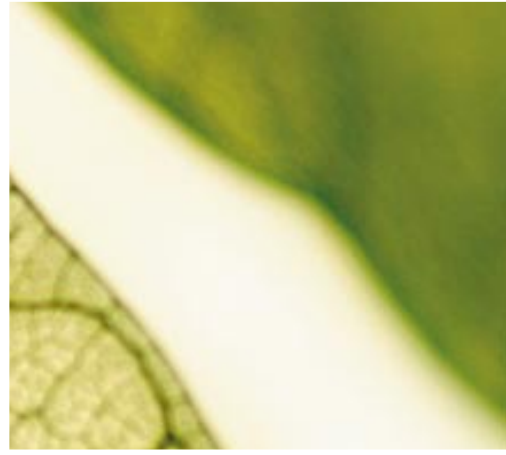


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Green Loan for a High Performance Condominium Energy Efficiency Financing at Verve

What Is a Green Loan?

A Green Loan is an innovative financing tool developed to pay for high performance, energy efficient equipment and material in your condominium building. It involves A) a lender, who is interested in the environmental and economic benefits of energy efficiency; B) a developer, who wants to build a high performance building as cost effectively as possible; and C) a Condominium Corporation that will benefit from energy-related cost savings during the life of the installed equipment and material.

Here's how it works:

Step 1:

The builder specifies and installs energy efficient upgrades on equipment, windows, and other features

Step 2:

The lender finances the developer's incremental capital costs of acquiring these materials, which are over and above Code requirements. However, the loan advance occurs only after the condominium building has been substantially completed and the energy performance measures have been verified by the independent agencies described below.

Step 3:

The Condominium Corporation pays the money back to the lender with funds that would otherwise be spent on heating, cooling and electricity.

Why Is It Called a Green Loan?

Buildings – more specifically building residents - are major end users of energy. By reducing gas and electricity consumption, residents can help to reduce the smog and greenhouse gas emissions that threaten our quality of life.

What Are the Terms of the Loan?

Look for the specific terms of the loan in your condominium declaration. In general, the principal will be paid back in seven years. After Year Seven, when the green loan has been paid back, all of the operating cost savings will accrue directly to the residents and condo owners.

How Are Green Loan Payments Made?

The principal and interest payments owing to the lender by the Condominium Corporation on an annual basis are incorporated within the common expenses outlined in the condominium's annual budget. None of the condominium owners will be dealing with the lender directly. Instead, each owner will pay his or her proportionate share of the loan as part of the monthly charges paid to the Condominium Corporation. In this respect, repayment of the green loan is assessed along with other applicable common element costs, such as security, maintenance and utilities. The proportionate share of the green loan assessment for an individual suite is based on the size of the suite.

How Much More Energy Efficient Is My Building?

Only buildings that can demonstrate a 25% energy savings compared to an identical building designed to meet the requirements of the Model National Energy Code are eligible for a green loan. Building energy performance comparisons are conducted using computer simulation models by a third party consultant approved by the City of Toronto and Natural Resources Canada

How Do I Know I am Getting an Energy Efficient Building?

Tridel will obtain third party authentication of energy performance each step along the way. Below is a list of the Government and private entities that will be certifying your building's performance:

Natural Resources Canada

Validates the energy performance modeling that shows the building will use at least 25% less energy to operate than a replica of the building designed to the specifications of the Model National Energy Code for Buildings and Natural Resources Canada.

Energy Efficiency Office, City of Toronto

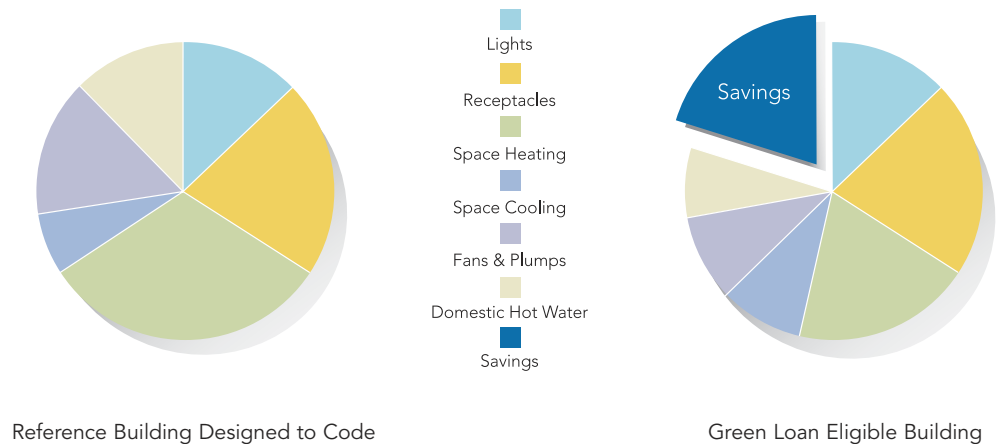
Validates that the building is constructed according to the design, modeling and construction drawings certified by Natural Resources Canada.

The Canada Green Building Council

Certifies that the completed building achieves certification by the LEED® green building rating system.*

What Is Energy Performance Modeling?

Because new buildings do not have a track record of energy performance, building designers have to rely on integrated computer models developed by Natural Resources Canada. These models allow designers to compare two buildings: one designed to meet the Model National Energy Code; the second to achieve enhanced performance. Results can be compared in overall energy consumption or energy costs.

