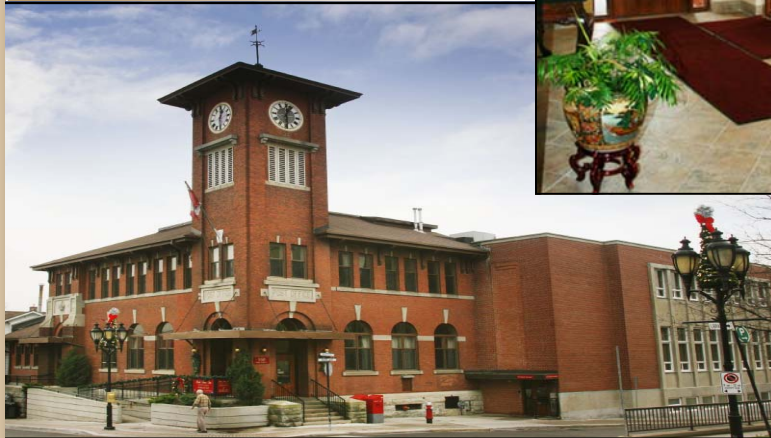


Senior's Housing Opportunity Newmarket, Ontario

MARCH 2010



OFFERING PRICE

\$2,595,000

THE CLOCK TOWER INN RETIREMENT RESIDENCE

General Provisions

While the information contained herein is believed to be accurate and reliable as at the date of preparation of the document, neither the Seller, nor any of its affiliates, agents, advisors, directors, officers, employees or shareholders, make any representations or warranties, express or implied, as to the accuracy or completeness of such information. This includes any other written or oral communication by the Seller, Barclay Commercial Corporation, Brokerage or any of their respective shareholders and employees, or any other of the Seller's advisors or agents, and each of such parties expressly disclaims any and all liability that may be based on such information or communication error therein or omissions there from. Only those representations and warranties contained in a definitive purchase agreement shall have any legal effect.

THE CLOCK TOWER INN RETIREMENT RESIDENCE



Introduction

Barclay Commercial Corporation, Brokerage (the "Advisor"), as advisor to the Seller, has been engaged to manage the confidential offering of **THE CLOCK TOWER INN RETIREMENT RESIDENCE** located in the City of Newmarket, Ontario.

THE CLOCK TOWER INN RETIREMENT RESIDENCE provides a rare opportunity to own this unique heritage facility, and be a part of the rewarding seniors' care industry. Highlight features of this Property include:

PROPERTY HIGHLIGHTS

- Centrally located in the middle of Newmarket's historic village, this facility provides residents with convenient access to day-to-day activities and services in the community
- Residents enjoy living in a immaculately appointed residential environment while receiving quality accommodations and services, including 3 meals per day, daily light housekeeping, weekly linens, on-site nursing staff and emergency response in all suites
- Amenities include lounges on each of 3 floors in the facility, lobby/reception area, common and private dining rooms, commercial kitchen, main activity room, library, 3 health services offices, craft room, administration offices, roof top patio and ground level courtyard
- The original building was constructed in 2 phases (pre-1924 and pre-1959), and extensively renovated when converted to a retirement residence in 1999
- The facility is comprised of 36 suites which fall into 4 categories, Budget (6), Medium (8), Large (8) and Deluxe (14)
- All suites are well decorated and equipped with walk-in shower, individually controlled air conditioning, and a kitchenette in 33 of 36 suites. Kitchenettes will accommodate a small fridge and microwave
- **Forecast Potential Net Operating Income is \$256,000 per annum**
- **Assumable CMHC insured 1st mortgage of approximately \$1,800,000.00**
- **Offer Price is \$2,595,000.00**

MARKET DEMOGRAPHICS

- Newmarket is a multicultural community with a total population of 80,400. This number is projected to grow to 98,000 by 2026. From 1991-2006, the **Newmarket's population has risen by 63.4 %** while the GTA average has risen by 53.1%
- **The Seniors' population over 75 in the primary market area studied (which includes Newmarket and Aurora) is expected to grow 34.0% between 2009 and 2019**
- The unemployment rate at 4.7% is nearly half of Canada's average which is resting at 8.5%. **Average Household income is \$114,320 for 2009**

Access to Information

Interested prospective buyers may contact the Advisor to make arrangements for obtaining the Confidential Information Memorandum (CIM) and access to further information as is available. In order to receive the CIM each prospective Buyer shall execute and return to the Advisor, a Confidentiality and Non-disclosure Agreement, a copy of which is attached.

