

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

BETWEEN:

MARSHALLZEHR GROUP INC.

Applicant

- and -

FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION

Respondent

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

APPLICATION RECORD

(re application for the appointment of a Receiver)
(returnable February 10, 2020)

January 31, 2020

CHAITONS LLP

5000 Yonge Street, 10th Floor
Toronto, Ontario M2N 7E9

Harvey Chaiton (LSO No. 21592F)

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Sam Rappos (LSO No. 51399S)

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Fax: (416) 218-1837
E-mail: samr@chaitons.com

Lawyers for the Applicant

TO:

FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION

490 York Road
Building E, Unit 1
Guelph, ON N1E 6V1

Attention: Jordan Zukowski

Court File No.

**ONTARIO
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CV-20-00635523-0001

Court File No.

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NOTICE OF APPLICATION

TO THE RESPONDENT

A LEGAL PROCEEDING HAS BEEN COMMENCED by the Applicant. The claim made by the Applicant appears on the following page.

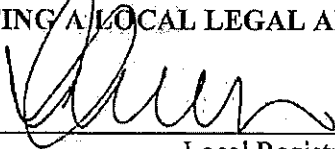
THIS APPLICATION will come on for a hearing on Monday, February 10, 2020, at 9:30 a.m., before a Judge presiding over the Commercial List at 330 University Avenue, Toronto, Ontario M5G 1R7.

IF YOU WISH TO OPPOSE THIS APPLICATION, to receive notice of any step in the application or to be served with any documents in the application you or an Ontario lawyer acting for you must forthwith prepare a notice of appearance in Form 38A prescribed by the *Rules of Civil Procedure*, serve it on the Applicant's lawyer or, where the Applicant does not have a lawyer, serve it on the Applicant, and file it, with proof of service, in this court office, and you or your lawyer must appear at the hearing.

IF YOU WISH TO PRESENT AFFIDAVIT OR OTHER DOCUMENTARY EVIDENCE TO THE COURT OR TO EXAMINE OR CROSS-EXAMINE WITNESSES ON THE APPLICATION, you or your lawyer must, in addition to serving your notice of appearance, serve a copy of the evidence on the Applicant's lawyer or, where the Applicant does

not have a lawyer, serve it on the Applicant, and file it, with proof of service, in the court office where the application is to be heard as soon as possible, but at least four days before the hearing.

IF YOU FAIL TO APPEAR AT THE HEARING, JUDGMENT MAY BE GIVEN IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO OPPOSE THIS APPLICATION BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

Date January 31, 2020 Issued by 
Local Registrar

**C. Irwin
Registrar**

Address of court office: Superior Court of Justice
330 University Avenue, 9th Floor
Toronto, Ontario M5G 1R7

TO: FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
490 York Road
Building E, Unit 1
Guelph, ON N1E 6V1

Attention: Jordan Zukowski

APPLICATION

1. The Applicant, MarshallZehr Group Inc. (“**MarshallZehr**”) makes application for:
 - (a) an order, if necessary, validating service of this Notice of Application and the Application Record in the manner effected, abridging the time for service thereof, and dispensing with service thereof on any party other than the parties served;
 - (b) an order appointing RSM Canada Limited (“**RSM**”) as receiver (“**Receiver**”) of the property, assets and undertaking of Fernwood Developments (Ontario) Corporation (the “**Debtor**”) pursuant to Section 243 of the *Bankruptcy and Insolvency Act*, R.S.C 1985, c. B-3 (the “**BIA**”), and Section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43 (the “**CJA**”); and
 - (c) such further and other relief as to this Honourable Court may deem just.
2. The grounds for the application are:

The Parties

- (a) The Debtor is a corporation incorporated under the laws of the Province of Ontario and has its mailing address in Guelph, Ontario.
- (b) The Debtor is the developer of a 94-unit stacked townhouse phased condominium complex known as School House Barrie (formerly known as Georgian Meadows), located in Barrie, Ontario (the “**Development**”).

- (c) MarshallZehr provides syndicated construction and development financing to developer borrowers and is a licensed mortgage brokerage and mortgage administrator.

Financing the Development

- (d) Pursuant to a commitment letter dated September 20, 2016, as amended (the “**Commitment Letter**”), MarshallZehr agreed to provide a loan of \$19.95 million to the Debtor (the “**Loan**”).
- (e) The Loan is payable on demand and matured on September 1, 2019.

Security

- (f) The Loan is secured by, among other things, the following security documents granted by the Debtor in favour of MarshallZehr:
 - (i) a Charge/Mortgage registered on title to the Property on December 19, 2013 as Instrument No. SC1107324, as amended, in the principal amount of \$22.0 million (the “**MZ Charge**”);
 - (ii) a General Assignment of Leases and Rents dated December 17, 2013 and registered on title to the Property on December 19, 2013 as Instrument No. SC1107325; and
 - (iii) a General Security Agreement dated December 13, 2016 (the “**General Security Agreement**”).

- (g) Pursuant to the terms of the Commitment Letter, the MZ Charge and the General Security Agreement, failure to pay principal or interest when due to MarshallZehr is an event of default.
- (h) The Debtor has agreed that, upon default, MarshallZehr is entitled to appoint a receiver in writing and/or make an application for the court appointment of a Receiver.

Status of the Development

- (i) The Development is a stacked townhouse phased condominium complex for residential purposes under the *Condominium Act, 1998* (Ontario).
- (j) The Development is to be comprised of 94 residential condominium units in six (6) buildings. Phase 1 of the Development has 32 residential units, Phase 2 has 30 residential units, and Phase 3 is to have 32 residential units.
- (k) Phases 1 and 2 have been completed. The Debtor has sold 24 of the 32 residential units in Phase 1 and 12 of the 30 residential units in Phase 2. As a result, the Debtor still owns 26 of the 62 residential units (8 units in Phase 1 and 18 units in Phase 2).
- (l) With respect to the 32 residential units built in Phase 3, these units are in various stages of construction and have yet to be sold by the Debtor and are not subject to agreements of purchase and sale.

Difficulties with the Development

- (m) The Debtor has been unable to sell the 26 units it owns in Phases 1 and 2 of the Development during the last two (2) years.

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- (n) The Debtor has fully drawn on the funds available under the Commitment Letter and has been unable to raise additional financing to complete the Development.
- (o) The Debtor has failed to make any interest payments to MarshallZehr since September 1, 2018.
- (p) The Loan matured on September 1, 2019.
- (q) The Debtor has been unable to complete transactions over the past 18 months for the sale of the Development or shares to Pensio Property Management Group Inc. (“Pensio”). Pensio acts as listing agent and lists residential units in the Development for sale, acts as a property administrator collecting rents and managing the units, and provides a rental income guarantee, supported by a rental income insurance policy, to unit owners.
- (r) Pensio has collected and failed to remit rental income to the Debtor during the past almost two-year period.

Just and Convenient to Appoint a Receiver

- (s) On January 21, 2020, MarshallZehr demanded payment of the Loan from the Debtor and sent a *BIA* notice.
- (t) The Debtor owes approximately \$24 million to MarshallZehr, \$2.45 million to its trade creditors, and approximately \$400,000 to a judgment creditor, among other amounts.
- (u) The Debtor has been unable to sell the remaining 26 units in Phases 1 and 2 of the Development.

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- (v) The Debtor has been unable complete construction of Phase 3 of the Development due to lack of financing.
- (w) Pensio continues to collect rent from the Debtor's tenants and is not delivering the rental income to the Debtor.
- (x) It is in the best interests of MarshallZehr and the Debtor's creditors generally that a Receiver be appointed to take control over and realize on the Property including without limitation collecting rent directly from tenants of the Debtor's units in the Development.
- (y) It is just and convenient in the circumstances to appoint a Receiver over the Debtor's property. MarshallZehr proposes that RSM be appointed as Receiver. RSM has agreed to accept the appointment.

Statutory and Other Grounds

- (z) Section 243 of the *BIA*, and Section 101 of the *CJA*.
 - (aa) Rules 1.04(1), 1.05, 2.01, 2.03, 3.02, and 38 of the *Rules of Civil Procedure*.
 - (bb) Such further and other grounds as counsel may advise and this Honourable Court permits.
3. The following documentary evidence will be used at the hearing of the application:
- (a) the affidavit of Murray Snedden sworn January 30, 2020 and the exhibits thereto;
and

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- (b) such further and other evidence as the lawyers may advise and this Honourable Court may permit.

January 31, 2020

CHAITONS LLP
5000 Yonge Street, 10th Floor
Toronto, Ontario M2N 7E9

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Lawyers for the Applicant

MARSHALLZEHR GROUP INC.

-and-

FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION

Applicant

CV-20-0063552 Respondent
Court File No. 8804

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
PROCEEDING COMMENCED AT
TORONTO

NOTICE OF APPLICATION

CHAITONS LLP
5000 Yonge Street, 10th Floor
Toronto, Ontario M2N 7E9

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Lawyers for the Applicant

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
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AFFIDAVIT OF MURRAY SNEDDEN
(sworn January 30, 2020)

I, **MURRAY SNEDDEN**, of the Town of Aurora, in the Province of Ontario, **MAKE OATH AND SAY AS FOLLOWS:**

1. I am the Chief Financial Officer of the Applicant, MarshallZehr Group Inc. (“**MarshallZehr**”). As a result, the facts set forth herein are within my personal knowledge or determined from the face of the documents attached hereto as exhibits and from information and advice provided to me from others. When matters deposed to herein are based upon information and advice from others, I verily believe same to be true.

2. This affidavit is sworn in support of the application by MarshallZehr for the appointment of RSM Canada Limited (“**RSM**”) as receiver (“**Receiver**”) of the property, assets and undertakings of the Respondent, Fernwood Developments (Ontario) Corporation (the “**Debtor**”).

OVERVIEW

3. MarshallZehr has provided secured financing for the development by the Debtor of a 94-unit stacked townhouse phased condominium complex known as School House Barrie (formerly known as Georgian Meadows), which is located less than 3.0 km from Georgian College in Barrie, Ontario (the “**Development**”).

4. MarshallZehr is owed approximately \$24.0 million. The Loan has matured and demand for payment has been made. The Debtor does not have financing available to it to complete the Development or repay MarshallZehr. Construction on Phase 3 of the Development has stalled due to lack of financing. A property administrator has failed to remit to the Debtor rental income it has collected from the Development.

5. MarshallZehr seeks the appointment of RSM as Receiver to take control over the Development and collect rents to protect its interests, and the interests of the Debtor’s other stakeholders.

THE PARTIES

6. The Debtor is a corporation governed by the *Business Corporations Act* (Ontario) and has its registered office in Rockwood, Ontario and its mailing office in Guelph, Ontario. Attached hereto and marked as **Exhibit “A”** is a copy of the Corporation Profile Report for the Debtor.

7. MarshallZehr is an Ontario corporation that provides syndicated construction and development financing to borrowers. The financing is sourced from institutional and private lenders. MarshallZehr is also a licensed mortgage brokerage and mortgage administrator.

FINANCING THE DEVELOPMENT

8. MarshallZehr provided mortgage loan financing to the Debtor in December 2013 to acquire the property municipally known as 85 Sydenham Wells, Barrie, Ontario (the “**Property**”), to service the Property, and to complete construction of the Development on the Property.

9. The financing provided by MarshallZehr had an initial two-year term that matured on December 19, 2015. The parties agreed to an extension of the maturity date to November 1, 2016.

10. By September 2016, the Development was site plan approved and construction of the Development was underway. However, as a result of a number of factors, it had become apparent that the financing provided by MarshallZehr to the Debtor would be insufficient to complete the construction of the Development. As a result, MarshallZehr agreed to provide additional financing to the Debtor to, among other things:

- (a) refinance the existing MarshallZehr loan; and
- (b) provide construction financing for the hard construction costs and development charges associated with completing the Development.

11. Pursuant to a commitment letter dated September 20, 2016 (the “**Commitment Letter**”), MarshallZehr initially agreed to provide a loan of \$15.45 million to the Debtor (the “**Loan**”). A copy of the Commitment Letter is attached hereto and marked as **Exhibit “B”**.

12. Under the Commitment Letter, there is two tranches of financing: (a) Tranche A, which was initially up to a maximum amount of \$10.5 million; and (b) Tranche B, a mezzanine loan in the amount of \$4.95 million.

13. The Tranche A facility has a re-advance clause, such that the Debtor, upon the sale of units in the Development, could repay amounts outstanding under the Tranche A facility, providing additional availability under the facility for the Debtor to borrow from MarshallZehr.

14. Pursuant to the terms of the Commitment Letter, the Loan was payable on demand, with a thirteen (13) month term from the initial advance date.

15. The terms of the Commitment Letter and the Loan have been amended pursuant to letters dated May 17, 2017, April 17, 2018 and September 5, 2018 (together with the Commitment Letter, the "**Amended Commitment Letter**"). Copies of these letters are collectively attached hereto and marked as **Exhibit "C"**.

16. As a result of the amendments, the total amount of the Loan has been increased to \$19.95 million, and the term of the Loan matured on September 1, 2019.

Security

17. As security for the advances made to the Debtor under the Amended Commitment Letter, the Debtor has granted, among other things, the following security documents in favour of MarshallZehr:

- (a) a Charge/Mortgage registered on title to the Property on December 19, 2013 as Instrument No. SC1107324, as amended by a Notice registered on December 15, 2016 as Instrument No. SC1372009 and a Notice registered on October 1, 2018 as

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Instrument No. SC1544840, in the principal amount of \$22.0 million (the “**MZ Charge**”), copies of which are collectively attached hereto and marked as **Exhibit “D”**;

- (b) a General Assignment of Leases and Rents dated December 17, 2013 and registered on title to the Property on December 19, 2013 as Instrument No. SC1107325, a copy of which is attached hereto and marked as **Exhibit “E”**; and
- (c) a General Security Agreement dated December 13, 2016 (the “**General Security Agreement**”), a copy of which is attached hereto and marked as **Exhibit “F”**.

18. Pursuant to the terms of the Amended Commitment Letter, the MZ Charge and the General Security Agreement, failure to pay principal or interest when due to MarshallZehr is an event of default.

19. The Debtor has also agreed that, upon default, MarshallZehr is entitled to appoint a receiver in writing and/or make an application for the court appointment of a Receiver.

OTHER CREDITORS

20. I am advised by Sam Rappos, a lawyer with Chaitons LLP (“**Chaitons**”), MarshallZehr’s legal counsel, that, in addition to MarshallZehr’s financing statements registered against the Debtor under the *Personal Property Security Act* (Ontario) (“**PPSA**”), Bank of Montreal (“**BMO**”) has a subsequent financing statement registered against the Debtor listing all collateral classifications, other than “consumer goods”. Attached hereto and marked as **Exhibit “G”** is the *PPSA* search result for the Debtor current as of January 19, 2020.

21. The *PPSA* registration in favour of BMO is likely with respect to letters of credit issued by BMO in favour of Tarion Warranty Corporation in connection with construction of Phase 3 of the Development. The BMO letters of credit are secured by cash collateral, which was advanced to the Debtor by MarshallZehr for the purpose of securing the BMO letters of credit.

22. Additionally, Mr. Rappos advises me that on June 19, 2017, a judgment was issued against the Debtor in the amount of \$397,019.76 in favour of 2150659 Ontario Inc. (“215”). 215 has registered writs of execution against the Debtor with respect to this judgment in the County of Wellington and the County of Simcoe.

23. Based on documentation provided by the Debtor to MarshallZehr, I understand that 215 operates under the trade name “Keller Williams Advantage” and acted as listing brokerage for the Debtor with respect to the Development for a period of time. The judgement relates to an unpaid portion of a consent arbitration award with respect to 215’s claim for commissions related to the sale of units in the Development.

24. With respect to trade creditors, the Debtor provided a draft balance sheet as at October 31, 2019 showing accounts payable of \$2,246,967.84. The Debtor has also provided a notice to reader financial statement as of October 31, 2018. Copies of the balance sheet and financial statement are respectively attached hereto and marked as **Exhibits “H” and “I”**.

STATUS OF THE DEVELOPMENT

Condominium Declaration

25. On October 24, 2016, a Condominium Declaration was registered on title to the Property, which was amended on March 9, 2018 (collectively, the “**Declaration**”). A copy of the Declaration is attached hereto and marked as **Exhibit “J”**.

26. The Development is a freehold standard condominium corporation that is a stacked townhouse phased condominium complex for residential purposes under the *Condominium Act, 1998* (Ontario). The registration of the Declaration established Simcoe Standard Condominium Corporation No. 420 (the “**Condominium Corporation**”).

27. As set out in the Declaration, the Development is to be comprised of 94 residential condominium units in six (6) buildings. Phase 1 of the Development has 32 residential units, Phase 2 has 30 residential units, and Phase 3 is to have 32 residential units. The Development also has parking units in Phases 1 and 2.

28. The Debtor has completed the sale of 24 of the 32 residential units in Phase 1 and has completed the sale of 12 of the 30 residential units in Phase 2. As a result, the Debtor still owns 26 of the 62 residential units (8 units in Phase 1 and 18 units in Phase 2), which remain subject to MarshallZehr’s security.

29. With respect to the 32 residential units to be in Phase 3, these units are in various stages of construction and, to MarshallZehr’s knowledge, have yet to be sold by the Debtor and are not the subject of any agreements of purchase and sale.

Pensio

30. In marketing the units for sale in the Development to the public, the Debtor offered potential purchasers with the option to lease their units following the closing of the sale. The Debtor has entered into a number of agreements with Pensio Property Management Group Inc. and related parties (collectively, “**Pensio**”) whereby Pensio acts as listing agent and lists residential units for sale, acts as a property administrator collecting rents and managing the units, and provides a rental income guarantee, supported by a rental income insurance policy, to unit owners.

31. The Debtor has informed MarshallZehr that, of the 36 residential units that have been sold to third parties, 14 purchasers have entered into rental guarantee arrangements with Pensio. Additionally, the Debtor has entered into a rental guarantee arrangement with Pensio for the 26 residential units in Phases 1 and 2 that are still owned by the Debtor.

32. The arrangements entered into by the Debtor and other unit owners with Pensio provide, among other things, that:

- (a) Pensio guarantees, for a 5-year period, rental income of \$2,500 per month to the unit owners. The guarantee is supported by a rental income contract bond issued by a surety or insurer.
- (b) In the event that Pensio is able to rent a unit at an amount in excess of \$2,500 per month, Pensio collects the rent, retains the excess amount, and remits \$2,500 per month per unit to the unit owner.
- (c) In the event that a tenant leases a unit for less than \$2,500 per month, the Debtor is entitled to the rent paid to Pensio and a deficiency claim is made under the rental income contract bond. To date, no deficiency claims have been made, as the units are fully occupied with tenants paying at least \$2,500 per month.

33. The Debtor has informed MarshallZehr that the 26 units it owns are fully tenanted and that Pensio has collected and failed to remit rental income to the Debtor.

DIFFICULTIES WITH THE DEVELOPMENT

34. As noted above, the Debtor continues to own 26 units in Phases 1 and 2 of the Development and has been unable to sell these units during the last two (2) years. The Debtor has fully drawn

on the funds available under the Amended Commitment Letter and has been unable to raise additional financing to complete the Development. The Debtor has failed to make any interest payments to MarshallZehr since September 1, 2018.

35. In August 2019, MarshallZehr retained Glynn Group Incorporated (“**Glynn**”) to provide a cost to complete review for Phase 3 of the Development. Glynn has estimated that it will cost approximately \$1.55 million excluding HST to complete construction of Phase 3.

36. In November 2019, MarshallZehr received copies of notices of lien that were sent to the Debtor by Bayshore Property Management Inc. (“**Bayshore**”), the property manager for the Condominium Corporation, with respect to unpaid common expenses. The unpaid common expenses for 26 units owned by the Debtor totalled \$27,794. A copy of the documents received from Bayshore is attached hereto and marked as **Exhibit “K”**.

37. The Debtor and Pensio entered into discussions over the past 18 months or so to negotiate an agreement whereby Pensio would acquire the Development. The parties first attempted to negotiate a sale of the remaining units in the Development but were unable to come to an agreement.

38. The parties subsequently attempted to negotiate a share purchase agreement whereby Pensio would acquire all of the shares in the Debtor. The transaction was originally scheduled to close on November 18, 2019. After a number of extensions, the closing was scheduled for January 15, 2020.

39. However, on January 10, 2020, Pensio advised MarshallZehr via telephone call that it was not proceeding with the transaction as a result of the Debtor's failure to provide basic financial statements and other information required under the agreement.

40. The Debtor has repeatedly informed MarshallZehr during the past two years that they are committed to completing construction of the Development. However, outside of the proposed transactions with Pensio, the Debtor has put forward no supportable plan for the completion of the project that does not include MarshallZehr advancing additional funds to the Debtor, which it is not prepared to do. The positions of the parties are set out in letters dated January 14, 2020 from counsel to the Debtor, and a response letter from Chaitons dated January 20, 2020. Copies of these letters are respectively attached hereto and marked as **Exhibits "L "** and **"M"**.

DEMAND

41. The Loan matured on September 1, 2019. As a result of the termination of the share purchase transaction, on January 21, 2020, MarshallZehr, by its lawyers Chaitons, issued a written demand for payment to the Debtor in the amount of \$24,051,019.23 as at January 20, 2020, and delivered a notice of intention to enforce its security under the BIA. A copy of the demand letter and BIA notice is attached hereto and marked as **Exhibit "N"**.

42. To date, MarshallZehr has received no payments from the Debtor in response to the demand for payment.

JUST AND CONVENIENT TO APPOINT A RECEIVER

43. The Debtor owes approximately \$24 million to MarshallZehr, \$2.45 million to its trade creditors, and approximately \$400,000 to its judgment creditor 215, among other amounts. The Loan has matured and has not been paid.

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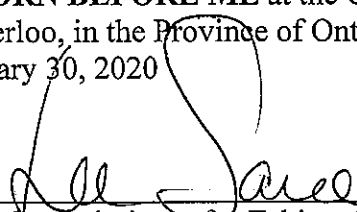
44. The Debtor has been unable to sell the remaining 26 units in Phases 1 and 2, or complete construction of Phase 3 of the Development due to lack of financing. Pensio continues to collect rent from the Debtor's tenants and is not delivering the rental income to the Debtor.

45. In these circumstances, I believe it is in the best interests of MarshallZehr and the Debtor's creditors generally that a Receiver be appointed to take control over and realize on the Property, including without limitation collecting rent directly from tenants of the Debtor's units in the Development.

46. MarshallZehr proposes that RSM Canada Limited ("**RSM**") be appointed as Receiver. RSM has agreed to accept the appointment, and a copy of its consent is attached hereto as **Exhibit "O"**.

47. This affidavit is sworn in support of MarshallZehr's application for the appointment of a Receiver and for no other or improper purpose.

SWORN BEFORE ME at the City of
Waterloo, in the Province of Ontario on
January 30, 2020

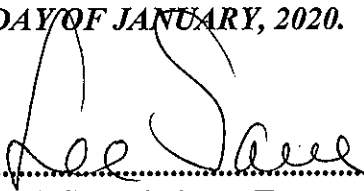


Commissioner for Taking Affidavits
(or as may be)



MURRAY SNEDDEN

*THIS IS EXHIBIT "A" TO THE
AFFIDAVIT OF MURRAY SNEDDEN
SWORN BEFORE ME THIS 30TH
DAY OF JANUARY, 2020.*


.....
A Commissioner Etc.

Request ID: 024096072
 Transaction ID: 74347157
 Category ID: UN/E

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2020/01/20
 Time Report Produced: 13:47:30
 Page: 1

CORPORATION PROFILE REPORT

Ontario Corp Number	Corporation Name	Incorporation Date
1461231	FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION	2001/01/25
		Jurisdiction
		ONTARIO
Corporation Type	Corporation Status	Former Jurisdiction
ONTARIO BUSINESS CORP.	ACTIVE	NOT APPLICABLE
Registered Office Address		Date Amalgamated
5556 5TH LINE		NOT APPLICABLE
		Amalgamation Ind.
		NOT APPLICABLE
		New Amal. Number
		NOT APPLICABLE
		Notice Date
		NOT APPLICABLE
		Letter Date
		NOT APPLICABLE
Mailing Address		Revival Date
490 YORK ROAD BUILDING E, UNIT 1		NOT APPLICABLE
		Continuation Date
		NOT APPLICABLE
		Transferred Out Date
		NOT APPLICABLE
		Cancel/Inactive Date
		NOT APPLICABLE
		EP Licence Eff.Date
		NOT APPLICABLE
		EP Licence Term.Date
		NOT APPLICABLE
		Date Commenced in Ontario
		NOT APPLICABLE
		Date Ceased in Ontario
		NOT APPLICABLE
		Number of Directors
		Minimum
		Maximum
		00001
		00005
		Date Commenced in Ontario
		NOT APPLICABLE
		Date Ceased in Ontario
		NOT APPLICABLE
Activity Classification		
NOT AVAILABLE		

Request ID: 024096072
 Transaction ID: 74347157
 Category ID: UN/E

Province of Ontario
 Ministry of Government Services

Date Report Produced: 2020/01/20
 Time Report Produced: 13:47:30
 Page: 2

CORPORATION PROFILE REPORT

Ontario Corp Number

1461231

Corporation Name

FERNWOOD DEVELOPMENTS (ONTARIO)
 CORPORATION

Corporate Name History

FERNWOOD DEVELOPMENTS (ONTARIO)
 CORPORATION

Effective Date

2001/01/25

Current Business Name(s) Exist:

NO

Expired Business Name(s) Exist:

NO

**Administrator:
 Name (Individual / Corporation)**

JORDAN
 ZUKOWSKI

Address

5556 5TH LINE ERAMOSA, R.R. #
 1
 ROCKWOOD
 ONTARIO
 CANADA NOB 2K0

Date Began

2001/01/25

First Director

NOT APPLICABLE

Designation

DIRECTOR

Officer Type

Resident Canadian

Y

Request ID: 024096072
 Transaction ID: 74347157
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Province of Ontario
 Ministry of Government Services

Date Report Produced: 2020/01/20
 Time Report Produced: 13:47:30
 Page: 3

CORPORATION PROFILE REPORT

Ontario Corp Number

1461231

Corporation Name

FERNWOOD DEVELOPMENTS (ONTARIO)
 CORPORATION

**Administrator:
 Name (Individual / Corporation)**

JORDAN
 ZUKOWSKI

Address

5556 5TH LINE ERAMOSA, R.R. #
 1
 ROCKWOOD
 ONTARIO
 CANADA NOB 2K0

Date Began

2001/01/25

First Director

NOT APPLICABLE

Designation

OFFICER

Officer Type

PRESIDENT

Resident Canadian

Y

**Administrator:
 Name (Individual / Corporation)**

JORDAN
 ZUKOWSKI

Address

5556 5TH LINE ERAMOSA, R.R. #
 1
 ROCKWOOD
 ONTARIO
 CANADA NOB 2K0

Date Began

2001/01/25

First Director

NOT APPLICABLE

Designation

OFFICER

Officer Type

SECRETARY

Resident Canadian

Y

Request ID: 024096072
Transaction ID: 74347157
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/01/20
Time Report Produced: 13:47:30
Page: 4

CORPORATION PROFILE REPORT

Ontario Corp Number

1461231

Corporation NameFERNWOOD DEVELOPMENTS (ONTARIO)
CORPORATION**Administrator:
Name (Individual / Corporation)**JORDAN
ZUKOWSKI**Address**5556 5TH LINE ERAMOSA, R.R. #
1
ROCKWOOD
ONTARIO
CANADA NOB 2K0**Date Began**

2001/01/25

First Director

NOT APPLICABLE

Designation

OFFICER

Officer Type

TREASURER

Resident Canadian

Y

Request ID: 024096072
Transaction ID: 74347157
Category ID: UN/E

Province of Ontario
Ministry of Government Services

Date Report Produced: 2020/01/20
Time Report Produced: 13:47:30
Page: 5

CORPORATION PROFILE REPORT

Ontario Corp Number

1461231

Corporation NameFERNWOOD DEVELOPMENTS (ONTARIO)
CORPORATION**Last Document Recorded**

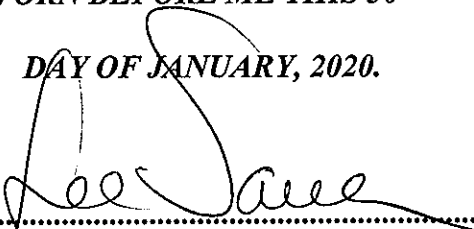
Act/Code	Description	Form	Date
CIA	ANNUAL RETURN 2018	1C	2019/06/02 (ELECTRONIC FILING)

THIS REPORT SETS OUT THE MOST RECENT INFORMATION FILED BY THE CORPORATION ON OR AFTER JUNE 27, 1992, AND RECORDED IN THE ONTARIO BUSINESS INFORMATION SYSTEM AS AT THE DATE AND TIME OF PRINTING. ALL PERSONS WHO ARE RECORDED AS CURRENT DIRECTORS OR OFFICERS ARE INCLUDED IN THE LIST OF ADMINISTRATORS.

