

King's  Heights

**KINGS HEIGHTS
HOMEOWNERS ASSOCIATION**



NOTICE OF THE KING'S HEIGHTS HOMEOWNERS ASSOCIATION

2018 ANNUAL GENERAL MEETING OF MEMBERS

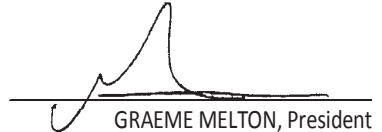
Please take notice that the 2018 First Annual General Meeting of the Members of the **KING'S HEIGHTS HOMEOWNERS ASSOCIATION** (the "Society"), will be held at **Genesis Place, the Rotary Room, 800 East Lake Boulevard NE, Airdrie, AB T4A 2K9**, on **Monday April 30th, 2018 @ 7:00 PM (MST)** for the following purposes:

- 1) To receive the Report of the President of the Company;
- 2) To receive the unaudited Financial Statements for the fiscal year ended December 31, 2017;
- 3) To establish the number of Directors to hold office until the next Annual General Meeting and elect such Directors;
- 4) To appoint an Auditor of the Company;
- 5) To transact such other business as may properly come before the Meeting or any adjournment thereof.

THIS NOTICE SHOULD BE READ IN CONJUNCTION WITH THE INFORMATION CIRCULAR ACCOMPANYING THIS NOTICE.

Dated at Calgary, Alberta this 16th day of April, 2018.

BY ORDER OF THE BOARD OF DIRECTORS



GRAEME MELTON, President

TO ALL MEMBERS:

IF YOU ARE UNABLE TO ATTEND THIS MEETING, PLEASE COMPLETE THE ACCOMPANYING PROXY FORM AND RETURN AS INDICATED IN THE INSTRUCTIONS FOR PROXY FORMS INCLUDED IN THIS PACKAGE.



**King's Heights Homeowners Association
Presidents Report
January 2018-December 2018**

The King's Heights Homeowners Association (KHHA) was incorporated as a non-profit society in January 2006, registered under the Societies Act of Alberta.

The purpose of the Association is to own and maintain for the benefit of the members various subdivision features and amenities within the King's Heights Development. The KHHA is currently Managed and administered by Melcor Developments on behalf of Highview Communities Inc. The Board of Directors currently consists of Five (5) Melcor Developments appointed Directors. The Board recommends a maximum of Seven (7) Board members, made up of four (4) resident members of the community and three (3) members from Melcor Developments Ltd., Representing Highview Communities Inc. The Board will meet quarterly to: ensure policies are properly set and Rules & Regulations are legislated; be the voice of their fellow residents for KHHA-related issues. During Melcor's term of management, the power of the Board is limited.

Financial

The annual operating costs of the KHHA - including the various subdivision features/amenities, is the responsibility of the Members through the payment of mandatory fees, pursuant to a Rent Charge Encumbrance registered on each lot title (the amount is exempt from GST) in King's Heights.

Melcor has covered all maintenance and administrative costs up to December 2017. After careful review of the 2018 operating budget, The Builder Prepayment has been applied to the fees for the 2018 year.

Fees For 2019 will be up to \$200 per standard lot. This amount will be confirmed on completion of a 2019 budget and based on annual operating costs. Fees will be invoiced On January 1st 2019.

The enclosed (unaudited) Financial Statements are prepared up to December 31st 2017.

Appointment of Auditor

The Board of Directors proposes to appoint BDO Canada LLP as Auditor for the company for the 2018 Fiscal Year.

Summary/Management Transition

Melcor Developments Ltd., who represents Highview Communities Inc., in co-operation with the Resident Board of Directors, has started the process of working towards a seamless transition of the turnover of the management of the King's Heights Homeowners Association. The Management of the KHHA will be completely turned over 12 months after the AGM in May 2019. In anticipation of the turnover, Melcor is preparing to implement an exit strategy that consists of Board development training, and moving all accounting and administrative functions to the King's Heights Homeowners Association Resident Directors. The administrative and accounting systems that are currently in place have been carefully applied to ensure a seamless transition of full management duties to the KHHA. As well, the Melcor Directors will work closely with the Resident Directors until the complete transfer of full management duties to the KHHA. Melcor is committed and dedicated to leaving behind a successful legacy in King's Heights.

