

June 18, 2014

By E-Mail To: comments@osc.gov.on.ca

The Secretary
Ontario Securities Commission
20 Queen Street West
22nd Floor
Toronto, Ontario M5H 3S8

Re: Proposed Multilateral Instrument 45-108 - Crowdfunding and Companion Policy
45-108CP - Crowdfunding

Dear Sirs/Mesdames:

The undersigned Dan Jacob is an experienced event producer, speaker coach and entrepreneur. Currently CEO of the IDIA Group, an event management & talent agency, Dan has extensive experience working with startups and entrepreneurs in the early stages of business conception. The undersigned Alex Sharpe is a Principal of Spire Commercial Realty Inc. and Co-Founder of IQ Office Suites Inc., a boutique executive office and co-working community in downtown Toronto.

We are two Toronto-based entrepreneurs currently exploring the opportunity to allow retail investors to participate in the real estate market through a dynamic crowdfunding real estate platform. Our goal is to help small to medium sized builders/developers (virtually all of whom are private and “non-reporting”) grow their businesses while enabling retail investors the opportunity to participate in local projects that impact their own community. Although there are a number of market segments that we believe could benefit from this type of financing, initial targets will be largely small-scale residential & commercial projects. The initial concept forecasts both short term debt (largely mezzanine/development lending) as well as longer term equity (enabling participation in assets with long term leases and stabilized cashflows).

We are writing to you to express our concerns with regards to the exclusion of real estate issuers from the proposed ‘crowdfunding’ prospectus exemption. In this vein, the primary concern we have with the currently proposed legislation is that we feel that the proposed exclusion of real estate issuers who are “non-reporting issuers” is shortsighted and goes against the entire notion of small companies/entrepreneurs utilizing crowdfunding as a source of capital.

The proposed exclusion of real estate issuers from the crowdfunding exemption would restrict our ability to assist where the funding gap is most prevalent, thereby dramatically reducing the impact that this program could have on small and medium sized communities and the local developers who serve them. Traditional mortgage lenders and institutional equity investors are frequently focused on larger

transactions. This often results in small-scale neighborhood developments being overlooked and difficult to finance. We believe that by enabling non-accredited investors to participate in projects in their own neighborhood, they can have a hand in shaping the built form in the local community and also participate in an investment type that (when properly managed and executed) is stable and generates superior risk adjusted returns.

We welcome any further conversation or clarification around the aforementioned points. Please contact us if you wish to speak further.

Best regards,

Dan Jacob
CEO, IDIA Events Inc.

Alex Sharpe
IQ Office Inc.