At the Advisor's sole and absolute discretion, prospective buyers may be required to demonstrate that they have the potential financial ability and lawful authority to complete the contemplated Purchase Agreement.

THE CLOCK TOWER INN RETIREMENT RESIDENCE



Offering Process

Prospective Buyers are invited to submit an offer in the form of a Letter of Intent (the "LOI").

Notice to Buyer: The Seller shall not be obliged to accept, nor respond to any offer received. No offer to purchase the Property shall be considered to be accepted until a formal agreement of purchase and sale (the "Purchase Agreement"), has been executed by the Seller and the offeror.

Any Offer shall be executed and delivered, on and subject to the following terms and conditions:

- 1) Offer Form: Any Offer shall be submitted on the Seller's form of LOI (the "Standard LOI"). Any amendments or additions to the Standard LOI shall be set out in Schedule "B" (Additional Provisions) and attached thereto.
- 2) Offer Deadline: There shall be no Offer deadline, and all Offers shall be considered as they are received. No offer shall be given priority based on the date received by the Advisor. The Offers shall be submitted to Barclay Commercial Corporation, Brokerage, to the attention of Mr. Randy Stevenson.
- 3) Purchase Agreement: Following the execution by the Seller of an acceptable LOI, the successful prospective buyer shall have 15 Business Days to enter into an Agreement of Purchase and Sale on the Seller's form of agreement.

All inquiries regarding the Property or requests for information and documents shall be directed to the Advisor.



**BARCLAY COMMERCIAL CORPORATION,
BROKERAGE**

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Ottawa, Ontario, K1G 0Z1

Office: 613-739-3989
Fax: 613-739-4079

Mr. Randy Stevenson ext. 222
Broker of Record
randy@barclaycommercial.com

Mr. Allan Jackson ext. 225
Salesperson
allanj@barclaycommercial.com

Directions

To receive a copy of the Confidential Information Memorandum any Prospective Buyer and Co-Operating Brokerage is required to sign the attached CONFIDENTIALITY AGREEMENT.

The Confidential Information Memorandum will be provided to a Co-Operating Brokerage only if his Prospective Buyer has executed the CONFIDENTIALITY AGREEMENT.

By signing the NON-DISCLOSURE AND NON-SOLICITATION AGREEMENT, the Co-Operating Brokerage recognizes that his/her sale commission will be paid by his/her Prospective Buyer.

Please print the attached CONFIDENTIALITY AGREEMENT and return an executed copy to Barclay Commercial Corporation, Brokerage via Facsimile or email. Fax - (613) 739-4079

Upon Barclay Commercial Corporation, Brokerage receiving the executed CONFIDENTIALITY AGREEMENT, a PDF copy of the Confidential Information Memorandum will be provided to the Prospective Buyer, along with an access name and password to a File Transfer Protocol (FTP) website containing all support materials. A hard copy of the document will also be sent through regular mail upon request.

NON-DISCLOSURE AND NON-SOLICITATION AGREEMENT (the “Confidentiality Agreement”)

RE: CLOCK TOWER INN RETIREMENT RESIDENCE

180 MAIN STREET SOUTH

NEWMARKET, ONTARIO (the “Property”)

AMONG:

BARCLAY COMMERCIAL CORPORATION, BROKERAGE
 (“BCC”)

- and -

RESIDENCE CLOCK TOWER INC.
 (the “RCT”)

- and -

(Prospective Buyer and/or Co-Operating Brokerage collectively, the “**Prospective Buyer**”)

Whereas:

Barclay Commercial Corporation, Brokerage (BCC), as advisor to Residence Clock Tower Inc. (RCT) is in possession of certain Confidential Information (as hereinafter defined) provided to them by RCT. The Prospective Buyer desires to review the Confidential Information for the purpose of assessing and discussing the potential for an acquisition of the shares or assets of RCT.

Therefore:

In consideration of BCC and/or RCT, or any representative thereof, disclosing to the Prospective Buyer the confidential Information for the purpose stated herein, the Prospective Buyer, and each and every one thereof, agree as follows:

1. **Definitions**, for the purposes hereof:

“**Business**” means the retirement home business as is currently carried by RCT, within the Property as of the date hereof.

“**Confidential Information**” means any and all financial, corporate, operating, and business information respecting the Property, the Company and its principals, including, but not limited to, financial statements and financial information; plans, projections and budgets; employee and personnel information; client/patient information; marketing strategies, techniques, materials and plans; and information concerning properties, liabilities, contracts, business affairs and legal affairs; whether in oral, written or electronic form and whether or not marked or designated as confidential information. Confidential Information does not include information in the public domain other than by a breach of this contract.