Respectfully submitted April 16th 2018

GRAEME MELTON	DARIN RAYBURN	ALAN BOUCHER	KAREN ALBARDA	NAOMI STEFURA
President & Melcor Director	Vice President & Melcor Director	Vice President & Melcor Director	Vice President & Melcor Director	Treasurer/Secretary & Melcor Director

KINGS HEIGHTS HOMEOWNERS ASSOCIATION
FINANCIAL STATEMENTS
FOR THE PERIOD ENDED DECEMBER 31, 2017

NOTES TO FINANCIAL STATEMENTS

FOR THE PERIOD ENDED DECEMBER 31, 2017

(Unaudited)

1. Nature of the organization and basis of presentation:

The King's Heights Homeowners Association (the Association) was incorporated in Alberta on January 10, 2006 as a society. The Association is expected to commence operating in 2018.

The purpose of the Association is (or will be or will hereby become) the holder of leases, easements and other rights in, to and over portions of the Subdivided Lots within the King's Heights Subdivision, including:

- a. easements for Perimeter Fences on Subdivided Lots on the outside perimeter of the King's Heights Subdivision;
- b. easements or leases for the following subdivision common elements:
 - i) entrance gateways,
 - ii) park parcels, and
 - iii) gardens
- c. easements and other rights for maintenance of Subdivision Features, and
- d. such other leases and easements as the Homeowners Association deems appropriate for the overall benefit of the King's Heights Subdivision and its owners.

2. Membership:

There are 3 classes of voting membership, namely, Class A, Class B and Class C. Class A members are subscribers to the Homeowners Association's incorporation and charter documents and all owners other than the Developer of Subdivided Lots, excluding the Multi-Family Land as long as it is not subdivided or condominium zoned. Class B members are owners of the Multi-Family Land. Class C members are the developer.

The turnover date will be determined by the Class C member whose intention is to turnover control once the development of the community has reached that point of completion whereby the integrity of the community is established as intended and ongoing maintenance is effectively the only requirement of the Association.

3. Startup and Rent:

There has been few costs incurred regarding the operation of the Association and those costs which have been incurred have been borne by Highview Communities Inc.

4. Turnover of Control:

Highview Communities Inc. will be responsible for the costs of the landscape specific items until final acceptance certificates are issued by the City of Airdrie. At that time, Highview Communities Inc. will relinquish control to the members.

By resolution in writing and signed by all of the Directors of King's Heights Homeowners Association the Audit for December 31, 2017 was waived.

KING'S HEIGHTS HOMEOWNERS ASSOCIATION

BALANCE SHEET

(Unaudited)

As at December 31 (\$)	2017	2016
ASSETS		
Cash	119,100	109,500
LIABILITIES		
Prepaid membership fees	119,100	109,500

STATEMENT OF EARNINGS

(Unaudited)

For the period ended December 31 (\$)	2017	2016
Revenue	Nil	Nil
Expenses	Nil	Nil

Financial Statements have been reviewed and approved by:



Graeme Melton – President



Karen Albarada – Vice-President



**KING'S HEIGHTS HOMEOWNERS ASSOCIATION 2018 INFORMATION CIRCULAR
GENERAL INFORMATION & PROXY STATEMENT**

SOLICITATION OF PROXIES

This Information Circular is furnished in connection with the solicitation of proxies by management of the KING'S HEIGHTS HOMEOWNERS ASSOCIATION (the "Society") for use at the Annual General Meeting (the "Meeting") of Members of the Society to be held at the **Genesis Place, the Rotary Room, 800 East Lake Boulevard NE, Airdrie, AB T4A 2K9, on Monday April 30th, 2018 at 7:00 PM.** All expenses incurred in connection with the solicitation of proxies will be borne by the Society. Solicitation will be made primarily by mail, but proxies may also be solicited by Directors, officers and employees of the Company.

