TEMPUS CAPITAL INC.

Consolidated Financial Statements

For the Years ended December 31, 2014 and 2013

TEMPUS CAPITAL INC.

(Expressed in Canadian Dollars)

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December 31, 2014 and 2013

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MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

The accompanying consolidated financial statements of Tempus Capital Inc. were prepared by management in accordance with International Financial Reporting Standards. Management acknowledges responsibility for the preparation and presentation of the consolidated financial statements, including responsibility for significant accounting judgments and estimates and the choice of accounting principles and methods that are appropriate to the Company's circumstances.

Management has established processes, which are in place to provide them sufficient knowledge to support management representations that they have exercised reasonable diligence that (i) the consolidated financial statements do not contain any untrue statement of material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it is made, as of the date of and for the periods presented by the consolidated financial statements and (ii) the consolidated financial statements fairly present in all material respects the financial condition, results of operations and cash flows of the Company, as of the date of and for the periods presented by the financial statements.

The Board of Directors is responsible for reviewing and approving the consolidated financial statements together with other financial information of the Company and for ensuring that management fulfills its financial reporting responsibilities. An Audit Committee assists the Board of Directors in fulfilling this responsibility. The Audit Committee meets with management to review the financial reporting process and the consolidated financial statements together with other financial information of the Company. The Audit Committee reports its findings to the Board of Directors for its consideration in approving the consolidated financial statements together with other financial information of the Company for issuance to the shareholders.

Management recognizes its responsibility for conducting the Company's affairs in compliance with established financial standards, and applicable laws and regulations, and for maintaining proper standards of conduct for its activities.

/s/ Russell Tanz
Russell Tanz, Chief Executive Officer

/s/ Brian Crawford
Brian Crawford, Chief Financial Officer

Burlington, Ontario
April 29, 2015

Grant Thornton

Independent auditor's report

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To the Shareholders of Tempus Capital Inc.

We have audited the accompanying consolidated financial statements of Tempus Capital Inc., which comprise the consolidated statements of financial position as at December 31, 2014 and 2013, the consolidated statements of operations and comprehensive income, changes in equity and cash flows for the years then ended, and a summary of significant accounting policies and other explanatory information.

Management's responsibility for the financial statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with International Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained in our audits is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of Tempus Capital Inc. as at December 31, 2014 and 2013, and its financial performance and its cash flows for the years then ended in accordance with International Financial Reporting Standards.

Grant Thornton LLP

Burlington, Canada	Chartered Accountants
April 29, 2015	Licensed Public Accountants

TEMPUS CAPITAL INC.
Consolidated Statements of Financial Position
(Expressed in Canadian dollars)

As at December 31	Note	2014	2013 (Restated- Note 3)
Assets			
Non-current assets			
Investment properties	[6]	$ 8,448,543	$ 5,546,236
Total non-current assets		8,448,543	5,546,236
Current assets			
Sundry receivables		36,443	22,319
Tenant allowances		23,750	-
Prepaid expenses and deposits	[7]	45,539	125,583
Cash		2,483	3,021
Total current assets		108,215	150,923
Total Assets		$ 8,556,758	$ 5,697,159
Equity and Liabilities			
Share capital	[10]	$ 1,963,762	$ 427,841
Contributed surplus	[10]	61,500	-
Retained earnings (deficit)		129,381	(273,883)
Total Equity		2,154,643	153,958
Non-current liabilities			
Mortgages payable	[8]	5,376,054	3,716,816
Tenant deposits		40,779	8,910
Deferred income taxes	[15]	75,837	-
Total non-current liabilities		5,492,670	3,725,726
Current liabilities			
Mortgages payable	[8]	669,463	526,629
Promissory notes payable	[9]	30,000	1,154,700
Accounts payable and accrued liabilities		209,982	136,146
Total current liabilities		909,445	1,817,475
Total Liabilities		6,402,115	5,543,201
Total Equity and Liabilities		$ 8,556,758	$ 5,697,159

Approved on behalf of the Board

"Russell Tanz"
Russell Tanz - Director

"Brian Crawford"
Brian Crawford - Director

See accompanying notes to the consolidated financial statements

TEMPUS CAPITAL INC.

Consolidated Statements of Operations and Comprehensive Income

(Expressed in Canadian dollars)

Years Ended December 31	**Note**	**2014**	**2013** (Restated-Note 3)
Rental revenue		$ 501,070	$ 14,754
Property operating costs		108,475	2,226
Net rental revenue		392,595	12,528
Expenses			
Interest expense		272,861	8,427
General and administrative	[13]	37,405	26,412
Professional fees	[14]	47,546	23,590
Due diligence, advisory and consulting		54,182	107,668
Share-based compensation	[11]	27,500	-
Total expenses		439,494	166,097
Loss before fair value gain		(46,899)	(153,569)
Fair value gain – investment properties	[6]	526,000	-
Income (loss) before income taxes		479,101	(153,569)
Deferred tax expense	[15]	75,837	-
Net income (loss) and comprehensive income (loss)		$ 403,264	$ (153,569)
Basic and diluted earnings (loss) per share		$ 0.03	$ (0.03)

See accompanying notes to the consolidated financial statements

TEMPUS CAPITAL INC.
Consolidated Statements of Cash Flows
(Expressed in Canadian dollars)

