

THE KING'S BENCH

WINNIPEG CENTRE

IN THE MATTER OF: THE APPOINTMENT OF A RECEIVER
PURSUANT TO SECTION 243 OF THE
BANKRUPTCY AND INSOLVENCY ACT, R.S.C.
1985, c. B-3, AS AMENDED AND SECTION 55
OF *THE COURT OF KING'S BENCH ACT*,
C.C.S.M., c. C280

BETWEEN:

FIRST NATIONAL FINANCIAL GP CORPORATION,

Applicant,

- and -

5684995 MANITOBA LTD., 6315402 MANITOBA LTD.
and K&P PROPERTIES INC.,

Respondents.

AFFIDAVIT OF MELANIE M. LABOSSIÈRE
AFFIRMED: OCTOBER 31, 2023

Thompson Dorfman Sweatman LLP
1700 – 242 Hargrave Street
Winnipeg MB R3C 0V1
(Matter No. 0165207 APM/RAM)
(Ross A. McFadyen, Tel: 204-934-2378)
(Mel M. LaBossière, Tel: 204-934-2508)
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5684995 MANITOBA LTD., 6315402 MANITOBA LTD.
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AFFIDAVIT OF MELANIE M. LABOSSIÈRE

I, MELANIE M. LABOSSIÈRE, of the City of Winnipeg, in the
Province of Manitoba, Lawyer,

AFFIRM:

1. I am a lawyer with the firm of Thompson Dorfman Sweatman LLP, which represents the Applicant in this proceeding. As such, I have personal knowledge of the matters herein deposed to by me save and except where any of same are stated to be based on information and belief, in which case I believe them to be true.

2. At paragraph 10(a) of the Affidavit of Sonia Pacheco sworn September 27, 2023 (the "**Pacheco Affidavit**"), it is stated that Standard Charge Mortgage Terms (No. 1028245) of the Canada Mortgage and Housing Corporation (the "**SCMTs**") are included as part of Exhibit "F" to that Affidavit.

3. It appears the SCMTs may have been inadvertently omitted from Exhibit "F" of the Pacheco Affidavit when it was finalized. As such, attached hereto and marked as **Exhibit "A"** are the SCMTs.

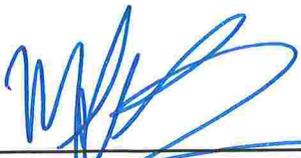
4. A true copy of an Status of Title for the Property (as defined in the Pacheco Affidavit) as of October 31, 2023 is attached hereto and marked as **Exhibit "B"**.

5. Caveat No. 5570445/1 was listed as having the status of "Entered" on the Status of Title included as Exhibit "K" to the Pacheco Affidavit. On the current Status of Title, it is now shown as "Accepted".

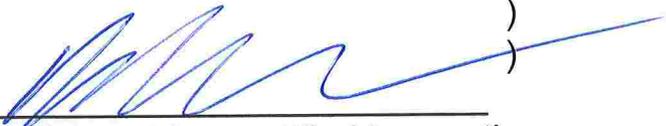
6. It was not previously possible to obtain a copy of Caveat No. 5570445/1 while its status was "Entered". With it now being "Accepted", we have obtained a copy of Caveat No. 5570445/1. A true copy of Caveat No. 5570445/1 is attached hereto and marked as **Exhibit "C"**.

7. I make this affidavit in good faith, and in support of First National's application to appoint a Receiver over the Property.

AFFIRMED BEFORE ME at the)
)
City of Winnipeg, in the Province)
)
of Manitoba this 31st day of)
)
October, 2023)



MELANIE M. LABOSSIERE



A Barrister-at-law entitled to practice
in and for the Province of Manitoba

This is Exhibit "A" referred to in the
Affidavit of Melanie LaBosstiere
annexed hereto sworn before me this 31st
day of October 20 23


A BARRISTER-AT-LAW ENTITLED TO PRACTISE
IN AND FOR THE PROVINCE OF MANITOBA

THE REAL PROPERTY ACT
SET OF STANDARD CHARGE TERMS

Filed by CANADA MORTGAGE AND HOUSING CORPORATION

Filing Date: June 8, 1988

Serial No. 1028245

The following set of Standard Charge Terms shall be deemed to be included in every mortgage in which the set is referred to by its serial number, as provided in Section 93 of The Real Property Act.

1 COVENANT TO PAY

- (a) The Mortgagor shall pay to the Mortgagee in lawful money of Canada the principal referred to in paragraph 6 of the mortgage of which these Standard Charge Terms form a part with interest thereon at the rate referred to in said paragraph 6 (the "mortgage rate") in the manner and upon the terms referred to in the mortgage and shall observe and perform all covenants, provisos, terms, conditions and agreements contained in the mortgage;
- (b) The Mortgagor covenants and agrees to pay to the Mortgagee interest as aforesaid in the manner aforesaid on the principal at the mortgage rate and all interest on becoming overdue shall be forthwith treated (as to payment of interest thereon) as principal and shall bear compound interest at the mortgage rate as well after as before maturity of the mortgage, to be computed with rests and paid on the interest adjustment date and semi-annually thereafter in each year and all such interest and compound interest shall be a charge on the Land referred to in paragraph 2 of the mortgage (the "said lands"). In the event of non-payment of any of the money hereby secured at the times set for payment in the mortgage, the Mortgagor agrees to pay interest at the mortgage rate from day to day on the same so long as any part thereof remains unpaid;
- (c) All money whether principal, interest or other money payable to the Mortgagee under the terms of the mortgage shall be payable in lawful money of Canada to the Mortgagee at its head office or such other place as may be designated by the Mortgagee.

2 APPLICATION OF PAYMENTS

Provided that if the mortgage is repayable by blended instalments of principal and interest, the instalments payable under the mortgage are to be applied firstly on account of interest calculated as provided in the mortgage on the principal money from time to time outstanding and the balance of the said instalments shall be applied on account of principal; provided, however, in the case of default by the Mortgagor, the Mortgagee may apply any payments received during any period of such default in whatever order it may elect as between principal, interest, taxes, repairs, insurance premiums or other advances made on behalf of the Mortgagor.

3 PREPAYMENT PRIVILEGE

- (a) Provided that the Mortgagor when not in default hereunder shall have the privilege of paying an additional amount on account of principal, not in excess of 10% of the original amount of this mortgage, on the first anniversary of the interest adjustment date and a similar amount on account of principal on the second anniversary of the said date, upon payment, by way of bonus, of three months interest on the amount of any such additional payment, it being agreed that such privilege shall not be cumulative;
- (b) Provided that on the third anniversary of the interest adjustment date and on any monthly instalment date thereafter, the Mortgagor, when not in default hereunder, shall have the privilege of paying the whole amount owing hereunder, or any part thereof, upon payment, by way of bonus, of three months interest on the amount of any such additional payment;
- (c) Provided, however, that if the mortgage covers a rental housing project, as defined in the National Housing Act, the foregoing additional payment privileges shall not apply, but the Mortgagor, when not in default hereunder, shall have the privilege of paying, on the fifth anniversary of the interest adjustment date, or on any monthly instalment date thereafter, the whole amount owing hereunder, upon payment, by way of bonus, of three months interest on the principal amount then outstanding;
- (d) Provided that when any partial additional payments are made the amount thereof shall be equal to the sum of the principal portions of a number of consecutive monthly instalments which would otherwise become due hereunder next following the date upon which such additional payment is made, and the payment dates of all remaining instalments and of the balance owing hereunder shall be accelerated so that the Mortgagor shall pay the aforesaid monthly instalment in each and every month, commencing with the month immediately following the month in which the additional payment is made and continuing until all money owing hereunder shall have been fully repaid.