APPOINTMENT AND REVOCATION OF PROXIES

Each Member entitled to vote at the Meeting may, by means of a form of proxy in writing executed by the Member or his attorney, authorized in writing, appoint a proxy to attend and vote on his/her behalf at the Meeting. In order to be acted upon at the Meeting, a form of proxy must be returned as indicated in the INSTRUCTIONS FOR PROXY FORMS included in this package. A Member may revoke a form of proxy previously given by returning another proper form of proxy bearing a later date than the previously given form of proxy as indicated in the INSTRUCTIONS FOR PROXY FORMS included in this package.

EXERCISE OF DISCRETION BY PROXY

Proxies will be voted or withheld from voting in accordance with the Member's instructions contained therein. The form of Proxy also confers authority on the persons named therein to vote with respect to any other matters which may properly be brought before the Meeting. At the date hereof, management knows of no other such matters.

VOTING BY MEMBERS

Only Members of record at the close of business on April 16, 2018 are entitled to vote at the Meeting, each Member being entitled to one (1) vote. Members are defined in the Articles of Association (the "Articles") of the Society as restricted to Commercial Owners, Homeowners and Rental Project Owners.

Where there is more than one owner of a property, there shall be only one Member who shall be the person designated as the Member by all the owners of the property. In the absence of such designation, the first person named as owner in the Certificate of Title or as Purchaser in an Agreement for Sale, shall be the Member.

Where a residential property is occupied by a tenant, such tenant may be designated as the Member by and instead of the owner of such property.

Where a rental project is involved, the registered owner shall be the Member and notwithstanding how many tenants are residing in the rental project, it shall have only one (1) vote.

As at the close of business on **April 16, 2018** the Society had **1456** members in good standing. In addition, there are **8,850** votes in respect of lots registered in the name of Highview Communities Inc.

ELECTION OF DIRECTORS

At the Meeting, it is proposed that the total number of Directors for the Society be established as no more than **SEVEN (7)** until the next Annual General Meeting. Pursuant to the Articles of the Society, Melcor, on behalf of Highview Communities Inc. is entitled to appoint up to **three (3)** Directors with the remaining Resident Directors elected at the Meeting. The following persons are the current Directors of the Society:

NAME	PERIOD SERVED AS DIRECTOR OF THE COMPANY
Graeme Melton (Melcor)	7 years
Darin Rayburn (Melcor)	7 years
Alan Boucher (Melcor)	7 years
Karen Albarda (Melcor)	7 years
Naomi Stefura (Melcor)	7 years

King's Heights

KING'S HEIGHTS HOMEOWNERS ASSOCIATION 2018 INFORMATION CIRCULAR GENERAL INFORMATION & PROXY STATEMENT

It is proposed that four (4) resident Members be elected at the AGM in accordance with the Articles of Association.

Nominations will also be sought at the meeting for Directors from the Members. Individuals should be aware of the fiduciary responsibilities of Director's generally, as well as the specific limitation of the power of Directors of the Society in respect of Melcor's management contract. Members interested in standing for election at the meeting are invited to contact Triona in advance of the meeting at tcosgrave@melcor.ca

The term of office for each person is a one-year term and shall be from the date of the Meeting until the next Annual General Meeting of Members or until his/her successor is elected or appointed.

DIRECTORS COMPENSATION - Nil

PENSION PLAN - Nil

EXECUTIVE COMPENSATION AND PLANS - Nil

INCENTIVE SHARE OPTION PLAN FOR OFFICERS AND KEY EMPLOYEES - Nil

INTEREST OF INSIDERS IN MATERIAL TRANSACTIONS

The three (3) Melcor appointed Directors are employees of Melcor, who on behalf of Highview Communities Inc. is the operator of the King's Heights Amenities. As operator of the King's Heights Amenities, Melcor approves the operating budget for their proper operation.

APPOINTMENT OF AUDITORS

Management proposes that BDO be appointed as Auditor of the Society and that the Directors be authorized to approve their remuneration.

CERTIFICATE

The foregoing contains no misstatement of a material fact and does not omit to state a material fact that is required to be stated or that is necessary to make a statement not misleading in the light of the circumstances in which it was made.