Years Ended December 31	**2014**	**2013** (Restated-Note 3)
CASH FLOWS PROVIDED BY (USED IN) OPERATING ACTIVITIES		
Net income (loss) for the year	$ 403,264	$ (153,569)
Items not affecting cash		
Promissory note interest rate discount	-	(5,300)
Share-based compensation	27,500	-
Deferred income taxes	75,837	-
Fair value gain – investment properties	(526,000)	-
Financing costs	11,760	-
Changes in non-cash working capital		
Sundry receivables	(14,124)	(17,485)
Tenant allowances	(23,750)	-
Prepaid expenses and deposits	80,044	(106,083)
Tenant deposits	31,869	8,910
Accounts payable and accrued liabilities	73,836	92,896
Cash flows from operating activities	140,236	(180,631)
FINANCING ACTIVITIES		
Proceeds from issuance of share capital, net of share issue costs	1,041,921	225,341
Proceeds from issuance of promissory notes	30,000	90,000
Repayment of promissory note	(1,070,000)	-
Proceeds from mortgage financing	2,387,500	3,830,000
Mortgage repayments	(533,364)	-
Increase in deferred financing	(63,824)	(36,555)
Cash flows from financing activities	1,792,233	4,108,786
INVESTING ACTIVITIES		
Purchase of investment property	(1,933,007)	(4,026,236)
Cash flows from investing activities	(1,933,007)	(4,026,236)
(Decrease) in cash for the year	(538)	(98,081)
Cash, beginning of year	3,021	101,102
Cash, end of year	$ 2,483	$ 3,021

Supplemental cash flow information (Note 17).

See accompanying notes to the consolidated financial statements

TEMPUS CAPITAL INC.
Consolidated Statements of Changes in Equity
(Expressed in Canadian dollars)

	Share Capital				
	Number of Shares	Amount	Contributed Surplus	Deficit (Restated-Note 3)	Total Shareholders' Equity
At January 1, 2013	2,700,000	$ 202,500	$ -	$ (120,314)	$ 82,186
Common shares issued for cash	3,182,998	238,725	-	-	238,725
Share issue costs		(13,384)	-	-	(13,384)
Net loss for the year			-	(153,569)	(153,569)
At December 31, 2013	5,882,998	427,841	-	(273,883)	153,958
Common shares issued for cash	11,775,000	1,040,000	-	-	1,040,000
Common shares issued to acquire investment property	3,981,818	438,000	-	-	438,000
Common shares issued on conversion of debt	1,182,062	94,565	-	-	94,565
Share issue costs	-	(2,644)	-	-	(2,644)
Fair value of warrants	-	(34,000)	34,000	-	-
Share-based compensation	-	-	27,500	-	27,500
Net income for the year		-	-	403,264	403,264
At December 31, 2014	22,821,878	$1,963,762	$ 61,500	$ 129,381	$ 2,154,643

See accompanying notes to the consolidated financial statements

1. NATURE OF OPERATIONS

Tempus Capital Inc. ("Tempus" or the "Company") was incorporated on February 16, 2011 pursuant to the provisions of the Business Corporations Act (Ontario).

The Company is a reporting issuer in Ontario, Alberta and British Columbia but its shares are not listed on an exchange or trading platform.

The registered and operating office of the Company is 855 Brant Street, Burlington, Ontario L7R 2J6. Tempus is a real estate operating company whose emerging real estate portfolio currently consists of two properties in Ontario, a commercial plaza acquired in 2013 and a mixed commercial/residential property acquired in December 2014.

The consolidated financial statements of the Company for the year ended December 31, 2014, were authorized for issue in accordance with a resolution of the Board of Directors on April 29, 2015.

2. SIGNIFICANT ACCOUNTING POLICIES

Statement of Compliance

These consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

Basis of Presentation

The consolidated financial statements of the Company include the accounts of 2335501 Ontario Inc., which is a wholly-owned subsidiary of the Company, and 2443578 Ontario Ltd., which is a joint operation of the Company. The consolidated financial statements have been prepared on a historical cost basis, except for investment properties that have been measured at fair value. Historical cost is generally based on the fair value of the consideration given in exchange for assets. The consolidated financial statements have been prepared on a going concern basis and are presented in Canadian dollars, which is Tempus's functional currency. Standards and guidelines not effective for the current accounting period are described in Note 5.

Basis of Consolidation

(i) *Subsidiaries*

The consolidated financial statements comprise the assets and liabilities of all subsidiaries and the results of all subsidiaries for the financial period. Tempus and its subsidiaries are collectively referred to as Tempus in these consolidated annual financial statements.

Subsidiaries are entities controlled by Tempus. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries have been changed when necessary to align them with the policies adopted by Tempus.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

In its evaluation, Management considers whether Tempus controls the entity by virtue of the following circumstances:

a) Power over more than half of the voting rights by virtue of an agreement with other investors;

b) Power to govern the financial and operating policies of the entity under a statute or an agreement;

c) Power to appoint or remove the majority of the members of the board of directors or equivalent governing body and control of the entity is by that board or body;

d) Power to cast the majority of votes at meetings of the board of directors or equivalent governing body and control of the entity is by that board or body.

A change in the ownership interest of a subsidiary, without a change of control, is accounted for as an equity transaction.

(ii) *Joint Arrangement – 2243578 Ontario Ltd.*

The Company has a joint arrangement in and joint control of an investment property. The Company has assessed the nature of its joint arrangement at December 31, 2014, and determined it to be a joint operation. For joint operations, the Company recognizes its share of revenues, expenses, assets and liabilities, which are included in their respective descriptions on the consolidated statements of financial position and consolidated statements of operations and comprehensive income. All balances and effects of transactions between joint operations and the Company have been eliminated to the extent of the Company's interest in the joint operations.

Property Asset Acquisitions

At the time of acquisition of a property or a portfolio of investment properties, the Company evaluates whether the acquisition is a business combination or asset acquisition. IFRS 3, Business Combinations ("IFRS 3") is only applicable if it is considered that a business has been acquired. A business according to IFRS 3 is defined as an integrated set of activities and assets conducted and managed for the purpose of providing a return to investors or lower costs or other economic benefits directly and proportionately to the Company. When determining whether the acquisition of an investment property or a portfolio of investment properties is a business combination or an asset acquisition, the Company applies judgment when determining whether an integrated set of activities is acquired in addition to the property or portfolio of properties. The basis of this judgmental assessment is set out in Note 4.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

When an acquisition does not represent a business as defined under IFRS 3, the Company classifies these properties or a portfolio of properties as an asset acquisition. Identifiable assets acquired and liabilities assumed in an asset acquisition are measured initially at their relative fair values at the acquisition date, except for financial instruments which are recognized initially at fair value. Acquisition-related transaction costs are capitalized to the property.

