence of Professional Liability (Errors & Omission) insurance is required for the architect and engineer.

There must be full, original, certified, endorsed copies of the insurance policies provided to **KingSett Mortgage Corporation**, was soon as available from the insurers. (The certified policy copies should be available within 60 to 90 days). Signed Certificates or Binders of Insurance addressing the above will suffice as insurance evidence for closing purposes.

Certificates or Binders of Insurance are not acceptable if they contain the words, "This certificate is issued as a matter of information only and confers no rights upon the certificate holder" and the words "will endeavour to" and "but failure to mail such notice shall impose no obligation or liability of any kind upon the company, its agents or representatives" under the cancellation clause.

(end of Schedule "A")



SCHEDULE "B"
PROJECT MONITOR MANDATE / REPORTING

A. Preliminary Report Prior to Initial Funding:

Project Monitor to review and comment on the following:

1. Borrower's proposed detailed Project budget.
2. All Project architectural and engineering plans, drawings and specifications along with all related architectural and engineering fee-for-service soft cost contracts.
3. Construction management contract.
4. Environmental site assessment report(s) and Geotechnical report(s), if any.
5. Borrower's proposed construction time schedule and project cash flow.
6. All material cost-items, contracts and change orders with major trades.
7. Building permits, development and other municipal / regional agreements, management agreements, consultant's agreements including design, sales, legal and marketing.
8. All loan agreements and commitment letters, amendments for the financing of the proposed Project. Project Monitor to confirm reasonableness of the interest expense carried in the budget.

Project Monitor to prepare a preliminary report inclusive of the following information:

1. The Project budget, as revised by the Borrower and approved by the Lender, further to the Project Monitor's recommendations.
2. Confirm and monitor Borrower's Minimum Project Equity is maintained in the Project at all times.
3. Review the construction time schedule and project cash flow. Project Monitor to re-confirm reasonableness of schedule to the Lender.
4. Identify any potential issues that may affect the completion of the Project in accordance with the Project budget and the construction time schedule.
5. Any additional recommendation as they become apparent during Project Monitor's review and discussions with the Borrower and/or Lender.

B. Progress Draw Reports Prior to Subsequent Advances for Work-In-Place:

During construction of the Project submit monthly progress draw reports to the Lender, including the following:

1. Conduct monthly site inspections prior to every draw request, including photographs and commentary on all work-in-place and status of Project.
2. Update and confirm costs of work completed to-date, work-in-place, holdback amounts, value of change orders, and estimate of cost-to-complete of the Project.
3. Review and comment on any changes to Project scope or budget, including revised drawings, if applicable.
4. Identify any existing or potential issues that may affect Project completion within the Budget.
5. Receipt and receive of standard form Statutory Declaration of Progress Payment Distribution and WSIB certificate.
6. Project monitor certificate per the Availability section.

(end of Schedule "B")



SCHEDULE "C"
DUE DILIGENCE MATERIAL

The Borrower shall deliver the following documents, inter alia, to the Lender in connection with the Lender's due diligence review:

1. Review Engagement or auditor prepared certified financial statements for the registered and beneficial owners of the Property prepared by a chartered accountant;
2. Certified net worth statements from the Guarantors;
3. Borrower organizational chart and ownership structure;
4. Insurance certificate(s) (to be forwarded to Lender's insurance consultant);
5. Environmental reports and reliance letter, if report is not addressed to the Lender;
6. Geotechnical report and reliance letter, if report is not addressed to the Lender;
7. Appraisal report and reliance letter, if report is not addressed to the Lender;
8. Copy of borrower's construction budget for completion of 52 town homes (to be reviewed by the Project Monitor);
9. Project monitors initial report for completion of the Project (52 town homes);
10. All condominium disclosure documents;
11. Property survey prepared by an accredited Ontario Surveyor;
12. Copy of purchase and sale agreements for all pre-sold townhouse units;
13. Copies of all development and building permits;
14. Other information reasonably requested from the Borrower;

(end of Schedule "C")

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SCHEDULE "D"
OTHER CONDITIONS

1. The Borrower shall indemnify and save harmless the Lender and its officers, agents, trustees, employees, contractors, licensees or invitees from and against any and all losses, damages, injuries, expenses, suits, actions, claims and demands of every nature whatsoever arising out of the provisions of this Commitment and the Security, any letters of credit or letters of guarantee issued or indemnified, sale or lease of the Property and/or the use or occupation of the Property including, without limitation, those arising from the right to enter the Property from time to time and to carry out the various tests, inspections and other activities permitted by the Commitment and the Security. In addition to any liability imposed on the Borrower under any instrument evidencing or securing the Loan indebtedness, the Borrower shall be liable for any and all of the Lender's costs, expenses, damages or liabilities, including, without limitation, all legal fees, directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge, disposal or presence on, under or about the Property of any hazardous or noxious substances. The representations, warranties, covenants and agreements of the Borrower set forth in this subparagraph:
 - a) are separate and distinct obligations from the Borrower's other obligations under the Loan and this Commitment;
 - b) survive the payment and satisfaction of the Borrower's other obligations under the Loan and this Commitment and the discharge of the Security from time to time taken as security therefore;
 - c) are not discharged or satisfied by foreclosure of the charges created by any of the Security; and
 - d) shall continue in effect after any transfer of the land including, without limitation, transfers pursuant to foreclosure proceedings (whether judicial or non-judicial) or by any transfer in lieu of foreclosure.
2. A change in ownership of the Borrower shall not be permitted without the Lender's prior written consent, which consent may be arbitrarily withheld, delayed and/or conditioned by the Lender. A change in ownership of the Borrower without the Lender's prior written request shall constitute default under the Commitment and Security documents.
3. Loan disbursements shall take place only on title to the Property being acceptable to our solicitors and all matters in connection with the Security and other documentation deemed necessary or advisable by our solicitors being complied with by the Borrower and all Security and other instruments and agreements to evidence and secure the Loan being duly executed with evidence of registration where applicable.
4. The Lender shall require a satisfactory opinion and report from its solicitors regarding any encumbrances, financial charges or claims registered or to be registered against the Property.
5. The Lender shall require evidence of all corporate authorities together with an opinion of the Borrower's counsel as to usual matters such as: corporate authorities, absence of litigation, delivery of security and execution of all security listed herein.
6. The Lender's Commitment and the Security may not be assigned, transferred or otherwise disposed of by the Borrower without the Lender's prior written consent. However, the Commitment and Security or any interest therein may be assigned or participated by the Lender (and its successors and assigns), in whole or in part, without the consent of the Borrower. Except as hereinafter provided, the Borrower consents to the disclosure by the Lender to any such prospective assignee or participant of all information and documents regarding the Loan, the Property and the Borrower within the possession or control of the Lender.
7. The Borrower acknowledges that the Lender may inspect the Property at any time at the expense of the Borrower.
8. In the event of the Borrower failing to pay any amount when due or being in breach of any covenant, condition or term of the Commitment or the Security, or if any representation made by the Borrower or their respective agents, or any information provided by them is found to be untrue or incorrect, or if any Event of Default as defined in the Security occurs, or if in the sole opinion of the Lender, a material adverse change occurs relating to the Borrower of the Loan, the Property or the risk associated with the Loan, the Borrower shall, at the option of the Lender, be in default of its obligations to the Lender and the Lender may cease or delay further funding or may exercise any and/or all remedies available to it at law and/or in equity.



Further, the Lender may, at its option, on notice to the Borrower, declare the principal and interest on the Loan and any other amount due under the Commitment forthwith due and payable, whereupon the same shall be and become immediately due and payable in full.

9. No extension, postponement, forbearance, delay, or failure on the part of Lender in the exercise of any power, right or remedy under this Commitment or any Security agreement or instrument executed in connection therewith or evidencing or securing the Loan, or at law or in equity, shall operate as a waiver thereof, nor shall a single or partial exercise of any power, right or remedy preclude other or further exercise thereof or the exercise of any other power, right or remedy. Neither the acceptance of any payment nor the making of any concession by the Lender at any time during the existence of a default shall be construed as a waiver of any continuing default or of any of the Lender's rights or remedies. All of the powers, rights and remedies of the Lender shall be cumulative and may be exercised simultaneously or from time to time in such order or manner as the Lender may elect. No waiver of any condition or covenant of the Borrower or of the breach of any such covenant or condition shall be deemed to constitute a waiver of any other covenant or condition or of any subsequent breach of such covenant or condition or justify or constitute a consent to or approval by Lender of any violation, failure or default by Borrower of the same or any other covenant or condition contained in the Loan, the Commitment or the Security or any other document or instrument executed in connection therewith.
10. The Borrower agrees that if any one or more of the provisions contained in this Commitment shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Lender, not affect any or all other provisions of this Commitment and this Commitment shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
11. If the Borrower is comprised of more than one person or corporation, the obligations shall be the joint and several obligations of each such person or corporation comprising the Borrower unless otherwise specifically stated herein.
12. Time is of the essence in this Commitment.
13. The Borrower will repay all indebtedness to the Lender on or before the Maturity Date, if so permitted pursuant to this Commitment letter, and, prior to the repayment of the Loan in full, hereby covenants to promptly pay its taxes, protect its property by contest of adverse claims, maintain required insurance, perform its obligations under contracts and agreements, obtain, where applicable, all necessary approvals for construction, use and occupancy of the Property, comply with all governmental rules and regulations, permit reasonable inspections by the Lender and its agents of the Property and of all records pertaining to the Property.
14. The representations, warranties, covenants and obligations herein set out shall not merge or be extinguished by the execution or registration of the Security but shall survive until all obligations under this Commitment and the Security have been duly performed and the Loan, interest thereon and any other moneys payable to the Lender are repaid in full.
15. The Borrower will provide the usual warranties and representations respecting: accuracy of financial statements and that there has been no material adverse change in the Borrower's financial condition or operations, as reflected in the financial statements used to evaluate this loan; title to the Property charged by the Security; power and authority to execute and deliver documents; accuracy of documents delivered and representations made to Lender; no pending adverse claims; no outstanding judgments; no defaults under other agreements relating to the Property; preservation of assets; no undefended material actions, suits or proceedings; payment of all taxes; no consents, approvals or authorizations necessary in connection with documentation; compliance of any construction related to the Property with all laws; no other charges against mortgaged lands except permitted encumbrances; all necessary services available to the Property; no hazardous substances used, stored, discharged or present on the mortgaged lands and will warrant such other reasonable matters as Lender or its legal counsel may require.
16. No term or requirement of this Commitment may be waived or varied orally or by any course of conduct of the Borrower or anyone acting on his behalf or by any officer, employee or agent of the Lender. Any alteration or amendment to this Commitment must be in writing and signed by a duly authorized officer of the Lender and accepted by a duly authorized officer of the Borrower.
17. Any word importing the singular or plural shall include the plural and singular respectively. If any party is comprised of more than one entity, the obligations of each of such entities shall be joint and several. Any word importing persons of either gender or firms or corporations shall include persons of the other gender and firms or corporations were the context so requires.



18. The headings and section numbers appearing in this Commitment are included only for convenience of reference and in no way define, limit, construe or describe the scope or intent of any provision of this Commitment.
19. The parties agree that this Commitment and the Security documents and the acceptance thereof by all parties may be made by facsimile transmission or by certified electronic signature and electronic transmission.
20. In the event of any inconsistency or conflict between any of the provisions of the Commitment and any provision or provisions of the Security, the provisions of the Commitment will prevail.

(end of Schedule "D")

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**SCHEDULE "E"****REPORTING**

Borrower shall provide the Lender with copies of the following:

1. Any and all insurance policy renewals and/or amendments within ten (10) business days of the issuance thereof. Lender will require Carrisc Insurance Consulting to conduct an insurance review.
2. Property tax statements supported by proof of payment on a quarterly basis or as otherwise requested by the Lender from time to time.
3. Each year, annual financial statements for the Borrower and the beneficial owner of the Property within 90 days of the Borrower's fiscal year end.
4. Regular Project Budgets prepared and updated by the Project Monitor from time-to-time (i.e., until the Loan is repaid in full, the Borrower shall provide the Lender with a copy of *each and every* Project Monitor report prepared for the Borrower or the Lender).
5. Monthly sales report within 20 days of each month end including but not limited to the following:
 - a. Unit number and size in square feet
 - b. Purchaser name
 - c. Purchase price
 - d. Deposit schedule
 - e. Sale date and anticipated closing date

At the Lender's request from time-to-time, the Borrower shall provide the Lender with any other relevant updates regarding the Project.

(end of Schedule "E")

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SCHEDULE "G"

NOTICE TO PROPERTY TAX AUTHORITY

Re: Borrower: SUNRISE ACQUISITIONS (HWY 7) INC.
Property: 4116, 4128, 4142 HIGHWAY 7, MARKHAM, ON.
Loan No.: _____

To Whom It May Concern:

Approval is being given to release any information verbally or in writing as requested by our mortgage company, KingSett Mortgage Corporation, regarding all matters related to taxes for the above-noted property. This is including but not limited to taxes outstanding, status of tax account, payments received and/or outstanding or copies of tax statements.

This approval will remain in full force and effect until the mortgage is paid in full.

Dated this 11th day of MAY., 2015.

BORROWER:
SUNRISE ACQUISITIONS (HWY 7) INC.

Per: 

Witness 

Property Civic Address:
Roll Number:
(Please complete in full)

(end of Schedule "G")





**SCHEDULE "F"
PRE-AUTHORIZED DEBIT ("PAD") FORM**

I/we authorize KingSett Mortgage Corporation ("KingSett") and the financial institution designated (or any other financial institution I/we may authorize at any time) to begin deductions as agreed under the KingSett loan agreement(s) for monthly regular recurring payment and/or one-time payments from time to time. Regular monthly interest payments will be debited from my/our specific account on the 1st business day of each month. KingSett will provide five (5) days written notice of the amount of each regular monthly debit. KingSett will obtain my/our authorization for any other one-time or irregular debits.

This authority is to remain in effect until KingSett has received written notification from me/us of its change or termination. This change or termination notification must be received by KingSett at least ten (10) business days before the next debit is scheduled at the address provided below.

KingSett may not assign this authorization, whether directly or indirectly, by operation of law, change of control or otherwise, without providing at least ten (10) days prior written notice to me/us.

I/we have certain recourse rights if any debit does not comply with this agreement. For example, I/we have the right to receive reimbursement for any debit that is not authorized by the KingSett loan agreement(s) or is inconsistent with this PAD agreement. To obtain more information on my/our recourse rights, I/we may contact your financial institution or visit www.cdnpay.com.

PAD Category: Personal _____ *Business* _____ *Fund Transfer* _____

PLEASE PRINT

DATE: _____

Name(s): _____

Loan Number: _____

Phone Number: _____

Purpose: Personal _____ Business _____

Address: _____

City/Town: _____ Province: _____ Postal Code: _____

FI Name: _____ FI Transit Number: _____

(branch-5 digits, FI-3 digits)

FI Account Number: _____

Address: _____

City/Town: _____ Province: _____ Postal Code: _____

Authorized Signature(s): _____

Name: _____

c/o KingSett Capital
Toronto-Dominion Centre, TD Bank Tower
66 Wellington Street West, Suite 4400
Toronto, Ontario M5K 1H6

www.kingsettcapital.com

SUNRISE ACQUISITIONS (HWY 7) INC.

PAY to the order of



ROYAL BANK OF CANADA
HIGHWAY 7 & BIRCHMOUNT BRANCH
3985 HIGHWAY 7, UNIT 107
MARKHAM, ON L3R 2A2

DATE 2 0 - -
Y Y Y Y M M D D

100 DOLLARS



Security Included

PER

7010

7010

7010

**SCHEDULE "H"****PRIVACY ACT CONSENT**

By signing this Commitment, each of you, being the parties signing (including all mortgagors) agrees that the Lender is authorized and entitled to:

- a) Use your Personal Information (as hereinafter defined) to assess your ability to obtain your loan and to evaluate your ability to meet your financial obligations. This use includes disclosing and exchanging your Personal Information on an on-going basis with credit bureaus, credit reporting agencies and financial institutions or their agents, or to service providers, in order to determine and verify, on an on-going basis, your continuing eligibility for your loan and your continuing ability to meet your financial obligations. This use, disclosure and exchange of your Personal Information will continue as long as your loan is outstanding and will help protect you from fraud and will also protect the integrity of the credit-granting system; and
- b) Use, disclose and exchange, on an on-going basis, all the personal information collected by us or delivered by you to us from time to time in connection with your loan and any information obtained by us from time to time pursuant to paragraphs (a) above (collectively your "Personal Information") to other organizations which may fund all or any part of your loan and/or own all or any part of your loan and the security securing your loan from time to time and permit prospective investors in your loan to inspect your Personal Information.