“**Employees or Consultants**” means those persons who are employees or consultants of the Business as of the date hereof.

2. **Non-Disclosure.** The Prospective Buyer, and each and every one of them, shall:
 - I. not use the confidential information, or permit the confidential information to be used, for any purpose other than the purpose specified above, and specifically not otherwise for the benefit of the Prospective Buyer, directly or indirectly, or for the benefit of anyone else;
 - II. limit access to and disclosure of the confidential information only to those of the Prospective Buyer's employees, officers and directors, and those of the Prospective Buyer's professional advisors and financiers who require the information for the purpose of assessing the proposed acquisition, to make each of them aware in writing that the information is confidential and subject to this agreement and to obtain from each of them a written confirmation that they agree to be bound by the terms of this agreement, and not to disclose the confidential information to any other person or for any other purpose;
 - III. provide to BCC and RCT on request with a list of all persons to whom the confidential information has been disclosed;
 - IV. not make copies of any confidential information without prior written authorization of RCT. If the Prospective Buyer and RCT do not enter into an agreement of purchase and sale for the purpose, or if any such agreement is not completed for any reason, to return or destroy all documents and other confidential information in tangible or electronic form together with a written certificate signed by the Prospective Buyer and, in case of a corporate prospective Buyer, by a senior officer thereof that this provision has been complied with;
 - V. keep confidential the fact and content of the assessment and discussions and any negotiations resulting there from, unless written consent from RCT is first obtained; and
 - VI. at all times comply with all applicable privacy laws, including, without limitation, the *Personal Information Protection and Electronic Documents Act*, Canada, and the *Personal Health Information Act*, Ontario.
3. **Non-Solicitation.** The Prospective Buyer shall not solicit or entice, or attempt to solicit or entice, any Employee or Contractor of the Business to enter into employment or service or other contractual relationships with any such Employee or Contractor.
4. **Site Visits.** The Prospective Buyer must pre-book a site visit through BCC. Site visits shall be limited to one hour in duration and each Prospective Buyer will only be allowed to view the facility once prior to a Letter of Intent or Agreement of Purchase and Sale being duly executed by both RCT and the Prospective Buyer. All questions related to the business, operations, or the building itself shall be directed to BCC directly and under no circumstance shall the Prospective Buyer discuss the operations of the business with any of the staff members, including but not limited to any staff who may escort the Prospective Buyer through the Property.
5. The Prospective Buyer acknowledges and understands that neither BCC nor RCT makes any representation or warranty in relation to any of the confidential information, its adequacy, accuracy or suitability for any purpose, or otherwise, and except as expressly agreed in writing shall not be liable for any loss or damage arising from the use of any confidential information howsoever caused.
6. The Prospective Buyer acknowledges that notwithstanding the execution of this agreement, RCT maintains the sole and absolute discretion to determine what, if any, of the confidential information will be released to the Prospective Buyer.
7. The Prospective Buyer acknowledges that the Business cannot be properly protected from adverse consequences of its actions other than by the restrictions set forth herein.

8. The agreements, covenants and understandings expressed herein by the Prospective Buyer, to the extent more than one, are joint and several.
9. The covenants contained herein shall ensure to the benefit of RCT, BCC, their respective heirs, personal representatives, estate trustees, successors and assigns, as the case may be, and shall be binding upon the Prospective Buyer, and each and every one of them, and their respective heirs, personal representatives, estate trustees, successors and assigns, as the case may be.
10. Each of the provisions is separate and severable from the others, and if any such provision shall be found wholly or partly unenforceable the others shall not be affected thereby.
11. The Prospective Buyer agrees that in the event of any violation of the provisions hereof; the RCT, and BCC in addition to any other right or relief to which they or any one of them may be entitled, shall be entitled to an injunction restraining further breaches of the provisions of this agreement.
12. This document constitutes the entire agreement between the parties with respect to the subject matter of it, and shall supersede all previous communications, representations, understandings and agreements, either oral or written between the parties.
13. This Agreement shall be governed by the laws of the Province of Ontario, Canada.

Each of the undersigned Prospective Buyer has executed this Agreement on the ____day of _____, 2010.

SIGNED, SEALED AND DELIVERED
In the presence of

Witness:

Name:

PROSPECTIVE BUYER:

Address: _____

Phone: _____

Fax: _____

Email: _____

Per: _____

Name:

Position:

Authorized Signing Officer