All of Tempus's acquisitions have been classified as asset acquisitions.

Investment Properties

Investment properties are held to earn rental income or for capital appreciation, or both. A key characteristic of an investment property is that it generates cash flows largely independently of the other assets held by an entity. Investment properties are initially measured at cost including transaction costs. Transaction costs include various professional fees, land transfer tax and initial leasing commissions to bring the property up to the condition necessary for it to be capable of operating. Subsequent to initial recognition, investment properties are recorded at fair value and related gains or losses arising from changes in fair value are recognized in net earnings in the period of change. The determination of fair value is based upon, among other things, rental revenue from current leases and reasonable and supportable assumptions that represent what knowledgeable, willing parties would assume about rental revenue from future leases in light of current conditions, less future cash outflows in respect of tenant installation costs and income property operations.

An investment property is derecognized when it has been disposed of or permanently withdrawn from use and no future economic benefit is expected from its disposal. Any gains or losses on the retirement or disposal of an investment property are recognized in the consolidated statement of operations and comprehensive loss in the period of retirement or disposal. Gains or losses on the disposal of an investment property are determined as the difference between the net disposal proceeds and the carrying value of the asset in the previous reporting period financial statements.

Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Revenue is measured at the fair value of the consideration received.

The Company accounts for leases with its tenants as operating leases as the Company has not transferred substantially all of the benefits and risks of ownership of its investment properties. Rental revenue includes all amounts earned from tenants related to lease agreements including property tax and operating cost recoveries.

The Company reports minimum rental revenue on a straight-line basis, whereby the total amount of cash to be received under a lease is recognized into net earnings in equal periodic amounts over the term of the lease. Contingent rents are recognized as revenue in the period in which they are earned.

Amounts payable by tenants to terminate their lease prior to their contractual expiry date are included in rental revenue.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset. Tenant incentives are recognized as a reduction of rental revenue on a straight-line basis over the term of the lease. The lease term is the non-cancellable period of the lease.

Tenant Inducements

Incentives such as cash, rent-free periods and move-in allowances may be provided to lessees to enter into a lease. These incentives are capitalized and amortized on a straight-line basis over the term of the lease as a reduction of rental revenue.

Impairment of Assets

At the end of each reporting period, assets, other than those identified in the standards as not being applicable to IAS 36 – Impairment of Assets, such as investment properties recorded at fair value, are assessed for any indication of impairment. Should the indication of impairment exist, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Recoverable amount is defined as the higher of an asset's "fair value less cost to sell" and its "value-in-use". In assessing value-in-use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimate of future cash flows have not been adjusted.

Where the carrying amount of an asset exceeds the recoverable amount determined, an impairment loss is recognized in the consolidated statement of operations and comprehensive loss. After the recognition of an impairment loss, the depreciation charge related to that asset is also revised for the adjusted carrying amount on a systematic basis over the remaining useful life of the asset. Should this impairment loss be determined to have reversed in a future period a reversal of the impairment loss is recorded in profit or loss. However, the reversal of an impairment loss will not increase the carrying amount that would have been determined (net of amortization) had no impairment loss been recognized.

Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at inception date, whether fulfilment of the arrangement is dependent on the use of a specific asset or assets or the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Finance leases, which transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease at the fair value of the leased item or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between the finance charges and the reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the income statement as they arise.

Other leases are classified as operating leases. Operating lease payments are recognised as an expense in the income statement on a straight-line basis over the lease term, except for contingent rental payments which are expensed when they arise.

The Company has assessed all leases in which it is the lessor to be operating leases.

When the acquisition does not represent a business, it is accounted for as an acquisition of a group of assets and liabilities, the cost of the acquisition including transaction costs is allocated to the assets and liabilities acquired based upon their relative fair values, and no goodwill is recognized.

Share-Based Payments

The fair value of share options granted to employees at the date of grant is recognized as an expense over the vesting period with a corresponding increase in contributed surplus. An individual is classified as an employee when the individual is an employee for legal or tax purposes or provides services similar to those performed by a direct employee, including directors of the Company.

In situations where share options are issued to non-employees and some or all of the goods or services received by the Company as consideration cannot be specifically identified, the unidentified goods or services received (or to be received) are measured as the difference between the fair value of the share-based payment transaction and the fair value of any identified goods or services received at the grant date.

The fair value is measured at the grant date and recognized over the period during which the options vest. The fair value of the options granted is measured using the Black-Scholes option-pricing model, taking into account the terms and conditions upon which the options were granted. At the end of each reporting period, the amount recognized as an expense is adjusted to reflect the actual number of share options that are expected to vest. Stock option expense incorporates an expected forfeiture rate.

All equity settled share-based payments are reflected in contributed surplus, until exercised. Upon exercise, shares are issued from treasury and the amount reflected in contributed surplus is credited to share capital, adjusted for any consideration paid. If an option is not exercised prior to its expiration, the amount previously reflected in contributed surplus is credited to retained earnings (deficit).

Income Taxes

Income tax expense comprises current and deferred tax. Income tax expense is recognized in earnings except to the extent that it relates to items recognized directly in equity, in which case it is recognized in equity.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Current tax is the expected tax payable (or receivable) on the taxable income (loss) for the year, using tax rates enacted or substantially enacted at the reporting date, and any adjustments to tax payable in respect of previous years.

Deferred tax is recognized by providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognized on the initial recognition of assets and liabilities in a transaction that is not a business combination. In addition, deferred tax is not recognized for taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

A deferred tax asset is recognized to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized. For the determination of deferred tax assets and liabilities where investment property is measured using the fair value model, the presumption is that the carrying amount of an investment property is recovered through sale, as opposed to presuming that the economic benefits of the investment property will be substantially consumed through use over time.

Additional income taxes that arise from the distribution of dividends are recognized at the same time as the liability to pay the related dividend.

