September 17, 2020

Dear Debentureholder:

As you already know, a special meeting of the holders (the "**Debentureholders**") of 9.5% convertible redeemable unsecured subordinated debentures (the "**Debentures**") of Realia Properties Inc. (the "**Company**") has been called, to be held on September 24, 2020 at 1:00PM (Toronto time) at First Canadian Place, 100 King Street West, Suite 5600, Toronto, Ontario to consider amendments to the indenture governing the Debentures. Meeting materials, including a notice of meeting, management proxy information circular, and a letter to the Debentureholders have already been sent to you.

We provide this letter to correct an error in the previous letter included in your meeting materials. The previous letter included a chart reflecting the paydown proceeds anticipated from a fire sale scenario. The total sum of the property values was incorrectly reflected in US dollars as opposed to Canadian dollars. Management has updated the analysis to show the correct reflection of values. Additionally, the following updates have been made: the balance of outstanding debt is now reflective as of September 1, 2020, Martin Downs asset level debt has been moved up the waterfall as this debt will need to be settled during the sale of the asset and a fire sale assumption of 10% has been used to replace the asset level closing costs. The fire sale costs also take into consideration the funds necessary to operate the Company through sale as well as the corporate level legal fees that will be required to operate and dissolve the Company.

The following tables reflect the updated and corrected information:

REALIA PROPERTIES WATERFALL PAYDOWN

RLP Outstanding Debt (CAD)	Debt as of 9/1/2020	2020 Value Pre-COVID
Outstanding Mortgages [(1)]		
Martin Downs	11,757,600	17,897,680
Metro Gateway	7,559,789	12,489,184
116th Street	8,692,813	12,711,272
Total	**28,010,201**	**43,098,136**
Asset Level Debt/Debt Secured by Ownership Interest in Assets [(1)]		
Martin Downs GP Loan	1,306,400	
Martin Downs - Extension Fee & Interst Reserve	475,113	
Martin Downs - Asset Management Fees	136,084	

(1) Debt is issued in USD and converted at a 9/1/2020 exchange rate of 1.306

Unsecured Debt		
Debentures	4,542,000	
Hoche	100,000	
Asset Sale Assumptions		
Market Discount to Asset Values	20.0%	8,619,627
Fire Sale Costs [(2)]	10.0%	4,309,814
Total Discount/Closing Costs		**12,929,441**

(2) Estimated Fire Sale Costs include broker's fees, closing costs, corporate overhead, legal fees, etc.

Net Proceeds	**30,168,695**

Waterfall Paydown	***Amount***	***Funds Available***	***Surplus/Deficit***	***Cum. Surplus/Deficit***
Mortgages	28,010,201	30,168,695	2,158,494	2,158,494
Martin Downs GP Loan	1,306,400	2,158,494	852,094	3,010,587
Martin Downs - Extension Fee & Interst Reserve	475,113	852,094	376,981	3,387,568
Martin Downs - Asset Management Fees	136,084	376,981	240,897	3,628,465
Debentures	4,542,000	240,897	(4,301,103)	(672,639)
Total Funds for Full Debenture Repayment	**34,469,798**			
Additional Debt				
Hoche	100,000	-	(100,000)	(772,639)

MARKET DISCOUNT

FIRE SALE COSTS	12.50%	15.00%	17.50%	20.00%	22.50%	25.00%	27.50%
8.0%	34,263,018	33,185,565	32,108,111	31,030,658	29,953,205	28,875,751	27,798,298
8.5%	34,047,527	32,970,074	31,892,621	30,815,167	29,737,714	28,660,260	27,582,807
9.0%	33,832,037	32,754,583	31,677,130	30,599,677	29,522,223	28,444,770	27,367,316
9.5%	33,616,546	32,539,093	31,461,639	30,384,186	29,306,732	28,229,279	27,151,826
10.0%	33,401,055	32,323,602	31,246,149	**30,168,695**	29,091,242	28,013,788	26,936,335
10.5%	33,185,565	32,108,111	31,030,658	29,953,205	28,875,751	27,798,298	26,720,844
11.0%	32,970,074	31,892,621	30,815,167	29,737,714	28,660,260	27,582,807	26,505,354
11.5%	32,754,583	31,677,130	30,599,677	29,522,223	28,444,770	27,367,316	26,289,863
12.0%	32,539,093	31,461,639	30,384,186	29,306,732	28,229,279	27,151,826	26,074,372

Further, as indicated in the meeting materials, if the proposed amendments are approved and implemented with respect to the Debentures, the Debentures may or may not continue to meet the listing requirements of the TSX Venture Exchange. As such, the Second Supplemental Indenture, attached as a schedule to the Information Circular, will be further revised to accommodate same. Enclosed is an updated and amended Second Supplemental Indenture, with redlining relative to the version previously distributed showing the relevant changes. We continue to note that the trading volume of the Debentures continues to be minimal, and that the proposed amendments will not affect the listing of the Company's common shares.

