Form 49

[Rule 13.19]

Clerk's Stamp

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CLERK OF THE COURT

COURT FILE NUMBER	2401-00953
COURT	COURT OF KING'S BENCH OF ALBERTA
JUDICIAL CENTRE	CALGARY
PLAINTIFF	CANADIAN WESTERN BANK
DEFENDANTS	SUNRIDGE LANDING INC. and ZULFIKAR BOGA
DOCUMENT	**AFFIDAVIT**
ADDRESS FOR SERVICE AND CONTACT INFORMATION OF PARTY FILING THIS DOCUMENT	**JENSEN SHAWA SOLOMON DUGUID HAWKES LLP** 800, 304 - 8 Avenue SW Calgary, Alberta T2P 1C2 Kaila Eadie Tel: 403 571 1545 Fax: 403 571 1528 eadiek@jssbarristers.ca File: 16313-001

AFFIDAVIT OF: ZULFIKAR BOGA

SWORN ON: **October 21, 2024**

I, Zulfikar Boga, of the City of Calgary, Province of Alberta, **SWEAR AND SAY THAT**:

1. I am a Defendant in this Action, and am the principal and sole director of Sunridge Landing Inc. ("**Sunridge Landing**"). As such I have personal knowledge of the matters and facts described in this Affidavit, except where stated to be based on information and/or belief, in which case, I believe the information and/or belief to be true.

2. Sunridge Landing is the owner of lands municipally described as 3385 and 3396 26th Avenue NE, Calgary, Alberta, and legally described as PLAN CALGARY 8110296, THE MOST EASTERLY FIFTY TWO AND TWO HUNDRED AND SIXTY SIX THOUSANDTHS (52.266) METRES IN PERPENDICULAR WIDTH THROUGH BLOCK THREE (3), CONTAINING 0.422 HECTARES MORE OR LESS, EXCEPTING THEREOUT ALL MINES AND MINERALS (the "**Lands**"). The Lands are commercial property containing two large commercial buildings.

3. I am an architect by qualification and have decades of experience building and developing commercial real estate in Canada and around the world. I have previously been registered as an

architect in every province of Canada. Because of my background I have many friends and connections, both here in Canada and around the world, that are involved in commercial real estate.

4. Over the last several months, I have been working as hard as I can to lease and refinance the Lands. When these proceedings were initiated, Sunridge Landing had lost its largest tenant, and this made it difficult to obtain alternate financing for the Lands. However, Sunridge Landing recently obtained an Offer to Lease from a large tenant. Since that time lender interest has increased. I have also received two additional Offers to Lease today.

5. Today, October 21, 2024, Sunridge Landing received a Term Sheet from Bankers Mortgage Corporation, which does business as Domain Funding ("**Domain Funding**"), for a loan of up to $6,900,000, with funding estimated to be made available in November 2024 (the "**Term Sheet**"). The is attached to my Affidavit and marked as **Exhibit "A"**.

6. The Term Sheet states, under the heading "Loan Approval" at the bottom of page 2, that Domain Funding "will require the following material all of which must be found to be acceptable to Domain Funding and the Lender". It then lists certain records and information. Sunridge Landing has provided the following information and documentation to Domain Funding in accordance with this part of the Term Sheet:

(a) Certificate(s) of Title for the Secured Property;

(b) Organizational Chart of the Borrowing Company(s) and any company providing a corporate covenant;

(c) Financial Statements for the Borrowing Company(s) and any company providing a corporate covenant;

(d) Current Personal Net Worth Statement(s) and Credit Bureau Report(s) of personal Covenantor(s);

(e) Confirmation that the Borrower(s)/Covenantor(s) are in good standing with the [CRA] with respect to tax filings and remittances;

(f) Most recent monthly Rent Roll including executed copies of all existing Leases, Renewals and/or Offers to Lease related to the Secured Property;

(g) Confirmation of balance of all existing debt registered on the Secured Property;

(h) Confirmation of source of Borrower's equity;

(i) Building Conditions Report(s) and Letter(s) of Transmittal for the Secured Property from a Lender-approved engineering consultant;

(j) Real Property Report for the Secured Property;

(k) Confirmation that there are no outstanding work orders or bylaw infractions relating to the Secured Property; and

(l) Appraisal Report(s) and Letter(s) of Transmittal from a Lender-approved appraisal firm demonstrating "as is" value of no less than

(i) $9,200,000 for the Commercial Property.