(end of Schedule "H")

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**SCHEDULE "I"
PROJECT BUDGET**

The total Project Budget has been represented by the Borrower as set out below and shall be reviewed by the Project Monitor:

Facility 1

Land Advance Uses	Total	Per Unit	Per F.F.	%
Land Acquisition Costs	\$ 13,500,000	\$ 259,615	\$ 13,664	89.78%
Land Closing Costs	\$ 552,147	\$ 10,618	\$ 559	3.67%
Interest Reserve	\$ 780,000	\$ 15,000	\$ 789.47	5.19%
Commitment Fee	\$ 204,750	\$ 3,938	\$ 207	1.36%
Total Uses	\$ 15,036,897	\$ 289,171	\$ 15,220	100.00%
Sources				
	Total	Per Unit	Per F.F.	%
Development Loan	\$ 11,700,000	\$ 225,000	\$ 11,842	77.81%
Borrower's Equity	\$ 3,336,897	\$ 64,171	\$ 3,377	22.19%
Total Sources	\$ 15,036,897	\$ 289,171	\$ 15,220	100.00%

Facility 2

Development Budget Uses	Total	Per Unit	Per F.F.	%
Land Acquisition Costs	\$ 14,052,147	\$ 270,234	\$ 14,223	59.45%
Servicing Costs	\$ 1,874,472	\$ 36,048	\$ 1,897	7.93%
Development Charges	\$ 3,918,576	\$ 75,357	\$ 3,966	16.58%
Soft Costs	\$ 1,329,262	\$ 25,563	\$ 1,345	5.62%
Interest	\$ 1,965,000	\$ 37,788	\$ 1,989	8.31%
Commitment Fees	\$ 497,440	\$ 9,566	\$ 503	2.10%
Total Uses	\$ 23,636,897	\$ 454,556	\$ 23,924	100.00%
Sources				
	Total	Per Unit	Per F.F.	%
Development Loan	\$ 20,185,550	\$ 388,184	\$ 20,431	85.40%
Deferred Costs	\$ 114,450	\$ 2,200.96	\$ 115.84	0.48%
Borrower's Equity	\$ 3,336,897	\$ 64,171	\$ 3,377	14.12%
Total Sources	\$ 23,636,897	\$ 454,556	\$ 23,924	100.00%

Total Project

Construction Budget Uses	Total	Per Unit	Per S.F.	%
Serviced Land Cost	\$ 23,636,897	\$ 454,556	\$ 182	60.24%
Hard Construction Costs	\$ 13,000,000	\$ 250,000	\$ 100	33.13%
Soft Costs	\$ 2,600,000	\$ 50,000	\$ 20	6.63%
Total Uses	\$ 39,236,897	\$ 754,556	\$ 302	100.00%
Sources				
	Total	Per Unit	Per S.F.	%
Development Loan	\$ 20,185,550	\$ 388,184	\$ 155	51.45%
Construction Loan	\$ 11,440,000	\$ 220,000	\$ 88	29.16%
Deferred Costs	\$ 114,450	\$ 2,201	\$ 0.88	0.29%
Purchasers' Deposits	\$ 4,160,000	\$ 80,000	\$ 32	10.60%
Borrower's Equity	\$ 3,336,897	\$ 64,171	\$ 26	8.50%
Total Sources	\$ 39,236,897	\$ 754,556	\$ 302	100.00%

The Borrower and/or Guarantors shall be required to finance any and all Project Budget overruns from its/their own financial resources and not from proceeds advanced under the subject Loan.

The forgoing shall be defined in the Commitment as the "Project Budget".

(end of Schedule "I")

This is Exhibit "D" referred to in the Affidavit of Daniel Pollack sworn May 28, 2021.

A handwritten signature in black ink, appearing to read "Brian Goody". The signature is written in a cursive, flowing style.

Commissioner for Taking Affidavits (or as may be)

Amendment No. 1



June 28, 2016

Sunrise Acquisitions (HWY 7) Inc.
 c/o Sunrise Homes Ltd.
 50 West Wilmot Street, Suite 100
 Richmond Hill, ON, L4B 1M5

Attention: Sajjad Hussain and Muzammil Kodwavi

Re: First Mortgage Financing
4116, 4128 & 4142 Highway 7 East, Markham, Ontario

We are pleased to advise that the Lender has approved the following amendment (the "**First Amendment**") to the commitment letter dated May 5, 2015 (the "**Commitment**").

All capitalized terms contained in this First Amendment shall have the respective meanings ascribed thereto in the Commitment unless expressly defined in this First Amendment.

A. AMENDED LOAN TERMS

1. "Facility 4" of the "Loan Facility" section of the Commitment is deleted and replaced with:

Facility 4: \$1,200,000 Letters of Credit ("**Facility 4**" or "**Letters of Credit**")

2. The "Term" section of the Commitment is deleted and replaced with:

Term:

Facility 1: July 15, 2016 (the "**Facility 1 Maturity Date**"). For greater clarity, Facility 1 Maturity Date is hereby extended by forty-five (45) days.

Facility 2

Eighteen (18) months from the first day of the month next following the first advance of funds under Facility 2 (the "**Facility 2 Maturity Date**"). Subject to the Loan or the Security therefor not being in default, two (2) extensions of the Facility 2 Maturity Date of up to three (3) months each may be granted at the Lender's option subject to payment, in advance, of the Extension Fee by the Borrower to the Lender.

Facility 3

Twelve (12) months from the first day of the month next following the first advance of funds under Facility 3 (the "**Facility 3 Maturity Date**"). Subject to the Loan or the Security therefor not being in default, two (2) extensions of the Facility 3 Maturity Date of up to three (3) months each may be granted at the Lender's option subject to payment, in advance, of the Extension Fee by the Borrower to the Lender.



The "**Maturity Date**" shall herein be defined as the Facility 1 Maturity Date, the Facility 2 Maturity Date or the Facility 3 Maturity Date, whichever is the furthest date from the date of this Commitment.

3. The following new section is added below the existing Extension Fee section:

First Amendment Fee – The First Amendment herein is subject to an amendment fee of \$29,250 (0.25% of Facility 1) earned by the Lender and payable by the Borrower upon the Borrower’s execution of this First Amendment (the "**First Amendment Fee**").

4. The “Partial Discharges” section of the Commitment is deleted and replaced with:

Partial Discharges: Provided there has been no default under this Commitment or the Security for the Loan the Lender will provide partial mortgage and PPSA discharges to the Borrower upon receipt of the Net Closing Proceeds or the Minimum Partial Discharge Amount, as the case may be, defined below, plus the Discharge Fee defined above.

Net Closing Proceeds is defined as the actual gross sale price for each individual unit less: (1) purchaser deposits used in the Project, (2) Lender-approved closing costs including legal fees, sales commissions and other reasonable closing adjustments, with such closing costs limited to \$20,000 per unit (3) the net applicable HST/GST/PST (the "**Net Closing Proceeds**").

In the event that any of the 26 presold units noted in Schedule ‘J’ are rescinded and then sold to new purchasers, the partial discharge amount applicable to such unit(s) shall be the greater of: (1) the Net Closing Proceeds or (2) \$542,500 plus the Facility 3 principal amount advanced against the particular unit (the "**Minimum Partial Discharge Amount**").

In order of priority, the Net Closing Proceeds or the Minimum Partial Discharge Amount will be applied as follows: firstly to principal amount advanced under Facility 3 against the applicable unit, secondly to the permanent reduction of Facility 2 until repaid in full, and thirdly to cash secure 100% of the outstanding Letters of Credit under Facility 4.

The Borrower’s solicitor shall prepare all full or partial discharge documents for review by the Lender’s legal counsel at the cost of the Borrower. All legal fees, disbursements, and HST/GST/PST related to the discharge of the Lender’s mortgage and other security shall be paid by the Borrower.

5. Item #10 under Facility 2 Conditions Precedent is deleted and replaced with the following:

Receipt and satisfactory review by the Lender of all firm and binding purchase and sale agreements. Said review to confirm net sale proceeds of no less than \$26,080,973 for the 26 presold units noted in Schedule “J” (\$1,003,114 per unit on average) and contracted deposits totalling \$2,870,000 (\$110,385 per unit on average). All purchase and sale



agreements to be supported by purchaser pre-approval for takeout financing. Contracted deposit for each unit shall be no less than \$80,000 in amount.

6. The “Minimum House Prices” section is deleted and replaced with:

With exception to the 5 existing presales noted within Schedule “J” subject to the Partial Discharges section above, the Borrower shall not be permitted to sell any homes for prices less than \$930,000 per unit without the Lender’s prior written consent, which consent the Lender may withhold, condition and/or delay given that the Lender has made the Loan Facilities available to the Borrower on its representation that each home will sell for not less than \$930,000 before deduction for HST/GST/PST.

B. CONDITIONS PRECEDENT

This First Amendment shall be subject to the following additional conditions precedent which shall each have been received, reviewed and/or met to the satisfaction of the Lender in its sole, absolute and unfettered discretion (collectively, the “**First Amendment Conditions Precedent**”).

1. Security to be amended and/or extended as deemed necessary by the Lender and its legal counsel to reflect the revised terms specified in this First Amendment.

In the event that the abovementioned Conditions Precedent to the First Amendment have not been satisfied by July 15, 2016, at the exclusive option of the Lender, the Lender’s obligations under this First Amendment shall cease and the Loan will become due and payable in accordance with the terms of the original Commitment. Notwithstanding the same, the Lender shall remain entitled to earn and receive full payment of the First Amendment Fee and to fully recover from the Borrower and Guarantor any expenses incurred by the Lender.

B. GENERAL MATTERS

1. Entire Agreement – No alteration, modification, amendment, change or addition to this First Amendment (nor further alteration, modification, amendment, change or addition to the Commitment) shall be effective unless the same is in writing and signed by all of the parties hereto.
2. Not a Novation – It is the intent of the Borrower and Lender that this First Amendment shall not constitute a novation or in any way adversely affect the Commitment or the Security for the Loan, including, without limitation, the mortgage/charge in favour of the Lender.
3. Captions – The captions and headings herein shall be solely for convenience of reference and in no way define, limit or describe the scope or intent of any provisions or sections of this First Amendment.



4. Successors and Assigns – The First Amendment shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, successors and assigns but may not be assigned by the Borrower under any circumstances and the parties hereto agree that any such attempted assignment by the Borrower shall be null and void and of no force and effect.
5. Limited Modification – The Commitment, as amended by this First Amendment, and the Security shall remain in full force and effect and all parties liable or obligated with respect thereto shall remain so liable or obligated with respect to the Commitment, as amended by this First Amendment, and the Security. The Property shall remain in all respects subject to the liens, charges and encumbrances as set out in the Commitment, as amended by this First Amendment, and the Security and nothing herein and nothing done pursuant hereto shall affect or be construed to affect the liens, charges and encumbrances of, or warranties of title in, any of the loan documents including, without limitation, the Commitment and the Security (the “**Loan Documents**”), nor the priority thereof over other liens, charges, encumbrances or conveyances. This First Amendment shall not release or affect the liability of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents.

If any obligation of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents is determined to be void or unenforceable on account of this First Amendment and/or the modification of the Loan Documents as contemplated by this First Amendment, the Borrower, as an additional and independent obligation, hereby agrees to indemnify and hold harmless the Lender against and from all loss, cost, damage or expense (including attorney’s fees, whether or not litigation has been commenced, and any and all costs for trial, bankruptcy and appellate proceedings) suffered or incurred by the Lender as the result of any such obligation being void or unenforceable.

6. Commitment References – This First Amendment shall form a part of the Commitment and shall be read as such and reference in the Commitment to the Commitment or similar expressions shall be deemed, as of the date hereof, to include this First Amendment.
7. Time is of the Essence - Time is of the essence in this First Amendment.
8. Conflict - In the event of any inconsistency between the terms and conditions of any one or more of the Loan Documents and this First Amendment, the terms and conditions and provisions of this First Amendment shall prevail. Whenever possible, this First Amendment shall be read to harmonize, rather than conflict, with any term or provision contained in the Loan Documents which is not specifically modified by this First Amendment.
9. Facsimile Transmission - The parties hereto acknowledge that this First Amendment may be transmitted by facsimile transmission and that, if signed by each party hereto, such facsimile transmission will constitute a legally binding agreement between the parties.




10. Privacy Act Consent - The parties hereto acknowledge that this First Amendment shall be subject to the Privacy Act Consent, unamended, as set out in the Commitment.

If you are in agreement with the foregoing terms and conditions, please indicate this by signing and returning one (1) copy of this First Amendment to the Lender's office by 5:00pm Eastern Standard Time on Monday, July 4, 2016, failing which this letter shall, at the Lender's option, be deemed null and void.

Yours truly,

KINGSETT MORTGAGE CORPORATION

Per:


Justin Walton
Director, Mortgage Investments

Per:


Scott Coates
Managing Director, Mortgage Investments

****Borrower and Guarantor Acknowledgements on following page****



ACKNOWLEDGEMENT

The terms and conditions of this First Amendment are acknowledged and agreed to by the Borrower and Guarantor at _____ this _____ day of _____ 2016.

BORROWER:
SUNRISE ACQUISITIONS (HWY 7) INC.

Per: _____
Name:
Title:

Per: _____
Name:
Title:

I/we have authority to bind the Corporation.

GUARANTOR:

WITNESS:

Mr. Sajjad Hussain

Name:
Address:

GUARANTOR:

WITNESS:

Mr. Muzammil Kodwavi

Name:
Address:

SCHEDULE J SALES LIST

Lot#	Purchaser	Gross Sale Price	Contracted Deposit	Closing Date
1	F. Kwan in trust	\$ 950,000	\$ 100,000	28-Sep-17
2	M. Chiu	\$ 900,000	\$ 100,000	30-Sep-17
3	Y. Hui	\$ 1,100,000	\$ 100,000	
4	9681051Canada Inc.	\$ 1,275,000	\$ 120,000	15-Jun-17
5	J. Qiu	\$ 1,275,000	\$ 120,000	15-Jun-17
6	L. Ben Zhi	\$ 1,165,000	\$ 120,000	15-Jun-17
7	L. Ma	\$ 1,300,000	\$ 120,000	15-Jun-17
8	L. Zhang	\$ 1,275,000	\$ 120,000	15-Jun-17
9	UNSOLD	\$ 930,000	\$ 80,000	
10	C. Wan	\$ 930,000	\$ 100,000	15-Sep-17
11	J. Leung	\$ 900,000	\$ 100,000	15-Sep-17
12	J. Guo	\$ 900,000	\$ 100,000	15-Sep-17
13	K. Ren	\$ 900,000	\$ 100,000	15-Sep-17
14	L. Fan	\$ 900,000	\$ 100,000	15-Sep-17
15	L. Huang Dong	\$ 1,300,000	\$ 120,000	15-Jun-17
16	UNSOLD	\$ 930,000	\$ 80,000	
17	Z. Lou	\$ 930,000	\$ 100,000	15-Sep-17
18	J. Wu	\$ 1,270,000	\$ 120,000	17-Jul-17
19	UNSOLD	\$ 930,000	\$ 80,000	
20	UNSOLD	\$ 930,000	\$ 80,000	
21	UNSOLD	\$ 930,000	\$ 80,000	
22	UNSOLD	\$ 930,000	\$ 80,000	
23	R. Bawa, Sibtain	\$ 1,215,000	\$ 120,000	15-Jun-17
24	C. David	\$ 1,240,000	\$ 100,000	30-Sep-17
25	J. Guan	\$ 1,195,000	\$ 120,000	15-Jun-17
26	C. Liu	\$ 1,195,000	\$ 120,000	15-Jun-17
27	UNSOLD	\$ 930,000	\$ 80,000	
28	Y. Hui	\$ 970,000	\$ 100,000	
29	Y. Hui	\$ 970,000	\$ 100,000	
30	G. Li	\$ 1,150,000	\$ 110,000	15-Jun-17
31	D. Wang, & L. Huang	\$ 1,245,000	\$ 120,000	17-Jul-17
32	N. Shabbar	\$ 1,167,500	\$ 120,000	15-Jun-17
33	M. Guan	\$ 1,230,000	\$ 120,000	15-Jun-17
34	UNSOLD	\$ 930,000	\$ 80,000	
35	UNSOLD	\$ 930,000	\$ 80,000	
36	UNSOLD	\$ 930,000	\$ 80,000	
37	UNSOLD	\$ 930,000	\$ 80,000	
38	UNSOLD	\$ 930,000	\$ 80,000	
39	UNSOLD	\$ 930,000	\$ 80,000	
40	UNSOLD	\$ 930,000	\$ 80,000	
41	UNSOLD	\$ 930,000	\$ 80,000	
42	UNSOLD	\$ 930,000	\$ 80,000	
43	UNSOLD	\$ 930,000	\$ 80,000	
44	UNSOLD	\$ 930,000	\$ 80,000	
45	UNSOLD	\$ 930,000	\$ 80,000	
46	UNSOLD	\$ 930,000	\$ 80,000	
47	UNSOLD	\$ 930,000	\$ 80,000	
48	UNSOLD	\$ 930,000	\$ 80,000	
49	UNSOLD	\$ 930,000	\$ 80,000	
50	UNSOLD	\$ 930,000	\$ 80,000	
51	UNSOLD	\$ 930,000	\$ 80,000	
52	UNSOLD	\$ 930,000	\$ 80,000	

Amendment No. 2



October 17, 2016

Sunrise Acquisitions (HWY 7) Inc.
 c/o Sunrise Homes Ltd.
 50 West Wilmot Street, Suite 100
 Richmond Hill, ON, L4B 1M5

Attention: Sajjad Hussain and Muzammil Kodwavi

**Re: First Mortgage Financing
 4116, 4128 & 4142 Highway 7 East, Markham, Ontario**

We are pleased to advise that the Lender has approved the following amendment (the “**Second Amendment**”) to the commitment letter dated May 5, 2015 as amended from time to time (the “**Commitment**”).

All capitalized terms contained in this Second Amendment shall have the respective meanings ascribed thereto in the Commitment unless expressly defined in this Second Amendment.

A. AMENDED LOAN TERMS

1. “Facility 4” of the “Loan Facility” section of the Commitment is deleted and replaced with:

Facility 4: \$1,800,000 Letters of Credit (“**Facility 4**” or “**Letters of Credit**”)

2. The following is added immediately below Facility 4 within the “Loan Facility” section:

Facility 5: \$1,319,103 Mezzanine Facility (“**Facility 5**”)

3. The following is added immediately below Facility 4 within the “Interest Rate” section:

Facility 5: 8.75% per annum (the “**Facility 5 Interest Rate**”)

4. The following is added immediately below “Facility 2” within the “Interest Reserve” section:

Facility 5:

Provided the Loan is not in default, monthly interest shall be capitalized to the outstanding principal balance of Facility 5 until the earlier of repayment of Facility 5 in full or the full capitalization of a total of \$140,000 of monthly interest payments to Facility 5 (the “**Facility 5 Interest Reserve**”). Upon default by the Borrower under the Loan or Security or upon full utilization of the Facility 5 Interest Reserve, the Borrower shall be required to make Monthly Payments to the Lender from resources other than the Facility 5 Interest Reserve.



