

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

B E T W E E N :

FIRM CAPITAL MORTGAGE FUND INC.

Applicant

- and -

STATEVIEW HOMES (HAMPTON HEIGHTS) INC.

Respondent

SUPPLEMENT TO THE FIRST REPORT OF THE RECEIVER
August 17, 2023

INTRODUCTION AND INFORMATION DISCLOSURE

1. This report (the “**Supplemental Report**”) is being filed by RSM Canada Limited in its capacity as Court-appointed receiver and manager (the “**Receiver**”) of all of the assets, undertakings and properties of Stateview Homes (Hampton Heights) Inc. (the “**Debtor**”).
2. This report is a supplement to the First Report of the Receiver dated August 8, 2023 (the “**First Report**”) and should be read together with the First Report. Capitalized terms used and not otherwise defined herein shall have the meanings ascribed to such terms in the First Report.
3. Since the First Report was issued, the Receiver has engaged with counsel to the Lien Claimants, on a without prejudice basis, in order to answer any questions they may have ahead of the scheduled hearing. Counsel to certain of the Lien Claimants have recently made information requests of the Receiver, which information has been provided by the Receiver to the Lien Claimants by email. For the benefit of the Court and all stakeholders, the documents provided to the Lien Claimants pursuant to such information requests are attached as appendices to this Supplemental Report.
4. The Receiver has advised the Lien Claimants that the Receiver proposes to hold \$200,000 in trust following completion of the Transaction (the “**Holdback**”). The Receiver has amended the proposed Ancillary Relief Order to incorporate this concept. The Receiver believes the Holdback is sufficient to cover the aggregate amount that could be in issue, being 10% of the value of the services and materials actually supplied by each of the Lien Claimants.
5. As the Debtor acted as its own general contractor, holdback amounts are determined on a trade-by-trade basis. Based on the best information available to the Receiver, including the Altus Report (defined below) and by reference to claims filed by the Lien Claimants, the Receiver estimates the aggregate amount of such holdbacks to be just under \$150,000.
6. The proposed \$200,000 Holdback would cover the maximum amount that the Lien Claimants could be realistically anticipated to recover (ie., \$150,000) *plus* an additional approximately \$50,000 buffer out of an abundance of caution.

7. In proposing the Holdback and responding to certain information requests as part of its without prejudice discussions with the Lien Claimants, the Receiver provided copies of the following documents to counsel for the Lien Claimants, which documents are appended hereto for the benefit of the Court and the stakeholders:
- (a) March 31, 2023 report of Altus Group as independent monitor of the Hampton Heights project, together with an updated construction cost summary dated May 9, 2023 (together, the “**Altus Report**”), copies of which are attached as **Appendix “A”** hereto. On August 10, 2023, the Receiver spoke with a representative of the Altus Group who advised that the May 9, 2023 updated construction cost summary includes Altus Group’s review of all invoices in the Debtor’s possession up to April 27, 2023;
 - (b) Confirmation as to the dates and amounts of advances made by the first mortgagee, copies of which are attached as **Appendix “B”** hereto; and
 - (c) A copy of the commitment letter of the first mortgagee, a copy of which is attached as **Appendix “C”** hereto (redacted only as to as to the commitment fee and the contemplated completed values for the project and individual homes).
8. The Receiver obtained the Altus Group’s consent to have the Altus Report provided to stakeholders and the Court.
9. The Receiver also independently confirmed that the advances paid to the Debtor from the trust account of the first mortgagee’s counsel were made on the same date as the advances were paid to the trust account of the first mortgagee’s counsel.

All of which is respectfully submitted to the Court as of this 17th day of August, 2023.

RSM CANADA LIMITED, solely in its capacity as Court-appointed Receiver and Manager of Stateview Homes (Hampton Heights) Inc., and not in its personal or corporate capacity

Per:



Jeffrey Berger, CPA, CA, CIRP, LIT
Vice-President

APPENDIX “A”



18 SINGLE DETACHED HOMES
Barrie, Ontario
20130.103740.000

Prepared for:
FIRM CAPITAL CORPORATION

Prepared by:
ALTUS GROUP LIMITED

Issued: **March 31, 2023**

Unpublished Work © 2023 Altus Group Limited

STATEVIEW HOMES (HAMPTON HEIGHTS) INC.
Report No. 3 on the Status of the Project
at March 31, 2023

Street Smart. World Wise.



March 31, 2023

Our Ref: 20130.103740.000

Firm Capital Corporation
163 Cartwright Avenue
Toronto, Ontario
M6A 1V5

Attention: Mr. Forrest Todd

Dear Madam,

Re: Hampton Heights, Barrie, Ontario

We submit for your review our Preliminary Report and Report No. 3 on the Status of the Project at March 31, 2023, in accordance with the terms of our engagement as outlined in the Firm Capital Commitment Letter dated November 11, 2022 and the December 7, 2022 Amendment to the Commitment No 1.

It should be noted that this report is not intended for general circulation, publication, or reproduction for any other person without express written permission to each specific instance. Furthermore, our reports are written for the exclusive use of the Project Lender, namely Firm Capital Corporation. Altus Group Limited does not hold any reporting responsibility to any other party.

Yours truly,

ALTUS GROUP LIMITED

A handwritten signature in blue ink, appearing to read "Pranj Sharma".

Per: Pranj Sharma
Cost Consultant

A handwritten signature in blue ink, appearing to read "Alanna Boucher".

Per: Alanna Boucher
Director

cc. Daniel Ciccone, Stateview Homes (High Crown Estates) Inc.
Jonathan Mair, Firm Capital Corporation



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Letter of Transmittal

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1 Executive Summary

All important issues will be highlighted in this Section on an ongoing basis. Notwithstanding the fact that we have highlighted certain issues herein, the Report should be read in its entirety.

1.1 Preamble

The aftermath of COVID-19 pandemic has proven to have an unprecedented impact on the project costs, municipal approvals, scheduled work on site and supply of materials etc. We will comment on any issued that arise throughout the course of construction.

1.2 Budget

Based on our review of documentation, information received, and discussions with the Borrower, we have calculated an overall project budget of \$15,500,000 which is the same as per the Firm Capital Commitment Letter dated November 11, 2022. The overall project budget includes ±\$859,000 of combined contingency.

Refer to Section 3.2 and Appendix B for budget details.

1.3 Source of Funding

Based on a project budget of \$15,500,000, we understand the source and use of funds to be as follows:

Equity	\$2,819,000
First Mortgage Loan	\$10,900,000
Second Mortgage Loan – N/A	\$0
Purchaser Deposits	\$1,720,000
Deferred Costs	\$61,000
Total Source of Funds	\$15,500,000
Project Budget	(\$15,500,000)
Project Surplus / (Shortfall)	\$0

We request the Lender to confirm the source of funds.

1.4 Costs Incurred and Cost-to-Complete

We have calculated the gross overall cost incurred to date is \$10,275,700, which includes the land cost of \$3,945,000. Holdback of \$171,939 is deducted as per the Construction Act resulting in a net cost-to-date of \$10,103,760. **We note that holdback will only be applicable on servicing and construction costs only.**

Based on a project budget of \$15,500,000, the cost to complete is \$5,396,240. Refer to Section 3 for details.



1.5 Servicing Budget

In the current period, we have increased the servicing budget by \$23,550 to \$1,142,125, which includes ±\$18,000 of servicing contingency, as detailed in Appendix A. Refer to Section 5 for details.

1.6 Construction Budget

We have established an agreed construction budget of \$6,065,827, which includes ±\$513,000 of construction contingency, as detailed in Appendix A. Refer to Section 5 for details.

1.7 Cash Flow & Schedule

We anticipate the following schedule:

Servicing Completion	December 2022
House Construction	January 2023
Initial Occupancy / Closing	September 2023
Registration of Condominium Elements	August 2023
Final Closing	November 2023

We enclose as Appendix D, a copy of our projected expenditure and revenue cash flows, which reflects the above-mentioned milestone dates. Refer to Section 4 for details.

At this time the above schedule is realistic and should be achievable. Permits are being issued and the internal road is scheduled to be complete the first week of December and excavation of foundations set to commence immediately.

1.8 Sales, Revenue, and Deposits

Gross residential sales totaling \$17,424,820 are being reported by the Borrower for 18 units. Altus Group has not independently reviewed the Agreements of Purchase and Sale. Please refer to Section 6 for details.

1.9 Development and Compliance Documentation

Refer to Section 8 for details.

1.10 Contingency

The overall project budget includes ±\$18,000 in servicing contingency, ±\$513,000 in construction contingency, and ±\$328,000 in development contingency, for a total of ±\$859,000 in combined contingency. The contingency equates to 20% of the cost- to-complete. In our opinion, the current contingency level appears sufficient for this project.



1.11 Current Advance

The current period costs of \$1,050,862 are recommended to be funded as follows:

Source	Amount
First Mortgage Loan	\$1,050,862
Purchaser Deposits	\$0
Equity	\$0
Total	\$1,050,862

We enclose a draft margin as Appendix B, for reference only.

1.12 Outstanding Items

We have requested, but not yet received the following items:

- Appraisal report (to be forward directly to the Lender)



2 Terms of Reference

2.1 Terms of Reference

We understand our terms of reference to be as noted in the Firm Capital Commitment Letter and subsequent Amendment to the Commitment. A copy of which is enclosed in our Report No. 2.

It should be noted that cost consultants are not qualified to confirm that construction work has been completed in accordance with plans and specifications. In this regard, we will forward certificates provided by the design consultants as available to confirm that the project is being constructed in accordance with the approved plans and specifications, and the provincial building code.

This report and its findings are based on the documentation supplied to us by the Borrower. Should any subsequent information arise that materially affects the budget or scope of project, we will report as soon as it becomes available. Furthermore, Altus Group Limited has made reasonable investigation to review the project budget; however, should any information be withheld from us, we cannot be responsible to ensure that it is included in this report. Please refer to Section 10 for further qualification notes.

2.2 List of Documentation

In the process of completing this mandate, we have reviewed documentation as noted throughout this report. We note here the following agreements:

- Firm Capital Corporation First Mortgage Commitment Letter dated November 11, 2022;
- Firm Capital Corporation Amendment to the Mortgage Loan Commitment # 1 dated December 7, 2022; and,
- Project Drawings; and,
- Other documents and agreements as noted throughout this Report.



3 Project Budget, Capital Cost & Cost-to-Complete Summary

3.1 Enclosures

The following schedule(s) are enclosed in the appendices:

- Appendix A: Capital Cost & Cost-to-Complete Summary
- Appendix B: Draft Margin
- Appendix C: Borrower's Cost-to-Date / Invoices (Outstanding)

3.2 Project Budget

3.2.1 Budget Commentary

Based on our review of documentation, information received, and discussions with the Borrower, we have calculated an overall project budget of \$15,500,000 which is the same as per the Firm Capital Commitment Letter dated November 11, 2022 and subsequent amendment. The overall project budget includes ±\$859,000 of combined contingency.

Refer to Appendix A for budget details.

3.2.2 Budget Notes

The project budget is based on information and costs supplied by the Borrower / Firm Capital. We have requested but not yet received the Borrower's updated cost-to-date ledger.

The budget / cost to includes Development Charges and Cash In Lieu of Parkland payable to the City of Barrie. We understand these fees have been paid.

While the units included in this project are considered Freehold Units, the common areas such as roadways, sidewalks etc., are to be registered under a plan of condominium. It is assumed that the common elements of the condominium will be registered by August 2023 and completed units will go straight to final closing.

3.2.3 Exclusions

The following items are excluded from the overall project budget of \$15,500,000:

- Interest on equity;
- Costs incurred in the project and not reported at the time of this report;
- Development Charge Increases;
- Construction and Development Management Fees;
- Realty Taxes; and,
- Interest beyond November 2023.



3.3 Capital Cost & Cost-to-Complete Summary

3.3.1 Cost to Date

We have calculated the gross overall cost incurred to date is \$10,275,700, which includes the land cost of \$3,945,000. Holdback of \$171,939 is deducted as per the Construction Act resulting in a net cost-to-date of \$10,103,760.

3.3.2 Cost-to-Complete

Based on a project budget of \$15,500,000, the cost to complete is \$5,396,240.

3.3.3 HST

Our budget and cash flow assume that HST on costs will be funded on an ongoing basis by the Lender, and subsequently recovered from the Canada Revenue Agency. We have included \$0 in outstanding HST in our cost-to-date.

3.4 Source & Use of Funds

Based on a project budget of \$15,500,000, we understand the source and use of funds to be as follows:

Equity	\$2,819,000
First Mortgage Loan	\$10,900,000
Second Mortgage Loan – N/A	\$0
Purchaser Deposits	\$1,720,000
Deferred Costs	\$61,000
Total Source of Funds	\$15,500,000
Project Budget	(\$15,500,000)
Project Surplus / (Shortfall)	\$0

We request the Lender to confirm the source of funds.

We note the deferred costs are as follows:

Construction	\$58,750
Discharge Fee	\$2,250
Total Deferred Costs	\$61,000

Refer to Appendix A for details.



3.4.1 Current Advance

The current period costs of \$1,050,862 are recommended to be funded as follows:

Source	Amount
First Mortgage Loan	\$1,050,862
Purchaser Deposits	\$0
Equity	\$0
Total	\$1,050,862

We enclose a draft margin as Appendix B, for reference only.

3.5 Equity

The Firm Capital Corporation Commitment Letter dated November 11, 2022 and subsequent amendment requires minimum equity in the amount of \$2,819,000. We confirm that the equity requirement has been satisfied.

3.6 Letters of Credit

We understand Letters of Credit will be required as per the Firm Capital Corporation Commitment Letter dated November 11, 2022 and subsequent amendment. We have not received an update and will include once received.

3.7 Overview Comment

This report and its findings are based on the documentation supplied to us by the Borrower. Should any subsequent information arise that materially affects the budget or scope of project, we will report as soon as it becomes available. Furthermore, Altus Group Limited has made reasonable investigation to review the project budget; however, should any information be withheld from us, we cannot be responsible to ensure that it is included in this report. As required by the relevant Construction Act, 10% holdback is being retained on all contracts. Please refer to Section 10 for further qualification notes.



4 Cash Flow

4.1 Enclosures

The following schedule(s) are enclosed in the appendices:

Appendix D: Project Cash Flow

4.2 Assumptions

We note the following cash flow assumptions:

Expenditures	Costs Incurred	November 2022
	Servicing Completion	December 2022
	Construction Commences	January 2023
	Initial Occupancy	September 2023
	Registration	August 2023
	Final Closings	November 2023
Revenue	Current Sales	As detailed in Section 6
	Inventory	As detailed in Section 6
Source & Use of Funds	Equity	\$2,819,000
	First Mortgage Loan	\$10,900,000
	Purchaser Deposits	\$1,720,000
	Deferred Costs	\$61,000

We will review the cash flow as the project progresses and report any significant budget implications or non-adherences to the above noted assumptions. Refer to Section 7.3 for comments on schedule as the project progresses.



5 Servicing / Construction Budgets & Cost Reports

5.1 Enclosures

The following schedule(s) are enclosed in the appendices:

- Appendix E: Servicing Summary
- Appendix F: Construction Cost Report

5.2 Servicing Budget

5.2.1 Servicing Budget

In the current period, we have increased the servicing budget by \$23,550 due to additional items as per the payment certificate. We have calculated a direct servicing budget of \$1,142,125 as follows:

Item	Budget
Site Preparation / Soil removal	\$0
Site Servicing	\$929,405
Hydro / Streetlighting	\$143,724
Site Development	\$51,000
Cost Sharing – Included in Hydro	\$0
Servicing Contingency	\$17,996
Total Servicing Budget	\$1,142,125

5.2.2 Servicing Contracts

We have received, and enclose in our Report No. 1, a copy of the servicing contract between Con Drain Ltd. and Stateview Homes (Hampton Heights) Inc. dated August 13, 2021 of \$786,869 (excluding HST).

The Borrower confirms the municipal services are available at the site and sewer/water allocations are confirmed. Roads are completed to base course asphalt. We note that in the latest PC issued by the Consultant that several unit price line items have been stroked out as it reflects items that will not be utilized. We have adjusted the contract amount accordingly.

5.3 Construction Budget

5.3.1 Construction Budget

We have calculated an overall construction budget of \$6,065,827, as follows:

Item	Budget
Building	\$5,552,584
Construction Contingency	513,243
Construction Management Fee	0
Total Construction Budget	\$6,065,827



Based on a building area of $\pm 40,573$ sq. ft., we note that above budget including contingency is equal to \$149.45 per sq. ft. The budget is reasonable for the type/quality of units being constructed.

5.4 Committed Costs

The Firm Capital Corporation Commitment Letter dated November 11, 2022 and subsequent amendment, we note that there is no requirement on the percentage of committed cost. However, the Borrower has provided contracts in the amount of \$5,146,185 which equal to $\pm 100\%$ of hard costs.

5.5 Holdback Retained

5.5.1 Servicing Holdback Retained

As per the Construction Act, a 10% holdback will be retained on all contractor progress payments. To date, \$171,939, in Holdback has been retained.

5.5.2 Construction Holdback Retained

The construction of the project will be performed on a Construction Management form of administration and the amount deducted for holdback is therefore less than 10% of the total cost of construction work completed to date. With this form of administration, the Borrower will contract directly with each trade contractor for approximately 75% to 80% of the work and purchase the remainder directly on a material and/or labour basis. The treatment of holdback therefore differs from the General Contract form of administration, in that the Borrower will deduct holdback on fixed price contracts and not on direct material and labour purchases, consulting fees or construction management fees. In the event that the Lender deducts holdback on these items, the Borrower will still have to pay 100% on these items and a cash flow deficiency will occur. Consequently, we intend to abide by the terms of the Borrower's contracts and also recommend that holdback not be deducted on these items. We request the Lender or its legal counsel provide further direction if it does not concur with the procedure above.

5.6 Holdback Released

5.6.1 Servicing Holdback Released

To date, no holdback has been released.

5.6.2 Holdback Released

To date, no holdback has been released.



6 Sales & Deposits

6.1 Enclosures

The following schedule(s) are enclosed in the appendices:

Appendix G: Sales & Deposits Summary

6.2 Sales Status Report

6.2.1 Sales Overview

Based on the information provided by the Borrower, we note the following:

	Units	Amount
Gross Residential Sales	18	\$17,424,820
Gross Residential Inventory	0	\$0
Total Residential Revenue	18	\$17,424,820
HST on Sales		(1,622,324)
Anticipated Closing Costs		(180,000)
Anticipated Net Recoveries		0
Upgrades - NIC		0
Total Anticipated Revenue		\$15,622,496

6.3 Agreements of Purchase & Sale

Altus Group has not independently reviewed the agreements of Purchase and Sale. Altus Group has not reviewed any mortgage pre-approvals received.

6.3.1 HST on Sales

The HST payable by the Borrower on gross residential sales is estimated to be \$1,622,324.

6.3.2 Deposits

We have received and enclose as Appendix G, a copy of the Borrower's sales and deposit summary which details \$1,640,000 of deposits received to date. We understand from the Lender's review of the Agreements of Purchase and Sale that \$1,720,000 in deposits are contracted and received. We understand that a deposit trust agent will not be engaged which is standard practice with freehold developments throughout the GTA.

6.4 Tarion Enrollment

We confirm that Stateview Homes is a registered Builder with Tarion and has several current projects registered. We have received a copy of Stateview Homes account with Tarion and confirm that Stateview Homes is registered with Tarion.



6.5 Qualifications

It should be noted that we have carried the sales revenue as reported by the Borrower.