(ii) $4,000,000 for the Collateral Properties.

7. We have made arrangements for Dominion Funding to carry out its inspection of the Lands tomorrow and will provide the $2,500 travel fee when that occurs. Sunridge Landing is also obtaining the required environmental reports and intends on providing them as soon as possible, and likely around November 10, 2024. Sunridge Landing has older environmental reports (which CWB has a copy of) but Domain Funding has requested more recent reports.

8. This means that, with the exception of the environmental reports listed at paragraph (p), which we are in the process of obtaining, the satisfactory inspection and provision of a $2,500 "travel fee", which will occur tomorrow, and any further or other information that Domain Funding/the Lender may request, Sunridge Landing has provided all required information and documentation.

9. I believe that Sunridge Landing will meet all of the requirements of the Term Sheet such that it will be able to obtain financing from Dominion Funding to cover the whole amount claimed by CWB, including interest and legal fees. I am working as hard as I can for this financing to be made available in November as set out in the Term Sheet but need more time to allow for due diligence and funding to occur.

SWORN BEFORE ME on this 21st day of October, 2024 at the City of Calgary, Alberta.	)	
(A Commissioner for Oaths in and for Alberta) Kaila Eadie Barrister & Solicitor	)	Zulfikar Boga

This is **Exhibit "A"** referred to in the Affidavit of Zul Boga, sworn before me on October 21, 2024.

KEadie

A Commissioner for Oaths in and for Alberta

Kaila Eadie
Barrister & Solicitor

DOMAIN FUNDING

Domain Funding
Suite 1100–1040 West Georgia St.
Vancouver, BC V6E 4H1
604.681.3000

BY E-MAIL

Friday, October 18, 2024

Sunridge Landing Inc.
Zulfikar Boga
338 15 Ave. SW
Calgary, AB T2R 0P8

c/o Nahr Gill @ Sidhu Investment Group
E-mail: n.gill@sigcorp.co

Dear Sir(s)/Madam(s):

COMMERCIAL MORTGAGE TERM SHEET

In response to your inquiry, Bankers Mortgage Corporation, doing business as Domain Funding is pleased to provide a non-binding indication of financing available over the Secured Property with the following Loan terms:

Loan Amount(s):	**Up to \$6,900,000 1st/2nd Mortgage Loan (the "Loan")**
Secured Property:	**Two (2) commercial buildings with a gross building area of ±16,466 built circa 1991 on a ±1.04-acre parcel of land located on 3383, 3385, & 3393 26 Ave NE, Calgary, AB, and as further described in an Appraisal Report prepared by Wernick Omura Singh Real Estate Valuation and Advisory dated October 15, 2024 (referred to herein as the "Commercial Property").** **Two rental properties located on 334 & 338 15th Ave, SW, Calgary, AB, to be further described in an Appraisal Report prepared by a lender-approved appraisal firm (referred to herein as the "Collateral Properties").** **(Together the Commercial Property and the Collateral Properties are referred to herein as the "Secured Property")**
Lender:	**Domain Mortgage Corp. in trust for private mortgage investors, and/or nominee.**
Borrowers/ Mortgagors:	**Sunridge Landing Inc.**
Covenantors:	**The Lender(s) will require the Loan to be guaranteed by the Borrower(s) and/or others, including without limitation:** • **Zulfikar Boga**
Loan Type / Purpose:	**To provide 1st/2nd mortgage financing to assist with the repayment of the existing mortgage registered on the Commercial Property, to pay for the costs of the Loan, and for other Lender-approved purposes as described in Schedule "A" herein.**
Loan Term:	**9 months from the Interest Adjustment Date (the "IAD").**
Early Repayment Term:	**Closed for the first six (6) months, open thereafter for early repayment in full without penalty.**
Amortization:	**Interest Only**