Earnings Per Share

Basic income per share is computed by dividing the loss for the year by the weighted average number of common shares outstanding during the year, including contingently issuable shares which are included when the conditions necessary for the issuance have been met. Diluted earnings per share is calculated in a similar manner, except that the weighted average number of common shares outstanding is increased to include potentially issuable common shares from the assumed exercise of common share purchase options and warrants, if dilutive. The number of additional shares included in the calculation is based on the treasury stock method for options and warrants. Diluted earnings per share do not include the effect of potentially issuable common shares if their effect is anti-dilutive.

Financial Instruments

Financial Assets

The Company classifies its financial assets into one of the following categories, depending on the purpose for which the asset was acquired. The Company's accounting policy for each category is as follows:

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value through profit or loss ("FVTPL") - This category involves financial instruments held for the purpose of selling them in the short term. All of the financial instruments in this category meet the definition of financial assets held for trading. Derivatives are included in this category, unless they are designated as hedges. The instruments classified in this category are classified in current assets and include cash. The financial instruments included in this category are initially recognized at fair value and the transaction costs are expensed to the Consolidated Statement of Operations and Comprehensive Income. Subsequently, financial assets at fair value through profit or loss are measured at fair value and all gains and losses, realized and unrealized, measured on the basis of market transactions, are recognized directly in the Consolidated Statement of Operations and Comprehensive income.

Loans and receivables - These assets are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. They are carried at cost less any provision for impairment. Individually significant receivables are considered for impairment when they are past due or when other objective evidence is received that a specific counterparty will default.

Held-to-maturity investments - These assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. These assets are measured at amortized cost using the effective interest method. If there is objective evidence that the investment is impaired, determined by reference to external credit ratings and other relevant indicators, the financial asset is measured at the present value of estimated future cash flows. Any changes to the carrying amount of the investment, including impairment losses, are recognized in the Consolidated Statement of Operations and Comprehensive Income. The Company has no held-to-maturity investments as at December 31, 2014.

Available-for-sale - Non-derivative financial assets not included in the above categories are classified as available-for-sale. They are carried at fair value with changes in fair value recognized directly in equity. Where a decline in the fair value of an available-for-sale financial asset constitutes objective evidence of impairment, the amount of the loss is removed from equity and recognized in the Consolidated Statement of Operations and Comprehensive Income. The Company has no available-for-sale assets as at December 31, 2014.

All financial assets except for those at fair value through profit or loss are subject to review for impairment at least at each reporting date. Financial assets are impaired when there is any objective evidence that a financial asset or a group of financial assets is impaired. Different criteria to determine impairment are applied for each category of financial assets, which are described above.

Financial Liabilities

The Company classifies its financial liabilities into one of two categories, depending on the purpose for which the liability was assumed. The Company's accounting policy for each category is as follows:

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Fair value through profit or loss ("FVTPL") - This category comprises derivatives, or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term. They are carried in the Consolidated Statement of Financial Position at fair value with changes in fair value recognized in the Consolidated Statement of Operations and Comprehensive Income. The Company has no derivatives or liabilities acquired or incurred principally for the purpose of selling or repurchasing it in the near term.

Other financial liabilities - This category includes financial liabilities that are not classified as FVTPL. Subsequent to initial recognition, other financial liabilities are measured at amortized cost using the effective interest method, with interest recognized on an effective yield basis.

The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest costs over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability or (where appropriate) to the net carrying amount on initial recognition.

The Company derecognizes financial liabilities when the obligations are discharged, cancelled or expire.

The Company's financial instruments consist of the following:

Financial assets:	Classification:	Measurement:
Cash	Loans and receivables	Amortized cost
Sundry receivables	Loans and receivables	Amortized cost
Tenant allowance	Loans and receivables	Amortized cost

Financial liabilities:	Classification:	Measurement:
Mortgages payable	Other financial liabilities	Amortized cost
Promissory note payable	Other financial liabilities	Amortized cost
Accounts payable and accrued liabilities	Other financial liabilities	Amortized cost
Tenant deposits	Other financial liabilities	Amortized cost

Impairment of financial assets:

Financial assets are assessed for indicators of impairment at the end of each reporting period. Financial assets are impaired when there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the financial assets have been negatively impacted.

Evidence of impairment could include:

- significant financial difficulty of the issuer or counterparty; or
- default or delinquency in interest or principal payments; or
- the likelihood that the borrower will enter bankruptcy or financial re-organization.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

The carrying amount of a financial asset is reduced by any impairment loss directly for all financial assets with the exception of amounts receivable, where the carrying amount is reduced through the use of an allowance account. When an account receivable is considered uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are credited to income. Changes in the carrying amount of the allowance account are recognized in profit or loss. If, in a subsequent period, the amount of the impairment loss decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the Consolidated Statement of Operations and Comprehensive Loss to the extent that the carrying amount of the financial asset at the date the impairment is reversed does not exceed what the amortized cost would have been had the impairment not been recognized.

Financial instruments recorded at fair value:

Financial instruments recorded at fair value on the statements of financial position are classified using a fair value hierarchy that reflects the reliability of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Level 1 - valuation based on quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2 - valuation techniques based on inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and
- Level 3 - valuation techniques using inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Financing fees and other costs incurred in connection with debt financing are deducted from the cost of the debt and amortized using the effective interest method. Upon refinancing, any costs associated with the previous mortgages are written off to income.

Provisions

A provision is a liability of uncertain timing or amount. The Company records provisions when it has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognized for future operating losses. Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a discount rate that reflects current market assessments of the time value of money and the risks specific to the obligation. Provisions are remeasured at each statement of financial position date using the current discount rate. The increase in the provision due to the passage of time is recognized as interest expense.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

Comprehensive Income

Comprehensive income (loss) is comprised of net income (loss) and other comprehensive income (loss), which represents changes in the Company's net assets that results from transactions, events and circumstances from sources other than the Company's shareholders. For the years ended December 31, 2014 and 2013, there is no difference between the Company's net income (loss) and comprehensive income (loss) nor is there any accumulated other comprehensive income (loss) as at December 31, 2014 and 2013.

