CHC STUDENT HOUSING CORP.
53 Yonge Street, 5th Floor
Toronto, Ontario M5E 1J3

NOTICE OF ANNUAL AND SPECIAL MEETING OF SHAREHOLDERS

NOTICE IS HEREBY GIVEN that an annual and special meeting of the shareholders (the "**Meeting**") of CHC Student Housing Corp. (the "**Corporation**") will be held at the offices of DLA Piper (Canada) LLP, Suite 6000, 1 First Canadian Place, 100 King Street West, Toronto, Ontario on Friday, January 24, 2020, at 11:00 a.m. (Eastern Time) for the following purposes:

1. to receive the audited financial statements of the Corporation for the year ended December 31, 2018, together with the report of the auditors thereon;

2. to elect the directors of the Corporation for the ensuing year;

3. to appoint RSM Canada LLP, Chartered Professional Accountants, as auditors of the Corporation and to authorize the directors of the Corporation to fix the auditors' remuneration;

4. to consider and, if deemed advisable, to approve, with or without variation, a resolution, the full text of which is set forth in the accompanying management information circular dated the date hereof (the "**Circular**"), approving the Corporation's stock option plan, all as more particularly set forth and described in the Circular; and

5. to consider and, if deemed advisable, to approve, with or without variation, a special resolution, the full text of which is set forth in the Circular, approving the sale of the Corporation's London, Ontario student housing property, representing all or substantially all of the assets of the Corporation, pursuant to Section 184(3) of the *Business Corporations Act* (Ontario) (the "**OBCA**"), all as more particularly set forth and described in the Circular;

6. to consider, and if deemed advisable, to approve, with or without variation, a special resolution, the full text of which is set forth in the Circular, authorizing the board of directors of the Corporation (the "**Board**"), subject to the completion of the sale of the Corporation's London, Ontario property, to reduce the stated capital account maintained by the Corporation in respect of its common shares by an amount to be determined by the Board, in its sole discretion, for the purpose of permitting a special distribution to be made to shareholders as a return of capital in an amount per share to be determined by the Board, in its sole discretion, all as more particularly set forth and described in the Circular; and

7. to transact such further or other business as may properly come before the Meeting or any adjournment or adjournments thereof.

The nature of the business to be transacted at the Meeting is described in further detail in the Circular. Shareholders are directed to read the Circular carefully and in full to evaluate the matters for consideration at the Meeting. Pursuant to the *Business Corporations Act* (Ontario), registered shareholders of the Corporation have the right to object to the resolution being voted upon to approve the sale of the Corporation's London, Ontario student housing property, and dissent pursuant to Section 185 of the OBCA. Additional information about dissent rights is included in the Circular.

The record date for the determination of shareholders entitled to receive notice of and to vote at the Meeting is at the close of business on December 23, 2019 (the "**Record Date**"). Shareholders whose names have been entered in the register of shareholders at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting.

The Corporation has not elected to use the notice-and-access provisions under National Instrument 54-101 and National Instrument 51-102 to distribute Meeting materials to shareholders of the Corporation.

A shareholder may attend the Meeting or any adjournment thereof in person or may be represented by proxy. Shareholders who are unable to attend the Meeting or any adjournment thereof in person are requested to date, sign and return the accompanying form of proxy for use at the Meeting or any adjournment thereof. To be effective, the form of proxy for the Meeting must be deposited with the Corporation's registrar and transfer agent, Computershare Investor Services Inc. (i) by mail or hand delivery to Computershare Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, or (ii) by facsimile to 416-263-9524 or 1-866-249-7775, no later than 5:00 p.m. (Eastern Time) on January 22, 2020 or at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) before any adjournment or postponement of the Meeting.

The instrument appointing a proxy shall be in writing and shall be executed by the shareholder or the shareholder's attorney authorized in writing or, if the shareholder is a company, under its corporate seal by an officer or attorney thereof duly authorized.

The persons named in the form of proxy for the Meeting are directors and/or officers of the Corporation. Each shareholder of the Corporation has the right to appoint a proxyholder other than such persons, who need not be a shareholder, to attend and to act for such shareholder and on such shareholder's behalf at the Meeting. To exercise such right, the names of the nominees of management should be crossed out and the name of the shareholder's appointee should be legibly printed in the blank space provided.

DATED at Toronto, Ontario as of the 27th day of December, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) *"Simon Nyilassy"*
Simon Nyilassy
President and Chief Executive Officer

CHC STUDENT HOUSING CORP.
53 Yonge Street, 5th Floor
Toronto, Ontario M5E 1J3

MANAGEMENT INFORMATION CIRCULAR

Dated December 27, 2019

SOLICITATION OF PROXIES

THIS MANAGEMENT INFORMATION CIRCULAR (the "**Circular**") is furnished in connection with the solicitation by the management of CHC Student Housing Corp. (the "**Corporation**") of proxies to be used at the annual and special meeting of shareholders (the "**Meeting**") of the Corporation to be held at the time and place and for the purposes set forth in the enclosed notice of annual and special meeting of shareholders (the "**Notice of Meeting**"). While it is expected that the solicitation will be primarily by mail, proxies may also be solicited personally by regular employees of the Corporation at nominal cost. The cost of solicitation by management will be borne directly by the Corporation. The information contained herein is given as of December 27, 2019, unless indicated otherwise.

The Corporation may pay the reasonable costs incurred by persons and companies who are the registered owners of common shares of the Corporation (the "**Common Shares**") (such as brokers, dealers, other registrants under applicable securities laws, nominees and/or custodians) in sending or delivering copies of the Notice of Meeting, this Circular and the form of proxy (the "**Meeting Materials**") to the beneficial owners of such Common Shares. The Corporation will provide, without cost to such persons and companies, upon request to the Secretary of the Corporation, additional copies of the Meeting Materials required for this purpose.

A quorum for the transaction of business at the Meeting shall be present if there are two or more persons present in person, each being a shareholder entitled to vote or a duly appointed proxyholder, and together holding or representing by proxy not less than 10% of the outstanding Common Shares entitled to vote at the Meeting.

The Corporation has not elected to use the "notice-and-access" provisions under National Instrument 54-101 and National Instrument 51-102 for distribution of this Circular and other Meeting Materials to shareholders of the Corporation.

NON-REGISTERED HOLDERS

Only registered holders of Common Shares (the "**Shareholders**") as at December 23, 2019 or the persons they appoint as their proxies are permitted to vote at the Meeting. However, in many cases, Common Shares beneficially owned by a person (a "**Beneficial Holder**") are registered either: (i) in the name of an intermediary (an "**Intermediary**") with whom the Beneficial Holder deals in respect of the Common Shares (Intermediaries include, among others, banks, trust companies, securities dealers or brokers and trustees or administrators of self-administered RRSPs, RRIFs, RESPs and similar plans); or (ii) in the name of a clearing agency (such as CDS Clearing and Depository Services Inc.) of which the Intermediary is a participant. In accordance with the requirements of National Instrument 54-101, the Corporation will have distributed copies of the Meeting Materials to Intermediaries and clearing agencies for onward distribution to Beneficial Holders.

Intermediaries are required to forward the Meeting Materials to Beneficial Holders. Beneficial Holders will be given, in substitution for the form of proxy otherwise contained in the Meeting Materials, a request for voting instructions form ("**VIF**") which, when properly completed and signed by the Beneficial Holder and returned to the Intermediary, will constitute voting instructions which the Intermediary must follow.

The purpose of this procedure is to permit Beneficial Holders to direct the voting of the Common Shares which they beneficially own. **Beneficial Holders receiving a VIF cannot use that form to vote Common Shares directly at the Meeting.** Although a Beneficial Holder may not be recognized directly at the Meeting for the purpose of voting Common Shares registered in the name of their Intermediary, a Beneficial Holder may attend the Meeting as proxyholder for the Intermediary and vote the Common Shares in that capacity. Should a Beneficial Holder who

receives a VIF wish to attend the Meeting or have someone else attend on their behalf, the Beneficial Holder may request a legal proxy as set forth in the VIF, which will grant the Beneficial Holder or their nominee the right to attend and vote at the Meeting. **Beneficial Holders who wish to attend the Meeting and indirectly vote their Common Shares as a proxyholder, should enter their own names in the blank space on the form of proxy or VIF provided to them by their Intermediary and return the same in accordance with the instructions provided by their Intermediary well in advance of the Meeting.**

Beneficial Holders should carefully follow the instructions of their Intermediary, including those regarding when and where a proxy or VIF is to be delivered. Beneficial Holders should ensure that instructions respecting the voting of their Common Shares are communicated in a timely manner and in accordance with the instructions provided by their Intermediary. Every Intermediary has its own mailing procedures and provides its own return instructions to clients, which should be carefully followed by Beneficial Holders in order to ensure that their Common Shares are voted at the Meeting.

Under NI 54-101, the Corporation is permitted to forward meeting materials directly to Beneficial Holders who are "non-objecting beneficial owners" ("**NOBOs**"). If the Corporation or its agent has sent these materials directly to you (instead of through a nominee), your name, address and information about your holding of securities has been obtained in accordance with applicable securities regulatory requirements from the nominee holding on your behalf. By choosing to send these materials to you directly, the Corporation (and not the nominee holding on your behalf) has assumed responsibility for delivering materials to you and executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions. The meeting materials for Beneficial Holders who are "objecting beneficial owners" ("**OBOs**") will be distributed through clearing houses and Intermediaries, who often use a service company such as Broadridge Financial Solutions to forward meeting materials to non-registered shareholders.

APPOINTMENT AND REVOCATION OF PROXIES

The persons named in the form of proxy are directors and/or officers of the Corporation. **A Shareholder has the right to appoint some other person (who need not be a shareholder) to represent him, her or it at the Meeting and may do so either by inserting such person's name in the blank space provided in the form of proxy and crossing out the names of the nominees of management, or by completing another proper form of proxy** and, in either case, depositing the completed proxy at the office of the Corporation's registrar and transfer agent, Computershare Investor Services Inc. ("**Computershare**") (i) by mail or hand delivery to Computershare Proxy Department, 100 University Avenue, 8th Floor, Toronto, Ontario, M5J 2Y1, or (ii) by facsimile to 416-263-9524 or 1-866-249-7775, no later than 5:00 p.m. (Eastern Time) on January 22, 2020 or at least 48 hours (excluding Saturdays, Sundays and statutory holidays in the Province of Ontario) before any adjournment or postponement of the Meeting, or delivering the completed proxy to the Chairman of the Meeting on the day of the Meeting or any adjournment or postponement thereof prior to the time of voting.

A Shareholder who has given a proxy has the power to revoke it as to any matter on which a vote has not already been cast pursuant to the authority conferred by such proxy and may do so: (1) by delivering another properly executed form of proxy bearing a later date and depositing it as described above; (2) by depositing an instrument in writing revoking the proxy executed by him, her or it: (a) with Computershare at the address and/or facsimile above, at any time up to and prior to the close of business on the last business day preceding the day of the Meeting, or any adjournment thereof, at which the proxy is to be used; or (b) with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, prior to the commencement of the Meeting or any adjournment thereof, as applicable; or (3) in any other manner permitted by law.

Only a Shareholder has the right to revoke a proxy. A Beneficial Holder who wishes to change his, her or its vote must arrange for the Intermediary to revoke the proxy on his, her or its behalf in accordance with the instructions of such Intermediary set out in the voting instructions form.

A revocation of a proxy does not affect any matter on which a vote has been taken prior to the revocation.

In the event of a strike, lockout or other work stoppage involving postal employees, all documents required to be delivered by a shareholder should be delivered by facsimile to Computershare at 416-263-9524 or 1-866-249-7775.

EXERCISE OF DISCRETION BY PROXIES

The Common Shares represented by proxies in favour of management nominees or any appointed nominees will be voted for, withheld from voting or voted against in accordance with the instructions of the Shareholder on any ballot that may be called for and, if a Shareholder specifies a choice with respect to any matter to be acted upon at the Meeting, the Common Shares represented by the proxy shall be voted accordingly. **Where no choice is specified, the proxy will confer discretionary authority and will be voted FOR the election of the nominee directors, FOR the appointment of auditors and the authorization of the directors to fix the auditors' remuneration, and FOR each item of special business, as stated elsewhere in this Circular.**

The accompanying form of proxy for the Meeting also confers discretionary authority upon the persons named therein to vote with respect to any amendments or variations to the matters identified in the Notice of Meeting and with respect to other matters which may properly come before the meeting in such manner as such nominee in his judgment may determine. At the time of printing this Circular, the management of the Corporation knows of no such amendments, variations or other matters to come before the Meeting.

FORWARD-LOOKING INFORMATION

This Circular contains certain forward-looking statements and forward-looking information (collectively referred to herein as "**forward-looking statements**") within the meaning of Canadian securities law. All statements other than statements of historical fact are forward-looking statements.

Undue reliance should not be placed on forward-looking statements, which are inherently uncertain, are based on estimates and assumptions, and are subject to known and unknown risks and uncertainties (both general and specific) that contribute to the possibility that the future events or circumstances contemplated by the forward-looking statements will not occur. Forward-looking information presented in such statements may, among other things, relate to: the structure, steps, timing and effects of the Asset Sale (as defined below); the anticipated financial impact of the Asset Sale; the anticipated benefits and value to stakeholders of the Corporation resulting from the Asset Sale; risks associated with obtaining the required approval of the TSX Venture Exchange (the "**TSXV**") and shareholder approval related to the completion of the Asset Sale; and the nature of the Corporation's operations following the Asset Sale, including its ability to successfully identify and acquire other businesses or assets. Although the Corporation believes that the expectations reflected in the forward-looking statements contained in this Circular, and the assumptions on which such forward-looking statements are made, are reasonable, there can be no assurance that such expectations will prove to be correct. Readers are cautioned not to place undue reliance on forward-looking statements included in this document, as there can be no assurance that the plans, intentions or expectations upon which the forward-looking statements are based will occur. By their nature, forward-looking statements involve numerous assumptions, known and unknown risks and uncertainties that contribute to the possibility that the predictions, forecasts, projections and other forward-looking statements will not occur, which may cause the Corporation's actual performance and results in future periods to differ materially from any estimates or projections of future performance or results expressed or implied by such forward-looking statements.

The forward-looking statements contained in this Circular are made as of the date hereof and the Corporation does not undertake any obligation to update publicly or to revise any of the included forward-looking statements, except as required by applicable law. The forward-looking statements contained herein are expressly qualified by this cautionary statement.

INTEREST OF CERTAIN PERSONS OR COMPANIES IN MATTERS TO BE ACTED UPON

No person who has been a director or executive officer of the Corporation at any time since the beginning of its last completed financial year, no proposed nominee for election as a director of the Corporation and no associate or affiliate of any of the foregoing persons has any material interest, direct or indirect, by way of beneficial ownership of securities or otherwise, in any matter to be acted upon at the Meeting, other than the election of directors and the approval of the stock option plan of the Corporation, all as disclosed in this Circular.