ADDITIONAL HISTORICAL INFORMATION MAY EXIST ON MICROFICHE.

The issuance of this report in electronic form is authorized by the Ministry of Government Services.

*THIS IS EXHIBIT "B" TO THE
AFFIDAVIT OF MURRAY SNEDDEN
SWORN BEFORE ME THIS 30TH
DAY OF JANUARY, 2020.*


.....
A Commissioner Etc.

MARSHALLZEHR

— REAL ESTATE CAPITAL —

Tuesday September 20th, 2016

Fernwood Developments (Ontario) Corporation
5556 Fifth Line, RR1
Rockwood, ON
N0B 2K0

Attention: Rudi Zukowski & Jordan Zukowski

Dear Rudi and Jordan,

Re: 1st mortgage for land, servicing and construction costs for 94-unit townhouse development at 85 Sydenham Wells, Barrie, ON

Project Name: Georgian Meadows (School House) – MZGI 72 (the "Project")

THIS COMMITMENT LETTER SUPERSEDES OUR PRIOR COMMITMENT LETTER DATED DECEMBER 5, 2013 AND ITS THREE AMENDMENTS DATED MARCH 17, 2014, JULY 18, 2016 and AUGUST 23, 2016, that Commitment Letter, as amended, is referred to in this Commitment Letter as the "Prior Commitment Letter".

This commitment letter confirms that MarshallZehr Group Inc. (the "Lender") is prepared to provide financing (the "Loan") for the Project conditional on the terms and conditions contained in this letter agreement (the "Commitment").

I. LOAN

Borrower: Fernwood Developments (Ontario) Corporation (the "Borrower")

Guarantors: Rudi Zukowski & Jordan Zukowski together with such other related parties as the Lender may deem advisable (the "Guarantors").

Obligors: Means, collectively, the Borrower and the Guarantors and the "Obligor(s)" means any one of them.

Lender: MarshallZehr Group Inc. (the "Lender") and/or such other assignee or lenders as MarshallZehr Group Inc. may arrange to participate in the Loan.

Project: Those lands and premises described municipally as 85 Sydenham Wells, Barrie, ON and legally as Block 6, 51M-983, City of Barrie, County of Simcoe.

Loan Amount: \$15,450,000 ("Loan") to be advanced through multiple facilities as follows:

Tranche A (Construction):	\$ 10,500,000
Tranche B (Mezzanine):	\$ <u>4,950,000</u>
Total Loan Amount:	\$ 15,450,000

Tranche B (Mezzanine loan) shall be fully subordinate and postponed to Tranche A (Construction loan) and shall be fully advanced prior to any advance from Tranche A.

Tranche A is limited to \$10,500,000 with a re-advance clause. The Lender anticipates receipt of \$10,876,000 in cash proceeds from the sale of Blocks 5-6 (2 months into the advance of this loan).

As the cash receipts are received by Tranche A, these funds will become available for re-advance. Under the re-advance framework structure the total anticipated funds advanced throughout the project will be \$26,377,613 with the facility being capped at \$10,500,000 at any given period of time.

Purpose: 1st mortgage to refinance existing construction loan and fund costs to complete the project.

The Lender understands that the Project is to consist of the development of 94 residential townhouse units split between 6 blocks on a 4.03 acre site. Furthermore, the Lender understands that the Project is site plan approved and that the Borrower has already begun construction of 4 of the 6 blocks via the current 1st mortgage on the Project which has been provided by MarshallZehr. It is also understood that the Borrower has received reservations on 47 units in the project and that subject to receipt of a satisfactory deposit insurance agreement, the Borrower will be able to convert the reservations to firm and binding pre-sales.

**Sources and
Uses of
Funds:**

Uses	
Refinance Existing Debt	\$ 15,000,000
Hard Construction Costs	\$ 10,095,084
Development Charges	\$ 2,612,060
Tarion Cash Security	\$ 1,240,000
Finance Costs	\$ 2,558,969
Soft Costs	\$ 500,000
Total Uses	\$ 32,006,113
Sources	
Tranche A - Construction	\$ 26,377,613
Tranche B - Mezzanine	\$ 4,950,000
Deferred Fees	\$ 678,500
Total Sources	\$ 32,006,113

**Syndication
of the Loan:**

It is the Lender's intention to syndicate all or a portion of the Loan with other lenders on terms and conditions satisfactory to the Lender. All obligations of the Lender are conditional on successful syndication by the Lender. This Commitment shall be null and void if the Lender is unable to syndicate the Loan, and all fees less the Good Faith Deposit together with any due-diligence and legal costs incurred by the Lender, shall be returned to the Borrower. The Lender shall notify the Borrower within 21 days from the date of the Borrower signing this Commitment that the Lender has successfully syndicated this Loan. If the Lender is unable to provide the Borrower written confirmation that the Loan has been successfully syndicated within this time, it will be the sole option of the Borrower to terminate this agreement, in which case this Commitment will be null and void and all fees less the Good Faith Deposit together with any due-diligence and legal costs incurred by the Lender, shall be returned to the Borrower.

Initial Advance: The Loan shall be advanced in multiple draws as follows:

The first draw ("Draw 1" or the "Initial Advance") shall be in the principal amount of \$15,180,000 (SUBJECT TO CHANGE) and advanced upon satisfaction of the conditions contained herein and accompanied by the applicable Notice(s) contemplated by the Lender's Draw Notice (see Appendix D – Borrower Draw Notice). The initial advance will be funded by all of Tranche B with the remaining funds being released from Tranche A.

Refinance Existing Land:	\$ 15,000,000
Lender Fee:	\$ 150,000
Legals:	\$ <u>30,000</u>
	\$ 15,180,000

If applicable, subsequent draws (the "Progress Draws") shall be processed and based upon the progress of construction or another Lender approved costs in place, as hereinafter provided and accompanied by the applicable forms and Notices as attached hereto.

**Progress
Draws:**

All Progress Draws shall be funded against costs-in place upon the progress of the Project, and may only be drawn upon in accordance with this Commitment and the following:

- a) The Borrower shall request Progress Draws from time to time, but no more frequently than monthly, as required to fund the progress of the Project;
- b) Each Progress Draw shall be in an amount not less than \$100,000;
- c) Progress Draws in the aggregate (plus Draw 1) shall total the Loan Amount;
- d) The Lender shall have a period of not less than thirty (30) days from the date that a Progress Draw is requested in accordance with the requirements of Section 2.2 of this Commitment to fund and process the Progress Draw; and
- e) The Lender at its sole discretion may fund Progress Draws on behalf of the Borrower to fund the interest obligations of the Project.

**Interest
Adjustment**

Date: The "Interest Adjustment Date" or "IAD" shall be the 1st of the month provided that the Initial Advance occurs by the 25th of the month prior. If the Initial Advance occurs after the 25th and on or before the 10th of the month, the IAD shall be the 15th of the current or following month of the Initial Advance, whichever is next.

Cancellation: The Lender may on demand require immediate payment of all amounts outstanding or accrued in connection with this Commitment. The Lender may at any time, for any reason and without notice, cancel the undrawn portion of the Loan.

Term: Thirteen (13) months (commencing from the Interest Adjustment Date or IAD). Interest from the date of the Initial Advance to the IAD shall be deducted by the Lender from the Initial Advance.

Anniversary

Date: The anniversary date is defined as one year from the Interest Adjustment Date (IAD). The Lender may request compliance deliverables based on anniversary dates of the mortgage, or as the lender deems necessary in their sole discretion.

Interest Rate: Tranche A

Interest shall accrue at 9.5% per annum commencing on the date of the Initial Advance, calculated, compounded and payable monthly with interest only payments made from Progress Draws up to the budgeted amount, after which payments shall be made from the Borrower and/or the Guarantor's own resources.

Tranche B

Interest shall accrue at 14.0% per annum commencing on the date of the Initial Advance, calculated, compounded and payable monthly with interest only payments made from Progress Draws up to the budgeted amount, after which payments shall be made from the Borrower and/or the Guarantor's own resources.

Wrap Up

Period: The final month of the Term, or the Renewal Term if renewed pursuant to the renewal provision contained herein, shall be the beginning of the Wrap Up Period, and bear interest at twice the Interest Rate, for Tranche A being 19.0% per annum, calculated, compounded and payable monthly thereafter. Tranche B being 28.0% per annum, calculated, compounded and payable monthly thereafter.

Time and

Place of

Payments:

Payments are to be made to the Lender at its offices at Suite 206, 465 Phillip Street, Waterloo, Ontario no later than 1:00 p.m. on the date scheduled for payment. Payments made after such time shall be treated as having been received on the next business day. Payments made after the date scheduled for payment must be made by certified cheque or bank draft. Whenever any payment is due on a day that is not a business day, then such payment will be due on the next business day, and interest will accrue to such business day. Any NSF Cheques will incur a fee of \$500.

- Principal Payments:** There shall be no regularly scheduled principal repayments and the entire outstanding principal amount shall become due and payable at maturity.
- Partial Discharges:** Provided that the Borrower is not in default, the Lender shall provide partial discharges of Project units on the closing of a unit sale transaction provided the Borrower pays the Lender Net Sales Proceeds of each sale. Net Sales Proceeds is defined as the sale price of the unit less deductions for deposits (used in the Project's financing) and any payments on account of principal required to be made to a permitted prior lender, if any, to obtain a partial discharge of its security, normal sales commissions, and legal costs. The Borrower will pay the Lender an administration fee of \$250 and its solicitor's reasonable legal fees in respect of the preparation of the discharge for each partial discharge requested by the Borrower. In the event of Default, the Lender shall not be obligated to provide partial discharges.
- Partial Discharge proceeds will be allocated as follows:
1. Accrued and unpaid interest on Tranche A and Tranche B
 2. Deferred Lender Fee - \$7,315 per unit discharge until Deferred Lender Fee paid in full
 3. Principal on Tranche A until paid in full
 4. Principal on Tranche B
- Final Discharge Fee:** The Borrower will pay the Lender an administration fee of \$500.00 and its solicitor's reasonable legal fees in respect of the preparation of the final discharge of this mortgage.
- Prepayment:** Subject to any partial discharge provisions, the mortgage may be prepaid in whole or in part at any time or times on the following terms:
- a) At least 60 days prior written notice is given to the Lender in the form provided in Appendix E – Repayment Notice
 - b) No pre-payment shall be in an amount of less than \$100,000 without consent of the Lender
- Renewal:** Provided the Borrower is not in default of any of its obligations under this Commitment or under any Lender security, the Lender will offer one 6 month extension option with 60 days written notice prior to the end of the Term (a "Renewal Term"). The interest will be calculated and compounded at the same rate as the original Term of this mortgage. The extension is open for repayment at any time, within the Renewal Term with 60 days' notice. The Borrower shall pay a renewal fee (the "Renewal Fee") of one (1.00%) percent of the borrowed amount, or of the outstanding balance if the Loan has been advanced and repayment has begun, and such shall not be effective unless the Renewal Fee is paid in full. A subsearch will be conducted by the Lender's solicitor upon the acceptance of this renewal letter at the Borrower's expense. The Borrower will be responsible for any reasonable costs associated with the extension.
- Fees:** The Borrower shall pay the following Lender fees to the transaction mortgage broker, MarshallZehr Group Inc.:

Lender Fee: \$150,000.00, the Lender Fee, shall be deducted from the Initial Advance.

Advance

Fee: 1.0% of the amount being advanced from Tranche A, after the initial advance, shall be deducted from Progress Draws and payable to MarshallZehr Group Inc.

Deferred

Lender Fee: \$687,500, the Deferred Lender Fee, shall be fully earned by the Lender on execution of the Commitment. \$7,315.00 per town-house unit shall be payable immediately upon the closing and discharge of each individual unit payable from the net sales proceeds of said unit. The Deferred Lender Fee shall be added to the Principal amount of the Charge and be so secured by the Charge.

Admin

Fee: An additional fee of \$5,000 payable to MarshallZehr Group Inc. will be paid by the Borrower at closing of the initial advance in order to complete the FSCO required documentation.

Expenses: All reasonable expenses of the Lender and the Borrower shall be paid by the Borrower including (but not limited to), the cost of any third party reports and all legal costs regardless of whether the Borrower proceeds with the transaction and any costs of recovery of unpaid amounts should that be necessary. Upon request the Lender shall provide an estimate of the legal fees to be incurred by the Lender. Regardless, the Borrower is responsible for all reasonable legal fees incurred by the Lender.

Draw Request: The Borrower agrees to pay \$250 to the Lender as an administrative fee (the "Draw Fee") in conjunction with each request for a Progress Draw (the "Draw Request").

Subordinate

Financing: No additional financing will be permitted without the prior written consent of the Lender and in the event of a default under this restriction, the entire principal, interest, fees and all other amounts under the Commitment and security issued pursuant thereto shall become immediately due and payable.

Should additional subordinate financing be placed by the Borrower on the consent of the Lender, such consent will be conditional upon the secondary lender entering into a postponement, subordination and standstill agreement that requires the secondary lender to issue zero dollar discharges to the Lender and Borrower within 2 business days of being requested and requires complete cooperation in executing all postponements and consents as may be required to advance the development of the Project. Any discharge greater than zero shall require prior consent from the Lender. Failure to comply shall be considered a default by the Borrower.

**Maximum
Rate of
Return:**

The parties agree that notwithstanding any agreement to the contrary, no interest on the credit advanced will be payable in excess of that permitted by the laws of Canada. If the effective annual rate of interest calculated in accordance with generally accepted actuarial practices and principles would exceed sixty (60) percent (or such other rate as the Parliament of Canada may deem from time to time as The Criminal Rate) on the credit advance, then (1) the amount of any fees, bonus, commissions or like charges payable in connection therewith will be reduced to the extent necessary to eliminate such excess; (2) any remaining excess that has been paid will be credited toward prepayment of the credit advanced; and (3) any overpayment that may remain after such crediting will be returned forthwith upon demand. In this paragraph the terms "interest", "Criminal Rate" and "credit advanced" have the meaning ascribed to them in Section 347 of The Criminal Code; and "credit advanced" has the same meaning as "Loan" referred to elsewhere in this Commitment.

**Administration
Fee Payable
on Default:**

In the event of a default by the Borrower or any Guarantor in their respective obligations under this Commitment, Loan or Security that is not cured within the timeframes set out herein, the Lender shall, notwithstanding anything contained herein to the contrary, be entitled to receive in addition to all other fees, charges and disbursements, an administration and management fee in the amount of \$5,000.00 for each month or part thereof that the Borrower and/or any Guarantor is in default of its obligations under the Commitment, Loan or Security. The said sum or sums are agreed to be liquidated damages to cover the Lender's administration and management costs and are not intended nor shall they be construed as a penalty. All such sums payable to the Lender shall be a charge upon the Project and its assets and interest shall accrue thereon as if they were Loan principal.

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II. TERMS AND CONDITIONS

The Loan terms and conditions shall be such terms and conditions as the Lender may from time to time require and shall include, but not be limited to the following:

2.1 Initial Funding Conditions

The Lender shall not be required to advance any funds prior to the Borrower having fulfilled to the Lender's satisfaction the following conditions:

- a) All the Security and ancillary loan agreements and documents and opinions shall have been executed and delivered to the Lender or its solicitors and registered where and as required.
- b) The Lender shall have satisfied itself with the financial performance and condition of the Borrower and each of the Guarantors in the Lender's sole discretion. Each of the Borrowers and Guarantors shall provide within five business days of the date of execution of this Commitment, at a minimum, external accountant prepared financial statements and corporate Notice of Assessments for its two most recently ended fiscal years. Each of the personal Obligors shall provide within five business days of the date of execution of this Commitment, at a minimum, the Lender's form of Personal Net Worth Statement, Notices of Assessment received from the Canada Revenue Agency with respect to their respective income tax filings for the two most recently ended taxation years, and the Lender's form of Mortgage Application. To facilitate the Lender's due diligence regarding the creditworthiness of the Obligors, each of the Obligors shall authorize the Lender to conduct credit checks and authorize each of the financial institutions with which the Obligors deal to release any and all information reasonably required and requested by the Lender to adequately assess the credit worthiness of each respectively.
- c) The Borrower shall deliver to the Lender within five business days of the acceptance of this Commitment for the Lender's satisfactory review and acceptance the following:
 - i. A copy of the Purchase and Sale Agreement (and any subsequent amendments or side letters related thereto) and statement of adjustments for the purchase by the Borrower of the Project Lands confirming a purchase price of not less than \$4,000,000 (received).
 - ii. A soils-test/geotechnical report (load bearing capacity) by a professional engineer as is acceptable to the Lender demonstrating to the satisfaction of the Lender that the proposed construction and site improvements of the Project are feasible under existing soil conditions, together with evidence that the construction specifications for the Project provide for construction in compliance with such conditions and with the recommendations, if any, which may be contained in such soils-test/geotechnical report (received).
 - iii. A satisfactory Phase 1 Environmental Site Assessment Report (and further Environmental Site Assessment Reports, Environmental Remediation Plans or a Record of Site Condition, if necessary) conducted and prepared by a consultant approved by the Lender together with a Letter of Transmittal from the consultant permitting the Lender to rely on the Assessment Report (and the subsequent environmental reports, if any). If deemed necessary by the Lender in their sole discretion, these reports and the Project will be reviewed by a separate environmental professional engaged by the Lender at the Borrower's expense and the Borrower will provide an appropriate Emergency Response Plan for the Project and related activities (received).
 - iv. A survey of the Project by an Ontario licensed land surveyor showing the relationship of the lands to public thoroughfares for access purposes; and indicating no encroachments, easements or rights of way, save and except those that do not encroach or hinder the Borrower's ability to construct the project in accordance with the proposed site plan which the Lender may specifically accept. If no survey is available at the time of the Initial Advance, the Lender in its sole discretion may rely upon the title insurance policy to be obtained in connection with the Loan (received).

- v. MZG or a related party may post two MZG signs at the Borrower's expense (on each main street).
 - vi. A Project budget prepared by the Lender's quantity surveyor satisfactory to the Lender. The Lender and its quantity surveyor, in their sole discretion, shall be satisfied
 - a) that the budgeted hard and soft Project costs (including financing and contingency costs) shall be sufficient to complete the Project as planned;
 - b) all sources and uses of cash are acceptable;
 - vii. A detailed project schedule outlining the time to complete the various stages and phases of the Project, acceptable to the Lender.
 - viii. Copy of the most recent Disclosure Statement and attachments as required by the Condominium Act, 1998 to be provided to prospective unit purchasers.
 - ix. The Borrower's Tarion Warranty application and confirmation a Tarion Warranty certificate for the Project will be issued within 30 days of posting the required security deposit.
- d) The initial Loan to Value ratio at the time of the Initial Advance, as determined in the Lender's sole discretion, shall not be greater than 95%. For the purpose of calculating the loan to value ratio in the absence of current market values;
- a) The Loan amount shall include all debt obligations including all senior ranking and unapproved subordinate debt and outstanding Project accounts payable.
 - b) Value shall be calculated by utilizing the Appraised Value at the time of the Initial Advance as per the Appraisal provided per the initial transaction underwriting unless otherwise agreed to by the Lender. In the case of unsold lots, the value shall be calculated as per the methodology used by the Appraisal. For [units] under construction, the Appraised Value shall be the Estimated Value of the [unit] upon completion less the cost to complete including financing costs as per the methodology used by the Appraisal less the expected profit margin.
- e) The initial Loan to Cost ratio at the time of the Initial Advance, as determined in the Lender's sole discretion, shall not be greater than 98%. For the purpose of calculating the loan to cost ratio in the absence of current market values;
- a) The Loan amount shall include all debt obligations including senior ranking and unapproved subordinate debt and outstanding Project accounts payable.
 - b) Cost shall be determined by utilizing the Net Cost to Date per the Lender approved Cost Consultant's report unless otherwise adjusted and agreed to by the Lender.
- f) Confirmation satisfactory to the Lender that all property taxes for the Project are current and have been paid.
- g) Officers' Certificate and Loan Compliance Certificate in the form provided in Appendix A and B.
- h) Anti-Money Laundering Compliance documentation to be completed; Agent Examination of Identification Form will be provided to the Borrower's lawyer with the closing documents. (to be completed by the Borrower and each Guarantor, the Identification of all authorized signatories as outlined on the Director's Resolution, to a maximum of three must be obtained).
- i) Evidence of the existence, details and signing authorities related to a separate Project specific bank account through which all Project related transactions will flow.
- j) Such other matters as the Lender may deem appropriate and necessary to satisfy itself of the Project's viability, the Borrower's creditworthiness and the ability of the Borrower and Guarantors to fulfil their obligations herein.

2.2 Funding Conditions for Progress Draws

The Lender shall not be required to advance any Progress Draws to the Borrower prior to the Borrower having fulfilled to the Lender's satisfaction the following conditions at the time of each and every advance:

- a) It is agreed that the Lender shall retain the services of a professional Cost Consultant, Quantity Surveyor and/or a Payment Certifier to monitor progression of the Project. The Borrower agrees to assist and cooperate with such a surveyor in order to allow for timely reporting to the Lender. A detailed report shall be provided to the Lender a minimum of five (5) business days prior to funding. This reporting will be at the expense of the Borrower.
- b) Officer's Certificate and a Loan Compliance Certificate in the form provided in Appendix A certifying that no default has occurred and is continuing at the time of any advance and a Compliance Certificate provided in Appendix B providing details on financial calculations necessary to determine compliance with the terms of the Agreement.
- c) A title search will be conducted with each advance of the Loan. The title search and solicitors' fees and expenses applicable thereto are at the Borrower's expense and shall be deducted from the Progress Draw by the Lender.
- d) Confirmation that the Borrower's Tarion Warranty is still in effect
- e) The Borrower shall sign a Statutory Declaration indicating it is in compliance with the requirements of the Construction Lien Act and that all funds provided by the Borrower shall be used to pay Project expenses as outlined in the draw request.
- f) Each draw request shall be provided to the Lender in a form outlined in Appendix D and shall be provided to the Lender with a minimum of [thirty (30)] business days' notice prior to expected payment.
- g) Progress Draws are to be made by way of progress advances no more frequently than monthly and shall reference the original budget agreed to in Section 2.1., the funds paid to date, and any revisions to the original budget and shall only be used to pay Project specific costs provided for in the approved Project Budget as follows:
 1. For drawdowns against soft costs, each draw would be supported by a monthly summary of costs to date.
 2. For drawdowns against hard costs, each draw would be supported by the Lender's cost consultant acting as Project cost consultant, which indicates the amount of work in place, the cost to complete and that the work in place is in accordance with approved plans and specifications. The Lender shall deduct an amount from each Progress Draw equal to the Cost Consultant's invoiced amount associated with preparing their report for the Progress Draw.
 3. Applicable holdbacks equal to 10% of the hard construction costs will be withheld in accordance with the Construction Lien Act of Ontario.
 4. Subsearches will be conducted by the Lender's solicitor in conjunction with every Progress Draw.
 5. The undrawn portion of the Loan will exceed the Borrower's cost to complete, accounts payable including outstanding cheques and holdbacks and expected financing costs.
 6. The Borrower will ensure compliance with all aspects of the Construction Lien Act and any other governmental requirements.
 7. The Borrower will immediately infuse, upon the Lender's request, funds required to cover any and all cost overruns beyond the original budget.

The Lender will be under no obligation to advance further Borrowings if at any of the funding conditions and timelines outlined in 2.2 are not met.

The Borrower and the Guarantors will be jointly and severally liable to immediately cover any such deficiency as soon as it arises or is identified by the Lender. As used herein "Potential Prior Ranking Claim" means all amounts owing or required to be paid, where the failure to pay such amount could give rise to a claim pursuant to any law, statute, regulation or otherwise, which ranks or is capable of ranking in priority to the lender's security or otherwise in priority to any claim by the Lender for repayment of any amounts owing under this Commitment letter.

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III. SECURITY TO BE DELIVERED

The Borrower shall deliver the following security (the "Security") duly registered where applicable (subject only to the Primary Lender's security) and all in the form and on the terms acceptable to the Lender's solicitors. Existing security held by the Lender pursuant to our Prior Commitment Letter dated December 5, 2013 will stand as security under this commitment letter where the Lender's solicitors determine that it is sufficient for the purposes of this commitment letter.

- a) ~~Mortgage – A 1st mortgage in the amount of \$17,500,000 on the Georgian Meadows (School House) - MZGI 72 Project and property plus any accrued contingent payments. The mortgage will be registered at the wrap up rate of interest, being 28.0%.
Note: This charge may be provided for by way of an amendment to the existing charge in favour of the Lender registered over the 85 Sydenham Wells, Barrie property on December 19, 2013 as Instrument No. SC1107324.~~
- b) **GSA – General Security Agreement** over all of the assets and undertaking of the Borrower and each corporate Guarantor, if any.
- c) **General Assignment of all leases and rents with respect to this project.**
- d) **Guarantees – Unlimited joint and several guarantees** from each of the guarantors.
- e) **Environmental – An Environmental Undertaking and Indemnity and Checklist** from the Borrower in such form as the Lender shall require.
- f) **Security Opinion – A favourable Letter of Opinion** from the Lender's solicitor confirming the validity and enforceability of the Lender's security.
- g) **Insurance – Proof of appropriate Insurance** and an assignment of insurance satisfactory to an insurance professional engaged on behalf of the Lender. In addition, a certificate of insurance showing the Lender as additional insured on any required insurance, and Commercial Liability coverage of not less than \$5,000,000.
- h) **Title Insurance – Satisfactory title insurance.**
- i) **Taxes – Borrower provides satisfactory proof** that taxes are current.
- j) **Postponement – Postponement, Subrogation and Assignment** from the shareholders of the Borrower (and such other creditors as the Lender may require upon completion of its due diligence) of all indebtedness owed by and claims against the Borrower to and by the shareholders to the indebtedness and claims of the Lender.
- k) **General Assignment – General Assignment and Transmittal Letters** from the authors of all project plans, specifications, drawings and permits, all architectural, engineering, general contractor and construction contracts and copies of all third party purchase and sale agreements and deposits for individual units sold together with any other rights, interests and obligations of any kind respecting the Project and reasonably necessary for the completion of the Project as contemplated by the Lender on a default by the Borrower.
- l) **Preauthorized Payment – If required by the Lender** such preauthorized payment documentation necessary to authorize the Lender to debit directly from the Borrower's account amounts due under the Commitment and Loan.
- m) **Deficiency Agreement – Joint and Several Deficiency Agreement** executed by the Borrower and the Guarantors agreeing to fund costs not included or in excess of forecasted expenditure.
- n) **Assignment of Purchaser Deposits – Such assignments of purchaser's deposits** as the Lender and its solicitor's may reasonably require provided, the Borrower shall be permitted to inject the deposit funds into the Project in respect of direct Project construction costs.
- o) **Further Security – Such further security, guarantors and ancillary documents and agreements** as the Lender or its solicitors may, acting reasonably, deem necessary to adequately secure the Loan obligations and complete and perfect the Security.