Share Capital

The proceeds from the exercise of stock options, warrants and escrow shares are recorded as share capital in the amount for which the option, warrant or escrow share enabled the holder to purchase a share in the Company.

Commissions paid to agents, and other related share issue costs, such as legal, auditing, and printing, on the issue of the Company's shares are charged directly to share capital.

3. ACCOUNTING CHANGE

During the prior year, the Company expensed amounts related to costs and fees incurred in connection with debt financing. IFRS requires the amounts to be accounted for as a reduction of the cost of debt and amortized using the effective interest method over the term of the related debt. The prior year figures have been re-stated to reflect the accounting for the amounts in accordance with IFRS.

In the Consolidated Statement of Operations and Comprehensive Income, general and administrative expenses were reduced by $36,555, resulting in loss and comprehensive loss being reduced by $36,555.

In the Consolidated Statement of Financial Position, the carrying value of mortgages payable and deficit were reduced by $36,555.

There was no change in the basic and diluted earnings (loss) per share.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Company's consolidated financial statements in conformity with IFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, and the disclosure of contingent liabilities at the date of the financial statements, and income and expenses during the reporting period. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

(i) Judgments

In the process of applying the Company's accounting policies, management has made the following judgments, which have the most significant effect on the amounts recognized in the consolidated financial statements:

(1) Investment properties

The Company's accounting policies relating to investment property are described under "Investment Properties". In applying these policies, judgment is applied in determining whether certain costs are additions to the carrying amount of the property.

(2) Leases

The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, that it retains all the significant risks and rewards of ownership of these properties and so accounts for the contracts with tenants as operating leases.

In applying this policy, the Company makes judgments with respect to the point in time at which revenue recognition under the lease commences.

(3) Income taxes

The Company follows the asset/liability method for calculating deferred income taxes. Tax interpretations, regulations and legislation in the various jurisdictions in which the Company operates are subject to change. As such, income taxes are subject to measurement uncertainty. Deferred income tax assets are assessed by management at the end of the reporting period to determine the likelihood that they will be realized from future taxable earnings. Assessing the recoverability of deferred income tax assets requires the Company to make significant estimates related to the expectations of future cash flows from operations and the application of existing tax laws in each jurisdiction.

(ii) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the statement of financial position date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

(1) Valuation of investment properties

Estimates and assumptions used in the valuation of investment property are described in Note 6.

4. SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS (continued)

(2) Fair value of financial instruments

Where the fair value of financial assets and financial liabilities recorded in the statement of financial position or disclosed in the notes cannot be derived from active markets, they are determined using valuation techniques including the discounted cash flows model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. The judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

(3) Guarantees

The Company reviews its contingent liabilities relating to guarantees it provides to third parties. The Company's guarantees remain in place for certain debts guaranteed by third parties and will remain until such debts are extinguished or lenders agree to release the third parties' covenants.

(4) Deferred income taxes

The Company exercises judgment in estimating deferred tax assets and liabilities. Income tax laws may be subject to different interpretations and the income tax expense recorded by the Company reflects the Company's interpretation of the relevant tax laws. The Company is also required to estimate the timing of reversals of temporary differences between accounting and taxable income in determining the appropriate rate to apply in calculating deferred taxes.

5. FUTURE ACCOUNTING POLICY CHANGES

Certain pronouncements were issued by the IASB or the IFRS Interpretations Committee that are mandatory for accounting years beginning on or after January 1, 2015. Many are not applicable or do not have a significant impact to the Company and have been excluded from the table below. The following have not yet been adopted and are being evaluated to determine their impact on the Company.

IFRS 9 *Financial instruments* ("IFRS 9") is a partial replacement of IAS 39 Financial Instruments: Recognition and Measurement ("IAS 39"). IFRS 9 uses a single approach to determine whether a financial asset is measured at amortized cost or fair value, replacing the multiple rules in IAS 39. The approach in IFRS 9 is based on how an entity manages its financial instruments in the context of its business model and the contractual cash flow characteristics of the financial assets.

Most of the requirements in IAS 39 for classification and measurement of financial liabilities were carried forward unchanged to IFRS 9. The new standard also requires a single impairment method to be used, replacing the multiple impairment methods in IAS 39. IFRS 9 is effective for annual periods beginning on or after January 1, 2018. The Company does not anticipate a significant impact on the financial results as revenue earned from leases is outside the scope of the standard.

5. FUTURE ACCOUNTING POLICY CHANGES (continued)

IFRS 15 *Revenue from Contracts with Customers* ("IFRS 15") establishes a new five-step model that will apply to revenue arising from contracts with customers. Under IFRS 15 revenue is recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The principles in IFRS 15 provide a more structured approach to measuring and recognizing revenue.

The new revenue standard is applicable to all entities and will supersede all current revenue recognition requirements under IFRS. Either a full or modified retrospective application is required for annual periods beginning on or after January 1, 2017, with early adoption permitted. The Company is in the process of assessing the impact IFRS 15 may have on future financial statements and plans to adopt the new standard on the required effective date, however, the Company does not anticipate a significant impact on the financial results as revenue earned from leases is outside the scope of the standard.

Amendments to IFRS 11 *Joint Arrangements: Accounting for Acquisitions of Interests* ("IFRS 11"). The amendments to IFRS 11 require that a joint operator accounting for the acquisition of an interest in a joint operation, in which the activity of the joint operation constitutes a business must apply the relevant IFRS 3 principles for business combinations accounting. The amendments also clarify that a previously held interest in a joint operation is not re-measured on the acquisition of an additional interest in the same joint operation while joint control is retained. In addition, a scope exclusion has been added to IFRS 11 to specify that the amendments do not apply when the parties sharing joint control, including the reporting entity, are under common control of the same ultimate controlling party.