4 TAXES

Subject as hereinafter in this clause provided, the Mortgagor agrees to pay when and as the same fall due all taxes, rates, liens, charges, encumbrances or claims which are or may be or become charges or claims against the mortgaged premises or on the mortgage or on the Mortgagee in respect of the mortgage; provided that in respect of municipal taxes, school taxes and local improvement rates (hereinafter referred to as "taxes") chargeable against the mortgaged premises:

- (a) The Mortgagee may deduct from the final advance of the money secured by the mortgage an amount sufficient to pay the taxes which have become or will become due and payable on or before the day preceding the said interest adjustment date and are unpaid at the date of such final advance;
- (b) After the interest adjustment date the Mortgagor shall pay to the Mortgagee in monthly instalments on the dates on which instalments of principal and interest are payable pursuant to the mortgage, sums sufficient to enable the Mortgagee to pay the whole amount of taxes on or before the due date for payment thereof or, if such amount is payable in instalments, on or before the due date for payment of the first instalment thereof;
- (c) Where the period between the interest adjustment date and the next following annual due date or first instalment date is less than one year, the Mortgagor shall pay to the Mortgagee in equal monthly instalments, during such period and during the next succeeding 12-month period, an amount estimated by the Mortgagee to be sufficient to pay, on or before the expiration of the said 12-month period, all taxes which shall become due and payable during the said two periods and during the balance of the year in which the said 12-month period expires; and the Mortgagor agrees to pay to the Mortgagee on demand the amount, if any, by which the actual taxes exceed such estimated amount;
- (d) Except as provided in clause 4 (c) the Mortgagor shall, in each and every month, pay to the Mortgagee one-twelfth of the amount (as estimated by the Mortgagee) of the taxes next becoming due and payable; and the Mortgagor shall pay to the Mortgagee on demand the amount, if any, by which the actual taxes exceed such estimated amount;
- (e) The Mortgagee shall allow the Mortgagor credit for interest at not less than the prevailing rate allowed by the chartered banks on personal savings deposits with chequing privileges, on the minimum balances standing in the mortgage account from time to time to the Mortgagor's credit for payment of taxes, such interest to be credited to the mortgage account not less frequently than once each year; and the Mortgagor shall be charged interest, at the mortgage rate, on the debit balance, if any, of taxes in the mortgage account outstanding after payment of taxes by the Mortgagee, until such debit balance is fully repaid;
- (f) The Mortgagee agrees to apply such deduction and payments on the taxes chargeable against the mortgaged premises so long as the Mortgagor is not in default under any covenant, proviso or agreement contained in the mortgage, but nothing herein contained in the mortgage shall obligate the Mortgagee to apply such payments on account of taxes more often than yearly. Provided, however, that if, before any sum or sums so paid to the Mortgagee shall have been so applied, there shall be default by the Mortgagor in respect of any payment of principal or interest as herein provided, the Mortgagee may apply such sum or sums in or towards payment of the principal and or interest in default. The Mortgagor further covenants and agrees to transmit to the Mortgagee the assessment notices, tax bills and other notices affecting the imposition of taxes forthwith after the receipt of same by the Mortgagor;
- (g) Notwithstanding the provisions of clause 1 and clauses 4 (a) to 4 (f) inclusive, the Mortgagee may, with the approval of Canada Mortgage and Housing Corporation, request the Mortgagor to pay the taxes when and as such taxes become due and to submit to the Mortgagee tax receipts evidencing the payment of the said taxes within 30 days after they become due, and in such case, the aforesaid monthly instalment, where applicable, will be adjusted accordingly.

5. INSURANCE

The Mortgagor shall forthwith insure and during the continuance of the mortgage keep insured in favour of the Mortgagee, against loss or damage by fire and, as the Mortgagee may require, insure against loss or damage by tempest, tornado, cyclone, lightning, floods and other risks or hazards, each and every building on the said lands and which may hereafter be erected thereon, both during erection and thereafter, for the full replacement value thereof in lawful money of Canada in a company approved by the Mortgagee; and the Mortgagor shall forthwith assign, transfer and deliver over unto the Mortgagee the policy of insurance and receipts thereof appertaining; and if the Mortgagor shall neglect to keep the said buildings or any of them insured as aforesaid, or to deliver such policies and receipts or to produce to the Mortgagee at least five days before the termination of any insurance, evidence of renewal thereof, the Mortgagee shall be entitled, but shall not be obliged, to insure the said buildings or any of them; and the Mortgagor shall forthwith on the happening of any loss or damage, furnish at its expense all necessary proofs and do all necessary acts to enable the Mortgagee to obtain payment of the insurance money; and any insurance money received may, at the option of the Mortgagee, be applied in rebuilding, reinstating or repairing the mortgaged premises or be paid to the Mortgagor or to any other person appearing by the registered title to be or to have been the owner of the said mortgaged premises or be applied or paid partly in one way and partly in another, or it may be applied, in the sole discretion of the Mortgagee, in whole or in part on the mortgage debt or any part thereof whether due or not then due.

6. CONSTRUCTION

The Mortgagor agrees to construct a building or buildings and other improvements on the said lands in accordance with plans and specifications which have been or are hereafter approved by Canada Mortgage and Housing Corporation and by the Mortgagee and will carry on diligently to completion the construction of the said building, buildings and other improvements.

7. ENTRY AFTER DEFAULT

The Mortgagor covenants and agrees with the Mortgagee that in the event of default in the payment of any instalment or any other money payable hereunder or on breach of any covenant, proviso or agreement herein contained, after all or any part of the money hereby secured has been advanced, the Mortgagee may at such time or times as the Mortgagee may deem necessary and without the concurrence of any person, enter upon the mortgaged premises and may make such arrangements for completing the construction of, repairing or putting in order the mortgaged premises, or for inspecting, taking care of, leasing, collecting the rents of and managing generally the mortgaged premises as the Mortgagee may deem expedient; and all reasonable costs, charges and expenses, including allowances for the time and service of any employee of the Mortgagee or other person appointed for the above purposes, shall be forthwith payable to the Mortgagee and shall be a charge upon the mortgaged premises and shall bear interest at the mortgage rate until paid.

8. REMEDIES

- (a) The Mortgagor covenants and agrees with the Mortgagee that in the event of default being made in the payment of the money hereby secured or any part thereof or in case of the breach or non-performance of any of the covenants, agreements, provisos or stipulations expressed or implied herein: **The Mortgagee may, at the expense of the Mortgagor and when and to such extent as the Mortgagee deems advisable, observe and perform or cause to be observed and performed such covenant, agreement, proviso or stipulation;** the Mortgagee may send or employ an inspector or agent to inspect and report upon the value, state and condition of the mortgaged premises and a solicitor to examine and report upon the title to the mortgaged premises; the Mortgagee or agent of the Mortgagee may enter into possession of the mortgaged premises and whether in or out of possession collect the rent and profit thereof, and make any demise or lease of the mortgaged premises or any part thereof, for such term and period and at such rent as the Mortgagee shall think proper; and the power of sale hereunder may be exercised either before or after and subject to any such demise or lease; it shall and may be lawful for and the Mortgagor does hereby grant full power, right and licence to the Mortgagee to enter, seize and distrain upon the mortgaged premises, or any part thereof, and by distress warrant to recover by way of rent reserved as in the case of demise of the mortgaged premises, as much of the mortgage money as shall from time to time be or remain in arrears and unpaid, together with all costs, charges and expenses attending such levy or distress, as in like cases of distress for rent; **the Mortgagee may sell and dispose of the mortgaged premises with or without entering into possession of the same and with or without notice to the Mortgagor or any party interested in the mortgaged premises;** and all remedies competent may be resorted to and all the rights, powers and privileges granted to or conferred upon the Mortgagee under and by virtue of any statute or by the mortgage may be exercised; and any notice may be effectually given by leaving the same with an adult person on the mortgaged premises if occupied, or by placing the same thereon, or on any part thereof if unoccupied, or at the option of the Mortgagee by publishing the same in a newspaper published in the Province of Manitoba; and such notice shall be sufficient though not otherwise addressed than "To whom it may concern"; and no want of notice or publication or any other defect, impropriety or irregularity shall invalidate any sale made or purporting to be made of the mortgaged premises **AND THE MORTGAGEE MAY SELL, MANITOBA AND COUNTY** any part of the mortgaged premises on such terms of credit or part cash and part credit, secured by contract or agreement for sale or mortgage, or otherwise, as shall appear to the Mortgagee most advantageous and for such price as can reasonably be obtained therefor; and in the event of a sale on credit or for part cash and part credit, whether by way of contract for sale or by conveyance or transfer and mortgage, the Mortgagee is not to be accountable for or charged with any money until the same shall be actually received in cash; and sales may be made from time to time of parts of the mortgaged premises to satisfy interest or parts of the principal overdue, leaving the principal or parts thereof to run with interest payable at the mortgage rate; and the Mortgagee may make any stipulations as to title or evidence or commencement of title or otherwise as the Mortgagee shall deem proper, and may buy in or rescind or vary any contract for sale, and on any sale or resale, the Mortgagee shall not be answerable for loss occasioned thereby; and for any of such purposes the Mortgagee may make and execute all agreements and assurances that the Mortgagee shall deem advisable or necessary; the whole of the mortgage money shall, at the option of the Mortgagee, become due and payable.
- (b) The Mortgagor further covenants and agrees with the Mortgagee that the taking of a judgment on any of the covenants or agreements herein contained shall not operate as a merger thereof; the Mortgagee may at all times release any part or parts of the mortgaged premises or any other security or any surety for payment of all or any part of the money hereby secured or may release the Mortgagor or any other person from any covenant or other liability to pay the said money or any part thereof, either with or without any consideration therefor, and without being accountable for the value thereof or for any money except that actually received by the Mortgagee, and without thereby releasing any other part of the mortgaged premises, or any other securities or covenants herein contained; it being especially agreed that notwithstanding any such release the portion of the mortgaged premises, securities and covenants remaining unreleased shall stand charged with the whole of the money hereby secured; no extension of time given by the Mortgagee to the Mortgagor, or anyone claiming under the Mortgagor, shall in any way affect or prejudice the rights of the Mortgagee against the Mortgagor or any other person liable for payment of the money hereby secured.

