

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item One – Name and Address of Company

Innovative Properties Inc.
24-260 Brownlow Avenue
Dartmouth, Nova Scotia
B3B 1V9

Item Two - Date of Material Change

May 9, 2011.

Item Three - News Release

The attached news release was issued in Halifax, Nova Scotia on May 11, 2011 through Marketwire.

Item Four - Summary of Material Change

On May 11, 2011, Innovative Properties Inc. (TSX-V: INR) (“Innovative”) announced changes to its board of directors following its annual general meeting.

Item Five - Full Description of Material Change

On May 11, 2011, Innovative announced the election of its Board of Directors following the annual general meeting held on May 9, 2011. The shareholders re-elected Robert Bell, Ronald Smith, Dr. George Findlay and William Crandell and also elected Gordon Neal to the Board. Mr. Neal, President and Chief Executive Officer of the Corporation, replaces former board member, Stewart McInnes, who did not stand for re-election.

Item Six – Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not Applicable

Item Seven - Omitted Information

Not Applicable

Item Eight - Executive Officer

Gordon Neal, President and CEO, (902) 209-9466.

Item Nine – Date of Report

Executed the 13th day of May, 2011, by Gordon Neal, President and CEO.



Innovative Properties Inc. Announces Change to Board of Directors

HALIFAX, NS, CANADA – May 11, 2010 – Innovative Properties Inc. (the "Corporation") (TSX-V: INR) is pleased to announce the election of its Board of Directors following the recent annual general meeting held on May 9, 2011. The shareholders re-elected Robert Bell, Ronald Smith, Dr. George Findlay and William Crandell and also elected Gordon Neal to the Board. Mr. Neal, President and Chief Executive Officer of the Corporation, replaces former board member, Stewart McInnes, who did not stand for re-election.

Gordon Neal has been the President and Chief Executive Officer of the Corporation since September, 2008. Before joining the Corporation, he developed several of his own companies in Canada and the United States, and continues to have ownership interests in several companies he founded.

ABOUT INNOVATIVE PROPERTIES INC.

Innovative Properties Inc. is a publicly- traded Canadian corporation involved in property management related services and technologies.

FORWARD LOOKING STATEMENTS

Certain information regarding the Corporation contained herein may constitute forward-looking statements within the meaning of applicable securities laws. Forward-looking statements may include estimates, plans, expectations, opinions, forecasts, projections, guidance or other statements that are not statements of fact. Although the Corporation believes that the expectations reflected in such forward-looking statements are reasonable, it can give no assurance that such expectations will prove to have been correct. The Corporation cautions that actual performance will be affected by a number of factors, many of which are beyond the Corporation's control, and that future events and results may vary substantially from what the Corporation currently foresees. Discussion of the various factors that may affect future results is contained in the Corporation's audited annual financial statements and management discussion and analysis for the year ended October 31, 2010 which were filed to SEDAR on February 28, 2011 and are available at www.sedar.com. The Corporation's forward-looking statements are expressly qualified in their entirety by this cautionary statement.

FOR FURTHER INFORMATION, CONTACT:

Gordon Neal, President and CEO

Phone: 902.209.9466

Fax: 866.546.7302

Email: Gordon.Neal@innovativeproperties.com

Web: www.innovativeproperties.com

Neither the TSX Venture Exchange nor its Regulation Services Provider (as that term is defined in the policies of the TSX Venture Exchange) accepts responsibility for the adequacy or accuracy of this release.