Loan Funding Date:	**Estimated to be in the month of November 2024. Exact date to be specified by the Lender.**
Interest Rate:	**<u>Up to and including July 31, 2025:</u>** **Greater of Royal Bank of Canada Prime + 7.55% per annum or 14.00% per annum, compounded monthly** **<u>Commencing on August 1, 2025:</u>** **Greater of Royal Bank of Canada Prime + 11.55% per annum or 18.00% per annum, compounded monthly**
Loan Servicing Fee:	**0.25% per annum, calculated and paid monthly** **The Loan Servicing Fee is payable by the Borrower to Domain Mortgage Corp. as the administrator of the Loan, as compensation for collecting and making interest payments, Loan record-keeping, and post-funding administration of the Loan in the normal course.**
Monthly Payments:	**$ 80,500.00 Interest Only Payments** **<u>$ 1,437.50</u> Loan Servicing Fee (0.25% of Loan Amount)** **$ 81,937.50 Total Monthly Payments** ***NOTE 1: Unpaid interest, if any, will accrue towards the principal balance of the Loan.***
Loan Fee(s):	**Domain Funding Mortgage Broker Fee = 3.00% of Loan Amount** **Domain Securities Corp. Fund Raising Fee = 1.00% of Loan Amount**
Loan Reserve(s):	**Monthly Payment Reserve: $737,437.50** **T.I + Leasing Reserve: $841,980.00** ***NOTE 1: The Loan Reserve(s) will be deducted from the Gross Loan Amount.***
Loan Security:	**The Lender will require the following Loan Security and other or further Loan Security, all of which must be found satisfactory to the Lender and its Solicitor:** **a) 1st Mortgage and Assignment of Rents registered against the Commercial Property** **b) 2nd Mortgage and Assignment of Rents registered against the Collateral Properties** **c) 1st Ranking General Security Agreement with respect to the Borrower(s) and Covenantor(s) under the P.P.S.A.** **d) Personal and/or corporate covenants as required by the Lender.** **e) Assignment of $737,437.50 Monthly Payment Reserve to the Lender.** **f) Assignment of $841,980.00 T.I + Leasing Reserve to the Lender.** **g) Property insurance, acceptable to the Lender.** **h) Title insurance in favour of the Lender.** **i) Hazardous substances and environmental indemnity agreement by the Borrower(s)/Covenantor(s) in favour of the Lender.** **Such other and further Loan security in connection with the Secured Property as may be required by the Lender or its solicitor.**
Loan Approval:	**Domain Funding will require the following material all of which must be found to be acceptable to Domain Funding and the Lender:** **a) Satisfactory inspection of the Secured Property by the Lender(s).**

	b) Payment of a non-refundable $2,500 travel fee in connection with the Loan. **c) Certificate(s) of Title for the Secured Property.** **d) Organizational Chart of the Borrowing Company(s) and any company providing a corporate covenant.** **e) Financial Statements for the Borrowing Company(s) and any company providing a corporate covenant.** **f) Current Personal Net Worth Statement(s) and Credit Bureau Report(s) of personal Covenantor(s).** **g) Confirmation that the Borrower(s)/Covenantor(s) are in good standing with the Canada Revenue Agency (CRA) with respect to tax filings and remittances.** **h) Most recent monthly Rent Roll including executed copies of all existing Leases, Renewals and/or Offers to Lease related to the Secured Property.** **i) Confirmation of balance of all existing debt registered on the Secured Property.** ***NOTE: Existing 1st mortgage registered on title(s) to the Collateral Properties not to exceed $800,000.*** **j) Confirmation of source of Borrower's equity.** **k) Building Condition Report(s) and Letter(s) of Transmittal for the Secured Property from a Lender-approved engineering consultant.** **l) Real Property Report for the Secured Property.** **m) Confirmation that there are no outstanding work orders or bylaw infractions relating to the Secured Property.** **n) Appraisal Report(s) and Letter(s) of Transmittal from a Lender-approved appraisal firm demonstrating "as is" value of no less than** • **$9,200,000 for the Commercial Property.** • **$4,000,000 for the Collateral Properties** **o) Environmental Report(s), acceptable to the Lender, demonstrating that the Secured Property is environmentally clean.** **p) Such other and further information and material that may be requested by Domain Funding or the Lender(s).** **q) Subject to the Lender's full due diligence, underwriting, and credit approval process.**