Taking into account the update to the fire sale scenario, the Board of Directors has still determined that the proposed amendments are in the best interest the Debentureholders.

Please direct any questions or comments to the Corporation by e-mail at jdcohen@hochepartners.com.

Yours very truly,

(signed) "Jean-Daniel Cohen"

Jean-Daniel Cohen
Chairman of the Board of Directors

REALIA PROPERTIES INC.

SECOND SUPPLEMENTAL INDENTURE

This First Supplemental Indenture is made as of the 24th day of September, 2020.

B E T W E E N:

REALIA PROPERTIES INC., a corporation formed pursuant to the federal laws of Canada and having its head office in Toronto, Ontario

(the "**Company**")

- and -

BNY TRUST COMPANY OF CANADA, a corporation existing under the federal laws of Canada, having an office in Vancouver, British Columbia and in Toronto, Ontario

(the "**Indenture Trustee**")

WHEREAS:

A. By a trust indenture made as of July 31, 2013 between the Company and the Indenture Trustee (the "**Original Indenture**") and supplemented as of September 28, 2018 by a first supplemental indenture between the Company and the Indenture Trustee (the "**First Supplemental Indenture**"), provision was made for the issuance of debentures with an aggregate principal amount of up to $11,500,000 designated as "9.5% Convertible Redeemable Unsecured Subordinated Debentures" (the "**Debentures**") and issuable only upon and subject to the conditions and limitations therein set forth.

B. Section 15.1 of the Original Indenture provides that, among other things, the Company and the Indenture Trustee may issue supplemental indentures giving effect to any Extraordinary Resolution (as defined in the Original Indenture) passed as provided for in Article 12 of the Original Indenture.

C. The holders of the Debentures have approved an Extraordinary Resolution to provide for certain amendments (the "**Amendments**") to the Original Indenture, including (among other things) extending the maturity date of the Debentures to September 30, 2023, reflecting a partial repayment and partial forgiveness of the principal amount owing under the Debentures, and decreasing the interest rate payable on the Debentures from 9.5% to 5.0% per annum.

D. This Second Supplemental Indenture is being entered into by the parties hereto pursuant to Section 15.1 of the Original Indenture for the purpose of amending the Original Indenture in order to give effect to the Amendments.

E. The foregoing recitals are made as representations and statements of fact by the Company and not by the Indenture Trustee.

NOW THEREFORE it is hereby covenanted, agreed and declared as follows:

ARTICLE 1
INTERPRETATION

1.1 Interpretation

This Second Supplemental Indenture is supplemental to the Original Indenture and First Supplemental Indenture, and shall be read in conjunction therewith. Except only insofar as the Original Indenture and/or First Supplemental Indenture may be inconsistent with the express provisions of this Second Supplemental Indenture, in which case the terms of this Second Supplemental Indenture shall govern and supersede those contained in the Original Indenture or First Supplemental Indenture, as applicable, only to the extent of such inconsistency, this Second Supplemental Indenture shall henceforth have effect so far as practicable as if all the provisions of the Original Indenture, First Supplemental Indenture and this Second Supplemental Indenture were contained in one instrument. The expressions used in this Second Supplemental Indenture that are defined in the Original Indenture (as amended by the First Supplemental Indenture) shall, except as otherwise provided herein, have the respective meanings ascribed to them in the Original Indenture (as amended by the First Supplemental Indenture) or Second Supplemental Indenture, as the case may be. Unless otherwise stated, any reference in this Second Supplemental Indenture to an Article or Section shall be interpreted as a reference to the stated Article, Section of or Schedule to, this Second Supplemental Indenture.

1.2 Headings, etc.

The division of this Second Supplemental Indenture into Articles, Sections and Subsections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Second Supplemental Indenture or of the Debentures.

1.3 Applicable Law

This Second Supplemental Indenture shall be governed and construed in accordance with the laws of the Province of British Columbia and the laws of Canada applicable therein.

1.4 Waiver of Trial by Jury

The Company and the Indenture Trustee hereby waive any right they may have to require a trial by jury of any proceeding commenced in connection herewith.