5. The last paragraph within the “Interest Reserve” is replaced with the following:

Note: the Facility 1 Interest Reserve, Facility 2 Interest Reserve and Facility 5 Interest Reserve are collectively referred to herein as the “**Interest Reserve**”.

6. The following is added immediately below “Facility 3” within the “Term” section:

Facility 5

Facility 5 maturity date shall be co-terminus with Facility 2 Maturity Date (the “**Facility 5 Maturity Date**”)

7. The following is added immediately below “Facility 3” within the “Commitment Fee” section:

Facility 5: \$16,500 (1.25% of Facility 5), earned upon execution of this Second Amendment and payable by way of deduction from the Facility 5 initial advance.

8. The “Partial Discharges” section of the Commitment is deleted and replaced with:

Partial Discharges: Provided there has been no default under this Commitment or the Security for the Loan the Lender will provide partial mortgage and PPSA discharges to the Borrower upon receipt of the Net Closing Proceeds or the Minimum Partial Discharge Amount, as the case may be, defined below, plus the Discharge Fee defined above.

Net Closing Proceeds is defined as the actual gross sale price for each individual unit less: (1) purchaser deposits used in the Project, (2) Lender-approved closing costs including legal fees, sales commissions and other reasonable closing adjustments, with such closing costs limited to \$20,000 per unit (3) the net applicable HST/GST/PST (the “**Net Closing Proceeds**”).

In the event that any of the 38 presold units noted in Schedule ‘J’ are rescinded and then sold to new purchasers, the partial discharge amount applicable to such unit(s) shall be the greater of: (1) the Net Closing Proceeds or (2) \$542,500 plus the Facility 3 principal amount advanced against the particular unit (the “**Minimum Partial Discharge Amount**”).

In order of priority, the Net Closing Proceeds or the Minimum Partial Discharge Amount will be applied as follows: firstly to principal amount advanced under Facility 3 against the applicable unit, secondly to the permanent reduction of Facility 2 until repaid in full, thirdly to the permanent reduction of Facility 5 and fourthly to cash secure 100% of the outstanding Letters of Credit under Facility 4.

The Borrower’s solicitor shall prepare all full or partial discharge documents for review by the Lender’s legal counsel at the cost of the Borrower. All legal fees, disbursements,



and HST/GST/PST related to the discharge of the Lender's mortgage and other security shall be paid by the Borrower.

9. Item #2 under Facility 2 Conditions Precedent is deleted and replaced with the following:

The Borrower shall provide satisfactory evidence to the Lender and its Cost Consultant that the total Project budget shall not exceed \$24,956,000 as detailed within Schedule "T" hereto.

10. Item #10 under Facility 2 Conditions Precedent is deleted and replaced with the following:

Receipt and satisfactory review by the Lender of all firm and binding purchase and sale agreements. Said review to confirm net sale proceeds of no less than \$44,152,500 for the 38 presold units noted in Schedule "J" (\$1,161,908 per unit on average) and contracted deposits totalling \$4,310,000 (\$113,421 per unit on average). All purchase and sale agreements to be supported by purchaser pre-approval for takeout financing. Contracted deposit for each unit shall be no less than \$80,000 in amount.

11. Item #2 under Facility 3 Conditions Precedent is deleted and replaced with the following:

The Borrower shall provide satisfactory evidence to the Lender and its Cost Consultant that the total Project budget shall not exceed \$40,556,000 as detailed within Schedule "T" hereto.

12. The following shall be added immediately below Facility 4 within the "Availability" section:

Facility 5:

1.	All advances to complete the servicing of the Project and cash secure Letters of Credit under Facility 4 shall be funded on both a work in place and cost to complete basis in amounts not less than \$100,000 and not more frequently than once per month. The outstanding balances of all advances under Facility 5 are, at all times, not to exceed \$1,319,103 and Facility 5 shall be non-revolving.
2.	All advances to be supported by, except in the case of advances of the Facility 5 Interest Reserve alone, a progress advance report prepared by Project Monitor in scope, form and substance acceptable to the Lender as detailed in Schedule "B".
3.	All requests for advances shall, in writing, include the following, each in a form and substance satisfactory to, and subject to inspection by the Lender; <ul style="list-style-type: none"> (i) Details of costs in place and references to the Land Servicing Budget. (ii) Certificate from the Lender's Cost Consultant indicating: <ul style="list-style-type: none"> (a) Cost of work in place;



	<p>(b) That the work to date is in accordance with the plans and specifications previously submitted to the Lender;</p> <p>(c) Interest, the amount of holdbacks, and cost to complete; and</p> <p>(d) Estimated completion date.</p> <p>(iii) Report from the Lender's legal counsel showing clear title.</p>
4.	Accumulated advances shall at no time exceed the cost of work-in-place less the sum of the following: (i) holdbacks required under the construction lien act; and (ii) Borrower equity invested in the Project, not to be less than the Equity, as defined herein; (iii) purchaser deposits; and (iv) deferred costs as per Schedule "I".
5.	Lender reserves the right to make advances directly to the contractor, other trades (sub-trades or otherwise) and/or suppliers if the Borrower is in default under the Loan or if the Lender believes, in its sole and unfettered discretion without the need to furnish evidence to the Borrower thereof, that Loan advances are being diverted from the Project and/or are being used to fund Project costs not provided for in the Lender approved Project budget set out in the most recent Project Monitor report.
6.	For each advance under Facility 5, save and except for those exclusively related to the Facility 5 Interest Reserve, the Borrower shall sign a statutory declaration satisfactory to the Lender and its legal counsel confirming that all Facility 5 proceeds are being used solely to pay all Lender-approved accounts payable of the Project and for no other purpose whatsoever. Any use of Loan proceeds for any purpose other than that which has been approved by the Lender in connection with the Project Budget shall constitute default by the Borrower under this Commitment Letter and the Security agreements.
7.	All costs incurred by the Lender in making each Facility 2 advance including, without limitation, the cost of a sub-search of title are for the account of the Borrower and may, at the Lender's option, be deducted from any advance of Facility 5.
8.	All loan advances shall be subject to a \$500 loan advance fee payable to the Lender which amount shall be deducted from the applicable Facility 5 advance by the Lender.
9.	All realty taxes including, without limitation, all levies, development charges, educational development charges and local improvement rates billed to the date of each advance of Facility 5 are to be paid in full.



B. CONDITIONS PRECEDENT

This Second Amendment shall be subject to the following additional conditions precedent which shall each have been received, reviewed and/or met to the satisfaction of the Lender in its sole, absolute and unfettered discretion (collectively, the “**Second Amendment Conditions Precedent**”).

1. Security to be amended and/or extended as deemed necessary by the Lender and its legal counsel to reflect the revised terms specified in this Second Amendment.

In the event that the abovementioned Conditions Precedent to the Second Amendment have not been satisfied by October 31, 2016, at the exclusive option of the Lender, the Lender’s obligations under this Second Amendment shall cease and the Loan will become due and payable in accordance with the terms of the original Commitment. Notwithstanding the same, the Lender shall remain entitled to earn and receive full payment of the Second Amendment Fee and to fully recover from the Borrower and Guarantor any expenses incurred by the Lender.

B. GENERAL MATTERS

1. Entire Agreement – No alteration, modification, amendment, change or addition to this Second Amendment (nor further alteration, modification, amendment, change or addition to the Commitment) shall be effective unless the same is in writing and signed by all of the parties hereto.
2. Not a Novation – It is the intent of the Borrower and Lender that this Second Amendment shall not constitute a novation or in any way adversely affect the Commitment or the Security for the Loan, including, without limitation, the mortgage/charge in favour of the Lender.
3. Captions – The captions and headings herein shall be solely for convenience of reference and in no way define, limit or describe the scope or intent of any provisions or sections of this Second Amendment.
4. Successors and Assigns – The Second Amendment shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, successors and assigns but may not be assigned by the Borrower under any circumstances and the parties hereto agree that any such attempted assignment by the Borrower shall be null and void and of no force and effect.
5. Limited Modification – The Commitment, as amended by this Second Amendment, and the Security shall remain in full force and effect and all parties liable or obligated with respect thereto shall remain so liable or obligated with respect to the Commitment, as amended by this Second Amendment, and the Security. The Property shall remain in all respects subject to the liens, charges and encumbrances as set out in the Commitment, as amended by this Second Amendment, and the Security and nothing herein and nothing done pursuant hereto shall affect or be construed to affect the liens, charges and



encumbrances of, or warranties of title in, any of the loan documents including, without limitation, the Commitment and the Security (the “**Loan Documents**”), nor the priority thereof over other liens, charges, encumbrances or conveyances. This Second Amendment shall not release or affect the liability of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents.

If any obligation of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents is determined to be void or unenforceable on account of this Second Amendment and/or the modification of the Loan Documents as contemplated by this Second Amendment, the Borrower, as an additional and independent obligation, hereby agrees to indemnify and hold harmless the Lender against and from all loss, cost, damage or expense (including attorney’s fees, whether or not litigation has been commenced, and any and all costs for trial, bankruptcy and appellate proceedings) suffered or incurred by the Lender as the result of any such obligation being void or unenforceable.

6. Commitment References – This Second Amendment shall form a part of the Commitment and shall be read as such and reference in the Commitment to the Commitment or similar expressions shall be deemed, as of the date hereof, to include this Second Amendment.
7. Time is of the Essence - Time is of the essence in this Second Amendment.
8. Conflict - In the event of any inconsistency between the terms and conditions of any one or more of the Loan Documents and this Second Amendment, the terms and conditions and provisions of this Second Amendment shall prevail. Whenever possible, this Second Amendment shall be read to harmonize, rather than conflict, with any term or provision contained in the Loan Documents which is not specifically modified by this Second Amendment.
9. Facsimile Transmission - The parties hereto acknowledge that this Second Amendment may be transmitted by facsimile transmission and that, if signed by each party hereto, such facsimile transmission will constitute a legally binding agreement between the parties.
10. Privacy Act Consent - The parties hereto acknowledge that this Second Amendment shall be subject to the Privacy Act Consent, unamended, as set out in the Commitment.




If you are in agreement with the foregoing terms and conditions, please indicate this by signing and returning one (1) copy of this Second Amendment to the Lender's office by 5:00pm Eastern Standard Time on Tuesday, October 18, 2016, failing which this letter shall, at the Lender's option, be deemed null and void.

Yours truly,

KINGSETT MORTGAGE CORPORATION

Per: 
Justin Walton
Director, Mortgage Investments

Per: 
Scott Coates
Managing Director, Mortgage Investments

ACKNOWLEDGEMENT

The terms and conditions of this Second Amendment are acknowledged and agreed to by the Borrower and Guarantor at Richmond Hill this 18th day of October, 2016.

BORROWER:
SUNRISE ACQUISITIONS (HWY 7) INC.

Per: 
Name: SATISH HUSSAIN
Title: DIRECTOR

Per: _____
Name:
Title:

I/we have authority to bind the Corporation.

*** Guarantor Acknowledgement on following page***



GUARANTOR:

Mr. Sajjad Hussain

GUARANTOR:

Mr. Muzammil Kodwavi

WITNESS:

Name: Jega POOPARASINGAM
Address:

WITNESS:

Name: Jega Pooparasingham
Address:



**SCHEDULE I
PROJECT BUDGET (REVISED)**

The total Project Budget has been represented by the Borrower as set out below and shall be reviewed by the Project Monitor:

Facility 1

Land Advance Uses	Total	Per Unit	Per F.F.	%
Land Acquisition Costs	\$ 13,500,000	\$ 259,615	\$ 13,664	90%
Land Closing & Predevelopment Costs	\$ 552,147	\$ 10,618	\$ 559	4%
Interest Reserve	\$ 780,000	\$ 15,000	\$ 789	5%
Commitment Fee	\$ 204,750	\$ 3,938	\$ 207	1%
Total Uses	\$ 15,036,897	\$ 289,171	\$ 15,220	100%
Sources	Total	Per Unit	Per F.F.	%
Development Facility (Facility 1)	\$ 11,700,000	\$ 225,000	\$ 11,842	78%
Borrower's Equity	\$ 3,336,897	\$ 64,171	\$ 3,377	22%
Total Sources	\$ 15,036,897	\$ 289,171	\$ 15,220	100%

Facility 2 & 5

Development Budget Uses	Total	Per Unit	Per F.F.	%
Land Acquisition Costs	\$ 14,052,147	\$ 270,234	\$ 14,223	56%
Servicing Costs	\$ 2,393,605	\$ 46,031	\$ 2,423	10%
Development Charges	\$ 5,427,831	\$ 104,381	\$ 5,494	22%
Soft Costs	\$ 217,758	\$ 4,188	\$ 220	1%
Interest + Other Financing Fees	\$ 2,255,982	\$ 43,384	\$ 2,283	9%
Commitment Fees	\$ 513,940	\$ 9,883	\$ 520	2%
Contingency	\$ 94,737	\$ 1,822	\$ 96	0%
Total Uses	\$ 24,956,000	\$ 479,923	\$ 25,259	100%
Sources	Total	Per Unit	Per F.F.	%
Development Loan (Facility 2)	\$ 20,185,550	\$ 388,184	\$ 20,431	81%
Cash Overrun Facility (Facility 5)	\$ 1,319,103	\$ 25,367	\$ 1,335	5%
Deferred Costs	\$ 114,450	\$ 2,201	\$ 115.84	0%
Borrower's Equity	\$ 3,336,897	\$ 64,171	\$ 3,377	13%
Total Sources	\$ 24,956,000	\$ 479,923	\$ 25,259	100%

Total Project

Construction Budget Uses	Total	Per Unit	Per S.F.	%
Serviced Land Cost	\$ 24,956,000	\$ 479,923	\$ 192	62%
Hard Construction Costs	\$ 13,000,000	\$ 250,000	\$ 100	32%
Soft Costs	\$ 2,600,000	\$ 50,000	\$ 20	6%
Total Uses	\$ 40,556,000	\$ 779,923	\$ 312	100%
Sources	Total	Per Unit	Per S.F.	%
Development Loan (Facility 2)	\$ 20,185,550	\$ 388,184	\$ 155	50%
Cost Overrun Facility (Facility 5)	\$ 1,319,103	\$ 25,367	\$ 10	3%
Construction Facility (Facility 3)	\$ 11,290,000	\$ 217,115	\$ 87	28%
Deferred Costs	\$ 114,450	\$ 2,201	\$ 1	0%
Purchasers' Deposits	\$ 4,310,000	\$ 82,885	\$ 33	11%
Borrower's Equity	\$ 3,336,897	\$ 64,171	\$ 26	8%
Total Sources	\$ 40,556,000	\$ 779,923	\$ 312	100%

Amendment No. 3



July 25, 2017

Sunrise Acquisitions (HWY 7) Inc.
c/o Sunrise Homes Ltd.
50 West Wilmot Street, Suite 100
Richmond Hill, ON, L4B 1M5

Attention: Sajjad Hussain and Muzammil Kodwavi

Re: First Mortgage Financing
4116, 4128 & 4142 Highway 7 East, Markham, Ontario

KingSett Mortgage Corporation is pleased to offer the following amendment (the “**Third Amendment**”) to the Commitment Letter from the Lender to the Borrower dated May 5, 2015, as amended pursuant to an amendment letter dated June 28, 2016 (the “**Amendment**”) and a second amendment letter dated October 17, 2016 (the “**Second Amendment**”), in connection with the above noted matter (together, the “**Commitment**” or “**Commitment Letter**”), which Commitment sets out the terms and conditions of a first mortgage loan granted by the Lender to the Borrower and is incorporated herein by reference.

All capitalized terms contained in this Third Amendment shall have the respective meanings ascribed thereto in the Commitment unless expressly defined in this Third Amendment.

A. AMENDED LOAN TERMS

1. “Facility 5” of the “Loan Facility” section of the Commitment is deleted and replaced with:

Facility 5: \$3,419,106 Mezzanine Facility (“**Facility 5**”)

2. “Facility 5” of the “Interest Reserve” section of the Commitment Letter is deleted and replaced with:

Facility 5:

Provided the Loan is not in default, monthly interest shall be capitalized to the outstanding principal balance of Facility 5 until the earlier of repayment of Facility 5 in full or the full capitalization of a total of \$340,000 of monthly interest payments to Facility 5 (the “**Facility 5 Interest Reserve**”). Upon default by the Borrower under the Loan or Security or upon full utilization of the Facility 5 Interest Reserve, the Borrower shall be required to make Monthly Payments to the Lender from resources other than the Facility 5 Interest Reserve.

3. The following new section “Amendment Fee” is added below the “Commitment Fee” section:



Third Amendment Fee – The Third Amendment herein is subject to an amendment fee of \$42,000 earned by the Lender and payable by the Borrower upon the Borrower’s execution of this Third Amendment (the “Third Amendment Fee”).