7 Project Description, Progress Report & Construction Schedule

7.1 Enclosures

The following schedule(s) are enclosed in the appendices:

Appendix H: Photographs

7.2 Project Description

The project consists of the servicing and construction of a 18 unit single detached housing development located at Ardagh and Teck Road, Barrie, ON.

7.3 Servicing / Construction Schedule

We anticipate the following schedule:

Servicing Completion	December 2022
House Construction	January 2023
Initial Occupancy	September 2023
Registration of Condominium Elements	August 2023
Closing	November 2023

We enclose as Appendix D, a copy of our projected expenditure and revenue cash flows, which reflects the above-mentioned milestone dates.

At this time the above schedule is realistic and should be achievable.

7.3.1 Progress Report

We enclosed photos from our latest site visit on March 29, 2023, as Appendix H and note progress on site is generally as follows:

- Site clearing is complete, services installed, external roadworks complete and internal road bases complete and asphalt essentially complete.
- Blocks 1-3: Foundations poured, and weatherproofing applied.
- Block 4: Framing commenced.
- Block 5: Foundations poured, and weatherproofing applied.
- Blocks 6-9: Framing commenced.
- Blocks 10-15: Foundations poured, and weatherproofing applied.
- Blocks 16-17: Framing progressing.
- Block 18: Foundations poured, and weatherproofing applied.

7.4 Drawings

We have received and retained on file a copy of the architectural drawings.



8 Permits, Development Agreements, Insurance, Bonding, Legal Survey, Soils & Environmental Reports

8.1 Enclosures

The following schedule(s) are enclosed in the appendices:

Appendix I: Permit(s) (As Applicable)
Appendix J: Development Agreement(s) (As Received)

8.2 Permits

We have received and enclose in our Report No. 1, copies of the building permits for all lots.

8.3 Development Agreement(s)

We enclose in our Report No. 1 a Copy of the Subdivision Agreement between the Corporation of the City of Barrie and Stateview Homes (Hampton Heights) Inc. dated September 2nd, 2022.

- Committee of Adjustment Decision dated May 26, 2021 along with a copy of the confirmation of no appeal dated June 23, 2021 for a 39 Auburn Court property;
- Draft Plan of Subdivision – 1862145 Ontario Inc., 2, 4, 5, 8 Teck Road, 344, 350 & 354 Ardagh Road, Barrie, dated September 13, 2018;
- Draft Residential Subdivision Agreement between the Corporation of the City of Barrie and Wynstar Developments Inc., dated December 2020;
- Extension to Draft Plan of Subdivision Approval for Wynstar Developments Inc. - 2, 4, 5, 8 Teck Road, 344, 350 & 354 Ardagh Road, City of Barrie; and,
- By-Law Bill No. 005 issued by the Corporation of the City of Barrie, dated January 15, 2018.

8.4 Insurance

We understand an independent consultant will be retained to review the insurance policies.

Due to the importance of proper insurance coverage at all times, we recommend the Lender have its insurance consultant review copies of the full policies to ensure its interests are protected.

8.5 Bonding

We understand that the Borrower does not intend to bond any trades at this time. Instead, they prefer to rely on prudent pre-qualification of bidders and selection of trades, based on experience. In addition, tight control of progress on site and certification of costs is maintained on an ongoing basis. As the project is low-rise townhouses, the overall risk is mitigated due to the shortened contract lengths that tend to be on a per unit/block basis.



In this regard, our review is limited to comments on past project execution performance of each contractor, as we do not have access to any financial records. We recommend the Lender undertake financial checks on the contractors already awarded contracts, if there is a concern regarding their ability to perform.

8.6 Confirmation of Location(s)

8.6.1 Legal Survey

We enclose in our Report No. 1 copies of the legal surveys as received. We recommend the Lender have its legal counsel review same in order to confirm that title is clear and no unauthorized encumbrances exist.

8.7 Soils & Environmental Reports

We have received and reviewed copies of the following Geotechnical and Environmental Reports:

- Geotechnical Investigation prepared by Naylor Engineering Associates dated May 18, 2004 prepared for Auburn Developments Inc.;
- Letter of Opinion prepared by Soil Engineers Ltd. dated July 29, 2021 for Stateview Homes (Hampton Heights) Inc.; and,
- Phase 1 Environmental Site Assessment, CSA Standard, Existing Properties, Summerset Drive and Teck Road, City of Barrie prepared by Soil Engineers Ltd. dated July 30, 2021 for Stateview Homes (Hampton Heights) Inc.

Copies of these reports can be provided upon request.

8.8 Appraisal

We have not received a copy of an appraisal and recommend a copy be forwarded directly to the Lender to satisfy the funding condition outline in the Commitment Letter.



9 Certificates & Declarations

9.1 Enclosures

The following schedule(s) are enclosed in the appendices:

Appendix K: Payment Certificate

Appendix L: Statutory Declaration and WSIB Certificate (As Received)

9.2 Qualifications

For all reports, we will require copies of the following documentation:

1. The engineer's payment certificates for site servicing.
2. For the second and all subsequent advances of the servicing work, we will require a Statutory Declaration from the site servicing contractors confirming that all sub-trades, workers, suppliers, etc., have been properly paid up to the last progress draw.
3. **Please note that it is industry standard to accept the engineer's payment certificate as evidence of compliance.**



10 Reporting Qualifications

This report is written for the exclusive use of Firm Capital Corporation in its capacity as Project Lender. Altus Group does not hold any reporting responsibility to any other party without express written consent provided herein or under separate letter.

The report or parts thereof are not intended for general circulation, publication, or reproduction without express written permission from Altus Group in each specific instance.

The opinions expressed herein with respect to environmental issues are limited to the anticipated impact on budget and schedule based on the expert reports provided.

Neither Altus Group nor its officers or its employees accepts liability whatsoever for any direct or consequential loss arising from the negligent use of this report.

This report and the findings enclosed are based on the documentation supplied to us by the Borrower and its representatives. Should any subsequent information arise which materially affects the budget or scope of project, we will report as soon as it becomes available. Furthermore, Altus Group has made reasonable investigation to review the project budget; however, should any information be withheld from us, we cannot be responsible to ensure that it is included in this report.

We have included a draft margin calculation for reference. The Lender should confirm the amount available to advance.

We have carried the sales revenue as reported by the Borrower. We note that the total saleable footage is as provided by the Borrower.

Due to the importance of proper insurance coverage at all times, we recommend the Lender have its insurance consultant review copies of the full policies to ensure its interests are protected.

Our comments on bonding are limited to our experience dealing with the particular trade contractors in the past. We do not have any access to the individual financial records. Bonding mitigates the financial risk and is ultimately a lending decision.

It should be noted that cost consultants are not qualified to confirm that construction work has been completed in accordance with approved plans and specifications. Please note that it is industry standard to accept the engineer's payment certificate as evidence of compliance.

Where applicable, credits and recoveries noted in the Project Budget and/or project revenue forecast, are included as per the Borrower projections. Timing of receipt of credits and recoveries should be confirmed as they reduce cost-to-complete.

The project is being administered on a construction management basis whereby Borrower enters into individual trade contracts for the various portions of the work and issues purchase orders for "supply only" items on an ongoing basis. Notwithstanding the requirements of the Construction Act/ Construction Lien Act, holdback is being retained on trade contracts only, as it is a standard practice in the industry. We request the Banks or its counsel to provide further direction if it does not concur with the procedure. No holdback has been retained from the Design Consultants, as is standard practice, notwithstanding that these consultants do have lien rights.

Details of Our Client Data Policy are available from our website at www.altusgroup.com.



11 List of Appendices

The following appendices are enclosed:

- Appendix A: Capital Cost & Cost-to-Complete Summary
- Appendix B: Draft Margin
- Appendix C: Borrower's Cost-to-Date/ Invoices (Outstanding)
- Appendix D: Project Cash Flow
- Appendix E: Servicing Summary
- Appendix F: Construction Cost Report
- Appendix G: Borrower's Sales & Deposits Summary
- Appendix H: Photographs
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- Appendix J: Development Agreement(s) (As Received)
- Appendix K: Payment Certificate
- Appendix L: Statutory Declaration and WSIB Certificate (As Received)



APPENDIX A – CAPITAL COST SUMMARY & COST-TO-COMPLETE SUMMARY

CAPITAL COST SUMMARY & COST TO COMPLETE SUMMARY

	Altus Group Previous Budget 2	Variance 3 - 2	Altus Group Current Budget 3		Cost to Date	Previous Costs	Current Period	Cost to Complete	Holdback	Holdback Released	Holdback Remaining	Deferred Costs
LAND/PREDEVELOPMENT COSTS												
1 Land Value	3,945,000	0	3,945,000		3,945,000	3,945,000	0	0				
2 Land Financing Costs	0	0	0		0	0	0	0				
3 Legal Costs / Closing	135,000	0	135,000		135,000	135,000	0	0				
4 Realty Taxes	0	0	0		0	0	0	0				
	4,080,000	0	4,080,000		4,080,000	4,080,000	0	0	0	0	0	0
DIRECT SERVICING												
5 Site Preparation / removal	0	0	0		0	0	0	0	0	0	0	0
6 Site Servicing	905,854	23,550	929,405		862,239	826,455	35,784	67,166	86,224	0	0	0
7 Hydro / Streetlighting - per offer to connect	143,724	0	143,724		143,724	143,724	0	0	0	0	0	0
8 Site Development	51,000	0	51,000		51,000	51,000	0	0	0	0	0	0
9 Cost Sharing	0	0	0		0	0	0	0	0	0	0	0
10 Servicing Contingency	17,996	0	17,996		0	0	0	17,996	0	0	0	0
	1,118,574	23,550	1,142,125		1,056,963	1,021,179	35,784	85,162	86,224	0	0	0
INDIRECT SERVICING												
11 Servicing Permit	0	0	0		0	0	0	0	0	0	0	0
12 Development Charges	1,451,943	0	1,451,943		1,451,943	1,451,943	0	0	0	0	0	0
13 Municipal Fees	0	0	0		0	0	0	0	0	0	0	0
14 Cash in Lieu of Parkland Dedication	103,068	0	103,068		103,068	103,068	0	0	0	0	0	0
15 Condo Draft Plan	25,000	0	25,000		25,000	25,000	0	0	0	0	0	0
16 Subdivision Agreement Fees	0	0	0		0	0	0	0	0	0	0	0
17 Site Plan Agreement Fees	0	0	0		0	0	0	0	0	0	0	0
18 Energy Star enrollment	9,775	0	9,775		9,775	9,775	0	0	0	0	0	0
19 Miscellaneous Fees	0	0	0		0	0	0	0	0	0	0	0
	1,589,786	0	1,589,786		1,589,786	1,589,786	0	0	0	0	0	0
CONSTRUCTION												
20 Building	5,552,584	0	5,552,584		1,673,705	646,689	1,027,016	3,878,879	85,716	0	0	58,750
21 Construction Contingency	513,243	0	513,243	13%	0	0	0	513,243	0	0	0	0
22 Construction Management Fee	0	0	0		0	0	0	0	0	0	0	0
23 Landscaping	0	0	0		0	0	0	0	0	0	0	0
	6,065,827	0	6,065,827		1,673,705	646,689	1,027,016	4,392,122	85,716	0	0	58,750
INDIRECT CONSTRUCTION												
24 Taron	23,800	0	23,800		23,800	23,800	0	0	0	0	0	0
25 Building Permit	58,905	0	58,905		58,905	58,905	0	0	0	0	0	0
26 Pre-Construction & Admin	0	0	0		0	0	0	0	0	0	0	0
	82,705	0	82,705		82,705	82,705	0	0	0	0	0	0
CONSULTANTS												
27 Consulting Engineering / Civil Engineer	146,100	(0)	146,100		136,311	136,311	0	9,789	0	0	0	0
28 Miscellaneous Consultants	0	0	0		0	0	0	0	0	0	0	0
	146,100	(0)	146,100		136,311	136,311	0	9,789	0	0	0	0
LEGAL & ADMINISTRATION												
29 Legal Fees	50,500	0	50,500		41,295	41,295	0	9,205	0	0	0	0
30 Legals on Closing	0	0	0		0	0	0	0	0	0	0	0
31 Insurance	75,000	0	75,000		53,984	53,984	0	21,016	0	0	0	0
32 Energy Star Enrollment Fees	0	0	0		0	0	0	0	0	0	0	0
33 Development Management Fee	0	0	0		0	0	0	0	0	0	0	0
	125,500	0	125,500		95,279	95,279	0	30,221	0	0	0	0
MARKETING & SALES COMMISSIONS												
34 Marketing / Sales Centre	320,000	0	320,000		320,000	320,000	0	0	0	0	0	0
35 Commissions	118,746	0	118,746		118,746	118,746	0	0	0	0	0	0
	438,746	0	438,746		438,746	438,746	0	0	0	0	0	0
FINANCE												
36 Lender Fees - (New Lender)	228,000	0	228,000		228,000	228,000	0	0	0	0	0	0
37 Previous Financing / Placement Fees	764,500	0	764,500		764,500	764,500	0	0	0	0	0	0
38 Bank Charges / Advance Fees	0	0	0		0	0	0	0	0	0	0	0
39 Discharge Fees & Miscellaneous	2,250	0	2,250		0	0	0	2,250	0	0	0	2,250
40 Bank Fees	17,500	0	17,500		2,420	2,420	0	15,080	0	0	0	0
41 Project Monitor	25,450	0	25,450		13,000	10,500	2,500	12,450	0	0	0	0
42 Mezzanine loan Interest	0	0	0		0	0	0	0	0	0	0	0
43 Servicing Loan Interest	0	0	0		0	0	0	0	0	0	0	0
44 Construction Loan Interest	463,566	(0)	463,565		114,285	96,150	18,136	349,280	0	0	0	0
	1,501,266	(0)	1,501,265		1,122,205	1,101,570	20,636	379,060	0	0	0	2,250
GOODS & SERVICES TAX												
45 H.S.T. Expense	607,599	3,062	610,660		0	0	0	610,660	0	0	0	0
46 H.S.T. Recoverable	(607,599)	(3,062)	(610,660)		0	0	0	(610,660)	0	0	0	0
	0	0	0		0	0	0	0	0	0	0	0
OFFSETTING INCOME												
47 Occupancy Income	0	0	0		0	0	0	0	0	0	0	0
48 DC Credit	0	0	0		0	0	0	0	0	0	0	0
49 Recoveries - Water Heater Rental Rebate	0	0	0		0	0	0	0	0	0	0	0
	0	0	0		0	0	0	0	0	0	0	0
DEVELOPMENT CONTINGENCY												
50 Development Contingency	351,496	(23,550)	327,946		0	0	0	327,946	0	0	0	0
GROSS EXPENDITURES	15,500,000	(0)	15,500,000		10,275,700	9,192,264	1,083,436	5,224,300	171,939	0	0	61,000
	0	0	0		0	0	0	0	0	0	0	0
			15,500,000									
				CTC	171,939	139,366	32,573	(171,939)	Holdback Retained			
Servicing Contingency	17,996	0	17,996	0%	0	0	0	0	Holdback Released			
Construction Contingency	513,243	0	513,243	13%	0	0	0	0				
Development Contingency	351,496	(23,550)	327,946	78%	0	0	0	0				
TOTAL CONTINGENCY	882,735	(23,550)	859,185	20%	10,103,760	9,052,898	1,050,862	5,396,240	0	0	0	Net Cost to Complete
					0	0	(0)	0				



APPENDIX B – DRAFT MARGIN CALCULATION

DRAFT MARGIN CALCULATION AND NOTES

<u>Use of Funds</u>		Gross Budget
Project Budget		15,500,000
<u>Source of Funds</u>		
First Mortgage Loan	70%	10,900,000
Total Exposure		10,900,000
Equity	18%	2,819,000
Additional Equity	0%	
Purchaser Deposits	11%	1,720,000
Deferred Costs	0%	61,000
	100%	15,500,000
TOTAL FUNDS AVAILABLE		15,500,000
PROJECT BUDGET		15,500,000
PRESENT SURPLUS/(SHORTFALL)		0

<u>1. PRIMARY MARGIN COST IN PLACE</u>	
Gross Cost To Date	10,275,700
DEDUCT	
Holdback	171,939
Equity	2,819,000
Additional Equity	0
Purchaser Deposits	1,720,000
Deferred Costs	0
Advance Ceiling	5,564,760
Less Closing Proceeds to date	0
Less Current Loan Balance	4,513,898
Advance This Month	1,050,862
<u>RECONCILIATION</u>	(0)

<u>2. SECONDARY MARGIN COST TO COMPLETE</u>	
First Mortgage Amount (Incl. Interest)	10,900,000
DEDUCT	
Cost-to-complete	(5,224,300)
Holdback	(171,939)
Equity	0
Additional Equity	0
Purchaser Deposits	0
Deferred Costs	61,000
Advance Ceiling	5,564,760
Less Closing Proceeds to date	0
Less Current Loan Balance	4,513,898
Advance This Month	1,050,862

<u>Source of Funds Reconciliation</u>	ORIGINAL PER FIRM COMMITMENT	VARIANCE	CURRENT SOF	PREVIOUSLY FUNDED	CURRENT FUNDING	FUNDED TO DATE	REMAINING TO FUND
Capital Cost & Cost to Complete							
First Mortgage Loan	10,900,000	0	10,900,000	4,513,898	1,050,862	5,564,760	5,335,240
First Mortgage Interest Reserve		0					0
Equity	3,179,000	(360,000)	2,819,000	2,819,000	0	2,819,000	0
Additional Equity		0					0
Purchaser Deposits	1,360,000	360,000	1,720,000	1,720,000	0	1,720,000	0
Deferred Costs	61,000	0	61,000	0	0	0	61,000
COST TO COMPLETE	15,500,000	0	15,500,000	9,052,898	1,050,862	10,103,760	5,396,240
GROSS PROJECT BUDGET	15,500,000	0	15,500,000	9,052,898	1,050,862	10,103,760	5,396,240
	(0)	0	0	0	0	0	0

NOTES TO MARGIN CALCULATION

NOTE 1: The above calculation is included for reference only and the Lender should satisfy itself as to how much to advance.



