CHC REALTY CAPITAL CORP.

FILING STATEMENT

with respect to a Qualifying Transaction

March 21, 2014

Neither the TSX Venture Exchange Inc. (the "Exchange") nor any securities regulatory authority has in any way passed upon the merits of the Qualifying Transaction described in this filing statement.

TABLE OF CONTENTS

NOTICE CONCERNING FORWARD-LOOKING STATEMENTS

This Filing Statement contains forward-looking statements. Often, but not always, forward-looking statements can be identified by the use of words such as "plans", "expects" or "does not expect", "is expected", "estimates", "intends", "anticipates" or "does not anticipate", or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved.

Forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Issuer to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements. Examples of such statements include: (i) the intention to complete the Acquisition; (ii) the intention to complete follow-on acquisitions and grow the business of the Resulting Issuer; (iii) the intention to eventually convert the Resulting Issuer into a REIT; and (iv) the future business, operations and performance of the QT Property and the Resulting Issuer discussed in this Filing Statement. Such forward-looking statements are qualified in their entirety by the inherent risks and uncertainties surrounding future expectations, including that the Qualifying Transaction contemplated herein is completed. Additional, important factors that could cause actual results to differ materially from expectations include, among other things, general economic and market conditions and factors, local real estate conditions, competition, tenants' financial conditions, interest rates, the availability of equity and debt financing, changes in government regulation, environmental and tax related matters, and reliance on key personnel. Although the Issuer has attempted to identify important factors that could cause actual actions, events or results to differ materially from those described in forward-looking statements, there may be other factors that cause actions, events or results not to be as anticipated, estimated or intended. There can be no assurances that forward-looking statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on forward-looking statements. The factors identified above are not intended to represent a complete list of the factors that could affect the Issuer. Additional factors are noted under "*Part III – The Resulting Issuer - Risk Factors*" in this Filing Statement. The cautionary statements qualify all forward-looking statements attributable to the Issuer and persons acting on its behalf. Unless otherwise stated, all forward looking statements speak only as of the date of this Filing Statement and the Issuer has no obligation to update such statements except as required by law.

ADDITIONAL IFRS MEASURE

This Filing Statement uses the term "**NOI**", which stands for net operating income. NOI is not a measure recognized under IFRS and does not have a standardized meaning prescribed by IFRS. It is a supplemental measure of performance for real estate issuers. The Issuer believes that NOI is an important measure of operating performance and is useful in assessing property operating performance on an unlevered basis. The IFRS measurement most directly comparable to NOI is net income and NOI should not be construed as an alternative to net income determined in accordance with IFRS as an indicator of performance.

GLOSSARY

The following terms used in this Filing Statement have the meanings ascribed to them below:

"**Acquisition**" has the meaning ascribed thereto in "*Summary of Filing Statement - The Qualifying Transaction*".

"**Acquisition Agreement**" has the meaning ascribed thereto in "*Summary of Filing Statement - The Qualifying Transaction*".

"**Affiliate**" has the meaning ascribed thereto in Appendix 1 to Form 3B1 of the Exchange.

"**Associate**" has the meaning ascribed thereto in Appendix 1 to Form 3B1 of the Exchange.

"**Board**" means the board of directors of the Issuer or Resulting Issuer, as applicable.

"**Broker Warrants**" has the meaning ascribed thereto in "Part I – The Issuer – General Information Concerning the Issuer – General Development of the Issuer".

"**Business Day**" means any day other than a Saturday, Sunday or statutory holiday in the Province of Ontario.

"**CHC Development**" has the meaning ascribed thereto in "*Part III – The Resulting Issuer – Description of the Resulting Issuer – The Business and Strategy of the Resulting Issuer*".

"**CHC RI**" has the meaning ascribed thereto in "*Summary of Filing Statement - The Qualifying Transaction*".

"**Closing**" means the closing of the Acquisition.

"**Closing Date**" means the date on which Closing occurs.

"**Common Shares**" means the common shares in the capital of the Issuer.

"**company**" unless specifically indicated otherwise, includes a corporation, incorporated association or organization, body corporate, partnership, trust, association or other entity other than an individual.

"**Completion of the Qualifying Transaction**" means the date the Final Exchange Bulletin is issued by the Exchange.

"**Control Person**" means, in respect of an issuer, any person or company that holds or is one of a combination of persons or companies that holds a sufficient number of any of the securities of the issuer so as to affect materially the control of that issuer, or that holds more than 20% of the outstanding voting securities of the issuer except where there is evidence showing that the holder of those securities does not materially affect the control of the issuer.

"**CPC**" means a corporation:

(a) that has been incorporated or organized in a jurisdiction in Canada;

(b) that has filed and obtained a receipt for a preliminary CPC prospectus from one or more of the securities regulatory authorities in compliance with the CPC Policy; and

(c) in regard to which the Completion of the Qualifying Transaction has not yet occurred.

"**CPC Policy**" means Exchange Policy 2.4 *Capital Pool Companies*.

"**Escrow Agent**" means Equity Financial Trust Company, in its capacity as escrow agent for the Common Shares held in escrow under the Escrow Agreement.

"**Escrow Agreement**" means the escrow agreement dated November 18, 2013 among the Issuer, the Escrow Agent and the Shareholders listed under "*Part III - The Resulting Issuer - Escrowed Securities*".

"**Exchange**" means the TSX Venture Exchange Inc.

"**Existing Mortgage**" has the meaning ascribed thereto under the heading "*Summary of Filing Statement - The Qualifying Transaction*".

"**Existing Options**" has the meaning ascribed thereto in "Part I – The Issuer – General Information Concerning the Issuer – General Development of the Issuer".

"**Filing Statement**" means this filing statement.

"**Final Exchange Bulletin**" means the Exchange Bulletin which is issued following closing of the Qualifying Transaction and the submission of all required documentation and that evidences the final Exchange acceptance of the Qualifying Transaction.

"**IFRS**" means International Financial Reporting Standards.

"**Initial Release**" has the meaning ascribed thereto in "*Part III – The Resulting Issuer – Escrowed Securities*".

"**Insider**" if used in relation to an issuer, means:

(a) a director or senior officer of the issuer;

(b) a director, senior officer or trustee, as applicable, of the entity that is an Insider or subsidiary of the issuer;

(c) a person that beneficially owns or controls, directly or indirectly, voting shares carrying more than 10% of the voting rights attached to all outstanding voting shares of the issuer; or

(d) the issuer itself if it holds any of its own securities.

"**IPO**" means the initial public offering of the Issuer, completed on November 28, 2013.

"**Issuer**" means CHC Realty Capital Corp. prior to the Completion of the Qualifying Transaction.

"**Management Fee**" has the meaning ascribed thereto in "*Part III – The Resulting Issuer – Description of the Resulting Issuer – Property Management Agreement*".

"**MD&A**" has the meaning ascribed thereto in "*Part I – The Issuer - Financial Information - Management's Discussion and Analysis*".

"**NOI**" means net operating income. See "*Additional IFRS Measure*".

"**Non-Arm's Length Party**" means in relation to an issuer, a promoter, officer, director, other Insider or Control Person of that issuer and any Associates or Affiliates of any of such person. In relation to an individual, means any Associate of the individual or any company of which the individual is a promoter, officer, director, Insider or Control Person.

"**Non-Arm's Length Qualifying Transaction**" means a proposed Qualifying Transaction where the same party or parties or their respective Associates or Affiliates are Control Persons in both the CPC and in relation to the Significant Assets which are to be the subject of the proposed Qualifying Transaction.

"**OBCA**" has the meaning ascribed thereto in "*Summary of Filing Statement - The Issuer*".
"**Person**" includes a company or individual.

“**Principal**” has the meaning ascribed thereto in Exchange Policy 1.1 Interpretation.

“**Property Management Agreement**” means the property management agreement in respect of the QT Property to be entered into between the Property Manager and the Issuer in connection with the completion of the Acquisition.

“**Property Manager**” means Varsity Properties Inc., a corporation existing under the laws of Ontario.

“**QT Property**” has the meaning ascribed thereto in “*Summary of Filing Statement - The Qualifying Transaction*”.

“**Qualifying Transaction**” means a transaction where a CPC acquires Significant Assets other than cash, by way of purchase, amalgamation, merger or arrangement with another company or by other means; and, specifically in the case of the Issuer, means the Acquisition, as more particularly described in this filing statement.

“**REIT**” means a real estate investment trust.

“**Resulting Issuer**” means the Issuer that was formerly a CPC that exists upon issuance of the Final Exchange Bulletin.

“**SEDAR**” means the System for Electronic Document Retrieval and Analysis.

“**Shareholders**” means the holders of the Common Shares.

“**Significant Assets**” means one or more assets or businesses which, when purchased, optioned or otherwise acquired by the CPC, together with any other concurrent transactions, would result in the CPC meeting the minimum listing requirements of the Exchange.

“**Stock Option Plan**” has the meaning ascribed thereto in “*Part I – The Issuer – Description of Securities – Stock Options*”.

“**Vendor**” has the meaning ascribed thereto in “*Summary of Filing Statement - The Qualifying Transaction*”.

SUMMARY OF FILING STATEMENT

The following is a summary of information relating to the Issuer, the QT Property and the Resulting Issuer (assuming Completion of the Qualifying Transaction) and should be read together with the more detailed information and financial data and statements contained elsewhere in this Filing Statement.

The Issuer

The Issuer was incorporated under the *Business Corporations Act* (Ontario) (the "**OBCA**") on April 12, 2013. The Issuer completed its IPO on November 28, 2013. The Common Shares were listed for trading on the Exchange on December 4, 2013. As disclosed in its final prospectus dated November 19, 2013, the Issuer's business has been restricted to the identification and evaluation of businesses or assets for the purpose of completing its Qualifying Transaction.

The Qualifying Transaction

As disclosed in its final prospectus dated November 19, 2013, the Issuer's intention in respect of completing its Qualifying Transaction is to identify and acquire real property, and specifically, student housing. The Issuer has identified the QT Property as an appropriate initial property for the Issuer to acquire for the purpose of completing its Qualifying Transaction.

The completion of the Qualifying Transaction is subject to, among other things, prior satisfaction or waiver of a number of conditions, including the final Exchange acceptance of the Qualifying Transaction, and the satisfaction or waiver of the conditions in the Acquisition Agreement. Subject to these conditions, the Issuer anticipates completing the Qualifying Transaction in early April 2014. Upon Completion of the Qualifying Transaction, the Resulting Issuer is expected to meet all of the Exchange's minimum listing requirements for a Tier 2 Real Estate Issuer.

The Acquisition and Description of the QT Property

The Issuer has entered into a purchase and sale agreement dated January 9, 2014 (the "**Acquisition Agreement**") with Q4 Realty Inc. (the "**Vendor**"), a corporation incorporated under the laws of Ontario, to acquire the "Liberty Terrace" student housing property located in Kingston, Ontario (the "**QT Property**") from the Vendor (the "**Acquisition**"). Subject to the terms and conditions of the Acquisition Agreement and the completion of certain conditions precedent, including satisfactory due diligence, which has now been completed to the Issuer's satisfaction, and receipt of all necessary regulatory approvals, including Exchange approval, the proposed transaction will qualify as the Issuer's "Qualifying Transaction".

The QT Property is situated at 335 Barrie Street, Kingston, in close proximity (approximately 1.2 km) to Queen's University. It is a 10,882 square foot, two-storey building built in 2009 and comprised of 18 student beds and 1,108 square feet of ground floor commercial space. The QT Property's 18 student beds are fully occupied and the commercial space is currently 100% leased. The QT Property is subject to a mortgage with a Canadian chartered bank which has an outstanding principal balance of approximately $1.3 million (the "**Existing Mortgage**"). The Issuer intends to assume the Existing Mortgage. A more detailed description of the QT Property is set out in "*Part II – The QT Property*".

The purchase price for the QT Property is $2.5 million, subject to adjustments, which the Issuer intends to satisfy through the assumption of the Existing Mortgage and the payment to the Vendor of the balance of the purchase price of approximately $1.2 million in cash from the Issuer's existing funds. The Issuer has paid a deposit to the Vendor in the amount of $25,000. This deposit is now non-refundable as a result of the satisfaction of the Issuer's due diligence condition in respect of the Acquisition as of March 10, 2014.

In addition to the initial deposit paid by the Issuer, CHC Realty Investments Inc. ("**CHC RI**"), a company owned by Mark Hansen, President, CEO and a director of the Issuer and Craig Smith, a director of the Issuer, has paid the Vendor an additional $175,000 deposit. This deposit is now non-refundable as a result of the satisfaction of the Issuer's due diligence condition in respect of the Acquisition as of March 10, 2014. The deposits paid by CHC RI will be repaid by the Issuer to CHC RI on closing of the Acquisition, without interest or fees.

The Acquisition Agreement contains customary representations and warranties from the Vendor which address various matters with respect to the Vendor and the QT Property. The closing of the Acquisition is subject to the Issuer undertaking and being satisfied with due diligence and title reviews for the QT Property, which were completed to the Issuer's satisfaction as of March 10, 2014, as well as Exchange approval of the Qualifying Transaction.