4. “Facility 5” of the “Availability” section of the Commitment Letter is deleted and replaced with:

Facility 5:

1.	All advances to complete the servicing of the Project and cash secure Letters of Credit under Facility 4 shall be funded on both a work in place and cost to complete basis in amounts not less than \$100,000 and not more frequently than once per month. The outstanding balances of all advances under Facility 5 are, at all times, not to exceed \$3,419,106 and Facility 5 shall be non-revolving.
2.	All advances to be supported by, except in the case of advances of the Facility 5 Interest Reserve alone, a progress advance report prepared by Project Monitor in scope, form and substance acceptable to the Lender as detailed in Schedule “B”.
3.	All requests for advances shall, in writing, include the following, each in a form and substance satisfactory to, and subject to inspection by the Lender; <ul style="list-style-type: none"> (i) Details of costs in place and references to the Land Servicing Budget. (ii) Certificate from the Lender’s Cost Consultant indicating: <ul style="list-style-type: none"> (a) Cost of work in place; (b) That the work to date is in accordance with the plans and specifications previously submitted to the Lender; (c) Interest, the amount of holdbacks, and cost to complete; and (d) Estimated completion date. (iii) Report from the Lender's legal counsel showing clear title.
4.	Accumulated advances shall at no time exceed the cost of work-in-place less the sum of the following: (i) holdbacks required under the construction lien act; and (ii) Borrower equity invested in the Project, not to be less than the Equity, as defined herein; (iii) purchaser deposits; and (iv) deferred costs as per Schedule “I”.
5.	Lender reserves the right to make advances directly to the contractor, other trades (sub-trades or otherwise) and/or suppliers if the Borrower is in default under the Loan or if the Lender believes, in its sole and unfettered discretion without the need to furnish evidence to the Borrower thereof, that Loan advances are being diverted from the Project and/or are being used to fund Project costs not provided for in the Lender approved Project budget set out in the most recent Project Monitor report.
6.	For each advance under Facility 5, save and except for those exclusively related to the Facility 5 Interest Reserve, the Borrower shall sign a statutory declaration satisfactory to the Lender and its legal counsel confirming that all Facility 5 proceeds are being used solely to pay all Lender-approved accounts payable of the Project and for no other purpose whatsoever. Any use of Loan proceeds for any purpose other than that which has been approved by the



	Lender in connection with the Project Budget shall constitute default by the Borrower under this Commitment Letter and the Security agreements.
7.	All costs incurred by the Lender in making each Facility 2 advance including, without limitation, the cost of a sub-search of title are for the account of the Borrower and may, at the Lender's option, be deducted from any advance of Facility 5.
8.	All loan advances shall be subject to a \$500 loan advance fee payable to the Lender which amount shall be deducted from the applicable Facility 5 advance by the Lender.
9.	All realty taxes including, without limitation, all levies, development charges, educational development charges and local improvement rates billed to the date of each advance of Facility 5 are to be paid in full.

B. CONDITIONS PRECEDENT

This Third Amendment shall be subject to the following additional conditions precedent which shall each have been received, reviewed and/or met to the satisfaction of the Lender in its sole, absolute and unfettered discretion (collectively, the “**Third Amendment Conditions Precedent**”).

1. Security to be amended and/or extended as deemed necessary by the Lender and its legal counsel to reflect the revised terms specified in this Third Amendment.

In the event that the abovementioned Conditions Precedent to the Third Amendment have not been satisfied by September 1, 2017, at the exclusive option of the Lender, the Lender’s obligations under this Third Amendment shall cease and the Loan will become due and payable in accordance with the terms of the original Commitment. Notwithstanding the same, the Lender shall remain entitled to earn and receive full payment of the Third Amendment Fee and to fully recover from the Borrower and Guarantor any expenses incurred by the Lender.

B. GENERAL MATTERS

1. Entire Agreement – No alteration, modification, amendment, change or addition to this Third Amendment (nor further alteration, modification, amendment, change or addition to the Commitment) shall be effective unless the same is in writing and signed by all of the parties hereto.
2. Not a Novation – It is the intent of the Borrower and Lender that this Third Amendment shall not constitute a novation or in any way adversely affect the Commitment or the Security for the Loan, including, without limitation, the mortgage/charge in favour of the Lender.
3. Captions – The captions and headings herein shall be solely for convenience of reference and in no way define, limit or describe the scope or intent of any provisions or sections of this Third Amendment.



4. Successors and Assigns – The Third Amendment shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, successors and assigns but may not be assigned by the Borrower under any circumstances and the parties hereto agree that any such attempted assignment by the Borrower shall be null and void and of no force and effect.

5. Limited Modification – The Commitment, as amended by this Third Amendment, and the Security shall remain in full force and effect and all parties liable or obligated with respect thereto shall remain so liable or obligated with respect to the Commitment, as amended by this Third Amendment, and the Security. The Property shall remain in all respects subject to the liens, charges and encumbrances as set out in the Commitment, as amended by this Third Amendment, and the Security and nothing herein and nothing done pursuant hereto shall affect or be construed to affect the liens, charges and encumbrances of, or warranties of title in, any of the loan documents including, without limitation, the Commitment and the Security (the “**Loan Documents**”), nor the priority thereof over other liens, charges, encumbrances or conveyances. This Third Amendment shall not release or affect the liability of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents.

If any obligation of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents is determined to be void or unenforceable on account of this Third Amendment and/or the modification of the Loan Documents as contemplated by this Third Amendment, the Borrower, as an additional and independent obligation, hereby agrees to indemnify and hold harmless the Lender against and from all loss, cost, damage or expense (including attorney’s fees, whether or not litigation has been commenced, and any and all costs for trial, bankruptcy and appellate proceedings) suffered or incurred by the Lender as the result of any such obligation being void or unenforceable.

6. Commitment References – This Third Amendment shall form a part of the Commitment and shall be read as such and reference in the Commitment to the Commitment or similar expressions shall be deemed, as of the date hereof, to include this Third Amendment.

7. Time is of the Essence - Time is of the essence in this Third Amendment.

8. Conflict - In the event of any inconsistency between the terms and conditions of any one or more of the Loan Documents and this Third Amendment, the terms and conditions and provisions of this Third Amendment shall prevail. Whenever possible, this Third Amendment shall be read to harmonize, rather than conflict, with any term or provision contained in the Loan Documents which is not specifically modified by this Third Amendment.

9. Facsimile Transmission - The parties hereto acknowledge that this Third Amendment may be transmitted by facsimile transmission and that, if signed by each party hereto, such facsimile transmission will constitute a legally binding agreement between the parties.



10. Privacy Act Consent - The parties hereto acknowledge that this Third Amendment shall be subject to the Privacy Act Consent, unamended, as set out in the Commitment.

If you are in agreement with the foregoing terms and conditions, please indicate this by signing and returning one (1) copy of this Third Amendment to the Lender's office by 5:00pm Eastern Standard Time on Wednesday, August 2, 2017, failing which this letter shall, at the Lender's option, be deemed null and void.

Yours truly,

KINGSETT MORTGAGE CORPORATION

Per: 
per. Justin Walton
Director, Mortgage Investments

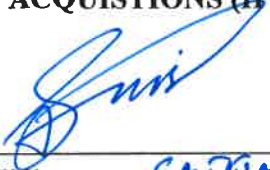
Per: 
Bryan Salazar
Director, Mortgage Underwriting and Funding



ACKNOWLEDGEMENT

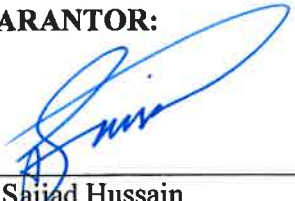
The terms and conditions of this Third Amendment are acknowledged and agreed to by the Borrower and Guarantor at RICHMOND Hill this 27th day of JULY 2017.

BORROWER:
SUNRISE ACQUISITIONS (HWY 7) INC.

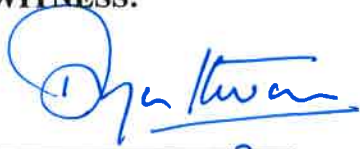
Per: 
Name: _____
Title: SAJJAD HUSSAIN
DIRECTOR

Per: 
Name: _____
Title: MUZAMMIL KODWANI
DIRECTOR

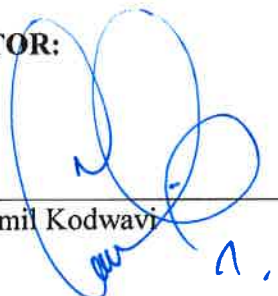
I/we have authority to bind the Corporation.

GUARANTOR:



Mr. Sajjad Hussain

WITNESS:


Name: SEQA POOPKASINGAM
Address: _____

GUARANTOR:


Mr. Muzammil Kodwani

WITNESS:


Name: SEQA POOPKASINGAM
Address: Sunrise Homes. Htd

Hwy 7



SCHEDULE K
Facility 5 Allocation

Interest Reserve	\$	340,000
Letters of Credit (Cash in lieu)	\$	800,000
Previously funded Parkland Dedication	\$	1,179,106
Interest for Facility 2	\$	1,100,000
Facility 5	\$	3,419,106

Amendment No. 4



August 7, 2018

Sunrise Acquisitions (HWY 7) Inc.
c/o Sunrise Homes Ltd.
50 West Wilmot Street, Suite 100
Richmond Hill, ON, L4B 1M5

Attention: Sajjad Hussain and Muzammil Kodwavi

Re: First Mortgage Financing
4116, 4128 & 4142 Highway 7 East, Markham, Ontario

KingSett Mortgage Corporation is pleased to offer the following amendment (the “**Fourth Amendment**”) to the Commitment Letter from the Lender to the Borrower dated May 5, 2015, as amended pursuant to an amendment letter dated June 28, 2016 (the “**Amendment**”), a second amendment letter dated October 17, 2016 (the “**Second Amendment**”) and a third amendment letter dated July 25, 2017 (the “**Third Amendment**”), in connection with the above noted matter (together, the “**Commitment**” or “**Commitment Letter**”), which Commitment sets out the terms and conditions of a first mortgage loan granted by the Lender to the Borrower and is incorporated herein by reference.

All capitalized terms contained in this Fourth Amendment shall have the respective meanings ascribed thereto in the Commitment unless expressly defined in this Fourth Amendment.

A. AMENDED LOAN TERMS

1. “Facility 3” of the “Loan Facility” section of the Commitment is deleted and replaced with:
~~\$ 5,000,000. -~~ *Al J...*
 Facility 3: ~~\$6,500,000~~ Revolving Construction Loan (“**Facility 3**”)
2. “Facility 5” of the “Loan Facility” section of the Commitment is deleted and replaced with:
~~\$ —~~ *AS PER SCHEDULE K.* *Al J...*
 Facility 5: ~~\$4,419,106~~ Mezzanine Facility (“**Facility 5**”)
3. “Facility 5” of the “Interest Reserve” section of the Commitment Letter is deleted and replaced with:

Facility 5:

Provided the Loan is not in default, monthly interest shall be capitalized to the outstanding principal balance of Facility 5 until the earlier of repayment of Facility 5 in full or the capitalization of a total \$685,090 of monthly interest to Facility 5 (the “**Interest Reserve**”). The Project Monitor will evaluate, on a monthly basis, the capacity



of the Interest Reserve to complete the Project. Any deemed shortfall in the Interest Reserve shall be funded from the Borrower's and/or the Guarantors' own financial resources prior to the next scheduled Monthly Payment. Upon default by the Borrower under the Loan or Security, as defined herein, or upon full utilization of the Interest Reserve, the Borrower shall be required to make Monthly Payments from its own financial resources and not from the Interest Reserve.

- 4. The "Term" section of the Commitment is deleted and replaced with:

Term: The Loan matures on February 1, 2019 (the "Maturity Date"). Loan Amount repayable in full on the Maturity Date.

- 5. The following new section "Amendment Fee" is added below the "Commitment Fee" section:

Fourth Amendment Fee – The Fourth Amendment herein is subject to an amendment fee of ~~\$175,684~~ split as follows:

Handwritten: \$163,118
Facility 2 Fee: ~~\$111,701~~ ~~\$41,000~~ *\$111,701*
Facility 3 Fee: ~~\$19,792~~ ~~\$10,417~~
Facility 5 Fee: \$44,191 *\$41,000*

The Fourth Amendment Fee is earned by the Lender and payable by the Borrower from the proceeds of Facility 5 (the "Fourth Amendment Fee").

- 6. "Facility 5" of the "Availability" section of the Commitment Letter is deleted and replaced with:

Facility 5:

1.	All advances to complete the servicing of the Project and cash secure Letters of Credit under Facility 4 shall be funded on both a work in place and cost to complete basis in amounts not less than \$100,000 and not more frequently than once per month. The outstanding balances of all advances under Facility 5 are, at all times, not to exceed \$4,419,106 and Facility 5 shall be non-revolving.
2.	All advances to be supported by, except in the case of advances of the Facility 5 Interest Reserve alone, a progress advance report prepared by Project Monitor in scope, form and substance acceptable to the Lender as detailed in Schedule "B".
3.	All requests for advances shall, in writing, include the following, each in a form and substance satisfactory to, and subject to inspection by the Lender; <ul style="list-style-type: none"> (i) Details of costs in place and references to the Land Servicing Budget. (ii) Certificate from the Lender's Cost Consultant indicating: <ul style="list-style-type: none"> (a) Cost of work in place; (b) That the work to date is in accordance with the plans and specifications previously submitted to the Lender; (c) Interest, the amount of holdbacks, and cost to complete; and



	(d) Estimated completion date. (iii) Report from the Lender's legal counsel showing clear title.
4.	Accumulated advances shall at no time exceed the cost of work-in-place less the sum of the following: (i) holdbacks required under the construction lien act; and (ii) Borrower equity invested in the Project, not to be less than the Equity, as defined herein; (iii) purchaser deposits; and (iv) deferred costs as per Schedule "I".
5.	Lender reserves the right to make advances directly to the contractor, other trades (sub-trades or otherwise) and/or suppliers if the Borrower is in default under the Loan or if the Lender believes, in its sole and unfettered discretion without the need to furnish evidence to the Borrower thereof, that Loan advances are being diverted from the Project and/or are being used to fund Project costs not provided for in the Lender approved Project budget set out in the most recent Project Monitor report.
6.	For each advance under Facility 5, save and except for those exclusively related to the Facility 5 Interest Reserve, the Borrower shall sign a statutory declaration satisfactory to the Lender and its legal counsel confirming that all Facility 5 proceeds are being used solely to pay all Lender-approved accounts payable of the Project and for no other purpose whatsoever. Any use of Loan proceeds for any purpose other than that which has been approved by the Lender in connection with the Project Budget shall constitute default by the Borrower under this Commitment Letter and the Security agreements.
7.	All costs incurred by the Lender in making each Facility 2 advance including, without limitation, the cost of a sub-search of title are for the account of the Borrower and may, at the Lender's option, be deducted from any advance of Facility 5.
8.	All loan advances shall be subject to a \$500 loan advance fee payable to the Lender which amount shall be deducted from the applicable Facility 5 advance by the Lender.
9.	All realty taxes including, without limitation, all levies, development charges, educational development charges and local improvement rates billed to the date of each advance of Facility 5 are to be paid in full.

B. CONDITIONS PRECEDENT

This Fourth Amendment shall be subject to the following additional conditions precedent which shall each have been received, reviewed and/or met to the satisfaction of the Lender in its sole, absolute and unfettered discretion (collectively, the "**Fourth Amendment Conditions Precedent**").

1. Security to be amended and/or extended as deemed necessary by the Lender and its legal counsel to reflect the revised terms specified in this Fourth Amendment;
2. Receipt and satisfactory review of standstill and subordination agreement with Sorrenti Law Professional Corporation.



been satisfied by September 1, 2018, at the exclusive option of the Lender, the Lender's obligations under this Fourth Amendment shall cease and the Loan will become due and payable in accordance with the terms of the original Commitment. Notwithstanding the same, the Lender shall remain entitled to earn and receive full payment of the Fourth Amendment Fee and to fully recover from the Borrower and Guarantor any expenses incurred by the Lender.

B. GENERAL MATTERS

1. Entire Agreement – No alteration, modification, amendment, change or addition to this Fourth Amendment (nor further alteration, modification, amendment, change or addition to the Commitment) shall be effective unless the same is in writing and signed by all of the parties hereto.
2. Not a Novation – It is the intent of the Borrower and Lender that this Fourth Amendment shall not constitute a novation or in any way adversely affect the Commitment or the Security for the Loan, including, without limitation, the mortgage/charge in favour of the Lender.
3. Captions – The captions and headings herein shall be solely for convenience of reference and in no way define, limit or describe the scope or intent of any provisions or sections of this Fourth Amendment.
4. Successors and Assigns – The Fourth Amendment shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, successors and assigns but may not be assigned by the Borrower under any circumstances and the parties hereto agree that any such attempted assignment by the Borrower shall be null and void and of no force and effect.
5. Limited Modification – The Commitment, as amended by this Fourth Amendment, and the Security shall remain in full force and effect and all parties liable or obligated with respect thereto shall remain so liable or obligated with respect to the Commitment, as amended by this Fourth Amendment, and the Security. The Property shall remain in all respects subject to the liens, charges and encumbrances as set out in the Commitment, as amended by this Fourth Amendment, and the Security and nothing herein and nothing done pursuant hereto shall affect or be construed to affect the liens, charges and encumbrances of, or warranties of title in, any of the loan documents including, without limitation, the Commitment and the Security (the “**Loan Documents**”), nor the priority thereof over other liens, charges, encumbrances or conveyances. This Fourth Amendment shall not release or affect the liability of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents.

If any obligation of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents is determined to be void or unenforceable on account of this Fourth Amendment and/or the modification of the Loan



Documents as contemplated by this Fourth Amendment, the Borrower, as an additional and independent obligation, hereby agrees to indemnify and hold harmless the Lender against and from all loss, cost, damage or expense (including attorney's fees, whether or not litigation has been commenced, and any and all costs for trial, bankruptcy and appellate proceedings) suffered or incurred by the Lender as the result of any such obligation being void or unenforceable.

6. Commitment References – This Fourth Amendment shall form a part of the Commitment and shall be read as such and reference in the Commitment to the Commitment or similar expressions shall be deemed, as of the date hereof, to include this Fourth Amendment.
7. Time is of the Essence - Time is of the essence in this Fourth Amendment.
8. Conflict - In the event of any inconsistency between the terms and conditions of any one or more of the Loan Documents and this Fourth Amendment, the terms and conditions and provisions of this Fourth Amendment shall prevail. Whenever possible, this Fourth Amendment shall be read to harmonize, rather than conflict, with any term or provision contained in the Loan Documents which is not specifically modified by this Fourth Amendment.
9. Facsimile Transmission - The parties hereto acknowledge that this Fourth Amendment may be transmitted by facsimile transmission and that, if signed by each party hereto, such facsimile transmission will constitute a legally binding agreement between the parties.
10. Privacy Act Consent - The parties hereto acknowledge that this Fourth Amendment shall be subject to the Privacy Act Consent, unamended, as set out in the Commitment.