APPENDIX C – BORROWER'S COST-TO-DATE / INVOICES
(OUTSTANDING)



APPENDIX D – PROJECT CASH FLOW

PROJECTED CASH FLOW - EXPENDITURES	PROJECT BUDGET	Cost to	Servicing	Construction							Registration	Occupancy	Occupancy	Occupancy	TOTAL BUDGET	
		Date	Completion	Commences								Closings	Closings	Closings		
		Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23		
		1	2	3	4	5	6	7	8	9	10	11	12	13		
LAND/PREDEVELOPMENT COSTS																
1 Land Value	3,945,000	3,945,000													3,945,000	
2 Land Financing Costs	0	0													0	
3 Legal Costs / Closing	135,000	135,000													135,000	
4 Realty Taxes	0	0													0	
DIRECT SERVICING																
5 Site Preparation / removal	0	0													0	
6 Site Servicing	929,405	929,405	682,489	150,000	96,915										929,405	
7 Hydro / Streetlighting - per offer to connect	143,724	143,724													143,724	
8 Site Development	51,000	51,000		51,000											51,000	
9 Cost Sharing	0	0													0	
10 Servicing Contingency	17,998	0											17,998	0	17,998	
INDIRECT SERVICING																
11 Servicing Permit	0	0													0	
12 Development Charges	1,451,843	1,451,843													1,451,843	
13 Municipal Fees	0	0													0	
14 Cash in Lieu of Parkland Dedication	103,068	103,068													103,068	
15 Condo Draft Plan	25,000	25,000													25,000	
16 Subdivision Agreement Fees	0	0													0	
17 Site Plan Agreement Fees	0	0													0	
18 Energy Star enrollment	9,775	9,775													9,775	
19 Miscellaneous Fees	0	0													0	
CONSTRUCTION																
20 Building	5,550,575	5,552,584	0	275,000	425,000	500,000	500,000	500,000	500,000	500,000	550,000	750,000	279,185	1,273,399	5,552,584	
21 Construction Contingency	0	513,243	0	0	0	0	0	0	0	0	0	0	0	513,243	513,243	
22 Construction Management Fee	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
23 Landscaping	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
INDIRECT CONSTRUCTION																
24 Tarion	23,800	23,800													23,800	
25 Building Permit	58,905	58,905													58,905	
26 Pre-Construction & Admin	0	0													0	
CONSULTANTS																
27 Consulting Engineering / Civil Engineer	146,100	118,811	2,289	25,000											146,100	
28 Miscellaneous Consultants	0	0													0	
LEGAL & ADMINISTRATION																
29 Legal Fees	50,500	25,500		25,000											50,500	
30 Legals on Closing	0	0													0	
31 Insurance	75,000	25,000		50,000											75,000	
32 Energy Star Enrollment Fees	0	0													0	
33 Development Management Fee	0	0													0	
MARKETING & SALES COMMISSIONS																
34 Marketing / Sales Centre	320,000	320,000													320,000	
35 Commissions	118,746	118,746													118,746	
FINANCE																
36 Lender Fees - (New Lender)	228,000	228,000													228,000	
37 Previous Financing / Placement Fees	784,500	784,500													784,500	
38 Bank Charges / Advance Fees	0	0													0	
39 Discharge Fees & Miscellaneous	2,250	0												2,250	2,250	
40 Bank Fees	17,500	0	10,000							7,500					17,500	
41 Project Monitor	25,450	5,500	5,500	2,850	2,850	2,850			2,850	2,850	2,850	2,850			25,450	
42 Mezzanine loan Interest	0	0	0												0	
43 Servicing Loan Interest	0	0													0	
44 Construction Loan Interest	463,565	0		32,537	35,219	38,015	42,171	47,028	51,761	56,475	61,293	66,568	32,469		463,565	
CONSULTANTS																
45 H.S.T. Expense	610,660	0	19,798	32,229	35,750	55,250	65,000	65,000	65,000	65,000	65,000	71,500	97,500	38,634	610,660	
46 H.S.T. Recoverable	(610,660)	0			(19,798)	(32,229)	(35,750)	(55,250)	(65,000)	(65,000)	(65,000)	(65,000)	(65,000)	(71,500)	(136,134)	
OFFSETTING INCOME																
47 Occupancy Income	0	0													0	
48 DC Credit	0	0													0	
49 Recoveries - Water Heater Rental Rebate	0	0													0	
DEVELOPMENT CONTINGENCY																
50 Development Contingency	327,946	0													327,946	
GROSS EXPENDITURES	(A)	15,500,000	8,179,261	187,687	315,531	329,021	486,886	571,421	556,778	554,611	566,825	620,643	651,918	296,814	1,989,705	15,500,000
check		0	8,179,261	8,366,847	8,682,379	9,011,400	9,500,286	10,071,707	10,628,485	11,183,096	11,749,920	12,370,583	13,222,482	13,519,295	15,500,000	0

ALTUS GROUP COST CONSULTING
 Hampton Heights
 18 Singles
 Barrie, Ontario

Projected Cash Flow - Expenditures	PROJECT BUDGET	Cost to	Servicing	Construction							Registration	Occupancy /	Occupancy /	Occupancy /	TOTAL
		Date	Completion	Commencement								Closings	Closings	Closings	
		Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jun-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	
		1	2	3	4	5	6	7	8	9	10	11	12	13	
Revenue															
Lot Sales - Deposits	1,720,000	1,720,000												0	1,720,000
- Balance on Closing	15,704,820														15,704,820
HST on Sales	(1,822,324)											5,234,940	5,234,940	5,234,940	(1,822,324)
Closing Costs	(180,000)											(540,775)	(540,775)	(540,775)	(1,822,324)
Recoveries	0											(60,000)	(60,000)	(60,000)	(180,000)
Upgrades	0														0
Total Net Revenue	0														0
Profit	0														0
		1,720,000	0	0	0	0	0	0	0	0	0	4,634,165	4,634,165	4,634,165	15,822,496
Sales / Occupancy Projections															
1 Lot Sales	18	17							1						18
2 Cumulative Lot Sales	18	17	17	17	17	17	17	17	18	18	18	18	18	18	18
3 Occupancies	18	0	0	0	0	0	0	0	0	0	0	6	6	6	18
4 Cumulative Occupancies	18	0	0	0	0	0	0	0	0	0	0	6	12	18	18
Deposits															
Monthly Deposits Received	1,720,000	1,720,000	0	0	0	0	0	0	0	0	0	0	0	0	1,720,000
Cumulative Deposits Received	1,720,000	1,720,000	1,720,000	1,720,000	1,720,000	1,720,000	1,720,000	1,720,000	1,720,000	1,720,000	1,720,000	1,720,000	1,720,000	1,720,000	1,720,000
Sources of Funding															
Equity	2,819,000	2,819,000													2,819,000
Additional Equity	0														0
Deferred	61,000														61,000
Purchaser Deposits	1,720,000	1,720,000													1,720,000
Discharges	(3,902,496)											4,634,165	4,634,165	4,634,165	13,902,496
First Mortgage Loan	(3,002,496)	3,840,261	187,587	315,531	329,021	488,886	571,421	556,778	554,611	566,825	620,643	(3,782,247)	(4,337,351)	(2,714,480)	(3,002,496)
TOTAL MONTHLY SOURCES	15,600,000	8,179,261	187,587	315,531	329,021	488,886	571,421	556,778	554,611	566,825	620,643	851,618	296,814	1,980,705	15,600,000
TOTAL MONTHLY COSTS	15,600,000	8,179,261	187,587	315,531	329,021	488,886	571,421	556,778	554,611	566,825	620,643	851,618	296,814	1,980,705	15,600,000
RECONCILED TO ZERO	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
NET DRAW		3,840,261	187,587	315,531	329,021	488,886	571,421	556,778	554,611	566,825	620,643	(3,782,247)	(4,337,351)	(2,714,480)	(3,002,496)
INTEREST RATE - FIRST MORTGAGE LOAN - (Prime + 5%)		8.95%	8.95%	10.20%	10.20%	10.20%	10.20%	10.20%	10.20%	10.20%	10.20%	10.20%	10.20%	10.20%	
PRIME															check
CUMULATIVE LOAN BALANCE		3,840,261	3,827,847	4,143,379	4,472,400	4,961,286	5,532,707	6,089,485	6,644,096	7,210,920	7,831,593	4,049,316	(268,035)	(3,002,496)	0



APPENDIX E – SERVICING SUMMARY



APPENDIX F – CONSTRUCTION COST REPORT

Construction Cost Report at March 31, 2023

DESCRIPTION	Borrower's Budget	Variance	Altus Group Previous Budget	Variance	Altus Group Current Budget	Trade	Contract Amount	C.O.'s	P.O.'s	Total Committed	Gross Cost to Date	Previous Approved	Approved this month	Cost to complete	Holdback Retained	Holdback released	Percentage Complete	Cost per House	Cost per sf
1 General Requirements	0	300,000	300,000	0	300,000	Allowance	0			0	104,665	76,665	28,000	195,335	0	0	35%	-	7
2 Cleaning	0	9,360	9,360	0	9,360		0			0	0	0	0	9,360	0	0	0%	-	0
3 Excavation	0	101,700	101,700	0	101,700	Pro Star	101,700		0	101,700	101,700	101,700	0	0	10,170	0	100%	5,650	2.51
4 Foundation	375,000	2,100	377,100	0	377,100	Terra	377,100		0	377,100	377,100	377,100	0	0	37,710	0	100%	20,950	9.29
5 Drains & Concrete	150,000	64,697	214,697	0	214,697	Star Drain & Concrete Inc.	214,697		0	214,697	107,349	88,405	18,944	107,349	10,735	0	50%	11,928	5.29
6 Structural Steel	87,151	8,715	95,866	0	95,866		95,866		65,866	95,866	95,866	2,820	93,046	0	0	0	100%	5,326	2.36
7 Basement Windows	18,000	(12,000)	6,000	0	6,000		6,000		6,000	6,000	6,000	0	6,000	0	0	0	100%	333	0.15
8 Windows / Exterior Doors	215,000	21,164	236,164	0	236,164	Pittard Windows	236,164		0	236,164	19,860	0	19,860	216,484	0	0	8%	13,130	5.82
9 Lumber & Roof Trusses	1,554,755	(767,637)	787,118	0	787,118	Tamarack	787,118		0	787,118	590,339	0	590,339	196,780	0	0	75%	43,729	19.40
10 Rough Carpentry	607,189	173,311	780,500	0	780,500	Bryloma Construction	780,500		0	780,500	271,007	0	271,007	509,493	27,101	0	35%	43,361	19.24
11 Roofing	0	0	0	0	0		0		0	0	0	0	0	0	0	0	0%	-	-
12 Roofing - Fiberglass Shingles / Metal Roofs	170,000	23,709	193,709	0	193,709	Trudel	193,709		0	193,709	0	0	0	193,709	0	0	0%	10,762	4.77
13 Aluminum Softs	300,000	95,000	395,000	0	395,000	Giancola Aluminum Contractors Inc.	395,000		0	395,000	0	0	0	395,000	0	0	0%	21,944	9.74
14 Masonary (incl. supply)	230,000	7,348	237,348	0	237,348	Thican	237,348		0	237,348	0	0	0	237,348	0	0	0%	13,106	5.85
15 Stucco	7,675	6,750	14,425	0	14,425	African	14,425		0	14,425	0	0	0	14,425	0	0	0%	813	0.36
16 Caulking	13,384	0	13,384	0	13,384	EJM Enterprises Ltd.	13,384		0	13,384	0	0	0	13,384	0	0	0%	744	0.33
17 Exterior Railings	27,000	3,564	30,564	0	30,564		30,564		30,564	30,564	0	0	0	30,564	0	0	0%	1,698	0.75
18 Exterior Columns	0	0	0	0	0		0		0	0	0	0	0	0	0	0	0%	-	-
19 Plumbing	170,000	(10,000)	160,000	0	160,000	Elitex Plumbing Ltd.	160,000		0	160,000	0	0	0	160,000	0	0	0%	8,889	3.94
20 Heating	130,000	72,500	202,500	0	202,500	Martino	202,500		0	202,500	0	0	0	202,500	0	0	0%	11,250	4.99
21 HVAC Credit	0	0	(37,400)	0	(37,400)	HWT Credit	(37,400)		(37,400)	(37,400)	0	0	0	(37,400)	0	0	0%	(2,078)	(0.92)
22 Electrical	168,000	3,750	169,750	0	169,750	Powercon	169,750		0	169,750	0	0	0	169,750	0	0	0%	9,431	4.18
23 Cable/Alarm/Tei/Vacuum - Rough-ins	17,622	5,760	23,382	0	23,382	Maxguard	23,382		0	23,382	0	0	0	23,382	0	0	0%	1,299	0.58
24 Garage Door	27,000	4,680	31,680	0	31,680	Bramac	31,680		0	31,680	0	0	0	31,680	0	0	0%	1,760	0.78
25 Insulation / Drywall	365,000	44,490	409,490	0	409,490	Marel	409,490		0	409,490	0	0	0	409,490	0	0	0%	22,749	10.09
26 Tile	120,000	33,992	153,992	0	153,992	Moscone	153,992		0	153,992	0	0	0	153,992	0	0	0%	8,555	3.80
27 Hardwood Flooring	160,000	(135,836)	24,362	0	24,362	RJ Group	24,362		0	24,362	0	0	0	24,362	0	0	0%	1,353	0.60
28 Carpet	0	56,012	56,012	0	56,012	First Class	56,012		0	56,012	0	0	0	56,012	0	0	0%	3,112	1.38
29 Interior Trimming & Doors	120,000	35,801	155,801	0	155,801	Wyronff	155,801		0	155,801	0	0	0	155,801	0	0	0%	8,656	3.84
30 Painting	90,000	5,075	95,075	0	95,075	Contempo	95,075		0	95,075	0	0	0	95,075	0	0	0%	5,282	2.34
31 Kitchen / Vanities	103,168	26,160	129,328	0	129,328	Cortina	129,328		0	129,328	0	0	0	129,328	0	0	0%	7,185	3.19
32 Granite Countertops	30,000	5,139	35,139	0	35,139	Majestic	35,139		0	35,139	0	0	0	35,139	0	0	0%	1,952	0.87
33 Stairs	41,000	18,350	59,350	0	59,350	The Oak Stair Ltd.	59,350		0	59,350	0	0	0	59,350	0	0	0%	3,297	1.46
34 Railings	45,000	(41)	44,959	0	44,959		44,959		0	44,959	0	0	0	44,959	0	0	0%	2,498	1.11
35 Shower Enclosures / Closets	15,300	16,320	31,620	0	31,620	Central Glass and Mirror	31,620		0	31,620	0	0	0	31,620	0	0	0%	1,757	0.78
36 Fireplaces	0	12,400	12,400	0	12,400		12,400		0	12,400	0	0	0	12,400	0	0	0%	689	0.31
TOTAL	5,355,444	226,131	5,550,575	0	5,550,575		5,146,185	0	95,030	5,241,215	1,673,705	646,689	1,027,016	3,876,870	85,716	0		308,365	136.80
CHECK	5,330,444	195,131			5,575,575		5,146,185	0	95,030	5,241,215	1,673,705	646,689	1,027,016	3,876,870				308,365	136.80
Contingency		513,243	513,243	0	513,243				9.2%	0	0	0	0	513,243	0	0	0%	28,513	12.65
TOTAL \$	5,355,444	733,374	6,083,818	0	6,083,818		5,146,185	0	95,030	5,241,215	1,673,705	646,689	1,027,016	4,390,113	85,716	0		336,879	149.45
Check	(25,000)	(25,000)			6,088,818		5,146,185	0		5,241,215								(0)	(0)

Construction Budget	6,083,818
Less Contingency	(513,243)
Less General Requirements / Cleaning	(302,305)
NET BUDGET	5,241,215
Fixed Price Contracts	98%
Change Orders	5,146,185
Purchase Orders	2%
TOTAL COMMITTED	100% 5,241,215
Unsubstantiated Amount	0%
Overall	100% 5,241,215

Net Holdback Retained	(85,716)	(56,720)	(28,995)	85,716
Net Construction Cost	1,587,990	589,969	998,021	4,475,828
	1,587,990	589,969	998,021	4,475,828
				0

308365.3



APPENDIX G – BORROWER’S SALES & DEPOSIT SUMMARY

Project:
Hampton Heights



Lot Number	Sq Feet	Purchase Price	Model Name	Purchaser Name	Purchaser Address	Date of Purchase	Deposit 1	D1 Date	Deposit 2	D2 Date	Deposit 3	D3 Date	Deposit 4	D4 Date	Deposit 5	D5 Date	Deposit 6	D6 Date	Total Deposit
1	2,498	949,990	4101 - A	Ibhohan Egharevbe	9 Brich Hill Rd, Woodbridge, ON, L4L 1J1	7/28/2021	20,000	7/28/2021	20,000	8/27/2021	20,000	9/26/2021	20,000	10/26/2021					80,000
2	2,471	949,990	4101 - C	I Bello Erhummwun	14 Shatner Truanbout, Woodbridge, ON, L4L 0M4	7/26/2021	20,000	7/26/2021	20,000	8/25/2021	20,000	9/24/2021	20,000	10/24/2021					80,000
3	2,468	959,990	4101 - B	Sharon Bello C Ehizogie	14 Shatner Truanbout, Woodbridge, ON, L4L 0M4	7/26/2021	20,000	7/26/2021	20,000	8/25/2021	20,000	9/24/2021	20,000	10/24/2021					80,000
4	2,468	959,990	4102 - A	Sharon Bello C Ehizogie	14 Shatner Truanbout, Woodbridge, ON, L4L 0M4	7/26/2021	20,000	7/26/2021	20,000	8/25/2021	20,000	9/24/2021	20,000	10/24/2021					80,000
5	2,468	959,990	4101 - C	Helen Evbaguehikha Idahosa	9 Brich Hill Rd, Woodbridge, ON, L4L 1J1	7/26/2021	20,000	7/26/2021	20,000	8/25/2021	20,000	9/24/2021	20,000	10/24/2021					80,000
6	2,468	959,990	4101 - C	Andrew Omoruyi	9 Brich Hill Rd, Woodbridge, ON, L4L 1J1	7/26/2021	20,000	7/26/2021	20,000	8/25/2021	20,000	9/24/2021	20,000	10/24/2021					80,000
7	2,468	969,990	4101 - B	Bello C Oscarugue	14 Shatner Truanbout, Woodbridge, ON, L4L 0M4	7/26/2021	20,000	7/26/2021	20,000	8/25/2021	20,000	9/24/2021	20,000	10/24/2021					80,000
8	2,471	969,990	4101 - C	Bello C Oscarugue	14 Shatner Truanbout, Woodbridge, ON, L4L 0M4	7/26/2021	20,000	7/26/2021	20,000	8/25/2021	20,000	9/24/2021	20,000	10/24/2021					80,000
9	2,011	1,004,990	3301		Sold														100,000
10	1,960	949,990	3301 - B	10623008 Canada Inc.	1110 - 350 Red Maple Rd, Richmond Hill, ON, L4C 0T5	7/27/2021	20,000	7/27/2021	20,000	8/26/2021	20,000	9/25/2021	20,000	10/25/2021	20,000	11/24/2021			100,000
11	1,984	979,990	3301 - C	Aujla Jasdeep	13 Lion Drive, Brampton, ON, L6R 3E4	7/25/2021	20,000	7/25/2021	20,000	8/24/2021	20,000	9/23/2021	20,000	10/23/2021	20,000	11/22/2021			100,000
12	1,969	959,990	3301 - B	Marie Sturino	Sold		20,000	7/27/2021	20,000	8/26/2021	20,000	9/25/2021	20,000	10/25/2021	20,000	11/24/2021			100,000
13	1,969	969,990	3301 - B	Sina Azimi	4 Dairy Ave, Richmond Hill, ON, L4E 4X5	7/24/2021	20,000	7/24/2021	20,000	8/23/2021	20,000	9/22/2021	20,000	10/22/2021	20,000	11/21/2021			100,000
14	1,969	969,990	3301		Sold														100,000
15	1,960	969,990	3301 - B	Charlotte Yojana Carmona Pantoja	95 Viva Graders, Oakville, ON, L6H 0Z2	7/27/2021	20,000	7/27/2021	20,000	8/26/2021	20,000	9/25/2021	20,000	10/25/2021	20,000	11/24/2021			100,000
16	1,984	969,990	3301 - C	Phull Khushboo	3410 - 219 Fort York Blvd, ON, M5B 1B1	7/13/2021	20,000	7/13/2021	20,000	8/12/2021	20,000	9/11/2021	20,000	10/11/2021	20,000	11/10/2021			100,000
17	1,969	979,990	3301		Sold														100,000
18	2,700	989,990			Sold														100,000
40,255							17,424,820		280,000		280,000		280,000		280,000		120,000		1,640,000



APPENDIX H – PHOTOGRAPHS

Project Name: Hampton Heights	Site Location: Barrie, Ontario	Project No. 103740
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Photo No. 1	<p style="text-align: center;">c</p> 
Date: March 7, 2023	
Description: Site Overview	

Photo No. 2	
Date: March 7, 2023	
Description: Blocks 1-3, 5: Foundations pored and cured. Weatherproofing applied. Lumber stored on site.	