In connection with the acquisition of the QT Property, the Issuer intends to enter into the Property Management Agreement with the Property Manager, pursuant to which the Property Manager will become the property manager of the QT Property. The Property Manager is not related to the Issuer or any of its directors and officers. The Property Manager will be entitled to receive a fee for its property management services calculated on the basis of the QT Property's aggregate gross revenue. See "*Part I – The Issuer - The Qualifying Transaction*".

The Vendor and its shareholders are at arm's length to the Issuer and as such, the proposed Qualifying Transaction is not a Non Arm's Length Qualifying Transaction. See "*Part I – The Issuer - The Qualifying Transaction*".

The Resulting Issuer

As the Issuer's Qualifying Transaction will consist only of the Acquisition of the QT Property, there will be no change in the corporate structure of the Issuer. See "*Part I – The Issuer - General Information Concerning the Issuer*" for a discussion of the Issuer's corporate structure. Moreover, there will be no change in the Board or management of the Issuer. See "*Part III – The Resulting Issuer – Directors, Officers and Promoters*" for a discussion of the Resulting Issuer's Board and management.

Upon Completion of the Qualifying Transaction, the only operating asset of the Resulting Issuer will be the QT Property. In addition to the continued operation of the QT Property, the Resulting Issuer will focus on strategically acquiring additional student housing properties in Canada, raising additional funds in the marketplace and eventually converting the Resulting Issuer into a REIT. The Resulting Issuer will be internally managed. The Resulting Issuer's strategy will be focused on acquiring high quality properties in close proximity to universities and colleges in primary and well understood secondary markets. The Issuer intends to operate with a conservative capital structure featuring staggered and longer term mortgage maturities, and a conservative payout ratio. The Issuer believes this strategy offers an excellent opportunity to build a substantial portfolio of student housing properties, providing stable cash flows and distributions, with growth over time. There can be no assurances that the Resulting Issuer will convert into a REIT in the future and no representation is made to that effect. See "*Part III - The Resulting Issuer - Description of the Resulting Issuer – The Business and Strategy of the Resulting Issuer*".

Selected Financial Information

The Issuer

Since the Issuer is a CPC, its business consists solely of identifying a suitable Qualifying Transaction. The financial statements of the Issuer included in this Filing Statement are for the period from April 12, 2013 (date of incorporation) to December 31, 2013. During this period, the Issuer incurred total expenses of $324,162 (including compensation expense of $309,000) and share issuance costs of $286,284. As at December 31, 2013, the Issuer had $4,747,127 in cash.

The QT Property

The table below sets out certain financial data for the QT Property in respect of the periods for which financial information is included elsewhere in this Filing Statement. This information should be read in conjunction with the financial statements and the notes thereto for the QT Property appended to this Filing Statement. The financial statements of the QT Property have been prepared in accordance with IFRS.

	12 Months Ended		
	Dec. 31, 2013	**Dec. 31, 2012**	**Dec. 31, 2011**
Total Revenues	$231,468	$217,792	$209,992
Net Income (Loss)	$320,520	$321,417	$195,078
Total Assets (as at period end)	$2,513,933	$2,292,272	-
Total Liabilities (as at period end)	$1,272,526	$1,309,169	-

The Resulting Issuer

The table below sets out certain pro forma balance sheet data for the Resulting Issuer as at December 31, 2013 after giving effect to the Acquisition. This information should be read in conjunction with the *pro forma* financial statements and the notes thereto for the Resulting Issuer appended to this Filing Statement.

	CHC Realty Capital Corp. ***Pro Forma*** **December 31, 2013**
Assets	
Current	
Cash	$3,419,653
Accounts receivable	$18,148
Total Current Assets	$3,437,801
Investment Property	$2,500,000
Total Assets	*$5,937,801*
Liabilities	
Current	
Accounts Payable and Accrued Liabilities	$13,721
Property Debt – Current	$1,272,526
Total Current Liabilities	$1,286,247
Total Liabilities	*$1,286,247*
Equity	
Share Capital	$4,713,716
Contributed Surplus	$362,000
Deficit	$(424,162)
Total Equity	*$4,651,554*
Total Liabilities and Equity	*$5,937,801*

Available Funds and Principal Uses

As of January 31, 2014, the Issuer had working capital and available funds of approximately $4,725,000. After completion of the Acquisition and payment of the purchase price in connection therewith (assuming the assumption of the Existing Mortgage in the amount of $1,272,526) and taking into account legal and other professional costs, the Resulting Issuer will have remaining working capital of approximately $3,422,526, which will be used for general working capital purposes and future property acquisitions. See "*Part III - The Resulting Issuer - Available Funds and Principal Uses*".

The following table sets forth the proposed use of available funds by the Resulting Issuer in order of priority in connection with the completion of the Qualifying Transaction:

Cash Purchase Price	$2,500,000
Assumed Existing Mortgage	($1,272,526)
Transaction Costs	$100,000
Total	$1,327,474

The following table sets forth the funds required to complete the acquisition of the QT Property and the estimated available funds of the Resulting Issuer after giving effect to the Completion of the Qualifying Transaction. For further information, please see the financial statements of the Issuer and the QT Property and the pro forma statement of financial position included in this Filing Statement.

Estimated working capital and available funds as at January 31, 2014	$	4,725,000
Less -		
Portion of estimated available funds used for payment of purchase price for the Acquisition	$	(2,500,000)
Acquisition and related costs	$	(100,000)
Repayment of funds advanced by CHC RI for deposits	$	(175,000)
Plus +		
Credit for deposits paid on the QT Property	$	200,000
Assumption of Existing Mortgage	$	1,272,526
Net funds required to acquire the QT Property	$	(1,302,474)
Reserve for working capital and future investing activities	$	3,422,526

The Resulting Issuer will spend the funds available to it on the Completion of the Qualifying Transaction to further its stated objectives as set forth in this Filing Statement. While management currently intends to use the available funds as set forth in this Filing Statement, the Resulting Issuer may reallocate the available funds for sound business reasons.

Interests of Insiders, Promoters and Control Persons

No Insider, promoter or Control Person of the Issuer nor any of their respective Associates and Affiliates (before and after giving effect to the Qualifying Transaction) has any interest in the QT Property or in the proposed Qualifying Transaction other than that which arises from the holding of Common Shares. See "*Part I – The Issuer – The Qualifying Transaction*".

The directors and officers of the Issuer, as a group (which includes all Insiders and promoters of the Issuer; the Issuer does not have a Control Person), beneficially own, directly or indirectly, or exercise control or direction over, 10,145,555 Common Shares or 18.4% of the current number of issued and outstanding Common Shares. See "*Part III – The Resulting Issuer – Directors, Officers and Promoters*".

Not a Non Arm's Length Transaction

No party or parties nor any of their respective Associates or Affiliates are Control Persons in relation to both the Issuer and the QT Property. Accordingly, the proposed Qualifying Transaction does not constitute a Non-Arm's Length Qualifying Transaction and does not require shareholder approval.

Market Price of Common Shares

The Common Shares of the Issuer are listed on the Exchange under the symbol "CHC.P". The closing market price of the Common Shares on January 8, 2014, the date immediately preceding the announcement of the Acquisition, was $0.22. See "*Part I – The Issuer - Market Price and Trading Volume Data"* for information relating to the trading price of the Common Shares from December 4, 2013 (the date the Common Shares were listed and posted for trading on the Exchange) to January 8, 2014.

Conditional Listing Approval

The Exchange has conditionally accepted the Acquisition subject to the Issuer fulfilling all of the requirements of the Exchange on or before June 20, 2014.

Sponsorship Relationship

The Exchange has waived the sponsorship requirement in connection with the Qualifying Transaction.

Conflicts of Interest

None of the directors, officers, Insiders and promoters of the Issuer have any conflict of interest in respect of the Acquisition. One or more of the directors, officers, Insiders or promoters of the Resulting Issuer have been and will continue to be engaged in the identification and evaluation for the purpose of potential acquisition or disposition of interests in real estate on their own behalf and on behalf of the Issuer or other companies. Accordingly, situations may arise where some directors, officers, Insiders and promoters of the Resulting Issuer may have potential conflicts of interest in connection with the operations of the Resulting Issuer. Conflicts, if any, will be subject to the procedures and remedies as provided under the OBCA.

Interest of Experts

No person or company who is named as having prepared or certified a part of this Filing Statement or prepared or certified a report or valuation described or included in this Filing Statement has, or will have immediately following completion of the Acquisition, any direct or indirect interest in the QT Property or in the Issuer.

Deloitte LLP, the auditor of the Issuer and of the QT Property, has advised that it is independent of the Issuer and the QT Property within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

Risk Factors

An investment in the Resulting Issuer is subject to a number of risks that should be considered by investors. These risks, and other risks associated with an investment in the Resulting Issuer, include (i) risks associated with the business and industry in which the Resulting Issuer will be participating, including limited operating history of the Issuer, general business risks related to real property ownership and investment, risks associated with acquisition strategy, investment concentration, competition, reliance on key personnel and the Property Manager, integration of additional properties, development risks, litigation, government regulation, environmental matters, illiquidity, potential undisclosed liabilities associated with acquisitions, uninsured losses and potential conflicts of interest; (ii) risks relating to the financing of the Resulting Issuer such as those associated with debt financing, interest rate fluctuations and failure to obtain additional financing; and (iii) risks relating to the structure of the Resulting Issuer such as dilution, potential volatility of share price, no guaranteed returns and limited prior public market. See "*Part III - The Resulting Issuer - Risk Factors"*.

PART I – THE ISSUER

The information contained in this Part is given as of the date of this Filing Statement, prior to the completion of the Acquisition.

GENERAL INFORMATION CONCERNING THE ISSUER

Name and Incorporation

The Issuer was incorporated under the name "CHC Realty Capital Corp." pursuant to the provisions of the OBCA on April 12, 2013.

The head office of the Issuer is located at 53 Yonge Street, 5th Floor, Toronto, Ontario, M5E 1J3. The registered office of the Issuer is located at Suite 800, 365 Bay Street, Toronto, Ontario, M5H 2V1.

General Development of the Issuer

On April 12, 2013 and September 16, 2013, the Issuer completed a "seed round" private placement pursuant to which it issued a total of 10,000,000 Common Shares at a price of $0.05 per share for gross proceeds of $500,000. On November 8, 2013, the Issuer completed a private placement pursuant to which it issued a total of 35,000,000 Common Shares at a price of $0.10 per share for gross proceeds of $3,500,000. On November 28, 2013, the Issuer completed its IPO under the CPC Policy pursuant to which it issued a total of 10,000,000 Common Shares at a price of $0.10 per share for gross proceeds of $1,000,000. The Common Shares were listed and posted for trading on the Exchange commencing on December 4, 2013.

At the time of the completion of its IPO, the Issuer granted to the agent for its IPO, broker warrants entitling the agent to acquire an aggregate of 1,000,000 Common Shares at a price of $0.10 per share for a period of 24 months following the IPO (the "**Broker Warrants**"). As at the date hereof, the Broker Warrants are still outstanding. At the time of the completion of its IPO, the Issuer also granted to its directors and officers stock options entitling them to acquire an aggregate of 4,125,000 Common Shares at a price of $0.10 per share for a period of 5 years following the IPO (the "**Existing Options**"). As at the date hereof, the Existing Options are still outstanding.

As disclosed in its final prospectus dated November 19, 2013, the Issuer's business has been restricted to the identification and evaluation of businesses or assets for the purpose of completing its Qualifying Transaction.

THE QUALIFYING TRANSACTION

As disclosed in its final prospectus dated November 19, 2013, the Issuer's intention in respect of completing its Qualifying Transaction is to identify and acquire real property, and specifically, student housing. As announced by the Issuer on January 9, 2014, the Issuer has identified the QT Property as an appropriate initial property for the Issuer to acquire for the purpose of completing its Qualifying Transaction.

The completion of the Qualifying Transaction is subject to, among other things, prior satisfaction or waiver of a number of conditions, including the final Exchange acceptance of the Qualifying Transaction, and the satisfaction or waiver of the conditions in the Acquisition Agreement. Upon Completion of the Qualifying Transaction, the Resulting Issuer is expected to meet all of the Exchange's minimum listing requirements for a Tier 2 Real Estate Issuer.

As the Issuer's Qualifying Transaction will consist only of the Acquisition, there will be no change in the corporate structure of the Issuer. See "*Part I – The Issuer - General Information Concerning the Issuer*" for a discussion of the Issuer's corporate structure. Moreover, there will be no change in the Board or management of the Issuer. The Resulting Issuer will be internally managed. See "*Part III – The Resulting Issuer – Directors, Officers and Promoters*" for a discussion of the Resulting Issuer's Board and management.

The Acquisition

The Acquisition Agreement sets out the terms and conditions pursuant to which the Issuer will acquire the QT Property. Pursuant to the Acquisition Agreement, the Issuer will acquire the QT Property for a purchase price of $2,500,000, subject to closing costs and customary adjustments. The Issuer intends to satisfy the purchase price for the QT Property through the assumption of the Existing Mortgage and the payment to the Vendor of the balance of the purchase price of approximately $1.2 million in cash from the Issuer's existing funds.