1.5 Currency

Whenever any amounts of money are referred to herein, such amounts shall be deemed to be in lawful money of Canada unless otherwise expressed.

1.6 Invalidity, Etc.

Any provision hereof which is prohibited or unenforceable shall be ineffective only to the extent of such prohibition or unenforceability, without invalidating the remaining provisions hereof.

1.7 Language

Each of the parties hereto hereby acknowledges that it has consented to and requested that this Second Supplemental Indenture and all documents relating thereto be drawn up in the English language only. Chacune des parties aux présentes reconnaît par les présentes avoir demandé que le present acte et les documents connexes soient rédigés en anglais seulement, et y avoir consenti.

1.8 Successors and Assigns

All covenants and agreements in this Second Supplemental Indenture by the Company shall bind its successors and assigns, whether expressed or not.

ARTICLE 2
SUPPLEMENTS TO ORIGINAL INDENTURE & FIRST SUPPLEMENTAL INDENTURE

2.1 Supplements

(a) The Original Indenture is hereby further supplemented and amended by deleting Section 1.1(z) of the Original Indenture in its entirety and replacing it with the following:

> "(z) "**Debentures**" means the 5.0% convertible redeemable unsecured subordinated debentures of the Company issued and certified hereunder;".

(b) The Original Indenture is hereby further supplemented and amended by deleting Section 1.1(ss) of the Original Indenture in its entirety and replacing it with the following:

> "(ss) "**Interest Rate**" means the interest rate payable on the Debentures and shall mean 5.0% per annum;".

(c) The Original Indenture is hereby further supplemented and amended by deleting Section 1.1(ww) of the Original Indenture in its entirety and replacing it with the following:

> "(ww) "**Maturity Date**" means the maturity date of the Debentures being September 30, 2023;".

(d) The Original Indenture is hereby further supplemented and amended by deleting Section 2.2(a) in its entirety and replacing it with the following:

> "(a) The Debentures shall be designated as "5.0% Convertible Redeemable Unsecured Subordinated Debentures."".

(e) The Original Indenture is hereby further supplemented and amended by deleting the words "September 30, 2020" and replacing such words with "September 30, 2023".

(f) The Original Indenture is hereby further supplemented and amended by deleting all references to "9.5%" in Schedules A, B, C and D of the Original Indenture and replacing such references with "5.0%".

2.2 Further Supplements. The Original Indenture is further supplemented as provided for in this Section 2.2, but subject to: (1) the Company having repaid and the Indenture Trustee having accepted, on behalf of the Debentureholders and notwithstanding any provisions in the Original Indenture, an aggregate amount of $1,406,128, representing repayment of $309.58 of principal amount owing on each outstanding Debenture, on or before September 30, 2020; and (2) the Indenture Trustee having accepted, on behalf of the Debentureholders and notwithstanding any provisions in the Original Indenture, a forgiveness of $305.50 of principal amount owing under each outstanding Debenture, such that the principal amount owing under each Debenture shall, upon such repayment and forgiveness, be reduced from $1,000 to $384.92. Upon the foregoing conditions having been met, the Original Indenture is hereby further supplemented and amended as follows:

(a) The Original Indenture is hereby supplemented and amended by deleting Section 6.1(a) of the Original Indenture in its entirety and replacing it with the following:

> "(a) Subject to the provisions and conditions of this Article 6, each Debenture shall be convertible into Common Shares at the option of the holder thereof, at any time prior to the close of business on the earlier of: (i) the date that is five days immediately preceding the Maturity Date; and (ii) the Business Day immediately preceding the Redemption Date specified by the Company in accordance with Article 5 (the earlier of which will be the "**Time of Expiry**"), at the Conversion Price in effect on the Date of Conversion) plus any accrued but unpaid interest in respect of the Debentures. The Conversion Price in effect on the date hereof for each Common Share to be issued upon the conversion of Debentures shall be equal to $0.06 such that approximately 6,415 Common Shares shall be issued for each $384.92 principal amount of Debentures so converted, subject to adjustment in accordance with this Trust Indenture."

(b) The Original Indenture is hereby supplemented and amended by deleting Section 6.3(c) of the Original Indenture in its entirety and replacing it with the following:

“(c) Any part, being $384.92 or an integral multiple thereof, of a Debenture of a denomination in excess of $384.92 may be converted as provided in this Article and all references in this Trust Indenture, as may be supplemented or amended from time to time, to conversion of Debentures shall be deemed to include conversion of such parts.”