VOTING SECURITIES AND PRINCIPAL HOLDERS THEREOF

The authorized capital of the Corporation consists of an unlimited number of Common Shares. As at the date of this Circular, the Corporation had 2,716,465 Common Shares issued and outstanding. Each Common Share entitles the holder thereof to one vote on all matters to be acted upon at the Meeting.

The record date for the purpose of determining the Shareholders entitled to receive the Notice of Meeting and to vote at the Meeting has been fixed as December 23, 2019 (the "**Record Date**"). In accordance with the provisions of the *Business Corporations Act* (Ontario), the Corporation will prepare a list of Shareholders as at the close of business on the Record Date. Each holder of Common Shares named in the list will be entitled to vote, on all resolutions put forth at the Meeting for which such Shareholder is entitled to vote, the shares shown opposite his, her or its name on such list. The failure of a Shareholder to receive the Notice of Meeting does not deprive him, her or it of the right to vote at the Meeting.

To the knowledge of the directors and executive officers of the Corporation, as at the date of this Circular, no person or company beneficially owns, or exercises control or direction over, directly or indirectly, securities carrying 10% or more of the voting rights attached to any class of outstanding voting securities of the Corporation, other than as set forth below:

Name of Shareholder	Number of Common Shares	Percentage of Common Shares
Craig Smith[(1)]	453,851	16.7%

Note:

(1) Mr. Smith owns 191,382 of these Common Shares directly, while 11,764 of these Common Shares are owned by Mr. Smith's wife and 250,705 of these Common Shares are owned by Smycorp Investments Inc., a holding company owned and controlled by Mr. Smith and his wife.

MATTERS TO BE ACTED UPON AT THE MEETING

1. Financial Statements

The audited financial statements of the Corporation for the year ended December 31, 2018, together with the auditors' report thereon will be presented to shareholders at the Meeting.

2. Election of Directors

The articles of the Corporation provide for a minimum of one and a maximum of ten directors. At present, the board of directors of the Corporation (the **Board**") is comprised of five directors, being Heather Fitzpatrick, Thomas Murphy, Simon Nyilassy, Ronald Schwarz and Craig Smith. At the Meeting, the Board has fixed the number of directors to be elected at five and the existing directors will stand as nominees for election as directors (the "**Nominees**"). Each of the Nominees will be individually elected as a director at the Meeting. Management does not contemplate that any of the Nominees will be unable to serve as a director of the Corporation. **Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote FOR the election of the Nominees as directors of the Corporation.**

The following table provides the names of the Nominees, their municipalities of residence, all positions and offices in the Corporation held by each of them, their principal occupations, the date on which each was first elected a director of the Corporation and the number of Common Shares that are beneficially owned, or controlled or directed, directly or indirectly, by each Nominee. Information regarding the principal occupation, business or employment of each Nominee within the preceding five years is set out following such table. Each elected director will hold office from the date on which he is elected until the close of the next annual meeting of Shareholders of the Corporation or until his successor is duly elected or appointed unless his office is earlier vacated in accordance with the Corporation's by-laws and the *Business Corporations Act* (Ontario).

Name, Municipality of Residence and Position with the Corporation	Principal Occupation	Director Since	Common Shares Beneficially Owned Directly or Indirectly or Controlled
Heather Fitzpatrick [(1)] Toronto, Ontario Director	President and Chief Executive Officer and a director of Halmont Properties Corporation.	September 20, 2018	Nil
Thomas Murphy [(1)] Toronto, Ontario Director	Managing Director of Canonfield Inc.	March 5, 2018	116,880 [(2)]
Simon Nyilassy Toronto, Ontario President and Chief Executive Officer and Director	President of Marigold & Associates Inc.	March 26, 2018	Nil
Ronald Schwarz [(1)] Toronto, Ontario Director	Independent investor and capital markets consultant.	October 9, 2014	49,293
Craig Smith Toronto, Ontario Director	Executive Vice President, Cushman & Wakefield, and President of Smycorp Investments Inc.	April 12, 2013	453,851 [(3)]

Notes:
(1) Member of the Audit Committee.
(2) These shares are owned by Roscannon Realty Inc., a corporation 50% owned by Mr. Murphy. Mr. Murphy controls these shares.
(3) Mr. Smith owns 191,382 of these Common Shares directly, while 11,764 of these Common Shares are owned by Mr. Smith's wife and 250,705 of these Common Shares are owned by Smycorp Investments Inc., a holding company owned and controlled by Mr. Smith and his wife.
(4) The information with respect to Common Shares beneficially owned, controlled or directed by the individuals noted above is based on information furnished by the individuals.

The following is biographical information relating to the Nominees, including their principal occupations for the past five years:

Heather Fitzpatrick – *Director.* Ms. Fitzpatrick is President and CEO and a director of Halmont Properties Corporation, an investment company listed on the TSXV which invests directly and indirectly in real assets, including commercial buildings, forest properties and securities of companies holding property, energy and infrastructure assets. Ms.Fitzpatrick holds a CPA, CGA designation and a Bachelor of Commerce from Memorial University of Newfoundland.

Thomas Murphy – *Director*. Mr. Murphy is a Managing Director of Canonfield Inc., a private real estate investment company, in which capacity he has served since 1995. He has over 40 years of real estate investment, development, and financial experience. He has 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 CPA, CA designation and a Bachelor of Business Management degree from Ryerson Polytechnical Institute (now Ryerson University).

Simon Nyilassy – *President and Chief Executive Officer and Director.* Mr. Nyilassy is the founder of Marigold and Associates Inc., which he founded in October 2015, and through which he provides his services to the Corporation. He has extensive experience as a real estate executive and leader with an in-depth understanding of capital and real estate markets. Prior to founding Marigold and Associates Inc., he served as the President and CEO and a director of

Regal Lifestyle Communities Inc. from April 2012 until October 2015 and the President and CEO of Calloway REIT (now SmartCentres REIT) from July 2005 until May 2011. Mr. Nyilassy also previously served as an Executive Vice-President, Finance and Administration of Smartcentres Group of Companies from 2000 to 2005. He is currently a trustee of Minto Apartment REIT since July 2018. Mr. Nyilassy was an independent trustee of Partners Real Estate Investment Trust from June 2015 to May 2018. He served as a trustee of Calloway REIT from November 6, 2003 to August 8, 2011. Mr. Nyilassy is a CPA, CA and has a Bachelor of Science Degree from the University of Warwick.

Ronald Schwarz – *Director (and Chairman of the Board)*. Mr. Schwarz is an independent investor, corporate director and capital markets professional with 25 years of industry experience. He currently manages his own investments and provides corporate directorship and consulting services. From 2009 until 2012, he served as Executive Director of UBS Global Asset Management Canada where he was responsible for a $650MM Canadian Small Cap Equity fund and sat on the asset mix committee. Prior to that, he was Managing Director and Head of Canadian Cash Equities at CIBC Wholesale Bank where he was responsible for equity sales, trading, research and prime brokerage and electronic trading operations. Mr. Schwarz received his undergraduate degree in Finance at Concordia University in 1991 and earned his Chartered Financial Analyst (CFA) designation in 1995. He previously served on the board of directors of Noble Iron Inc., a TSXV listed rental equipment company, where he chaired the Audit Committee, and KGIC Inc., a TSXV listed English as a second language education provider, sitting on both the Audit and Compensation and Governance Committees. Mr. Schwarz currently serves as Vice Chair of CFA Society Canada and also recently served as a director on the board of CFA Society Toronto where he Chaired the Society's Communications Committee and is currently a member of the Governance and Nominations Committee. In addition, he was a two-term member of the Ontario Securities Commission's Small-Medium Enterprise Committee.

Craig Smith – *Director*. Mr. Smith is a recognized real estate industry professional with over 25 years of real estate experience specializing in investment sales and downtown office leasing in Toronto's financial core and periphery areas. He is an Executive Vice President with Cushman & Wakefield since March 2017 and before that the President of Ashlar Urban Realty Inc., which he founded in July 1999, grew to 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 and which was acquired by Cushman & Wakefield in March 2017. Mr. Smith is also a co-founder and director of CHC Realty Investments Inc., which 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 has sat on various industry related boards, including the NAIOP Commercial Real Estate Development Association (Greater Toronto Chapter). 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 holds a Bachelor of Arts from the University of Western Ontario.

Corporate Cease Trade Orders, Bankruptcies, Penalties or Sanctions

Except as disclosed herein, no Nominee is, as at the date hereof, or has been, within 10 years before the date hereof, a director, chief executive officer or chief financial officer of any company (including the Corporation) that, (a) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days that was issued while the Nominee was acting in the capacity as director, chief executive officer or chief financial officer; or (b) was subject to a cease trade or similar order or an order that denied the relevant company access to any exemption under securities legislation, for a period of more than 30 consecutive days that was issued after the proposed director ceased to be a director, chief executive officer or chief financial officer and which resulted from an event that occurred while that person was acting in the capacity as director, chief executive officer or chief financial officer. On May 5, 2017, the Corporation was granted a management cease trade order (the "**MCTO**") by its principal regulator, the Ontario Securities Commission (the "**OSC**") following an application by the Corporation for the MCTO as a result of the Corporation's inability to file its audited annual financial statements, management's discussion and analysis ("**MD&A**") and related certifications for the fiscal year ended December 31, 2016 on or before May 1, 2017, as required under applicable securities laws. The MCTO was lifted on July 4, 2017 following the filing of the Corporation's audited annual financial statements, MD&A

and related certifications for the fiscal year ended December 31, 2016 and its financial statements, MD&A and related certifications for its first quarter ended March 31, 2017.

No Nominee: (a) is, as at the date hereof, or has been within 10 years before the date hereof, a director or executive officer of any company (including the Corporation) that, while that person was acting in that capacity, or within a year of that person ceasing to act in that capacity, became bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency or was subject to or instituted any proceedings, arrangement or compromise with creditors or had a receiver, receiver manager or trustee appointed to hold its assets; or (b) has, within the 10 years before the date of hereof, become bankrupt, made a proposal under any legislation relating to bankruptcy or insolvency, or become 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 the Nominee.

No Nominee has been subject to: (a) 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 (b) any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable shareholder in deciding whether to vote for a Nominee.

If any of the Nominees is for any reason unavailable to serve as a director, proxies in favour of management will be voted for another nominee in their discretion unless the Shareholder has specified in the proxy that his, her or its Common Shares are to be withheld from voting in the election of directors.

3. Appointment and Remuneration of Auditors

The Shareholders will be asked at the Meeting to approve a resolution appointing RSM Canada LLP, Chartered Professional Accountants, as auditors of the Corporation and to authorize the directors to fix the auditors' remuneration. RSM Canada LLP, Chartered Professional Accountants are the present auditors of the Corporation and were first appointed as auditors on April 2, 2018.

Unless authority to do so is withheld, the persons named in the accompanying proxy intend to vote FOR the appointment of RSM Canada LLP, Chartered Professional Accountants as auditors of the Corporation to hold office until the next annual meeting of shareholders, and to authorize the directors to fix the auditors' remuneration. A majority of the votes cast by Shareholders at the Meeting is required to approve the appointment of the auditors and to authorize the directors to fix their remuneration.

4. Special Business – Approval of Stock Option Plan

At the Meeting, Shareholders will be asked to approve a resolution approving the Corporation's stock option plan (the "**Stock Option Plan**"). The Stock Option Plan was originally adopted by the Board on November 18, 2013 in connection with the Corporation's initial public offering and listing on the TSXV. A summary of the Stock Option Plan is set out in "*Statement of Executive Compensation – Option Based Awards – Summary of the Stock Option Plan*".

The Stock Option Plan is a "rolling" option plan. Pursuant to the requirements of the TSXV for "rolling" option plans, the Corporation must obtain shareholder approval for the Stock Option Plan on an annual basis, as described in Policy 4.4 of the TSXV. The Stock Option Plan was approved by Shareholders at the Corporation's last annual shareholders meeting held on January 7, 2019. Accordingly, at the Meeting, Shareholders will be asked to approve a resolution approving the Stock Option Plan (the "**Stock Option Plan Resolution**"), the full text of which is as follows:

"BE IT RESOLVED AS AN ORDINARY RESOLUTION THAT:

1. the stock option plan of the Corporation dated November 18, 2013 is hereby ratified, confirmed and approved; and

2. any one director or officer of the Corporation is hereby authorized, for and on behalf of the Corporation, to execute and deliver all such documents and instruments and to do all other things as in the opinion of such director or officer may be necessary or desirable to implement this resolution

and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of any such action."

The Board has concluded that the Stock Option Plan is in the best interests of the Corporation. Accordingly, the Board recommends that Shareholders vote FOR the Stock Option Plan Resolution.

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the approval of the Stock Option Plan Resolution. A majority of the votes cast by Shareholders at the Meeting is required to approve the Stock Option Plan Resolution.

5. Special Business – Sale of London, Ontario Property

Introduction

At the Meeting, Shareholders will be asked to consider and, if deemed advisable, to approve, with or without variation, a special resolution (the "**Asset Sale Resolution**") approving the sale of the Corporation's London, Ontario student housing property (the "**London Property**"), representing all or substantially all of the assets of the Corporation, pursuant to Section 184 of the *Business Corporations Act* (Ontario), all as more particularly described and set forth below (the "**Asset Sale**").

Pursuant to a purchase and sale agreement dated November 21, 2019 (the "**Sale Agreement**") with an arm's length private purchaser (the "**Purchaser**"), the Corporation has agreed to sell the London Property to the Purchaser for total gross proceeds of $55.0 million. As further described below, the Corporation has entered into the Sale Agreement to sell the London Property to the Purchaser after a lengthy strategic review process and given the financial position of the Corporation, the terms of the mortgages on the London Property and the lack of alternatives available to the Corporation. The Corporation will use the net proceeds from the sale of the London Property to settle its debts, return capital to its shareholders in an amount to be determined, and seek out alternative business opportunities which could potentially result in additional value for shareholders.

The conditions precedent to the closing of the Asset Sale include shareholder approval for the transaction and the acceptance of the transaction by the TSXV. Closing is also subject to certain other conditions which are customary for a transaction of this nature. However, the transaction is otherwise a firm transaction where the Purchaser has completed and waived its due diligence condition. Subject to the satisfaction of all required conditions, the transaction is expected to close on February 5, 2020.

As further described below, the Board unanimously recommends that Shareholders vote FOR the Asset Sale Resolution at the Meeting.

Asset Sale Resolution

The full text of the Asset Sale Resolution is as follows:

"BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:

1. pursuant to Section 184 of the *Business Corporations Act* (Ontario), the Corporation's sale of its London, Ontario student housing property, which represents the sale of all or substantially all of the assets of the Corporation, on the basis as substantially described in the management information circular of the Corporation dated December 27, 2019, is hereby authorized and approved;

2. notwithstanding that this special resolution has been duly passed by the shareholders of the Corporation, the board of directors of the Corporation is authorized to determine at any time, in its sole discretion, not to proceed with the sale of the London, Ontario property contemplated hereby and to revoke this special resolution, without further approval of the shareholders of the Corporation; and

3. any one director or officer of the Corporation is hereby authorized, for and on behalf of the Corporation, to execute and deliver all such documents and instruments and to do all other things as in the opinion of such director or officer may be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of any such action."

