

June 25, 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:

**1) Harbour & Manor**

**a) New Manager**

We are excited to announce that Ms. JoLynn Whidden started as the new General Manager on May 3, 2021. JoLynn brings with her an extensive background in the senior living industry, most recently as General Manager for a leading retirement brand, as well as having worked for a number of not-for-profit organizations, catering to older adults. She is a dedicated leader and is committed to offering exceptional service to our residents.

We thank Ric Zalamea for his years of service at POP and wish him all the best in his future endeavors.

**b) COVID**

We are very grateful to announce that the majority of residents are now fully vaccinated, with our last outbreak ending on February 22, 2021. We have seen a strong interest from staff on vaccination and as of June 22, 2021, over 82% of our staff have received their first vaccine dose and over 63% of staff are fully vaccinated with two doses. POP Management has been working on providing education to overcome vaccine hesitancy and aiding with removing barriers to vaccination, including encouraging staff to take advantage of the paid leave. In addition to vaccination, each Wednesday, free rapid test screening is available for all staff.

**c) Occupancy**

We are pleased to advise that the overall occupancy of the Harbour & Manor continues to increase as COVID restrictions are lifted. As of May 31, 2021, occupancy is at approximately 86%, a 3% increase over the prior year. New marketing efforts are underway, and management is optimistic occupancy will continue to increase over the summer and fall.

**2) Subdivision and Road Construction**

We are excited to announce that Sage has successfully registered the subdivision with land titles and separately titled parcels have now been created for school, the Harbour, the Manor, and land. In conjunction with the development agreement for the subdivision, Northstar Contracting has been engaged to complete the work required on the new municipal road, named Prince of Peace Way, that is scheduled to commence in June 2021. Construction will continue over the summer and is expected to be completed early September 2021.

### **3) Utility & Waterline**

Rocky View County approved the budget for the waterline project in April 2021 and construction is expected to start in July 2021 commencing at the Prince of Peace Site. The project's planned completion date is October 31, 2021. Management is currently working with RVC on agreements to transfer Sage utility infrastructure to the County. Once complete, all water and sewer services will be provided to the POP site by Rocky View County.

### **4) POP Lutheran School**

As noted in our February update, Sage has entered into a ten year lease with Third Academy commencing August 5, 2022. The Rocky View School Division ("RVSD") has confirmed that the Lutheran School program will continue at Prince of Peace for the 2021-22 school year.

Third Academy will have an option to purchase the school for \$5,350,000 until October 1, 2022 and have 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](http://www.thirdacademy.ca)

### **5) Harbour & Manor Sale Progress**

SAGE is currently evaluating the marketing strategy for the Harbour and Manor and will provide an update to shareholders at the AGM later this fall.

### **6) Land Sale Progress**

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. Together with JLL, we have developed a concept plan to assist in marketing the land. We are excited for the potential for future residential development on the Prince of Peace site and remain hopeful that a buyer will be secured by the end of 2021.

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](mailto:info@sageproperties.ca)

Sincerely yours,

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