If you are in agreement with the foregoing terms and conditions, please indicate this by signing and returning one (1) copy of this Fourth Amendment to the Lender's office by 5:00pm Eastern Standard Time on Monday, August 13, 2018, failing which this letter shall, at the Lender's option, be deemed null and void.

Yours truly,

KINGSETT MORTGAGE CORPORATION

Per: 
Justin Walton
Director, Mortgage Investments

Per: 
Bryan Salazar
Director, Mortgage Underwriting and Funding



ACKNOWLEDGEMENT

The terms and conditions of this Fourth Amendment are acknowledged and agreed to by the Borrower and Guarantor at Richmond Hill this 6th day of SEPTEMBER 2018.

BORROWER:
SUNRISE ACQUISITIONS (HWY 7) INC.

Per: [Signature]
Name: Sajjad Hussain
Title: _____

Per: _____
Name: _____
Title: _____

I/we have authority to bind the Corporation.

GUARANTOR:

[Signature]
Mr. Sajjad Hussain

WITNESS:

[Signature]
Name: _____
Address: JEGA POOPALASINGAM,
50 WEST WILMOT ST,
RICHMOND HILL, ON

GUARANTOR:

[Signature]
Mr. Muzammil Kodwavi

WITNESS:

[Signature]
Name: _____
Address: JEGA POOPALASINGAM,
50 WEST WILMOT ST,
RICHMOND HILL, ON.



**SCHEDULE K
Facility 5 Allocation**

Interest Reserve	685,090
Letters of Credit (Cash in lieu)	800,000
Previously funded Parkland Dedication	1,179,106
Interest for Facility 2	1,579,226
Fees	175,684
Facility 5	4,419,106

SEE BELOW NOTE.
SEE BELOW NOTE.
REVISED AS PER ITEM: A(5).

ALJ

The advance of the Loan is subject to the prior execution and registration of the Security and satisfaction of all terms and conditions of the Loan including, without limitation, the Conditions Precedent. Funds were previously advanced as follows:

- \$800,000 to the Borrower to repatriate funds that were paid to the city of Markham for Letters of Credit;
 - \$1,179,106 to cover cost over runs for Parkland dedication;
- Additional funds will be advanced as follows:
- The Facility 2 interest reserve will increase to \$1,579,226;
 - The Facility 5 interest reserve will increase to \$685,090;
 - \$175,684 in Fees will be paid to the Lender.

* INTEREST RESERVE OF \$ 450,000.00
IN TOTAL .

ALJ

Interest Reserve	\$1,890,000
Parkland Dedication	\$1,179,100
Letter of Credit	\$ 800,000
Fees	\$ 163,118
Total	\$4,032,224

Amendment No. 5



December 20, 2018

Sunrise Acquisitions (HWY 7) Inc.
 c/o Sunrise Homes Ltd.
 50 West Wilmot Street, Suite 100
 Richmond Hill, ON, L4B 1M5

Attention: Sajjad Hussain and Muzammil Kodwavi

Re: First Mortgage Financing
4116, 4128 & 4142 Highway 7 East, Markham, Ontario

KingSett Mortgage Corporation is pleased to offer the following amendment (the "**Fifth Amendment**") to the Commitment Letter from the Lender to the Borrower dated May 5, 2015, as amended pursuant to an amendment letter dated June 28, 2016 (the "**Amendment**"), a second amendment letter dated October 17, 2016 (the "**Second Amendment**") and a third amendment letter dated July 25, 2017 (the "**Third Amendment**") and a fourth amendment letter dated August 7, 2018 (the "**Fourth Amendment**"), in connection with the above noted matter (together, the "**Commitment**" or "**Commitment Letter**"), which Commitment sets out the terms and conditions of a first mortgage loan granted by the Lender to the Borrower and is incorporated herein by reference.

All capitalized terms contained in this Fifth Amendment shall have the respective meanings ascribed thereto in the Commitment unless expressly defined in this Fifth Amendment.

A. AMENDED LOAN TERMS

1. "Facility 3" of the "Loan Facility" section of the Commitment is deleted and replaced with:

Facility 3: \$6,500,000 Revolving Construction Loan ("**Facility 3**")

2. The "Term" section of the Commitment is deleted and replaced with:

Term:

Facility 2: The Loan matures on April 1, 2019 (the "**Maturity Date**"). Loan Amount repayable in full on the Maturity Date.

Facility 3: The Loan matures on April 1, 2019 (the "**Maturity Date**"). Loan Amount repayable in full on the Maturity Date.

Facility 5: The Loan matures on May 1, 2019 (the "**Maturity Date**"). Loan Amount repayable in full on the Maturity Date.



3. The following new section “Fifth Amendment Fee” is added below the “Amendment Fee” section:

Fifth Amendment Fee – The Fifth Amendment herein is subject to an amendment fee of \$112,838 as follows:

Facility 2 - \$24,732

Facility 5 - \$13,441

Facility 3 - \$75,000

The fee is earned by the Lender and payable by the Borrower upon the execution of the Fifth Amendment (the “**Fifth Amendment Fee**”).

B. CONDITIONS PRECEDENT

This Fifth Amendment shall be subject to investment committee approval, which shall have been received, reviewed and/or met to the satisfaction of the Lender in its sole, absolute and unfettered discretion.

C. GENERAL MATTERS

1. Entire Agreement – No alteration, modification, amendment, change or addition to this Fifth Amendment (nor further alteration, modification, amendment, change or addition to the Commitment) shall be effective unless the same is in writing and signed by all of the parties hereto.
2. Not a Novation – It is the intent of the Borrower and Lender that this Fifth Amendment shall not constitute a novation or in any way adversely affect the Commitment or the Security for the Loan, including, without limitation, the mortgage/charge in favour of the Lender.
3. Captions – The captions and headings herein shall be solely for convenience of reference and in no way define, limit or describe the scope or intent of any provisions or sections of this Fifth Amendment.
4. Successors and Assigns – The Fifth Amendment shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, successors and assigns but may not be assigned by the Borrower under any circumstances and the parties hereto agree that any such attempted assignment by the Borrower shall be null and void and of no force and effect.
5. Limited Modification – The Commitment, as amended by this Fifth Amendment, and the Security shall remain in full force and effect and all parties liable or obligated with



respect thereto shall remain so liable or obligated with respect to the Commitment, as amended by this Fifth Amendment, and the Security. The Property shall remain in all respects subject to the liens, charges and encumbrances as set out in the Commitment, as amended by this Fifth Amendment, and the Security and nothing herein and nothing done pursuant hereto shall affect or be construed to affect the liens, charges and encumbrances of, or warranties of title in, any of the loan documents including, without limitation, the Commitment and the Security (the “**Loan Documents**”), nor the priority thereof over other liens, charges, encumbrances or conveyances. This Fifth Amendment shall not release or affect the liability of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents.

If any obligation of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents is determined to be void or unenforceable on account of this Fifth Amendment and/or the modification of the Loan Documents as contemplated by this Fifth Amendment, the Borrower, as an additional and independent obligation, hereby agrees to indemnify and hold harmless the Lender against and from all loss, cost, damage or expense (including attorney’s fees, whether or not litigation has been commenced, and any and all costs for trial, bankruptcy and appellate proceedings) suffered or incurred by the Lender as the result of any such obligation being void or unenforceable.

6. Commitment References – This Fifth Amendment shall form a part of the Commitment and shall be read as such and reference in the Commitment to the Commitment or similar expressions shall be deemed, as of the date hereof, to include this Fifth Amendment.
7. Time is of the Essence - Time is of the essence in this Fifth Amendment.
8. Conflict - In the event of any inconsistency between the terms and conditions of any one or more of the Loan Documents and this Fifth Amendment, the terms and conditions and provisions of this Fifth Amendment shall prevail. Whenever possible, this Fourth Amendment shall be read to harmonize, rather than conflict, with any term or provision contained in the Loan Documents which is not specifically modified by this Fifth Amendment.
9. Facsimile Transmission - The parties hereto acknowledge that this Fifth Amendment may be transmitted by facsimile transmission and that, if signed by each party hereto, such facsimile transmission will constitute a legally binding agreement between the parties.
10. Privacy Act Consent - The parties hereto acknowledge that this Fifth Amendment shall be subject to the Privacy Act Consent, unamended, as set out in the Commitment.



If you are in agreement with the foregoing terms and conditions, please indicate this by signing and returning one (1) copy of this Fifth Amendment, alongside the Fifth Amendment Fee to the Lender's office by 5:00pm Eastern Standard Time on January 7, 2019, failing which this letter shall, at the Lender's option, be deemed null and void.

Yours truly,

KINGSETT MORTGAGE CORPORATION

Per: 
Justin Walton
Executive Director, Mortgage Investments

Per: 
Bryan Salazar
Executive Director, Mortgage Underwriting and Funding



ACKNOWLEDGEMENT

The terms and conditions of this Fifth Amendment are acknowledged and agreed to by the Borrower and Guarantor at RICHMOND HILL this 20th day of DECEMBER 2018.

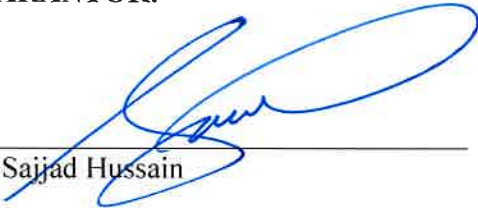
BORROWER:
SUNRISE ACQUISITIONS (HWY 7) INC.

Per: 
Name: MUZAMMIL KODWAVI.
Title: DIRECTOR.


Per: _____
Name:
Title:

I/we have authority to bind the Corporation.

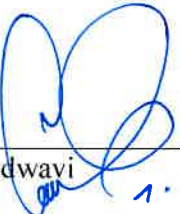
GUARANTOR:


Mr. Sajjad Hussain


WITNESS:


Name: Veniece Omand
Address: 50 West Wilmot, Suite 100
Richmond Hill, ON
L4B 1N5

GUARANTOR:


Mr. Muzammil Kodwavi

WITNESS:


Name: Veniece Omand
Address: 50 West Wilmot st. Suite 100
Richmond Hill, ON
L4B 1N5

Amendment No. 6



April 3, 2019

Sunrise Acquisitions (HWY 7) Inc.
 c/o Sunrise Homes Ltd.
 50 West Wilmot Street, Suite 100
 Richmond Hill, ON, L4B 1M5

Attention: Sajjad Hussain and Muzammil Kodwavi

Re: First Mortgage Financing
4116, 4128 & 4142 Highway 7 East, Markham, Ontario

KingSett Mortgage Corporation is pleased to offer the following amendment (the “**Sixth Amendment**”) to the Commitment Letter from the Lender to the Borrower dated May 5, 2015, as amended pursuant to an amendment letter dated June 28, 2016 (the “**Amendment**”), a second amendment letter dated October 17, 2016 (the “**Second Amendment**”), a third amendment letter dated July 25, 2017 (the “**Third Amendment**”), a fourth amendment letter dated August 7, 2018 (the “**Fourth Amendment**”) and a fifth amendment letter dated December 20, 2018 (the “**Fifth Amendment**”), in connection with the above noted matter (together, the “**Commitment**” or “**Commitment Letter**”), which Commitment sets out the terms and conditions of a first mortgage loan granted by the Lender to the Borrower and is incorporated herein by reference.

All capitalized terms contained in this Sixth Amendment shall have the respective meanings ascribed thereto in the Commitment unless expressly defined in this Sixth Amendment.

A. AMENDED LOAN TERMS

1. “Facility 5” of the “Loan Facility” section of the Commitment is deleted and replaced with:

Facility 5: \$4,419,106 Mezzanine Facility (“**Facility 5**”)

2. The “Term” section of the Commitment is deleted and replaced with:

Term:

Facility 2: The Loan matures on October 1, 2019 (the “**Maturity Date**”). Loan Amount repayable in full on the Maturity Date.

Facility 3: The Loan matures on November 1, 2019 (the “**Maturity Date**”). Loan Amount repayable in full on the Maturity Date.

Facility 5: The Loan matures on October 1, 2019 (the “**Maturity Date**”). Loan Amount repayable in full on the Maturity Date.



3. The following new section “Sixth Amendment Fee” is added below the “Amendment Fee” section:

Sixth Amendment Fee – The Sixth Amendment herein is subject to an amendment fee of \$156,140, which is payable monthly, as follows:

Facility 2 - \$74,197 (\$12,366.17 payable monthly)

Facility 3 - \$65,000 (\$10,833.33 payable monthly)

Facility 5 - \$44,191 (\$7,365.17 payable monthly)

The fee is earned by the Lender and payable by the Borrower on 1st of each month. Facility 2 and 5 payments will commence on April 1, 2019 and Facility 3 repayment will commence on May 1, 2019 (the “**Sixth Amendment Fee**”).

B. CONDITIONS PRECEDENT

This Sixth Amendment shall be subject to investment committee approval, which shall have been received, reviewed and/or met to the satisfaction of the Lender in its sole, absolute and unfettered discretion.

C. GENERAL MATTERS

1. Entire Agreement – No alteration, modification, amendment, change or addition to this Sixth Amendment (nor further alteration, modification, amendment, change or addition to the Commitment) shall be effective unless the same is in writing and signed by all of the parties hereto.
2. Not a Novation – It is the intent of the Borrower and Lender that this Sixth Amendment shall not constitute a novation or in any way adversely affect the Commitment or the Security for the Loan, including, without limitation, the mortgage/charge in favour of the Lender.
3. Captions – The captions and headings herein shall be solely for convenience of reference and in no way define, limit or describe the scope or intent of any provisions or sections of this Sixth Amendment.
4. Successors and Assigns – The Sixth Amendment shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, successors and assigns but may not be assigned by the Borrower under any circumstances and the parties hereto agree that any such attempted assignment by the Borrower shall be null and void and of no force and effect.
5. Limited Modification – The Commitment, as amended by this Sixth Amendment, and the Security shall remain in full force and effect and all parties liable or obligated with



respect thereto shall remain so liable or obligated with respect to the Commitment, as amended by this Sixth Amendment, and the Security. The Property shall remain in all respects subject to the liens, charges and encumbrances as set out in the Commitment, as amended by this Sixth Amendment, and the Security and nothing herein and nothing done pursuant hereto shall affect or be construed to affect the liens, charges and encumbrances of, or warranties of title in, any of the loan documents including, without limitation, the Commitment and the Security (the “**Loan Documents**”), nor the priority thereof over other liens, charges, encumbrances or conveyances. This Sixth Amendment shall not release or affect the liability of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents.

If any obligation of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents is determined to be void or unenforceable on account of this Sixth Amendment and/or the modification of the Loan Documents as contemplated by this Sixth Amendment, the Borrower, as an additional and independent obligation, hereby agrees to indemnify and hold harmless the Lender against and from all loss, cost, damage or expense (including attorney’s fees, whether or not litigation has been commenced, and any and all costs for trial, bankruptcy and appellate proceedings) suffered or incurred by the Lender as the result of any such obligation being void or unenforceable.

6. Commitment References – This Sixth Amendment shall form a part of the Commitment and shall be read as such and reference in the Commitment to the Commitment or similar expressions shall be deemed, as of the date hereof, to include this Sixth Amendment.
7. Time is of the Essence - Time is of the essence in this Sixth Amendment.
8. Conflict - In the event of any inconsistency between the terms and conditions of any one or more of the Loan Documents and this Sixth Amendment, the terms and conditions and provisions of this Sixth Amendment shall prevail. Whenever possible, this Fourth Amendment shall be read to harmonize, rather than conflict, with any term or provision contained in the Loan Documents which is not specifically modified by this Sixth Amendment.
9. Facsimile Transmission - The parties hereto acknowledge that this Sixth Amendment may be transmitted by facsimile transmission and that, if signed by each party hereto, such facsimile transmission will constitute a legally binding agreement between the parties.
10. Privacy Act Consent - The parties hereto acknowledge that this Sixth Amendment shall be subject to the Privacy Act Consent, unamended, as set out in the Commitment.



If you are in agreement with the foregoing terms and conditions, please indicate this by signing and returning one (1) copy of this Sixth Amendment, to the Lender's office by 5:00pm Eastern Standard Time on April 5, 2019, failing which this letter shall, at the Lender's option, be deemed null and void. The Sixth Amendment Fee related to Facility 2 and 5 being the first month payment (\$12,366.17 & \$7,365.17) will be capitalized to Facility 5.

Yours truly,

KINGSETT MORTGAGE CORPORATION

Per: 
Justin Walton (Apr 3, 2019)

Justin Walton
Executive Director, Mortgage Investments

Per: 
Bryan Salazar (Apr 3, 2019)

Bryan Salazar
Executive Director, Mortgage Underwriting and Funding



ACKNOWLEDGEMENT


The terms and conditions of this Sixth Amendment are acknowledged and agreed to by the Borrower and Guarantor at RICHMOND Hill this 5th day of APRIL 2019.


BORROWER:
SUNRISE ACQUISITIONS (HWY 7) INC.

Per: 
Name: MUZAMMIL KODWANI.
Title: DIRECTOR.

Per: _____
Name:
Title:


I/we have authority to bind the Corporation.

GUARANTOR:

Mr. Sajjad Hussain

WITNESS:

Name: Francine Williams
Address: 50 west willmot st.
Richmond Hill, ON
L4B 1M5

GUARANTOR:

Mr. Muzammil Kodwani

WITNESS:

Name: Francine Williams
Address: 50 west willmot st.
Richmond Hill, ON
L4B 1M5



SCHEDULE K
Facility 5 Allocation

Interest Reserve	685,090
Letters of Credit (Cash in lieu)	800,000
Previously funded Parkland Dedication	1,179,106
Interest for Facility 2	1,579,226
Fees	175,684
Facility 5	4,419,106

The advance of the Loan is subject to the prior execution and registration of the Security and satisfaction of all terms and conditions of the Loan including, without limitation, the Conditions Precedent. Funds were previously advanced as follows:

- \$800,000 to the Borrower to repatriate funds that were paid to the city of Markham for Letters of Credit;
- \$1,179,106 to cover cost over runs for Parkland dedication;

Additional funds will be advanced as follows:

- The Facility 2 interest reserve will increase to \$1,579,226;
- The Facility 5 interest reserve will increase to \$685,090;
- \$175,684 in Fees will be paid to the Lender.