The Acquisition Agreement contains customary representations and warranties from the Vendor which address various matters with respect to the QT Property. The Acquisition Agreement also contains customary closing conditions in favour of the Issuer and the Vendor, upon which, if not satisfied, neither party shall have the obligation to complete the Acquisition. The closing of the Acquisition is subject to the Issuer undertaking and being satisfied with due diligence and title reviews for the QT Property, which were completed to the Issuer's satisfaction as of March 10, 2014, as well as Exchange approval of the Qualifying Transaction.

Pursuant to the Acquisition Agreement, the Issuer has paid a deposit to the Vendor in the amount of $25,000. This deposit is now non-refundable as a result of the satisfaction of the Issuer's due diligence condition in respect of the Acquisition as of March 10, 2014. In addition to the initial deposit paid by the Issuer, CHC RI, a company owned by Mark Hansen, President, CEO and a director of the Issuer and Craig Smith, a director of the Issuer, has paid the Vendor an additional $175,000 deposit. This deposit is now non-refundable as a result of the satisfaction of the Issuer's due diligence condition in respect of the Acquisition as of March 10, 2014. At Closing, the deposits will be credited towards the purchase price for the QT Property, and the deposits paid by CHC RI will be repaid to CHC RI by the Issuer, without interest or fees.

No party or parties nor any of their respective Associates or Affiliates are Control Persons in relation to both the Issuer and the QT Property. Moreover, no Insider, promoter or Control Person of the Issuer nor any of their respective Associates and Affiliates (before and after giving effect to the Qualifying Transaction) has any interest in the QT Property or in the proposed Qualifying Transaction other than that which arises from the holding of Common Shares. Accordingly, the proposed Qualifying Transaction does not constitute a Non-Arm's Length Qualifying Transaction and does not require shareholder approval.

The directors and officers of the Issuer, as a group (which includes all Insiders and promoters of the Issuer; the Issuer does not have a Control Person), beneficially own, directly or indirectly, or exercise control or direction over, 10,145,555 Common Shares or 18.4% of the current number of issued and outstanding Common Shares. See "*Part III – The Resulting Issuer – Directors, Officers and Promoters*".

Closing of the Acquisition is expected to occur seven (7) Business Days following the filing of this Filing Statement on SEDAR with the Exchange and the applicable securities regulatory authorities.

Intention to Complete Follow-On Acquisitions and convert the Resulting Issuer into a REIT

Upon Completion of the Qualifying Transaction, the only operating asset of the Resulting Issuer will be the QT Property. In addition to the continued operation of the QT Property, the Resulting Issuer will focus on strategically acquiring additional student housing properties in Canada, raising additional funds in the marketplace and eventually converting the Resulting Issuer into a REIT. The Resulting Issuer will be internally managed. The Resulting Issuer's strategy will be focused on acquiring high quality properties in close proximity to universities and colleges in primary and well understood secondary markets. The Issuer intends to operate with a conservative capital structure featuring staggered and longer term mortgage maturities, and a conservative payout ratio. The Issuer believes this strategy offers an excellent opportunity to build a substantial portfolio of student housing properties, providing stable cash flows and distributions, with growth over time. There can be no assurances that the Resulting Issuer will convert into a REIT in the future and no representation is made to that effect. See "*Part III - The Resulting Issuer - Description of the Resulting Issuer – The Business and Strategy of the Resulting Issuer*".

FINANCIAL INFORMATION

Selected Financial Information

Since the Issuer is a CPC, its business consists solely of identifying a suitable Qualifying Transaction. The financial statements of the Issuer included in this Filing Statement are for the period from April 12, 2013 (date of incorporation) to December 31, 2013. During this period, the Issuer incurred total expenses of $324,162 (including compensation expense of $309,000) and share issuance costs of $286,284. As at December 31, 2013, the Issuer had $4,747,127 in cash.

Management's Discussion and Analysis

Introduction

This management's discussion and analysis ("**MD&A**") of the results of operations of the Issuer for the period from April 12, 2013 (date of incorporation) to December 31, 2013 and its financial condition as at December 31, 2013 is based on and should be read in conjunction with the Issuer's audited financial statements for the same period prepared in accordance with IFRS which are included in this Filing Statement.

Issuer Overview

The Issuer was incorporated under the OBCA on April 12, 2013. The authorized capital of the Issuer consists of an unlimited number of common shares without nominal or par value.

On April 12, 2013 and September 16, 2013, the Issuer issued a total of 10,000,000 Common Shares at a price of $0.05 per share for gross proceeds of $500,000. On November 8, 2013, the Issuer completed a private placement pursuant to which it issued a total of 35,000,000 Common Shares at a price of $0.10 per share for gross proceeds of $3,500,000. On November 28, 2013, the Issuer completed its IPO under the CPC Policy pursuant to which it issued a total of 10,000,000 Common Shares at a price of $0.10 per share for gross proceeds of $1,000,000. The Common Shares were listed and posted for trading on the Exchange commencing on December 4, 2013.

The Issuer is a CPC, as defined in the CPC Policy. The principal business of the Issuer is the identification and evaluation of potential opportunities with a view to completing a Qualifying Transaction.

Overall Performance

As stated above, the Issuer issued a total of 55,000,000 Common Shares from incorporation on April 12, 2013 to the completion of its IPO on November 28, 2013, for aggregate gross proceeds of $5,000,000. The CPC Policy sets out the permitted use of proceeds realized from the sale of all securities issued by a CPC, which include fees for legal and accounting services, agents' fees, costs and commissions and listing and filing fees. For the period from April 12, 2013 (date of incorporation) to December 31, 2013, the Issuer had a net loss of $324,162 consisting of $309,000 in compensation expense, $5,000 in organization costs and $10,162 in general and administrative expenses. The Issuer also incurred share issuance costs of $286,284 during this period.

Results of Operations

As at December 31, 2013, the Issuer had no business operations other than the identification and evaluation of potential opportunities with a view to completing a Qualifying Transaction. The net loss of $324,162 for the period from April 12, 2013 (date of incorporation) to December 31, 2013 was due to the expenses incurred in such period as set out above.

Liquidity and Capital Resources

As at December 31, 2013, the Issuer had $4,747,127 in cash as a result of net proceeds derived from the issuance of Common Shares.

Subsequent Events

On January 9, 2014, the Issuer entered into the Acquisition Agreement with the Vendor for the Acquisition of the QT Property. If completed, the Acquisition will constitute the Qualifying Transaction of the Issuer.

Financial Instruments and Other Instruments

The Issuer's financial instruments consist of cash and accounts payable and accrued liabilities. It is management's opinion that the Issuer is not exposed to significant interest, currency or credit risks arising from these financial instruments and that the fair value of these financial instruments approximates their carrying values.

The completion of the Acquisition by the Issuer will include the assumption of the Existing Mortgage by the Resulting Issuer. Assumption of the Existing Mortgage may expose the Resulting Issuer to interest rate risk. See *Part III – The Resulting Issuer – Risk Factors – Risks Associated with the Financing of the Resulting Issuer – Interest Rate Fluctuations and Financing Risk*".

Disclosure of Outstanding Share Data

As more specifically described above under "*Issuer Overview*", there are 55,000,000 issued and outstanding Common Shares in the capital of the Issuer.

Significant Accounting Policies

The Issuer's significant accounting policies are summarized in Note 2 to the audited financial statements for the period from April 12, 2013 (date of incorporation) to December 31, 2013.

International Financial Reporting Standards

The Issuer's financial statements for the period from April 12, 2013 (date of incorporation) to December 31, 2013 are prepared in accordance with IFRS.

Off Balance Sheet Arrangements

The Issuer had no off balance sheet arrangements for the period from April 12, 2013 (date of incorporation) to December 31, 2013.

Risk Factors

The Issuer's overall performance and results of operations are subject to a number of risks and uncertainties. See "*Part III - The Resulting Issuer — Risk Factors*".

Additional Information

Additional information relating to the Issuer is available on SEDAR at www.sedar.com.

DESCRIPTION OF SECURITIES

Common Shares

The Issuer is authorized to issue an unlimited number of Common Shares without nominal or par value, of which, as at the date of this Filing Statement, 55,000,000 Common Shares are issued and outstanding as fully paid and non-assessable. In addition, the Issuer has reserved 4,125,000 Common Shares for issuance upon exercise of the Existing Options held by directors and officers of the Issuer, and 1,000,000 Common Shares for issuance upon exercise of the Broker Warrants.

The holders of the Common Shares are entitled to dividends, if, as and when declared by the Board, to one vote per share at meetings of the shareholders of the Issuer and, upon liquidation, dissolution or winding-up of the Issuer to receive such assets of the Issuer as are distributable to the holders of the Common Shares.

Stock Options

The Issuer has established a stock option plan (the "**Stock Option Plan**") for its officers, directors, consultants and employees to which the Issuer may grant options to acquire a maximum number of Common Shares equal to 10% of the total issued and outstanding Common Shares.

Under the Stock Option Plan, the Board may, from time to time, in its discretion, and in accordance with the requirements of the Exchange, grant to officers, directors, and technical consultants of the Issuer, non-transferable options to purchase Common Shares exercisable for a period of up to ten years from the date of grant, provided that the number of Common Shares reserved for issuance will not exceed 10% of the issued and outstanding Common Shares. The number of Common Shares reserved for issuance to any individual director or officer will not exceed 5% of the issued and outstanding Common Shares and the number of Common Shares reserved for issuance to all technical consultants will not exceed 2% of the issued and outstanding Common Shares. Options representing not more than 10% of the issued and outstanding Common Shares may be granted to Insiders within any twelve-month period.

The option price on Common Shares that are the subject of any option is fixed by the Board when such option is granted, provided that such price shall not be less than the Discounted Market Price of the Common Shares of the Issuer (as determined under the applicable policies of the Exchange), or such other price as may be determined under applicable rules and regulations of all regulatory authorities to which the Issuer is subject, including the Exchange rules and policies.

Unless otherwise specified by the Board in its discretion at the time of grant, and subject to Exchange rules and policies, all options granted shall vest and become exercisable in full upon grant. Notwithstanding the foregoing, all options awarded to consultants performing investor relations activities shall vest in stages over 12 months with no more than 25% vesting in any three-month period.

Options must be exercised no later than 90 days following cessation of the optionee's position with or provision of services to the Issuer, provided that if the cessation of such position or services was by reason of death, the option may be exercised within a maximum period of one year after such death, subject to the expiry date of such option.

The Issuer has granted incentive stock options under the Stock Option Plan to certain of its directors and officers, and the following options remain outstanding as of the date hereof (the "**Current Options**"):

Optionee	**Date of Grant**	**Number of Common Shares Reserved Under Option**	**Exercise Price ($/Share)**	**Expiration Date**
Mark Hansen	November 28, 2013	1,031,250	$0.10	November 28, 2018
Robert Waxman	November 28, 2013	687,500	$0.10	November 28, 2018
Craig Smith	November 28, 2013	1,031,250	$0.10	November 28, 2018
Thomas Murphy	November 28, 2013	687,500	$0.10	November 28, 2018
Vaughn MacLellan	November 28, 2013	687,500	$0.10	November 28, 2018
Total		**4,125,000**		

PRIOR SALES

The table below sets out the prices at which Common Shares have been issued since the incorporation of the Issuer.

Date of Issue	Number of Common Shares	Issue Price per Common Share	Aggregate Issue Price	Consideration Received
April 12, 2013	10	$0.05	$0.50	$0.50 Cash
September 16, 2013	9,999,990	$0.05	$499,999.50	$499,999.50 Cash
November 8, 2013	35,000,000	$0.10	$3,500,000.00	$3,500,000.00 Cash
November 28, 2013	10,000,000	$0.10	$1,000,000	$1,000,000.00 Cash
Total	**55,000,000**		**$5,000,000**	

10,145,555 of the Common Shares previously issued by the Issuer were issued to Non-Arm's Length Parties. These Common Shares are held in escrow pursuant to the terms of the Escrow Agreement. See "*Part III - The Resulting Issuer—Escrowed Securities*".

MARKET PRICE AND TRADING VOLUME DATA

The following table sets forth the high and low closing trading price of the Common Shares on the Exchange for the periods noted:

Period	High ($)	Low ($)	Volume
December 2013 (1)	N/A	N/A	12,000
January 2014 (2)	N/A	N/A	0

Notes:

(1) The Common Shares commenced trading on the Exchange on December 4, 2013. One trade of the Common Shares occurred on December 20, 2013 at a price of $0.22 per Common Share.

(2) In connection with the announcement of the Issuer's proposed Qualifying Transaction, trading in the Common Shares was halted on January 9, 2014. The Common Shares are not expected to resume trading until after the Closing Date.

ARM'S LENGTH TRANSACTION

No party or parties nor any of their respective Associates or Affiliates are Control Persons in relation to both the Issuer and the QT Property. Accordingly, the proposed Qualifying Transaction does not constitute a Non-Arm's Length Qualifying Transaction and does not require shareholder approval.

AUDITOR, TRANSFER AGENT AND REGISTRAR

The auditor of the Issuer is Deloitte LLP, 181 Bay Street, Suite 1400, Toronto, Ontario, M5J 2V1. Deloitte LLP has advised that it is independent of the Issuer and the QT Property within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

The transfer agent and registrar of the Issuer is Equity Financial Trust Company, 200 University Avenue, Suite 400, Toronto, Ontario, M5H 4H1.