Project Name: Hampton Heights	Site Location: Barrie, Ontario	Project No. 103740
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Photo No. 3

Date:
March 7, 2023

Description:

Blocks 4:

Framing commenced.



Photo No. 4

Date:
March 7, 2023

Description:

Blocks 6-8, 16-17:

Framing progressing.



Project Name: Hampton Heights	Site Location: Barrie, Ontario	Project No. 103740
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<p>Photo No. 5</p> <p>Date: March 7, 2023</p> <p>Description: Blocks 9 Framing commenced.</p>	
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<p>Photo No. 6</p> <p>Date: March 7, 2023</p> <p>Description: Blocks 10-15, 18: Foundations pored and cured. Weatherproofing applied. Lumber stored on site</p>	
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APPENDIX I – PERMIT(S)

(AS APPLICABLE)



APPENDIX J – DEVELOPMENT AGREEMENTS
(AS RECEIVED)



APPENDIX K – PAYMENT CERTIFICATE
(AS RECEIVED)

March 24th, 2023

P.N. 21-11616B

Stateview Homes Inc.

16-410 Chrislea Road
Woodbridge, ON
L4L 8B5

Attention: Nicole Sampogna (nicole@stateviewhomes.com)

Reference: Hampton Heights – Progress Payment Certificate No. 4
Con Drain Co (1983) Ltd.
Contract 21-11616B

Enclosed please find Progress Payment Certificate No. 4 in favour of Con Drain Co (1983) Ltd. in the amount **\$105,684.15**

This certificate is for works completed to January 31st., 2023 and includes a 10% Statutory Holdback and the HST.

We trust this is satisfactory at this time. If you have any questions or comments, please contact the undersigned.

Sincerely,

PINESTONE ENGINEERING LTD.



Joe Voisin, P.Eng.

Attachments

PROJECT: Hampton Heights - Stateview Homes

CONTRACT: 21-11616B

PO : WD-10056

PPC#4 - March 24, 2023

OWNER:

Stateview Homes Inc.
16-410 Chrislea Road
Woodbridge, Ontario L4L 8B5

CONTRACTOR:

Condrain Group
30 Floral Parkway
Concord, Ontario L9M 6E4

Signature

Date

CONTRACT ADMINISTRATOR:

Pinestone Engineering Ltd.
20 Bell Farm Road
Barrie, Ontario
L4M 6E4

Signature

Date

ITEM	SUMMARY OF SCHEDULES	CONTRACT AMOUNT	TOTAL PREVIOUS CERTIFICATES	TOTAL THIS CERTIFICATE	TOTAL TO DATE	ESTIMATE REMAINING
SITE SERVICING WORKS						
A.	Miscellaneous Items & Environmental Controls	\$85,363.37	\$83,663.67	\$5,053.60	\$88,717.27	(\$3,353.90)
B.	Sanitary Servicing Works	\$162,173.47	\$151,015.29	\$11,158.18	\$162,173.47	\$0.00
C.	Water Servicing Works	\$104,893.39	\$93,583.86	\$11,309.53	\$104,893.39	\$0.00
D.	Storm Servicing Works	\$228,626.33	\$221,723.19	\$6,631.19	\$228,354.38	\$271.95
E.	Surface Works & Restoration of Wright Drive	\$193,082.05	\$70,696.10	\$8,664.32	\$79,360.42	\$113,721.63
F.	Provisional Items	\$12,730.00	\$0.00	\$0.00	\$0.00	\$12,730.00
G.	Additional Items		\$137,639.02	\$61,100.73	\$198,739.75	\$0.00
TOTAL SITE SERVICING WORKS		\$786,868.61	\$758,321.13	\$103,917.56	\$862,238.68	\$123,369.68
LESS STATUTORY HOLDBACK (10.0%)			(\$75,832.11)	(\$10,391.76)	(\$86,223.87)	
RELEASE STATUTORY HOLDBACK						
SUB-TOTAL		\$786,868.61	\$682,489.01	\$93,525.80	\$776,014.81	\$123,369.68
TAX (13%)				\$12,158.35		
NET PAYABLE THIS CERTIFICATE				\$105,684.15		

ITEM	DESCRIPTION	UNIT	CONTRACT			CURRENT TOTAL		PREVIOUSLY CERTIFIED		TOTAL TO DATE		ESTIMATE REMAINING	
			QUANTITY	UNIT PRICE	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
A.	Miscellaneous Items & Environmental Controls												
1.0	Mobilization And Demobilization	L.S.	1.0	\$17,479.81	\$17,479.81		\$0.00	1.00	\$17,479.81	1.00	\$17,479.81	0.00	\$0.00
2.0	Bonding	L.S.	1.0	\$0.00	\$0.00		\$0.00		\$0.00	0.00	\$0.00	1.00	\$0.00
3.0	Pre-Construction Survey	L.S.	1.0	\$3,850.00	\$3,850.00		\$0.00	1.00	\$3,850.00	1.00	\$3,850.00	0.00	\$0.00
4.0	Construction Layout	L.S.	1.0	\$19,872.86	\$19,872.86		\$0.00	1.00	\$19,872.86	1.00	\$19,872.86	0.00	\$0.00
5.0	Construct Entrance Mud Mat As Per City Standard (BSD-23D)	Each	1.0	\$8,985.00	\$8,985.00		\$0.00	2.00	\$17,970.00	2.00	\$17,970.00	-1.00	(\$8,985.00)
6.0	Supply, Install and Maintain Silt Fence Barrier As Per City Standard BSD 1223	L.M.	280.0	\$15.50	\$4,340.00		\$0.00	222.00	\$3,441.00	222.00	\$3,441.00	58.00	\$899.00
7.0	Construct Temporary Diversion Swales C/W Rock Check Dams as Per BSD-23B	L.M.	90.0	\$34.69	\$3,122.10		\$0.00		\$0.00	0.00	\$0.00	90.00	\$3,122.10
8.0	Construct Temporary Sediment Control Basin; Does Not Include DICB	L.S.	1.0	\$1,980.00	\$1,980.00		\$0.00		\$0.00	0.00	\$0.00	1.00	\$1,980.00
9.0	Silt Sack - CB Sediment Control	Each	8.0	\$185.00	\$1,480.00		\$0.00	10.00	\$1,850.00	10.00	\$1,850.00	-2.00	(\$370.00)
10.0	Removals	0	0.0	\$0.00	\$0.00		\$0.00		\$0.00	0.00	\$0.00	0.00	\$0.00
10.1	A) Tree Removal and Clearing and Grubbing	L.S.	1.0	\$19,200.00	\$19,200.00		\$0.00	1.00	\$19,200.00	1.00	\$19,200.00	0.00	\$0.00
10.2	B) Asphalt Removal	S.M.	215.0	\$18.50	\$3,977.50	215.00	\$3,977.50		\$0.00	215.00	\$3,977.50	0.00	\$0.00
10.3	C) Concrete Curb Removal	L.M.	30.0	\$35.87	\$1,076.10	30.00	\$1,076.10		\$0.00	30.00	\$1,076.10	0.00	\$0.00
	Sub-Total Misc. & Environ. Controls				\$85,363.37		\$5,053.60		\$83,663.67		\$88,717.27		(\$3,353.90)

ITEM	DESCRIPTION	UNIT	CONTRACT			CURRENT TOTAL		PREVIOUSLY CERTIFIED		TOTAL TO DATE		ESTIMATE REMAINING	
			QUANTITY	UNIT PRICE	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
B	Sanitary Servicing Works												
1.0	Remove Existing 200mm Dia. Sanitary Service (cap & purge only)	L.S.	1.0	3985.0	\$3,985.00	0.50	\$1,992.50	0.50	\$1,992.50	1.00	\$3,985.00	0.00	\$0.00
2.0	Locate, Excavate, and Connect to Existing Sanitary Sewer on Wright Drive with "Doghouse" Manhole	L.S.	1.0	43510.4	\$43,510.44	0.10	\$4,351.04	0.90	\$39,159.40	1.00	\$43,510.44	0.00	\$0.00
3.0	Supply and Install 1200mm Dia. Sanitary Manhole as per OPSD 701.010, 400.010	Each	3.0	8747.7	\$26,243.10		\$0.00	3.00	\$26,243.10	3.00	\$26,243.10	0.00	\$0.00
4.0	Supply and Install 200mm Dia PVC SDR 35 Sanitary Sewer; Includes Gran 'A' Bedding and Cover Material, and CCTV	L.M.	140.0	401.2	\$56,170.80	12.00	\$4,814.64	128.00	\$51,356.16	140.00	\$56,170.80	0.00	\$0.00
5.0	Supply and Install 100mm Dia. Sanitary Service (short); Includes Gran 'A' Bedding and Cover Material	Each	8.0	1897.9	\$15,183.12		\$0.00	8.00	\$15,183.12	8.00	\$15,183.12	0.00	\$0.00
6.0	Supply and Install 100mm Dia. Sanitary Service (long); Includes Gran 'A' Bedding and Cover Material	Each	9.0	1897.9	\$17,081.01		\$0.00	9.00	\$17,081.01	9.00	\$17,081.01	0.00	\$0.00
	Sub-Total Sanitary Servicing Works				\$162,173.47		\$11,158.18		\$151,015.29		\$162,173.47		\$0.00

ITEM	DESCRIPTION	UNIT	CONTRACT			CURRENT TOTAL		PREVIOUSLY CERTIFIED		TOTAL TO DATE		ESTIMATE REMAINING	
			QUANTITY	UNIT PRICE	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
C	Water Servicing Works												
1.0	Remove Existing Water Services, and Existing 150mm Dia. Watermain to Reducer. Remove Existing Reducer and Plug Tee; c/w Thrust Block	L.S.	1.0	\$4,664.26	\$4,664.26	0.50	\$2,332.13	0.50	\$2,332.13	1.00	\$4,664.26	0.00	\$0.00
2.0	Locate, Excavate, and Connect to Existing 200mm Dia. Watermain on Wright Drive with Tapping Sleeve and Valve	L.S.	1.0	\$27,375.89	\$27,375.89		\$0.00	1.00	\$27,375.89	1.00	\$27,375.89	0.00	\$0.00
3.0	Supply and Install 150mm Dia Watermain; Includes Bedding, Cover Material, Tracer Wire, Bends, Tees, Testing and Commissioning	L.M.	140.0	\$190.25	\$26,635.00		\$0.00	140.00	\$26,635.00	140.00	\$26,635.00	0.00	\$0.00
4.0	Supply, Install, and Remove By-pass Assembly for Watermain Testing and Commissioning	L.S.	1.0	\$17,954.80	\$17,954.80	0.50	\$8,977.40	0.50	\$8,977.40	1.00	\$17,954.80	0.00	\$0.00
5.0	Supply and Install 25mm Dia. Water Service (short); Includes CSV, Bedding, Cover Material, Tracer Wire, Testing and Commissioning	Each	8.0	\$1,259.80	\$10,078.40		\$0.00	8.00	\$10,078.40	8.00	\$10,078.40	0.00	\$0.00
6.0	Supply and Install 25mm Dia. Water Service (long); Includes CSV, Bedding, Cover Material, Tracer Wire, Testing and Commissioning	Each	9.0	\$1,259.80	\$11,338.20		\$0.00	9.00	\$11,338.20	9.00	\$11,338.20	0.00	\$0.00
7.0	Supply and Install New Hydrant as per BSD-507 with 150mm Lead Pipe, and Valve	Each	1.0	\$6,846.84	\$6,846.84		\$0.00	1.00	\$6,846.84	1.00	\$6,846.84	0.00	\$0.00
	Sub-Total Water Servicing Works				\$104,893.39		\$11,309.53		\$93,583.86		\$104,893.39		\$0.00

ITEM	DESCRIPTION	UNIT	CONTRACT			CURRENT TOTAL		PREVIOUSLY CERTIFIED		TOTAL TO DATE		ESTIMATE REMAINING	
			QUANTITY	UNIT PRICE	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
D	Storm Servicing Works												
1.0	Remove Existing Catchbasin	Each	2.0	\$595.00	\$1,190.00		\$0.00	2.00	\$1,190.00	2.00	\$1,190.00	0.00	\$0.00
2.0	Remove Existing 300mm Dia. Storm Service (cap & purge only)	L.S.	1.0	\$3,985.00	\$3,985.00	0.50	\$1,992.50	0.50	\$1,992.50	1.00	\$3,985.00	0.00	\$0.00
3.0	Locate, Excavate, and Connect to Existing 675mm Dia. Storm Sewer on Wright Drive with Manufactured Tee	Each	2.0	\$22,431.28	\$44,862.56		\$0.00	2.00	\$44,862.56	2.00	\$44,862.56	0.00	\$0.00
4.0	Supply and Install 250mm Dia. PVC Storm Sewer Pipe Includes Gran 'A' Bedding and Cover Material, and CCTV	L.M.	38.0	\$306.91	\$11,662.58		\$0.00	38.00	\$11,662.58	38.00	\$11,662.58	0.00	\$0.00
5.0	Supply and Install 300mm Dia. PVC Storm Sewer Pipe Includes Gran 'A' Bedding and Cover Material, and CCTV	L.M.	121.0	\$772.96	\$93,528.16		\$0.00	121.00	\$93,528.16	121.00	\$93,528.16	0.00	\$0.00
6.0	Supply and Install 1200mm Dia. Storm Manhole Per OPSD 701.010, 400.010	Each	3.0	\$6,127.54	\$18,382.62		\$0.00	3.00	\$18,382.62	3.00	\$18,382.62	0.00	\$0.00
7.0	Supply and Install 600mmx600mm Catchbasin Including Frame and Grate Per OPSD 705.010, 400.010, 400.120; c/w CB Shields and 900mm Depth Sump (Including lead)	Each	7.0	\$6,638.34	\$46,468.38		\$0.00	7.00	\$46,468.38	7.00	\$46,468.38	0.00	\$0.00
8.0	Supply and Install Ditch Inlet Catchbasin Including Frame and Grate per OPSD 705.030, 403.010	Each	1.0	\$3,636.39	\$3,636.39		\$0.00	1.00	\$3,636.39	1.00	\$3,636.39	0.00	\$0.00
9.0	Supply and Construct Perforated Pipe Exfiltration Trench; Includes 200mm Dia. Subdrain, 50mm Dia. Washed Clearstone, and Terrafix 270R Filter Fabric	L.M.	108.0	\$0.00	\$0.00		\$0.00		\$0.00	0.00	\$0.00	108.00	\$0.00
10.0	Supply And Install 100mm dia. Perforated Subdrain as per BSD-34; c/w Geotextile Sock	L.M.	316.0	\$15.54	\$4,910.64	298.50	\$4,638.69		\$0.00	298.50	\$4,638.69	17.50	\$271.95
	Sub-Total Storm Servicing Works				\$228,626.33		\$6,631.19		\$221,723.19		\$228,354.38		\$271.95

ITEM	DESCRIPTION	UNIT	CONTRACT			CURRENT TOTAL		PREVIOUSLY CERTIFIED		TOTAL TO DATE		ESTIMATE REMAINING	
			QUANTITY	UNIT PRICE	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
E	Surface Works & Restoration of Wright Drive												
1.0	Strip Topsoil And Stock Pile Onsite	C.M.	1,000.0	\$8.50	\$8,500.00		\$0.00		\$0.00	0.00	\$0.00	1,000.00	\$8,500.00
2.0	Strip Topsoil And Remove from Site	C.M.	1,000.0	\$28.50	\$28,500.00		\$0.00	1,505.00	\$42,892.50	1,505.00	\$42,892.50	-505.00	(\$14,392.50)
3.0	Earth Excavation And Place And Compact Onsite	C.M.	1,500.0	\$8.50	\$12,750.00		\$0.00		\$0.00	0.00	\$0.00	1,500.00	\$12,750.00
4.0	Fine Grade Sub-Grade and Supply and Place Min 300mm Depth Granular "B"	Tonne	1,000.0	\$23.21	\$23,210.00		\$0.00		\$0.00	0.00	\$0.00	1,000.00	\$23,210.00
5.0	Supply and Place 150mm Depth Granular "A"	Tonne	500.0	\$26.02	\$13,010.00		\$0.00		\$0.00	0.00	\$0.00	500.00	\$13,010.00
6.0	Supply and Place 70mm Depth Hot Mix HL4 Asphalt (Base)	Tonne	220.0	\$126.38	\$27,803.60	57.48	\$7,264.32	220.00	\$27,803.60	277.48	\$35,067.92	-57.48	(\$7,264.32)
7.0	Supply and Place 40mm Depth Hot Mix HL3 Asphalt (Surface)	Tonne	125.0	\$199.10	\$24,887.50		\$0.00		\$0.00	0.00	\$0.00	125.00	\$24,887.50
8.0	Supply and Construct Driveway Entrance; Includes 200mm Depth Granular 'A', and 50mm Depth HL3 Asphalt	Each	17.0	\$0.00	\$0.00		\$0.00		\$0.00	0.00	\$0.00	17.00	\$0.00
9.0	Supply and Place 200mm Depth Topsoil From Stock Pile Source And Sod in Landscape Areas	S.M.	3,000.0	\$0.00	\$0.00		\$0.00		\$0.00	0.00	\$0.00	3,000.00	\$0.00
10.0	Supply and Construct Concrete Curb per OPSD 600.040	L.M.	35.0	\$67.79	\$2,372.65		\$0.00		\$0.00	0.00	\$0.00	35.00	\$2,372.65
11.0	Supply and Construct Concrete Curb per OPSD 600.100; Includes Curb Drops and Curb Transitions	L.M.	270.0	\$67.79	\$18,303.30		\$0.00		\$0.00	0.00	\$0.00	270.00	\$18,303.30
12.0	Supply and Construct Concrete Curb per OPSD 600.110	L.M.	60.0	\$67.79	\$4,067.40		\$0.00		\$0.00	0.00	\$0.00	60.00	\$4,067.40
13.0	Supply and Install Concrete Sidewalks per OPSD 310.010, 310.020	S.M.	320.0	\$79.93	\$25,577.60		\$0.00		\$0.00	0.00	\$0.00	320.00	\$25,577.60
14.0	Pavement Markings	0	-	\$0.00	\$0.00		\$0.00		\$0.00	0.00	\$0.00	0.00	\$0.00
14.1	A) 100mm White Or Yellow Line	L.M.	42.0	\$50.00	\$2,100.00		\$0.00		\$0.00	0.00	\$0.00	42.00	\$2,100.00
14.2	B) Stop Bars	Each	1.0	\$300.00	\$300.00		\$0.00		\$0.00	0.00	\$0.00	1.00	\$300.00
14.3	C) Wheel Chair Symbol	Each	1.0	\$300.00	\$300.00		\$0.00		\$0.00	0.00	\$0.00	1.00	\$300.00
15.0	Supply and Install Traffic Signs	Each	4.0	\$350.00	\$1,400.00	4.00	\$1,400.00		\$0.00	4.00	\$1,400.00	0.00	\$0.00
16.0	Supply and Construct Redi-Rock Retaining Wall c/w Pedestrian Guard per OBC Requirements (S.M of face)	S.M.	50.0	\$0.00	\$0.00		\$0.00		\$0.00	0.00	\$0.00	50.00	\$0.00
	Sub-Total Surface Works				\$193,082.05		\$8,664.32		\$70,696.10		\$79,360.42		\$113,721.63

