



July 9, 2018

Dear Shareholder,

We would like to take this time to present you with the following updates for Sage Properties Corp. ("Sage").

SAVE THE DATE - ANNUAL GENERAL MEETING (AGM)

Sage's AGM will be held on **September 7, 2018 in Leduc, Alberta**. Shareholders will receive the official notice of the AGM, accompanied by an information circular, later this summer. **This is a friendly reminder that Sage's bylaws require a minimum 50% participation of our shareholders for quorum (by proxy or by attendance) or the meeting will have to be rescheduled.** Please note the 2017 AGM had 54.71% participation rate.

SUBDIVISION

Sage submitted a formal application for subdivision to Rocky View County ("RVC") on March 29, 2018 for their consideration. Currently SAGE is working through the comments received from RVC on the application with its urban planner, IBI Group. Sage is hopeful that it will be able to submit the final subdivision application to Council for approval within the next few months. Once the final subdivision approval is received by RVC, Sage will then be required to meet subdivision conditions and submit a development agreement to RVC.

APPLICATION FOR EMPLOYEE UNIONIZATION

On May 17, 2018, Sage was notified by the Alberta Labour Relations Board (ALRB) that they received application from the Canadian Union of Public Employees, Local 8 (CUPE) to become the certified bargaining agent for a unit of Sage employees (72 out of 176 employees). These employees are employed in auxiliary nursing care at the Prince of Peace Manor and Harbour. Following this notification, Sage was required to provide notice to the affected employees of the application and the ALRB commenced its review of the application. On June 4, 2018, the ALRB completed its review of the application and Sage was notified that over 65% of the affected employees were in favour of unionization and therefore the ALRB would be issuing a union certification to the CUPE. Moving forward, the CUPE will be the certified bargaining agent for auxiliary nursing care employees at SAGE and collective bargaining will commence this summer.

POSTPONEMENT OF APRIL 17, 2018 COURT APPLICATION

As discussed in our last newsletter, Sage submitted a formal application to the Court of Queen's Bench of Alberta this past spring, requesting that two easements related to the water utility be removed and replaced with a new easement written to better reflect the reality of Sage's utilities ownership and obligations as a service provider.

Prior to the April 17 court hearing, the Village condominium board chair filed documents opposing the application to remove the easements. On April 17, 2018, the court hearing was adjourned by Justice Romaine to allow for further discussions to take place between Sage and the Village with the hope that a resolution on issues raised could be reached. Sage and the Village condo board met in May and June 2018 to discuss the Village' issues and are planning on having a subsequent meeting this summer. A new court hearing date will be re-scheduled in the fall of 2018.

STAFF CHANGES

Sage would like to take this time to advise you that Tony Chin has stepped away from his role as Chief Financial Officer for Sage. Mr. Chin will continue to provide accounting and finance assistance to Sage on contract basis. On behalf of the Directors, Management and Staff, we would like thank Mr. Chin for his ongoing commitment and service to Sage and its shareholders.

Sage welcomes Erin Leson, Business Manager & Controller, to the Sage team. Ms. Leson is a chartered professional accountant and brings forward over 10 years of experience in accounting and financial management, including a background in budget development, management forecasting and planning, and business leadership. The board and staff are excited to work with Ms. Leson on executing its mandate to maximize value of the assets for its shareholders.

We thank our shareholders for their continue support and hope you all have a great summer. If you have any questions pertaining to any of the above information relayed in this letter, please contact the Sage office either by email at info@sageproperties.ca or phoning (403) 478-9661.

Sincerely yours,

Sandra Jory, CPA, CA
Board Chair
Sage Properties Corp.