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the approval of the Asset Sale Resolution. A majority of not less than two-thirds (66 2/3%) of the votes cast by Shareholders at the Meeting is required to approve the Asset Sale Resolution.

Background and Reasons for the Asset Sale

The Corporation has entered into the Sale Agreement to sell the London Property to the Purchaser after a lengthy strategic review process and given the financial position of the Corporation, the terms of the mortgages on the London Property and the lack of alternatives available to the Corporation. The Corporation will use the net proceeds from the sale of the London Property to settle its debts, return capital to its shareholders in an amount to be determined, and seek out alternative business opportunities which could potentially result in additional value for shareholders.

The Corporation was formed in April 2013 at the initiative of Craig Smith, a director of the Corporation, and Mark Hansen, the former President and Chief Executive Officer of the Corporation, for the purpose of serving as a vehicle to acquire and consolidate student housing properties in Canada. As an asset class, student housing had met with success in capital markets and with institutional investors in the United States and the United Kingdom but had not attracted similar attention in Canada. Messrs. Smith and Hansen had previously formed a private limited partnership, CHC Student Housing Limited Partnership ("**CHC LP**"), to start acquiring student housing properties after identifying the asset class as one which was overlooked in Canada and which they thought had favourable investment fundamentals. CHC LP subsequently acquired four properties in Ontario having approximately 1,990 student housing beds in a 50/50 co-ownership with a Canadian pension fund. As a next stage in building a Canadian student housing business, Messrs. Smith and Hansen organized the formation of the Corporation with the intention of accessing the capital markets and creating a publicly-listed student housing company.

After completing an initial public offering as a Capital Pool Company under the policies of the TSXV in November 2013, the Corporation completed its Qualifying Transaction under the policies of the TSXV through the acquisition of a property in Kingston, Ontario, and was listed on the TSXV as a real estate issuer. The Corporation subsequently acquired additional three properties, one in Windsor, Ontario, one in Trois-Rivieres, Quebec, and one in London, Ontario, being the London Property, in order to continue to grow the business and create a larger asset base that would be more appealing to capital markets and to leverage public company overhead costs, ultimately having a portfolio of these four properties comprising approximately 822 student housing beds at the end of 2014.

In May 2015, the Corporation attempted a public offering with the objective of raising approximately $92.5 million, the proceeds from which would have been used to refinance debt assumed in the acquisition of the Company's properties noted above and to acquire up to nine additional properties, including the co-ownership interests of CHC LP in the four properties co-owned by it, and which would have resulted in it owning an interest in approximately 3,550 student housing beds. The Corporation subsequently terminated the offering and acquisitions in July 2015, however, when it was unable to obtain acceptable offering terms.

Following the terminated public offering, the Corporation started to review various strategic alternatives for its business. This ultimately led to the Corporation entering into an agreement in August 2016 with Dundee Acquisition Ltd. ("**DAQ**"), a special purpose acquisition corporation, to effect a business combination which would also have involved refinancing debt assumed in the acquisition of the Company's properties noted above and the acquisition of up to 16 additional properties, including full ownership of the four properties co-owned by CHC LP and the Canadian pension fund, and which would have resulted in the combined company owning an interest in approximately 4,700 student housing beds. The agreement with DAQ was subsequently terminated in April 2017, however, when DAQ received redemption deposits in connection with the proposed transaction which resulted in it failing to have the minimum cash amount required to complete the transaction as its proposed qualifying acquisition under the special purpose acquisition corporation rules of the Toronto Stock Exchange.

Following the termination of the transaction with DAQ, CHC undertook another strategic review process. At that time, a $13.75 million second mortgage due on the London Property had become due in October 2016 and a $2.75 million mortgage on the Corporation's Trois-Rivières, Quebec property had become due in October 2016, but both mortgages had been extended while the Corporation pursued the transaction with DAQ. In addition, a $33.0 million first mortgage on the London Property would become due in November 2017. Moreover, the Corporation had approximately $3.0 million in payables it had incurred during the course of the failed public offering and DAQ transaction and lacked working capital.

Faced with these circumstances, the strategic review process was initiated with the objective of identifying, examining and considering strategic and financial alternatives potentially available to the Corporation, including a recapitalization, a merger or other business combination, a sale of the Corporation or all or a portion of its assets, or any combination thereof. As part of this process, the Corporation pursued discussions with a variety of parties, including potential equity investors, joint venture partners, debt lenders and acquirors.

During this process, the Corporation sold its Windsor, Ontario property in August 2017 for gross proceeds of $5.5 million and net proceeds of $1.8 million after assumption of mortgage debt by the purchaser, in order to fund ongoing operations while the Corporation continued its strategic review process.

The Board eventually determined that strategic alternatives for the Corporation were limited and, given the status of the mortgages on the London Property and the Corporation's financial position, that it would be necessary to sell the London Property. As a result, it conducted a fully-marketed sale process by a real estate brokerage. After review and consideration of multiple offers resulting from that process, this led to the Corporation entering into an agreement in January 2018 to sell both the London Property and the Corporation's property in Kingston, Ontario to an arm's length party for gross proceeds of $54.6 million. The Corporation would thereafter retain the Trois-Rivieres Property as its sole property and consider additional opportunities. This sale was subject to approval by the shareholders of the Corporation under the policies of the TSXV. A special meeting of the shareholders of the Corporation was held on March 5, 2018 to seek approval for the sale. Shareholder approval was not obtained, however, and the transaction was terminated.

With the termination of the sale transaction, a series of changes were made to the Corporation's Board and management. In particular, following the special meeting of the shareholders of the Corporation on March 5, 2018, Mark Hansen resigned as President and Chief Executive Officer, and Philip Gillin resigned as a director. Andrew Coles was appointed as a director and Interim President and Chief Executive Officer, and Thomas Murphy was appointed as a director. On March 9, 2018, Simon Nyilassy was appointed as President and Chief Executive Officer and Harry Atterton was appointed as Chief Financial Officer. On March 26, 2018, Mr. Coles resigned as a director and Mr. Nyilassy was appointed as a director.

Following these changes, the Corporation continued with its strategic review process and pursued further discussions with potential equity investors, joint venture partners, debt lenders and acquirors, seeking to determine, among other things, the potential to refinance the debt on the London Property, raise additional corporate financing, and acquire the properties co-owned by CHC LP in order to continue to build its student housing business.

Eventually, the Corporation was able to refinance the London Property in July 2018 with an arm's length third party which assumed the $33.0 million first mortgage on the property, and agreed with the Corporation to amend the mortgage to have a maturity date of June 30, 2021 (and an amended interest rate of 90 day Bankers Acceptances plus 2.55%). At the same time, Halmont Properties Corporation ("**Halmont**"), also an arm's length third party, assumed the $13.75 million second mortgage on the property, and agreed with the Corporation to amend the second mortgage to have the principal amount of $14.0 million and a maturity date of June 30, 2021 (and an amended interest rate of 7%, subject to a right for the Corporation to defer interest payments on $6.0 million of the second mortgage until December 31, 2019 (the "**London Property Deferred Interest**")). As part of the second mortgage transaction, the Corporation entered into a profit participation agreement with Halmont which requires the Corporation to pay to Halmont an amount equal to the greater of 40% of the future NOI of the property above an agreed NOI threshold and, in the event of a sale, 40% of the sales price above an agreed value of the property, less any London Property Deferred Interest (the "**Profit Participation Payment**"). Proceeds of the refinancing were used to payout the existing first and second mortgage lenders in the aggregate amount of $46.75 million and to pay transaction costs. In connection with

the completion of this transaction, Gordon Pridham resigned as a director of the Corporation and Heather Fitzpatrick, the President and Chief Executive Officer of Halmont, was appointed a director of the Corporation.

The Corporation was also able to refinance its Trois-Rivieres, Quebec property in July 2018 with an arm's length party which assumed the existing $2.175 million mortgage on the property, and agreed with the Corporation to amend the mortgage to have the principal amount of $2.57 million and a maturity date of October 1, 2019 (and an amended interest rate of the greater of Royal Bank of Canada's Prime Rate plus 4.05% or 7.5%).

In the meantime, in order to continue to fund ongoing operations, the Corporation sold its property in Kingston, Ontario in July 2018 for gross proceeds of $2,450,000, including a vendor takeback mortgage in the amount of $350,000, and net proceeds of approximately $633,000 after assumption of mortgage debt by the purchaser. The Corporation also obtained subordinated secured loans for $900,000, maturing on June 30, 2019 and bearing interest at 8% per annum from certain of its directors, being Craig Smith, Ronald Schwarz, Thomas Murphy and Simon Nyilassy, and an arm's length party (the "**Operating Loans**").

Notwithstanding the refinancing of the London Property and the Corporation's Trois-Rivieres, Quebec property, the Corporation has been unable to subsequently conclude any financing arrangements or other strategic alternatives to address the Corporation's financial position and make its existing business viable. Moreover, it continues to lack adequate working capital, its financial position is tenuous and it would be insolvent absent the indulgence of its creditors.

In June 2019, the lenders under the Operating Loans agreed to extend the maturity date of the Operating Loans pending a financing, sale or other strategic transaction by the Corporation (in connection with which certain of the directors who were lenders for the Operating Loans assumed the portion of the loan made by the arm's length party such that all of the Operating Loans are now from the directors noted above).

In September 2019, the Corporation negotiated an extension of the maturity date for the mortgage on the Trois-Rivieres property from October 1, 2019 to February 1, 2020, and began a process to sell the property. It eventually entered into a conditional agreement of purchase and sale in October 2019 with an arm's length party for the sale of the property for total gross proceeds of $3.15 million, and expected net proceeds of approximately $425,000 after payment of the mortgage on the property and transaction expenses. The agreement became firm in November 2019.

Given the Corporation's financial position and the lack of transactions which emerged from the Corporation's strategic review process, the Corporation eventually determined it would be necessary to sell the London Property as well. The Corporation subsequently entered into discussions with various parties for a sale of the London Property, and upon reaching terms with the Purchaser which were satisfactory to the Board, entered into the Sale Agreement with the Purchaser on November 21, 2019. If the Asset Sale is not completed, there is substantial doubt about the Corporation's ability to continue as a going concern and uncertainty as to whether the Corporation's creditors may take action that would render it insolvent.

On December 18, 2019, the Corporation completed the sale of the Trois-Rivieres property. The net proceeds from this transaction were used to pay $425,000 of the London Property Deferred Interest which is due on December 31, 2019. Halmont has agreed to extend the maturity date for the balance of the London Property Deferred Interest from December 31, 2019 to February 5, 2019 pending the closing of the Asset Sale.

Subject to the satisfaction or waiver of all closing conditions, the Corporation proposes to complete the Asset Sale as soon as practicable following receipt of shareholder approval and of final acceptance from the TSXV, and expects that the Asset Sale will close on February 5, 2020.

The Corporation will receive net proceeds of approximately $7.0 million from the sale after payment of the principal amount of the $33.0 million first and $14.0 million second mortgages on the London Property, including a prepayment penalty associated with the first mortgage, and payment of a working capital deficiency at the London Property and transaction expenses for the Asset Sale. The net proceeds will be used by the Corporation to settle its debts and liabilities and return capital to its shareholders in an amount to be determined.

The debts and liabilities to be settled by the Corporation from the net proceeds of the Corporation total approximately $5.3 million, and are comprised of:

- the balance of the London Property Deferred Interest, for approximately $220,000;
- the Profit Participation Payment, for approximately $1,356,000;
- the Operating Loans, for $900,000; and
- corporate payables of approximately $2,800,000.

Following the satisfaction of the Corporation's debts and liabilities, the Corporation is expected to have cash somewhere in the range of $1.7 million. A portion of this is expected to be retained to finance ongoing administrative expenses of the Corporation while it seeks out alternative business opportunities which could potentially result in additional value for shareholders. Another portion of this is expected to be distributed to the Corporation's shareholders as a return of capital in an amount to be determined.

TSXV Approval and Stock Exchange Listing

The Asset Sale constitutes a "Reviewable Disposition" as that term is defined in Policy 5.3 – *Acquisitions and Dispositions of Non-Cash Assets* of the TSXV ("**Policy 5.3**"). As such, the Asset Sale is subject to the acceptance of the TSXV. Since the Asset Sale represents a sale of more than 50% of the Corporation's assets, business or undertaking, shareholder approval for the Asset Sale is required under Policy 5.3. Approval of the Asset Sale Resolution will be obtained for purposes of TSXV approval if it is passed by an affirmative vote of a majority of the votes cast by shareholders in person or by proxy at the Meeting.

The acceptance of a transaction by the TSXV should not be interpreted to mean that the TSXV has in any way passed upon the merits of the transaction.

Upon closing of the Asset Sale, the Corporation will be subject to a formal delisting by the TSXV as it will cease to have an active business and will no longer meet the TSXV's original listing requirements in any of its listing categories. As a result, the Common Shares will be delisted from and will no longer trade on the TSXV. Concurrently upon the Corporation being delisted from the TSXV, the Corporation will take steps to make application for listing on the NEX board, a separate board of the TSXV.

Recommendation of the Board of Directors

The Board has concluded that the Asset Sale is in the best interests of the Corporation and authorized the submission of the Asset Sale Resolution to the shareholders for approval. The Board unanimously determined that the Asset Sale is in the best interest of the Corporation and recommends that Shareholders vote FOR the Asset Sale Resolution at the Meeting.

In reaching its conclusion that the Asset Sale is in the best interest of the Company, and in making its recommendation to the Shareholders, the Board considered and relied upon a number of factors, including the results of its lengthy strategic review of the Corporation's business, assets and prospects and the lack of alternatives for the Corporation which emerged from such process, the Corporation's financial position, the previous conduct of a fully-marketed sale of the London Property, the completion of the Asset Sale not being subject to unreasonable or extraordinary conditions under the terms of the Purchase Agreement, and the shareholders having the protections afforded to them by virtue of the Asset Sale requiring their approval of the Asset Sale Resolution by means of a two-thirds (66 2/3%) vote and dissent rights in respect of the Asset Sale. Ultimately, if the Asset Sale is not completed, there is substantial doubt about the Corporation's ability to continue as a going concern and uncertainty as to whether the Corporation's creditors may take action that would render it insolvent. For the nine months ended September 30, 2019, the Corporation had a net loss of $563,479, while it had a net loss of $2,429,600 for the year ended December 31, 2018. In addition, at September 30, 2019, it had a working capital deficit of $4,453,831.

The foregoing summary of the information and factors considered by the Board in reaching their conclusions is not, and is not intended to be, exhaustive. In view of the wide variety of factors and the amount of information considered in connection with its evaluation of the Asset Sale, the Board did not find it practicable to, and did not, quantify or

otherwise attempt to assign any relative weight to each specific factor considered in reaching its conclusions and recommendations. In addition, individual directors may have assigned different weights to different factors.