IV. BORROWERS COVENANTS

The Borrower and, where applicable, each of the Guarantors covenants as follows and a breach of any covenant shall be a default under the terms of the Security:

4.1 Affirmative Covenants

So long as any amount under the Loan is outstanding or available, the Borrower covenants and agrees with the Lender that unless the Lender otherwise consents in writing:

- a) **Punctual Payment** – The Borrower shall duly and punctually pay the principal of all Advances made to it under the Loan, all interest thereon and all fees and other amounts required to be paid by the Borrower hereunder in the manner specified hereunder.
- b) **Corporate Existence and Conduct of Business** – The Borrower shall, and the Borrower shall cause the Guarantors to, maintain their respective corporate existences in good standing and do or cause to be done all things necessary to keep in full force and effect all properties, rights, franchises, licences and qualifications to carry on business in any jurisdiction in which it or they carry on business and each of the Borrowers shall, and the Borrower shall cause the Guarantors to, maintain all of its or their respective properties and assets consistent with industry standards.
- c) **Compliance with Legislation** – The Borrower shall do or cause to be done, and the Borrower shall cause the Guarantors to do or cause to be done, all acts necessary or desirable to comply with all material Applicable Laws, including, without limitation, all Requirements of Environmental Law and to preserve and keep in full force and effect all franchises, licences, rights, privileges and permits necessary to enable each of the Obligor to operate and conduct their respective businesses in accordance with standard industry practice and to advise the Lender of any anticipated changes, loss or sale of such franchises, licences, rights, privileges and permits.
- d) **Material Litigation** – The Borrower shall promptly give written notice to the Lender of any litigation, proceeding or dispute affecting it or any of the other Obligor if the result might, in such Borrower's bona fide opinion, have a material adverse effect on the financial condition or operations of any of the Obligor or any of its Subsidiaries and from time to time furnish to the Lender all reasonable information requested by the Lender concerning the status of any such litigation, proceeding or dispute.
- e) **Financial Statements and Other Information** – The Borrower shall deliver, or cause to be delivered, to the Lender:
 - i. **Annual Financial Statements of the Borrower** – as soon as available and, in any event, within one hundred and twenty (120) days after the end of each of its Fiscal Years, copies of the Borrower's external professional accountant prepared annual financial statements on a consolidated basis in each case consisting of the balance sheet, statement of profit and loss and surplus and statement of changes in financial condition for each such year, together with the notes thereto, all prepared in accordance with Generally Accepted Accounting Principals ("GAAP") consistently applied;
 - ii. **Annual Financial Statements of the Guarantors** – as soon as available and, in any event within one hundred and twenty (120) days after the end of each fiscal year of each Guarantor, copies of such Guarantor's, as the case may be, externally professional accountant prepared annual financial statements on an unconsolidated basis, in each case consisting of the balance sheet, statement of profit and loss and surplus and statements of change in financial condition for each such period, all in reasonable detail and stating in comparative form the figures for the corresponding date and period in the previous fiscal year prepared and certified by such Guarantor's, Chief Executive Officer or Chief Financial Officer, without personal liability;

- iii. **Quarterly Financial Statements of the Borrower** – as soon as available and, in any event within thirty (30) days after the end of each of its first, second and third Fiscal Quarters, copies of the Borrower's internally prepared quarterly financial statements on a consolidated basis, in each case consisting of the balance sheet, statement of profit and loss and surplus and statement of changes in financial condition for each such period all in reasonable detail and stating in comparative form the figures for the corresponding date and period in the previous Fiscal Year prepared and certified by its Chief Executive Officer or Chief Financial Officer, without personal liability;
- iv. **Quarterly Compliance Certificates** – as soon as available, and in any event, within thirty (30) days of the end of each Fiscal Quarter, an Officer's Certificate and a Loan Compliance Certificate as provided in Appendix A and B of this agreement, of the Borrower certifying as to:
 - a) the extent of compliance by the Borrower with the financial covenants set forth in Section 4.2, (together with the calculations and all supporting documentation relating thereto);
 - b) no Default or Event of Default having occurred and continuing; and
 - c) the representations and warranties contained in Article IV continuing to be true and accurate in all material respects;
- v. **Quarterly Project Operating Reports** – as soon as available, and in any event, within thirty (30) days after the end of each Fiscal Quarter, a project operating report will be submitted to the Lender. This report will outline costs to date, costs to complete, land held for development, pre-sales order book, homes under construction, closed transactions, expected closings and associated timing and photos of the project. This will also include assistance and verbal updates for the Lender or any representative performing site visits at the Borrower's expense. This written operating report should be in the form provided in Appendix F, with substance and detail satisfactory to the Lender, acting reasonably. Such report to be delivered in conjunction with the financial statements and certificates delivered pursuant to Section 4.1(e); and
- vi. **Quarterly Property Taxes** - The Borrower shall ensure that all property taxes and any other taxes applicable to the Project have been paid at all times when due except if such taxes are Permitted Encumbrances. On each tax installment date, the Borrower will provide to the Lender proof that all taxes are current.
- vii. **Monthly Project Specific Bank Account Statements** - as soon as available, and in any event, within five (5) days after the end of each calendar month, the bank statement detailing the activity in the Project specific bank account which will only contain activity relating to the Project;
- viii. **Project Bank Account Control** - at the Lender's discretion, the Borrower may be required to open a Bank Account which provides access and controls to ensure that only Lender approved activity flows through the account. Any fees related to this service will be to the account of the Borrower.
- ix. **Project Budget** - as soon as available, and in any event, within ninety (90) days prior to the end of each Fiscal Year a Project Budget for the immediately following two Fiscal Years for the Project;
- x. **Insurance** – On each anniversary date of the mortgage, the Borrower will provide to the Lender, a certificate of insurance and policy from its insurance broker indicating that all insurance required by the Lenders and is still in effect and the related Insurance Policies.
- xi. **Personal Net Worth Statements** – On each anniversary date of the mortgage, the personal Obligors will provide to the Lender, an updated personal net worth statement with supporting documentation.

- xii. **Corporate Notice of Assessment** – Corporate Obligors, shall provide the Lender with their respective Notice of Assessments within 60 days of filing their income tax or no later than August 31st of each year, for the most recently ended taxation year.
 - xiii. **Personal Notice of Assessment** – Personal Obligors, shall provide the Lender with their respective Notice of Assessments by June 30th of each year, for the most recently ended taxation year.
 - xiv. **Other** - at the request of the Lender, such other financial statements, reports, certificates, projections of income and cash flow or other matters affecting any of the Project, the Property Interest, any Obligor's business, affairs or financial condition as the Lender may reasonably request.
- f) **Rights of Inspection** – At any reasonable time and from time to time upon reasonable prior notice, the Borrower shall permit and cause each of the other Obligors to permit, the Lender or any representative(s) thereof, at the expense and risk of the Borrower, to examine and make copies of and abstracts from the records and its physical and computer books of account with respect to the Project and the Property Interests and to visit and inspect the Project and to discuss the affairs, finances and accounts of it with any of its officers, senior employees or managers (but not tenants, if applicable).
- g) **Project Specific** – The Borrower shall:
- i. comply in all relevant aspects with the provisions of the Construction Lien Act;
 - ii. as and when requested by the Lender, provide to the Lender complete bank records relating to all holdbacks including cancelled cheques, bank statements and completion certificates as the Lender may reasonably require;
 - iii. grant to the Lender the right and authority for the Lender to obtain all information relative to the holdback account(s) from the financial institution(s) where the holdback(s) is/are retained;
 - iv. provide a covenant that the Borrower will supply to the Lender a statutory declaration in conjunction with each advance under the mortgage, confirming the status of the holdback account(s) as at the date of the statutory declaration;
 - v. substantially complete the Project in accordance with Lender approved plans, specifications, project budget and construction schedule, pay its taxes, protect its properties by contest of adverse claims, maintain required insurance, perform its obligations under contracts and agreements, obtain all necessary approvals for construction and use of the Project, comply with all governmental rules and regulations, permit reasonable inspections, by the Lender and its agents of the Project and all records pertaining to the Project. It is agreed that the Lender shall retain the services of a quantity surveyor to monitor the Project at the expense of the Borrower and the Borrower covenants to assist and cooperate with such surveyor.
 - vi. shall make and ensure that all payments due to the architect, general contractor, all contractors, sub-contractors and all other suppliers of materials and services of any kind to the Project are made when and as they become due in compliance with the terms of their respective contracts and the provisions of the Construction Lien Act.
 - vii. shall ensure that no liens are registered against the Project or its assets and will immediately move to have same vacated if registered
- h) **Insurance**
- i. The Borrower shall maintain or shall cause to be maintained appropriate insurance coverage as agreed with the Lender or any insurance consultant engaged by the Lender to assess the required coverage during the Project. The following shall be provided with respect to insurance on the Project:

- a) Proof of appropriate Commercial Liability Insurance and an assignment of insurance. A certificate of insurance showing the Lender as additional insured, and coverage of not less than \$5,000,000.
 - b) Builders' all risks property insurance in connection with the Project, including rental loss insurance (if applicable) with responsible and reputable insurance companies in such amounts equal to 100% of replacement value
 - c) If applicable, boiler and pressure vessel insurance including rental loss, for such amount as may be acceptable to the Lender, all with such deductibles as are customary in the case of businesses of established reputation engaged in the same or similar businesses and in any event as are acceptable to the Lender. The Lender shall be added as an additional insured to the liability policies.
 - d) Other insurance as the Lender's Insurance Consultant may deem necessary given the nature of the Project. The amount of coverage required shall be reasonably determined by the Lender's Insurance Consultant.
- ii. All such insurance policies shall:
- a) name the Lender as a mortgagee thereunder as its interest may appear;
 - b) name MarshallZehr Group Inc. as additional insured;
 - c) have attached the Insurance Bureau of Canada standard mortgage clause;
 - d) provide that no cancellation, termination or adverse amendment thereof shall take effect unless the insurer concerned has given the Lender not less than thirty (30) days prior written notice of such proposed action;
 - e) provide that proceeds of all insurance for physical damage and rental losses aggregating \$1,000 or more shall be payable to the Lender or as it may direct; and
 - f) otherwise be in such form as the Lender shall reasonably require.;
- iii. So long as no Event of Default has occurred and is continuing, the proceeds of all insurance relating to physical damage and rental losses:
- a) if the total amount thereof does not exceed \$1,000, shall be payable directly to the Borrower to be applied by the Borrower in repairing the damage or destruction or replacing property in respect of which the insurance is payable; and
 - b) if the total amount thereof exceeds \$1,000, shall be, with the approval of the Lender:
 1. applied in reduction of amounts outstanding hereunder; or
 2. released to the Borrower subject to compliance with such conditions as the Lender may require.
- iv. If an Event of Default has occurred or is continuing, the proceeds of all insurance relating to physical damage and rental losses shall be payable to the Lender to be applied by it in reduction of the amounts outstanding hereunder.
- v. The proceeds of all insurance held by the Lender shall, unless and until the same are applied or released to the Borrower as aforesaid, constitute continuing collateral security for the Borrower's obligations and liabilities in respect of amounts outstanding hereunder. The Lender shall place such funds in an interest-bearing account and interest thereon shall accrue to the benefit of the Borrower.
- vi. In the event that the Lender shall not be obligated hereunder to apply the proceeds of insurance to pay for the cost of repairing the damage or destruction to or replacement of the property in respect of which the insurance is payable and the Lender elects to apply the proceeds of insurance to amounts owing by the Borrower hereunder, each of the Borrower (on its own behalf and on behalf of each of the Guarantors), hereby irrevocably waives any and all statutory provisions which may require that proceeds of insurance be used to restore or rebuild the Property.

- vii. The Borrower shall deliver or cause to be delivered to the Lender, certificates of insurance signed by the insurers, or other evidence satisfactory to the Lender, acting reasonably, of the insurance coverage required hereunder, including certificates of renewal as soon as they are available.

Insurance Consultant: The Borrower acknowledges that all policies of insurance shall be subject to review and approval by an insurance consultant acting on behalf of the Lender and the Borrower agrees to pay for the consultant's fees in connection with such review upon registration of the mortgage and for each insurance renewal throughout the term of the mortgage.

- i) **Notices** – The Borrower shall promptly give notice to the Lender of:
- a) any fire or other casualty or any notice of expropriation, action or proceeding materially affecting any Project;
 - b) all claims, proceedings, suits, actions or litigation in respect of any Obligor or the Project (whether or not any such claim, proceeding, suit, action or litigation is covered by insurance) which, if determined adversely, could have a Material Adverse Effect; the occurrence of any Default or Event of Default;
 - c) any other matter or event that has a Material Adverse Effect.
- j) **Use of Advances** - The Borrower shall use all Advances made to it for the specific purposes set out in the Loan.
- k) **Taxes** – On each anniversary date of the mortgage, the Borrower will provide to the Lender proof that the taxes are current
- l) **Payment of Taxes, etc.** - The Borrower shall, and the Borrower shall cause each of the Guarantors to, from time to time:
- i. pay or cause to be paid all rents, Taxes, rates, levies or assessments, ordinary or extraordinary, governmental fees or dues, lawfully levied, assessed or imposed upon any Obligor or any of the assets of any Obligor, as and when the same become due and payable;
 - ii. withhold, deduct and collect all Taxes required to be withheld, deducted and collected by it, and remit such Taxes to the appropriate Governmental Authority at the time and in the manner required; and
 - iii. pay and discharge all obligations incidental to any trust imposed upon it, by statute which, if unpaid, might become an Encumbrance upon any of the Properties,
- except when and so long as any such rents, Taxes, rates, levies, assessments, fees, dues or obligations constitute a Permitted Encumbrance and the validity thereof is in good faith being contested by such Obligor.
- m) **Material Documents, Leases and Permitted Encumbrances** - The Borrower shall ensure that all Material Documents and Permitted Encumbrances are kept in good standing in all material respects and will advise the Lender forthwith after being so notified of a material breach or alleged material breach of any Material Documents or Permitted Encumbrances. It will ensure that it does not default under any Major Lease related to any Property and will advise the Lender forthwith after being so notified of a material breach of any Major Lease.
- n) **New Material Documents** – The Borrower will promptly advise the Lender if any Obligor enters into any agreement which could reasonably be expected to be a Material Document and shall provide a copy of such agreement to the Lender.
- o) **Security** – The Borrower shall, and the Borrower shall cause each of the Guarantors to, provide the Security contemplated hereunder, perfected to the satisfaction of the Lender.
- p) **Environmental Law** – The Borrower shall, and the Borrower shall cause each of the Guarantors to, with respect to each Project:

- i. notify the Lender promptly of any event or occurrence that will, or is likely to, give rise to an inquiry or investigation, or any legal proceeding, relating to, or a violation of, the Requirements of Environmental Law;
 - ii. provide the Lender, on request, such information, certificates or statutory declarations, and shall conduct such environmental audits or site assessments, as may be reasonably necessary to ensure the compliance with all Requirements of Environmental Law; and
 - iii. execute, and cause each of the Guarantors to execute, all consents, authorizations and directions to appropriate Governmental Authorities that are required to permit the inspections mandated by law of each of the Properties or the property and the release to the Lender, or its representatives, of information relating to the assets or undertakings of each Obligor. The Borrower hereby irrevocably constitutes and appoints, and the Borrower shall cause each Guarantor to irrevocably constitute and appoint, the Lender the true and lawful attorney of the such Borrower or such Guarantor, as the case may be, with full power of substitution, to execute any of the foregoing consents, authorizations and directions; provided however that such power of attorney shall only be exercised during the continuance of an Event of Default.
- q) **Maintain Security** – The Borrower will fully and effectually maintain and keep the Security valid and effective at all times during the continuance of this Agreement, and it will not permit or suffer the registration of any debt, lien, privilege or Encumbrance whatsoever other than Permitted Encumbrances and the Security (including the Existing Security), whether of workmen, builders, contractors, engineers, architects or suppliers of material, on or in respect of any Property (except such liens which only affect or purport to affect a tenant's interest in the Property), provided that the registration of any construction lien or privilege shall not be deemed to be a breach of this covenant if the Borrower shall contest same and shall if the Lender so requires, give security to the satisfaction of the Lender for the due payment of the amount claimed in respect thereof and provided further that nothing herein will require the Borrower to renew or amend financing statements filed under personal property security statutes.
- r) **Operation and Repair** – Except as otherwise permitted herein, the Borrower will ensure the diligent management and operation of each of the Properties and repair and keep in repair and good order and condition, or cause to be so repaired and kept in repair and good order and condition, all buildings, structures, plant, machinery and equipment used in or in connection with each of the Properties and which are necessary in connection with the efficient operation of such business and undertaking up to a modern standard of usage and, subject to the provisions of this Agreement, renew and replace, or cause to be renewed or replaced all and any of the same which may be worn, dilapidated, unserviceable, inconvenient or destroyed, even by a fortuitous event, fire or other cause, and at all reasonable times allow, and cause the Guarantors to allow, the Lender or its representative access to each of the Properties in order to review the state and condition the same are in.
- s) **Payment of Preferred Claims** – The Borrower shall, and the Borrower shall cause each of the Guarantors to, from time to time pay or cause to be paid, all amounts related to taxes, wages, workers' compensation obligations, government royalties or pension fund obligations and any other amount which may result in an Encumbrance against the assets of any Obligor arising under Applicable Law.
- t) **Maintain and Operate** – The Borrower will diligently maintain, use and operate or will cause to be maintained, used and operated the Property Interest and the Project, in a proper and efficient manner so as to preserve and protect the Property Interest and each of the Properties.

- u) **Lease Attornment** – Subject to the requirements, if any, within any Leases for the Lender to execute and deliver non-disturbance agreements, the Borrower agrees, at the written request of the Lender, to use all reasonable commercial efforts to obtain from the tenants under such Leases and deliver to the Lender such instruments of attornment, postponement or subordination as the tenants under such Leases are required to provide and as the Lender may reasonably request in a form acceptable to the Lender, acting reasonably, and which is otherwise consistent with the terms of such Leases.
- v) **Expropriation** – Any awards or payments received by an Obligor for expropriation of any Project Lands, or any part thereof, which are, in respect of any single payment or award, equal to or greater than \$1,000 shall, unless the Lender otherwise agrees, be forthwith paid to the Lender to repay amounts outstanding up to the amount outstanding hereunder at such time.

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4.2 Financial Covenants

So long as any amount payable hereunder is outstanding or the Loan is available hereunder, the Borrower covenants and agrees with the Lenders that, unless the Lender otherwise consents in writing:

- a) **Project Debt to Value Ratio (LTV)** – The Borrower shall, at all times, maintain an LTV Ratio of less than 0.95; notwithstanding the foregoing, for the purposes of calculating this ratio each Fiscal Quarter as required pursuant to the compliance certificate contemplated in Section 4.1(e)(vi);
- b) **Project Debt to Cost Ratio (LTC)** – The Borrower shall, at all times, maintain an LTC Ratio of less than 0.98; notwithstanding the foregoing, for the purposes of calculating this ratio each Fiscal Quarter as required pursuant to the compliance certificate contemplated in Section 4.1(e)(vi);
- c) **Maximum Borrowing** – The Borrower shall ensure that outstanding Advances under the Commitment Letter do not exceed the most current calculation of the Maximum Total Amount Available (Maximum Loan Amount less estimated costs to complete). The Maximum Loan Amount is the total credit approved as outlined in Section I.

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4.3 Negative Covenants

So long as any amount payable hereunder is outstanding or the Loan Facilities are available hereunder, each of the Borrower (with respect to itself and each of the other Obligor(s)) covenants and agrees with the Lender that, unless the Lender otherwise consents in writing:

- i. **Sale of Guarantors** – The Borrower shall not, and shall cause every other Person with an ownership interest in a Guarantor (other than the Borrower) not to, sell, transfer, assign, convey or otherwise dispose of its ownership interest in any of the Guarantors (other than the Borrower) to any Person except another Affiliate of the Borrower (but only if such Guarantor remains a direct or indirect wholly-owned Subsidiary of the Borrower) or except with the prior written consent of the Lenders, such consent not to be unreasonably withheld or delayed.
- ii. **No Merger, Amalgamation, Etc.** – Except as otherwise permitted hereunder, no Obligor shall enter into any transaction whereby all or substantially all of its undertaking, property and assets would become the property of any other Person (whether by way of reconstruction, reorganization, recapitalization, consolidation, amalgamation, merger, transfer, sale or otherwise).
- iii. **No Sale, etc. of Property Interest** – No Obligor shall sell, transfer, assign or otherwise dispose of all or any portion of any Property Interest except pursuant to a Permitted Encumbrance.
- iv. **No Dissolution** – No Obligor shall liquidate, dissolve or wind-up or take any steps or proceedings in connection therewith, provided, however, that a Guarantor (other than the Borrower) may enter into a transaction designed to wind-up or dissolve such Guarantor into the Borrower, but not without the Lender's consent, such consent not to be unreasonably withheld or delayed; the parties agree that the Lender's consent will not have been unreasonably withheld if, in the Lender's sole discretion, the Lenders' credit risk or the Security will be adversely affected by the proposed transaction.
- v. **Non-Arm's Length Transactions** – No Obligor shall enter into any contract relating in any manner to the Property Interest with an Affiliate (e.g. any related entity with a related ownership interest held directly or indirectly) for the sale, purchase, lease or other dealing in any property other than at a consideration which is no more than the fair market value of such property or other than at a fair market rental as regards leased property.
- vi. **Negative Pledge** – Except for Permitted Encumbrances, no Obligor shall create, issue, incur, assume or permit to exist any mortgage, charge, lien or other Encumbrance on the Property Interest other than Permitted Encumbrances.
- vii. **No Changes to Material Document** – No Obligor shall amend, surrender or terminate any Material Document without the prior written consent of the Lender which consent is not to be unreasonably withheld or delayed.
- viii. **No Changes to Major Leases** – No Obligor shall terminate or accept a surrender of, or agree to any material amendment to, any Major Lease without the consent of the Lender which consent is not to be unreasonably withheld or delayed. For the sake of clarification, amendments related to the term, rent or premises to be rented shall be considered material.
- ix. **Dealing with Leases** – None of the Obligor(s) shall enter into any Leases or amend, renew, terminate, forfeit or cancel any Leases unless:
 - a. such Leases, amendments, renewals, terminations, forfeitures or cancellations are made on arm's length terms and in good faith; and
 - b. such Leases, amendments, renewals, terminations, forfeitures or cancellations reflect good business practice.
- x. **Concerning Leases Generally** – Except in the ordinary course of business and provided such action is prudent in the circumstances, none of the Obligor(s) shall accept or require payment of rent or other moneys payable by a tenant under any Lease that would result in more than three months of such rent or other moneys being prepaid under such Lease other than:

- a. prepaid rent or deposits on account of rent which represent the portion of the cost of construction of the relevant demised premises which exceeds the portion of such cost which was used as the basis for determining the basic rental otherwise payable under such Lease; or
 - b. amounts representing a bona fide pre-calculation of any amount (which is required to be paid under such Lease) in addition to basic rent, including amounts payable with respect to taxes and maintenance of the applicable Property and overage and percentage rents; or
 - c. lease surrender payments made by the tenant under such Lease; and
 - d. except for any renewals or extensions of existing Leases pursuant to the terms thereof, each of the Obligors shall not hereafter enter or purport to enter into or suffer to exist any Lease in respect of any Project except if the Security shall have priority over such Lease and such Lease shall provide that such Lease is subordinated to the Security and contain a covenant of the tenant thereunder obligating such tenant if and whenever required by the Lender to attorn to and become the tenant of the Lenders or any purchaser from the Lenders in the event of an exercise by the Lenders of their remedies under the Documents, for the then unexpired residue of the term of, and upon all of the terms and conditions of such Lease.
- x. **No Waiver** – Except as otherwise provided pursuant to Section 5, no Obligor shall waive, or agree to waive, any failure of any party to any Permitted Encumbrance, Material Document or Lease to perform any material obligation thereunder or suffer or permit anything allowing any party thereto to terminate any such agreement or consent to any assignment thereof by any party thereto unless the same is in the ordinary course of business, is in accordance with good business practice and the same would not have a Material Adverse Effect.
- xii. **Ground Leases** – No Obligor will agree with the landlords under any of the Ground Leases to terminate, forfeit, cancel, alter, amend or modify any Ground Lease or provide a surrender of any Ground Lease prior to the end of the term of such Ground Lease unless such surrender occurs concurrently with the acquisition of the freehold interest in the applicable Property and the applicable Obligor concurrently provides a Mortgage of such freehold interest to the Lender together with such legal opinions and other documents and agreements as the Lender may reasonably require in connection therewith. No Obligor shall exercise any right of termination it may have under any Ground Lease.
- xiii. **Freehold Interest in the Property** – Unless the Lender otherwise expressly consents in writing, which consent shall not be unreasonably withheld or delayed, the freehold estate in the Property and the leasehold estate demised by the Ground Leases, respectively, shall not merge but shall always remain, respectively, separate and distinct notwithstanding the union of such estates either in the respective landlords or, any Obligor.
- xiv. **Name Change** – No Obligor shall change its name without first giving notice to the Lender of its new name and the date when such new name is to become effective.
- xv. **Change of Chief Executive Office** – No Obligor shall change its chief executive office or the location of the offices where it keeps its records respecting receivables and rents or move any of the inventory, securities or equipment from the present locations thereof without prior written notice to the Lender.

V. DEFAULT PROVISIONS

The content of this Default Provisions section shall be subject to the restrictions of any priority agreement(s) between the Lender and any other permitted encumbrance holders.