The amendments apply to both the acquisition of the initial interest in a joint operation and the acquisition of any additional interests in the same joint operation and are prospectively effective for annual periods beginning on or after January 1, 2016, with early adoption permitted. The Company is in the process of assessing the impact the amendments to IFRS 11 may have on future financial statements.

6. INVESTMENT PROPERTIES

		2014		**2013**
Balance, beginning of year	$	5,546,236	$	-
Fair value gain on investment properties		526,000		-
Acquisition		2,220,674		5,546,236
Capital expenditure on investment properties		155,633		-
Balance, end of year	$	8,448,543	$	5,546,236

Investment properties are held by a wholly-owned subsidiary and joint operation in which Tempus has an 85% interest. Both of the wholly-owned subsidiary and joint operation hold registered title to respective properties as bare trustees.

6. INVESTMENT PROPERTIES (continued)

Valuation methodology and processes

The fair value of investment properties as of December 31, 2014 and December 31, 2013 is determined internally by management using assumptions and market information obtained from industry professionals. Investment properties carried at fair value are categorized by level according to the significance of the inputs used in making the measurements. As the fair value of investment properties is determined with significant unobservable inputs, all of the investment properties are classified as Level 3 assets.

Management's primary internal valuation model is based on a capitalization of forecasted normalized net operating income approach. The Company determines the forecasted normalized net operating income for each property based on current in-place rents and assumptions about occupancy, less cash outflows expected to operate and manage each individual property within the portfolio. Capitalization rates used to estimate fair market value take into account many factors including but not limited to: the location of the property, the quality and strength of tenants, whether lease rates are over or under current market rates, demand for the type and use of the property, the age of the building, any special use characteristics of the building or area, and vacancy rates in the area. Market information related to the external sale of similar buildings within a similar geographic location is also taken into consideration. The Company's management is responsible for determining fair value measurements including verifying all major inputs included in the valuation.

The key level 3 valuation metrics for the investment properties are set out in the following table:

		2014		**2013**
Range of capitalization rates applied to investment properties		6.25%-7%		6.50%
Fair values of properties where cap rates were applied	$	8,438,543	$	5,546,325
Weighted average cap rates		6.75%		6.50%
Fair value impact of increasing average cap rate by 1%	$	(123,448)	$	(8,450)
Fair value impact of a 1% decrease in net operating income	$	(84,562)	$	(55,007)

7. PREPAID EXPENSES AND DEPOSITS

		2014		**2013**
Prepaid insurance	$	30,254	$	24,168
Prepaid due diligence costs		-		51,415
Other prepaid amounts		15,285		-
Deposit in trust		-		50,000
Total	$	45,539	$	125,583

8. MORTGAGES PAYABLE

			2014		2013
First mortgage	- current	$	159,057	$	83,364
	- non-current		5,425,079		3,746,636
Second mortgage	- current		550,000		450,000
			6,134,136		4,280,000
Unamortized deferred financing costs			(88,619)		(36,555)
Total		$	6,045,517	$	4,243,445

The first mortgage on the Strathroy property bears interest at 4.03% and is payable in blended monthly payments of $20,209. The first mortgage on the London property bears interest at 3.53% and is payable in blended monthly payments of $ 10,991. Both mortgages are secured by the respective investment property.

The first mortgage on the Strathroy property and the London property are guaranteed as to 25% and $500,000 respectively by a director of the Company.

The second mortgage, secured by a charge on the Strathroy property and guaranteed by a director, bears interest at 11% and is payable monthly interest only plus a payment of principal in the amount of $ 37,500 on April 21, 2015, and matures on October 21, 2015.

Scheduled annual principal repayments are as follows:

2015	$	709,057
2016		165,202
2017		171,586
2018		178,218
2019		185,062
Thereafter		4,725,011
Total principal repayments		6,134,136

9. PROMISSORY NOTES PAYABLE

			2014		2013
Promissory note	(i)	$	-	$	35,000
Promissory note	(i)				35,000
Promissory note	(i)		-		20,000
Promissory note	(ii)		-		1,064,000
Promissory note	(iii)		-		-
			30,000		
Total		$	30,000	$	1,154,700

(i) Promissory notes plus accrued interest were exchanged for common shares during the year at a deemed price of $0.08 per share.
(ii) Promissory note was repaid during the year.
(iii) Promissory note bears interest at 6% per annum and is due on June 30, 2015.

10. SHARE CAPITAL, CONTRIBUTED SURPLUS AND STOCK OPTIONS

Share Capital

Authorized

Unlimited number of common shares without par value

Issued	**2014**			**2013**		
	Number of Shares		Value	Number of Shares		Value
Balance, beginning of year	5,882,998	$	427,841	2,700,000	$	202,500
Issued for cash [(1), (2)]	11,775,000		1,003,356	3,182,998		225,341
Issued on conversion of debt	1,182,062		94,565	-		-
Issued for acquisition of investment property	3,981,818		438,000	-		-
Balance, end of year	22,821,878	$	1,963,762	5,882,998	$	427,841

(1) Net of issue costs of $2,644 (2013-$13,383)
(2) Net of fair value of warrants of $34,000 (2013-$Nil)

During the year, the Company issued:

- 4,900,000 units at $0.10 per unit with each unit consisting of 1 common share and 1 common share purchase warrant exercisable at $0.12 per share until February 20, 2015. The Company received cash proceeds of $490,000 and incurred share issue costs of $2,644.
- 6,875,000 common shares at $0.08 per share for cash proceeds of $550,000.
- 1,182,062 common shares at $0.08 per share as settlement of debt of $94,565.
- 3,981,818 common shares at $0.11 per share as consideration for investment property.

10. SHARE CAPITAL, CONTRIBUTED SURPLUS AND STOCK OPTIONS (continued)

During the prior year, the Company issued:

- 3,182,998 common shares at $0.075 per share for cash proceeds of $238,725 and incurred share issue costs of $13,384.

Contributed Surplus		2014		2013
Balance, beginning of year	$	-	$	-
Warrants issued		34,000		-
Share-based compensation		27,500		-
Balance, end of year	$	61,500	$	-

If a warrant is not exercised prior to its expiration, the amount previously reflected in contributed surplus is credited to share capital.