9. BUILDINGS

It is the intention of the parties hereto that the building or buildings now erected, being erected or to be erected on the said lands form part of the security for the full amount of the money secured by the mortgage and that advances on the mortgage are to be made from time to time in the future in accordance with the progress of construction of such building or buildings and upon their completion and occupation or sale; and the Mortgagor agrees that neither the execution nor registration of the mortgage nor the advance of part of the said money shall bind the Mortgagee to advance the said money or any unadvanced part thereof, and that the advance of the said money or any part thereof from time to time shall be in the sole discretion of the Mortgagee.

10. FIXTURES

All erections and improvements fixed or otherwise now on or hereafter put upon the said lands or put upon any buildings located upon the said lands, including, without limiting the generality of the foregoing, all fences, heating, plumbing, air-conditioning, ventilating, lighting and water heating equipment, cooking and refrigeration equipment, washing and drying equipment, window blinds, storm windows and storm doors, window screens and screen doors, and all apparatus and equipment appurtenant thereto are and shall, in addition to other fixtures thereon, be and become fixtures and form part of the realty and of the security and are included in the term "mortgaged premises"; and the Mortgagor shall not commit or permit any act of waste thereon; and the Mortgagor shall, at all times during the continuance of the mortgage, repair, maintain, restore, amend, keep, make good, finish, add to and put in order the mortgaged premises; and in the event of any loss or damage thereto or destruction thereof the Mortgagee may give notice to the Mortgagor to repair, rebuild, or reinstate the mortgaged premises within a time to be determined by the Mortgagee and to be stated in such notice; and upon the failure of the Mortgagor so to repair, rebuild, or reinstate within such time, such failure shall constitute a breach of covenant hereunder and thereupon the mortgage money shall, at the option of the Mortgagee, become immediately due and payable, without any demand by the Mortgagee upon the Mortgagor.

11. PRIOR ENCUMBRANCES

- (a) It is further stipulated, provided and agreed that the Mortgagee may pay the amount of any encumbrance, lien or charge now or hereafter existing or to arise or to be claimed upon the mortgaged premises having priority over the mortgage, including any taxes or other rates on the mortgaged premises or any portion of the mortgaged premises, or any amounts payable to a condominium corporation, and may pay all costs, charges and expenses and all solicitors' charges or commissions as between a solicitor and client, which may be incurred in taking, recovering and keeping possession of the mortgaged premises and generally in any proceedings or steps of any nature whatever properly taken in connection with or to realize upon the mortgage, or in respect of the collection of any overdue interest, principal, insurance premiums, condominium fees or any other money whatsoever payable by the Mortgagor hereunder whether any action or any judicial proceedings to enforce such payments has or have been taken or not and the amount of insurance premiums for fire or other risks or hazards so paid and any other money paid hereunder by the Mortgagee shall be added to the debt hereby secured and be a charge on the mortgaged premises and shall bear interest at the mortgage rate and shall be payable forthwith by the Mortgagor to the Mortgagee and the non-payment of such amount shall be a default under the mortgage and shall entitle the Mortgagee to exercise the power of sale and all other remedies hereby given. In the event of the Mortgagee paying the amount of any such encumbrance, lien or charge, taxes or rates, either out of the money advanced under the mortgage or otherwise it shall be entitled to all the rights, equities and securities of the person or persons, company, corporation or government so paid, and is hereby authorized to retain any discharge thereof, without registration, for such period of time as the Mortgagee deems appropriate.
- (b) In the event of the mortgage money advanced hereunder, or any part thereof, being applied to the payment of any charge or encumbrance, the Mortgagee shall be subrogated to all the rights of and stand in the position of and be entitled to all the equities of the party so paid, whether such charge or encumbrance has or has not been discharged; and the decision of the Mortgagee as to the validity or amount of any advance or disbursement made under the mortgage or of any other money advanced shall be final and binding on the Mortgagor, the Mortgagee shall not be charged with any money receivable or collectible out of the mortgaged premises or otherwise, except those actually received; and all revenue of the mortgaged premises received or collected by the Mortgagee from any source other than payment by the Mortgagor may, at the option of the Mortgagee, be used in maintaining or insuring or improving the mortgaged premises, or in payment of taxes or other charges against the mortgaged premises, or applied on the mortgage account.

12. MORTGAGE EXPENSES

All solicitor's, inspector's, valuator's and surveyor's fees and expenses for drawing and registering the mortgage and for examining the mortgaged premises and the title thereto, and for making or maintaining the mortgage a first charge on the mortgaged premises, together with all sums which the Mortgagee may and does from time to time advance, expend or incur hereunder as principal, insurance premiums, taxes or rates, or in or toward payment of prior liens, charges, encumbrances or claims charged or to be charged against the mortgaged premises or on the mortgage or on the Mortgagee in respect of the mortgage, and in maintaining, repairing, restoring or completing the mortgaged premises, and in inspecting, leasing, managing, or improving the mortgaged premises, including the price or value of any goods of any sort or description supplied to be used on the mortgaged premises, and in exercising or enforcing or attempting to enforce or in pursuance of any right, power, remedy or purpose hereunder or subsisting, and legal costs, as between a solicitor and client, and an allowance for the time, work and expense of the Mortgagee, or of any agent, solicitor or employee of the Mortgagee, for any purpose herein provided for and whether such sums are advanced or incurred with the knowledge, consent, concurrence or acquiescence of the Mortgagor or otherwise, are to be secured hereby and shall be a charge on the mortgaged premises, together with interest thereon at the mortgage rate, and all such money shall be repayable to the Mortgagee on demand, or if not demanded then with the next ensuing instalment, except as otherwise herein provided, and all such sums together with interest thereon are included in the term "mortgage money".

13. ALTERATIONS

The Mortgagor shall not make, or permit to be made, any alterations or additions to the mortgaged premises without the consent of the Mortgagee; and the Mortgagor shall not use the mortgaged premises or permit them to be used for the purpose of any hotel, business, trade or manufacture of any description; the Mortgagee or agent of the Mortgagee or agent of Canada Mortgage and Housing Corporation may, at any time, enter upon the mortgaged premises to inspect the mortgaged premises.

14. EXERCISE OF POWERS

Any discretion, option, decision or opinion hereunder on the part of the Mortgagee shall be sufficiently exercised or formed if exercised or formed by or subsequently ratified by the manager, acting manager or assistant manager of any branch office of the Mortgagee in the Province of Manitoba or an executive officer of the Mortgagee or any officer or agent appointed by the Mortgagee for such purpose.

15. WASTE

The Mortgagor covenants and agrees with the Mortgagee that the Mortgagor will not permit waste to be committed or suffered on the mortgaged premises and that the Mortgagor will maintain the mortgaged premises in good order and repair to the satisfaction of the Mortgagee.

16. OBLIGATIONS SURVIVE SALE

No sale or other dealing by the Mortgagee with the mortgaged premises or any part thereof shall in any way change the liability of the Mortgagor or in any way alter the rights of the Mortgagee as against the Mortgagor or any other person liable for payment of the mortgage money.

17. DUE ON SALE

In the event of:

- (a) The Mortgagor selling, conveying, transferring or entering into any agreement of sale or transfer of title to the said lands to a purchaser, grantee or transferee not approved in writing by the Mortgagee, or
- (b) If such a purchaser, grantee or transferee should fail to:
 - (i) apply for and receive the Mortgagee's written approval as aforesaid,
 - (ii) personally assume all obligations of the Mortgagor under the mortgage, and
 - (iii) execute an assumption agreement in the form required by the Mortgagee,

then, at the option of the Mortgagee the mortgage money shall forthwith become due and payable.

18. EXTENSION

Provided that no extension of time given by the Mortgagee to the Mortgagor or anyone claiming under the Mortgagor or any other dealing with the owner of the mortgaged premises shall in any way affect or prejudice the right of the Mortgagee against the Mortgagor or any other person liable for the payment of the mortgage money.

19. GOOD TITLE

The Mortgagor further covenants and agrees with the Mortgagee that the Mortgagor has a good title to the mortgaged premises, that the Mortgagor has the right to mortgage the mortgaged premises, that the Mortgagor has done no act to encumber the mortgaged premises, that the Mortgagor will execute such further assurances of the mortgaged premises as may be required from time to time by the Mortgagee, and that on default the Mortgagee shall have quiet possession of the mortgaged premises, free from all encumbrances.

20. DISCHARGE

The Mortgagee shall have a reasonable time after payment of the mortgage money in full within which to prepare and execute a discharge of the mortgage; and interest at the mortgage rate shall continue to run and accrue until actual payment in full has been received by the Mortgagee; and all legal and other expenses for the preparation and execution of such discharge shall be borne by the Mortgagor.