5.1 Events of Default

The occurrence of any one or more of the following events (each such event being herein referred to as an "Event of Default") shall constitute an event of default under this Agreement:

- (a) **Payment of Principal** – if the Borrower defaults in the payment of the principal of any Advance under any Credit Facility when due and payable, without any requirement by the Lender to provide notice of the same;
- (b) **Payment of Interest and Fees** – if the Borrower defaults in the payment of:
 - i. any interest (including, if applicable, default interest) due on any Advance under this Commitment;
 - ii. any fee with respect to this Commitment, including Lender Fee, Renewal Fee, etc.
 - iii. any other amount not specifically referred to herein payable by Borrower to the Mortgage Agent or the Lenders (or any of them) hereunder when due and payable;
 and such default continues for three (3) Business Days after notice of such default has been given by the Lender to the Borrower;
- (c) **Covenants or Obligations** – if any Obligor neglects to observe or perform any covenant or obligation contained in any Document on its part to be observed or performed (other than a covenant or condition whose breach or default in performance is specifically dealt with elsewhere in this Section 5.0) and, such Obligor shall fail (in the case of those defaults which can be rectified by such Obligor) to remedy such default within a period of thirty (30) days after the giving of notice, unless the Lender (having regard to the subject matter of the default) shall have agreed to a longer period and, in such event, within the period agreed to by the Lender;
- (d) **Cross Default** – if a default or an event of default as defined in any indenture or instrument evidencing, or under which, any indebtedness for borrowed money of any Obligor or of any Associate (as that term is defined in the Business Corporations Act R.S.O. 1990) of any Obligor has occurred and is continuing; provided, however, that if such default or event of default under such indenture or instrument shall be remedied or cured by such Obligor or Associate of such Obligor or be waived by the holders of such indebtedness before any judgment or decree for the payment of the money due shall have been obtained or entered, then the Event of Default hereunder by reason thereof shall be deemed likewise to have been thereupon remedied, cured or waived without further action on the part of the Lender;
- (e) **Priority Encumbrance Cross Default** – if an event of default as defined in any indenture or instrument which is an Encumbrance on any Property in priority to the Security shall have occurred and be continuing and all applicable cure periods have expired;
- (f) **Bankruptcy or Insolvency Order** – if a decree or order of a court of competent jurisdiction is entered adjudging any Obligor a bankrupt or insolvent, or approving as properly filed a petition seeking the winding-up of such Obligor, under the Companies' Creditors Arrangement Act (Canada), the Bankruptcy and Insolvency Act (Canada) or the Winding Up and Restructuring Act (Canada) or any other bankruptcy, insolvency or analogous laws or issuing sequestration or process of execution against, or against any substantial part of the assets of any Obligor or Material Subsidiary or ordering the winding up or liquidation of its affairs, and any such decree or order continues unstayed and in effect for a period of ten (10) business days;

- (g) **Insolvency** – if any Obligor becomes insolvent, makes any assignment in bankruptcy or makes any other assignment for the benefit of creditors, makes any proposal under the Bankruptcy and Insolvency Act (Canada) or any comparable law, seeks relief under the Companies' Creditors Arrangement Act (Canada), the Winding Up and Restructuring Act (Canada) or any other bankruptcy, insolvency or analogous law, is adjudged bankrupt, files a petition or proposal to take advantage of any act of insolvency;
- (h) **Trustee or Receiver Appointed** – If any proceedings are commenced against, or steps are taken by, any Obligor for the appointment of a trustee, receiver, receiver and manager, interim receiver, custodian, sequestrator or other Person with similar powers of such Obligor or of all or any substantial portion of its assets, or seeking any reorganization, arrangement, composition or readjustment under any applicable bankruptcy, insolvency, moratorium, reorganization or other similar law affecting creditors' rights and in the case of any such proceedings commenced against such Obligor, such proceedings are not stayed or dismissed within ten (10) days after the commencement thereof;
- (i) **Material Provision or Agreement Null and Void** – if any material provision of this Agreement or of any Material Document ceases to be in full force and effect (other than through the normal expiration of the stated term of such Material Document pursuant to the terms thereof) or is declared null and void or invalid or any breach or default shall occur under any Material Document that has a Material Adverse Effect and such breach or default is not remedied within ten Business Days of such occurrence or such longer or shorter cure period as may be allowed the applicable Obligor pursuant to the terms of such Material Document;
- (j) **Judgements** – if a judgment or decree for payment of money due in an amount of \$5,000 or more (in any single instance or in the aggregate for all such judgments and decrees against each of the Obligors) shall have been obtained or entered against any Obligor (except in the case of any such judgment or decree in respect of which recourse is limited to property which is not subject to the Security hereunder) and such judgment or decree shall not have been, and remain, vacated, discharged or stayed pending appeal within the applicable appeal period;
- (k) **Incorrect Representation or Warranty** – if any representation or warranty made or deemed to be made by any Obligor in any Document or in any certificate or other document at any time delivered in connection with this Agreement to the Lender shall prove to have been incorrect or misleading in any material respect on and as of the date thereof and with respect to any such incorrect or misleading representation or warranty that is capable of being cured, such incorrectness or misleading aspect continues for a period of ten (10) Business Days or more;
- (l) **Invalid Security** – if any of the Security shall cease to be a valid and perfected first priority security interest as against third parties subject only to Permitted Encumbrances and such state continues for more than two business (2) days;
- (m) **Material Adverse Change** – if the Lenders determine, in their sole discretion acting reasonably, that there has been a material adverse change in the financial condition of the Borrower or if there is a qualification in any report of the auditors or in the Borrower's annual financial statements that materially adversely affects the credit risk of the Lenders hereunder;
- (n) **Creditor Seized Property** – if the property of any Obligor or a part thereof which is, in the opinion of the Lender, a substantial portion thereof, is seized or otherwise attached by creditors pursuant to any legal process, the enforcement of a secured claim or otherwise or if a distress, execution or any similar process is levied or enforced against any Obligor and the same is not released, bonded, satisfied, discharged, vacated or stayed within the shorter of a period of thirty (30) days or such shorter period as would permit any Property or any part thereof to be sold thereunder;
- (o) **Dissolution, Liquidation or Wind-Up Proceedings** – if proceedings are commenced for the dissolution, liquidation or winding-up of any Obligor, or for the suspension of the operations of any Obligor, unless such proceedings are stayed or dismissed within thirty (30) days of the commencement thereof;

- (p) **Assignment, Disposition or Conveyance** – if any Obligor makes or agrees to make an assignment, disposition or conveyance, whether by sale or otherwise, of all its assets (or a material portion thereof) in bulk;
- (q) **Default Under Permitted Encumbrance or Material Document** – if there is a default by any Obligor under any Permitted Encumbrance, or Material Document in respect of the Project and such default has a Material Adverse Effect and is not rectified within five business days; or
- (r) **Financial Covenant Default** – if there is a default by the Borrower of any of the Financial Covenants outlined in Section 4.2;
- (s) **Merger or Amalgamation** – if any transaction occurs (whether by reconstruction, reorganization, consolidation, amalgamation, merger, transfer, sale or otherwise) whereby all or substantially all of an Obligor's undertaking, property and assets, or any interest therein becomes the property of any other person, or in the case of any amalgamation, of the continuing company resulting therefrom, or if any Obligor is dissolved; or
- (t) **Environmental** – if any Obligor violates or breaches any Requirements of Environmental Law applicable to the Project (or, in the case of the Guarantor, applicable to all or any material part of its property and assets) or if any Obligor violates or breaches any other Applicable Law and such breach or violation of Applicable Law has or could reasonably be expected to have a Material Adverse Effect and continues for the shorter of a period of 30 days or 10 business days less than any such period as would permit the property in question to escheat to the Crown or be sold or otherwise forfeited; or

For greater certainty, none of the foregoing events shall constitute an Event of Default hereunder if the default is cured or remedied within the time limited therefor pursuant to the applicable provision of this Section 5.1.

(this space left intentionally blank)

5.2 Acceleration and Demand

Upon the occurrence of any Event of Default that has not been cured within the timelines set out herein, the Lender by written notice to the Borrower (an "Acceleration Notice") shall be entitled to:

- a) declare the Loan and the right of the Borrower to apply for further Advances to be terminated; and
- b) declare all Obligations (whether matured or unmatured, drawn or undrawn) of the Borrower to the Lender (including, without limitation, the all unpaid fees whether or not deemed earned) to be immediately due and payable (or to be due and payable at such later time as may be stated in such notice) without further demand, presentation, protest or other notice of any kind, all of which are expressly waived by Borrower;

but upon the occurrence of an Event of Default specified in Section 5.1(a), the Loan shall automatically terminate and all Obligations specified in Section I shall automatically become due and payable, in each case without any requirement that notice be given to the Borrower. Immediately upon the occurrence of an Event of Default specified in Section 5.1 or at the time stated in an Acceleration Notice, the Borrower shall pay to the Lender all amounts owing or payable in respect of all Obligations of such Borrower specified in Section I, failing which all rights and remedies of the Lender under the Documents, at law, in equity or otherwise shall thereupon become enforceable and shall be enforced by the Lender.

5.3 Appointment of Receiver

- a) Upon any default under this Commitment or the Security, that is not cured within the time frames set out herein, the Lender may proceed to realize the security hereby constituted and to enforce its rights by entry; or by the appointment by instrument in writing of a receiver or receivers of the subject matter of such security or any part thereof and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Lender or not, and the Lender may remove any receiver or receivers so appointed and appoint another or others in his or their instead; or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Project or any part thereof; or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Borrower. Any such receiver or receivers so appointed shall have power to take possession of the Project or any part thereof and to carry on the business of the Borrower, and to borrow money required for the maintenance, preservation or protection of the Project or any part thereof, and to further charge the Project in priority to the security constituted by this Commitment as security for money so borrowed, and to sell, lease or otherwise dispose of the whole or any part of the Project on such terms and conditions and in such manner as he shall determine. In exercising any powers, any such receiver or receivers shall act as agent or agents for the Borrower and the Lender shall not be responsible for his or their actions.
- b) In addition, the Lender may enter upon the applicable premises and lease or sell the whole or any part or parts of the Project. The Borrower agrees that it will be commercially reasonable to sell such part of the Project:
 - i. as a whole or in various units;
 - ii. by a public sale or call for tenders by advertising such sale; and
 - iii. by private sale.
- c) Any such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Lender in its sole discretion may seem advantageous and such sale may take place whether or not the Lender has taken possession of such property and assets.

- d) No remedy for the realization of the security hereof or for the enforcement of the rights of the Lender shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this letter includes a receiver and manager.

5.4 Application of Payments Following Demand and Acceleration

Except as otherwise agreed to by the Lender in its' sole discretion, any sum received by the Lender at any time after the delivery of an Acceleration Notice or the occurrence of an Event of Default specified in Section 5.1 which the Lender is obliged to apply in or towards the satisfaction of sums due from the Borrower under any Document shall be applied by the Lender in accordance with amounts owed to the Lender by the Borrower in respect of each category of amounts set forth below, each such application to be made in the following order with the balance remaining after application in respect of each category to be applied to the next succeeding category:

- a) in or towards payment of any expenses and fees then due and payable to the Lender hereunder and owing by the Borrower (including, without limitation, in the case of the Borrower, any such fees and expenses owing whether or not deferred or contingent);
- b) in respect of amounts due and payable by such Borrower to the Lenders by way of interest and fees (including, without limitation, in the case of the Borrower, any such interest and fees owing whether or not deferred or contingent);
- c) in respect of any other amount (other than Advances) not hereinbefore referred to in this Section 5.4 which are then due and payable by the Borrower hereunder such Borrower under any Document (including, without limitation, in the case of the Borrower, any such other amounts owing whether deferred or contingent);
- d) in or towards repayment to the Lender of the Principal Advances to such Borrower then outstanding hereunder; and
- e) any remaining amounts to be released to the Borrower or as required by the loan.

For certainty, unless otherwise agreed by the Lender, all amounts owing by the Borrower in each of the above-noted categories (whether directly or indirectly by virtue of Guarantees) shall, within each category, rank *pari passu* and be applied *pro rata* to the Obligations owing by the Borrower within such category based on the respective outstanding amounts.

5.5 Remedies Cumulative

For greater certainty, it is expressly understood and agreed that the rights and remedies of the Lender under the Documents are cumulative and are in addition to and not in substitution for any rights or remedies provided by law; any single or partial exercise by the Lender of any right or remedy for a default or breach of any term, covenant, condition or agreement therein contained shall not be deemed to be a waiver of or to alter, affect or prejudice any other right or remedy or other rights or remedies to which the Lender may be lawfully entitled for the same default or breach, and any waiver by the Lender of the strict observance, performance or compliance with any term, covenant, condition or agreement therein contained, and any indulgence granted thereby, shall be deemed not to be a waiver of any subsequent default. The Lender may, to the extent permitted by Applicable Law, bring suit at law, in equity or otherwise for any available relief or purpose including but not limited to:

- a) the specific performance of any covenant or agreement contained in the Documents;
- b) enjoining a violation of any of the terms of the Documents;
- c) aiding in the exercise of any power granted by the Documents or by law; or
- d) obtaining and recovering judgment for any and all amounts due in respect of the Advances or amounts otherwise due hereunder or under the Documents.

To the extent permitted by applicable law, Borrower hereby waives any rights now or hereafter conferred by statute or otherwise which may limit or modify any of the Lender's rights or remedies under the Documents.

5.6 Set-Off

In addition to any rights now or hereafter granted under Applicable Law and not by way of limitation of any such rights, the Lender is authorized at any time after the delivery of an Acceleration Notice or the occurrence of an Event of Default specified in Section 5.1 which has not theretofore been waived or rescinded by the Lender and from time to time thereafter without notice to Borrower or to any other person, any such notice being expressly waived by the Borrower, to set-off and to appropriate and to apply any and all deposits (general and special) and any other indebtedness at any time held by or owing to the Lender for the account of the Borrower against and on account of the obligations and liabilities of the such Borrower to the Lender or such Lender under this Agreement, including, without limitation, contingent or deferred obligations of the Lenders.

5.7 Cash Collateral Accounts

Upon delivery of an Acceleration Notice or the occurrence of an Event of Default specified in Section 5.1 and in addition to any other rights or remedies of the Lenders hereunder, the Lender shall thereafter be entitled to deposit and retain in an account to be maintained by the Lender, and which for the purposes hereof shall be considered to be the Lender's account and not the Borrower's account bearing interest for the Borrower at the rates of interest of the Lender as may be applicable in respect of other deposits of similar amounts for similar terms, amounts which are received by the Lender from the Borrower to the extent that and for so long as such amounts either may be required to satisfy any Obligations of such Borrower or are actually used to satisfy any such Obligations; provided that if such amounts are no longer required or not so used, the Lender shall forthwith return the same together with interest accrued thereon to the Borrower.

5.8 Lender May Perform Covenants

If the Borrower shall fail to perform any covenant on its part herein contained, the Lender may, upon prior notice to the Borrower, perform any of the said covenants capable of being performed by the Lender and, if any such covenant requires the payment or expenditure of money, it may make such payment or expenditure with its own funds and shall be entitled to reimbursement of any such expenditure. All amounts so paid by the Lender hereunder shall be repaid by the Borrower on demand therefor, and shall bear interest at the rate set forth in Section I from the date paid by the Lender hereunder to and including the date such amounts are repaid in full by the Borrower.

(this space intentionally left blank)

VI. GENERAL PROVISIONS

- a) The Lender shall have no obligation to advance funds unless and until all of the above terms and conditions have been deemed by the Lender to be complete, true and otherwise in all respects satisfactory, in the Lender's sole discretion.
- b) No term or requirement of this Commitment may be waived or varied orally or by any course of conduct of the Borrower or anyone acting on his behalf or by any officer, employee or agent of the Lender. Any alteration or amendment to this Commitment must be in writing and signed by a duly authorized officer of the Lender and accepted by the Borrower and Guarantor.
- c) The Lenders solicitors shall be:

Sorbara Schumacher McCann LLP
31 Union Street East
Waterloo, Ontario N2J 1B8
Attention: Mark Schumacher

- d) The Borrower's solicitor shall be:

Smith Valeriotte Law Firm LLP
105 Silvercreek Parkway North, Suite 100
Guelph, ON N1H 6S4
Attention: Lisa Gazzola

The Borrower shall bear any and all reasonable legal costs of the Lender.

- e) Time is of the essence in this Commitment.
- f) The Borrower and Guarantors agree that if any one or more of the provisions contained in this Commitment shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Lender, not affect any or all other provisions of this Commitment and this Commitment shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
- g) The waiver by the Lender of any breach or default by the Borrower of any provisions contained herein shall not be construed as a waiver of any other or subsequent breach or default by the Borrower. In addition, any failure by the Lender to exercise any rights or remedies hereunder or under the Security shall not constitute a waiver thereof.
- h) The representations, warranties, covenants and obligations herein set out shall not merge or be extinguished by the execution or registration of the Security but shall survive until all obligations under this Commitment and the Security have been duly performed and the Loan, interest thereon and any other moneys payable to the Lender are repaid in full. In the event of any inconsistency or conflict between any of the provisions of the Commitment and any provision or provisions of the Security, the Lender shall choose which provisions that will prevail.
- i) Notwithstanding the registration of the Security or the advancement of funds, the terms of this Commitment Letter shall not merge with the delivery and/or registration of the Security and shall remain in full force and effect. Any default under the terms of this Commitment Letter shall be deemed a default under the Security and any default under the terms of the Security shall be deemed a default under the terms hereof. In the event of a conflict between the terms of the Security and the terms of this Commitment Letter, the Lender, in its sole discretion may determine which shall take precedence and govern.
- j) This Agreement may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument. A facsimile or electronic copy of an executed counterpart shall be deemed to be an original.

If you are in agreement with the above terms, please indicate such agreement by signing and forwarding to the undersigned a copy of this letter agreement to MarshallZehr Group Inc. in Trust. The execution of this letter does not obligate the Lender to advance any of the agreed funds unless all of the conditions to such advances have been satisfied to the satisfaction of the Lender and its solicitors.

By signing this Commitment Letter the Borrowers and Guarantors agree that the Lender may obtain credit and other financially related information about the Borrower(s) and the Guarantor(s), including reports from other credit grantors, consumer reporting agencies and credit bureau.

Unless this Commitment Letter is accepted by the Borrower and all required Guarantors within five business days of the date hereof by delivery of a fully executed copy to the Lender, along with the Good Faith Deposit, then, at the Lender's sole option, the Commitment shall be terminated.

Yours truly,

MarshallZehr Group Inc.

Per: 

Cecil Hayes
COO

I have authority to bind the corporation

Acknowledged and agreed at Rackwood this 7th day of Oct, 2016.

Borrower:

FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION

Per: [Signature]
Name: Jordan Zukowski
Title: Owner
I have authority to bind the corporation

The following parties execute this Commitment letter in their capacities as guarantors only.

[Signature]
Witness:

[Signature] 1/s
JORDAN ZUKOWSKI

[Signature]
Witness:

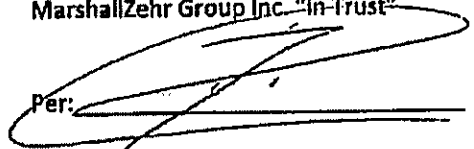
[Signature] 1/s
RUD ZUKOWSKI

Lender:

I HEREBY accept the terms and conditions as stated herein.

DATED at Waterloo, this 7 day of October, 2016.

MarshallZehr Group Inc. "In-Trust"

Per: 

Greg Zehr
Co-CEO and Founder
"I/We have the authority to bind the Corporation"

APPENDIX A – OFFICERS' CERTIFICATE & STATUTORY DECLARATION

(This document confirms the Obligor(s) are in full compliance with the terms of the Commitment Letter. It further provides details on how funds provided will be used and details on any amounts that could rank in priority to the security registered to secure this Loan).

[Date of Letter]

[Borrower]

[Borrower Address]

MarshallZehr Group Inc.
206-465 Phillip St
Waterloo ON N2L 6C7
Attention: Julia Schlumpf

Re: Officers' Certificate for [Project Name] Funding Number [#]

I/we, [Officer # 1] of [Borrower], being respectively the [Officer #1 Title] of [Borrower] in my capacity as an officer of [Borrower] and not in my personal capacity, do hereby certify that:

1. This Certificate is being delivered pursuant to Section [●] of Commitment dated as of [DAY] day of [MONTH, YEAR] made among [Borrower] and MarshallZehr Group Inc. ("MZG"). All capitalized terms used herein, unless otherwise indicated, have the meanings ascribed to those terms in the Loan Agreement.
2. To the best of our knowledge and belief, no Event of Default exists as of the date of this Certificate.
3. We hereby confirm that the Financial Covenants set out in Section 4.2 of the Loan Agreement have been complied with as of the end of the [Certification Date] in respect of which the Officers' Certificate is being delivered. The calculations made at the end of such [Certificate Date] in determining compliance with such tests are attached hereto.
4. We hereby acknowledge that we have personal knowledge of the fact that all accounts for labour, subcontracts, products, services, and construction machinery and equipment which have been incurred directly by the Borrower in performance of the work required to complete the Project, and for which the Borrower(s) and/or Owner(s) of the Borrower(s) might in any way be held responsible, have been paid in full as required by the Commitment up to and including the latest progress payment received, being on the [DAY]th day of [MONTH], [YEAR], except for
 - a. Holdback monies properly retained amounting to [\$.]
 - b. Payments deferred by agreement amounting to [\$.], or
 - c. Amounts withheld by reason of legitimate dispute which have been identified to the party or parties, from whom payment has been withheld amounting to [\$.].

IN WITNESS WHEREOF I/we, the undersigned, have signed this Certificate as of the [DAY] day of [MONTH], [YEAR]

Borrower:

[Name of Borrower]

Per: _____

Name:

Title:

I have authority to bind the corporation

APPENDIX B – COMPLIANCE CERTIFICATE

(This document confirms full compliance with the terms contained within the Commitment Letter and provides details of the calculations confirming same).

[Date of Letter]

[Borrower]

[Borrower Address]

MarshallZehr Group Inc.
206-465 Phillip St
Waterloo ON N2L 6C7
Attention: Julia Schlumpf

Re: Compliance Certificate for [Project Name] Funding Number [#]

Ladies and Gentlemen:

The undersigned, [Borrower], refers to the Commitment Letter dated as of [MONTH] [DAY], [YEAR] (as amended, supplemented, replaced or restated from time to time, the "Commitment", the terms defined therein being used herein as therein defined) among the Obligors and the Lender party thereto. This Compliance Certificate is delivered pursuant to Section [●] of the Loan Agreement for the Financial Quarter/Year ending on [MONTH] [DAY], [YEAR] (the "Period").

I, [Officer Name], the [Officer Title] of [Borrower], in such capacity and not personally, hereby certify that: I am the duly appointed [Officer Title] of [Borrower] and as such I am providing this certificate for and on behalf of [Borrower] pursuant to the Commitment.

I am familiar with and have examined the provisions of the Commitment.

The financial statements most recently delivered pursuant to Section [●] of the Commitment present fairly the financial position, results of operations and changes in financial position of the persons specified therein in accordance with GAAP (subject to normal year-end adjustments and the absence of any required notes to such financial statements).

The representations and warranties contained in Section [●] of the Commitment are true and correct as though made on the date hereof, except for those changes to the representations and warranties which have been disclosed to and accepted by the Lenders pursuant to Section [●] and any representation and warranty which is stated to be made as of a certain date.

As of the date hereof, [Borrower] is not in breach of any of the covenants contained in Article IV of the Commitment, and no Default or Event of Default has occurred and is continuing as at the date hereof.

As of the last day of the Period:

- | | |
|---|--------------|
| 1. Total Project Costs To Date through [MONTH] [DAY], [YEAR]: | [XX,XXX,XXX] |
| 2. Estimated Cost to Complete Project: | [XX,XXX,XXX] |
| 3. Total Advanced Loan for [MONTH] [DAY], [YEAR]: | [XX,XXX,XXX] |
| 4. Estimated Current Project Value as of [MONTH] [DAY], [YEAR]: | [XX,XXX,XXX] |
| 5. Last Appraised Value as of [MONTH] [DAY], [YEAR]: | [XX,XXX,XXX] |

Financial Covenants	Calculation	As of	Amount
Project Net Equity	Appraised Value (#5) Less Advanced Loan (#3)	[MONTH] [DAY], [YEAR]	\$
Maximum Borrowing	Maximum Loan Amount Less Costs to Complete (#2)	[MONTH] [DAY], [YEAR]	\$
Estimated Loan to Value Ratio	Loan Advanced to Date (#3) Divided by Appraised Value (#5)	[MONTH] [DAY], [YEAR]	%
Estimated Loan to Cost Ratio	Loan Advanced to Date (#3) Divided by Cost to Complete (#2)	[MONTH] [DAY], [YEAR]	%
Estimated Borrower Interest Coverage Ratio	Company's earnings before interest & taxes (EBIT) Divided by Company's interest expenses for the same period	[MONTH] [DAY], [YEAR]	%
Estimated Borrower Debt Service Coverage Ratio	Net Operating Income (NOI) Divided by Debt Service Requirements including interest and principal payments due in same period	[MONTH] [DAY], [YEAR]	%

Schedule A hereto also sets for the details of the calculations of the above ratios.

Dated this [•] day of [MONTH], [YEAR].

(Signature)

(Print Name)

(Officer Title)

APPENDIX C – REQUEST FOR LENDER ADVANCE NOTICE

(This document will request funds from the Lender(s) be advanced to the Mortgage Administrator and start interest charges to the Borrower).

[Date of Letter]

[Borrower]

[Borrower Address]

MarshallZehr Group Inc.
206-465 Phillip St
Waterloo ON N2L 6C7
Attention: Jana Mirt

Re: Request for Advance of Funds for [Project Name] Funding Number [#]

I hereby formally request the advance of CAD [Advance Amount] from the Commitment dated [Commitment Date] (the "Commitment") and secured with the instrument registered as [Instrument Number], and secured against the lands described as [Municipal Address] and legally known as [Legal Address] as well as all other security issued pursuant to the Commitment (the "Security").

I hereby acknowledge according to the Commitment Letter that the Borrower must give at least [#] day's written notice of an advance, and wish to receive acknowledgement from MarshallZehr as to the date of the advance.

I hereby certify, represent and warrant that all conditions and covenants of the Commitment are met, and that the Borrower and the guarantors have not violated any of the conditions or covenants of the Commitment or Security. Specifically, the Borrower and Guarantors certify, represent and warrant:

- There are no liens on the property
- No subordinate financing has been placed on the property without prior written consent
- No party has committed any waste on the Property
- At this time property taxes are current
- There have been no sales or purchases of shares, or payments of dividends from the Borrower to any party without prior written consent of the Lender
- The owner of the Borrower has not changed
- The Borrower where applicable is in compliance with the Construction Lien Act, and there are no Liens on the property
- The Borrower has informed the Lender of all changes to the Project schedule and the budget

The Borrower acknowledges that a failure to comply with the covenants and conditions of the Commitment letter represents a default on behalf of the Borrower, and grants the Lender the right to pursue whatever remedy it deems most appropriate, at the expense of the Borrower, with no further notice.

Borrower:

[Name of Borrower]

Per: _____
Name:
Title:
I have authority to bind the corporation

APPENDIX D – BORROWER DRAW NOTICE

(This document is required for funds to be delivered to the Borrower from funds held by the Mortgage Administrator in accordance with the terms of the Commitment Letter)

[Date of Letter]

[Borrower]

[Borrower Address]

MarshallZehr Group Inc.
206-465 Phillip St
Waterloo ON N2L 6C7
Attention: Jana Mirt

Re: Request for Draw of Funds for [Project Name] Funding Number [#]

I hereby formally request the advance of CAD [Advance Amount] from the Commitment dated [Commitment Date] (the "Commitment") and secured with the instrument registered as [Instrument Number], and secured against the lands described as [Municipal Address] and legally known as [Legal Address] as well as other security issued pursuant to the Commitment (the "Security").

I hereby acknowledge according to the Commitment Letter that the Borrower must give at least [#] day's written notice of an advance, and wish to receive acknowledgement from MarshallZehr as to the date of the advance.