Amendment No. 7



August 7, 2019

Sunrise Acquisitions (HWY 7) Inc.
 c/o Sunrise Homes Ltd.
 50 West Wilmot Street, Suite 100
 Richmond Hill, ON, L4B 1M5
 Attention: Sajjad Hussain and Muzammil Kodwavi

Re: First Mortgage Financing
4116, 4128 & 4142 Highway 7 East, Markham, Ontario

KingSett Mortgage Corporation is pleased to offer the following amendment (the “**Seventh Amendment**”) to the Commitment Letter from the Lender to the Borrower dated May 5, 2015, as amended pursuant to an amendment letter dated June 28, 2016 (the “**Amendment**”), a second amendment letter dated October 17, 2016 (the “**Second Amendment**”), a third amendment letter dated July 25, 2017 (the “**Third Amendment**”), a fourth amendment letter dated August 7, 2018 (the “**Fourth Amendment**”) and a fifth amendment letter dated December 20, 2018 (the “**Fifth Amendment**”), and a sixth amendment letter dated April 3, 2019 (the “**Sixth Amendment**”), in connection with the above noted matter (together, the “**Commitment**” or “**Commitment Letter**”), which Commitment sets out the terms and conditions of a first mortgage loan granted by the Lender to the Borrower and is incorporated herein by reference.

All capitalized terms contained in this Seventh Amendment shall have the respective meanings ascribed thereto in the Commitment unless expressly defined in this Seventh Amendment.

A. AMENDED LOAN TERMS

1. The following is added immediately below Facility 5 within the “Loan Facility” section:

Facility 6: \$2,500,000 Mezzanine Facility (“**Facility 6**”)

2. The “Term” section of the Commitment is deleted and replaced with:

Term:

The Loan matures on January 1, 2020 (the “**Maturity Date**”). Loan Amount repayable in full on the Maturity Date.

3. The following is added immediately below Facility 5 within the “Interest Rate” section:

Facility 6: RBC Prime Rate + 11.05% (Floor rate of 15.00%) per annum, calculated on the daily outstanding balance, compounded and payable monthly, not in advance, both before and after maturity, default and/or judgment with respect to the Loan (the “**Facility 6 Interest Rate**”)



4. The following new section “Seventh Amendment Fee” is added below the “Amendment Fee” section:

Seventh Amendment Fee – The Seventh Amendment herein is subject to an amendment payable monthly, as follows:

Facility 2 - \$12,366.17

Facility 3 - \$10,833.33

Facility 5 - \$7,365.17

Facility 6 - \$5,000.00

B. CONDITIONS PRECEDENT

This Seventh Amendment shall be subject to investment committee approval, which shall have been received, reviewed and/or met to the satisfaction of the Lender in its sole, absolute and unfettered discretion.

C. GENERAL MATTERS

1. Entire Agreement – No alteration, modification, amendment, change or addition to this Seventh Amendment (nor further alteration, modification, amendment, change or addition to the Commitment) shall be effective unless the same is in writing and signed by all of the parties hereto.
2. Not a Novation – It is the intent of the Borrower and Lender that this Seventh Amendment shall not constitute a novation or in any way adversely affect the Commitment or the Security for the Loan, including, without limitation, the mortgage/charge in favour of the Lender.
3. Captions – The captions and headings herein shall be solely for convenience of reference and in no way define, limit or describe the scope or intent of any provisions or sections of this Seventh Amendment.
4. Successors and Assigns – The Seventh Amendment shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, successors and assigns but may not be assigned by the Borrower under any circumstances and the parties hereto agree that any such attempted assignment by the Borrower shall be null and void and of no force and effect.



5. Limited Modification – The Commitment, as amended by this Seventh Amendment, and the Security shall remain in full force and effect and all parties liable or obligated with respect thereto shall remain so liable or obligated with respect to the Commitment, as amended by this Seventh Amendment, and the Security. The Property shall remain in all respects subject to the liens, charges and encumbrances as set out in the Commitment, as amended by this Seventh Amendment, and the Security and nothing herein and nothing done pursuant hereto shall affect or be construed to affect the liens, charges and encumbrances of, or warranties of title in, any of the loan documents including, without limitation, the Commitment and the Security (the “**Loan Documents**”), nor the priority thereof over other liens, charges, encumbrances or conveyances. This Seventh Amendment shall not release or affect the liability of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents.

If any obligation of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents is determined to be void or unenforceable on account of this Seventh Amendment and/or the modification of the Loan Documents as contemplated by this Seventh Amendment, the Borrower, as an additional and independent obligation, hereby agrees to indemnify and hold harmless the Lender against and from all loss, cost, damage or expense (including attorney’s fees, whether or not litigation has been commenced, and any and all costs for trial, bankruptcy and appellate proceedings) suffered or incurred by the Lender as the result of any such obligation being void or unenforceable.

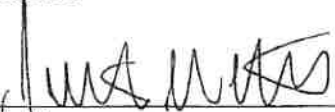
6. Commitment References – This Seventh Amendment shall form a part of the Commitment and shall be read as such and reference in the Commitment to the Commitment or similar expressions shall be deemed, as of the date hereof, to include this Seventh Amendment.
7. Time is of the Essence - Time is of the essence in this Seventh Amendment.
8. Conflict - In the event of any inconsistency between the terms and conditions of any one or more of the Loan Documents and this Seventh Amendment, the terms and conditions and provisions of this Seventh Amendment shall prevail. Whenever possible, this Fourth Amendment shall be read to harmonize, rather than conflict, with any term or provision contained in the Loan Documents which is not specifically modified by this Seventh Amendment.
9. Facsimile Transmission - The parties hereto acknowledge that this Seventh Amendment may be transmitted by facsimile transmission and that, if signed by each party hereto, such facsimile transmission will constitute a legally binding agreement between the parties.
10. Privacy Act Consent - The parties hereto acknowledge that this Seventh Amendment shall be subject to the Privacy Act Consent, unamended, as set out in the Commitment.




If you are in agreement with the foregoing terms and conditions, please indicate this by signing and returning one (1) copy of this Seventh Amendment, to the Lender's office by 5:00pm Eastern Standard Time on August 9, 2019, failing which this letter shall, at the Lender's option, be deemed null and void. The Seventh Amendment Fee related to Facility 6 being the first month payment (\$5,000) will be capitalized to Facility 6.

Yours truly,

KINGSETT MORTGAGE CORPORATION

Per: 
Justin Walton
Executive Director, Mortgage Investments

Per: 
Bryan Salazar
Executive Director, Mortgage Underwriting and Funding




ACKNOWLEDGEMENT

The terms and conditions of this Seventh Amendment are acknowledged and agreed to by the Borrower and Guarantor at RICHMOND Hill this 9th day of SEPTEMBER 2019.


BORROWER:
SUNRISE ACQUISITIONS (HWY 7) INC.

Per: 
Name: SASSAD HUSSAIN
Title: DIRECTOR.


Per: 
Name: MUZAMMIL KODWANI.
Title: DIRECTOR.

I/we have authority to bind the Corporation.

GUARANTOR:


Mr. Sajjad Hussain


WITNESS:


Name: Venice Omand
Address: 44 Hillwood St.
Markham, ON
L6C 2X8

GUARANTOR:


Mr. Muzammil Kodwani

WITNESS:


Name: Venice Omand
Address: 44 Hillwood St
Markham, ON
L6C 2X8



SCHEDULE K Facility 6 Allocation

The advance of the Loan is subject to the prior execution and registration of the Security and satisfaction of all terms and conditions of the Loan including, without limitation, the Conditions Precedent. Funds were previously advanced as follows:

- \$1,000,000 to fund hard construction costs on a cost-to-complete basis with all costs verified by the Lender and the Cost Consultant;
- \$1,500,000 to capitalize interest and extension fees until the loan facilities are repaid in full.

Amendment No. 8



December 12, 2019

Sunrise Acquisitions (HWY 7) Inc.
 c/o Sunrise Homes Ltd.
 50 West Wilmot Street, Suite 100
 Richmond Hill, ON, L4B 1M5
 Attention: Sajjad Hussain and Muzammil Kodwavi

Re: First Mortgage Financing
4116, 4128 & 4142 Highway 7 East, Markham, Ontario

KingSett Mortgage Corporation is pleased to offer the following amendment (the "**Eighth Amendment**") to the Commitment Letter from the Lender to the Borrower dated May 5, 2015, as amended pursuant to an amendment letter dated June 28, 2016 (the "**Amendment**"), a second amendment letter dated October 17, 2016 (the "**Second Amendment**"), a third amendment letter dated July 25, 2017 (the "**Third Amendment**"), a fourth amendment letter dated August 7, 2018 (the "**Fourth Amendment**") and a fifth amendment letter dated December 20, 2018 (the "**Fifth Amendment**"), and a sixth amendment letter dated April 3, 2019 (the "**Sixth Amendment**"), and the seventh amendment letter dated August 7, 2019 (the "**Seventh Amendment**") in connection with the above noted matter (together, the "**Commitment**" or "**Commitment Letter**"), which Commitment sets out the terms and conditions of a first mortgage loan granted by the Lender to the Borrower and is incorporated herein by reference.

All capitalized terms contained in this Eighth Amendment shall have the respective meanings ascribed thereto in the Commitment unless expressly defined in this Eighth Amendment.

A. AMENDED LOAN TERMS

1. The "Loan Facility" section of the Commitment is deleted and replaced with:

Loan: \$12,390,005.83 1st Mortgage, non-revolving demand loan (the "**Loan**" or "**Loan Amount**").

2. The "Term" section of the Commitment is deleted and replaced with:

Term: The Loan matures on April 1, 2020 (the "**Maturity Date**"). Loan Amount repayable in full on the Maturity Date.

3. The "Interest Rate" section of the Commitment is deleted and replaced with:

Interest Rate: RBC Prime Rate + 6.05% (Floor rate of 10.00%) per annum, calculated on the daily outstanding balance, compounded and payable monthly, not in advance, both before and after maturity, default and/or judgment with respect to the Loan (the "**Interest Rate**")



4. The following new section “Eighth Amendment Fee” is added below the “Amendment Fee” section:

Eighth Amendment Fee – The Eighth Amendment herein is subject to an amendment fee of \$25,918.79 payable monthly.

B. CONDITIONS PRECEDENT

This Eighth Amendment shall be subject to investment committee approval, which shall have been received, reviewed and/or met to the satisfaction of the Lender in its sole, absolute and unfettered discretion.

C. GENERAL MATTERS

1. Entire Agreement – No alteration, modification, amendment, change or addition to this Eighth Amendment (nor further alteration, modification, amendment, change or addition to the Commitment) shall be effective unless the same is in writing and signed by all of the parties hereto.
2. Not a Novation – It is the intent of the Borrower and Lender that this Eighth Amendment shall not constitute a novation or in any way adversely affect the Commitment or the Security for the Loan, including, without limitation, the mortgage/charge in favour of the Lender.
3. Captions – The captions and headings herein shall be solely for convenience of reference and in no way define, limit or describe the scope or intent of any provisions or sections of this Eighth Amendment.
4. Successors and Assigns – The Eighth Amendment shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, successors and assigns but may not be assigned by the Borrower under any circumstances and the parties hereto agree that any such attempted assignment by the Borrower shall be null and void and of no force and effect.
5. Limited Modification – The Commitment, as amended by this Eighth Amendment, and the Security shall remain in full force and effect and all parties liable or obligated with respect thereto shall remain so liable or obligated with respect to the Commitment, as amended by this Eighth Amendment, and the Security. The Property shall remain in all respects subject to the liens, charges and encumbrances as set out in the Commitment, as amended by this Eighth Amendment, and the Security and nothing herein and nothing done pursuant hereto shall affect or be construed to affect the liens, charges and



encumbrances of, or warranties of title in, any of the loan documents including, without limitation, the Commitment and the Security (the “**Loan Documents**”), nor the priority thereof over other liens, charges, encumbrances or conveyances. This Eighth Amendment shall not release or affect the liability of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents.

If any obligation of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents is determined to be void or unenforceable on account of this Eighth Amendment and/or the modification of the Loan Documents as contemplated by this Eighth Amendment, the Borrower, as an additional and independent obligation, hereby agrees to indemnify and hold harmless the Lender against and from all loss, cost, damage or expense (including attorney’s fees, whether or not litigation has been commenced, and any and all costs for trial, bankruptcy and appellate proceedings) suffered or incurred by the Lender as the result of any such obligation being void or unenforceable.

6. Commitment References – This Eighth Amendment shall form a part of the Commitment and shall be read as such and reference in the Commitment to the Commitment or similar expressions shall be deemed, as of the date hereof, to include this Eighth Amendment.
7. Time is of the Essence - Time is of the essence in this Eighth Amendment.
8. Conflict - In the event of any inconsistency between the terms and conditions of any one or more of the Loan Documents and this Eighth Amendment, the terms and conditions and provisions of this Eighth Amendment shall prevail. Whenever possible, this Eighth Amendment shall be read to harmonize, rather than conflict, with any term or provision contained in the Loan Documents which is not specifically modified by this Eighth Amendment.
9. Facsimile Transmission - The parties hereto acknowledge that this Eighth Amendment may be transmitted by facsimile transmission and that, if signed by each party hereto, such facsimile transmission will constitute a legally binding agreement between the parties.
10. Privacy Act Consent - The parties hereto acknowledge that this Eighth Amendment shall be subject to the Privacy Act Consent, unamended, as set out in the Commitment.




If you are in agreement with the foregoing terms and conditions, please indicate this by signing and returning one (1) copy of this Eighth Amendment, to the Lender's office by 5:00pm Eastern Standard Time on December 13, 2019, failing which this letter shall, at the Lender's option, be deemed null and void. The Eighth Amendment Fee, being the first month payment (\$25,918.79) will be capitalized to the Loan.

Yours truly,

KINGSETT MORTGAGE CORPORATION

Per: _____


Justin Walton
Executive Director, Mortgage Investments

Per: _____


Bryan Salazar
Executive Director, Mortgage Underwriting and Funding



ACKNOWLEDGEMENT

The terms and conditions of this Eighth Amendment are acknowledged and agreed to by the Borrower and Guarantor at RICHMOND Hill this 13th day of DECEMBER, 2019.

BORROWER:
SUNRISE ACQUISITIONS (HWY 7) INC.

Per: 

Name: SAJJAD HUSSAIN
Title: CEO.

Per: 

Name: MUZAMMIL KODWAVI
Title: DIRECTOR.

I/we have authority to bind the Corporation.

GUARANTOR:



Mr. Sajjad Hussain

WITNESS:



Name: Seza Poo Palasingam
Address: 100-50 West Wilmet St
Richmond Hill, ON, L4B 1M5

GUARANTOR:



Mr. Muzammil Kodwavi

WITNESS:



Name: Seza Poo Palasingam
Address: 100-50 West Wilmet St.
Richmond Hill, ON
L4B 1M5

Amendment No. 9



March 24, 2020

Sunrise Acquisitions (HWY 7) Inc.
 c/o Sunrise Homes Ltd.
 50 West Wilmot Street, Suite 100
 Richmond Hill, ON, L4B 1M5
 Attention: Sajjad Hussain and Muzammil Kodwavi

Re: First Mortgage Financing
4116, 4128 & 4142 Highway 7 East, Markham, Ontario

KingSett Mortgage Corporation is pleased to offer the following amendment (the “**Ninth Amendment**”) to the Commitment Letter from the Lender to the Borrower dated May 5, 2015, as amended pursuant to an amendment letter dated June 28, 2016 (the “**First Amendment**”), a second amendment letter dated October 17, 2016 (the “**Second Amendment**”), a third amendment letter dated July 25, 2017 (the “**Third Amendment**”), a fourth amendment letter dated August 7, 2018 (the “**Fourth Amendment**”) and a fifth amendment letter dated December 20, 2018 (the “**Fifth Amendment**”), and a sixth amendment letter dated April 3, 2019 (the “**Sixth Amendment**”), the seventh amendment letter dated August 7, 2019 (the “**Seventh Amendment**”), and the eighth amendment letter dated December 12, 2019 (the “**Eighth Amendment**”) in connection with the above noted matter (together, the “**Commitment**” or “**Commitment Letter**”), which Commitment sets out the terms and conditions of a first mortgage loan granted by the Lender to the Borrower and is incorporated herein by reference.

All capitalized terms contained in this Ninth Amendment shall have the respective meanings ascribed thereto in the Commitment unless expressly defined in this Ninth Amendment.

A. AMENDED LOAN TERMS

1. The “Loan Facility” section of the Commitment is deleted and replaced with:

Loan: \$7,369,097 1st Mortgage, non-revolving demand loan (the “**Loan**” or “**Loan Amount**”)

2. The “Term” section of the Commitment is deleted and replaced with:

Term: The Loan matures on July 1, 2020 (the “**Maturity Date**”). Loan Amount repayable in full on the Maturity Date.

3. The following new section “Ninth Amendment Fee” is added below the “Amendment Fee” section:



Ninth Amendment Fee – The Ninth Amendment herein is subject to an amendment fee of \$13,000 payable monthly.

B. CONDITIONS PRECEDENT

This Ninth Amendment shall be subject to investment committee approval, which shall have been received, reviewed and/or met to the satisfaction of the Lender in its sole, absolute and unfettered discretion.