21. SEVERABILITY

The Mortgagor and Mortgagee agree that in the event that at any time any provision of the mortgage is illegal or invalid under or inconsistent with the provisions of any applicable statute or regulation thereunder or would by reason of the provisions of any such statute or regulation render the Mortgagee unable to collect the amount of any loss sustained by it as a result of making the above recited loan which it would otherwise be able to collect under such statute, then such provision shall not apply and shall be construed so as not to apply to the extent that it is so illegal, invalid or inconsistent or would so render the Mortgagee unable to collect the amount of any such loss. In the event that any provision of the mortgage shall be deemed illegal or invalid, then the particular provision or provisions or part of the provision shall be deemed severed from the remainder of the mortgage and all other provisions of the mortgage shall remain in full force and effect.

22. CONDOMINIUM

If the mortgaged premises consist of a condominium unit, then the following provisions shall apply:

- (a) The Mortgagor covenants with the Mortgagee that the Mortgagor or the Condominium Corporation or both the Mortgagor and the Condominium Corporation will forthwith insure and during the continuance of the mortgage keep insured in favour of the Mortgagee against loss or damage by fire and, as the Mortgagee may require, insure against loss or damage by tempest, tornado, cyclone, lightning, floods and other risks or hazards, each and every building or buildings situated on the lands described in the certificate of title standing in the name of the Condominium Corporation and which may hereafter be erected thereon, both during erection and thereafter, for the full replacement value thereof in lawful money of Canada in a company approved by the Mortgagee; and the Mortgagor or the Condominium Corporation or both the Mortgagor and the Condominium Corporation shall neglect to keep the said building or buildings or any of them insured as aforesaid, or to deliver such policy or policies, and receipts or to produce to the Mortgagee at least fifteen days before the termination of any insurance, evidence of renewal thereof, the Mortgagee shall be entitled but shall not be obligated to insure the said building or buildings or any of them; and the Mortgagor or the Condominium Corporation or both the Mortgagor and the Condominium Corporation shall forthwith on the happening of any loss or damage comply fully with the terms of the policy or policies of insurance and, without limiting the generality of clause 22(c) herein, shall comply with the insurance provisions of the Declaration; and the Mortgagor, as a member of the Condominium Corporation shall seek the full compliance by the Condominium Corporation of the aforementioned covenants, and the Mortgagor does hereby release to the Mortgagee all the Mortgagor's claims upon the mortgaged premises, subject to the terms of the said insurance policy or policies, Declaration and provisos. The term "Declaration" means the Declaration registered under The Condominium Act of Manitoba relating to the Condominium Corporation of which the Mortgagor is a member by virtue of the Mortgagor's ownership of the unit being charged by the mortgage. The term "Condominium Corporation" means the condominium corporation of which the Mortgagor is a member by virtue of the Mortgagor's ownership of the said lands;

- (b) The Mortgagor covenants and agrees with the Mortgagee that in the event of default in the payment of any mortgage money payable hereunder by the Mortgagor, or on breach of any covenant, proviso or agreement herein contained, after all or any part of the money hereby secured has been advanced, the Mortgagee may at such time or times as the Mortgagee may deem necessary and without the concurrence of any person, enter upon the mortgaged premises and may make such arrangements for completing the construction of, repairing or putting in order the mortgaged premises, or for inspecting, taking care of, leasing, collecting the rents of and managing generally the mortgaged premises as the Mortgagee may deem expedient; and all reasonable costs, charges and expenses, including allowances for the time and service of any employee of the Mortgagee or other person appointed for the above purposes, shall be forthwith payable to the Mortgagee and shall be a charge upon the mortgaged premises and shall bear interest at the mortgage rate until paid. The Mortgagor further covenants and agrees that notwithstanding anything herein contained all rights of the Mortgagee as set out in this clause shall apply to all payments due by the Mortgagor arising under or pursuant to clauses 22(c), (d) and (e) hereof, which said payments are to have the same effect as if such payments were in priority over the mortgage;
- (c) The Mortgagor covenants and agrees with the Mortgagee that the Mortgagor will observe and perform each and every one of the covenants and provisions required to be observed and performed under and pursuant to the terms of the mortgage, The Condominium Act and the amendments thereof, the Declaration and the bylaws of the Condominium Corporation and respective amendments thereof;
- (d) Without limiting the generality of clause 22(c), the Mortgagor covenants to pay promptly when due any contributions levied by the Condominium Corporation;
- (e) Provided that where the Mortgagor defaults in the Mortgagor's obligation to contribute toward the common expenses as assessed by the Condominium Corporation regardless of whether or not the Condominium Corporation registers a Notice of Lien, the Mortgagee, at its option and without notice to the Mortgagor may deem such default to be default under the terms of the mortgage and proceed to exercise the Mortgagee's rights herein;
- (f) The Mortgagor hereby assigns to the Mortgagee all the Mortgagor's rights to vote at all meetings and the exercise of all powers of the Condominium Corporation;
- (g) The Mortgagor and Mortgagee hereby acknowledge that nothing herein contained including the exercise by the Mortgagee of the said right to vote shall render the Mortgagee a mortgagee in possession;
- (h) The Mortgagor and Mortgagee further acknowledge that the right to vote assigned herein to the Mortgagee does not entail any representation, express or implied, that the Mortgagee shall be in any way responsible to protect the Mortgagor's interest and the Mortgagee shall not be responsible for any exercise of the right to vote or any failure to exercise the right to vote;
- (i) The mortgage is made in pursuance of The Condominium Act of Manitoba.

23. LEASEHOLD TITLE

If the said lands consist of a leasehold title, then the following provisions shall apply:

- (a) the Mortgagor covenants and agrees with the Mortgagee that the Mortgagor has a good leasehold title to the said lands, that the lease is a good, valid and effective lease, that the Mortgagor has the right to mortgage the said leasehold title to the Mortgagee, that the Mortgagor has done no act to encumber the mortgaged premises, that the Mortgagor will execute such further assurances of the mortgaged premises as may be required from time to time by the Mortgagee and that on default the Mortgagee shall have quiet possession of the mortgaged premises free from all encumbrances;
- (b) during the continuance of the mortgage, the Mortgagor shall pay the rent reserved by and perform and observe the covenants contained in the lease and on the lessee's part to be performed and observed and to keep indemnified the Mortgagee against all actions, claims and demands whatsoever in respect of the said rent and covenants or anything relating thereto;
- (c) the Mortgagor hereby covenants with the Mortgagee during the continuance of the mortgage to pay the rent reserved by and perform and observe the covenants contained in the lease and on the lessee's part to be performed and observed and to keep indemnified the Mortgagee against all actions, claims and demands whatsoever in respect of the said rent and covenants or anything relating thereto. In the event of any default being made in any payment of such rent or in the observance or performance of any covenant, the Mortgagee shall be at liberty to pay such rent or to observe or perform such covenant as the case may be and all money expended by the Mortgagee in so doing shall be payable forthwith by the Mortgagor to the Mortgagee and until paid shall be added to and become part of the principal hereby secured and shall be a charge on the mortgaged premises in favour of the Mortgagee with interest thereon at the mortgage rate;
- (d) the Mortgagor covenants and agrees that if the Mortgagor becomes the owner of the freehold of the said lands (the "freehold lands") the mortgage shall be deemed a mortgage of the freehold lands to the same extent and effect as if the Mortgagor had been the owner of the freehold lands, free from encumbrances, at the date of execution hereof, and for the purpose of giving effect to the foregoing the Mortgagor does hereby grant and mortgage the freehold lands unto the Mortgagee, such grant to take effect upon the Mortgagor's acquiring the freehold lands. The Mortgagor covenants and agrees to execute and deliver at the Mortgagor's own expense, forthwith on demand therefor, such further and other documents as the Mortgagee may reasonably require for the purpose of validly giving effect to the foregoing.

24. RECEIVERSHIP

Notwithstanding anything herein contained, it is declared and agreed that any time and from time to time when there shall be default under the provisions of the mortgage the Mortgagee may at such time and from time to time and with or without entry into possession of the mortgaged premises or any part thereof, by instrument in writing appoint any person, whether an officer or officers or an employee of the Mortgagee or not, to be a Receiver (which term as used herein includes a Receiver-Manager and also includes the plural as well as the singular) of the mortgaged premises or any part thereof and of the rents and profits thereof and with or without security and may from time to time by similar writing remove any Receiver and appoint another in the Receiver's stead and that in making any such appointment or removal the Mortgagee shall be deemed to be acting as the agent or attorney of the Mortgagor but no such appointment shall be revocable by the Mortgagor. The Mortgagor undertakes to ratify and confirm whatever such Receiver may do concerning the mortgaged premises. The remuneration and expenses of the Receiver shall be paid by the Mortgagor on demand and shall be a charge on the mortgaged premises and shall bear interest from the date of demand at the mortgage rate.