LEGAL PROCEEDINGS

There are no legal proceedings to which the Issuer is a party or of which any of its property is the subject matter, and no such proceedings are known by the Issuer to be contemplated.

MATERIAL CONTRACTS

The following are the material contracts entered into by the Issuer since incorporation, other than contracts entered into in the ordinary course of business:

(a) the transfer agent, registrar and disbursing agent agreement between the Issuer and Equity Financial Trust Company dated September 16, 2013;

(b) the agency agreement between the Issuer and Raymond James Ltd., the IPO agent, dated November 19, 2013 in respect of the IPO;

(c) the Escrow Agreement; and

(d) the Acquisition Agreement.

Copies of these agreements may be inspected, without charge, at the offices of the Issuer, during ordinary business hours until the date of the Closing and for a period of 30 days thereafter, or on SEDAR at www.sedar.com.

PART II - THE QT PROPERTY

DESCRIPTION OF THE QT PROPERTY

General Description

The QT Property is the "Liberty Terrace" student housing property situated at 335 Barrie Street, Kingston, in close proximity (approximately 1.2 km) to Queen's University. It is a 10,882 square foot, two-storey building built in 2009 and comprised of 18 student beds and 1,108 square feet of ground floor commercial space. The QT Property's 18 student beds are fully occupied and the commercial space is currently fully leased to two tenants. The student beds currently have an average monthly rental rate (excluding parking) of approximately $847.69 per bed and the QT Property currently generates annual NOI of approximately $150,000. Both existing commercial leases expire later in 2014. One of the commercial tenants has decided not to renew its lease and will be vacating the space at the end of its term. The other tenant is the Property Manager. The location leased by the Property Manager is its head office. The Property Manager has entered into a new 5 year lease for the entire commercial space effective upon expiry of the existing leases. The terms of the Property Manager's new lease will increase NOI by $10,000 annually.

The QT Property is subject to the Existing Mortgage with a Canadian chartered bank which has an outstanding principal balance of approximately $1.3 million. The Issuer intends to assume the Existing Mortgage and is currently in discussions with the bank to assume the Existing Mortgage on Closing. The Existing Mortgage comes due on June 1, 2014 with an above market interest rate. The Issuer intends to enter into discussions post-closing to renew the Existing Mortgage at current market rates.

The purchase price for the QT Property is $2.5 million, subject to closing costs and customary adjustments, representing a going-in capitalization rate of 6.0% on the purchase. The Issuer intends to satisfy the purchase price through the assumption of the Existing Mortgage and the payment to the Vendor of the balance of the purchase price of approximately $1.2 million in cash from the Issuer's existing funds.

Pursuant to the Acquisition Agreement, the Issuer has paid a deposit to the Vendor in the amount of $25,000. This deposit is now non-refundable as a result of the satisfaction of the Issuer's due diligence condition in respect of the Acquisition as of March 10, 2014. In addition to the initial deposit paid by the Issuer, CHC RI, a company owned by Mark Hansen, President, CEO and a director of the Issuer and Craig Smith, a director of the Issuer, has paid the Vendor an additional $175,000 deposit. This deposit is now non-refundable as a result of the satisfaction of the Issuer's due diligence condition in respect of the Acquisition as of March 10, 2014. At Closing, the deposits will be credited towards the purchase price for the QT Property, and the deposits paid by CHC RI will be repaid to CHC RI by the Issuer, without interest or fees.

The Acquisition Agreement contains customary representations and warranties from the Vendor which address various matters with respect to the QT Property. The closing of the Acquisition is subject to the Issuer undertaking and being satisfied with due diligence and title reviews for the QT Property, which were completed to the Issuer's satisfaction as of March 10, 2014, as well as Exchange approval of the Qualifying Transaction.

In connection with the acquisition of the QT Property, the Issuer intends to enter into the Property Management Agreement with the Property Manager, pursuant to which the Property Manager will become the property manager of the QT Property. The Property Manager is not related to the Issuer or any of its directors and officers. The Property Manager will be entitled to receive a fee for its property management services calculated on the basis of the QT Property's aggregate gross revenue.

For additional information regarding student housing and student housing industry issues that would apply to the QT Property, see "*Part III – The Resulting Issuer – Description of the Resulting Issuer – The Business and Strategy of the Resulting Issuer*".

The Vendor

The Vendor of the QT Property is Q4 Realty Inc., a corporation incorporated under the laws of Ontario. The principal shareholders of the Vendor are Bernard Luttmer, Oskar Johansson and John Feaver all of Toronto, Ontario and Andrew Keilty of Kingston, Ontario.

No party or parties nor any of their respective Associates or Affiliates are Control Persons in relation to both the Issuer and the QT Property. Accordingly, the proposed Qualifying Transaction does not constitute a Non-Arm's Length Qualifying Transaction and does not require shareholder approval.

FINANCIAL INFORMATION

Selected Financial Information

The table below sets out certain financial data for the QT Property in respect of the periods for which financial information is included elsewhere in this Filing Statement. This information should be read in conjunction with the financial statements and the notes thereto for the QT Property appended to this Filing Statement. The financial statements of the QT Property have been prepared in accordance with IFRS.

	12 Months Ended		
	Dec. 31, 2013	**Dec. 31, 2012**	**Dec. 31, 2011**
Total Revenues	$231,468	$217,792	$209,992
Net Income (Loss)	$320,520	$321,417	$195,078
Total Assets (as at period end)	$2,513,933	$2,292,272	-
Total Liabilities (as at period end)	$1,272,526	$1,309,169	-

Management's Discussion and Analysis

The following MD&A was prepared by the management of the Issuer and reflects the operations of the QT Property for the years ended December 31, 2013 ("**Fiscal 2013**"), December 31, 2012 ("**Fiscal 2012**") and December 31, 2011 ("**Fiscal 2011**"). The financial statements of the QT Property that are included elsewhere in this Filing Statement and form the basis for the following discussion have been prepared on a carve-out basis from the financial statements of each of the Vendor to account solely for the QT Property to be purchased by the Issuer pursuant to the Acquisition. This MD&A is dated as of the date of this Filing Statement and the information contained herein is based on information available to management of the Issuer as of the date hereof.

Results of Operations

Total Revenues

Total revenues for the QT Property were $231,468 in Fiscal 2013, representing an increase of 6.3% over Fiscal 2012 revenues of $217,792, which in turn was an increase of 3.7% over Fiscal 2011 revenues of $209,992. The annual increases in total revenues for the QT Property are a result of increasing rental rates during the relevant periods. Approximately 83% of total revenues in all periods were earned from residential rent, while the balance of revenues were earned from a combination of commercial rent, additional rent and parking revenue.

Property Expenses

Property expenses for Fiscal 2013 were $81,801, consisting of $33,034 in payroll and management services, $14,965 in operating expenses (utilities, repairs and maintenance and property insurance) and $33,802 on property taxes. Property expenses for Fiscal 2012 were $75,592, consisting of $30,884 in payroll and management services, $13,823 in operating expenses (utilities, repairs and maintenance and property insurance) and $30,884 on property taxes. Property expenses for Fiscal 2011 were $74,056, consisting of $29,549 in payroll and management services, $14,340 in operating expenses (utilities, repairs and maintenance and property insurance) and $30,167 on property taxes.

NOI

NOI for the QT Property was $149,667 for Fiscal 2013, $142,200 for Fiscal 2012 and $135,936 for Fiscal 2011. NOI for all periods reflected is the net of revenues earned and property expenses incurred for the period, without accounting for interest expense or fair value gains.

Interest Expense

Interest expenses incurred in relation to the Existing Mortgage were $59,147 in Fiscal 2013, $60,783 in Fiscal 2012 and $62,348 in Fiscal 2011.

Net Income

Net income for Fiscal 2013 was $320,520. Net income for Fiscal 2012 was $321,417. Net income for Fiscal 2011 was $195,078. Net income for all periods reflected the net of revenues earned and expenses incurred for the period described above, as well as fair value gains for the period due to movements in projected NOI and capitalization rates. Fair value gains were $230,000 in Fiscal 2013, $240,000 in Fiscal 2012 and $121,490 in Fiscal 2011.

Outlook

As discussed in this Filing Statement, the Issuer has agreed to purchase the QT Property from the Vendor pursuant to the Acquisition Agreement. As a result, many of the financial measures contained in the financial statements for the QT Property included elsewhere in this Filing Statement will not be applicable going forward. The Acquisition is expected to close on the date that is seven business days after Exchange approval of the Issuer's Qualifying Transaction.

In connection with the completion of the Acquisition, the Issuer will enter into the Property Management Agreement with the Property Manager pursuant to which, among other things, the Property Manager will attend to the property management of the QT Property. The Issuer expects that the amounts incurred for the management of the QT Property will be approximately $770 per month, or approximately $9,260 per annum.

Trends

There are no trends, commitments, events or uncertainties that are known and reasonably expected to have a material effect on the QT Property's business, financial condition or results of operations, with the exception of the new 5 year lease for the entire commercial space in the QT Property entered into by the Property Manager and effective upon expiry of the existing leases, which will increase the NOI of the QT property by $10,000 annually, as disclosed in this Filing Statement.

Risks and Uncertainties

For a discussion of the risks that will affect the Issuer after it acquires the QT Property, see "*Part III - The Resulting Issuer - Risk Factors*".

PART III - THE RESULTING ISSUER

DESCRIPTION OF THE RESULTING ISSUER

Information contained in this Part is forward-looking in nature and assumes the completion of the Acquisition. See "*Notice Concerning Forward-Looking Statements*".

Corporate Structure

As the Issuer's Qualifying Transaction will consist only of the Acquisition, there will be no changes in the corporate structure of the Resulting Issuer and it will be identical to the Issuer's corporate structure, with Shareholders continuing to be shareholders of the Resulting Issuer subsequent to the Completion of the Qualifying Transaction on the same basis they are shareholders of the Issuer at present. See "*Part I – The Issuer - General Information Concerning the Issuer - Name and Incorporation*".

The Issuer intends to acquire the QT Property through a wholly-owned and controlled subsidiary limited partnership of the Issuer created under the laws of the Province of Ontario named CHC Student Housing Acquisition Limited Partnership. The Issuer will be the sole limited partner of the limited partnership, and the general partner of the limited partnership will be a wholly-owned and controlled subsidiary corporation of the Issuer incorporated under the OBCA named CHC Student Housing GP Acquisition Inc. The partnership will in turn hold title to the QT Property in the name of a wholly-owned and controlled bare trustee and title nominee corporation incorporated under the OBCA named CHC Student Housing Holdings Inc.

Description of the Securities of the Resulting Issuer

As the Issuer's Qualifying Transaction will consist only of the Acquisition, there will be no changes in the capital structure of the Resulting Issuer and it will be identical to the Issuer's capital structure. See "*Part I – The Issuer – Description of Securities*".

The Business and Strategy of the Resulting Issuer

Business Objectives and Strategy

Following the Completion of the Qualifying Transaction, the only operating asset of the Resulting Issuer will be the QT Property. The Resulting Issuer will be entitled to all income derived from the QT Property and will be responsible for the operation, repair, general maintenance and management of the QT Property, certain aspects of which it will outsource to the Property Manager under the Property Management Agreement. See "*Part III – The Resulting Issuer – Description of The Resulting Issuer – Property Management Agreement*".

It is also the intention of the Resulting Issuer to expand its business of owning and operating student housing real estate assets, operating with an internal asset management structure. Accordingly, in addition to the continued ownership and operation of the QT Property, the Resulting Issuer will focus on strategically acquiring additional student housing properties in Canada, with the goal of becoming the leading consolidator of high quality student housing assets in Canada. The Resulting Issuer's strategy will be focused on acquiring high quality properties in close proximity to universities and colleges in primary and well understood secondary markets, with a focus on contemporary, purpose-built student housing properties. The Issuer intends to operate with a conservative capital structure featuring staggered and longer term mortgage maturities, and a conservative payout ratio. The Issuer believes this strategy offers an excellent opportunity to build a substantial portfolio of student housing properties, with the objective of providing stable cash flows and distributions, with growth over time.

In addition to funding the acquisition of the QT Property, the available funds of the Issuer will provide the Resulting Issuer with approximately $3.4 million for working capital and the identification, evaluation and acquisition of additional student housing properties. See "*Part III – The Resulting Issuer – Available Funds and Principal Uses*". The Resulting Issuer's business objectives will include acquiring additional student housing properties, raising additional funds in the marketplace to finance additional acquisitions of student housing properties, and eventually converting the Resulting Issuer into a REIT. There can be no assurances that the Resulting Issuer will convert into a REIT in the future and no representation is made to that effect. The timeframe for achieving the business objectives of the Resulting Issuer will be dependent upon opportunities available to the Resulting Issuer to acquire and finance the acquisition of additional student housing properties.