I hereby certify, represent and warrant that all conditions and covenants of the Commitment and Security are met, and that the Borrower and the guarantors have not violated any of the conditions or covenants of the Commitment or Security. Specifically, the Borrower and Guarantors certify, represent and warrant:

- There are no liens on the Property
- No subordinate financing has been placed on the Property without prior written consent
- No party has committed any waste on the Property
- At this time Property taxes are current
- There have been no sales or purchases of shares, or payments of dividends from the Borrower to any party without prior written consent of the Lender
- The owner of the Borrower has not changed
- The Borrower where applicable is in compliance with the Construction Lien Act, and there are no Liens on the Property
- The Borrower has informed the Lender of all changes to the Project schedule and the budget

The hereby gives you notice pursuant to Section [•] of the Commitment Letter that the undersigned hereby requests a Draw under the Commitment Letter, and, in that connection sets forth below the information relating to such Draw as required by:

- (a) The date of the Draw, being a Business Day, is [•].
- (b) The aggregate amount of the Draw is [\$•].

The undersigned hereby certifies and confirms that on the date of this Notice and the date of the corresponding Draw, and immediately after giving effect thereto and to the application of any proceeds therefrom, the representations and warranties contained in Article [7] of the Commitment Letter are true and correct on and as of each such date, all as though made on and as of each such date, except for those

changes to the representations and warranties which have been disclosed to and accepted by the Lenders pursuant to Section 18.01 and any representation and warranty which is stated to be made as of a certain date (y) no event or condition has occurred and is continuing, or would result from such Borrowing or giving effect to this Borrowing Notice, which constitutes a Default or an Event of Default, and (z) such Borrowing, or otherwise giving effect to this Borrowing Notice, will not violate any Applicable Law now in effect.

The undersigned further confirms and certifies to each Lender that the proceeds of the proposed Borrowing will be used solely for the purposes permitted by the Credit Agreement.

The Borrower acknowledges that a failure to comply with the covenants and conditions of the Commitment letter represents a default on behalf of the Borrower, and grants the Lender the right to pursue whatever remedy it deems most appropriate, at the expense of the Borrower, with no further notice.

Borrower:

{Name of Borrower}

Per: _____

Name:

Title:

I have authority to bind the corporation

APPENDIX E – REPAYMENT NOTICE

(This document is to be provided in advance of any repayment in accordance with the terms of the Commitment Letter)

[DATE]

Borrower:

[Borrower Name]

[Borrower Address]

Lender:

MarshallZehr Group Inc.

206-465 Phillip St

Waterloo ON N2L 6C7

Attention: Julia Schlumpf

Re: Notice of Repayment for [PROJECT NAME]

I hereby formally inform MarshallZehr Group Inc. of the repayment of the [PROJECT NAME] Loan as per the Commitment Letter dated [DATE], and as further amended [DATE] and per the renewal dated [DATE]. This repayment is inclusive of all principal, interest and fees.

I hereby acknowledge the Borrower must provide 60 days' written notice of repayment as per the Commitment Letter. With this notice, we would request a Discharge Statement contemplating the stated repayment date.

The maturity date on this Loan is [DATE], (however or and) the anticipated date of repayment will be [DATE].

I hereby acknowledge according to the Commitment Letter that the Borrower must pay the Lender an administration fee of \$250.00 and its solicitor's reasonable legal fees in respect to the preparation of the discharge or repayment.

Borrower:

[Borrower Name]

Per: _____

Name: [Name]

Title: [Title]

I have authority to bind the corporation

APPENDIX F – PROJECT OPERATING REPORT

(This document is to be provided upon request by the Borrower to the Lender providing detail on the items outlined below)

(Borrower/Developer letterhead)

[Date of Letter]

[Borrower]

[Borrower Address]

MarshallZehr Group Inc.
206-465 Phillip St
Waterloo ON N2L 6C7

Re: Compliance Project Operating Report for [Project Name]

[Project Magnitude – Total Units/Acres/Construction Costs/ Expected Gross Receipts]

[Sales Activity - Pre-Sales/Homes under Construction/Closed, Expected Closings & Closing Schedule]

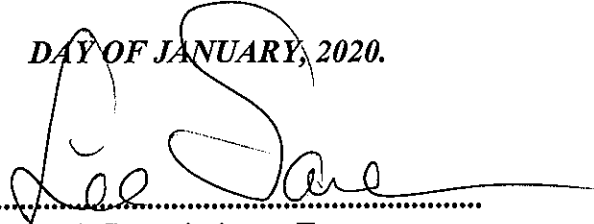
[Project Completion Status – Status of Approvals, Completion Schedule, Cost to Date, Expected Costs to Complete/Budget]

[Current Project Debt and Description of Debt and related Liens]

[Estimated Current Project Value]

[Project Site Pictures]

*THIS IS EXHIBIT "C" TO THE
AFFIDAVIT OF MURRAY SNEDDEN
SWORN BEFORE ME THIS 30TH
DAY OF JANUARY, 2020.*

A handwritten signature in black ink, appearing to read "Lee Sane", written over a horizontal dotted line. The signature is fluid and cursive.

A Commissioner Etc.

MARSHALLZEHR

— REAL ESTATE CAPITAL —

Wednesday May 17, 2017

PRIVATE AND CONFIDENTIAL

Fernwood Developments (Ontario) Corporation
 5556 Fifth Line, RR1
 Rockwood, ON N0B 2K0 0B4
 Attention: Rudi Zukowski & Jordan Zukowski

Project: Georgian Meadows (School House) MZGI 72
Re: 1st Amending Letter
Borrower: Fernwood Developments (Ontario) Corporation
Property Address: 85 Sydenham Wells, Barrie, ON
Maturity Date: March 1, 2018 (Wrap-Up Period begins February 1, 2018)

MarshallZehr Group Inc. (the "Lender") is pleased to advise we have approved the following amendment to the above noted mortgage (the "Amendment") and Commitment Letter dated September 20, 2016:

Delete (Original):

Loan Amount: \$15,450,000 (the "Loan") to be advanced through multiple facilities as follows:

Tranche A (Construction):	\$10,500,000
Tranche B (Mezzanine):	<u>\$ 4,950,000</u>
Total Loan Amount:	\$15,450,000

Insert (New):

Loan Amount: \$19,950,000 (the "Loan") to be advanced through multiple facilities as follows:

Tranche A (Construction):	\$15,000,000
Tranche B (Mezzanine):	<u>\$ 4,950,000</u>
Total Loan Amount:	\$19,950,000

Tranche A of the Loan shall not exceed a maximum principal balance of \$15,000,000, however may be re-advanceable to the Borrower up to a maximum of \$24,030,890.

(this space left blank intentionally)

MARSHALLZEHR

— REAL ESTATE CAPITAL —

Delete
(Original):
Sources and
Uses:

Uses	
Refinance Existing Debt	\$15,000,000
Hard Construction Costs	\$10,000,000
Development Charges	\$ 2,612,060
Tarion Cash Security	\$ 1,240,000
Financing Costs	\$ 2,558,969
Soft Costs	\$ 500,000
Total Uses	\$32,006,113

Sources

Tranche A – Construction	\$26,377,613
Tranche B – Mezzanine	\$ 4,950,000
Deferred Fees	\$ 678,500
Total Sources	\$32,006,113

Insert (New):
Sources and
Uses:

Uses	
Land	\$ 4,257,811
Hard Construction	\$ 14,553,653
Development	\$ 2,609,948
Consultants	\$ 271,500
Admin/Marketing	\$ 7,619,266
Finance	\$ 7,327,949
Contingency	\$ 1,009,873
Total Uses	\$ 37,650,000

Sources

Tranche A – Construction	\$ 24,030,890
Tranche B – Mezzanine	\$ 4,950,000
Sales Proceeds used in Project Financing	\$ 4,153,681
Purchaser Deposits used in Project Financing	\$ 178,000
Equity	\$ 50,000
Deferred Costs	\$ 4,287,429
Total Sources	\$ 37,650,000

MARSHALL ZEHR

— REAL ESTATE CAPITAL —

Delete (Old):

Section 4.2(a), (b) and (c)

Insert (New):

- a) **Project Loan to Value (LTV)** – The Borrower shall at all times maintain a Loan to Value Ratio (LTV) of less than 100%, calculated follows:
- a. **Loan:** Total Project indebtedness, being any principal amounts remaining unpaid, plus any unpaid compounded interest.
 - b. **Value:** Total gross Project revenue plus the value of any cash recoveries (including release of cash security pledged to City of Barrie in relation to the Site Works Agreement and cash securing letters of credit provided by the Borrower's corporate financial institution (RBC) for the purpose of securing a Tarion bond) net of the total gross revenue of units discharged, less the total net costs to complete (including the release of any applicable holdbacks).
- b) **Project Loan to Cost (LTC)** – The Borrower shall at all times maintain a Loan to Cost Ratio (LTC) or less than 80%, calculated as follows:
- a. **Loan:** Total Loan advances in the aggregate.
 - b. **Cost:** The total Cost to Date reported and updated from time to time as per each Glynn Group progress report, less holdbacks retained, plus holdbacks released (the "Net Cost to Date").
- c) **Maximum Borrowing** – The Borrower shall ensure that outstanding principal Advances under the Loan do not exceed the most current calculation for "Loan Ceiling" as reported and updated from time to time as per each Glynn Group progress report. Where the primary and secondary margin calculations therein do not result in the same calculation of the Loan Ceiling, the Maximum Borrowed Amount shall be the lesser of the two calculated values.

The following provisions shall be included in this Amendment and were not originally contemplated in the Commitment:

Insert (New):

Amendment Fee: waived.

This Amendment shall be conditional on receipt and/or satisfactory review by the Lender of the following conditions precedent:

1. A subsearch will be conducted by the Lender's solicitor upon the acceptance of this amendment letter at the Borrower's expense;
2. Increase to the 1st mortgage charge from \$17,500,000 to \$22,000,000;
3. A minimum of fifty (50) firm arms-length agreements of purchase and sale for Project units at a purchase price and on terms both satisfactory to the Lender in its sole discretion;
4. Satisfactory review by the Lender of the Listing Agent Agreement with Keller Williams for the sale of the remaining Project units; and
5. Satisfactory review by the Lender of a certified Project budget prepared by Glynn Group, of similar substance to the amended Sources and Uses contained herein.

MARSHALLZEHR

— REAL ESTATE CAPITAL —

All other terms of the Commitment shall survive, unamended.

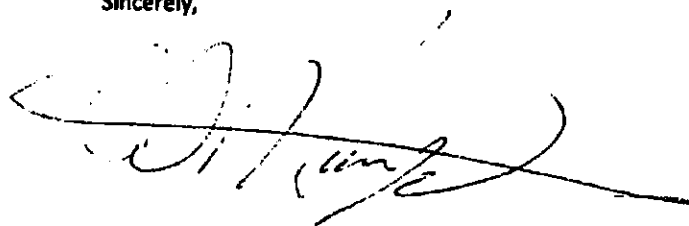
This Agreement may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument. A facsimile or electronic copy of an executed counterpart shall be deemed to be an original.

By signing this amending letter the Borrowers and Guarantors agree that the Lender may obtain credit and other financially related information about the Borrower(s) and the Guarantor(s), including reports from other credit grantors, consumer reporting agencies and credit bureau.

The execution of this letter does not obligate the Lender to advance any of the agreed funds unless all of the conditions to such advances have been satisfied to the satisfaction of the Lender and its solicitors.

If you are in agreement with the above terms, please indicate such agreement by signing and forwarding to the undersigned a copy of this agreement and the documents requested above by Friday May 19, 2017.

Sincerely,



Cecil Hayes

Chief Operating Officer

MarshallZehr

Real Estate Capital

p. 519-342-1000 x233

c. 519-590-3810

f. 520 342-0051

465 Phillip St, Suite 206

Waterloo, ON, N2L6C7

chaves@marshallzehr.com

www.marshallzehr.com

MARSHALLZEHR

— REAL ESTATE CAPITAL —

By signing below, I agree to the amendment of the above-noted Loan.

Borrower:

I HEREBY accept the terms and conditions as stated herein.

DATED this 18 day of May, 2017.

Fernwood Developments (Ontario) Corporation

Per: 

Name:


Title:

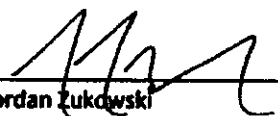
I have authority to bind the corporation

The following parties execute this commitment letter in their capacities as guarantors only.

Witness: 


Rudi Zukowski

Witness: 


Jordan Zukowski

MARSHALLZEHR

— REAL ESTATE CAPITAL —

Lender:

I HEREBY accept the terms and conditions as stated herein.

DATED at Waterloo, this 1 day of June, 2017.

MarshallZehr Group Inc. "in Trust"



Per: _____

Gregory Zehr
Co-CEO & Founder

"I/We have the authority to bind the Corporation"



Tuesday, April 17, 2018

PRIVATE and CONFIDENTIAL

Fernwood Developments (Ontario) Corporation
 5556 Fifth Line, RR1
 Rockwood, ON
 N0B 2K0

Attention: Rudi & Jordan Zukowski

RE:	Project:	Georgian Meadows (School House) MZGI 72 – First Renewal
	Borrower:	Fernwood Developments (Ontario) Corporation
	Property Address:	85 Sydenham Wells, Barrie ON
	Maturity Date:	March 1, 2018

MarshallZehr Group Inc. (the "Lender") is pleased to advise we have approved the following Renewal to the above noted mortgage (the "Renewal") and Commitment Letter dated Oct 7, 2016 and Amendment dated May 17, 2017 on the following terms and conditions:

Maturity Date: The Lender agrees to renew the Loan for a period of 6 months effective March 1, 2018; the new maturity date will be September 1, 2018.

Renewal Fee: Upon execution of this Renewal, the Borrower shall pay a fee of \$192,637.81 to the Lender (the "Renewal Fee"), being 1% of the outstanding principal balance (\$19,263,781.45) as of the date of this letter. The Renewal Fee shall be deducted from the next Advance of the Loan or from Net Sales Proceeds, determined at the Lender's sole discretion. This Renewal shall not be effective until such time as the Lender has received the Fee in full.

All other terms of the Commitment shall survive, unamended.

This Agreement may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterpart together shall constitute one and the same instrument. A facsimile or electronic copy of an executed counterpart shall be deemed to be an original.

By signing this renewal letter the Borrowers and Guarantors agree that the Lender may obtain and/or update credit and other financially related information about the Borrower(s) and the Guarantor(s), including reports from other credit grantors, consumer reporting agencies and credit bureau.

The execution of this letter does not obligate the Lender to advance any of the agreed funds unless all of the conditions to such advances have been satisfied to the satisfaction of the Lender and its solicitors.

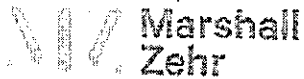


If you are in agreement with the above terms, please indicate such agreement by signing and forwarding to the undersigned a copy of this agreement by April 19, 2018.

This Renewal Letter is not binding until it has been approved and signed back by an Officer of the Lender, MarshallZehr Group Inc.

Sincerely,

A handwritten signature in black ink, appearing to read 'Scott Hayes', written over a horizontal line.



Financing Efficiency Opportunity

Scott Hayes CIM
Chief Operating Officer

T 519 342 1000 x 233
C 519 590 3810

www.marshallzehr.com email

Broker

MarshallZehr Group Inc. - Mortgage Administration #11955 Mortgage Brokerage #12453



By signing below, I agree to the extension of the above-noted mortgage.

Borrower:

I HEREBY accept the terms and conditions as stated herein.

DATED this 19 day of April, 2018.

Fernwood Developments (Ontario) Corporation

Per: [Signature]
Name: Jordan Zukowski
Title: President
I have authority to bind the corporation

The following parties execute this commitment letter in their capacities as Guarantors only.

Witness:

[Signature]
Rudi Zukowski

Witness:

[Signature]
Jordan Zukowski



Lender:

I HEREBY accept the terms and conditions as stated herein.

DATED at Waterloo, this 24th day of APRIL, 2018.

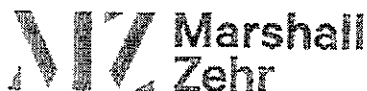
~~Marshall Zehr Group Inc.~~ "in Trust"

A large, handwritten signature in black ink, which appears to be 'G. Zehr', is written over a horizontal line. The signature is partially enclosed by a large, hand-drawn oval.

Per:

Gregory Zehr
CEO & Co-Founder

"I/We have the authority to bind the Corporation"



Wednesday September 5, 2018

PRIVATE AND CONFIDENTIAL

Fernwood Developments (Ontario) Corporation
 5556 Fifth Line, RR1
 Rockwood, ON N0B 2K0

Attention: Rudi & Jordan Zukowski

Project:	Georgian Meadows (School House) MZGI 72 – Third (3rd) Amendment
Borrower:	Fernwood Developments (Ontario) Corporation
Property Address:	85 Sydenham Wells, Barrie ON
Maturity Date:	September 1, 2018

MarshallZehr Group Inc. (the "Lender") is pleased to advise we have approved the following amendment to the above noted mortgage (the "Amendment") and Commitment Letter dated September 20, 2016, 1st Amendment dated May 17, 2017 and 2nd Amendment dated February 23, 2018:

This amendment will confirm and put in place the amended security that was anticipated with the May 17, 2017 1st amending letter that was not registered but will now be put in place with this amendment.

Delete (Original):

Maturity Date: September 1, 2018

Insert (New):

Maturity Date: September 1, 2019

Insert (New):

Amendment Fee: \$399,000, the Amendment Fee, shall be deemed fully earned by the Lender on execution of this amending letter and will be due and payable upon maturity.

All other terms of the Commitment shall survive, unamended.



This Agreement may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument. A facsimile or electronic copy of an executed counterpart shall be deemed to be an original.

By signing this amending letter the Borrowers and Guarantors agree that the Lender may obtain credit and other financially related information about the Borrower(s) and the Guarantor(s), including reports from other credit grantors, consumer reporting agencies and credit bureau.

The execution of this letter does not obligate the Lender to advance any of the agreed funds unless all of the conditions to such advances have been satisfied to the satisfaction of the Lender and its solicitors.

If you are in agreement with the above terms, please indicate such agreement by signing and forwarding to the undersigned a copy of this agreement by September 6, 2018.

This Amendment Letter is not binding until it has been approved and signed back by an Officer of the Lender, MarshallZehr Group Inc.

Sincerely,

A handwritten signature in black ink, appearing to read 'Jane Mirt', written over the Marshall Zehr logo.

The Marshall Zehr logo, consisting of the stylized 'MZ' monogram and the text 'Marshall Zehr'.

Ensuring Efficiency Opportunity

Jane Mirt

Vice President – Transaction Execution

T 519 342 1000 X 224

C 519 841 6419

marshallzehr.com | email

Broker

MarshallZehr Group Inc. | Mortgage Administration #11955 | Mortgage Brokerage #12453



By signing below, I agree to the extension of the above-noted mortgage.

Borrower:

I HEREBY accept the terms and conditions as stated herein.

DATED this 7th day of September, 2018.

Fernwood Developments (Ontario) Corporation

Per: [Signature]
Name: Jordan Zukowski
Title: President
I have authority to bind the corporation

The following parties execute this Commitment letter in their capacities as guarantors only.

Witness: _____

[Signature]
Rudi Zukowski

Witness: _____

[Signature]
Jordan Zukowski

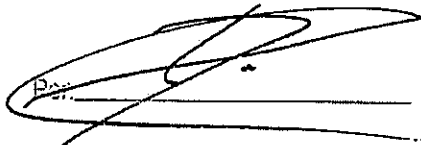


Lender:

I HEREBY accept the terms and conditions as stated herein.

DATED at Waterloo, this 7th day of September, 2018.

MarshallZehr Group Inc. "in Trust"

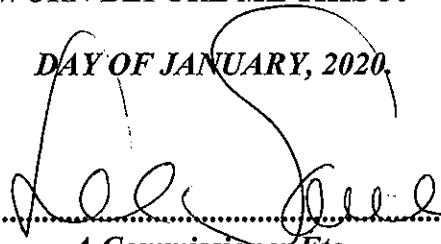
A large, stylized handwritten signature in black ink, written over a horizontal line.

Gregory Zehr

CEO & Co-Founder

"I/We have the authority to bind the Corporation"

*THIS IS EXHIBIT "D" TO THE
AFFIDAVIT OF MURRAY SNEDDEN
SWORN BEFORE ME THIS 30TH
DAY OF JANUARY, 2020.*


.....
A Commissioner Etc.

LRO # 51 Charge/Mortgage

Registered as SC1107324 on 2013 12 19 at 14:23

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 9

Properties

PIN 58831 - 1813 LT *Interest/Estate* Fee Simple
Description BLOCK 6, PLAN 51M983; CITY OF BARRIE
Address SIMCOE

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
Address for Service 5556 5th Line, R. R. #1
 Rockwood, Ontario, N0B 2K0

I, Jordan Zukowski, President, have the authority to bind the corporation.

This document is not authorized under Power of Attorney by this party.

Chargee(s)*Capacity**Share*

Name MARSHALLZEHR GROUP INC.
Address for Service 465 Phillip Street #206
 Waterloo, Ontario, N2L 6C7

Statements

Schedule: See Schedules

Provisions

Principal \$15,000,000.00 *Currency* CDN
Calculation Period See Schedule
Balance Due Date 2016/01/01
Interest Rate See Schedule
Payments
Interest Adjustment Date 2013 12 19
Payment Date 1st day of each month
First Payment Date 2014 02 01
Last Payment Date 2016 01 01
Standard Charge Terms 200033
Insurance Amount full insurable value
Guarantor

Signed By

Charlotte Ann Langill 31 Union Street East acting for Chargor Signed 2013 12 19
 Waterloo (s)
 N2J 1B8

Tel 519-576-0460

Fax 519-576-3234

I have the authority to sign and register the document on behalf of the Chargor(s).

Submitted By

SORBARA, SCHUMACHER, MCCANN LLP 31 Union Street East 2013 12 19
 Waterloo
 N2J 1B8

Tel 519-576-0460

Fax 519-576-3234

LRO # 51 Charge/Mortgage

Registered as SC1107324 on 2013 12 19 at 14:23

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 9

Fees/Taxes/Payment

Statutory Registration Fee	\$60.00
Total Paid	\$60.00

File Number

Chargor Client File Number :	68575
Chargee Client File Number :	68575

SCHEDULE "A"

1. Security

This Charge is given as continuing collateral security for the due payment and performance by Fernwood Developments (Ontario) Corporation (the "Borrower") of all indebtedness, covenants, obligation and agreements of the Borrower set out in the mortgage commitment entered into among the Borrower, MarshallZehr Group Inc. as lender (the "Lender") and Jordan Zukowski and Rudi Zukowski, as guarantors (the "Guarantors") dated December 5, 2013, as amended from time to time (the "Commitment").

Notwithstanding the principal amount of this Charge, the Lender shall only be obligated to advance funds to the Borrower as provided for under the terms and provisions of this Charge and the Commitment.

2. Tranche 1 and Tranche 2

This Charge shall be comprised of two tranches.

Tranche 1 will have a principal amount of \$3,400,000.00 and shall be used to acquire the property described in this Charge (the "Property"). The Borrower acknowledges and agrees that Tranche 1 consists of and includes the vendor take back portion of the purchase price to acquire the Property and that the vendor will be part of a consortium of investors in this Charge who are all represented by the Chargee as mortgage administrator.

Tranche 2 shall have a total principal amount of \$13,750,000.00 and shall be used first for initial costs associated with the development of the Property, then to payout and retire Tranche 1 and then for progress of construction on the Property. All advances shall be made according with the terms of the Commitment and are subject to deduction of all fees and expense as set out in the Commitment.

3. Term and Payments

Tranche 1 of the Charge shall have a term ending on April 18, 2014 (the "Tranche 1 Maturity Date") and shall be paid in full notwithstanding other terms or provisions of this Charge.

Tranche 2 of this Charge shall have a term ending on December 18, 2015 (the "Tranche 2 Maturity Date").

There shall be no regularly scheduled principal repayments and the entire outstanding principal amount of Tranche 1 shall become due and payable on the Tranche 1 Maturity Date and the principal amount of Tranche 2 shall become due and payable on the Tranche 2 Maturity Date.

4. Interest

- (a) Tranche 1. Except as set out below, interest shall be paid on all Tranche 1 amounts outstanding under this Charge at the rate of eight (8%) percent per annum calculated and compounded monthly, provided that if the principal amount of Tranche 1 is successfully repaid on or before the Tranche 1 Maturity Date from the Tranche 2 advance as provided for herein, the Tranche 1 interest shall be forgiven.
- (b) Tranche 2. Except as set out below, interest shall be paid on all Tranche 2 amounts outstanding under this Charge at the rate of 12.0% per annum calculated and compounded monthly with interest only payments paid monthly from the Interest Reserve. Upon full depletion of the Interest Reserve, interest is to be paid monthly first from the Construction Reserve, and secondly from the Borrower's own resources.

Provided that, the final month of the term, commencing on the first day of the month immediately prior to the Maturity Date, shall be the beginning of the "Wrap Up Period" and

the principal amount of Tranche 2 shall bear interest at the rate of twenty-four (24.00%) percent per annum, compounded and payable monthly, thereafter.

5. Priority

Tranche 1 shall have complete priority over Tranche 2 with respect to payment and repayment of all principal, interest, costs, fees and other charges as provided for herein and in the Commitment and shall have complete priority over Tranche 2 with respect to the security constituted by this Charge.

6. Draws and Draw Requests – Tranche 2

The Principal Amount of Tranche 2 shall be advanced in multiple advances (“Advances”). The first Advance in the sum of \$1,600,000.00 on account of the balance due on closing for the acquisition of the Property and the initial costs associated with the development of the Property shall be advanced on the Interest Adjustment Date. Subsequent Advances shall be on account of construction works upon the Property and the repayment of Tranche 1.

It is estimated that the following Advances will occur on the following dates:

- (a) Construction Advance of \$2,550,000.00 on March 18, 2014;
- (b) Construction Advance of \$6,200,000.00 on April 18, 2014; and
- (c) Advance for repayment of Tranche 1 in the amount of \$3,400,000.00 on April 18, 2014.

Provided the Borrower is not in default of any of its obligations under the Commitment or under any security, the Borrower may require any Advance date be delayed upon written notice delivered to the Lender not less than 60 days prior to the Advance date to be delayed subject to payment of the Lender’s administration costs and any other costs, interest, expenses or fees which the Lender may incur on account of the requested delay and compliance with any reasonable conditions the Lender may impose. In the event the Lender intends to impose any conditions on a requested delay or there will be charges of any kind, the Lender shall deliver notice of same to the Borrower within five (5) business days of receipt of the Borrower’s request and unless the Borrower delivers written notice to the Lender cancelling the requested delay the Borrower shall be deemed to have accepted the conditions and agreed to the payment of any charges. In the event any Advance is delayed other than in compliance with the foregoing and not on account of the Lender’s sole and direct fault, then, without prejudice to any other rights the Lender may have on account of a default herein or at law, the Borrower shall be responsible for payment of Standby Interest equal to the interest rate set out herein on the entire amount of the scheduled Advance from the scheduled date of such Advance, together with any costs (including administration costs), interest, expenses or fees which the Lender may reasonably incur on account of the delay. It is acknowledged and understood that in no event will any delay extend the Tranche 2 Maturity Date.

7. Interest Reserve:

Included in the principal amount of Tranche 2 of the Charge is a reserve for interest accruing on the Charge as provided for in the Commitment (the “Interest Reserve”). Upon each advance of principal under Tranche 2 of this Charge a reserve in the amount equal to the applicable interest for the entire term of this Charge shall be advanced and held in trust by the Lender and drawn down upon by the Lender to satisfy the accrued and unpaid interest. In the event of default any or all of the Interest Reserve may be applied by the Lender against any and all amounts then outstanding under this Charge. Notwithstanding the holding of the Reserve by the Lender, interest shall accrue and be paid on the reserve as if it were fully advanced to the Borrower.