Upon the appointment of any such Receiver from time to time the following provisions shall apply:

- (a) Every such Receiver shall have unlimited access to the mortgaged premises as agent and attorney for the Mortgagor (which right of access shall not be revocable by the Mortgagor) and shall have full power and unlimited authority to:
 - (i) collect the rents and profits from tenancies whether created before or after the mortgage;
 - (ii) rent any portion of the mortgaged premises which may become vacant on such terms and conditions as the Receiver considers advisable and enter into and execute leases, accept surrenders and terminate leases;
 - (iii) complete the construction of any building or buildings or other erections or improvements on the mortgaged premises left by the Mortgagor in an unfinished state or award the same to others to complete; and purchase, repair and maintain any personal property including, without limitation, appliances and equipment necessary or desirable to render the mortgaged premises operable or rentable and take possession of and use or permit others to use all or any part of the Mortgagor's materials, supplies, plans, tools, equipment (including appliances) and property of every kind and description; and
 - (iv) manage, operate, repair, alter or extend the mortgaged premises or any part thereof.
- (b) The Mortgagee may at its discretion vest the Receiver with any or all of the rights and powers of the Mortgagee;
- (c) The Mortgagee may fix the reasonable remuneration of the Receiver who shall be entitled to deduct the same out of the revenue of the sale proceeds of the mortgaged premises;
- (d) Every such Receiver shall be deemed the agent or attorney of the Mortgagor and, in any event, the Mortgagee and its agents shall not be responsible for the Receiver's acts or omissions;
- (e) The appointment of any such Receiver by the Mortgagee shall not result in or create any liability or obligation on the part of the Mortgagee to the Receiver or to the Mortgagor or to any other person and no appointment or removal of a Receiver and no actions of a Receiver shall constitute the Mortgagee a mortgagee in possession of the mortgaged premises;
- (f) No such Receiver shall be liable to the Mortgagor to account for money other than money actually received by the Receiver in respect of the mortgaged premises or any part thereof and out of such money so received every such Receiver shall pay in the following order:
 - (i) the Receiver's remuneration aforesaid;
 - (ii) all costs and expenses of every nature and kind incurred by the Receiver in connection with the exercise of the Receiver's powers and authority hereby conferred;
 - (iii) interest, principal and other money which may, from time to time, be or become charged upon the mortgaged premises in priority to the mortgage, including taxes;
 - (iv) all interest, principal and other money due to the Mortgagee hereunder to be paid in such order as the Mortgagee in its discretion shall determine;
 - (v) thereafter, every such Receiver shall be accountable to the Mortgagor for any surplus.
- (g) Save as to claims for accounting under clause 24(f), the Mortgagor hereby releases and discharges any such Receiver from every claim of every nature which may arise or be caused to the Mortgagor or any person claiming through or under the Receiver by reason or as a result of anything done by such Receiver unless such claim be the direct and proximate result of dishonesty or fraud;
- (h) The Mortgagee may, at any time and from time to time, terminate any such Receivership by notice in writing to the Mortgagor and to any such Receiver;
- (i) The statutory declaration of an officer of the Mortgagee as to default under the provisions of the mortgage and as to the due appointment of the Receiver pursuant to the terms hereof shall be sufficient proof thereof for the purposes of any person dealing with a Receiver who is ostensibly exercising powers herein provided for and such dealing shall be deemed, as regards such person, to be valid and effectual;
- (j) The rights and powers conferred herein in respect of the Receiver are supplemental to and not in substitution of any other rights and powers which the Mortgagee may have.

25. COVENANTOR

If the mortgage has been executed by a covenantor, then the following provision shall apply:

In consideration of the advance of money by the Mortgagee to the Mortgagor pursuant to the mortgage, so long as any money is outstanding under the mortgage and during any renewal, extension, assignment or assumption thereof and notwithstanding any sale, conveyance, transfer or other similar or dissimilar disposition of the mortgaged premises, whether with the consent of the mortgagee or otherwise the Covenantor, for himself, his heirs, executors, administrators, successors and assigns, hereby covenants and agrees with the Mortgagee that the Mortgagor will duly perform and carry out the covenants and stipulations contained in the mortgage and will duly pay the mortgage money hereby secured on the days and times herein mentioned and, if any money payable pursuant to the mortgage shall be in default, the Covenantor further covenants and agrees to pay the same to the Mortgagee forthwith. The Covenantor agrees that the Covenantor's liability under this guarantee and covenant shall not be in any way prejudiced, affected, impaired, modified, released or discharged by reason of any settlement, workout, variation, proposal, extension of time or other similar or dissimilar indulgence whatsoever granted to the Mortgagor or the Mortgagor's heirs, executors, administrators, successors or assigns or to any other person or persons liable to pay the mortgage money or by the Mortgagee taking any further security for the payment of the mortgage money due or to become due to the Mortgagee or releasing such other security. In the event that there is more than one Covenantor, all covenants of the Covenantor contained herein shall be deemed to be joint and several. Any settlement or release, by the Mortgagee, of one Covenantor shall not modify, settle, affect or release the liability of any other Covenantor hereunder.

26. RENEWAL

In the event that the Mortgagee shall agree to renew or extend the term of the mortgage, such renewal or extension, including the rate of interest, term, instalment and other stipulations of such renewal or extension, shall be binding upon the Mortgagor, its successors in title and assigns, and all subsequent mortgages, encumbrances and other interests in or of the mortgaged premises subsequent to this mortgage ("Subsequent Encumbrances"), and shall take full priority over all Subsequent Encumbrances, whether or not the said renewal or extension is filed or recorded by caveat at the applicable Land Titles Office and whether or not the rate of interest payable or amortization period applicable during the renewal or extension term is greater than or less than the rate or amortization stipulated in the mortgage. The Mortgagor shall, forthwith on request by the Mortgagee, provide to the Mortgagee, at the Mortgagor's expense, all such postponements and other assurances as the Mortgagee may require to ensure the foregoing binding effect and priority.

27. COMPLIANCE WITH LAW

The Mortgagor covenants and agrees promptly to observe, perform, execute and comply with all laws, rules, requirements, orders, directions, ordinances and regulations of every governmental authority and agency concerning the mortgaged premises and will, at the Mortgagor's own expense, make any and all improvements thereon or alterations thereto, structural or otherwise which may be required at any time by any such present or future law, rule, requirement, order, direction, ordinance or regulation. The Mortgagee whenever it deems necessary, may by its surveyor or agent enter upon and inspect the mortgaged premises and make such improvements and alterations as the Mortgagee deems necessary to render the mortgaged premises in compliance with such laws, rules, requirements, orders, directions, ordinances or regulations and the reasonable cost of such inspections, improvements and alterations with interest at the mortgage rate shall be payable forthwith and be a charge upon the mortgaged premises.

28. INTERPRETATION

- (a) Wherever the singular number or the masculine gender is used in the mortgage the same shall be construed as including the plural and feminine and neuter respectively where the fact or context so requires; and in any case where the mortgage is executed by more than one party all covenants and agreements herein contained shall be construed and taken as against such executing parties as joint and several; and the heirs, executors, administrators, successors and assigns of any party executing the mortgage are jointly and severally bound by the covenants, agreements, stipulations and provisos herein contained.
- (b) Wherever the term "mortgaged premises" is used in the mortgage, the same shall be construed as meaning the said lands together with all buildings and improvements referred to in clauses 6, 9, 10 and 22 of these Standard Charge Terms.
- (c) Wherever the term "mortgage money" is used in the mortgage, the same shall be construed as meaning all money payable by the Mortgagor to the Mortgagee pursuant to the mortgage.

29. ADDITIONAL COVENANTS

The covenants, agreements, stipulations and provisos herein stated shall be in addition to those granted or implied by statute.

30. CLAUSE TITLES

The clause titles herein are inserted for convenience of reference only and are deemed not to form part of the mortgage and are not to be considered in the construction or interpretation of the mortgage or any part thereof.

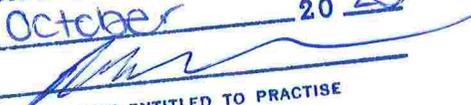
31. STATUTES

This mortgage is made in pursuance of The Real Property Act of Manitoba and in pursuance of the National Housing Act.

32. TRUE COPY

The Mortgagor acknowledges receipt of a true copy of the mortgage together with a copy of these Standard Charge Terms.

This is Exhibit "B" referred to in the
Affidavit of Melanie Labossiere
annexed hereto sworn before me this 31st
day of October 20 23


A BARRISTER-AT-LAW ENTITLED TO PRACTISE
IN AND FOR THE PROVINCE OF MANITOBA

STATUS OF TITLE

Title Number **2551803/1**
Title Status **Accepted**
Client File **0165207**



1. REGISTERED OWNERS, TENANCY AND LAND DESCRIPTION

5684995 MANITOBA LTD.

IS REGISTERED OWNER SUBJECT TO SUCH ENTRIES RECORDED HEREON
IN THE FOLLOWING DESCRIBED LAND:

LOTS 84, 85 AND 86 BLOCK 2 PLAN 218 WLTO
RL 67 AND 68 PARISH OF ST JAMES

The land in this title is, unless the contrary is expressly declared, deemed to be subject to the reservations and restrictions set out in section 58 of *The Real Property Act*.

