

January 15, 2020

Investor Report for Q4 2019

Dear Chancery (Oshawa) The Bartlett Limited Partnership Investor:

We hope that you had a great holiday season and would like to wish you all the best in the New Year!

The work on construction has continued through the winter and we are happy to report some major milestones achieved since our last update in mid-October 2019:

1. The building is now fully enclosed, with the last window installed in December 2019!
2. We have started the work on the interior drywall and the bathroom walls.
3. The mechanical and electrical work is continuing as scheduled.
4. The elevator on the west side of the building is being installed and expected to be operational for temporary use in January 2020.
5. The Region of Durham has turned on the water supply to the building.
6. The model suite is expected to be ready for the public by February 2020!
7. We completed our 18th construction financing draw on December 20, 2019.
8. We will have received 26 deposits by January 17, 2020 for the 129 suites, confirming our updated (increased) rent assumptions as reported in October 2019!

Please see below for the most recent photos taken on the site.



As reported in October 2019, our project has experienced a cost increase. In light of this issue, we commissioned an updated study with CBRE with updated rent assumptions that determined that the new rent assumptions are feasible. This is also confirmed by the deposits we have received for the suites.

We also engaged Cushman & Wakefield for an independent appraisal report based on the updated rent assumptions and received a significant increase in valuation compared to our original estimate. With that being said, our project fundamentals remain extremely healthy which has enabled us to list it for sale at an expected price above the appraised value.

As of December 2019, we received commitment on additional funding from the existing lender through March 15, 2020 and are working with new lenders to provide take-out financing. We will provide more details on the take-out financing as it becomes available.

The project continues to meet our timing expectations and we expect to complete construction in August 2020.

We will continue to issue quarterly updates with information on financing, construction, lease-up, and operations as the project proceeds.

If you have any questions, please feel free to contact me (sarah@chanceryseniors.com) or our President, Jessica Zhang (jessica@chanceryseniors.com), directly with any questions.

Again, thank you for your investment in this project!

Sincerely,

Chancery (Oshawa) The Bartlett Limited Partnership



Sarah Cathrae

Managing Director