



July 15, 2019

Dear Shareholder,

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

A. STRATEGIC PLAN UPDATE - ANNUAL GENERAL MEETING (AGM)

Sage has hired an advisory firm to assist with the development of Sage’s divestiture strategy. The board will be providing a further update to its shareholders regarding the plan at its AGM which will be held at the **Executive Royal Inn, Leduc, Alberta on September 14, 2019**. Further details, including the information circular, will be mailed to shareholders this August.

B. PRINCE OF PEACE LUTHERAN SCHOOL (“POP School”)

As a purchase agreement with Rocky View Schools (RVS) was not attained, Sage commenced marketing of the school through a direct mailing campaign to educational institutions throughout Alberta. As a result of the campaign, Sage has engaged with several interested parties, including organizing tours of the property. Please note that RVS new lease agreement for the POP School comes into effect on September 1, 2019. The new lease includes an 18 month termination clause for either RVS or Sage.

C. UTILITIES OWNERSHIP

Over the past year, Sage and the Prince of Peace Village condominium board (“the Village”) held discussions to try to come to a resolution on the utility ownership issues. Unfortunately, a resolution was not obtained and so on April 5, 2019 a court date was scheduled to obtain the court’s assistance to resolve the issues. Prior to the court date, the Village hired new legal counsel who requested a postponement of the court date. Sage agreed to the Village’s request and a new court date is scheduled for August 8, 2019.

D. ALBERTA UTILITIES COMMISSION – RULE 11 WATER APPLICATION

On June 28, 2019, Sage Water Services Corp. (“Sage Water”) submitted a water rate application (the “Application”) to the Alberta Utilities Commission (the “AUC”) to increase its water rates and stabilize its water business operations. The water application forms part of the AUC Rule 11 process, details of which can be found online at <http://www.auc.ab.ca/Shared%20Documents/rules/Rule011.pdf>.

E. SUBDIVISION

Sage is in on-going discussions with Rocky View County regarding subdivision. Based on feedback received from the county, Sage is currently developing a revised proposal with its urban planner, IBI Group, to proceed with next steps in its subdivision application.

F. EMPLOYEE UNIONIZATION

On June 4, 2018, Sage received notice that over 65% of its auxiliary nursing care staff were in favour of unionization and the Alberta Labour Relations Board issued a union certification to the Canadian Union of Public Employees (CUPE). After close to a year of negotiations with CUPE, Sage is pleased to report that both the Board and 100% of Sage's auxiliary nursing care staff voted to ratify the collective agreement this past May.

If you have any questions or concerns, please contact Sage at (403) 478-9661.

Sincerely yours,

Signed "*Sandra Jory*"

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