Lock-Up Agreements

In connection with the execution of the Sale Agreement by the Corporation, the directors of the Corporation who beneficially own, directly or indirectly, or control Common Shares have entered into lock-up agreements with the Purchaser agreeing to vote their Common Shares in favour of the Asset Sale Resolution at the Meeting. The number of Common Shares subject to the lock-up agreements is 620,024, or approximately 23% of the issued and outstanding Common Shares.

Summary of Sale Agreement

The following is a summary of the Sale Agreement. It does not purport to be complete and is subject to, and qualified in its entirety by reference to, the provisions of the Sale Agreement.

Pursuant to the terms of the Sale Agreement, the Corporation has agreed to sell, and the Purchaser has agreed to purchase, the London Property. The amount payable by the Purchaser for the London Property is $55.0 million, subject to standard adjustments for real estate transactions. The Purchaser has satisfied or waived all diligence conditions under the Sale Agreement and it is a firm binding agreement. The Purchaser has paid deposits totalling $750,000 under the Sale Agreement.

The Sale Agreement contains certain customary representations and warranties of the Corporation, relating to, among other things, corporate status, due authorization and enforceability, tax residency, rent rolls, compliance with laws and regulations including zoning regulations and residential tenancy laws, construction liens, title, litigation, correctness and completeness of documents and information provided to the Purchaser, and encumbrances. Other than the representations and warranties which have been provided, the London Property is being sold and purchased "as is" at the Purchaser's risk and peril. The Sale Agreement also contains certain customary representations and warranties of the Purchaser.

Until the closing date, the Corporation is subject to certain covenants under the Sale Agreement in favour of the Purchaser, including: (a) to operate the London Property in accordance with prudent business practices and carry out all routine day-to-day repairs and maintenance thereof as would a prudent owner of a comparable property; (b) not to lease any apartments without the prior consent of the Purchaser, which consent shall not be unreasonably withheld or delayed; and (c) in the event the London Property is subject to any work order, the Corporation shall: (i) disclose same to the Purchaser in a timely manner; (ii) at its sole cost and expense, complete all necessary work to close/clear all work orders; (iii) deliver evidence satisfactory to the Purchaser that all work orders have been closed/cleared from the property; (iv) pay all contractors' invoices when due in connection with closing/clearing any work orders and deliver a construction lien indemnity in favour of the Purchaser on closing; and (v) in the event the Corporation is unable to clear any work order prior to closing, the Corporation shall deliver its undertaking to rectify such work order within 30 days of the closing date, and shall direct its solicitors to hold back a sum equal to 110% of the cost to rectify such work order, as determined by a quote from the Purchaser's independent contractor.

The London Property remains at the Corporation's risk until closing and the Corporation holds all insurance policies and the proceeds thereunder, in trust, for the parties as their respective interests may appear pending closing. In the event London Property is damaged prior to closing and the cost of repair shall be, in the Purchaser's opinion, based on repair estimates from independent contractors, in excess of $500,000, the Purchaser may, within 10 business days after being advised of the estimates, elect to not proceed with the purchase of the London Property.

The obligation of the Corporation to complete the Asset Sale is subject to certain standard conditions precedent, being that: (a) all of the terms, covenants, and conditions of the Sale Agreement to be complied with or performed by the Purchaser shall have been complied with or performed in all material respects at the times contemplated therein; and (b) on closing, the representations and warranties of the Purchaser in the Sale Agreement shall be true and/or accurate in all material respects. In addition, the Corporation shall have received acceptance of the Asset Sale from the TSXV and the Corporation shall have obtained approval of its shareholders for the completion of the Asset Sale.

The obligation of the Purchaser to complete the Asset Sale is subject to certain standard conditions precedent, being: (a) all of the terms, covenants and conditions of the Sale Agreement to be complied with or performed by the Corporation shall have been complied with or performed in all material respects at the times contemplated therein; (b) on closing, the representations and warranties of the Corporation in the Sale Agreement shall be true and/or accurate in all material respects; and (c) on or before the closing date, the Corporation shall have obtained and delivered to the Purchaser estoppel certificates from each commercial tenant at the London Property or alternatively where an estoppel certificate has not been delivered by the tenant, a certificate of the Corporation with the draft estoppel certificate attached and the Corporation certifying the contents therein.

Dissenting Shareholder Rights

Section 185 of the *Business Corporations Act* (Ontario) provides registered Shareholders of the Corporation with the right to dissent to the Asset Sale. The following is only a summary of the right to dissent from the provisions of the *Business Corporations Act* (Ontario). A complete copy of Section 185 of the *Business Corporations Act* (Ontario) is attached as Schedule "A" to this Circular. Shareholders who may wish to dissent are referred to such Schedule "A". It is recommended that any shareholder wishing to exercise its dissent rights seek legal advice as the failure to comply strictly with the provisions of the *Business Corporations Act* (Ontario) may result in the loss or unavailability of the dissent rights.

In addition to any other right a Shareholder of the Corporation may have, in the event the Asset Sale is completed, a registered Shareholder of the Corporation who complies with the dissent procedure under Section 185 of the *Business Corporations Act* (Ontario) is entitled to be paid the fair value of the Common Shares for which the dissent rights have been properly exercised in accordance with Section 185 of the *Business Corporations Act* (Ontario).

A shareholder may only exercise the dissent right in respect of the shares registered in that shareholder's name. In addition, a shareholder may only exercise the dissent right with respect to all shares held by that shareholder on behalf of any one Non-Registered Shareholder. In many cases, the shares owned by the Non-Registered Shareholder are registered either: (i) in the name of an intermediary that the shareholder deals with in respect of the shares (such as, among others, a bank, trust company, securities dealer or broker, or the trustee or administrator of a self-administered RRSP, RRIF, RESP or similar plan); or (ii) in the name of a clearing agency (such as CDS) of which an intermediary is a participant. Accordingly, a shareholder will not be entitled to exercise the dissent right directly (unless the shares are re-registered in the name of the shareholder). A non-registered shareholder who wishes to exercise the dissent right should immediately contact the intermediary with whom the shareholder deals in respect of its shares and either: (a) instruct the intermediary to exercise the dissent right on the behalf of the shareholder (which, if the shares are registered in the name of CDS or other clearing agency, would require that the shares first be re-registered in the name of the intermediary); or (b) instruct the intermediary to request that the shares be registered in the name of the shareholder, in which case such holder would have to exercise the dissent right directly (that is, the Intermediary would not be exercising the dissent right on such holder's behalf).

A registered Shareholder who wishes to exercise the dissent right in respect of the Asset Sale Resolution must provide a written objection to the Asset Sale Resolution (a "**Dissent Notice**") to the Corporation, Attention: Chief Financial Officer, 53 Yonge Street, 5th Floor, Toronto, Ontario, M5E 1J3.

The filing of a Dissent Notice does not deprive a registered Shareholder of the right to vote at the Meeting; however, a Registered Shareholder who has submitted a Dissent Notice and who votes in favour of the Asset Sale Resolution will no longer be considered a dissenting shareholder with respect to the shares voted in favour of the Asset Sale Resolution. A vote against the Asset Sale Resolution or an abstention will not constitute a Dissent Notice, but a Registered Shareholder need not vote its shares against the Asset Sale Resolution in order to dissent.

Similarly, the revocation of a proxy conferring authority on the proxy holder to vote in favour of the Asset Sale Resolution does not constitute a Dissent Notice; however, any proxy granted by a Registered Shareholder who intends to dissent, other than a proxy that instructs the proxy holder to vote against the Asset Sale Resolution, should be validly revoked in order to prevent the proxy holder from voting such shares in favour of the Asset Sale Resolution and thereby causing the Registered Shareholder to forfeit such shareholder's right to dissent.

The Corporation is required, within ten days after the adoption of the Asset Sale Resolution, to notify each dissenting shareholder that the Asset Sale Resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the Asset Sale Resolution or who has withdrawn such shareholder's Dissent Notice.

A shareholder who wishes to exercise the Dissent Right must, within 20 days after receipt of notice that the Asset Sale Resolution has been adopted or, if such shareholder does not receive such notice, within 20 days after the shareholder learns that the Asset Sale Resolution has been adopted, send to the Corporation a written notice (a "**Demand for Payment**") containing the shareholder's name and address, the number and class of shares in respect of which the shareholder dissented, and a demand for payment of the fair value of such shares.

Within 30 days after a Demand for Payment, the shareholder must send to the Corporation, Attention: Chief Financial Officer, 53 Yonge Street, 5th Floor, Toronto, Ontario, M5E 1J3, the share certificates representing the shares in respect of which the shareholder has dissented. A shareholder who fails to send a Demand for Payment or fails to send the share certificates representing the shares in respect of which the shareholder has dissented forfeits such shareholder's Dissent Right. The Corporation or its transfer agent and registrar will endorse on share certificates received from a shareholder exercising a Dissent Right a notice that the shareholder is a dissenting shareholder and will forthwith return the share certificates to the dissenting shareholder.

Upon filing a Dissent Notice that is not withdrawn prior to the termination of the Meeting and the Transaction is completed, a dissenting shareholder will cease to have any rights as a shareholder, other than the right to be paid the fair value of its shares, unless: (i) the dissenting shareholder withdraws the Demand for Payment before the Corporation makes a written offer to pay (the "**Offer to Pay**"); (ii) the Corporation fails to make a timely Offer to Pay to the dissenting shareholder and the dissenting shareholder withdraws its Demand for Payment; or (iii) the Corporation's Board revokes the Asset Sale Resolution, in all of which cases the dissenting shareholder's rights as a shareholder will be reinstated and, in the first two cases, such shares of the dissenting shareholder will be subject to the Transaction.

The Corporation is required, not later than seven days after the later of the effective date of the Asset Sale Resolution (the "**Resolution Date**") or the date on which the Corporation received the Demand for Payment of a dissenting shareholder, to send to each dissenting shareholder who has sent a Demand for Payment to it a written Offer to Pay for its shares in an amount considered by the Corporation's Board to be the fair value of the shares, accompanied by a statement showing the manner in which the fair value was determined. Every Offer to Pay must be on the same terms. The amount specified in the Offer to Pay which has been accepted by a dissenting shareholder will be paid by the Corporation within ten days after the acceptance by the dissenting shareholder of the Offer to Pay, but any such Offer to Pay lapses if the Corporation does not receive an acceptance thereof within 30 days after the Offer to Pay has been made.

If the Corporation fails to make an Offer to Pay or if a dissenting shareholder fails to accept an offer that has been made, the Corporation may, within 50 days after the Resolution Date or within such further period as the Court may allow, apply to the Court to fix a fair value for the shares of dissenting shareholders. If the Corporation fails to apply to the Court, a dissenting shareholder may apply to the Court for the same purpose within a further period of 20 days or within such further period as the Court may allow. A dissenting shareholder is not required to give security for costs in such an application.

Upon an application to the Court, all dissenting shareholders whose shares have not been paid for by the Corporation will be joined as parties and bound by the decision of the Court, and the Corporation will be required to notify each affected dissenting shareholder of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel. Upon any such application to the Court, the Court may determine whether any person is a dissenting shareholder who should be joined as a party, and the Court will then fix a fair value for the Common Shares of all dissenting shareholders. The final order of a Court will be rendered against the Corporation in favour of each dissenting shareholder and for the amount of the fair value of such dissenting shareholder's shares as fixed by the Court. The Court may, in its discretion, allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the Resolution Date until the date of payment.

6. Special Business – Reduction of Stated Capital

At the Meeting, shareholders will be asked to approve a special resolution (the "**Return of Capital Resolution**") authorizing the Board, subject to the completion of the Asset Sale, to reduce the stated capital of the Common Shares by an amount to be determined by the Board, in its sole discretion. If the Return of Capital Resolution is approved by shareholders at the Meeting, the Board will have the discretion to declare and pay a distribution as a return of capital (the "**Special Distribution**", and together with the Stated Capital Reduction, the "**Return of Capital**").

As noted above, following the completion of the Asset Sale, the Corporation intends to use the net proceeds from the sale of the London Property to settle its debts and return capital to its shareholders in an amount to be determined. In connection with any return of capital to shareholders, a distribution by Return of Capital is expected to be generally more tax advantageous to shareholders than a dividend.

The *Business Corporations Act* (Ontario), the Corporation's governing statute, allows a corporation to reduce its stated capital for any purpose including, without limitation, for the purpose of distributing to the holders of issued shares of any class or series of shares an amount not exceeding the stated capital of the class or series, provided there are no reasonable grounds for believing that (i) the corporation is or, after the taking of such action, would be unable to pay its liabilities as they become due, or (ii) after the taking of such action, the realizable value of the corporation's assets would be less than the aggregate of its liabilities.

Following the completion of the Asset Sale, the Corporation will use the net proceeds from the Asset Sale to satisfy all of the Corporation's debts and liabilities. The Board then intends to distribute a portion of the remaining proceeds after satisfaction of such debts and liabilities to the shareholders of the Corporation, in its sole discretion, subject to the requirements of the *Business Corporations Act* (Ontario) and its determination of any potential future business opportunities for the Corporation which could potentially result in additional value for shareholders. A Return of Capital would provide an opportunity for all shareholders to share on a pro rata basis in a portion of the remaining proceeds from the Asset Sale.

If the Special Resolution is approved, the Board will have the discretion to determine the timing and amount of any Return of Capital, subject to applicable law and any requisite regulatory approvals. The Board will also have the discretion to determine not to proceed with the Return of Capital and to rescind the Return of Capital Resolution.

The Corporation will issue a news release announcing the details of and Special Distribution to be made by it, including the amount of the distribution per Common Share and the record date, ex-distribution date and anticipated payment date.

Return of Capital Resolution

The full text of the Return of Capital Resolution is as follows:

> "BE IT RESOLVED AS A SPECIAL RESOLUTION THAT:
>
> 1. the board of directors of the Corporation (the "**Board**") be and is hereby authorized to reduce the stated capital account maintained by the Corporation in respect of its common shares pursuant to paragraph 38(1)(b) of the *Business Corporations Act* (Ontario) by an amount to be determined by the Board, in its sole discretion (the "**Stated Capital Reduction**"), for the purpose of permitting a special distribution to be made to holders of common shares as a return of capital in an amount per share to be determined by the Board, in its sole discretion (the "**Return of Capital**");
>
> 2. notwithstanding that this special resolution has been duly passed by the shareholders of the Corporation, the Board is authorized to determine at any time, in its sole discretion, not to proceed with the Stated Capital Reduction and the Return of Capital contemplated hereby and to revoke this special resolution, without further approval of the shareholders of the Corporation;
>
> 3. if the Board has not completed the Stated Capital Reduction and the Return of Capital authorized by this special resolution by the close of the Corporation's next annual general shareholder meeting,

this special resolution will be deemed to have been revoked by the Board at such time without any further action on the part of, or the receipt of approval from, the Board or shareholders; and

4. any one director or officer of the Corporation is hereby authorized, for and on behalf of the Corporation, to execute and deliver all such documents and instruments and to do all other things as in the opinion of such director or officer may be necessary or desirable to implement this resolution and the matters authorized hereby, such determination to be conclusively evidenced by the execution and delivery of any such document or instrument, and the taking of any such action."