Student Housing

As an asset class, student housing properties are similar to conventional multi-residential properties, except that student housing is dedicated to post-secondary students as tenants and the leasing unit is often by room or bed and not an entire residential unit. In addition, contemporary student housing is generally considered as consisting of newer, purpose-built student housing properties which have distinct design layouts based on single-occupancy bedrooms in two to five bedroom floor plans, with low bed to bathroom ratios (usually private bathrooms for each bedroom or sometimes one bathroom for each two bedrooms), arranged around a central kitchen and living area. Contemporary student housing is also generally considered to include modern amenities, such as fitness centres, game rooms, study areas, laundry facilities, lounges, movie theatres, parking, Wi-Fi access and high-speed internet, and enhanced security.

Contemporary student housing has become a mature asset class in the United States and United Kingdom. For instance, the largest publicly traded student housing REIT in the United States alone owns and third-party manages a portfolio of contemporary student housing properties that included 187 properties with approximately 121,300 beds in approximately 40,900 units as at December 31, 2012. By contrast, there are a limited number of purpose-built student housing properties in Canada at present. As a result, the majority of Canadian post-secondary students must either live in on-campus residences, which are limited and typically reserved for first year students, or choose between renting traditional apartments or single-family housing, all of which will compete with the Resulting Issuer's student housing properties. These housing options, however, are often outdated in terms of design and functionality and generally lack the amenities of contemporary student housing. In general, there is an under supply of high quality contemporary student housing that is safe, secure, well priced, professionally managed, and with modern amenities.

Economically, as a result of the configuration of contemporary student housing property units, as well as the opportunity to reset rental rates more frequently as tenants turn over, student housing properties generally operate with greater rents per square foot than conventional multi-residential properties. While this is partially offset by higher leasing costs and higher repair and maintenance expenses, the Issuer believes these can be largely mitigated through professional management practices based on an understanding of the asset class and applicable local market conditions. As a result, like other mature multi-residential properties, student housing properties are expected to generate positive, stable cash flow, but with capitalization rates that are generally higher than conventional multi-residential properties of similar quality, and superior rental rate growth as high turnover of units allows for market based increases without rent control restrictions. Moreover, student housing is now a viable investment vehicle for institutional investors as it offers opportunities for strong cash flows and total returns, low volatility, generally higher yields than comparable multi-family product, and increasing investor choice with respect to assets and markets.

Investment in student housing also offers recession resistance and inflation hedging, since university and college enrolment does not appear to be highly correlated to the performance of the economy, and there is also a high turnover of student leases each year. The recent recession in the U.S. and Canada appears to have had very little impact on performance of quality student housing assets.

Finally, student housing is also a specialized niche where the Issuer believes there are opportunities to improve cash flow through value-added leasing and operational strategies, economies of scale and by instituting professional management practices. In order to help achieve its objectives, the Issuer will employ best in class property managers, including the Property Manager in respect of the QT Property, although it will nevertheless play a very active role in overseeing all aspects of property management and the operations of its property managers.

At present, the Issuer believes that there are compelling market dynamics in Canada at present for investment in quality student housing properties, which include:

- lack of high quality, purpose-built student housing properties;
- consistently high occupancy rates for existing student housing properties;
- ownership of existing student housing properties which is highly fragmented and largely lacking focus and access to capital necessary to provide quality accommodations;
- long term enrolment growth at universities and colleges driving demand for student accommodation;
- students and parents increasingly focused on safety, privacy and connectivity in addition to location and price, but with much of this demand being met by old properties which are functionally obsolete; and
- new supply of on-campus housing not keeping up with demand, as budgetary constraints limit new construction of on-campus facilities.

Development Strategy

As a result of the lack of purpose-built student housing properties in Canada at present, as part of its strategy to acquire additional student housing properties, following the Completion of the Qualifying Transaction, the Resulting Issuer intends to eventually enter into property development arrangements with CHC Realty Development Corp. (“**CHC Development**”), a company founded by Mark Hansen, President, CEO and a director of the Issuer and Craig Smith, a director of the Issuer, which is in the business of developing high quality, purpose-built student housing properties. Under these arrangements, CHC Development will provide the Resulting Issuer with a preferential right to acquire all student housing property developments proposed to be undertaken by CHC Development. All determinations required to be made by the Resulting Issuer in connection with decisions to acquire development projects from CHC Development under these development arrangements would be made by independent directors or trustees of the Resulting Issuer.

Property Management Agreement

The QT Property will be managed by the Property Manager pursuant to the Property Management Agreement. The Property Manager is not related to the Issuer or any of its directors and officers. Under the terms of the Property Management Agreement, the Property Manager will be responsible for the operations and maintenance of the QT Property during the term of the Property Management Agreement. The property management services to be provided by the Property Manager will include:

- the leasing of the QT Property;
- collecting and depositing of all rents and other charges payable by tenants and taking any necessary actions to adjust, compromise, sue for and arrange settlements of monies due therefrom and enforcing all of the landlord’s rights thereunder;
- preparing and maintaining proper books and records relating to the QT Property, performing regular accounting as well as preparing financial reports, as required from time to time;

- keeping the QT Property in reasonable operating condition and repair and arranging for and supervising any maintenance, repairs, improvements and alterations required in that regard;

- liaising with tenants and performing on behalf of the Resulting Issuer, all obligations, covenants and duties owed to tenants/mortgagees/contractors and all other entities with whom the Resulting Issuer, or the Property Manager on its behalf, has contracted with in respect of the QT Property;

- obtaining and renewing all licenses and permits which may be required in connection with the operations and maintenance of the QT Property and for compliance with all registered restrictions, encumbrance and laws and regulations;

- obtaining and maintaining property insurance, general liability insurance, rental or business interruption insurance and any other insurance relating to the operation of the Resulting Issuer, as applicable, or required by any lender to them, in amounts and against risks as would be carried by a prudent owner of properties similar to the QT Property;

- paying all operating expenses relating to the QT Property, such as realty taxes, utilities, landscaping and snow removal, exterior repairs to asphalted areas, heating and air condition system maintenance and all other routine and normal operating expenses subject to receipt from the Resulting Issuer of the funds necessary to pay same; and

- without limiting the generality of the foregoing, such further property management functions as may be reasonably required by the Board of the Resulting Issuer.

In return for its services provided to the Resulting Issuer under the Property Management Agreement, the Property Manager will receive a management fee (the "**Management Fee**") in the amount of 8.0% of net effective rent (gross rental revenue less vacancies) from the residential portion of the QT Property (commercial space rent not included). The Issuer will also pay all direct expenses related to the ownership and operation of the QT Property. The Property Manager will be responsible for and pay all of its expenses which are not associated with its providing services to the Resulting Issuer, including without limitation, employment expenses of its personnel who are not involved in the property management of the QT Property.

The Property Management Agreement will commence on the date of Closing and will continue in full force and effect for a term of one (1) year. The Property Management Agreement will be renewable for up to four (4) additional one (1) year periods at the option of the Resulting Issuer. The Resulting Issuer will have the right, by notice to the Property Manager, to terminate the Property Management Agreement at any time upon the occurrence of any of the following events: (i) a material breach by the Property Manager of its duties and responsibilities under the Property Management Agreement, (ii) the commission by the Property Manager or any of its agents or employees of any act constituting fraud, misconduct, breach of fiduciary duty, negligence or a wilful breach of applicable laws, or (iii) the dissolution, liquidation, bankruptcy, insolvency or winding-up of the Property Manager.

CAPITALIZATION

Pro Forma Capitalization

The table below sets out the capitalization of the Resulting Issuer based on the pro forma financial statements contained in this Filing Statement prior to and after giving effect to the Qualifying Transaction before issuance costs.

Designation of Security	Amount Authorized	Amount Outstanding Prior to Giving Effect to Qualifying Transaction (1)	Amount to be Outstanding After Giving Effect to Qualifying Transaction (1)
Common Shares	Unlimited	$4,713,716 (55,000,000 Common Shares)	$4,713,716 (55,000,000 Common Shares)

Note:
(1) Net of share issuance costs of $286,284.

Fully Diluted Share Capital

The following table sets out the share capital of the Issuer prior to and after giving effect to the Qualifying Transaction.

	Prior to Giving Effect to the Qualifying Transaction		After Giving Effect to the Qualifying Transaction	
Securities Outstanding	**Number of Shares**	**Approximate Percentage of Total (Fully Diluted)**	**Number of Shares**	**Approximate Percentage of Total (Fully Diluted)**
Common Shares	55,000,000	91.5%	55,000,000	91.5%
Broker Warrants	1,000,000	1.7%	1,000,000	1.7%
Stock Options	4,125,000	6.8%	4,125,000	6.8%

AVAILABLE FUNDS AND PRINCIPAL USES

Available Funds

As at January 31, 2014, the Issuer had working capital and available funds of approximately $4,725,000.

Principal Uses of Available Funds

The following table sets forth the proposed use of available funds by the Resulting Issuer in order of priority in connection with the completion of the Qualifying Transaction:

Cash Purchase Price	$2,500,000
Assumed Existing Mortgage	($1,272,526)
Transaction Costs	$100,000
Total	$1,327,474

After the Completion of the Qualifying Transaction and payment of the purchase price in connection with the Acquisition (assuming the assumption of the Existing Mortgage in the amount of $1,272,526) and taking into account legal and other professional costs, the Resulting Issuer will have remaining working capital of approximately $3,422,526, which will be used for general working capital purposes and future property acquisitions.

The following table sets forth the funds required to complete the acquisition of the QT Property and the estimated available funds of the Resulting Issuer after giving effect to the Completion of the Qualifying Transaction. For further information, please see the financial statements of the Issuer and the QT Property and the pro forma statement of financial position included in this Filing Statement.

Estimated working capital and available funds as at January 31, 2014	$	4,725,000
Less -		
Portion of estimated available funds used for payment of purchase price for the Acquisition	$	(2,500,000)
Acquisition and related costs	$	(100,000)
Repayment of funds advanced by CHC RI for deposits	$	(175,000)
Plus +		
Credit for deposits paid on the QT Property	$	200,000
Assumption of Existing Mortgage	$	1,272,526
Net funds required to acquire the QT Property	$	(1,302,474)
Reserve for working capital and future investing activities	$	3,422,526

The Resulting Issuer will spend the funds available to it on the Completion of the Qualifying Transaction to further its stated objectives as set forth in this Filing Statement. Of the approximately $3,422,526 in working capital remaining available to the Resulting Issuer upon Completion of the Qualifying Transaction, the Resulting Issuer anticipates spending approximately $370,000 on general and administrative expenses during the following 12 months, leaving approximately $3,052,526 for use in respect of future property acquisitions. While management currently intends to use the available funds as set forth in this Filing Statement, the Resulting Issuer may reallocate the available funds for sound business reasons.

Dividend Policy

There are no restrictions in the Issuer's articles or elsewhere which could prevent the Resulting Issuer from paying dividends after the completion of the Acquisition. Following the completion of the Acquisition, the Resulting Issuer will not have a policy to make regular dividend payments and it is not contemplated that any dividends will be paid by the Resulting Issuer in the immediate future after the completion of the Acquisition as it is anticipated that the Resulting Issuer's available funds will be applied to achieve the goals of the Resulting Issuer as stated herein. The directors of the Resulting Issuer will determine if and when dividends are to be declared and paid from funds properly applicable to the payment of dividends based on the Resulting Issuer's financial position at the relevant time. It is intended that the Resulting Issuer intends to eventually reorganize into a REIT in the future, subject to receipt of all necessary approvals. There can be no assurance that the Resulting Issuer will convert into a REIT in the future and no representation is made to that effect.

PRINCIPAL SHAREHOLDERS

To the knowledge of the Issuer, no person will own, of record or beneficially, directly or indirectly, or exercise control or direction over, more than 10% of the issued and outstanding Common Shares of the Resulting Issuer after giving effect to the Qualifying Transaction.

DIRECTORS, OFFICERS AND PROMOTERS

As the Issuer's Qualifying Transaction will consist only of the Acquisition, there will be no changes in the Board and management of the Resulting Issuer and they will be identical to the Issuer's Board and management. It is anticipated that the Resulting Issuer will eventually make changes to the Board as it completes future acquisitions of additional student housing properties.

The following are the names, municipalities of residence of the directors and officers of the Issuer (and the Resulting Issuer subsequent to the Completion of the Qualifying Transaction), their positions and offices with the Issuer (and the Resulting Issuer subsequent to the Completion of the Qualifying Transaction), their present principal occupations, and the number of Common Shares beneficially owned or over which they directly or indirectly exercise control or discretion at the date of this Filing Statement:

Name and Residence	Position(s) with the Corporation	Principal Occupation[(1)]	Director and/or Officer Since	Number of Common Shares Owned
Mark Hansen Toronto, Ontario	President, Chief Executive Officer and Director	President, CHC Realty Investments	April 12, 2013	2,500,000[(2)]
Robert Waxman Toronto, Ontario	Chief Financial Officer	Chief Financial Officer, CHC Realty Investments	September 16, 2013	2,250,000[(3)]
Craig Smith[(4)] Toronto, Ontario	Director	President, Ashlar Urban Realty Inc.	April 12, 2013	3,110,055[(5)]
Thomas Murphy[(4)] Toronto, Ontario	Director	Managing Director, Canonfield Inc.	September 16, 2013	1,285,500[(6)]
Vaughn MacLellan[(4)] Toronto, Ontario	Corporate Secretary and Director	Partner, Wildeboer Dellelce LLP	September 16, 2013	1,000,000[(7)]

Notes:

(1) For further details, see "Directors and Officers of the Resulting Issuer" below.