2. ACTIVE INSTRUMENTS

Instrument Type: **Mortgage**
Registration Number: **4119817/1**
Instrument Status: **Accepted**

Registration Date: 2011-09-06
From/By: 5684995 MANITOBA LTD.
To: FIRST NATIONAL FINANCIAL GP CORPORATION

Amount: \$2,643,423.75
Notes: No notes
Description: No description

INSTRUMENTS THAT AFFECT THIS INSTRUMENT

<u>Registration Number</u>	<u>Instrument Type</u>	<u>Status</u>
4147245/1	Amending Agreement	Accepted
4192630/1	Amending Agreement	Accepted
4476626/1	Transfer Of Mortgage	Accepted
5131388/1	Transfer Of Mortgage	Accepted
5490581/1	Notice Exercising Power Of Sale	Accepted

Instrument Type: **Caveat**
Registration Number: **4119818/1**
Instrument Status: **Accepted**

Registration Date: 2011-09-06
From/By: FIRST NATIONAL FINANCIAL GP CORPORATION
To: JOHN T. MCGOEY, AS AGENT

Amount:
Notes: No notes
Description: GENERAL ASSIGNMENT OF RENTS AND LEASES

INSTRUMENTS THAT AFFECT THIS INSTRUMENT

<u>Registration Number</u>	<u>Instrument Type</u>	<u>Status</u>
4525744/1	Assignment Of Caveat	Accepted
5497327/1	Assignment Of Caveat	Accepted

Instrument Type: **Personal Property Security Notice**
Registration Number: **4119819/1**
Instrument Status: **Accepted**

Registration Date: 2011-09-06
From/By: FIRST NATIONAL FINANCIAL GP CORPORATION
To: JOHN T. MCGOEY, AS AGENT

Amount:
Notes: No notes
Description: EXPIRES ON 2041/10/01

Instrument Type: **Amending Agreement**
Registration Number: **4147245/1**
Instrument Status: **Accepted**

Registration Date: 2011-11-07
From/By: FIRST NATIONAL FINANCIAL GP CORPORATION
To: 5684995 MANITOBA LTD.

Amount:
Notes: No notes
Description: No description

Instrument Type: **Amending Agreement**
Registration Number: **4192630/1**
Instrument Status: **Accepted**

Registration Date: 2012-03-16
From/By: FIRST NATIONAL FINANCIAL GP CORPORATION
To: 5684995 MANITOBA LTD.

Amount:
Notes: No notes
Description: No description

Instrument Type: **Caveat**
Registration Number: **4449805/1**
Instrument Status: **Accepted**

Registration Date: 2014-01-21
From/By: PRO AUTO LTD.
To: JAMES WEBSTER HEDLEY AS AGENT

Amount:
Notes: No notes
Description: ASSIGNMENT OF RENTS AND LEASES

Instrument Type: **Transfer Of Mortgage**
Registration Number: **4476626/1**
Instrument Status: **Accepted**

Registration Date: 2014-04-25
From/By: FIRST NATIONAL FINANCIAL GP CORPORATION
To: COMPUTERSHARE TRUST COMPANY OF CANADA

Amount: \$2.00
Notes: No notes
Description: No description

Instrument Type: **Notice**
Registration Number: **4480663/1**
Instrument Status: **Accepted**

Registration Date: 2014-05-08
From/By: DIRECTOR OF RESIDENTIAL TENANCIES, PROVINCE OF MANITOBA
To:

Amount:
Notes: No notes
Description: REHABILITATION SCHEME NOTICE

Instrument Type: **Assignment Of Caveat**
Registration Number: **4525744/1**
Instrument Status: **Accepted**

Registration Date: 2014-09-05
From/By: FIRST NATIONAL FINANCIAL GP CORPORATION
To: COMPUTERSHARE TRUST COMPANY OF CANADA

Amount:
Notes: No notes
Description: No description

Instrument Type: **Mortgage**
Registration Number: **4852462/1**
Instrument Status: **Accepted**

Registration Date: 2017-06-14
From/By: 693 MARYLAND LTD., 485 SHERBROOK LTD. ETAL
To: PRO AUTO LTD.

Amount: \$2,500,000.00
Notes: No notes
Description: No description

Instrument Type: **Transfer Of Mortgage**
Registration Number: **5131388/1**
Instrument Status: **Accepted**

Registration Date: 2019-11-27
From/By: Computershare Trust Company of Canada
To: First National Financial GP Corporation

Amount: \$1.00
Notes: No notes
Description: No description

Instrument Type: **Notice Exercising Power Of Sale**
Registration Number: **5490581/1**
Instrument Status: **Accepted**

Registration Date: 2022-11-16
From/By: First National Financial GP Corporation
Against: Albina P. Moran as Agent

Amount:
Notes: No notes
Description: No description

INSTRUMENTS THAT AFFECT THIS INSTRUMENT

<u>Registration Number</u>	<u>Instrument Type</u>	<u>Status</u>
5524189/1	Application For Order For Sale	Accepted

Instrument Type: **Assignment Of Caveat**
Registration Number: **5497327/1**
Instrument Status: **Accepted**

Registration Date: 2022-12-07
From/By: Computershare Trust Company of Canada
To: First National Financial GP Corporation

Amount:
Notes: No notes
Description: No description

Instrument Type:	Application For Order For Sale
Registration Number:	5524189/1
Instrument Status:	Accepted
Registration Date:	2023-03-29
From/By:	First National Financial GP Corporation
To:	
Amount:	
Notes:	No notes
Description:	Request for public auction and/or private contract
<hr/>	
Instrument Type:	Caveat
Registration Number:	5570445/1
Instrument Status:	Accepted
Registration Date:	2023-08-30
From/By:	THE CITY OF WINNIPEG
To:	
Amount:	
Notes:	No notes
Description:	Compliance Order. s.184(3) The City of Winnipeg Charter
3. ADDRESSES FOR SERVICE	
	5684995 MANITOBA LTD. 900-400 ST. MARY AVENUE WINNIPEG MB R3C 4K5
4. TITLE NOTES	
	No title notes
5. LAND TITLES DISTRICT	
	Winnipeg
6. DUPLICATE TITLE INFORMATION	
	Duplicate not produced
7. FROM TITLE NUMBERS	
	2311266/1 All
8. REAL PROPERTY APPLICATION / CROWN GRANT NUMBERS	
	No real property application or grant information

9. ORIGINATING INSTRUMENTS

Instrument Type: **Request To Issue Title**
Registration Number: **4119813/1**

Registration Date: 2011-09-06
From/By: 5684995 MANITOBA LTD.
To:
Amount:

10. LAND INDEX

Lot 84 Block 2 Plan 218
RL 67 & 68 JA

Lot 85 Block 2 Plan 218
RL 67 & 68 JA

Lot 86 Block 2 Plan 218
RL 67 & 68 JA

**CERTIFIED TRUE EXTRACT PRODUCED FROM THE LAND TITLES DATA STORAGE
SYSTEM OF TITLE NUMBER 2551803/1**

This is Exhibit "C" referred to in the
Affidavit of Melanie LaBassiere
annexed hereto sworn before me this 31st
day of October 20 23


A BARRISTER-AT-LAW ENTITLED TO PRACTISE
IN AND FOR THE PROVINCE OF MANITOBA

CAVEAT e10.2

1. AGENT

This caveat will be signed by an agent

2. CAVEATOR

- Individual ⓘ Full legal name required
- Corporation
- Government and Government Agency

Name

The City of Winnipeg + -

Address for Service

510 Main Street

City	Province	Country	Postal Code
Winnipeg	Manitoba	Canada	R3B 1B9

- The Public Guardian and Trustee of Manitoba notice under s.18(1) of *The Public Guardian and Trustee Act*
- Executor, Administrator, Trustee

3. ESTATE OR INTEREST IN LAND CLAIMED

Estate or Interest in Land Claimed

Compliance Order. s. 184(3) The City of Winnipeg Charter + -

- The land does not comply with *The City of Winnipeg Charter*.
- A building or structure on the land, does not comply with *The City of Winnipeg Charter*.
- The land does not comply with an enactment that the city is authorized or required to enforce, or a by-law.
- A building or structure on the land, does not comply with an enactment that the city is authorized or required to enforce, or a by-law.

Specifically:

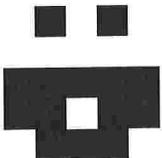
Failure to comply with The City of Winnipeg Building By-Law No. 4555/87, Section 12.1
 Failure to comply with The City of Winnipeg Building By-Law No. 4555/87, Section 12.2

4. BASIS FOR CLAIM

Order (FOLDER 23-202494 ORD) issued to 5684995 Manitoba Ltd. by The City of Winnipeg dated August 25, 2023, regarding 737 and 743 Sargent Avenue.