C. GENERAL MATTERS

1. Entire Agreement – No alteration, modification, amendment, change or addition to this Ninth Amendment (nor further alteration, modification, amendment, change or addition to the Commitment) shall be effective unless the same is in writing and signed by all of the parties hereto.
2. Not a Novation – It is the intent of the Borrower and Lender that this Ninth Amendment shall not constitute a novation or in any way adversely affect the Commitment or the Security for the Loan, including, without limitation, the mortgage/charge in favour of the Lender.
3. Captions – The captions and headings herein shall be solely for convenience of reference and in no way define, limit or describe the scope or intent of any provisions or sections of this Ninth Amendment.
4. Successors and Assigns – The Ninth Amendment shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, successors and assigns but may not be assigned by the Borrower under any circumstances and the parties hereto agree that any such attempted assignment by the Borrower shall be null and void and of no force and effect.
5. Limited Modification – The Commitment, as amended by this Ninth Amendment, and the Security shall remain in full force and effect and all parties liable or obligated with respect thereto shall remain so liable or obligated with respect to the Commitment, as amended by this Ninth Amendment, and the Security. The Property shall remain in all respects subject to the liens, charges and encumbrances as set out in the Commitment, as amended by this Ninth Amendment, and the Security and nothing herein and nothing done pursuant hereto shall affect or be construed to affect the liens, charges and encumbrances of, or warranties of title in, any of the loan documents including, without limitation, the Commitment and the Security (the “**Loan Documents**”), nor the priority thereof over other liens, charges, encumbrances or conveyances. This Ninth Amendment



shall not release or affect the liability of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents.

If any obligation of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents is determined to be void or unenforceable on account of this Ninth Amendment and/or the modification of the Loan Documents as contemplated by this Ninth Amendment, the Borrower, as an additional and independent obligation, hereby agrees to indemnify and hold harmless the Lender against and from all loss, cost, damage or expense (including attorney's fees, whether or not litigation has been commenced, and any and all costs for trial, bankruptcy and appellate proceedings) suffered or incurred by the Lender as the result of any such obligation being void or unenforceable.

6. Commitment References – This Ninth Amendment shall form a part of the Commitment and shall be read as such and reference in the Commitment to the Commitment or similar expressions shall be deemed, as of the date hereof, to include this Ninth Amendment.
7. Time is of the Essence - Time is of the essence in this Ninth Amendment.
8. Conflict - In the event of any inconsistency between the terms and conditions of any one or more of the Loan Documents and this Ninth Amendment, the terms and conditions and provisions of this Ninth Amendment shall prevail. Whenever possible, this Ninth Amendment shall be read to harmonize, rather than conflict, with any term or provision contained in the Loan Documents which is not specifically modified by this Ninth Amendment.
9. Facsimile Transmission - The parties hereto acknowledge that this Ninth Amendment may be transmitted by facsimile transmission and that, if signed by each party hereto, such facsimile transmission will constitute a legally binding agreement between the parties.
10. Privacy Act Consent - The parties hereto acknowledge that this Ninth Amendment shall be subject to the Privacy Act Consent, unamended, as set out in the Commitment.



If you are in agreement with the foregoing terms and conditions, please indicate this by signing and returning one (1) copy of this Ninth Amendment, to the Lender's office by 5:00pm Eastern Standard Time on March 30, 2020, failing which this letter shall, at the Lender's option, be deemed null and void. The Ninth Amendment Fee, being the first month payment (\$13,000) will be capitalized to the Loan.

Yours truly,

KINGSETT MORTGAGE CORPORATION

Per: Justin Walton
Justin Walton
Executive Director, Mortgage Investments

Per: Bryan Salazar
Bryan Salazar
Executive Director, Mortgage Underwriting & Funding

ACKNOWLEDGEMENT

The terms and conditions of this Ninth Amendment are acknowledged and agreed to by the Borrower and Guarantor at RICHMOND Hill this 25th day of MARCH 2020.

BORROWER:
SUNRISE ACQUISITIONS (HWY 7) INC.


Per: Muzammil Kodwani
Name: MUZAMMIL KODWANI.
Title: DIRECTOR.

Per: Sajjad Hussain
Name: SAJJAD HUSSAIN
Title: CEO

I/we have authority to bind the Corporation.




GUARANTOR:




Mr. Sajjad Hussain

WITNESS:




Name: *Saya Poopalasingam.*
Address: *100 - 50 West Hill Road S2
Richmond Hill ON
L4B 1M5*

GUARANTOR:



Mr. Muzammil Kodwavi

WITNESS:



Name: *Saya Poopalasingam*
Address: *100 - 50 West Hill Road S2
Richmond Hill, ON
L4B 1M5*




2020 03 24 - Sunrise Homes Amendment 9

Final Audit Report

2020-03-24

Created:	2020-03-24
By:	Sarina Pelletier (spelletier@kingsettcapital.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAGqjoMFkSXsRm-dRgxO9_hnUwjPjeGM9i

"2020 03 24 - Sunrise Homes Amendment 9" History

-  Document created by Sarina Pelletier (spelletier@kingsettcapital.com)
 2020-03-24 - 7:31:27 PM GMT- IP address: 69.166.116.71
-  Document emailed to Justin Walton (jwalton@kingsettcapital.com) for signature
 2020-03-24 - 7:32:00 PM GMT
-  Email viewed by Justin Walton (jwalton@kingsettcapital.com)
 2020-03-24 - 7:32:37 PM GMT- IP address: 24.150.15.224
-  Document e-signed by Justin Walton (jwalton@kingsettcapital.com)
 Signature Date: 2020-03-24 - 7:44:37 PM GMT - Time Source: server- IP address: 24.150.15.224
-  Document emailed to Bryan Salazar (bsalazar@kingsettcapital.com) for signature
 2020-03-24 - 7:44:38 PM GMT
-  Email viewed by Bryan Salazar (bsalazar@kingsettcapital.com)
 2020-03-24 - 7:47:31 PM GMT- IP address: 76.69.45.223
-  Document e-signed by Bryan Salazar (bsalazar@kingsettcapital.com)
 Signature Date: 2020-03-24 - 7:47:54 PM GMT - Time Source: server- IP address: 76.69.45.223
-  Signed document emailed to Bryan Salazar (bsalazar@kingsettcapital.com), Justin Walton (jwalton@kingsettcapital.com), Sarina Pelletier (spelletier@kingsettcapital.com), and Michelle Child (mchild@kingsettcapital.com)
 2020-03-24 - 7:47:54 PM GMT



Amendment No. 10



June 16, 2020

Sunrise Acquisitions (HWY 7) Inc.
 c/o Sunrise Homes Ltd.
 50 West Wilmot Street, Suite 100
 Richmond Hill, ON, L4B 1M5
 Attention: Sajjad Hussain and Muzammil Kodwavi

Re: First Mortgage Financing
4116, 4128 & 4142 Highway 7 East, Markham, Ontario

KingSett Mortgage Corporation is pleased to offer the following amendment (the “**Tenth Amendment**”) to the Commitment Letter from the Lender to the Borrower dated May 5, 2015, as amended pursuant to an amendment letter dated June 28, 2016 (the “**First Amendment**”), a second amendment letter dated October 17, 2016 (the “**Second Amendment**”), a third amendment letter dated July 25, 2017 (the “**Third Amendment**”), a fourth amendment letter dated August 7, 2018 (the “**Fourth Amendment**”) and a fifth amendment letter dated December 20, 2018 (the “**Fifth Amendment**”), and a sixth amendment letter dated April 3, 2019 (the “**Sixth Amendment**”), the seventh amendment letter dated August 7, 2019 (the “**Seventh Amendment**”), and the eighth amendment letter dated December 12, 2019 (the “**Eighth Amendment**”), and the ninth amendment letter dated March 24, 2020 (the “**Ninth Amendment**”) in connection with the above noted matter (together, the “**Commitment**” or “**Commitment Letter**”), which Commitment sets out the terms and conditions of a first mortgage loan granted by the Lender to the Borrower and is incorporated herein by reference.

All capitalized terms contained in this Tenth Amendment shall have the respective meanings ascribed thereto in the Commitment unless expressly defined in this Tenth Amendment.

A. AMENDED LOAN TERMS

1. The “Term” section of the Commitment is deleted and replaced with:

Term: The Loan matures on October 1, 2020 (the “**Maturity Date**”). Loan Amount repayable in full on the Maturity Date.

2. The following new section “Tenth Amendment Fee” is added below the “Ninth Amendment Fee” section:

Tenth Amendment Fee – The Tenth Amendment herein is subject to an amendment fee of \$13,000 payable monthly.

B. CONDITIONS PRECEDENT



This Tenth Amendment shall be subject to investment committee approval, which shall have been received, reviewed and/or met to the satisfaction of the Lender in its sole, absolute and unfettered discretion.

C. GENERAL MATTERS

1. Entire Agreement – No alteration, modification, amendment, change or addition to this Tenth Amendment (nor further alteration, modification, amendment, change or addition to the Commitment) shall be effective unless the same is in writing and signed by all of the parties hereto.
2. Not a Novation – It is the intent of the Borrower and Lender that this Tenth Amendment shall not constitute a novation or in any way adversely affect the Commitment or the Security for the Loan, including, without limitation, the mortgage/charge in favour of the Lender.
3. Captions – The captions and headings herein shall be solely for convenience of reference and in no way define, limit or describe the scope or intent of any provisions or sections of this Tenth Amendment.
4. Successors and Assigns – The Tenth Amendment shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, successors and assigns but may not be assigned by the Borrower under any circumstances and the parties hereto agree that any such attempted assignment by the Borrower shall be null and void and of no force and effect.
5. Limited Modification – The Commitment, as amended by this Tenth Amendment, and the Security shall remain in full force and effect and all parties liable or obligated with respect thereto shall remain so liable or obligated with respect to the Commitment, as amended by this Tenth Amendment, and the Security. The Property shall remain in all respects subject to the liens, charges and encumbrances as set out in the Commitment, as amended by this Tenth Amendment, and the Security and nothing herein and nothing done pursuant hereto shall affect or be construed to affect the liens, charges and encumbrances of, or warranties of title in, any of the loan documents including, without limitation, the Commitment and the Security (the “**Loan Documents**”), nor the priority thereof over other liens, charges, encumbrances or conveyances. This Tenth Amendment shall not release or affect the liability of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents.

If any obligation of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents is determined to be void or unenforceable on account of this Tenth Amendment and/or the modification of the Loan



Documents as contemplated by this Tenth Amendment, the Borrower, as an additional and independent obligation, hereby agrees to indemnify and hold harmless the Lender against and from all loss, cost, damage or expense (including attorney's fees, whether or not litigation has been commenced, and any and all costs for trial, bankruptcy and appellate proceedings) suffered or incurred by the Lender as the result of any such obligation being void or unenforceable.


6. Commitment References – This Tenth Amendment shall form a part of the Commitment and shall be read as such and reference in the Commitment to the Commitment or similar expressions shall be deemed, as of the date hereof, to include this Tenth Amendment.
7. Time is of the Essence - Time is of the essence in this Tenth Amendment.
8. Conflict - In the event of any inconsistency between the terms and conditions of any one or more of the Loan Documents and this Tenth Amendment, the terms and conditions and provisions of this Tenth Amendment shall prevail. Whenever possible, this Tenth Amendment shall be read to harmonize, rather than conflict, with any term or provision contained in the Loan Documents which is not specifically modified by this Tenth Amendment.
9. Facsimile Transmission - The parties hereto acknowledge that this Tenth Amendment may be transmitted by facsimile transmission and that, if signed by each party hereto, such facsimile transmission will constitute a legally binding agreement between the parties.
10. Privacy Act Consent - The parties hereto acknowledge that this Tenth Amendment shall be subject to the Privacy Act Consent, unamended, as set out in the Commitment.



If you are in agreement with the foregoing terms and conditions, please indicate this by signing and returning one (1) copy of this Tenth Amendment, to the Lender's office by 5:00pm Eastern Standard Time on June 25, 2020, failing which this letter shall, at the Lender's option, be deemed null and void. The Tenth Amendment Fee, being the first month payment (\$13,000) will be capitalized to the Loan.

Yours truly,

KINGSETT MORTGAGE CORPORATION

Per: 
 Justin Walton
 Executive Director, Mortgage Investments

Per: 
 Bryan Salazar
 Executive Director, Mortgage Underwriting
 & Funding




ACKNOWLEDGEMENT

The terms and conditions of this Tenth Amendment are acknowledged and agreed to by the Borrower and Guarantor at RICHMOND Hill this 6th day of JULY 2020.

BORROWER:

SUNRISE ACQUISITIONS (HWY 7) INC.

Per: 
Name: MUZAMMIL KODWAVI.
Title: DIRECTOR.


Per: 
Name: SAJJAD HUSSAIN
Title: DIRECTOR.

I/we have authority to bind the Corporation.


GUARANTOR:


Mr. Sajjad Hussain

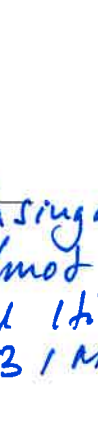
WITNESS:


Name: Sgn. Poopalasingam
Address: 100-50 West Wilmet St
Richmond Hill, ON
L4B1M5

GUARANTOR:


Mr. Muzammil Kodwavi

WITNESS:


Name: Sgn. Poopalasingam
Address: 100-50 West Wilmet St
Richmond Hill, ON
L4B1M5




2020 06 16 - Sunrise Homes Amendment 10


Final Audit Report


2020-06-22


Created:	2020-06-16
By:	Michelle Child (mchild@kingsettcapital.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAPp1UQfiavQqmlP5-nvIT4ENDGXmFfcFW


"2020 06 16 - Sunrise Homes Amendment 10" History


-  Document created by Michelle Child (mchild@kingsettcapital.com)
 2020-06-16 - 1:56:48 PM GMT- IP address: 205.175.213.105


-  Document emailed to Justin Walton (jwalton@kingsettcapital.com) for signature
 2020-06-16 - 1:57:12 PM GMT


-  Email viewed by Justin Walton (jwalton@kingsettcapital.com)
 2020-06-16 - 1:58:49 PM GMT- IP address: 24.114.56.207

-  Document e-signed by Justin Walton (jwalton@kingsettcapital.com)
 Signature Date: 2020-06-22 - 5:16:59 PM GMT - Time Source: server- IP address: 24.150.15.224

-  Document emailed to Bryan Salazar (Bsalazar@kingsettcapital.com) for signature
 2020-06-22 - 5:17:00 PM GMT

-  Email viewed by Bryan Salazar (Bsalazar@kingsettcapital.com)
 2020-06-22 - 5:19:46 PM GMT- IP address: 64.229.31.199

-  Document e-signed by Bryan Salazar (Bsalazar@kingsettcapital.com)
 Signature Date: 2020-06-22 - 5:19:58 PM GMT - Time Source: server- IP address: 64.229.31.199

-  Signed document emailed to Bryan Salazar (Bsalazar@kingsettcapital.com), Michelle Child (mchild@kingsettcapital.com) and Justin Walton (jwalton@kingsettcapital.com)
 2020-06-22 - 5:19:58 PM GMT

Amendment No. 11



August 19, 2020

Sunrise Acquisitions (HWY 7) Inc.
 c/o Sunrise Homes Ltd.
 50 West Wilmot Street, Suite 100
 Richmond Hill, ON, L4B 1M5
 Attention: Sajjad Hussain and Muzammil Kodwavi

Re: First Mortgage Financing
4116, 4128 & 4142 Highway 7 East, Markham, Ontario

KingSett Mortgage Corporation is pleased to offer the following amendment (the “**Eleventh Amendment**”) to the Commitment Letter from the Lender to the Borrower dated May 5, 2015, as amended pursuant to an amendment letter dated June 28, 2016 (the “**First Amendment**”), a second amendment letter dated October 17, 2016 (the “**Second Amendment**”), a third amendment letter dated July 25, 2017 (the “**Third Amendment**”), a fourth amendment letter dated August 7, 2018 (the “**Fourth Amendment**”) and a fifth amendment letter dated December 20, 2018 (the “**Fifth Amendment**”), and a sixth amendment letter dated April 3, 2019 (the “**Sixth Amendment**”), the seventh amendment letter dated August 7, 2019 (the “**Seventh Amendment**”), and the eighth amendment letter dated December 12, 2019 (the “**Eighth Amendment**”), and the ninth amendment letter dated March 24, 2020 (the “**Ninth Amendment**”), and the tenth amendment letter dated June 16, 2020 (the “**Tenth Amendment**”) in connection with the above noted matter (together, the “**Commitment**” or “**Commitment Letter**”), which Commitment sets out the terms and conditions of a first mortgage loan granted by the Lender to the Borrower and is incorporated herein by reference.

All capitalized terms contained in this Eleventh Amendment shall have the respective meanings ascribed thereto in the Commitment unless expressly defined in this Eleventh Amendment.

A. AMENDED LOAN TERMS

1. The “Loan Facility” section of the Commitment is deleted and replaced with:

Loan: \$4,410,000 1st Mortgage, non-revolving demand loan (the “**Loan**” or “**Loan Amount**”)

Available as referenced in Schedule L attached hereto.

B. GENERAL MATTERS

1. Entire Agreement – No alteration, modification, amendment, change or addition to this Eleventh Amendment (nor further alteration, modification, amendment, change or addition to the Commitment) shall be effective unless the same is in writing and signed by all of the parties hereto.