(2) These shares are beneficially owned by Mr. Hansen and are owned of record by Jalla Investments Inc., a corporation owned (with immediate family) and controlled by Mr. Hansen. These shares represent 4.5% of the current number of issued and outstanding Common Shares.

(3) 1,750,000 of these shares are beneficially owned by Mr. Waxman and are owned of record by Tova Capital Ltd., a corporation owned and controlled by Mr. Waxman. 500,000 of these shares are owned of record by Delmek Investments Ltd. and are controlled by Mr. Waxman, who owns 50% of and controls Delmek Investments Ltd. These shares represent 4.1% of the current number of issued and outstanding Common Shares.

(4) Member of the Audit Committee. Mr. Murphy is Chair of the Audit Committee.

(5) These shares are beneficially owned by Mr. Smith and are owned of record by Smycorp Investments Inc., a corporation owned (with immediate family) and controlled by Mr. Smith. These shares represent 5.7% of the current number of issued and outstanding Common Shares.

(6) These shares are owned of record by Roscannon Realty Inc. and are controlled by Mr. Murphy, who owns 50% of Roscannon Realty Inc. These shares represent 2.3% of the current number of issued and outstanding Common Shares.

(7) These shares are beneficially owned by Mr. MacLellan and are owned of record by 2065090 Ontario Inc., a corporation owned and controlled by Mr. MacLellan. These shares represent 1.8% of the current number of issued and outstanding Common Shares.

The directors and officers of the Issuer, as a group, beneficially own, directly or indirectly, or exercise control or direction over, 10,145,555 Common Shares or 18.4% of the current number of issued and outstanding Common Shares.

Directors and Officers of the Resulting Issuer

Set forth below is a description of the background of the directors and officers of the Issuer (and the Resulting Issuer subsequent to the Completion of the Qualifying Transaction), including a description of each individual's principal occupation(s) within the past five years.

Mark Hansen, Age 42– President, Chief Executive Officer and Director

Mark Hansen has over 18 years of experience in the real estate industry, including 10 years in the multi-residential real estate industry. He is a co-founder, director and President of CHC Realty Investments, a market leader in Canadian student housing that focuses on acquiring and managing purpose-built multi-residential student housing properties in close proximity to Canadian universities and colleges. Before founding CHC Realty Investments in March 2010, Mr. Hansen was the Vice President of Operations at Canadian Apartment Properties Real Estate Investment Trust ("**CAPREIT**") (TSX:CAR.UN), one of Canada's largest residential landlords, owning interests in

38,164 residential units. At CAPREIT, Mr. Hansen managed over 14,000 residential units and over 250,000 square feet of commercial space. He was responsible for over $250 million in annual revenues, over $30 million in capital projects and over 200 employees. Prior to joining CAPREIT in June 2007, Mr. Hansen was a member of the board of directors for InterRent International Properties Inc. ("**InterRent**") (previously TSXV: IIP), an owner and operator of multi-unit residential income producing properties in the Greater Toronto Area and along Ontario's "HWY 401 Corridor" from Ottawa to London. During his time on the board of directors of InterRent (from February 2005 to May 2007), Mr. Hansen assisted in the initial consolidation of multi-family properties and the initial capital raise to list the company on the Exchange.

It is anticipated that Mr. Hansen will become an employee of the Resulting Issuer and will devote approximately 75% of his time to the affairs of the Resulting Issuer. However, Mr. Hansen is not expected to draw any salary from the Resulting Issuer until such time as it completes future acquisitions of additional student housing properties.

Robert Waxman, Age 41 – Chief Financial Officer

Robert Waxman has nearly 15 years of experience in the investment industry with six years of experience in managing proprietary high yield equity funds for two major Canadian banks. The emphasis of his investments included real estate, oil/gas, alternative energy and power pipeline companies. From February 2009 to October 2013, when he joined CHC Realty Investments as Chief Financial Officer, Mr. Waxman was the Chief Investment Officer and Managing Director of Silvercove Fund Management Ltd. ("**Silvercove**") which he co-founded. Silvercove provides active investment management through the Silvercove Hard Asset Fund LP to accredited investors. Prior to working at Silvercove, Mr. Waxman was a Vice President and Director of TD Securities from May 2004 until November 2008, where he managed proprietary high yield equity funds. In addition to his portfolio management expertise, Mr. Waxman's previous roles included several years in the research department at a global investment bank covering the real estate sector in Canada and the United States. Mr. Waxman also worked in investment banking providing capital markets and corporate advisory services to privately held companies. Mr. Waxman is a Chartered Financial Analyst and a Chartered Professional Accountant and has passed the Certified Public Accountant test in Illinois. Mr. Waxman holds a (Hons.) degree in Business Administration from Wilfred Laurier University.

It is anticipated that Mr. Waxman will become an employee of the Resulting Issuer and will devote approximately 75% of his time to the affairs of the Resulting Issuer. However, Mr. Waxman is not expected to draw any salary from the Resulting Issuer until such time as it completes future acquisitions of additional student housing properties.

Craig Smith, Age 51 – Director

Craig Smith is a recognized real estate industry professional with over 20 years of real estate experience specializing in investment sales and downtown office leasing in Toronto's financial core and periphery areas. He is the President and Broker of Record of Ashlar Urban Realty Inc. ("**Ashlar**"), which he founded in July 1999. Ashlar is a full service 40 person commercial real estate firm in Toronto, Ontario, specializing in asset sales of land and buildings as well as downtown Toronto office and retail leasing. Mr. Smith is also a co-founder and director of CHC Realty Investments, a market leader in Canadian student housing that focuses on acquiring and managing purpose-built multi-residential student housing properties in close proximity to Canadian universities and colleges. Prior to founding Ashlar in July 1999, Mr. Smith was the general manager of both the Knowlton Realty and Torode Realty organizations. He has achieved success in several areas of commercial real estate over the past 20 years, ranging from entrepreneurial target acquisitions to institutional portfolio dispositions. Mr. Smith sits on various industry related boards, including the NAIOP Commercial Real Estate Development Association (Greater Toronto Chapter), and is active with several organizations, including Slate Properties, as an acquisitions advisor. Mr. Smith's family holding company, Smycorp Investments Inc., has been active in over a dozen joint venture partnerships with the Canadian real estate community and over the years, these various partnerships have made acquisitions from debt instruments (certificates) to hard assets such as office buildings and development sites. Mr. Smith obtained a Bachelor of Arts degree from the University of Western Ontario in June 1985.

It is anticipated that Mr. Smith will devote such time as is required to the affairs of the Resulting Issuer.

Thomas Murphy, Age 61 – Director

Thomas Murphy, CPA, CA has over 35 years of real estate investment, development, and financial experience. Since September 1995, Mr. Murphy has been Managing Director of Canonfield Inc. (a private real estate investment company). Prior to 1994, Mr. Murphy was a senior executive with Olympia & York Developments Limited, where he worked on many large and complex transactions involving commercial real estate, debt, corporate finance, and accounting and tax issues. His responsibilities have included involvement in acquisitions, dispositions, financing and restructuring, tax planning and compliance and reporting. Mr. Murphy holds a Bachelor of Business Management degree from Ryerson Polytechnical Institute (now Ryerson University) and a Chartered Accountant designation.

It is anticipated that Mr. Murphy will devote such time as is required to the affairs of the Resulting Issuer.

Vaughn MacLellan, Age 45 –Corporate Secretary and Director

Vaughn MacLellan is a partner with Wildeboer Dellelce LLP, a Toronto-based securities and corporate finance law firm. Mr. MacLellan focuses on securities, corporate finance and corporate-commercial law and regularly acts on a variety of transactions representing both early stage and mature issuers and investment dealers, including initial public offerings, reverse take-overs, public offerings, private placements and mergers and acquisitions. He also advises public and private issuers and investment dealers on a wide range of securities and corporate law matters, including corporate governance. Mr. MacLellan was called to the Ontario bar in 1999 and the Nova Scotia bar in 1997. Mr. MacLellan holds a Bachelor of Commerce from Dalhousie University (1990), a Bachelor of Laws from the University of New Brunswick (1995) and a Master of Laws from the London School of Economics and Political Science, University of London (1996). Mr. MacLellan currently serves as a director of Hinterland Metals Inc. (TSX-V: HMI). He is a member of the Local (Ontario) and National Advisory Committees of the Exchange, and is also a member of the Exempt Market Advisory Committee of the Ontario Securities Commission. Mr. MacLellan was the contributing author to *Halsbury's Law of Canada – Securities*, and is an adjunct professor of law at the University of New Brunswick where he teaches Corporate Transactions. He has also completed The Certificate in Mining Law program at Osgoode Hall Law School (2012).

It is anticipated that Mr. MacLellan will devote such time as is required to the affairs of the Resulting Issuer.

Promoters

Mark Hansen and Craig Smith are each considered to be a promoter of the Resulting Issuer in that they took the initiative in founding and organizing the Issuer. Please see the table under "*Part III – The Resulting Issuer – Directors, Officers and Promoters*" for the number of common shares of the Resulting Issuer that will be beneficially owned, directly or indirectly, or over which control or direction may be exercised by each of Mr. Hansen and Mr. Smith.

Cease Trade Orders or Bankruptcies

No proposed director, officer or promoter of the Resulting Issuer has, within the last ten (10) years, been a director, officer or promoter of any reporting issuer that, while such person was acting in that capacity, was the subject of a cease trade or similar order or an order that denied the company access to any statutory exemption for a period of more than thirty (30) consecutive days or was declared bankrupt or made a voluntary assignment in bankruptcy, made a proposal under any legislation relating to bankruptcy or been subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver-manager or trustee appointed to hold the assets of that person.

Penalties and Sanctions

No proposed director, officer or promoter of the Resulting Issuer, or a prospective shareholder of the Resulting Issuer holding a sufficient number of securities of the Resulting Issuer, to affect materially the control thereof, has been subject to any penalties or sanctions imposed by a court relating to securities legislation or by a securities regulatory authority or has entered into a settlement agreement with a securities regulatory authority or has been subject to any other penalties or sanctions imposed by a court or regulatory body or self-regulatory authority that would likely be considered important to a reasonable investor in making an investment decision about the Qualifying Transaction.

Personal Bankruptcies

No proposed director, officer or promoter of the Resulting Issuer, or a prospective shareholder of the Resulting Issuer holding a sufficient number of securities of the Resulting Issuer, to affect materially the control thereof, or a personal holding company of any such person has, within 10 years before the date of this Filing Statement, as applicable, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or has been subject to or has instituted any proceedings, arrangements or compromise with creditors, or had a receiver, receiver manager or trustee appointed to hold such person's assets.

Conflicts of Interest

None of the directors, officers, Insiders and promoters of the Issuer have any conflict of interest in respect of the Acquisition. One or more of the directors, officers, Insiders or promoters of the Resulting Issuer have been and will continue to be engaged in the identification and evaluation for the purpose of potential acquisition or disposition of interests in real estate on their own behalf and on behalf of the Issuer or other companies. Accordingly, situations may arise where some directors, officers, Insiders and promoters of the Resulting Issuer may have potential conflicts of interest in connection with the operations of the Resulting Issuer. Conflicts, if any, will be subject to the procedures and remedies as provided under the OBCA.

Executive Compensation

The Resulting Issuer will be internally managed. It is not currently anticipated that the Resulting Issuer will pay any direct compensation to any of its officers or directors. It is anticipated that Mr. Hansen and Mr. Waxman will enter into employment arrangements with the Resulting Issuer pursuant to which they will receive salary from the Resulting Issuer in their capacities as senior officers of the Resulting Issuer once it completes future acquisitions of additional student housing properties. The amount of such compensation will be determined at such time.

Options

The Resulting Issuer intends to grant option-based awards, being grants of stock options, to its directors and officers using a similar philosophy to that of the Issuer. The timing, amounts, and exercise price of such issuances will be determined by the Board of the Resulting Issuer. The Issuer's stock options are granted pursuant to the Stock Option Plan. See "*Part I – The Issuer – Description of Securities - Stock Options*" for a description of the terms of the Stock Option Plan and a summary of the options that have been previously granted under the Stock Option Plan.

Compensation of Directors

It is the intention of the Resulting Issuer to periodically grant to its officers and directors incentive stock options to purchase Common Shares. However, the amounts of such stock options will be determined in the discretion of the Board of the Resulting Issuer following Completion of the Qualifying Transaction.

Committees of the Board

The Issuer has formed an Audit Committee which will continue to serve as the Audit Committee of the Resulting Issuer following the completion of the Acquisition. The Audit Committee of the Resulting Issuer will be comprised of Tom Murphy (who will serve as Chair), Craig Smith and Vaughn MacLellan. The Audit Committee will assist the Board of the Resulting Issuer in fulfilling its responsibilities of oversight and supervision of the accounting and financial reporting practices and procedures of the Resulting Issuer, the adequacy of accounting controls and procedures and the quality and integrity of financial statements.

As the Resulting Issuer grows and its operations and management structure become more complex and changes are made to its Board, it is expected that the Board of the Resulting Issuer will constitute additional formal standing committees, such as a Compensation Committee and a Corporate Governance Committee, and will ensure that such committees are governed by written charters and are composed of at least a majority of independent directors.