For your protection, ensure the following before signing:

1. The exact image and the barcode below, are present on all pages.



2. The 32 character control number below is present and identical on all pages.

63AA-B0EC-8BAF-410C-74A6-F469-A767-AF95

3. All 3 Caveat content pages are present.

Copy of agreement or supporting documents attached

5. LEGAL DESCRIPTION

Land 1

- All or part of a title
 - Current title number Issuing from title number
- All Part

Land Description

LOTS 84, 85 AND 86 BLOCK 2 PLAN 218 WLTO
RL 67 AND 68 PARISH OF ST JAMES

- All units in a condominium plan
- All lots, blocks and parcels in a plan

Names of all registered owners. Indicate if their interests are affected:

- All registered owners' interests are affected
- Individual Corporation Government and Government Agency Estate Religious Society Cemetery Trust

Corporation Name

Interests Affected

6. AFFECTED INSTRUMENT

No Instrument can be affected by the selected interests.

7. THE FARM LANDS OWNERSHIP ACT EVIDENCE

The Farm Lands Ownership Act evidence is not required.

For your protection, ensure the following before signing:

1. The exact image and the barcode below, are present on all pages.



2. The 32 character control number below is present and identical on all pages.

63AA-B0EC-8BAF-410C-74A6-F469-A767-AF95

3. All 3 Caveat content pages are present.

8. INSTRUMENT PREPARED BY

Given Name Middle Names Surname Suffix

Company

Telephone + Extension E-Mail

File Number Description

Unlock Form and Remove Signature Pages

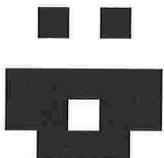


Once you have clicked the Lock Form and Create Signature Pages button, you will not be able to change the registration form. You will be able to fill in certain areas in the signature pages before printing.

If you want to change the registration form once the signature pages have been created, you must click the Unlock Form and Remove Signature Pages button. If you do this, you will lose all changes made to the signature pages. Any signature pages already printed will be invalid and will have to be regenerated, reprinted and, where they have already been signed, resigned.

For your protection, ensure the following before signing:

1. The exact image and the barcode below, are present on all pages.



2. The 32 character control number below is present and identical on all pages.

63AA-B0EC-8BAF-410C-74A6-F469-A767-AF95

3. All 3 Caveat content pages are present.

SIGNATURES AND EVIDENCE

- 1. I am signing this caveat on behalf of the caveator and the statements made in this caveat are true in substance and fact.
- 2. I personally believe the caveator has a good and valid claim upon the within land.
- 3. This caveat is not filed for the purpose of delaying or embarrassing any person.
- 4. To the best of my knowledge, this caveat is not being filed for the purpose of giving notice of a disposition that is prohibited by section 4 of *The Homesteads Act*.
- 5. Additional evidence

I have the authority to sign pursuant to delegations under the Execution of Documents By-law No. 78/2015.

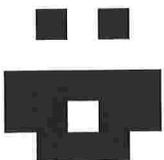
Signature	<input type="text"/>	Date	<input type="text" value="2023-08-30"/>
Name	<input type="text" value="Robert Cox"/>		(YYYY-MM-DD)
Position	<input type="text" value="Solicitor"/>		
Caveator	<input type="text" value="The City of Winnipeg"/>		

By virtue of section 194 of *The Real Property Act*, any statement set out in this document and signed by the party making the statement has the same effect and validity as an oath, affidavit, affirmation or statutory declaration given pursuant to *The Manitoba Evidence Act*.

SINGULAR INCLUDES PLURAL AND VICE VERSA WHERE APPLICABLE. In this document "I" or "me" is to be read as including all caveators whether individual or corporate.

For your protection, ensure the following before signing:

- 1. The exact image and the barcode below, are present on all pages.
- 2. The 32 character control number below is present and identical on all pages.
63AA-B0EC-8BAF-410C-74A6-F469-A767-AF95
- 3. All 3 Caveat content pages are present.



SIGNATURES AND EVIDENCE

1. I am signing this caveat on behalf of the caveator and the statements made in this caveat are true in substance and fact.
2. I personally believe the caveator has a good and valid claim upon the within land.
3. This caveat is not filed for the purpose of delaying or embarrassing any person.
4. To the best of my knowledge, this caveat is not being filed for the purpose of giving notice of a disposition that is prohibited by section 4 of *The Homesteads Act*.
5. Additional evidence

I have the authority to sign pursuant to delegations under the Execution of Documents By-law No. 78/2015.

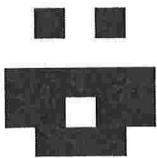
Signature		Date	2023-08-30
Name	Robert Cox		(YYYY-MM-DD)
Position	Solicitor		
Caveator	The City of Winnipeg		

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Do not alter or staple this form



Planning, Property and Development Department • Service de l'urbanisme, des biens et de l'aménagement
Development and Inspections Division • Division de l'aménagement et des inspections
Enforcement Services Unit • Unité des services d'exécution

Page 1

In reply please refer to/Référence à rappeler: James Cameron

Phone: (204) 986-2652

ORDER MITIGATE UNSAFE CONDITION

August 25, 2023

REGISTERED MAIL: RN 688 173 512 CA

5684995 Manitoba Ltd.
Po Box 285, Pro Corydon
971 Corydon Avenue
Winnipeg, MB R3M 3S7
Attention: Patrick Penner

REGULAR MAIL

5684995 Manitoba Ltd.
Po Box 285, Pro Corydon
971 Corydon Avenue
Winnipeg, MB R3M 3S7
Attention: Patrick Penner

Email Service

Director of 5684995 Manitoba Ltd.
Patrick Penner
pkharpenn@shaw.ca

REGISTERED MAIL: RN 688 173 526 CA

5684995 Manitoba Ltd.
900-400 St. Mary Avenue
Winnipeg, MB R3C 4K5

REGULAR MAIL

5684995 Manitoba Ltd.
900-400 St. Mary Avenue
Winnipeg, MB R3C 4K5

RE: 737 and 743 Sargent Avenue

FOLDER NO: 23-202494 ORD

LEGAL DESCRIPTION: LOTS 84, 85 AND 86 BLOCK 2 PLAN 218 WLTO RL 67 AND 68 PARISH OF ST JAMES

It has come to the attention of the undersigned that the above-noted premises have revealed hazardous condition(s). This contravenes the City of Winnipeg Building By-law No. 4555/87, specifically:
Section 12.1 "Premises are in an unsafe condition when they pose a risk of harm to people, animals or neighbouring properties and, without restricting the generality of the foregoing, a property is in an unsafe condition when (a) all or parts of the buildings or structures located on the premises constitute a fire hazard or are likely to fall or cause an explosion; (b) the floors, stairs, walls and other structural aspects of buildings or structures located on the premises are insecure or pose a danger to people or animals who enter the buildings or structures; (c) a vacant building or structure is unguarded or open so that entry can be easily gained to it; or (d) wells, excavations, openings or holes located on the premises are not properly covered or guarded so that people or animals could fall into them and be trapped."; and/or,
Section 12.2 "The owner and occupant of premises shall not permit those premises to be in an unsafe condition."

A copy of the aforementioned By-laws can be viewed at:

<http://clkapps.winnipeg.ca/dmis/docext/ViewDoc.asp?DocumentTypeId=1&DocId=1265&DocType=C>

Justification for Order: Various Unsafe Conditions are present in the building which is putting occupants of the building at risk. Said Unsafe Conditions include but are not limited to:

- The building has sustained fire damage to Suites 006, 102, 107, 212, 303, 308 & and 312 from multiple fire events that have occurred in the building between 2021-2023. The damage includes but is not limited to the building's floor and ceiling fire separations, corridor separations and suite separations.
- Existing doors and their required door hardware within the building's required fire separations in the corridor and service areas are missing and/or damaged beyond operational condition to serve their functions.

Planning, Property and Development

<http://www.winnipeg.ca/ppd/>

- The existing Fire Escapes on the north, east and west elevations are structurally deteriorated and require the review and assessment of a qualified professional structural engineer.
- Operability and maintenance of the building's compliant Mechanical and Plumbing systems and facilities and any required permits for same are currently unconfirmed.
- Operability and maintenance of the building's compliant Electrical systems and facilities and any required permits for same are currently unconfirmed.
- The existing Fire Alarm System for the building (including its central monitoring) is not fully functional and operating as required to serve the entire building.
- Life Safety / Fire Safety Devices are not present in the building (various locations).
- Existing Life Safety / Fire Safety Devices present in the building are damaged as a result of past fires in the building and require inspection by an Electrical Design Professional and evaluation as to their proposed re-use in the building.

