



February 12, 2021

Dear Shareholder:

On behalf of SAGE Properties Corp. (“SAGE”) and the SAGE Board of Directors (“the Board”), we are pleased to provide you with the following updates:

A. Share Redemption

The share redemption was completed on December 31, 2020 with 587 shareholders submitting 20,578,452 shares for redemption. Unfortunately, to fulfill all these requests, a total of \$13,375,994 in cash would have been required. As the total cash available for redemption was \$5,680,264, a total of 8,738,868 shares were redeemed as follows:

Basic Redemption - Shares redeemed (17.15%)	Basic Redemption - Cash paid	Additional Redemption – Shares submitted	Additional Redemption – Shares redeemed	Additional Redemption – Cash paid
5,040,143	\$3,276,093	15,538,309	3,698,725	\$2,404,171

B. Shareholder Buy-Sell Database

Over the past couple of months, SAGE has received several inquiries from shareholders concerning how to sell their SAGE shares. By way of reminder, SAGE maintains a buy-sell database that lists interested purchasers and sellers of SAGE shares. This database is intended to create a platform whereby interested parties can connect with each other. We would encourage all shareholders interested in buying or selling shares to make use of this database. Please note that each seller is required to list the number of shares for sale and their asking share price.

To access the database, please visit www.sagedatabase.ca

[Click here to view and download the user guide.](#)

If you require assistance with the database (listing yourself as an interested buyer or seller), please contact SAGE at (403)-478-9661.

C. School Lease and Sale – Third Academy

We are very excited to announce that SAGE has entered into a ten year lease with Third Academy, commencing August 8, 2022. As part of the lease, Third Academy will have the option to purchase the school for \$5,350,000 until October 1, 2022. To this end, Third Academy has engaged professional fundraisers to assist them in raising the equity required to complete the purchase. Should Third Academy not be successful in raising the funds required to purchase the school, the Board will market the school for sale, with benefit of a long-term tenant, to investors. For more information about Third Academy, please see their website at www.thirdacademy.ca

We would like to thank Rocky View Schools for operating the Christian program at Prince of Peace school. We trust that students, parents, and staff will be well taken care of during this transition.

D. Subdivision and Waterline Update

The endorsement package for the subdivision is progressing and is expected to be filed with Rocky View County (“RVC”) before the end of February for endorsement of the subdivision plan. As part of the endorsement package with RVC, SAGE will enter into a development agreement that includes the construction of a new road and a cost contribution agreement that outlines SAGE’s share of costs for the waterline construction. As the Village condominium owners (“Village Owner(s)”) are listed on certain easements registered against SAGE’s lands and because SAGE is required to construct a new municipal road, SAGE is required by the Land Title Office to obtain the written consent of each Village Owner for the plan of subdivision to be registered. However, given the onerous requirements to get written consent in the format required by Land Titles for the 175 Village Owners, SAGE will be going to court in March to obtain a court order to dispense with this consent requirement. SAGE expects to register the subdivision with Land Titles by the end of March 2021.

Detailed engineering plans for the construction of the County waterline are currently underway, with construction expected to commence in spring/summer 2021.

E. Land Sale

Unfortunately, the offer to purchase the Bare Lands received in August 2020 was terminated by the purchaser. SAGE is currently working with a broker, Jones Lang Lasalle Real Estate (JLL), to sell the land with a list price of \$5,400,000. We are excited about the additional value that the new waterline construction will add for future residential development and remain hopeful that a buyer will be secured.

F. Harbour and Manor Sale Progress

Given future waterline construction and subdivision registration, as well as the ongoing challenge of marketing a senior care facility during a pandemic, SAGE is currently evaluating the marketing strategy for the Harbour and Manor and will provide an update to shareholders on this process soon.

G. Prince of Peace Manor and Harbour COVID-19 Update

The Manor was placed on outbreak status on January 10, 2021. All residents and staff were tested, and four staff members tested positive. However, no residents tested positive. All positive cases have recovered, and the Manor was lifted from outbreak status on January 30, 2021.

The Harbour was placed on outbreak status on January 11, 2021. All residents and staff were tested and a total of seven residents and four staff members tested positive. As of the date of this letter, all residents and three staff members have now recovered, and one staff member remains on isolation.

We are excited to announce that an immunization clinic took place for Manor residents on January 14, 2021 with a total of 127 residents receiving their first dose of the Pfizer vaccine. The Harbour residents were unable to participate in this clinic due to the ongoing outbreak. A second immunization clinic took place on February 11, 2021 and a third clinic is expected in the near future.

The board thanks all the management and staff for all their efforts, hard work and dedication to our residents during this very difficult time.

Thank you for your continued patience as we work to achieve SAGE's mandate. If you have any questions with respect to any of the information provided in this newsletter, please contact SAGE at 403-478-9661 or by email to info@sageproperties.ca

Sincerely yours,

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