Other Reporting Issuer Experience

The following table sets out the directors, officers and promoters of the Issuer (and the Resulting Issuer subsequent to the Completion of the Qualifying Transaction) that are, or have been within the last five years, directors, officers or promoters of other reporting issuers:

Name	Name of Reporting Issuer	Name of Exchange or Market	Position	From	To
Mark Hansen	Canadian Apartment Properties Real Estate Investment Trust	TSX	Vice President, Operations	June 2007	March 2010
Vaughn MacLellan	San Anton Resource Corporation	TSX	Director	December 2006	September 2010
	EXMIN Resources Inc.	TSX-V	Director	November 2008	July 2009
	Stakeholder Gold Corp.	TSX-V	Director	February 2011	January 2014
	Hinterland Metals Inc.	TSX-V	Director	May 2007	Present

INDEBTEDNESS OF DIRECTORS AND OFFICERS

None of the officers or directors of the Issuer and none of the proposed directors or officers of the Resulting Issuer, have been indebted to the Issuer at any time during the most recently completed fiscal year of the Issuer nor has the Issuer guaranteed or otherwise supported the indebtedness of any such person during that period.

STOCK OPTION PLAN

The Resulting Issuer's stock options will be granted pursuant to the Stock Option Plan. See "*Part I – The Issuer – Description of Securities - Stock Options*" for a description of the terms of the Stock Option Plan and a summary of the options that have been previously granted by the Issuer under the Stock Option Plan. It is not the Resulting Issuer's intention to issue any new stock options at Closing.

INVESTOR RELATIONS ARRANGEMENTS

It is not anticipated that the Resulting Issuer will have any promotional or investor relations arrangements.

ESCROWED SECURITIES

The table below sets forth the relevant particulars of the Common Shares of the Issuer that, to the knowledge of the Issuer, are held in escrow. No additional Common Shares will be issued or placed into escrow in connection with the Completion of the Qualifying Transaction.

Name and Municipality of Residence of Shareholder	Number of Common Shares Held in Escrow	Percentage of Class [(1)]
Jalla Investments Inc.[(2)] Toronto, Ontario	2,500,000	4.5%
Smycorp Investments Inc.[(3)] Toronto, Ontario	3,110,055	5.7%
2065090 Ontario Inc.[(4)] Toronto, Ontario	1,000,000	1.8%
Tova Capital Ltd.[(5)] Toronto, Ontario	1,750,000	3.2%
Delmek Investments Ltd.[(6)] Toronto, Ontario	500,000	0.9%
Roscannon Realty Inc.[(7)] Toronto, Ontario	1,285,500	2.3%
2351683 Ontario Inc. Toronto, Ontario	550,000	1.0%
WB Maple Properties II ULC Toronto, Ontario	351,355	0.6%
Woodbourne Canada Partners II (CA), LP Toronto, Ontario	248,645	0.5%
RE Capital Partners Inc. Toronto, Ontario	550,000	1.0%
Siger Realty Investments Inc. Toronto, Ontario	550,000	1.0%
The Apps Family Trust Toronto, Ontario	400,000	0.7%
Total	**12,795,555**	**23.3%**

Notes:
(1) On a non-diluted basis.
(2) Jalla Investments Inc. (formerly 2239607 Ontario Inc.) is a corporation owned (with immediate family) and controlled by Mark Hansen, the President, Chief Executive Officer and a director of the Issuer.
(3) Smycorp Investments Inc. is a corporation owned (with immediate family) and controlled by Craig Smith, a director of the Issuer.
(4) 2065090 Ontario Inc. is a corporation owned and controlled by Vaughn MacLellan, Corporate Secretary and a director of the Issuer.
(5) Tova Capital Ltd. is a corporation owned and controlled by Robert Waxman, the Chief Financial Officer of the Issuer.
(6) Delmek Investments Ltd. is a corporation 50% owned and controlled by Robert Waxman, the Chief Financial Officer of the Issuer.
(7) Roscannon Realty Inc. is a corporation 50% owned by Thomas Murphy, a director of the Issuer. Mr. Murphy controls these shares.

Pursuant to the Escrow Agreement, assuming that the Resulting Issuer meets the Exchange's Tier 2 minimum listing requirements upon Completion of the Qualifying Transaction as is currently anticipated, 10% of the escrowed Common Shares will be released from escrow on the issuance of the Final Exchange Bulletin (the "**Initial Release**") and an additional 15% will be released on each of the dates that is 6 months, 12 months, 18 months, 24 months, 30 months and 36 months following the Initial Release.

The Exchange's prior consent must be obtained for any transfer within escrow of escrowed Common Shares. Generally, the Escrow Agreement will only permit a transfer within escrow to be made to incoming Principals in connection with a proposed Qualifying Transaction.

If a Final Exchange Bulletin is not issued, the escrowed Common Shares will not be released.

INTEREST OF MANAGEMENT AND OTHERS IN MATERIAL TRANSACTIONS

Other as discussed herein, there were no material interests, direct or indirect, of directors or executive officers of the Issuer, any shareholder who beneficially owns, directly or indirectly, or exercise control or direction over more than 10% of the outstanding Common Shares, or any other Informed Person (as defined in National Instrument 51-102) or any known associate or affiliate of such persons, in any transaction since the incorporation of the Issuer or in any proposed transaction which has materially affected or would materially affect the Issuer or any of its subsidiaries.

RISK FACTORS

The following are certain factors relating to the business of the Resulting Issuer assuming completion of the Acquisition, which factors investors should carefully consider when making an investment decision concerning the Common Shares. The following information is a summary only of certain risk factors and is qualified in its entirety by reference to, and must be read in conjunction with, the detailed information appearing elsewhere in this Filing Statement. These risks and uncertainties are not the only ones facing the Resulting Issuer. Additional risks and uncertainties not presently known to the Issuer or that the Issuer currently deems immaterial, may also impair the operations of the Resulting Issuer. If any such risks actually occur, the financial condition, liquidity and results of operations of the Resulting Issuer could be materially adversely affected and the ability of the Resulting Issuer to implement its growth plans could be adversely affected.

Risks Associated with the Business and Industry

Operating History

The Resulting Issuer has no history of earnings or operations; it has not paid any dividends and it is unlikely to pay any dividends in the immediate or foreseeable future. The success of the Resulting Issuer will depend entirely on the expertise, ability, judgment, discretion, integrity and good faith of its management.

General Business Risks

The Resulting Issuer is subject to general business risks and to risks inherent in the real estate industry. The underlying value of the QT Property as well as future investments or property acquisitions and the Resulting Issuer's income and ability to generate stable positive returns from its operating activities will depend on the ability of the Resulting Issuer to maintain revenues and to generate income in excess of operating expenses. Income and gains from the QT Property and future investments and property acquisitions may be adversely affected by changes in national or local economic conditions, changes in interest rates and in the availability, cost and terms of any mortgage or other financing, the ongoing need for capital improvements, particularly in older structures, changes in real estate assessed values and taxes payable on such values (including as a result of possible increased assessments caused by the acquisition of the QT Property by the Resulting Issuer) and other operating expenses, changes in governmental laws, regulations, rules and fiscal policies, changes in zoning laws, the impact of present or future environmental legislation and compliance with environmental laws, acts of God, including natural disasters (which may result in uninsured losses). Any of the foregoing events could negatively impact the value of portfolio properties of the Resulting Issuer or their ability to generate positive cash flow.

When interest rates increase, the cost of acquiring, developing, expanding or renovating real property increases and real property values may decrease as the number of potential buyers decreases. Similarly, as financing becomes less available, it becomes more difficult to both acquire and to sell real property as well as to finance the investment and acquisition activities of the Resulting Issuer. Finally, governments can, under eminent domain laws, expropriate or take real property for less compensation than an owner believes the property is worth. Almost all of these factors are beyond the Resulting Issuer's control. Any one of, or a combination of, these factors may adversely affect the ability of the Resulting Issuer to conduct its business and therefore negatively impact the financial position of the Resulting Issuer.

Real Property Ownership

All real property investments are subject to elements of risk. Such investments are affected by general economic conditions, local real estate markets, the attractiveness of the properties to residents or tenants, supply and demand for space, competition from other available space and various other factors.

The performance of the economy in areas in which properties are located affects occupancy, market rental rates, property sale prices and expenses. These factors consequently can have an impact on revenues generated from properties and their underlying values.

The value of real property and any improvements thereto may also depend on the credit and financial stability of the tenants. The Resulting Issuer's financial performance would be adversely affected if tenants at the Resulting Issuer's portfolio properties were to become unable to meet their obligations under their leases. In the event of default by a tenant, delays or limitations in enforcing rights as lessor may be experienced and costs incurred in protecting the Resulting Issuer's investment may be incurred.

Upon the expiry of any lease, there can be no assurance that the lease will be renewed or the tenant replaced. The terms of any subsequent lease may be less favourable to the Resulting Issuer than the existing lease.

Other factors may further adversely affect revenues from and values of the Resulting Issuer's investment activities and owned properties. These factors include local conditions in the areas in which properties are located, such as an oversupply of student housing properties or a reduction in the demand for student housing properties, the attractiveness of the properties to tenants or future purchasers, competition from other properties and the Resulting Issuer's abilities to provide adequate facilities, maintenance, services and amenities. Operating costs, including real estate taxes, insurance and maintenance costs, and mortgage payments, if any, do not, in general, decline when circumstances cause a reduction in income from a property. The Resulting Issuer could sustain a loss as a result of foreclosure on a property, if a property is mortgaged to secure payment of indebtedness and the Resulting Issuer was unable to meet its payment obligations. In addition, applicable laws, including tax laws, interest rate levels and the availability of financing also affect revenues from properties and real estate values.

Joint Venture Investments

The Resulting Issuer may, in the future, co-invest in properties through joint ventures or other joint equity structures. In any such joint venture, the Resulting Issuer would not be in a position to exercise sole decision-making authority regarding the properties owned through joint ventures. Investments in joint ventures may, under certain circumstances, involve risks not present when a third party is not involved, including the possibility that joint venture partners might become bankrupt or fail to fund their share of required capital contributions. Joint venture partners may have business interests or goals that are inconsistent with the Resulting Issuer's business interests or goals and may be in a position to take actions contrary to the Resulting Issuer's policies or objectives. Such investments also have the potential risk of impasse on strategic decisions, such as a sale, because neither the Resulting Issuer nor the joint venture partner would have full control over the joint venture. Any disputes that may arise between the Resulting Issuer and its joint venture partners could result in litigation or arbitration that could increase the Resulting Issuer's expenses and distract its officers and/or directors from focusing their time and effort on the Resulting Issuer's business. In addition, the Resulting Issuer might in certain circumstances be liable for the actions of its joint venture partners.

Investment Concentration

Upon completion of the Acquisition, the QT Property will account for 100% of the Resulting Issuer's total real property assets. Accordingly, the Resulting Issuer will initially be susceptible to adverse developments in Kingston, Ontario, the sole market in which it will operate upon completion of the Acquisition, such as new developments, changing demographics and other factors. The principal business of the Resulting Issuer will be investing in quality student housing properties in Canada. Any adverse economic or real estate developments in the areas in which the QT Property is located initially and in which the Resulting Issuer's real estate investments reside going forward, or in the future in any of the other markets in which the Resulting Issuer operates, or any decrease in demand for student housing resulting from the applicable local and regional economies or demographics could adversely affect the Resulting Issuer's rental revenues, which could impair its ability to satisfy its debt service obligations and generate stable positive cash flow from its operations.

Reliance on Key Personnel

The Resulting Issuer will depend on the services of certain key personnel, including in particular Mark Hansen, as President and Chief Executive Officer, and Robert Waxman, as Chief Financial Officer. There can be no assurance that the Resulting Issuer will be able to retain its existing key personnel, attract qualified executives or adequately fill new or replace existing senior management positions or vacancies created by expansion, turnover or otherwise. The loss of the services of any one or more of the Resulting Issuer's key personnel or the inability to retain, attract or fill any such personnel or positions or vacancies could have an adverse effect on the Resulting Issuer.

Liquidity

Real estate investments tend to be relatively illiquid, with the degree of liquidity generally fluctuating in relation to demand for and the perceived desirability of such investments. Such illiquidity may tend to limit the Resulting Issuer's ability to vary its portfolio promptly in response to changing economic or investment conditions.

Uninsured Losses

The Resulting Issuer will carry comprehensive general liability, fire, flood, extended coverage and rental loss insurance (including on the QT Property) with policy specifications, limits and deductibles customarily carried for similar properties. There are, however, certain types of risks, generally of a catastrophic nature, such as wars or environmental contamination, which are either uninsurable or not insurable on an economically viable basis. Should an uninsured or under-insured loss occur, the Resulting Issuer could lose its investment in, and anticipated profits and cash flows from its investments or properties, and the Resulting Issuer would continue to be obliged to repay any recourse indebtedness related to such investments or properties.