This is a non-binding Commercial Mortgage Term Sheet and is not a commitment to provide financing.

FINTRAC Compliance:

It is a requirement of the Loan that the Borrower(s)/Covenantor(s) comply with FINTRAC rules with respect to Anti Money Laundering (AML) and the Proceeds of Crime and Terrorist Financing Act (PCMLTFA).

The following requirements for this Loan have been identified to date:

1. Completion of KYC forms for all Borrower(s)/Covenantor(s)
2. Identity verification of personal Borrower(s)/Covenantor(s) involved in the Loan.

Further details are available in the following website: https://fintrac-canafe.canada.ca/re-ed/mortgage-hypotheque-eng.

Notes:

1. Not all mortgage Loan terms and conditions are contained in this Term Sheet.

2. If the Borrower(s)/Covenantor(s) agree to the terms and conditions outlined in this Commercial Mortgage Term Sheet, Domain Funding will issue a Loan Retainer Agreement which will contain additional terms and conditions in keeping with the nature of the Loan.
3. Subject to the Borrower(s)/Covenantor(s) accepting the Loan Retainer Agreement, and subject to the Loan underwriting, due diligence, and credit approval process, a Loan Commitment Letter, if and when issued, will contain additional terms and conditions in keeping with the nature of the Loan as well as numerous pre-funding conditions that must be satisfied prior to the funding of the Loan.

If you wish to proceed with this Loan application, please sign where indicated below and return to Domain Funding by **5:00 PM on Monday, October 21, 2024.**

Yours truly,

DOMAIN FUNDING

PER: Marcus Yun, Senior Underwriter

ACCEPTANCE OF COMMERCIAL MORTGAGE TERM SHEET

We hereby accept and agree to the terms and conditions of this Commercial Mortgage Term Sheet.

Dated this ____ day of October 2024.

BORROWER(S):	**COVENANTOR(S):**
Sunridge Landing Inc.	**Zulfikar Boga**
PER: Authorized Signatory	Zulfikar Boga

SCHEDULE "A"

Uses of Funds		
Repay existing 1st mortgage on the Commercial Property (estimate)	$	5,240,000.00
Monthly Payment Reserve (incl. 0.25% Loan Servicing Fee) - 9 months	$	737,437.50
T.I + Leasing Reserve ($60/sq.ft)	$	841,980.00
Domain Funding Broker Fee (3.00% of Loan Amount)	$	207,000.00
Domain Securities Corp. Fund Raising Fee (1.00% of Loan Amount)	$	69,000.00
Lender's legal fees, title insurance, misc., etc. (estimate)	$	20,000.00
Total Uses of Funds	$	7,115,417.50
Total Uses of Funds (Rounded)	**$**	**7,116,000.00**
Sources of Funds		
Domain Mortgage Corp. 1st Mortgage Loan Amount	$	6,900,000.00
Borrower cash contribution requirement (estimate)	$	216,000.00
Total Sources of Funds	**$**	**7,116,000.00**

NOTE 1: The above Sources and Uses of Funds Budget has been prepared by Domain Funding based on information provided by the Borrower(s)/Covenantor(s) and/or their mortgage broker and is subject to change.

NOTE 2: At the option of the Lender, any Loan proceeds will be controlled and/or disbursed by the Lender or its solicitor for the purposes outlined above or for other Lender-approved purposes.

NOTE 3: Any shortfall of funds to repay the existing debt on the Commercial Property is the responsibility of the Borrower(s)/Covenantor(s).