ITEM	DESCRIPTION	UNIT	CONTRACT			CURRENT TOTAL		PREVIOUSLY CERTIFIED		TOTAL TO DATE		ESTIMATE REMAINING	
			QUANTITY	UNIT PRICE	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
F.	Provisional Items												
1.0	Earth Excavation And Removal From Site	C.M.	500	\$0.00	\$0.00		\$0.00		\$0.00	0	\$0.00	500	\$0.00
2.0	Sub-Excavation (Below Sub-Grade) On-Site	C.M.	500	\$12.50	\$6,250.00		\$0.00		\$0.00	0	\$0.00	500	\$6,250.00
3.0	Supply And Place Seed And Mulch	S.M.	300	\$0.00	\$0.00		\$0.00		\$0.00	0	\$0.00	300	\$0.00
4.0	Supply And Install Tactile Plates Per OPSD 310.039	Each	2	\$490.00	\$980.00		\$0.00		\$0.00	0	\$0.00	2	\$980.00
5.0	Water For Dust Control	C.M.	400	\$0.00	\$0.00		\$0.00		\$0.00	0	\$0.00	400	\$0.00
6.0	Calcium Chloride For Dust Control	Kg	400	\$0.00	\$0.00		\$0.00		\$0.00	0	\$0.00	400	\$0.00
7.0	Supply and Place 75mm Thick Rigid Foam Board Insulation 1.2m Width	L.M.	100	\$55.00	\$5,500.00		\$0.00		\$0.00	0	\$0.00	100	\$5,500.00
	Sub-Total Provisional Items				\$ 12,730.00		\$0.00		\$0.00		\$0.00		\$12,730.00

ITEM	DESCRIPTION	UNIT	CONTRACT			CURRENT TOTAL		PREVIOUSLY CERTIFIED		TOTAL TO DATE		ESTIMATE REMAINING	
			QUANTITY	UNIT PRICE	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT	QUANTITY	AMOUNT
G.	Additional Items												
1.0	WA# 127420 - Load and dispose garbage offsite	Each	1	\$2,827.73	\$2,827.73		\$0.00	1	\$2,827.73	1	\$2,827.73	0	\$0.00
2.0	WA# 127419 - Stockpile topsoil	Each	1	\$2,988.70	\$2,988.70		\$0.00	1	\$2,988.70	1	\$2,988.70	0	\$0.00
3.0	WA# 127418 - Stockpile topsoil	Each	1	\$5,393.99	\$5,393.99		\$0.00	1	\$5,393.99	1	\$5,393.99	0	\$0.00
4.0	WA# 127417 - Prepare dump site to receive topsoil	Each	1	\$2,343.41	\$2,343.41		\$0.00	1	\$2,343.41	1	\$2,343.41	0	\$0.00
5.0	WA# 127416 - Collect garbage on site prior to stripping	Each	1	\$922.99	\$922.99		\$0.00	1	\$922.99	1	\$922.99	0	\$0.00
6.0	8% Escalation on PC2	LS	1	\$26,631.67	\$26,631.67		\$0.00	1	\$26,631.67	1	\$26,631.67	0	\$0.00
7.0	Install new 100mm Service to PL from Wright Dr. (358 Ardagh)	LS	1	\$38,816.68	\$38,816.68		\$0.00	1	\$38,816.68	1	\$38,816.68	0	\$0.00
8.0	Install New 25mm Waterservice from Wright Drive (358 Ardagh)	LS	1	\$5,454.83	\$5,454.83		\$0.00	1	\$5,454.83	1	\$5,454.83	0	\$0.00
9.0	Fine Grade Sub-Grade and Supply and Place 50mm crusher run at 300 mm Depth (in lieu of Gran B. See Item E4)	Tonne	1000	\$30.41	\$30,410.00		\$0.00	1000	\$30,410.00	1000	\$30,410.00	0	\$0.00
10.0	Supply and place 19mm Crusher Run at 150mm depth (in Lieu of Gran A. See Item E5)	Tonne	220	\$28.88	\$6,353.60		\$0.00	220	\$6,353.60	220	\$6,353.60	0	\$0.00
11.0	8% Escalation on PC3	LS	1	\$15,495.42	\$15,495.42		\$0.00	1	\$15,495.42	1	\$15,495.42	0	\$0.00
12.0	AC Claim	LS	1	\$5,775.21	\$5,775.21	1.0	\$5,775.21	0	\$0.00	1	\$5,775.21	0	\$0.00
13.0	U-Fill Backfill under proper footings Lot 9 & 10	CM	140	\$251.55	\$35,217.00	140.0	\$35,217.00	0	\$0.00	140	\$35,217.00	0	\$0.00
14.0	Saw Cut Asphalt & Tie Into New Road	LS	1	\$770.00	\$770.00	1	\$770.00	0	\$0.00	1	\$770.00	0	\$0.00
15.0	Relocate W/S for 39 Auburn	LS	1	\$6,610.91	\$6,610.91	1	\$6,610.91	0	\$0.00	1	\$6,610.91	0	\$0.00
16.0	Water Truck/Sweeper for Wright Dr. Cleanup	LS	1	\$3,116.28	\$3,116.28	1	\$3,116.28						
17.0	STM/SAN MH Adjustments to Base (Note: Final Grate Adjustments Not a Payable Item SP 28)	Each	12	\$403.17	\$4,838.04	12	\$4,838.04						
18.0	CCTV Ex. Sewers (RE: 358 Ardagh Services)	LS	1	\$2,326.63	\$2,326.63	1	\$2,326.63	0	\$0.00	1	\$2,326.63	0	\$0.00
21.0	8% Escalation on PC4	LS	1	\$4,670.94	\$4,670.94	1	\$2,446.66	0	\$0.00	1	\$2,446.66	0	\$0.00
	Sub-Total Additional Items				\$200,964.03		\$61,100.73		\$137,639.02		\$190,785.43		\$0.00

STATUTORY DECLARATION

CANADA

Province of Ontario

IN THE MATTER OF Contract entered into with

Owner: Stateview Homes (Hampton Heights) Inc.
Contractor: Con Drain Company (1983) Ltd.
Project: Hampton Heights
City of Barrie
CD Job No.: 221-205

TO WIT:

I, A. De Gasperis, of the City of Vaughan, in the Region of York, in the Province of Ontario,

DO SOLEMNLY DECLARE

1. That I am the Vice-President of CON-DRAIN CO. (1983) LTD., the Contractor named in the contract above-mentioned and as such have personal knowledge of the facts hereunder declared.
2. That all sub-contractors, suppliers, labour and accounts for materials and equipment whatsoever entering into the construction of the project built under the above contract have been duly paid except for holdbacks on sub-contracts.
3. That the wages paid, pursuant to the above contract, are in all cases the same as or above those set out in any applicable legislation.
4. That all assessments made under the Workplace Safety & Insurance Act have been paid, with respect to the above contract.
5. That all assessments and levies under the Unemployment Insurance Act or other social labour legislation in respect of the above contract have been duly paid and/or deducted according to law.
6. That the contract is free of all liens and all possible claims for liens, with respect to the above contract.

AND I MAKE THIS SOLEMN DECLARATON conscientiously believing to be true and knowing that it is of the same force and effect as if made under oath and by virtue of the Canada Evidence Act.

DECLARED before me at the
City of Vaughan, in the
Region of York, this 27th. day
of March, 2023

**PATRICK ALPHONSE LANDRY, a
Commissioner, etc., Regional Municipality of
York, for Con-Drain Company (1983) Ltd., and
its subsidiaries, associates and affiliates.
Expires May 5, 2025**




Online services

Clearances

 Clearances will now be automatically renewed up to 72 hours prior to the normal renewal date if your account is in good standing.

View certificate

Contractor legal / trade Name	Contractor address	Contractor NAICS Code and Code Description	Clearance certificate number	Validity period (dd-mmm-yyyy)	Principal Legal / Trade Name	Principal Address
<u>CON-DRAIN COMPANY (1983) LIMITED</u>	30 FLORAL PKY, CVO NUNZIO BITONDO, CONCORD, ON, L4K4R1, CA	238910: Site preparation contractors 237310: Highway, street and bridge construction 237110: Water and sewer line and related structures construction 007050: Non-Exempt Partners and Executive Officers in Construction - G5	<u>A0000IG7AM</u> 	20-Feb-2023 to 19-May-2023	Valid for all principals	Not applicable

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APPENDIX L – STATUTORY DECLARATION AND WSIB CERTIFICATE
(AS RECEIVED)

CAPITAL COST SUMMARY & COST TO COMPLETE SUMMARY

	Altus Group		Altus Group		Cost to Date	Previous Costs	Current Period	Cost to Complete	Holdback	Holdback Released	Holdback Remaining	Deferred Costs
	Previous Budget 2	Variance 3 - 2	Current Budget 3									
LAND/PREDEVELOPMENT COSTS												
1 Land Value	3,945,000	0	3,945,000		3,945,000	3,945,000	0	0				
2 Land Financing Costs	0	0	0				0	0				
3 Legal Costs / Closing	135,000	0	135,000		135,000	135,000	0	0				
4 Realty Taxes	0	0	0		0	0	0	0				
	4,080,000	0	4,080,000		4,080,000	4,080,000	0	0	0	0	0	0
DIRECT SERVICING												
5 Site Preparation / removal		0	0		0	0	0	0	0	0	0	0
6 Site Servicing	929,405	0	929,405		862,239	862,239	0	67,166	86,224	0	0	0
7 Hydro / Streetlighting - per offer to connect	143,724	0	143,724		143,724	143,724	0	0	0	0	0	0
8 Site Development	51,000	0	51,000		51,000	51,000	0	0	0	0	0	0
9 Cost Sharing	0	0	0		0	0	0	0	0	0	0	0
10 Servicing Contingency	17,996	0	17,996		0	0	0	17,996	0	0	0	0
	1,142,125	0	1,142,125		1,056,963	1,056,963	0	85,162	86,224	0	0	0
INDIRECT SERVICING												
11 Servicing Permit	0	0	0		0	0	0	0	0	0	0	0
12 Development Charges	1,451,943	0	1,451,943		1,451,943	1,451,943	0	0	0	0	0	0
13 Municipal Fees	0	0	0		0	0	0	0	0	0	0	0
14 Cash in Lieu of Parkland Dedication	103,068	0	103,068		103,068	103,068	0	0	0	0	0	0
15 Condo Draft Plan	25,000	0	25,000		25,000	25,000	0	0	0	0	0	0
16 Subdivision Agreement Fees	0	0	0		0	0	0	0	0	0	0	0
17 Site Plan Agreement Fees	0	0	0		0	0	0	0	0	0	0	0
18 Energy Star enrollment	9,775	0	9,775		9,775	9,775	0	0	0	0	0	0
19 Miscellaneous Fees	0	0	0		0	0	0	0	0	0	0	0
	1,589,786	0	1,589,786		1,589,786	1,589,786	0	0	0	0	0	0
CONSTRUCTION												
20 Building	5,552,584	311,037	5,863,621		1,802,282	1,673,705	128,577	4,061,339	111,342	0	0	58,750
21 Construction Contingency	513,243	0	513,243	13%	0	0	0	513,243	0	0	0	0
22 Construction Management Fee	0	0	0		0	0	0	0	0	0	0	0
23 Landscaping	0	0	0		0	0	0	0	0	0	0	0
	6,065,827	311,037	6,376,864		1,802,282	1,673,705	128,577	4,574,582	111,342	0	0	58,750
INDIRECT CONSTRUCTION												
24 Tarion	23,800	0	23,800		23,800	23,800	0	0	0	0	0	0
25 Building Permit	58,905	0	58,905		58,905	58,905	0	0	0	0	0	0
26 Pre-Construction & Admin	0	0	0		0	0	0	0	0	0	0	0
	82,705	0	82,705		82,705	82,705	0	0	0	0	0	0
CONSULTANTS												
27 Consulting Engineering / Civil Engineer	146,100	0	146,100		136,311	136,311	0	9,789	0	0	0	0
28 Miscellaneous Consultants / Surveyor	0	0	0		0	0	0	0	0	0	0	0
	146,100	0	146,100		136,311	136,311	0	9,789	0	0	0	0
LEGAL & ADMINISTRATION												
29 Legal Fees	50,500	0	50,500		41,295	41,295	0	9,205	0	0	0	0
30 Legals on Closing	0	0	0		0	0	0	0	0	0	0	0
31 Insurance	75,000	0	75,000		43,106	53,984	(10,878)	31,894	0	0	0	0
32 Energy Star Enrollment Fees	0	0	0		0	0	0	0	0	0	0	0
33 Development Management Fee	0	0	0		0	0	0	0	0	0	0	0
	125,500	0	125,500		84,401	95,279	(10,878)	41,099	0	0	0	0
MARKETING & SALES COMMISSIONS												
34 Marketing / Sales Centre	320,000	0	320,000		320,000	320,000	0	0	0	0	0	0
35 Commissions	118,746	0	118,746		63,581	118,746	(55,165)	55,165	0	0	0	0
	438,746	0	438,746		383,581	438,746	(55,165)	55,165	0	0	0	0
FINANCE												
36 Lender Fees - (New Lender)	228,000	0	228,000		228,000	228,000	0	0	0	0	0	0
37 Previous Financing / Placement Fees	764,500	0	764,500		764,500	764,500	0	0	0	0	0	0
38 Bank Charges / Advance Fees	0	0	0		0	0	0	2,250	0	0	0	2,250
39 Discharge Fees & Miscellaneous	2,250	0	2,250		0	0	0	2,250	0	0	0	0
40 Bank Fees	17,500	0	17,500		2,420	2,420	0	15,080	0	0	0	0
41 Project Monitor	25,450	0	25,450		13,000	13,000	0	12,450	0	0	0	0
42 Mezzanine loan Interest	0	0	0		0	0	0	0	0	0	0	0
43 Servicing Loan Interest	0	0	0		0	0	0	0	0	0	0	0
44 Construction Loan Interest	463,565	0	463,565		114,285	114,285	0	349,280	0	0	0	0
	1,501,265	0	1,501,265		1,122,205	1,122,205	0	379,060	0	0	0	2,250
GOODS & SERVICES TAX												
45 H.S.T. Expense	610,660	0	610,660		0	0	0	610,660	0	0	0	0
46 H.S.T. Recoverable	(610,660)	0	(610,660)		0	0	0	(610,660)	0	0	0	0
	0	0	0		0	0	0	0	0	0	0	0
OFFSETTING INCOME												
47 Occupancy Income	0	0	0		0	0	0	0	0	0	0	0
48 DC Credit	0	0	0		0	0	0	0	0	0	0	0
49 Recoveries - Water Heater Rental Rebate	0	0	0		0	0	0	0	0	0	0	0
	0	0	0		0	0	0	0	0	0	0	0
DEVELOPMENT CONTINGENCY												
50 Development Contingency	327,946	(0)	327,946		0	0	0	327,946	0	0	0	0
GROSS EXPENDITURES	15,500,000	311,037	15,811,037		10,338,233	10,275,700	62,533	5,472,803	197,566	0	0	61,000
	0	0	0	(311,037)	0	0	0	0	0	0	0	0
				15,500,000								
	Previous	Variance	Current		197,566	171,939	25,626	(197,566)	Holdback Retained			
Servicing Contingency	17,996	0	17,996	0%	0	0	0	0	Holdback Released			
Construction Contingency	513,243	0	513,243	13%	0	0	0	0				
Development Contingency	327,946	(0)	327,946	68%	0	0	0	0				
TOTAL CONTINGENCY	859,185	0	859,185	19%	10,140,668	10,103,760	36,907	5,670,369	Net Cost to Complete			
					0	0	0	0				

Construction Cost Report at March 31, 2022

DESCRIPTION	Borrower's Budget	Variance	Altus Group Previous Budget	Variance	Altus Group Current Budget	Trade	Date	Price Firm Date	Contract Amount	C.O.'s	P.O.'s	Total Committed	Gross Cost to Date	Previous Approved	Approved this month	Cost to complete	Holdback Retained	Holdback released	Percentage Complete	Cost per House	Cost per sq ft
1 General Requirements	0	300,000	300,000	0	300,000	Allowance			0			0	143,426	104,665	38,761	156,574	0	0	48%	-	7
2 Cleaning	0	9,360	9,360	0	9,360	CA Cleaning	May 19, 2022	Completion of project	9,360			9,360	0	0	0	9,360	0	0	0%	-	0
3 Excavation	0	174,218	103,709	70,509	174,218	Pro Star	June 5, 2022	Completion of project	101,700		72,518	174,218	169,218	101,700	67,518	5,000	16,922	0	97%	9,679	4,29
4 Foundation	375,000	102,678	377,100	100,578	477,678	Terra	June 7, 2022	October 31, 2022	377,100		100,578	477,678	469,678	377,100	92,578	8,000	46,968	0	98%	26,538	11,77
5 Drains & Concrete	150,000	69,647	214,697	4,950	219,647	Star Drain & Concrete Inc.	June 13, 2022	Completion of project	214,697		4,950	219,647	113,398	107,349	6,049	106,249	11,340	0	52%	12,203	5,41
6 Structural Steel	87,151	8,715	95,866	0	96,461	Green Steel			30,819		30,819	30,819	30,819	96,866	(66,247)	65,247	0	0	32%	5,326	2,36
7 Rebar	35,000	35,000	35,000	0	35,000	Canadian Railings - Contract Required?????			22,640		22,640	22,640	0	0	22,640	12,360	0	0	0%	-	-
9 Basement Windows	18,000	(12,000)	6,000	0	6,000	Patilal Windows			1,815		1,815	1,815	1,815	6,000	(4,185)	4,185	0	0	30%	333	0,15
8 Windows / Exterior Doors	215,000	21,164	236,164	0	236,164	Patilal Windows			236,164		0	236,164	0	19,800	236,164	0	0	0	0%	13,120	5,82
9 Lumber	1,554,755	(97,637)	787,118	0	787,118	Tamaack - Does this include Trusses?	November 30, 2022		622,268		0	622,268	406,373	590,339	(180,966)	771,304	0	0	52%	43,729	19,40
11 Rough Carpentry	607,189	173,311	780,500	0	780,500	Brylerna Construction			780,500		0	780,500	290,889	271,007	19,882	251,125	29,089	0	37%	43,361	19,24
12 Stone and Aggregate	100,000	100,000	100,000	0	100,000	Woodbridge Stonesinger			70,238		70,238	70,238	70,238	0	70,238	29,762	7,024	0	0%	13,186	5,85
13 Roofing - Fibreglass Shingles / Metal Roofs	170,000	23,709	193,709	0	193,709	Trust/Maxium	August 3, 2022/June 2, 2022	December 31, 2022/Completion of 1	193,709		0	193,709	0	0	0	193,709	0	0	0%	10,762	4,77
13 Aluminum Soffits	300,000	95,000	395,000	0	395,000	Giancola Aluminum Contractors Inc.			395,000		0	395,000	0	0	0	395,000	0	0	0%	21,944	9,74
14 Masonry (incl. supply)	230,000	7,348	237,348	0	237,348	Trican	June 7, 2022	December 31, 2022	237,348		0	237,348	70,238	0	70,238	167,110	0	0	30%	13,186	5,85
15 Stucco	7,875	6,750	14,625	0	14,625	Writan	June 1, 2022	Completion of project	14,625		0	14,625	0	0	0	14,625	0	0	0%	813	0,36
16 Caulking	13,384	0	13,384	0	13,384	Dosta	May 3, 2022	Completion of project	13,384		0	13,384	0	0	0	13,384	0	0	0%	744	0,33
17 Exterior Railings	27,000	3,564	30,564	0	30,564				30,564		30,564	0	0	0	0	30,564	0	0	0%	1,698	0,75
18 Exterior Columns	0	0	0	0	0				0		0	0	0	0	0	0	0	0	0%	-	-
19 Plumbing	170,000	(10,000)	160,000	0	160,000	Elmes Plumbing Ltd.	May 11, 2022	Completion of project	160,000		895	160,895	895	895	159,105	0	0	0	1%	8,889	3,94
20 Heating	130,000	72,500	202,500	0	202,500	Martino	June 10, 2022	Completion of project	202,500		0	202,500	0	0	0	202,500	0	0	0%	11,250	4,99
21 HVAC Credits			(37,400)	0	(37,400)	HMT Credit					(37,400)	(37,400)	0	0	0	(37,400)	0	0	0%	(2,078)	(0,92)
22 Electrical	168,000	3,750	169,750	0	169,750	Powencore	May 10, 2022	Completion of project	169,750		0	169,750	0	0	0	169,750	0	0	0%	9,431	4,18
23 Cable/Alarm/Tel/Vacuum - Rough-ins	17,622	5,760	23,382	0	23,382	Marguard	June 6, 2022	Completion of project	23,382		0	23,382	0	0	0	23,382	0	0	0%	1,299	0,58
24 Garage Door	27,000	4,680	31,680	0	31,680	Bramac	May 10, 2022	No date	31,680		0	31,680	0	0	0	31,680	0	0	0%	1,760	0,78
25 Insulation / Drywall	395,000	44,490	409,490	0	409,490	Manel	May 30, 2022	December 30, 2022	409,490		0	409,490	0	0	0	409,490	0	0	0%	22,749	10,09
26 Tile	120,000	33,992	153,992	0	153,992	Messone			153,992		0	153,992	0	0	0	153,992	0	0	0%	8,555	3,80
27 Hardwood Flooring	160,000	(135,638)	24,362	0	24,362	RJ Group			24,362		0	24,362	0	0	0	24,362	0	0	0%	1,353	0,60
28 Carpet	56,012	56,012	56,012	0	56,012	First Class	June 2, 2022	Completion of project	80,395		0	80,395	0	0	0	56,012	0	0	0%	3,112	1,38
29 Interior Trim & Doors	120,000	35,801	155,801	0	155,801	Wyersroff	May 18, 2022	December 31, 2022	155,801		0	155,801	0	0	0	155,801	0	0	0%	8,656	3,84
30 Paving	90,000	5,075	95,075	0	95,075	Contempo	May 26, 2022	Completion of project	95,075		0	95,075	0	0	0	95,075	0	0	0%	5,292	2,34
31 Kitchen / Vanities	103,168	26,160	129,328	0	129,328	Cortina	July 27, 2022	Completion of project	129,328		0	129,328	0	0	0	129,328	0	0	0%	7,185	3,19
32 Granite Countertops	30,000	5,139	35,139	0	35,139	Majestic	May 30, 2022	Completion of project	35,139		0	35,139	0	0	0	35,139	0	0	0%	1,952	0,87
33 Bains	41,000	18,350	59,350	0	59,350	The Oak Star Ltd.	July 28, 2022	February 1, 2023	59,350		0	59,350	9,856	0	9,856	49,494	0	0	17%	5,297	1,46
34 Railings	45,000	(41)	44,959	0	44,959				44,959		0	44,959	0	0	0	44,959	0	0	0%	2,498	1,11
35 Shower Enclosures / Closets	15,300	16,320	31,620	0	31,620	Central Glass and Minor	June 1, 2022	Completion of project	31,620		0	31,620	0	0	0	31,620	0	0	0%	1,757	0,78
36 Fireplaces	12,400	12,400	12,400	0	12,400	Concord Fireplace	June 3, 2022	December 31, 2022	12,400		0	12,400	0	0	0	12,400	0	0	0%	689	0,31
TOTAL	5,355,444	533,177	5,552,984	311,837	5,953,621				5,014,861	0	297,417	5,312,278	1,802,282	1,673,705	128,577	4,216,412	111,342	0		325,767	144,52
CHECK	5,330,444	508,177	5,853,621		5,853,621				5,014,861	0	297,417	5,312,278	1,647,209	1,673,705	(26,496)	4,061,339				325,757	144,52
Contingency		513,243	513,243	0	513,243	8.8%			0		0	0	0	0	0	513,243			0%	28,514	12,65
TOTAL \$	5,355,444	1,046,420	6,065,627	311,037	6,376,864				5,014,861	0	297,417	5,312,278	1,802,282	1,673,705	128,577	4,729,655	111,342	0	28%	354,270	157,17
Check (25,000)		(25,000)			6,356,864				5,014,861	0	297,417	5,312,278	(111,342)	(85,716)	(25,626)	111,342				-	0