8. Construction Advances

Where any principal amount of this Charge is to be advanced to the Borrower on account of construction (the "Construction Advance"), the following provisions shall apply:

Such Construction Advance shall be made and held in trust by the Lender to be drawn down upon by the Borrower for construction costs strictly in accordance with the terms of the Commitment (the "Construction Reserve"). In the event of a default any or all of the Construction Reserve may be applied by the Lender against any and all amounts then outstanding under this Charge. Notwithstanding the holding of the Construction Reserve by the Lender, interest shall accrue and be paid on the reserve as if it were fully advanced to the Borrower.

9. Renewal

There shall be no extension or renewal right in respect of Tranche 1.

The Borrower, when not in default under this Charge, the Commitment or any security given pursuant thereto, may extend the Tranche 2 Maturity Date for a further seven (7) months upon notice in writing to the Lender at least thirty days prior to the then current Tranche 2 Maturity Date. Save and except for the Tranche 2 Maturity Date, all terms and provisions of the Charge shall remain the same. The Borrower shall pay an additional Broker Fee of 1.00% of the total amount borrowed at the time of the renewal and shall pay any legal or other costs associated with such renewal.

10. Partial Discharges

Provided the Borrower is not in default, the Lender shall provide partial discharges on the closing of a sale transaction for the individual units in the project, provided the Borrower pays to the Lender the Net Sale Proceeds of each sale. Net Sales Proceeds is defined as:

- i) The sum of base price revenue plus upgrade revenue; minus
- ii) The sum of HST Payable, net of rebates; plus Deposits collected and previously released into the project; plus reasonable Closing costs; plus Internal Commission not to exceed 5% of the base price revenue plus upgrade revenue.

The Borrower will pay the Lender an administration fee of \$250.00 and its solicitor's reasonable legal fees in respect of the preparation of the discharge for each partial discharge requested by the Borrower.

- 11.** As and when unit sales close and the Chargee provides unit discharges as contemplated in paragraph 9 above, the Net Sale Proceeds of each sale shall be deposited back into the Construction Reserve and held by the Chargee in trust as part of the Construction Reserve. Upon the sum of \$6,000,000.00 being deposited into the Construction Reserve from Net Sales Proceeds, all future Net Sale Proceeds from unit sales shall be applied to the outstanding principal amount of this Charge and any applicable interest or costs as provided for herein until all obligations to the Chargee have been completely satisfied.

12. Prepayment

Subject to paragraph 9 and this paragraph 10, no prepayment on account of principal shall be permitted except in accordance with the prepayment privileges provided for in the Commitment and this Charge.

Provided the Borrower is not in default under this Charge, the Commitment or any other security issued pursuant thereto, the Borrower upon 60 days prior written notice to the Lender shall have the privilege of prepaying the principal amount of the Charge in whole or

in part, without bonus or penalty. No pre-payment shall be in an amount of less than \$100,000.00 without the consent of the Lender.

13. Borrower Covenants

The Borrower covenants as follows and a breach of any covenant shall be a default under the terms of the Commitment and this Charge:

- a) The Borrower shall not assign, transfer or otherwise dispose of the Commitment, the property charged by this Charge (the "Property") and/or any security given pursuant to the Commitment including but not limited to this Charge without the Lender's prior written consent. The Commitment, this Charge and any other security held by the Lender may be assigned by the Lender in whole or in part to another lender(s). Except as hereinafter provided, the Borrower consents to the disclosure by the Lender to any such prospective assignee or participant of all information and documents regarding the Property or Borrower within the possession or control of the Lender.
- b) Subject to paragraph 6(a) above, without the Lender's prior written consent having first been obtained, the Borrower shall not sell, transfer or convey the Property or its rights therein. In the event of a breach by the Borrower of this covenant then, at the sole option of the Lender, all monies outstanding, together with accrued and unpaid interest thereon and any other amounts due under the Commitment, this Charge or any other security held by the Lender, shall become due and payable.
- c) The Borrower shall not commit any waste on the lands.
- d) The Borrower shall not permit any transfer or issuance of shares in the share capital of the Borrower or any change in the officers and directors or a change in the terms or the termination of the shareholders agreement made between the Borrower and each of its shareholders, without the prior written consent of the Lender.
- e) The Borrower shall not further charge, mortgage, encumber or suffer any other encumbrance or lien to be registered upon the property.
- f) In the event of a breach of any of the foregoing covenants, or any other covenants contained herein, by the Borrower then, at the option of the Lender, all monies outstanding, together with all accrued unpaid interest thereon and all other amounts due under this Charge or the Commitment shall become due and payable.

14. Events of Default

In addition to the events of default set out in the Standard Charge Terms, each and every of the following events shall constitute an event of default hereunder ("Event of Default"):

- a) The Borrower shall neglect to carry out or observe any of the covenants or conditions contained in this Schedule or the Commitment;
- b) if the Borrower ceases, or threatens to cease carrying on business or an order shall be made, or an effective resolution be passed by the Borrower for the winding-up or liquidation of the Borrower;
- c) if the Borrower shall become insolvent or shall make a bulk sale of its assets, or shall make a general assignment for the benefit of its creditors or shall file a notice of intention to make or shall make a proposal under bankruptcy

legislation, or if a bankruptcy petition shall be filed or presented against the Borrower or if a custodian or a sequestrator or a receiver and manager or any other officer with similar powers shall be appointed of the Borrower its property or any part thereof which is, in the opinion of the Lender, a substantial part thereof;

- d) if any proceedings are commenced in respect of the Borrower under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, or similar legislation of any other jurisdiction;
- e) if an encumbrancer shall lawfully take possession of the Property of the Borrower or any part thereof or if a distress or execution or any similar process be levied or enforced there against;
- f) if the Borrower shall make default in observing or performing any covenant, including any covenant for the payment of money, contained in any deeds or instruments evidencing or securing indebtedness where such default results in the acceleration of the due date of payment of such indebtedness;
- g) if the Borrower shall make default in observing or performing any covenant contained in any document executed in connection with this Charge, including the Commitment Letter;
- h) if there shall be expropriated or taken by power of eminent domain the whole or any part of the Property and the Lender is of the opinion that such expropriation or taking is prejudicial to the Charge; or
- i) if the Borrower ceases to be controlled by the same parties as set out in the Commitment.

15. Remedies Upon Event of Default

- a) Upon the occurrence of an Event of Default, that is not cured in a reasonable period of time following notice of default by the Lender, the Lender may, after providing reasonable written notice, declare the principal and interest to be due and payable and the same shall forthwith become immediately due and payable and the Borrower shall forthwith pay to the Lender the principal together with all interest thereon at the rate from time to time in effect pursuant to the provisions of this Charge hereof from the date of the said declaration until payment is received by the Lender, such subsequent interest to be payable at the times and places and in the moneys mentioned herein.
- b) Upon the happening of any Event of Default, that is not cured in a reasonable period of time following notice of default by the Lender, the Lender may, after providing reasonable written notice, exercise any rights, powers or remedies available to it at law or in equity or under applicable legislation and, in addition, shall have the following right, powers and remedies:
 - i) to enter upon and take possession of all or any part of the Property;
 - ii) to hold, use, repair, preserve and maintain all or any part of the Property and
 - iii) to exercise all powers necessary to the performance of all functions provided for herein including without limitation the powers to purchase on credit, to borrow money in the Borrower's name or in its own name and to advance its own money to the Borrower at such rates of interest as it may deem reasonable;
 - iv) to sell, for cash or credit or part cash and part credit, lease or dispose of or otherwise realize upon all or any part of the Property whether by public auction or by private sale or lease in such manner as the Lender in its absolute discretion may determine,

provided that it shall not be incumbent on the Lender to sell, lease or dispose of the said Property but that it shall be lawful for the Lender peaceably to use and possess the same without hindrance or interruption by the Borrower, or any other person or persons whomsoever, and to receive income from such Property and to convey, transfer and assign to a purchaser or purchasers the title to any undertaking, property and assets so sold and provided further that in the case of a sale on credit the Lender shall only be liable to account to the Borrower, any subsequent encumbrancers and others for moneys actually received by the Lender;

- v) to appoint by instrument in writing any person or persons to be a Receiver of all or any portion of the undertaking, property and assets hereby charged, to fix the Receiver's remuneration and to remove any Receiver so appointed and appoint another or others in his stead;
 - vi) to apply to any court of competent jurisdiction for the appointment of a Receiver of all or any portion of the undertaking, property and assets hereby charged; and
 - vii) to retain the Property in satisfaction of the monies owing hereunder.
- c) In addition, the Lender or Receiver or Receivers may enter upon the applicable premises and lease or sell the whole or any part or parts of the Property. The Borrower agrees that it will be commercially reasonable to sell such part of the Property:
- i) as a whole or in various units;
 - ii) by a public sale or call for tenders by advertising such sale once in a local daily newspaper at least seven (7) days before such sale; and
 - iii) by private sale after the receipt by the Lender of at least two offers from prospective arms-length purchasers.
- d) Notwithstanding the above, the Lender or Receiver or Receivers must use all commercially reasonable efforts to sell the Property for the full market value.
- e) Any such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Lender in its sole discretion may seem advantageous and such sale may take place whether or not the Lender has taken possession of such property and assets.
- f) No remedy for the realization of the security hereof or for the enforcement of the rights of the Lender shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "Receiver" as used in this schedule includes a receiver and manager.
- g) Any Receiver shall have all of the powers of the Lender set out in this Charge and, in addition, shall have the following powers:
- i. to carry on the business of the Borrower and to enter into any compromise or arrangement on behalf of the Borrower; and
 - ii. with the prior written consent of the Lender to borrow money in its name or in the Borrower's name, for the purpose of carrying on the business of the Borrower and for the preservation and realization of the undertaking, property and assets of the Borrower including, without limitation, the right to pay persons having prior charges or encumbrances on the properties on which the Borrower may have hold charges or encumbrances with any amount so borrowed and any interest thereon to be a charge upon the mortgaged property in priority to this Charge;
- h) Any Receiver appointed pursuant to the provisions hereof shall be deemed to be an agent of the Borrower for the purposes of:
- i. carrying on and managing the business and affairs of the Borrower and

- ii. establishing liability for all of the acts or omissions of the Receiver while acting in any capacity hereunder and the Lender shall not be liable for such acts or omissions, provided that, without restricting the generality of the foregoing, the Borrower irrevocably authorizes the Lender to give instructions to the Receiver relating to the performance of its duties as set out herein.
- i) In the event of default by the Borrower or any Guarantors in their respective obligations under the Commitment, this Charge or any other security issued in connection with the Commitment to the Lender then, the Lender shall, notwithstanding anything contained herein to the contrary, be entitled to receive in addition to all other fees, charges and disbursements, an administration and management fee in the amount of \$5,000.00 for each month or part thereof that the Borrower and/or any Guarantors is in default of its obligations under the Charge, Commitment or other security issued in connection with the Commitment. The said sum or sums are agreed to be liquidated damages in respect of the Lender's administration and management costs and are not intended nor shall they be construed as a penalty. All such sums payable to the Lender shall be added to and deemed to be outstanding principal and interest shall accrue thereon.

16. Paramountcy

This Charge shall be subject to the terms and conditions of the Commitment and in the event of any conflict between the terms hereof and those contained in the Commitment, or the Standard Charge Terms incorporated herein, the Lender in its sole discretion, shall determine which provisions shall take precedence and prevail. The Commitment shall not be deemed to merge with the terms of this Charge but shall survive the delivery and registration of this Charge and any default under the terms of the Commitment shall be and be deemed a default under the terms of this Charge and a default under the terms of this Charge shall be deemed a default under the terms of the Commitment.

Properties

PIN 58831 - 1859 LT
Description PART OF BLOCK 6, PLAN 51M983, PART 2 & 3 PLAN 51R40027; SUBJECT TO AN EASEMENT OVER PARTS 2 & 3 PLAN 51R40027 AS IN SC1189600; TOGETHER WITH AN EASEMENT OVER COMMON ELEMENTS SIMCOE STANDARD CONDOMINIUM PLAN NUMBER 420 AS IN SC1354411; SUBJECT TO AN EASEMENT OVER PARTS 2 AND 3 PLAN 51R40027 IN FAVOUR OF SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AS IN SC1354411; CITY OF BARRIE
Address 85 SYDENHAM WELLS
 BARRIE

PIN 59420 - 0001 LT
Description UNIT 1, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0002 LT
Description UNIT 2, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0003 LT
Description UNIT 3, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0004 LT
Description UNIT 4, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0006 LT
Description UNIT 6, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0007 LT
Description UNIT 7, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0009 LT
Description UNIT 9, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0010 LT
Description UNIT 10, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0011 LT
Description UNIT 11, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0012 LT
Description UNIT 12, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0013 LT
Description UNIT 13, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

Properties

<i>PIN</i>	59420 - 0014 LT
<i>Description</i>	UNIT 14, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0015 LT
<i>Description</i>	UNIT 15, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0016 LT
<i>Description</i>	UNIT 16, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0017 LT
<i>Description</i>	UNIT 17, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0019 LT
<i>Description</i>	UNIT 19, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0020 LT
<i>Description</i>	UNIT 20, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0021 LT
<i>Description</i>	UNIT 21, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0022 LT
<i>Description</i>	UNIT 22, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0023 LT
<i>Description</i>	UNIT 23, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0024 LT
<i>Description</i>	UNIT 24, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0025 LT
<i>Description</i>	UNIT 25, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0026 LT
<i>Description</i>	UNIT 26, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0027 LT
<i>Description</i>	UNIT 27, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Properties

Address BARRIE
PIN 59420 - 0028 LT
Description UNIT 28, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE
PIN 59420 - 0029 LT
Description UNIT 29, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE
PIN 59420 - 0030 LT
Description UNIT 30, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE
PIN 59420 - 0031 LT
Description UNIT 31, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE
PIN 59420 - 0032 LT
Description UNIT 32, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE
PIN 59420 - 0033 LT
Description UNIT 33, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE
PIN 59420 - 0034 LT
Description UNIT 34, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE
PIN 59420 - 0035 LT
Description UNIT 35, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE
PIN 59420 - 0036 LT
Description UNIT 36, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE
PIN 59420 - 0038 LT
Description UNIT 38, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE
PIN 59420 - 0039 LT
Description UNIT 39, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE
PIN 59420 - 0041 LT
Description UNIT 41, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE
PIN 59420 - 0042 LT
Description UNIT 42, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS

Properties

APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0043 LT

Description UNIT 43, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0044 LT

Description UNIT 44, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0045 LT

Description UNIT 45, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0046 LT

Description UNIT 46, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0047 LT

Description UNIT 47, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0048 LT

Description UNIT 48, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0049 LT

Description UNIT 49, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0051 LT

Description UNIT 51, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0052 LT

Description UNIT 52, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0053 LT

Description UNIT 53, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0054 LT

Description UNIT 54, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0055 LT

Description UNIT 55, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

Properties

PIN 59420 - 0056 LT
Description UNIT 56, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0057 LT
Description UNIT 57, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0058 LT
Description UNIT 58, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0059 LT
Description UNIT 59, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0060 LT
Description UNIT 60, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0061 LT
Description UNIT 61, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0062 LT
Description UNIT 62, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0063 LT
Description UNIT 63, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0064 LT
Description UNIT 64, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
Address BARRIE

Consideration

Consideration \$2.00

Applicant(s)

The notice is based on or affects a valid and existing estate, right, interest or equity in land

Name FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
Address for Service 5556 5th Line Eramosa,
 RR# 1,
 Rockwood, ON, N0B 2K0

I, Jordan Zukowski, President, have the authority to bind the corporation.
 This document is not authorized under Power of Attorney by this party.

LRO # 51 Notice

Registered as SC1372009 on 2016 12 15 at 16:43

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 6 of 13

Party To(s)	Capacity	Share
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Name	MARSHALLZEHR GROUP INC.
Address for Service	465 Phillip Street, Suite 206 Waterloo, ON, N2L 6C7

I, Gregory Zehr, Co-CEO & Founder, have the authority to bind the corporation
This document is not authorized under Power of Attorney by this party.

Statements

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, SC1107324 registered on 2013/12/19 to which this notice relates is deleted

Schedule: See Schedules

This document relates to registration no.(s)SC1107324 and SC1107325

Signed By

Karen Grace Larocque	31 Union Street East Waterloo N2J 1B8	acting for Applicant(s)	Signed	2016 12 15
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Tel 519-576-0460

Fax 519-576-3234

I have the authority to sign and register the document on behalf of the Applicant(s).

Submitted By

SORBARA, SCHUMACHER, MCCANN LLP	31 Union Street East Waterloo N2J 1B8			2016 12 15
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Tel 519-576-0460

Fax 519-576-3234

Fees/Taxes/Payment

Statutory Registration Fee	\$63.35
Total Paid	\$63.35

File Number

Applicant Client File Number : 68575

Party To Client File Number : 68575

MORTGAGE AMENDING AGREEMENT

This Agreement made the 14th day of December, 2016.

BETWEEN:

FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
(the "Chargor")

- and -

MARSHALLZEHR GROUP INC.
(the "Chargee")

WHEREAS:

- A. The Chargor executed in favour of the Chargee a Charge registered as Instrument No. SC1107324 on December 19, 2013 securing the principal sum of Fifteen Million Dollars (\$15,000,000.00) (the "Charge Instrument") together with a General Assignment of Rents, notice of which was registered on December 19, 2013 as Instrument No. SC1107325;
- B. The Chargor and Chargee have entered into a mortgage commitment letter dated September 20, 2016 (the "Commitment Letter") under which the Chargor's indebtedness to the Chargee shall continue; and
- C. It is a condition of the Commitment Letter that the Chargor enter into an agreement with the Chargee to amend the Charge Instrument to confirm that the Charge stands as continuing security for all indebtedness from the Chargor to the Chargee;

NOW THEREFORE, in consideration of the premises herein, the sum of TEN DOLLARS (\$10.00) now given by each party to each other, and of other good and valuable consideration (the receipt and sufficiency of all of which is hereby acknowledged), the parties hereby agree as follows:

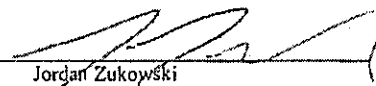
1. The recitals above are true in substance and fact, and the terms defined therein shall have such meaning throughout this Agreement.
2. All capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Charge Instrument.
3. The parties hereto agree to the following changes to the Charge Instrument:
 - a. DELETE: Principal amount: "\$15,000,000.00";
 - b. INSERT: Principal amount: "\$17,500,000.00";
 - c. DELETE: Balance due date: "2016/01/01";
 - d. INSERT: Balance due date: [blank];
 - e. DELETE: Interest adjustment date: "2013 12 19";
 - f. INSERT: Interest adjustment date: [blank];
 - g. DELETE: Payment date: "1st day of each month";
 - h. INSERT: Payment date: [blank];
 - i. DELETE: First payment date: "2014 02 01";
 - j. INSERT: First payment date: [blank];
 - k. DELETE: Last payment date: "2016 01 01";
 - l. INSERT: Last payment date: [blank];
 - m. DELETE: Schedule "A" in its entirety
 - n. INSERT: Schedule "A" attached hereto
4. Save and except as otherwise provided herein, the parties confirm that the terms, conditions and all other provisions of the Charge Instrument shall remain the same and the Charge Instrument shall, where necessary, be read with all changes that may be required by the context in order to carry out the purpose and intent and to give full force and effect to each and every provision of the Charge as intended to be amended by the provisions of the Commitment Letter.
5. The invalidity of any particular provision of this agreement shall not affect any other provision of it, but the agreement shall be construed as if the invalid provision had been omitted.

- 2 -

6. This Agreement shall ensure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
7. This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
8. This Agreement may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.
9. This Agreement and/or counterparts hereof, may also be executed either in original, PDF and/or faxed form and the parties adopt any signatures received by a receiving fax machine or PDF as original signatures of the parties.

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

**FERNWOOD DEVELOPMENTS (ONTARIO)
CORPORATION**

Per: 
Name: Jordan Zukowski
Title: President

I have authority to bind the Corporation

MARSHALLZEHR GROUP INC.

Per: _____
Name: Gregory Zehr
Title: Co-CEO & Founder

I have authority to bind the Corporation

- 6. This Agreement shall ensure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
- 7. This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- 8. This Agreement may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.
- 9. This Agreement and/or counterparts hereof, may also be executed either in original, PDF and/or faxed form and the parties adopt any signatures received by a receiving fax machine or PDF as original signatures of the parties.

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

FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION

Per: _____
Name: Jordan Zukowski
Title: President

I have authority to bind the Corporation

MARSHALLZEHR GROUP INC.

Per: _____
Name: Gregory Zehr
Title: Co-CEO & Founder

I have authority to bind the Corporation

SCHEDULE "A"**1. Collateral Charge**

This Charge is given as continuing collateral security for the due payment and performance by the Debtor of all debts and liabilities, present or future, direct or indirect, absolute or contingent, matured or not, at any time owing to the Chargee or remaining unpaid by the Debtor to the Chargee heretofore or hereafter incurred or arising and whether incurred by or arising from agreement or dealings between the Debtor and the Chargee or however otherwise incurred or arising anywhere within or outside Canada and whether the Debtor be bound alone or with another or others and whether as principal or surety (the "Indebtedness"), including but not limited to any guarantees now or hereafter given to the Chargee as security for the debts of others.

2. Term and Payments

The Indebtedness secured by this Charge is payable in full, together with interest thereon at the Interest Rate as provided herein, on demand.

3. Debtor Covenants

The Debtor covenants as follows and a breach of any covenant shall be a default under the terms of this Charge:

- (a) The Debtor shall not assign, transfer or otherwise dispose of the property charged by this Charge (the "Property") without the Chargee's prior written consent. The Charge and any other security held by the Chargee may be assigned by the Chargee in whole or in part to another lender(s). Except as hereinafter provided, the Debtor consents to the disclosure by the Chargee to any such prospective assignee or participant of all information and documents regarding the Property or Debtor within the possession or control of the Chargee.
- (b) Subject to paragraph 3(a) above, without the Chargee's prior written consent having first been obtained, the Debtor shall not sell, transfer or convey the Property or its rights therein. In the event of a breach by the Debtor of this covenant then, at the sole option of the Chargee, all monies outstanding, together with all accrued and unpaid interest thereon and any other amounts due under this Charge or any other security held by the Chargee, shall become due and payable.
- (c) The Debtor shall not commit any waste on the lands.
- (d) The Debtor shall not permit any transfer or issuance of shares in the share capital of the Debtor or any change in the officers and directors or a change in the terms or the termination of the shareholders agreement made between the Debtor and each of its shareholders, without the prior written consent of the Chargee.
- (e) The Debtor shall not further charge, mortgage, encumber or suffer any other encumbrance or lien to be registered upon the property.
- (f) In the event of a breach of any of the foregoing covenants, or any other covenants contained herein, by the Debtor then, at the option of the Chargee, all monies outstanding, together with all accrued unpaid interest thereon and all other amounts due under this Charge shall become due and payable.

4. Remedies Upon Event of Default

- (a) Upon the occurrence of an Event of Default, the Chargee may declare the principal and interest to be due and payable and the same shall forthwith become immediately due and payable and the Debtor shall forthwith pay to the Chargee the principal together with all interest thereon at the rate from time to time in effect pursuant to the provisions of this Charge hereof from the date of the said declaration until payment is received by the Chargee, such subsequent interest to be payable at the times and places and in the moneys mentioned herein.

- (b) Upon the happening of any Event of Default, the Chargee may exercise any rights, powers or remedies available to it at law or in equity or under applicable legislation and, in addition, shall have the following right, powers and remedies:
- i) to enter upon and take possession of all or any part of the Property;
 - ii) to hold, use, repair, preserve and maintain all or any part of the Property;
 - iii) to exercise all powers necessary to the performance of all functions provided for herein including without limitation the powers to purchase on credit, to borrow money in the Debtor's name or in its own name and to advance its own money to the Debtor at such rates of interest as it may deem reasonable; and
 - iv) to sell, for cash or credit or part cash and part credit, lease or dispose of or otherwise realize upon all or any part of the Property whether by public auction or by private sale or lease in such manner as the Chargee in its absolute discretion may determine, provided that it shall not be incumbent on the Chargee to sell, lease or dispose of the said Property but that it shall be lawful for the Chargee peaceably to use and possess the same without hindrance or interruption by the Debtor, or any other person or persons whomsoever, and to receive income from such Property and to convey, transfer and assign to a purchaser or purchasers the title to any undertaking, property and assets so sold and provided further that in the case of a sale on credit the Chargee shall only be liable to account to the Debtor, any subsequent encumbrancers and others for moneys actually received by the Chargee.
- (c) Upon the happening of any Event of Default that is not cured within the time frames set out herein, the Chargee may proceed to realize the security hereby constituted and to enforce its rights by entry; or by the appointment by instrument in writing of a receiver or receivers of the subject matter of such security or any part thereof and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Chargee or not, and the Chargee may remove any receiver or receivers so appointed and appoint another or others in his or their stead; or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Property or any part thereof; or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Debtor. Any such receiver or receivers so appointed shall have power to take possession of the Property or any part thereof and to carry on the business of the Debtor, and to borrow money required for the maintenance, preservation or protection of the Property or any part thereof, and to further charge the Property in priority to the security constituted by this Charge as security for money so borrowed, and to sell, lease or otherwise dispose of the whole or any part of the Property on such terms and conditions and in such manner as he shall determine. In exercising any powers, any such receiver or receivers shall act as agent or agents for the Debtor and the Chargee shall not be responsible for his or their actions.
- (d) In addition, the Chargee may enter upon the applicable premises and lease or sell the whole or any part or parts of the Property. The Debtor agrees that it will be commercially reasonable to sell such part of the Property:
- i) as a whole or in various units;
 - ii) by a public sale or call for tenders by advertising such sale; and
 - iii) by private sale.
- (e) Any such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Chargee in its sole discretion may seem advantageous and such sale may take place whether or not the Chargee has taken possession of such property and assets.

- (f) No remedy for the realization of the security hereof or for the enforcement of the rights of the Chargee shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this Schedule includes a receiver and manager.
- (g) Upon any Event of Default, the Chargee shall, notwithstanding anything contained herein to the contrary, be entitled to receive in addition to all other fees, charges and disbursements, an administration and management fee in the amount of \$5,000.00 for each month or part thereof that the defaulting party is in default. The said sum or sums are agreed to be liquidated damages in respect of the Chargee's administration and management costs and are not intended nor shall they be construed as a penalty. All such sums payable to the Chargee shall be added to and deemed to be outstanding principal and interest shall accrue thereon.