Unless otherwise directed, the persons named in the enclosed form of proxy intend to vote FOR the approval of the Asset Sale Resolution. A majority of not less than two-thirds (66 2/3%) of the votes cast by Shareholders at the Meeting is required to approve the Return of Capital Resolution.

STATEMENT OF EXECUTIVE COMPENSATION

Compensation Discussion and Analysis

Pursuant to National Instrument 51-102 – *Continuous Disclosure Obligations* ("**NI 51-102**"), the Corporation is required to disclose the compensation paid to its "named executive officers". This means the Corporation's Chief Executive Officer and Chief Financial Officer (or individuals who served in similar capacities) for any part of the Corporation's most recently completed financial year, and the three most highly compensated executive officers (or individuals who served in similar capacities), other than the Chief Executive Officer and Chief Financial Officer, at the end of the most recently completed financial year whose total compensation was, individually, more than $150,000 (and each individual who would be a "named executive officer" but for the fact that the individual was neither an executive officer of the Corporation, nor acting in a similar capacity, at the end of the financial year).

For the financial year ended December 31, 2018, the "named executive officers" of the Corporation were Mark Hansen, the former President and Chief Executive Officer of the Corporation, who resigned from such position on March 5, 2018, Andrew Coles, who served as Interim President and Chief Executive Officer from March 5, 2018 to March 9, 2018, and Simon Nyilassy and Harry Atterton, who were appointed as President and Chief Executive Officer and Chief Financial Officer, respectively, on March 9, 2018 (the "**Named Executive Officers**" or "**NEOs**").

Given its stage of development and historical activities and financial resources, the Corporation has to date operated without any formal executive compensation arrangements and compensation arrangements have been made on an ad hoc basis by negotiated agreement between management and the Board. It was previously contemplated that the Board would establish a formal executive compensation program for the Corporation and negotiate employment agreements between the Corporation and its executive officers at an appropriate time as the Corporation continued to grow. That has not yet occurred, however, given the events in the development of the Corporation's business and affairs since it was formed, as described elsewhere in this Circular. For instance, when the Corporation pursued the public offering it attempted in 2015, it was contemplated that the executive compensation program would be established and executive employment agreements negotiated in connection with the completion of the offering and the related additional acquisitions. Similarly, when the Corporation agreed to pursue the failed transaction with DAQ, it was contemplated that the executive compensation program would be established and executive employment agreements negotiated for the combined company in connection with the completion of the transaction. Given the termination of the offering and the DAQ transaction, the Corporation did not establish the contemplated executive compensation program, nor has it had occasion to do so given the ongoing strategic review and developments with the Corporation since the termination of the DAQ transaction.

As described elsewhere in this Circular, during the Corporation's strategic review process and following the termination of the transaction to sell the London Property and the Corporation's property in Kingston, Ontario in March 2018, Mark Hansen, the former President and Chief Executive Officer of the Corporation, resigned from such position on March 5, 2018, and Simon Nyilassy was appointed President and Chief Executive Officer on March 9, 2018 (after Andrew Coles had acted as Interim President and Chief Executive Officer between March 5, 2019 and March 9, 2019). Harry Atterton was appointed Chief Financial Officer on March 9, 2018 as well, after the previous Chief Financial Officer, Robert Waxman, had resigned on December 7, 2015 and Mr. Hansen had been acting in that capacity as well pending the anticipated completion of the business combination transaction with DAQ.

During the year ended December 31, 2018, the Named Executive Officers did not directly receive any compensation from the Corporation.

Mr. Hansen was principally engaged with and remunerated by CHC Realty Investments Inc. ("**CHC RI**"), another company formed by Mr. Hansen and Craig Smith, a director of the Corporation, prior to the establishment of the Corporation and which operates in the student housing space but is not affiliated with the Corporation. The compensation received or previously received by Mr. Hansen from CHC RI was not directly tied to his services or performance with the Corporation. However, CHC RI has charged the Corporation certain amounts for reimbursement for services performed by Mr. Hansen for work done in his capacity as President and Chief Executive Officer of the Corporation as outlined below.

Messrs. Nyilassy and Atterton each provide their services as President and Chief Executive Officer and Chief Financial Officer, respectively, through Marigold and Associates Inc. ("**Marigold**"). Compensation paid to Marigold by the Corporation is directly tied to their services or performance with the Corporation.

Option-Based Awards

Option-Based Awards

The Board has the responsibility to administer the compensation policies related to the executive management of the Corporation, including option-based awards. The Corporation's Stock Option Plan has been and will be used to provide share purchase options which are granted in consideration of the level of responsibility of executive officers as well as their impact or contribution to the longer-term operating performance of the Corporation. The Corporation does not currently have any formal process in place to grant stock options to executive officers. The Corporation has not granted any stock options since 2015 and does not currently have any stock options issued and outstanding.

Summary of the Stock Option Plan

The Corporation's Stock Option Plan is designed to motivate and retain directors, officers, key employees, and other service providers, and to align their interests with those of the Corporation's Shareholders. Participation in the Stock Option Plan rewards overall corporate performance, as measured through the price of the Common Shares. In addition, the Stock Option Plan enables executives, including directors, to develop and maintain a significant ownership interest in the Corporation. All options that have been granted under the Stock Option Plan have been issued at an exercise price not less than the closing market price of the Common Shares on the date prior to the date of the grant.

Long-term incentives for executive officers and directors have been provided and may be provided through options granted under the Stock Option Plan. The Corporation may amend its stock option policies as it completes its strategic review and reorganization process.

The Board of the Corporation may from time to time, in its discretion, and in accordance with the rules and regulations of the TSXV, grant to directors and officers of the Corporation, and *bona fide* Employees, Consultants, or Management Corporation Employees (all as defined in the policies of the TSXV) of the Corporation, non-transferable options to purchase Common Shares for a period of up to ten years from the date of the grant; provided, that the number of Common Shares reserved for issuance may not exceed 10% of the issued Common Shares at the time of the grant of an option.

The securities offered under the Stock Option Plan consist of options to acquire up to a maximum of 10% of the issued Common Shares at the time of the grant of an option. The aggregate number of Common Shares to be delivered upon the exercise of all options granted under the Stock Option Plan will not exceed the maximum number of Common Shares permitted under the rules of any stock exchange on which the Common Shares are then listed or the rules of any other regulatory body having jurisdiction over the Common Shares. If any option granted under the Stock Option Plan expires or terminates for any reason without having been exercised in full, the unpurchased Common Shares subject thereto will again be available for the purpose of the Stock Option Plan. Each option granted under the Stock Option Plan is non-assignable and non-transferable.

The number of Common Shares subject to an option granted to any participant will be determined by the Board or a committee authorized under the Stock Option Plan, but no participant, where the Corporation is listed on any stock exchange, will be granted an option which exceeds the maximum number of shares permitted under any stock exchange on which the Common Shares are then listed or other regulatory body having jurisdiction, which maximum number of shares is presently an amount equal to 5% of the then issued and outstanding Common Shares (on a non-diluted basis) in any 12-month period, unless disinterested shareholder approval is obtained.

The maximum number of Common Shares subject to an option granted to any participant who is a Consultant is presently limited to an amount equal to 2% of the then issued and outstanding Common Shares (on a non-diluted basis) in any 12-month period. The number of options granted to all persons in aggregate who are employed to perform Investor Relations Activities (as defined in the policies of the TSXV) is presently limited to an amount equal to 2% of the then issued and outstanding Common Shares (on a non-diluted basis) in any 12 month period. Options granted to Consultants performing Investor Relations Activities must vest in stages over a 12 month period with no more than 25% of the options vesting in any three month period.

The exercise price of the Common Shares covered by each option shall be determined by the Board. The exercise price will not be less than the price permitted by any stock exchange on which the Common Shares are then listed or other regulatory body having jurisdiction. Currently, the TSXV requires that the exercise price of the options must be equal to or greater than the Discounted Market Price (as defined in the policies of the TSXV). The exercise price of options is solely payable in cash.

The ability of the options to be exercised and the obligation of the Corporation to issue and deliver Common Shares in accordance with the Stock Option Plan is subject to any approvals which may be required from the Shareholders of the Corporation, or any regulatory authority or stock exchange having jurisdiction over the securities of the Corporation.

So long as it remains a policy of the TSXV, the Corporation must obtain disinterested shareholder approval for: (i) any reduction in the exercise price of an option if the relevant participant in the Stock Option Plan is an insider of the Corporation at the time of the proposed amendment; or (ii) the grant of options if the Stock Option Plan, together with all of the Corporation's previously established and outstanding stock option plans or grants, could result at any time in the grant to insiders of the Corporation, within a 12 month period, of a number of options exceeding 10% of the then issued Common Shares.

If a participant ceases to be a director, officer, Employee or Consultant, as the case may be, of the Corporation for any reason (other than death), she/he may exercise her/his option to the extent that she/he was entitled to exercise it at the date of such cessation, but only for a period determined by the Board of up to one year following her/his ceasing to be a director, officer, Employee or Consultant. In the case of an optionee's death, the optionee's heirs or administrators can exercise any portion of the options for up to six months from the optionee's death. Nothing contained in the Stock Option Plan, nor in any option granted pursuant to the Stock Option Plan, will confer upon any participant any right with respect to continuance as a director, officer, employee or consultant of the Corporation or of any affiliate.

Appropriate adjustments in the number of Common Shares issuable upon exercise of outstanding options and in the exercise price of the options shall be made to give effect to adjustments in the number of Common Shares resulting from any subdivisions, consolidations or reclassifications of the Common Shares, the payment of stock dividends by the Corporation or other relevant changes in the capital structure of the Corporation.

Summary Compensation Table

The following table sets forth information concerning compensation earned for services rendered by the Named Executive Officers for the three years ended December 31, 2018.

Summary Compensation Table								
Name and Principal Position	**Year**	**Salary ($)**	**Share-Based Awards ($)**	**Option-Based Awards ($)**	**Non-Equity Incentive Plan Compensation ($)**	**Pension Value ($)**	**All Other Compensation ($)**	**Total Compensation ($)**
Mark Hansen Former President and Chief Executive Officer[1]	2018 2017 2016	$18,870 [5] $93,893[5] $122,955[5]	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	$18,870 $93,893 $122,955
Andrew Coles Former Interim President and Chief Executive Officer[2]	2018 2017 2016	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil
Simon Nyilassy President and Chief Executive Officer[3]	2018 2017 2016	$62,750[6] Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	$62,750 Nil Nil
Harry Atterton Chief Financial Officer[4]	2018 2017 2016	$44,600[7] Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	Nil Nil Nil	$44,600 Nil Nil

Notes:

(1) Mr. Hansen resigned as President and Chief Executive Officer of the Corporation on March 5, 2018.

(2) Mr. Coles was appointed as Interim President and Chief Executive Officer of the Corporation on March 5, 2018 and resigned from such position on March 9, 2018.

(3) Mr. Nyilassy was appointed as President and Chief Executive Officer of the Corporation on March 9, 2018.

(4) Mr. Atterton was appointed as Chief Financial Officer of the Corporation on March 9, 2018.

(5) The amounts in respect of salary represent amounts charged to the Corporation by CHC RI as reimbursement for services performed by Mr. Hansen for work done in his capacity as President and Chief Executive Officer of the Corporation. See "*Compensation Discussion and Analysis*". These amounts are accrued but unpaid as of the date of this Circular.

(6) The amounts in respect of salary represent amounts charged to the Corporation by Marigold as reimbursement for services performed by Mr. Nyilassy for work done in his capacity as President and Chief Executive Officer of the Corporation. See "*Compensation Discussion and Analysis*".

(7) The amounts in respect of salary represent amounts charged to the Corporation by Marigold as reimbursement for services performed by Mr. Atterton for work done in his capacity as Chief Financial Officer of the Corporation. See "*Compensation Discussion and Analysis*".

Long-Term Incentive Plan Awards and Stock Appreciation Rights

The Corporation does not maintain any long-term incentive plans and does not grant stock appreciation rights.

Incentive Plan Awards

Outstanding Share-Based Awards and Option-Based Awards

The following table sets forth the details regarding the incentive awards for the Named Executive Officers outstanding as of December 31, 2018, including awards granted before the most recently completed financial year.

	Option-Based Awards				**Share-Based Awards**		
Name	**Number of Securities Underlying Unexercised Options (#)**	**Option Exercise Price ($)**	**Option Expiration Date**	**Value of Unexercised in-the-Money Options ($)**	**Number of Shares or Units of Shares That Have Not Vested (#)**	**Market or Payout Value of Share-Based Awards That Have Not Vested ($)**	**Market or Payout Value of Vested Share-Based Awards Not Paid or Distributed ($)**
Mark Hansen Former President and Chief Executive Officer	Nil	N/A	N/A	N/A	Nil	N/A	N/A

Andrew Coles Former Interim President and Chief Executive Officer	Nil	N/A	N/A	N/A	Nil	N/A	N/A
Simon Nyilassy President and Chief Executive Officer	Nil	N/A	N/A	N/A	Nil	N/A	N/A
Harry Atterton Chief Financial Officer	Nil	N/A	N/A	N/A	Nil	N/A	N/A

Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets forth the details regarding the value vested or earned of incentive plan awards for the Named Executive Officers for the year ended December 31, 2018.

Name	Option-Based Awards – Value Vested During the Year ($)	Share-Based Awards – Value Vested During the Year ($)	Non-Equity Incentive Plan Compensation – Value Earned During the Year ($)
Mark Hansen Former President and Chief Executive Officer	Nil	Nil	Nil
Andrew Coles Former Interim President and Chief Executive Officer	Nil	Nil	Nil
Simon Nyilassy President and Chief Executive Officer	Nil	Nil	Nil
Harry Atterton Chief Financial Officer	Nil	Nil	Nil

Pension Plan Benefits

The Corporation does not have a pension plan that provides for payments or benefits to the Named Executive Officers at, following, or in connection with retirement.

Termination and Change of Control Benefits

As noted above, given its stage of development, the Corporation has to date operated without any formal executive compensation arrangements, and it is not expected to occur until the Corporation's ongoing strategic review and reorganization process is concluded with a more clear direction for the Corporation. The Corporation is not and has not been a party to any agreements with the Named Executive Officers which contain termination and change of control benefits in the event of termination without cause or upon a change of control.

Director Compensation

Director Compensation Table

The following table sets forth information concerning compensation earned for services rendered by the non-executive directors for the financial year ended December 31, 2018.