Construction Budget	6,376,864
Less Contingency (513,243)	
Less General Requirements / Cleaning (329,959)	
NET BUDGET	5,554,261
Fixed Price Contracts	90%
Change Orders	5%
Purchase Orders	5%
TOTAL COMMITTED	5,312,278
Unsubstantiated Amount	4%
241,983	
Overall	100%
5,554,261	

Net Construction Cost	1,690,940	1,587,990	102,950	4,845,997
	1,690,940	1,587,990	102,950	4,685,924
				(159,073)

325756.7

APPENDIX “B”

Hampton Heights, Barrie, ON
Schedule of Advances

Advance #	Advance Date	Gross Advance	Deduction For Advance Fees	Deduction for Interest	Net Advance to Solicitor	Net Advance to Receiver	Total Net Advance
1	16-Dec-22	\$ 4,118,461.12	\$ 2,420.00	\$ -	\$ 4,116,041.12	\$ -	\$ 4,116,041.12
2	10-Mar-23	\$ 873,636.53	\$ 1,350.00	\$ 96,149.53	\$ 776,137.00	\$ -	\$ 776,137.00
3	26-Apr-23	\$ 1,050,863.47	\$ 1,350.00	\$ 64,378.23	\$ 985,135.24	\$ -	\$ 985,135.24
4	05-Jul-23	\$ 60,000.00	\$ -	\$ -	\$ -	\$ 60,000.00	\$ 60,000.00
		<u>\$ 6,102,961.12</u>	<u>\$ 5,120.00</u>	<u>\$ 160,527.76</u>	<u>\$ 5,877,313.36</u>	<u>\$ 60,000.00</u>	<u>\$ 5,937,313.36</u>

E. & O. E.

Firm Capital Corporation

Mortgage Banking • Real Estate Capital

163 Cartwright Avenue
Toronto, Ontario M6A 1V5
Tel: 416-635-0221
Fax: 416-635-1713

December 13, 2022

ATTENTION: MR. JOE FRIED

Fogler, Rubinoff LLP
77 King Street West Suite 3000, P.O. Box 95
Toronto, Ontario
M5K 1G8

Dear Mr. Fried;

**RE: FIRM CAPITAL MORTGAGE FUND INC. FIRST MORTGAGE LOAN ON:
HAMPTON HEIGHTS DEVELOPMENT - BARRIE, ONTARIO**

We confirm that there will be fund wired to your bank account in the amount of **\$4,116,041.12** representing our **First** Net Loan Advance on the above noted transaction, calculated as follows:

ADVANCE TO DATE:	
1 GROSS ADVANCE:	\$4,118,461.12
Less; PIN Monitor	(70.00)
Less: Advance & Admin fee	(2,350.00)
Net Advance to Solicitor:	<u>\$4,116,041.12</u>

Please insure that all Construction Lien issues have been satisfied and all property Tax Arrears have been paid.

Should you have any questions, please do not hesitate to contact me.

Yours truly,

FIRM CAPITAL CORPORATION

PER:

Vanna Tran
Mortgage Portfolio Accountant

Wire Payments[Help](#)**Authorize - Payment Results**[Print this page](#)

Total Submitted:	1
Total Successfully Released to Bank:	1
Total Requiring Further Authorization:	0
Submitted on:	16/12/2022 02:28 PM ET

Payment Status	Beneficiary's Name	Due Date	Payment Amount	Last Modified by:	Authorize Status
Accepted	FOGLER RUBINOFF	12/16/2022	4,116,041.12 CAD	HOH60401	Auth1 - HOH60401 Auth2 - HOY9R2D7

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Wire Payments[Help](#)**Activity List - View Payment Details**[Print this page](#)

Template Name:	A_FOGLER RUBINOFF		
Payment Type:	Payment to Beneficiary		
Payment ID:	79591221216003	TD Payment ID:	221216W7465200

Sender Information

TD Bank has populated the sender's name and address based on the settlement account selected. If this information is incorrect, you will need to either contact your relationship manager or your local branch.

Sender Name:	FIRM CAPITAL CORP MORTGAGE BROKERAG		
Street:	163 CARTWRIGHT AVE		
City:	TORONTO		
Prov/State:	ONTARIO - ON	Country:	CANADA - CA

Beneficiary Information

Beneficiary Name:	FOGLER RUBINOFF		
Street:	77 King Street West suite 3000		
City:	Toronto		
Prov/State:	ONTARIO - ON	Country:	CANADA - CA
Payment Destination:	TD Canada Trust (CAD/USD only)		

Beneficiary Account Information

Beneficiary Account Number:	1020 0309236		
Beneficiary Bank Name:	TD Bank		
Street:	55 KING ST W		
City:	TORONTO		
Prov/State:	ONTARIO - ON	Country:	CANADA - CA

Due Date	Value Date	Payment Must be Sent to Bank Before:		
12/16/2022	12/16/2022	View Cutoff Table		
Payment Currency	Payment Amount			
CAD	4,116,041.12			
Settlement Currency	FX Type/ Contract Number	Exchange Rate	Settlement Amount	Settlement Account
CAD	Bulletin	1.000000	4,116,041.12	1025 5296634 - FCC Mtg Brokers

Your Reference**Reason for Wire Payment****Instructions**

Beneficiary:	Hampton Heights
TD Bank:	

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Firm Capital Corporation

Mortgage Banking • Real Estate Capital

163 Cartwright Avenue
Toronto, Ontario M6A 1V5
Tel: 416-635-0221
Fax: 416-635-1713

March 10, 2023

ATTENTION: MR. JOE FRIED

Fogler, Rubinoff LLP
77 King Street West Suite 3000, P.O. Box 95
Toronto, Ontario
M5K 1G8

Dear Mr. Fried;

**RE: FIRM CAPITAL MORTGAGE FUND INC. FIRST MORTGAGE LOAN ON:
HAMPTON HEIGHTS DEVELOPMENT - BARRIE, ONTARIO**

We confirm that there will be fund wired to your bank account in the amount of **\$776,137.00** representing our Second Net Loan Advance on the above noted transaction, calculated as follows:

ADVANCE TO DATE:	\$4,118,461.12	
2nd GROSS ADVANCE:		\$873,636.53
Less: Interest		(96,149.53)
Less: Advance & Admin fee		(<u>1,350.00</u>)
Net Advance to Solicitor:		<u>\$776,137.00</u>

Please insure that all Construction Lien issues have been satisfied and all property Tax Arrears have been paid.

Should you have any questions, please do not hesitate to contact me.

Yours truly,

FIRM CAPITAL CORPORATION

PER:

Vanna Tran
Mortgage Portfolio Accountant

Authorize - Payment Results

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Total Submitted:	1
Total Successfully Released to Bank:	1
Total Requiring Further Authorization:	0
Submitted on:	10/03/2023 11:49 AM ET

Payment Status	Beneficiary's Name	Due Date	Payment Amount	Last Modified by:	Authorize Status
Accepted	FOGLER RUBINOFF	03/10/2023	776,137.00 CAD	HOH60401	Auth1 - HOH60401 Auth2 - HOP7U4N5

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Activity List - View Payment Details

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Template Name: **A_FOGLER RUBINOFF**
 Payment Type: **Payment to Beneficiary**
 Payment ID: **79591230310001** TD Payment ID: **230310W7540200**

Sender Information

TD Bank has populated the sender's name and address based on the settlement account selected. If this information is incorrect, you will need to either contact your relationship manager or your local branch.

Sender Name: FIRM CAPITAL CORP MORTGAGE BROKERAG
 Street: 163 CARTWRIGHT AVE
 City: TORONTO
 Prov/State: ONTARIO - ON Country: CANADA - CA

Beneficiary Information

Beneficiary Name: FOGLER RUBINOFF
 Street: 77 King Street West suite 3000
 City: Toronto
 Prov/State: ONTARIO - ON Country: CANADA - CA
 Payment Destination: TD Canada Trust (CAD/USD only)

Beneficiary Account Information

Beneficiary Account Number: 1020 0309236
 Beneficiary Bank Name: TD Bank
 Street: 55 KING ST W
 City: TORONTO
 Prov/State: ONTARIO - ON Country: CANADA - CA

Due Date	Value Date	Payment Must be Sent to Bank Before:		
03/10/2023	03/10/2023	View Cutoff Table		
Payment Currency	Payment Amount			
CAD	776,137.00			
Settlement Currency	FX Type/ Contract Number	Exchange Rate	Settlement Amount	Settlement Account
CAD	Bulletin	1.000000	776,137.00	1025 5296634 - FCC Mtg Brokers
Your Reference				
22-4009				
Reason for Wire Payment				
Instructions				
Beneficiary:	Hampton Heights			
TD Bank:				

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APPENDIX “C”

Firm Capital Corporation

Mortgage Banking • Real Estate Capital
163 Cartwright Avenue
Toronto, Ontario M6A 1V5
Tel: 416-635-0221
Fax: 416-635-1713

December 7, 2022

AMENDMENT TO THE MORTGAGE LOAN COMMITMENT #1

TO : STATEVIEW HOMES (HAMPTON HEIGHTS) INC., C/O DANIEL CICCONE

RE : THE PROJECT KNOWN AS THE HAMPTON HEIGHTS DEVELOPMENT AT:

PROPERTY #1: BLOCKS 1-4 (INCLUSIVE), PLAN 51M1229, CITY OF BARRIE, ONTARIO

PROPERTY #2: PARTS 5 & 6 ON PLAN 51R42642, CITY OF BARRIE, ONTARIO (MUNICIPALLY KNOWN AS 39 AUBURN COURT, BARRIE)

The following amendments and or additions as set out in this Amendment to the Mortgage Loan Commitment #1 (the "Amendment") shall be in addition and/or substitution to the original terms of the Mortgage Loan Commitment dated November 11, 2022 (hereafter collectively referred to as the "Commitment") issued by Firm Capital Corporation ("FCC"). All other terms of the Commitment, including all definitions, unless otherwise stated below shall remain in effect.

LOAN SECURITY : The following paragraph shall be amended in the Loan Security section of the Commitment:

1. A first mortgage on the lands and all existing and future improvements legally described as **BLOCKS 1-4 (INCLUSIVE), PLAN 51M1229, CITY OF BARRIE (PROPERTY #1), and PARTS 5 & 6 ON PLAN 51R42642, CITY OF BARRIE (MUNICIPALLY KNOWN AS 39 AUBURN COURT, BARRIE) (PROPERTY #2).**




CONSTRUCTION LOAN CONDITIONS:

The Construction Loan Conditions section of the Commitment Letter shall be amended as follows:

8. Prior to the first advance of funds the Borrower will provide detailed confirmation of the Project cost, and equity as detailed below:

Land Cost	\$ 4,080,000
Soft Costs	\$ 389,080
Site Servicing Hard Costs – Incl. Contingency	\$ 1,014,624
House Construction Hard Costs – Incl. Contingency	\$ 6,063,818

Borrower(s) &
Guarantor(s) Initials:

Development Charges & Cash in Lieu of Parkland	\$ 1,598,958
Marketing and Sales Commissions	\$ 438,746
Development Contingency	\$ 307,629
Financing Costs	\$ 1,644,545
Offsetting Income	(\$ 37,400)
Total Project Cost	<u>\$15,500,000</u>

The Project costs will be capitalized as follows:

CAPITALIZATION OF PROJECT COSTS:

Subject Loan (excluding letters of credit)	\$10,900,000
Purchaser Deposits	\$ 1,720,000
Deferred Costs	\$ 61,000
Borrower's Equity	\$ 2,819,000
Total Project Cost	<u>\$15,500,000</u>

AGREEMENTS OF PURCHASE AND SALE AND PURCHASER DEPOSITS:

The following conditions shall apply to the agreements of purchase and sale and purchasers' deposits relating to the Project:

3. All deposits in excess of \$1,720,000.00 (if any) are to be held in a solicitors trust account approved by the Lender, and the Borrower hereby irrevocably undertakes to remit the deposits received to the appointed solicitor, with failure to do so, at the Lender's option, being an event of default under the loan security.

4. If the Lender grants specific written approval to the Borrower to permit the deposits in excess of \$1,720,000.00 to be used in the Project, then it is agreed that the Loan will be reduced by the amount of the deposit used in the Project in excess of \$1,720,000.00.

AMENDMENT TO THE MORTGAGE LOAN COMMITMENT ACCEPTANCE:

The Borrower and Guarantors acknowledge and agree that (i) it is the responsibility of the Borrower and Guarantors to determine the suitability of the Loan, either through advice from their financial advisor or another qualified professional, (ii) FCC is acting on behalf of the Lender and for the Lender's benefit only, (iii) FCC acts exclusively for managed accounts and related entities and is deemed to be acting as a principal herein, (iv) the Borrower and/or Guarantors should view FCC's role as that of a lender, and (v) the Lender has advised the Borrower and Guarantors to obtain independent legal advice and financial advice with respect to the impact of this transaction, including the risks associated with the Borrower providing the Lender with the Loan security, and the resulting remedies available to the Lender should a default occur, including, but not limited to, the disposition of the security for the Loan in the event a Loan default occurs and is not cured within the permitted cure periods. In case of any inconsistency or conflict between any provisions of this Amendment, the Commitment or any provisions of the security documents for the Loan, the Lender may, in their sole discretion, determine which shall prevail.

The transmission of an executed copy of this Amendment to the Mortgage Loan Commitment by facsimile or electronic mail shall be deemed to constitute execution and delivery of an original executed copy.

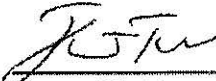
Borrower(s) &
 Guarantor(s) Initials: D CT DC

Yours truly,
FIRM CAPITAL CORPORATION
PER:

PER:



Jonathan Mair
Senior Vice-President



Forrest Todd
Vice-President, Mortgage Banking

E. & O. E.

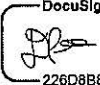
BORROWER AND GUARANTORS ACCEPTANCE:

I/we hereby acknowledge that I/We have been advised by Firm Capital Corporation to seek independent legal advice with respect to the Loan and have been given the opportunity to do so prior to signing this Amendment.

I/we hereby accept the terms and conditions of this Amendment and covenant and agree with FCC and the Lender to duly carry out same terms and conditions, dated this 12 day of December, 2022.

BORROWER:

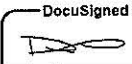
STATEVIEW HOMES (HAMPTON HEIGHTS) INC.

PER: 

A.S.O.

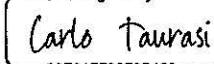
GUARANTORS:

STATEVIEW CONSTRUCTION LTD.

PER: 

A.S.O.


TAURA DEVELOPMENTS INC.

PER: 


A.S.O.



CARLO TAURASI



DINO TAURASI



DANIEL CICCONE

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Borrower(s) & Guarantor(s) Initials: 

Firm Capital Corporation

Mortgage Banking • Real Estate Capital

163 Cartwright Avenue
Toronto, Ontario M6A 1V5
Tel: 416-635-0221
Fax: 416-635-1713

FIRM CAPITAL CORPORATION, AS TRUSTEE **MORTGAGE LOAN COMMITMENT (the "Commitment")**

November 11, 2022

TO : STATEVIEW HOMES (HAMPTON HEIGHTS) INC., C/O DANIEL CICCONE

**RE : THE PROJECT KNOWN AS THE HAMPTON HEIGHTS DEVELOPMENT AT
350 & 354 ARDAGH ROAD, BARRIE, ONTARIO,
2, 4, 6, & 8 TECK ROAD, BARRIE, ONTARIO, AND
39 AUBURN COURT, BARRIE, ONTARIO**

We are pleased to advise that your application for **First Mortgage** financing on the above-noted properties (the "Loan") has been approved, subject to the following terms and conditions, and subject to all legal matters and documentation being to the complete satisfaction of Firm Capital Corporation ("FCC"), and the registered mortgagees under the subject loan facility (the "Lender"), and their solicitors.