BY THE ORDER OF THE BOARD OF DIRECTORS



GRAEME MELTON, President

The management of the Society knows of no amendment, variation or other matters to come before the Annual General Meeting of Members other than the matters referred to in the Notice of Meeting. However, if any other matter properly comes before the Meeting, the accompanying proxy will be voted on such matter in accordance with the best judgement of the person or persons voting such proxy.

BY THE ORDER OF THE BOARD OF DIRECTORS



GRAEME MELTON, President



**KING'S HEIGHTS HOMEOWNERS ASSOCIATION
2018 ANNUAL GENERAL MEETING OF MEMBERS
On Monday April 30th, 2018 @ 7:00 PM**

RETURN PROXIES NO LATER THAN AT CLOSE OF BUSINESS (5:00 P.M.) ON FRIDAY APRIL 27TH 2018

INSTRUCTIONS FOR PROXY FORMS

Appointment and Revocation of Proxies

A Member desiring to appoint a person to represent him/her at the Meeting may do so by inserting such person's name in the blank space provided. The completed proxy should be sent in to the address indicated below in time to reach such address not less than twenty-four (24) hours (excluding Saturdays, Sundays and Holidays) before the time of the Meeting:

**Mail to: Melcor Developments
Suite 900, 10310 Jasper Avenue Edmonton, AB T5J 1Y8
Attention: Triona Cosgrave**

or e-mail this completed form to tcosgrave@melcor.ca

**All proxies must be in writing, signed by the Member and returned no later than at close of business
Friday April 27, 2018.**

A Member who has given a proxy may revoke it any time before it is exercised. A proxy may be revoked by instrument in writing or, if the Member is a corporation, by an officer or attorney thereof duly authorized, and delivered as indicated above, at any time up to and including the last business day preceding the Meeting or any adjournment thereof, or with the Chairman of the Meeting on the day of the Meeting or any adjournment thereof, or in any other manner permitted by law.

Voting and Exercise of Discretion by Proxies

The persons named in the form of proxy will vote the Membership in respect of which they are appointed in accordance with the instructions indicated therein.



**KING'S HEIGHTS HOMEOWNERS ASSOCIATION
2018 ANNUAL GENERAL MEETING OF MEMBERS
On Monday April 30th, 2018 @ 7:00 PM**

PROXY SOLICITED BY MANAGEMENT

The undersigned Member of the KING'S HEIGHTS HOMEOWNERS ASSOCIATION (the "Society") hereby appoints **Graeme Melton** or failing him, _____, as proxy to attend and vote on behalf of the undersigned at the Annual General Meeting of Members and at any adjournment thereof and my proxy is instructed to vote:

1) **FOR** _____ **OR AGAINST** _____ (and if no specification is made, FOR)

The setting of the total number of Directors for the Company until the next Annual General Meeting at seven (7) composed of four (4) Resident Directors to be elected at this Meeting and three (3) Melcor appointees.

2) **FOR** _____ **OR AGAINST** _____ the election of the following resident(s) as Directors, for a one-year term, in accordance with their nomination: **Please mark a maximum of four (4) candidates.**

NAME OF NOMINEES	FOR	AGAINST
Shayna Nackoney-Skauge		
Jennifer Hooper		
Danielle Lemieux		
Jack Lee		
Kurtis Sturt		
David Fairbanks		
Gerald Tyshkewich		
John Kardash		
Shaun Farrow		
Sara Pandel		
Esha Malhotra		
Rhys Courtman		

3) **FOR** _____ **OR AGAINST** _____ (and if no specification is made, FOR)

That BDO Canada be appointed as Auditor of the Company for the 2018 fiscal year.

4) And in his/her discretion with respect to any amendments, variations or additions with respect to any of the matters noted above or with respect to any other matter which may properly be brought before the Meeting or any adjournment thereof.

DATED this _____ day of _____, 2018.

Member's Name (Please Print)

Member Signature

Member Address (*required)

This form should be signed by the Member or his attorney, authorized in writing, and if the Member is a corporation, this form of proxy should be signed by a duly authorized officer under corporate seal.