Name	Fees Earned ($) [5]	Share-Based Awards ($)	Option-Based Awards ($)	Non-Equity Incentive Plan Compensation ($) [5]	Pension Value ($)	All Other Compensation ($)	Total Compensation ($)
Heather Fitzpatrick [1]	$9,770	Nil	Nil	Nil	Nil	Nil	$9,770
Philip Gillin [2]	$7,166	Nil	Nil	Nil	Nil	Nil	$7,166
Thomas Murphy [3]	$35,687	Nil	Nil	Nil	Nil	Nil	$35,687
Gordon Pridham [4]	$45,458	Nil	Nil	Nil	Nil	Nil	$45,458
Ronald Schwarz	$51,916	Nil	Nil	Nil	Nil	Nil	$51,916
Craig Smith	$40,500	Nil	Nil	Nil	Nil	Nil	$40,500

Notes:
(1) Ms. Fitzpatrick was appointed as a director of the Corporation on September 20, 2018.
(2) Mr. Gillin resigned as a director of the Corporation on March 5, 2018.
(3) Mr. Murphy was appointed as a director of the Corporation on March 5, 2018.
(4) Mr. Pridham resigned as a director of the Corporation on September 20, 2018.
(5) Fees earned are accrued but unpaid as of the date of this Circular.

Narrative Discussion

In 2015 the Board established compensation arrangements for the directors whereby the directors are entitled to receive compensation from the Corporation which may consist of directors' fees and stock options. Directors' fees include annual fees of $50,000 for the Chair, $25,000 for each director other than the Chair, an additional $5,000 for the Chair of each committee of the Board, and fees for attending meetings of the Board consisting of $1,500 per meeting for meetings in person and $750 per meeting for meetings held by telephone. Given the Corporation's financial position, directors' fees have largely been accrued but are unpaid since 2015.

Given the Corporation's financial position, the Board decided to adopt a deferred share unit plan (the "**DSU Plan**") on September 13, 2016, with the purpose of reducing the cash expense of compensating its directors while also promoting greater alignment of interests between the Corporation's shareholders and directors. The DSU Plan provides that the Corporation's non-executive directors may receive, at the discretion of the Board, a portion of their compensation in DSUs, and may also elect to receive all or a portion of any of their cash compensation in DSUs. Under the DSU Plan, DSUs are priced at the greater of the volume weighted average price of the Common Shares of the Corporation over the last five trading days preceding the grant, and the closing price of the Common Shares on the last trading day preceding the grant.

During the year ended December 31, 2017, the Board approved the grant of an aggregate of $66,250 in DSUs (for a total of 25,000 DSUs) to the directors of the Corporation in settlement of directors' fees accrued and unpaid during the quarter ended March 31, 2017. Previously, the Board had approved the grant of: (i) an aggregate of $235,000 in DSUs (for a total of 50,394 DSUs) to the directors of the Corporation in settlement of directors' fees accrued and unpaid during the year ended December 31, 2016, and (ii) an aggregate of $184,520 in DSUs (for a total of 38,226 DSUs) to the directors of the Corporation in settlement of directors' fees accrued and unpaid during the year ended December 31, 2015.

When the DSU Plan was adopted, it was contemplated that DSUs would be settled by way of issuance of Common Shares. The ability to settle DSUs by way of issuance of Common Shares under the DSU Plan, however, was subject to the approval of the DSU Plan by the Corporation's disinterested shareholders. This approval was sought at the Corporation's annual and special meeting of shareholders held on November 10, 2017 but was not obtained. Accordingly, all DSUs awarded to date are required to be settled in cash unless the Corporation obtains approval from the TSXV to settle the DSU obligations in Common Shares. As a result, the Board determined not to use the DSU Plan for periods subsequent to the Corporation's quarter ended March 31, 2017.

Directors Share-Based Awards and Option-Based Awards

The following table sets forth the details regarding the incentive plan awards for each non-executive director of the Corporation outstanding as of December 31, 2018.

	Option-Based Awards				Share-Based Awards	
Name	**Number of Securities Underlying Unexercised Options (#)**	**Option Exercise Price ($)**	**Option Expiration Date**	**Value of Unexercised in-the-Money Options ($) (1)**	**Number of Shares or Units of Shares That Have Not Vested (#)**	**Market or Payout Value of Share-Based Awards That Have Not Vested ($)**
Heather Fitzpatrick	Nil	N/A	N/A	N/A	Nil	N/A
Philip Gillin	Nil	N/A	N/A	N/A	Nil	N/A
Thomas Murphy	Nil	N/A	N/A	N/A	Nil	N/A
Gordon Pridham	Nil	N/A	N/A	N/A	Nil	N/A
Ronald Schwarz	Nil	N/A	N/A	N/A	Nil	N/A
Craig Smith	Nil	N/A	N/A	N/A	Nil	N/A

Directors Incentive Plan Awards - Value Vested or Earned During the Year

The following table sets forth the details regarding the value vested or earned of incentive plan awards for each non-executive director of the Corporation for the financial year ended December 31, 2018.

Name	**Option-Based Awards – Value Vested During the Year ($)**	**Share-Based Awards – Value Vested During the Year ($)**	**Non-Equity Incentive Plan Compensation – Value Earned During the Year ($)**
Heather Fitzpatrick	Nil	Nil	Nil
Philip Gillin	Nil	Nil	Nil
Thomas Murphy	Nil	Nil	Nil
Gordon Pridham	Nil	Nil	Nil
Ronald Schwarz	Nil	Nil	Nil
Craig Smith	Nil	Nil	Nil

SECURITIES AUTHORIZED FOR ISSUANCE UNDER EQUITY COMPENSATION PLANS

The following table sets forth as of December 31, 2018, the number of Common Shares to be issued upon exercise of outstanding options, the weighted exercise price of such outstanding options and the number of securities remaining available for future issuance under all equity compensation plans previously approved by the Corporation's Shareholders and all equity plans not approved by the Corporation's Shareholders.

Equity Compensation Plan Information

Plan Category	**Number of Common Shares to be issued upon exercise of outstanding options, warrants and rights (a)**	**Weighted-average exercise price of outstanding options, warrants and rights (b)**	**Number of Common Shares remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)**
Equity compensation plans approved by securityholders	Nil	N/A	271,646 (1)

Equity compensation plans not approved by securityholders	Nil	N/A	Nil
Total	Nil	N/A	271,646

Notes:
(1) Based on 10% of the 2,716,465 Common Shares issued and outstanding at December 31, 2018, there was a total of 271,646 Common Shares reserved for issuance pursuant to the Stock Option Plan.

AUDIT COMMITTEE

National Instrument 52-110 – *Audit Committees* ("**NI 52-110**") requires that certain information regarding the Audit Committee of a "venture issuer" (as that term is defined in NI 52-110) be included in the management information circular to be sent to the shareholders of a venture issuer in connection with the solicitation by management for the purpose of electing directors to its board of directors.

Audit Committee Charter

The Audit Committee of the Board operates under a written charter that sets out its responsibilities and composition requirements. A copy of the Audit Committee's charter is attached as Schedule "B" to this Circular.

Composition of Audit Committee

The Audit Committee of the Corporation is presently comprised of Thomas Murphy (Chair), Heather Fitzpatrick and Ronald Schwarz. As described above, at the Meeting, it is intended that Messrs. Murphy and Schwarz and Ms. Fitzpatrick will stand for re-election as directors, and that the Nominees will be elected as directors. Following the Meeting, it is expected that the Audit Committee will continue to be constituted as it is at present.

The Audit Committee has been structured to comply with NI 52-110. Messrs. Murphy and Schwarz are independent within the meaning of NI 52-110. Ms. Fitzpatrick is not considered independent within the meaning of NI 52-110 because of the material relationship between the Corporation and Halmont, of which she is the President and Chief Executive Officer and a director, as a result of Halmont being a secured lender to the Corporation in respect of its principal property. See "*Interest of Informed Person in Material Transactions*". However, as a venture issuer, the composition of the Audit Committee complies with NI 52-110 as a majority of the members of the Audit Committee are not executive officers, employees or control persons of the Corporation.

Each member of the Audit Committee is financially literate within the meaning of NI 52-110. In considering criteria for the determination of financial literacy, the Board looks at the ability to read and understand financial statements that present the breadth and level of complexity of accounting issues that are generally comparable to those issues that can be reasonably expected to be raised by the Corporation's financial statements.

Relevant Education and Experience

Each member of the Corporation's Audit Committee has adequate education and experience that is relevant to their performance as an Audit Committee member and, in particular, education and experience that have provided the member with: (a) an understanding of the accounting principles used by the Corporation to prepare its financial statements and the ability to assess the general application of those principles in connection with estimates, accruals and reserves; (b) experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Corporation's financial statements or experience actively supervising individuals engaged in such activities; and (c) an understanding of internal controls and procedures for financial reporting.

In particular: (i) Mr. Murphy holds a CPA, CA designation and has over 40 years of real estate investment, development, and financial experience, through which he has worked on many large and complex transactions involving commercial real estate, debt, corporate finance, and accounting and tax issues, and in which his

responsibilities included involvement in acquisitions, dispositions, financing and restructuring, tax planning and compliance and reporting; (ii) Ms. Fitzpatrick is a CPA,CGA and is President and Chief Executive Officer of Halmont, a publicly listed investment company; and (iii) Mr. Schwarz is a Chartered Financial Analyst and holds a Bachelor's degree in Finance and has over 25 years of experience with financial reporting, financial statement analysis and public companies as a capital markets professional (equity analyst and portfolio manager) and independent investor. In these capacities, the members of the Corporation's Audit Committee will have had experience preparing, analyzing or evaluating financial statements for public companies or actively supervising individuals engaged in such activities, and have developed an understanding of the accounting principles used by the Corporation to prepare its financial statements and an understanding of internal controls and procedures for financial reporting.

Audit Committee Oversight

During the fiscal year ended December 31, 2018, all recommendations of the present Audit Committee to nominate or compensate the Corporation's external auditor were adopted by the Board.

Pre-Approval Policies and Procedures

The Audit Committee is responsible for reviewing and pre-approving all non-audit services to be provided to the Corporation by its external auditor. However, the Audit Committee has not yet adopted any specific policies or procedures for the engagement of non-audit services.

External Auditor Service Fees

The following table summarizes the fees billed by RSM Canada LLP, Chartered Professional Accountants, 11 King St. W, Suite 700, Box 27, Toronto, ON, M5H 4C7, the auditors of the Corporation, for the two years ended December 31, 2018. RSM Canada LLP, Chartered Professional Accountants, were appointed the auditors of the Corporation on April 2, 2018.

Category	Year ended December 31, 2018	Year ended December 31, 2017
Audit Fees	$61,600	$56,896
Audit Related Fees	Nil	Nil
Tax Fees	Nil	Nil
All Other Fees	Nil	Nil

CORPORATE GOVERNANCE

National Instrument 58-101 – *Disclosure of Corporate Governance Practices* requires the Corporation to disclose annually its corporate governance practices.

The Board is committed to a high standard of corporate governance practices. The Board believes that this commitment is not only in the best interest of the Corporation's Shareholders but that it also promotes effective decision making at the Board level.

Board of Directors

The Board has responsibility for the stewardship of the Corporation. In carrying out this mandate, the Board meets regularly and a broad range of matters are discussed and reviewed for approval. These matters include overall corporate plans and strategies, budgets, internal controls and management information systems, risk management as well as interim and annual financial and operating results. The Board is also responsible for the approval of all major transactions, including equity issuances, acquisitions and dispositions, as well as the Corporation's debt and borrowing policies. The Board strives to ensure that actions taken by management correspond closely with the objectives of the Board and the Corporation's Shareholders.

The Board of the Corporation is currently comprised of five members, all of whom with the exception of Simon Nyilassy and Heather Fitzpatrick, being a majority of the directors, are considered to be independent. Mr. Nyilassy is not considered to be independent since he is also the President and Chief Executive Officer of the Corporation. Ms. Fitzpatrick is not considered independent within the meaning of NI 52-110 because of the material relationship between the Corporation and Halmont, of which she is the President and Chief Executive Officer and a director, as a result of Halmont being a secured lender to the Corporation in respect of its principal property. See "*Interest of Informed Person in Material Transactions*". The Board believes that its composition is sufficient to ensure that it can function independently of management.

The following Nominees currently serve on the boards of other reporting issuers (or the equivalent) as listed below:

Name	**Name of Reporting Issuer**	**Exchange**
Heather Fitzpatrick	Halmont Properties Corporation	TSX Venture
Simon Nyilassy	Minto Apartment REIT	TSX

Board Mandate

The written mandate of the Board is attached as Schedule "C" to this Circular.

Board Committees

The Corporation has no current or proposed standing committees other than the Audit Committee.

Position Descriptions

The Board has not developed written position descriptions for the chair of each committee of the Board. In addition, while the Chief Executive Officer reports to the Board, the Board and its Chief Executive Officer have not developed a written position description for the Chief Executive Officer. The Board and the Chief Executive Officer will consider the development of written position descriptions as the Corporation further develops, taking into consideration the size of the Corporation and its Board, the stage of the Corporation's development and its ability to enable the Board and its committees to operate in an efficient and flexible manner. In the meantime, the Board expects the Chairman of the Board to provide leadership and to manage the Board and ensure that it carries out its duties and responsibilities in accordance with its mandate. Similarly, the Board expects the chairman of each committee to provide leadership and to manage the committee and ensure that the committee carries out its duties and responsibilities according to its mandate.

Orientation and Continuing Education

The Corporation does not have a formal orientation and education program for new directors. The Corporation has not held a formal orientation for the members of its Board, but the Nominees have been made aware of the Corporation and its operations, activities and plans. The Corporation attempts to make directors aware of developments in disclosure, governance and reporting guidelines and regulations from time to time, and directors are also encouraged to keep informed of new developments individually. Members of the Board are also encouraged to communicate with management, auditors and technical consultants as required.

Ethical Business Conduct

The Corporation is committed to conducting its business in accordance with applicable laws, rules and regulations, and in accordance with industry standards of business ethics, and to full and accurate disclosure in compliance with applicable securities laws. In furtherance of the foregoing, the Corporation plans to adopted a written Code of Business Conduct and Ethics (the "**Code**") following the reorganization of the Board at the Meeting, which will apply to all directors, officers and employees of the Corporation and set forth specific policies to guide such individuals in the performance of their duties. A copy of the Code will be able to be obtained by contacting the Corporation.

Under applicable corporate laws, any director or executive officer that has a material interest in a transaction or agreement that is being considered by the Corporation is required to declare a conflict of interest and is excluded from voting and from the decision making process with respect to that issue.

Nomination of Directors and Compensation

The Board does not currently have a Compensation and Nomination/Corporate Governance Committee. The Board as a whole performs the responsibilities which would typically be assigned to a Compensation and Nomination/Corporate Governance Committee. Where matters relate to the compensation of management, those determinations are made by the non-executive directors of the Corporation.

No compensation consultant or advisor has been retained by the Corporation to date.