- PURPOSE** : Site Servicing and Construction Loan
- BORROWER** : Stateview Homes (Hampton Heights) Inc. (the "Borrower").
- LOAN AMOUNT** : \$11,400,000.00 first mortgage site servicing and construction loan.
See the "Loan Facilities & Conditions" section in this Commitment for the advance of funds conditions.
- INTEREST RATE** : Floating at the greater of 8.95% per annum, or the TD Canada Trust Posted Bank Prime Rate of Interest from time to time plus 3.50% Per Annum.
- TERM** : 18 Months, from the interest adjustment date.
- AMORTIZATION** : 0, Interest Only.
- REPAYMENT** : Due monthly, not in advance, with interest being calculated daily, and compounded monthly on each payment date on the total of the principal balance plus accrued interest outstanding on the payment date.

Borrower(s) &
Guarantor(s) Initials:

DT h

Page 1 of 10

**PREPAYMENT
PRIVILEGES**

: Open for repayment on any date upon NIL (0) month interest penalty, with fifteen (15) days prior written notice.

LOAN SECURITY : The Lender under the Loan will receive the following security:

1. A first mortgage on the lands and all existing and future improvements municipally known as **350 & 354 ARDAGH ROAD, BARRIE, ONTARIO, 2, 4, 6, & 8 TECK ROAD, BARRIE, ONTARIO, AND 39 AUBURN COURT, BARRIE, ONTARIO.**
2. A registered Assignment of Rents and Leases.
3. An assignment of the Borrower's rights under Agreements of Purchase and Sale.
4. An assignment of all municipal approvals & agreements, construction contracts, Project letters of credit, and architectural & mechanical drawings.
5. An assignment and pledge of all securities posted in relation to the subject property, including, but not limited to, cash security posted (i) directly with Tarion, (ii) directly with the city/town/municipality, and (iii) or posted with a financial institution as security for letters of credit for the Project. The Borrower is to provide a direction to the party holding the cash security (i.e. Tarion, City/Municipality, Financial Institution, etc.) directing all releases/reductions in the cash security to the Lender.
6. A General Security Agreement for the Borrower and corporate guarantors, registered under PPSA.
7. Assignments and Postponements of Claim from (i) all shareholders/unit holders of the Borrower, and (ii) all related party debt holders of the Borrower and corporate Guarantors.
8. Guarantees and Assignments & Postponements of Claim from (i) **STATEVIEW CONSTRUCTION LTD.**, (ii) **TAURA DEVELOPMENTS INC.**, (iii) **CARLO TAURASI**, (iv) **DINO TAURASI**, and (v) **DANIEL CICCONE** (collectively the "Guarantors") jointly and severally with the Borrower as principle debtors and not as surety, to repay the loan.
9. Any other reasonable security documentation requested by the Lender's solicitor.

DISBURSEMENTS : Funds must be advanced on or before December 21, 2022, failing which this Commitment will be cancelled or extended at FCC's sole option.

**PROPERTY
DESCRIPTION**

: The subject property is comprised of an assembly of properties that together create a 1.65-acre development site which is approved for the development of 18 detached single-family building lots. The Borrower is in the process of constructing services on the site and will then be constructing the 18 detached single-family homes once building permits are available (the "Project").

Borrower(s) &
Guarantor(s) Initials:



LOAN FEES:

The Borrower and Guarantors acknowledge and agree that in consideration for FCC furnishing this Commitment, to pay to FCC the following fees:

Commitment Fee : ██████████ TO: Firm Capital Corporation

The ██████████ Commitment Fee shall be deemed to have been fully earned by FCC upon acceptance of this Commitment. The Borrower hereby irrevocably directs the Lenders solicitor to pay from the closing proceeds, the outstanding balance of the subject fees. At the time of acceptance of this Commitment, the Borrower and Guarantors agree to pay ██████████ as a partial payment on account of the above fees (the "Standby Deposit"), and the balance thereof shall be due and payable on the closing date. Should the Borrower fail to close this transaction through no fault of the Lender's, the Standby Deposit shall be retained and the outstanding balance shall be due and payable to FCC as liquidated damages, and not as a penalty, and this Commitment shall be, at FCC's option, cancelled. The Borrower and Guarantors acknowledge and agree that no interest shall be paid to the Borrower and/or Guarantors on the Standby Deposit.

LOAN FACILITIES & CONDITIONS:

Funds under this facility will be advanced under the following loan facilities, and will be subject to the conditions of each loan facility:

FACILITY AMOUNT	FACILITY TYPE & CONDITIONS
\$ 500,000.00	Letters of Credit Facility The \$500,000.00 Letters of Credit Facility will be advanced, as a loan into a term deposit with a financial institution of the Lender's choice. The Lender will have an assignment of the Letter of Credit(s) and any release of funds associated with the Letter of Credit. The Letter of Credit assignment security will be structured in a manner satisfactory to the Lender by their solicitor. The Borrower and Guarantors are to pay for all costs associated with the Letter of Credit issued by the financial institution, plus a 1.00% per annum Letter of Credit Fee for the Lender. If the actual Letters of Credit requirements are less than the facility amount, the Loan will be reduced to reflect the actual amount. The Borrower is to provide full details to the Lender on the Letters of Credit requirements for site servicing. The Letter of Credit requirements will be funded under this facility to the extent they are determined to be appropriate by the Lender, in their sole discretion.
\$ 10,900,000.00	Construction Cost Facility The Construction Cost Facility will be advanced in as many draws as required on a cost to complete basis for the servicing of the 18 lots and for the construction of the 18 detached single-family dwellings in the Project, as per the Project budget detailed in the Monitor Report. Each advance will only be completed upon receiving a satisfactory Monitor Report confirming the cost to complete.
<hr/> \$ 11,400,000.00 TOTAL LOAN FACILITY <hr/>	

NOTE: Should any of the categories above (i.e. loan facility costs) be less than the amount specified, the loan facility will be reduced accordingly.

Borrower(s) & Guarantor(s) Initials: P K p

CONSTRUCTION LOAN CONDITIONS:

The Loan shall be subject to the following conditions, which the Borrower and Guarantors jointly covenant to fulfill to the Lender's complete satisfaction:

1. All advances will be based on the cost to complete method of construction financing (being \$10,900,000.00 for Construction Costs, and \$500,000.00 for Letters of Credit). Prior to each advance, a construction progress report will be required confirming that the remaining un-advanced funds equal the cost to complete the Project. All funds will be advanced to the Borrower unless a default occurs at which point the Lender reserves the right cease all advances or to pay the trades directly.
2. Prior to each advance of funds the Borrower will provide to the Lender a statutory declaration confirming that all trades have been paid to date, or will be paid to date from the advance, for the work completed to date. All funds are to be used for construction of the Project, no Loan funds are to be used for any other property / project.
3. This Loan will be subject to the Construction Act requirements, as certified by the Project Monitor.
4. Prior to each advance of funds, the Borrower will provide at their own expense a satisfactory Monitor Report (as detailed later herein) to the Lender confirming the work has been completed in accordance with the Project budget, confirming the work in place, and confirming the cost to complete the Project. The Borrower acknowledges that in the event the Borrower does not request a construction draw on a regular monthly basis, the Lender may inspect or cause the Project Monitor to inspect the property at any time, at the expense of the Borrower.
5. At the Lender's option, each advance will be conditional on the Lender performing a satisfactory site inspection.
6. The Borrower shall pay to FCC a Construction Advance Administration fee of \$1,250.00 per advance.
7. The Borrower and or Guarantors covenant to pay all cost overruns (including monthly interest cost / payments) from their own resources on a consolidated Project basis whereby the un-advanced funds in the facility equal the cost to complete the Project.
8. Prior to the first advance of funds the Borrower will provide detailed confirmation of the Project cost, and equity as detailed below:

TOTAL COST OF PROJECT:

Land Cost	\$ 4,080,000
Soft Costs	\$ 389,080
Site Servicing Hard Costs – Incl. Contingency	\$ 1,014,624
House Construction Hard Costs – Incl. Contingency	\$ 6,063,818
Development Charges & Cash in Lieu of Parkland	\$ 1,598,958
Marketing and Sales Commissions	\$ 438,746
Development Contingency	\$ 307,629
Financing Costs	\$ 1,644,545
Offsetting Income	(\$ 37,400)
Total Project Cost	<u>\$15,500,000</u>

Borrower(s) & Guarantor(s) Initials: E J L

The Project costs will be capitalized as follows:

CAPITALIZATION OF PROJECT COSTS:

Subject Loan (excluding letters of credit)	\$10,900,000
Purchaser Deposits	\$ 1,360,000
Deferred Costs	\$ 61,000
Borrower's Equity	\$ 3,179,000
Total Project Cost	<u>\$15,500,000</u>

The above figures outline the project costs for the servicing of the 18 building lots and for the construction of the 18 detached single-family dwellings for the Project. See the Project Budget for a detailed breakdown of the above noted figures.

9. The Borrower is to provide to the Lender, prior to the first housing construction advance, building permits confirming the ability to construct the Project.
10. Prior to the first advance of funds required will be a satisfactory appraisal report confirming the following value;

Completed Value : \$17,100,000.00, Based On: 18 Finished Dwellings (Average price per dwelling of \$950,000)

The appraisal report is to be to the complete satisfaction of FCC as to content and value and is to be prepared by an appraiser that is satisfactory to FCC. This Commitment is conditional for 48 hours upon receiving the appraisal report to enable FCC to review the report and to be satisfied with the report to its sole, subjective and arbitrary discretion.

11. The Loan is subject to confirmation that all existing registered mortgages and encumbrances are in good standing with no history of arrears. Solicitor to confirm same prior to advance of funds, and provide copies of discharge and pay out statements.
12. The Loan is subject to credit review (including but not limited to Credit Checks, Bank & Mortgage Ratings) on all the applicants (as per General Mortgage Loan Condition clause #14), same to be to the complete satisfaction of FCC.
13. Any subsequent financing of the property is subject to the approval of the Lender.
14. The Borrower must have a bank account, at an institution designated by the Lender, to be used specifically for the Project, with each advance made under the Loan to be deposited to this specific bank account. All cheques issued on the specific bank account are to be for expenditures relating to the Project alone.
15. Construction must proceed continuously at the Project with inactivity to exist for no longer than 28 calendar days, subject to any significant strikes in the construction industry or other instances of force majeure, failing which the Loan shall be in default.

Borrower(s) &
Guarantor(s) Initials: R J / h

PROJECT MONITOR:

The Borrower shall retain the following firm as the Project monitor (the "Project Monitor"), and the Borrower acknowledges that the Project Monitor will act as an agent for the Borrower:

PROJECT MONITOR: ALTUS GROUP

REPORT REQUIRED: Certificate confirming (i) the Project budget, (ii) the work in place at the Project, and (iii) the cost to complete the Project.

The Borrower agrees to pay all cost associated with monitoring the Project. Each Project Monitor report (the "Monitor Report") is to be to the complete satisfaction of the Lender. The Borrower and Guarantor acknowledge and agree that Lender is not responsible for the actions of the project monitor.

RESTRICTIVE CONDITIONS:

The Loan is subject to the following restrictive conditions that the Borrower and or Guarantors covenant to follow:

1. The Borrower and Guarantors hereby covenant, undertake, and irrevocably agree that any and all contracts entered into with contractors for the Project, must specifically state that all lien rights arise and expire on a lot by lot basis, and it is further acknowledges that this restrictive condition will be registered on title and will form as notice to all contractors providing service, and as a result of such notice all Contractors providing service will be bound by this condition. The Borrower and Guarantors Covenant, Undertake, and Warrant that they will not enter into any contract without this specific wording, stating; "The Contractors / Suppliers Lien Rights Arise and Expire on a Lot by Lot basis".
2. There shall be no advances under the Loan until the Lender has been provided with satisfactory confirmation that final approval for the servicing of the 18 residential lots has been obtained by the Borrower.
3. There shall be no advances under the Loan until the Lender has been provided with satisfactory confirmation that the total of the development charges and building permit fees required for the Project does not exceed \$1,600,000.00.
4. There shall be no advances under the Loan until the Lender has been provided with satisfactory confirmation that the Letter of Credit requirements for the Project do not exceed \$500,000.00.
5. There shall be no advances under the Loan until the Lender has been provided with satisfactory confirmation that the Borrower has obtained firm and binding Agreements of Purchase and Sale for at least 17 single-family dwellings. The pre-sales are to be to the complete satisfaction of the Lender, with a minimum contractual deposit that is satisfactory to the Lender.
6. There shall be no advances under the Loan until the Lender has been provided with confirmation that the Project is enrolled with Tarion and that all required security has been posted with Tarion in connection with same.

PARTIAL DISCHARGE PROVISION:

If the Loan is in good standing, partial discharges will be given for individual dwellings upon the payment of the greater of; (1) net sales proceeds after deducting the related deposits used in the project, reasonable legal fees and sales commissions, or (2) 85.0% of the appraised value per dwelling indicated in the appraisal report required prior to the funding of the Loan, plus payment of funding and administration fee of \$3,600.00,

Borrower(s) & Guarantor(s) Initials: D S J

payable \$200.00 per dwelling with the balance on the last discharge. The funding and administration fee shall be deemed to have been earned by the Lender upon acceptance of this Commitment by the Borrower, with such fee to be secured by the within charge.

AGREEMENTS OF PURCHASE AND SALE AND PURCHASER DEPOSITS:

The following conditions shall apply to the agreements of purchase and sale and purchasers' deposits relating to the Project:

1. All Agreements of Purchase and Sale are to be to the satisfaction of the Lender as to Price, form, and content. The Borrower will provide the Lender with any Agreements of Purchase and Sale within 5 business days of an offer being received.
2. The Lender must be provided with the full contact details (mailing address and telephone numbers) for each purchaser.
3. All deposits in excess of \$1,360,000.00 (if any) are to be held in a solicitors trust account approved by the Lender, and the Borrower hereby irrevocably undertakes to remit the deposits received to the appointed solicitor, with failure to do so, at the Lender's option, being an event of default under the loan security.
4. If the Lender grants specific written approval to the Borrower to permit the deposits in excess of \$1,360,000.00 to be used in the Project, then it is agreed that the Loan will be reduced by the amount of the deposit used in the Project in excess of \$1,360,000.00.

The Borrower and Guarantors covenant to comply with this condition.

GENERAL MORTGAGE LOAN CONDITIONS:

Please see the attached Schedule "A", which forms a part of this Commitment, for the General Loan Conditions.

SYNDICATION:

FCC shall have 3 business days following the acceptance of this Commitment, and upon receipt of all the requested underwriting information to syndicate a portion of the Loan in an amount to be determined by FCC at its sole discretion and subject to terms satisfactory to FCC, failing which this Commitment will be cancelled and the Standby Deposit will be returned to the Borrower without deduction or interest. It is further agreed that the Borrower's acceptance and return of this Commitment shall not bind FCC or the Lender to advance the Loan and that this Commitment is conditional for a period of 3 business days following the provision of all required underwriting information by the Borrower, upon FCC and/or the Lender's credit committee approval of the Loan.

REQUIRED PRIOR TO CLOSING:

The advance of funds under the Loan is subject to the following conditions and subject to receiving the following documentation, which must be to the Lenders satisfaction in their sole, arbitrary and subjective discretion:

- (A) A completed Firm Capital Corporation Mortgage Loan Application and statement of net worth for the Guarantors, along with each of their past 2 year's NOA's.
- (B) A copy of the Articles of Incorporation and Financial Statements for the past 2 years of the Borrower and Guarantors. The financial statements for the most recent year must be audited.
- (C) A current appraisal report, not older than 30 days prior to funding, and being addressed to the Lender.

Borrower(s) & R J M
Guarantor(s) Initials: _____

- (D) The Builder is to provide a past building experience resume to the satisfaction of the Lender.
- (E) Environmental Site Assessment of the property, addressed to the Lender, confirming the site is free of all environmental contamination. The report is to be completed by an environmental engineer that is satisfactory to the Lender, and the Lender is to be provided with confirmation that the engineer's liability is limited to an amount that is satisfactory to the Lender.
- (F) A Geotechnical Report on the property, addressed to the Lender, confirming that there are no negative impediments that could adversely affect construction at the property. The report is to be completed by an engineer that is satisfactory to the Lender, and the Lender is to be provided with confirmation that the engineer's liability is limited to an amount that is satisfactory to the Lender.
- (G) Copies of existing mortgage charge, along with a current mortgage statement.
- (H) A copy of the Transfer/Deed for the property, confirming a purchase price of \$3,945,000.
- (I) A copy of the survey of the property.
- (J) A detailed site servicing and housing construction budget.
- (K) A Monitor's Report confirming the Project Budget.
- (L) A copy of the servicing plans and drawings.
- (M) A copy of the building plans and drawings for each dwelling.
- (N) A copy of the fixed pricing contract(s) for the servicing.
- (O) Confirmation of the zoning for the property, permitting the proposed Project.
- (P) Confirmation of the Letters of Credit Requirements.
- (Q) A copy of the Agreement of Purchase and Sale for each pre-sold unit.
- (R) A pre-sales summary with a schedule of all deposits received.
- (S) A copy of the Pre-servicing Agreement (if applicable) and Servicing Agreement from both the region and the municipality (if applicable).
- (T) A copy of all Subdivision Agreement(s)/Site Plan Agreement(s) (if available)
- (U) A detailed development pro-forma for the Project.
- (V) If required, the Borrower is to provide prior to closing satisfactory evidence of Registration of the Borrower (or the Builder Vendor) with Tarion, and the enrolment of the subject home(s) with Tarion.
- (W) Copies of the current Property Tax bills.
- (X) Satisfactory confirmation that the Borrower and Guarantors have sufficient combined income to service the Loan debt.
- (Y) The Borrower agrees it is responsible for obtaining and negotiating a price for legal fees and estimated disbursements from the Lender's appointed solicitor.
- (Z) At the Lender's Solicitors option, the Borrower and/or Guarantors are to obtain I.L.A. for this transaction.
- (AA) At FCC's option, subject to a satisfactory site inspection.
- (BB) At FCC's option, subject to a satisfactory meeting between the Borrower, the Guarantors and FCC at FCC's office.
- (CC) Any further reasonable documentation that FCC deems necessary to complete the underwriting of a loan on a property of this nature.

SCHEDULES ATTACHED:

The following attached schedule(s) form a part of this Commitment:

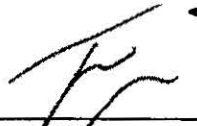
- SCHEDULE "A": General Loan Conditions
- SCHEDULE "B": Project Budget
- SCHEDULE "C": Borrower Disclosure Form

Borrower(s) &
 Guarantor(s) Initials:


COMMITMENT ACCEPTANCE:

The Borrower / Guarantors agree that Firm Capital Corporation's services are rendered at the time this Commitment is accepted by the Borrower / Guarantors. By signing this Commitment, the Borrower and Guarantors acknowledge and agree that (i) FCC is acting on behalf of the Lender and for the Lender's benefit only, (ii) FCC acts exclusively for managed accounts and related entities and is deemed to be acting as a principal herein, (iii) the Borrower and/or Guarantors should view FCC role is that of a lender, and (iv) the Lender has advised the Borrower and Guarantors to obtain independent legal advice and financial advice with respect to the impact of this transaction, including the risks associated with the Borrower providing the Lender with security on the subject property, and the resulting remedies available to the Lender should a default occur. If the terms and conditions set out herein are satisfactory, kindly acknowledge acceptance by initialling each page and signing below. Please return one copy of this Commitment to our office within six (6) days of this date, otherwise this Commitment may be considered by us to be null and void. **The Borrower acknowledges having received and/or executed a Borrower Disclosure Form at least 48 hours prior to signing this Commitment and a copy has been retained by the Borrower.** In case of any inconsistency or conflict between any provisions of this Commitment and any provisions of the security documents for the Loan, the Lender may, in their sole discretion, determine which shall prevail.