5. Additional Collateral Charge Terms

- (a) The Chargee may grant time, renewals, extensions, indulgences, releases and discharges to, may take securities and guarantees from and give the same and any and all existing securities and guarantees up to, may abstain from taking securities or guarantees from or from perfecting securities or guarantees of, may accept compositions from and may otherwise deal with the Debtor and all other persons, securities and guarantees held by the Chargee as the Chargee may see fit without prejudicing the rights of the Chargee under this Charge;
- (b) That the taking of judgment in respect of the Liabilities or any instrument or instruments now or hereafter representing or evidencing the Liabilities or under any of the covenants herein or in any such instrument contained or implied shall not operate as a merger of the Liabilities or such instrument, instruments, or covenants nor affect the right of the Chargee to interest at the rate and times herein provided nor affect nor prejudice any rights or remedies given to the Chargee by the terms of this Charge;
- (c) The Chargee shall not be bound to exhaust its recourse against any person or any securities or guarantees it may at any time hold before being entitled to payment from the Chargor of the moneys secured by this Charge and enforcement of its rights pursuant to this Charge and the Chargor renounces to all benefits of discussion and division;
- (d) This Charge shall not be affected by the death or loss or diminution of capacity of any person for whose indebtedness the Debtor has given the Chargee a guarantee thereof (a "Guarantor"), or by any change in the name of any Guarantor or in the membership of the firm of any Guarantor or through the death or retirement of one or more partners or the introduction of one or more other partners or otherwise or by the acquisition of the business of any Guarantor, or by any change whatsoever in the objects, capital, structure or constitution of the any Guarantor, or by any Guarantor or the business of any Guarantor being amalgamated with a corporation or wound up or its corporate existence terminated, but shall notwithstanding the happening of any such event continue to exist and apply to the full extent as if such event had not happened;
- (e) The Chargor shall be bound by any account settled between the Chargee and any Guarantor, and if no such account has been so settled immediately before demand of payment hereunder, any account stated by the Chargee shall be accepted by the Chargor as conclusive evidence of the amount which at the date of the account so stated is due by that Guarantor to the Chargee or remains unpaid by that Guarantor to the Chargee;
- (f) Without prejudice to any of the rights or recourses which the Chargee may have against any Guarantor, the Chargor expressly waives any right to require the Chargee to initiate or exhaust any rights, remedies or recourses against that Guarantor, or any guarantors of that Guarantor, or any of them, or any other Person; or to value, realize upon or dispose of any other charges and/or securities held by the Chargee, or to initiate or exhaust any other remedy which the Chargee may have at law or in equity before requiring or becoming entitled

to demand and enforce payment from the Chargor under this Charge; and the Chargor renounces all benefits of discussion and division; and,

- (g) If for any reason any Guarantor has no legal existence, or if any Guarantor is or becomes under no legal obligation to discharge the Liabilities or if any of the Liabilities become statute barred or otherwise irrecoverable from that Guarantor whether by operation of law or for any reason whatsoever including, without limitation, as a result of any lack or limitation of power, capacity or disability of that Guarantor or its directors, partners, officers or agents or as a result of any irregularity, fraud, defect or informality in obtaining of any advances, credits or renewals from the Chargee (whether or not the Chargee should have had knowledge thereof), this Charge and the covenants, agreements and obligations of the Chargor set out herein shall nevertheless be binding upon the Chargor as principal debtor until such time as the Liabilities have been paid in full to the Chargee.

6. Paramountcy

This Charge shall be subject to the terms and conditions of the Commitment and in the event of any conflict between the terms hereof and those contained in the Commitment, or the Standard Charge Terms incorporated herein, the Lender in its sole discretion, shall determine which provisions shall take precedence and prevail. The Commitment shall not be deemed to merge with the terms of this Charge but shall survive the delivery and registration of this Charge and any default under the terms of the Commitment shall be and be deemed a default under the terms of this Charge and a default under the terms of this Charge shall be deemed a default under the terms of the Commitment.

Properties

<i>PIN</i>	59420 - 0001 LT
<i>Description</i>	UNIT 1, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	85 SYDENHAM WELLS BARRIE
<i>PIN</i>	59420 - 0010 LT
<i>Description</i>	UNIT 10, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0011 LT
<i>Description</i>	UNIT 11, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0014 LT
<i>Description</i>	UNIT 14, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0022 LT
<i>Description</i>	UNIT 22, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0025 LT
<i>Description</i>	UNIT 25, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0030 LT
<i>Description</i>	UNIT 30, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0031 LT
<i>Description</i>	UNIT 31, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0033 LT
<i>Description</i>	UNIT 33, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0042 LT
<i>Description</i>	UNIT 42, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0043 LT
<i>Description</i>	UNIT 43, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0046 LT
<i>Description</i>	UNIT 46, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0054 LT
<i>Description</i>	UNIT 54, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS

Properties

APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0057 LT

Description UNIT 57, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0062 LT

Description UNIT 62, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0063 LT

Description UNIT 63, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1354411; CITY OF BARRIE

Address BARRIE

PIN 58831 - 1862 LT

Description PART OF BLOCK 6, PLAN 51M983, PART 3 PLAN 51R40027; SUBJECT TO AN EASEMENT OVER PART 3 PLAN 51R40027 AS IN SC1189600; TOGETHER WITH AN EASEMENT OVER COMMON ELEMENTS SIMCOE STANDARD CONDOMINIUM PLAN NUMBER 420 AS IN SC1354411; SUBJECT TO AN EASEMENT OVER PART 3 PLAN 51R40027 IN FAVOUR OF SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AS IN SC1354411; SUBJECT TO AN EASEMENT OVER PART 3 PLAN 51R40027 IN FAVOUR OF SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AS IN SC1496430; TOGETHER WITH AN EASEMENT OVER COMMON ELEMENTS SIMCOE STANDARD CONDOMINIUM PLAN NUMBER 420 AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0065 LT

Description UNIT 65, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0066 LT

Description UNIT 66, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0068 LT

Description UNIT 68, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0069 LT

Description UNIT 69, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0071 LT

Description UNIT 71, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0072 LT

Description UNIT 72, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0073 LT

Description UNIT 73, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

Properties

<i>PIN</i>	59420 - 0077 LT
<i>Description</i>	UNIT 77, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0078 LT
<i>Description</i>	UNIT 78, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0081 LT
<i>Description</i>	UNIT 81, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0087 LT
<i>Description</i>	UNIT 87, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0088 LT
<i>Description</i>	UNIT 88, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0089 LT
<i>Description</i>	UNIT 89, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0090 LT
<i>Description</i>	UNIT 90, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0091 LT
<i>Description</i>	UNIT 91, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0092 LT
<i>Description</i>	UNIT 92, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0093 LT
<i>Description</i>	UNIT 93, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0094 LT
<i>Description</i>	UNIT 94, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0095 LT
<i>Description</i>	UNIT 95, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
<i>Address</i>	BARRIE
<i>PIN</i>	59420 - 0096 LT
<i>Description</i>	UNIT 96, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS

Properties

SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0098 LT

Description UNIT 98, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0099 LT

Description UNIT 99, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0101 LT

Description UNIT 101, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0102 LT

Description UNIT 102, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0103 LT

Description UNIT 103, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0104 LT

Description UNIT 104, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0108 LT

Description UNIT 108, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0111 LT

Description UNIT 111, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0112 LT

Description UNIT 112, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0117 LT

Description UNIT 117, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0119 LT

Description UNIT 119, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

PIN 59420 - 0120 LT

Description UNIT 120, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE

Address BARRIE

Properties

PIN 59420 - 0121 LT
Description UNIT 121, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0122 LT
Description UNIT 122, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
Address BAXTER

PIN 59420 - 0123 LT
Description UNIT 123, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
Address BARRIE

PIN 59420 - 0124 LT
Description UNIT 124, LEVEL 1, SIMCOE STANDARD CONDOMINIUM PLAN NO. 420 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN SC1496430; CITY OF BARRIE
Address BARRIE

Consideration

Consideration \$2.00

Applicant(s)

The notice is based on or affects a valid and existing estate, right, interest or equity in land

Name FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
Address for Service 5556 5th Line Eramosa
 RR# 1
 Rockwood, ON, N0B 2K0

I, Jordan Zukowski, President, have the authority to bind the corporation.
 This document is not authorized under Power of Attorney by this party.

Party To(s)**Capacity****Share**

Name MARSHALLZEHR GROUP INC.
Address for Service 465 Phillip Street, Suite 206
 Waterloo, ON, N2L 6C7

I, Gregory Zehr, CEO & Co-Founder, have the authority to bind the corporation
 This document is not authorized under Power of Attorney by this party.

Statements

This notice is pursuant to Section 71 of the Land Titles Act.

This notice may be deleted by the Land Registrar when the registered instrument, SC1107324 registered on 2013/12/19 to which this notice relates is deleted

Schedule: See Schedules

This document relates to registration number(s) SC1107324 and SC1372009

Signed By

Karen Grace Larocque 31 Union Street East acting for Signed 2018 10 01
 Waterloo Applicant(s)
 N2J 1B8

Tel 519-576-0460
 Fax 519-576-3234

I have the authority to sign and register the document on behalf of the Applicant(s).

MORTGAGE AMENDING AGREEMENT

This Agreement made the 14th day of September, 2018.

BETWEEN:

FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
(the "Chargor")

- and -

MARSHALLZEHR GROUP INC.
(the "Chargee")

WHEREAS:

- A. The Chargor executed in favour of the Chargee a charge registered as Instrument No. SC1107324 on December 19, 2013 (the "Charge") securing the principal sum of Fifteen Million Dollars (\$15,000,000.00) together with a General Assignment of Rents, notice of which was registered on December 19, 2013 as Instrument No. SC1107325 on the title to the property known as 85 Sydenham Wells, Barrie (the "Property");
- B. The Chargor and Chargee entered into a mortgage commitment letter dated September 20, 2016 (the "Commitment Letter") under which the Chargor's indebtedness to the Chargee shall continue;
- C. Pursuant to the Commitment Letter, the Chargor and Chargee entered into a Mortgage Amending Agreement dated December 4, 2016 increasing the principal sum of the Charge to \$17,500,000.00, notice of which was registered on the title to the Property on December 15, 2016 as Instrument No. SC1372009 (such charge, as amended, being referred to herein as the "Amended Charge Instrument");
- D. The Chargor and Chargee further entered into an amendment letter dated May 17, 2017 (the "Amending Letter") under which the Chargor's indebtedness to the Chargee shall continue;
- E. The Chargor and Chargee further entered into a further amendment letter dated September 5, 2018 (the "Amending Letter") under which the Chargor's indebtedness to the Chargee shall continue and agree to further increase the face principal amount of the Amended Charge to \$22,000,000.00; and
- F. It is a condition of the Amending Letter that the Chargor enter into an agreement with the Chargee to further amend the Charge and to confirm that the Charge stands as continuing security for all indebtedness from the Chargor to the Chargee;

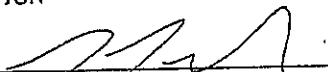
NOW THEREFORE, in consideration of the premises herein, the sum of TEN DOLLARS (\$10.00) now given by each party to each other, and of other good and valuable consideration (the receipt and sufficiency of all of which is hereby acknowledged), the parties hereby agree as follows:

1. The recitals above are true in substance and fact, and the terms defined therein shall have such meaning throughout this Agreement.
2. All capitalized terms used herein and not otherwise defined shall have the meaning ascribed to them in the Amended Charge Instrument.
3. The parties hereto agree to the following changes to the Amended Charge Instrument:
 - a. DELETE: Principal amount: "\$17,500,000.00";
 - b. INSERT: Principal amount: "\$22,000,000.00";
4. Save and except as otherwise provided herein, the parties confirm that the terms, conditions and all other provisions of the Amended Charge Instrument shall remain the same and the Amended Charge Instrument shall, where necessary, be read with all changes that may be required by the context in order to carry out the purpose and intent and to give full force and effect to each and every provision of the Amended Charge Instrument as intended to be amended by the provisions of the Commitment Letter.
5. The invalidity of any particular provision of this agreement shall not affect any other provision of it, but the agreement shall be construed as if the invalid provision had been omitted.

6. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
7. This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
8. This Agreement may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.
9. This Agreement and/or counterparts hereof, may also be executed either in original, PDF and/or faxed form and the parties adopt any signatures received by a receiving fax machine or PDF as original signatures of the parties.

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

**FERNWOOD DEVELOPMENTS (ONTARIO)
CORPORATION**

Per: 
Name: Jordan Zukowski
Title: President

I have authority to bind the Corporation

MARSHALLZEHR GROUP INC.

Per: _____
Name: Gregory Zehr
Title: CEO & Co-Founder

I have authority to bind the Corporation

6. This Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and permitted assigns.
7. This Agreement shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
8. This Agreement may be executed in any number of counterparts and all of such counterparts taken together shall be deemed to constitute one and the same instrument.
9. This Agreement and/or counterparts hereof, may also be executed either in original, PDF and/or faxed form and the parties adopt any signatures received by a receiving fax machine or PDF as original signatures of the parties.

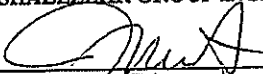
IN WITNESS WHEREOF each of the parties hereto have executed this Agreement as of the first date written above.

**FERNWOOD DEVELOPMENTS (ONTARIO)
CORPORATION**

Per: _____
Name: Jordan Zukowski
Title: President

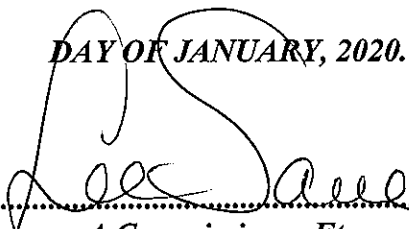
I have authority to bind the Corporation

MARSHALLZEHR GROUP INC.

Per:  _____
Name: Gregory Zehr Sana mirt
Title: CEO & Co-Founder A.S.U.

I have authority to bind the Corporation

*THIS IS EXHIBIT "E" TO THE
AFFIDAVIT OF MURRAY SNEDDEN
SWORN BEFORE ME THIS 30TH
DAY OF JANUARY, 2020.*


.....
A Commissioner Etc.

Properties

PIN 58831 - 1813 LT
Description BLOCK 6, PLAN 51M983; CITY OF BARRIE
Address SIMCOE

Applicant(s)

The assignor(s) hereby assigns their interest in the rents of the above described land. The notice is based on or affects a valid and existing estate, right, interest or equity in land.

Name FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
Address for Service 5556 5th Line, R. R. #1
 Rockwood, Ontario, N0B 2K0

I, Jordan Zukowski, President, have the authority to bind the corporation.
 This document is not authorized under Power of Attorney by this party.

Party To(s)**Capacity****Share**

Name MARSHALLZEHR GROUP INC.
Address for Service 465 Phillip Street #206
 Waterloo, Ontario, N2L 6C7

Statements

The applicant applies for the entry of a notice of general assignment of rents.

This notice may be deleted by the Land Registrar when the registered instrument, SC1107324 registered on 2013/12/19 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Charlotte Ann Langill 31 Union Street East acting for First 2013 12 18
 Waterloo Applicant(s) Signed
 N2J 1B8

Tel 519-576-0460
 Fax 519-576-3234

Charlotte Ann Langill 31 Union Street East acting for Last 2013 12 27
 Waterloo Applicant(s) Signed
 N2J 1B8

Tel 519-576-0460
 Fax 519-576-3234

I have the authority to sign and register the document on behalf of all parties to the document.

Charlotte Ann Langill 31 Union Street East acting for Party To First 2013 12 18
 Waterloo (s) Signed
 N2J 1B8

Tel 519-576-0460
 Fax 519-576-3234

Charlotte Ann Langill 31 Union Street East acting for Party To Last 2013 12 27
 Waterloo (s) Signed
 N2J 1B8

Tel 519-576-0460
 Fax 519-576-3234

I have the authority to sign and register the document on behalf of all parties to the document.

Submitted By

SORBARA, SCHUMACHER, MCCANN LLP 31 Union Street East 2013 12 27
 Waterloo
 N2J 1B8

Tel 519-576-0460
 Fax 519-576-3234

Fees/Taxes/Payment

Statutory Registration Fee	\$60.00
Total Paid	\$60.00

File Number

Applicant Client File Number :	68575
Party To Client File Number :	68575

GENERAL ASSIGNMENT OF LEASES AND RENTS

THIS INDENTURE dated this 17 day of December, 2013.

B E T W E E N:

FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION, having a head office at
5556 5TH Line, R. R. #1, Rockwood, Ontario, N0B 2K0

(hereinafter called the "Company"),

OF THE FIRST PART;

-and-

MARSHALLZEHR GROUP INC., having a head office at 465 Phillip Street, Unit 206,
Waterloo, Ontario, N2L 6C7

(hereinafter called "Assignee"),

OF THE SECOND PART.

WHEREAS by a certain charge (the "Charge") dated the 17 day of December, 2013, in the face amount of \$15,000,000.00, which Charge was registered in the Land Registry Office for the Land Registry Division of Simcoe No .615 as the Instrument Number set out in the Statements section on the attached Notice of Assignment of Rents - General, the Company granted, mortgaged and charged to Assignee the lands and premises described therein, including those described in Schedule "A" annexed hereto (the said lands and premises together with the buildings, improvements and fixtures situate thereon being hereinafter referred to as the "Premises") to secure the payment to Assignee of the principal of, interest on and all other moneys which may become owing on or pursuant to the Charge (whenever in this Indenture reference is made to the Charge, it shall be deemed to include any renewals or extensions thereof and any Charges or mortgages taken in substitution therefor either in whole or in part); and

WHEREAS as security for the due performance by the Company of all the covenants contained in the Charge, the Company has agreed to assign, transfer and set over unto Assignee all the Company's right, title and interest in any and all leases or agreements to lease (the "Leases"), now or hereafter existing, of any and all portions of the Premises and all rents, charges and other monies (the "Rents") now due and payable or hereafter to become due and payable under the Leases.

NOW THIS INDENTURE WITNESSETH that in consideration of the premises and other good and valuable consideration the Company represents, covenants and agrees with Assignee as follows:

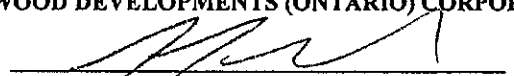
1. Assignment. The Company hereby irrevocably assigns, transfers and sets over unto Assignee, subject to no prior claim or assignment, the Leases and the Rents and all benefits and advantages to be derived therefrom, including any guarantees given to the Company in respect of the Leases and Rents, to hold and receive the same unto Assignee, its successors and assigns, with full power and authority to demand, collect, sue for, recover, receive receipts for the Rents and to enforce payment of the same in the name of the Company.
2. Where Company not in Default. Until the Company defaults under the covenants, terms and conditions contained in this Indenture or an event of default occurs under the Charge the Company may demand, receive, collect and enjoy the Rents only as the same fall due and payable and not in advance, but nothing shall permit or authorize the Company to collect or receive Rents contrary to the covenants contained herein.
3. Remedies. The Company, in the event of a default hereunder or under the Charge, hereby authorizes Assignee, at its option and in addition to any other rights it may have hereunder or under any other agreement or at common law or in equity, to deliver to any or all of the tenants, licencees or occupiers of the Premises notices to pay all Rents to Assignee and to collect such Rents and, in addition, enter upon the Premises by its officers, agents or employees for the purpose of collecting the Rents and/or operating and maintaining the Premises. The Company hereby authorizes Assignee generally to perform all such acts, including any acts by way of enforcement of the covenants and exercise of the rights contained in the Leases or otherwise, as may in the opinion of Assignee be necessary or desirable for the proper operation and maintenance of the Premises, which acts may be performed in the name of the Company or in the name of Assignee as in the absolute discretion of Assignee may seem proper or advisable. Assignee shall, after deduction of all collection charges and all expenses, which Assignee in its absolute discretion shall deem advisable to pay for the proper operation and maintenance of the Premises, credit the remainder of the moneys which it may receive in connection with the Premises on account of any amount or amounts due to Assignee from the Company in such manner as Assignee shall in its sole discretion determine. Notwithstanding anything herein, Assignee shall be liable to account only for such monies as shall actually come into its hands.
4. Liability of Assignee. In the exercise of the powers herein granted to Assignee, no liability shall be asserted or enforced against Assignee, all such liability being hereby expressly waived and released by the Company. Assignee shall not be obligated to perform or discharge any obligation, duty or liability under the Leases, or under or by reason of this assignment, and the Company shall and does hereby agree to indemnify Assignee for and to hold it harmless of and from any and all liability, loss or damage which it may or might incur under the Leases or under or by reason of this assignment and of and from any and all claims and demands whatsoever which may be asserted against it by reason of agreements contained in the Leases. Should Assignee incur any such

- 6. Not Mortgagee in Possession. Nothing herein contained shall be deemed to have the effect of making Assignee responsible for the collection of the Rents or any part thereof for the performance of any covenants, terms or conditions either by the lessor or any lessee contained in the Leases and Assignee shall not by virtue of this Indenture be deemed a mortgagee in possession of the Premises.
- 7. Perform Covenants of Landlord. The Company shall at all times perform all of the lessor's covenants and obligations contained in the Leases and any failure on the part of the Company thereunder shall constitute a default hereunder and shall be deemed to be default under the Charge. If so requested by Assignee, the Company will enforce the Leases and all remedies available to the Company against the lessees, in case of default under the Leases, or any of them, by the lessees.
- 8. Valid Leases. The Company hereby covenants with Assignee notwithstanding any act of the Company that the leases contained in Schedule "B" hereto are good, valid and subsisting leases and that the Company now has good right, full power and absolute authority to assign each such lease according to the true intent and meaning of this Indenture.
- 9. No Prepayment of Rents. The Company will not accept payment from any lessee in advance and will not cause payment to be made in advance on its direction for a period longer than provided in the respective lease and breach of this covenant shall be deemed to be default under the Charge.
- 10. Covenants. The Company shall not without the written approval of Assignee first had and obtained:
 - (a) do or omit to do any act having the effect of terminating, cancelling or accepting the surrender of the Leases or any of them;
 - (b) amend, alter or vary the terms and conditions of the Leases or any of them;
 - (c) waive, reduce or abate any of its rights or remedies under the Leases or the obligations of any other parties thereunder or in respect thereof;
 - (d) permit any material default or breach of covenant by any lessee under the Leases; and
 - (e) enter into any Leases for any part of the Premises that are not bona fide leases with lessees with whom the Company deals at arm's length. The terms of any future leases must be approved by Assignee prior to execution (such consent not to be unreasonably withheld or delayed) and shall be at rental rates and terms consistent with comparable space in the area of the Premises.
- 11. Waiver of Covenants. Assignee may waive any default or breach of covenant and shall not be bound to serve any notice upon any lessee under the Leases upon the happening of any default or breach of covenant, but any such waiver shall not extend to any subsequent default or breach of covenant.
- 12. Further Assurances. The Company covenants and agrees from time to time and at all times hereafter at the request of Assignee to execute and deliver at the expense of the Company such further assurances for better and more perfectly assigning to Assignee any Leases whether presently existing or hereafter created and the Rents payable thereunder in the manner aforesaid as Assignee may require and to execute, deliver and register, at the expense of the Company, all such documents as may be required to preserve, perfect and protect the security constituted hereby including all such renewals as may be required by relevant legislation, including the *Personal Property Security Act*.
- 13. Re-assignment. The assignment, transfer and setting over herein provided shall not be revoked or rescinded by any variation of the terms of the Charge or any extension of time for payment or otherwise but shall remain in full force and effect until the Company shall have performed all of its obligations under the Charge. A discharge of the Charge executed by Assignee shall operate as a re-assignment of the Leases and Rents without the need for any further conveyance, but Assignee shall, at the request and at the expense of the Company, execute and deliver a full re-assignment to the Company of the Leases and Rents and its all right, title and interest therein.
- 14. Binding Effect and Governing Law. This Indenture shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns. This Indenture shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

IN WITNESS WHEREOF the Company has executed this Indenture.

FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION

By:

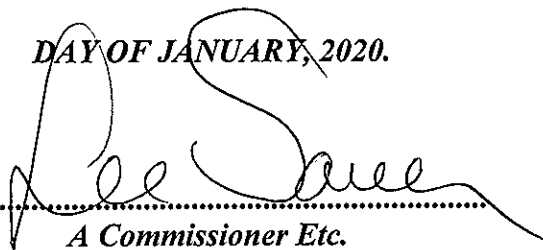

 Name: Jordan Zukowski
 Title: President c/s

I have authority to bind the Corporation.

SCHEDULE "A"
DESCRIPTION OF PROPERTY

Block 6, Plan 51M-982; City of Barrie

*THIS IS EXHIBIT "F" TO THE
AFFIDAVIT OF MURRAY SNEDDEN
SWORN BEFORE ME THIS 30TH
DAY OF JANUARY, 2020.*


.....
A Commissioner Etc.

**MARSHALLZEHR GROUP INC.
SECURITY AGREEMENT**

To: MarshallZehr Group Inc. ("MZG")
465 Phillip Street, Suite 206
Waterloo, Ontario, N2L 6C7
Facsimile No. (519-342-0851)

From: Fernwood Developments (Ontario) Corporation ("Debtor")
5556 5th Line, R. R. #1
Rockwood, Ontario, N0B 2K0
Facsimile No:

1. **General Security Interest.** As security for the payment and performance of all present and future indebtedness, liabilities and obligations of the Debtor to MZG, whether direct or indirect, absolute or contingent, liquidated or unliquidated, as principal or as surety, alone or with others, of whatsoever nature or kind, in any currency or otherwise, under or in respect of agreements or dealings between the Debtor and MZG or agreements or dealings between the Debtor and others by which MZG may be or become in any manner whatsoever a creditor of the Debtor including, without limitation, Obligations under (i) any and all letter agreements and offers to finance/or offers to lease (the "Offers of Finance") entered into by the Debtor and MZG from time to time, (ii) any promissory notes, guarantees or indemnities executed by the Debtor in favour of MZG, and (iii) this Security Agreement (all such indebtedness, liabilities, obligations, expenditures, costs and expenses are hereinafter collectively referred to as the "Obligations"), the Debtor hereby assigns, charges, pledges, mortgages and grants to MZG a security interest in all of the undertaking, property and assets of the Debtor, both real and personal, immoveable and moveable, tangible and intangible, legal and equitable, of whatsoever nature and kind situate on and used in connection with the Real Property described in Schedule "A" hereto, now owned or hereafter acquired by or on behalf of the Debtor or in respect of which the Debtor now or hereafter has any right, title or interest (all of which is hereinafter called the "Collateral"), including without limitation:

- (a) **Intangibles** - all intangible property including without limitation book debts and accounts, all contractual rights and insurance claims, licences, computer software, warranties, ownership certificates, patents, trademarks, trade names, goodwill, copyrights and other industrial property of the Debtor;
- (b) **Books & Records** - all of the Debtor's, manuals, publications, letters, deeds, documents, writings, papers, invoices, books of account and other books relating to or being records of debts, chattel paper or documents of title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable;
- (c) **Equipment** - all of the Debtor's tools, machinery, equipment, apparatus, furniture, plants, fixtures, vehicles and other tangible personal property, other than Inventory (as defined below), (collectively, the "Equipment") including, without limitation, the Equipment described in Schedule "A" hereto;
- (d) **Inventory** - all of the Debtor's tangible personal property held for sale or lease or that have been leased or that are to be furnished or have been furnished under a contract of service, or that are raw materials, work in process, or materials used or consumed in a business or profession (collectively, the "Inventory");
- (e) **Real Property** - all of the Debtor's real and immovable property, both freehold and leasehold, now or hereafter owned, acquired or occupied by the Debtor, together with all buildings, erections, improvements and fixtures situate upon or used in connection therewith, including any lease, verbal or written or any agreement therefor, (collectively, the "Real Property") provided, however, the last day of any term of any such lease, verbal or written, or any agreement therefor now held or hereafter held by the Debtor, is excepted out of the Real Property charged by this Security Agreement, but should such charge become enforceable the Debtor shall thereafter stand possessed of the last day of such leasehold interest upon trust to assign and dispose thereof as MZG may direct;
- (f) **Other Property** - the Debtor's undertaking and all of the Debtor's other property and assets including, without limitation, uncalled capital, judgments, rights, franchises, chattel paper, documents of title, goods, instruments, money and securities (as those

terms are defined in the Personal Property Security Act governing this Security Agreement); and

- (g) **Proceeds** - all of the Debtor's property in any form derived directly or indirectly from any use or dealing with the Collateral or that indemnifies or compensates for loss of or damage to the Collateral (collectively, the "Proceeds").