2. Not a Novation – It is the intent of the Borrower and Lender that this Eleventh Amendment shall not constitute a novation or in any way adversely affect the Commitment or the Security for the Loan, including, without limitation, the mortgage/charge in favour of the Lender.
3. Captions – The captions and headings herein shall be solely for convenience of reference and in no way define, limit or describe the scope or intent of any provisions or sections of this Eleventh Amendment.
4. Successors and Assigns – The Eleventh Amendment shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, successors and assigns but may not be assigned by the Borrower under any circumstances and the parties hereto agree that any such attempted assignment by the Borrower shall be null and void and of no force and effect.
5. Limited Modification – The Commitment, as amended by this Eleventh Amendment, and the Security shall remain in full force and effect and all parties liable or obligated with respect thereto shall remain so liable or obligated with respect to the Commitment, as amended by this Eleventh Amendment, and the Security. The Property shall remain in all respects subject to the liens, charges and encumbrances as set out in the Commitment, as amended by this Eleventh Amendment, and the Security and nothing herein and nothing done pursuant hereto shall affect or be construed to affect the liens, charges and encumbrances of, or warranties of title in, any of the loan documents including, without limitation, the Commitment and the Security (the “**Loan Documents**”), nor the priority thereof over other liens, charges, encumbrances or conveyances. This Eleventh Amendment shall not release or affect the liability of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents.

If any obligation of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents is determined to be void or unenforceable on account of this Eleventh Amendment and/or the modification of the Loan Documents as contemplated by this Eleventh Amendment, the Borrower, as an additional and independent obligation, hereby agrees to indemnify and hold harmless the Lender against and from all loss, cost, damage or expense (including attorney’s fees, whether or not litigation has been commenced, and any and all costs for trial, bankruptcy and appellate proceedings) suffered or incurred by the Lender as the result of any such obligation being void or unenforceable.

6. Commitment References – This Eleventh Amendment shall form a part of the Commitment and shall be read as such and reference in the Commitment to the Commitment or similar expressions shall be deemed, as of the date hereof, to include this Eleventh Amendment.
7. Time is of the Essence - Time is of the essence in this Eleventh Amendment.



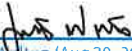
8. Conflict - In the event of any inconsistency between the terms and conditions of any one or more of the Loan Documents and this Eleventh Amendment, the terms and conditions and provisions of this Eleventh Amendment shall prevail. Whenever possible, this Eleventh Amendment shall be read to harmonize, rather than conflict, with any term or provision contained in the Loan Documents which is not specifically modified by this Eleventh Amendment.
9. Facsimile Transmission - The parties hereto acknowledge that this Eleventh Amendment may be transmitted by facsimile transmission and that, if signed by each party hereto, such facsimile transmission will constitute a legally binding agreement between the parties.
10. Privacy Act Consent - The parties hereto acknowledge that this Eleventh Amendment shall be subject to the Privacy Act Consent, unamended, as set out in the Commitment.




If you are in agreement with the foregoing terms and conditions, please indicate this by signing and returning one (1) copy of this Eleventh Amendment, to the Lender's office by 5:00pm Eastern Standard Time on August 26, 2020, failing which this letter shall, at the Lender's option, be deemed null and void.

Yours truly,

KINGSETT MORTGAGE CORPORATION

Per: 
Justin Walton
Executive Director, Mortgage Investments

Per: 
Bryan Salazar
Executive Director, Mortgage Underwriting
& Funding



ACKNOWLEDGEMENT

The terms and conditions of this Ninth Amendment are acknowledged and agreed to by the Borrower and Guarantor at RICHMOND HILL this 21st day of AUGUST, 2020.

BORROWER:
SUNRISE ACQUISITIONS (HWY 7) INC.

Per: 
Name: SAJJAD HUSSAIN.
Title: DIRECTOR.


Per: 
Name: MUZAMMIL KODWANI.
Title: DIRECTOR.

I/we have authority to bind the Corporation.

GUARANTOR:


Mr. Sajjad Hussain

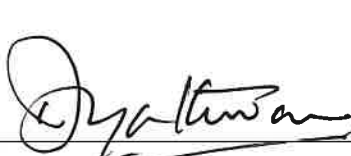
WITNESS:


Name: Seega Poopatasingham
Address: 100 - 50 West Wilmore St
Richmond Hill, ON
L4B1M5

GUARANTOR:


Mr. Muzammil Kodwani

WITNESS:


Name: Seega Poopatasingham
Address: 100 - 50 West Wilmore St
Richmond Hill, ON
L4B1M5



SCHEDULE L
Loan Allocation

Current Balance	\$	3,804,000
Interest Reserve		176,000
Advance		430,000
Loan Amount	\$	4,410,000

Amendment No. 12



October 29, 2020

Sunrise Acquisitions (HWY 7) Inc.
 c/o Sunrise Homes Ltd.
 50 West Wilmot Street, Suite 100
 Richmond Hill, ON, L4B 1M5
 Attention: Sajjad Hussain and Muzammil Kodwavi

Re: First Mortgage Financing
4116, 4128 & 4142 Highway 7 East, Markham, Ontario

KingSett Mortgage Corporation is pleased to offer the following amendment (the "**Twelfth Amendment**") to the Commitment Letter from the Lender to the Borrower dated May 5, 2015, as amended pursuant to an amendment letter dated June 28, 2016 (the "**First Amendment**"), a second amendment letter dated October 17, 2016 (the "**Second Amendment**"), a third amendment letter dated July 25, 2017 (the "**Third Amendment**"), a fourth amendment letter dated August 7, 2018 (the "**Fourth Amendment**") and a fifth amendment letter dated December 20, 2018 (the "**Fifth Amendment**"), and a sixth amendment letter dated April 3, 2019 (the "**Sixth Amendment**"), the seventh amendment letter dated August 7, 2019 (the "**Seventh Amendment**"), and the eighth amendment letter dated December 12, 2019 (the "**Eighth Amendment**"), and the ninth amendment letter dated March 24, 2020 (the "**Ninth Amendment**"), and the tenth amendment letter dated June 16, 2020 (the "**Tenth Amendment**"), and the eleventh amendment dated August 19, 2020 (the "**Eleventh Amendment**") in connection with the above noted matter (together, the "**Commitment**" or "**Commitment Letter**"), which Commitment sets out the terms and conditions of a first mortgage loan granted by the Lender to the Borrower and is incorporated herein by reference.

All capitalized terms contained in this Twelfth Amendment shall have the respective meanings ascribed thereto in the Commitment unless expressly defined in this Twelfth Amendment.

A. AMENDED LOAN TERMS

1. The "Term" section of the Commitment is deleted and replaced with:

Term: The Loan matures on January 1, 2021 (the "**Maturity Date**"). Loan Amount repayable in full on the Maturity Date.

2. The following new section "Twelfth Amendment Fee" is added below the "Tenth Amendment Fee" section:

Twelfth Amendment Fee – The Twelfth Amendment herein is subject to an amendment fee of \$5,000 payable monthly and will be capitalized to the Loan.



B. GENERAL MATTERS

1. Entire Agreement – No alteration, modification, amendment, change or addition to this Twelfth Amendment (nor further alteration, modification, amendment, change or addition to the Commitment) shall be effective unless the same is in writing and signed by all of the parties hereto.
2. Not a Novation – It is the intent of the Borrower and Lender that this Twelfth Amendment shall not constitute a novation or in any way adversely affect the Commitment or the Security for the Loan, including, without limitation, the mortgage/charge in favour of the Lender.
3. Captions – The captions and headings herein shall be solely for convenience of reference and in no way define, limit or describe the scope or intent of any provisions or sections of this Twelfth Amendment.
4. Successors and Assigns – The Twelfth Amendment shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, successors and assigns but may not be assigned by the Borrower under any circumstances and the parties hereto agree that any such attempted assignment by the Borrower shall be null and void and of no force and effect.
5. Limited Modification – The Commitment, as amended by this Twelfth Amendment, and the Security shall remain in full force and effect and all parties liable or obligated with respect thereto shall remain so liable or obligated with respect to the Commitment, as amended by this Twelfth Amendment, and the Security. The Property shall remain in all respects subject to the liens, charges and encumbrances as set out in the Commitment, as amended by this Twelfth Amendment, and the Security and nothing herein and nothing done pursuant hereto shall affect or be construed to affect the liens, charges and encumbrances of, or warranties of title in, any of the loan documents including, without limitation, the Commitment and the Security (the “**Loan Documents**”), nor the priority thereof over other liens, charges, encumbrances or conveyances. This Twelfth Amendment shall not release or affect the liability of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents.

If any obligation of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents is determined to be void or unenforceable on account of this Twelfth Amendment and/or the modification of the Loan Documents as contemplated by this Twelfth Amendment, the Borrower, as an additional and independent obligation, hereby agrees to indemnify and hold harmless the Lender against and from all loss, cost, damage or expense (including attorney’s fees, whether or not litigation has been commenced, and any and all costs for trial, bankruptcy



and appellate proceedings) suffered or incurred by the Lender as the result of any such obligation being void or unenforceable.


6. Commitment References – This Twelfth Amendment shall form a part of the Commitment and shall be read as such and reference in the Commitment to the Commitment or similar expressions shall be deemed, as of the date hereof, to include this Twelfth Amendment.
7. Time is of the Essence - Time is of the essence in this Twelfth Amendment.
8. Conflict - In the event of any inconsistency between the terms and conditions of any one or more of the Loan Documents and this Twelfth Amendment, the terms and conditions and provisions of this Twelfth Amendment shall prevail. Whenever possible, this Twelfth Amendment shall be read to harmonize, rather than conflict, with any term or provision contained in the Loan Documents which is not specifically modified by this Twelfth Amendment.
9. Facsimile Transmission - The parties hereto acknowledge that this Twelfth Amendment may be transmitted by facsimile transmission and that, if signed by each party hereto, such facsimile transmission will constitute a legally binding agreement between the parties.
10. Privacy Act Consent - The parties hereto acknowledge that this Twelfth Amendment shall be subject to the Privacy Act Consent, unamended, as set out in the Commitment.




If you are in agreement with the foregoing terms and conditions, please indicate this by signing and returning one (1) copy of this Twelfth Amendment, to the Lender's office by 5:00pm Eastern Standard Time on October 30, 2020, failing which this letter shall, at the Lender's option, be deemed null and void.

Yours truly,

KINGSETT MORTGAGE CORPORATION

Per: 
Justin Walton
Executive Director, Mortgage Investments


Per: 
Bryan Salazar
Executive Director, Mortgage Underwriting
& Funding



ACKNOWLEDGEMENT


The terms and conditions of this Ninth Amendment are acknowledged and agreed to by the Borrower and Guarantor at RICHMOND Hill this 30th day of OCTOBER 2020.


BORROWER:
SUNRISE ACQUISITIONS (HWY 7) INC.

Per: 
Name: MUZAMMIL KODWAVI.
Title: DIRECTOR.

Per: 
Name: SAJJAD HUSSAIN
Title: DIRECTOR.


I/we have authority to bind the Corporation.

GUARANTOR:

Mr. Sajjad Hussain

WITNESS:

Name: Seja Poopalasingam
Address: 100-50 West Wilmet St
Richmond Hill ON
L4B 1M5

GUARANTOR:

Mr. Muzammil Kodwavi

WITNESS:

Name: Seja Poopalasingam
Address: 100-50 West Wilmet St
Richmond Hill, ON
L4B 1M5

Amendment No. 13



January 26, 2021

Sunrise Acquisitions (HWY 7) Inc.
 c/o Sunrise Homes Ltd.
 50 West Wilmot Street, Suite 100
 Richmond Hill, ON, L4B 1M5
 Attention: Sajjad Hussain and Muzammil Kodwavi

Re: First Mortgage Financing
4116, 4128 & 4142 Highway 7 East, Markham, Ontario

KingSett Mortgage Corporation is pleased to offer the following amendment (the “**Thirteenth Amendment**”) to the Commitment Letter from the Lender to the Borrower dated May 5, 2015, as amended pursuant to an amendment letter dated June 28, 2016 (the “**First Amendment**”), a second amendment letter dated October 17, 2016 (the “**Second Amendment**”), a third amendment letter dated July 25, 2017 (the “**Third Amendment**”), a fourth amendment letter dated August 7, 2018 (the “**Fourth Amendment**”) a fifth amendment letter dated December 20, 2018 (the “**Fifth Amendment**”), a sixth amendment letter dated April 3, 2019 (the “**Sixth Amendment**”), a seventh amendment letter dated August 7, 2019 (the “**Seventh Amendment**”), an eighth amendment letter dated December 12, 2019 (the “**Eighth Amendment**”), a ninth amendment letter dated March 24, 2020 (the “**Ninth Amendment**”), a tenth amendment letter dated June 16, 2020 (the “**Tenth Amendment**”), an eleventh amendment letter dated August 19, 2020 (the “**Eleventh Amendment**”) and a twelfth amendment letter dated October 29, 2020 (the “**Twelfth Amendment**”) in connection with the above noted matter (together, the “**Commitment**” or “**Commitment Letter**”), which Commitment sets out the terms and conditions of a first mortgage loan granted by the Lender to the Borrower and is incorporated herein by reference.

All capitalized terms contained in this Thirteenth Amendment shall have the respective meanings ascribed thereto in the Commitment unless expressly defined in this Thirteenth Amendment.

A. AMENDED LOAN TERMS

1. The “Term” section of the Commitment is deleted and replaced with:

Term: The Loan matures on July 1, 2021 (the “**Maturity Date**”). Loan Amount repayable in full on the Maturity Date.



2. The following new section “Thirteenth Amendment Fee” is added below the “Twelfth Amendment Fee” section:

Thirteenth Amendment Fee – The Thirteenth Amendment herein is subject to an amendment fee of \$4,000 payable monthly which will be debited from the Borrower’s account via preauthorized debit on the first business day of each month.

B. GENERAL MATTERS

1. Entire Agreement – No alteration, modification, amendment, change or addition to this Thirteenth Amendment (nor further alteration, modification, amendment, change or addition to the Commitment) shall be effective unless the same is in writing and signed by all of the parties hereto.
2. Not a Novation – It is the intent of the Borrower and Lender that this Thirteenth Amendment shall not constitute a novation or in any way adversely affect the Commitment or the Security for the Loan, including, without limitation, the mortgage/charge in favour of the Lender.
3. Captions – The captions and headings herein shall be solely for convenience of reference and in no way define, limit or describe the scope or intent of any provisions or sections of this Thirteenth Amendment.
4. Successors and Assigns – The Thirteenth Amendment shall be binding upon and enure to the benefit of the parties hereto and their respective heirs, successors and assigns but may not be assigned by the Borrower under any circumstances and the parties hereto agree that any such attempted assignment by the Borrower shall be null and void and of no force and effect.
5. Limited Modification – The Commitment, as amended by this Thirteenth Amendment, and the Security shall remain in full force and effect and all parties liable or obligated with respect thereto shall remain so liable or obligated with respect to the Commitment, as amended by this Thirteenth Amendment, and the Security. The Property shall remain in all respects subject to the liens, charges and encumbrances as set out in the Commitment, as amended by this Thirteenth Amendment, and the Security and nothing herein and nothing done pursuant hereto shall affect or be construed to affect the liens, charges and encumbrances of, or warranties of title in, any of the loan documents including, without limitation, the Commitment and the Security (the “**Loan Documents**”), nor the priority thereof over other liens, charges, encumbrances or conveyances. This Thirteenth Amendment shall not release or affect the liability of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents.



If any obligation of any party or parties who may have been, now or hereafter be liable under or on account of any of the Loan Documents is determined to be void or unenforceable on account of this Thirteenth Amendment and/or the modification of the Loan Documents as contemplated by this Thirteenth Amendment, the Borrower, as an additional and independent obligation, hereby agrees to indemnify and hold harmless the Lender against and from all loss, cost, damage or expense (including attorney's fees, whether or not litigation has been commenced, and any and all costs for trial, bankruptcy and appellate proceedings) suffered or incurred by the Lender as the result of any such obligation being void or unenforceable.


6. Commitment References – This Thirteenth Amendment shall form a part of the Commitment and shall be read as such and reference in the Commitment to the Commitment or similar expressions shall be deemed, as of the date hereof, to include this Thirteenth Amendment.
7. Time is of the Essence - Time is of the essence in this Thirteenth Amendment.
8. Conflict - In the event of any inconsistency between the terms and conditions of any one or more of the Loan Documents and this Thirteenth Amendment, the terms and conditions and provisions of this Thirteenth Amendment shall prevail. Whenever possible, this Thirteenth Amendment shall be read to harmonize, rather than conflict, with any term or provision contained in the Loan Documents which is not specifically modified by this Thirteenth Amendment.
9. Facsimile Transmission - The parties hereto acknowledge that this Thirteenth Amendment may be transmitted by facsimile transmission and that, if signed by each party hereto, such facsimile transmission will constitute a legally binding agreement between the parties.
10. Privacy Act Consent - The parties hereto acknowledge that this Thirteenth Amendment shall be subject to the Privacy Act Consent, unamended, as set out in the Commitment.




If you are in agreement with the foregoing terms and conditions, please indicate this by signing and returning one (1) copy of this Thirteenth Amendment, to the Lender's office by 5:00pm Eastern Standard Time on January 29, 2021, failing which this letter shall, at the Lender's option, be deemed null and void.

Yours truly,

KINGSETT MORTGAGE CORPORATION

Per: 
Justin Walton
Executive Director, Mortgage Investments


Per: 
Bryan Salazar
Executive Director, Mortgage Underwriting
& Funding




ACKNOWLEDGEMENT

The terms and conditions of this Thirteenth Amendment are acknowledged and agreed to by the Borrower and Guarantor at RICHMOND Hill this 2nd day of FEBRUARY, 2021.

BORROWER:
SUNRISE ACQUISITIONS (HWY 7) INC.

Per: 
Name: MUZAMMIL KODWANI.
Title: DIRECTOR.


Per: 
Name: SAJJAD HUSSAIN.
Title: DIRECTOR.

I/we have authority to bind the Corporation.

GUARANTOR:


Mr. Sajjad Hussain


WITNESS:


Name: Saja. Poopalasingam
Address: 100-50 West Wilmet St.
Richmond Hill, ON
L4B1M5

GUARANTOR:


Mr. Muzammil Kodwani

WITNESS:


Name: Saja Poopalasingam
Address: 100-50 West Wilmet St
Richmond Hill, ON
L4B1M5