11. SHARE-BASED COMPENSATION, CONTRIBUTED SURPLUS AND STOCK OPTIONS

Stock options

The Company has established a stock option plan (the "Plan") for the benefit of directors, officers and employees of and consultants to the Company. The maximum number of shares that may be reserved for issuance under the Plan is limited to 10% of the issued common shares of the Company at any time. Under the plan, the exercise price of each option equals the market price of the Company's stock, less an applicable discount, as calculated on the date of grant. The options can be granted for a maximum term of 5 years and vest at the discretion of the board of directors.

Options granted to consultants not engaged in investor relations activities are granted for past services and vest immediately.

The fair value at grant date is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the option, the impact of dilution, the share price at grant date, the expected price volatility of the underlying share, the expected dividend yield, expected forfeitures and the risk free interest rate for the term of the option.

A summary of the status of the stock option plan and changes are presented below:

	2014			2013		
	Number of Shares		Weighted Average Exercise Price	Number of Shares		Weighted Average Exercise Price
Outstanding, beginning of year	-	$	0.00	-	$	0.00
Granted	890,000		0.10	-		0.00
Outstanding , end of year	890,000	$	0.10	-	$	0.00

11. SHARE-BASED COMPENSATION, CONTRIBUTED SURPLUS AND STOCK OPTIONS (continued)

890,000 stock options were issued in September 2014 with an estimated fair value of $27,500 using the following assumptions:

- The weighted average share price was $0.10.
- The volatility factor used was 33%.
- The risk-free interest rate used was 1.2%.
- The dividend yield was 0%.
- The weighted average remaining contractual life of options outstanding at December 31, 2014 was 4.70 years.
- The options expire on September 11, 2019.

12. WARRANTS

The following common share purchase warrants entitle the holders thereof the right to purchase one common share for each common share purchase warrant. Warrants transactions are summarized as follows:

	Number of Warrants	Weighted Average Exercise Price
Balance December 31, 2013	-	$ 0.00
Issue of warrants	4,900,000	$ 0.12
Balance December 31, 2014	4,900,000	$ 0.12

The fair value of the warrants is determined using a Black-Scholes option pricing model that takes into account the exercise price, the term of the warrants, the impact of dilution, the share price at issue date, the expected price volatility of the underlying share, the expected dividend yield and the risk free interest rate for the term of the warrants.

4,900,000 warrants were issued in February 2014 with an estimated fair value of $34,000 using the following assumptions:

- The weighted average share price was $0.09.
- The volatility factor used was 45%.
- The risk-free interest rate used was 1.2%.
- The dividend yield was 0%.
- The weighted average remaining contractual life of warrants outstanding at December 31, 2014 was 1 year.
- The options expire on February 20, 2016.

13. GENERAL AND ADMINISTRATIVE EXPENSES

		2014		2013
Filing fees	$	5,461	$	5,533
Insurance		14,826		1,080
Office and overhead		15,755		15,620
Travel		1,363		4,179
Total	$	37,405	$	26,412

14. PROFESSIONAL FEES

		2014		2013
Audit fees	$	20,964	$	21,114
Legal fees-corporate		26,582		2,476
Total	$	47,546	$	23,590

15. INCOME TAXES

Provision for Income Taxes

The following table reconciles the expected income tax provision at the statutory income tax rate of 26.5% (2013 - 26.5%) to the amounts recognized in the consolidated statements of income (loss) and comprehensive income (loss):

		2014		2013
Income (loss) before income taxes	$	479,101	$	(153,569)
Expected income tax (recovery) at the statutory rate		126,962		(40,696)
Other		(6,757)		12,318
Benefit of tax losses not recognized		-		28,378
Utilization of tax losses and deductible temporary differences not previously recognized		(44,368)		-
Income tax expense	$	75,837	$	-

Deferred Tax

The components of the Company’s deferred income tax assets are as follows:

		2014		2013
Financing fees	$	2,688	$	-
Intangibles		82,892		-
Tax losses		48,708		-
Total deferred tax assets	$	134,288	$	-

15. INCOME TAXES (continued)

The components of the Company's deferred income tax liabilities are as follows:

	2014	2013
Investment properties	$ 205,984	$ -
Financing costs	4,141	-
Total deferred tax liabilities	$ 210,125	$ -

Deferred tax assets and deferred tax liabilities are offset in the Consolidated Statements of Financial Position as the tax assets and tax liabilities relate to the same taxing authority.

Deferred tax assets in the amount of $134,288 have been recognized as the Company expects to have future taxable profits. The Company's historic and current tax losses resulted from insufficient revenue producing assets during the Company's pre-operating period.

The following temporary differences were not recognized in the 2013 financial statements as it was management's opinion that it was not probable that sufficient taxable income will be available against which they can be utilized:

	2013
Non-capital loss carry forwards	$ 185,003
Tax deductible reserves	161,388
	$ 346,391

Tax loss-loss-carry-forwards

As at December 31, 2014 the Company had approximately $417,589 (2013 - $185,003) of non-capital losses which can be used to reduce taxable income in future years. The non-capital losses expire as described below:

2031	$ 157
2032	35,856
2033	14,559
2034	134,431
2035	232,586
	$ 417,589

16. PER SHARE INFORMATION

The basic and diluted net income (loss) per share is calculated based on the following:

	2014	2013
Weighted average number of shares	13,133,962	5,623,124

The effect of the options issued to certain management, directors, and consultants, and the effect of the warrants issued in connection with equity financing are not presented as they would have an anti-dilutive effect on the income (loss) per share.