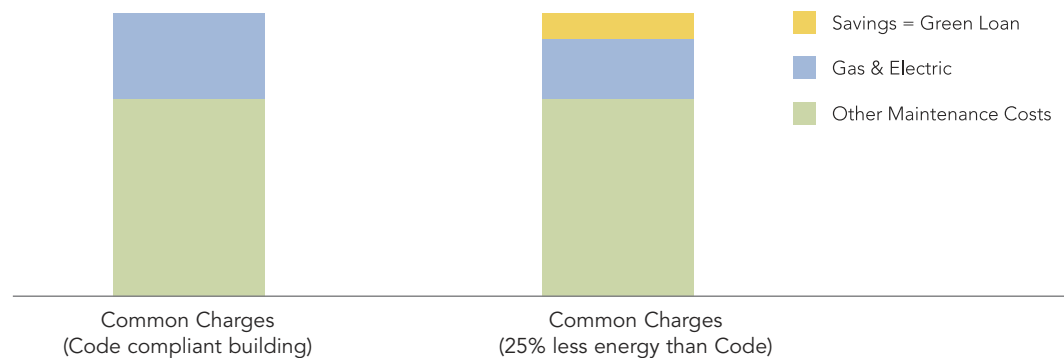


* LEED® certifications is a separate third party process that evaluates overall building environmental performance - not just energy performance - after construction and is not a condition for green loan eligibility

Am I Paying More for a Green Building?

High performance buildings do cost more to build. They are also worth more because they deliver operating cost savings by reducing your monthly energy bills. Tridel's approach involves capitalizing on these savings to leverage extra funds to pay the premiums associated with higher performing equipment. This allows Tridel to build a superior building at market prices.

At the same time, energy modeling helps Tridel determine what the monthly operating savings will be. Using this information, we designed a loan repayment schedule that would not exceed anticipated operating cost savings. In other words, the condo costs less to maintain, so that loan payments can be made with money that would otherwise be spent on gas and electricity bills. In the end, the condo purchaser gets a high-performance unit for the same overall cost as a condo in a conventional building.



Thanks to your green loan, you are investing in your building, not in utilities.

What Does the Green Loan Pay For?

A building is like an ecosystem – lots of inter-connected parts that contribute to the functioning of the whole system. Tridel's objective for our buildings is to achieve an energy performance target of 25% less energy than the Model National Energy Code. However, no single piece of equipment is sufficient to achieve that goal. Instead, Tridel makes an additional investment in a bundle of improvements. Below is a list of some of the upgrades that can be used to achieve the qualifying energy performance benchmark:

- Upgrading boilers from 80% efficiency rating to 87% or 92% rating
- Adding a soft coat and/or gas fill to the double glazed windows
- Upgrading chiller efficiency for air conditioning
- Installing high pressure, low flow showerheads to reduce domestic hot water costs
- Installing sub-meters at each suite for allocating utility costs based directly on individual consumption levels (as opposed to using formulas and ratios)
- Installing heat recovery and additional controls on ventilation equipment to pre-condition incoming air with exhaust air
- Installing Energy Star™ rated appliances in every suite
- Using compact fluorescent lighting in all common areas and designing in-suite lighting fixtures to be compatible with compact fluorescent bulbs
- Replacing standard operating equipment with high efficiency fans, pumps and motors
- Commissioning a third party engineering firm to ensure that equipment and systems perform according to their specifications and design
- Increasing thermal insulation in the walls and installing highly reflective rooftop membranes to reduce heat gain in the summer



Who provides the Green Loan?

The Toronto Atmospheric Fund - a visionary lender for a better future for Toronto...

Toronto City Council established the Toronto Atmospheric Fund (TAF) in 1991 to finance local initiatives to combat global warming and improve air quality in Toronto. TAF-sponsored projects have had multiple benefits for Toronto. TAF's endowment has financed - at no taxpayer expense - CO2 emission reductions totalling upwards of 225,000 tonnes. That is equal to about half the City's annual energy-related emissions. Meanwhile, projects financed by TAF loans have saved the City \$17.5 million - over \$2.7 million annually - in cumulative energy and maintenance costs. Other benefits of TAF funding include cleaner air, and hundreds of jobs in the construction industry.

Some of the other projects TAF has funded include:

- The wind turbine on Toronto's waterfront
- Safer and more energy-efficient street and lane lighting
- Energy efficiency upgrades to 100 City-owned buildings
- "Greening" of schools across the City
- Energy efficiency green-ups of over 12,000 homes
- Demonstrations of new clean technologies such as solar cells, hybrid electric cars and electric bicycles.

Why Is Tridel Doing This? I would have bought my condominium anyway...

Quality. Integrity. Sustainability.

As Canada's most successful developer of condominiums over the past three decades, Tridel takes leadership very seriously. Tridel wants to build the best condominium communities for the residents and City of Toronto and to set an example for the industry across the country. Tridel has defined luxury in the condominium industry for a generation. Now we are defining high performance – but not as a luxury. Energy efficiency and environmental performance are qualities that all of our customers deserve.

If you think your building costs more, it's because it doesn't

Green Loans... High performance without higher cost

For more tips on what you can do, visit the Tridel website at tridel.com