Competition

The Resulting Issuer will compete with various owners, operators and developers in the student housing real estate industry, both in terms of on-campus and off-campus alternative rental options, including traditional multi-family and single family home rental options located within proximity to the Resulting Issuer's properties. Some of these parties own, or may in the future own, properties that compete directly with the Resulting Issuer's properties, and some of these parties may have greater capital resources than the Resulting Issuer.
At present, the Canadian student-housing industry is not mature and is fragmented. However, If the Resulting Issuer's competitors build new properties that compete with the Resulting Issuer's QT Property or future properties or offer beds at rental rates below current market rates or below the rental rates the Resulting Issuer charges its tenants, the Resulting Issuer may lose potential tenants and it may be pressured to discount its rental rates below those it would otherwise charge in order to retain tenants. As a result, the Resulting Issuer's rental revenues may decrease in the future, which could impair the Resulting Issuer's ability to satisfy any debt service obligations and to generate stable positive cash flow from its operations. In addition, increased competition for tenants may require the Resulting Issuer to make capital improvements to facilities that it would not have otherwise made. Any unbudgeted capital improvements the Resulting Issuer undertakes may reduce cash flow generated by the Resulting Issuer's operations.

Acquisition and Integration of Additional Properties

The Resulting Issuer intends to acquire additional properties in the future and the Resulting Issuer's future growth will be dependent upon its ability to successfully acquire new properties on favorable terms. Future acquisition opportunities may not be available to the Resulting Issuer on terms that meet its investment criteria or it may be unsuccessful in capitalizing on such opportunities. The Resulting Issuer's ability to capitalize on such acquisition opportunities will be significantly dependent upon external sources of capital that may not be available to it on favorable terms or at all.

The Resulting Issuer's ability to acquire properties on favorable terms and successfully operate them involves the following risks:

- competition from other real estate investors in acquiring desired properties that may prevent the Resulting Issuer from acquiring desired properties or significantly increase the purchase price and decrease expected yields for acquired properties;

- the Resulting Issuer may be unable to finance an acquisition on favorable terms or at all;

- the Resulting Issuer may have to incur significant unexpected capital expenditures to improve or renovate acquired properties;

- the Resulting Issuer may be unable to quickly and efficiently integrate new acquisitions, particularly acquisitions of portfolios of properties, into its existing operations;

- requiring the Resulting Issuer to use a substantial portion of its cash flow from operations to pay principal and interest, which will reduce the amount of cash available for other purposes;

- market conditions may result in higher than expected costs and vacancy rates and lower than expected rental rates; and

- the Resulting Issuer may acquire properties subject to liabilities but without any recourse, or with only limited recourse, to the sellers, or with liabilities that are unknown to it, such as liabilities for clean-up of undisclosed environmental contamination, claims by tenants, vendors or other persons dealing with the former owners of its properties and claims for indemnification by members, directors, officers and others indemnified by the former owners of its properties.

Newly developed and recently acquired properties may not perform as expected and may have characteristics or deficiencies unknown to us at the time of acquisition. The Resulting Issuer cannot assure security holders that it will be able to successfully integrate acquired properties without operating disruptions or unanticipated costs. As the Resulting Issuer acquires additional properties, the Resulting Issuer will be subject to risks associated with integrating and managing new properties, including tenant lease-up and retention and mortgage default. In addition, acquisitions may cause disruptions in the Resulting Issuer's operations and divert management's attention away from day-to-day operations. Furthermore, the Resulting Issuer's profitability may suffer because of acquisition-related costs or amortization costs for acquired intangible assets. The Resulting Issuer's failure to successfully integrate any future properties could have an adverse effect on the Resulting Issuer's operating costs and its ability to generate stable positive cash flow from its operations.

Potential Undisclosed Liabilities Associated with Acquisitions

The Resulting Issuer expects to acquire properties that may be subject to existing liabilities, some of which may be unknown at the time of the acquisition or which the Resulting Issuer may fail to uncover in its due diligence. Unknown liabilities might include liabilities for claims by tenants, vendors or other persons dealing with the vendor or predecessor entities (that have not been asserted or threatened to date), tax liabilities, accrued but unpaid liabilities incurred in the ordinary course of business and cleanup and remediation of undisclosed environmental conditions. While in some instances the Resulting Issuer may have the right to seek reimbursement against an insurer or another third party for certain of these liabilities, the Resulting Issuer may not have recourse to the vendor of the properties for any of these liabilities.

Litigation

The Resulting Issuer may become subject to disputes with tenants, or other commercial parties with whom it maintains relationships or other parties with whom it does business. Any such dispute could result in litigation between the Resulting Issuer and the other parties. Whether or not any dispute actually proceeds to litigation, the Resulting Issuer may be required to devote significant resources, including management time and attention, to its successful resolution (through litigation, settlement or otherwise), which would detract from management's ability to focus on the Resulting Issuer's business. Any such resolution could involve the payment of damages or expenses by the Resulting Issuer, which may be significant. In addition, any such resolution could involve the Resulting Issuer's agreement to certain settlement terms that restrict the operation of its business.

Fixed Costs

Certain significant expenditures, including property taxes, maintenance costs, mortgage payments, insurance costs and related charges, must be made throughout the period of ownership of real property, regardless of whether the property is producing any income. A high level of fixed costs implies a high degree of operating leverage.

Environmental Matters

As an owner of real estate property and its development, the Resulting Issuer will be subject to various federal, provincial and municipal laws relating to environmental matters. Such laws provide that the Resulting Issuer could be liable for the costs of removal of certain hazardous substances and repair of certain hazardous locations. The failure to remove or remediate such substances or locations, if any, could adversely affect the Resulting Issuer's ability to sell such real estate or to borrow using such real estate as collateral and could potentially also result in claims against the Resulting Issuer. Management is not aware of any material non-compliance with environmental laws with respect to the QT Property. The Resulting Issuer is also not aware of any pending or threatened investigations or actions by environmental regulatory authorities in connection with the QT Property. However, the Resulting Issuer cannot assure Shareholders that any material environmental conditions do not or will not otherwise exist with respect to the QT Property, other real property which it may own in the future or developments it may finance.

Risks Associated with the Financing of the Resulting Issuer

Access to Capital and Financing Risk

The real estate industry is highly capital intensive. The Resulting Issuer will require access to capital to fund its growth strategy and significant capital expenditures from time to time. There can be no assurance that the Resulting Issuer will have access to sufficient capital or access to capital on terms favourable to the Resulting Issuer for future property acquisitions, financing or refinancing of properties, funding operating expenses or other purposes.

Global financial markets have experienced a sharp increase in volatility during recent years. Underlying market conditions may continue or become worse, and unexpected volatility and illiquidity in financial markets may inhibit the Resulting Issuer's access to long-term financing in the Canadian capital markets. As a result, it is possible that financing which the Resulting Issuer may require in order to grow and expand its operations or upon the expiry of the term of financing, may not be available to the Resilting Issuer or be available to it on favourable terms.

Debt Financing

The Resulting Issuer intends to incur indebtedness in the future in connection with the future investments and property acquisitions of properties and expansion of its business. The Resulting Issuer's debt may harm its business and operating results by:

- requiring the Resulting Issuer to use a substantial portion of its cash flow from operations to pay principal and interest, which will reduce the amount of cash available for other purposes;

- limiting the Resulting Issuer's ability to borrow more money for operating or capital needs or to finance investments or acquisitions in the future; and

- making the Resulting Issuer more vulnerable to economic and industry downturns and reducing its flexibility in responding to changing business and economic conditions.

In addition to the risks discussed above and those normally associated with debt financing, including the risk that the Resulting Issuer's cash flow will be insufficient to meet required payments of principal and interest, the Resulting Issuer will also be subject to the risk that it will not be able to refinance the existing indebtedness on its properties and that the terms of any refinancing it could obtain would not be as favourable as the terms of its existing indebtedness. If the Resulting Issuer is not successful in refinancing debt when it becomes due, it may be forced to dispose of properties on disadvantageous terms, which might adversely affect its ability to service other debt and to meet its other obligations.

Interest Rate Fluctuations and Financing Risk

The Resulting Issuer intends to finance future investments and property acquisitions in part with debt borrowings, which could bear interest at fixed or variable rates. The interest expense on any variable rate indebtedness of the Resulting Issuer will increase when short-term interest rates increase. Even though debt financings are currently being priced at higher interest spreads than in recent past, interest rates are currently low relative to historical levels and may increase significantly in the future. A significant increase in interest expense could adversely affect the Resulting Issuer's results of operations.

Risks Associated with the Structure of the Resulting Issuer

Dilution

The number of Common Shares the Resulting Issuer is authorized to issue is unlimited. The Resulting Issuer may, in its sole discretion, issue additional Common Shares from time to time, and the interests of the holders of Common Shares may be diluted thereby.

Potential Volatility of Share Price

It is not possible to predict the price at which Common Shares will trade and there can be no assurance that an active trading market for the Common Shares will be sustained. The market price of the Common Shares may be volatile and could be subject to wide fluctuations due to a number of factors, including but not limited to: actual or anticipated fluctuations in the Resulting Issuer's results of operations; changes in estimates of the Resulting Issuer's future results of operations by management or securities analysts; introduction of new products or services by the Resulting Issuer or its competitors; and general industry changes.

In addition, the financial markets have in the past experienced significant price and value fluctuations that have particularly affected the market prices of equity securities of many real estate issuers and that sometimes have been unrelated to the operating performance of these companies. Broad market fluctuations, as well as economic conditions generally and in the real estate industry may adversely affect the market price of the Common Shares.

No Guaranteed Return

There is no guarantee that an investment in the Common Shares will earn any positive return in the short or long term. Moreover, the interest rates being charged for debt financing and other similar financing transactions in which the Resulting Issuer will be engaged reflect the general level of interest rates, and as interest rates fluctuate, the Resulting Issuer's aggregate yield on investments will also be expected to change.

Limited Prior Public Market

The Common Shares have a very limited record of trading publicly on the Exchange. The Resulting Issuer cannot predict at what price the Common Shares will trade after the completion of the Acquisition and there can be no assurance that an active trading market will be maintained or, if maintained, that such a market will be sustained at the price level existing prior to the announcement or completion of the Acquisition. A publicly traded real estate company will not necessarily trade at values determined solely by reference to the underlying value of its real estate assets.

AUDITOR, TRANSFER AGENT AND REGISTRAR

There will be no change to the auditor, transfer agent and registrar of the Resulting Issuer as a result of the Acquisition. See "*Part I – The Issuer - Auditor, Transfer Agent and Registrar*".

SPONSORSHIP RELATIONSHIP

The Exchange has waived the sponsorship requirement in connection with the Qualifying Transaction.

EXPERTS

The following professional persons have prepared reports or have provided opinions that are either included in or referred to in this Filing Statement: Deloitte LLP, as auditor of the Issuer and of the QT Property.

No person or company who is named as having prepared or certified part of this Filing Statement or prepared or certified a report or valuation described or included in this Filing Statement has, or will have immediately following completion of the Acquisition, any direct or indirect beneficial ownership in the QT Property or in the Issuer.

Deloitte LLP has advised that it is independent of the Issuer and the QT Property within the meaning of the Rules of Professional Conduct of the Institute of Chartered Accountants of Ontario.

OTHER MATERIAL FACTS

There are no other material facts relating to the proposed Qualifying Transaction not disclosed elsewhere in this Filing Statement.

BOARD APPROVAL

The Board has approved this Filing Statement.

CERTIFICATE OF THE ISSUER

March 21, 2014

The foregoing constitutes full, true and plain disclosure of all material facts relating to the securities of CHC Realty Capital Corp. assuming Completion of the Qualifying Transaction.

CHC REALTY CAPITAL CORP.

"*Mark Hansen*" (signed)	"*Robert Waxman*" (signed)
By: Mark Hansen	By: Robert Waxman
President and Chief Executive Officer	Chief Financial Officer

ON BEHALF OF THE BOARD OF DIRECTORS

"*Craig Smith*" (signed)	"*Vaughn MacLellan*" (signed)
By: Craig Smith	By: Vaughn MacLellan
Director	Director

ACKNOWLEDGEMENT – PERSONAL INFORMATION

"Personal Information" means any information about an identifiable individual and includes information contained in any items in the attached Filing Statement that are analogous to items 4.2, 11, 12.1, 15, 17.2, 18.2 23, 24, 26, 31.3, 32, 33, 34, 35, 36, 37, 38, 40, and 41 of Form 3B2 of the Exchange, as applicable.

The undersigned hereby acknowledges and agrees that it has obtained the express written consent of each individual to:

(a) the disclosure of Personal Information by the undersigned to the Exchange as defined in Appendix 6B to the Corporate Finance Manual of the Exchange ("Appendix 6B") pursuant this Filing Statement; and

(b) the collection, use and disclosure of Personal Information by the Exchange for the purposes described in Appendix 6B or as otherwise identified by the Exchange, from time to time.

Dated as of March 21, 2014.

CHC REALTY CAPITAL CORP.

"Mark Hansen" (signed)
By: Mark Hansen
President and Chief Executive Officer

APPENDIX 1

FINANCIAL STATEMENTS OF CHC REALTY CAPITAL CORP.

APPENDIX 2

FINANCIAL STATEMENTS OF THE QT PROPERTY

APPENDIX 3

PRO FORMA STATEMENT OF FINANCIAL POSITION