(c) The Original Indenture is hereby further supplemented and amended by deleting the words “at a conversion price of $0.06 principal amount (the “**Conversion Price**”) per Common Share, being a rate of approximately 16,666 Common Shares for each $1,000 principal amount of Debentures” in Schedule A of the Original Indenture and replacing such words with the following:

“at a conversion price of $0.06 principal amount (the “**Conversion Price**”) per Common Share, being a rate of approximately 6,415 Common Shares for each $384.92 principal amount of Debentures”.

(d) The Original Indenture is hereby further supplemented and amended by deleting all references of the Debentures being in denominations of $1,000 and instead referring to the Debentures being in denominations of $384.92.

(e) The Original Indenture is hereby further supplemented and amended by deleting the first sentence of Section 2.4(a) of the Original Indenture in its entirety and replacing it with the following:

“(a) The Debentures shall be issued only as fully registered Debentures in the denomination of $384.92 and integral multiples of $384.92.”

(f) The Original Indenture is hereby further supplemented and amended by deleting the first and second sentences of Section 5.2 of the Original Indenture in its entirety and replacing them with the following:

“If less than all the Debentures for the time being outstanding are at any time to be redeemed, the Debentures to be so redeemed shall be selected by the Indenture Trustee on a pro rata basis to the nearest multiple of $384.92 in accordance with the principal amount of the Debentures registered in the name of each Debentureholder. No Debenture shall be redeemed in part unless the principal amount redeemed is $384.92 or a multiple thereof. For this purpose, the Indenture Trustee may make, and from time to time vary, regulations with respect to the manner in which such Debentures may be drawn for redemption and regulations so made shall be valid and binding upon all Debentureholders notwithstanding the fact that as a result thereof, one or more of such Debentures may become subject to redemption in part only.”

(g) The Original Indenture is hereby further supplemented and amended by deleting the second sentence of Section 12.8 of the Original Indenture in its entirety and replacing it with the following:

"On a poll each Debentureholder present in person or represented by a proxy duly appointed by an instrument in writing shall be entitled to one vote in respect of each $384.92 of principal amount of Debentures of which it shall then be the holder."

(h) The Original Indenture is hereby further supplemented and amended by deleting the first paragraph of Section 7.12 of the Original Indenture in its entirety and replacing it with the following:

"The Company shall use its best efforts to maintain the listing of the Common Shares and the Debentures on the Exchange or any other stock exchange(s) upon which the Common Shares or the Debentures may become listed. Notwithstanding the foregoing, it is acknowledged that the Debentures may be delisted from the Exchange or any other applicable stock exchange(s) upon the repayment or forgiveness of the indebtedness outstanding (whether principal, interest or both) under the Debentures, and this Section 7.12 shall not be construed as a guarantee of a continued listing of such Debentures on the Exchange or any other stock exchange."

ARTICLE 3
CONFIRMATION OF ORIGINAL INDENTURE

3.1 Confirmation of Original Indenture

This Second Supplemental Indenture and the Amendments are not intended to constitute, and shall not constitute, a novation or rescission of the Original Indenture, First Supplemental Indenture or the Debentures, or the creation, issuance or assumption of new debt as a result of the implementation thereof. The Original Indenture, as further supplemented by this Second Supplemental Indenture, shall be and continue in full force and effect and is hereby confirmed.

ARTICLE 4
ACCEPTANCE OF TRUST BY INDENTURE TRUSTEE

4.1 Acceptance of Trust

The Indenture Trustee hereby accepts the trusts in this Second Supplemental Indenture and in the Original Indenture (as supplemented in the First Supplemental Indenture) declared and provided for and agrees to perform the same upon the terms and conditions herein set forth and to hold all rights, privileges and benefits conferred hereby and by law in trust for the various persons who shall from time to time be Debentureholders, subject to all the terms and conditions herein set forth.

ARTICLE 5
EXECUTION AND FORMAL DATE

5.1 Execution

This Second Supplemental Indenture may be executed in several counterparts, both as to the signing authorities for each party and for the parties themselves, all of which counterparts when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

5.2 Formal Date

For the purpose of convenience this Second Supplemental Indenture may be referred to as bearing the formal date of September 24, 2020 irrespective of the actual date of execution hereof.

[Remainder of page intentionally left blank. Signature page follows.]

IN WITNESS WHEREOF the parties hereto have executed this Second Supplemental Indenture by the hands of their proper officers.

REALIA PROPERTIES INC.

By: ______________________________
Name:
Title:

BNY TRUST COMPANY OF CANADA

By: ______________________________
Name:
Title:

Per: ______________________________
Name:
Title: