

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N :

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC.,
2738284 ONTARIO INC. and 2738285 ONTARIO INC.**

**AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy
and Insolvency Act*, R.S.C. 1985, c. B-3 as amended, and section 101 of the
Courts of Justice Act, RSO 1990, c C.43, as amended**

**AMENDED MOTION RECORDED
Returnable March 10, 2022**

March 7, 2022

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Lawyers for the Court-Appointed Receiver, MNP Ltd.

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TAB 1

Notice of Motion returnable March 10, 2022

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

B E T W E E N:

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and 2738285 ONTARIO INC.**

Respondents

**NOTICE OF MOTION
(Returnable March 10, 2022)**

MNP LTD., in its capacity as court-appointed receiver and manager (the “**Receiver**”) of 2738283 Ontario Inc., 2738284 Ontario Inc., and 2738285 Ontario Inc. (collectively, the “**Debtors**”) will make a motion to a Judge presiding over the Commercial List on March 10, 2022, at 12:00 p.m. or as soon after that time as the motion can be heard by judicial teleconference via Zoom at Toronto, Ontario. Please refer to the conference details attached as Schedule “A” hereto in order to attend the motion and advise if you intend to join the motion by emailing Rachel Nicholson at rnicholson@tgf.ca.

PROPOSED METHOD OF HEARING: This Motion is to be heard orally.

THIS MOTION IS FOR:

1. An Order (the “**Approval and Vesting Order**”), *inter alia*:
 - (a) approving the agreement of purchase and sale between the Receiver, as vendor, and 2771280 Ontario Inc. d/b/a Ark Capital Group as subsequently assigned to Essa Rd Development Ltd. (the “**Purchaser**”), as purchaser, dated February 4, 2022 (the “**Purchase Agreement**”), and authorizing the Receiver to complete the transaction contemplated thereby (the “**Transaction**”);
 - (b) with respect to the completion of the Transaction, vesting in the Purchaser, the Debtors’ right, title and interest in and to the Real Property (as defined below), free and clear of any claims and encumbrances;
 - (c) sealing Confidential Appendices “1”, “2”, “3” and “4” attached to the First Report of the Receiver dated March 3, 2022 (the “**First Report**”) until completion of the Transaction and further order of this Court;
 - (d) approving distributions to the Secured Creditors (as defined below) upon the Receiver receiving satisfactory payout statements, in the Receiver’s sole discretion;
 - (e) approving the Receiver’s Interim Statement of Receipts and Disbursements as at February 28, 2022;
 - (f) approving the First Report and the actions of the Receiver described herein, including, without limitation, the Sale Process (as defined below); and

- (g) approving the fees and disbursements of the Receiver and the Receiver's counsel;
and
2. An Order (the "**Claims Process Order**"), *inter alia*, approving and authorizing the Receiver to conduct a claims process (the "**Claims Process**") to call for, assess and determine claims against the Debtors and 7 Generations Development Group Limited ("**7 Generations**") in relation to the Real Property and authorizing, directing, and empowering the Receiver to administer the Claims Process in accordance with the terms of the proposed Claims Process Order.

THE GROUNDS FOR THE MOTION are as follows:

Background

3. By Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated November 9, 2021 (the "**Appointment Order**"), MNP Ltd. was appointed Receiver of those assets, properties and undertakings of the Debtors listed in Schedule "A" to the Appointment Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 and section 101 of the *Courts of Justice Act*, R.S.O. 1990, C. C-43, as amended;
4. The Debtors are private Ontario corporations whose assets principally consist of vacant real property (subject to the leases described in the First Report) that the Debtors were in the process of developing for mixed industrial and residential use;

5. The real properties owned by the Debtors consist of the real property located at (i) 320 Mapleview Drive West, (ii) 366 Mapleview Drive West, (iii) 664 Essa Road, and (iv) 674 Essa Road, each located in Barrie, Ontario (collectively, the “**Real Property**”);

6. The Debtors and 7 Generations entered into a Management/Service Agreement dated May 13, 2020 (the “**Management Agreement**”) to form and constitute a joint venture project for the development and construction of the Real Property. Among other things, 7 Generations was authorized to act as agent on behalf of the Debtors to engage services and contractors in respect of the development of the Real Property, and the Debtors remain liable for the obligations incurred by 7 Generations pursuant to the Management Agreement. Blake Larsen, the principal of the Debtors, is also the principal of 7 Generations;

7. Since the date of the Appointment Order, the Receiver’s primary activities have been focussed on conducting the sale process authorized under the Appointment Order (the “**Sale Process**”) to solicit offers for the sale of the Real Property. The Sale Process culminated in the Purchase Agreement;

Sale Process

8. Forthwith after its appointment, the Receiver was contacted by several parties interested in purchasing the Real Property. As authorized by the Appointment Order, the Receiver commenced the Sale Process, which consisted of (i) obtaining three listing proposals from listing agents or brokers, (ii) selecting the best listing proposal and engaging such broker

to solicit offers in respect of the Real Property, (iii) entering into a listing agreement with such broker, and (iv) establishing the terms and conditions of sale as the Receiver deems appropriate;

9. Pursuant this process, the Receiver selected Avison Young Commercial Real Estate Service, LP (“**Avison Young**”) as its broker and listing agent to market and sell the Real Property, and required all interested parties to submit their bids in the form provided to such parties by no later than January 31, 2022 (the “**Bid Deadline**”);
10. The opportunity to purchase the Real Property was widely marketed and Avison Young received eight offers from six parties on the Bid Deadline;
11. Certain of the parties were provided until February 3, 2022 to resubmit enhanced offers;
12. Following such date and upon review of the final revised offers submitted, the Receiver, in consultation with Avison Young, determined that the offer from the Purchaser was the superior offer and entered into the Purchase Agreement with the Purchaser;

Purchase Agreement

13. Pursuant to the Purchase Agreement (a redacted copy of which is appended to the First Report):

- (a) The Purchaser has paid a deposit to the Receiver equal to 19.24% of the Purchase Price (as defined in the Purchase Agreement) which is being held in trust and will be applied to the Purchase Price on closing of the Transaction;
 - (b) The closing of the Transaction is subject only to Court approval and the provision of an environmental reliance letter, the latter of which the Receiver has already obtained. There are no other conditions to closing of the Transaction;
 - (c) closing of the Transaction is to take place on the later of (i) March 15, 2022, or (ii) 10 days after the date on which the Approval and Vesting Order is granted by the Court, or such other date as the parties may agree to in writing; and
 - (d) the sale of the Real Property is on an “as is, where is” basis, with no representation or warranties provided by the Receiver;
14. The Receiver recommends that the Court approve the Transaction and the Purchase Agreement since, among other reasons as described in the First Report, (i) the Sale Process was robust and allowed for sufficient and transparent exposure of the Real Property to the market; (ii) the Purchase Agreement and the Transaction represents the best possible transaction in the circumstances and the highest realization for the Real Property; (iii) the deposit amount provided by the Purchaser to the Receiver exceeds the Receiver’s requirements pursuant to the Sale Process and demonstrates the Purchaser’s seriousness and willingness to close the Transaction; (iv) the terms and conditions contained within the Purchase Agreement are commercially reasonable; and (v) completion of the Transaction

will allow for payment in full to the Secured Creditors and potentially full payment to all unsecured creditors of the Debtors (depending on the results of the Claims Process);

Sealing of Confidential Appendices

15. The Receiver is seeking an order from the Court sealing Confidential Appendices “1”, “2”, “3” and “4”, which, respectively, consist of (i) the unredacted ReMax Listing Agreement (as defined in the First Report), (ii) the unredacted listing proposals from the various brokers canvassed by the Receiver, along with a summary of same, (iii) a summary of the offers received by the bidders in the Sale Process, and (iv) an unredacted Purchase Agreement. With the exception of Confidential Appendix “3” (being the summary of offers received), unredacted versions of these appendices are attached to the First Report and the only redactions contained therein relate to the purchase price under the Purchase Agreement or proposed indications of value of the Real Property (or, in the case of Confidential Appendix “2”, proposed commission structures of the brokers other than Avison Young);

16. The confidential appendices contain sensitive commercial information pertaining to the terms of the offers received in the Sale Process and the Purchase Agreement, including the value provided thereunder, which would prejudice the Receiver in the event that the Receiver needs to re-market such assets;

Proposed Distributions to Secured Creditors

17. The Receiver is seeking an order authorizing it to distribute the proceeds from the closing of the Transaction to the secured creditors that have registrations on title to the Real Property (collectively, the “**Secured Creditors**”) as described in the First Report, in satisfaction in full of the secured indebtedness owing to the Secured Creditors by the Debtors, subject to receipt of satisfactory payout statements from such parties. The total aggregate amount claimed to be owing by the Debtors to the Secured Creditors is in the amount of \$18,397,690. The Receiver intends to initially make distributions to the Secured Creditors in respect of the portion claimed by such Secured Creditors that are not in dispute by the Receiver, as described in the First Report;
18. The Receiver has received an independent security opinion from real estate counsel, and subject to the usual qualifications, assumptions and disclaimers expected with such an opinion, the opinion confirms the validity and enforceability of the registrations filed by the Secured Creditors pursuant to the secured indebtedness owing to them by the Debtors;
19. The Receiver is also seeking authorization to distribute funds in repayment of (i) a construction lien filed on title to the Real Property; (ii) the Receiver’s Borrowing in the amount of \$13,500, and (iii) property tax arrears owing in respect of the Real Property;

Claims Process

20. Unless otherwise defined in this section, capitalized terms not otherwise defined shall have the meaning ascribed to them pursuant to the proposed Claims Process Order;
21. An overview of the proposed Claims Process is set out in the First Report, and includes the solicitation of any claims by Claimants against the Debtors and as against 7 Generations with respect to the Real Property (given that 7 Generations acted as agent for the Debtors in incurring liabilities, pursuant to the Management Agreement);
22. A summary of the Claims Process is as follows:
 - (a) Any Claimant that has a Claim against either the Debtors or as against 7 Generations in relation to the Real Property, with the exception of claims from Canada Revenue Agency with respect to any assessments arising from the filing of corporate tax returns filed in relation to the disposition of the Real Property, is required to submit a Proof of Claim to the Receiver by April 29, 2022 (the “**Claims Bar Date**”), failing which, any such Claims as against the Debtors or 7 Generations Claims against 7 Generations shall be extinguished and barred;
 - (b) the proposed Claims Process Order approves the forms of Notice to Claimants, Proof of Claim and Notice of Revision or Disallowance for the purpose of administering the Claims Process, and authorizes the Receiver to distribute and publish same;
 - (c) subject to the terms of the Claims Process Order, the Receiver shall review all Proofs of Claim and may, among other things:

- (i) attempt to resolve and settle any issue arising in a Proof of Claim in respect of a Claim;
 - (ii) accept (in whole or in part) the amount of any Claim and notify the Claimant in writing;
 - (iii) revise or disallow (in whole or in part) the amount of any Claim by delivering a Notice of Revision or Disallowance to such Claimant; and
 - (iv) consult with 7 Generations and Blake Larsen in respect of any Claims.
- (d) where a Claimant has received a Notice of Revision or Disallowance and wishes to dispute same, it shall file with the Receiver a Dispute Notice by no later than fourteen days upon receipt of the Notice of Revision or Disallowance; and
- (e) the Receiver may attempt to resolve the disputed Claim as set out in the Dispute Notice, or refer such disputed Claim to the Court or a Claims Officer for adjudication;

23. The Receiver is of the view that the implementation of a Claims Process to identify Claims of creditors is appropriate and necessary in the circumstances. The Receiver is therefore seeking the Court's approval to administer the Claims Process with corresponding powers to determine and settle all Claims against the Debtors and/or 7 Generations in respect of the Real Property, subject to Court supervision and approval;

Approval of statement of receipts and disbursements, fees and activities

24. The Receiver is seeking approval of its Statement of Receipts and Disbursements for the period to February 28, 2022, which is appended to the First Report, indicating net receipts

of \$10,928.92, excluding the deposit paid by the Purchaser with respect to the Purchase Agreement;

25. Approval of the fees of the Receiver and its counsel, and approval of the Receiver's activities as described in the First Report and as requested by the Receiver, is appropriate and necessary for the due administration of the within estate;
26. Such other grounds as counsel may advise and this Honourable Court may deem just.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of this application:

1. The Receiver's First Report to the Court dated March 3, 2022, including all appendices attached thereto; and
2. Such further and other evidence as counsel may advise and this Honourable Court may permit.

March 3, 2022

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Schedule “A”

Zoom Conference Details

Join Zoom Meeting

<https://tgf-ca.zoom.us/j/86961775177?pwd=N3lMVjNtbUIYN0pKMFBCZzdNNUpCdz09>

Meeting ID: 869 6177 5177

Passcode: 390879

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Meeting ID: 869 6177 5177

Find your local number: <https://tgf-ca.zoom.us/u/kLhGMehQw>

**ONTARIO
SUPERIOR COURT OF JUSTICE
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(as of March 7, 2022)**

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Court File No.: CV-21-00670723-00CL

ONTARIO
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Proceedings commenced at Toronto

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Lawyers for the Court-Appointed Receiver

IN THE MATTER OF SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985 C. B-3 AS AMENDED
AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, C. C-43, AS AMENDED

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Proceedings commenced at Toronto

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Lawyers for the Court-Appointed Receiver

TAB 2

Amended First Report of MNP Ltd. dated March 3, 2022

Court File No.: CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

BETWEEN

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**AMENDED FIRST REPORT OF MNP LTD. AS RECEIVER OF THE ASSETS,
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MARCH 3, 2022

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APPENDICES

Appendix “A”	Appointment Order dated November 9, 2021
Appendix “B”	Management/Service Agreement dated May 13, 2020
Appendix “C”	Endorsement of Justice Penny dated November 10, 2021
Appendix “D”	Summary and Listing Proposals received from the Brokers (Redacted)
Appendix “E”	Avison Young Listing Agreement
Appendix “F”	Purchase Agreement dated February 4, 2022 (Redacted)

Appendix “G”	Assignment and Assumption of Purchase Agreement dated March 3, 2022
Appendix “H”	Receiver’s Interim Statement of Receipts and Disbursements
Appendix “I”	Fee Affidavit of Deborah Hornbostel sworn February 24, 2022
Appendix “J”	Fee Affidavit of Robert Thornton sworn March 3, 2022
<u>Appendix “K”</u>	<u>ReMax Listing Agreement (Redacted)</u>

CONFIDENTIAL APPENDICES

Confidential Appendix “1”	ReMax Listing Agreement dated November 4, 2021
Confidential Appendix “2”	Summary and Listing Proposals received from the Brokers
Confidential Appendix “3”	Summary of Offers Received by Second-Round Bidders
Confidential Appendix “4”	Purchase Agreement dated February 4, 2022 (Unredacted)

INTRODUCTION

1. By order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated November 9, 2021 (the “**Appointment Order**”), MNP Ltd. was appointed receiver (in such capacity, the “**Receiver**”), without security, of those assets, undertakings and properties of 2738283 Ontario Inc. (“**283**”), 2738284 Ontario Inc. (“**284**”) and 2738285 Ontario Inc. (“**285**” and collectively, with 283 and 284, the “**Debtors**”) described in Schedule “A” to the Appointment Order, pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act* (the “**BIA**”) and section 101 of the *Courts of Justice Act*. Attached hereto as **Appendix “A”** is a copy of the Appointment Order.
2. The Appointment Order was granted on an application commenced by PS Holdings 1 LLC, PS Holdings 2 LLC and PS Holdings 3 LLC (collectively “**PS Holdings**”) as the Debtors were in default of their secured obligations to PS Holdings.
3. The Debtors are private Ontario corporations all incorporated on January 21, 2020. They have the same registered head office in Mississauga, Ontario and the sole officer and director of each of the Debtors is Blake Larsen. The Debtors’ assets principally consist of vacant real property (subject to the Leases, as defined below), that the Debtors were in the process of developing for mixed industrial and residential use. The Debtors do not employ any employees.
4. The real properties owned by the Debtors are listed in the chart below:

Debtor	Property Address	Description of Real Property
283	320 Mapleview Drive West, Barrie, Ontario (“ 320 Mapleview ”); and 366 Mapleview Drive West, Barrie, Ontario (“ 366 Mapleview ”)	5.435 acres, Light Industrial 0.724 acres, General Commercial
284	664 Essa Road, Barrie, Ontario (“ 664 Essa ”)	6.730 acres, Light Industrial
285	674 Essa Road, Barrie, Ontario (“ 674 Essa ”)	12.509 acres, Light Industrial

5. Copies of the parcel registers for 320 Mapleview, 366 Mapleview, 664 Essa and 674 Essa (collectively, the “**Real Property**”) were included as Exhibits C, D, E and F, respectively, to the Affidavit of Paul Sadlon Jr. sworn October 18, 2021 (the “**Sadlon Affidavit**”), included in PS Holdings’ application record dated October 22, 2021 (the “**Application Record**”).

6. As described in the Sadlon Affidavit, the Debtors acquired the Real Property from PS Holdings pursuant to an agreement of purchase and sale dated April 30, 2020, which closed on May 13, 2020. The Debtors’ acquired the Real Property with the intention of developing the sites as high-density, mixed-use developments.

7. Contemporaneously with the closing of the purchase and sale transaction, PS Holdings assigned to the Debtors its respective interests under four leases respecting elements of the Real Property, being two leases for residential houses and two leases for billboard signs (collectively, the “**Leases**”).

8. As described in greater detail below, the Debtors and 7 Generations Development Group Limited (“**7 Generations**”) entered into a Management/Service Agreement dated May 13, 2020 (the “**Management Agreement**”) to form and constitute a joint venture project for

the development and construction of the Real Property. Among other things, 7 Generations agreed to, on behalf of the Debtors, seek rezoning of the Real Property from industrial to mixed residential and commercial use and 7 Generations would assume control of the joint venture project on behalf of the Debtors. Pursuant to the Management Agreement, among other things, 7 Generations was authorized to act as agent on behalf of the Debtors to engage services and contractors in respect of the development of the Real Property. Blake Larsen is the principal of 7 Generations.

9. The Application Record (including the Sadlon Affidavit), Appointment Order and all other publicly available information in these proceedings, have been posted to the Receiver's website (the "**Receiver's Website**"), which can be found at: <https://mnpdebt.ca/en/corporate/corporate-engagements/2738283-ontario-inc-et-al>.

PURPOSE OF THIS REPORT

10. The purpose of this first report of the Receiver (the "**First Report**") is to:
 - (a) report on the Receiver's activities since the date of the Appointment Order (the "**Appointment Date**");
 - (b) describe the Sale Process (as defined below) conducted by the Receiver to market the Real Property;
 - (c) describe the Receiver's proposed claims process (the "**Claims Process**") to assess and determine claims against the Debtors and 7 Generations in relation to the Real Property;
 - (d) provide this Court with the evidentiary basis to make an order (the "**Approval and Vesting Order**"), *inter alia*:

- (i) approving the agreement of purchase and sale between the Receiver, as vendor, and 2771280 Ontario Inc. d/b/a Ark Capital Group as subsequently assigned to Essa Rd Development Ltd. (the “**Purchaser**”), as purchaser, dated February 4, 2022 (the “**Purchase Agreement**”), and authorizing the Receiver to complete the transaction contemplated thereby (the “**Transaction**”);
 - (ii) with respect to the completion of the Transaction, vesting in the Purchaser, the Debtors’ right, title and interest in and to the Real Property, free and clear of any claims and encumbrances;
 - (iii) sealing Confidential Appendices “1”, “2”, “3” and “4” until completion of the Transaction and further order of this Court;
 - (iv) approving distributions to the Secured Creditors (as such term is defined below) upon the Receiver receiving satisfactory payout statements, in the Receiver’s sole discretion;
 - (v) approving the Receiver’s Interim Statement of Receipts and Disbursements as at February 28, 2022;
 - (vi) approving the First Report and the actions of the Receiver described herein, including, without limitation, the Sale Process; and
 - (vii) approving the fees and disbursements of the Receiver and the Receiver’s counsel, Thornton Grout Finnigan LLP (“**TGF**”);
- (e) provide this Court with the evidentiary basis to make an order (the “**Claims Process Order**”), *inter alia*, approving and authorizing the Claims Process and authorizing, directing, and empowering the Receiver to administer the Claims Process in accordance with the terms of the proposed Claims Process Order; and
- (f) the Receiver recommendations with respect to the foregoing.

TERMS OF REFERENCE

11. In preparing this First Report, the Receiver has relied on unaudited financial and other information regarding the Debtors and the Real Property provided to it, including information (collectively the “**Information**”):
 - (a) provided by PS Holdings and its legal counsel;
 - (b) provided by Blake Larsen;
 - (c) provided by three (3) prominent commercial real estate brokerage firms (collectively, the “**Brokers**”), namely, CBRE Limited, Colliers Canada and Avison Young Commercial Real Estate Service, LP (“**Avison Young**”), each of which provided the Receiver with marketing and listing proposals for the Real Property;
 - (d) as set out in the Sadlon Affidavit, filed in connection with the application for the Appointment Order;
 - (e) provided by Canada Revenue Agency (“**CRA**”);
 - (f) provided by the Secured Creditors (defined below); and
 - (g) as otherwise available to the Receiver and its counsel.
12. Except as described in this First Report, the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with the Generally Accepted Assurance Standards of the Chartered Professional Accountants of Canada.
13. All currency references are in Canadian Dollars unless otherwise specified.

ACTIVITIES OF THE RECEIVER SINCE THE APPOINTMENT DATE

Initial Activities

14. In addition to performing its statutory obligations under the BIA and taking the appropriate conservatory and protective measures, the Receiver carried out the following steps regarding the Real Property, including:
 - (a) Immediately upon its appointment, the Receiver wrote to Mr. Larsen to request various information with respect to the Debtors and the Real Property. The Receiver eventually learned that the Debtors had no books and records and that 7 Generations reported all of the liabilities of both the Debtors and 7 Generations, incurred pursuant to the Management Agreement, on the books and records of 7 Generations. The Receiver was provided with a copy of the accounts payable of 7 Generations and understands that all creditors of 7 Generations relate to services conducted in relation to the Real Property and their development; and
 - (b) On December 22, 2021, the Receiver notified the creditors of 7 Generations in the payable listing provided by Mr. Larsen of the receivership proceedings and of the Debtors' relationship with 7 Generations. The Receiver also sought and obtained an undertaking from Mr. Larsen's counsel that no further work would be undertaken by 7 Generations or its service providers with respect to the Real Property pursuant to the Management Agreement.
15. Pursuant to its authority under the Appointment Order, the Receiver borrowed the amount of \$13,500 from 683728 Ontario Ltd. via a Receiver's Certificate dated December 21, 2021 (the "**Receiver's Borrowing**") to fund the ongoing operating expenses of the Receiver and the Real Property.

Leases and Property Related Issues

16. At the outset of the receivership, the Receiver had minimal information with respect to the Leases and was not receiving timely information from Mr. Larsen. The Receiver issued registered letters to the last known tenants occupying the houses on the Real Property prior to Mr. Larsen's response on that issue, but the letters were eventually returned by Canada Post.
17. The Receiver eventually learned that the upper portion of the house at 320 Mapleview was being renovated for use as a showroom and that a tenant was occupying the basement. The house at 664 Essa Road had also been undergoing renovations but that work had ceased prior to the Appointment Order being issued and that house was vacant. Upon learning of the vacancies, the Receiver arranged for inspections of the houses and changed the locks.
18. On December 1, 2021, Mr. Larsen provided the Receiver with a copy of the lease with respect to the tenant residing in the basement of 320 Mapleview, but no other contact information. The Receiver arranged for delivery of correspondence to the tenant to advise him of the receivership proceedings and to arrange for inspection of the unit. Subsequently, the Receiver arranged for proper heating to the unit, installation of smoke and CO2 detectors and payment of ongoing rent.
19. The changeover of utility services with respect to the two houses was challenging as no utility account information had been provided by Mr. Larsen. The Receiver had to contact various providers to ascertain who was providing the services. Some accounts were still in the names of tenants unknown to the Receiver and some of the utility providers were unable to locate any accounts. The Receiver eventually determined that one house was on well

water with a wood burning electric furnace and the other was heated by propane. The Receiver arranged for the termination of all utilities at 664 Essa and an inspection of the wood burning furnace at 320 Mapleview in order to comply with insurance requirements.

20. The Receiver negotiated a contract for snow removal at the Real Property to ensure that there was proper access to the houses in case of emergency.
21. For unknown reasons, a large section of the land around the back of the house on 320 Mapleview had been excavated prior to the Appointment Date. As a result of the excavation, the pipes from the water well were exposed and due to the extreme cold temperatures in January 2022, the water supply froze. The Receiver engaged a contractor to insulate the exposed piping and cover the immediate area with the soil that had previously been excavated. As a result of a snowstorm that commenced later that evening, and subsequent snowstorms, the remaining excavated area has not been addressed.
22. There are several billboards on the Real Property that are subject to two leases in existence for several years. As information was not forthcoming from Mr. Larsen with respect to the status of these billboards and lease arrangements, the Receiver tracked down the lessees and arranged for the redirection of monthly rent and the collection of rental arrears to the Receiver dating back to August 2020.
23. The Receiver arranged to be added onto the existing insurance policy of the Debtors as loss payee and insured and has arranged for a short-term extension of the policy which is set to expire on March 16, 2022. In accordance with the request of the insurer, the Receiver arranged for bi-weekly inspections of the unoccupied house.

24. The Receiver commissioned a new Phase One Environmental Report to be available to prospective purchasers during the Sale Process. No issues of concern were noted.

Management Agreement

25. As noted above, the Debtors and 7 Generations were party to the Management Agreement, a copy of which is attached hereto as **Appendix “B”**. The salient terms of the Management Agreement are as follows:

- (a) 7 Generations was appointed as the Manager to manage and supervise all aspects of the development and construction of improvements upon the Real Property (the “**Joint Venture Project**”), with the power to act as the duly authorized agent of the Debtors including the power to bind the Debtors as Manager for the purposes of advancing the Joint Venture Project;
- (b) 7 Generations’ responsibilities included:
 - (i) arranging for the retention of services of persons, firms or corporations to act as trades for the construction operations on the Joint Venture Project, and for retaining all necessary professional services required, and for arranging bank and institutional financing;
 - (ii) supervising all development of the Joint Venture Project and submitting all advisable municipal or provincial applications, including re-zoning and site plan applications necessary for the obtaining of approvals to permit construction of the Joint Venture Project as designed and to complete and register a plan of subdivision on the Real Property and installation of all required utilities and municipal services, including supervision and processing of all applications to municipal and other governmental authorities having jurisdiction, giving instructions to supervisors, engineers and contractors, the letting out of contracts for the performance of such services and supervising performance of such contracts;

- (iii) the direct field supervision of all trades and contractors and overseeing and directing trades and contractors in the actual construction of dwelling units and appurtenant improvements thereto upon the Real Property;
 - (iv) managing the day-to-day affairs of the Joint Venture Project; and
 - (v) the sole and exclusive control over all aspects of construction operations and sales and marketing operations of the dwellings to be constructed upon the Real Property;
- (c) the costs and expenses incurred by 7 Generations on behalf of the Joint Venture Project shall be the responsibility of the Debtors;
- (d) 7 Generations was granted the right and exclusive control over all plans, drawings, surveys and other proprietary documents and records commissioned or generated in furtherance to the Joint Venture Project until such time as 7 Generations has been reimbursed all of its costs, and paid for all of its services as contemplated therein;
- (e) a separate bank account was to be opened and maintained for the Joint Venture Project in the name of the Joint Venture Project or in such other name or names as the Debtors may from time to time agree upon. All moneys received from time to time on account of the business of the Joint Venture Project shall be paid immediately into such bank account for the time being in operation in the same drafts, cheques, bills or cash in which they are received, and all disbursements on account of the Joint Venture Project shall be made by cheque on such bank; and
- (f) 7 Generations was required to keep proper books of account on behalf of the Joint Venture Project, and make entries therein of all such matters, terms, transactions and things as are usually written and entered in books of account kept by others engaged in an enterprise of a similar nature, and each of the parties thereto shall have free access at all times to inspect, examine and copy

them, and shall at all times furnish to the other, correct information, accounts and statements of and concerning all such transactions without concealment or suppression.

26. Pursuant to the Management Agreement, 7 Generations engaged various professionals and service providers with respect to the preparation of development plans and studies related to the Real Property and submitted applications on behalf of the Debtors to the City of Barrie to request an amendment to the City of Barrie's Official Plan and zoning by-law. To date, the City of Barrie has not amended the zoning bylaws related to the Real Property, nor has it approved any redevelopment plans submitted by 7 Generations.
27. The Management Agreement entitled 7 Generations to undertake the development work relating to the Real Property. Accordingly, all of the required studies and work relating to the rezoning application and site plan approval were contracted for by 7 Generations (which, as mentioned above, is controlled by Mr. Larsen). Despite the Receiver's requests for the turnover of the documents relating to the development of the Real Property, Mr. Larsen refused to turnover such documents without full payment being made to 7 Generations for all costs incurred.
28. The Receiver did not utilize 7 Generations' services during the administration of the receivership as further development work on the Real Property was placed in abeyance during the Sale Process. Further, on December 13, 2021, Mr. Larsen's counsel confirmed to the Receiver that 7 Generations had suspended the undertaking of any further work pursuant to the Management Agreement. Accordingly, the Receiver did not adopt or perform the Management Agreement.

29. It is the Receiver's understanding that most, if not all, of the studies and reports related to the rezoning application and site plan approval were accessible to the public on the City of Barrie's website and accordingly, during the Sale Process, as detailed below, prospective purchasers were directed there to review that material as needed. Furthermore, the Receiver was advised by Avison Young, which, as detailed below, was chosen to be the Receiver's agent in marketing the Real Property, that none of the prospective purchasers had raised any concerns during the Sale Process about access and use of these reports because no related site plan had been approved by the City of Barrie and due to the overly high-density plans contemplated, it was unlikely to be approved in its current form by the City of Barrie.

SALE PROCESS

Steps Taken Prior to the Appointment Date

30. On November 4, 2021, prior to the Appointment Date, 7 Generations entered into a listing agreement (the "**Remax Listing Agreement**") with Remax West Realty Inc. ("**ReMax**"). The ReMax Listing Agreement granted ReMax the exclusive the right to act as 7 Generation's agent from November 4, 2021 to December 30, 2021 to sell the Real Property based on the listing price included therein. A redacted copy of the ReMax Listing Agreement is attached as **Appendix "K"**. It is the Receiver's understanding that the ReMax Listing Agreement, and listing price therein, was not previously disclosed to the public. A copy of the ReMax Listing Agreement is attached as **Confidential Appendix "1"**.
31. The Receiver's understanding is that the ReMax Listing Agreement resulted in the submission of at least two offers for the purchase of the Real Property. In response to the

Application Record, the Debtor's counsel filed a Responding Motion Record requesting an adjournment to PS Holdings' application to appoint the Receiver in order to provide the Debtors an opportunity to enter into the purchase agreement exhibited in its Motion Record (the "**Pre-Receivership Offer**") and close that sale transaction with such purchaser (who was named "a company to be incorporated") (the "**Pre-Receivership Bidder**").

32. The Pre-Receivership Offer provided for, *inter alia*, a deposit of approximately 1% of the purchase price, an \$8 million vendor takeback mortgage (as partial payment of the total proposed purchase price), a closing date of January 22, 2022 and a title search provision until January 13, 2022.
33. Justice Penny denied the adjournment request and granted the Appointment Order. In His Honour's Endorsement dated November 10, 2021 (the "**Endorsement**"), Justice Penny stated that "there is significant risk that the proposed agreement of purchase and sale will not close, leaving the applicants to pursue their remedies with even greater arrears and with even more complications associated with realizing on their security". A copy of the Endorsement is attached hereto as **Appendix "C"**.
34. The Receiver did not adopt the ReMax Listing Agreement, and rather, as described below, commenced the Sale Process in accordance with the terms under the Appointment Order.
35. After the Receiver's appointment, further potential purchasers contacted the Receiver desiring to quickly make a deal to purchase the Real Property. The Receiver and its counsel also had continued discussions with the Pre-Receivership Bidder and its counsel. The Receiver was presented with an unsigned financing commitment letter from the Pre-Receivership Bidder, in an effort to respond to the Receiver's concerns about its ability to

close the proposed transaction. Among other things, the commitment letter was conditional on due diligence, in the lender's sole discretion, which included appraisal values and syndication of the loan.

36. Between the Appointment Date and December 3, 2021, the Pre-Receivership Bidder worked diligently to enhance its offer by, among other things, agreeing to waive certain of the conditions in the Pre-Receivership Offer and having its lender firm up aspects of the commitment letter. After taking these steps, the Pre-Receivership Bidder's legal counsel asked the Receiver to reconsider acceptance of the offer.
37. After considering the terms of the enhanced offer submitted by the Pre-Receivership Bidder, receiving input from the Brokers, including Avison Young, and consulting with PS Holdings, the Receiver elected to proceed with the sale process contemplated by the Appointment Order (the "**Sale Process**") for the following reasons:
 - (a) it was apparent from the early results of the ReMax listing that there appeared to be significant interest in the Real Property;
 - (b) the parties that had already expressed interest in the Real Property could participate in the Sale Process; and
 - (c) the Sale Process would result in the Real Property being widely marketed in a fair and transparent process that could lead to submission of competitive bids, including a bid that may be favourable to the Pre-Receivership Bidder's offer.
38. The Receiver advised counsel to the Pre-Receivership Bidder of its decision to proceed with the Sale Process and invited it to participate in the Sale Process.

Receiver's Sale Process

39. The Appointment Order authorized the Receiver to market the Real Property, including by:
- (a) obtaining three (3) listing proposals from listing agents or brokers experienced in selling property similar to the Real Property in the same market as the Real Property;
 - (b) engaging the listing agent or broker that the Receiver in its discretion deems has submitted the best listing proposal to advertise and solicit offers in respect of the Property or any part or parts thereof (the “**Realtor**”);
 - (c) entering into a listing agreement with the Realtor; and
 - (d) establishing, in consultation with the Realtor, such terms and conditions of sale as the Receiver in its discretion may deem appropriate, including listing price, marketing strategy and deadline for offers, if appropriate.
40. In accordance with the Sale Process, the Receiver obtained three listing proposals from the Brokers, each of whom was experienced in selling property similar to the Real Property and in the same market as the Real Property. The listing proposals also included estimates of their expected selling prices. The listing proposals were initially due on November 19, 2021. Upon review of the proposals, the Receiver requested all three Brokers to resubmit their best proposals by November 24, 2021. Attached as **Confidential Appendix “2”** is the listing proposals received by the Brokers (the “**Listing Proposals**”), along with a summary of the key terms of the Listing Proposals (the “**Proposals Summary**”). Attached as **Appendix “D”** is a redacted version of the Proposals Summary (redacted for references to the Brokers’ compensation structure, other than Avison Young), and redacted versions of

the Listing Proposals (which have been redacted for any references to selling price, valuation, compensation, and challenges and concerns, as applicable).

41. Each of the Brokers recommended marketing the Real Property as an unpriced offering on MLS with a sealed bid deadline of similar timelines. Accordingly, in selecting a Broker to represent it, the Receiver gave significant weight to the commission structure and selected Avison Young as its listing agent because it had the lowest commission structure of a maximum of 1.5% of the selling price. On December 2, 2021, the Receiver executed a listing agreement with Avison Young, a copy of which is attached hereto as **Appendix “E”**.
42. The Sale Process commenced on December 9, 2021 and called for offer submissions by no later than 5:00 p.m. on January 31, 2022 (the “**Bid Deadline**”). Although Avison Young had initially recommended a four-week marketing period, the Receiver extended the marketing timeline due to the upcoming holiday period to ensure that all potential bidders would have sufficient time to complete due diligence and financing arrangements, if necessary, by the Bid Deadline.
43. The Sale Process required all potential purchasers to execute the Receiver’s form of Non-Disclosure Agreement (“**NDA**”) and submit their offers using the Receiver’s template Agreement of Purchase and Sale, along with providing a deposit of ten percent of the offer price and evidence of financial ability to complete the purchase. A data room was administered by Avison Young and access was only granted to those parties who executed the NDA.
44. Key points from Avison Young’s final marketing report to the Receiver are the following:

- (a) the Real Property was listed on both the Barrie and Toronto MLS systems;
 - (b) advertisements were placed for several days in the *Globe & Mail* and on LinkedIn;
 - (c) over 16,500 emails in total were sent out to potential purchasers on December 9, 2021, January 6, 21 and 27, 2022;
 - (d) 41 NDAs were executed during the almost 8-week marketing period; and
 - (e) access to the data room was granted to 70 individuals pursuant to those NDAs, as certain parties were represented by a number of individuals.
45. The Receiver also arranged for the Sale Process to be advertised in *Insolvency Insider*, a weekly email newsletter distributed to a database of Canadian insolvency and restructuring professionals.
46. Accordingly, the opportunity to purchase the Real Property was widely marketed.
47. A total of eight offers from six different bidders were received by the Bid Deadline. Two of the bidders submitted both conditional and unconditional offers at different price offerings.
48. After review of the offers, and in consultation with Avison Young, the Receiver instructed Avison Young to request three of the offerors to reconsider their offers and provided them until 5:00 p.m. on February 3, 2022 (the “**Extended Bid Deadline**”) to resubmit enhanced offers.
49. Avison Young received three enhanced offers by the Extended Bid Deadline. Attached hereto as **Confidential Appendix “3”** is a summary of the second-round offers received by the Extended Bid Deadline.

50. In the Receiver's view, and in consultation with Avison Young, the offer submitted by the Purchaser was the superior offer. Accordingly, on February 4, 2022, the Receiver accepted and executed the Purchase Agreement, which is described in greater detail below.

Purchase Agreement

51. A redacted copy of the Purchase Agreement (which is redacted only with respect to the Purchase Price and deposit amount) is attached hereto as **Appendix "F"**. An unredacted copy of the Purchase Agreement is attached hereto as **Confidential Appendix "4"**.

52. On March 3, 2022, the Purchaser executed an Assignment and Assumption of Purchase Agreement to assign the Purchase Agreement to Essa Rd Development Ltd., as provided for in Section 8.12 of the Purchase Agreement. A copy of that agreement is attached hereto as **Appendix "G"**, with the purchase price and deposit amount redacted from the Purchase Agreement contained in Schedule "A" attached thereto.

53. Salient terms of the Purchase Agreement are as follows:

- (a) the Purchaser has paid to the Receiver a deposit equal to 19.24% of the Purchase Price (which, notably, is nearly double the 10% deposit requested by the Receiver in the Sale Process and is substantially higher than the proposed deposit in the Pre-Receivership Offer), which shall be released to the Receiver if closing of the Transaction does not occur by reason of an uncured default of the Purchaser or the Purchaser's failure to close the Transaction (subject to the limited exceptions set out in the Purchase Agreement);
- (b) the closing of the Transaction is subject only to Court approval and the provision of an environmental reliance letter, the latter of which the Receiver has already obtained. There are no other conditions to closing of the Transaction;

- (c) closing of the Transaction is to take place on the later of (i) March 15, 2022, or (ii) 10 days after the date on which the Approval and Vesting Order is granted by the Court, or such other date as the parties may agree to in writing; and
- (d) the sale of the Real Property is on an “as is, where is” basis, with no representation or warranties provided by the Receiver.

54. The Receiver recommends that the Court approve the Transaction contemplated by the Purchase Agreement for the following reasons:

- (a) the Sale Process has been fair and transparent and allowed for sufficient exposure of the Real Property to properly canvass the market for a purchaser;
- (b) to the best of the Receiver’s knowledge, all reasonable requests for information made by potential purchasers were satisfied;
- (c) the proposed purchase price is consistent with the estimates of value provided to the Receiver by the Brokers and is higher than the listing price under the ReMax Listing Agreement;
- (d) the Purchase Agreement represents the highest and best realization for the Real Property;
- (e) the deposit amount provided by the Purchaser to the Receiver exceeds the Receiver’s requirements pursuant to the Sale Process and demonstrates the Purchaser’s seriousness and willingness to close the Transaction;
- (f) the terms and conditions contained within the Purchase Agreement are commercially reasonable; and
- (g) completion of the Transaction will allow for payment in full to the Secured Creditors and potentially full payment to all unsecured creditors of the Debtors (depending on the results of the Claims Process).

APPROVAL OF SEALING ORDER

55. The Receiver is seeking an order from the Court sealing Confidential Appendices “1”, “2”, “3” and “4”, which, respectively, consist of (i) the unredacted ReMax Listing Agreement, (ii) the unredacted Proposals Summary and Listing Proposals, (iii) a summary of the offers received by the bidders in the Sale Process, and (iv) an unredacted Purchase Agreement. With the exception of Confidential Appendix “3” (being the summary of offers received), unredacted versions of these appendices are attached to this First Report and the only redactions contained therein relate to the purchase price under the Purchase Agreement or proposed indications of value of the Real Property (or proposed commission structures of the Brokers other than Avison Young).
56. In the event that the Transaction does not close and the Receiver is required to remarket the Real Property, the redacted information could prejudice the Sale Process if it were made public. Such disclosure could potentially impair the value maximizing purpose of the Sale Process. For this reason, the Receiver has redacted this commercially sensitive information.
57. The Receiver is providing these Confidential Appendices to provide the Court with the benefit of the information in assisting with its determination of whether to approve the Transaction contemplated by the Purchase Agreement. The Receiver requests that the Court seal the Confidential Appendices until the Transaction has closed and subject to further order of the Court.
58. The Receiver is of the view that its approach aligns with the purpose of the Sale Process and the interests promoted thereby, is fair and reasonable in the circumstances, and will achieve the desired benefit without unduly impairing the openness of the Court’s process.

SECURED CREDITORS AND PROPOSED DISTRIBUTIONS

59. The following schedule summarizes the registrations and the claimed indebtedness of the various secured creditors against title to the Real Property (collectively, the “**Secured Creditors**”) based on Information provided to the Receiver. The Receiver notes that SvN Architects + Planners Inc. (“**SvN**”) has security registered only against 674 Essa owned by 285 (the “**Security Registrations**”):

Secured Creditor:	Registration Date	Claimed	
		Indebtedness	Calculated To
PS Holdings	May 13, 2020	\$ 15,398,492	March 10, 2022
RPN Finance Corp. & 1938272 Ontario Inc.	May 13, 2020	1,436,690	March 10, 2022
Computershare Trust Company of Canada	December 3, 2020	339,066	March 10, 2022
SvN Architects + Planners Inc.	March 29, 2021	711,931	February 28, 2022
John DaRe	December 7, 2021	167,655	March 10, 2022
Maria Louise Larsen	December 7, 2021	243,856	March 10, 2022
Total		<u>\$ 18,297,690</u>	

60. The Receiver notes that the above claimed amounts are subject to increase as a result of accruing fees and interest by certain of the Secured Creditors up to the closing of the Transaction.
61. The Receiver has received an independent security opinion from Wildeboer Dellelce LLP, TGF’s real estate counsel, with respect to the Security Registrations. Subject to the usual qualifications, assumptions and disclaimers expected with such an opinion, the opinion confirms the validity and enforceability of the Security Registrations. It also provides details with respect to other specific encumbrances such as reference plans, transfers, bylaws and easements and the Receivership Order.

62. In addition to the Security Registrations, Glen Schnarr & Associates Inc. (“**Schnarr**”) registered a construction lien (the “**Schnarr Lien**”) on the Real Property on January 17, 2022, with respect to professional planning services that were contracted for by 7 Generations relating to the rezoning of the Real Property in the amount of \$20,001.02. A review of the invoices comprising the Schnarr Lien amount reveal that Schnarr invoiced for services performed on November 22, 2021 (i.e., after the Appointment Date). The Schnarr Lien was registered within 60 days of that day and appears to be a valid lien as against the Real Property.
63. As part of its review of the Secured Creditor’s claims, the Receiver requested each of the Secured Creditors to provide it with a payout statement and documentary evidence to support its claim. Since receiving the payout statements, the Receiver has engaged in discussions with, and requested additional information from, certain of the Secured Creditors. The Receiver is undertaking further review in respect of certain amounts being claimed by the Secured Creditors and is endeavouring to finalize its review as soon as possible. Currently, and as detailed below, the amounts that remain in dispute or requiring further support are (i) \$32,000 claimed by RPN Finance Corp. (“**RPN**”) & 1938272 Ontario Inc. (“**193**”) and (ii) \$243,856 claimed by Maria Louise Larsen (collectively, the “**Disputed Amounts**”).
64. Accordingly, forthwith after closing of the Transaction, the Receiver proposes to pay the amounts owing to the Secured Creditors, as set out in the table at paragraph 59 above, less the Disputed Amounts (the “**Approved Distributions**”), and to make further distributions to each of RPN and Ms. Larsen upon satisfactory resolution of the Disputed Amounts.

65. Below is a table that summarizes each of the Secured Creditor’s claims, any concerns raised by the Receiver with respect to same, and details regarding the Disputed Amounts:

Secured Creditor	Description of Claim	Details of Disputed Amount
PS Holdings	Pursuant to two promissory notes (the “Notes”), each dated May 13, 2020, the Debtors, jointly and severally, promised to pay PS Holdings the principal amount of \$13,000,000. As security for the repayment of the indebtedness owing under the Notes, the Debtors granted to PS Holdings, among other security, a first charge against the Real Property.	There is some ambiguity in the wording of the interest provision, particularly as it relates to the compounding of interest. After discussions, the Receiver and PS Holdings settled the interest issue.
RPN	RPN advanced an amount of \$1,200,000 as a second mortgage against the Real Property and registered a charge against the Real Property on May 13, 2020.	The Receiver has requested additional information to support \$32,000 reflected on the payout statement provided to it by RPN, including a \$14,000 “term bonus” and a \$18,000 renewal fee. In late February, counsel for RPN and 193 advised the Receiver that RPN was in the process of purchasing the interest of 193 in their shared mortgage and that RPN would be registering a transfer of charge to remove 193 from title. To date, the Receiver has not received confirmation of that transaction.
Computershare Trust Company of Canada	Equityline Mortgage Investment Corporation (“Equityline”) advanced \$250,000 and registered a third mortgage against the Real Property.	Equityline’s payout statement initially included a three-month penalty in the amount of \$10,112 and \$11,000 in monthly late payment charges.

		<p>Notwithstanding that the loan agreement provided for collection of such an amount, case law and various statutes (Section 17 of the <i>Mortgages Act</i> (Ontario) and Section 8 of the <i>Interest Act</i> (Canada)) do not permit such a three-month interest penalty following maturity over and above the interest that would accrue. Following discussions with the Receiver, Equityline agreed to remove the three-month penalty charges and \$9,900 in late payment fees from its payout statement.</p>
SVN Architects + Planners Inc.	<p>SvN provided services to an entity owned by Mr. Larsen with respect to three different development projects, including the property owned by 285. The outstanding balance owing from all three projects was rolled into one promissory note, at the direction of Mr. Larsen, and that promissory note was executed by him on behalf of 285 in the principal amount of \$665,889.69, which was secured by a charge on the property owned by 285. Only \$145,615 of the amount secured relates to services provided to the property owned by 285.</p>	<p>The Receiver is investigating its ability to pursue a claim for contribution and indemnity from the third party entities with respect to their respective portions of the costs incurred for services rendered by SvN, as to be paid for by 285.</p>
John DaRe	<p>Mr. DaRe provided legal services to the Debtors and obtained a promissory note from the Debtors dated June 16, 2021 in the amount of \$160,986.22 with respect to unpaid legal fees relating to the Debtors and was secured by a charge on the Real Property.</p>	N/A

Maria Louise Larsen	Ms. Larsen has registered a charge against the Real Property in the amount of \$2,500,000. The Receiver has been advised by John DaRe and Ms. Larsen that the amount advanced was \$243,856 at the date of the original purchase of the Real Property by the Debtors.	The Receiver has yet to receive definitive evidence that the funds were advanced from Maria Louise Larsen or a discharge statement satisfactory to the Receiver.
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66. The Receiver obtained Certificates of property tax arrears from the City of Barrie for the Real Property dated December 3, 2021 in the total amount of \$44,546.75 (the “**Tax Arrears**”). Arrears have continued to accrue since that date and are expected to be paid in full upon completion of the Transaction.
67. From the net proceeds of the sale of the Real Property, the Receiver proposes to distribute funds to repay in full, in addition to all outstanding fees and disbursements of the Receiver and TGF, (i) the Receiver’s Borrowing, (ii) the Tax Arrears; (iii) the Approved Distributions to the Secured Creditors pursuant to the Security Registrations; and (iv) the Schnarr Lien. The Receiver proposes to distribute the Disputed Amounts (or the agreed portion thereof) to the Secured Creditors upon receiving satisfactory documentation from the applicable Secured Creditors.

UNSECURED CREDITORS AND INCOME TAXES

Trade Debt

68. Based on the preliminary information provided to the Receiver, the Debtors reported liabilities of approximately \$964,000 owing to its unsecured creditors. This preliminary list of creditors did not include amounts owing by the Debtors to 7 Generations and/or to

those parties that supplied goods and services to 7 Generations in relation to the Real Property pursuant to the Management Agreement.

69. Based on the subsequent information provided to the Receiver by 7 Generations, there is approximately \$1 million in known unsecured liabilities related to the development of the Real Property on the books and records of 7 Generations. 7 Generations may also have a claim against the Debtors for compensation pursuant to the Management Agreement.

Statement of Claim

70. A Statement of Claim (the “**Action**”) has been issued by Morris Group Financial, Inc. (“**Morris**”) against the Debtors, Mr. Larsen and other companies related to Mr. Larsen for breach of contract and liquidated damages in the amount of \$633,750. This proceeding is stayed as a result of the Appointment Order. Counsel for the Debtors in such proceeding is in the process of bringing a motion to be removed as solicitors of record.

71. On March 2, 2022, Morris served the Receiver with a Notice of Motion (the “**Morris Motion**”) for a motion returnable on March 10, 2022 seeking an order from the Court to lift the stay of proceedings to, *inter alia*:

- (a) permit Morris to make a bankruptcy application under section 43 of the BIA in respect of the Debtors; and
- (b) continue the Action against the Debtors.

72. Prior to serving the Morris Motion, Morris’s counsel requested that the Receiver consent to lift the stay of proceedings in connection with the foregoing relief. On February 9, 2022, TGF advised Morris that the Receiver does not consent to such lift stay request for the following reasons: (i) the Receiver has entered into the Purchase Agreement, which would

provide for the repayment of all secured creditors, and possibly unsecured creditors, in full, (ii) the Receiver intends to commence the Claims Process, as detailed below, to determine and resolve all remaining claims against the Debtors, which would include the Action; (iii) the Receiver will make any distributions to both secured and unsecured creditors of the Debtors; (iv) there is no basis for a bankruptcy given that the purchase price of the Transaction is likely to exceed all claims against the Debtors; and (v) there is already a Court-supervised proceeding and the appointment of a trustee in bankruptcy would lead to unnecessary duplication of efforts and costs.

73. The Receiver intends to formally respond to the Morris Motion.

Canada Revenue Agency

74. The Receiver has arranged for online access to the Debtors' accounts and has confirmed that no corporate income tax returns have been filed. The Debtors are annual HST filers and had filed NIL returns for the year ending December 31, 2020. Based on information received from Mr. Larsen, the Receiver filed NIL HST returns for the year 2021.

75. Completion of the Transaction will likely result in taxable income to the Debtors for the 2022 fiscal year.

76. Based on the Receiver's initial consideration of possible corporate income taxes that may become owing by the Debtors in connection with any sale of the Property, the Receiver notes that the realization of the Real Property may lead to corporate income tax implications that could add to the unsecured creditor pool. Given that the Debtors' purchased the Real Property with the sole intent to develop and sell the Real Property, the gain on the sale of the property will likely be treated as regular business income and subject to applicable

business corporate tax rates as opposed to a capital gain or investment tax rates. This tax liability will be subject to the existing priorities and will represent an additional unsecured claim.

CLAIMS PROCESS

77. Unless otherwise defined in this section, capitalized terms not otherwise defined shall have the meaning ascribed to them pursuant to the Claims Process Order.
78. The Receiver has reviewed the books and records provided in respect of the Debtors and 7 Generations and has determined that the records related to the Debtors' payables are insufficient and not reliable. As a result, the Receiver has developed the Claims Process to call for, review and assess the extent of unsecured creditor claims against both (i) the Debtors, and (ii) 7 Generations in respect of Claims related to the Real Property (such Claims, a "**7 Generations Claim**") given that, pursuant to the Management Agreement, the Debtors are liable for such Claims and wishes to ensure that any such creditors are known to the Receiver.
79. Additionally, any tax liability arising from the sale of the Real Property may be reduced by expenses incurred by the Debtors. To enable the Receiver to properly calculate the Debtors' tax liability, the Receiver must conduct the Claims Process to identify all applicable expenses.
80. A summary of the Claims Process is as follows:

- (a) Any Claimant that has a Claim against either the Debtors or as against 7 Generations in relation to the Real Property, with the exception of claims from CRA with respect to any assessments arising from the filing of corporate tax returns filed in relation to the disposition of the Real Property, is required to submit a Proof of Claim to the Receiver by April 29, 2022 (the “**Claims Bar Date**”), failing which, any such Claims as against the Debtors or 7 Generations Claims against 7 Generations shall be extinguished and barred;
- (b) the Claims Process Order approves the forms of Notice to Claimants, Proof of Claim and Notice of Revision or Disallowance for the purpose of administering the Claims Process, and authorizes the Receiver to administer same;
- (c) the Receiver is required to (i) no later than five Business Days following the date of the Claims Process Order, if granted, post a copy of the Claims Process Order, Notice to Claimants and Proof of Claim form on the Receiver’s Website; and send such documents to all known creditors of the Debtors and 7 Generations; and (ii) send a copy of the Claims Package to any Person claiming to be a creditor of the Debtors or 7 Generations;
- (d) the Receiver shall publish and advertise the Notice to Claimants in the *Globe and Mail* as soon as practicable after the date of the Claims Process Order, if granted;
- (e) every Claimant asserting a Claim against the Debtors or 7 Generations is required to set out its Claim in a Proof of Claim, including supporting documentation, and deliver that Proof of Claim to the Receiver so that it is actually received by the Receiver by no later than the Claims Bar Date;
- (f) subject to the terms of the Claims Process Order, the Receiver shall review all Proofs of Claim and may:

- (i) request additional information from a Claimant and /or the Debtors or 7 Generations to assist with such review and assessment;
 - (ii) request that a Claimant file a revised Proof of Claim;
 - (iii) attempt to resolve and settle any issue arising in a Proof of Claim in respect of a Claim;
 - (iv) accept (in whole or in part) the amount of any Claim and notify the Claimant in writing;
 - (v) revise or disallow (in whole or in part) the amount of any Claim by delivering a Notice of Revision or Disallowance to such Claimant; and
 - (vi) consult with 7 Generations and Blake Larsen in respect of any Claims.
- (g) where a Claimant has received a Notice of Revision or Disallowance and wishes to dispute same, it shall file with the Receiver a Dispute Notice by no later than fourteen days upon receipt of the Notice of Revision or Disallowance;
- (h) the Receiver may attempt to resolve the disputed Claim as set out in the Dispute Notice, or refer such disputed Claim to the Court or a Claims Officer for adjudication;
- (i) where a Claim has been accepted by the Receiver, such Claim shall constitute a Proven Claim; and
- (j) the Receiver may from time to time apply to this Court to amend, vary, supplement or replace the Claims Process Order or for advice and directions concerning the discharge of its powers and duties under the Claims Process Order or the interpretation or application of the Claims Process Order.

81. The Receiver is of the view that the implementation of a Claims Process to identify Claims of creditors is appropriate and necessary in the circumstances. The Receiver is therefore

seeking the Court's approval to administer the Claims Process with corresponding powers to determine and settle all Claims against the Debtors and/or 7 Generations in respect of the Real Property, subject to Court supervision and approval.

RECEIVER'S STATEMENT OF RECEIPTS AND DISBURSEMENTS

82. Attached hereto as **Appendix "H"** is a copy of the Receiver's Interim Statement of Receipts and Disbursements for the period November 9, 2021 to February 28, 2022 (the "**R&D**"), indicating net receipts of \$10,928.92, excluding the deposit paid by the Purchaser with respect to the Purchase Agreement.
83. As mentioned earlier in this First Report, funding for the ongoing operating expenses of the Receiver was provided pursuant to the Receiver's Borrowing, which is reflected in the R&D.

FEES AND DISBURSEMENTS

84. Attached hereto as **Appendix "I"** is the Fee Affidavit of Deborah Hornbostel, sworn February 24, 2022, which attaches a copy of the Receiver's accounts pertaining to the receivership for the period October 12, 2021 to and including February 22, 2022. In total, the Receiver has charged professional fees in the amount of \$150,029.10, exclusive of HST of \$19,503.78. This represents a total of 263.2 hours at an average rate of \$570 per hour.
85. Attached hereto as **Appendix "J"** is the Fee Affidavit of Robert Thornton, sworn March 3, 2022, which attaches a copy of the accounts of TGF, which reflects the services provided to the Receiver in the amount of \$63,772.50 plus disbursements of \$8,223.85 and applicable taxes in the amount of \$9,334.81 for a total of \$81,331.16 for the period October 12, 2021

to and including February 28, 2022. The disbursements reflect an invoice provided to TGF from Wildeboer Dellelce LLP, its real estate counsel.

86. The Receiver has reviewed the accounts of TGF and, given the Receiver's involvement in this matter, the Receiver is of the opinion that all the work set out in TGF's accounts was carried out and was necessary. The hourly rates of the lawyers and clerks at TGF who worked on this matter are reasonable in light of the services required and the services were carried out by lawyers and clerks with the appropriate levels of experience.

RECOMMENDATION

87. For the reasons discussed in this First Report, the Receiver recommends that the Court grant the requested Approval and Vesting Order and the Claims Process Order.

The Receiver respectfully submits to the Court this First Report, dated March 3, 2022, as amended on March 7, 2022.

**MNP Ltd, in its capacity as the
Court-appointed Receiver of
2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc.,
and not in its personal or corporate capacity**

Per:



Sheldon Title CPA, CA, CIRP, LIT
Senior Vice President

APPENDIX “A”
Appointment Order dated November 9, 2021

APPENDIX "A"

Court File No. CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) TUESDAY, THE 9th
)
JUSTICE PENNY) DAY OF NOVEMBER, 2021
)

B E T W E E N :

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC.,
2738284 ONTARIO INC. and 2738285 ONTARIO INC.**

**AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy
and Insolvency Act*, R.S.C. 1985, c. B-3 as amended, and section 101 of the
Courts of Justice Act, RSO 1990, c C.43, as amended**

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by the applicants, PS Holdings 1 LLC, PS Holdings 2 LLC and PS Holdings 3 LLC (collectively, the “**Applicants**”), for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing MNP

Ltd. (“**MNP**”) as receiver (in such capacity, the “**Receiver**”) without security, of the real and personal property, rights and claims of the respondents, 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc. (the “**Debtors**”) described in Schedule “A” to the Receivership Order, including all proceeds thereof (collectively, the “**Property**”), was heard this day by videoconference due to the COVID-19 pandemic.

ON READING the affidavit of Paul Sadlon Jr. sworn October 18, 2021 and the Exhibits thereto and on hearing the submissions of counsel for the Applicants, the Debtors, SvN Architects + Planners Inc. and the proposed Receiver, and John DaRe appearing for himself, no one else appearing although duly served as appears from the affidavits of service and other proof of service, filed, and on reading the consent of MNP to act as the Receiver,

SERVICE

1. THIS COURT ORDERS that the time for service of the notice of application and the application is hereby abridged and validated so that this application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, MNP is hereby appointed Receiver, without security, of the Property.

RECEIVER’S POWERS

3. THIS COURT ORDERS that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the

generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business or cease to perform any contracts of the Debtors;
- (d) to engage consultants, appraisers, agents, listing agents and brokers, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;

- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by any of the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including by:
 - (i) obtaining three (3) listing proposals from listing agents or brokers experienced in selling property similar to the Property in the same market as the Property;
 - (ii) engaging the listing agent or broker that the Receiver in its discretion deems has submitted the best listing proposal to advertise and solicit offers in respect of the Property or any part or parts thereof (the "**Realtor**");

- (iii) entering into a listing agreement with the Realtor;
 - (iv) establishing in consultation with the Realtor such terms and conditions of sale as the Receiver in its discretion may deem appropriate, including listing price, marketing strategy and deadline for offers, if appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
- (i) without the approval of this Court in respect of any transaction not exceeding \$50,000, provided that the aggregate consideration for all such transactions does not exceed \$100,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;
- and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;
- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
 - (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the

receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;

- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other

persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver’s request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto

paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

7. THIS COURT ORDERS that no proceeding or enforcement process in any court or tribunal (each, a “**Proceeding**”), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

8. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors or the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. THIS COURT ORDERS that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any “eligible financial contract” as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on

any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

10. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by any of the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

12. THIS COURT ORDERS that, without limiting the generality of the foregoing, no insurer providing insurance to the Debtors or their directors or officers shall terminate or fail to renew such insurance on the existing terms thereof provided that such insurer is paid any premiums, as would be paid in the normal course, in connection with the continuation or renewal of such insurance at current prices, subject to reasonable annual increases in the ordinary course with respect to such premiums.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the “**Post Receivership Accounts**”) and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the Debtors’ behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations

thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER’S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER’S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the “**Receiver’s Charge**”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver’s Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the “**Receiver’s Borrowings Charge**”) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver’s Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at '<https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>') shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: 'www.mnpdebt.ca/2738283-ontario-inc-et-al'.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

27. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

28. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of any of the Debtors.

29. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

30. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

31. THIS COURT ORDERS that the Applicant shall have its costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a full indemnity basis to be paid by the Receiver from the Debtors' estates with such priority and at such time as this Court may determine.

32. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

33. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Toronto time on the date of this Order, and this Order is enforceable without the need for entry and filing.



A handwritten signature in blue ink, appearing to read "Peng 3.", is written above a horizontal line.

SCHEDULE "A"

DESCRIPTION OF PROPERTY

"Property" means all of the present and future legal and beneficial right, title, estate and interest in and to:

- (a) the real property municipally known as 320 Mapleview Drive West, Barrie, Ontario and legally described as PT LT 4 CON 12 INNISFIL AS IN RO1071059 EXCEPT PT 62 PL 51R24730, PTS 1 TO 5 INCL. PL 51R31988 & PTS 2 TO 4 INCL. PL 51R34959, S/T RO1272147; BARRIE, being all of PIN 58730-0303 (LT);
- (b) the real property municipally known as 692 Essa Road, Barrie, Ontario and legally described as CONSOLIDATION OF VARIOUS PROPERTIES PT LT 3 CON 12 INNISFIL BEING PT 1 PL 51R32435 & PT LTS 3 & 4 CON 12 INNISFIL BEING PTS 1 & 2 PL 51R25124, EXCEPT PT 1 PL 51R33177, S/T RO990763; INNISFIL, being all of PIN 58730-0304 (LT);
- (c) the real property municipally known as 664 Essa Road, Barrie, Ontario and legally described as PT LT 4 CON 12 INNISFIL AS IN RO1278789 EXCEPT PT 6 PL 51R31988; BARRIE, being all of PIN 58730-0240 (LT); and
- (d) the real property municipally known as 674 Essa Road, Barrie, Ontario and legally described as PT LT 4 CON 12 INNISFIL AS IN RO1244213 EXCEPT PT 61 51R24730 AND PT 251R33177; S/T RO1272150; BARRIE, being all of PIN 58730-0297 (LT),

together with all buildings, structures, fixtures and improvements of any nature or kind now or hereafter located in, on or under such lands, and all equipment, leases, rents and all other appurtenances thereto, and including all interests, appurtenant or otherwise, held now or in the future by the Debtors in lands adjacent to or used in connection with such lands and premises or in which the Debtors now or in the future have any interest or to which the Debtors are now or may in the future become entitled.

Without limiting the foregoing, “**Property**” also includes all of the following real and personal property, rights and claims and in each case, both present and after acquired: (i) all material agreements, permits and approvals relating to such Property or its development, management or operation; (ii) all expropriation proceeds relating to such Property; (iii) all insurance proceeds and any unearned insurance premiums relating to such Property; (iv) all surveys, drawings, designs, reports, studies, environmental site assessments, tests, plans and specifications relating to such Property; and (v) all renewals, substitutions, improvements, accessions, attachments, additions, replacements and proceeds to, of or from each of the foregoing components of the Property or any part thereof and all conversions of such Property or the security constituted thereby.

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that MNP, the receiver (the "**Receiver**") of the real and personal property, rights and claims of the respondents, 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc. (the "**Debtors**") described in Schedule "A" to this Receivership Order and including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ___ day of November 2021 (the "**Order**") made in an application having Court file number __-CL-_____, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$_____, being part of the total principal sum of \$_____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [**daily**][**monthly not in advance on the _____ day of each month**] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the

charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

MNP, solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

PS HOLDINGS 1 LLC et al.

-and- 2738283 ONTARIO INC. et al.

Applicant

Respondents
Court File No. CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

**Proceeding commenced at
Toronto**

**ORDER
(Appointing Receiver)**

FASKEN MARTINEAU DuMOULIN LLP

Barristers and Solicitors
333 Bay Street, Suite 2400
Bay Adelaide Centre, Box 20
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Tel: 416 865 4445
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Lawyers for the applicants

APPENDIX ‘B’
Management/Service Agreement dated May 13, 2020

MANAGEMENT/SERVICE AGREEMENT

THIS AGREEMENT made this 13th day of May, 2020.

B E T W E E N:

2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.

(Hereinafter collectively referred to as the "Owners")

OF THE FIRST PART;

- and -

7 GENERATIONS DEVELOPMENT GROUP LIMITED

(Hereinafter referred to as the "Manager")

OF THE SECOND PART.

WHEREAS

The parties hereto have agreed to form and constitute a joint development relationship for the purpose hereinafter set out and described on and subject to the terms hereinafter set forth.

AND WHEREAS

The Owners are the registered and legal owners of those properties as follows;

- (a) 320 and 360 Mapleview Drive, West, Barrie, Ontario – Registered Owner 2738283 Ontario Inc.
- (b) 664 Essa Road, Barrie, Ontario – Registered Owner – 2738284 Ontario Inc.
- (c) 674 Essa Road, Barrie, Ontario – Registered Owner – 2738285 Ontario Inc.

AND WHEREAS

The Owners, on behalf of their shareholders, are holding the lands referenced above for the sole intent and purpose of developing the said lands or any portion thereof to permit for the development of a mixed use residential and commercial use ("The Joint Venture Project").

AND WHEREAS

The Manager has agreed to and with the Owners to assume control of the Joint Venture Project for development and construction purposes, subject to the terms hereunder.

NOW THEREFORE THIS AGREEMENT WITNESSETH THAT, in consideration of the premises and of the covenants and agreements contained herein, the parties hereto, for themselves, their heirs, executors, administrators, successors and assigns, covenant and agree to and with each other as follows:

ARTICLE I

MANAGEMENT

Section 1.01 - Formation

The Owners do hereby form and constitute themselves as Owners (sometimes referred to as "Members" herein) pursuant to a Joint Venture for the purpose hereinafter set forth and agree

that the affairs of the Joint Venture (also referred to as "Joint Venture project" herunder) shall be conducted in accordance with the provisions of this Agreement. Nothing herein contained shall be deemed or construed so as to make any of the parties hereto partners with one another.

The Owners do hereby appoint, constitute and authorize the Manager, 7 Generations Development Group Limited, with the power to bind the Owners, as the Manager of the Joint Venture Project as is more particularly stipulated hereunder and specifically in accordance with Article IV herein.

Section 1.02 - Purpose and Scope

The purpose, of the Joint Venture is to complete the transaction of Purchase and Sale provided for in the Purchase Agreement, if not already done so at the time this Agreement is executed and to develop and construct a residential/commercial campus thereon upon the Lands for sale which purpose is herein and called the "Joint Venture Project" under the Joint Venture name of "**Maxx Condos**" or such other name as may from time to time be agreed upon by the Joint Venture Owners. The Joint Venture Project shall be limited strictly to the purpose hereinbefore set out and to the Joint Venture Lands hereinbefore described.

Section 1.03 - Ownership of the Lands

Each of the Joint Venture Owners shall hold those Lands as specified in the preambles above for the benefit of the purpose of the Joint Venture.

Without limiting the generality of the foregoing, any assets, both real and personal, or mixed, including, without limitation, any moneys, shares, bonds, debentures, stocks, or other securities payable to, issued to or coming into the hands of the Joint Venture or belonging to the Joint Venture shall be deposited, taken or acquired in the name of the Joint Venture or in the names of the Owners of the Joint Venture as tenants in common as to their respective undivided interests. The Parties agree to apportion their respective rights and interests in the Lands from time to time and in the absence of which it is agreed between the Owners that they shall each be entitled to an equal share of the Lands, other Joint Venture Property and shall furthermore equally share in the obligations, debts and undertakings in respect of the Lands and their development equally, *pari passu*.

Section 1.04 - Apportionment of Profits and Losses

(a) Except as hereinafter otherwise specifically provided, all net profits derived from the ownership, operation, development or sale of the Joint Venture Lands shall be apportioned in accordance with the respective proportionate interests of each Joint Venture participant as proportionate per Article I, Section 1.03 herein.

(b) Except as otherwise provided for herein, all expenditures or losses incurred in connection with the ownership, operation, development or sale of the Joint Venture Lands shall be borne by the Owners of the Joint Venture project, on an equal basis, unless a different proportionate ownership interest is determined by agreement of all parties.

Section 1.05 - Management of Joint Venture

The Owners hereby retain the President of each respective Corporation to act as the General Manager of the Joint Venture Project and all matters relating thereto. In the event the President of the Owners is one and the same person, that individual shall act in the position of Manager alone.

For the purpose of this Agreement, all duly constituted meeting of the Management Committee shall be deemed to be a duly constituted meeting of the Manager and vice versa, and, any resolution duly passed by the Board of Directors of the Owners shall be deemed to be a resolution duly passed by the Management Committee of the Manager.

ARTICLE II

THE FINANCING

Section 2.01 - Monies Required

All monies which may, at any time or from time to time, be reasonably required for the completion of the purchase of any Joint Venture Lands, including deposit monies in connection therewith and closing costs, and all monies required for the construction upon the Joint Venture Lands of buildings and other improvements, and required for the proper maintenance of the Joint Venture Lands including, without limitation, all payments on account of realty and other taxes, regular mortgage principal instalments and interest charges payable with respect to or in connection with the Joint Venture Lands and the improvements thereon, and all monies required for the development of the Joint Venture Lands pursuant to the Joint Venture Project and for the payment of all debts, obligations and liabilities in connection therewith including the payments required to discharge the mortgages that encumber the Joint Venture Lands shall be advanced to the Joint Venture, as a loan thereto, by the Owners, or either one of them, although such disproportional advance shall be guaranteed by each Owner, jointly and severally, *pari passu*.

Section 2.02 - Loans Advanced

Any loans made to the Joint Venture by the Owners, to the extent to which they have been advanced by the Owners in the respective proportions set out in Section 1.03 hereof, shall bear no interest unless and until the Owners agree to the contrary, in which case such loans shall bear such rate of interest as is from time to time agreed upon. Except in accordance with the provisions of this Agreement, none of the loans shall be due or payable to or called by any of the Owners of the Joint Venture.

Section 2.03 - Disproportionate Loans

For the purposes of the provisions of this Section 3.03, all monies loaned or advanced to or on behalf of the Joint Venture by or on behalf of a Owners thereof, shall conclusively be deemed to be Owners' Loans.

Section 2.04 - After Sales Service Fund

During the course of the Joint Venture project, and, in any event, prior to the completion of the closings of sales of the last five percent (5%) of dwelling units to be erected upon any site forming part of the Joint Venture Lands, and prior to the distribution of all net or anticipated net profits to the Joint Venture Owners, the Owners of the Joint Venture shall establish a fund for after sales service (the "Fund") for the purposes, and upon the terms as are hereinafter more particularly set out.

A fund not exceeding the total amount of the aggregate of two and one-half percent (2.5%) of the selling price per dwelling unit, for each of the dwelling units constructed upon the Joint Venture Lands, shall be established for the purpose of payment of all costs as may be reasonably anticipated by the Manager, which will be incurred by the Joint Venture in respect of the repair, replacement and correction of construction defects in dwelling units, the repair, replacement and correction of subdivision services, completion of the obligations of the Joint Venture party to this Agreement, does or is the subject of any act or thing pursuant to any agreement of purchase and sale in respect of the Joint Venture Lands, completion of any obligations incurred by the Joint Venture pursuant to any requirement of "The Ontario New Home Warranty Program", and, generally, the cost of completion of all follow-up work on the Joint Venture Lands arising out of or associated with building operations undertaken by the Joint Venture (hereinafter collectively referred to as the "subsequent building operations"). The whole or any part of the fund shall, from time to time, as the Manager may deem necessary, be applied in payment of the cost of completion of subsequent building operations, and, in the event from time to time or at any time, in the discretion of the Manager, there does not remain sufficient funds held in such Fund to cover the cost of completion of all subsequent building operations, the Joint Venture Owners

hereby agree to advance such funds to the Fund in the proportions set forth in Section 1.03 hereof, as the Manager in its sole discretion reasonably requires.

The Manager may, in its sole discretion, reduce the total amount of funds held in the Fund, from time to time, as may be appropriate taking into account the anticipated cost of subsequent building operations then outstanding. In the event of any such reduction, and, in any event, upon the Manager determining that all subsequent building operations have been fully completed, the balance of the Fund, then remaining available for distribution shall be distributed to the Owners of the Joint Venture in accordance with their respective proportionate ownership interest as set forth in Section 1.03 hereof.

ARTICLE III

INTENTIONALLY DELETED

ARTICLE IV

MANAGEMENT AND SUPERVISION

Section 4.01 - Appointment and Duties of Manager

The Owners of the Joint Venture hereby authorize the Manager, 7 Generations Development Group Limited, as the Manager on behalf and for the benefit of the Owners and the Joint Venture project, to manage and supervise all aspects of the development and construction of improvements upon the Joint Venture Lands, and, for such purpose, authorize and duly appoints the Manager to represent itself as the duly authorized agent for the Owners for all purposes, including the power to bind the Owners in contract, deed and undertakings as the Manager in its sole discretion deems appropriate for the benefit of the Owners in advancing the purpose and scope of the Joint Venture Project. The Manager shall, in carrying out its role herein, provide or attend to the following:

- (a) The commissioning, keeping and maintenance of development and technical records and financial information;
- (b) An office for the Joint Venture Project, including all of the necessary clerical staff, telephones, office equipment and office supplies, at the sole cost and expense therefore of the Manager, save and except the site office and site telephone;
- (c) Arranging for the retention of services of persons, firms or corporations to act as trades for the construction operations upon the Joint Venture Lands, and for retaining all necessary professional services required, and for arranging bank and institutional financing;
- (d) Supervising all development of the Joint Venture Lands and submitting all advisable municipal or provincial applications, including re-zoning and site plan applications necessary for the obtaining of approvals to permit construction of the Joint Venture Project as designed and to completion and registration of a plan of subdivision on the Joint Venture Lands and installation of all required utilities and municipal services, including, without limiting the generality of the foregoing, supervision and processing of all applications to municipal and other governmental authorities having jurisdiction, giving instructions to supervisors, engineers and contractors, the letting out of contracts for the performance of such services and supervising performance of such contracts;
- (e) The direct field supervision of all trades and contractors and overseeing and directing trades and contractors in the actual construction of dwelling units and appurtenant improvements thereto upon the Joint Venture Lands;

- (f) Generally, managing the day-to-day affairs of the Joint venture Project, and for such purposes, the Manager shall be responsible for completion of the obligations herein recited;
- (g) Notwithstanding anything to the contrary contained in this Agreement, the Manager shall have the sole and exclusive control over all aspects of construction operations and sales and marketing operations of the dwellings to be constructed upon the Joint Venture Lands, including, without limiting the generality of the foregoing, full control over design of dwelling units, construction timetables, employment and termination of employment of trades, suppliers and real estate agents, pricing and sales of dwelling units and extras charged to purchasers, and all other matters relating to or arising out of construction and sales of dwelling units upon the Joint Venture Lands.

Section 4.02 - Compensation of Manager

The parties hereto agree that the Manager shall receive compensation for services to be rendered and as set out herein as follows;

- (a) The Manager shall receive a priority right to the payment of five (5%) percent of the gross profits realized upon completion and sale of the Joint Venture Project, in addition to such other compensation as set out in this Article IV.
- (b) A Management Fee equivalent to two and one half (2.5%) percent of the actual costs of construction payable monthly commencing thirty (30) days after the commencement of construction upon the Lands.
- (c) Such other amount as the parties may agree for pre-construction services as per such fees paid for commensurate services in the industry, provided however that the Manager shall receive a monthly payment for all pre-construction services of no less than \$25,000.00.

Section 4.03 - Manager's Costs

The following items, costs and expenses which may be incurred by the Manager on behalf of the Joint Venture, shall be the responsibility of the Owners, and shall not be charged to the account of the Manager:

- (a) Provision of the Joint Venture project office, rental charges therefore, office staff, telephone charges, postage, stationery, and all other matters incidental to the maintenance and operation of such Joint Venture office;
- (b) All costs and expenses incurred by the Manager incidental to the performance of the Manager's duties as set out in Section 5.01 hereof, save and except only those matters hereinafter specifically excluded from the Management Fee;
- (c) All costs and expenses incurred by the Manager on account of salary paid to its office employees, whether such employees provide managerial or clerical or other services, including Workmen's Compensation contribution costs or deductions from such employees, unemployment insurance and Canada Pension Plan contributions, costs or deductions for such employees, insurance policies of any nature or kind whatsoever, including medical or dental, life, sickness, accident or liability policies, obtained with respect to such employees or with respect to the principals of the Manager.
- (d) Any taxable refunds, including any HST reimbursements, or any other amounts which may become due and owing to the Owners shall be payable to the Manager on account of anticipated Manager costs.

- (e) Moneys actually expended by the Manager to purchase incidental supplies used in connection with the construction of houses on the Joint Venture Lands or used in connection with the supervision of such construction;
- (f) Salaries, wages, and benefits paid to or on behalf of casual laborers employed in the construction of dwelling units on the Joint Venture Lands, excluding all office staff employed by the Manager;
- (g) Salaries, wages and benefits paid to or on behalf of all on site foremen and superintendents;
- (h) All contributions on account of Workmen's Compensation payable with respect to such casual laborers and site superintendents, excluding the office staff employed by the Manager;
- (i) Gasoline, car maintenance and other traveling expenses in relation to vehicles owned by, leased by, or otherwise utilized by the Joint Venture for the Joint Venture project.

Section 4.05 - Personal Services and Non-Assignment

The Manager covenants and agrees to provide the personal services of development and construction and marketing/sales management at all such times and from time to time (but not necessarily on a full time basis) as may reasonably be required by the Joint Venture in respect of the Joint Venture obligations of the Manager herein. The Manager may duly authorize any of its affiliated companies from time to time to carry out the purposes of the Manager when convenient to do so.

The Management Agreement herein contained may not be assigned without the unanimous consent of the Joint Venture Owners in writing, which consent may be arbitrarily withheld.

It is agreed between the Joint Venture and the Manager that the Manager shall have the right and exclusive control over all plans, drawings, surveys and other proprietary documents and records commissioned or generated in furtherance to the Joint Venture until such time as the Manager has been reimbursed all of its costs, and paid for all of its services as contemplated herein. In the event the Joint Venture Project is sold prior to the commencement of construction or in the event the Joint Venture Owners assign any of their interest herein to a third-party or enter into a further agreement in the form of a partnership or co-tenancy agreement or in the event the Owners or this Joint Venture fail to raise the necessary funding required to advance the Joint Venture Project, or in the event the Owners or the Joint Venture are adjudged, bankrupt, make an assignment into bankruptcy on behalf of their creditors, are petitioned and ordered into receivership, is wind up, voluntarily or otherwise the affairs of the Joint Venture or otherwise lose possession and control of the Joint Venture Lands to any party then;

- a. In the event of a sale or new joint venture partnership agreement, such purchaser, new partner or joint venture participant shall be obligated to assume this Management Contract and to pay forthwith at the time of completion of such transaction the Managers earned entitlement pursuant to services rendered;
- b. In the event of a bankruptcy, winding up, receivership or general appointment in favour of creditors, the Owners and the Joint Venture shall be deemed to have no right, title or interest in the Managers notes, records, studies, applications, projections or budgets prepared in connection herewith which shall remain the exclusive property of the Manager until such time as the Manager receives full compensation for services rendered in connection herewith to be determined by the Manager and receives payment of an amount equivalent to the Managers anticipated earnings upon completion and sale of the Joint Venture Project.

ARTICLE V

ADMINISTRATION

Section 5.01 - Banking

A separate bank account shall be opened and maintained for the Joint Venture Project in the name of the Joint Venture or in such other name or names as the Owners may from time to time agree upon. All moneys received from time to time on account of the business of the Joint Venture shall be paid immediately into such bank account for the time being in operation in the same drafts, cheques, bills or cash in which they are received, and all disbursements on account of the Joint Venture shall be made by cheque on such bank. All cheques drawn on such bank account and other banking documents, including authorizations required to be executed by the Joint Venture shall be executed on its behalf by the President of the Trustee Corporation.

Section 5.02 - Bank and Other Financing

The Owners agree that they will actively pursue and work toward obtaining satisfactory bank credit and interim financing for the Joint Venture Project, it being the intention of the parties that such financing be sought in the highest amounts obtainable so that the equity investment required by the Owners will be kept to the minimum amount possible. The Owners agree to execute and deliver such guarantees as may be required for the purpose of enabling the Joint Venture to obtain such bank credit and interim financing. Each of the Owners hereby covenants and agrees to permit all the property and assets of the Joint Venture, or such of them as such banker or lender may require, to be mortgaged, charged or otherwise encumbered to or in favor of such bank or lender in order to obtain financing for the Joint Venture. Where, pursuant to the foregoing provisions of this Section, the Joint Venture Owners, or any of them, have, in respect of any of the debts, obligations or liabilities of the Joint Venture, to its banker or any other lender, executed, on a joint and several basis, an agreement or covenant of suretyship or guarantee in favor of such banker or lender, then, notwithstanding the foregoing, such parties hereby covenant and agree that, as between and among themselves, each of them shall be responsible for such debts, obligations and liabilities to the extent of their proportionate ownership interest as set out in Section 1.03 hereof. In the event any banker or lender of the Joint Venture requires, as a condition of granting any credit or interim financing for the Joint Venture, the personal covenant of the principal or principals of the Owners, the Owners hereby agree to cause their respective principal or principals to provide the required personal covenants to such banker or lender.

Section 5.03 - Books of Account

Proper books of account shall be kept by the Manager on behalf of the Joint Venture project, and entries shall be made therein of all such matters, terms, transactions and things as are usually written and entered in books of account kept by others engaged in an enterprise of a similar nature, and each of the parties hereto shall have free access at all times to inspect, examine and copy them, and shall at all times furnish to the other, correct information, accounts and statements of and concerning all such transactions without concealment or suppression.

Section 5.04 - Appointment of Accountants

MNP LLP, Attention: Lee S. Bass, Chartered Accountants shall be the Accountants of the Joint Venture project, the Owners and the Manager respectively, or such other firm of chartered accountants as the Owners of the Joint Venture project and the Manager may from time to time unanimously agree upon. The Accountants shall, at the end of each fiscal year of the Joint Venture, and at such other time as may reasonably be required by a Joint Venture Member, prepare Financial Statements of the books and accounts of the Joint Venture and for such purposes, they shall have access to all books of account, records and all vouchers, cheques, papers and documents of or which may relate to the Joint Venture. The Joint Venture shall cause

its Accountants to furnish copies of all Financial Statements prepared for, on behalf of, or in connection with the Joint Venture to each of the Owners, forthwith after their preparation.

Section 5.05 - Distribution of Available Funds

Receipts and revenues of the Joint venture project from any source whatsoever, shall be applied and distributed in the following order of priority, no distribution being made in any category set forth below unless and until the preceding category has been satisfied in full, unless the Owners otherwise agree in writing:

- (a) The payment of all debts, obligations, liabilities, costs and expenses incurred in connection with or on account of the Joint Venture Project by the Manager, other than the Management Fees herein provided;
- (b) The repayment of any moneys loaned or advanced pursuant to Section 2.02 hereof;
- (c) The payment of the Management Fee, if any, as provided in Section 4.02 hereof;
- (d) The repayment of any moneys advanced pursuant to Section 1.03 hereof, but subject to the provisions of Section 1.03 hereof;
- (e) The distribution of the moneys remaining, if any, to the Owners of the Joint Venture in accordance with their rights and interests in the Joint Venture as set out in Section 1.04 hereof, subject to the Fund as set out in Section 1.04 (b) hereof;
- (f) The balance of the Fund, if any, pursuant to Section 1.04 hereof.

Section 5.06 - Losses and Expenses

All expenses of the Joint Venture and all losses which may be incurred by the Joint Venture shall be paid or borne by the Owners, first, out of the funds available for distribution, and thereafter, out of the funds advanced by each of the Owners, in the proportions set out in Section 1.04 hereof.

Section 5.07 - Indemnity

In the event that any time hereafter any of the Owners shall become a surety or guarantor, or become indebted or liable for any moneys borrowed by the Joint Venture or for any obligation entered into by the Joint Venture, or any of the Owners expends any money on behalf of the Joint venture, so long as such debt, liability, obligation or expenditure is incurred pursuant to the provisions of this Agreement, or in the event that any Owner shall not receive repayment in full of the moneys advanced by each Owner to the Joint Venture project pursuant to the provisions of this Agreement, then in any such event, each of the Owners hereto covenants and agrees to protect, indemnify and save the other Member or Owners harmless against and from any such loss, damage, costs and liability whatsoever, arising in respect of the aforementioned debt, liability, obligation, expenditure or loan, in the respective proportions set out in Section 1.03 hereof.

Section 5.08 - Personal Covenants

For the purpose of this Section 5.08 the following shall apply:

- (a) Owners, in this section referred to also as Covenantors, the Covenantors, respectively, agree as follows:
 - (i) In the event that any banker or lender of the Joint Venture, including any banker or lender of another entity or corporation in which the Joint

Venture herein is a participant or Shareholder, requires, as a condition of the granting of financing, that the personal covenant and/or guarantee of any or all of the principals of the Owners herein be delivered as security for repayment of any financing granted, each aforesaid Covenantor agrees that he shall execute and deliver all such personal covenants and/or guarantees as may be necessary to effectuate the foregoing.

- (ii) Where, pursuant to the foregoing provisions of this Agreement, any or all of the Covenantors have, in respect of any of the debts, obligations or liabilities of the Joint Venture, to its banker or any other lender as aforesaid, executed on a joint, joint and several, or several basis, an agreement or covenant of suretyship or guarantee in favour of such banker or lender, then, notwithstanding the foregoing, each aforesaid Covenantor hereby indemnifies and agrees to save each of the other Covenantors harmless from and against all liability and responsibility for such debts, obligations and liabilities in excess of the extent of the proportionate ownership interest of the respective Owners, as set out in paragraph 1.03 hereof, with which the respective Covenantors are associated as aforesaid.
- (iii) Each Covenantor does hereby covenant, promise and agree as principal debtor and not as surety, that he will well and truly pay or cause to be paid to the Joint Venture, all moneys required to be paid by the Member with which the Covenantor is associated at the times and in the manner as is in this Agreement set forth, and shall observe, fulfill and keep, all and singular the covenants, provisoes, conditions, agreements and stipulations in this Agreement contained, and does hereby agree to all the conditions, provisoes, agreements and stipulations contained in this Agreement and does further agree that this covenant shall bind him notwithstanding the giving of time for payment hereunder or the varying of the terms of payment, or the rate of interest thereon. Further each Covenantor agrees that any party hereto may waive breaches and accept other covenants, sureties or securities without notice to him and without relieving him from any liability hereunder, which shall be a continuous liability and shall subsist until termination of this agreement.
- (iv) In the event any Covenantor is composed of more than one party, each of the covenants, obligations, and liabilities of such Covenantor as are contained in this Agreement are expressly given, made and undertaken by each of the parties comprising such Covenantor on a joint and several basis.

Where, pursuant to the foregoing provisions of this Agreement, any or all of the Covenantors have, in respect of any of the debts, obligations or liabilities of the Joint Venture, to its banker or any other lender as aforesaid, executed on a joint, joint and several, or several basis, an agreement or covenant of suretyship or guarantee in favour of such banker or lender, then, notwithstanding the foregoing, each Member hereby indemnifies and agrees to save each of the Covenantors, respectively, harmless from and against all liability and responsibility for such debts, obligations and liabilities in excess of the extent of the proportionate ownership interest of the respective Owners, as set out in paragraph 1.03 hereof, with which the respective Covenantors are associated as aforesaid.

ARTICLE VI

GENERAL

Section 6.01 - Arbitration

If, at any time or from time to time during the continuance of the Joint Venture project or after the dissolution or other termination thereof, any dispute, difference or question shall arise between or among any of the parties hereto, their heirs, executors, administrators, successors, assigns or nominees or any of them, touching or concerning the Joint Venture project, the Lands or its management then every such dispute, difference or question shall be submitted to and settled by arbitration and the decision of the arbitrator appointed as hereinafter provided, to deal with such matter shall be accepted by all the parties to such dispute, difference or question and the Owner or Management Corporations, respective nominees, all of whom, if they are Owners or Shareholders, or both, employees, principals or assigns, agreeing to be bound by such arbitration method. The arbitration shall be conducted by a single arbitrator agreed upon by the parties to the matter. If, within five (5) days after notice of the matter has been given by one of such parties to the other or others, such parties cannot agree upon a single arbitrator, then in such event, the arbitration shall be conducted by a single arbitrator appointed by a Judge of the Supreme Court of Ontario, on the application of any such party, with notice to the other or others. The arbitration shall be conducted in accordance with the provisions of The Arbitrations Act of Ontario and of any amendment thereto or of any successor statute thereof, in force at the time of such dispute, difference or question. The decision of the arbitrator shall be final and binding upon all parties to such dispute, difference or questions and their nominees, and upon the Trustee Corporation, and there shall be no appeal therefrom.

Section 6.02 - Notices

Any notice, statement, document or other commission required or permitted to be given by any party or parties pursuant to any of the provisions of this Agreement shall be sufficient given if such notice, statement, document or other communication is in writing and is delivered to such party or parties or sent by prepaid registered mail addressed to such party or parties as follows:

<u>Name of Party</u>	<u>Address of Party</u>
The Owners	c/o Blake Larsen 5510 Ambler Drive Suite 2 Mississauga, Ontario L4W 2V1
The Manager	c/o 15-3347 262 Street Aldergrove, BC, V4W 3V9

or to such other address for such party or parties as any of them may from time to time notify the other parties in the manner hereinbefore in this Section 6.02 provided, and any such notice, statement, document or other communication shall be deemed to have been received by any such party when delivered to it or him, or, if mailed as aforesaid, on the fourth (4th) business day following the day on which it was so mailed, provided there are no labor disruptions in the postal service.

Section 6.03 - Time of the Essence

Time shall be of the essence of this Agreement and of every part hereof.

Section 6.05 - No Partnership Created

Nothing herein contained, or otherwise arising herefrom, shall constitute the parties hereto as partners with one another, nor shall anything herein constitute any of the parties hereto as agent for one another except as expressly provided herein. Each of the parties hereto shall punctually pay and discharge its present and future separate debts and liabilities, and shall at all times keep indemnified the other and the Joint Venture Lands against such debts and liabilities.

Section 6.06 - Nature of Agreement

This Agreement and all of the terms, covenants, conditions, and other provisions of or contained herein and all of the obligations under or pursuant to this Agreement shall be binding on and shall enure to the benefit of the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns, and shall be binding on any trustee or receiver in bankruptcy of any party or its or their respective heirs, executors, administrators, successors and permitted assigns and on any trustee or any appointee of any court or other tribunal and on any person, including a corporation, who shall receive the property of any party, or his or its respective heirs, executors, administrators, successors or permitted assigns upon any liquidation of such party (or its respective successors and assigns) or any disposition by any of the parties or their respective heirs, executors, administrators, successors and assigns, and upon any official, person or corporation upon whom or which shall devolve by operation of law or otherwise, any interest in or claim to the property of or interest in of any party hereto or his or its respective heirs, executors, administrators, successors and assigns.

The captions in this Agreement form no part of this Agreement and shall be deemed to have been inserted for convenience of reference only.

This Agreement shall be read and construed as the number and gender of the party or parties referred to in each case require and as may otherwise be required by the context.

Section 6.07 - Termination

The Joint Venture hereby constituted shall terminate only upon the completion in full of the Joint venture Project, the payment and distribution of all assets of the Joint Venture to all parties entitled thereto, the completion in full of all of the respective obligations and covenants of each of the parties to this Agreement, and the fulfillment, payment or waiver of all liabilities (including contingent liabilities of the Joint Venture and each of the parties to this Agreement).

Provided that this Agreement and the Joint Venture hereby constituted may be otherwise terminated upon written agreement by all of the parties to this Agreement.

IN WITNESS WHEREOF the corporate parties hereto have hereunto affixed their respective corporate seals under the hand of their duly authorized Officers in that behalf, and the other parties hereto have hereunto set their hands and seals, as of the day, month and year first above written.

SIGNED, SEALED AND DELIVERED

In the presence of

2738283 ONTARIO INC., 2738284 ONTARIO INC.
2738285 ONTARIO INC.

Per:  _____

I have authority to bind all three corporations

7 GENERATIONS DEVELOPMENT GROUP LIMITED

Per:  _____

BLAKE LARSEN

I have authority to bind the Corporation

APPENDIX “C”

Endorsement of Justice Penny dated November 10, 2021

APPENDIX "C"

Court File No. CV-21-00670723-00CL
ONTARIO SUPERIOR COURT OF JUSTICE COMMERCIAL LIST

B E T W E E N :

PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC and PS HOLDINGS 3 LLC

Applicants

- and -

2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.

Respondents

IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC.,
2738284 ONTARIO INC. and 2738285 ONTARIO INC.

AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the
Bankruptcy and Insolvency Act, R.S.C. 1985, c. B-3 as amended, and section 101
of the *Courts of Justice Act*, RSO 1990, c C.43, as amended

Endorsement of Penny J. – November 10, 2021

This is an application for the appointment of a receiver. PS Holdings is the lender and has first charge security over certain property in development owned by the respondents. As of October 18, 2021, the amount of the indebtedness totalled about \$14,761,000 exclusive of enforcement costs. There are at least five other subsequent mortgages against property.

The debtors have been in default since July 30, 2020 when certain repayment obligations were not met. That default continues today.

In further breach of their covenants, the debtors have placed additional unauthorized charges on the property.

All of the technical requirements for the appointment of a receiver have been met. This is not in dispute. The debtors admit they are in default and that they do not have the capacity to pay their obligations. They further admit that the terms of their loan agreements permit the full range of remedies, including the appointment receiver on default.

Mr. Larsen's last minute affidavit documents many unsuccessful efforts to refinance. He decided it was necessary to sell the property. His affidavit also

documents efforts in this regard. Although he has entertained a variety of potential purchasers and conditional offers, those offers “usually fell by the wayside after the purchaser did its due diligence”.

The day before the hearing of this application, Mr. Larsen provided a copy of an agreement of purchase and sale with the closing of January 22, 2022. *During* the appointment before the court, counsel for the debtors, Mr. Bogle, delivered to applicant’s counsel the affidavit from Mr. Larsen, which was subsequently provided to the court. The hearing was adjourned for several hours to permit the applicants (and the court) to review this material. Mr. Larsen’s affidavit explains the 11th hour agreement to sell. While he admits that he knows next to nothing about the purchaser, he points out that this offer is not conditional on due diligence. The offer would, if it closed, provide more than adequate cash to pay the debtors’ creditors. On this basis, the debtors seek an adjournment of the receivership application until after January 22, 2022.

This request is opposed by the applicants.

The request for an adjournment is denied. The application for the appointment of a receiver is granted.

While I do not doubt Mr. Larsen’s *bona fide* belief that this deal will be different, I am not satisfied on the evidence that his belief is warranted. The applicants have been more than patient. They have afforded the debtors every opportunity to refinance or find a buyer for well over a year. The debtors admit they have run of money. They are desperate. The requested adjournment would involve waiting another three months. The 11th hour agreement to purchase is with a company “to be incorporated”. It is a fair inference that that company will have no other assets. Accordingly, it must be assumed that the buyer will be in no position to make good on its obligations in the event it does not close. The deposit represents only about 1% of the purchase price. Nothing is known about the buyer’s ability to finance the proposed sale, other than it required, as part of the deal, a vendor takeback mortgage. Further, there is a lengthy title search provision (until January 13, 2022) to enable the purchaser to satisfy itself, among other things, that the “present use [of the property] may be lawfully continued”. This is a property with ongoing rezoning applications outstanding.

In the circumstances, there is a significant risk that the proposed agreement of purchase and sale will not close, leaving the applicants to pursue their remedies

with even greater arrears and with even more complications associated with realizing on their security. For these reasons, the adjournment is denied.

The technical requirements for the appointment are met. It is just and convenient in the circumstances to appoint a receiver. The application is granted. The applicants shall provide me with a clean PDF copy of the order(s) sought.

A handwritten signature in blue ink, appearing to read "Ray 3.", followed by a period.

APPENDIX “D”

Summary and Listing Proposals received from the Brokers (Redacted)

APPENDIX "D"

Summary of Listing Proposals

	Colliers	Avison Young	CBRE
Compensation	██████████ with ██████████ allocated to a co-operating broker	1% +HST or 1.5% with co- operating broker	████████████████████ ██████████ allocated to co-operating broker
Marketing Strategy	Unpriced offering with sealed bid deadline	Unpriced offering with sealed bid deadline	Unpriced offering with sealed bid deadline
Proposed Time Line	11-13 weeks	11-17 weeks	13-15 weeks
Initial Listing Term	3 months	5 months	6 months
Holdover Period	2 months	120 days	not provided
Comments	Partnering with Sutton Group in Barrie	None noted	Reliance on third party reports may cause issues with potential purchasers



Marketing & Valuation **Proposal**

664, 674, and 692 Essa Road, 320 Mapleview Drive West,
City of Barrie

Presented to MNP Ltd.

Presented by

Stewart Metcalfe*

Executive Vice President

Colliers Macaulay Nicolls Inc., Brokerage

Stewart.Metcalfe@colliers.com

Linda Loftus** CCIM, SIOR, CIPS, MRICS, FEA

Broker | Manager

Squarefoot Commercial Group

Licensed with: Sutton Group Incentive Realty Inc.

Linda@squarefoot.ca

Shannon MacIntyre** CCIM, SIOR

Broker

Squarefoot Commercial Group

Licensed with: Sutton Group Incentive Realty Inc.

Shannon@squarefoot.ca



Accelerating success.

Executive Summary

Colliers and Sutton Group are pleased to present this valuation and marketing proposal to MNP Ltd. for the disposition of the properties located at 664 Essa Road, 674 Essa Road, 692 Essa Road, and 320 Mapleview Drive West, in the City of Barrie (the "Property").

Sealed Bid Process

We recommend that the offering be presented to the market via a sealed bid process with an unpriced offering and a date after which all offers will be reviewed. We are confident our sealed bid marketing campaign will generate a competitive environment in which buyers will put their best bid forward. The benefit of this approach is that it will allow us to maximize exposure to the market and achieve the highest price with the shortest possible due diligence period.

- Set Bid Date
- No offers prior to Bid Date

Multi-Channel Marketing Process - Target Audiences

Our strategy is designed to expose the Property to both users and developers to increase value.

- **User Market:** Warehouse and Manufacturers
- **Developer Market:** Industrial, Commercial and Mixed Residential Developer

The Listing Team - Track Record

Our team has completed more than \$97M in land sales in the past 5 years, more than any other team in the Barrie area.

Land Type	# of Transactions
Intensification	10
Industrial	12
Commercial	4
AG/OS	3
Other	1
Total	30

Barrie Market Overview

- 12,610 residential renters not renting purpose-built rentals
- 561 residential units approved for development in 2021
- 3 opportunities to rent industrial space over 10,000 square feet

Key Property Differentiators

- Planning support for residential development
- Potential industrial and residential applications
- Two extensive road frontages
- Large site within the city boundaries

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Part 1

Team



Listing Team

Consider us an extension of your team



Stewart Metcalfe
Executive Vice President

23 Years Experience
Focus: Strategic Approach

- Go-to-market strategy
- Prospecting User / developer GTA
- Offer solicitation
- Buyer pre-qualification
- Contract negotiations



Linda Loftus CCIM, SIOR, CIPS, MRICS, FEA
Broker

38 Years Experience
Focus: Strategic Approach

- Go-to-market strategy
- Prospecting user / developer Urban Toronto, Urban Land Institute, Bild
- Offer solicitation and property tours
- Property Due Diligence
- Contract negotiations



Shannon MacIntyre CCIM, SIOR
Broker

14 Years Experience
Focus: Strategic Approach

- Go-to-market strategy
- Prospecting user / developer Urban Toronto, Urban Land Institute, Bild
- Offer solicitation and property tours
- Property Due Diligence
- Contract negotiations



Marnie Forstner
Senior Industrial Project Specialist

13 Years Experience
Focus: Transaction Management

- Reporting
- Transaction document management
- Marketing material preparation and distribution



Sabina Loria
Marketing Coordinator

Focus: Marketing Strategy

- Development of custom marketing tools and tactics
- Create target marketing pieces
- Globe and Mail Ad
- Social media campaign



Leo Lee
Regional Director, Research

Focus: Market Intelligence

- Competitive market analysis
- Data research
- Key market metrics

Points of Difference

- **Unprecedented Track Record** - over \$97M in land sales in the Barrie area
- **Superior Market Coverage** - GTA and Barrie
- **Collaborative Partnership** - Colliers global reach with Sutton Group's local market expertise
- **Deep understanding of Subject Property**

Team Land Sales Experience

Address	City	Type	Acted as:	Size	Sale Date	Sale Price	\$ / AC
1263 3rd Line	Innisfil	AG/OS	Listing	29.66	6/4/2020	\$ 900,000.00	\$ 30,343.90
1263 3rd Line	Innisfil	AG/OS	Listing / Buyer	116.86	6/14/2019	\$ 500,000.00	\$ 4,278.62
7140 10th Sdrd	Innisfil	AG/OS	Listing / Buyer	99.56	1/17/2019	\$ 2,290,000.00	\$ 23,001.21
1018-1028 Innisfil Beach Road	Innisfil	Commercial	Listing	1.05	9/1/2021	\$ 2,775,000.00	\$ 2,642,857.14
39 Pine Valley Rd	Muskoka	Commercial	Listing	20.7	6/3/2021	\$ 1,250,000.00	\$ 60,386.47
76 Bryne Drive	Barrie	Commercial	Listing / Buyer	1.944	5/30/2017	\$ 1,600,000.00	\$ 823,045.27
76 Bryne Drive	Barrie	Commercial	Listing / Buyer	1.944	9/7/2016	\$ 1,500,000.00	\$ 771,604.94
375 Bayview Drive	Barrie	Industrial	Listing	8.011	7/26/2021	\$ 6,600,000.00	\$ 823,967.18
Norris & Mills	Barrie	Industrial	Buyer	2.06234	9/7/2021	\$ 1,910,000.00	\$ 926,133.20
241-251 King Street	Barrie	Industrial	Listing	2.106	6/14/2021	\$ 3,411,720.00	\$ 1,620,000.00
7131 5th Sdrd	Innisfil	Industrial	Buyer	65.22	4/19/2021	\$ 13,750,000.00	\$ 210,824.90
45 Lennox Drive	Barrie	Industrial	Listing / Buyer	0.476	1/8/2021	\$ 200,000.00	\$ 420,168.07
Mapleview & Essa	Barrie	Industrial	Listing	25.398	5/13/2020	\$ 17,250,000.00	\$ 679,187.34
2145 Fios Rd 4E	Hillsdale	Industrial	Listing	109.07	4/22/2019	\$ 1,650,000.00	\$ 15,127.90
4554 County Rd 47	Ramara	Industrial	Buyer	198.29	12/11/2018	\$ 599,900.00	\$ 3,025.37
8307 10th / Brownline	Angus	Industrial	Listing	57.3	4/4/2018	\$ 2,175,000.00	\$ 37,958.12
200 Salem Road	Barrie	Industrial	Listing / Buyer	95.88	2/9/2018	\$ 7,500,000.00	\$ 78,222.78
40 Saunders Rd	Barrie	Industrial	Listing	3.74	11/16/2016	\$ 1,450,000.00	\$ 387,700.53
625 Welham Road	Barrie	Industrial	Buyer	4.1	5/6/2016	\$ 630,000.00	\$ 153,658.54
322 Georgian Dr	Barrie	Other	Buyer	0.34	08/03/2017	\$ 910,000.00	\$ 2,676,470.59
722 7th Ave	Tay	Intensification	Listing	6.29	9/9/2021	\$ 1,425,000.00	\$ 226,550.08
41-43 Essa Road	Barrie	Intensification	Listing / Buyer	1.27	5/20/2021	\$ 1,500,000.00	\$ 1,181,102.38
259 Innisfil Street	Barrie	Intensification	Listing / Buyer	3.156	5/20/2021	\$ 3,900,000.00	\$ 1,235,741.44
17-27 Jacobs Terrace	Barrie	Intensification	Buyer	2.26	1/21/2021	\$ 3,350,000.00	\$ 1,482,300.88
377 Big Bay Point	Barrie	Intensification	Listing	1.044	9/21/2020	\$ 1,750,000.00	\$ 1,676,245.21
80 Edward Street	Creemore	Intensification	Listing	4.74	1/15/2020	\$ 1,375,000.00	\$ 290,084.39
129 Collier Street	Barrie	Intensification	Buyer	1.497	10/3/2019	\$ 5,300,000.00	\$ 3,540,414.16
272 Innisfil Street	Barrie	Intensification	Buyer	1.73	12/03/2018	\$ 2,400,000.00	\$ 1,387,283.24
125 Dunlop Street W.	Barrie	Intensification	Listing	5.73	1/31/2017	\$ 5,800,000.00	\$ 1,012,216.40
Cundies Road	Barrie	Intensification	Listing / Buyer	2	8/4/2016	\$ 1,919,200.00	\$ 959,600.00

Our team has completed over **\$97M** in land sales in the Barrie area over the last 5 years

Part 1

Property Profile



Property Profile

Civic Address	664, 674, and 692 Essa Road and 320 Maplevue Drive West, City of Barrie
Location	Located at the corner of Maplevue Drive West and Essa Road on the north side of Maplevue Drive West
Site Area	25.398 acres (per GEO Warehouse) (subject to adjustment from loss of land from drainage ditch)
Current Zoning	LI (Light Industrial) with a small portion zoned C4 & C4 (SP-368) (General Commercial)
Official Plan	General Industrial: manufacturing, processing, servicing, storage of goods & raw materials, industrial warehousing General Commercial: retail and service commercial uses
Secondary Plan	Secondary Intensification Corridor Lands designated Mixed-Use & Residential under Urban Design Guidelines for Barrie's Intensification Area
Services	Full municipal services are available within the area surrounding the Property from Maplevue Drive West





Property Parcels

Parcel/Address	Lot Size (GEO Warehouse)	Zoning
Parcel 1: 674 Essa Road	12.509 acres	Light Industrial
Parcel 2: 664 Essa Road	6.730 acres	Light Industrial
Parcel 3: 320 Mapleview Drive West	5.435 acres	Light Industrial
Parcel 4: 692 Essa Road	0.724 acres	C4 (SP-368) General Commercial
Total Size	25.398 acres	



Major Roads

2.3 KM to Highway 400

2 Road Frontages
(Mapleview Drive West
and Essa Road)



Airports

80.5 KM to
Toronto Pearson
International Airport



City Centres

7.9 KM to
Barrie Downtown and
3.3 KM to Park Place



Transit

7.4 KM | 8.1 KM
to GO Transit
Stations



Strengths & Challenges

Strengths

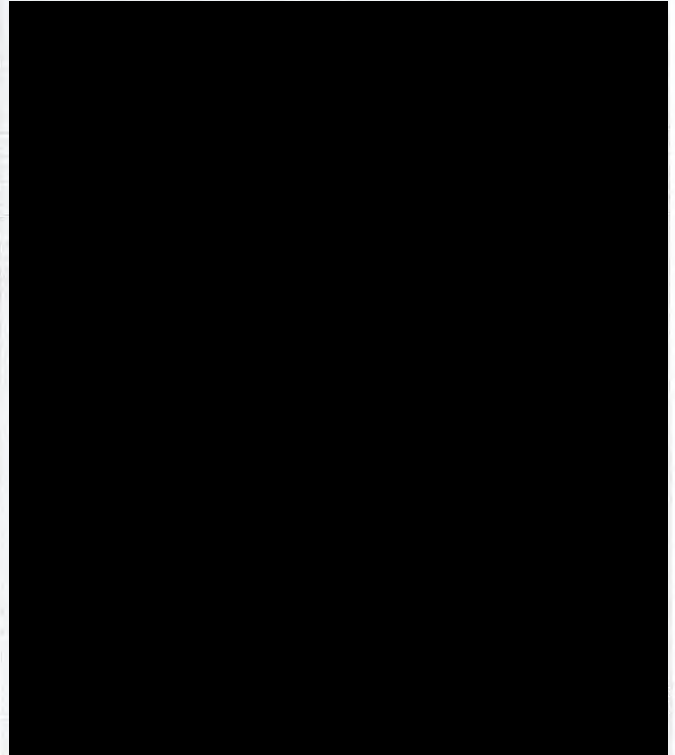
- Large site within the city boundaries.
- Municipal Planning support for residential development.
- Potential industrial and/or residential applications.
- Excellent access to Highway 400.
- Two extensive road frontages.
- Good access to transit (bus stops located along Mapleview Drive West) & 12-minute drive to two GO Transit Stations.
- Current Zoning allows for a variety of industrial uses.
- +Development can proceed and discharge sanitary flows to the Mapleview Drive sewers without the need for upgrades.
- +All utilities (electrical, gas, telecommunications) are available from Mapleview Drive West to service the proposed development.

+Tatham Engineering Report – Functional Servicing & Preliminary Stormwater Management Report October 2, 2020

The Subject Property including the properties immediately to the north to Mapleton Ave, along the east side of Essa Road represents the “Study Area”.



Challenges





Opportunities & Threats

Opportunities

- The population of the Study Area is forecasted to increase to an estimated 41,100 persons by 2041.
- Residential population of the Study Area was estimated at 26,740 people in 2016 based on available Census data, representing approximately 18.1% of the total City of Barrie population at that time.
- Legacy project for a large developer



Threats





Key Selling Features

Based on the information provided to us and the research that we have concluded to date, the key selling points of the project are:



Prime corner location



Two extensive road frontages



2.3 KM to Highway 400 access



Strong underlying land value



Mixed-use development potential



Access to transit



Substantial due diligence reports completed



Property Due Diligence Reports

Our team has unprecedented understanding of the subject site both from past experience working on deals on the site and from having reviewed all of the following studies/reports performed on the subject property.

- Geotechnical Report (including Fill Management Plan)
- Archaeological Assessment
- Architectural Drawings
- Concept Plans
- Environmental Impact Study
- Flood Hazard Study
- Functional Servicing and Preliminary Storm Water Management Report
- Geomorphic Assessment
- Hydrogeological Report
- Market Study
- Neighbourhood Meeting Information Package
- Neighbourhood Meeting Presentation - September 22, 2020
- Parking Study
- Phase 1 Environmental Site Assessment
- Planning Justification Report
- Preliminary LID Assessment & Spill Contingency Plan
- Traffic Impact Study
- Tree Inventory and Preservation Plan and Report
- Urban Design Report
- Wind Study
- Shadow Study
- Shadow Impact Study
- Existing Drainage Plan
- Existing Flood Mapping
- Existing Leases
- Natural Heritage Impact Assessment
- Noise Impact Study
- Parcel Details
- Proposed Drainage Plan
- Proposed Flood Mapping
- Survey



GIS MAPPING

- GIS Map of Apartments Proposed
- GIS Map of Row Housing Proposed
- GIS Total Units Proposed

Part 2

Market Overview

Barrie Area Snapshot

The Growth Plan for the Greater Golden Horseshoe has been prepared and approved under the Places to Grow Act. The Government of Ontario recognizes that in order to accommodate future population growth, support economic prosperity and achieve a high quality of life for all Ontarians, planning must occur in a rational and strategic way.

According to zumper.com, the cost of renting a one-bedroom apartment in Barrie has gone up nearly twenty-two per cent (22%) year-over-year to an average of \$1,775.

A two-bedroom in the city has gone up to \$1,950.

North Greater Golden Horseshoe

Industrial Transactions					
Q3 2021 \$Vol	#	Q3 2020 \$Vol	#	% Change \$Vol YoY	
\$56.56M	23	\$30.37M	14	86.2%	

Apartment Transactions					
Q3 2021 \$Vol	#	Q3 2020 \$Vol	#	% Change \$Vol YoY	
\$39.65M	12	\$30.75M	7	29%	

ICI Land Transactions					
Q3 2021 \$Vol	#	Q3 2020 \$Vol	#	% Change \$Vol YoY	
\$208.81M	99	\$94.89M	43	120.1%	

Residential Land Transactions					
Q3 2021 \$Vol	#	Q3 2020 \$Vol	#	% Change \$Vol YoY	
\$186.67M	47	\$59.13M	14	216%	

Rental Increase Since 2020

22% ↑
High Demand

Average Rental Rate

\$1,775 ↑
Loss of Rentals due to sales and Tornado

New Retail Under Consideration

428,000 SF ↑
Retail Development in the Study Area

New Residential Apartment Units Under Consideration

1,014 ↑
Not Including Subject Site

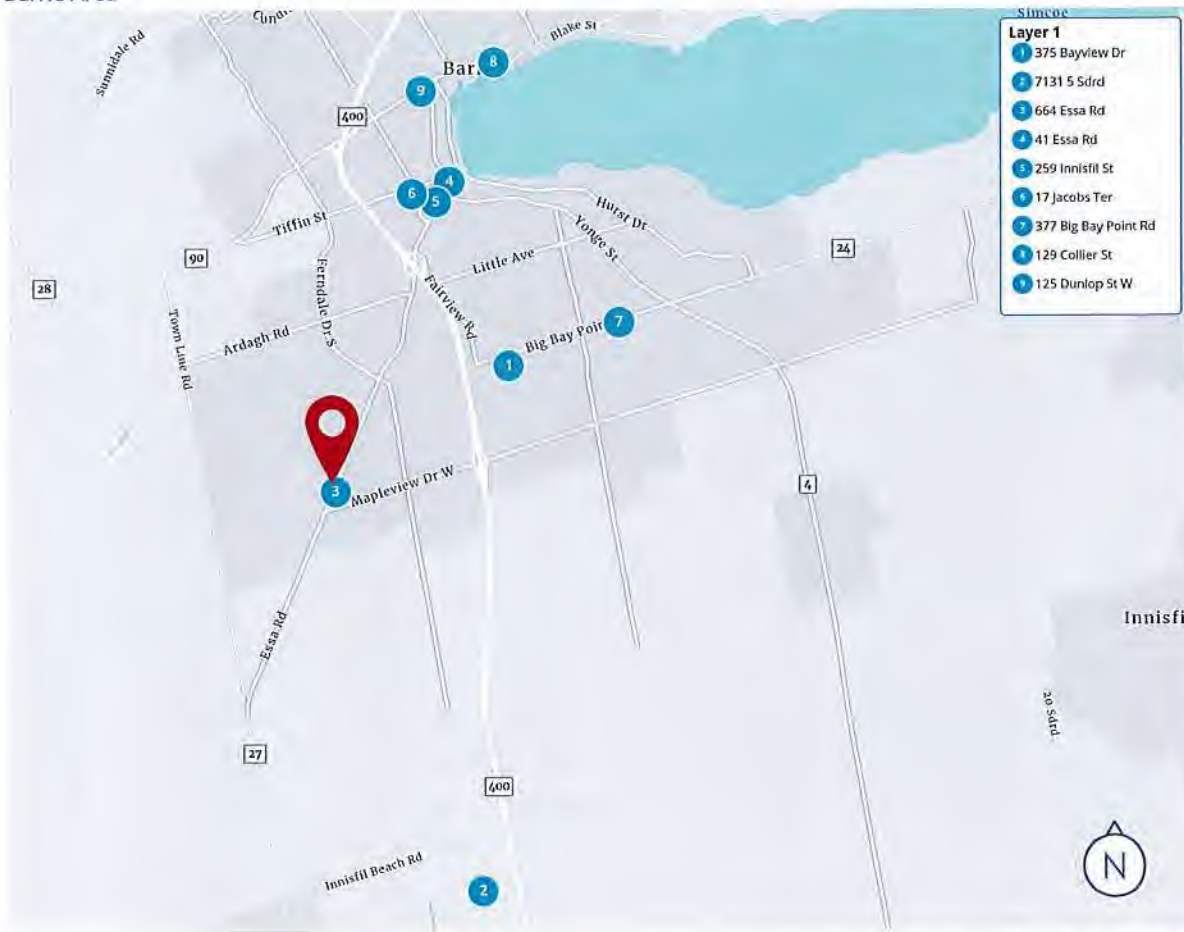
Comparable Land Sales

Barrie Area

	Address	Municipality	Type	Acted as:	Size	Sale Date	Intended Future Use
1	375 Bayview Drive	Barrie	Industrial	Listing	8,011	7/26/2021	Industrial Redevelopment
2	7131 5 th Side Road	Innisfil	Industrial	Buyer	65.22	4/19/2021	Industrial Business Park
3	664, 674, 692 Essa Rd, 320 Mapleview Dr W.	Barrie	Industrial	Listing	25.398	5/13/2020	Mixed Use Redevelopment
4	41-43 Essa Road	Barrie	Intensification	Listing / Buyer	1.27	5/20/2021	High-Rise Redevelopment
5	259 Innisfil Street	Barrie	Intensification	Listing / Buyer	3,156	5/20/2021	High-Rise Redevelopment
6	17-27 Jacobs Terrace	Barrie	Intensification	Buyer	2.26	1/21/2021	High-Rise Redevelopment
7	377 Big Bay Point Road	Barrie	Intensification	Listing	1.044	9/21/2020	Medium Density Residential Redevelopment
8	129 Collier Street	Barrie	Intensification	Buyer	1,497	10/3/2019	High-Rise Redevelopment
9	125 Dunlop Street West	Barrie	Intensification	Listing	5.73	1/31/2017	High-Rise Redevelopment

Comparable Land Sales Map

Barrie Area



Subject Property

Part 4

Valuation



Value Reconciliation & Price Sensitivity Analysis

Price Sensitivity Analysis



Buyer Profile Assumptions

- Based on unchallenged density
 - Relying on the 2041 Growth Projection
 - Without Community Benefits Charge (e.g., library)
-
- Challenged residential density
 - Commercially viable development
 - With Community Benefits Charge (e.g., library)
-
- Industrial user looking to acquire a site (site plan is all that is required)
 - Industrial developer looking to acquire site, build-to-suit, or merchant builder

*Based on +/- 22 usable acres estimating +/- 3 acres loss per drainage course. All values assume a clean environmental bill of health (as per Environmental Site Assessment Dated January 24, 2020). Discounting of these values would apply otherwise.

Part 5

Sales & Marketing **Strategy**



Marketing Strategy

Recommended Marketing Strategy

Sealed Bid Process (+/- 30 - 45 days)

Unpriced Offering

MLS Listing – Full Cooperation

- Creates a competitive environment while allowing time for potential buyers to perform pre-offer due diligence, reducing transaction risk
- Allows time for face-to-face meetings with most likely potential buyers
- Creates a sense of urgency among potential buyers
- Reduces transaction risk by allowing enough market exposure and peer review of previous due diligence material to allowing buyers to submit an informed offer
- Opportunity to push price through a competitive bid and possible second round
- **Does not limit upside**
- **Offer Customer Service only to potential buyer (Fiduciary duty to the Receiver)**

Target Market

Our proprietary database of developers and industrial users is the most comprehensive in the industry and is housed in our Industry leading CRM+ platform.

- **Developer Market:** Industrial, Commercial and Mixed-Use Residential Developer
- **User Market:** Warehouse and Manufacturers

Our Proprietary Database



450+

Advisors contributing market data daily



+175K

Buyers in Canada tracked



35

Dedicated data associates reviewing data daily





Project **Timeline**

PHASE

CRITICAL ITEMS

TIME FRAME

PHASE	CRITICAL ITEMS	TIME FRAME
[Redacted Content]		

Enhanced Marketing Tools



CIM
Our Team is trained to build out information memoranda as much more than just due diligence information. This documentation walks prospects through the benefits a property has to offer, as well as overcomes objections potential buyers may have.



E-BLAST
We maintain an extensive database with a list of target groups, which will receive email communications that promote the offering.



DRONE VIDEO
Professionally recorded video highlighting the opportunity to be distributed to potential buyers.

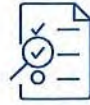


PROFESSIONAL PHOTOGRAPHY
Professional photos increases the perceived value of a property by over 13%. Colliers will arrange to have a professional photo's taken.



WEB LISTING & DATA ROOM
Our website is optimized for search engines. We can feature properties on our homepage and cross-promote content throughout the site. Our site receives 120,000+ visitors each month.

Value that Exceeds Price



Terms of Engagement

Next Steps

- Review and assess Environmental Report
- Collect all property due diligence materials (plans, surveys, reports, zoning)
- Professional photos and video (Drone aerial)
- Prepare NDA
- Prepare Data Room
- Execute MLS Listing Agreement
- Launch Marketing
- Gather approved template Offer

Initial Listing Term [REDACTED]

Success Fee [REDACTED]

Listing Brokerage (Colliers and Sutton Group) [REDACTED]

Co-operating Brokerage [REDACTED]

Holdover Period [REDACTED]

Marketing Expenses [REDACTED]

Recommendations

The timing of this offering is critical due to the current state of the property, as well as a potential developer's time to market. For these reasons we recommend the following:

- Chose a sealed bid offering structure
- Provide Receiver approved purchase documents
- Set up a data room and provide all known information on the property (as a courtesy, not a warranty) – this is intended to provide enough background knowledge to submit an offer, allowing a shorter market exposure time
- Create scoring criteria to rate offers – intended to remove bias and create a defensible position for the Receiver
- Support the strategy to target mixed-use developers as well as industrial developers





Why work with us?

Consider us an extension of your team



Unprecedented knowledge of the Subject Property

Our collaborative Team has reviewed every report, previously transacted on the site, and has the political ear of the local Planning Department.



Unparalleled sales track record

Colliers and Sutton Group combined have an unassailable track record of land transactions in the Barrie market more than any other brokerage firm with **over \$97M (30 transactions in the past 5 years)**.



Global market reach/local partnership

Collaborative partnership engaging Colliers Global reach coupled with Sutton Group's local market expertise.



Award-winning marketing team

Colliers award-winning marketing ensures maximum exposure to ensure a seamless process that delivers maximum price and velocity and minimizes risk.



Accelerating success.



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**AVISON
YOUNG**

Professional Listing Services Proposal

320 Maplevue Drive West
366 Maplevue Drive West
692 Essa Road
664 Essa Road
674 Essa Road
Barrie, Ontario



Presented to:

Deborah Hornbaste
Senior Vice-President

MNP

**BEST
MANAGED
COMPANIES**

2015-2016 members



Points of discussion

	Section
Advisory Team & Relevant Experience	01
City of Barrie Overview	02
Site Overview	03
Land Market Overview	04
Valuation	05
Disposition Strategy & Timeline	06
Marketing Strategy & Key Deliverables	07
Potential Purchasers	08
Strategy & Business Terms	09
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Appendix About Avison Young	

Executive summary

Market value & advisory team

We are pleased to provide MNP with our Valuation and Disposition Proposal for a 25.4 acre (±) re-development site located in Barrie, Ontario. The Property consists of the following lots:

Lot	Address	Lot Size (Acres)
1	664 Essa Road	6.730
2	674 Essa Road	12.509
3	320 Mapleview Drive	5.435
4	366 Mapleview Drive	0.724
5	692 Essa Road	0.009
Total		25.407 acres



Our recommendation is to list the Property on an unpriced basis and review offers upon a set bid date. The Advisory Team will run a 4 week marketing program (if court timing permits) prior to the bid date. Buyers will be asked to use this time to perform any remaining due diligence, and to fully review the re-development aspects and on-line documents.

The Advisory Team will be led by Ben Sykes and Kelly Avison, both Principals and senior investment experts within the organization and with decades of combined experience. They are supported by Emily Kaczynska, Senior Client Services Coordinator, Michael Koska, Marketing Coordinator, Warren D'Souza, Research manager, Catherine Price, Financial Analyst, and Kousha Patel, Senior Marketing Associate. The Advisory Team (Ben and Kelly) have a great deal of experience and a solid track record of success completing distressed asset dispositions and understand the added importance of accountability, oversight, and due process required throughout the sales process.

Market context

Our recently released third-quarter investment report noted that ICI land sale volumes were down slightly (5%) in Q3 vs Q2, however the last two quarterly sales volumes were effectively all-time highs for this sector. Third quarter ICI land sale transactions totaled nearly \$1.5 billion (2166G total). The sector's year-to-date total of nearly \$3.9 billion is already \$1 billion higher than the previous full-year record volume of \$2.9 billion, set in 2019.

Marketing initiatives & sale process

Based on experience, the smoothest disposition processes that results in the highest sale price are achieved by performing as much due diligence and collection of information as the outset ahead of going to market. Buyers are willing to offer the highest price when they have been presented with the most accurate and complete property information which typically lessens their due diligence review. In this case, we recommend performing the following, or seeking out the below information, with the assistance of the Advisory Team:

- i. Download, or have web-links, to relevant planning applications and documents (via City of Barrie website)
 - ii. Gather any outstanding/required property-related documents (e.g. surveys, etc.)
 - iii. Work with the Receiver's legal team on a standardized APS document (already underway)
- The Advisory Team and Avison Young will undertake the following marketing initiatives if selected as the listing team:
1. Create a Data Room for buyers to access following execution of a CA that includes:
 - a) Any of the information collected as mentioned above; and
 - b) A standardized APS drafted by the Seller's lawyers with input from the Advisory Team;
 2. Upload the offering to: MLS, Loopnet, Costar, Realtor.ca, a dedicated page on the AY Website, and all other internet platforms at our disposal;
 3. Run two advertisements in the Globe & Mail's real estate section;
 4. Bi-weekly email marketing blasts sent to Avison Young's database of active buyers and investors across Ontario & Canada;
 5. Create a marketing brochure for the Property, and
 7. Direct calling of active investors/buyers of industrial as well as large-scale mixed-use development sites within the Greater Golden Horseshoe Region.

Proposed remuneration & reporting

We propose the following fee structure for the Property:

1.00% of purchase price fee to the Listing Team; OR
1.50% of purchase price fee for any transaction involving a co-operating/MLS broker; Avison Young to pay co-operating/MLS broker 0.50% out of the 1.50% fee.

The Advisory Team fully understands the increased importance for diligent and comprehensive reporting as a part of a process that has multiple stakeholders. MNP will be provided with formal activity reports on a bi-weekly basis detailing all inquiries, tour activity, market feedback, and pending offers for on an alternate schedule as needed.

We believe our proposal outlines a clear strategy that will result in a timely sale and maximized sale price for these assets. Thank you for your consideration of this proposal and we thank you for the opportunity to work with the MNP Team!

Ben Sykes, SIOR
Principal

Kelly Avison, AACI
Principal

Advisory team



Kelly Avison**, AACI, Principal

Kelly Avison has been in the commercial real estate business since 1990, all with Avison Young, and is a Principal of the organization. A designated AACI, Kelly brings exceptional valuation knowledge and sales expertise to bear on all assignments. Over the course of his career, Kelly has advised upon and completed transactions totalling several billions of dollars. In addition to his investment sales expertise, Kelly has extensive experience in marketing and advising upon Distressed Assets (Receivership, Power of Sale, etc.) and leads Avison Young's Distressed Assets team in Ontario and Nationally. His area of expertise is the acquisition and disposition of investment properties, commercial and industrial (including portfolio) properties and development sites.

Direct 416.673.4030
Email kelly.avison@avisonyoung.com

**CCP



Ben Sykes*, SIOR, Principal

Ben Sykes is a land, industrial and investment real estate specialist with over 16 years of experience assisting both occupiers and owners across the Greater Toronto Area. Ben has represented a variety of businesses involved in the development community, investors, pension fund and REIT, manufacturing sector, supply chain and 3PLs, and distribution and logistics companies. Ben has been the lead negotiator in over 6.7 million square feet of sales and lease transactions representing a total value of over \$2.1 billion. In 2017, Ben was Avison Young's #1 Industrial and #1 Overall producer and in 2018 #2 Industrial Producer in the Greater Toronto Area. Based on recent CoStar statistics, Ben ranks in the top 3 in the past 3 years in total dollar volume of sale transactions of industrial assets in the GTA, as a listing broker.

Direct 905.283.2324
Email ben.sykes@avisonyoung.com

*CCP

Dedicated resources at your service



(Note: The Listing Team will liaise with the City of Barrie's Planning & Economic Development offices throughout the assignment to ensure potential buyers have access to key municipal contacts)



Kelly Avison, AACI
Principal

Experience

- 30 years experience
- Extensive experience in commercial leasing and providing appraisal and consulting advice on commercial, investment and development properties
- Advised and transacted on properties totalling in the billions of dollars
- Leads Avison Young's Distressed Assets Group

Role in this assignment

- Primary point of contact/Team Co-Leader/Negotiator
- Manage team's execution and service delivery to MNP
- Personally contacting prospects and conducting property tours
- Focusing on connecting with tracked buyer list to get buyers excited and ready to transact
- Assisting potential purchasers with underwriting
- Local market expert



Ben Sykes, SIOR
Principal

Experience

- 16 years experience
- Extensive court appointed sale experience - over 12 court appointed dispositions in the past 12 months
- Strong relationship with the end-user, developer, investor, pension fund and REIT communities
- Over 6.7 million sf of sales and lease transactions - total value \$2.1 billion

Role in this assignment

- Team Co-Leader/ Negotiator
- Plan, define and execute marketing and sale strategy
- Prospecting purchasers through client base actively looking to acquire properties
- Arranging distanced in-person or virtual meetings and property tours with interested parties
- Assisting potential purchasers with underwriting

Roles for Advisory Team

Extension of AY Advisory Team will be lead contacts within the City of Barrie's Planning and Economic Development departments.



Michelle Banfield
Director of Development Services at City of Barrie



Role in this assignment

- Michelle is the lead planner on the file who has an invaluable understanding of the site's current zoning, the proposed intensification and change of use and next steps. Our team has worked with Michelle and the Barrie Team on previous files and will leverage this experience, as required, throughout the sale process.



Peter Dyck
Business Development Officer
Economic and Creative Development



Role in this assignment

- Peter is part of Barrie's economic development team and will be brought in, as required, to assist prospective buyers connect with Barrie internal stakeholders. Our team has worked with Peter in the past and believe he will be a valuable part of our team.

Relevant team experience

The Advisory Team of Ben Sykes and Kelly Avison have been involved in 14 distressed asset sales and court appointed receivership proceedings over the past 18 months totaling over \$30 million in asset value. Their experience in the insolvency space is unmatched by their competition. These assignments have been across a range of asset classes and geographies. Despite each assignment being unique, Ben Sykes and Kelly Avison thoroughly understand the process and have experience providing the level of service, reporting, and oversight required to successfully navigate a court appointed sale. The below list of people is a sample of the insolvency and restructuring professionals the Team has worked with recently, all of whom are available to attest to the professionalism, strength, efficacy of the service the team will provide to MNP.

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Extensive experience with Court-Appointed & Distressed Assets Sale Process.

Avison Young (ON) sold over \$3,25B in the past 12 months.

Listing Team collectively has over 36 years of relevant experience.

Hands on approach – The Advisory Team will meet directly with potential buyers and local Planning officials to ensure a successful closing.

No competitive listings.

Team has defined roles and responsibilities on listing assignments.

Our team is committed to ensuring a successful closing without 'surprises' for MNP.



The Avison Young Team has sold over **\$650M** Of land in the past 24 months





**The Avison
Young team
has sold over
\$650M
of land in the
past 24 months**



City of Barrie overview

City of Barrie overview

City of Barrie

Barrie is one of Canada's fastest growing municipalities, a trend that's expected to continue, as the population grows to 253,000 by 2041. With a diversified and growing economy, the city continues to experience steady population and business growth.

\$ 1.1 Billion

Building permit values, 2018-2021

70%

Population growth by 2041

4th Top City

To Invest in Ontario (REIN, 2018)

129,000

Jobs by 2041

Source: <https://investbarrie.ca/why-barrie/growth> (2021)



City of Barrie | 2021

Median Age (2021)	39.3
Median Age (2025)	39.5
Average Household Income (2020)	\$110,286.22
Average Household Income (2025)	\$126,158.24
Owned Dwellings (2020)	58,870
Owned Dwellings (2025)	63,114



Site overview



Site overview

320 Maplevue Drive West | 366 Maplevue Drive West
 692 Essa Road | 664 Essa Road | 674 Essa Road
 Barrie, Ontario

Total Lot Size	Lot 1	664 Essa Road	6.730 Acres
	Lot 2	674 Essa Road	12.509 Acres
	Lot 3	320 Maplevue Drive	5.435 Acres
	Lot 4	366 Maplevue Drive	0.724 Acres
	Lot 5	692 Essa Road	0.009 Acres
	Total		25.407 Acres

Note: a watercourse bisects the property. We have reduced the net developable acreage to 22.5 acres for the purposes of our analysis.

Zoning Light Industrial (LI)
 Light Industrial (SP-385)
 General Commercial (C4)

Official Plan General Industrial / General Commercial

Designation Industrial

Comments

- Relatively large undeveloped plot of land in proximity to Downtown Barrie
- MCR recommends re-designation of the site to support residential and commercial uses, as per May 25, 2020, City Staff report to Council
- City of Barrie supports both premium industrial or mixed-use development
- Dependent on approval of Zoning and Official Plan amendments
- Existing residents worried about congestion
- Nottawasaga Valley Conservation Authority regulated area



Site Overview – As is

Official Plan: Industrial / Commercial

- Currently designated General Industrial and General Commercial:
- Industrial designation permits a range of industrial and employment uses.
 - Commercial designation permits a range of commercial uses, including residential uses above commercial uses at grade.
- On May 25 of last year, City Staff reported to Council that:
- Industrial uses on the site are not feasible and the site should be re-designated to permit residential and commercial uses (i.e., Mixed-Use)
 - The re-designation may occur through the city-wide update to the Official Plan or owners may bring forward site-specific amendments.

Zoning: Light Industrial (LI) / General Commercial (C4)

Property	Zoning
664 Essa Road	Light Industrial (SP-385)
674 Essa Road	Light Industrial
692 Essa Road/366 Mapleview Drive West	General Commercial
320 Mapleview Drive West	Light Industrial

Light Industrial – Permitted Uses:

- Manufacturing
- Warehousing
- Printing / Publishing
- Wholesale
- R&D Facility
- Office (Medical)
- Assembly Hall
- Accessory Retail

General Commercial – Permitted Uses:

- Restaurant
- Conference Centre
- Fitness / Health Club
- Shopping Centre
- Bank
- Office
- Art Gallery
- Library



Site Overview – Proposed Development

In late 2020, SvN Architects, on behalf of Blake Larsen, applied for Official Plan Amendment and Rezoning for a proposed large-scale development across the entire site.

About the Development Applications

The applications are intended to facilitate the development of the 10.19 hectare property with a high density, mixed-use development containing 12 buildings that integrate a variety of residential, commercial and institutional uses. The buildings range in height from 1 to 27 storeys, however the predominant building height is between 7 to 9 storeys. A mix of residential apartments and townhouse units are proposed, in addition to various commercial uses including, but not limited to, retail, restaurants, a hotel and conference centre. Institutional uses such as a public library, and open space is also proposed.

Zoning By-law Amendment

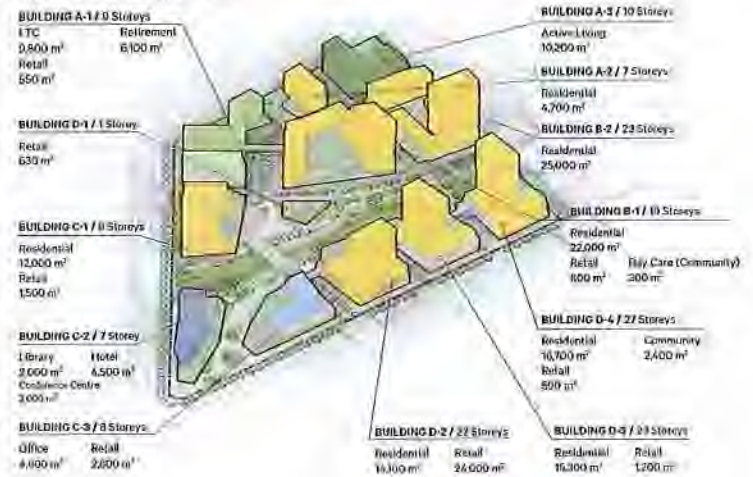
The applicant is proposing to rezone the lands from Light Industrial (LI) and General Commercial (C4) to Mixed Use Corridor – Special Provision (MU2)(SP), Residential Apartment Second Density – Special Provision (RA2)(SP), and Environmental Protection (EP). The Site-Specific Provisions (SP) would permit stacked townhouse units within the RA2(SP) zone and street townhouse units within the MU2(SP) zone.

Official Plan Amendment

The applicant is proposing an Employment Land Conversion through an amendment to Schedule 'W' - Land Use and text amendment to Section 4.9 of the Official Plan to designate the property 'Mixed Use Nodes and Corridors' and 'Environmental Protection'. The proposed amendment would permit a mix of land uses, including, but not limited to, high-density residential, commercial and institutional.

³ A watercourse (drainage ditch) bisects the property from east to west, and a realignment of this watercourse was being contemplated by the Owner. The site is within the Nottawasaga Valley Conservation Authority's (NVCA) regulated area and will require a permit from the NVCA before site works proceed.

Proposed Development



Area	Approx. GFA (Sq. Ft.)
Residential Uses	1,463,892
Residential Units	27,652
Condominium	22,540
Retirement	1,113
Non-Residential Uses ⁴	301,389
Retail (incl. Food)	129,167
Office	51,667
Community	50,590
Hotel	48,438
Conference Centre	21,528
Open Spaces	570,487
Naturalized Water Channel	107,634
Parkettes and Plazas	462,848



Current Situation Overview

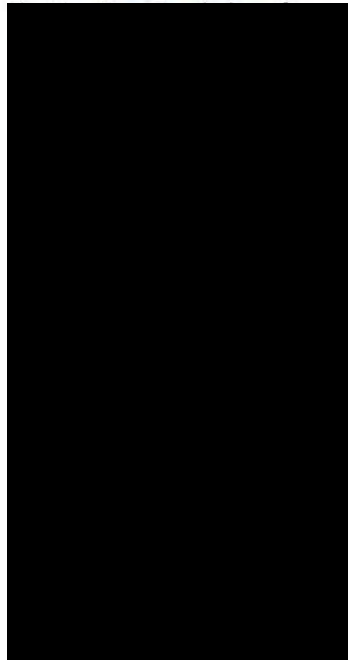


Development Proposal

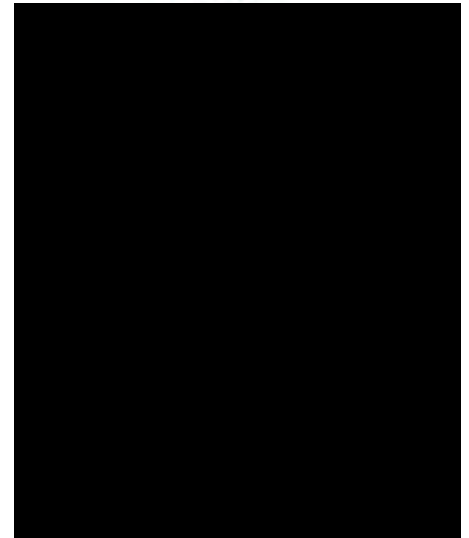
The owner (SvN Architects + Planners, on behalf of Blake Larsen) submitted applications to the City in late 2020 for a proposed Official Plan Amendment and Amendment to the Zoning By-law. The applicant proposed to develop the 10.19 hectare (25.4 acre) site with a high-density, mixed-use development containing 12 buildings that integrate a variety of residential, commercial, and institutional uses, including a library, hotel and conference centre. The proposed development had buildings ranging in height from 1 storey, to five buildings being 19 to 27 storeys tall. The total proposed GFA was in excess of 1.76 Mln Sq Ft., with over 2,500 units (condo, townhomes, retirement, etc.) Our review of the Development application on the City's website revealed numerous plans, reports, and studies have been completed including Phase 1 ESA, Archaeological Assessment, Environmental Impact Study, Flood Hazard Study, Hydrogeological Report, etc.



City's view



Timeline





Land market overview

Land market overview

Residential land transactions

Residential Land Transactions | Past 12 Months | Simcoe Region

No	Sale Date	Address	Municipality	Land Area (Acres)	Land Use
1	Aug 16, 2021	206 Scarlett Line	Springwater	207.44	Residential
2	Oct 06, 2021	Yonge Street	Barrie	5.18	High Density
3	Jun 28, 2021	Train Avenue	Springwater	10.94	Residential
4	Jul 06, 2021	620 Lockhart Road	Innisfil	69.16	Low Density
5	Jun 22, 2021	5th Side Road	Innisfil	14.20	Residential
6	Jul 05, 2021	Mowat Street North	Clearview	66.36	Residential
7	Aug 27, 2021	Ardagh Road	Barrie	156.21	Low Density
8	Oct 01, 2021	1122 Big Bay Point Road	Innisfil	109.95	Residential
9	Mar 26, 2021	1426 Wilson Drive 1442 Wilson Drive	Springwater	63.40	Low Density
10	Apr 22, 2021	7131 Fifth Sideroad	Innisfil	65.22	Residential
11	Apr 23, 2021	County Road No. 27	Innisfil	66.11	Residential
12	Dec 22, 2020	Sunnidale Road	Wasaga Beach	342.93	Residential
13	May 07, 2021	Webster Boulevard	Innisfil	12.56	Residential
14	May 14, 2021	908 Yonge Street	Barrie	6.53	Residential
15	Mar 01, 2021	Mapleview Drive East	Innisfil	162.14	Residential
16	Feb 17, 2021	452 Raglan Street	Collingwood	22.22	Residential
17	Aug 31, 2020	7564 Poplar Sideroad 869 Hurontario Street	Collingwood	8.06	Residential

Land market overview

Industrial land transactions

Industrial Land Transactions | Past 12 Months | Barrie

No	Sale Date	Address	Municipality	Land Area (Acres)	Land Use
1	2021-03-22	Caplan Avenue	Barrie	6.89	Industrial
2	2021-03-25	685 Veterans Drive	Barrie	28.42	Industrial
3	2021-03-30	Bayview Drive	Barrie	39.95	Industrial
4	2021-05-21	Mapleview Drive West	Barrie	5.15	Industrial
5	2021-06-14	Mapleview Drive West	Barrie	6.06	Industrial
6	2021-08-17	Mapleview Drive East	Barrie	29.44	Industrial



Valuation

Valuation

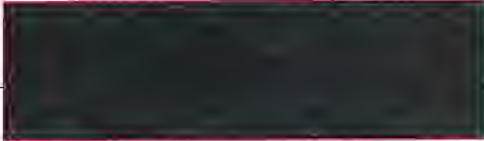
Valuation as (primarily) Industrial

Given the site's current permitted land use is primarily Industrial, we have reviewed various industrial land sales in the Barrie area. In our opinion, and given the site's

[REDACTED] portion of the site is zoned commercial, however we have treated the entire parcel as "Industrial" for this part of our valuation.) This would equate to an estimated value (as primarily industrial) of:

Estimated Net
Developable
Acreage(*)

22.5 Acres



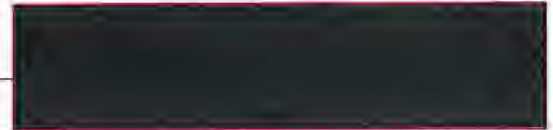
Valuation as Mixed-Use Redevelopment

Given the City's intention to amend the site's land use guidelines to a more intensified, Mixed-Use designation, we have reviewed various residential land sales in the Region. However, the size of the overall proposed development would be very unique to the Barrie area, and larger medium to high density land sales in the

[REDACTED] mixed-use development scenario. This would equate to an estimated value (as an intensified, mixed-use site) of:

Estimated Net
Developable
Acreage(*)

22.5 Acres



As an industrial site, the site has zoning in place and could effectively be ready for development in short order (e.g., 3-6 months) subject to site plan approvals, permits, and confirming the conservation authority's input relating to the existing watercourse. The City may not be overly anxious to allow this land use, but the existing land use guidelines are in place until such time as the Official Plan, Zoning, etc., are changed through the normal review process. As a potential, intensified Mixed-Use site, the property appears to have initial "support" from the City in their desire to move forward with the necessary changes to the Official Plan, Zoning, etc., through the MCR process, etc. However, the overall size and scope of the potential project is still under early review, and will require more input and reviews/reports, and eventually more public input in order to determine the final overall density, etc. This process is expected to take 2-3 years to finalize, and is not "guaranteed", and as such still contains a level of uncertainty and risk.

Note: We have reduced the overall total acreage of the site by approximately 10% to reflect the existing watercourse and areas that may be undevelopable due to flood plain/conversion measures. We have estimated the Net Developable Area of the site to be 22.5 acres for the purposes of our valuation.



**Disposition
strategy &
timeline**

Disposition strategy

	Price	No Price	Bid Date	No Bid Date	Max Exposure	Min Exposure
PROS	<ul style="list-style-type: none"> - Prospects appreciate pricing guidelines - Potential to generate more offers 	<ul style="list-style-type: none"> - Eliminates risk of setting price ceiling - Ensures full market value is attained - Encourages all prospects to call and ask for the price 	<ul style="list-style-type: none"> - Creates a competitive environment which encourages purchasers to stretch to gain control of the asset(s) 	<ul style="list-style-type: none"> - Purchasers appreciate no Bid Date since it tends to reduce a competitive offering environment 	<ul style="list-style-type: none"> - Ensures all qualified prospects are aware of the offering - Higher level of interest and prospective offers 	<ul style="list-style-type: none"> - Targeted approach to only qualified prospects - Creates an environment of exclusivity, which prospects appreciate
CONS	<ul style="list-style-type: none"> - Risk setting price ceiling - Risk of not having purchasers submit if the price is beyond what they can pay 	<ul style="list-style-type: none"> - Some purchasers are becoming frustrated with no pricing - Purchasers have no target/guidance 	<ul style="list-style-type: none"> - Some purchasers are becoming deterred by bid dates - Risk of not receiving as much interest 	<ul style="list-style-type: none"> - The vendor could lose out on the benefits of the competitive offering process 	<ul style="list-style-type: none"> - Doesn't provide a discreet environment to sell as the majority of the market will be aware that the property(ies) is for sale 	<ul style="list-style-type: none"> - May miss one off buyer who is willing to pay the highest amount - Lower probability of creating a competitive offering process



Recommended strategy

Upon reviewing the pros and cons of the marketing strategies listed above, and considering that the Property will attract a variety of interest from different buyer pools, we would recommend implementing the following Marketing Strategy:

- Pricing** - We recommend going to the market unpriced
- Offers** - Offers to be reviewed upon a set bid date
- Max Exposure** - List on MLS (unpriced) to cast the widest net to ensure all qualified buyers are aware of the offering
- Timeline** - run a 4 week marketing program (if court timing permits) prior to the bid date.
Buyers will utilize this time to fully review the re-development aspects, and on-line documents.



Pre-marketing due diligence

Prior to bringing the Property to market, with AY's assistance, we would advise that the following actions be undertaken:

To Do:

- Prepared a Confidentiality Agreement Avison Young
- Prepare Vendor's form of APS
- Download, or have web-links, to relevant planning applications and documents via City of Barrie website
- Gather any outstanding/required property-related documents (e.g. surveys, etc.)



Create marketing materials

With the pre-marketing due diligence resources, the Team will assemble the following:

- Detailed Marketing Brochure for the Property
- E-mail Template
- Marketing Postcard
- Prepare all social media and related marketing materials
- Due Diligence Materials uploaded into a Secure Password Protected Data Room



Avoiding a potential price adjustment

While prospective purchasers are encouraged to 'stretch' in order to gain control of the Property and carry out their due diligence, Avison Young is experienced in ensuring that candidates do not simply offer a high price in order to gain control of a Property, and subsequently return with a price adjustment following their own due diligence.

Avison Young's knowledge of the Property ensures a high level of due diligence prior to the sale process commencing. The accuracy of information presented in the Property's detailed package is essential to the formulation of a supportable bid by prospective purchasers.

Disposition timeline

Our strategy is to thoroughly understand the Property, assemble due diligence materials, prepare quality marketing materials and disseminate the information to as wide an audience as possible in order to maximize proceeds and minimize deal risk. We will accomplish this through a methodical sale process, the key components of which are outlined below.





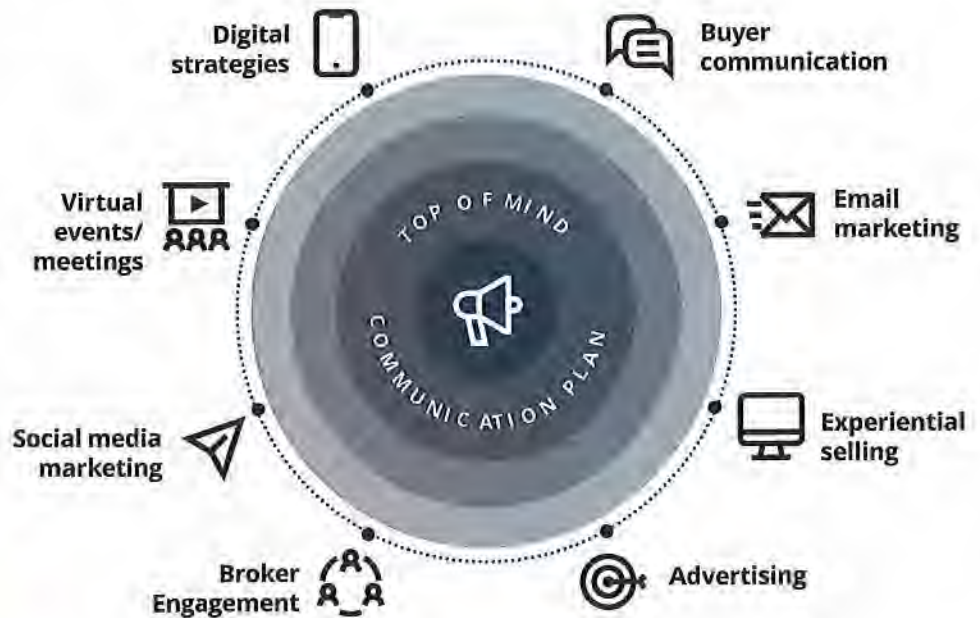
Marketing strategy & key deliverables

Knowing our audience and delivering the right messaging

Our goal is to design and articulate a strategy which both maximizes the existing and potential value of the asset while mitigating additional risk or market exposure for the Receiver-Vendor, thereby establishing certainty with respect to monetization of the Property.

In order to achieve the highest possible value, our emphasis in marketing the asset will focus on:

1. How to best position the asset in order to maximize sale proceeds
2. Identify the target market
3. Create a competitive environment
4. Ensure transparency throughout the process



Print & Digital Marketing Tools

Virtual Tour



Brochure



Offering memorandum & data room

Confidential & Secured Data Room



Offering Memorandum



Address:	11111 Highway 101 West 304 Maplewood Drive West 602 55th Road 604 55th Road 604 55th Road Burnaby, British Columbia
Use:	Light Industrial (LI) / General Commercial (CA)
Zoning:	Light Industrial (LI) Light Industrial (LI) General Commercial (CA) Light Industrial (LI)
Other:	General Commercial - Permitted Uses: - Retail - Office - Office Health Club - Day Care - Restaurant - Conference Centre - Hotel/Health Club - Day Care - Shopping Centre - Library

Confidentiality Agreement

1. Definitions

1.1 Confidential Information: All information, including but not limited to, financial, operational, marketing, sales, and other information, that is disclosed by the Company to the Investor, in any form, and is marked as confidential or otherwise designated as confidential by the Company.

1.2 Non-Confidential Information: Information that is not Confidential Information, including but not limited to, information that is publicly available, information that is independently developed by the Investor, and information that is disclosed to the Investor by the Company on a non-confidential basis.

1.3 Investor: The individual or entity that is receiving Confidential Information from the Company.

1.4 Company: The company or entity that is disclosing Confidential Information to the Investor.

2. Confidentiality Obligations

2.1 The Investor shall maintain the Confidential Information in confidence and shall not disclose it to any third party without the prior written consent of the Company.

2.2 The Investor shall use the Confidential Information solely for the purposes of evaluating an investment in the Company and shall not use it for any other purpose.

2.3 The Investor shall not create any derivative works based on the Confidential Information without the prior written consent of the Company.

2.4 The Investor shall not copy, reproduce, or disseminate the Confidential Information in any form or by any means, including electronic, mechanical, photocopying, recording, or by any information storage and retrieval system.

2.5 The Investor shall not attempt to induce any third party to breach its confidentiality obligations.

2.6 The Investor shall not disclose the Confidential Information to any third party who is not a necessary agent of the Investor in connection with the investment.

2.7 The Investor shall not disclose the Confidential Information to any third party who is not a necessary agent of the Investor in connection with the investment.

2.8 The Investor shall not disclose the Confidential Information to any third party who is not a necessary agent of the Investor in connection with the investment.

2.9 The Investor shall not disclose the Confidential Information to any third party who is not a necessary agent of the Investor in connection with the investment.

2.10 The Investor shall not disclose the Confidential Information to any third party who is not a necessary agent of the Investor in connection with the investment.

3. Term and Termination

3.1 This Confidentiality Agreement shall remain in effect until the Confidential Information has become publicly known in any way.

3.2 This Confidentiality Agreement shall terminate immediately upon the death of the Investor.

3.3 This Confidentiality Agreement shall terminate immediately upon the bankruptcy, insolvency, or liquidation of the Investor.

3.4 This Confidentiality Agreement shall terminate immediately upon the cessation of the Investor's business.

3.5 This Confidentiality Agreement shall terminate immediately upon the expiration of the term specified in this Agreement.

3.6 This Confidentiality Agreement shall terminate immediately upon the expiration of the term specified in this Agreement.

3.7 This Confidentiality Agreement shall terminate immediately upon the expiration of the term specified in this Agreement.

3.8 This Confidentiality Agreement shall terminate immediately upon the expiration of the term specified in this Agreement.

3.9 This Confidentiality Agreement shall terminate immediately upon the expiration of the term specified in this Agreement.

3.10 This Confidentiality Agreement shall terminate immediately upon the expiration of the term specified in this Agreement.



Database, Social Media, Email & Advertising

Listing databases

Online exposure on listing database platforms

- Property featured on multiple digital platforms (MLS, CoStar, LoopNet, Realtor.ca)
- Online listings on Avison Young website and central Bulldozer Listing Platform



Email & social media marketing

- Email distribution to all targeted potential purchaser
- Exposure on all Avison Young regional and broker social media channels

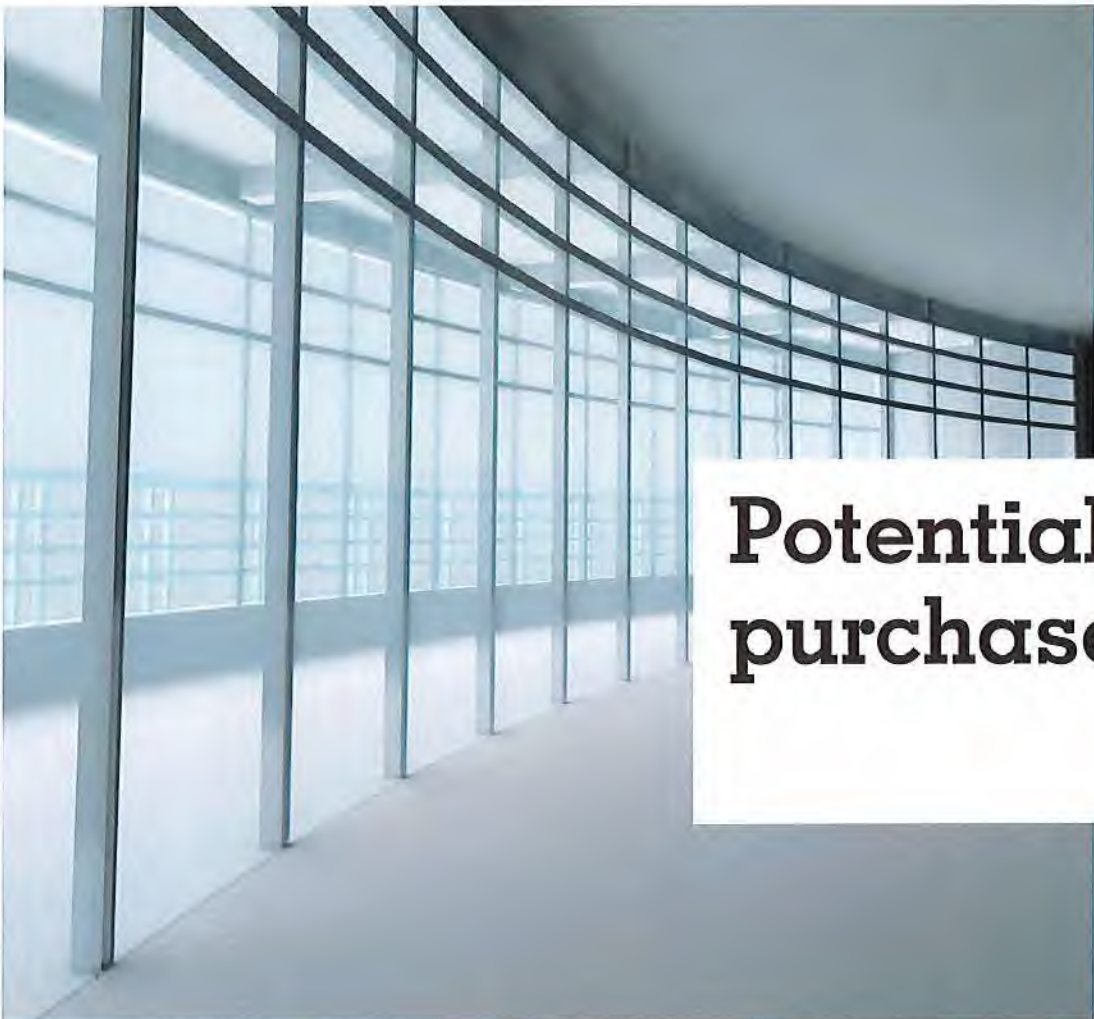


Demographic data & visualization

Avant by Avison Young

This entails using Avison Young's data Warehouse tool AVANT in order to target buyers. A data analytics program which will differentiate the opportunity and visually display key metrics Custom data engagement package tailored for Interested prospects.





Potential purchasers

Potential purchasers



Residential Land Purchasers

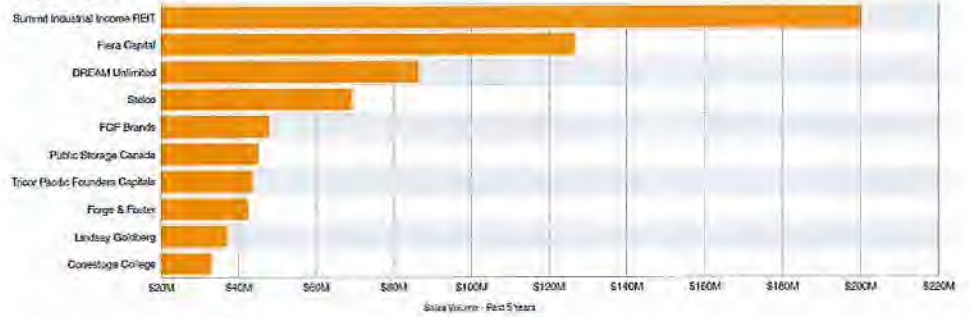
These group will include:

- Bellport Homes
- Brook Valley Developments Inc.
- Centerville Homes
- Charis Developments Ltd.
- Clearview Garden Estates
- County Wide Homes
- Crystal Homes
- CVD Group
- DG Group
- Eagles Landing Estates Ltd.
- Eden Oaks (Raglan) Inc.
- Edev Inc.
- Elevate Condos
- Elmvale Village Developments Inc.
- Fernbrook Homes
- Flato Developments
- G & L
- Georgian International
- Grandview Homes
- LIV Communities
- Lunor Group Inc.
- Mason Homes
- Matlany Homes
- Melrose Investments Inc.
- Mooreland Kids
- Plexus Storage Ltd.
- Pratt Homes
- Primont Homes
- San Diego Homes Inc.
- Sunray Living Inc.
- Sunrise Homes
- Sunvale Homes
- Townwood Homes

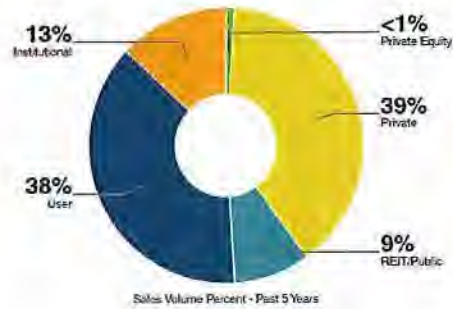


Industrial Land Purchasers

Top Buyers In GGH



Sale by Buyer Type





Strategy & business terms

Strategy & business terms

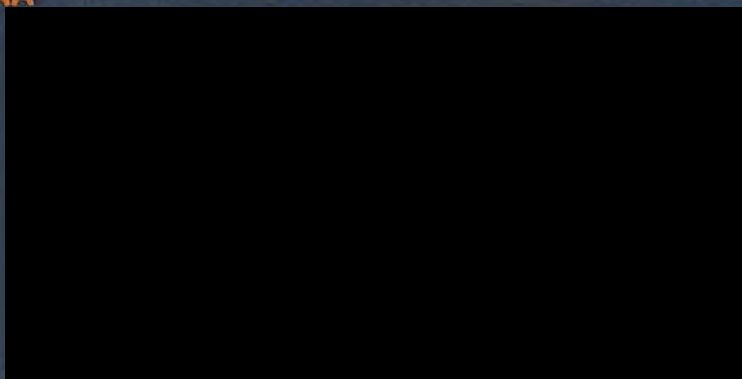
Strategy



Listing period



Proposed remuneration



Reporting & transparency of process

Avison Young will prepare progress updates including information on our marketing efforts, the number of initial target purchasers, and the level of response, however we are pleased to tailor this to your requirements and preferences.

- BI-weekly written progress reports;
- Regular correspondence and in-person meetings to discuss prospective purchasers and market feedback;
- Feedback from the prospects who have shown interest in the opportunity and/or who we have met with personally and/or have toured the asset;
- Our insights into which prospects are likely to submit an offer;
- Summary analysis of offers received; and
- Our recommendations on how to proceed.

A close-up photograph of a person's hands typing on a laptop keyboard. The laptop is silver and the keys are black. The background is blurred, showing another computer monitor and office equipment. The text "Distressed sales experience" is overlaid on the image in a white box.

Distressed sales experience

Distressed sales experience



3 MANCHESTER COURT, BOLTON CONFIDENTIAL

Vendor: Ritchie Bros. Auctioneers
Avison Young was retained by Ritchie Bros. as exclusive advisors and agents to sell 3 Manchester Court in Bolton consisting of 64.85 acres. The marketing process resulted in 10 offers and above asking sale price.



SUN PAC BLVD LAND, BRAMPTON \$6,025,000

Vendor: Msi SPERGEL Inc., as Court-appointed Receiver
Avison Young was retained by Msi SPERGEL Inc. (Court-appointed Receiver) to market and sell the land on Sun Pac Boulevard in Brampton. The property is a 3 acre piece of undeveloped commercial land. The marketing process resulted in 4 offers and a sale price above asking.



168 OLD KENNEDY ROAD, MARKHAM \$7,550,000

Vendor: RSM Canada, as Court-appointed Receiver
Avison Young was retained by RSM Canada as Court-appointed Receiver to market and sell the land at 168 Old Kennedy Road in Markham. The property is a 1.5 acre piece of undeveloped, mixed use land. The marketing process resulted in 7 offers and the successful sale of the property.



237A & 237B ADVANCE BOULEVARD, BRAMPTON \$5,100,000 & \$6,888,888

Vendor: A. Farber & Partners Inc. as Court-appointed Receiver
Avison Young was retained by A. Farber & Partners Inc. as Court-appointed Receiver to market and sell 237A 237B Advance Boulevard in Brampton, Ontario. The properties are a 21,000 sf industrial building on 1.1 acre site and a 18,000 sf industrial building on a 0.85 acre site.



581 WELLINGTON STREET WEST, TORONTO \$5,800,000

Avison Young was retained by RSM Canada Limited to market and sell a 6,994 sf mixed-use property under partial renovation. Property garnered much interest and several offers were received, culminating in a fully unconditional offer being negotiated in a final round of bidding. Transaction closed in late 2019.



9160 BAYVIEW AVE, RICHMOND HILL \$8,100,000 (2019) & \$10,000,000 (2020)

Vendor: 9160 Bayview Inc.
The Advisory team listed and sold 9160 Bayview Avenue in Richmond Hill twice on behalf of the seller. The team found the buyer and held a conditional deal in place within two weeks of listing the property. The medical plaza was leased to 6 different tenants over 3 storeys with some vacant space in the lower level.



92 DAVIDSON STREET, BARRIE \$3,275,000

Vendor: Superior Court of Justice
Avison Young was retained by A. Farber & Partners Inc. via its receiver to market and sell 92 Davidson Street, located in Barrie, Ontario. The free standing industrial building and surplus land. Avison Young received multiple offers for the property, and successfully sold the property five months after going to market.



1450 GERRARD STREET EAST, TORONTO \$2,305,000

Vendor: RBC (Power of Sale)
Avison Young was retained by RBC (under power of sale) to market and sell 1450 Gerrard Street East in Toronto, Ontario. Multiple offers were generated by our marketing efforts, and an unconditional offer above our asking price was completed.



38 METROPOLITAN ROAD, TORONTO \$7,200,000

Vendor: RBC (Power of Sale)
Avison Young was retained by RBC (under power of sale) to market and sell 38 Metropolitan Rd in Toronto, Ontario. This was an extremely challenging assignment given part of the building was previously used as a commercial marijuana grow-op that caused extensive damage to the building. Our extensive experience and multifaceted marketing approach produced exceptional results including 17 offers.



25 LASKAY MILLS DRIVE \$5,350,000

Vendor: KSV Advisory Inc. (Court-appointed Receiver)
Avison Young was retained by KSV (Receiver) to market and sell 25 Laskay Mills Drive, a 75 acre site in King City, Ontario—a long term potential redevelopment site that also contained a large, custom-designed 1970s vintage home, old farm house, and barns. The buyer intended to develop the town private family compound on the site. Our marketing process resulted in multiple offers, including the successful, unconditional offer.

Distressed sales experience



57 MATTHEW STREET, MARMORA \$1,400,000

Vendor: Msi SPERGEL Inc. as Court appointed Receiver
Avson Young was retained by Msi SPERGEL Inc. via its receiver to market and sell 57 Matthew Street in Marmora, Ontario. The property is a 2,300 sq. gas station and convenience store on a 1.35 acre site. The marketing process resulted in 4 offers until the successful sale of the property.



2454 BAYVIEW AVENUE, TORONTO \$7,900,000

Vendor: Superior Court of Justice
Members of the Avson Young Capital Markets Team were retained by the Superior Court of Justice as a receiver to market and sell 2454 Bayview Avenue. The school was marketed unpriced with a specific bid date scheduled 4 weeks after taking the property to market. Avson Young received multiple offers and had a second round of bids. The property was successfully sold within the price expectations.



1491 WILSON AVENUE, 143-145 ARLINGTON AVENUE & 26 GULLIVER ROAD, TORONTO \$20,378,000 (Total Price)

Vendor: Private Family/Receiver
Members of the Avson Young Capital Markets Team retained by a receiver on behalf of a private family to market and sell three low rise apartment buildings. The properties were marketed unpriced as a portfolio and individually. The properties were marketed for 4 weeks with a set bid date. The three properties were sold to individual buyers within the pricing expectations.



6 MARCONI COURT, VAUGHAN \$2,990,000

Vendor: Bank of Montreal (Power of Sale)
Avson Young was retained by Rosen Gottinger Inc. as a receiver to market and sell 6 Marconi Court located in Cateran Ontario. The free standing industrial property was marketed priced with no specific bid date. 6 Marconi Court received multiple bids and was sold (firm) less than five months after going to market.



BLUE MOUNTAIN DEVELOPMENT LANDS, TOWN OF BLUE MOUNTAINS \$2,200,000

Vendor: HSBC (Power of Sale)
Avson Young was retained by HSBC via its receiver to market and sell 23 acres of land located in The Blue Mountains Ontario. The residential development land was originally part of "The Ridge Estates" subdivision and was composed of 29 single lots. Avson Young received multiple offers for the property, and successfully sold the property to a local development company.

RSM PORTFOLIO

Members of the Avson Young Capital Markets Team were retained by the RSM Canada (court-appointed receiver) to market and sell five gas stations and/or car wash facilities around Ontario. The properties were marketed as a portfolio and individually. The properties were marketed for at least 4-5 weeks with a set bid date. All five of the properties were eventually sold to individual buyers, including some being unconditional offers.



SOLD & CLOSED \$3,700,000 5462 Dundas Street West, Toronto Vendor: Superior Court of Justice Single storey car wash facility.



SOLD & CLOSED \$2,500,000 5223 Dundas Street, Burlington Vendor: Superior Court of Justice Single storey car wash facility in state of partial construction.



SOLD & CLOSED \$2,500,000 591 & 595 Goderich Street, & 618 Gustavus Street, Port Hope Vendor: Superior Court of Justice Vacant former Ultramar gas station, freestanding Jim Horton's pad, and 2-storey building (including 3-bedroom apartment)



SOLD & CLOSED \$850,000 633 Main Street West, Port Colborne Vendor: Superior Court of Justice Single storey car wash facility



SOLD & CLOSED \$1,300,000 274 Bayfield Road, Goderich Vendor: Superior Court of Justice Vacant former Ultramar gas station and automated car wash facility.

Secondary and tertiary market sales experience

4342 QUEEN STREET
NIAGARA FALLS



235 MARTINDALE ROAD
ST. CATHARINES



RIDLEY SQUARE
ST. CATHARINES



WALKER TOWN CENTRE
WINDSOR



20, 25 & 75 CORPORATE PARK DRIVE
ST. CATHARINES



211 MARTINDALE ROAD
ST. CATHARINES



1380 LASALLE BOULEVARD
SUDBURY



RIOCAN CENTRE
WINDSOR



WLAKE SQUARE
WINDSOR



44 FRID STREET
HAMILTON



71 KING STREET WEST
MISSISSAUGA



2009 LONG LAKE ROAD
SUDBURY



CITI PLAZA
LONDON



TSC STORES
9 LOCATIONS ACROSS ONTARIO



2065 FINCH AVENUE WEST
TORONTO



691-709 PINE STREET
SAULT STE. MARIE





Thank you.



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416.673.4030
kelly.avison@avisonyoung.com



Ben Sykes, SIOR
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ben.sykes@avisonyoung.com



Platinum member

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Appendix

About Avison Young

Our Services

Avison Young creates real economic, social, and environmental value, powered by people.

Avison Young is built on the belief that commercial real estate isn't just about the buildings and the square footage and the occupancies. At its best it's about spaces and places that improve lives and help businesses thrive for the employees, citizens and communities that make impact matter.



About Avison Young



Our partnership, at work for you

As a growing and innovative challenger in global commercial real estate, Avison Young attracts the best talent in our industry. But being the best isn't just about having the best; it's also about how we work together. Our longstanding culture of collaboration, and the fact we're majority owned by a broad base of principals means our clients partner with an empowered owner who is invested in—and driven by—shared success for the long-term. Our unique ownership structure creates intelligent solutions that deliver an enhanced client experience and better results. The below image is a snapshot of how we're structured around our clients.



Founded in
1978

5,000
real estate
professionals

100+
offices

15
countries

400 msf
under property
management

PROPOSAL

ADVISORY & BROKERAGE SERVICES

320 MAPLEVIEW DRIVE WEST & 692, 664 AND 674 ESSA ROAD, BARRIE, ONTARIO



Prepared For

MS. DEBORAH HORNPOSTEL
Senior Vice President
MNP

Submitted: Friday, November 19, 2021



Attention: Ms. Deborah Hornbush
 111 Richmond Street West
 Suite 300
 Toronto, ON
 M5H 2G1

Submitted: Friday, November 19, 2021

Subject: Real Estate Brokerage Services for 320 Mapleview Drive West & 692, 664 and 674 Esola Road, Barrie, Ontario

CBRE Limited is pleased to submit our proposal to provide Advisory and Transaction Services for the property located at 320 Mapleview Drive West & 692, 664 and 674 Esola Road (the "Property" or the "Site") in the City of Barrie. We understand the scope of services required and are confident that our proposal demonstrates our commitment to provide the best tools, process and people to meet the requirements of this assignment.

In doing so, we are confident that our proposal demonstrates our credibility, transparency and unmatched market share of completed land transactions, especially for potentially high-profile and/or non-traditional sales, including power of sale, court-ordered sales and distress sales that require an additional level of expertise (see page 10).

As the Greater Toronto Area's leading commercial real estate brokerage services firm, CBRE is uniquely qualified to develop an effective and transparent marketing process that will maximize the return for the Property. Below are the three main points that summarize our advantage:

1. OUR EXPERIENCED LISTING TEAM: The Listing Team we have assembled to address your needs comprises CBRE's top advisors in the sale of residential and commercial development land. Known as the Lead Services Group, the proposed Listing Team brings an unmatched depth of experience transacting sites at various stages of approval, including the following recent transactions that carry considerable relevance to this Property:

- **521 Bayfield Street, Barrie:** On behalf of FTI Consulting as Court-Ordered Monitor for Sears Canada, our team was retained to coordinate the sale of this 117,700 sq. ft. building situated on 10.47 acres. This was an ideal opportunity for a wide range of developers, users and investors, and our marketing campaign specifically targeted each of these purchaser groups. This offering generated significant interest, yielding multiple competitive offers and ultimately transacted in December of 2019 for a total consideration of \$5,950,000.
- **Rose and Thide Portfolio:** Retained on behalf of Schofield Inc, our team was involved in the disposition of a portfolio of industrial properties that had gone into Receivership. The portfolio was comprised of various types of properties and sold individually for a range of competitive prices.
- **201 King Road, Richmond Hill:** Our team was retained on behalf of KSV Advisory Inc. in the disposition of the 3 acre site which was LINT approved for 178 stacked townhouse units. Located on the south side of King Road, west of Yonge Street, the property is ideally located within a stable neighbourhood. The site sold for a total consideration of \$20,250,000 in October 2020.
- **Regional Road 57 and Nash Road, Clarington:** Our team was retained on behalf of Ernst & Young at its court-ordered receiver, in the disposition of 27 acres of residential land in north Bowmanville. The property is located within the Bowmanville Secondary Plan area and at the time of sale the Secondary Plan was in the final stages of being approved. The site sold in November 2020 for a total consideration of \$8,100,000. This site was a court-ordered sale.

2. OUR TRACK RECORD OF SETTING BENCHMARK PRICING: Our unparalleled track record of creating maximum value on properties underscores our ability to execute complicated deals at aggressive pricing and with a wide market reach.

3. OUR BEST-IN-CLASS APPROACH AND MARKETING MATERIALS: Team's marketing process is the result of over 30 years of experience handling transactions that require maximum market exposure, reliable reporting and deal certainty.

We are excited at the prospect of working with you and welcome the opportunity to answer any questions you may have.

Yours truly,

Mike Czesochowski
 Executive Vice President
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CBRE Overview

Market SHARE

CBRE Group, Inc. (NYSE:CBG), a Fortune 500 and S&P 500 company headquartered in Los Angeles, is the world's largest commercial real estate services firm. The Company has approximately 75,000 employees (excluding affiliates), and serves real estate owners, investors and occupiers through more than 530 offices worldwide.

CBRE Limited has been established in Canada for over 30 years. CBRE began operations in Canada under the name Coldwell Banker Inc. in 1983. Today, CBRE employs 12,778 people in 23 localities from coast to coast. Using its strength, resources and passion, CBRE helps clients successfully anticipate market opportunities, seize competitive advantages and achieve their real estate objectives. The core services include, Transaction and Advisory Services (Industrial, Investment, Retail, Land and Hotel), Global Corporate Services (Facilities Management, Project Management, Lease Administration, Transaction Management and Consulting) and Fee Services (Asset

Services, Valuation and Advisory, Debt and Structured Finance and Market Research). Using this platform, we are able to reach out globally to utilize every avenue and provide the highest level of market reach.

CBRE offers strategic advice and execution for property sales and leasing. We pride ourselves on our ability to provide clients with the right people, process, platform and performance to best help our clients. This expertise allows CBRE to provide our clients with a level of market intelligence and subsequent recommendations for cost savings and portfolio optimization not realized by any other real estate firm.

The collective expertise of the Land Services Group carries with it a pedigree like no other. This Team is the GTA's most comprehensive bank of active and recent development land transaction mandates.

GTA & GGH MARKET SHARE

Since 2016

ALL LAND TRANSACTIONS

COMPANY	COMPLETED TRANSACTIONS	TOTAL AREA (ACRES)	VALUE
CBRE	212	4925	\$3,663,007,254
CBRE & Land Services Group (Included in CBRE's Total)	108	4375	\$3,089,812,784
Colliers	125	1537	\$2,288,437,402
Cushman	127	1153	\$1,281,211,823
JLL	45	272	\$1,050,140,000
Avison Young	315	641	\$1,085,805,750

Source: JLL, Avison Young



SERVICES OFFERED

TRANSACTION AND ADVISORY SERVICES:

- Acquisition
- Development
- Leasing
- Disposition
- Relocation
- Investment
- Construction
- Management
- Marketing
- Valuation

Fee Services:

- Asset Management
- Facilities Management
- Project Management
- Lease Administration
- Transaction Management
- Consulting

GLOBAL CORPORATE SERVICES:

- Relocation
- Facilities Management
- Project Management
- Lease Administration
- Transaction Management
- Consulting



MARKETING DIFFERENCE

CRITICAL GLOBAL EXPOSURE RECOMMENDATIONS

Process a critical local sales campaign, and with the Portfolio, effective global marketing is essential to maximize exposure and drive value. Being the global commercial real estate advisor in the world, CBRE has established effective processes to ensure offerings are exposed to the widest possible buyer group.

OUR GROUP'S EXPANSIVE REACH

Over the last 30 years the Land Services Group has compiled an extensive database with prominent local and international industry developers and investors. Our combined, combined, traditional, and digital reach, through a variety of media groups, providing a level of coverage unparalleled by other competitors.

VANCOUVER MARKETING ADVANTAGE

It is CBRE's recent market experience and a wealth of depth of Asian capital's arriving in Vancouver as a first point of contact in Canada, significantly more likely to invest in the GTA. Given the nature of this Property, CBRE representatives will conduct a pre-market analysis to the Vancouver market and then directly with the Asia Pacific team to effectively communicate the offering.

THE GLOBAL CALL CAMPAIGN

Key to marketing exposure is the effective use of the CBRE international team. CBRE Listing Team holds monthly global investor team calls where all top priority offerings are shared to key contacts in our top markets. This data is then emailed out throughout the local market. CBRE offers a variety of potential buyers.

RECOGNIZED FOR GLOBAL

Excellence

FORTUNE

Forbes



Ranked #126 in 2020
Commercial Services Group with 4000+

Ranked #184 out of 250
Commercial Group 2019
Commercial Services Group with 4000+

Ranked the Top Real Estate Broker
in the United States 2019

ETHISPHERE

EUROMONEY

IAI

Named a World's Most Ethical
Company 2019 by ENR

Global Real Estate Advisor of the
Year 2019 by ENR

Among the Best of the
Global Real Estate 100
2019 by ENR

All information on this proposal is confidential.

LISTING Team

Team Leads



MIKE CZESZOTOWSKI
Executive Vice President



LAUREN WHITE
Senior Vice President



BRAD WALFORD
Senior Vice President



SEAN COMISKEY
Senior Vice President

Sales Support



EVAN STEWART
Sales Representative



EMILIE ROWE
Planning & Due Diligence

Administration



LAURA MALAKA
Executive Assistant



MILLE YE
Client Services Associate

Marketing



MARINA LONSKA
Marketing Assistant



ALINA POLIFKA
Marketing Assistant

Roles	Responsibilities
Team Lead	<ul style="list-style-type: none"> Mike Czeszotowski: Executive Vice President Lauren White: Senior Vice President Brad Walford: Senior Vice President Sean Comiskey: Senior Vice President
Sales Support	<ul style="list-style-type: none"> Evan Stewart: Sales Representative Emilie Rowe: Planning & Due Diligence
Marketing	<ul style="list-style-type: none"> Marina Lonska: Marketing Assistant Alina Polifka: Marketing Assistant
Administration	<ul style="list-style-type: none"> Laura Malaka: Executive Assistant Mille Ye: Client Services Associate

STATISTICS

2010

450+
NUMBER OF TRANSACTIONS

\$3.38B
TOTAL TRANSACTION VALUE

5,580 AC.
OF LAND SOLD

60+
YEARS OF COMBINED EXPERIENCE

COURT ORDERED SALES *Experience*

The Listing Team dedicated to this assignment comprises CBRE's top advisors, with a depth of experience transacting sensitive and high valuations through court-ordered sales which require accurate reporting and uncompromising execution. Through our experience, the team has evolved a transaction process that holds up to court scrutiny by demonstrating prudence, fairness, consistency and transparency, with formal and detailed reporting for each benchmark and decision point. Below is a list of select court-ordered mandates and power of sale transactions that the Listing Team has completed.

ACTIVE COURT-ORDERED & POWER OF SALE MANDATES

Year	Property	Type	Municipality	Sale Price	Size	Disposition/Use/Price	
1	2021	64 Main Street E	Res Land	Hamilton	\$965,000	0.30 ac.	Residential

COMPLETED COURT-ORDERED & POWER OF SALE MANDATES

Year	Property	Type	Municipality	Sale Price	Size	Disposition/Use/Price	
1	2005	14th Road and Regional Road 57	Res Land	Bowmanville	\$8,900,000	277 ac.	Finch & Young
2	2020	201 King Street	Res Land	Richmond Hill	\$20,250,000	3.97 ac.	ESV
3	2009	5072 16th Avenue	Res Land	Markham	\$4,550,000	1.05 ac.	Carlson Stephens
4	2020	2246 Lakeshore Rd W & 83 East St	Res Land	DeWitt	\$7,000,000	0.59 ac.	Ontario General Corp.
5	2014	4481 Bonville Rd	Res Land	Whitby	\$2,640,000	0.75 ac.	ESV
6	2019	311 Sarsina Cres	Industrial	Vaughan	\$6,750,000	22,581 sq. ft.	ESV
7	2015	407 Lakeshore Rd	Industrial	Markham	\$10,600,000	26,234 sq. ft.	ESV
8	2015	5510 53rd Sheppard Ave E	Res Land	Toronto	\$4,775,000	0.62 ac.	ESV Canada
9	2015	1014 & 1407 Lakeshore Rd E	Res Land	Mississauga	\$10,000,000	0.65 ac.	Firm Capital
10	2015	47 Bellville Rd	Res Land	Calgary	Individual Lots	3.25 ac.	Forrester Mountain Holding Corp.
11	2015	2567 Mega Mackenzie Dr	Res Land	Markham	\$4,150,000	1.22 ac.	Wellness Capital Inc.
12	2017	90 James St S	Res Land	Hamilton	\$8,500,000	0.3 ac.	Finch & Young
13	2015	1480 Kildare Beach Rd	Res Land	Essex	\$4,500,000	85.10 ac.	Finch & Young
14	2015	833-835 Victoria Ave	Res Land	St. Catharines	\$4,600,000	0.34 ac.	MCAP Finance
15	2015	205 Verdon Rd	Industrial	York	\$8,000,000	75,000 sq. ft.	Schenkel Inc.
16	2014	271 Avenue Edward Dr	Office	Lindsay	\$2,800,000	2,644 sq. ft.	Schenkel Inc.
17	2014	151 Edgemere Ave.	Industrial	North York	\$1,500,000	43,786 sq. ft.	Schenkel Inc.
18	2014	85 Newark Ave	Office	Toronto	\$2,200,000	35,845 sq. ft.	Schenkel Inc.
19	2014	1 City View Dr	Industrial	Essex	\$1,200,000	25,500 sq. ft.	Schenkel Inc.
20	2014	140 Queen's Mills Dr	Res Land	Essex	\$4,500,000	5,266 ac.	B & M Hardware
21	2014	3795 St. Clair Ave E	Res Land	Scarborough	\$2,750,000	0.67 ac.	B & M Hardware
22	2014	1001 Glenview St E	Res Land	Toronto	\$3,300,000	0.03 ac.	Schenkel Inc.
23	2014	450 Pope Ave	Res Land	Essex	\$1,800,000	0.97 ac.	Schenkel Inc.
24	2014	5770 & 5750 Highway 72	Industrial	Vaughan	\$13,000,000	244,025 sq. ft.	Schenkel Inc.
25	2011	180 Ramsey Rd S	Res Land	Ajax	\$500,000	15 ac.	Zellerbach
26	2011	127 Westmore Blvd 12/2	Industrial	Ontario	\$200,000	1.07 ac.	Business Development Bank of Canada
27	2019	151 Simcoe St N	Res Land	Oshawa	\$700,000	5,421 sq. ft.	Zellerbach
28	2013	1160 Quince St W	Res Land	Windsor	\$1,600,000	8,211 sq. ft.	Zellerbach
29	2013	Kearney Blount Rd & Emily St	Res Land	Essex	\$9,000,000	198.92 ac.	Knights Real Estate Mortgage





EXPERIENCE

case studies

TRANSACTION EXPERIENCE

TRANSACTION Experience

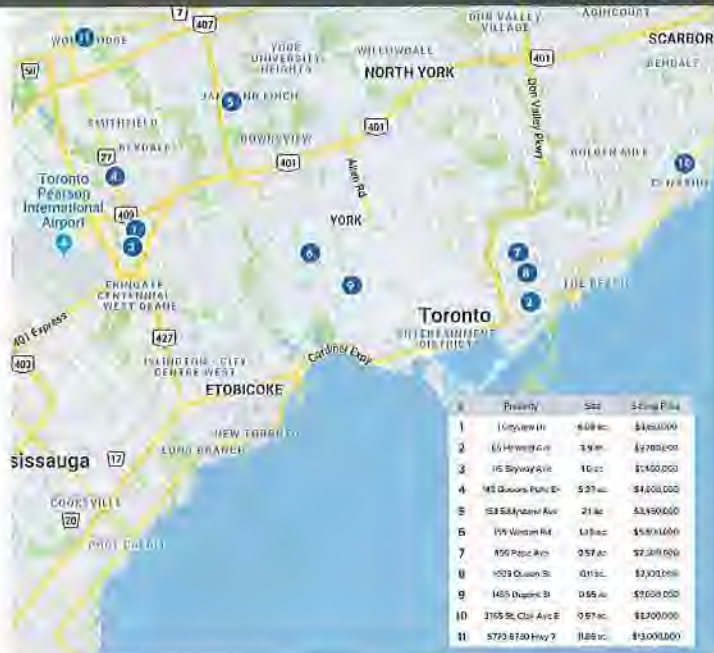
SEARS BARRIE - 521 BAYFIELD ST, BARRIE

ROSE AND THISTLE PORTFOLIO



Price: \$5,950,000 | Size: 10.47 ac | Date: Dec 2019 | Vendor: Sears Canada Inc | Purchaser: 1485900 Ontario Limited

Our team was retained on behalf of FTI Consulting as Court Ordered Monitor for Sears Canada, to manage the disposition of 521 Bayfield Street in Barrie, Ontario. The building is a 117,700 sq. ft. facility well suited for many commercial uses. The site is 10.47 acres and is adjacent to the Georgian Mall, Barrie's primary shopping destination. The Property is zoned Shopping Commercial which permits various commercial and residential uses. 521 Bayfield Street offers a unique opportunity for users or investors to acquire a substantial asset that is well located in a city that continues to show tremendous growth. The building is attached to the northern part of the Georgian Mall and the Property is subject to an operating agreement with the owners of the mall. The site is in immediate proximity to Highway 400 which connects Barrie to the north and south Ontario regions as one of Ontario's main transportation arteries. The building is equipped with high power to accommodate heavier uses and can also be revised to multiple configurations.



Price: \$1,400,000 to \$13,000,000 | Size: 0.1 to 11.8 acres | Date: 2017 | Vendor: Schonfeld Inc | Purchaser: Various

The Land Services Group was mandated by Schonfeld Inc. as the receiver for the disposition of a portfolio of 11 properties that were included within a court ordered receivership. The portfolio included development sites, industrial buildings, and office buildings. These properties were purchased by Rose and Thistle Group using funds from a private investor. Once it was determined that the Rose and Thistle Group was managing these funds, a court ordered receiver was put in place to recover the losses, and protect the private investor from further losses. The Land Services Group brought 11 of the properties to the market and employed a rigorous marketing campaign in an effort to secure the highest value for the properties while ensuring a transparent and fair process. The challenges that the Listing Team had to overcome included problem tenancies, incomplete demolition and renovations, severe environmental contamination, planning restrictions, and the poor condition of some of the properties. The 11 properties were all sold within nine months to different purchasers, allowing us to maximize value for each individual asset.

TRANSACTION EXPERIENCE

TRANSACTION *Experience*

201 KING ROAD, RICHMOND HILL

NASH ROAD AND REGIONAL ROAD 57, BOWMANVILLE



Price: \$20,250,000 | Size: 3.87 ac. | Date: Oct 2020 | Vendor: KSV Advisory Inc. | Purchaser: Bridgeway Capital Corp.

Our team was retained on behalf of KSV Advisory Inc. in the disposition of the 3 acre site which was L.P.A.T. approved for 178 stacked townhouse units. Located on the east side of King Road, west of Yonge Street, the property is ideally located within a viable neighbourhood. The site sold for a total consideration of \$20,250,000 in October 2020.



Price: \$9,100,000 | Size: 27+ acres | Date: November 2020 | Vendor: Ernst & Young | Purchaser: Tercel Communities

Our team was retained on behalf of Ernst & Young, acting as court-ordered receiver, in the disposition of over 27 acres in north Bowmanville. The site is located within the updated Blackshill Secondary Plan area and is designated for a variety of residential uses including low and medium density. We brought the property to market utilizing the modified tender process and received several strong and competitive offers. The property sold for a total consideration of \$9,100,000 in November 2020 to Tercel Communities.



PROPERTY OVERVIEW
and valuation

PROPERTY Information



Address	320 Mapleview Drive West & 692, 654 and 674 Essar Road, Barrie, Ontario
Total Area	25.598 acres
Net Area	Approximately 24148 acres (1.25 of loss resulting from Bear Creek)
Frontage (Mapleview Dr W)	1,385 ft
Frontage (Essar Rd)	1,205 ft
Official Plan	General Industrial
Zoning	Light Industrial (LI) and General Commercial (C4)
Existing Conditions	2 single family detached dwellings and commercial buildings

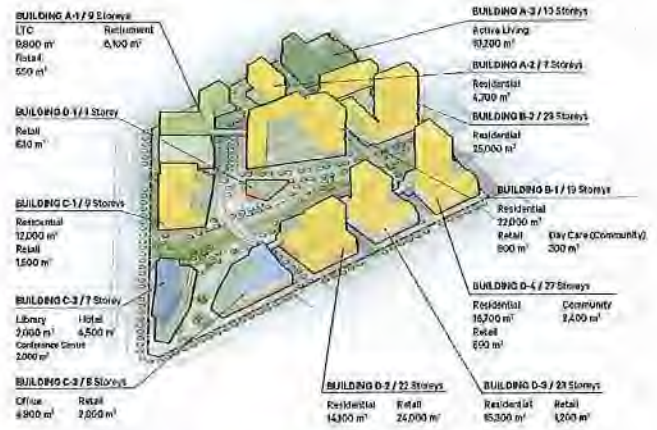
On November 2, 2020, the owner filed an Official Plan Amendment (OPA) and Zoning By-law Amendment (ZBLA) to permit the development of a 12 building, mixed use community incorporating a variety of uses. The total project GFA is approximately 1,765,000 sq. ft., of which 1,450,000 sq. ft. are for residential uses. Details for each application are as follows:

Official Plan Amendment:
The applicant is proposing an Employment Land Conversion through an amendment to Section 4.9 of the Official Plan to designate the property 'Mixed Use Nodes and Corridors' and 'Environmental Protection'. The proposed amendment would permit a mix of land uses, including, but not limited to, high-density residential, commercial and institutional.

Zoning By-law Amendment:
The applicant is proposing to rezone the lands from Light Industrial (LI) and General Commercial (C4) to Mixed Use Corridor (MU2), Residential Apartment Second Quality (RA2), and Environmental Protection (EP).

It is our understanding that no approvals have been granted at this time.

DEVELOPMENT PLAN & Design



Residential Unit*	180,000 m ²
Residential Units	2,640
Condominium	2,094
Market	50%
Rental	28%
Affordable	17%
Retirement	4%
Technologies	\$8
Considered in the total	
Non-Residential Uses*	280,000 m ²
Retail (incl. food)	120,000 m ²
Office	4,800 m ²
Community	4,700 m ²
Hotel	4,500 m ²
Conference Centre	2,000 m ²
Open Spaces*	53,000 m ²
Unimproved Water Channel	50,000 m ²
Parkettes and Plazas	45,000 m ²



*All areas are approximate and do not include parking. Detailed statistics are provided in the accompanying Technical Drawing Package.

COMPARABLE Sales

VALUATION

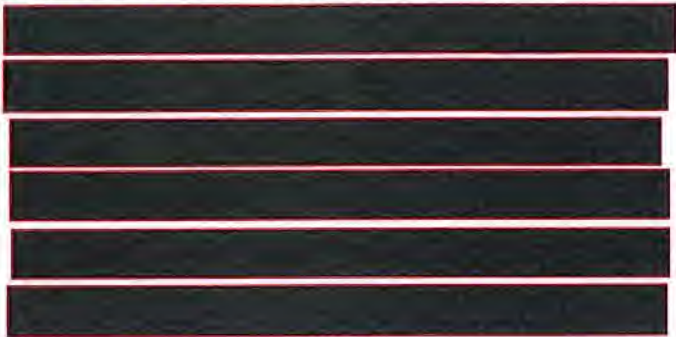


INDUSTRIAL/EMPLOYMENT LAND SALES



VALUATION

To determine fair market value for the Site, our team has completed a search for comparable transactions which considered, amongst others, the size, location and permitted uses of the transacted property. As per our discussions with the City of Barrie, no approvals have been provided to date in respect to the proposed development, as discussed on page 20. Therefore, our valuation is from the perspective of employment/ industrial development land. Upon review, there have been 5 transactions in which we believe are comparable in determining value. These transactions have been summarized on page 22 and are described in detail below.



CAVEATS

This valuation is reliant on several caveats including but not limited to:

- That there are no extraordinary costs including, but not limited to, geotechnical issues, access issues, and environmental issues.



PROCESS &
marketing

DISPOSITION STRATEGY, MODIFIED TENDER
PROCESS & MARKETING

DISPOSITION Strategy

For offerings such as this, the Adviser's recommendation for Modified Tender Process is an example of finding the most appropriate process for a specific issue. During the period of an offering, the Adviser will be alerted to group investment systems, a secondary market, or the Primary Market, and the Adviser will make the necessary adjustments to the offering process. The Adviser will also be advised on the best way to structure the offering process.

We suggest an offering size of \$25.0 million for the offering. After the 100% of the offering is completed, the Adviser will be alerted and advised to make the necessary adjustments to the offering process. The Adviser will also be advised on the best way to structure the offering process.

We suggest a level of stakeholder interest in the offering of approximately 20% of the offering. The Adviser will be alerted and advised to make the necessary adjustments to the offering process. The Adviser will also be advised on the best way to structure the offering process.

This offering represents a significant investment strategy for the offering of CARs and Structured Group securities. The Adviser will be alerted and advised to make the necessary adjustments to the offering process. The Adviser will also be advised on the best way to structure the offering process.

MODIFIED TENDER Process

PHASE 1 - UNDERWRITING & PRE-MARKETING

The Adviser will be alerted and advised to make the necessary adjustments to the offering process. The Adviser will also be advised on the best way to structure the offering process.

PHASE 2 - MARKETING PROCESS

The Adviser will be alerted and advised to make the necessary adjustments to the offering process. The Adviser will also be advised on the best way to structure the offering process.

The Adviser will be alerted and advised to make the necessary adjustments to the offering process. The Adviser will also be advised on the best way to structure the offering process.

PHASE 3 - OFFERS & NEGOTIATIONS

The Adviser will be alerted and advised to make the necessary adjustments to the offering process. The Adviser will also be advised on the best way to structure the offering process.

The Adviser will be alerted and advised to make the necessary adjustments to the offering process. The Adviser will also be advised on the best way to structure the offering process.

PHASE 4 - EXECUTION & TRANSACTION MANAGEMENT

The Adviser will be alerted and advised to make the necessary adjustments to the offering process. The Adviser will also be advised on the best way to structure the offering process.

MARKETING *Tools*



CUSTOM BROCHURE

A multi-page, high-gloss, full-colour brochure will be created for the Property to highlight its characteristics, area amenities and development potential that are important in achieving highest value.



NOVAE RES URBIS (NRU)

We will showcase the Property in the GTA edition of *Novae Res Urbis* (NRU), which is released weekly on Wednesday and is widely subscribed to within the development industry.



MLS

If desired by the vendor, the Property would be posted onto the Toronto Multiple Listing Service. We believe putting the Sites on MLS will ensure it is fully exposed to all potential purchasers.



CBRE SHAREFILE

We will post the due diligence materials on a password protected website so that potential purchasers have 24/7 access to all pertinent materials. Sharefile allows the Listing Team to track who has accessed and downloaded information. This information provides CBRE with insight into the depth of due diligence each potential purchaser has undertaken, which can be very useful when considering offers.



CAMPAIGN LOGIC

We will ensure that the potential purchaser list we have created from our extensive database will receive a letter, brochure and confidentiality agreement by email that introduces this opportunity to them. Campaign logic allows us to receive a detailed report of tracking of who opens the email, the attachments, downloads and forwards to others. We feel that when marketing a property, exposure to as many proponents as possible, and exposure to as many forms of media as possible, will maximize the total return for the receiver.



TOP COURIER

On day one of the marketing window, we will same-day courier a personalized letter, a copy of the marketing package, and a confidentiality agreement to our customized list of prospects for the Site. This package provides the top-tier candidates with all the information and the entire marketing window to review the site.

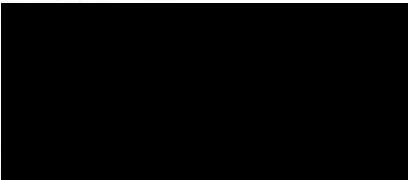
TERMS OF

engagement



CBRE TERMS OF *Engagement*

Listing Term	
Recommended Marketing	
Document Review & Abstracts	
Reporting	
Conflict of Interest	



As the GTA's leading commercial real estate brokerage services group, the Land Services Group is uniquely qualified to assist the receiver in realizing their goals and objectives with respect to the Site.

Three main points that summarize our advantage:

1. The proposed CBRE Team includes the country's leading land and development sales professionals. These highly seasoned brokers have extensive and unique experience and insights in the disposition of real estate and will be able to provide a variety of options and scenarios for consideration.
2. CBRE has proven abilities and an unimpeachable track record working with residential land offerings at various stages of approval. This, coupled with our proven ability to produce rational strategies yielding actionable results as well as cost-effective solutions, makes us an ideal partner for you.
3. CBRE's proprietary detailed market intelligence and forecasting gives us the ability to produce comprehensive analyses for logical decision-making.

We appreciate your consideration of our proposal and look forward to the opportunity to work with you on this mandate. Should you have any questions please feel free to reach out and we can schedule a call to discuss at your convenience.

Sincerely,

Mike Czestochowski*
Executive Vice President
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Sean Comiskey*
Senior Vice President
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*Sole Proprietor / Broker

An aerial photograph of a city grid, showing streets, buildings, and green spaces. The image is framed by a thin white border. The text 'APPENDIX A' is overlaid on the left side of the image.

APPENDIX A

resumes

MIKE CZESTOCHOWSKI

Executive Vice President, Broker, Toronto North

Mike has over 20 years of experience in the commercial real estate industry. He has worked for several major commercial real estate firms, including CBRE, and has been a member of the National Association of Realtors and the Ontario Real Estate Association. He has a proven track record of success in the commercial real estate market, with a focus on residential development and investment. He is currently based in Toronto, Ontario, and is looking for new opportunities in the commercial real estate market.

Mike has a Bachelor's degree in Business Administration from the University of Toronto. He is a member of the National Association of Realtors and the Ontario Real Estate Association. He is currently based in Toronto, Ontario, and is looking for new opportunities in the commercial real estate market.



T: +1 416 495 6257
mike.czestochowski@cbre.com

CBRE Limited
ON 2005 Sheppard Ave E, Suite 800
Toronto, ON - M2J 5B4

CLIENTS Represented

- Apple Storage
- Argo
- Argo Development Land Corporation
- Build Toronto
- Cardiac Payment
- Canada Lands Corporation
- Canadian Tire Real Estate
- Creapoint Acquisition Corporation
- Diamond Corp
- Dorsey Development
- Dueto Holdings Inc
- Durham Catholic District School Board
- Guan Investments Inc
- GPW Investment Management
- Grande REIT
- Greenway
- Highway Investments Ontario
- Invar Limited
- Kingsport Capital
- Mattamy
- Mattamy
- Matus Development
- Northbridge Capital Acquisitions Inc
- Northbridge Capital Acquisitions Inc
- TOCAN
- SSP Trickle Inc
- Stonach Group
- Toronto Board of Trade
- Toronto Catholic District School Board
- Toronto District School Board
- Toronto Lands Corporation
- Truist
- University of Toronto
- Wheel King Truck Trail Inc

SIGNIFICANT RESIDENTIAL TRANSACTIONS

Property	Type	Value
44 Don Mills Rd & 150 Eglinton Ave E, Toronto	High Density Residential	\$74,800,024
20 Deyl St, Vaughan	Future Residential	\$70,000,000
Seven Lakes Blvd, Pickering	Mixed Use	\$69,000,000
Sheppard Ave & Leslie St, North York	High Density Residential	\$45,500,000
Leslie St & Aspen St, East Gwillimbury	Low Density and Future Residential	\$37,500,000
Hwy 7 & Sheppard St, Toronto	High Density Residential	\$32,400,000
521 Henderson Ave, Mississauga	Low Density Residential	\$30,000,000
Bevin Elementary Land, Richmond Hill	Mixed Use	\$7,000,000
Leslie St & Eglinton Rd, Richmond Hill	Medium Density Residential	\$6,521,000
Bay St & Wellesley St, Toronto	High Density Residential	\$6,500,000
Harvey Blvd, Richmond Hill	Employment Park	\$6,100,000
Boer N E & Parkview St, Toronto	High Density Residential	\$5,000,000
574 Galloway E, East Gwillimbury	Mixed Use	\$5,000,000
2200 Lakeshore Rd W & 10 Park Lane Rd, Toronto	Mixed Use	\$5,000,000
1824 2nd Concession Rd, East Gwillimbury	Mixed Use Future Residential	\$5,000,000
5285 Alport Rd, Hamilton	Low Density Residential	\$4,100,000
1 West Don Mills, Toronto	High Density Residential	N/A
Bramble Groves, Toronto	High Density Residential	N/A
10 E & 1231 Hurontario Rd	Low Density Residential	\$3,600,000
Armidale Golf Course	Low Density Residential	\$3,500,000
0 & 11 Wiggins Court	Low Density Residential	\$3,375,000
2, 4, 6, 8 & 10 Wiggins Court	Low Density Residential	\$2,875,000
Seven Lakes 4	Low Density Residential	\$2,800,000
5245 Hwy 51	Low Density Residential	\$2,790,000
Fisher Industrial Land	Low Density Residential	\$1,361,000.00
1024 Macaulay Rd	Low Density Residential	\$984,000.00
975 Dixie Blvd	Low Density Residential	\$775,000.00

SIGNIFICANT ICI TRANSACTIONS

Property	Type	Value
1600 Eglinton Rd, Pickering, Ontario	18 Parcel Industrial Land	\$91,000,000
Major Mackenzie Dr & Highway 403, Vaughan	Commercial/Industrial	\$50,450,000
Centennial, Markham	Employment	\$41,000,000
Monarch Valley Road, Bram	Healthcare	\$33,370,000
East Rd, Ayr	Long Term	\$33,110,924
6500 Argent Rd, Vaughan	Industrial	\$23,600,000
16 Mill St, Markham	Commercial	\$11,500,000
Appleby Ln & Dundas St, Burlington	Commercial	\$10,900,000
3978 Major Mackenzie Dr E, Markham	Retail	\$10,310,000
3011 484 St Highway	Industrial/Retail	\$10,310,000

LAUREN WHITE

Senior Vice President, Sales Representative, Toronto North

Lauren White has over 10 years of experience in the commercial real estate industry. She has worked for several major commercial real estate firms, including CBRE, and has been a member of the National Association of Realtors and the Ontario Real Estate Association. She has a proven track record of success in the commercial real estate market, with a focus on residential development and investment. She is currently based in Toronto, Ontario, and is looking for new opportunities in the commercial real estate market.



T: +1 416 495 6223
laurenwhite@cbre.com

CBRE Limited
ON 2005 Sheppard Ave E, Suite 800
Toronto, ON - M2J 5B4

CLIENTS Represented

- Apple Storage
- Argo
- Argo Development Land Corporation
- Build Toronto
- Cardiac Payment
- Canada Lands Corporation
- Canadian Tire Real Estate
- Creapoint Acquisition Corporation
- Diamond Corp
- Dorsey Development
- Dueto Holdings Inc
- Durham Catholic District School Board
- Guan Investments Inc
- GPW Investment Management
- Grande REIT
- Greenway
- Highway Investments Ontario
- Invar Limited
- Kingsport Capital
- Mattamy
- Mattamy
- Matus Development
- Northbridge Capital Acquisitions Inc
- Northbridge Capital Acquisitions Inc
- TOCAN
- SSP Trickle Inc
- Stonach Group
- Toronto Board of Trade
- Toronto Catholic District School Board
- Toronto District School Board
- Toronto Lands Corporation
- Truist
- University of Toronto
- Wheel King Truck Trail Inc

SIGNIFICANT RESIDENTIAL TRANSACTIONS

Property	Type	Value
544 Don Mills Rd & 150 Eglinton Ave E, Toronto	High Density Residential	\$74,800,024
20 Deyl St, Vaughan	Future Residential	\$70,000,000
Seven Lakes Blvd, Pickering	Mixed Use	\$69,000,000
Sheppard Ave & Leslie St, North York	High Density Residential	\$45,500,000
Leslie St & Aspen St, East Gwillimbury	Low Density and Future Residential	\$37,500,000
Hwy 7 & Sheppard St, Toronto	High Density Residential	\$32,400,000
521 Henderson Ave, Mississauga	Low Density Residential	\$30,000,000
Bevin Elementary Land, Richmond Hill	Mixed Use	\$7,000,000
Leslie St & Eglinton Rd, Richmond Hill	Medium Density Residential	\$6,521,000
Bay St & Wellesley St, Toronto	High Density Residential	\$6,500,000
Harvey Blvd, Richmond Hill	Employment Park	\$6,100,000
Boer N E & Parkview St, Toronto	High Density Residential	\$5,000,000
574 Galloway E, East Gwillimbury	Mixed Use	\$5,000,000
2200 Lakeshore Rd W & 10 Park Lane Rd, Toronto	Mixed Use	\$5,000,000
1824 2nd Concession Rd, East Gwillimbury	Mixed Use Future Residential	\$5,000,000
5285 Alport Rd, Hamilton	Low Density Residential	\$4,100,000
1 West Don Mills, Toronto	High Density Residential	N/A
Bramble Groves, Toronto	High Density Residential	N/A
10 E & 1231 Hurontario Rd	Low Density Residential	\$3,600,000
Armidale Golf Course	Low Density Residential	\$3,500,000
0 & 11 Wiggins Court	Low Density Residential	\$3,375,000
2, 4, 6, 8 & 10 Wiggins Court	Low Density Residential	\$2,875,000
Seven Lakes 4	Low Density Residential	\$2,800,000
5245 Hwy 51	Low Density Residential	\$2,790,000
Fisher Industrial Land	Low Density Residential	\$1,361,000.00
1024 Macaulay Rd	Low Density Residential	\$984,000.00
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Property	Type	Value
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16 Mill St, Markham	Commercial	\$11,500,000
Appleby Ln & Dundas St, Burlington	Commercial	\$10,900,000
3978 Major Mackenzie Dr E, Markham	Retail	\$10,310,000
3011 484 St Highway	Industrial/Retail	\$10,310,000

BRAD WALFORD*

Senior Vice President, Retail Investment Group

Mr. Walford is a Chartered Financial Analyst (CFA) and a Chartered Investment Analyst (CIA) with over 20 years of experience in the real estate industry. He has worked for several major real estate investment firms and has been a member of the National Association of Real Estate Investment Advisors (NAREIA) since 2005. He is also a member of the Canadian Real Estate Association (CREA) and the International Council of Shopping Centers (ICSC).

Mr. Walford is currently responsible for the Retail Investment Group's operations in the Greater Toronto Area. He has a proven track record of identifying and acquiring high-quality retail assets and has successfully completed several large-scale acquisitions. He is also responsible for the day-to-day management of the Group's portfolio of retail assets and for ensuring that the Group's investments meet its long-term strategic objectives.



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Toronto, ON M2J 5B4

SIGNIFICANT ASSIGNMENTS

Project	Type	Value
The Beer Store Distribution	Portfolio Sale	\$100,000,000
Red Label Portfolio	Portfolio Sale	\$26,655,311
1150 Dan Mills Rd. Toronto	Vacant Building	\$12,070,000
Woodlawn Square, Quebec	Retail Plaza	\$10,000,000
1788 Duoy Rd. Mississauga	Vacant Land	\$1,800,000
853 Dundas St. London	Retail Plaza	\$14,450,000
670 Brimley, Scarborough	Retail Plaza	\$4,500,000
Milwaukee Plaza, Mississauga	Retail Plaza	\$4,000,000
1001 River Rd E. Kitchener	Retail Plaza	\$3,634,000
432 Church St. Toronto	Vacant Building	\$5,000,000
1784 Wilson Rd. Toronto	Retail Plaza	\$1,560,000
150 Highway 8, Stoney Creek	Retail Plaza	\$2,650,000
6121 Scrimshaw Rd. Mississauga	Retail Plaza	\$1,000,000
11421 Dixie Court Rd. Stoney Creek	Single Tenant	\$5,950,000
322-324 Birchmount, Orangeville	Retail Plaza	\$8,150,000
3248 Dufferin St. Toronto	Single Tenant	\$5,450,000
700 Main St. Mississauga	Vacant Building	\$5,275,000
CBRE Portfolio	Portfolio Sale	\$1,400,000
Fleetfoot Plaza, Stoney Creek	Retail Plaza	\$3,800,000

PROFESSIONAL AFFILIATIONS/ACCREDITATION

- Member, Toronto Real Estate Board (TREB)
- Member, Ontario Real Estate Association (OREA)
- Member, Canadian Real Estate Association (CREA)

EDUCATION

- Bachelor of Arts (Honours), Queen's University

CORPORATE CLIENTS

Represented

- Infrastructure Ontario
- CBSC
- TD Canada Trust
- Scotiabank
- Chesapeake Investments
- The Beer Store
- Loblaws
- Lowe's
- Seas Canada
- Glent Tiger

PRIVATE CLIENTS

Represented

- Quenscorp
- Rosewater Developments
- Starbank Developments
- Norstar/Concordia Group of Companies
- Starford Developments
- Old Stonebridge

SEAN COMISKEY*

Senior Vice President, Retail Investment Group

Mr. Comiskey is a Chartered Financial Analyst (CFA) and a Chartered Investment Analyst (CIA) with over 15 years of experience in the real estate industry. He has worked for several major real estate investment firms and has been a member of the National Association of Real Estate Investment Advisors (NAREIA) since 2005. He is also a member of the Canadian Real Estate Association (CREA) and the International Council of Shopping Centers (ICSC).

Mr. Comiskey is currently responsible for the Retail Investment Group's operations in the Greater Toronto Area. He has a proven track record of identifying and acquiring high-quality retail assets and has successfully completed several large-scale acquisitions. He is also responsible for the day-to-day management of the Group's portfolio of retail assets and for ensuring that the Group's investments meet its long-term strategic objectives.



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CBRE Limited
ON 2005 Sheppard Ave. E. Suite 800
Toronto, ON M2J 5B4

SIGNIFICANT ASSIGNMENTS

Project	Type	Value
The Beer Store Distribution	Portfolio Sale	\$100,000,000
Red Label Portfolio	Portfolio Sale	\$26,655,311
1150 Dan Mills Rd. Toronto	Vacant Building	\$12,070,000
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- Member, Toronto Real Estate Board (TREB)
- Member, Ontario Real Estate Association (OREA)
- Member, Canadian Real Estate Association (CREA)

CORPORATE CLIENTS

Represented

- Infrastructure Ontario
- CBSC
- TD Canada Trust
- Scotiabank
- Chesapeake Investments
- The Beer Store
- Loblaws
- Lowe's
- Seas Canada
- Glent Tiger

PRIVATE CLIENTS

Represented

- Quenscorp
- Rosewater Developments
- Starbank Developments
- Norstar/Concordia Group of Companies
- Starford Developments
- Old Stonebridge

APPENDIX B

sample marketing

FUTURE OF A COMMUNITY

Business in a rural

to change anything," Moore told NRU. "Even if they had a goal plan, it does their efforts elsewhere by not involving people in a particular in the process where process actually have a decision."

When Maranda was expanding the site location it was (thinking) for the construction of the facility it had been looking to consolidate with the maintenance building and the yard within a single site, Moore said. The proposed

Therapeutic Park location is a hybrid arrangement between the "Overhead" and "Walkway" site options. The maintenance building would be located on part of the "Walkway" site, and the train yard would be built on part of the "Overhead" site.

According to presentation slides presented by Maranda ahead of the April 15 information session, the Therapeutic Park Overhead and Walkway have to be capable of supporting a mix of

to 250,000 sq ft, and all of the locations considered would have the "lowest potential impact on jobs and the lowest cost" based on preliminary analysis.

Therapeutic Park residents are pushing Maranda to relocate the facility to one of the other locations that had been under consideration, or to develop several "satellite" facilities along the route. Moore said it is not clear in Maranda's analysis what might be possible for a similar hybrid arrangement using other properties, including the nearby "lands" are immediately south of the rail tracks.

Moore added that splitting the facility up into satellite

locations would be difficult.

"There was a time when they looked at automated trains for the ability to be stored anywhere so that they could be called into service as needed rather than all being at one spot," Moore told NRU. "However, the CT contract that includes both the fleet and a maintenance facility will be awarded before the infrastructure to link with other parts of the network is likely to be available, and so there would be problems on the line that don't have the line was physically finished."

General Robinson said that the California Landgraves Area at Deer Mill Road and Egbert Avenue East — where Aspen Ridge Homes has

owns the 11.8

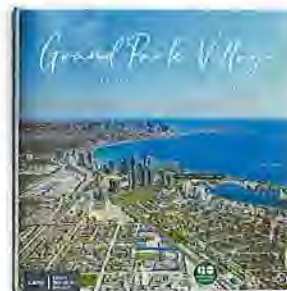


FIGURE 10.107

FIGURE 10.108



CBRE | **LAND SERVICES GROUP**

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¹Sales Representative *Broker. This disclaimer shall apply to CBRE Limited, Real Estate Brokerage, and to all other divisions of the Corporation, to include all employees and independent contractors ("CBRE"). The information set out herein, including, without limitation, any projections, images, opinions, assumptions and estimates, obtained from third parties (the "Information") has not been verified by CBRE, and CBRE does not represent, warrant or guarantee the accuracy, correctness and/or completeness of the Information. CBRE does not accept or assume any responsibility or liability, direct or consequential, for the Information or the recipient's reliance upon the Information. The recipient of the Information should take such steps as the recipient may deem necessary to verify the Information prior to placing any reliance upon the Information. The Information may change and any property described in the Information may be withdrawn from the market at any time without notice or obligation to the recipient from CBRE. CBRE and the CBRE logo are the service marks of CBRE Limited and/or its affiliated or related companies in other countries. All other marks displayed on this document are the property of their respective owners. All Rights Reserved. Mapping Sources: Google Earth 08/21



APPENDIX ‘E’
Avison Young Listing Agreement

**Listing Agreement – Commercial
Seller Representation Agreement
Authority to Offer for Sale**

EXCLUSIVE
John
(Seller's Initials)
This Listing is Exclusive

BETWEEN: AVISON YOUNG COMMERCIAL REAL ESTATE SERVICES, LP
BROKERAGE:

.....(the "Listing Brokerage") Tel. No. **416-955-0000**
MNP LTD., in its capacity as court-appointed Receiver of 2738283 Ontario Inc., 2738284 Ontario Inc., and 2738285
SELLER: Ontario Inc., and without any corporate or personal liability.....(the "Seller")

In consideration of the Listing Brokerage listing the real property **for sale** known as **SEE SCHEDULE "A"**
..... (the "Property")
the Seller hereby gives the Listing Brokerage the **exclusive and irrevocable** right to act as the Seller's agent,

commencing at 12:01 a.m. on the **2ND** day of **DECEMBER**, 20**21**,
until 11:59 p.m. on the **30TH** day of **APRIL**, 20**22** (the "Listing Period"),

{ Seller acknowledges that the length of the Listing Period is negotiable between the Seller and the Listing Brokerage and, if an MLS® listing, may be subject to minimum requirements of the real estate board, however, in accordance with the Real Estate and Business Brokers Act, 2002, (REBBA), **if the Listing Period exceeds six months, the Listing Brokerage must obtain the Seller's initials.** } *John*
(Seller's Initials)

to offer the Property **for sale** at a price of:
unpricedDollars (\$CDN).....

and upon the terms particularly set out herein, or at such other price and/or terms acceptable to the Seller. It is understood that the price and/or terms set out herein are at the Seller's personal request, after full discussion with the Listing Brokerage's representative regarding potential market value of the Property.

The Seller hereby represents and warrants that the Seller is not a party to any other listing agreement for the Property or agreement to pay commission to any other real estate brokerage for the sale of the property. *John*
(Seller's Initials)

1. DEFINITIONS AND INTERPRETATIONS: For the purposes of this Agreement ("Authority" or "Agreement"):
"Seller" includes vendor and a "buyer" includes a purchaser or a prospective purchaser. A purchase shall be deemed to include the entering into of any agreement to exchange, or the obtaining of an option to purchase which is subsequently exercised, or the causing of a First Right of Refusal to be exercised, or an agreement to sell or transfer shares or assets. "Real property" includes real estate as defined in the Real Estate and Business Brokers Act (2002). The "Property" shall be deemed to include any part thereof or interest therein. A "real estate board" includes a real estate association. Commission shall be deemed to include other remuneration. This Agreement shall be read with all changes of gender or number required by the context. For purposes of this Agreement, anyone introduced to or shown the Property shall be deemed to include any spouse, heirs, executors, administrators, successors, assigns, related corporations and affiliated corporations. Related corporations or affiliated corporations shall include any corporation where one half or a majority of the shareholders, directors or officers of the related or affiliated corporation are the same person(s) as the shareholders, directors, or officers of the corporation introduced to or shown the Property.

2. COMMISSION: In consideration of the Listing Brokerage listing the Property for sale, the Seller agrees to pay the Listing Brokerage a commission of..... % of the sale price of the Property or **See Schedule "B"**.....

for any valid offer to purchase the Property from any source whatsoever obtained during the Listing Period and on the terms and conditions set out in this Agreement **OR** such other terms and conditions as the Seller may accept.

INITIALS OF LISTING BROKERAGE: *JA* **INITIALS OF SELLER(S):** *John*

Listing Agreement – Commercial

Seller Representation Agreement

Authority to Offer for Sale

Form 520
for use in the Province of Ontario



This is a Multiple Listing Service® Agreement

Johnson

(Seller's Initials)

BETWEEN: AVISON YOUNG COMMERCIAL REAL ESTATE SERVICES, LP

BROKERAGE:

.....(the "Listing Brokerage") Tel. No. **416-955-0000**

MNP LTD., in its capacity as court-appointed Receiver of 2738283 Ontario Inc., 2738284 Ontario Inc., and 2738285

SELLER: Ontario Inc., and without any corporate or personal liability.....(the "Seller")

In consideration of the Listing Brokerage listing the real property **for sale** known as **SEE SCHEDULE "A"**

..... (the "Property")
the Seller hereby gives the Listing Brokerage the **exclusive and irrevocable** right to act as the Seller's agent,

commencing at 12:01 a.m. on the **13TH** day of **DECEMBER**, 20**21**,

until 11:59 p.m. on the **30TH** day of **APRIL**, 20**22** (the "Listing Period"),

Seller acknowledges that the length of the Listing Period is negotiable between the Seller and the Listing Brokerage and, if an MLS® listing, may be subject to minimum requirements of the real estate board, however, in accordance with the Real Estate and Business Brokers Act, 2002, (REBBA), **if the Listing Period exceeds six months, the Listing Brokerage must obtain the Seller's initials.**

Johnson
(Seller's Initials)

to offer the Property **for sale** at a price of:

unpriced

..... Dollars (\$CDN).....

and upon the terms particularly set out herein, or at such other price and/or terms acceptable to the Seller. It is understood that the price and/or terms set out herein are at the Seller's personal request, after full discussion with the Listing Brokerage's representative regarding potential market value of the Property.

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Johnson
(Seller's Initials)

1. DEFINITIONS AND INTERPRETATIONS: For the purposes of this Agreement ("Authority" or "Agreement"):

"Seller" includes vendor and a "buyer" includes a purchaser or a prospective purchaser. A purchase shall be deemed to include the entering into of any agreement to exchange, or the obtaining of an option to purchase which is subsequently exercised, or the causing of a First Right of Refusal to be exercised, or an agreement to sell or transfer shares or assets. "Real property" includes real estate as defined in the Real Estate and Business Brokers Act (2002). The "Property" shall be deemed to include any part thereof or interest therein. A "real estate board" includes a real estate association. Commission shall be deemed to include other remuneration. This Agreement shall be read with all changes of gender or number required by the context. For purposes of this Agreement, anyone introduced to or shown the Property shall be deemed to include any spouse, heirs, executors, administrators, successors, assigns, related corporations and affiliated corporations. Related corporations or affiliated corporations shall include any corporation where one half or a majority of the shareholders, directors or officers of the related or affiliated corporation are the same person(s) as the shareholders, directors, or officers of the corporation introduced to or shown the Property.

2. COMMISSION: In consideration of the Listing Brokerage listing the Property for sale, the Seller agrees to pay the Listing Brokerage a commission

of % of the sale price of the Property or **See Schedule "B"**

for any valid offer to purchase the Property from any source whatsoever obtained during the Listing Period and on the terms and conditions set out in this Agreement **OR** such other terms and conditions as the Seller may accept.

INITIALS OF LISTING BROKERAGE:

JA

INITIALS OF SELLER(S):

Johnson

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The Seller authorizes the Listing Brokerage to co-operate with any other registered real estate brokerage (co-operating brokerage), and to offer to pay the co-operating brokerage a commission of % of the sale price of the Property or

see Schedule "B"

..... out of the commission the Seller pays the Listing Brokerage. The Seller further agrees to pay such commission as calculated above if an agreement to purchase is agreed to or accepted by the Seller or anyone on

the Seller's behalf within 120 days after the expiration of the Listing Period (Holdover Period), so long as such agreement is with anyone who was introduced to the Property from any source whatsoever during the Listing Period or shown the Property during the Listing Period. If, however, the offer for the purchase of the Property is pursuant to a new agreement in writing to pay commission to another registered real estate brokerage, the Seller's liability for commission shall be reduced by the amount paid by the Seller under the new agreement.

~~The Seller hereby acknowledges that the Listing Brokerage has provided the Seller with written information explaining agency relationships, including information on Seller Representation, Sub-agency, Buyer Representation, Multiple Representation and Customer Service. The Seller understands that unless the Seller is otherwise informed, the co-operating brokerage is representing the interests of the buyer in the transaction. The Seller further acknowledges that the Listing Brokerage may be listing other properties that may be similar to the Seller's Property and the Seller hereby consents to the Listing Brokerage acting as an agent for more than one seller without any claim by the Seller of conflict of interest. Unless otherwise agreed in writing between Seller and Listing Brokerage, any commission payable to any other brokerage shall be paid out of the commission the Seller pays the Listing Brokerage. The Seller hereby appoints the Listing Brokerage as the Seller's agent for the purpose of giving and receiving notices pursuant to any offer or agreement to purchase the Property.~~ Intentionally Deleted.

Any deposit in respect of any agreement where the transaction has been completed shall first be applied to reduce the commission payable. Should such amounts paid to the Listing Brokerage from the deposit or by the Seller's solicitor not be sufficient, the Seller shall be liable to pay to the Listing Brokerage on demand, any deficiency in commission and taxes owing on such commission.

~~The Seller hereby acknowledges that the Listing Brokerage may be entering into buyer representation agreements with buyers who may be interested in purchasing the Seller's Property. In the event that the Listing Brokerage has entered into or enters into a buyer representation agreement with a prospective buyer for the Seller's Property, the Listing Brokerage will obtain the Seller's written consent to represent both the Seller and the buyer for the transaction at the earliest practical opportunity and in all cases prior to any offer to purchase being submitted or presented. The Seller understand and acknowledges that the Listing Brokerage must be impartial when representing both the Seller and the buyer and equally protect the interests of the Seller and buyer. The Seller understands and acknowledges that when representing both the Seller and the buyer, the Listing Brokerage shall have a duty of full disclosure to both the Seller and the buyer, including a requirement to disclose all factual information about the Property known to the Listing Brokerage. However, the Seller further understands and acknowledges that the Listing Brokerage shall not disclose:~~ Intentionally Deleted.

All amounts set out as commission are to be paid plus applicable taxes on such commission.

3. REPRESENTATION: The Seller acknowledges that the Listing Brokerage has provided the Seller with written information explaining agency relationships, including information on Seller Representation, Sub-agency, Buyer Representation, Multiple Representation and Customer Service. The Seller understands that unless the Seller is otherwise informed, the co-operating brokerage is representing the interests of the buyer in the transaction. The Seller further acknowledges that the Listing Brokerage may be listing other properties that may be similar to the Seller's Property and the Seller hereby consents to the Listing Brokerage acting as an agent for more than one seller without any claim by the Seller of conflict of interest. Unless otherwise agreed in writing between Seller and Listing Brokerage, any commission payable to any other brokerage shall be paid out of the commission the Seller pays the Listing Brokerage.

The Seller hereby appoints the Listing Brokerage as the Seller's agent for the purpose of giving and receiving notices pursuant to any offer or agreement to purchase the Property.

MULTIPLE REPRESENTATION: The Seller hereby acknowledges that the Listing Brokerage may be entering into buyer representation agreements with buyers who may be interested in purchasing the Seller's Property. In the event that the Listing Brokerage has entered into or enters into a buyer representation agreement with a prospective buyer for the Seller's Property, the Listing Brokerage will obtain the Seller's written consent to represent both the Seller and the buyer for the transaction at the earliest practical opportunity and in all cases prior to any offer to purchase being submitted or presented.

The Seller understand and acknowledges that the Listing Brokerage must be impartial when representing both the Seller and the buyer and equally protect the interests of the Seller and buyer. The Seller understands and acknowledges that when representing both the Seller and the buyer, the Listing Brokerage shall have a duty of full disclosure to both the Seller and the buyer, including a requirement to disclose all factual information about the Property known to the Listing Brokerage.

However, the Seller further understands and acknowledges that the Listing Brokerage shall not disclose:

- that the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- that the buyer may or will pay more than the offered price, unless otherwise instructed in writing by the buyer;
- the motivation of or personal information about the Seller or buyer, unless otherwise instructed in writing by the party to which the information applies or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- the price the buyer should offer or the price the Seller should accept; and
- the Listing Brokerage shall not disclose to the buyer the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the Property will be disclosed to both Seller and buyer to assist them to come to their own conclusions.

Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be entitled or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.

MULTIPLE REPRESENTATION AND CUSTOMER SERVICE: The Seller understands and agrees that the Listing Brokerage also provides representation and customer service to other sellers and buyers. If the Listing Brokerage represents or provides customer service to more than one seller or buyer for the same trade, the Listing Brokerage shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all sellers and buyers of the nature of the Listing Brokerage's relationship to each seller and buyer.

INITIALS OF LISTING BROKERAGE:

INITIALS OF SELLER(S):

4. **REFERRAL OF ENQUIRIES:** The Seller agrees that during the Listing Period, the Seller shall advise the Listing Brokerage immediately of all enquiries from any source whatsoever, and all offers to purchase submitted to the Seller shall be immediately submitted to the Listing Brokerage by the Seller before the Seller accepts or rejects the same. If any enquiry during the Listing Period results in the Seller's accepting a valid offer to purchase during the Listing Period or within the Holdover Period after the expiration of the Listing Period described above, the Seller agrees to pay the Listing Brokerage the amount of commission set out above, payable within five (5) days following the Listing Brokerage's written demand therefor.
5. **MARKETING:** The Seller agrees to allow the Listing Brokerage to show and permit prospective buyers to fully inspect the Property during reasonable hours and the Seller gives the Listing Brokerage the sole and exclusive right to place "For Sale" and "Sold" sign(s) upon the Property. The Seller consents to the Listing Brokerage including information in advertising that may identify the Property. The Seller further agrees that the Listing Brokerage shall have sole and exclusive authority to make all advertising decisions relating to the marketing of the Property during the Listing Period. The Seller agrees that the Listing Brokerage will not be held liable in any manner whatsoever for any acts or omissions with respect to advertising by the Listing Brokerage or any other party, other than by the Listing Brokerage's gross negligence or wilful act.
6. **WARRANTY:** The Seller represents and warrants that the Seller has the exclusive authority and power to execute this Authority to offer the Property for sale and that the Seller has informed the Listing Brokerage of any third party interests or claims on the Property such as rights of first refusal, options, easements, mortgages, encumbrances or otherwise concerning the Property, which may affect the sale of the Property.
7. **INDEMNIFICATION AND INSURANCE:** The Seller will not hold the Listing Brokerage and representatives of the Brokerage responsible for any loss or damage to the Property or contents occurring during the term of this Agreement caused by the Listing Brokerage or anyone else by any means, including theft, fire or vandalism, other than by the Listing Brokerage's gross negligence or wilful act. The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury, including but not limited to loss of the commission payable under this Agreement, caused or contributed to by the breach of any warranty or representation made by the Seller in this Agreement and, if attached, the accompanying data form. The Seller warrants the Property is insured, including personal liability insurance against any claims or lawsuits resulting from bodily injury or property damage to others caused in any way on or at the Property and the Seller indemnifies the Brokerage and all of its employees, representatives, salespersons and brokers (Listing Brokerage) and any co-operating brokerage and all of its employees, representatives, salespersons and brokers (co-operating brokerage) for and against any claims against the Listing Brokerage or co-operating brokerage made by anyone who attends or visits the Property.
8. **ENVIRONMENTAL INDEMNIFICATION:** The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury as a result of the Property being affected by any contaminants or environmental problems.
9. **FAMILY LAW ACT:** The Seller hereby warrants that spousal consent is not necessary under the provisions of the Family Law Act, R.S.O. 1990, unless the spouse of the Seller has executed the consent hereinafter provided.
10. **FINDERS FEES:** The Seller acknowledges that the Brokerage may be receiving a finder's fee, reward and/or referral incentive, and the Seller consents to any such benefit being received and retained by the Brokerage in addition to the commission as described above.
11. **VERIFICATION OF INFORMATION:** The Seller authorizes the Listing Brokerage to obtain any information from any regulatory authorities, governments, mortgagees or others affecting the Property and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. The Seller hereby appoints the Listing Brokerage or the Listing Brokerage's authorized representative as the Seller's attorney to execute such documentation as may be necessary to effect obtaining any information as aforesaid. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage.
12. **USE AND DISTRIBUTION OF INFORMATION:** The Seller consents to the collection, use and disclosure of personal information by the Brokerage for the purpose of listing and marketing the Property including, but not limited to: listing and advertising the Property using any medium including the Internet; disclosing Property information to prospective buyers, brokerages, salespersons and others who may assist in the sale of the Property; such other use of the Seller's personal information as is consistent with listing and marketing of the Property. The Seller consents, if this is an MLS® Listing, to placement of the listing information and sales information by the Brokerage into the database(s) of the MLS® System of the appropriate Board, and to the posting of any documents and other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) provided by or on behalf of the Seller into the database(s) of the MLS® System of the appropriate Board. The Seller hereby indemnifies and saves harmless the Brokerage and/or any of its employees, servants, brokers or sales representatives from any and all claims, liabilities, suits, actions, losses, costs and legal fees caused by, or arising out of, or resulting from the posting of any documents or other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) as aforesaid. The Seller acknowledges that the database, within the board's MLS® System is the property of the real estate board(s) and can be licensed, resold, or otherwise dealt with by the board(s). The Seller further acknowledges that the real estate board(s) may: during the term of the listing and thereafter, distribute the information in the database, within the board's MLS® System to any persons authorized to use such service which may include other brokerages, government departments, appraisers, municipal organizations and others; market the Property, at its option, in any medium, including electronic media; during the term of the listing and thereafter, compile, retain and publish any statistics including historical data within the board's MLS® System and retain, reproduce and display photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions which may be used by board members to conduct comparative analyses; and make such other use of the information as the Brokerage and/or real estate board(s) deem appropriate, in connection with the listing, marketing and

INITIALS OF LISTING BROKERAGE:



INITIALS OF SELLER(S):



selling of real estate during the term of the listing and thereafter. The Seller acknowledges that the information, personal or otherwise ("information"), provided to the real estate board or association may be stored on databases located outside of Canada, in which case the information would be subject to the laws of the jurisdiction in which the information is located.

In the event that this Agreement expires or is cancelled or otherwise terminated and the Property is not sold, the Seller, by initialling:

John

consent to allow other real estate board members to contact the Seller after expiration or other termination of this Agreement to discuss listing or otherwise marketing the Property. **(Does)** **(Does Not)**

- 13. SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.
- 14. CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Authority from the Seller to the Brokerage. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein.
- 15. ELECTRONIC COMMUNICATION:** This Agreement and any agreements, notices or other communications contemplated thereby may be transmitted by means of electronic systems, in which case signatures shall be deemed to be original. The transmission of this Agreement by the Seller by electronic means shall be deemed to confirm the Seller has retained a true copy of the Agreement.
- 16. ELECTRONIC SIGNATURES:** If this Agreement has been signed with an electronic signature the parties hereto consent and agree to the use of such electronic signature with respect to this Agreement pursuant to the *Electronic Commerce Act, 2000, S.O. 2000, c17* as amended from time to time.
- 17. SCHEDULE(S)** A, B and C and data form attached hereto form(s) part of this Agreement.

THE LISTING BROKERAGE AGREES TO MARKET THE PROPERTY ON BEHALF OF THE SELLER AND REPRESENT THE SELLER IN AN ENDEAVOUR TO OBTAIN A VALID OFFER TO PURCHASE THE PROPERTY ON THE TERMS SET OUT IN THIS AGREEMENT OR ON SUCH OTHER TERMS SATISFACTORY TO THE SELLER.

.....
[Authorized to bind the Listing Brokerage] *Joe Almeida* December 2, 2021 Joe Almeida
[Date] [Name of Person Signing]

THIS AGREEMENT HAS BEEN READ AND FULLY UNDERSTOOD BY ME, I ACCEPT THE TERMS OF THIS AGREEMENT AND I ACKNOWLEDGE ON THIS DATE I HAVE SIGNED UNDER SEAL. Any representations contained herein or as shown on the accompanying data form respecting the Property are true to the best of my knowledge, information and belief.

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:
MNP Ltd. solely in its capacity as Court Appointed Receiver of 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738284 Ontario Inc.
[Name of Seller]

Joe Almeida December 2, 2021
[Signature of Seller/Authorized Signing Officer] [Seal] [Date] [Tel. No.]
[Signature of Seller/Authorized Signing Officer] [Seal] [Date] [Tel. No.]

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the listing of the Property herein pursuant to the provisions of the Family Law Act, R.S.O. 1990 and hereby agrees to execute all necessary or incidental documents to further any transaction provided for herein.

.....
[Spouse] [Seal] [Date] [Tel. No.]

DECLARATION OF INSURANCE
Kelly Avison Ben Sykes
The Salesperson/Broker/Broker of Record
(Name of Salesperson/Broker/Broker of Record)
hereby declares that he/she is insured as required by REBBA.
Kelly Avison Ben Sykes
[Signature(s) of Salesperson/Broker/Broker of Record]

ACKNOWLEDGEMENT
The Seller(s) hereby acknowledge that the Seller(s) fully understand the terms of this Agreement and have received a copy of this Agreement on the day of November 20 21

.....
[Signature of Seller] [Date]
[Signature of Seller] [Date]

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SCHEDULE "A" - Legal Description of the Property(ies)

TO A LISTING AGREEMENT BETWEEN AVISON YOUNG COMMERCIAL REAL ESTATE SERVICES, LP ("Listing Brokerage") AND MNP LTD., in its capacity as court-appointed Receiver of 2738283 Ontario Inc., 2738284 Ontario Inc., and 2738285 Ontario Inc., and without any corporate or personal liability (the "Seller") for the Property(ies) municipally known as 320 and 366 Mapleview Drive West, and 664, 674 and 692 Essa Road, City of Barrie, Ontario.

1. **320 Mapleview Drive West**, Barrie, Ontario, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1071059 EXCEPT PT 62 PL 51R24730, PTS 1 TO 5 INCL. PL 51R31988 & PTS 2 TO 4 INCL. PL 51R34959, S/T RO1272147; BARRIE, being all of PIN 58730 - 0303 (LT);
2. **366 Mapleview Drive West/692 Essa Road**, Barrie Ontario, which is legally described as CONSOLIDATION OF VARIOUS PROPERTIES PT LT 3 CON 12 INNISFIL BEING PT 1 PL 51R32435 & PT LTS 3 & 4 CON 12 INNISFIL BEING PTS 1 & 2 PL 51R25124, EXCEPT PT 1 PL 51R33177, S/T RO990763; INNISFIL, being all of PIN 58730 - 0304 (LT);
3. **664 Essa Road**, Barrie, Ontario, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1278789 EXCEPT PT 6 PL 51R31988; BARRIE, being all of PIN 58730 - 0240 (LT); and
4. **674 Essa Road**, Barrie, Ontario, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1244213 EXCEPT PT 61 51R24730 AND PT 251R33177; S/T RO1272150; BARRIE, being all of PIN 58730 - 0297 (LT)

SCHEDULE "B"- Commissions

TO A LISTING AGREEMENT BETWEEN AVISON YOUNG COMMERCIAL REAL ESTATE SERVICES, LP ("Listing Brokerage") AND MNP LTD., in its capacity as court-appointed Receiver of 2738283 Ontario Inc., 2738284 Ontario Inc., and 2738285 Ontario Inc., and without any corporate or personal liability (the "Seller") for the Property(ies) municipally known as 320 and 366 Mapleview Drive West, and 664, 674 and 692 Essa Road, City of Barrie, Ontario.

The Seller agrees to pay the Listing Brokerage the following commission(s) for a sale of the Property(ies):

1. 1.0% of the sale price of the Property to the Listing Team (specifically Kelly Avison and Ben Sykes) (the "**Listing Fee**") ;

OR

2. 1.50% of the sale price of the Property if any co-operating/MLS broker represents the successful Buyer for the Property(ies) (the "**MLS Fee**"). The Listing Brokerage will pay the co-operating/MLS broker a total fee of 0.50% of the sale price out of the total 1.50% fee.

All fees/commissions, plus applicable HST, are due and payable upon a successful closing of the transaction.

Schedule "C" to OREA Listing Agreement

The terms and conditions in this Schedule "C" apply to Listing Agreement to which it is appended.

Capitalized terms not otherwise defined herein, shall have the meanings ascribed thereto in the Listing Agreement. For greater certainty, the term "Property" refers not only to the real property identified in the Listing Agreement but also the chattels situated thereupon and, if applicable, the business undertakings of the Debtor (as defined herein) conducted or continued thereupon.

In the event of any conflict between the terms and conditions of the Listing Agreement and this Schedule "C", the terms and conditions of this Schedule "C" shall prevail and govern in all respects.

1. The Seller was appointed as the receiver ("Receiver") of all of the property, assets and undertakings of 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc. (the "Debtors"), including the real property identified in the Listing Agreement, (the "Property"), by Order of the Ontario Superior Court of Justice (the "Court") dated November 9, 2021. In accordance with such appointment, the Seller is authorized as Receiver to take possession of and sell the assets, property and undertakings of the Debtors, including the Property.
2. The Property is being offered for sale by the Seller solely in its capacity as Court-appointed Receiver and not in the Seller's person or corporate capacity.
3. The Property is being offered for sale on an "as is, where is" basis and without recourse to the Seller. The Seller makes no representation, warranty or condition, either expressed or implied, in respect of the Property whatsoever; including, without limitation, as to the condition, functionality or fitness for any purpose of the Property; the right of the Receiver to transfer title; the existence, validity, enforceability or priority of an encumbrances on or in any way affecting the Property; or, as to the title to, enforceability of, restrictions upon, existence and terms of rights of any third parties to the Property. Any purchaser will be required to satisfy itself as to the state of the Property, matters of title and any other matter or potential matter related thereto or any other matter related to the Property.
4. The sale of the Property, in all cases, shall be conditional on the approval of the Court and the granting of an approval and vesting order by the Court, which order shall: (a) approve the agreement of purchase and sale with the successful purchaser of the Property; and, (b) vest title in and to the Property in the purchaser, free and clear of all encumbrances, upon closing.
5. The Listing Brokerage (and its agents) shall make it clear to all potential purchasers that:
 - (a) the Property is being offered for sale by the Seller as a Court-appointed Receiver;
 - (b) the Property is being offered on an "as is, where is" basis, without recourse to, nor any indemnity offered whatsoever by, the Receiver;
 - (c) the sale of the Property is subject to the final approval of the Court; and
 - (d) the transfer of title will be effected by an order of the Court.
6. Interested purchasers will be required to submit their offer in the form of the Receiver's template Asset Purchase Agreement (to be available in the data room), along with a deposit transferred to the Receiver's trust account via wire transfer on or before the bid deadline of 5:00 PM on January 31, 2022.

APPENDIX ‘F’

Purchase Agreement dated February 4, 2022 (Redacted)

APPENDIX "F"

ASSET PURCHASE AGREEMENT

This Agreement made this 4th day of February, 2022.

BETWEEN:

MNP LTD., in its capacity as Court-appointed Receiver of 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC. and not in its personal or corporate capacity

(the "Receiver")

- and -

2771280 ONTARIO INC. d/b/a ARK CAPITAL GROUP

(the "Purchaser")

WHEREAS pursuant to the Order of the Court dated November 9, 2021 (the "**Receivership Order**"), the Receiver was appointed as receiver of all of the Property (as defined in the Receivership Order) of 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc. (collectively, the "**Debtors**");

AND WHEREAS, pursuant to the Receivership Order, the Receiver is authorized to market and sell any or all of the Property of the Debtors and negotiate such terms and conditions of sale as the Receiver may deem appropriate;

AND WHEREAS the Purchaser offers and agrees to purchase the Purchased Assets and Assumed Obligations (each as defined below) from the Receiver upon the terms and conditions set forth hereinafter;

NOW THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the parties) the parties hereto agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Definitions

In this Agreement, the following terms shall have the meanings set out below, unless the context requires otherwise:

"**Adjustments**" has the meaning ascribed thereto in Section 2.2;

"**Agreement**" means this asset purchase agreement, including all written amendments and written restatements thereto from time to time;

"Applicable Law" means, with respect to any Person, property, transaction, event or other matter, all applicable laws, statutes, regulations, rules, by-laws, ordinances, protocols, regulatory policies, codes, guidelines, official directives, orders, rulings, judgments and decrees of any Governmental Authority;

"Approval and Vesting Order" has the meaning ascribed thereto in Section 4.1 hereof;

"Article" or **"Section"** means the specified Article, or Section to this Agreement and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement;

"Assumed Obligations" has the meaning ascribed thereto in Section 2.7 hereof;

"Business Day" means a day on which banks are open for business in the City of Toronto, but does not include a Saturday, Sunday or statutory holiday recognized in the Province of Ontario;

"Cash Purchase Price" has the meaning ascribed thereto in Section 2.2 hereof;

"Claims" means any and all claims, demands, complaints, actions, applications, suits, causes of action, orders, or other similar processes, and **"Claim"** means any one of them;

"Closing" means the completion of the purchase and sale of the Purchased Assets in accordance with the provisions of this Agreement;

"Closing Date" means, subject to the terms hereof, the later of (i) March 15, 2022 or (ii) within ten (10) days after the date on which the Approval and Vesting Order is granted by the Court, if applicable, or such other date as the Parties may agree to writing;

"Closing Time" has the meaning ascribed thereto in Section 3.1 hereof;

"Court" means the Ontario Superior Court of Justice (Commercial List);

"Debtors" has the meaning ascribed thereto in the recitals hereof;

"Deposit" has the meaning ascribed thereto in Section 2.3 hereof;

"Encumbrances" means any and all security interests (whether contractual, statutory, or otherwise), mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, leases, title retention agreements, reservations of ownership, demands, executions, levies, charges, options or other rights to acquire any interest in any assets, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, and all contracts to create any of the foregoing, or encumbrances of any kind or character whatsoever;

"Excluded Assets" means any and all assets of the Debtors other than the Purchased Assets and specifically includes, without limitation, any refund for Taxes in respect of the Purchased Assets attributable to a period prior to the Closing Date;

"Governmental Authorities" means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory, state or other geographic or political subdivision thereof; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power, and **"Governmental Authority"** means any one of them;

"HST" means all of the harmonized sales tax imposed under Part IX of the *Excise Tax Act* (Canada);

"Liability" means any debt, loss, damage, adverse claim, fines, penalties, liability or obligation (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, matured or unmatured, determined or determinable, disputed or undisputed, liquidated or unliquidated, or due or to become due, and whether in or under statute, contract, tort, strict liability or otherwise), and includes all costs and expenses relating thereto (including all fees, disbursements and expenses of legal counsel, experts, engineers and consultants and costs of investigation) and **"Liabilities"** means the plural thereof;

"Parties" means the Receiver and the Purchaser collectively, and **"Party"** means any one of them;

"Permitted Encumbrances" means such Encumbrances, if any, that the Purchaser agrees will continue to attach to and be enforceable against the Purchased Assets following Closing, a list of which are attached hereto as **Schedule "A"**;

"Person" is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision thereof, or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity;

"Purchase Price" has the meaning ascribed thereto in Section 2.2 hereof;

"Purchased Assets" has the meaning ascribed thereto in Section 2.1 hereof;

"Receiver's Certificate" has the meaning ascribed thereto in Section 4.1 hereof;

"Taxes" means all taxes, land transfer taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, harmonized, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, excise, franchise, real property and personal property taxes, and any other taxes, customs duties, fees, assessments or similar charges in the nature of a tax, including, Canada Pension Plan and provincial pension plan contributions (or equivalent in the jurisdiction where the Purchased Assets may be located), employment insurance payments and workers compensation premiums, together with any instalments with respect thereto, and any interest, fines and penalties, imposed by any Governmental Authority, and whether disputed or not that arise in respect of the Purchased Assets in the jurisdiction in which they are located; and

“**Work Orders**” means any written work orders, deficiency notices, notices of non-compliance, notices of violation or similar orders or directives issued with respect to the Purchased Assets by any Governmental Authority advising of any material defect or deficiency in the construction, state of repair or state of completion of the Purchased Assets, or ordering or directing that any material alteration, repair, improvement or other work to be done or relating to any non-compliance or failure to complete any inspection pertaining to any building permit, building or land use by-law, ordinance or regulation; and “**Work Order**” has a corresponding meaning.

1.2 Section References

Unless the context requires otherwise, references in this Agreement to Sections are to Sections of this Agreement.

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale of Purchased Assets

At the Closing Time, subject to the terms and conditions of this Agreement, the Purchaser shall assume the Assumed Obligations and the Receiver shall sell, and the Purchaser shall purchase, all of the Receiver and Debtors’ right, title and interest, if any, in all of the following assets (collectively the “**Purchased Assets**”):

1. The real property municipally known as **320 Mapleview Drive West, Barrie, Ontario**, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1071059 EXCEPT PT 62 PL 51R24730, PTS 1 TO 5 INCL. PL 51R31988 & PTS 2 TO 4 INCL. PL 51R34959, S/T RO1272147; BARRIE, being all of PIN 58730 - 0303 (LT);
2. The real property municipally known as **366 Mapleview Drive West / 692 Essa Road, Barrie Ontario**, which is legally described as CONSOLIDATION OF VARIOUS PROPERTIES PT LT 3 CON 12 INNISFIL BEING PT 1 PL 51R32435 & PT LTS 3 & 4 CON 12 INNISFIL BEING PTS 1 & 2 PL 51R25124, EXCEPT PT 1 PL 51R33177, S/T RO990763; INNISFIL, being all of PIN 58730 - 0304 (LT);
3. The real property municipally known as **664 Essa Road, Barrie, Ontario**, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1278789 EXCEPT PT 6 PL 51R31988; BARRIE, being all of PIN 58730 - 0240 (LT); and
4. The real property municipally known as **674 Essa Road, Barrie, Ontario**, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1244213 EXCEPT PT 61 51R24730 AND PT 251R33177; S/T RO1272150; BARRIE, being all of PIN 58730 - 0297 (LT).

For greater certainty, the Purchased Assets do not include the Excluded Assets.

2.2 Purchase Price

Pursuant to the terms and subject to the conditions set forth in this Agreement, in consideration of the sale of the Purchased Assets pursuant to the terms hereof, the Purchaser shall: (i) pay to the Receiver by wire transfer the amount of [REDACTED] which shall be exclusive of applicable Taxes; and (ii) assume from the Receiver and become obligated to pay, perform and discharge, when due, the Assumed Obligations ((i) and (ii), collectively, the "Purchase Price"). No adjustments shall be allowed to the Purchase Price for any changes in condition, quality or quantity of the Purchased Assets up to and including the Closing Date and the Receiver makes no representations with respect to same.

The Receiver shall be responsible for all expenses and entitled to all revenue accrued from the Purchased Assets ending on the Closing Date and thereafter the Purchaser shall be responsible for all expenses and shall be entitled to all revenue accruing from the Purchased Assets.

Adjustments to the Cash Purchase Price (herein referred to as the "Adjustments") shall be made as of the Closing Date only with respect to realty taxes and water account utilities costs in respect of real property, and any assumed leases which shall be adjusted as of the Closing Date. The Receiver shall not be required to undertake to readjust any amount on the statement of adjustment post-closing which adjustments shall be final as of the Closing Date.

2.3 Deposit

- (1) Contemporaneously with the execution and delivery of this Agreement by the Purchaser, the Purchaser has paid a deposit payable to the order of the Receiver, in trust, in the amount of [REDACTED] which is equal to 19.24% of the Cash Purchase Price.
- (2) The Deposit shall be held, pending Closing, by the Receiver in an interest-bearing account with a third-party financial institution, provided the period from delivery of the Deposit to the Closing Date is greater than thirty (30) days.
- (3) If the Closing does not occur by reason of a uncured default of the Purchaser or the Purchaser's failure for any reason to close the transaction set forth in this Agreement on or before the Closing Date (except in the case of the permitted termination of this Agreement pursuant to Section 7.1(a), Section 7.1(b) (but only in the event that the conditions precedent set forth in Section 4.2 are not satisfied prior to the Closing Time) or as a result of the Receiver's failure to obtain an Approval and Vesting Order, if applicable) or if any of the representations and/or warranties of the Purchaser as set forth in this Agreement are found to be false, the full amount of the Deposit (plus accrued interest), less any applicable withholding Taxes, shall become the property of the Receiver and be released to the Receiver as liquidated damages and not as a penalty and without prejudice to the rights and remedies of the Receiver available at law or in equity.

2.4 Satisfaction of Purchase Price

The Purchaser shall satisfy the Purchase Price on Closing as follows:

- (1) by the assumption by the Purchaser of the Assumed Obligations; and
- (2) by payment to the Receiver by wire transfer of the Cash Purchase Price, less the amount of the Deposit (and subject to any Adjustments, if applicable), to an account specified in writing by the Receiver.

2.5 Allocation of Purchase Price.

The Parties shall use reasonable commercial efforts to agree at least five (5) days prior to the Closing Date on the allocation of the Purchase Price between the Purchased Assets, provided that such agreement shall in no event be a condition of closing.

If the Parties agree on such allocation as contemplated in this Section 2.5, the Receiver and the Purchaser agree to make all filings and returns under the *Income Tax Act* (Canada) and other applicable taxation statutes in accordance with such said allocation. If the Parties do not agree on an allocation, each shall nonetheless file its tax returns with the relevant revenue authorities based on their own respective reasonable allocations.

2.6 Sales and Transfer Taxes; HST and Receivables Elections

- (a) The Purchaser shall be responsible for the payment on Closing of any Taxes that are required to be paid or remitted in connection with the consummation of the transactions contemplated in this Agreement, which such amounts shall be in addition to the Purchase Price.
- (b) If applicable, at the Closing, the Receiver and the Purchaser shall jointly execute an election under Section 167 of the *Excise Tax Act* (Canada) to seek to cause the sale of the Purchased Assets to take place on an HST-free basis under Part IX of the *Excise Tax Act* (Canada) and the Purchaser shall file such election with its HST return for the applicable reporting period in which the sale of the Purchased Assets takes place.
- (c) The Purchaser covenants and agrees that the Purchase Price does not include the amount of any HST applicable to the sale and conveyance of the Purchased Assets by the Receiver to the Purchaser and that it shall pay any such HST in addition to the Purchase Price subject to the provisions of Section 2.6.
- (d) No HST shall be payable by the Purchaser to the Receiver nor collected by the Receiver provided:
 - (i) the Purchaser is registered for the purpose of the HST at the Closing Date;
 - (ii) the Purchaser provides the Receiver with its HST registration number at closing, together with a declaration of a senior officer of the Purchaser to the effect that such registration is in good standing and has not been varied or revoked;

- (iii) the Purchased Assets are being purchased by the Purchaser as principal for its own account and is not being purchased by the Purchaser as an agent, trustee or otherwise on behalf of or for another Person;
- (iv) the Purchaser will indemnify and save harmless the Receiver from any HST, penalty, interest or other amount which may be payable by or be assessed against the Receiver under the *Excise Tax Act (Canada)* as a result of or in connection with the Receiver's failure to collect any HST applicable on the sale and conveyance of the Purchased Assets to the Purchaser by the Receiver and such indemnity shall survive indefinitely and shall not be subject to any caps, thresholds or other restrictions; and
- (v) the form of HST Declaration and Indemnity attached hereto as Schedule "B" is delivered by the Purchaser to the Receiver upon Closing,

or, in lieu of the foregoing, the Purchaser shall pay to the Receiver the HST payable in respect of the purchase and sale of the Purchased Assets by wire transfer to the Receiver on Closing.

2.7 Assumed Obligations

At Closing, the Purchaser shall assume and be liable for the following (collectively, the "Assumed Obligations"):

- (a) all Liabilities and Claims arising or accruing from the use of the Purchased Assets from and after the Closing, including any and all costs related to the Purchased Assets from and after the Closing;
- (b) all Permitted Encumbrances (if any); and
- (c) all Taxes arising or accruing from and after the Closing from the use of the Purchased Assets, including, without limitation, HST to be collected and remitted to Canada Revenue Agency when due.

2.8 Inspection of Purchased Assets

The Purchaser acknowledges that it has had sufficient opportunity to inspect the Purchased Assets including having conducted such surveys and building condition inspections as the Purchaser has required.

The Purchaser shall have reasonable access until the Closing Date to the Purchased Assets to carry out additional reasonable inspections and tests as the Purchaser may deem necessary, provided that: (i) the Purchaser gives two (2) Business Days' prior written notice to the Receiver (who shall have the right to accompany the Purchaser on any visits), and (ii) there shall be no adjustments to the Purchase Price as a result of such inspections. The Purchaser shall repair and restore any damage it causes to the Purchased Assets as a result of any inspections or tests undertaken by the Purchaser and shall indemnify and hold harmless the Receiver in respect of such damage. This indemnity shall survive the termination of this Agreement.

2.9 Indemnity

The Purchaser shall indemnify and save harmless the Receiver and its directors, officers, servants, agents and employees in respect of all Claims which may be brought against or suffered by the Receiver, its directors, officers, servants, agents or employees or which any of them may suffer, sustain, pay or incur as a result of any matter or thing arising out of, or resulting from, attributable to or connected with or relating to the Purchased Assets, the Assumed Obligations and/or the Permitted Encumbrances, which covenants and agreements to indemnify the Receiver made by the Purchaser in this Section shall survive Closing and not be subject to limitation periods.

ARTICLE 3 **CLOSING ARRANGEMENTS**

3.1 Closing

Closing shall take place at 12:00 p.m. (the "**Closing Time**") on the Closing Date or on such other date as the Parties may agree upon in writing. The Closing shall take place by electronic transmission of documents, or at such other time and location, and in such other manner, as the Parties may agree upon in writing.

On Closing, the Receiver shall deliver the keys to any building(s) located on the real property, as applicable, to the Purchaser.

3.2 Tender

Except as otherwise set out herein, any tender of documents or money under this Agreement may be made upon the Parties or their respective counsel and money may be tendered by official bank draft drawn upon a Canadian chartered bank, by negotiable cheque payable in Canadian funds and certified by a Canadian chartered bank or trust company, or by wire transfer of immediately available funds to the account specified by that Party.

3.3 Receiver's Closing Deliveries

At the Closing, the Receiver shall deliver to the Purchaser the following, each in form and substance satisfactory to the Receiver and the Purchaser, acting reasonably:

- (a) a copy of the Approval and Vesting Order and a prepared Application for Vesting Order in Teraview for registration by the Purchaser on the Closing Date;
- (b) the elections referred to in Section 2.6 (as applicable);
- (c) a bring down certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Receiver contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date;

- (d) undertaking to release and discharge any Encumbrances on the Purchased Assets (other than any Permitted Encumbrances or Encumbrances extinguished by the Approval and Vesting Order, if applicable) or, in the alternative, discharges of the Encumbrances, if applicable;
- (e) statement of Adjustments; and
- (f) the Receiver's Certificate, as set out in Section 3.5, which shall be delivered and held in escrow until all other conditions set out in Article 4 have been satisfied or waived and the Receiver confirms same in writing to the Purchaser.
- (g) Letters of Reliance and/or Transmittal Letters for environmental report commissioned by the Receiver on the Property.

3.4 Purchaser's Closing Deliveries

At the Closing, the Purchaser shall deliver to the Receiver the following, each in form and substance satisfactory to the Receiver and the Purchaser, acting reasonably:

- (a) the Cash Purchase Price (less the Deposit) and all payments in respect of the amounts referred to in Article 2 hereof;
- (b) the elections and HST Declaration and Indemnity referred to in Section 2.6 (as applicable); and
- (c) a bring down certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date.

3.5 Delivery of the Receiver's Certificate

When the conditions set out in Article 4 below have been satisfied or waived, the Receiver will deliver an executed copy of the Receiver's Certificate to the Purchaser. Upon such delivery, the Closing will be deemed to have occurred. The Receiver will thereafter promptly file a copy of the Receiver's Certificate with the Court.

ARTICLE 4 **CONDITIONS PRECEDENT**

4.1 Mutual Condition re: Approval and Vesting Order

The Receiver shall obtain an Approval and Vesting Order from the Court approving this Agreement and the transactions contemplated hereby and vesting, upon the delivery of the Receiver's Certificate to the Purchaser, all right, title and interest of the Debtors and the Receiver, if any, to the Purchased Assets in the Purchaser, free and clear of all Claims and Encumbrances pursuant to the terms and conditions of this Agreement, other than any Permitted Encumbrances (the "**Approval and Vesting Order**"). The Approval and Vesting Order shall be

substantially in the form of the model order approved by the "Ontario Commercial List Users Committee", including a provision requiring the Receiver to deliver a certificate confirming the Closing of the transactions contemplated hereby and to file a copy of same with the Court (the "Receiver's Certificate").

The obligations of the Receiver and the Purchaser hereunder are subject to the satisfaction, at or prior to the Closing Time, of the mutual condition that the Approval and Vesting Order shall have been granted by the Court in form and substance acceptable to the Receiver, acting reasonably, failing which this Agreement shall be null and void and the Deposit returned to the Purchaser without interest.

4.2 Conditions Precedent of the Purchaser

The Purchaser shall not be obliged to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the following conditions has been satisfied, it being understood that the following conditions are included for the exclusive benefit of the Purchaser and may be waived, in whole or in part, in writing, by the Purchaser at any time; and the Receiver agrees with the Purchaser to take all such actions, steps and proceedings within its reasonable control as may be necessary to ensure that the following conditions are fulfilled at or before the Closing Time:

- (a) *Representations and Warranties.* The representations and warranties of the Receiver in Section 5.1 shall be true and correct at the Closing Time;
- (b) *Mutual Condition:* The condition set forth in Section 4.1 has been completed; and
- (c) *Receiver's Closing Deliveries.* The Receiver shall have executed and delivered to the Purchaser at the Closing Time all the deliveries contemplated in Section 3.3.

4.3 Conditions Precedent of the Receiver

The Receiver shall not be obliged to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the following conditions has been satisfied, it being understood that the following conditions are included for the exclusive benefit of the Receiver, and may be waived, in whole or in part, in writing by the Receiver at any time; and the Purchaser agrees with the Receiver to take all such actions, steps and proceedings within its reasonable control as may be necessary to ensure that the following conditions are fulfilled at or before the Closing Time:

- (a) *Representations and Warranties.* The representations and warranties of the Purchaser in Section 5.2 shall be true and correct at the Closing Time;
- (b) *Mutual Condition:* The condition set forth in Section 4.1 has been completed; and
- (c) *Purchaser's Compliance and Closing Deliveries.* The Purchaser shall have performed and complied with all of the terms and conditions in this Agreement on its part to be performed by or complied with at or before the Closing Time

and shall have executed and delivered to the Receiver at the Closing Time all the deliveries contemplated in Section 3.4 in this Agreement.

4.4 Non-Satisfaction of Conditions

If any condition precedent set out in Section 4.2 or 4.3 is not satisfied or performed prior to the time specified therefor (if any), the Party for whose benefit the condition precedent is inserted may:

- (a) waive compliance with the condition, in whole or in part, in its sole discretion by written notice to the other Party (but may not claim for any matter waived) and without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part; or
- (b) elect on written notice to the other Party to terminate this Agreement, in which event each Party shall be released from all obligations under this Agreement, provided that the Deposit shall be dealt with in accordance with the terms of Section 2.3 hereof.

ARTICLE 5 **REPRESENTATIONS AND WARRANTIES**

5.1 Representations and Warranties of the Receiver

As a material inducement to the Purchaser entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Purchaser is entering into this Agreement in reliance upon the representations and warranties of the Receiver set out in this Section 5.1, the Receiver hereby represents and warrants to the Purchaser as follows:

- (a) *Due Authorization.* Subject to the granting of the Approval and Vesting Order, the Receiver has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments;
- (b) *No other Purchase Agreement.* The Receiver has not entered into any other agreement, option, understanding or commitment, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, option or commitment for the purchase or other acquisition from the Receiver of the Purchased Assets;
- (c) *Enforceability of Obligations.* Subject to the granting of the Approval and Vesting Order, this Agreement constitutes a valid and binding obligation of the Receiver, enforceable against the Receiver, in accordance with its terms;

- (d) *HST*. The Debtors are each a registrant under Part IX of the *Excise Tax Act* (Canada), and the Receiver shall provide their HST registration numbers to the Purchaser prior to Closing; and
- (e) *Residency*. None of the Debtors are a non-resident within the meaning of section 116 of the *Income Tax Act* (Canada).

5.2 Representations and Warranties of the Purchaser

As a material inducement to the Receiver entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Receiver is entering into this Agreement in reliance upon the representations and warranties of the Purchaser set out in this Section 5.2, the Purchaser hereby represents and warrants to the Receiver as follows:

- (a) *Incorporation of the Purchaser*. The Purchaser is a corporation duly incorporated under the laws of the jurisdiction of its incorporation and is duly organized, validly subsisting and in good standing under such laws;
- (b) *Due Authorization*. The Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments;
- (c) *Financial Wherewithal*. The Purchaser has the financial wherewithal to satisfy the Cash Purchase Price on the Closing Date and either has the amount of the Cash Purchase Price currently available to it or will obtain financing sufficient to satisfy the Cash Purchase Price prior to the Closing Date, it being understood that financing is not a condition precedent to Closing;
- (d) *Approvals and Consents*. Except as otherwise provided herein, no authorization, consent or approval of or filing with or notice to any Governmental Authority or other Person is required in connection with the execution, delivery or performance of this Agreement by the Purchaser or the purchase of any of the Purchased Assets hereunder;
- (e) *HST*. The Purchaser is or shall be at Closing a registrant under Part IX of the *Excise Tax Act* (Canada), and shall provide its HST registration number to the Purchaser prior to Closing; and
- (f) *Residency*. The Purchaser is not a non-resident within the meaning of section 116 of the *Income Tax Act* (Canada).

5.3 Survival of Representations and Warranties

The representations and warranties of the Receiver contained in Section 5.1, and the Purchaser contained in Section 5.2, or any other agreement, certificate or instrument delivered pursuant to this Agreement shall survive for six (6) months following Closing.

5.4 Acquisition of Purchased Assets on "As Is, Where Is" Basis

The Purchaser acknowledges that the Receiver is selling the Purchased Assets on an "as is, where is" basis as they shall exist on the Closing Date, subject to the terms of the Approval and Vesting Order. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Receiver does not guarantee title to the Purchased Assets and that the Purchaser has conducted such inspections of the condition of and title to the Purchased Assets as it deemed appropriate and has satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to any matter, including, without limitation, title, encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality, latent defects, cost, size, value, state of repair, zoning, permitted uses, permits, compliance with Applicable Laws of Governmental Authorities, compliance with bylaws or regulations, threatened claims, litigation, the existence or non-existence of Hazardous Materials flowing onto or from the Property or any part thereof, or in the air, surface or ground water flowing through, onto or from the Property, or any part thereof, any non-compliance with Environmental Laws including any adverse matters contained in any reports (the "**Environmental Condition**"), compliance with any or all Environmental Laws, or in respect of any other matter or thing whatsoever concerning the Purchased Assets or the right of the Receiver to sell or assign same save and except as expressly represented or warranted herein. Without limiting the generality of the foregoing, any and all conditions, warranties or representations, expressed or implied, pursuant to any applicable legislation do not apply hereto and have been waived by the Purchaser. The Purchaser further acknowledges that all written and oral information obtained by the Purchaser from the Receiver, the Debtors, or any of their respective directors, officers, employees, professional consultants, agents or advisors with respect to the Purchased Assets or otherwise relating to the transactions contemplated in this Agreement has been obtained for the convenience of the Purchaser only and is not warranted to be accurate or complete or relied upon. The Purchaser shall indemnify and hold harmless the Receiver from and against all claims, demands, losses, damages, actions and costs incurred or arising from or in any way related to the retrieval of the Purchased Assets by the Purchaser, save and except for any claims, demands, losses, damages, actions and costs incurred or resulting from the gross negligence or wilful misconduct of the Receiver.

In entering into this Agreement, the Purchaser has relied and will rely entirely and solely upon its own inspections and investigations with respect to the Purchased Assets, including the physical condition and the Environmental Condition of the Purchased Assets including compliance with Applicable Laws and has relied solely upon its own judgement resulting from doing so and has not relied and will not rely on any information, written or oral, furnished by the Receiver or any other person or entities on behalf of or at the direction of the Receiver, including with respect to value of the Purchased Assets, adequacy, marketability, quantity, location, condition, quality, fitness or state of repair. The information contained in any data room accessed by the Purchaser in respect of the Purchased Assets and description of the Purchased Assets in any marketing material, listing information, and any like material delivered or made available by the Receiver and/or its agents or any other party on its behalf to the Purchaser or its representatives are believed to be correct, but if any misstatement, error, inaccuracy or omission (collectively the "**Inaccuracies**") is found in them, the Purchaser shall not be entitled to any abatement, damages, reimbursement, costs or termination of this Agreement as a result of them and the Purchaser releases the Receiver, the Debtors and their respective agents from any Claims, the Purchaser

had, has or may have as a result of such Inaccuracies. The Purchaser covenants and agreements that it shall accept title to the Purchased Assets subject to any Work Orders and the Receiver shall not be required to rectify any Work Orders as a condition of closing.

ARTICLE 6
PERIOD PRIOR TO CLOSING

6.1 Risk of Loss

The Purchased Assets shall remain at the risk of the Receiver, to the extent of its interest, until the Closing is completed and after Closing, the Purchased Assets shall be at the risk of the Purchaser.

ARTICLE 7
TERMINATION

7.1 Termination by the Parties

This Agreement may be terminated:

- (a) upon the mutual written agreement of the Receiver and the Purchaser; and
- (b) pursuant to Section 4.4(b) by either Party, if applicable.

ARTICLE 8
GENERAL CONTRACT PROVISIONS

8.1 Headings and Sections

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

8.2 Number and Gender

Unless the context requires otherwise, words importing the singular include the plural and vice versa, and words importing gender include all genders. Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation".

8.3 Currency

Except as otherwise expressly provided in this Agreement, all dollar amounts referred to in this Agreement are stated in Canadian dollars.

8.4 Statute References

Any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time.

8.5 Time Periods

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

8.6 No Strict Construction

The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party, including, without limitation, the doctrine of *contra proferentum*.

8.7 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and sets out all the covenants, promises, warranties, representations, conditions, understandings and agreements between the Parties relating to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, oral or written, express, implied or collateral between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement.

8.8 Receiver's Capacity

The Purchaser acknowledges and agrees that the Receiver is executing this Agreement solely in its capacity as Court-appointed receiver of the Property (as defined in the Receivership Order) of the Debtors and not in its personal or corporate capacity and neither the Receiver nor its directors, officers, agents, servants or employees shall have any personal or corporate liability hereunder or at common law, or by statute, or equity or otherwise as a result hereof.

8.9 Reasonable Commercial Efforts

Each Party agrees that it will not voluntarily undertake any course of action inconsistent with the provisions of the Agreement.

8.10 Expenses

Except as otherwise explicitly stated herein, each Party shall pay their respective legal, accounting, and other professional advisory fees, costs and expenses incurred in connection with

the transactions contemplated in this Agreement, and the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant to this Agreement.

8.11 Notices

Any notice, consent or approval required or permitted to be given in connection with this Agreement shall be in writing and shall be sufficiently given if delivered (whether in person, by courier service or other personal method of delivery), or if transmitted by email as follows:

- (a) in the case of notice to the Receiver at

MNP Ltd.

111 Richmond Street West, Suite 300
Toronto, ON, M5H 2G4

Attention: Deborah Hornbostel / Sheldon Title

Email: deborah.hornbostel@mnp.ca / sheldon.title@mnp.ca

with a copy to:

Thornton Grout Finnigan LLP

100 Wellington St. West, Suite 3200
Toronto, ON M5K 1K7

Attention: Rachel Nicholson

Email: rnicholson@tgf.ca

- (b) in the case of a notice to the Purchaser at:

Attention: Andy Khera

Email: andy@pearlbuilders.com

with a copy to:

Michaels Law

1288 Caledonia Road, North York On M6A 3B9

Attention: Daniel Michaels

Email: dmichaels@michaelslaw.ca

Any notice delivered or transmitted to a Party as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if the notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a

Business Day then the notice shall be deemed to have been given and received on the next Business Day.

Any Party may, from time to time, change its address by giving notice to the other Party in accordance with the provisions of this Section.

8.12 Successors and Assigns

This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors (including any successor by reason of amalgamation of any Party) and permitted assigns including a receiver or trustee in bankruptcy of the Receiver. The Purchaser may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its respective rights or obligations under this Agreement to Essa Rd Development Ltd.. The assignment shall only be permitted prior to the issuance of the Approval and Vesting Order.

8.13 Third Party Beneficiaries

Unless where provided to the contrary by the specific terms hereof, this Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

8.14 Time of the Essence

Time shall be of the essence in respect of the obligations of the Parties arising prior to Closing under this Agreement.

8.15 Amendment

No amendment, supplement, modification or waiver or termination of this Agreement and, unless otherwise specified, no consent or approval by any Party, shall be binding unless executed in writing by the Party to be bound thereby.

8.16 Further Assurances

The Parties shall, with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party shall provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after the Closing Date, provided that the reasonable costs and expenses of any actions taken after the Closing Date at the request of a Party shall be the responsibility of the requesting Party.

8.17 Severability

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining

provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

8.18 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and each of the Parties irrevocably attorns to the non-exclusive jurisdiction of the Courts of the Province of Ontario. The Parties consent to the jurisdiction and venue of the Court for the resolution of any disputes under this Agreement.

8.19 Non-Merger

Subject to Section 5.3, the representations, warranties and covenants of each Party contained in this Agreement will not merge on and will survive the closing of the Transaction and will continue in full force and effect, notwithstanding the closing of the Transaction or any investigation or knowledge acquired by or on behalf of the other Party.

8.20 Independent Legal Advice

The Purchaser warrants that it has received independent legal advice in connection with this Agreement.

8.21 Confidentiality

The Parties agree that the terms and conditions of this Agreement are confidential, including the Purchase Price hereunder, and shall not be disclosed to any Person, except: (a) to such Parties' solicitors, advisors, agents or representatives acting in connection herewith and, then, only on the basis that such Persons are also required to keep such information confidential as aforesaid; and (b) to the Court in furtherance of obtaining the Approval and Vesting Order.

Notwithstanding the foregoing, the obligation to maintain the confidentiality of such information will not apply to the extent that disclosure of such information is required by the Court, by law or otherwise in connection with governmental or other applicable filings relating to the transactions hereunder, provided that, in such case, unless the Purchaser otherwise agrees, the Receiver may, if possible in its sole discretion, request confidentiality in respect of such legal proceedings or governmental or other filings.

8.22 Execution and Delivery

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument. Counterparts may be executed and delivered either in original or faxed form or by electronic delivery in portable document format (PDF) and the parties adopt any signatures received by a receiving fax machine as original signatures of the parties.

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IN WITNESS OF WHICH the Parties have executed this Agreement.

MNP LTD., in its capacity as Court-appointed Receiver of 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC. and not in its personal or corporate capacity

Per: 

Name: Deborah Hornbostel

Title: Senior Vice President

I have the authority to bind the corporation

2771280 Ontario Inc. d/b/a ARK CAPITAL GROUP

Per: 

Name: Andy Khan

Title: Director

I have the authority to bind the corporation

SCHEDULE "A"
PERMITTED ENCUMBRANCES

Any of the following encumbrances:

1. Minor Encroachments: Minor encroachments from the real property over neighbouring lands and/or permitted under agreements with neighbouring landowners and any fences or concrete curbs and minor encroachments over the real property from neighbouring land and/or permitted under agreements with neighbouring landowners and any fences and concrete curbs.
2. Crown Grant: Any subsisting restrictions, exceptions, reservations, limitation, provisos and conditions (including, with limitation, royalties, reservation of mines, mineral rights and timber rights, access to navigable waters and similar rights) expressed in any original grants from the Crown of the lands comprising the real property and any statutory limitations, exceptions, reservations and qualifications.
3. Restrictions, Zoning, etc.: Zoning, land use and building restrictions, by-laws, regulations and ordinances of any Governmental Authority, including municipal by-laws and regulations, airport zoning regulations, restrictive covenants and other land use limitations in favour of or imposed or reserved by any Governmental Authority.
4. Work Order: Any and all Work Orders issued by any Governmental Authority.
5. Easements: Any unregistered or registered easements required for the supply of domestic utility services to the real property.
6. Survey matters: Encroachments, deficiencies or other matters disclosed by any plan of survey in respect of the real property or any part thereof.
7. Taxes/Utilities: Encumbrances or prior claims for real property taxes (which term includes charges, rates and assessments) or charges or levies for electricity, power, gas, water and other services and utilities in connection with the real property that have accrued but are not yet due and owing or, if due and owing, are adjusted for on Closing.
8. Restrictive Covenants: Restrictive covenants, private deed restrictions, rights-of-way, facility cost sharing agreements, servicing agreements, crane swing/tie back agreements, reciprocal use agreements or other similar land use control agreements or rights in land (including, without limitation, restrictions, rights-of-way and servitudes for sewers, drains, gas and oil pipelines, gas and water mains, electric light and power and telephone or telegraph or cable television conduits, poles, wires and cables) granted to other persons or property, or reserved by other persons or the benefit of other property.
9. Applicable Laws: The provisions of all Applicable Laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning at the real property.

10. Land Titles Act: The exceptions and qualifications contained in Section 44 of the *Land Titles Act* (Ontario), save and except paragraph 5 thereof relating to the *Family Law Act*, paragraph 11 thereof respecting the *Planning Act* (Ontario) and escheats/forfeiture to the Crown.
11. Registered Agreements: Registered agreements with any Governmental Authorities or public utilities, including subdivision agreements, development agreements, engineering, grading or landscaping agreements and similar agreements.
12. Leases of real property: Any leases in respect of the real property to be assigned to the Purchaser.
13. Additional Specific Permitted Encumbrances:

SCHEDULE "B"
HST DECLARATION AND INDEMNITY

TO: MNP LTD., in its capacity as Court-appointed Receiver of 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC. and not in its personal or corporate capacity (the "**Receiver**")

RE: An agreement between the Receiver and ARK Capital Group (the "**Purchaser**") dated January 31, 2022 (the "**Agreement**") in respect of the sale of the Purchased Assets (as defined therein)

The Purchaser hereby certifies and agrees that:

1. The Purchaser is registered under Subdivision d of Division V of Part IX of the *Excise Tax Act* (Canada) ("**ETA**") for the collection and remittance of the goods and services tax and/or the harmonized sales tax ("**HST**") and its registration number is 718418932RC0001 and such registration is in good standing and has not been varied or revoked;
2. The Purchaser will remit directly to the Receiver General of Canada the HST payable pursuant to Section 228(4) of the ETA in connection with the sale and conveyance of the Purchased Assets (as such term is defined in the Agreement);
3. The Purchased Assets transferred pursuant to the Agreement are being purchased by the Purchaser as principal for its own account and is not being purchased by the Purchaser as an agent, trustee, or otherwise on behalf of or for another Person (as such term is defined in the Agreement).
4. The Purchaser shall indemnify and save harmless the Receiver from any HST, penalty, interest or other amounts which may be payable by or assessed against the Receiver under the ETA as a result of, or in connection with, the Receiver's failure to collect and remit any HST applicable on the sale and conveyance of the Purchased Assets to the Purchaser by the Receiver.
5. The aforesaid shall survive the Closing Date (as such term is defined in the Agreement).

Dated this 4th day of February, 2022.

**2771280 ONTARIO INC. d/b/a ARK
CAPITAL GROUP**

Per: 

Name: Rishabh (Andy) Khera

Title: 

APPENDIX “G”
Assignment and Assumption of Purchase Agreement
dated March 3, 2022

APPENDIX "G"

Assignment and Assumption of Purchase Agreement

THIS Assignment and Assumption of Purchase Agreement effective as of March 3, 2022

BETWEEN:

2771280 ONTARIO INC. d/b/a ARK CAPITAL GROUP

(hereinafter the "Assignor")

- and-

ESSA RD DEVELOPMENT LTD.

(hereinafter the "Assignee")

WHEREAS, by an Asset Purchase Agreement dated as of February 4, 2022, between the Assignor, as Purchaser, and MNP LTD., in its capacity as Court-appointed Receiver of 2738283 ONTARIO INC., 2738284 ONTARIO INC. AND 2738285 ONTARIO INC. and not in its personal capacity, as Receiver, and together with any Schedules, Amendments or conditions thereto (collectively, the "**Purchase Agreement**", a copy of which is attached as Schedule A hereto), the Assignor agreed to purchase from the Receiver all of the right, title, estate and interest of 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC. in the Purchased Assets (as defined in the Purchase Agreement).

AND WHEREAS, section 8.12 of the Purchase Agreement permits the Assignor to assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its rights and obligations under the Agreement to Essa Rd Development Ltd., at any time prior to the issuance of the Approval and Vesting Order.

AND WHEREAS, the Assignor has agreed to assign the said Purchase Agreement to the Assignee;

AND WHEREAS, the Assignee has agreed to assume all of the rights and obligations of the Assignor under the Purchase Agreement;

NOW THEREFORE, in consideration of the mutual covenants, terms, and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties agree as follows:

1. Definitions. In this agreement, except as otherwise set forth herein, capitalized terms used and not defined in this Agreement shall have the respective meanings given to them in the Purchase Agreement.
2. Assignment. Subject to the terms and conditions of the Purchase Agreement, the Assignor hereby assigns to the Assignee all of its right, title, estate and interest in the Purchase Agreement, to


have and to hold the same as if the Assignee was named as Purchaser in the Purchase Agreement and the Assignor does hereby grant, release, and quit claim unto the Assignee the Purchase Agreement and its interest in the Purchased Assets, together with appurtenances thereto belonging or appertaining and all improvements thereon and all of the right, title, estate and interest of the Assignor therein and thereto.

3. Assumption and Covenants of the Assignee. The Assignee hereby accepts and assumes all of the Assignor's right, title, estate and interest in the Purchase Agreement from and after the date hereof. The Assignee hereby covenants and agrees that it will assume, pay, and discharge all monies due and to become due under the Purchase Agreement, indemnifies and saves harmless the Assignor from the payment of all monies due and to become due by the purchaser under the Purchase Agreement, or any part thereof, and will observe, keep, and perform all the terms, covenants, and conditions contained in the Purchase Agreement which the Assignee hereby agrees to observe, keep, and perform.
4. Further Assurances. The parties agree to execute any additional documents that may reasonably be required to give effect to the assignment contemplated by this Agreement.
5. Successor and Assigns. This Agreement shall be binding upon and shall enure to the benefit of the parties hereto and their respective successors and assigns.
6. Counterparts. This Agreement may be executed in counterparts, each of which is deemed an original, but all of which together are deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email, or other means of electronic transmission is deemed to have the same legal effect as delivery of an original signed copy of this Agreement.
7. Governing Law. This Agreement is governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable in that province.
8. Purchase Agreement. This Agreement does not amend or otherwise modify or limit any of the provisions of the Purchase Agreement.

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the date written above.

2771280 ONTARIO INC. d/b/a ARK CAPITAL
GROUP


By:  _____

Name: Sameer Pichumani

Title: ASO

I have authority to bind the company

ESSA RD DEVELOPMENT LTD.

By:  _____

Name: Rishabh Khara

Title: ASO

I have authority to bind the company

SCHEDULE A
COPY OF PURCHASE AGREEMENT

ASSET PURCHASE AGREEMENT

This Agreement made this 4th day of February, 2022.

BETWEEN:

MNP LTD., in its capacity as Court-appointed Receiver of 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC. and not in its personal or corporate capacity

(the "Receiver")

- and -

2771280 ONTARIO INC. d/b/a ARK CAPITAL GROUP

(the "Purchaser")

WHEREAS pursuant to the Order of the Court dated November 9, 2021 (the "**Receivership Order**"), the Receiver was appointed as receiver of all of the Property (as defined in the Receivership Order) of 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc. (collectively, the "**Debtors**");

AND WHEREAS, pursuant to the Receivership Order, the Receiver is authorized to market and sell any or all of the Property of the Debtors and negotiate such terms and conditions of sale as the Receiver may deem appropriate;

AND WHEREAS the Purchaser offers and agrees to purchase the Purchased Assets and Assumed Obligations (each as defined below) from the Receiver upon the terms and conditions set forth hereinafter;

NOW THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged by the parties) the parties hereto agree as follows:

ARTICLE 1 **INTERPRETATION**

1.1 Definitions

In this Agreement, the following terms shall have the meanings set out below, unless the context requires otherwise:

"**Adjustments**" has the meaning ascribed thereto in Section 2.2;

"**Agreement**" means this asset purchase agreement, including all written amendments and written restatements thereto from time to time;

"**Applicable Law**" means, with respect to any Person, property, transaction, event or other matter, all applicable laws, statutes, regulations, rules, by-laws, ordinances, protocols, regulatory policies, codes, guidelines, official directives, orders, rulings, judgments and decrees of any Governmental Authority;

"**Approval and Vesting Order**" has the meaning ascribed thereto in Section 4.1 hereof;

"**Article**" or "**Section**" means the specified Article, or Section to this Agreement and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this Agreement and not to any particular Section or other portion of this Agreement;

"**Assumed Obligations**" has the meaning ascribed thereto in Section 2.7 hereof;

"**Business Day**" means a day on which banks are open for business in the City of Toronto, but does not include a Saturday, Sunday or statutory holiday recognized in the Province of Ontario;

"**Cash Purchase Price**" has the meaning ascribed thereto in Section 2.2 hereof;

"**Claims**" means any and all claims, demands, complaints, actions, applications, suits, causes of action, orders, or other similar processes, and "**Claim**" means any one of them;

"**Closing**" means the completion of the purchase and sale of the Purchased Assets in accordance with the provisions of this Agreement;

"**Closing Date**" means, subject to the terms hereof, the later of (i) March 15, 2022 or (ii) within ten (10) days after the date on which the Approval and Vesting Order is granted by the Court, if applicable, or such other date as the Parties may agree to writing;

"**Closing Time**" has the meaning ascribed thereto in Section 3.1 hereof;

"**Court**" means the Ontario Superior Court of Justice (Commercial List);

"**Debtors**" has the meaning ascribed thereto in the recitals hereof;

"**Deposit**" has the meaning ascribed thereto in Section 2.3 hereof;

"**Encumbrances**" means any and all security interests (whether contractual, statutory, or otherwise), mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, leases, title retention agreements, reservations of ownership, demands, executions, levies, charges, options or other rights to acquire any interest in any assets, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, and all contracts to create any of the foregoing, or encumbrances of any kind or character whatsoever;

"**Excluded Assets**" means any and all assets of the Debtors other than the Purchased Assets and specifically includes, without limitation, any refund for Taxes in respect of the Purchased Assets attributable to a period prior to the Closing Date;

"Governmental Authorities" means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities: (a) having or purporting to have jurisdiction on behalf of any nation, province, territory, state or other geographic or political subdivision thereof; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power, and **"Governmental Authority"** means any one of them;

"HST" means all of the harmonized sales tax imposed under Part IX of the *Excise Tax Act* (Canada);

"Liability" means any debt, loss, damage, adverse claim, fines, penalties, liability or obligation (whether direct or indirect, known or unknown, asserted or unasserted, absolute or contingent, accrued or unaccrued, matured or unmatured, determined or determinable, disputed or undisputed, liquidated or unliquidated, or due or to become due, and whether in or under statute, contract, tort, strict liability or otherwise), and includes all costs and expenses relating thereto (including all fees, disbursements and expenses of legal counsel, experts, engineers and consultants and costs of investigation) and **"Liabilities"** means the plural thereof;

"Parties" means the Receiver and the Purchaser collectively, and **"Party"** means any one of them;

"Permitted Encumbrances" means such Encumbrances, if any, that the Purchaser agrees will continue to attach to and be enforceable against the Purchased Assets following Closing, a list of which are attached hereto as **Schedule "A"**;

"Person" is to be broadly interpreted and includes an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision thereof, or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity;

"Purchase Price" has the meaning ascribed thereto in Section 2.2 hereof;

"Purchased Assets" has the meaning ascribed thereto in Section 2.1 hereof;

"Receiver's Certificate" has the meaning ascribed thereto in Section 4.1 hereof;

"Taxes" means all taxes, land transfer taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, harmonized, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, payroll, employer health, excise, franchise, real property and personal property taxes, and any other taxes, customs duties, fees, assessments or similar charges in the nature of a tax, including, Canada Pension Plan and provincial pension plan contributions (or equivalent in the jurisdiction where the Purchased Assets may be located), employment insurance payments and workers compensation premiums, together with any instalments with respect thereto, and any interest, fines and penalties, imposed by any Governmental Authority, and whether disputed or not that arise in respect of the Purchased Assets in the jurisdiction in which they are located; and

“**Work Orders**” means any written work orders, deficiency notices, notices of non-compliance, notices of violation or similar orders or directives issued with respect to the Purchased Assets by any Governmental Authority advising of any material defect or deficiency in the construction, state of repair or state of completion of the Purchased Assets, or ordering or directing that any material alteration, repair, improvement or other work to be done or relating to any non-compliance or failure to complete any inspection pertaining to any building permit, building or land use by-law, ordinance or regulation; and “**Work Order**” has a corresponding meaning.

1.2 Section References

Unless the context requires otherwise, references in this Agreement to Sections are to Sections of this Agreement.

ARTICLE 2 PURCHASE AND SALE

2.1 Purchase and Sale of Purchased Assets

At the Closing Time, subject to the terms and conditions of this Agreement, the Purchaser shall assume the Assumed Obligations and the Receiver shall sell, and the Purchaser shall purchase, all of the Receiver and Debtors’ right, title and interest, if any, in all of the following assets (collectively the “**Purchased Assets**”):

1. The real property municipally known as **320 Mapleview Drive West, Barrie, Ontario**, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1071059 EXCEPT PT 62 PL 51R24730, PTS 1 TO 5 INCL. PL 51R31988 & PTS 2 TO 4 INCL. PL 51R34959, S/T RO1272147; BARRIE, being all of PIN 58730 - 0303 (LT);
2. The real property municipally known as **366 Mapleview Drive West / 692 Essa Road, Barrie Ontario**, which is legally described as CONSOLIDATION OF VARIOUS PROPERTIES PT LT 3 CON 12 INNISFIL BEING PT 1 PL 51R32435 & PT LTS 3 & 4 CON 12 INNISFIL BEING PTS 1 & 2 PL 51R25124, EXCEPT PT 1 PL 51R33177, S/T RO990763; INNISFIL, being all of PIN 58730 - 0304 (LT);
3. The real property municipally known as **664 Essa Road, Barrie, Ontario**, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1278789 EXCEPT PT 6 PL 51R31988; BARRIE, being all of PIN 58730 - 0240 (LT); and
4. The real property municipally known as **674 Essa Road, Barrie, Ontario**, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1244213 EXCEPT PT 61 51R24730 AND PT 251R33177; S/T RO1272150; BARRIE, being all of PIN 58730 - 0297 (LT).

For greater certainty, the Purchased Assets do not include the Excluded Assets.

2.2 Purchase Price

Pursuant to the terms and subject to the conditions set forth in this Agreement, in consideration of the sale of the Purchased Assets pursuant to the terms hereof, the Purchaser shall: (i) pay to the Receiver by wire transfer the amount of [REDACTED] (the “Cash Purchase Price”), which shall be exclusive of applicable Taxes; and (ii) assume from the Receiver and become obligated to pay, perform and discharge, when due, the Assumed Obligations ((i) and (ii), collectively, the “Purchase Price”). No adjustments shall be allowed to the Purchase Price for any changes in condition, quality or quantity of the Purchased Assets up to and including the Closing Date and the Receiver makes no representations with respect to same.

The Receiver shall be responsible for all expenses and entitled to all revenue accrued from the Purchased Assets ending on the Closing Date and thereafter the Purchaser shall be responsible for all expenses and shall be entitled to all revenue accruing from the Purchased Assets.

Adjustments to the Cash Purchase Price (herein referred to as the “Adjustments”) shall be made as of the Closing Date only with respect to realty taxes and water account utilities costs in respect of real property, and any assumed leases which shall be adjusted as of the Closing Date. The Receiver shall not be required to undertake to readjust any amount on the statement of adjustment post-closing which adjustments shall be final as of the Closing Date.

2.3 Deposit

- (1) Contemporaneously with the execution and delivery of this Agreement by the Purchaser, the Purchaser has paid a deposit payable to the order of the Receiver, in trust, in the amount of [REDACTED] (the “Deposit”), which is equal to 19.24% of the Cash Purchase Price.
- (2) The Deposit shall be held, pending Closing, by the Receiver in an interest-bearing account with a third-party financial institution, provided the period from delivery of the Deposit to the Closing Date is greater than thirty (30) days.
- (3) If the Closing does not occur by reason of a uncured default of the Purchaser or the Purchaser’s failure for any reason to close the transaction set forth in this Agreement on or before the Closing Date (except in the case of the permitted termination of this Agreement pursuant to Section 7.1(a), Section 7.1(b) (but only in the event that the conditions precedent set forth in Section 4.2 are not satisfied prior to the Closing Time) or as a result of the Receiver’s failure to obtain an Approval and Vesting Order, if applicable) or if any of the representations and/or warranties of the Purchaser as set forth in this Agreement are found to be false, the full amount of the Deposit (plus accrued interest), less any applicable withholding Taxes, shall become the property of the Receiver and be released to the Receiver as liquidated damages and not as a penalty and without prejudice to the rights and remedies of the Receiver available at law or in equity.

2.4 Satisfaction of Purchase Price

The Purchaser shall satisfy the Purchase Price on Closing as follows:

- (1) by the assumption by the Purchaser of the Assumed Obligations; and
- (2) by payment to the Receiver by wire transfer of the Cash Purchase Price, less the amount of the Deposit (and subject to any Adjustments, if applicable), to an account specified in writing by the Receiver.

2.5 Allocation of Purchase Price.

The Parties shall use reasonable commercial efforts to agree at least five (5) days prior to the Closing Date on the allocation of the Purchase Price between the Purchased Assets, provided that such agreement shall in no event be a condition of closing.

If the Parties agree on such allocation as contemplated in this Section 2.5, the Receiver and the Purchaser agree to make all filings and returns under the *Income Tax Act* (Canada) and other applicable taxation statutes in accordance with such said allocation. If the Parties do not agree on an allocation, each shall nonetheless file its tax returns with the relevant revenue authorities based on their own respective reasonable allocations.

2.6 Sales and Transfer Taxes; HST and Receivables Elections

- (a) The Purchaser shall be responsible for the payment on Closing of any Taxes that are required to be paid or remitted in connection with the consummation of the transactions contemplated in this Agreement, which such amounts shall be in addition to the Purchase Price.
- (b) If applicable, at the Closing, the Receiver and the Purchaser shall jointly execute an election under Section 167 of the *Excise Tax Act* (Canada) to seek to cause the sale of the Purchased Assets to take place on an HST-free basis under Part IX of the *Excise Tax Act* (Canada) and the Purchaser shall file such election with its HST return for the applicable reporting period in which the sale of the Purchased Assets takes place.
- (c) The Purchaser covenants and agrees that the Purchase Price does not include the amount of any HST applicable to the sale and conveyance of the Purchased Assets by the Receiver to the Purchaser and that it shall pay any such HST in addition to the Purchase Price subject to the provisions of Section 2.6.
- (d) No HST shall be payable by the Purchaser to the Receiver nor collected by the Receiver provided:
 - (i) the Purchaser is registered for the purpose of the HST at the Closing Date;
 - (ii) the Purchaser provides the Receiver with its HST registration number at closing, together with a declaration of a senior officer of the Purchaser to the effect that such registration is in good standing and has not been varied or revoked;

- (iii) the Purchased Assets are being purchased by the Purchaser as principal for its own account and is not being purchased by the Purchaser as an agent, trustee or otherwise on behalf of or for another Person;
- (iv) the Purchaser will indemnify and save harmless the Receiver from any HST, penalty, interest or other amount which may be payable by or be assessed against the Receiver under the *Excise Tax Act* (Canada) as a result of or in connection with the Receiver's failure to collect any HST applicable on the sale and conveyance of the Purchased Assets to the Purchaser by the Receiver and such indemnity shall survive indefinitely and shall not be subject to any caps, thresholds or other restrictions; and
- (v) the form of HST Declaration and Indemnity attached hereto as Schedule "B" is delivered by the Purchaser to the Receiver upon Closing,

or, in lieu of the foregoing, the Purchaser shall pay to the Receiver the HST payable in respect of the purchase and sale of the Purchased Assets by wire transfer to the Receiver on Closing.

2.7 Assumed Obligations

At Closing, the Purchaser shall assume and be liable for the following (collectively, the "**Assumed Obligations**"):

- (a) all Liabilities and Claims arising or accruing from the use of the Purchased Assets from and after the Closing, including any and all costs related to the Purchased Assets from and after the Closing;
- (b) all Permitted Encumbrances (if any); and
- (c) all Taxes arising or accruing from and after the Closing from the use of the Purchased Assets, including, without limitation, HST to be collected and remitted to Canada Revenue Agency when due.

2.8 Inspection of Purchased Assets

The Purchaser acknowledges that it has had sufficient opportunity to inspect the Purchased Assets including having conducted such surveys and building condition inspections as the Purchaser has required.

The Purchaser shall have reasonable access until the Closing Date to the Purchased Assets to carry out additional reasonable inspections and tests as the Purchaser may deem necessary, provided that: (i) the Purchaser gives two (2) Business Days' prior written notice to the Receiver (who shall have the right to accompany the Purchaser on any visits), and (ii) there shall be no adjustments to the Purchase Price as a result of such inspections. The Purchaser shall repair and restore any damage it causes to the Purchased Assets as a result of any inspections or tests undertaken by the Purchaser and shall indemnify and hold harmless the Receiver in respect of such damage. This indemnity shall survive the termination of this Agreement.

2.9 Indemnity

The Purchaser shall indemnify and save harmless the Receiver and its directors, officers, servants, agents and employees in respect of all Claims which may be brought against or suffered by the Receiver, its directors, officers, servants, agents or employees or which any of them may suffer, sustain, pay or incur as a result of any matter or thing arising out of, or resulting from, attributable to or connected with or relating to the Purchased Assets, the Assumed Obligations and/or the Permitted Encumbrances, which covenants and agreements to indemnify the Receiver made by the Purchaser in this Section shall survive Closing and not be subject to limitation periods.

ARTICLE 3 **CLOSING ARRANGEMENTS**

3.1 Closing

Closing shall take place at 12:00 p.m. (the "**Closing Time**") on the Closing Date or on such other date as the Parties may agree upon in writing. The Closing shall take place by electronic transmission of documents, or at such other time and location, and in such other manner, as the Parties may agree upon in writing.

On Closing, the Receiver shall deliver the keys to any building(s) located on the real property, as applicable, to the Purchaser.

3.2 Tender

Except as otherwise set out herein, any tender of documents or money under this Agreement may be made upon the Parties or their respective counsel and money may be tendered by official bank draft drawn upon a Canadian chartered bank, by negotiable cheque payable in Canadian funds and certified by a Canadian chartered bank or trust company, or by wire transfer of immediately available funds to the account specified by that Party.

3.3 Receiver's Closing Deliveries

At the Closing, the Receiver shall deliver to the Purchaser the following, each in form and substance satisfactory to the Receiver and the Purchaser, acting reasonably:

- (a) a copy of the Approval and Vesting Order and a prepared Application for Vesting Order in Teraview for registration by the Purchaser on the Closing Date;
- (b) the elections referred to in Section 2.6 (as applicable);
- (c) a bring down certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Receiver contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date;

- (d) undertaking to release and discharge any Encumbrances on the Purchased Assets (other than any Permitted Encumbrances or Encumbrances extinguished by the Approval and Vesting Order, if applicable) or, in the alternative, discharges of the Encumbrances, if applicable;
- (e) statement of Adjustments; and
- (f) the Receiver's Certificate, as set out in Section 3.5, which shall be delivered and held in escrow until all other conditions set out in Article 4 have been satisfied or waived and the Receiver confirms same in writing to the Purchaser.
- (g) Letters of Reliance and/or Transmittal Letters for environmental report commissioned by the Receiver on the Property.

3.4 Purchaser's Closing Deliveries

At the Closing, the Purchaser shall deliver to the Receiver the following, each in form and substance satisfactory to the Receiver and the Purchaser, acting reasonably:

- (a) the Cash Purchase Price (less the Deposit) and all payments in respect of the amounts referred to in Article 2 hereof;
- (b) the elections and HST Declaration and Indemnity referred to in Section 2.6 (as applicable); and
- (c) a bring down certificate dated as of the Closing Date, confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true and correct as of the Closing Date, with the same effect as though made on and as of the Closing Date.

3.5 Delivery of the Receiver's Certificate

When the conditions set out in Article 4 below have been satisfied or waived, the Receiver will deliver an executed copy of the Receiver's Certificate to the Purchaser. Upon such delivery, the Closing will be deemed to have occurred. The Receiver will thereafter promptly file a copy of the Receiver's Certificate with the Court.

ARTICLE 4 **CONDITIONS PRECEDENT**

4.1 Mutual Condition re: Approval and Vesting Order

The Receiver shall obtain an Approval and Vesting Order from the Court approving this Agreement and the transactions contemplated hereby and vesting, upon the delivery of the Receiver's Certificate to the Purchaser, all right, title and interest of the Debtors and the Receiver, if any, to the Purchased Assets in the Purchaser, free and clear of all Claims and Encumbrances pursuant to the terms and conditions of this Agreement, other than any Permitted Encumbrances (the "**Approval and Vesting Order**"). The Approval and Vesting Order shall be

substantially in the form of the model order approved by the "Ontario Commercial List Users Committee", including a provision requiring the Receiver to deliver a certificate confirming the Closing of the transactions contemplated hereby and to file a copy of same with the Court (the "**Receiver's Certificate**").

The obligations of the Receiver and the Purchaser hereunder are subject to the satisfaction, at or prior to the Closing Time, of the mutual condition that the Approval and Vesting Order shall have been granted by the Court in form and substance acceptable to the Receiver, acting reasonably, failing which this Agreement shall be null and void and the Deposit returned to the Purchaser without interest.

4.2 Conditions Precedent of the Purchaser

The Purchaser shall not be obliged to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the following conditions has been satisfied, it being understood that the following conditions are included for the exclusive benefit of the Purchaser and may be waived, in whole or in part, in writing, by the Purchaser at any time; and the Receiver agrees with the Purchaser to take all such actions, steps and proceedings within its reasonable control as may be necessary to ensure that the following conditions are fulfilled at or before the Closing Time:

- (a) *Representations and Warranties.* The representations and warranties of the Receiver in Section 5.1 shall be true and correct at the Closing Time;
- (b) *Mutual Condition:* The condition set forth in Section 4.1 has been completed; and
- (c) *Receiver's Closing Deliveries.* The Receiver shall have executed and delivered to the Purchaser at the Closing Time all the deliveries contemplated in Section 3.3.

4.3 Conditions Precedent of the Receiver

The Receiver shall not be obliged to complete the transactions contemplated by this Agreement unless, at or before the Closing Time, each of the following conditions has been satisfied, it being understood that the following conditions are included for the exclusive benefit of the Receiver, and may be waived, in whole or in part, in writing by the Receiver at any time; and the Purchaser agrees with the Receiver to take all such actions, steps and proceedings within its reasonable control as may be necessary to ensure that the following conditions are fulfilled at or before the Closing Time:

- (a) *Representations and Warranties.* The representations and warranties of the Purchaser in Section 5.2 shall be true and correct at the Closing Time;
- (b) *Mutual Condition:* The condition set forth in Section 4.1 has been completed; and
- (c) *Purchaser's Compliance and Closing Deliveries.* The Purchaser shall have performed and complied with all of the terms and conditions in this Agreement on its part to be performed by or complied with at or before the Closing Time

and shall have executed and delivered to the Receiver at the Closing Time all the deliveries contemplated in Section 3.4 in this Agreement.

4.4 Non-Satisfaction of Conditions

If any condition precedent set out in Section 4.2 or 4.3 is not satisfied or performed prior to the time specified therefor (if any), the Party for whose benefit the condition precedent is inserted may:

- (a) waive compliance with the condition, in whole or in part, in its sole discretion by written notice to the other Party (but may not claim for any matter waived) and without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part; or
- (b) elect on written notice to the other Party to terminate this Agreement, in which event each Party shall be released from all obligations under this Agreement, provided that the Deposit shall be dealt with in accordance with the terms of Section 2.3 hereof.

ARTICLE 5 **REPRESENTATIONS AND WARRANTIES**

5.1 Representations and Warranties of the Receiver

As a material inducement to the Purchaser entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Purchaser is entering into this Agreement in reliance upon the representations and warranties of the Receiver set out in this Section 5.1, the Receiver hereby represents and warrants to the Purchaser as follows:

- (a) *Due Authorization.* Subject to the granting of the Approval and Vesting Order, the Receiver has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments;
- (b) *No other Purchase Agreement.* The Receiver has not entered into any other agreement, option, understanding or commitment, or any right or privilege (whether by law, pre-emptive or contractual) capable of becoming an agreement, option or commitment for the purchase or other acquisition from the Receiver of the Purchased Assets;
- (c) *Enforceability of Obligations.* Subject to the granting of the Approval and Vesting Order, this Agreement constitutes a valid and binding obligation of the Receiver, enforceable against the Receiver, in accordance with its terms;

- (d) *HST*. The Debtors are each a registrant under Part IX of the *Excise Tax Act* (Canada), and the Receiver shall provide their HST registration numbers to the Purchaser prior to Closing; and
- (e) *Residency*. None of the Debtors are a non-resident within the meaning of section 116 of the *Income Tax Act* (Canada).

5.2 Representations and Warranties of the Purchaser

As a material inducement to the Receiver entering into this Agreement and completing the transactions contemplated by this Agreement and acknowledging that the Receiver is entering into this Agreement in reliance upon the representations and warranties of the Purchaser set out in this Section 5.2, the Purchaser hereby represents and warrants to the Receiver as follows:

- (a) *Incorporation of the Purchaser*. The Purchaser is a corporation duly incorporated under the laws of the jurisdiction of its incorporation and is duly organized, validly subsisting and in good standing under such laws;
- (b) *Due Authorization*. The Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and all other agreements and instruments to be executed by it as contemplated by this Agreement and to carry out its obligations under this Agreement and such other agreements and instruments;
- (c) *Financial Wherewithal*. The Purchaser has the financial wherewithal to satisfy the Cash Purchase Price on the Closing Date and either has the amount of the Cash Purchase Price currently available to it or will obtain financing sufficient to satisfy the Cash Purchase Price prior to the Closing Date, it being understood that financing is not a condition precedent to Closing;
- (d) *Approvals and Consents*. Except as otherwise provided herein, no authorization, consent or approval of or filing with or notice to any Governmental Authority or other Person is required in connection with the execution, delivery or performance of this Agreement by the Purchaser or the purchase of any of the Purchased Assets hereunder;
- (e) *HST*. The Purchaser is or shall be at Closing a registrant under Part IX of the *Excise Tax Act* (Canada), and shall provide its HST registration number to the Purchaser prior to Closing; and
- (f) *Residency*. The Purchaser is not a non-resident within the meaning of section 116 of the *Income Tax Act* (Canada).

5.3 Survival of Representations and Warranties

The representations and warranties of the Receiver contained in Section 5.1, and the Purchaser contained in Section 5.2, or any other agreement, certificate or instrument delivered pursuant to this Agreement shall survive for six (6) months following Closing.

5.4 Acquisition of Purchased Assets on "As Is, Where Is" Basis

The Purchaser acknowledges that the Receiver is selling the Purchased Assets on an "as is, where is" basis as they shall exist on the Closing Date, subject to the terms of the Approval and Vesting Order. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Receiver does not guarantee title to the Purchased Assets and that the Purchaser has conducted such inspections of the condition of and title to the Purchased Assets as it deemed appropriate and has satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to any matter, including, without limitation, title, encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality, latent defects, cost, size, value, state of repair, zoning, permitted uses, permits, compliance with Applicable Laws of Governmental Authorities, compliance with bylaws or regulations, threatened claims, litigation, the existence or non-existence of Hazardous Materials flowing onto or from the Property or any part thereof, or in the air, surface or ground water flowing through, onto or from the Property, or any part thereof, any non-compliance with Environmental Laws including any adverse matters contained in any reports (the "**Environmental Condition**"), compliance with any or all Environmental Laws, or in respect of any other matter or thing whatsoever concerning the Purchased Assets or the right of the Receiver to sell or assign same save and except as expressly represented or warranted herein. Without limiting the generality of the foregoing, any and all conditions, warranties or representations, expressed or implied, pursuant to any applicable legislation do not apply hereto and have been waived by the Purchaser. The Purchaser further acknowledges that all written and oral information obtained by the Purchaser from the Receiver, the Debtors, or any of their respective directors, officers, employees, professional consultants, agents or advisors with respect to the Purchased Assets or otherwise relating to the transactions contemplated in this Agreement has been obtained for the convenience of the Purchaser only and is not warranted to be accurate or complete or relied upon. The Purchaser shall indemnify and hold harmless the Receiver from and against all claims, demands, losses, damages, actions and costs incurred or arising from or in any way related to the retrieval of the Purchased Assets by the Purchaser, save and except for any claims, demands, losses, damages, actions and costs incurred or resulting from the gross negligence or wilful misconduct of the Receiver.

In entering into this Agreement, the Purchaser has relied and will rely entirely and solely upon its own inspections and investigations with respect to the Purchased Assets, including the physical condition and the Environmental Condition of the Purchased Assets including compliance with Applicable Laws and has relied solely upon its own judgement resulting from doing so and has not relied and will not rely on any information, written or oral, furnished by the Receiver or any other person or entities on behalf of or at the direction of the Receiver, including with respect to value of the Purchased Assets, adequacy, marketability, quantity, location, condition, quality, fitness or state of repair. The information contained in any data room accessed by the Purchaser in respect of the Purchased Assets and description of the Purchased Assets in any marketing material, listing information, and any like material delivered or made available by the Receiver and/or its agents or any other party on its behalf to the Purchaser or its representatives are believed to be correct, but if any misstatement, error, inaccuracy or omission (collectively the "**Inaccuracies**") is found in them, the Purchaser shall not be entitled to any abatement, damages, reimbursement, costs or termination of this Agreement as a result of them and the Purchaser releases the Receiver, the Debtors and their respective agents from any Claims, the Purchaser

had, has or may have as a result of such Inaccuracies. The Purchaser covenants and agreements that it shall accept title to the Purchased Assets subject to any Work Orders and the Receiver shall not be required to rectify any Work Orders as a condition of closing.

ARTICLE 6
PERIOD PRIOR TO CLOSING

6.1 Risk of Loss

The Purchased Assets shall remain at the risk of the Receiver, to the extent of its interest, until the Closing is completed and after Closing, the Purchased Assets shall be at the risk of the Purchaser.

ARTICLE 7
TERMINATION

7.1 Termination by the Parties

This Agreement may be terminated:

- (a) upon the mutual written agreement of the Receiver and the Purchaser; and
- (b) pursuant to Section 4.4(b) by either Party, if applicable.

ARTICLE 8
GENERAL CONTRACT PROVISIONS

8.1 Headings and Sections

The division of this Agreement into Articles and Sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement.

8.2 Number and Gender

Unless the context requires otherwise, words importing the singular include the plural and vice versa, and words importing gender include all genders. Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation".

8.3 Currency

Except as otherwise expressly provided in this Agreement, all dollar amounts referred to in this Agreement are stated in Canadian dollars.

8.4 Statute References

Any reference in this Agreement to any statute or any section thereof shall, unless otherwise expressly stated, be deemed to be a reference to such statute or section as amended, restated or re-enacted from time to time.

8.5 Time Periods

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

8.6 No Strict Construction

The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party, including, without limitation, the doctrine of *contra proferentum*.

8.7 Entire Agreement

This Agreement and the agreements and other documents required to be delivered pursuant to this Agreement, constitute the entire agreement between the Parties and sets out all the covenants, promises, warranties, representations, conditions, understandings and agreements between the Parties relating to the subject matter of this Agreement and supersede all prior agreements, understandings, negotiations and discussions, whether oral or written. There are no covenants, promises, warranties, representations, conditions, understandings or other agreements, oral or written, express, implied or collateral between the Parties in connection with the subject matter of this Agreement except as specifically set forth in this Agreement.

8.8 Receiver's Capacity

The Purchaser acknowledges and agrees that the Receiver is executing this Agreement solely in its capacity as Court-appointed receiver of the Property (as defined in the Receivership Order) of the Debtors and not in its personal or corporate capacity and neither the Receiver nor its directors, officers, agents, servants or employees shall have any personal or corporate liability hereunder or at common law, or by statute, or equity or otherwise as a result hereof.

8.9 Reasonable Commercial Efforts

Each Party agrees that it will not voluntarily undertake any course of action inconsistent with the provisions of the Agreement.

8.10 Expenses

Except as otherwise explicitly stated herein, each Party shall pay their respective legal, accounting, and other professional advisory fees, costs and expenses incurred in connection with

the transactions contemplated in this Agreement, and the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant to this Agreement.

8.11 Notices

Any notice, consent or approval required or permitted to be given in connection with this Agreement shall be in writing and shall be sufficiently given if delivered (whether in person, by courier service or other personal method of delivery), or if transmitted by email as follows:

- (a) in the case of notice to the Receiver at

MNP Ltd.

111 Richmond Street West, Suite 300
Toronto, ON, M5H 2G4

Attention: Deborah Hornbostel / Sheldon Title
Email: deborah.hornbostel@mnp.ca / sheldon.title@mnp.ca

with a copy to:

Thornton Grout Finnigan LLP

100 Wellington St. West, Suite 3200
Toronto, ON M5K 1K7

Attention: Rachel Nicholson
Email: rnicholson@tgf.ca

- (b) in the case of a notice to the Purchaser at:

Attention: Andy Khera
Email: andy@pearlbuilders.com

with a copy to:

Michaels Law
1288 Caledonia Road, North York On M6A 3B9

Attention: Daniel Michaels
Email: dmichaels@michaelslaw.ca

Any notice delivered or transmitted to a Party as provided above shall be deemed to have been given and received on the day it is delivered or transmitted, provided that it is delivered or transmitted on a Business Day prior to 5:00 p.m. local time in the place of delivery or receipt. However, if the notice is delivered or transmitted after 5:00 p.m. local time or if such day is not a

Business Day then the notice shall be deemed to have been given and received on the next Business Day.

Any Party may, from time to time, change its address by giving notice to the other Party in accordance with the provisions of this Section.

8.12 Successors and Assigns

This Agreement shall inure to the benefit of and be binding upon the Parties and their respective successors (including any successor by reason of amalgamation of any Party) and permitted assigns including a receiver or trustee in bankruptcy of the Receiver. The Purchaser may assign or transfer, whether absolutely, by way of security or otherwise, all or any part of its respective rights or obligations under this Agreement to Essa Rd Development Ltd.. The assignment shall only be permitted prior to the issuance of the Approval and Vesting Order.

8.13 Third Party Beneficiaries

Unless where provided to the contrary by the specific terms hereof, this Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns.

8.14 Time of the Essence

Time shall be of the essence in respect of the obligations of the Parties arising prior to Closing under this Agreement.

8.15 Amendment

No amendment, supplement, modification or waiver or termination of this Agreement and, unless otherwise specified, no consent or approval by any Party, shall be binding unless executed in writing by the Party to be bound thereby.

8.16 Further Assurances

The Parties shall, with reasonable diligence, do all such things and provide all such reasonable assurances as may be required to consummate the transactions contemplated by this Agreement, and each Party shall provide such further documents or instruments required by any other Party as may be reasonably necessary or desirable to effect the purpose of this Agreement and carry out its provisions, whether before or after the Closing Date, provided that the reasonable costs and expenses of any actions taken after the Closing Date at the request of a Party shall be the responsibility of the requesting Party.

8.17 Severability

Any provision of this Agreement which is prohibited or unenforceable in any jurisdiction shall, as to that jurisdiction, be ineffective to the extent of such prohibition or unenforceability and shall be severed from the balance of this Agreement, all without affecting the remaining

provisions of this Agreement or affecting the validity or enforceability of such provision in any other jurisdiction.

8.18 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein and each of the Parties irrevocably attorns to the non-exclusive jurisdiction of the Courts of the Province of Ontario. The Parties consent to the jurisdiction and venue of the Court for the resolution of any disputes under this Agreement.

8.19 Non-Merger

Subject to Section 5.3, the representations, warranties and covenants of each Party contained in this Agreement will not merge on and will survive the closing of the Transaction and will continue in full force and effect, notwithstanding the closing of the Transaction or any investigation or knowledge acquired by or on behalf of the other Party.

8.20 Independent Legal Advice

The Purchaser warrants that it has received independent legal advice in connection with this Agreement.

8.21 Confidentiality

The Parties agree that the terms and conditions of this Agreement are confidential, including the Purchase Price hereunder, and shall not be disclosed to any Person, except: (a) to such Parties' solicitors, advisors, agents or representatives acting in connection herewith and, then, only on the basis that such Persons are also required to keep such information confidential as aforesaid; and (b) to the Court in furtherance of obtaining the Approval and Vesting Order.

Notwithstanding the foregoing, the obligation to maintain the confidentiality of such information will not apply to the extent that disclosure of such information is required by the Court, by law or otherwise in connection with governmental or other applicable filings relating to the transactions hereunder, provided that, in such case, unless the Purchaser otherwise agrees, the Receiver may, if possible in its sole discretion, request confidentiality in respect of such legal proceedings or governmental or other filings.

8.22 Execution and Delivery

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same instrument. Counterparts may be executed and delivered either in original or faxed form or by electronic delivery in portable document format (PDF) and the parties adopt any signatures received by a receiving fax machine as original signatures of the parties.

[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]

IN WITNESS OF WHICH the Parties have executed this Agreement.

MNP LTD., in its capacity as Court-appointed Receiver of 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC. and not in its personal or corporate capacity

Per: _____

Name: Deborah Hornbostel

Title: Senior Vice President

I have the authority to bind the corporation

2771280 Ontario Inc. d/b/a ARK CAPITAL GROUP

Per: _____

Name: *Andy Klein*

Title: *Director*

I have the authority to bind the corporation

SCHEDULE "A"
PERMITTED ENCUMBRANCES

Any of the following encumbrances:

1. Minor Encroachments: Minor encroachments from the real property over neighbouring lands and/or permitted under agreements with neighbouring landowners and any fences or concrete curbs and minor encroachments over the real property from neighbouring land and/or permitted under agreements with neighbouring landowners and any fences and concrete curbs.
2. Crown Grant: Any subsisting restrictions, exceptions, reservations, limitation, provisos and conditions (including, with limitation, royalties, reservation of mines, mineral rights and timber rights, access to navigable waters and similar rights) expressed in any original grants from the Crown of the lands comprising the real property and any statutory limitations, exceptions, reservations and qualifications.
3. Restrictions, Zoning, etc.: Zoning, land use and building restrictions, by-laws, regulations and ordinances of any Governmental Authority, including municipal by-laws and regulations, airport zoning regulations, restrictive covenants and other land use limitations in favour of or imposed or reserved by any Governmental Authority.
4. Work Order: Any and all Work Orders issued by any Governmental Authority.
5. Easements: Any unregistered or registered easements required for the supply of domestic utility services to the real property.
6. Survey matters: Encroachments, deficiencies or other matters disclosed by any plan of survey in respect of the real property or any part thereof.
7. Taxes/Utilities: Encumbrances or prior claims for real property taxes (which term includes charges, rates and assessments) or charges or levies for electricity, power, gas, water and other services and utilities in connection with the real property that have accrued but are not yet due and owing or, if due and owing, are adjusted for on Closing.
8. Restrictive Covenants: Restrictive covenants, private deed restrictions, rights-of-way, facility cost sharing agreements, servicing agreements, crane swing/tie back agreements, reciprocal use agreements or other similar land use control agreements or rights in land (including, without limitation, restrictions, rights-of-way and servitudes for sewers, drains, gas and oil pipelines, gas and water mains, electric light and power and telephone or telegraph or cable television conduits, poles, wires and cables) granted to other persons or property, or reserved by other persons or the benefit of other property.
9. Applicable Laws: The provisions of all Applicable Laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning at the real property.

10. Land Titles Act: The exceptions and qualifications contained in Section 44 of the *Land Titles Act* (Ontario), save and except paragraph 5 thereof relating to the *Family Law Act*, paragraph 11 thereof respecting the *Planning Act* (Ontario) and escheats/forfeiture to the Crown.
11. Registered Agreements: Registered agreements with any Governmental Authorities or public utilities, including subdivision agreements, development agreements, engineering, grading or landscaping agreements and similar agreements.
12. Leases of real property: Any leases in respect of the real property to be assigned to the Purchaser.
13. Additional Specific Permitted Encumbrances:

SCHEDULE "B"
HST DECLARATION AND INDEMNITY

TO: MNP LTD., in its capacity as Court-appointed Receiver of 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC. and not in its personal or corporate capacity (the "Receiver")

RE: An agreement between the Receiver and ARK Capital Group (the "Purchaser") dated January 31, 2022 (the "Agreement") in respect of the sale of the Purchased Assets (as defined therein)

The Purchaser hereby certifies and agrees that:

1. The Purchaser is registered under Subdivision d of Division V of Part IX of the *Excise Tax Act* (Canada) ("ETA") for the collection and remittance of the goods and services tax and/or the harmonized sales tax ("HST") and its registration number is 718418932RC0001 and such registration is in good standing and has not been varied or revoked;
2. The Purchaser will remit directly to the Receiver General of Canada the HST payable pursuant to Section 228(4) of the ETA in connection with the sale and conveyance of the Purchased Assets (as such term is defined in the Agreement);
3. The Purchased Assets transferred pursuant to the Agreement are being purchased by the Purchaser as principal for its own account and is not being purchased by the Purchaser as an agent, trustee, or otherwise on behalf of or for another Person (as such term is defined in the Agreement).
4. The Purchaser shall indemnify and save harmless the Receiver from any HST, penalty, interest or other amounts which may be payable by or assessed against the Receiver under the ETA as a result of, or in connection with, the Receiver's failure to collect and remit any HST applicable on the sale and conveyance of the Purchased Assets to the Purchaser by the Receiver.
5. The aforesaid shall survive the Closing Date (as such term is defined in the Agreement).

Dated this 4th day of February, 2022.

**2771280 ONTARIO INC. d/b/a ARK
CAPITAL GROUP**

Per: _____

Name: Rishabh (Andy) Khera

Title: Director

APPENDIX “H”

Receiver’s Interim Statement of Receipts and Disbursements

APPENDIX "H"

In The Matter Of The Receiverships Of 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc.

Interim Statement of Receipts & Disbursements As At February 28, 2022

Receipts

Advance From Secured Creditor	\$ 13,500.00
Rental Income	8,450.00
HST Collected	890.50
Advance From MNP	218.91
Total Receipts	<u>23,059.41</u>

Disbursements

Repairs & Maintenance	5,163.00
Utilities	2,115.73
Environmental Report	2,000.00
HST Paid On Disbursements	1,384.79
Security	1,045.00
Filing Fees	218.91
Bank Charges	105.00
Travel	98.06
	<u>12,130.49</u>

Net Receipts (Excluding Deposit Paid From Purchaser)	<u><u>\$ 10,928.92</u></u>
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APPENDIX ‘I’

Fee Affidavit of Deborah Hornbostel sworn February 24, 2022

APPENDIX "I"

Court File. No. CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

BETWEEN

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Respondents

AFFIDAVIT OF DEBORAH HORNBOSTEL

(Sworn February 24, 2022)

I, **DEBORAH HORNBOSTEL**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a Senior Vice President with MNP Ltd. ("**MNP**"), the Court Appointed Receiver of 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc. and as such have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. By Order of the Honourable Justice Penny dated November 9, 2021, MNP was appointed as Receiver of the assets, undertakings and properties of the Respondents.

3. In connection with the receivership of the Respondents, fees of \$150,029.10, plus applicable HST of \$19,503.78, were incurred by MNP at its standard rates in effect at the date of its

appointment to and including February 22, 2022, as provided for in MNP's summary of time charges and related detailed time dockets which provide a fair and accurate description of the services provided, appended hereto as **Exhibit "A"** to this my Affidavit. A total of 263.2 hours was expended at an effective hourly rate of \$570.


4. I verily believe that the hourly rates charged for the services performed are fair and reasonable in the circumstances.

5. I make this affidavit in support of a motion for, *inter alia*, approval of the MNP's fees incurred, as detailed herein, and for no other or improper purpose.

SWORN before me by video conference)
From the City of Toronto to the Town of)
Erin, Wellington County, in the Province)
of Ontario on this 24th day of February,)
2022.)



Deborah Hornbostel CPA, CA, LIT, CIRP, CFE



Commissioner for Taking Affidavits

**Matthew Eric Lem, a Commissioner, etc.,
Province of Ontario, for MNP Ltd. and MNP LLP.
Expires February 21, 2023.**

**Exhibit "A" of the Affidavit of
Deborah Hornbostel
Sworn before me via video conference
on this 24th day of February, 2022**

A handwritten signature in blue ink, appearing to read 'M. Eric Lem', is centered on the page.

A Commissioner, Etc.

Matthew Eric Lem, a Commissioner, etc.,
Province of Ontario, for MNP Ltd. and MNP LLP.
Expires February 21, 2023.

DETAILED TIME CHARGES

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
12-Oct-2021	Deborah Hornbostel	1.50	Meeting with S. Title and A. Kauffman and D. Richer of Faskens re potential Barrie lands receivership, discussion thereafter re counsel, draft engagement letter.
13-Oct-2021	Fatemah Khalfan	.70	Engagement letter put on company letterhead and sent to D. Hornbostel; created this file in MPM
13-Oct-2021	Deborah Hornbostel	.50	Review email from D. Richer and draft affidavit of P. Sadlon.
15-Oct-2021	Sheldon Title	.40	Email signed consent to act to D. Richer, review draft order and consider language for approval of sale process; instructions to Fatemah to set up account
15-Oct-2021	Fatemah Khalfan	.40	Created new client folder on K drive, and subfolders; saved documents
15-Oct-2021	Deborah Hornbostel	1.10	Review email from D. Richer and draft appointment Court Order, download and file P. Sadlon affidavit exhibits, commence client acceptance form
16-Oct-2021	Sheldon Title	.20	Email to/from Kauffman on Scollard order.
18-Oct-2021	Deborah Hornbostel	.80	Review emails and draft affidavit and motion material, telephone call with Rachel Bengino to discuss file, email draft docs to her
19-Oct-2021	Deborah Hornbostel	.20	Review and respond to email from R. Bengino regarding her review of the draft appointment order
25-Oct-2021	Deborah Hornbostel	.50	Email Application Record to R. Bengino, dealing with downloading issues re Application Record, email to D. Richer re same, receipt of pdf from him, review, email to S. Title re same
27-Oct-2021	Fatemah Khalfan	1.40	Phone call with D. Hornbostel about creating weblink for Court Order; created new webpage on Sitecore only to generate weblink; did not publish webpage; sent weblink confirmation to D. Hornbostel; further emails exchanged about this.
27-Oct-2021	Deborah Hornbostel	.40	Review emails from Rachel Bengino and D. Richer, instructions to F. Khalfan to arrange for website, receipt thereof and provide to D. Richer.
28-Oct-2021	Fatemah Khalfan	1.40	Emails exchanged with K. Petryk about creating a vanity link; created it and sent email to D. Hornbostel
28-Oct-2021	Deborah Hornbostel	.30	Obtain amended URL and provide to D. Richer, review his updated status email.
01-Nov-2021	Deborah Hornbostel	.40	Tel call with D. Richer and A. Kauffman and S. Title re potential purchaser, f/u call with S. Title and email update to R. Bengino.

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
05-Nov-2021	Sheldon Title	.20	Call with B. Jaffe; receipt of notice of appearance from Aversa
08-Nov-2021	Sheldon Title	.80	Calls with Jaffe, conference call with R. Bengino, Kauffman, D. Richer (for part) Hornbostel on offer being received, review of offer.
08-Nov-2021	Deborah Hornbostel	.80	Review emails re draft offer, attend meeting with counsels re upcoming receivership application and related issues, review email chain between B. Jaffe and A. Kauffman and the provided financial info from the potential purchasers.
09-Nov-2021	Sheldon Title	1.80	Review of latest offer, email to D. Richer, call with D. Richer on new offer; attendance at court (adjourned to 2:30); receipt of debtor's responding materials and review of same; call with R. Bengino on concerns re: motion materials; further call with Bengino before 2:30 court; re-attendance at court for hearing.
09-Nov-2021	Deborah Hornbostel	.70	Review new offer and listing documentation and related emails from counsels, update re court attendance and further offer.
10-Nov-2021	Sheldon Title	2.30	Planning call with D. Hornbostel after receiving order; call with Kauffman, D. Richer, R. Bengino and Hornbostel on various issues to be dealt with; further call with Hornbostel, review of draft letter to Larsen and comments thereon; gathering materials and asking for case website to be established.
10-Nov-2021	Fatemah Khalfan	.40	Email received from S. Title to publish webpage; email sent to K. Petryk re moving the created webpage from October to November folder on Sitecore.
10-Nov-2021	Deborah Hornbostel	5.90	Receipt of notification of issuance of receivership order, review of endorsement, planning call with Sheldon Title and then Faskens counsel and R. Bengino to discuss next steps, draft correspondence to Blake Larsen for required info, review email from John DeRae re existing offer, discussion with R. Bengino wrt to his concerns, draft email response to current potential purchasers and circulate for comments, emails to Kelly Avison and Brad Walford CBRE to request listing proposals, telephone call with K. Avison, telephone call from D. Richer re registration of RO on title, review and authorize filing, review subsequent emails re issues, finalize and issue letter to B. Larsen via email, email exchange with B. Walford to arrange call, review and respond to various emails from R. Bengino.

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
11-Nov-2021	Sheldon Title	1.00	Call with D. Hornbostel and conference with R. Bengino, Aversa, Tamie, Hornbostel on zoning issues; email to Bengino re: service list/Barrie; email to team re: case website wording; call with Ryan Thomson of Colliers.
11-Nov-2021	Fatemah Khalfan	2.50	Emails exchanged with K. Petryk about moving webpage to different folder; moved webpage; finalized details; posted documents and made webpage active; had to revise vanity URL; further revisions/edits done after emails exchanged with S. Title and D. Hornbostel.
11-Nov-2021	Deborah Hornbostel	4.80	Attend to execution of Authorization and Direction re registration on title, email to R. Thornton of Colliers to request proposal, telephone calls with Colliers and CBRE reps, cc with team and Ian Aversa and Tammy of A&B re information available from their client, attend to site visit to inspect property, update from Rachel re retaining of real estate counsel, verify proper website posting,
12-Nov-2021	Sheldon Title	.30	Email to R. Bengino re: Wildeboer Dellelce involvement; email from Larsen's counsel and forward comments for consideration to Bengino; email to Hornbostel to request input carve out of commission re: existing offers and to have them consider those offers
12-Nov-2021	Fatemah Khalfan	.40	Emails exchanged with S. Title and D. Hornbostel re introductory blurb on webpage.
12-Nov-2021	Fatemah Khalfan	.30	Emails exchanged with D. Hornbostel and S. Title re changing engagement to S. Title's name.
12-Nov-2021	Deborah Hornbostel	4.60	Review emails from R. Bengino and S. Title re real estate counsel, follow up email to B. Larsen requesting info, receipt and filing of registration on title doc., review email from Jason Bogles and S. Title's responding email to R. Bengino, email w S. Title re listing proposal concerns, review responding affidavit material in detail, review all email correspondence to ascertain previous offer submissions and listing agreements and summarize them and then issue emails to those parties, review and respond to emails from R. Bengino re listing proposals, draft APA and Jason Bogle's email.
15-Nov-2021	Deborah Hornbostel	.20	Review email from John DaRae, forward to R. Bengino for response, review her email.
16-Nov-2021	Deborah Hornbostel	.50	Review and respond to emails/vm from Sara Eskine and Mike Cascagnette (Lee & Associates).

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
17-Nov-2021	Deborah Hornbostel	2.80	Review and respond to emails from B. Walford, R. Thornton, prepare MHBC document for circulation and send out to listing proposal realtors, cc with Colliers team, review correspondence from B. Larsen and related email from R. Nicolson, telephone call from G. Vukelich re Patel Group offer, update S. Title, prepare and email responding letter to B. Larsen.
18-Nov-2021	Fatemah Khalfan	.60	Discussion with D. Hornbostel, and then follow up email sent, re inputting file to Ascend as well as paying OSB registration fee on this; began draft 245-246 Notice.
19-Nov-2021	Sheldon Title	.40	Review of proposals received from brokers.
19-Nov-2021	Fatemah Khalfan	2.00	Prepared 245-246 Notice; sent to D. Hornbostel for review; received back; arranged for mailing; faxed to the OSB.
19-Nov-2021	Fatemah Khalfan	2.50	Completed draft 245-246 Notice and sent to D. Hornbostel; assembled mailing lists.
19-Nov-2021	Deborah Hornbostel	4.50	Preparation of Notice & Statement of Receiver, supervise issuance thereof, receipt and organization of marketing proposals, responding emails to realtors, forward them to S. Title.
20-Nov-2021	Deborah Hornbostel	3.50	Review listing proposals in detail and compile summary of terms and sensitivity analysis, review data base of documents provided by Colliers and SVN via their counsel, review emails from R. Bengino and Tami Dolni re 7th Generation, research company.
21-Nov-2021	Deborah Hornbostel	.50	Review and respond to emails from R. Nicholson and S. Title, arrange teams mtg.
22-Nov-2021	Sheldon Title	.80	conference call R. Nicholson and D. Hornbostel re: marketing proposals/Larsen cooperation; call with Walford on D. Hornbostel's message on commission rate, timelines and process.
22-Nov-2021	Fatemah Khalfan	1.00	Notice of Receiver statement emailed x 8; registered mail arranged x 2 and dropped off at Canada Post; sent emails to D. Hornbostel.
22-Nov-2021	Deborah Hornbostel	5.20	Review valuation of Avison Young, attend mtg with S. Title and R. Nicholson to discuss marketing proposals and strategy, prepare and issue emails to the three brokers for concerns and re-submissions, telephone call from K. Avison, prepare email distribution list for NOR issuance, instructions to F. Khalfan for issuance thereof, prepare correspondence to tenants on property and arrange for registered mail issuance thereof, telephone calls with and emails to D. Varcoe of OnRoute Media and S. Mazur of Pattison Outdoor

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			Advertising, review email from S. M; e-telephone call to arrange cc.
23-Nov-2021	Deborah Hornbostel	1.90	CC with Colliers team, telephone call from K. Avison, telephone call from Brad Walford CBRE, review vm and email from Brain Stanton of Tatham Engineering, telephone call with him, review vm from Marcello Chiappo realtor requesting offer presentation and telephone call with him, review email and information received from B. Larsen, respond with request for addresses and documentation re 7 Gen., review email and draft letter from R. Nicholson, email to her to update on dealings with B. Larsen today and query 7 Gen implications.
24-Nov-2021	Sheldon Title	.80	Call with Walford; review of revised proposals and email to Nicholson and Hornbostel on my recommendations; email to Deborah/Rachel.
24-Nov-2021	Deborah Hornbostel	6.80	Receipt and review of revised marketing proposals, summarize and circulate with recommendation, review comments from S. Title and R. Nicholson, email exchange with R. Nicholas re B. Larsen and related entities used, email to B. Larsen re same, update from S. Title re MNP previous services to 7 Generations, email exchange with Laurie of OSB re NOR and forthcoming amendment, review and respond to email from D. Richer re listing status update, return call to prospective purchaser Mike, further email exchanges with B. Larsen, telephone call with him, prepare amended NOR and creditor list, issue to OSB, telephone call with R. Nicholson re reports done wrt the Barrie lands on behalf of other entities, email to Faskens to update them on the marketing proposals and our recommendations, receipt and review of correspondence from B. Larsen and Management Agreement with 7 Generations, forward with comments to R. Nicholson, review comments from S. Title and R. Nicholson, review management agreement in detail, emails with D.D. Richer and A. Kauffman re marketing proposals and approving our recommendations.
25-Nov-2021	Sheldon Title	.20	Locate/source appendix A to listing agreement, call with Walford,
25-Nov-2021	Fatemah Khalfan	1.50	Posting done to Sitecore; started file in Ascend; emails exchanged with S. Title on paying registration fee.

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25-Nov-2021	Deborah Hornbostel	2.90	Emails to realtors re listing proposal decision, emails with OSB re registration issues, review and respond to email from R. Nicholson re Management Agreement, email to B. Larsen re insurance status and policy turnover, emails with Kelly Avison re listing agreement clauses, disc with S. Title and request to R. Nicholson re same, review and update MNP schedule for listing agreement and send to K. Avison, receipt of additional OSB certificates, update NOR and instructions to F. Khalfan for posting and mailing.
26-Nov-2021	Sheldon Title	.50	Conference call with Nicholson and D. Hornbostel
26-Nov-2021	Fatemah Khalfan	.40	Tracking for two registered mail; results sent to D. Hornbostel
26-Nov-2021	Fatemah Khalfan	1.30	Entered creditor information to Ascend
26-Nov-2021	Fatemah Khalfan	.30	Email sent to P. Ball re paying OSB filing fee from BMO account
26-Nov-2021	Deborah Hornbostel	4.30	Amend draft letter of R. Nicholson to J. Bogle, review her comments on the Avison draft listing documents, email to K. Avison re same, telephone call from G. Vukelich re motion plans to proceed to court on Patel offer, email to team to advise them of that, review and approve further revised draft letter to go to J. Bogle, review email from S. Erskine re stalking horse offer, forward email to S. Title for discussion, review email from K. Avison re requested changes as well as Geo reports re address/pin issues, email to R. Nicholson re same and request further investigation on addresses and PINS, mtg with S. Title and R. Nicholson to discuss various offers and related issues, email to G. Vukelich to introduce R. Nicholson and request discussion with her, email to S. Erskine to request further information re potential stalking horse details, review Canada Post tracking info re correspondence to tenants, review updates from S. Erskine and R Nicholson.
28-Nov-2021	Deborah Hornbostel	.20	Review emails from S. Title and R. Nicholson.
29-Nov-2021	Sheldon Title	.40	Emails exchanged with Thornton, Nicholson, Hornbostel re: Barrie lands, on communication to Faskens, tax issues, and call from counsel for PP; further update from Nicholson on her discussions with G. Vukelich, telephone call and next steps.
29-Nov-2021	Deborah Hornbostel	.80	Email to K. Avison, email to R. Nicholson, review and comment on her draft email to update Faskens, telephone call with Ray Thapar re potential purchaser, review responding emails from A.

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			Kauffman and D. D. Richer re Patel offer concerns and Rachel's response, review email from K. Avison.
30-Nov-2021	Sheldon Title	.40	Call with Nicholson, Thornton and Hornbostel to revisit strategy and review commitment letter received by purchaser.
30-Nov-2021	Matthew Lem	.10	Review and approve account opening.
30-Nov-2021	Fatemah Khalfan	.30	Registered mail tracking done on Canada Post; sent updated results to D. Hornbostel
30-Nov-2021	Fatemah Khalfan	.50	Discussion with M. Lem re bank account; letter to open bank account drafted and sent to M. Lem; received back; emailed to M. Mastrangelo at TD bank.
30-Nov-2021	Deborah Hornbostel	5.20	Emails to A&B, J. Berljawsky re RPN Finance, J. DaRe, Equityline, B. Larsen to request security docs telephone call., telephone call with Sergiy of Equityline, review email from R. Nicholson to J. Bogle, emails to J. DaRe re service for debtor and evidence of advances, email to B. Larsen re Patel offer and o/s required info, mtg with counsel to review Patel's commitment letter and discuss go forward strategy, email further PIN info to R. Nicholson for investigation, email to K. Avison to update on status of listing and data room info, review his response, email to R. Nicholson re property tax info required, prepare correspondence to CRA for online access, attempt submission, vm to Kamilla at CRA for business numbers, email from J. DaRe re Bogle and acceptance of service for debtors, forward to R. Nicholson, review and approve her draft correspondence to G. Vukelich, forward her email to B. Larsen with update on sales process, vm from Kamila of CRA, revise CRA correspondence and submit online for each company, review email from R Nicholson re G. Vukelich response, respond, review payout statement from J Berljawsky re RPN.
01-Dec-2021	Sheldon Title	.40	Emails to/from D. Hornbostel and Nicholson on Blake Larsen's recent letter.
01-Dec-2021	Deborah Hornbostel	7.80	Review updated listing agreement, telephone call with K. Avison to discuss required changes, receipt thereof, forward to counsel for final review, discussion with K. Avison re bid deadline, data room, reports required e-telephone call., telephone call to Brian of BAE Environmental re Phase 1, email to him re same, review comments from counsel re further amendments to listing agreement, make

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			amendments, execute, email to K. Avison re changes, review info from J. DaRe re security documentation, email to him re tenant leases, receipt and review of correspondence from B. Larsen, forward to S. Title and counsel with comments, review and respond to email from H. Randhawa re offer, review offer from S. McIntyre and respond, organize info from B. Larsen.
02-Dec-2021	Sheldon Title	.10	Email to D. Hornbostel on tax/intercompany transactions.
02-Dec-2021	Fatemah Khalfan	.20	Follow up email sent to M. Mastrangelo re bank account.
02-Dec-2021	Deborah Hornbostel	3.50	Email from M. Myles requesting mtg re Empirical Capital Corp. commitment letter issues, telephone call to H. Jagpal of Axxel insurance, f/u email to him, discussion with S. Title re 7 Generation creditors, re-amend NOR for issuance, email to City of Barrie re property tax a/cs, mtg with Empirical re commitment letter, review email from G. Vukelich re offer template and S. Nicholson response, email from K. Avison re Listing Agreement, email to K. Avison to provide NDA draft, review his response re his standard NDA and provide instructions, review email from S. MacIntyre re offer, review and respond to emails from R. Nicholson
03-Dec-2021	Sheldon Title	.50	Call with Nicholson and Hornbostel re: 7 Generations.
03-Dec-2021	Fatemah Khalfan	1.30	Received revised Notice of Receiver from D. Hornbostel; updated creditor spreadsheet; printed copies of the Notices for mailing; printed labels; facilitated mailing and emailing; faxed to the OSB.
03-Dec-2021	Deborah Hornbostel	6.80	Telephone call to Alectra, discuss proposed distn of amended 245 with F. Khalfan, review emails from City of Barrie and respond, review AP of 7 Generations and f/s, telephone call to Kamila at CRA for account filing info, mtg with R. Nicolson and S. Title to update and discuss creditor notification issues due to 7 Generations and other matters, authorize issuance of amended 245 notice, review various documents from B. Larsen and email to him to request further info, receipt and review of tax certificates and PIN from counsel, forward to K. Avison, emails to City of Barrie and B. Larsen to cancel property tax requests, review mail returned from Canada Post re Debtors, confirm address was correct, review of SvN loan documentation received

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			from T. Dolny, review email from R. Nicholson to J. Bogles re 7 Generations activity, review draft NDAs and brochure from Avison Young and forward to R. Nicholson for further comments, review and respond to email from T. Dolny re NOR amount, receipt and review of email from G. Vukelich re new commitment letter for Patel and request for APA, email to Glen Willis for accounting and tax advise.
04-Dec-2021	Sheldon Title	.40	Review of brochure and email to Nicholson/Hornbostel my comments, review of G. Vukelich email and email to Nicholson/Hornbostel on response.
05-Dec-2021	Deborah Hornbostel	1.70	Review and respond to various emails from S. Title and R. Nicholson re draft NDAs and brochure, summarize all comments back to K. Avison for implementation, review email from R. Nicholson re her review of closing documents and respond, file docs, review responding email from R. Nicholson to G. Vukelich re new commitment letter, review and respond to email from Brian of BAE Environmental, review amended NDAs from K. Avison, forward to team, review his comments re draft brochure amendments and forward to S. Title with further comments.
06-Dec-2021	Fatemah Khalfan	1.00	Prepared Affidavit of Mailing for s. 245 245 Notice (December 3, 2021); posted Amended Notice to Sitecore.
06-Dec-2021	Deborah Hornbostel	2.60	Discussion with K. Avison re brochure, terms and conditions of sale, NDA, update S. Title, emails with G. Willis re tax and accounting issues, arrange mtg to review, respond to email from Sara Erskine re sale process and stalking horse bid, review closing documents from debtor's land purchase, investigate for unknown tenant, email to K. Avison to provide further info and request docs required for data room, email from R. Nicholson re NDA.
07-Dec-2021	Sheldon Title	.50	Call with Willis/Hornbostel on tax implications concerning realizing on the Barrie property.
07-Dec-2021	Eddie Gao	1.80	Meetings with GP. Review the legal docs, meeting with Tyler, provide him with instructions.
07-Dec-2021	Deborah Hornbostel	4.20	Telephone calls to Onroute Media and Pattison Outdoor for updates, review of updates to NDAs and brochure, further amendment requests to K. Avison, f/u on registered mail status to Hendricks emails with Hardill of Axel Insurance, review amended NDAs and

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			brochure from K. Avison, request further amendments and then forward to team for final comments, telephone call with Aldo of Capital Realty, review and respond to email from S. Shchavyelyev of Computershare, prepare for and attend mtg with G. Willis and E. Gao and S. Title to discuss tax and accounting issues, summarize secured creditor current balance for them, review comments from R. Nicolson re brochure, email to K. Avison re changes required.
07-Dec-2021	Glenn Willis	.50	c/w D. Hornbostel e-telephone call.
08-Dec-2021	Sheldon Title	.60	Call with Roher on his firm being retained to potentially bring action against receiver; call with David Attshuler on sale process, RPN mortgage.
08-Dec-2021	Deborah Hornbostel	.60	Review revised brochure from K. Avison, authorize release and forward to counsel, review of email from Devin of Onroute media and respond, instructions to F. Khalfan re Ascend.
09-Dec-2021	Fatemah Khalfan	2.00	Creditors updated in Ascend; file transferred over to Ascend Estate; bank account set up; Receipt voucher prepared and sent to S. Title for signing; received back; posted deposit to Ascend, printed deposit slip; attended at TD for deposit; prepared two cheque requisitions for OSB registration fees and sent to S. Title.
09-Dec-2021	Deborah Hornbostel	1.20	Telephone calls and emails with Steven Mazur of Pattison Signs, review contract info, review and respond to emails from D. Reason for update, review correspondence served by Teplitsky Coulson, review email from K. Avison re marketing launch, review email from S. Title re disc with counsel representing RPN, review email from Brian of BAE Environmental.
10-Dec-2021	Fatemah Khalfan	1.30	Put OSB filing fees cheque requisitions through in Ascend for e-signing and sent to S. Title; received back; printed cheques; attempted to e-file remittance form for 2738283 Ontario Inc, but received error message; email sent to E-filing help desk; called E-filing help desk and left message; received email back on how to proceed; e-filed remittance forms x3; mailed cheques out.
10-Dec-2021	Fatemah Khalfan	.10	Property tax arrear statements received in the mail; saved to client folder and forwarded to D. Hornbostel.
10-Dec-2021	Deborah Hornbostel	2.90	Review email from K. Avison, register and review data room, draft correspondence to tenants and send to

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			R. Nicholson for comments, finalize and send documents to K. Avison to deliver tomorrow, review new Phase 1 and email to BAE with requested amendments and clarification.
11-Dec-2021	Deborah Hornbostel	1.00	Telephone calls from K. Avison during site visit, provide instructions, telephone call and email to Rocco Tuzi of Lock It Security to arrange for locksmith and safekeeping of buildings, review report from R. Tuzzi re lock visit.
12-Dec-2021	Deborah Hornbostel	1.20	Review report from K. Avison, review and return vm from M. Evaristo re 320 Maplewood, compile contact list of interested parties to provide to K. Avison.
13-Dec-2021	Eddie Gao	2.20	Review the calculations, various discussions, emails e-telephone call.
13-Dec-2021	Bonnie Ren	3.20	Prepare tax on business income/ research on business income vs. cg; look through management agreement and purchase agreement and other legal docs.
13-Dec-2021	Deborah Hornbostel	2.80	Provide interested parties list to K. Avison, emails from him and R. Nicolson re same, and brochure amendment w tenant and data room docs, review and respond to email from Shannon MacIntyre, update to team on site visit by K. Avison, tenancy and security issues, review and execute MLS form, review amended Phase One report and email from Brian of BAE, request corrections, receipt and review of next version, provide to K. Avison for data room, prepare pdf of site survey and send to K. Avison, further emails with him re same, email to S. Title re funding requirements, telephone call from R. Tuzzi re site security issues and need for further lock changes.
14-Dec-2021	Fatemah Khalfan	.50	Emails exchanged with D. Hornbostel, M. Lem and S. Title on e-transfers/depositing money to trust account.
14-Dec-2021	Deborah Hornbostel	2.60	Review and respond to email from R. Nicholson re RPN, review her subsequent email to Teplitsky re RPN, review email from Eddie Goa re expected realization and questionable interest charges, investigate and respond, emails to Hardil re insurance policy issues, telephone call from Jamal Khalid re insurance, review and respond to email from D. D. Richer re AY brochure distn, obtain banking directions, prepare and issue correspondence to M. Evaristo and R. Tuzzi re lock changes and rent payment, email from R. Nicolson re tenant lease,

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			email exchanges with M. Evaristo and R. Tuzzi re lock changes.
15-Dec-2021	Deborah Hornbostel	.80	Revise letter to M. Evaristo and send to R. Tuzzi, telephone call from R. Tuzzi re site plans, review email from E. Gao re corporate tax projections, email to R. Nicholson to request draft letter to 7 Gen creditors, email to K. Avison for weekly reports.
16-Dec-2021	Sheldon Title	.30	Review of listing agent's report, email to Hornbostel; review of draft email to D. D. Richer re: Receiver's need to borrow funds.
16-Dec-2021	Deborah Hornbostel	1.70	Update from R. Tuzzi, telephone calls from insurance agent, receipt and review of policy, review of Avison marketing report, review email from K Avison re signage, discuss with S. Title and respond, review draft APA and provide comments to R. Nicholson, review her response prepare draft cash flow, review comments from S. Title re: same.
17-Dec-2021	Sheldon Title	1.50	Review of APS and detailed email to Nicholson; call with Nicholson on property tax/borrowing issue; emails with Hornbostel, D. Richer on rate of interest on borrowings.
17-Dec-2021	Fatemah Khalfan	.20	Email exchanged with M. Lem to add my access to TD Bank account.
17-Dec-2021	Deborah Hornbostel	1.80	Revise funding request and email to D. D. Richer, review emails from R. Nicholson and S. Title re APA, email to A. Yoeman to request review of property tax assessment, review and respond to email from D. Richer re: funding terms, email to R. Nicholson re receivership funding, telephone call with D. Richer re: funding terms, update email to R. Nicholson, telephone call from J. Khalil re insurance update.
20-Dec-2021	Sheldon Title	1.00	Email from/to Deborah on tenant complaint, snow removal/other contractors, utility providers; review of changes to template APA and email to Nicholson on same; further emails with Hornbostel on requirement that contractors be insured; review of letter to Seven Generations suppliers.
20-Dec-2021	Chahna Nathwani	.20	Website posting – Notice.
20-Dec-2021	Deborah Hornbostel	6.40	Review and return vm to Matt Hawkins of Colliers re o/s invoice, review website posting and arrange for posting of amended NOR, review invoice from TGF, email to R. Nicholson re payment delay, update S. Title re funding status, prepare Receiver's Certificate pending receipt of funds, email to Kim Hawke to f/u on funding status, telephone call from R. Tuzzi,

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			<p>review new Certificates of Insurance, email to Jamal corrections required, telephone call from him to discuss, telephone call from Mathew Evaristo, telephone calls and emails with R. Tuzzi re site inspection and related issues, email update to S. Title re same, telephone call from Jamal and Peter of Cansure re insurance coverage changes required, review of amended APA and telephone call with R. Nicholson to discuss same and tenant issues, telephone call to City of Barrie re water service and a/cs, telephone calls to Alectra Utilities, email to B. Larsen re utility accounts, snow removal and tenant issues, emails from S. Title re onsite contractors, email to R. Tuzzi to provide instructions for service quotes and proof of insurance, review draft letter to suppliers, provide comments, review and incorporate S. Title comments, prepare documents to send to Chahna for processing, receipt of revised letter from R. Nicholson, provide her with NOR, email to D. D. Richer to advise of lack of response from Kim re funding.</p>
21-Dec-2021	Sheldon Title	.10	Email with Hornbostel re: utilities, Seven Generations.
21-Dec-2021	Chahna Nathwani	2.10	Updating Spreadsheet for mailing letters and sent it to Deborah for review, Preparing letters for Prospective clients/ AR letters.
21-Dec-2021	Deborah Hornbostel	5.40	<p>Emails with D. D. Richer and Kim Hawke re funding status, provide wire transfer info, finalize Receiver's Certificate pending receipt of funds, telephone calls to Alectra Utilities, Enbridge Gas and Budget Propane and K. Hawke for account info, telephone call to K. Avison for site inspection info re utilities, summarize status of utility accounts and email to S. Title re same and concerns, emails with Jamal of Axel Insurance re finalizing Certificates of Insurance and f/u on inspection requirements for the properties, email from R. Tuzzi re smoke and CO2 detectors, review and respond to email from C. Wilson of Pattison, discussion with S. Title re utility account issues, email to R. Nicholson re same and 7 Gen impact of changes, emails to Alectra and Budget Propane to commence new a/cs, emails with M. Evaristo to report on water and gas meters onsite, review and update Interested Parties mailing list and draft letters, respond to email from A. Kennedy of Budget Propane.</p>

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22-Dec-2021	Sheldon Title	.30	Calls/emails with Jeremy Cole; call to Anthony at Plaza Corp.
22-Dec-2021	Chahna Nathwani	.90	Prepared packages for mailing, Labels printed and stamped, Packages mailed out.
22-Dec-2021	Deborah Hornbostel	5.50	Finalize and issue Receiver's Certificate to D. D. Richer, f/u with M. Evaristo for info on heat and water source, prepare info for data room on billboard income, review property tax assessment review of A. Yeoman, supervise issuance of letters to 7 Generation creditors, telephone call to R. Tuzzi re site issues, review reports from him on installation and utility investigations, organize site photos into directory, vm to Josie Dahu re food truck, review of service agreement from Budget Propane, telephone calls with Sue Thomson of Budget Propane, telephone call to Jamal of Aaxel Insurance to update on heat issue, telephone call with him and Peter to discuss issues, email to Vincent of Vestacon.
23-Dec-2021	Sheldon Title	.20	Consideration of snow plowing issue, call with D. Hornbostel to discuss.
23-Dec-2021	Deborah Hornbostel	3.90	Review update from R. Tuzzi re wiring of furnace and snowplowing, telephone call with Vincent of Vestacon re onsite work, telephone calls to City of Barrie to arrange removal of water meter and line, arrange for onsite access to do so, email to M. Evaristo for access to inspect furnace, email to Aaxel insurance to update on their requests and confirm inspection frequency, telephone calls and emails with R. Tuzzi and A. Mehta of Richmond Advisory and other companies re snow removal, update S. Title on status
24-Dec-2021	Sheldon Title	.10	Email from D. Richer/Nicholson on D. Richer's proposed wording on NDA specific to his client, consideration of same, and direct response to Nicholson and D. Richer.
27-Dec-2021	Sheldon Title	.30	Email to Hornbostel on advertising; prepare text for notice in Insolvency Insider of opportunity to acquire property; email to Chahna to advertise opportunity on website.
29-Dec-2021	Chahna Nathwani	.30	Cheque requisition prepared and sent it to Deborah for signing, posting into Ascend.
03-Jan-2022	Sheldon Title	.80	Call with Chaiton on his client's interest in property and possibility of our accepting bid ahead of Jan 31/22 deadline, emails with Nicholson and Thornton on same.

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04-Jan-2022	Sheldon Title	2.10	Call with Nicholson, Hornbostel (pre call before Faskens call); call with Kauffman, D. Richer, Nicholson; D. Hornbostel on ST/AK's separate discussions with Chaiton, credit bid; subsequent emails with Nicholson and/or Hornbostel on follow up with Larsen/Larsen's counsel; receipt of email from Nicholson after hers and B. Thornton's call with H. Chaiton and providing my views on the matter.
04-Jan-2022	Deborah Hornbostel	3.80	Review emails from S. Title and R. Thornton re H. Chaiton's client offer, attend mtg with counsel to discuss related issues, mtg with Faskens re sales process, offers and credit bid potential, telephone call with tenant re furnace inspections coordination, email and vm to Vince to arrange electrician, telephone call to B. Larsen re sales process and offers, update to team, telephone call with K. Avison for update, respond to 7 Generations creditor enquiries (Memail & Tahtemail), return call to M. Freeland interested purchaser, review emails from Arun re snowplowing and telephone call with him, review cheque from Onroute media, email to Devin to request reissued cheque, telephone calls with Vince and John the HVAC specialist, email photos of furnace to them, update team on AY call info, review email from R. Nicholson re call with H. Chaiton, update response from S. Title on it, review responding email from Devin re replacement cheques.
05-Jan-2022	Sheldon Title	.30	Call with R. Nicholson re: follow up to position we take to potential motion by PP.
05-Jan-2022	Chahna Nathwani	.90	Website uploading - Creating an Asset of Sales page, Linking with Receiver Page, Call attended of Deborah regarding cheque processing and cheque depositing.
05-Jan-2022	Fatemah Khalfan	.20	Printed cheque from Ascend; arranged for mailing; scanned and sent copy to C. Nathwani.
05-Jan-2022	Deborah Hornbostel	2.50	Emails from Vince and to M. Evaristo re furnace inspection, sign cheque re BAE, review creditor info and prepare summary of debts, emails to B Larsen re M. Larsen, RPN and Equityline reps for further security info and evidence of advances, telephone call from M Evaristo, update from S. Title re conversation w R. Nicholson.
06-Jan-2022	Sheldon Title	.10	Email exchange with Nicholson.
06-Jan-2022	Deborah Hornbostel	3.50	Check on status of tenant rent, email to tenant for payment, email from Vince re updated WETT quote

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
			and timing, source alternative and coordinate appointment with tenant and billing arrangements, discussion with S. Title re liability schedule and go-forward plan re sales process, review updated snow removal quote and approve, receipt and review of security docs from Computershare, update schedule, email to D. Altshuller of TELEPHONE CALL to request security docs re RPN, receipt and review of WETT inspection report, email report to Axcel Insurance, telephone call from tenant to discuss block off of wood burning unit, email to R. Frost to confirm wiring, email to FK to request posting of rent and payment of inspection invoice, review 7 Gen management agreement, update liability schedule and email to R. Nicholson re liabilities and sales process plan, telephone call from R. Freeland re sale of property.
07-Jan-2022	Deborah Hornbostel	.40	Receipt and review of AY new status report, circulate, email to S. Erskine for update on her client's interest, email to K. Avison.
09-Jan-2022	Deborah Hornbostel	.10	Review email from K. Avison, update S. Title and R Nicholson.
10-Jan-2022	Sheldon Title	.30	Call with Thornton, Nicholson and Hornbostel re: position vis-a-vis H. Chaiton client; review of draft email to Harvey and comment on same.
10-Jan-2022	Fatemah Khalfan	.40	Prepared two receipt vouchers for two cheques received; sent to D. Hornbostel for signature.
10-Jan-2022	Fatemah Khalfan	.20	Posting done to Ascend of rent receipt (from Matthew).
10-Jan-2022	Fatemah Khalfan	.40	Emails exchanged D. Hornbostel re On Route Media who had issued us cheques with incorrect payee name; email sent to vendor requesting status of when corrected cheques would be issued; received response back.
10-Jan-2022	Deborah Hornbostel	1.60	Receipt and review of J. DaRe's closing trust account ledger received via email from B Larsen wrt M. Larsen advance, cancel recurring DocuSign contract from Budget Propane, review vm from Sue re same, telephone call w Kim to advise service not required and from Brett to advise of p/u of tank, email from Fatemah advising of cheque received from Pattison, email to S. Mazur to request payment of 17 past months, provide Fatemah with contact info to f/u with Onroute Media on status of replacement cheques, meeting with S. Title and TGF counsel to

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
			discuss issues related to potential offer from H. Chaiton's client, receipt and review of security documentation from Eden Ifergan re RPN and 1938272 Ontario Ltd., email to him to request proof of advance, review and approve disbursement requisition and receipt vouchers for posting.
11-Jan-2022	Sheldon Title	.10	Email from/to Rachel Nicholson on her call with PP interested in truncating the sale process.
11-Jan-2022	Fatemah Khalfan	.40	Cheque requisition put through Ascend for e-signing; printed and mailed out - Roger Frost.
11-Jan-2022	Deborah Hornbostel	1.40	Tel call from M. Evaristo re frozen water pipe, locate photo of area excavated and further discussion with him, telephone call and email to V. Cristiano to arrange for assistance and inspection of homes, telephone call from Nadine of BMG Glass re 7 Gen invoices, email her a copy of Dec'21 letter sent to BMG, approve disbursement, sign cheque, emails to R. Nicholson to provide all security documents received for each secured creditor.
12-Jan-2022	Deborah Hornbostel	1.30	Review and respond to email from K. Avison, review email from R. Nicholson re PP request for early offer acceptance, review docs from B. Larsen re tax filings, review CRA online account for filing status and file 6 HST returns via CRA portal, review of new TGF bill, telephone call from Nadine of BMG glass, provide her with letter issued to 7 Gen suppliers.
13-Jan-2022	Deborah Hornbostel	3.50	Telephone call to M. Evaristo for well water pipe update, review new photo from him, telephone call and emails to Vince of Vestacom, phone call on for status update on site attendance, email to Arun of Richmond Advisory for assistance, locate local Well-Tech, telephone calls with Jason of Simcoe Water Solutions, provide photos, telephone calls and emails with Arun, Jason and Louie (excavator), telephone call from Budget Propane re tank removal, telephone call from Nadine of BMG, review email from K. Avison re application comments, telephone call to him to discuss issue, review email from L. Sambor of Antec, review and approve deposits, review vm and email from Rocco of Lockit re site inspection, respond, email update to S. Title, receipt and review of quote from L. Kay, telephone call to discuss with him, forward quote to Arun and Sheldon and further emails with them, email to L. Kay to proceed.

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
14-Jan-2022	Chahna Nathwani	.40	Call in with Deborah on post dated cheques, prepared vouchers for approval, posting into Ascend.
14-Jan-2022	Fatemah Khalfan	.30	Emails exchanged with On Route Media about their incorrect cheques and what we are to do with them.
14-Jan-2022	Deborah Hornbostel	1.20	Emails with S. Mazur and C. Wilson of Pattison re payments made and payable, email to Arun to update of excavation, f/u on status of excavation work, provide billing info and obtain and review photos, emails with Arun wrt to undertaking further work re foundation, review correspondence from D.D. Richer re credit bid, update from K. Avison re City cooperation on release of info, review cash position.
17-Jan-2022	Chahna Nathwani	.30	Follow-up call with Donna Paquette re OSB filling fee over payment.
17-Jan-2022	Fatemah Khalfan	.60	Cheque requisitions prepared and received back; cheques printed.
17-Jan-2022	Deborah Hornbostel	.80	Receipt and review of invoice for water pipe work, forward and request payment thereof, email exchange with Arun Mehta re remaining work, review email from O Reyes of Pattison confirming o/s cheques, receipt of Lockit invoice, review and approve various disbursements and sign cheques, respond to emails from tenant re snow removal.
18-Jan-2022	Deborah Hornbostel	.80	Telephone call from Joshua Valler of Barriston Law, obtain and review statement of claim, defence and motion record, forward to counsel, review and respond to email from Justin Papzian re same matter, provide RO and website link, sign disbursement cheque.
19-Jan-2022	Deborah Hornbostel	.60	Review emails from R. Nicholson re new PP and Barriston law documents, email to Josh to request unredacted motion material and changes to it, telephone call from Jamal of Axel Insurance re upcoming renewal of policy, review and respond to email from W. Henderson of Rowan Williams Davies.
20-Jan-2022	Deborah Hornbostel	.30	Review email from S. Erskine, telephone call with K. Avison, update team re H. Chaiton's client status.
21-Jan-2022	Deborah Hornbostel	.70	Review and comment on draft security opinion, review and respond to email from Josh Valler, review of new Avison Young progress report and update email from K. Avison, forward to team.
24-Jan-2022	Deborah Hornbostel	.50	Review email from J. Valler re Motion Record disclosure, forward email to R. Nicholson for consideration, review her response and send email to

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
			J. Valler, review email from K Avison, respond and provide wire transfer info for purchasers.
25-Jan-2022	Deborah Hornbostel	1.00	Review email from John DaRe re offer deposit held by him, email with R. Nicholson re same, review and respond to email from K. Avison re wire instructions, review email from Beard Winter re lien registration wrt Glen Schnarr & Associates, email back to request supporting documentation, forward email to TGF, receipt and review of RPN advance documentation from Teplitsky Coulson, forward to R. Nicholson, telephone call from Rita of Alectra Utilities re set-up of Receiver's accounts.
26-Jan-2022	Chahna Nathwani	.20	Requisition prepared and sent it to D. Hornbostel posting into Ascend.
26-Jan-2022	Deborah Hornbostel	.50	Review of supporting lien documentation from David Wilson re Glen Schnarr, forward to R. Nicholson, review and approve deposit voucher re Pattison Outdoor cheques, review email from Jathusan Ratnakumaran and default judgment re Urban metrics and respond, review new site inspection report re Essa property.
27-Jan-2022	Sheldon Title	.20	Review of Blake's email and email to D. Hornbostel on same.
27-Jan-2022	Deborah Hornbostel	.90	Review of correspondence from B. Larsen, telephone call with Kelly Avison, telephone call from T. Guergis re unsecured claim against 7 Gen, respond to B. Larsen's email, review and respond to email from T. Dolny.
28-Jan-2022	Sheldon Title	.20	email from Blake on sale process, consideration of Deborah's response thereto.
28-Jan-2022	Chahna Nathwani	.50	Depositing cheque to TD, email sent to Deborah on TD comment for Payee name.
28-Jan-2022	Chahna Nathwani	.60	Posting into Ascend, depositing cheque to bank.
28-Jan-2022	Deborah Hornbostel	2.10	Review of email from B. Larsen, forward it and previous day's email to R. Nicholas, email exchanges and telephone calls with K. Avison re various issues, draft response to B. Larsen email, circulate to team for comments, and issue to B. Larsen, various emails with R. Nicholson, banking issues re Pattison cheques, provide travel expenses for requisition.
31-Jan-2022	Sheldon Title	1.30	Emails with D. Hornbostel on deposits, offers received, e-telephone call.; review of offers and summary of offers received from Avison Young.

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
31-Jan-2022	Fatemah Khalfan	.60	Wire information requested from TD Bank; sent to D. Hornbostel; emails exchanged with TD Bank and D. Hornbostel on this.
31-Jan-2022	Deborah Hornbostel	1.80	Review bank account to verify receipt of wires. telephone calls with K. Avison re offers and deposits, discuss offers, telephone call and email from Mark Bristoll requesting Swift code, arrange provision thereof from TD and circulate, receipt and review of security opinion, emails with team re offer submissions, review summary of offers from K. Avison.
01-Feb-2022	Fatemah Khalfan	.10	Email sent to L. Perioris re checking sender details for a wire transfer.
01-Feb-2022	Deborah Hornbostel	1.20	Prepare for and attend meeting with team to discuss offers received and course of further action, respond to email from D. D. Richer for update, review email from T. Guergis and respond.
02-Feb-2022	Deborah Hornbostel	.50	Correspondence with tenant and Onroute Media re o/s payments, email exchange with Ian Aversa.
03-Feb-2022	Deborah Hornbostel	.70	Respond to telephone call and email from M Bristol of Typhon re offer submission, telephone call with K. Avison re offer submissions, receipt and review of summary of offers and APS of Ark Capital, emails with R. Nicholson re Ark offer concerns, review her email to K. Avison for further info
04-Feb-2022	Sheldon Title	.30	Emails with Hornbostel and Nicholson on proceeding with proposed transaction; email to Chaiton on decision to move forward with another bidder.
04-Feb-2022	Fatemah Khalfan	.30	Cheque returned back to office for Lockit Security; email sent out to their admin team to confirm address; cheque mailed out again.
04-Feb-2022	Fatemah Khalfan	.20	Received signed cheque requisition back from D. Hornbostel; put through Ascend for e-signing; printed cheque and mailed out.
04-Feb-2022	Fatemah Khalfan	.50	Two receipt vouchers prepared and sent to D. Hornbostel for signing; received back; receipts posted in Ascend and deposit slips printed.
04-Feb-2022	Deborah Hornbostel	3.80	Email from K. Avison re Ark offer considerations, approve disbursements, link offer deposits received with bidders for postings, approve billboard payment deposits and disbursements, email exchange with tenant re o/s rent, correspondence with counsel re Ark offer, increased deposit, guarantee agreement, offer amendments, assignment entity e-telephone call., review and approve agreements, respond to

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
			Eden of Teplitsky and I. Aversa of A&B re offer status, review and execute final APA and Guarantee documents, provide to counsel, check on status of incoming wire, review Johnata deposit return instructions, provide to Fatemah for ability to return with provided info, email to K. Avison to update and request return of funds instructions from each bidder.
07-Feb-2022	Fatemah Khalfan	.70	Emails exchanged with D. Hornbostel on Ascend account for returning Purchaser's deposit; prepared wire requisition for The Typhon Group; sent to D. Hornbostel and M. Lem for approval; authorized from my end.
07-Feb-2022	Fatemah Khalfan	.40	Email sent to L. Perioris at TD bank with copy of Void cheque, inquiring if we could obtain the wire information from it; received email back with some information; forwarded on to D. Hornbostel.
07-Feb-2022	Deborah Hornbostel	3.60	telephone call from Blake Larsen, update team re discussion and new approach re 7 Gen creditors, emails from K. Avison re APA, Mark Bristoll and Mapleview re deposit returns, instructions to F. Khalfan for processing, review files to ascertain lien and disputed 7 Gen claims info and email it to B. Larsen, emails with R. Nicholson re court report, approvals and date, email from tenant, confirm receipt and approve deposit requisition, commence court report drafting.
08-Feb-2022	Sheldon Title	.30	emails with Nicholson, Thornton and Hornbostel on message concerning potential application for bankrupt telephone call order and our proposed response thereto.
08-Feb-2022	Matthew Lem	.10	Wire authorizations.
08-Feb-2022	Fatemah Khalfan	2.70	New Ascend receipt account created; receipt vouchers x 9 prepared, for deposits received from purchasers, and sent to D. Hornbostel for review/signature; small phone call with D. Hornbostel on them; received signed vouchers back; posted to Ascend along with bank charges; wire requisitions prepared x4 and sent to D. Hornbostel for signing; received back and forwarded to M. Lem for his signature; received back and authorized all wires and sent to M. Lem for his authorization; saved all to client folder.
08-Feb-2022	Deborah Hornbostel	2.40	Attend to banking review and approvals re purchaser deposits and returns thereof via wires, respond to

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
			query from Mark of Typhon re deposit, telephone call from T. Guergis re 7 Gen liability and status of sale of assets, email from K. Avison re RPN wire info, review email and application record from J Papazian re bankrupt telephone call petition consent, circulate to team for review and comments, review R. Nicholson's responding emails.
09-Feb-2022	Sheldon Title	.20	Emails from/to Nicholson on claims process specifically as it relates to 7 Generations creditors.
09-Feb-2022	Fatemah Khalfan	.20	Proof of wire requested by a purchaser (Johnata Homes); sent proof to D. Hornbostel.
09-Feb-2022	Fatemah Khalfan	.70	Wire requisition prepared (RPN Finance) and sent to D. Hornbostel for review/signature; sent to M. Lem for second signature; received back; authorized wire and sent to M. Lem; received back and saved to client folder.
09-Feb-2022	Fatemah Khalfan	.80	Wire transaction postings done to Ascend; saved all authorizations to client folder; printed GL and sent to D. Hornbostel.
09-Feb-2022	Deborah Hornbostel	2.30	Review emails from Blake Larsen, correspondence with team re claims procedure for unsecured creditors, and B. Larsen emails, R. Nicholson's discussion with counsel requesting consent to bankrupt telephone call petition, review and respond to email from M Syed of Zeilder Architecture, report drafting, approve wire to return last purchaser deposit, review request from K. Avison wrt wire documentation for Johnata, obtain and provide, review and approve site inspection invoice.
10-Feb-2022	Matthew Lem	.10	Attend to wire authorization.
10-Feb-2022	Chahna Nathwani	.40	Prepared cheque requisition for Deborah - Richmond Advisory invoice, posting into Ascend, cheque processing and mailing.
10-Feb-2022	Fatemah Khalfan	.30	Modified wire authorization to RPN Finance and sent to M. Lem; received back and saved to client folder.
10-Feb-2022	Fatemah Khalfan	.40	Cheque requisition prepared for Lockit Key & Security and sent to D. Hornbostel for signing; received back; put through Ascend for e-signing.
10-Feb-2022	Deborah Hornbostel	6.50	Review email from J. Bogles re court date and report, update from R. Nicholson re new court date, telephone call from insurance agent re policy renewal, report drafting, email to R. Nicholson re incomplete security opinion.

DATE	PROFESSIONAL	HOURS	DETAILED TIME DESCRIPTIONS
11-Feb-2022	Fatemah Khalfan	.30	Cheque printed for Lockit Key & Security; arranged for mailing; sent email to vendor with copy of cheque advising that it was being mailed out today.
11-Feb-2022	Fatemah Khalfan	.60	Sorted through mail for 2738283 Ontario Inc. et al for an Alectra utility bill for 320 Mapleview Drive West; scanned water bill and tax bills to D. Hornbostel; prepared two cheque requisitions - Alectra Utilities - and sent to D. Hornbostel for signing; received back, put through Ascend for e-signing.
11-Feb-2022	Deborah Hornbostel	5.60	Report drafting, receipt and review of correspondence from City of Barrie, Alectra bills and water bills, approve required cheques requisitions and cheques, instructions to F. Khalfan wrt water a/c, emails with tenant re hydro usage, update from K. Avison re final marketing report, update to S. Title.
12-Feb-2022	Deborah Hornbostel	.20	Review and respond to Sergiy Shchavyelyev of Equityline.
13-Feb-2022	Sheldon Title	.40	Start work on revising report, request F. Khalfan reformat report first.
15-Feb-2022	Deborah Hornbostel	.60	Review correspondence from B. Larsen, forward to S. Title and R. Nicholson, review emails between I. Avera and R. Nicholson, emails with R. Nicholson, receipt of final Avison marketing report, forward to S. Title.
16-Feb-2022	Sheldon Title	1.40	Work on report.
17-Feb-2022	Sheldon Title	.50	Call with Thornton, Nicholson, and Hornbostel re: claims process.
17-Feb-2022	Deborah Hornbostel	.40	Attend mtg with TGF to discuss 7 generations related creditors.
18-Feb-2022	Deborah Hornbostel	.10	Review update from R. Nicholson re discussion with J. Bogels.
22-Feb-2022	Sheldon Title	3.50	Revisions to report and forward same to D. Hornbostel.
22-Feb-2022	Deborah Hornbostel	.40	Review and respond to email from B. Stanton for update, review voice and email from T. Guergis and respond.

SUMMARY OF TIME CHARGES

Professional	Average Hourly Rate	Hours	Amount
Glenn Willis	\$645.00	.50	\$322.50
Deborah Hornbostel	\$645.00	183.80	\$118,551.00
Sheldon Title	\$645.00	28.80	\$18,576.00
Matthew Lem	\$600.00	.30	\$180.00
Eddie Gao	\$470.00	4.00	\$1,880.00
Bonnie Ren	\$332.00	3.20	\$1,062.40
Chahna Nathwani	\$222.00	6.80	\$1,509.60
Fatemah Khalfan	\$222.00	35.80	\$7,947.60
TOTAL		263.20	\$150,029.10

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.
AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 as amended,
and section 101 of the *Courts of Justice Act*, RSO 1990, c C.43, as amended**

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC**

Respondents

Court File No.: CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

**AFFIDAVIT OF DEBORAH HORNBOSTEL
Sworn February 24, 2022**

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Lawyers for the Court-Appointed Receiver, MNP Ltd.

APPENDIX “J”

Fee Affidavit of Robert Thornton sworn March 3, 2022

APPENDIX "J"

Court File No. CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N :

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC.,
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**AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy
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Courts of Justice Act, RSO 1990, c C.43, as amended**

**AFFIDAVIT OF ROBERT I. THORNTON
(Sworn March 3, 2022)**

I, ROBERT I. THORNTON, of the City of Toronto, in the Province of Ontario,
MAKE OATH AND SAY AS FOLLOWS:

1. I am a barrister and solicitor qualified to practice law in the Province of Ontario and I am a partner at Thornton Grout Finnigan LLP (“TGF”), lawyers for MNP Ltd., the Court-appointed receiver of the Respondents (the “Receiver”). As such, I have knowledge of the matters to which I hereinafter depose. Unless I indicate to the contrary, the facts herein are within my personal knowledge and are true. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. Attached hereto as **Exhibit “A”** are copies of the bills of costs issued to the Receiver by TGF for fees and disbursements incurred by TGF through the course of these proceedings between October 12, 2021 through to February 28, 2022.
3. Attached hereto as **Exhibit “B”** is a schedule summarizing the bills of costs in Exhibit “A”, the total billable hours charged per invoice, the total fees charged per invoice and the average hourly rate charged per invoice.
4. Attached hereto as **Exhibit “C”** is a schedule summarizing the respective years of call and billing rates of each of the solicitors at TGF who acted for the Receiver.
5. To the best of my knowledge, the rates charged by TGF throughout the course of these proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services.
6. The hourly billing rates outlined in **Exhibit “C”** to this affidavit are comparable to the hourly rates charged by TGF for services rendered in relation to similar proceedings.
7. I make this affidavit in support of a motion by the Receiver for, *inter alia*, approval of the fees and disbursements of the Receiver’s counsel.

SWORN remotely via video conference by ROBERT I. THORNTON from the Town of Manalapan, in the State of Florida, before me at the City of Toronto, in the Province of Ontario, on this 3rd day of March, 2022, in accordance with *O. Reg. 431/20, Administering Oath or Declaration Remotely.*



Commissioner for Taking Affidavits



ROBERT I. THORNTON

This is Exhibit "A" referred to in the Affidavit of Robert I. Thornton sworn remotely via video conference by ROBERT I. THORNTON from the Town of Manalapan, in the State of Florida, before me at the City of Toronto, in the Province of Ontario, on this 3rd day of March, 2022, in accordance with *O. Reg. 431/20, Administering Oath or Declaration Remotely.*



A Commissioner for taking affidavits

EXHIBIT "A"

Court File No. CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC.,
2738284 ONTARIO INC. and 2738285 ONTARIO INC.**

**AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy and
Insolvency Act*, R.S.C. 1985, c. B-3 as amended, and section 101 of the
Courts of Justice Act, RSO 1990, c C.43, as amended**

**FIRST BILL OF COSTS OF THE SOLICITORS TO THE COURT
APPOINTED RECEIVER**

For the period October 12, 2021 to November 30, 2021

Oct-12-21	Email from S. Title with respect to new receivership mandate; emails with respect to conflict searches; emails with R. Thornton with respect to same; emails with respect to timing for call;	0.50	RN
Oct-15-21	Emails with R. Thornton with respect to receivership mandate;	0.10	RN
Oct-18-21	Call with D. Hornbostel to discuss mandate; update call with R. Thornton with respect to same; email to D. Hornbostel with respect to draft order and affidavit;	0.80	RN
Oct-19-21	Review and consider draft affidavit and order; send summary of same to R. Thornton; email to D. Hornbostel with respect to same;	2.30	RN
Oct-26-21	Review Application Record; emails with R. Thornton with respect to court appearance; email to D. Richer with respect to order; call with D. Richer to discuss matter; draft and send email to D. Hornbostel summarizing same;	2.60	RN
Oct-28-21	Emails with respect to case website;	0.10	RN

Nov-01-21	Emails with respect to scheduling call to discuss development in case; emails with R. Thornton with respect to same; receive update email from D. Hornbostel; emails with R. Thornton with respect to same; email from D. Richer with respect to proposed purchaser and respond to same;	0.40	RN
Nov-04-21	Emails with R. Thornton with respect to draft order;	0.20	RN
Nov-05-21	Review update with respect to offer on property received; review factum; emails to R. Thornton with respect to same;	0.40	RN
Nov-08-21	Emails with D. Richer with respect to scheduling call; emails with S. Title with respect to call; attend call with MNP and Fasken; review offer received; call with D. Richer with respect to same; emails with MNP with respect to same;	1.80	RN
Nov-09-21	Email to D. Richer with respect to Receivership application; prepare for application returnable today; review offer received and listing agreement; emails with respect to same; attending hearing; receive and review responding application record; numerous emails with respect to same; calls with each of S. Title, D. Richer and R. Thornton with respect to same; attend second hearing; follow up call with S. Title;	4.00	RN
Nov-10-21	Receive and review endorsement of Justice Penny; emails with respect to same; emails with respect to scheduling call with Receiver; attend conference call with Receiver; email to real estate counsel with respect to conflict search; email with respect to security review; review and provide comments on draft acknowledgment; review letter to B. Larsen; review draft email to potential purchasers; review email from J. DaRe; emails with MNP with respect to same; email to A. Ho with respect to security review;	3.00	RN
Nov-11-21	Email R. Manea regarding corporate searches;	0.10	AHO
	Review and revise service list; email same to Receiver; emails with respect to scheduling call with I. Aversa; review revised draft acknowledgment and direction; call with broker representing interested party; attend call with I. Aversa and Receiver; emails with real estate counsel;	2.40	RN
	Instructions from R. Nicholson regarding A&D and same; email to R. Nicholson;	0.30	RGM
Nov-12-21	Review email from J. Bogle; emails with respect to same; call with J. Born; email to Receiver with respect to sale process; draft responding email to J. Bogle and send to Receiver for review;	1.00	RN
	Instructions from A. Ho and attend to BIA, Bank Act and PPSA searches regarding 2738283 Ontario Inc. , 2738284 Ontario Inc. and 2738285 Ontario Inc.; instructions from R. Nicholson regarding research to determine whether properties are still listed on MLS and attend to same; respond to email from R. Nicholson;	1.20	RGM

Nov-15-21	Review email from J. DaRe; email to Receiver with respect to same; respond to same;	0.20	RN
Nov-17-21	Reviewing security documents for opinion and email R. Nicholson and R. Thornton regarding the same;	0.50	AHO
	Review letter from B. Larsen to the Receiver; email to Receiver with respect to same; email to I. Aversa; review letter from Receiver to B. Larsen;	0.80	RN
Nov-18-21	Review and respond to email from A. Ho with respect to security;	0.20	RN
Nov-20-21	Review of zoning application documents and email from Aird & Berlis; email to Receiver with respect to same; instructions to R. Manea with respect to searches;	1.00	RN
Nov-21-21	Review and consider listing proposals received; email to Receiver with respect to same;	0.40	RN
Nov-22-21	Conference call with Receiver to discuss proposals and next steps; review searches received;	0.60	RN
	Instructions from R. Nicholson and attend to corporate and PPSA searches (BC) with respect to 7 Generations Development Group Limited;	0.20	RGM
Nov-23-21	Review and revise letter to debtor; review and respond to emails regarding debtor information and non-cooperation;	0.50	RIT
	Reviewing security documents and emails with R. Nicholson regarding additional searches;	0.80	AHO
	Emails with respect to draft security opinion; draft letter to J. Bogle; send same to R. Thornton for review; revise same and send to MNP for review; emails with respect to information provided from B. Larsen; emails with R. Thornton with respect to engineering reports;	1.40	RN
Nov-24-21	Review and consider revised proposals from listing agents; emails with Receiver with respect to same; call with R. Thornton to discuss use of reports in data room; call with D. Hornbostel with respect to same and listing proposals received;	1.10	RN
Nov-25-21	Review 7 Generations Project Management Agreement; email to Receiver with respect to same; emails with respect to listing agreement; draft template Non-Disclosure Agreement for data room; send same to R. Thornton for review; email to D. Hornbostel; emails with respect to listing agreement;	1.50	RN
Nov-26-21	Review and respond to emails; telephone call with R. Nicholson regarding existing offer versus process;	0.50	RIT
	Review draft listing agreement and schedules thereto; review email from R. Manea with respect to municipal address; review and revise	2.30	RN

draft letter to J. Bogle; issue same; emails with respect to interested purchaser; call with R. Thornton with respect to same; meeting with Receiver to discuss same; email to purchaser's counsel; call with purchaser's counsel to discuss offer; email to Receiver with respect to same;

	Email from R. Nicholson regarding municipal addresses for PINs in Listing Agreements and review schedules with respect to same; conduct MPAC PropertyLine searches (x4) with respect to addresses and business owners, review and consider same; obtain Teranet PIN map with respect to location of properties; detailed email to R. Nicholson regarding confirmation of municipal addresses, roll numbers, and revisions to schedule in Listing Agreement; further instructions from R. Nicholson and revise Schedule to Listing Agreement with municipal addresses of properties;	1.60	RGM
Nov-28-21	Emails with each of Receiver and R. Thornton with respect to potential capital gains tax as a result of sale; review and consider section 159 of Income Tax Act; email to J. Bogle with respect to information requests;	0.70	RN
Nov-29-21	Draft email update to Fasken; emails with respect to same; call with counsel to potential bidder; draft and send summary of same to Receiver; emails with respect to same; emails with respect to scheduling strategy call with Receiver;	1.20	RN
	Research on tax liability of Court-Appointed Receiver under section 159 of the Income Tax Act;	2.50	KC
Nov-30-21	Receive and review emails regarding process; telephone call with R. Nicholson; prepare for and conference call with client regarding strategic decision on process; receive and review emails regarding same;	0.60	RIT
	Drafting template Asset Purchase Agreement; email to counsel for potential purchaser; email to J. Bogle with respect to information requests; review and consider commitment letter; meeting with Receiver to discuss strategy and sale process; emails with respect to correct municipal address for property; draft email to purchaser's counsel; call with purchaser's counsel; emails with respect to same; draft and send update email to A. Kauffman and D. Richer; send draft template Asset Purchase Agreement to R. Thornton for review;	5.40	RN
	Emails with R. Nicholson regarding municipal addresses of the 4 PINs;	0.50	RGM

And to all other necessary telephone communications, attendances and correspondence with respect to the conduct of this matter.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Robert I. Thornton	1.60	\$1,175.00	1,880.00
Adrienne Ho	1.40	\$600.00	840.00
Rachel Nicholson	36.40	\$600.00	21,840.00
Katherine Chan (Student)	2.50	\$300.00	750.00
Roxana Manea (Law Clerk)	3.80	\$275.00	1,045.00
TOTAL FEE HEREIN			\$26,355.00
HST on Fees			<u>\$3,426.15</u>
Total Fees and HST			\$29,781.15
<u>Disbursements:</u>			
Computer Research			\$4.07
Fee for searches/registrations			\$227.75
Disbursements for searches/registrations*			\$85.34
MPAC Searches			\$25.00
Bankruptcy Searches*			<u>\$24.00</u>
Total Taxable Disbursements			\$256.82
HST on Disbursements			\$33.39
Total Non-Taxable Disbursements			<u>\$109.34</u>
Total Disbursements and HST			<u>\$399.55</u>
Total Fees, Disbursements & HST			<u>\$30,180.70</u>
OUR ACCOUNT HEREIN			<u>\$30,180.70</u>

Thornton Grout Finnigan LLP

Per: 
 Rachel Nicholson

GST No. 87042 1039RT

Matter No. 1492-002

Invoice No. 37675

Date: Dec 17/21

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6.00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.
AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 as amended, and section 101 of the
Courts of Justice Act, RSO 1990, c C.43, as amended

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC**

Respondents

Court File No.: CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

**FIRST BILL OF COSTS OF THE SOLICITORS TO THE
COURT APPOINTED RECEIVER**

Thornton Grout Finnigan LLP
Toronto-Dominion Centre
100 Wellington Street West
Suite 3200, P.O. Box 329
Toronto, ON M5K 1K7
Fax: 416-304-1313

Robert I. Thornton (LSO# 41877E)
Tel: 416-304-0560 / Email: rthornton@tgf.ca

Rachel A. Nicholson (LSO# 68348V)
Tel: 416-304-1153 / Email: rnicholson@tgf.ca

Lawyers for MNP Ltd., the Court-Appointed Receiver

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N :

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC.,
2738284 ONTARIO INC. and 2738285 ONTARIO INC.**

**AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy and
Insolvency Act*, R.S.C. 1985, c. B-3 as amended, and section 101 of the
Courts of Justice Act, RSO 1990, c C.43, as amended**

**SECOND BILL OF COSTS OF THE SOLICITORS TO THE
COURT APPOINTED RECEIVER**

For the period December 1, 2021 to December 31, 2021

Dec-01-21	Review and provide comments on draft listing agreement; review offer received and emails with respect to same; emails with respect to information for data room; review letter from B. Larsen to Receiver; emails with respect to same;	1.30	RN
Dec-02-21	Review information provided by B. Larsen and comments from D. Hornbostel with respect to same; email with respect to same; revise draft asset purchase agreement; send same to J. Born for review;	1.40	RN
Dec-03-21	Emails with respect to scheduling call with Receiver; review and consider memorandum with respect to tax liability; email with R. Thornton with respect to same; conference call with client; emails with respect to tax assessments;	1.50	RN
Dec-04-21	Review closing book and email to Receiver with respect to same; review tax certificates; review and provide comments on draft brochure; emails with respect to same; review commitment letter from interested party and email from counsel; respond to same;	1.00	RN
Dec-05-21	Review and provide comments on revised draft template	0.80	RN

Non-Disclosure Agreement;

Dec-06-21	Review comparison of Non-Disclosure Agreements; email to Receiver with respect to same; review email from counsel to interested party and response from Receiver regarding sale process;	0.40	RN
	Emails with R. Nicholson regarding revised CA and Agency Disclosure Forms; prepare blacklines and provide to R. Nicholson;	0.50	RG M
Dec-07-21	Emails with respect to draft Non-Disclosure Agreements and provide further comment with respect to same; email with respect to draft brochure;	0.40	RN
Dec-10-21	Review draft letters to tenants; emails with respect to same; review tenancy agreement; email with K. Avison with respect to same;	0.80	RN
Dec-13-21	Review and respond to email from counsel to interested party; email to K. Avison with respect to same; review emails with respect to tenants on properties; email to R. Thornton with respect to same; review data room and emails with respect to same; call with K. Avison with respect to same;	1.50	RN
Dec-14-21	Review and consider comments on draft Asset Purchase Agreement template; email to J. Born with respect to same; review email from counsel to mortgagee and emails with respect to same; draft and send email to counsel for mortgagee; call with J. Born to discuss comments on Asset Purchase Agreement; revise same and circulate to Receiver for review; email with respect to data room access;	2.20	RN
Dec-15-21	Prepare draft letter to suppliers; send same to R. Thornton for review;	0.40	RN
Dec-16-21	Review and consider email from D. Hornbostel with respect to draft template asset purchase agreement and respond to same;	0.20	RN
Dec-17-21	Review comments on draft Asset Purchase Agreement; review emails with respect to payment of property taxes and consider same; respond to same; call with S. Title to discuss same and Asset Purchase Agreement; email to J. Bogle to schedule call; review progress report;	1.00	RN
Dec-19-21	Revise draft Asset Purchase Agreement to incorporate Receiver's comments; email to R. Thornton with respect to same;	0.70	RN
Dec-20-21	Review and comment on client revisions to Asset Purchase Agreement; review and respond to emails regarding same;	0.30	RIT
	Review R. Thornton comments on draft Asset Purchase Agreement and revise same; send same to Receiver for review; revise draft letter to suppliers and send same to Receiver for review; call with D. Hornbostel to discuss tenant; email draft Asset Purchase Agreement to Avison Young; receive comments on draft letter from Receiver and revise same; circulate same; receive and review Notice and Statement of Receiver;	1.70	RN
Dec-21-21	Review and respond to inquiry with respect to utility accounts and review of Order with respect to same;	0.20	RN

Dec-24-21	Review inquiry from D. Richer with respect to draft Non-Disclosure Agreement and respond to same;	0.20	RN
Dec-27-21	Email with respect to Non-Disclosure Agreement;	0.10	RN
Dec-30-21	Emails with D. Richer and Receiver with respect to scheduling call to discuss sale process;	0.20	RN

And to all other necessary telephone communications, attendances and correspondence with respect to the conduct of this matter.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Robert I. Thornton	0.30	\$1,175.00	352.50
Rachel Nicholson	16.00	\$600.00	9,600.00
Roxana Manea (Law Clerk)	0.50	\$275.00	137.50
TOTAL FEE HEREIN			\$10,090.00
HST on Fees			<u>\$1,311.70</u>
Total Fees and HST			\$11,401.70
<u>Disbursements:</u>			
Computer Research			<u>\$52.04</u>
Total Taxable Disbursements			\$52.04
HST on Disbursements			\$6.77
Total Non-Taxable Disbursements			<u>\$0.00</u>
Total Disbursements and HST			<u>\$58.81</u>
Total Fees, Disbursements & HST			<u>\$11,460.51</u>
OUR ACCOUNT HEREIN			<u>\$11,460.51</u>

Thornton Grout Finnigan LLP



Per:

Rachel Nicholson

GST No. 87042 1039RT

Matter No. 1492-002

Invoice No. 37733

Date: Jan 12/22

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6.00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.
AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 as amended, and section 101 of the
Courts of Justice Act, RSO 1990, c. C.43, as amended

PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and **PS HOLDINGS 3 LLC**

Applicants

2738283 ONTARIO INC., 2738284 ONTARIO INC.
and **2738285 ONTARIO INC**

Respondents

Court File No.: CV-21-00670723-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

SECOND BILL OF COSTS OF THE SOLICITORS TO
THE COURT APPOINTED RECEIVER

Thornton Grout Finnigan LLP

Toronto-Dominion Centre
100 Wellington Street West
Suite 3200, P.O. Box 329
Toronto, ON M5K 1K7
Fax: 416-304-1313

Robert I. Thornton (LSO# 41877E)

Tel: 416-304-0560 / Email: rthornton@tgf.ca

Rachel A. Nicholson (LSO# 68348V)

Tel: 416-304-1153 / Email: rnicholson@tgf.ca

Lawyers for the Court-Appointed Receiver

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N :

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC.,
2738284 ONTARIO INC. and 2738285 ONTARIO INC.**

**AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy and
Insolvency Act*, R.S.C. 1985, c. B-3 as amended, and section 101 of the
Courts of Justice Act, RSO 1990, c C.43, as amended**

**THIRD BILL OF COSTS OF THE SOLICITORS TO THE COURT
APPOINTED RECEIVER**

For the period January 1, 2022 to January 31, 2022

Jan-03-22	Emails with respect to discussion with H. Chaiton and interested purchaser;	0.30	RN
Jan-04-22	Review of emails and prepare for call with R. Nicholson regarding next steps and call with H. Chaiton; review and respond to emails regarding same and telephone call with R. Nicholson regarding call with client;	1.50	RIT
	Call with D. Hornbostel and S. Title; conference call with Receiver and Fasken; call and leave message for J. DaRe; call with R. Thornton to discuss interest in properties; emails regarding discussion with B. Larsen; call with J. DaRe with respect to sale of property; call with H. Chaiton with respect to same; follow up call with R. Thornton; draft and send summary of call to Receiver; call with S. Title to discuss same; call with R. Thornton to discuss same;	4.30	RN
	Emails with R. Nicholson regarding preparation of chart of mortgages;	0.20	RGM
Jan-05-22	Call with S. Title;	0.30	RN
Jan-06-22	Review of emails regarding total liabilities; review and respond to	0.40	RIT

	emails regarding next steps;		
	Review of chart outlining outstanding known liabilities; emails with respect to same; review of chart summarizing PIN registrations; emails with R. Manea with respect to same;	0.30	RN
	Obtain updated PINs (x4) and charge instruments registered on same; review same and prepare chart of registered mortgages and notes on same; email to R. Nicholson regarding chart of mortgages;	2.80	RGM
Jan-07-22	Review progress report and email to Receiver with respect to same;	0.10	RN
	Email from R. Nicholson regarding revisions to summary of charges chart to add municipal addresses and outstanding mortgage amounts provided by the receiver; revise chart accordingly;	0.50	RGM
Jan-09-22	Email with respect to data room access;	0.10	RN
Jan-10-22	Prepare for and telephone call with client regarding sales process; review and respond to email to H. Chaiton;	0.40	RIT
	Attend conference call with Receiver; draft and send email to H. Chaiton; emails with Avison Young with respect to access to data room;	0.60	RN
Jan-11-22	Call with interested bidder; email with respect to security packages;	0.40	RN
Jan-12-22	Emails to J. Born with respect to security documents and real estate opinion;	0.30	RN
Jan-14-22	Receive expression of interest and email with respect to same;	0.10	RN
Jan-18-22	Email from counsel to potential purchaser to schedule call; respond to same; review email and court documents from D. Hornbostel with respect to litigation against respondents; respond to same;	0.30	RN
Jan-19-22	Call with counsel to interested purchaser; update email to Receiver with respect to same;	0.30	RN
Jan-20-22	Emails with R. Manea and R. Nicholson regarding searches; review updated PPSA searches for debtors and email R. Nicholson regarding the same;	0.60	AHO
	Review and consider draft real estate security opinion; emails with respect to PPSA searches; emails with respect to data room access;	0.80	RN
	Emails with A. Ho and R. Nicholson regarding updated search with respect to debtor companies; attend to ePPSA searches;	0.40	RGM
Jan-21-22	Emails with respect to security opinion; review progress report;	0.40	RN
Jan-24-22	Review and consider email with respect to solicitor removal motion; email to D. Hornbostel with respect to same; email with respect to wire transfer instructions;	0.30	RN
Jan-25-22	Email from J. DaRe with respect to bidder deposit; email with respect to construction lien filed and review same; send same to real estate	0.40	RN

counsel for review;

Jan-26-22	Email with respect to construction lien;	0.10	RN
Jan-28-22	Emails with respect to bidder access to data room; emails with respect to letter from B. Larsen; review response to same; emails with respect to same;	1.00	RN
Jan-30-22	Review finalized security opinion; email same to Receiver;	0.20	RN
Jan-31-22	Review update with respect to offers received; emails with respect to scheduling call to discuss same; review summary of bids received; review APAs received;	1.00	RN

And to all other necessary telephone communications, attendances and correspondence with respect to the conduct of this matter.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>	
Robert I. Thornton	2.30	\$1,250.00	2,875.00	
Adrienne Ho	0.60	\$675.00	405.00	
Rachel Nicholson	11.60	\$675.00	7,830.00	
Roxana Manea (Law Clerk)	3.90	\$325.00	1,267.50	
TOTAL FEE HEREIN			\$12,377.50	
HST on Fees			<u>\$1,609.08</u>	
Total Fees and HST				\$13,986.58

Disbursements:

Fee for searches/registrations	\$117.50	
Disbursements for searches/registrations*	<u>\$40.00</u>	
Total Taxable Disbursements	\$117.50	
HST on Disbursements	\$15.28	
Total Non-Taxable Disbursements	<u>\$40.00</u>	
Total Disbursements and HST		<u>\$172.78</u>
Total Fees, Disbursements & HST		<u>\$14,159.36</u>
OUR ACCOUNT HEREIN		<u>\$14,159.36</u>

Thornton Grout Finnigan LLP



Per:

Rachel Nicholson

GST No. 87042 1039RT
Matter No. 1492-002
Invoice No. 37841
Date: Feb 08/22

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6.00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.
AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 as amended, and section 101 of the
Courts of Justice Act, RSO 1990, c. C.43, as amended

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC**

Respondents

Court File No.: CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

**THIRD BILL OF COSTS OF THE SOLICITORS TO THE
COURT APPOINTED RECEIVER**

Thornton Grout Finnigan LLP

Toronto-Dominion Centre
100 Wellington Street West
Suite 3200, P.O. Box 329
Toronto, ON M5K 1K7
Fax: 416-304-1313

Robert I. Thornton (LSO# 41877E)

Tel: 416-304-0560 / Email: rthornton@tgf.ca

Rachel A. Nicholson (LSO# 68348V)

Tel: 416-304-1153 / Email: rnicholson@tgf.ca

Lawyers for the Court-Appointed Receiver

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N :

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

- and -

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC.,
2738284 ONTARIO INC. and 2738285 ONTARIO INC.**

**AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy and
Insolvency Act*, R.S.C. 1985, c. B-3 as amended, and section 101 of the
Courts of Justice Act, RSO 1990, c C.43, as amended**

**FOURTH BILL OF COSTS OF THE SOLICITORS TO THE
COURT APPOINTED RECEIVER**

For the period February 1, 2022 to February 28, 2022

Feb-01-22	Attend conference call to discuss offers received; review email with D. Richer providing update on sale process;	0.70	RN
Feb-02-22	Draft and send update to R. Thornton on status of sale process; review email to I. Aversa with respect to update on sale process;	0.20	RN
Feb-03-22	Review and consider bids received; review Asset Purchase Agreement received; email to Receiver with respect to same; email to K. Avison with respect to same;	0.40	RN
Feb-04-22	Emails with respect to revised bid and guarantee; consider same; calls (x2) with counsel to potential bidder to discuss next steps; email to Receiver with respect to same; review revised APA; emails with respect to same; review and provide comments on draft guarantee; emails with respect to same; review updates to creditors; emails with respect to Asset Purchase Agreement and guarantee; receive executed versions of same and wire confirmation; call with R. Thapar; receive executed agreements and circulate same; send update to K. Avison; emails with respect to same;	3.00	RN
	Instructions from R. Nicholson and attend to corporate and business name searches regarding 2771280 Ontario Inc. and Charger Logistics	0.60	RGM

	Inc.; additional searches to locate business name Ark Capital Group and email to R. Nicholson regarding same; further instructions from R. Nicholson regarding corporate search with respect to Essa Road Development and attempt to locate entity; attend to cross-Canada search and email to R. Nicholson regarding same;		
Feb-07-22	Emails with respect to court availability for motion; emails with Receiver with respect to same; emails with respect to relief to be sought;	0.40	RN
Feb-08-22	Review and respond to emails regarding possible bankruptcy application;	0.20	RIT
	Review Commercial List Request Form and send same to J. Bogle for execution; review draft motion with respect to bankruptcy assignment by creditor; emails with Receiver with respect to same; email to J. Papazian with respect to same;	0.60	RN
Feb-09-22	Emails with Receiver with respect to emails from B. Larsen; emails with respect to claims process; call with J. Papazian to discuss creditor's bankruptcy petition; draft and send summary of call to Receiver;	0.60	RN
Feb-10-22	Emails with respect to scheduling court motion; circulate calendar invitation;	0.30	RN
Feb-11-22	Emails with respect to real estate opinion;	0.10	RN
Feb-15-22	Review and respond to emails regarding claims process;	0.20	RIT
	Review of Management Agreement; call with R. Thornton to discuss same; review and consider letter from B. Larsen to Receiver; emails with respect to same; review of Avison Young final progress report; emails with Receiver with respect to claims process and scheduling call to discuss same;	1.30	RN
Feb-17-22	Prepare for and call with clients and R. Nicholson regarding claims process, sale approval and involvement of 7 Generations;	0.50	RIT
	Conference call with Receiver to discuss claims process; email to J. Bogle with respect to scheduling call;	0.60	RN
Feb-18-22	Call with J. Bogle to discuss claims process; email to Receiver with respect to same;	0.20	RN
Feb-23-22	Emails with J. Bogle with respect to claims process;	0.10	RN
Feb-24-22	Call with J. Bogle; emails with respect to scheduling call with Receiver;	0.30	RN
Feb-25-22	Prepare for and conference call with client and R. Nicholson regarding disclosure of purchase price; review and respond to emails regarding bankruptcy;	0.50	RIT
	Conference call with Receiver to discuss disclosure of purchase price; emails with J. Papazian with respect to case conference to schedule lift stay motion; emails to Receiver with respect to same;	0.60	RN
Feb-27-22	Review of draft order and emails regarding same;	0.30	RIT
	Draft Approval and Vesting Order; emails with R. Thornton with respect to same; revise same; drafting Claims Process Order; send same to R.	2.80	RN

	Thornton for review;		
Feb-28-22	Review of Claims Process Order; review and respond to emails regarding same;	0.60	RIT
	Emails with respect to fee affidavit; email draft Approval and Vesting Order to client for review and to real estate counsel for review; review comments on draft Claims Process Order and revise same; email same to Receiver for review; review comments on draft orders and emails with respect to same; revisions to draft orders and circulate same for review; call with D. Hornbostel with respect to report and construction lien; email to J. Hardy with respect to construction lien; revise draft Approval and Vesting Order; review and revise draft Receiver's Report;	5.40	RN

And to all other necessary telephone communications, attendances and correspondence with respect to the conduct of this matter.

<u>Lawyer</u>	<u>Hours</u>	<u>Rate</u>	<u>Amount</u>
Robert I. Thornton	2.30	\$1,250.00	2,875.00
Rachel Nicholson	17.60	\$675.00	11,880.00
Roxana Manea (Law Clerk)	0.60	\$325.00	195.00
TOTAL FEE HEREIN			\$14,950.00
HST on Fees			<u>\$1,943.50</u>
Total Fees and HST			\$16,893.50
<u>Disbursements:</u>			
Teranet Document Retrieval			\$18.00
Teranet Property Search			\$93.90
Teranet Property Search*			\$40.90
Wilboer Dellelce Invoice No. 680394			<u>\$7,495.35</u>
Total Taxable Disbursements			<u>\$7,607.25</u>
HST on Disbursements			\$988.94
Total Non-Taxable Disbursements			<u>\$40.90</u>
Total Disbursements and HST			<u>\$8,637.09</u>
Total Fees, Disbursements & HST			<u>\$25,530.59</u>
OUR ACCOUNT HEREIN			<u>\$25,530.59</u>

Thornton Grout Finnigan LLP



Per:

Rachel Nicholson

GST No. 87042 1039RT
Matter No. 1492-002
Invoice No. 37944
Date: Mar 01/22

Terms: Payment due upon receipt. Any disbursements not posted to your account on the date of this statement will be billed later. In accordance with Section 35 of The Solicitor's Act, interest will be charged at the rate of 6:00 % per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this Statement is delivered.

IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.
AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 as amended, and section 101 of the
Courts of Justice Act, RSO 1990, c C.43, as amended

PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and **PS HOLDINGS 3 LLC**

Applicants

2738283 ONTARIO INC., 2738284 ONTARIO INC.
and **2738285 ONTARIO INC**

Respondents

Court File No.: CV-21-00670723-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

FOURTH BILL OF COSTS OF THE SOLICITORS TO
THE COURT APPOINTED RECEIVER

Thornton Grout Finnigan LLP

Toronto-Dominion Centre
100 Wellington Street West
Suite 3200, P.O. Box 329
Toronto, ON M5K 1K7
Fax: 416-304-1313

Robert I. Thornton (LSO# 41877E)

Tel: 416-304-0560 / Email: rthornton@tgf.ca

Rachel A. Nicholson (LSO# 68348V)

Tel: 416-304-1153 / Email: rmicholson@tgf.ca

Lawyers for the Court-Appointed Receiver

This is Exhibit "B" referred to in the Affidavit of Robert I. Thornton sworn remotely via video conference by ROBERT I. THORNTON from the Town of Manalapan, in the State of Florida, before me at the City of Toronto, in the Province of Ontario, on this 3rd day of March, 2022, in accordance with *O. Reg. 431/20, Administering Oath or Declaration Remotely.*



A Commissioner for taking affidavits

EXHIBIT “B”

**Calculation of Average Hourly Billing Rates of
Thornton Grout Finnigan LLP
for the period October 12, 2021 to February 28, 2022**

Invoice #	Fees	Disb.	HST	Total Hours	Average Hourly Rate	Total (Fees, Disb., HST)
First Bill of Costs 37675	\$26,355.00	\$366.16	\$3,459.54	45.70	\$576.70	\$30,180.70
Second Bill of Costs 37733	\$10,090.00	\$52.04	\$1,318.47	16.80	\$600.60	\$11,460.51
Third Bill of Costs 37841	\$12,377.50	\$157.50	\$1,624.36	18.40	\$672.70	\$14,159.36
Fourth Bill of Costs 37944	\$14,950.00	*\$7,648.15	\$2,932.44	20.50	\$729.30	\$25,530.59
TOTAL	\$63,772.50	\$8,223.85	\$9,334.81	101.40	\$644.83	\$81,331.16

*Disbursement reflects invoice from Wildeboer Dellelce LLP, real estate counsel to Thornton Grout Finnigan LLP in these proceedings.

This is Exhibit "C" referred to in the Affidavit of Robert I. Thornton sworn remotely via video conference by ROBERT I. THORNTON from the Town of Manalapan, in the State of Florida, before me at the City of Toronto, in the Province of Ontario, on this 3rd day of March, 2022, in accordance with *O. Reg. 431/20, Administering Oath or Declaration Remotely.*



A Commissioner for taking affidavits

EXHIBIT “C”

Billing Rates of Thornton Grout Finnigan LLP

For the period October 12, 2021 to December 31, 2021

	<u>Position</u>	<u>Rate</u>	<u>Year of Call</u>
Robert I. Thornton	Partner	\$1,175	1984
Rachel Nicholson	Associate	\$600	2015
Adrienne Ho	Associate	\$600	2015
Katherine Chan	Student	\$300	
Roxana Manea	Law Clerk	\$275	

For the period January 1, 2022 to February 28, 2022

	<u>Position</u>	<u>Rate</u>	<u>Year of Call</u>
Robert I. Thornton	Partner	\$1,250	1984
Rachel Nicholson	Associate	\$675	2015
Adrienne Ho	Associate	\$675	2015
Roxana Manea	Law Clerk	\$325	

APPENDIX “K”
ReMax Listing Agreement (Redacted)

Form 810

For use in the Province of Ontario

APPENDIX "K"

The REALTOR® Consumer Relationship

In Ontario, the real estate profession is governed by the Real Estate and Business Brokers Act, 2002, and Associated Regulations (REBBA 2002 or Act), administered by the Real Estate Council of Ontario (RECO). All Ontario REALTORS® are registered under the Act and governed by its provisions. REBBA 2002 is consumer protection legislation, regulating the conduct of real estate brokerages and their salespeople/brokers. The Act provides consumer protection in the form of deposit insurance and requires every salesperson/broker to carry errors & omission (E&O) insurance.

When you choose to use the services of a REALTOR®, it is important to understand that this individual works on behalf of a real estate brokerage, usually a company. The brokerage is operated by a Broker of Record, who has the ultimate responsibility for the employees registered with the brokerage. When you sign a contract, it is with the brokerage, not with the salesperson/broker employee.

The Act also requires that the brokerage (usually through its REALTORS®) explain the types of service alternatives available to consumers and the services the brokerage will be providing. The brokerage must document the relationship being created between the brokerage and the consumer, and submit it to the consumer for his/her approval and signature. The most common relationships are "client" and "customer", but other options may be available in the marketplace.

Client

A "client" relationship creates the highest form of obligation for a REALTOR® to a consumer. The brokerage and its salespeople/brokers have a fiduciary (legal) relationship with the client and represent the interests of the client in a real estate transaction. The REALTOR® will establish this relationship with the use of a representation agreement, called a Listing Agreement with the seller and a Buyer Representation Agreement with the buyer. The agreement contains an explanation of the services the brokerage will be providing, the fee arrangement for those services, the obligations the client will have under the agreement, and the expiry date of the agreement. Ensure that you have read and fully understand any such agreement before you sign the document.

Once a brokerage and a consumer enter into a client relationship, the brokerage must protect the interests of the client and do what is best for the client. A brokerage must strive for the benefit of the client and must not disclose a client's confidential information to others. Under the Act, the brokerage must also make reasonable efforts to determine any material facts relating to the transaction that would be of interest to the client and must inform the client of those facts. Although they are representing the interests of their client, they must still treat all parties to the transaction with fairness, honesty, and integrity.

Customer

A buyer or seller may not wish to be under contract as a client with the brokerage but would rather be treated as a customer. A REALTOR® is obligated to treat every person in a real estate transaction with honesty, fairness, and integrity, but unlike a client, provides a customer with a restricted level of service. Services provided to a customer may include showing the property or properties, taking customer direction to draft an offer and present the customer offer etc. Brokerages use a Customer Service Agreement to document the services they are providing to a buyer or seller customer.

Under the Act, the REALTOR® has disclosure obligations to a customer and must disclose material facts known to the brokerage that relate to the transaction.

What Happens When...

Buyer(s) and the seller(s) are sometimes under contract with the same brokerage when properties are being shown or an offer is being contemplated. There can also be instances when there is more than one offer on a property and more than one buyer and seller are under a representation agreement with the same brokerage. This situation is referred to as multiple representation. Under the Act, the REALTORS® and their brokerage must make sure all buyers, sellers, and their REALTORS® confirm in writing that they acknowledge, understand, and consent to the situation before their offer is made. REALTORS® typically use what is called a Confirmation of Co-operation and Representation form to document this situation.

Offer negotiations may become stressful, so if you have any questions when reference is made to multiple representation or multiple offers, please ask your REALTOR® for an explanation.

Critical Information

REALTORS® are obligated to disclose facts that may affect a buying or selling decision. It may be difficult for a REALTOR® to judge what facts are important. They also may not be in a position to know a fact. You should communicate to your REALTOR® what information and facts about a property are important to you in making a buying or selling decision, and document this information to avoid any misunderstandings and/or unpleasant surprises.

Similarly, services that are important to you and are to be performed by the brokerage, or promises that have been made to you, should be documented in your contract with the brokerage and its salesperson/broker.

To ensure the best possible real estate experience, make sure all your questions are answered by your REALTOR®. You should read and understand every contract before you finalize it.

Acknowledgement by: BLAKE LARSEN
(Names)

I/we have read, understand, and have received a copy of Working with a REALTOR®

Sellers: As seller(s), I/we understand that

RE/MAX WEST REALTY INC. BROKERAGE
(Name of Brokerage)

(initial one)
[Signature]
[Signature]
(Signature)
(Signature)

Is representing my interests, to be documented in a separate written agency representation agreement, and I understand the brokerage may represent and/or provide customer service to other sellers and buyers.

Is not representing my interests, to be documented in a separate written customer service agreement, but will act in a fair, ethical and professional manner.

(Date) 11/04/20
(Date) 11/04/20

Buyers: As buyer(s), I/we understand that

.....
(Name of Brokerage)

(initial one)

(Signature)
(Signature)

Is representing my interests, to be documented in a separate written agency representation agreement, and I understand the brokerage may represent and/or provide customer service to other buyers and sellers.

Is not representing my interests, to be documented in a separate written customer service agreement, but will act in a fair, ethical and professional manner.

(Date) _____
(Date) _____
(Signature) _____
(Date) _____

Please note that Federal legislation requires REALTORS® to verify the identity of sellers and buyers with whom they are working. For the purposes of this information, the term "seller" can be interpreted as "landlord" and "buyer" can mean "tenant." This form is for information only and is not a contract.

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Listing Agreement Seller Representation Agreement Authority to Offer for Sale

Form 200a
for use in the Province of Ontario

This is a **Multiple Listing Service® Agreement**  OR **Exclusive Listing Agreement** 
(Seller's Initials) (Seller's Initials)

BETWEEN:
BROKERAGE: RE/MAX WEST REALTY INC BROKERAGE
(the "Listing Brokerage") Tel. No. 416.745-2300

SELLER: 7 GENERATIONS DEVELOPMENT GROUP LTD % BLAKE LARSEN (the "Seller")

In consideration of the Listing Brokerage listing the real property for sale known as #664, #674, #692 FESSA ROAD AND #320 & #364 MAPLEVIEW DRIVE, BARRIE ONT. (the "Property")

the Seller hereby gives the Listing Brokerage the **exclusive and irrevocable** right to act as the Seller's agent, commencing at 12:01 a.m. on the 4 day of NOVEMBER 21, until 11:59 p.m. on the 30 day of DEC., 2021 (the "Listing Period"),

{ Seller acknowledges that the length of the Listing Period is negotiable between the Seller and the Listing Brokerage and, if an MLS® listing, may be subject to minimum requirements of the real estate board, however, in accordance with the Real Estate and Business Brokers Act, 2002, (REBBA), if the Listing Period exceeds six months, the Listing Brokerage must obtain the Seller's initials. } (Seller's Initials)

to offer the Property for sale at a price of: 5,100,000 Dollars (CDN\$) 5,100,000 Dollars

and upon the terms particularly set out herein, or at such other price and/or terms acceptable to the Seller. It is understood that the price and/or terms set out herein are at the Seller's personal request, after full discussion with the Listing Brokerage's representative regarding potential market value of the Property.


The Seller hereby represents and warrants that the Seller is not a party to any other listing agreement for the Property or agreement to pay commission to any other real estate brokerage for the sale of the Property. (Seller's Initials)

1. DEFINITIONS AND INTERPRETATIONS: For the purposes of this Agreement ("Authority" or "Agreement"):
"Seller" includes vendor, a "buyer" includes a purchaser, or a prospective purchaser. A "real estate board" includes a real estate association. A purchase shall be deemed to include the entering into of any agreement to exchange, or the obtaining of an option to purchase which is subsequently exercised. Commission shall be deemed to include other remuneration. This Agreement shall be read with all changes of gender or number required by the context. For purposes of this Agreement, anyone introduced to or shown the Property shall be deemed to include any spouse, heirs, executors, administrators, successors, assigns, related corporations and affiliated corporations. Related corporations or affiliated corporations shall include any corporation where one half or a majority of the shareholders, directors or officers of the related or affiliated corporation are the same person(s) as the shareholders, directors, or officers of the corporation introduced to or shown the Property.

2. COMMISSION: In consideration of the Listing Brokerage listing the Property, the Seller agrees to pay the Listing Brokerage a commission of 1.80 % of the sale price of the Property or for any valid offer to purchase the Property from any source whatsoever obtained during the Listing Period and on the terms and conditions set out in this Agreement OR such other terms and conditions as the Seller may accept. The Seller authorizes the Listing Brokerage to cooperate with any other registered real estate brokerage (co-operating brokerage) and to offer to pay the co-operating brokerage a commission of 1.80 % of the sale price of the Property or out of the commission the Seller pays the Listing Brokerage. (indicate any incentive or +/- adjustment)
The Seller further agrees to pay such commission as calculated above if an agreement to purchase is agreed to or accepted by the Seller or anyone on the Seller's behalf within 180 days after the expiration of the Listing Period (**Holdover Period**), so long as such agreement is with anyone who was introduced to the Property from any source whatsoever during the Listing Period or shown the Property during the Listing Period. If, however, the offer for the purchase of the Property is pursuant to a new agreement in writing to pay commission to another registered real estate brokerage, the Seller's liability for commission shall be reduced by the amount paid by the Seller under the new agreement.
The Seller further agrees to pay such commission as calculated above even if the transaction contemplated by an agreement to purchase agreed to or accepted by the Seller or anyone on the Seller's behalf is not completed, if such non-completion is owing or attributable to the Seller's default or neglect, said commission to be payable on the date set for completion of the purchase of the Property.
Any deposit in respect of any agreement where the transaction has been completed shall first be applied to reduce the commission payable. Should such amounts paid to the Listing Brokerage from the deposit or by the Seller's solicitor not be sufficient, the Seller shall be liable to pay to the Listing Brokerage on demand, any deficiency in commission and taxes owing on such commission.
All amounts set out as commission are to be paid plus applicable taxes on such commission.

INITIALS OF LISTING BROKERAGE: 

INITIALS OF SELLER(S): 

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3. **REPRESENTATION:** The Seller acknowledges that the Listing Brokerage has provided the Seller with information explaining agency relationships, including information on Seller Representation, Sub-agency, Buyer Representation, Multiple Representation and Customer Service.

The Seller understands that unless the Seller is otherwise informed, the co-operating brokerage is representing the interests of the buyer in the transaction. The Seller further acknowledges that the Listing Brokerage may be listing other properties that may be similar to the Seller's Property and the Seller hereby consents to the Listing Brokerage listing other properties that may be similar to the Seller's Property without any claim by the Seller of conflict of interest. The Seller hereby appoints the Listing Brokerage as the Seller's agent for the purpose of giving and receiving notices pursuant to any offer or agreement to purchase the Property. Unless otherwise agreed in writing between Seller and Listing Brokerage, any commission payable to any other brokerage shall be paid out of the commission the Seller pays the Listing Brokerage, said commission to be disbursed in accordance with the Commission Trust Agreement.

MULTIPLE REPRESENTATION: The Seller hereby acknowledges that the Listing Brokerage may be entering into buyer representation agreements with buyers who may be interested in purchasing the Seller's Property. In the event that the Listing Brokerage has entered into or enters into a buyer representation agreement with a prospective buyer for the Seller's Property, the Listing Brokerage will obtain the Seller's written consent to represent both the Seller and the buyer for the transaction at the earliest practicable opportunity and in all cases prior to any offer to purchase being submitted or presented.

The Seller understands and acknowledges that the Listing Brokerage must be impartial when representing both the Seller and the buyer and equally protect the interests of the Seller and buyer. The Seller understands and acknowledges that when representing both the Seller and the buyer, the Listing Brokerage shall have a duty of full disclosure to both the Seller and the buyer, including a requirement to disclose all factual information about the Property known to the Listing Brokerage.

However, the Seller further understands and acknowledges that the Listing Brokerage shall not disclose:

- that the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- that the buyer may or will pay more than the offered price, unless otherwise instructed in writing by the buyer;
- the motivation of or personal information about the Seller or buyer, unless otherwise instructed in writing by the party to which the information applies or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- the price the buyer should offer or the price the Seller should accept; and
- the Listing Brokerage shall not disclose to the buyer the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the Property will be disclosed to both Seller and buyer to assist them to come to their own conclusions.

Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be entitled or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.

MULTIPLE REPRESENTATION AND CUSTOMER SERVICE: The Seller understands and agrees that the Listing Brokerage also provides representation and customer service to other sellers and buyers. If the Listing Brokerage represents or provides customer service to more than one seller or buyer for the same trade, the Listing Brokerage shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all sellers and buyers of the nature of the Listing Brokerage's relationship to each seller and buyer.

4. **FINDERS FEES:** The Seller acknowledges that the Brokerage may be receiving a finder's fee, reward and/or referral incentive, and the Seller consents to any such benefit being received and retained by the Brokerage in addition to the Commission as described above.
5. **REFERRAL OF ENQUIRIES:** The Seller agrees that during the Listing Period, the Seller shall advise the Listing Brokerage immediately of all enquiries from any source whatsoever, and all offers to purchase submitted to the Seller shall be immediately submitted to the Listing Brokerage before the Seller accepts or rejects the same. If any enquiry during the Listing Period results in the Seller accepting a valid offer to purchase during the Listing Period or within the Holdover Period after the expiration of the Listing Period, the Seller agrees to pay the Listing Brokerage the amount of Commission set out above, payable within five (5) days following the Listing Brokerage's written demand therefor.
6. **MARKETING:** The Seller agrees to allow the Listing Brokerage to show and permit prospective buyers to fully inspect the Property during reasonable hours and the Seller gives the Listing Brokerage the sole and exclusive right to place "For Sale" and "Sold" sign(s) upon the Property. The Seller consents to the Listing Brokerage including information in advertising that may identify the Property. The Seller further agrees that the Listing Brokerage shall have sole and exclusive authority to make all advertising decisions relating to the marketing of the Property for sale during the Listing Period. The Seller agrees that the Listing Brokerage will not be held liable in any manner whatsoever for any acts or omissions with respect to advertising by the Listing Brokerage or any other party, other than by the Listing Brokerage's gross negligence or wilful act.
7. **WARRANTY:** The Seller represents and warrants that the Seller has the exclusive authority and power to execute this Authority to offer the Property for sale and that the Seller has informed the Listing Brokerage of any third party interests or claims on the Property such as rights of first refusal, options, easements, mortgages, encumbrances or otherwise concerning the Property, which may affect the sale of the Property.
8. **INDEMNIFICATION AND INSURANCE:** The Seller will not hold the Listing Brokerage and representatives of the Brokerage responsible for any loss or damage to the Property or contents occurring during the term of this Agreement caused by the Listing Brokerage or anyone else by any means, including theft, fire or vandalism, other than by the Listing Brokerage's gross negligence or wilful act. The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury, including but not limited to loss of the Commission payable under this Agreement, caused or contributed to by the breach of any warranty or representation made by the Seller in this Agreement or the accompanying data form. The Seller warrants the Property is insured, including personal liability insurance against any claims or lawsuits resulting from bodily injury or property damage to others caused in any way on or at the Property and the Seller indemnifies the Brokerage and all of its employees, representatives, salespersons and brokers (Listing Brokerage) and any co-operating brokerage and all of its employees, representatives, salespersons and brokers (co-operating brokerage) for and against any claims against the Listing Brokerage or co-operating brokerage made by anyone who attends or visits the Property.
9. **FAMILY LAW ACT:** The Seller hereby warrants that spousal consent is not necessary under the provisions of the Family Law Act, R.S.O. 1990, unless the spouse of the Seller has executed the consent hereinafter provided.
10. **VERIFICATION OF INFORMATION:** The Seller authorizes the Listing Brokerage to obtain any information affecting the Property from any regulatory authorities, governments, mortgagees or others and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. The Seller hereby appoints the Listing Brokerage or the Listing Brokerage's authorized representative as the Seller's attorney to execute such documentation as may be necessary to effect obtaining any information as aforesaid. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage.
11. **USE AND DISTRIBUTION OF INFORMATION:** The Seller consents to the collection, use and disclosure of personal information by the Brokerage for the purpose of listing and marketing the Property including, but not limited to: listing and advertising the Property using any medium including the Internet; disclosing Property information to prospective buyers, brokerages, salespersons and others who may assist in the sale of the Property; such other use of

INITIALS OF LISTING BROKERAGE:



INITIALS OF SELLER(S):





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the Seller's personal information as is consistent with listing and marketing of the Property. The Seller consents, if this is an MLS® Listing, to placement of the listing information and sales information by the Brokerage into the database(s) of the MLS® System of the appropriate Board, and to the posting of any documents and other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) provided by or on behalf of the Seller into the database(s) of the MLS® System of the appropriate Board. The Seller hereby indemnifies and saves harmless the Brokerage and/or any of its employees, servants, brokers or sales representatives from any and all claims, liabilities, suits, actions, losses, costs and legal fees caused by, or arising out of, or resulting from the posting of any documents or other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) as aforesaid. The Seller acknowledges that the database, within the board's MLS® System is the property of the real estate board(s) and can be licensed, resold, or otherwise dealt with by the board(s). The Seller further acknowledges that the real estate board(s) may: during the term of the listing and thereafter, distribute the information in the database, within the board's MLS® System to any persons authorized to use such service which may include other brokerages, government departments, appraisers, municipal organizations and others; market the Property, at its option, in any medium, including electronic media; during the term of the listing and thereafter, compile, retain and publish any statistics including historical data within the board's MLS® System and retain, reproduce and display photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions which may be used by board members to conduct comparative analyses; and make such other use of the information as the Brokerage and/or real estate board(s) deem appropriate, in connection with the listing, marketing and selling of real estate during the term of the listing and thereafter. The Seller acknowledges that the information, personal or otherwise ("information"), provided to the real estate board or association may be stored on databases located outside of Canada, in which case the information would be subject to the laws of the jurisdiction in which the information is located.

In the event that this Agreement expires or is cancelled or otherwise terminated and the Property is not sold, the Seller, by initialling: ○ ○

consent to allow other real estate board members to contact the Seller after expiration or other termination of this Agreement to discuss listing or otherwise marketing the Property. Does Does Not

- 12. SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.
- 13. CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Agreement between the Seller and the Listing Brokerage. There is no representation, warranty, collateral agreement or condition which affects this Agreement other than as expressed herein.
- 14. ELECTRONIC COMMUNICATION:** This Agreement and any agreements, notices or other communications contemplated thereby may be transmitted by means of electronic systems, in which case signatures shall be deemed to be original. The transmission of this Agreement by the Seller by electronic means shall be deemed to confirm the Seller has retained a true copy of the Agreement.
- 15. ELECTRONIC SIGNATURES:** If this Agreement has been signed with an electronic signature the parties hereto consent and agree to the use of such electronic signature with respect to this Agreement pursuant to the *Electronic Commerce Act, 2000, S.O. 2000, c17* as amended from time to time.
- 16. SCHEDULE(S):** and data form attached hereto form(s) part of this Agreement.

THE LISTING BROKERAGE AGREES TO MARKET THE PROPERTY ON BEHALF OF THE SELLER AND REPRESENT THE SELLER IN AN ENDEAVOUR TO OBTAIN A VALID OFFER TO PURCHASE THE PROPERTY ON THE TERMS SET OUT IN THIS AGREEMENT OR ON SUCH OTHER TERMS SATISFACTORY TO THE SELLER.

Anthony Bilotta *4th Nov/2021* *Anthony Bilotta*
 (Authorized to bind the Listing Brokerage) (Date) (Name of Person Signing)

THIS AGREEMENT HAS BEEN READ AND FULLY UNDERSTOOD BY ME, I ACCEPT THE TERMS OF THIS AGREEMENT AND I ACKNOWLEDGE ON THIS DATE I HAVE SIGNED UNDER SEAL. Any representations contained herein or as shown on the accompanying data form respecting the Property are true to the best of my knowledge, information and belief.

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:

[Signature] (Seal) (Date) (Tel. No.)
 (Signature of Seller) (Seal) (Date) (Tel. No.)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the listing of the Property herein pursuant to the provisions of the Family Law Act, R.S.O. 1990 and hereby agrees to execute all necessary or incidental documents to further any transaction provided for herein.

..... (Seal) (Date) (Tel. No.)
 (Spouse)

DECLARATION OF INSURANCE

The Salesperson/Broker/Broker of Record *Anthony Bilotta*
 hereby declares that he/she is insured as required by REBBA. (Name of Salesperson/Broker/Broker of Record)
Anthony Bilotta
 (Signature(s) of Salesperson/Broker/Broker of Record)

ACKNOWLEDGEMENT

The Seller(s) hereby acknowledge that the Seller(s) fully understand the terms of this Agreement and have received a copy of this Agreement

on the *4th* day of *NOVEMBER*, 20.....
[Signature] (Date)
 (Signature of Seller) (Date)

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CONFIDENTIAL APPENDIX “1”
ReMax Listing Agreement dated November 4, 2021

CONFIDENTIAL APPENDIX “2”
Summary and Listing Proposals received from the Brokers

CONFIDENTIAL APPENDIX “3”
Summary of Offers Received by Second-Round Bidders

CONFIDENTIAL APPENDIX “4”
Purchase Agreement dated February 4, 2022 (Unredacted)

IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.

AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 as amended, and section 101 of the *Courts of Justice Act*, RSO 1990, c C.43, as amended

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC**

Respondents

Court File No.: CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

**AMENDED FIRST REPORT OF MNP LTD. AS
RECEIVER OF THE ASSETS, UNDERTAKINGS AND
PROPERTIES OF 2738283 ONTARIO INC., 2738284
ONTARIO INC. AND 2738285 ONTARIO INC.**

Thornton Grout Finnigan LLP

Toronto-Dominion Centre
100 Wellington Street West
Suite 3200, P.O. Box 329
Toronto, ON M5K 1K7
Fax: 416-304-1313

Robert I. Thornton (LSO# 41877E)

Tel: 416-304-0560 / Email: rthornton@tgf.ca

Rachel A. Nicholson (LSO# 68348V)

Tel: 416-304-1153 / Email: rnicholson@tgf.ca

Lawyers for the Court-Appointed Receiver, MNP Ltd.

TAB 3
Draft Approval and Vesting Order

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.) THURSDAY, THE 10TH
JUSTICE PENNY) DAY OF MARCH, 2022
)

B E T W E E N:

PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC and PS HOLDINGS 3 LLC

Applicants

-AND-

2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC., 2738284
ONTARIO INC. and 2738285 ONTARIO INC.**

**AND IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as
amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C.
1985, c. B-3, as amended**

APPROVAL AND VESTING ORDER

THIS MOTION, made by MNP Ltd., in its capacity as the Court-appointed receiver of the Respondents (in such capacity, the “**Receiver**”) for an order, *inter alia*: (i) approving the sale transaction (the “**Transaction**”) contemplated by an asset purchase agreement (the “**Purchase Agreement**”) between the Receiver and 2771280 Ontario Inc. d/b/a Ark Capital Group, as assigned to Essa Rd Development Ltd. (the “**Purchaser**”) dated February 4, 2022, appended to the First Report of the Receiver dated March 3, 2022 (the “**First Report**”), and vesting in the Purchaser all of the Respondents’ right, title and interest in the Purchased Assets (as defined

below); (ii) authorizing the distribution of certain proceeds of sale from the Transaction, as described below; (iii) sealing the confidential appendices attached to the First Report; and (iv) approving the First Report and the activities of the Receiver described therein and the fees of the Receiver and its counsel, was heard this day by Zoom judicial video conference due to the COVID-19 pandemic.

ON READING the First Report and the Appendices thereto, the Fee Affidavit of Deborah Hornbostel sworn February 24, 2022 (the “**Hornbostel Affidavit**”), the Fee Affidavit of Robert Thornton sworn March 3, 2022 (the “**Thornton Affidavit**”) and such further materials as counsel may advise, and on hearing submissions from counsel to the Receiver, counsel to the Purchaser, and counsel to those parties listed on the counsel list for today’s hearing, and no one else appearing for any other interested person, although duly served as evidenced by the Affidavit of Service of Rachel Nicholson sworn March [X], 2022, filed.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used herein that are otherwise not defined shall have the meaning ascribed to them in the First Report.

APPROVAL OF TRANSACTION

3. **THIS COURT ORDERS AND DECLARES** that the Purchase Agreement and the Transaction be and are hereby approved and that the execution of the Purchase Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver, with the written consent of the Purchaser, may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser, substantially in the form attached as Schedule "A" hereto (the "**Receiver's Certificate**"), all of the Respondents' right, title and interest in and to the real property described in Schedule "B" hereto (together with all buildings thereon, improvements, and chattels situate therein, the "**Purchased Assets**") shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of Justice Penny dated November 9, 2021; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario), the *Construction Act* (Ontario), the *Execution Act* (Ontario) or any other personal property registry system; (iii) those Claims listed on Schedule "C" hereto; and (iv) any Claims registered against the Purchased Assets from the date of this Order until the closing date of the Transaction (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule "D" hereto). For greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

5. **THIS COURT ORDERS** that upon the registration in the Land Registry Office #51 for the Land Titles Division of Simcoe ("**Land Registry Office**") of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, or, if acceptable to the Land Registry Office, upon presentation of a copy of this Order and the Receiver's Certificate, the Land Registrar is hereby directed to enter the Purchaser as the owner of the Purchased Assets identified in Schedule "B" hereto in fee simple, and is hereby directed to discharge, release, delete and expunge from title to the Purchased Assets all of the Claims and Encumbrances, including those listed in Schedule "C" hereto (except, for greater certainty, the Permitted Encumbrances listed on Schedule "D" hereto).

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims and Encumbrances, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate, all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

7. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court with a copy of the Receiver's Certificate forthwith after delivery thereof.

8. **THIS COURT ORDERS** that this Order may be registered on title to the Purchased Assets, separately from the Application for Vesting order, by way of an Application to Register Court Order or an Application to Amend Based on Court Order, if required by the Land Registrar.

9. **THIS COURT ORDERS** that this Order, and any related Application, Notice or other registration, shall be deleted from title to the Purchased Assets after the Purchased Assets are transferred by the Purchaser, to a third party without further application to this Court, and that the Land Registry Office is hereby authorized to delete this Order or any related Application, Notice or other registration from title to the Purchased Assets.

10. **THIS COURT ORDERS** that, notwithstanding:

- a. the pendency of these proceedings;
- b. any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA**") in respect of any of the Respondents and any bankruptcy order issued pursuant to any such applications;
and
- c. any assignment in bankruptcy made in respect of any of the Respondents;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of any of the Respondents and shall not be void or voidable by creditors of the Respondents, nor shall it constitute nor be deemed to be a

fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the BIA or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

SEALING

11. **THIS COURT ORDERS** that Confidential Appendices “1”, “2”, “3” and “4”, being, respectively, (i) the unredacted ReMax Listing Agreement, (ii) an unredacted summary of the Listing Proposals received from the Brokers, (iii) a summary of the offers received by the bidders in the Sale Process, and (iv) the unredacted Purchase Agreement, are hereby sealed pending closing of the Transaction and further order of the Court, and shall not form part of the public record.

DISTRIBUTIONS

12. **THIS COURT ORDERS** that, upon the Receiver receiving satisfactory payout statements, in the Receiver’s sole discretion, the Receiver is authorized and directed to make the following distributions from the sale proceeds arising from the sale of the Purchased Assets:

- (a) first, repayment of the Receiver’s Borrowing from 683728 Ontario Ltd. in the amount of \$13,500;
- (b) second, the outstanding indebtedness owing to the City of Barrie by the Respondents in respect of property tax arrears in relation to the Purchased Assets;
- (c) third, the outstanding indebtedness owed by the Respondents to PS Holdings 1 LLC, PS Holdings 2 LLC and PS Holdings 3 LLC, in satisfaction in full of their secured claim against the Purchased Assets;
- (d) fourth, the outstanding indebtedness owed by the Respondents to RPN Finance Corp. and 1938272 Ontario Ltd., in satisfaction in full of its secured claim against the Purchased Assets;

- (e) fifth, the outstanding indebtedness owed by the Respondents to Computershare Trust Company of Canada, in satisfaction in full of its secured claim against the Purchased Assets;
- (f) sixth, with respect to the real property municipally known as 674 Essa Road, Barrie, Ontario (the “**Essa Property**”) owned by 2738285 Ontario Inc., the outstanding indebtedness owed by 2738285 Ontario Inc. to SVN Architects + Planners Inc., in satisfaction in full of its secured claim against the Essa Property;
- (g) seventh, the outstanding indebtedness owed by the Respondents to John DaRe, in satisfaction in full of his secured claim against the Purchased Assets;
- (h) eighth, the outstanding indebtedness owed by the Respondents to Maria Louise Larsen, in satisfaction in full of her secured claim against the Purchased Assets; and
- (i) ninth, the outstanding indebtedness owed by the Respondents to Glen Schnaar & Associates Inc. in satisfaction in full of its construction lien claim against the Purchased Assets.

APPROVAL OF ACTIVITIES AND FEES OF THE RECEIVER

13. **THIS COURT ORDERS** that the First Report and the activities, decisions and conduct of the Receiver as set out in the First Report are hereby authorized and approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

14. **THIS COURT ORDERS** that the Receiver’s statement of interim receipts and disbursements for the period November 9, 2021 to February 28, 2022, as set out in the First Report and attached as Appendix “H” to the First Report, is hereby approved.

15. **THIS COURT ORDERS** that the professional fees of the Receiver for the period between October 12, 2021 to February 24, 2022, in the amount of \$150,029.10, plus Harmonized Sales Tax (“**HST**”) of \$19,503.78 as further set out in the First Report and the Hornbostel Affidavit attached as Appendix “I” to the First Report, are hereby approved.

16. **THIS COURT ORDERS** that the professional fees of Thornton Grout Finnigan LLP, counsel to the Receiver, for the period between October 12, 2021, to February 28, 2022, in the amount of \$63,772.50, plus disbursements of \$8,223.85 and HST of \$9,334.81, for a total of \$81,331.16, as further set out in the First Report and the Thornton Affidavit attached as Appendix “J” to the First Report, are hereby approved.

GENERAL

17. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.

18. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver and its agents as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

Schedule “A”

Form of Receiver’s Certificate

Court File No. CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

B E T W E E N:

PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC and PS HOLDINGS 3 LLC

Applicants

-AND-

2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.

Respondents

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Penny of the Ontario Superior Court of Justice (the “**Court**”) dated November 9, 2021, MNP Ltd. was appointed as the receiver (the “**Receiver**”) of certain of the undertakings, properties and assets of the Respondents hereto.

B. Pursuant to an Order of the Court dated March 10, 2022 (the “**Approval and Vesting Order**”), the Court approved the asset purchase agreement (the “**Purchase Agreement**”) between the Receiver and 2771280 Ontario Inc. d/b/a Ark Capital Group, as assigned to Essa Rd Development Ltd. (the “**Purchaser**”) dated February 4, 2022 and provided for the vesting in the Purchaser of the Respondents’ right, title and interest in and to the real property set forth in Schedule “B” to the Approval and Vesting Order (together with all buildings thereon, improvements and chattels situate therein, the “**Purchased Assets**”) which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased

Assets; (ii) that the conditions to Closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the transaction contemplated under the Purchase Agreement has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Purchase Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Purchase Agreement;
2. The conditions to Closing as set out in the Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser, as applicable; and
3. The transaction contemplated by the Purchase Agreement has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

MNP LTD., in its capacity as Receiver of the undertaking, property and assets of 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc., and not in its personal capacity

Per: _____
Name:
Title:

Schedule "B"

Purchased Assets

1. The real property municipally known as **320 Mapleview Drive West, Barrie, Ontario**, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1071059 EXCEPT PT 62 PL 51R24730, PTS 1 TO 5 INCL. PL 51R31988 & PTS 2 TO 4 INCL. PL 51R34959, S/T RO1272147; BARRIE, being all of PIN 58730 - 0303 (LT);
2. The real property municipally known as **366 Mapleview Drive West / 692 Essa Road, Barrie Ontario**, which is legally described as CONSOLIDATION OF VARIOUS PROPERTIES PT LT 3 CON 12 INNISFIL BEING PT 1 PL 51R32435 & PT LTS 3 & 4 CON 12 INNISFIL BEING PTS 1 & 2 PL 51R25124, EXCEPT PT 1 PL 51R33177, S/T RO990763; INNISFIL, being all of PIN 58730 - 0304 (LT);
3. The real property municipally known as **664 Essa Road, Barrie, Ontario**, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1278789 EXCEPT PT 6 PL 51R31988; BARRIE, being all of PIN 58730 - 0240 (LT); and
4. The real property municipally known as **674 Essa Road, Barrie, Ontario**, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1244213 EXCEPT PT 61 51R24730 AND PT 251R33177; S/T RO1272150; BARRIE, being all of PIN 58730 - 0297 (LT).

Schedule “C”

Claims to be discharged, released, deleted and expunged from title to the Purchased Assets

Claims to be discharged, released, deleted and expunged from PIN 58730-0297 (LT):

1. Instrument No. SC1680318 registered May 13, 2020 being a Charge/Mortgage of Land from the Respondents in favour of the Applicants securing the principal sum of \$13,000,000.
2. Instrument No. SC1680319 registered May 13, 2020 being a Charge/Mortgage of Land from the Respondents in favour of RPN Finance Corp. and 1938272 Ontario Limited securing the principal sum of \$1,200,000.
3. Instrument No. SC1680320 registered May 13, 2020 being a Notice of Assignment of Rents – General from the Respondents in favour of RPN Finance Corp. and 1938272 Ontario Limited.
4. Instrument No. SC1735715 registered December 3, 2020 being a Charge/Mortgage of Land from the Respondents in favour of Computershare Trust Company of Canada securing the principal sum of \$250,000.
5. Instrument No. SC1802963 registered July 12, 2021 being a Charge/Mortgage of Land from the Respondents in favour of John DaRe securing the principal sum of \$160,986.
6. Instrument No. SC1802964 registered July 12, 2021 being a Notice of Assignment of Rents – General from the Respondents in favour of John DaRe.
7. Instrument No. SC1802966 registered July 12, 2021 being a Charge/Mortgage of Land from the Respondents in favour of Maria Louise Larsen securing the principal sum of \$2,500,000.
8. Instrument No. SC1802967 registered July 12, 2021 being a Notice of Assignment of Rents – General from the Respondents in favour of Maria Louise Larsen.
9. Instrument No. SC1812249 registered August 6, 2021 being an Application to Change Name.
10. Instrument No. SC1812250 registered August 6, 2021 being an Application to Change Name.
11. Instrument No. SC1812251 registered August 6, 2021 being an Application to Change Name.
12. Instrument No. SC1842984 registered on November 12, 2021 being an Application to register Court Order.

13. Instrument No. SC1766492 registered March 29, 2021 being a Charge/Mortgage of Land from 2738285 Ontario Inc. in favour of SVN Architects + Planners Inc. securing the principal sum of \$665,889.
14. Instrument No. SC1766493 registered March 29, 2021 being a Notice of Assignment of Rents – General from 2738285 Ontario Inc. in favour of SVN Architects + Planners Inc.
15. Instrument No. SC1861139 registered on January 17, 2022 being a Construction Lien in favour of Glen Schnaar & Associates Inc. in the amount of \$20,001.02.

Claims to be discharged, released, deleted and expunged from PIN 58730-0240 (LT):

1. Instrument No. SC1680318 registered May 13, 2020 being a Charge/Mortgage of Land from the Respondents in favour of the Applicants securing the principal sum of \$13,000,000.
2. Instrument No. SC1680319 registered May 13, 2020 being a Charge/Mortgage of Land from the Respondents in favour of RPN Finance Corp. and 1938272 Ontario Limited securing the principal sum of \$1,200,000.
3. Instrument No. SC1680320 registered May 13, 2020 being a Notice of Assignment of Rents – General from the Respondents in favour of RPN Finance Corp. and 1938272 Ontario Limited.
4. Instrument No. SC1735715 registered December 3, 2020 being a Charge/Mortgage of Land from the Respondents in favour of Computershare Trust Company of Canada securing the principal sum of \$250,000.
5. Instrument No. SC1802963 registered July 12, 2021 being a Charge/Mortgage of Land from the Respondents in favour of John DaRe securing the principal sum of \$160,986.
6. Instrument No. SC1802964 registered July 12, 2021 being a Notice of Assignment of Rents – General from the Respondents in favour of John DaRe.
7. Instrument No. SC1802966 registered July 12, 2021 being a Charge/Mortgage of Land from the Respondents in favour of Maria Louise Larsen securing the principal sum of \$2,500,000.
8. Instrument No. SC1802967 registered July 12, 2021 being a Notice of Assignment of Rents – General from the Respondents in favour of Maria Louise Larsen.
9. Instrument No. SC1812249 registered August 6, 2021 being an Application to Change Name.
10. Instrument No. SC1812250 registered August 6, 2021 being an Application to Change Name.

11. Instrument No. SC1812251 registered August 6, 2021 being an Application to Change Name.
12. Instrument No. SC1842984 registered on November 12, 2021 being an Application to register Court Order.
13. Instrument No. SC1861139 registered on January 17, 2022 being a Construction Lien in favour of Glen Schnaar & Associates Inc. in the amount of \$20,001.02.

Claims to be discharged, released, deleted and expunged from PIN 58730-0304 (LT):

1. Instrument No. SC1680318 registered May 13, 2020 being a Charge/Mortgage of Land from the Respondents in favour of the Applicants securing the principal sum of \$13,000,000.
2. Instrument No. SC1680319 registered May 13, 2020 being a Charge/Mortgage of Land from the Respondents in favour of RPN Finance Corp. and 1938272 Ontario Limited securing the principal sum of \$1,200,000.
3. Instrument No. SC1680320 registered May 13, 2020 being a Notice of Assignment of Rents – General from the Respondents in favour of RPN Finance Corp. and 1938272 Ontario Limited.
4. Instrument No. SC1735715 registered December 3, 2020 being a Charge/Mortgage of Land from the Respondents in favour of Computershare Trust Company of Canada securing the principal sum of \$250,000.
5. Instrument No. SC1802963 registered July 12, 2021 being a Charge/Mortgage of Land from the Respondents in favour of John DaRe securing the principal sum of \$160,986.
6. Instrument No. SC1802964 registered July 12, 2021 being a Notice of Assignment of Rents – General from the Respondents in favour of John DaRe.
7. Instrument No. SC1802966 registered July 12, 2021 being a Charge/Mortgage of Land from the Respondents in favour of Maria Louise Larsen securing the principal sum of \$2,500,000.
8. Instrument No. SC1802967 registered July 12, 2021 being a Notice of Assignment of Rents – General from the Respondents in favour of Maria Louise Larsen.
9. Instrument No. SC1812249 registered August 6, 2021 being an Application to Change Name.
10. Instrument No. SC1812250 registered August 6, 2021 being an Application to Change Name.

11. Instrument No. SC1812251 registered August 6, 2021 being an Application to Change Name.
12. Instrument No. SC1842984 registered on November 12, 2021 being an Application to register Court Order.
13. Instrument No. SC1861139 registered on January 17, 2022 being a Construction Lien in favour of Glen Schnaar & Associates Inc. in the amount of \$20,001.02.

Claims to be discharged, released, deleted and expunged from PIN 58730-0303 (LT):

1. Instrument No. SC1680318 registered May 13, 2020 being a Charge/Mortgage of Land from the Respondents in favour of the Applicants securing the principal sum of \$13,000,000.
2. Instrument No. SC1680319 registered May 13, 2020 being a Charge/Mortgage of Land from the Respondents in favour of RPN Finance Corp. and 1938272 Ontario Limited securing the principal sum of \$1,200,000.
3. Instrument No. SC1680320 registered May 13, 2020 being a Notice of Assignment of Rents – General from the Respondents in favour of RPN Finance Corp. and 1938272 Ontario Limited.
4. Instrument No. SC1735715 registered December 3, 2020 being a Charge/Mortgage of Land from the Respondents in favour of Computershare Trust Company of Canada securing the principal sum of \$250,000.
5. Instrument No. SC1802963 registered July 12, 2021 being a Charge/Mortgage of Land from the Respondents in favour of John DaRe securing the principal sum of \$160,986.
6. Instrument No. SC1802964 registered July 12, 2021 being a Notice of Assignment of Rents – General from the Respondents in favour of John DaRe.
7. Instrument No. SC1802966 registered July 12, 2021 being a Charge/Mortgage of Land from the Respondents in favour of Maria Louise Larsen securing the principal sum of \$2,500,000.
8. Instrument No. SC1802967 registered July 12, 2021 being a Notice of Assignment of Rents – General from the Respondents in favour of Maria Louise Larsen.
9. Instrument No. SC1812249 registered August 6, 2021 being an Application to Change Name.
10. Instrument No. SC1812250 registered August 6, 2021 being an Application to Change Name.

11. Instrument No. SC1812251 registered August 6, 2021 being an Application to Change Name.
12. Instrument No. SC1842984 registered on November 12, 2021 being an Application to register Court Order.
13. Instrument No. SC1861139 registered on January 17, 2022 being a Construction Lien in favour of Glen Schnaar & Associates Inc. in the amount of \$20,001.02.

Schedule "D"

Permitted Encumbrances, Easements and Restrictive Covenants related to the Purchased Assets

(unaffected by the Vesting Order)

Any of the following encumbrances:

1. Minor Encroachments: Minor encroachments from the real property over neighbouring lands and/or permitted under agreements with neighbouring landowners and any fences or concrete curbs and minor encroachments over the real property from neighbouring land and/or permitted under agreements with neighbouring landowners and any fences and concrete curbs.
2. Crown Grant: Any subsisting restrictions, exceptions, reservations, limitation, provisos and conditions (including, with limitation, royalties, reservation of mines, mineral rights and timber rights, access to navigable waters and similar rights) expressed in any original grants from the Crown of the lands comprising the real property and any statutory limitations, exceptions, reservations and qualifications.
3. Restrictions, Zoning, etc.: Zoning, land use and building restrictions, by-laws, regulations and ordinances of any Governmental Authority, including municipal by-laws and regulations, airport zoning regulations, restrictive covenants and other land use limitations in favour of or imposed or reserved by any Governmental Authority.
4. Work Order: Any and all Work Orders issued by any Governmental Authority.
5. Easements: Any unregistered or registered easements required for the supply of domestic utility services to the real property.
6. Survey matters: Encroachments, deficiencies or other matters disclosed by any plan of survey in respect of the real property or any part thereof.
7. Taxes/Utilities: Encumbrances or prior claims for real property taxes (which term includes charges, rates and assessments) or charges or levies for electricity, power, gas, water and other services and utilities in connection with the real property that have accrued but are not yet due and owing or, if due and owing, are adjusted for on Closing.
8. Restrictive Covenants: Restrictive covenants, private deed restrictions, rights-of-way, facility cost sharing agreements, servicing agreements, crane swing/tie back agreements, reciprocal use agreements or other similar land use control agreements or rights in land (including, without limitation, restrictions, rights-of-way and servitudes for sewers, drains, gas and oil pipelines, gas and water mains, electric light and power and telephone or telegraph or cable television conduits, poles, wires and cables) granted to other persons or property, or reserved by other persons or the benefit of other property.

9. Applicable Laws: The provisions of all Applicable Laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning at the real property.
10. Land Titles Act: The exceptions and qualifications contained in Section 44 of the *Land Titles Act* (Ontario), save and except paragraph 5 thereof relating to the *Family Law Act*, paragraph 11 thereof respecting the *Planning Act* (Ontario) and escheats/forfeiture to the Crown.
11. Registered Agreements: Registered agreements with any Governmental Authorities or public utilities, including subdivision agreements, development agreements, engineering, grading or landscaping agreements and similar agreements.
12. Leases of real property: Any leases in respect of the real property to be assigned to the Purchaser.

IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC. AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 as amended, and section 101 of the *Courts of Justice Act*, RSO 1990, c C.43, as amended

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC.**

Applicants

Respondents

Court File No.: CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

APPROVAL AND VESTING ORDER

Thornton Grout Finnigan LLP

Toronto-Dominion Centre
100 Wellington Street West
Suite 3200, P.O. Box 329
Toronto, ON M5K 1K7
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Robert I. Thornton (LSO# 41877E)

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Lawyers for the Court-Appointed Receiver, MNP Ltd.

TAB 4
Draft Claims Process Order

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE MR.) THURSDAY, THE 10TH
JUSTICE PENNY) DAY OF MARCH, 2022
)

B E T W E E N:

PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC and PS HOLDINGS 3 LLC

Applicants

-AND-

2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.

Respondents

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC., 2738284
ONTARIO INC. and 2738285 ONTARIO INC.**

**AND IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as
amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C.
1985, c. B-3, as amended**

CLAIMS PROCESS ORDER

THIS MOTION made by MNP Ltd., in its capacity as receiver of the Respondents (in such capacity, the “**Receiver**”) for an order approving a claims process in respect of (i) the Respondents, and (ii) 7 Generations Development Group Limited (“**7 Generations**”) solely with respect to Claims related to the Real Property, was heard this day by Zoom judicial video conference due to the COVID-19 pandemic.

ON READING the First Report of the Receiver dated March 3, 2022 (the “**First Report**”), and the Appendices thereto, and on hearing the submissions of counsel for the Receiver and counsel to those parties listed on the counsel slip for today’s hearing, and no one else appearing for any other interested person, although duly served as evidenced by the Affidavit of Service of Rachel Nicholson sworn March [X], 2022, filed.

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

DEFINITIONS AND INTERPRETATION

2. **THIS COURT ORDERS** that capitalized terms used in this Order shall have the meanings ascribed to them in Schedule “A” to this Order.

3. **THIS COURT ORDERS** that all references as to time herein shall mean local time in Toronto, Ontario, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day, unless otherwise indicated herein.

4. **THIS COURT ORDERS** that all references to the word “including” shall mean “including without limitation”.

5. **THIS COURT ORDERS** that all references to the singular herein include the plural, the plural include the singular, and any gender includes the other gender.

GENERAL PROVISIONS

6. **THIS COURT ORDERS** that the Receiver is hereby authorized to use its reasonable discretion as to the adequacy of compliance with respect to the manner in which forms delivered hereunder are completed and executed, and may, where it is satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Order as to the completion and execution of such forms, or request any further documentation from a Person that

the Receiver may require in order to enable the Receiver to determine the validity or quantum of a Claim.

7. **THIS COURT ORDERS** that if any Claim arose in a currency other than Canadian Dollars, then the Person making the Claim shall complete its Proof of Claim and indicate the amount of the Claim in such currency, rather than in Canadian Dollars or any other currency. Where no currency is indicated, the Claim shall be presumed to be in Canadian Dollars. The Receiver shall subsequently calculate the amount of such Claim in Canadian Dollars, using the Bank of Canada Canadian Dollar Daily Exchange Rate on the date of the Receivership Order.

8. **THIS COURT ORDERS** that the form and substance of each of the Notice to Claimants, Proof of Claim, Notice of Revision or Disallowance and Dispute Notice, substantially in the forms attached as Schedules “B”, “C”, “D” and “E”, respectively, to this Order are hereby approved. Notwithstanding the foregoing, the Receiver may from time to time make changes to such forms as the Receiver considers necessary or advisable.

RECEIVER’S ROLE

9. **THIS COURT ORDERS** that the Receiver, in addition to its prescribed rights, duties, responsibilities and obligations under the Receivership Order, shall take all actions and fulfill any other roles as are authorized by this Order or incidental thereto, including the determination of Claims and referral of any Claim to the Court or a Claims Officer, as herein provided.

10. **THIS COURT ORDERS** that: (i) in carrying out the terms of this Order, the Receiver shall have all of the protections given to it by the Receivership Order and this Order, (ii) the Receiver shall incur no liability or obligation as a result of carrying out the provisions of this Order, except for claims for gross negligence or wilful misconduct, (iii) the Receiver shall be entitled to rely on the books and records of the Respondents, all without further independent investigation, (iv) 7 Generations shall provide unfettered access to its books and records to the Receiver, at the Receiver’s request, in order for the Receiver to assess and consider any 7 Generations Claim asserted in a Proof of Claim and the Receiver shall be entitled to rely on such books and records of 7 Generations, all without further independent investigation; (v) Blake Larsen and 7 Generations shall consult with the Receiver, at the Receiver’s request, in respect of any Claims asserted in a

Proof of Claim and the Receiver shall be entitled to rely on such discussions and information provided to the Receiver, all without further independent investigation, and (vi) the Receiver shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information or in any information provided by any Claimant, except for claims based for gross negligence or wilful misconduct.

NOTICE TO CLAIMANTS

11. **THIS COURT ORDERS** that:

- (a) the Receiver shall, no later than five (5) Business Days following the date of granting this Order, post a copy of this Order, the Notice to Claimants, and a blank proof of claim form (the “**Claims Package**”) on the Receiver’s Website;
- (b) the Receiver shall, no later than five (5) Business Days following the date of granting this Order, send a copy of the Claims Package to all known creditors of the Respondents and 7 Generations;
- (c) as soon as practicable after the granting of this Order, the Receiver shall, for one business day, publish the Notice to Claimants in the *Globe and Mail*; and
- (d) the Receiver shall deliver, as soon as reasonably practicable following a request, a Claims Package to any Person claiming to be a creditor of any of the Respondents or 7 Generations (solely with respect to the Real Property), provided such request is received before the Claims Bar Date.

12. **THIS COURT ORDERS** that, except as specifically provided for in this Order, the Receiver is not under any obligation to provide notice of this Order to any Person having or asserting a Claim, and all Persons shall be bound by the Claims Bar Date, this Order, and any notices published pursuant to paragraphs 11(a) and (b) of this Order, regardless of whether or not they received actual notice, and any steps taken in respect of any Claim, in accordance with this Order.

13. **THIS COURT ORDERS** that neither: (i) the reference to a purported Claim as a “Claim” or a purported Claimant as a “Claimant” in this Order, nor (ii) the delivery of a Proof of Claim by the Receiver to a Person shall constitute an admission by the Receiver, the Respondents or 7 Generations of any obligation of the Respondents or 7 Generations, as applicable, to any Person.

PROOFS OF CLAIM

14. **THIS COURT ORDERS** that any Claimant that intends to assert a Claim shall file a Proof of Claim, together with any supporting documentation, with the Receiver by email, prepaid ordinary mail, courier, or personal delivery on or before the Claims Bar Date. For the avoidance of doubt, the Proof of Claim must be filed with the Receiver by every Claimant, regardless of whether or not a legal proceeding in respect of such Claim has been previously commenced.

CLAIMS BAR DATE

15. **THIS COURT ORDERS** that, subject to further order of this Court, any Claimant who does not deliver a Proof of Claim, together with supporting documentation, on or before the Claims Bar Date: (a) shall be and is hereby forever barred from making or enforcing such Claim, and all such Claims shall be forever extinguished, (b) shall not be entitled to receive any distribution pursuant to the Claims Process or further Order of this Court, and (c) shall not be entitled to any further notice in the Claims Process, and shall not be entitled to participate as a Claimant in respect of such Claim.

16. **THIS COURT ORDERS** that, subject to further order of the Court, the Claims Bar Date shall be 5:00 p.m. (Toronto time) on April 29, 2022.

17. **THIS COURT ORDERS** that each Person required by this Order to file a Proof of Claim shall include any and all Claims it asserts against any of the Respondents and/or 7 Generations in a single Proof of Claim.

DETERMINATION OF CLAIMS

18. **THIS COURT ORDERS** that, subject to the terms of this Order, the Receiver shall review all Proof of Claims filed on or before the Claims Bar Date and may accept, revise, or disallow (in whole or in part) the amount, or any other aspect of, a Claim asserted in a Proof of Claim. The

Receiver shall be authorized to consult with Blake Larsen in respect of any Claim(s) asserted in a Proof of Claim. At any time, the Receiver may: (i) request additional information with respect to any Claim, (ii) request that the Claimant file a revised Proof of Claim, (iii) attempt to consensually resolve the amount or any other aspect of a Claim, or (iv) revise or disallow a Claim.

19. **THIS COURT ORDERS** that where a Claim is revised or disallowed pursuant to paragraph 18 of this Order, the Receiver shall deliver to the Claimant a Notice of Revision or Disallowance and attach the form of Dispute Notice.

20. **THIS COURT ORDERS** that where a Claim has been accepted by the Receiver, such Claim shall constitute a Proven Claim for the purposes of the Claims Process. The acceptance of any Claim or other determination of same in accordance with this Order, in whole or in part, shall not constitute an admission of any fact, thing, obligation, or quantum of any Claim by any Person, save and except in the context of the Claims Process.

DISPUTE NOTICE

21. **THIS COURT ORDERS** that a Claimant who intends to dispute a Notice of Revision or Disallowance shall deliver a Dispute Notice to the Receiver so that it is received by the Receiver no later than fourteen (14) calendar days after such Claimant is deemed to have received the Notice of Revision or Disallowance in accordance with paragraph 32 of this Order, or such longer period as may be agreed to by the Receiver in writing. The receipt of a Dispute Notice by the Receiver within the fourteen (14) calendar day period specified in this paragraph shall constitute an application to have the amount of such Claim determined pursuant to the Claims Process provided for in this Order.

22. **THIS COURT ORDERS** that where a Claimant fails to deliver a Dispute Notice in accordance with paragraph 21 of this Order, the amount of such Claimant's Claim shall be deemed to be as set out in the Notice of Revision or Disallowance. Such amount, if any, shall constitute such Claimant's Proven Claim, and the balance of such Claimant's Claim, if any, shall be forever barred and extinguished.

23. **THIS COURT ORDERS** that where a Claim has been revised or disallowed pursuant to paragraph 19 of this Order, the revised or disallowed Claim (or revised or disallowed portion thereof) shall not be a Proven Claim until determined otherwise in accordance with the Claims Process set out in this Order or as otherwise ordered by the Court.

RESOLUTION OF CLAIMS

24. **THIS COURT ORDERS** that as soon as practicable after a Dispute Notice is received by the Receiver in accordance with this Order, the Receiver may attempt to resolve and settle a disputed Claim with the Claimant, and, with respect to a 7 Generations Claim, may resolve and settle a disputed 7 Generations Claim in consultation with Blake Larsen.

25. **THIS COURT ORDERS** that in the event that the Receiver is unable to consensually resolve any Dispute Notice within a reasonable time period satisfactory to the Receiver, the Receiver shall, at its election, refer the dispute raised in the Dispute Notice to the Court or a Claims Officer for adjudication, and the Receiver shall send written notice of such referral to the Claimant.

26. **THIS COURT ORDERS** that, where a disputed Claim has been referred to a Claims Officer by the Receiver, the Claims Officer shall determine the validity and amount of such disputed Claim in accordance with this Order and shall provide written reasons. Where a disputed Claim has been referred to a Claims Officer, the Claims Officer shall determine all procedural matters which may arise in respect of his or her determination of these matters, including any participation rights for any stakeholder and the manner in which any evidence may be adduced. The Claims Officer shall have the discretion to mediate any dispute that is referred to such Claims Officer at its election. The Claims Officer shall also have the discretion to determine by whom and to what extent the costs of any hearing or mediation before a Claims Officer shall be paid.

27. **THIS COURT ORDERS** that the Receiver or the Claimant, or, with respect to a 7 Generations Claim, 7 Generations, may, within ten (10) days of such party receiving notice of a Claims Officer's determination of the amount of a Claimant's Claim or any other matter determined by the Claims Officer in accordance with this Order, appeal such determination to the Court by filing a notice of appeal, and the appeal shall be initially returnable for scheduling purposes within ten (10) days of filing such notice of appeal.

28. **THIS COURT ORDERS** that, if no party appeals any determination of any Claims Officer within the time set out in paragraph 27 above, the decision of the Claims Officer in determining the amount of the Claimant's Claim or any other matter determined by the Claims Officer in accordance with paragraph 26 shall be final and binding upon the applicable parties and there shall be no further right of appeal, review or recourse to the Court from the Claims Officer's final determination of a Claim.

NOTICE OF TRANSFEREES

29. **THIS COURT ORDERS** that the Receiver shall not be obligated to send notice to or otherwise deal with a transferee or assignee of a Claim as the Claimant in respect thereof unless and until: (i) actual written notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received by the Receiver, and (ii) the Receiver has acknowledged in writing such transfer or assignment, and thereafter such transferee or assignee shall for all purposes hereof constitute the "Claimant" in respect of such Claim. Any such transferee or assignee of a Claim, and such Claim, shall be bound by all notices given or steps taken in respect of such Claim, in accordance with this Order prior to the written acknowledgement by the Receiver of such transfer or assignment.

30. **THIS COURT ORDERS** that if the holder of a Claim has transferred or assigned the whole of such Claim to more than one Person or part of such Claim to another Person or Persons, such transfer or assignment shall not create a separate Claim, and such Claim shall continue to constitute and be dealt with as a single Claim notwithstanding such transfer or assignment, and the Receiver shall not be bound to acknowledge or recognize any such transfer or assignment and shall be entitled to send notice to and to otherwise deal with such Claim only as a whole, and then only to and with the Person last holding such Claim in whole as the Claimant in respect of such Claim. Provided that a transfer or assignment of the Claim has taken place in accordance with this Order and the Receiver has acknowledged in writing such transfer or assignment, the Person last holding such Claim in whole as the Claimant in respect of such Claim may by notice to the Receiver, in writing, direct that subsequent dealings in respect of such Claim, but only as a whole, shall be with a specified Person and, in such event, such Claimant, transferee or assignee of the Claim shall be

bound by any notices given or steps taken in respect of such Claim by or with respect to such Person in accordance with this Order.

DIRECTIONS

31. **THIS COURT ORDERS** that the Receiver or any other Person with an economic interest in this Claims Process may at any time, and with such notice as the Court may require, seek directions from the Court with respect to this Order and the claims process set out herein, including the forms attached as Schedules hereto.

SERVICE AND NOTICE

32. **THIS COURT ORDERS** that the Receiver may, unless otherwise specified by this Order, serve and deliver the Claims Package, and any letters, notices or other documents to Claimants, or other interested Persons, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or electronic or digital transmission to such Persons (with copies to their counsel, if applicable) at the last address shown in the books and records of the Respondents or 7 Generations, as applicable, or set out in such Person's Proof of Claim. Any such service or notice by courier, personal delivery or electronic or digital transmission shall be deemed to have been received: (i) if sent by ordinary mail, on the third (3rd) Business Day after mailing within Ontario, the fifth (5th) Business Day after mailing within Canada (other than within Ontario), and the tenth (10th) Business Day after mailing internationally; (ii) if sent by courier or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by electronic or digital transmission by 5:00 p.m. on a Business Day, on such Business Day, and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day. Notwithstanding anything to the contrary in this Order, Notices of Revision or Disallowance shall be sent only by (i) electronic or digital transmission to a fax number or email address that has been provided in writing by the Claimant, or (ii) courier.

33. **THIS COURT ORDERS** that any notice or other communication (including Proofs of Claim and Dispute Notices) to be given under this Order by any Person to the Receiver shall be in writing in substantially the form, if any, provided for in this Order and will be sufficiently given

only if delivered by prepaid registered mail, courier, personal delivery or electronic or digital transmission addressed to:

MNP Ltd.
111 Richmond Street West
Toronto, ON, M5H 2G4

Attn: Deborah Hornbostel / Sheldon Title
Telephone: 416-515-3885/ 416-263-6945
Email: deborah.hornbostel@mnp.ca / sheldon.title@mnp.ca

Any such notice or other communication by a Person shall be deemed received only upon actual receipt thereof during normal business hours on a Business Day, or if delivered outside of a normal business hours, the next Business Day.

34. **THIS COURT ORDERS** that if during any period during which notices or other communications are being given pursuant to this Order, a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary mail and then not received shall not, absent further Order of the Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery or electronic or digital transmission in accordance with this Order.

MISCELLANEOUS

35. **THIS COURT ORDERS** that notwithstanding any other provision of this Order, the solicitation of Proofs of Claim, and the filing by a Person of any Proof of Claim, shall not, for that reason only, grant any Person any standing in the Receivership Proceeding or rights to a distribution.

36. **THIS COURT ORDERS** that this Order is effective from the date that it is made and is enforceable without any need for entry and filing.

37. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals,

regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

**SCHEDULE “A”
DEFINED TERMS**

- (a) “**7 Generations**” has the meaning set out in the recitals hereto;
- (b) “**Assessments**” means current or future claims of Her Majesty the Queen in Right of Canada or of any province or territory or municipality or any other taxation authority in any Canadian or non-Canadian jurisdiction, including, without limitation, amounts which may arise or have arisen under any current or future notice of assessment, notice of objection, notice of reassessment, notice of appeal, audit, investigation, demand or similar request from any taxation authority, other than any Assessments arising from the filing of corporate tax returns filed with Canada Revenue Agency in relation related to the disposition of the Real Property (such latter Assessments, the “**Real Property Disposition Assessments**”);
- (c) “**Business Day**” means a day, other than a Saturday or a Sunday, on which banks are generally open for business in Toronto, Ontario;
- (d) “**Claim**” means, collectively:
 - (i) any right or claim of any Person against any of the Respondents, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of any such Respondent to such Person, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any right or claim with respect to any Assessment (other than a Real Property Disposition Assessment), or contract, or by reason of any equity interest, right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and any right or ability of any Person to advance a claim for contribution or indemnity or otherwise against any of the Respondents with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future; and
 - (ii) any right or claim of any Person against 7 Generations, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of 7 Generations to such Person, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent,

matured, unmatured, disputed, undisputed, legal, equitable, present, future, known or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any right or claim with respect to any Assessment, or contract, or by reason of any equity interest, right of ownership of or title to property or assets or right to a trust or deemed trust (statutory, express, implied, resulting, constructive or otherwise), and any right or ability of any Person to advance a claim for contribution or indemnity or otherwise against 7 Generations with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which right or claim, including in connection with indebtedness, liability or obligation, is related to services conducted, work performed, or otherwise arising in respect of the Real Property (such Claim being a “**7 Generations Claim**”);

- (e) “**Claims Officer**” means an individual designated by the Receiver to adjudicate disputed Claims, if applicable;
- (f) “**Claims Process**” means the procedures outlined in this Order, including the Schedules to this Order;
- (g) “**Claims Bar Date**” means 5:00 p.m. (Toronto time) on April 29, 2022, or such later date as the Court may order or the Receiver may determine under the authority of this Order;
- (h) “**Claimant**” means any Person asserting a Claim, and includes the transferee or assignee of a Claim, transferred and recognized as a Claimant in accordance with paragraphs 29 to 30 hereof, or a trustee, executor, or other Person acting on behalf of or through such Person;
- (i) “**Court**” means the Ontario Superior Court of Justice (Commercial List);
- (j) “**Dispute Notice**” means a written notice delivered to the Receiver by a Person who has received a Notice of Revision or Disallowance of that Person’s intention to dispute such Notice of Revision or Disallowance and the reasons for the dispute, substantially in the form attached as Schedule “**E**” hereto;
- (k) “**Notice of Revision or Disallowance**” means a notice informing a Claimant that the Receiver has revised or disallowed all or part of such Claimant’s Claim set out

in such Claimant's Proof of Claim, substantially in the form attached as Schedule “D” hereto;

- (l) “**Person**” is to be broadly interpreted and includes any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust, unincorporated organization, joint venture, government authority or any agency, regulatory body, officer or instrumentality thereof or any other entity, wherever situate or domiciled, and whether or not having legal status, and whether acting on their own or in a representative capacity;
- (m) “**Proof of Claim**” means the proof of claim to be completed and filed by a Claimant setting forth a Claim and which shall include all supporting documentation in respect of such Claim, substantially in the form attached as Schedule “C” hereto;
- (n) “**Proven Claim**” means the amount of a Claimant’s Claim, as finally determined under the Claims Process;
- (o) “**Real Property**” shall mean, collectively:
 - (i) The real property municipally known as 320 Mapleview Drive West, Barrie, Ontario, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1071059 EXCEPT PT 62 PL 51R24730, PTS 1 TO 5 INCL. PL 51R31988 & PTS 2 TO 4 INCL. PL 51R34959, S/T RO1272147; BARRIE, being all of PIN 58730 - 0303 (LT);
 - (ii) The real property municipally known as 366 Mapleview Drive West / 692 Essa Road, Barrie Ontario, which is legally described as CONSOLIDATION OF VARIOUS PROPERTIES PT LT 3 CON 12 INNISFIL BEING PT 1 PL 51R32435 & PT LTS 3 & 4 CON 12 INNISFIL BEING PTS 1 & 2 PL 51R25124, EXCEPT PT 1 PL 51R33177, S/T RO990763; INNISFIL, being all of PIN 58730 - 0304 (LT);
 - (iii) The real property municipally known as 664 Essa Road, Barrie, Ontario, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1278789 EXCEPT PT 6 PL 51R31988; BARRIE, being all of PIN 58730 - 0240 (LT); and
 - (iv) The real property municipally known as 674 Essa Road, Barrie, Ontario, which is legally described as PT LT 4 CON 12 INNISFIL AS IN

RO1244213 EXCEPT PT 61 51R24730 AND PT 251R33177; S/T RO1272150; BARRIE, being all of PIN 58730 - 0297 (LT).

- (p) **“Receivership Order”** means the order of Mr. Justice Penny dated November 9, 2021, appointing the Receiver and granting the Receiver certain powers;
- (q) **“Receivership Proceeding”** means the proceeding commenced pursuant to the Receivership Order on application by certain secured creditors of the Respondents;
- (r) **“Receiver’s Website”** means <https://mnpdebt.ca/en/corporate/corporate-engagements/2738283-ontario-inc-et-al>; and
- (s) **“Respondents”** means collectively, 2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc.

**SCHEDULE “B”
NOTICE TO CLAIMANTS**

Court File No. CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

B E T W E E N:

PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC and PS HOLDINGS 3 LLC

Applicants

-AND-

2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.

Respondents

RE: NOTICE OF CLAIMS PROCESS

PLEASE TAKE NOTICE that this notice is being published pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) made March 10, 2022 (the “**Claims Process Order**”). If you believe you are a creditor of 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC. (collectively, the “**Respondents**”) or 7 GENERATIONS DEVELOPMENT GROUP LIMITED (“**7 Generations**”) and together with the Respondents, the “**Claim Parties**”) please continue reading this notice.

A Claims Process has been commenced pursuant to the Claims Process Order. All creditors of (i) the Respondents, or (ii) 7 Generations solely in respect of the real properties set out in Schedule “A” (collectively, the “**Real Property**”) attached hereto are required to submit a Proof of Claim to MNP Ltd., the Court-appointed receiver of the Respondents (in such capacity, the “**Receiver**”) on or before April 29, 2022.

Creditors may obtain the Claims Process Order and a Claims Package from the Receiver’s website at <https://mnpdebt.ca/en/corporate/corporate-engagements/2738283-ontario-inc-et-al> or by contacting the Receiver by telephone at 416-515-3885 or by email at deborah.hornbostel@mnp.ca.

If you are a creditor of any of the Claim Parties and wish to assert a claim, you are required to submit a completed Proof of Claim to the Receiver by **5:00 p.m. (Toronto Time) on April 29, 2022** (the “**Claims Bar Date**”). It is your responsibility to complete the appropriate documents and ensure that the Receiver receives your completed documents by the Claims Bar Date.

CLAIMS WHICH ARE NOT RECEIVED BY THE CLAIMS BAR DATE WILL BE BARRED AND EXTINGUISHED FOREVER.

DATED at Toronto this ____ day of _____, 2022.

Schedule "A"

- (a) The real property municipally known as 320 Mapleview Drive West, Barrie, Ontario, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1071059 EXCEPT PT 62 PL 51R24730, PTS 1 TO 5 INCL. PL 51R31988 & PTS 2 TO 4 INCL. PL 51R34959, S/T RO1272147; BARRIE, being all of PIN 58730 - 0303 (LT);
- (b) The real property municipally known as 366 Mapleview Drive West / 692 Essa Road, Barrie Ontario, which is legally described as CONSOLIDATION OF VARIOUS PROPERTIES PT LT 3 CON 12 INNISFIL BEING PT 1 PL 51R32435 & PT LTS 3 & 4 CON 12 INNISFIL BEING PTS 1 & 2 PL 51R25124, EXCEPT PT 1 PL 51R33177, S/T RO990763; INNISFIL, being all of PIN 58730 - 0304 (LT);
- (c) The real property municipally known as 664 Essa Road, Barrie, Ontario, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1278789 EXCEPT PT 6 PL 51R31988; BARRIE, being all of PIN 58730 - 0240 (LT); and
- (d) The real property municipally known as 674 Essa Road, Barrie, Ontario, which is legally described as PT LT 4 CON 12 INNISFIL AS IN RO1244213 EXCEPT PT 61 51R24730 AND PT 251R33177; S/T RO1272150; BARRIE, being all of PIN 58730 - 0297 (LT).

**SCHEDULE "C"
PROOF OF CLAIM**

Court File No. CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

B E T W E E N:

PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC and PS HOLDINGS 3 LLC

Applicants

-AND-

2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.

Respondents

PROOF OF CLAIM

1. PARTICULARS OF CLAIMANT

(a) Full Legal Name of Claimant:

(b) Full Mailing Address of Claimant:

(c) Telephone Number of Claimant:

- (d) Facsimile Number of Claimant: _____
- (e) E-mail Address of Claimant: _____
- (f) Attention (Contact Person): _____

2. PARTICULARS OF ORIGINAL CLAIMANT FROM WHOM YOU ACQUIRED THE CLAIM, IF APPLICABLE:

- (a) Have you acquired this Claim by assignment? Yes No
(if yes, attach documents evidencing assignment)

a. Full Legal Name of original creditor(s): _____

3. PROOF OF CLAIM

THE UNDERSIGNED CERTIFIES AS FOLLOWS:

All capitalized terms not otherwise defined herein have the meanings ascribed to them in the Claims Process Order granted by the Ontario Superior Court of Justice (Commercial List) on March 10, 2022 (the “**Claims Process Order**”).

That I [am a Claimant/hold the position of _____ of the Claimant] [*select applicable*] and have knowledge of all the circumstances connected with the Claim described herein;

That I have knowledge of all the circumstances connected with the Claim described and set out below;

The Respondents and/or 7 Generations Development Group Limited are indebted to the Claimant as follows:

(When completing the Proof of Claim form, please include the exact legal name of the party that you are asserting a Claim against. Any Claims denominated in a foreign currency shall be filed in such currency and will be converted to Canadian Dollars at rates set out in the Claims Process Order.)

	2738283 Ontario Inc., 2738284 Ontario Inc. and 2738285 Ontario Inc.	Amount of Claim
1.		\$
2.		\$
	\$	

	7 Generations Development Group Limited (related to the Real Property)	Amount of Claim
1.		\$
2.		
	\$	

4. PARTICULARS OF CLAIM:

The particulars of the undersigned's total Claim are attached.

(Provide full particulars of the Claim(s) and supporting documentation, including the amount, description of transaction(s) or agreement(s) giving rise to the Claim(s), name of any guarantor(s) which has guaranteed the Claim(s), and amount of Claim(s) allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed. With respect to any Claim(s) asserted against 7 Generations Development Group Limited, indicate the nature of such Claim(s) in respect of the Real Property).

5. FILING OF CLAIM

This Proof of Claim must be returned to and received by the Receiver by 5:00 p.m. (Toronto Time) on the Claims Bar Date (April 29, 2022).

In each case, completed forms must be delivered by prepaid registered mail, courier, personal delivery, or email to the Receiver at the following address:

MNP Ltd.
111 Richmond Street West
Toronto, ON, M5H 2G4

Attn: Deborah Hornbostel / Sheldon Title
Telephone: 416-515-3885/ 416-263-6945
Email: deborah.hornbostel@mnp.ca / sheldon.title@mnp.ca

Dated at _____ this _____ day of _____, 2022.

SCHEDULE "D"
NOTICE OF REVISION OR DISALLOWANCE OF CLAIM

Court File No. CV-21-00670723-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

B E T W E E N:

PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC and PS HOLDINGS 3 LLC

Applicants

-AND-

2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.

Respondents

NOTICE OF REVISION OR DISALLOWANCE

TO:

The Receiver has reviewed your Proof of Claim dated _____, 2022, and have revised or rejected your Claim in respect of _____ for the following reasons:

Subject to further dispute by you in accordance with the provisions of the Claims Process Order, your Claim will be allowed as follows:

Respondents / Party	Original Claim Amount	Disallowed Amount	Revised Allowed Amount

If you intend to dispute this Notice of Revision or Disallowance, you must notify the Receiver of such intent by delivery to the Receiver of a Dispute Notice in accordance with the Claims Process Order, such that it is received by the Receiver by 5:00 p.m. no later than fourteen (14) calendar days after you receive such Notice of Revision or Disallowance at the following address by prepaid registered mail, courier, personal delivery, or email:

MNP Ltd.
 111 Richmond Street West
 Toronto, ON, M5H 2G4

Attn: Deborah Hornbostel / Sheldon Title
 Telephone: 416-515-3885/ 416-263-6945
 Email: deborah.hornbostel@mnp.ca / sheldon.title@mnp.ca

If you do not deliver a Dispute Notice in accordance with the Claims Process Order, the value of your Claim(s) shall be deemed to be as set out in this Notice of Revision or Disallowance.

DATED at _____ this _____ day of _____, 2022.

**SCHEDULE "E"
DISPUTE NOTICE**

Court File No. CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

IN THE MATTER OF Section 101 of the *Courts of Justice Act*, R.S.O. 1990 c.C.43, as amended, and in the matter of Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended

B E T W E E N:

PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC and PS HOLDINGS 3 LLC

Applicants

-AND-

2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.

Respondents

DISPUTE NOTICE

1. PARTICULARS OF CLAIMANT

(b) Full Legal Name of Claimant:

(c) Full Mailing Address of Claimant:

(d) Telephone Number of Claimant:

(e) Facsimile Number of Claimant:

- (f) E-mail Address of Claimant: _____
- (g) Attention (Contact Person): _____

2. PARTICULARS OF ORIGINAL CLAIMANT FROM WHOM YOU ACQUIRED THE CLAIM, IF APPLICABLE:

- (h) Have you acquired this Claim by assignment? Yes No
- (if yes, attach documents evidencing assignment)

Full Legal Name of original creditor(s): _____

3. DISPUTE OF REVISION OR DISALLOWANCE OF CLAIM:

(Any Claims denominated in a foreign currency shall be filed in such currency and will be converted to Canadian dollars at the rate set out in the Claims Procedure Order.)

We hereby disagree with the value of our Claim as set out in the Notice of Revision or Disallowance dated _____, as set out below:

Party ¹	Claim as Allowed or Revised per Notice of Revision or Disallowance	Claim per Claimant
	\$	\$
	\$	\$
	Total	\$

(Insert particulars of Claim per Notice of Revision or Disallowance, and the value of your Claim as asserted by the Claimant).

¹ Please include the full legal name of the Respondent or 7 Generations Development Group Limited that you are asserting a Claim against.

4. REASONS FOR DISPUTE:

(Provide full particulars of the Claim and supporting documentation, including amount, description of transaction(s) or agreement(s) giving rise to the Claim, name of any guarantor(s) which has guaranteed the Claim, and amount of Claim allocated thereto, date and number of all invoices, particulars of all credits, discounts, etc. claimed. The particulars provided must support the value of the Claim, as stated by you in item 2 above).

If you intend to dispute the Notice of Revision or Disallowance, you must notify the Receiver of such intent by delivery to the Receiver of this Dispute Notice in accordance with the Claims Process Order such that it is received by the Receiver by 5:00 p.m. no later than fourteen (14) calendar days after you receive such Notice of Revision or Disallowance at the following address by prepaid registered mail, courier, personal delivery, or email:

MNP Ltd.
111 Richmond Street West
Toronto, ON, M5H 2G4

Attn: Deborah Hornbostel / Sheldon Title
Telephone: 416-515-3885/ 416-263-6945
Email: deborah.hornbostel@mnp.ca / sheldon.title@mnp.ca

DATED at _____ this _____ day of _____, 2022.

IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC. AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 as amended, and section 101 of the *Courts of Justice Act*, RSO 1990, c C.43, as amended

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC**

Respondents

Court File No.: CV-21-00670723-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**

Proceedings commenced at Toronto

CLAIMS PROCESS ORDER

Thornton Grout Finnigan LLP
Toronto-Dominion Centre
100 Wellington Street West
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Toronto, ON M5K 1K7
Fax: 416-304-1313

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Tel: 416-304-1153 / Email: rnicholson@tgf.ca

Lawyers for the Court-Appointed Receiver, MNP Ltd.

**IN THE MATTER OF THE RECEIVERSHIP OF 2738283 ONTARIO INC., 2738284 ONTARIO INC. and 2738285 ONTARIO INC.
AND IN THE MATTER OF AN APPLICATION UNDER section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 as amended,
and section 101 of the *Courts of Justice Act*, RSO 1990, c C.43, as amended**

**PS HOLDINGS 1 LLC, PS HOLDINGS 2 LLC
and PS HOLDINGS 3 LLC**

Applicants

**2738283 ONTARIO INC., 2738284 ONTARIO INC.
and 2738285 ONTARIO INC**

Respondents

Court File No.: CV-21-00670723-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

AMENDED MOTION RECORD
RETURNABLE MARCH 10, 2022

Thornton Grout Finnigan LLP

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Toronto, ON M5K 1K7
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