Assessments

The Board has not conducted any assessment of the Board, its committees or individual directors. The Corporation will consider conducting such assessments as and when appropriate. The Corporation is at an early stage of development and also has a small Board, which provides the opportunity for all directors to actively interact and to become familiar with one another. It is expected that any issues with respect to effectiveness and contribution would readily become apparent in this environment.

INDEBTEDNESS OF DIRECTORS AND OFFICERS

No individual who is, or at any time during the most recently completed financial year of the Corporation was, a director or executive officer of the Corporation, no proposed nominee for election as a director of the Corporation and no associate of any such director, executive officer or proposed nominee for director is, or at any time since the beginning of the most recently completed financial year of the Corporation has been, indebted to the Corporation including indebtedness that would be the subject of a guarantee, support agreement, letter of credit or other similar arrangement or understanding provided by the Corporation.

INTEREST OF INFORMED PERSONS IN MATERIAL TRANSACTIONS

Other than as set forth in this Circular, no informed person (as such term is defined in NI 51-102) of the Corporation, nominee for election as a director of the Corporation or any associate or affiliate of any informed person or proposed director has or had any material interest, direct or indirect, in any transaction since the beginning of the Corporation's most recently completed financial year or in any proposed transaction which has materially affected or would materially affect the Corporation.

Heather Fitzpatrick, a director of the Corporation, is also President and Chief Executive Officer and a director of Halmont. As disclosed elsewhere in this Circular, in July 2018, the Corporation completed a refinancing of its London Property with Halmont under which Halmont assumed the existing second mortgage on the property. The transaction was an arm's length transaction and Ms. Fitzpatrick became a director of the Corporation subsequent to the completion of the transaction on September 20, 2018.

In addition, as disclosed elsewhere in this Circular, certain directors of the Corporation, being Craig Smith, Ronald Schwarz, Thomas Murphy and Simon Nyilassy, have made the Operating Loans to the Corporation.

OTHER MATTERS WHICH MAY COME BEFORE THE MEETING

Management knows of no matters to come before the Meeting of Shareholders other than as set forth in the Notice of Meeting. **However, if other matters which are not known to management should properly come before the Meeting, the accompanying proxy will be voted on such matters in accordance with the best judgment of the persons voting the proxy.**

ADDITIONAL INFORMATION

Additional information relating to the Corporation is available under the Corporation's profile on SEDAR at www.sedar.com. Financial information is provided in the Corporation's audited financial statements and management's discussion and analysis for the year ended December 31, 2018. Copies of the Corporation's financial statements and management's discussion and analysis may be obtained under the Corporation's profile on SEDAR at www.sedar.com or upon written request to the Corporate Secretary at 53 Yonge Street, 5th Floor, Toronto, Ontario M5E 1J3.

DIRECTORS' APPROVAL

The contents of this Circular and the sending of it to each director of the Corporation, to the auditors of the Corporation and to the Shareholders of the Corporation entitled to notice of the Meeting, have been approved by the directors of the Corporation.

DATED as of the 27th day of December, 2019.

BY ORDER OF THE BOARD OF DIRECTORS

(signed) *"Simon Nyilassy"*
Simon Nyilassy
President and Chief Executive Officer

SCHEDULE "A"

SECTION 185 OF THE *BUSINESS CORPORATIONS ACT* (ONTARIO)

Rights of dissenting shareholders
185 (1) Subject to subsection (3) and to sections 186 and 248, if a corporation resolves to,
(a) amend its articles under section 168 to add, remove or change restrictions on the issue, transfer or ownership of shares of a class or series of the shares of the corporation;
(b) amend its articles under section 168 to add, remove or change any restriction upon the business or businesses that the corporation may carry on or upon the powers that the corporation may exercise;
(c) amalgamate with another corporation under sections 175 and 176;
(d) be continued under the laws of another jurisdiction under section 181; or
Note: On a day to be named by proclamation of the Lieutenant Governor, subsection 185 (1) of the Act is amended by striking out "or" at the end of clause (d) and by adding the following clauses: (See: 2017, c. 20, Sched. 6, s. 24)
(d.1) be continued under the Co-operative Corporations Act under section 181.1;
(d.2) be continued under the Not-for-Profit Corporations Act, 2010 under section 181.2; or
(e) sell, lease or exchange all or substantially all its property under subsection 184 (3),
a holder of shares of any class or series entitled to vote on the resolution may dissent. R.S.O. 1990, c. B.16, s. 185 (1).

Idem
(2) If a corporation resolves to amend its articles in a manner referred to in subsection 170 (1), a holder of shares of any class or series entitled to vote on the amendment under section 168 or 170 may dissent, except in respect of an amendment referred to in,
(a) clause 170 (1) (a), (b) or (e) where the articles provide that the holders of shares of such class or series are not entitled to dissent; or
(b) subsection 170 (5) or (6). R.S.O. 1990, c. B.16, s. 185 (2).

One class of shares
(2.1) The right to dissent described in subsection (2) applies even if there is only one class of shares. 2006, c. 34, Sched. B, s. 35.

Exception
(3) A shareholder of a corporation incorporated before the 29th day of July, 1983 is not entitled to dissent under this section in respect of an amendment of the articles of the corporation to the extent that the amendment,
(a) amends the express terms of any provision of the articles of the corporation to conform to the terms of the provision as deemed to be amended by section 277; or
(b) deletes from the articles of the corporation all of the objects of the corporation set out in its articles, provided that the deletion is made by the 29th day of July, 1986. R.S.O. 1990, c. B.16, s. 185 (3).

Shareholder's right to be paid fair value
(4) In addition to any other right the shareholder may have, but subject to subsection (30), a shareholder who complies with this section is entitled, when the action approved by the resolution from which the shareholder dissents becomes effective, to be paid by the corporation the fair value of the shares held by the shareholder in respect of which the shareholder dissents, determined as of the close of business on the day before the resolution was adopted. R.S.O. 1990, c. B.16, s. 185 (4).

No partial dissent
(5) A dissenting shareholder may only claim under this section with respect to all the shares of a class held by the dissenting shareholder on behalf of any one beneficial owner and registered in the name of the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (5).

Objection
(6) A dissenting shareholder shall send to the corporation, at or before any meeting of shareholders at which a resolution referred to in subsection (1) or (2) is to be voted on, a written objection to the resolution, unless the corporation did not give notice to the shareholder of the purpose of the meeting or of the shareholder's right to dissent. R.S.O. 1990, c. B.16, s. 185 (6).

Idem
(7) The execution or exercise of a proxy does not constitute a written objection for purposes of subsection (6). R.S.O. 1990, c. B.16, s. 185 (7).

Notice of adoption of resolution
(8) The corporation shall, within ten days after the shareholders adopt the resolution, send to each shareholder who has filed the objection referred to in subsection (6) notice that the resolution has been adopted, but such notice is not required to be sent to any shareholder who voted for the resolution or who has withdrawn the objection. R.S.O. 1990, c. B.16, s. 185 (8).

Idem
(9) A notice sent under subsection (8) shall set out the rights of the dissenting shareholder and the procedures to be followed to exercise those rights. R.S.O. 1990, c. B.16, s. 185 (9).

Demand for payment of fair value
(10) A dissenting shareholder entitled to receive notice under subsection (8) shall, within twenty days after receiving such notice, or, if the shareholder does not receive such notice, within twenty days after learning that the resolution has been adopted, send to the corporation a written notice containing,
(a) the shareholder's name and address;
(b) the number and class of shares in respect of which the shareholder dissents; and
(c) a demand for payment of the fair value of such shares. R.S.O. 1990, c. B.16, s. 185 (10).

Certificates to be sent in
(11) Not later than the thirtieth day after the sending of a notice under subsection (10), a dissenting shareholder shall send the certificates, if any, representing the shares in respect of which the shareholder dissents to the corporation or its transfer agent. R.S.O. 1990, c. B.16, s. 185 (11); 2011, c. 1, Sched. 2, s. 1 (9).

Idem
(12) A dissenting shareholder who fails to comply with subsections (6), (10) and (11) has no right to make a claim under this section. R.S.O. 1990, c. B.16, s. 185 (12).

Endorsement on certificate
(13) A corporation or its transfer agent shall endorse on any share certificate received under subsection (11) a notice that the holder is a dissenting shareholder under this section and shall return forthwith the share certificates to the dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (13).

Rights of dissenting shareholder
(14) On sending a notice under subsection (10), a dissenting shareholder ceases to have any rights as a shareholder other than the right to be paid the fair value of the shares as determined under this section except where,
(a) the dissenting shareholder withdraws notice before the corporation makes an offer under subsection (15);
(b) the corporation fails to make an offer in accordance with subsection (15) and the dissenting shareholder withdraws notice; or
(c) the directors revoke a resolution to amend the articles under subsection 168 (3), terminate an amalgamation agreement under subsection 176 (5) or an application for continuance under subsection 181 (5), or abandon a sale, lease or exchange under subsection 184 (8),
in which case the dissenting shareholder's rights are reinstated as of the date the dissenting shareholder sent the notice referred to in subsection (10). R.S.O. 1990, c. B.16, s. 185 (14); 2011, c. 1, Sched. 2, s. 1 (10).

Same
(14.1) A dissenting shareholder whose rights are reinstated under subsection (14) is entitled, upon presentation and surrender to the corporation or its transfer agent of any share certificate that has been endorsed in accordance with subsection (13),
(a) to be issued, without payment of any fee, a new certificate representing the same number, class and series of shares as the certificate so surrendered; or
(b) if a resolution is passed by the directors under subsection 54 (2) with respect to that class and series of shares,

(i) to be issued the same number, class and series of uncertificated shares as represented by the certificate so surrendered, and
(ii) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Same
(14.2) A dissenting shareholder whose rights are reinstated under subsection (14) and who held uncertificated shares at the time of sending a notice to the corporation under subsection (10) is entitled,
(a) to be issued the same number, class and series of uncertificated shares as those held by the dissenting shareholder at the time of sending the notice under subsection (10); and
(b) to be sent the notice referred to in subsection 54 (3). 2011, c. 1, Sched. 2, s. 1 (11).

Offer to pay
(15) A corporation shall, not later than seven days after the later of the day on which the action approved by the resolution is effective or the day the corporation received the notice referred to in subsection (10), send to each dissenting shareholder who has sent such notice,
(a) a written offer to pay for the dissenting shareholder's shares in an amount considered by the directors of the corporation to be the fair value thereof, accompanied by a statement showing how the fair value was determined; or
(b) if subsection (30) applies, a notification that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (15).

Idem
(16) Every offer made under subsection (15) for shares of the same class or series shall be on the same terms. R.S.O. 1990, c. B.16, s. 185 (16).

Idem
(17) Subject to subsection (30), a corporation shall pay for the shares of a dissenting shareholder within ten days after an offer made under subsection (15) has been accepted, but any such offer lapses if the corporation does not receive an acceptance thereof within thirty days after the offer has been made. R.S.O. 1990, c. B.16, s. 185 (17).

Application to court to fix fair value
(18) Where a corporation fails to make an offer under subsection (15) or if a dissenting shareholder fails to accept an offer, the corporation may, within fifty days after the action approved by the resolution is effective or within such further period as the court may allow, apply to the court to fix a fair value for the shares of any dissenting shareholder. R.S.O. 1990, c. B.16, s. 185 (18).

Idem
(19) If a corporation fails to apply to the court under subsection (18), a dissenting shareholder may apply to the court for the same purpose within a further period of twenty days or within such further period as the court may allow. R.S.O. 1990, c. B.16, s. 185 (19).

Idem
(20) A dissenting shareholder is not required to give security for costs in an application made under subsection (18) or (19). R.S.O. 1990, c. B.16, s. 185 (20).

Costs
(21) If a corporation fails to comply with subsection (15), then the costs of a shareholder application under subsection (19) are to be borne by the corporation unless the court otherwise orders. R.S.O. 1990, c. B.16, s. 185 (21).

Notice to shareholders
(22) Before making application to the court under subsection (18) or not later than seven days after receiving notice of an application to the court under subsection (19), as the case may be, a corporation shall give notice to each dissenting shareholder who, at the date upon which the notice is given,
(a) has sent to the corporation the notice referred to in subsection (10); and
(b) has not accepted an offer made by the corporation under subsection (15), if such an offer was made, of the date, place and consequences of the application and of the dissenting shareholder's right to appear and be heard in person or by counsel, and a similar notice shall be given to each dissenting shareholder who, after the date of such first

mentioned notice and before termination of the proceedings commenced by the application, satisfies the conditions set out in clauses (a) and (b) within three days after the dissenting shareholder satisfies such conditions. R.S.O. 1990, c. B.16, s. 185 (22).

Parties joined
(23) All dissenting shareholders who satisfy the conditions set out in clauses (22) (a) and (b) shall be deemed to be joined as parties to an application under subsection (18) or (19) on the later of the date upon which the application is brought and the date upon which they satisfy the conditions, and shall be bound by the decision rendered by the court in the proceedings commenced by the application. R.S.O. 1990, c. B.16, s. 185 (23).

Idem
(24) Upon an application to the court under subsection (18) or (19), the court may determine whether any other person is a dissenting shareholder who should be joined as a party, and the court shall fix a fair value for the shares of all dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (24).

Appraisers
(25) The court may in its discretion appoint one or more appraisers to assist the court to fix a fair value for the shares of the dissenting shareholders. R.S.O. 1990, c. B.16, s. 185 (25).

Final order
(26) The final order of the court in the proceedings commenced by an application under subsection (18) or (19) shall be rendered against the corporation and in favour of each dissenting shareholder who, whether before or after the date of the order, complies with the conditions set out in clauses (22) (a) and (b). R.S.O. 1990, c. B.16, s. 185 (26).

Interest
(27) The court may in its discretion allow a reasonable rate of interest on the amount payable to each dissenting shareholder from the date the action approved by the resolution is effective until the date of payment. R.S.O. 1990, c. B.16, s. 185 (27).

Where corporation unable to pay
(28) Where subsection (30) applies, the corporation shall, within ten days after the pronouncement of an order under subsection (26), notify each dissenting shareholder that it is unable lawfully to pay dissenting shareholders for their shares. R.S.O. 1990, c. B.16, s. 185 (28).

Idem
(29) Where subsection (30) applies, a dissenting shareholder, by written notice sent to the corporation within thirty days after receiving a notice under subsection (28), may,
(a) withdraw a notice of dissent, in which case the corporation is deemed to consent to the withdrawal and the shareholder's full rights are reinstated; or
(b) retain a status as a claimant against the corporation, to be paid as soon as the corporation is lawfully able to do so or, in a liquidation, to be ranked subordinate to the rights of creditors of the corporation but in priority to its shareholders. R.S.O. 1990, c. B.16, s. 185 (29).

Idem
(30) A corporation shall not make a payment to a dissenting shareholder under this section if there are reasonable grounds for believing that,
(a) the corporation is or, after the payment, would be unable to pay its liabilities as they become due; or
(b) the realizable value of the corporation's assets would thereby be less than the aggregate of its liabilities. R.S.O. 1990, c. B.16, s. 185 (30).