Yours truly,
FIRM CAPITAL CORPORATION
PER:



Jonathan Mair
Senior Vice-President

PER:


Forrest Todd
Vice-President, Mortgage Banking

E. & O. E.

Borrower(s) & Guarantor(s) Initials: 

BORROWER & GUARANTORS ACCEPTANCE:


I/we hereby acknowledge that I/We have been advised by Firm Capital Corporation to seek independent legal advice with respect to the Loan and have been given the opportunity to do so prior to signing this Commitment.

I/we hereby accept the terms and conditions of this Commitment and covenant and agree with FCC and the Lender to duly carry out same terms and conditions, dated this 23 day of November, 2022.

BORROWER:

STATEVIEW HOMES (HAMPTON HEIGHTS) INC.

PER:




A.S.O.


GUARANTORS:

STATEVIEW CONSTRUCTION LTD.

PER:



A.S.O.



CARLO TAURASI



DANIEL CICCONE

TAURA DEVELOPMENTS INC.

PER:



A.S.O.



DINO TAURASI

GENERAL MORTGAGE LOAN CONDITIONS:

1. **ADMINISTRATION FEE:** There is an administration fee of \$2,000.00 for each payment not made when due or for each payment not honoured (and the Borrower hereby waives notice of dishonour).
2. **REGULATORY FEES:** The Borrower agrees to pay all regulatory fees that are payable to any regulatory body (including, but not limited to, the Financial Services Regulatory Authority of Ontario and the Ontario Securities Commission) as result of the origination and/or funding of the subject Loan, including, if applicable, the \$200.00 fee payable to the Financial Services Regulatory Authority of Ontario.
3. **ADMINISTRATIVE SET UP FEE:** There is a \$1,000.00 administrative set up fee payable to FCC at the time of the initial advance under the Loan.
4. **MAINTENANCE FEE:** The Borrower agrees to pay to FCC \$450.00 Per Annum for ongoing maintenance of the Loan account, which includes, but is not limited to, system upgrades, document management, data storage, software licensing, and related customer services. The Maintenance Fee shall be payable to FCC and shall be due on each anniversary date of the interest adjustment date for the Loan, or upon full Loan discharge.
5. **WIRE TRANSFER FEE:** There is wire transfer fee of \$100.00 payable to the Lender for all advances made by way of a wire transfer.
6. **PIN MONITORING FEE:** The Borrower shall pay a \$70.00 fee for each separate property provided as security for the Loan, payable to FCC at the time of the initial advance under the Loan. An additional fee of \$25.00 shall be due on each anniversary date of the interest adjustment date for the Loan.
7. **ENFORCEMENT FEE:** If there is a default under the Loan and the Lender enforces its security, an Enforcement Fee equivalent to 3% of the principal balance outstanding under the Loan, which is a reasonable estimate of the cost/damages to the Lender to undertake the enforcement. The Enforcement Fee shall be payable by the Borrower and/or Guarantors on the initial date that such enforcement action was taken and such fee shall be secured by the security for the Loan. In addition, if the Lender is required to attend at the property(s) provided as security for the Loan, a ten (10%) percent property management fee will be charged to the Borrower (based on 10% the gross rents collected).
8. **ASSIGNMENT:** This Commitment and the security provided under the Loan may be assigned by FCC in whole or in part. The borrower acknowledges and agrees that FCC may be the lender in whole or in part or may be acting for an investor client or institution, in which case FCC shall have the right to assign this agreement to another party. FCC further hereby reserves all its rights and claims it may have to any commissions and/or brokerage fees due and owing by the Borrower and Guarantors under this Commitment, and this obligation of the Borrower / Guarantors shall survive and not merge on the closing of the subject transaction.
9. **TAXES:** Any tax bills issued and unpaid at the interest adjustment date are to be paid in full from the proceeds of the Loan. At closing, and at the Lender's option, the Borrower shall establish with the Lender a property tax escrow account (and undertakes to provide funds to establish the subject account satisfactory to the Lender), and the Borrower agrees to pay to the Lender 1/12 of the annual taxes on a monthly basis, and the Lender will remit same to the local municipality as taxes are due. No interest will be paid to the Borrower on funds held in the property tax escrow account. If a property tax escrow account is required, the Borrower agrees to pay the Lender a \$275.00 Per Annum Tax Account Administration Fee for servicing the tax account.
10. **SALE OF PROPERTY:** The Borrower and Guarantors agree that, other than with regards to mortgaged property that is to be discharged pursuant to the Partial Discharge Provision in this Commitment, in the event of a sale, conveyance, lease, or transfer of the title to the mortgaged property to a purchaser, grantee, transferee, mortgagee, or lessee not approved in writing by the Lender, then at the option of the Lender, all monies secured under the Loan shall forthwith become due and payable, other than with respect to sales that occur pursuant to partial discharge provisions detailed herein.
11. **INSURANCE:** The Borrower and Guarantors agree that at least 3 days prior to registration of the mortgage documents, the Borrower and Guarantors shall provide to the Lender or its solicitors, with evidence that the property to be mortgaged is adequately insured with an insurance company satisfactory to the Lender and such insurance may be straight insurance, but if the Lender so requests, then such insurance must provide for boiler coverage, liability, insurance loss of profits, or rental insurance as the case may be. The Borrower and Guarantors shall provide a certified

Borrower &
 Guarantor(s) initials:

copy of such insurance policy to the Lender or its solicitors, denoting loss payable to the Lender, such insurance policy shall insure the mortgaged property for the principal amount secured by the Loan. Co-Insurance is not acceptable. An independent insurance consultant selected by the Lender, the cost of which shall be borne by the Borrower and or/guarantors, shall review evidence of such coverages, consisting of the full policies. If a material change is made to the insurance policy, the independent insurance consultant will review the amended insurance policy, the cost of which shall be borne by the Borrower and/or Guarantors.

12. **SOLICITORS:**

FCC will appoint the legal firm of:

TO BE DETERMINED BY FCC

to act on its behalf on this transaction. Upon the execution of this Commitment, and prior to the commencement of the legal work for the subject transaction, the Borrower shall pay a retainer to the Lender's solicitor, with the amount of said retainer to be determined by the Lender's solicitor, acting reasonably. All legal fees and disbursements are to be paid by the borrower whether or not any funds are advanced, which legal fees shall be deducted by the solicitors from the first Loan advance.

13. **SURVEY:** An up to date survey or Plan of Subdivision prepared by a duly qualified land surveyor is required, satisfactory to FCC

14. **MORTGAGE:** The Loan shall be subject to all extended terms and conditions set forth in the Lender's standard form of mortgage contract or in the mortgage contract prepared by the Lender's solicitors, whichever the case may be.

15. **REPRESENTATIONS & INFORMATION:** The Borrower and Guarantors undertake that all representations made by the Borrower and Guarantors and all information submitted by the Borrower and Guarantors or their broker to FCC in connection with their mortgage application are true and accurate; and that the Borrower and Guarantors agree to supply promptly, on request, any further information concerning the Borrower and Guarantors, their financial standing, or about the property, which may be required by FCC or its solicitors.

16. **MATERIAL CHANGE:** In the event that there are any material adverse changes in the financial position of the Borrower and/or Guarantors, or to the project, either physically or financially, as determined by the Lender in its sole, arbitrary and subjective discretion, then such shall be considered to be an event of default under the loan and the Lender may, at its option, refuse to make any further advances under the mortgage and may, at its option, require that all monies secured by the mortgage shall forthwith become due and payable. In the event that there are any material adverse changes to the credit markets, as determined by the Lender in its sole, arbitrary and subjective discretion, the Lender may, at its option, refuse to make any further advances under the mortgage.

17. **CREDIT:** That the Lender, after completing credit investigations which it will make from time to time concerning the Borrower and Guarantors, must in its absolute discretion be satisfied with all information obtained, prior to any advance being made under the Loan.

18. **FINANCIAL AND PROPERTY UPDATES:** Within 30 days of a request from the Lender, the Borrower shall provide the Lender with (i) an update on the financial status of the Borrower and Guarantors, including but not limited to updated financial statements and/or personal net worth statements, and/or (ii) an update on the status of the subject property/project, failing which the Loan shall be in default.

19. **INDEMNIFY:** The Borrower and Guarantors irrevocably agree to indemnify and hold FCC harmless from and against any loss, cost, liability or expense incurred as result of the enforcement for any claims for Brokerage, Legal, Appraisal, Finders Fees, or any other matter in relation to this loan. It is understood that neither the preparation nor the registration of any of the documents contemplated by this agreement shall not bind FCC or the Lender to advance the funds hereby intended to be secured.

20. **ADVERTISING:** FCC may refer to this property/Loan in its corporate advertising, and FCC shall be permitted to post a sign(s) at the property for corporate advertising purposes.

21. **HAZARDOUS SUBSTANCE INDEMNITY:** The Borrower and Guarantors acknowledge and agree that they shall indemnify the Lender and hold harmless the Lender from and against all claims, demands, liabilities, losses, costs damages and expenses that the Lender may incur or suffer, directly or indirectly, as a result of the presences of any hazardous substance on, upon or within the subject property or the escape, seepage, leakage or spillage from the

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subject property. The form and content of said indemnity shall be to the complete satisfaction of the Lender in their sole discretion.

22. **ASSIGNMENT OF COMMITMENT:** At closing, FCC will be assigning this Commitment to the Lender. At the time of assignment, FCC shall be relieved by the Borrower and or Guarantors of all liabilities and claims relating to the Loan, at which time FCC shall become the Loan servicer (the "Servicer"). The Borrower acknowledges that the Lender has retained the services of FCC as Servicer to service the Loan, including the collection of payments under the Loan and that title to the Loan will be registered directly in the Lender's name. The Borrower further acknowledges that the Servicer is not the Lender and the Servicer owes no obligation to the Borrower to advance funds under the Loan, or continue to be the servicer of the Loan. The Lender shall have and may exercise at all times and without restriction all of the rights and benefits under this Commitment. The Borrower shall not assign any of its rights hereunder without the prior written approval of FCC.
23. **TITLE:** The Borrower and Guarantors have represented and hereby warrant that they have or will have a good and marketable title to the property to be mortgaged. Work orders will not be accepted. At the Lenders' sole option, the Borrower may be required to provide title insurance for the Loan. In the event that the Lender requires title insurance, said title insurance shall be provided by Stewart Title. The cost of the title insurance shall be at the Borrower's expense.
24. **SECTION 118 RESTRICTION:** The Borrower and Guarantors acknowledge and agree that the Lender shall register a Section 118 Restriction on title to the subject property(s) prohibiting any further mortgages to be registered without the consent of the Lender in its sole discretion. The Lender agrees that upon the Land Registry Office certifying the Lender's security documents (including the Mortgage Charge and Assignment and Rents), and upon written request from the Borrower, the Lender shall discharge the Section 118 Restriction. All costs related to the registration and discharge of the Section 118 Restriction shall be at the sole expense of the Borrower and Guarantors.
25. **PAYMENT OF FEES:** All Loan costs, including brokerage fees, commitment fees, legal, appraisal and survey costs, as well as insurance premiums in connection with the application and any resulting loan, are to be paid by the Borrower and Guarantors whether or not money is advanced under this loan, and may be deducted from the proceeds of the loan. The Lender will charge a reasonable fee for the preparation of the Mortgage Discharge Statement, and the Lender's solicitor will charge a reasonable fee for the preparation of the Discharge of Mortgage. The Borrower and Guarantors acknowledge and agree that if government legislation requires that GST/HST is payable on any Loan costs, including but not limited to brokerage fees, commitment fees, renewal fees, funding fees, and administration fees, the Borrower and Guarantors will be responsible for the payment of the GST/HST, including any GST/HST that is payable due to the retroactive implementation of legislative changes.
26. **SOLICITORS OPINION:** Borrower's counsel shall provide such opinions as required by the Lender, including, without limitation, corporate and enforceability opinions. Such opinions must be to the complete satisfaction of the Lender.
27. **GENERAL ASSIGNMENT OF RENTS/LEASES:** A general assignment of rents/leases which shall include a covenant of the Borrower not to accept rent more than thirty days in advance, not to amend leases, and not to accept surrender of leases without approval. When the Loan is not in default, rents may continue to be paid to the Borrower. The assignment of Rents/Leases is to be registered on title. All existing leases are to be satisfactory to FCC and its solicitors as to form and content.
28. **TIME OF PAYMENT:** Any payment (other than payment of regular payments of principal and interest) that is made after 1:00p.m. on any date, shall be deemed, for the purpose of calculation of interest, to have been made and received on the next bank business day.
29. **CROSS-DEFAULT /SERVICE FEE:** The occurrence of an event of default under any one of the security documents held by the Lenders relating to the Borrower and/or Guarantors or a company related to the Borrower and/or Guarantors, will constitute an event of default under all other security documents and loans to the Borrower and/or Guarantors, or a company related to the Borrower and/or Guarantors, held by the Lenders, or in the name of any associated or affiliated corporation to the Lenders. If the Lenders' take any proceeding pursuant to the Loan or other security document by reason of the Borrower's default the Lenders shall be entitled to add to the Loan debt a service and administrative fee and a property inspection fee in addition to all other fees, cost, claims or demands to which the Lenders are also entitled.

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30. **MERGER OF COMMITMENT:** It is agreed that the execution, delivery and registration, as applicable, of the mortgage and the security required herein shall not operate as a merger of the terms and provisions of this Commitment and this Commitment shall survive such delivery and registration, as applicable, and remain in full force and effect.
31. **AUTOMATIC RENEWAL:** In the event that the Borrower fails to repay the principal and interest outstanding on the maturity date, or fails to accept a renewal offer tendered by the Lender (for any reason not attributable to the Lender) within 10 business days of the maturity date, then the Lender may at their sole option, automatically renew the Loan for a period of one month from the maturity date, at an interest rate equal to the greater of 12.00% Per Annum or the TD Canada Trust Prime Lending Rate plus 5.00% per annum, calculated daily, and compound and payable monthly. In the event that the renewal has not been finalized within this one month period, then there will be no further extensions, and the Lender will exercise its remedies under the Loan charge. The Lender shall not be obligated to offer any renewal. All other terms and covenants under the Loan shall continue to apply. The Loan may be paid in full at any time during the one month renewal period. A Processing Fee which is the greater of \$1,000.00 or 1/10 of 2.00% of the outstanding balance shall be added to the principal balance if this extension is utilized.
32. **GUARANTORS:** In consideration of the Lender committing to make the Loan available to the Borrower, the receipt and sufficiency of which is hereby acknowledged by Guarantors, the Guarantors do hereby covenant, as principal debtor and not as surety that they will pay or cause to be paid to the Lender, subject to any limitations outlined in this Commitment, all amounts due by the Borrower under the Loan and will observe, keep and perform all of the terms and conditions set forth herein and in the security documents or required hereby or by the security documents to be observed, kept and performed by the Borrower pursuant to this Commitment or any of the security documents, and that all present and further indebtedness of the Borrower to the Guarantors shall be assigned to the Lender and postponed to the present and future indebtedness of the Borrower to the Lender and the Guarantors agree that they shall execute the security documents or any of them in such form as may be required by the Lender and its solicitors, in order to fully document and effectuate the intent and meaning of this paragraph.
33. **COUNTERPARTS:** This Commitment may be executed in counterparts and all counterparts so executed will constitute one agreement binding on the parties effective on execution. Provided further and notwithstanding the foregoing, the failure of any one of the Borrower and/or the Guarantors to execute this Commitment shall not be pleaded as an estoppel or a defense to the execution of this Commitment by the others of the Borrower and/or Guarantors.
34. **FACSIMILE TRANSMISSION / E-MAIL:** The transmission of an executed copy of this Commitment by facsimile or e-mail shall be deemed to constitute execution and delivery of an original executed copy. The Lender shall be entitled to rely on any agreement, document, instrument, report or certificate provided by the Borrower and/or Guarantors by way of e-mail or facsimile as though it were an originally signed agreement, document, instrument, report or certificate. The Borrower and/or Guarantors acknowledge and agree that any communication from the Borrower and/or Guarantors to the Lender that is received by e-mail or facsimile is a reliable communication from the Borrower and/or Guarantors.
35. **ELECTRONIC IMAGING:** The Borrower and Guarantors acknowledge and agree that, at any time, the Lender may convert any paper records / documentation relating to the Loan that was delivered to the Lender (collectively the "Paper Record"), into electronic images (the "Electronic Image") as part of the Lender's normal business practices. The parties agree that each Electronic Image shall be considered as an authoritative copy of the Paper Record and shall be legally binding on the parties and admissible in any legal, administrative or other proceeding as conclusive evidence of the contents of such document in the same manner as the original Paper Record.
36. **BORROWER & GUARANTORS IDENTIFICATION:** The Borrower and Guarantors acknowledge and agree that FCC and the Lender will be complying with the Proceeds of Crime (Money Laundering) and Terrorist Financing Act and its regulations. Pursuant to the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (the "Act"), the Lender is required to ask for identification of the Borrower, the Guarantors and any third party involved in the transaction, and for information with respect to the source of funds used in connection with the Borrower's equity in the subject property. The Borrower and Guarantors hereby covenant and agree to provide, prior to the first advance under the Loan, such identification and information as may be reasonably required to ensure the Lender's compliance with the Act.
37. **ENFORCEMENT OF SECURITY:** The Borrower and Guarantors acknowledge and agree that all security received for the Loan must be enforceable in the province that the mortgage is registered in. The court in the province

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that the mortgage is registered in shall have exclusive jurisdiction to hear all disputes relating to the Loan and its security.

38. **PROFESSIONALS:** The Borrower shall select, appoint and retain the Project Monitor and any and all other professionals providing services in respect of the project. The terms of reference of the Project Monitor shall be prepared by the Lender. All reports and certificates of the Project Monitor and any other professionals shall be addressed to both the Borrower and the Lender. The Borrower and Guarantors acknowledge that the Lender shall have no liability, responsibility or obligation to the Borrower and/or Guarantors respecting any services, certificates or reports relating to the mortgaged property provided by the Project Monitor or by any cost consultants, quantity surveyors, engineers, architects, planners or any other professionals, whether or not the person, firm or corporation providing such services, certificates or reports was retained by the Borrower or by the Lender.
39. **CONSENT TO RELEASE OF INFORMATION:** The Borrower shall execute and deliver whatever consents are required by the Lender and its solicitors concerning the release and disclosure of information by the Lender to third parties and by third parties to the Lender in accordance with provisions of the Personal Information Protection and Electronic Documentation (Act) Canada.

Borrower &
Guarantor(s) initials:

Handwritten initials in black ink, appearing to be 'D' and 'W' or similar characters, written over a horizontal line.

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

FIRM CAPITAL MORTGAGE FUND INC.

- and -

STATEVIEW HOMES (HAMPTON HEIGHTS) INC.

Applicant

Respondent

Court File No. CV-23-00700356-00CL

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

Proceedings commenced at Toronto, Ontario

SUPPLEMENT REPORT TO THE FIRST REPORT

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