

This Loan Agreement is made as of the X of X 2024

BETWEEN:

Alberta Real Estate Opportunities Inc.  
A company incorporated in the province of Alberta,

(The "Borrower")

-AND-

X

(the "Lender")

**IN CONSIDERATION OF** the Lender loaning certain funds to the Borrower, and the Borrower repaying the Loan to the Lender, the Parties agree to keep, perform, and fulfill the promises and conditions set out in this Agreement.

- 1. Loan Amount and Interest.** The Lender promises to loan \$XXXX DOLLARS CAD (the "Principal") to the Borrowers on or before XXXXXX 5th, 2024, and the Borrower, jointly and severally, promises to repay the Lender, with simple interest payable on the unpaid Principal at the rate of XXXXXX (XX%) PERCENT per annum, calculated annually, beginning on XXXXXX 5TH, 2024, and payable monthly, beginning XXXXXX 5th, 2024.
- 2. Term.** The initial term of the Loan is TWELVE (12) MONTHS, with the Borrower having the right to extend the term on a month-to-month basis for an additional SIX (6) MONTHS. The principal will be repaid in full on or before the end of the term without penalty.
- 3. Method of Payment.** All payments shall be made by the Borrower to the Lender by e-transfer or such other method as the Lender instructs the Borrower in writing.
- 4. Unsecured Loan.** The Parties acknowledge that the Loan is unsecured, but in the interest of goodwill and certainty, the Borrowers will execute a promissory note in the amount of the principal and the XX% interest described in Clause 1 above. Funds are intended to be used towards the renovation of 990 12<sup>th</sup> Avenue and 411 11<sup>th</sup> Avenue, Drumheller, New Alberta, of which Alberta Real Estate Opportunities Inc. has an equity position.
- 5. Governing Law.** This Agreement will be construed in accordance with and governed by the laws of the Province of Alberta. If there is a disagreement, the Parties will first try arbitration before court.
- 6. Binding Effect.** This Agreement will pass to the benefit of and be binding upon the respective heirs, executors, administrators, successors and permitted assigns of the Borrower and the Lender. The Borrower waives presentment for payment, notice of non-payment, protest, and notice of protest.
- 7. Default.** In the event of a failure to make any interest or principal payment in full and as scheduled under this Loan Agreement, the Lender may take all action necessary to ensure maximum collection of and payment on the Borrowers obligations under this Agreement as against all collateral staked by the Borrower under this Agreement.
- 8. Amendment.** This Agreement may only be amended or modified by a written instrument executed by both Parties.
- 9. Severability.** The clauses and paragraphs contained in this Agreement are intended to be read and construed independently of each other. If any term, covenant, condition or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void or unenforceable, it is the Parties' intent that such provision be reduced in scope by the court only to the extent deemed necessary by that court to render the provision reasonable and enforceable and the remainder of the provisions of this Agreement will in no way be affected, impaired, or invalidated as a result.

- 10. **General Provisions.** Headings are inserted for the convenience of the parties only and are not to be considered when interpreting this Agreement. Words in the singular mean and include the plural and vice versa. Words in the masculine mean and include the feminine and vice versa.
- 11. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties and there are no further items or provisions, either oral or otherwise.
- 12. **Counterpart and e-Signatures.** This Agreement may be executed in counterpart and by e-signature or facsimile in the same form and such parts so executed shall together form one original Agreement and such parts shall be read together and construed as if all Parties had executed one Agreement.

IN WITNESS WHEREOF, the Parties have affixed their signatures as of the date first above written.

\_\_\_\_\_  
**Alberta Real Estate Opportunities Inc.**

*Authorized by:*

*Per: Corey Young, Director*

SIGNED the \_\_\_ day of \_\_\_\_\_, 2024, in the presence of: )

\_\_\_\_\_  
 Signature of Witness )

\_\_\_\_\_  
 Name )

\_\_\_\_\_  
 Address )

\_\_\_\_\_ )  
 X

## PROMISSORY NOTE

**\$XXX,XXX** CAD PLUS INTEREST ACCRUED PER SECTION 2 BELOW

Effective Date: **XXXXXXXX 5TH, 2024**

**PURSUANT TO THE LOAN AGREEMENT BY THE PARTIES DATED **XXXXXXXX 5th, 2024****  
**FOR VALUE RECEIVED**, the undersigned borrower:

**Alberta Real Estate Opportunities Inc.**

(Hereinafter, the "**Borrower**")

hereby promises to pay the Lender,

**XXXXXX**

(Hereinafter, the "**Lender**")

the principal amount of **\$XXX,XXX** CAD (the "**Principal Amount**") in accordance with the terms and conditions set forth below:

1. **General Repayment.** The Principal Amount will be repaid by the Borrowers on or before **XXXXXX 5th, 2024**.
2. **Interest.** The Principal Amount is subject to a simple interest rate of **XX%** per annum, commencing **XXXXXXXX 5TH, 2024**, with such interest accruing monthly, beginning **XXXXXX 5TH, 2024**. Monthly interest payments shall begin on **XXXXXXXXX 5TH, 2024**.
3. **Term.** The initial term of the Loan is TWELVE (12) MONTHS, with the Borrower having the right to extend the term on a month-to-month basis for an additional SIX (6) MONTHS maximum. The principal will be repaid in full on or before the end of that term.
4. **Unregistered Collateral.** The Principal Amount is loaned, on an unregistered basis, as against the Borrower's proposed interest in 990 12<sup>th</sup> Avenue and 411 11<sup>th</sup> Avenue, Drumheller, Alberta.
5. **Method of Repayment.** The Borrowers shall pay the Lender the interest amount and/or the Principal Amount by way of e-transfer or such other means as directed by the Lender.
6. **Governing Law.** This Promissory Note shall be governed exclusively in accordance with the laws of the province of ALBERTA, and the laws of Canada in effect in the province of ALBERTA.
7. **Amendment.** This Promissory Note may only be amended by agreement, in writing, by all Parties.
8. **Binding.** This Promissory Note and the obligations described herein will inure to the benefit of and be binding upon the respective successors, assigns, heirs, executors and/or administrators of the Parties.

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**Alberta Real Estate Opportunities Inc.**

*Per: Corey Young, Director*

**Payment Schedule Example per \$100,000**  
**Assuming a start date of May 1, 2024**  
**Pre-Paid Interest – 18 month Investment**

**Amount Invested:** \$100,000

**Interest:** 13% per annum, simple interest, calculated annually

**Amount Transferred to Alberta Real Estate Opportunities Inc.:** \$87,000

<b>Date</b>	<b>Interest</b>	<b>Principal</b>	<b>Total</b>
May 1, 2024	\$13,000	\$87,000	\$100,000
May 1, 2025	\$0	\$100,000	\$100,000
June 1, 2025	\$1083.33	\$0	\$101,083.33*
June 5, 2024	\$1083.33	\$0	\$102,166.66*
July 5, 2024	\$1083.33	\$0	\$103,249.99*
August 5, 2024	\$1083.33	\$0	\$104,333.32*
September 5, 2024	\$1083.33	\$0	\$105,416.65*
October 5, 2024	\$1083.33	\$0	\$106,499.98*

\*Initial term is 12 months, extendable month to month for an additional SIX months at the Borrowers discretion.

\*13% interest rate is on investments over \$250,000

Up to \$99,999 = 10% interest rate

\$100,000 - \$250,000 = 11% interest rate

\$250,000+ = 13% interest rate