17. SUPPLEMENTAL CASH FLOW INFORMATION

		2014		2013
Interest paid on mortgages and promissory notes	$	262,101	$	8,427
Non-cash investing transactions:				
Common shares issued to fund the purchase of investment property		438,000		-
Assumed debt to fund the purchase of investment property		-		1,514,700

18. FINANCIAL RISK MANAGEMENT

In the normal course of business, the Company is exposed to a variety of risks that can affect its operating performance. These risks, and the actions taken to manage them, are as follows:

Credit risk

Credit risk arises from the possibility that tenants and/or debtors may experience financial difficulty and be unable or unwilling to fulfill their lease commitments or other obligations. The Company mitigates the risk of credit loss by investing in well-located properties in urban markets that attract quality tenants, ensuring that its tenant mix is well diversified, and by limiting its exposure to any one tenant. A tenant's success over the term of its lease and its ability to fulfill its lease obligations is subject to many factors. There can be no assurance that a tenant will be able to fulfill all of its existing commitments and leases up to the expiry date. The Company's exposure to credit risk is limited to the carrying amounts of its financial assets.

18. FINANCIAL RISK MANAGEMENT (continued)

The Company's leases typically have lease terms between five and twenty years and may include clauses to enable periodic upward revision of the rental rates.

	2014
Within 1 year	$ 556,664
After 1 year, but not later than 5 years	1,951,361
More than 5 years	907,479
	$ 3,415,504

Interest rate risk

The Company attempts to structure its financings so as to stagger the maturities of its debt, thereby mitigating its exposure to interest rate and other credit market fluctuations. Interest represents a significant cost in financing the ownership of real property. Currently all of the Company's mortgages and promissory notes are fixed rate instruments. The Company's cash held in its bank account earns interest income at variable rates and is exposed to movements in interest rates.

Liquidity risk

Real estate investments are relatively illiquid. This will tend to limit the Company's ability to sell components of its portfolio promptly in response to changing economic or investment conditions. If the Company was required to quickly liquidate its assets, there is a risk that it would realize sale proceeds of less than the current value of its investment property.

An analysis of the Company's contractual maturities of its material financial liabilities is set out below:

	Payments by Period				
	2015	**2016**	**2017**	**Thereafter**	**Total**
Mortgages payable (Note 8)	$ 709,057	$ 165,202	$ 171,586	$ 5,088,291	$ 6,134,136
Promissory notes Payable (Note 9)	30,000	-	-	-	30,000
Total	$ 739,057	$ 165,202	$ 171,586	$ 5,088,291	$ 6,164,136

In addition, the Company has contractual commitments with respect to its outstanding accounts payable and accrued liabilities and investment property.

The Company manages its liquidity risk by staggering debt maturities, holding cash reserves and issuing equity when considered appropriate.

19. CAPITAL MANAGEMENT

The Company manages its capital, taking into account the long-term business objectives of the Company, to provide stability and reduce risk while generating an acceptable return on investment over the long term to shareholders. The Company's capital structure currently includes share capital, mortgages and other term financings, which together provide the Company with financing flexibility to meet its capital needs. Primary uses of capital include acquisitions, capital improvements, leasing costs, and debt principal repayments. The actual level and type of future financings to fund these capital requirements will be determined based on prevailing interest rates, various costs of debt and/or equity capital, capital market conditions and management's general view of the required leverage in the business.

The Company periodically re-evaluates its overall financing and execution strategy to ensure the best access to available capital at the lowest possible cost.

The Company is not subject to externally imposed capital requirements.

The components of the Company's capital are set out in the following table:

December 31	**2014**	**2013**
Mortgages payable	$6,045,517	$4,243,445
Promissory notes payable	30,000	1,154,700
Share capital	1,963,762	427,841
Contributed surplus	61,500	-
Retained earnings (deficit)	129,381	(273,883)
	$8,230,160	$5,552,103

20. COMMITMENTS AND CONTINGENCIES

The Company has agreed to indemnify a director who has personally guaranteed 25% of the first mortgage on the Strathroy property to a maximum of $936,700, the first mortgage on the London property to a maximum of $500,000, and the second mortgage on the Strathroy property to a maximum of $550,000. The indemnification is calculated at 1% of the amounts indemnified for the mortgages.

21. RELATED PARTY TRANSACTIONS

Related parties include the Board of Directors and officers, close family members and enterprises that are controlled by these individuals as well as certain consultants performing similar functions.

Related party transactions conducted in the normal course of operations are measured at the exchange value (the amount established and agreed to by the related parties).

	2014	2013
Office rent and supplies (i)	$ 12,000	$ 8,000
Property management fees (ii)	$ 20,795	$ -
Guarantees (iii)	$ 18,715	$ 1,272
Share-based compensation	$ 22,402	$ -

21. RELATED PARTY TRANSACTIONS (continued)

(i) The Company paid $12,000 (2013 - $8,000) to a company controlled by the CFO of the Company for office rent, telephone, office supplies, and other overhead items.

(ii) The Company paid $20,795 (2013 - $Nil) to a company controlled by the CEO of the Company for property management services.

(iii) The Company expensed $18,715 (2013 - $1,272) with respect to the personal guarantee of the CEO for a promissory note and the mortgages.

Included in accounts payable and accrued liabilities is an amount of $12,463 (2013 - $1,551) with respect to accrued interest on the promissory notes and personal guarantees.

22. COMPARATIVE FIGURES

Certain comparative figures have been reclassified to conform to the current year's presentation.

The consolidated statements of financial position are presented on a classified basis whereby current and non-current assets and current and non-current liabilities are presented as separate classifications.

In addition, on the consolidated statement of operations and comprehensive income, interest expense has been presented as a separate line item.

Management is of the opinion that the current presentation provides more meaningful information to the users of the financial statements.

23. SUBSEQUENT EVENTS

On February 12, 2015, the Company issued 875,000 common shares at $0.08 per share for cash proceeds of $70,000.

On February 20, 2015, the expiry date of 4,900,000 share purchase warrants was extended to February 20, 2016. In addition the exercise price of the share purchase warrants was increased to $0.15 from $0.12.

The maturity date of the promissory note was extended from January 31, 2015 to June 30, 2015.

On April 8, 2015, the Company issued 875,000 common shares at $0.08 per share for cash proceeds of $70,000.