Court order
(31) Upon application by a corporation that proposes to take any of the actions referred to in subsection (1) or (2), the court may, if satisfied that the proposed action is not in all the circumstances one that should give rise to the rights arising under subsection (4), by order declare that those rights will not arise upon the taking of the proposed action, and the order may be subject to compliance upon such terms and conditions as the court thinks fit and, if the

corporation is an offering corporation, notice of any such application and a copy of any order made by the court upon such application shall be served upon the Commission. 1994, c. 27, s. 71 (24).

Commission may appear
(32) The Commission may appoint counsel to assist the court upon the hearing of an application under subsection (31), if the corporation is an offering corporation. 1994, c. 27, s. 71 (24).

SCHEDULE "B"

CHARTER OF THE AUDIT COMMITTEE
OF THE BOARD OF DIRECTORS

CHC STUDENT HOUSING CORP.
(the "Corporation")

I. Purpose

The Audit Committee is a committee of the Board of Directors which assists the Board in overseeing the Corporation's financial controls and reporting and in fulfilling its legal and fiduciary obligations with respect to matters involving the accounting, auditing, financial reporting, internal control and legal compliance functions of the Corporation. The Audit Committee's primary duties and responsibilities are to:

- Oversee: (i) the integrity of the Corporation's financial statements; (ii) the Corporation's compliance with legal and regulatory requirements with respect to financial controls and reporting; and (iii) the auditors' qualifications and independence.
- Serve as an independent and objective party to monitor the Corporation's financial reporting processes and internal control systems.
- Review and appraise the audit activities of the Corporation's independent auditors.
- Provide open lines of communication among the independent auditors, financial and senior management and the Board of Directors for financial reporting and control matters.

II. Composition

Members of the Audit Committee are appointed and removed by the Board of Directors. The Board shall designate annually the members of the Committee and a Chairman of the Committee. The Committee will be comprised of at least three directors, each of whom qualifies as an independent director, as determined by the Board[1]. All members should have skills and/or experience which are relevant to the mandate of the Committee, as determined by the Board. All members of the Committee shall be financially literate at the time of their election to the Committee. "Financial literacy" shall be determined by the Board of Directors in the exercise of its business judgment, and shall include a working familiarity with basic finance and accounting practices and an ability to read and understand financial statements that present a breadth and level of complexity of the issues that can reasonably be expected to be raised by the Corporation's financial statements. Committee members, if they or the Board of Directors deem it appropriate, may enhance their understanding of finance and accounting by participating in educational programs conducted by the Corporation or an outside consultant or firm.

III. Responsibilities

The responsibilities of the Audit Committee shall generally include, but not be restricted to, undertaking the following:

[1] Determined in accordance with National Instrument 52-110 – *Audit Committees*.

Selection and Evaluation of Auditors

(a) Recommending to the Board of Directors the external auditors (subject to shareholder approval) to be engaged to prepare or issue an auditor's report or performing other audit, review or attest services for the Corporation and the compensation of such external auditors.

(b) Overseeing the independence of the Corporation's auditors and taking such actions as it may deem necessary to satisfy it that the Corporation's auditors are independent within the meaning of applicable securities laws by, among other things: (i) requiring the independent auditors to deliver to the Committee on a periodic basis a formal written statement delineating all relationships between the independent auditors and the Corporation; and (ii) actively engaging in a dialogue with the independent auditors with respect to any disclosed relationships or services that may impact the objectivity and independence of the independent auditors and taking appropriate action to satisfy itself of the auditors' independence.

(c) Instructing the Corporation's independent auditors that: (i) they are ultimately accountable to the Committee (as representatives of the shareholders of the Corporation); (ii) they must report directly to the Committee; and (iii) the Committee is responsible for the appointment (subject to shareholder approval), compensation, retention, evaluation and oversight of the Corporation's independent auditors.

(d) Ensuring the respect of legal requirements regarding the rotation of applicable partners of the external auditors, on a regular basis, as required.

(e) Reviewing and pre-approving all audit and permitted non-audit services or mandates to be provided by the independent auditors to the Corporation or any of its subsidiaries, including tax services, and the proposed basis and amount of the external auditors' fees for such services, and determining which non-audit services the auditors are prohibited from providing (and adopting specific policies and procedures related thereto).

(f) Reviewing the performance of the Corporation's independent auditors and replacing or terminating the independent auditors (subject to required shareholder approvals) when circumstances warrant.

Oversight of Annual Audit

(a) Reviewing and accepting, if appropriate, the annual audit plan of the Corporation's independent auditors, including the scope, extent and schedule of audit activities, and monitoring such plan's progress and results during the year.

(b) Confirming through private discussions with the Corporation's independent auditors and the Corporation's management that no management restrictions are being placed on the scope of the independent auditors' work.

(c) Reviewing with the external auditors any audit problems or difficulties and management's response thereto and resolving any disagreement between management and the external auditors regarding accounting and financial reporting.

(d) Reviewing with management and the external auditors the results of the year-end audit of the Corporation, including: (i) the annual financial statements and the audit report, the related management representation letter, the related "Memorandum Regarding Accounting Procedures and Internal Control" or similar memorandum prepared by the Corporation's independent auditors, any other pertinent reports and management's responses concerning such memorandum; and (ii) the qualitative judgments of the independent auditors about the appropriateness and not just the acceptability of accounting principles and financial disclosure practices used or proposed to be adopted by the Corporation including any alternative treatments of financial information that have been discussed with management, the ramification of their use and the independent auditor's

preferred treatment as well as any other material communications with management and, particularly, about the degree of aggressiveness or conservatism of its accounting principles and underlying estimates.

Oversight of Financial Reporting Process and Internal Controls

(a) Reviewing with management and the external auditors the annual financial statements and accompanying notes, the external auditors' report thereon and the related press release, and obtaining explanations from management on all significant variances with comparative periods, before recommending approval by the Board and the release thereof.

(b) Reviewing with management the quarterly financial statements and any auditors' review thereof before recommending approval by the Board and the release thereof.

(c) Reviewing and periodically assessing the adequacy of the Corporation's procedures for the Corporation's public disclosure of financial information extracted or derived from the Corporation's financial statements, including reviewing the financial information contained in the annual information form, management proxy circular, management's discussion and analysis, prospectuses and other documents containing similar financial information before their public disclosure or filing with regulatory authorities, including the audit committee's report for inclusion in the Corporation's management information circular in accordance with applicable rules and regulations.

(d) Periodically reviewing the Corporation's disclosure policy to ensure that it conforms with applicable legal and regulatory requirements.

(e) Reviewing the adequacy and effectiveness of the Corporation's accounting and internal control policies and procedures through inquiry and discussions with the Corporation's independent auditors and management of the Corporation.

(f) Monitoring the quality and integrity of the Corporation's disclosure controls and procedures and management information systems through discussions with management and the external auditors.

(g) Overseeing management's reporting on internal controls and disclosure controls and procedures.

(h) Reviewing on a regular basis and monitoring the Corporation's policies and guidelines which govern the Corporation's risk assessment and risk management, including the Corporation's major financial risk exposures and the steps management has taken to monitor and control such exposures, including hedging policies through the use of financial derivatives.

(i) Establishing and maintaining free and open means of communication between and among the Board of Directors, the Committee, the Corporation's independent auditors and management.

Other Matters

(a) Assisting the Board with oversight of the Corporation's compliance with applicable legal and regulatory requirements, including meeting with general counsel and outside counsel when appropriate to review legal and regulatory matters, including any matters that may have a material impact on the financial statements of the Corporation.

(b) Reviewing and approving any transactions between the Corporation and members of management and/or the Board as well as policies and procedures with respect to officers' expense accounts and perquisites, including the use of corporate assets. The Committee shall consider the results of any review of these policies and procedures by the Corporation's independent auditors.

(c) Conducting or authorizing investigations into any matters within the Committee's scope of responsibilities, including retaining outside counsel or other consultants or experts as the Committee determines necessary to carry out its duties and to set and pay the compensation for these advisors.

(d) Establishing procedures for the receipt, retention and treatment of complaints received by the Corporation regarding accounting, internal accounting controls or auditing matters and the confidential, anonymous submission by employees of the Corporation of concerns regarding questionable accounting or auditing matters.

(e) Establishing procedures for the review and approval of financial and related information of the Corporation.

(f) Reviewing and approving the Corporation's hiring policies regarding partners, employees and former partners and employees of the present and former external auditors of the Corporation.

(g) Performing such additional activities, and considering such other matters, within the scope of its responsibilities, as the Committee or the Board of Directors deems necessary or appropriate.

IV. Meetings and Advisors

The Committee will meet as often as it deems necessary or appropriate to perform its duties and carry out its responsibilities described above in a timely manner, but not less than quarterly. The quorum at any meeting of the Committee shall be a majority of its members. All such meetings shall be held pursuant to the By-Laws of the Corporation with regard to notice and waiver thereof.

The Audit Committee shall meet on a regular basis without management or the external auditors. The Committee, in its discretion, may ask members of management or others to attend its meetings (or portions thereof) and to provide pertinent information as necessary. As part of its purpose to foster open communications, the Committee shall meet at least annually, and more frequently as required, with management and the Corporation's independent auditors in separate executive sessions to discuss any matters that the Committee or each of these groups or persons believe should be discussed privately. The independent auditors will have direct access to the Committee at their own initiative. The Chairman should work with the Chief Financial Officer and management to establish the agenda for Committee meetings.

Written minutes of each meeting of the Committee shall be filed in the Corporation's records. The Chairman of the Committee will report periodically to the Board of Directors.

The Committee shall, in appropriate circumstances and subject to advising the Chairman of the Board, have the authority to engage and obtain advice and assistance from advisors, including independent or outside legal counsel and accountants, as it determines is necessary or appropriate to carry out its duties. The Corporation shall provide for appropriate funding, as determined by the Committee, for payment of any compensation (i) to any independent auditors engaged for the purpose of rendering or issuing an audit report or related work or performing other audit, review or attest services for the Corporation, and (ii) to any independent advisors employed by the Committee.

V. Disclosure of Charter

This charter shall be published in the Corporation's annual information form or information circular as required by applicable securities laws.

While the Committee has the duties and responsibilities set forth in this charter, the Committee is not responsible for planning or conducting the audit or for determining whether the Corporation's financial statements are complete and accurate and are in accordance with generally accepted accounting principles. Similarly, it is not the responsibility of the Committee to ensure that the Corporation complies with all laws and regulations.

Nothing contained in this charter is intended to expand applicable standards of conduct under statutory or regulatory requirements for the directors of the Corporation or the members of the Audit Committee.

SCHEDULE "C"

MANDATE OF THE BOARD OF DIRECTORS

CHC STUDENT HOUSING CORP.
(the "Corporation")

I. General

The Board of Directors of the Corporation is responsible for the supervision of the management of the Corporation's business and affairs, with the objective of increasing shareholder value.

The Board shall be constituted with a majority of "independent" directors, as that term is defined in applicable securities legislation and stock exchange rules. The Board's independent directors will meet periodically without management and non-independent directors.

Directors are expected to attend all Board meetings and review all meeting materials in advance. They are expected to take an active part in Board decisions.

II. Composition

The Board shall be composed of a minimum of three members and such maximum number of directors as may be determined by the Board from time to time in accordance with the Corporation's Articles and applicable laws. The Board shall be constituted with a majority of individuals who qualify as independent directors, as determined by the Board in accordance with applicable laws.

III. Responsibilities

The responsibilities of the Board of Directors shall generally include, but not be restricted to, undertaking the following:

With respect to strategic planning

(a) Adopting a strategic planning process for the Corporation and approving the Corporation's long-term strategy, taking into account, amongst other matters, business opportunities and risks.

(b) Approving and monitoring the implementation of the Corporation's annual business plan.

(c) Advising management on strategic issues.

With respect to human resources and performance assessment

(a) Choosing the Chief Executive Officer ("CEO") and approving the appointment of other senior management executives.

(b) Monitoring and assessing the performance of the CEO and of senior management and approving their compensation, taking into consideration the recommendations of the Compensation Committee and Board expectations and fixed goals and objectives.

(c) Monitoring management and Board succession planning processes.

(d) Monitoring the size and composition of the Board and its committees based on competencies, skills and personal qualities sought in Board members.

(e) Approving the list of Board nominees for election by shareholders.

With respect to financial matters and internal control

(a) Monitoring the integrity and quality of the Corporation's financial statements and the appropriateness of their disclosure.

(b) Reviewing the general content of, and the Audit Committee's report on the financial aspects of, the Corporation's annual information form, management information circular, management's discussion and analysis, prospectuses and any other documents required to be disclosed or filed by the corporation before their public disclosure or filing with regulatory authorities.

(c) Approving operating and capital budgets, the issuance of securities and, subject to the schedule of authority adopted by the Board, any transaction out of the ordinary course of business, including proposals on mergers, acquisitions or other major transactions such as investments or divestitures.

(d) Determining dividend policies and procedures.

(e) Taking all reasonable measures to ensure that appropriate systems are in place to identify business risks and opportunities and overseeing the implementation of processes to manage these risks and opportunities.

(f) Monitoring the Corporation's internal control and management information systems and regulatory certification practices.

(g) Monitoring the Corporation's compliance with applicable legal and regulatory requirements.

(h) Reviewing at least annually the Corporation's disclosure policy and monitoring the operation of the disclosure policy.

With respect to corporate governance matters

(a) Developing the Corporation's approach to corporate governance and reviewing, on a regular basis, appropriate corporate governance structures and procedures, including the identification of decisions requiring approval of the Board and, where appropriate, measures for receiving stakeholder feedback, and the adequate public disclosure thereof.

(b) Taking all reasonable measures to satisfy itself as to the integrity of management and that management creates a culture of integrity throughout the Corporation.

(c) Adopting and reviewing, on a regular basis, the Corporation's Code of Ethics and monitoring compliance with such code.

(d) Taking all reasonable measures to ensure the annual performance assessment of the Board, Board committees, Board and committee chairs and individual directors.

(e) Adopting orientation and continuing education programs for directors.

IV. Method of Operation

Meetings of the Board shall be held at least quarterly and as required. In addition, a special meeting of the Board shall be held, at least annually, to review the Corporation's strategic plan. The quorum at any meeting of the Board shall be a majority of directors in office. All such meetings shall be held pursuant to the By-Laws of the Corporation with regard to notice and waiver thereof.

The Board chair shall develop the agenda for each meeting of the Board, in consultation with the CEO in the event those two positions are held by separate individuals, or the lead independent director if such a position is held by an independent director. The agenda and the appropriate material shall be provided to directors of the Corporation on a timely basis prior to any meeting of the Board.

Independent directors shall meet periodically without management and other non-independent directors present.

The Board may delegate to a committee of the Board any of the Board's responsibilities and powers as it deems appropriate and in accordance with applicable laws and the Corporation's Articles and By-Laws.

Nothing contained in this mandate is intended to expand applicable standards of conduct under statutory or regulatory requirements for the directors of the Corporation.