Based on our findings during a site inspection on August 23, 2023 that have revealed the above-noted concerns, we have concluded that the present condition of the building addressed municipally as 737 and 743 Sargent Avenue poses a serious and immediate danger to the safety of any building occupants in/adjacent to it.

ACCORDINGLY, YOU ARE HEREBY ORDERED to undertake the following at the address known municipally as 737 and 743 Sargent Avenue:

1. Secure and maintain the building accordingly as per the Emergency Vacate Order issued by Winnipeg Fire Paramedic Service on dated August 16, 2023, and install all required Protection of the Public Safety Protection Measures in/around the building in compliance with Subsections 12.1 and 1f of the City of Winnipeg Building By-Law No.4555/87 and Part 8 of the Manitoba Building Code **by August 28, 2023; and,**
2. Engage in the services of a Building Design Professional, entitled to practice in the Province of Manitoba who is skilled in the area of work concerned to review the building and provide a Building Assessment Report to the city of Winnipeg that identifies all work necessary to achieve compliance with the Manitoba Building Code and the Winnipeg Building By-Law 4555/87 in regards to the work identified above. Also, provide a comprehensive scope of work outline and design with drawings (under the seal of the Building Design Professional) to the city of Winnipeg for all remedial work to the property known municipally as 737 and 743 Sargent Avenue **on or before, but not later than September 29, 2023; and,**
3. Obtain the services of a Structural Engineer, licensed to practice in the Province of Manitoba, to review the building's structure including its exterior fire escapes, and provide a signed and sealed Building Assessment Report to the city of Winnipeg that identifies all present structural defects and outlines a proposal of all remedial repairs required to bring the structural aspects of the structure (including the fire escape) located at the address known municipally as 737 and 743 Sargent Avenue into compliance with the By-law **on or before, but not later than September 29, 2023; and,**
4. Engage in the services of a Mechanical Design Professional, entitled to practice in the Province of Manitoba who is skilled in the area of work concerned to review the building and design all required mechanical systems for the building and its proposed use(s) located at the property known municipally as 737 and 743 Sargent Avenue, in accordance with the Manitoba Building Code and the Winnipeg Building By-Law 4555/87, and provide the city of Winnipeg a complete scope of work outline with drawings (under the seal of the Mechanical Design Professional) for all said work **on or before, but not later than September 29, 2023; and,**
5. Engage in the services of an Electrical Design Professional, entitled to practice in the Province of Manitoba who is skilled in the area of work concerned to review the building and design all required electrical systems for the building and its proposed use(s) located at the property known municipally as 737 and 743 Sargent Avenue, in accordance with the Manitoba Building Code and Winnipeg Electrical Bylaw 72/2022 and provide the city of Winnipeg a complete scope of work outline with drawings (under the seal of the Electrical Design Professional) for all said work **on or before, but not later than September 29, 2023; and,**
6. Once the appropriate Building, Structural, Mechanical, and Electrical Design Professionals with responsibility for oversight of the actions pursuant to items 2, 3, 4 and 5 noted above have provided said items, you must:

- (a) Submit complete construction plans and documents detailing all required repairs and how the building located at the address known municipally as 737 and 743 Sargent Avenue will comply with the By-Laws, and apply for all required permits **on or before, but not later than October 6, 2023; and,**
- (b) Obtain all required permits for the address known municipally as 737 and 743 Sargent Avenue **on or before, but not later than November 17, 2023; and,**
- (c) Complete all required repairs to bring the building located at the address known municipally as 737 and 743 Sargent Avenue into compliance, making all repairs in a manner accepted as good workmanship in the trade concerned, with materials suitable and sufficient for the purpose and in compliance with all applicable Codes, Regulations and By-laws, **on or before, but not later than May 17, 2024.**

Permit applications are found at https://winnipeg.ca/ppd/permits/permits_online.stm and permit inquiries can be made at City of Winnipeg, Zoning and Permits Branch, by phone at 204-986-5140, or email ppd-permit@winnipeg.ca.

There may be other Code and By-Law violations at the above-noted premises that were unknown at the time of issuance of this Order, therefore, in accordance with section 5.8 of the City of Winnipeg Building By-Law No. 4555/87, our inspection does not relieve the owner from full responsibility for carrying out the work or having the work carried out and for maintaining the building or structure in accordance with the requirements of the Code or By-Law.

ADMINISTRATION FEES

This Order may carry an administration fee of \$174.00 pursuant to the Winnipeg Planning, Development and Building Fees and Charges By-law 66/2016 section 11 Administration Fees: Administration fee for collection process on overdue accounts (including registering and unregistering a caveat or lien on title), if a caveat is issued on the property.

A copy of the aforementioned By-law and Fees and Charges can be viewed at:

<http://clkapps.winnipeg.ca/dmis/docext/ViewDoc.asp?DocumentTypeld=1&DocId=6820&DocType=C>
<https://www.winnipeg.ca/ppd/fees/default.stm>

FAILURE TO COMPLY

Please note that if you fail to comply with this Order, further enforcement action may be undertaken pursuant to The City of Winnipeg Charter Act, the Provincial Offences Act, and/ or the Municipal Bylaw Enforcement Act, which may include the City of Winnipeg undertaking and completing any required remediation work related to this Order, and the associated costs could be added to your property tax bill. Your compliance with this Order will make such actions unnecessary.

APPEAL

In accordance with section 189 of The City of Winnipeg Charter Act, you are entitled to appeal this Order to the Standing Policy Committee on Property & Development by:

- the date specified for compliance as indicated; or,
- fourteen (14) days of receipt of this Order,

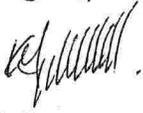
whichever is earlier.

You must send your written appeal to:

Standing Policy Committee on Property and Development
Attention: City Clerks Department
510 Main Street, Winnipeg, MB, 3B 1B9
Fax: 204-947-3452 • CLK-Appeals@winnipeg.ca

Should you have any questions with regard to this matter, please contact the Building Inspector Mr. Mike Klatt at 204-986-5190 or mklatt@winnipeg.ca Monday to Friday, between the hours of 9:00 a.m. and 4:00 p.m.

Regards,



Kelly Happychuk
Chief of Enforcement & Investigations
Enforcement Services Unit
Planning, Property and Development
City of Winnipeg
Designated Employee
/jyw



Planning, Property and Development Department • Service de l'urbanisme, des biens et de l'aménagement
 Development and Inspections Division • Division de l'aménagement et des inspections
 Enforcement Services Unit • Unité des services d'exécution

NOTICE and INVOICE

August 25, 2023

Invoice: 23-202494 ORD

5684995 Manitoba Ltd.
 Po Box 285, Pro Corydon
 971 Corydon Avenue
 Winnipeg, MB R3M 3S7
 Attention: Patrick Penner

5684995 Manitoba Ltd.
 900-400 St. Mary Avenue
 Winnipeg, MB R3C 4K5

Director of 5684995 Manitoba Ltd.
 Patrick Penner
pkharpenn@shaw.ca

RE: 737 and 743 Sargent Avenue

FOLDER NO: 23-202494 ORD

LEGAL DESCRIPTION: LOTS 84, 85 AND 86 BLOCK 2 PLAN 218 WLTO RL 67 AND 68 PARISH OF ST JAMES

NOTICE

In accordance with the Planning, Development and Building Fees and Charges By-law 66/2016 section 11 Administration Fees, an administration fee of \$174.00 (One Hundred Seventy-Four Dollars) has been levied on you as the Owner of the record for the property known municipally as 737 and 743 Sargent Avenue.

A copy of the aforementioned By-law and Fees and Charges can be viewed at:

<http://clkapps.winnipeg.ca/dmis/docext/ViewDoc.asp?DocumentTypeId=1&DocId=6820&DocType=C>

<https://www.winnipeg.ca/ppd/fees/default.stm>

INVOICE

Invoice Number	Administration Caveat Registration Fee	Total
23-202494 ORD	\$174.00	\$174.00
Total	\$174.00	\$174.00

Please remit payment in the amount of \$174.00 (One Hundred Seventy-Four Dollars) by **September 24, 2023**. Note that there is an Administration Fee for the collection of overdue accounts; and in accordance with the City of Winnipeg Charter Act, any outstanding fees will be recovered by way of a levy applied to the property's taxes or by the services of a collection agency.

A copy of the aforementioned City of Winnipeg Charter Act can be viewed at:

http://web2.gov.mb.ca/laws/statutes/2002/c039_2e.php

To make payment, please contact the Cashier's Office, Monday to Friday between 8:30 a.m. and 4:30 p.m. by phone at 204-986-5140 or in person at Unit 31 – 30 Fort Street, Winnipeg, MB, R3C 4X7. Payment can be made by credit card, debit card, cash or cheque made payable to The City of Winnipeg. The property address and invoice number must be noted with the payment.

Document Review

Registration #	Type	New Titles
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5570445/1	Caveat	
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Notes