2. **Attachment.** The security interest given hereunder will attach immediately upon the execution of this Security Agreement. The security interest granted hereby has not been postponed and will attach to any particular Collateral as soon as the Debtor has rights in such Collateral.

3. **Representations and Warranties of the Debtor.** The Debtor represents and warrants to MZG as follows:

- (a) The Debtor now owns or will own the Collateral, as the case may be, free and clear of any prior lien, security interest or encumbrance save and except for the security interest granted hereby and for those encumbrances as shown in Schedule "B" which have been validly perfected ("Permitted Encumbrances");
- (b) This Security Agreement has been properly authorized and constitutes a legally valid and binding obligation of the Debtor;
- (c) The authorization, creation, execution and delivery of this Security Agreement and compliance with its terms
- (i) does not and shall not contravene any applicable law, regulation, rule, order, judgment or injunction or the charter documents, by-laws or any unanimous shareholders' agreement of the Debtor; and
- (ii) does not and shall not result in a breach of or a default under any indenture, instrument, lease, agreement or undertaking to which the Debtor is a party or by which it or the Collateral is or may become bound.

4. **General Covenants.** The Debtor hereby declares, covenants and agrees that it:

- (a) **Pay Costs** - shall pay all costs and expenses (including legal fees and disbursements on a solicitor and own client basis) of MZG incidental to or which in any way relates to this Security Agreement or its enforcement, including (i) the preparation, execution and filing of this Security Agreement and any instruments postponing, discharging, amending, extending or supplemental to this Security Agreement or any security required by any Offer of Finance ("MZG's Security"); (ii) perfecting and keeping perfected MZG's Security; (iii) maintaining the intended priority of MZG's Security on all or any part of the Collateral; (iv) taking, recovering or possessing the Collateral; (v) taking any actions or other proceedings to enforce the remedies provided herein or otherwise in relation to this Security Agreement or the Collateral, or by reason of a default under MZG's Security or the Offer of Finance or the non-payment of the moneys hereby secured; (vi) taking proceedings, giving notices and giving responses required under any applicable law concerning or relating to MZG's Security, including compliance with the provisions of applicable bankruptcy, insolvency, personal property security and mortgage enforcement legislation; (vii) responding to or participating in proceedings in the nature of those described in Sections 14(d), (e) and (f) hereof; and (viii) obtaining the advice of counsel and other advisors in relation to the foregoing;

all such costs and expenses and other monies payable hereunder, together with interest at the highest rate chargeable by MZG from time to time on the Obligations, shall form part of the Obligations, shall be payable by the Debtor on demand and shall be secured hereby;

- (b) **To Pay Rents and Taxes** - shall pay all rents, taxes and assessments lawfully imposed upon the Real Property where the Collateral is located or any part thereof when the same become due and payable, and shall show to MZG on request receipts for such payment;
- (c) **To Maintain Corporate Existence and Security** - shall maintain its corporate existence, shall maintain the security hereby created as valid, effective and perfected security at all times, shall observe and perform all of its obligations under leases, licences

and other agreements to which it is a party so as to preserve and protect the Collateral and its value;

- (d) **Not to Sell** - shall not, except for inventory sold in the ordinary course of business and except as otherwise permitted hereunder, remove, destroy, lease, sell or otherwise dispose or part with possession of any of the Collateral; provided that the Debtor may sell or otherwise dispose of furniture, machinery, equipment, vehicles and accessories which have become worn out or damaged or otherwise unsuitable for their purposes on condition that it shall substitute therefor, subject to the lien hereof and free from prior liens, security interests or encumbrances, property of equal value so that the security hereby constituted shall not thereby be in any way reduced or impaired;
- (e) **No Other Liens** - shall not create, assume or suffer to exist any charge, lien, federal or provincial government priority claim arising pursuant to statute including any deemed trust, security interest or encumbrance upon any Collateral other than Permitted Encumbrances. No provision hereof shall be construed as a subordination or postponement of the security interest created hereunder to or in favour of any other charge, lien, security interest or encumbrance, whether or not it is a Permitted Encumbrance, except that the Debtor may give security to its bankers on its Inventory or under assignments of its accounts receivable (except to the extent that such accounts receivable represent proceeds of the sale or disposition of Equipment or Real Property) and such security, if validly perfected, shall rank prior to the interest granted hereby on such Inventory and accounts receivable without further action by MZG;
- (f) **To Hold Proceeds of Unauthorized Sale in Trust** - in the event the Collateral or any part thereof is sold or disposed of prior to the full discharge of this Security Agreement by MZG, in any manner not authorized by this Security Agreement, shall hold all proceeds of such sale or disposition received by the Debtor as trustee for MZG until the Debtor has been fully released from this Security Agreement by MZG;
- (g) **To Insure** - shall keep insured the Collateral to its full insurable value or in such amounts as MZG may reasonably require against all risks, with insurers approved by MZG and will pay all premiums necessary for such purposes as the same shall become due; the proceeds under all policies of insurance are hereby assigned to MZG subject to Permitted Encumbrances as further security hereunder and shall be payable to MZG as its interest may appear and contain such mortgage clauses as MZG may require; such policies or contracts shall be in terms reasonably satisfactory to MZG and at the request of MZG shall be delivered to and held by MZG subject to the rights of the holders of Permitted Encumbrances;
- (h) **To Furnish Proofs** - shall forthwith on the happening of any loss or damage furnish at its expense all necessary proofs and do all necessary acts to enable MZG to obtain payment of the insurance moneys subject to the rights of the holders of Permitted Encumbrances;
- (i) **Inspection by MZG** - shall allow any employees or third parties retained by MZG at any reasonable time to enter the premises of the Debtor or others to inspect the Collateral and to inspect the books and records of the Debtor relating to the Collateral and make extracts therefrom, and shall permit MZG prompt access to such other persons, as MZG may deem necessary or desirable for the purposes of inspecting or verifying any matters relating to any part of the Collateral or the books and records of the Debtor relating to the Collateral, provided that any information so obtained shall be kept confidential, save as required by MZG in exercising its rights hereunder or pursuant to any applicable law or court order. The Debtor shall pay all costs and expenses of third parties (including legal fees and disbursements on a solicitor and own client basis) retained by MZG for purposes of inspection under this Section 4(i);
- (j) **Use and Maintenance** - shall cause the Equipment and Inventory to be operated in accordance with any applicable manufacturer's manuals or instructions, by competent and duly qualified personnel. Any and all additions and accessions to and parts and replacements for the Equipment or Inventory shall immediately become subject to the security interest created hereby. The Debtor shall not change the intended use of the

Collateral without the prior written consent of MZG which will not be unreasonably withheld or delayed;

- (k) Location of Collateral - shall keep the Collateral at the locations set forth in Schedule "A" hereto, except for goods in transit to such locations, or Inventory on lease or consignment, or with the prior written consent of MZG;
- (l) No Affixation - shall not permit the Collateral to be attached to or affixed to real or other personal property without the prior written consent of MZG which will not be unreasonably withheld or delayed. The Debtor shall obtain and deliver to MZG such waivers as MZG may reasonably request from any owner, landlord or mortgagee of premises on which the Collateral is located or to which the Collateral may become affixed or attached. The Debtor shall promptly do, execute and deliver all such further acts, documents, agreements or assurances as MZG may reasonably require for giving effect to the intent of this Security Agreement and shall register such notice or documents against the title to such premises as MZG may reasonably request to protect its interests hereunder and shall maintain plates or marks showing the name of MZG upon the Collateral as requested;
- (m) Not to Remove - prior to moving any of the Collateral from any location indicated in Schedule "A" hereto, or to leasehold property, the Debtor shall effect such further registrations and obtain such other consents and give such other security, at the sole cost and expense of the Debtor, as may be required or desirable to protect or preserve the security hereby created and to maintain the priority intended to be granted to MZG hereunder as against all others including landlords, and the Debtor shall forthwith notify MZG of the intended removal and the action proposed to be taken;
- (n) Compliance with Environmental Laws
 - (i) shall conduct and maintain its business, operations, Real Property and the Collateral so as to comply in all respects with all applicable Environmental Laws, including obtaining all necessary licenses, permits, consents and approvals required to own or operate the Collateral and the business carried out on, at or from the Real Property;
 - (ii) except as specifically permitted by MZG in writing, it shall not permit or suffer to exist, Contaminants or dangerous or potentially dangerous conditions in, on or below the Real Property including, without limitation, any polychlorinated biphenyls, radio-active substances, underground storage tanks, asbestos or urea formaldehyde foam insulation;
 - (iii) has no knowledge of the existence of Contaminants or dangerous or potentially dangerous conditions at, on or under the Real Property or any properties in the vicinity of the Real Property which could affect the Real Property or the market value thereof or in levels that exceed the standards in Environmental Laws;
 - (iv) has no knowledge of the Real Property, or any portion thereof, having been used for the disposal of waste;
 - (v) has not given or received, nor does it have an obligation to give, any notice, claim, communication or information regarding any past, present, planned or threatened treatment, storage, disposal, presence, release or spill of any Contaminant at, on, under or from the Real Property or any property in the vicinity of the Real Property, including any notice pursuant to any Environmental Laws or any environmental report or audit. The Debtor shall notify MZG promptly and in reasonable detail upon receipt of any such claim, notice, communication or information or if the Debtor becomes aware of any violation or potential violation of the Debtor of any Environmental Laws and shall describe therein the action which the Debtor intends to take with respect to such matter;

- (vi) shall at the Debtor's expense establish and maintain a system to assure and monitor continued compliance with, and to prevent the contravention of, Environmental Laws, which system shall include periodic reviews of such compliance system and the Debtor shall provide an annual report to MZG regarding the Debtor's environmental performance, and the effectiveness of such system;
- (vii) shall promptly advise MZG in writing of any material adverse change in the environmental or other legal requirements affecting the Debtor or the Collateral or the Real Property upon the Debtor becoming aware of any such change, and the Debtor shall provide MZG with a copy of any of the orders, by-laws, agreements or other documents pursuant to which any such change is effected or documented;
- (viii) shall at the Debtor's expense promptly take or cause to be taken any and all necessary remedial or clean-up action in response to the presence, storage, use, disposal, transportation, release or discharge of any Contaminant in, on, under or about any of the Real Property, or used by the Debtor, in compliance with all material laws including, without limitation, Environmental Laws, and in accordance with the orders and directions of all applicable federal, state, provincial, municipal and local governmental authorities;
- (ix) shall deliver to MZG a true and complete copy of all environmental audits, evaluations, assessments, studies or tests relating to the Real Property, the Collateral or the Debtor now in its possession or control or forthwith after the completion thereof, or upon such materials coming into the Debtor's possession or control;
- (x) shall at the Debtor's expense, if reasonably requested by MZG in writing, retain an environmental consultant acceptable to MZG, acting reasonably, to undertake environmental tests and to prepare a report or audit with respect to the Real Property and deliver same to MZG for its review; and
- (xi) shall indemnify and save harmless MZG, its officers, directors, employees, agents and shareholders from and against all losses, liabilities, damages or costs (including legal fees and disbursement on a solicitor and own client basis) suffered including, without limitation, the cost or expense of any environmental investigation, the preparation of any environmental or similar report, and the costs of any remediation arising from or relating to any breach of the foregoing covenants of this Section 4(n), any breach by the Debtor or any other person now or hereafter having an interest in the Collateral or the Real Property which is asserted or claimed against MZG; the presence, in any form, of any Contaminant on or under the Real Property, or the discharge, release, spill or disposal of any contaminant by the Debtor, which is asserted or claimed against any of these indemnified persons. This indemnity shall survive the payment in full of all amounts secured hereby and the discharge of this Security Agreement. MZG shall hold the benefit of this indemnity in trust for those indemnified persons who are not parties to this Security Agreement.
- (xii) For the purposes hereof:
 - a. "Contaminant" means any solid, liquid, gas, odour, heat, sound, smoke, waste, vibration, radiation or combination of any of them resulting directly or indirectly from human activities that may cause: (i) impairment of the quality of the natural environment for any use that can be made of it, (ii) injury or damage to property or to plant or animal life, (iii) harm or material discomfort to any person, (iv) an adverse affect on the health of any person, (v) impairment of the safety of any person, (vi) rendering any property or plant or animal life unfit for use by man, (vii) loss of enjoyment of normal use of property, or (viii) interference with the normal conduct of business, and includes any pollutant or contaminant as defined in any applicable Environmental Laws and any

biological, chemical or physical agent which is regulated, prohibited, restricted or controlled; and

- b. "Environmental Laws" means the common law and all applicable federal, provincial, local, municipal, governmental or quasi-governmental laws, rules, regulations, policies, guidelines, licences, orders, permits, decisions or requirements concerning Contaminants, occupational or public health and safety or the environment and any other order, injunction, judgment, declaration, notice or demand issued thereunder.
- (o) **Financial Statements** - shall deliver to MZG, in accordance with the terms of any Offers of Finance, its interim and annual financial statements, all of which financial statements shall be signed by an authorized officer of the Debtor and prepared in accordance with generally accepted accounting principles. The Debtor shall at the same time deliver to MZG copies of all management reports prepared by the accountants or auditors of the Debtor together with any other statements stipulated in any Offer of Finance;
- (p) **Offers of Finance** - shall comply with all provisions of the Offers of Finance, including executing and delivering all such documents as may be necessary to maintain in force the pre-authorized payment system specified in any Offer of Finance.

5. **Collection of Debts.** Upon the occurrence of an event of default hereunder, MZG may, without exercising any of its other rights or remedies hereunder, give notice of the security interest in, and the assignment to, MZG of any debt or liability forming part of the Collateral and may direct such person to make all payments on account of any such debt or liability to MZG.

6. **Waiver of Covenants.** MZG may waive in writing any breach by the Debtor of any of the provisions contained in this Security Agreement or any default by the Debtor in the observance or performance of any covenant or condition required to be observed or performed by the Debtor hereunder, provided that no such waiver or any other act, failure to act or omission by MZG shall extend to or be taken in any manner to affect any subsequent breach or default or the rights of MZG resulting therefrom. All rights and remedies of MZG granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.

7. **Performance of Covenants by MZG.** If the Debtor shall fail to perform any covenant on its part herein contained, MZG may in its absolute discretion perform any such covenant capable of being performed by it, but MZG shall be under no obligation to do so. If any such covenant requires the payment of money or if the Collateral or any part thereof shall become subject to any charge, lien, security interest or encumbrance ranking in priority to the security interest created hereby, MZG may in its absolute discretion make such payment and/or pay or discharge such charge, lien, security interest or encumbrance, but MZG shall be under no obligation to do so. All sums so paid by MZG, together with interest at the highest rate chargeable by MZG from time to time on the Obligations, shall be payable by the Debtor on demand and shall constitute a charge upon the Collateral. No such performance or payment shall relieve the Debtor from any default hereunder or any consequences of such default.

8. **Appointment of Monitor.** If in the opinion of MZG, acting reasonably, a material adverse change has occurred in the financial condition of the Debtor, or if MZG in good faith believes that the ability of the Debtor to pay any of its obligations to MZG or to perform any other covenant contained herein has become impaired or if an event of default has occurred, MZG may by written notice to the Debtor, appoint a monitor (the "Monitor") to investigate any or a particular aspect of the Collateral, the Debtor or its business and affairs for the purpose of reporting to MZG. The Debtor shall give the Monitor its full co-operation, including full access to facilities, assets and records of the Debtor and to its creditors, customers, contractors, officers, directors, employees, auditors, legal counsel and agents. The Monitor shall have no responsibility for the affairs of the Debtor nor shall it participate in the management of the Debtor's affairs and shall incur no liability in respect thereof or otherwise in connection with the Debtor, its business and affairs or the Collateral. The Monitor shall act solely on behalf of MZG and shall have no contractual relationship with the Debtor as a consultant or otherwise. The appointment of a Monitor shall not be regarded as an act of enforcement of this Security Agreement. All reasonable fees and expenses of the Monitor (including legal fees and disbursements on a solicitor and own client basis) shall be paid by the Debtor upon submission to it of a written invoice therefor. MZG may at its option upon the occurrence of an event of default appoint or seek to have appointed the

Monitor as receiver, receiver and manager, liquidator, or trustee in bankruptcy of the Debtor or the Collateral or any part thereof.

9. **Application of Insurance Proceeds.** Any insurance moneys received by MZG may at the option of MZG be applied to rebuilding or repairing the Collateral, or be paid to the Debtor, or any such moneys may be applied in the sole discretion of MZG, in whole or in part, to the repayment of the Obligations or any part thereof whether then due or not, with any partial payments to be credited against principal instalments payable thereunder in inverse order of their maturity dates.

10. **No Merger or Novation.** The taking of any judgment or the exercise of any power of seizure or sale shall not operate to extinguish the liability of the Debtor to perform its obligations hereunder or to pay the Obligations hereby secured, shall not operate as a merger of any covenant herein contained or affect the right of MZG to interest in effect from time to time hereunder and the acceptance of any payment or other security shall not constitute or create any novation. The execution and delivery of this Security Agreement or of any instruments or documents supplemental hereto shall not operate as a merger of any representation, warranty, term, condition or other provision contained in any other obligation or indebtedness of the Debtor to MZG or under any Offer of Finance.

11. **Security in Addition.** The security hereby constituted is in addition to any other security now or hereafter held by MZG. The taking of any action or proceedings or refraining from so doing, or any other dealings with any other security for the moneys secured hereby, shall not release or affect the security created hereby.

12. **Partial Discharges.** MZG may in its sole discretion grant partial discharges or releases of security in respect of any of the Collateral on such terms and conditions as it shall deem fit and no such partial discharges or releases shall affect the remainder of the security created hereby nor shall it alter the obligations of the Debtor under the Obligations or hereunder.

13. **Notice of Change.** The Debtor shall immediately notify MZG in writing of any proposed change and any actual change in the Debtor's name or address, the location of, and details of any loss or damage to, the Collateral, and the details of any claims or litigation affecting the Debtor or Collateral. The Debtor agrees to execute at the Debtor's expense, any instruments, notices or other documents required to effect any registration which MZG deems necessary to protect its interest in the Collateral in any jurisdiction.

14. **Events of Default.** Each of the following events shall constitute an "event of default":

- (a) the Debtor does not pay any of the Obligations when due;
- (b) the Debtor ceases or threatens to cease to carry on its business or defaults in the performance or observance of any of the covenants in Sections 4(d), (e), (i) or (m) or Section 8 hereof;
- (c) if the Debtor defaults in the performance or observance of any condition or covenant contained in this Security Agreement, other than as referred to elsewhere in this Section 14, in any other security previously, now or hereafter granted to MZG by the Debtor or in any other instrument or agreement (including any offer of finance) which the Debtor and MZG are parties to (whether alone or with others) or issued by either the Debtor or MZG to the other, and such default continues for ten (10) days after written notice thereof to the Debtor by MZG;
- (d) the Debtor becomes bankrupt or insolvent or commits an act of bankruptcy, or any proceeding is commenced against, by or affecting the Debtor:
 - (i) seeking to adjudicate it a bankrupt or insolvent;
 - (ii) seeking liquidation, dissolution, winding up, restructuring, reorganization, arrangement, protection, relief or composition of it or any of its property or debt or making a proposal with respect to it under any law relating to bankruptcy, insolvency, reorganization or compromise of debts or other similar laws (including, without limitation, any reorganization, arrangement or compromise of debt under the laws of its jurisdiction of incorporation or organization); or

- (iii) seeking appointment of a receiver, receiver and manager, liquidator, trustee, agent, custodian or other similar official for it or for any part of its properties and assets, including the Collateral or any part thereof;
- (e) any order or judgment is issued by a court granting any of the relief referred to in Section 14(d) hereof;
- (f) if an encumbrancer or secured creditor shall appoint a receiver or agent or other similar official over any part of the Collateral, or take possession of any part of the Collateral or if any execution, distress or other process of any court becomes enforceable against any Collateral, or a distress or like process is levied upon any of such Collateral;
- (g) if the Debtor takes any proceedings for its dissolution, liquidation or amalgamation with another company or if the legal or corporate existence of the Debtor shall be terminated by expiration, forfeiture or otherwise;
- (h) if there is any material misrepresentation or misstatement contained in any certificate or document delivered by an officer or director of the Debtor in connection with any financing provided by MZG;
- (i) if any representation, warranty or statement made on behalf of the Debtor in any Offer of Finance or any instrument made pursuant thereto is or becomes untrue in any material respect;
- (j) if any guarantor of the obligations of the Debtor to MZG defaults in the performance of any condition or covenant in favour of MZG or if any party to an instrument or agreement supplemental or collateral to this Security Agreement or the financing provided for herein defaults thereunder, and such default continues for ten (10) days after written notice thereof to the Debtor by MZG;
- (k) if MZG, in good faith and upon commercially reasonable grounds, believes that the prospect of payment or performance of any of the Obligations is or is about to be impaired or that the Collateral or any part thereof is or is about to be placed in jeopardy;
- (l) if voting control of the Debtor as provided for in any Offer of Finance or as subsequently effected with MZG's prior written consent, shall change without the prior written consent of MZG; or
- (m) if a default occurs under any agreement, promissory note, debt obligation, guarantee or otherwise now or hereafter granted to any other bank or financial institution by the Debtor.

15. **Enforcement.** Upon the happening of any event of default, the security granted herein shall become immediately enforceable and MZG may at its option declare this Security Agreement to be in default and may exercise any rights, powers or remedies available to MZG at law or in equity or under the Personal Property Security Act or other applicable legislation and, in addition, may exercise one or more of the following rights, powers or remedies, which rights, powers and remedies are cumulative:

- (a) to declare the full amount of the Obligations to be immediately due and payable;
- (b) to terminate the Debtor's right to possession of the Collateral, cause the Debtor to immediately assemble and deliver the Collateral at such place or places as may be specified by MZG, and enter upon the premises where the Collateral is located and take immediate possession thereof, whether it is affixed to the realty or not, and remove the Collateral without liability to MZG for or by reason of such entry or taking of possession, whether for damage to property caused by taking such or otherwise;
- (c) to enter upon and hold, possess, use, repair, preserve and maintain all or any part of the Collateral and make such replacements thereof and additions thereto as MZG shall deem advisable;

- (d) to sell, for cash or credit or part cash and part credit, lease or dispose of or otherwise realize upon the whole of any part of the Collateral whether by public or private sale as MZG in its absolute discretion may determine without notice to the Debtor or advertisement and after deducting from the proceeds of sale (including legal fees and disbursements on a solicitor and his own client basis) incurred in the repossession, sale, lease or other disposition of the Collateral apply the proceeds thereof to the Obligations in the manner and order to be determined by MZG, provided however that MZG shall only be liable to account to the Debtor, any subsequent encumbrancers and others for money actually received by MZG and provided that the Debtor shall pay any deficiency forthwith;
- (e) to appoint by instrument in writing any person or persons to be a receiver or receiver and manager of all or any portion of the Collateral, to fix the receiver's remuneration and to remove any receiver so appointed and appoint another or others in its stead;
- (f) to apply to any court of competent jurisdiction for the appointment of a receiver or receiver and manager for all or any portion of the Collateral; and
- (g) to retain the Collateral in satisfaction of the Obligations.

16. Powers of Receiver.

- (a) Any receiver (which term includes a receiver and manager) shall have all of the powers of MZG set forth in this Security Agreement and, in addition, shall have the following powers:
 - (i) to lease all or any portion of the Collateral and for this purpose execute contracts in the name of the Debtor, which contracts shall be binding upon the Debtor and the Debtor hereby irrevocably constitutes such receiver as its attorney for such purposes;
 - (ii) to take possession of the Collateral, collect all rents, issues, incomes and profits derived therefrom and realize upon any additional or collateral security granted by the Debtor to MZG and for that purpose may take any proceedings in the name of the Debtor or otherwise; and
 - (iii) to carry on or concur in carrying on the business which the Debtor is conducting and for that purpose the receiver may borrow money on the security of the Collateral in priority to this Security Agreement;
- (b) Any receiver appointed pursuant to the provisions hereof shall be deemed to be the agent of the Debtor for the purposes of:
 - (i) carrying on and managing the business and affairs of the Debtor, and
 - (ii) establishing liability for all of the acts or omissions of the receiver while acting in any capacity hereunder and MZG shall not be liable for such acts or omissions,

provided that, without restricting the generality of the foregoing, the Debtor irrevocably authorizes MZG to give instructions to the receiver relating to the performance of its duties as set out herein.

17. Application of Moneys. All moneys actually received by MZG or by the receiver pursuant to Sections 15 and 16 of this Security Agreement shall be applied:

- (a) first, in payment of those claims, if any, of secured creditors of the Debtor (including any claims of the receiver pursuant to Section 16(a)), ranking in priority to the charges created by this Security Agreement as directed by MZG or the receiver;
- (b) second, in payment of all costs, charges and expenses of and incidental to the appointment of the receiver (including legal fees and disbursements on a solicitor and

own client basis) and the exercise by the receiver or MZG of all or any of the powers granted to them under this Security Agreement, including the reasonable remuneration of the Receiver or any agent or employee of the receiver or any agent of MZG and all outgoings properly paid by the receiver or MZG in exercising their powers as aforesaid;

- (c) third, in or towards the payment to MZG of all other obligations due to it by the Debtor in such order as MZG in its sole discretion may determine;
- (d) fourth, in or towards the payment of the obligation of the Debtor to persons if any, with security interests against Collateral ranking subsequent to those in favour of MZG; and
- (e) fifth, subject to applicable law any surplus shall be paid to the Debtor.

18. **Possession of Collateral.** The Debtor acknowledges that MZG or any receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and the Debtor agrees upon request from MZG or any such Receiver to assemble and deliver possession of the Collateral at such place or places as directed.

19. **Deficiency.** The Debtor shall remain liable to MZG for any deficiency after the proceeds of any sale, lease or disposition of Collateral are received by MZG and applied in accordance with the provisions of Section 17(c) hereof.

20. **Assignment.** This Security Agreement may be assigned by MZG to any other person and, if so assigned, the assignee shall have and be entitled to exercise any and all discretions, rights and powers of MZG hereunder, and all references herein to MZG shall include such assignee. The Debtor may not assign this Security Agreement or any of its rights or obligations hereunder. This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. In any action brought by an assignee of this Security Agreement and the security interest or any part thereof to enforce any rights hereunder, the Debtor shall not assert against the assignee any claim or defence which the Debtor now has or hereafter may have against MZG.

21. **Limited Power of Attorney.** The Debtor hereby appoints MZG as the Debtor's attorney, with full power of substitution, in the name and on behalf of the Debtor, to execute, deliver and do all such acts, deeds, leases, documents, transfers, demands, conveyances, assignments, contracts, assurances, consents, financing statements and things as the Debtor has agreed to execute, deliver and do hereunder, under any Offer of Finance or otherwise, or as may be required by MZG or any receiver to give effect to this Security Agreement or in the exercise of any rights, powers or remedies hereby conferred on MZG or any receiver, and generally to use the name of the Debtor in the exercise of all or any of the rights, powers or remedies hereby conferred on MZG or any receiver. This appointment, being coupled with an interest, shall not be revoked by the insolvency, bankruptcy, dissolution, liquidation or other termination of the existence of the Debtor or for any other reason.

22. **Severability.** Each of the provisions contained in this Security Agreement is distinct and severable and a declaration of invalidity, illegality or unenforceability of any such provision or part thereof by a court of competent jurisdiction shall not affect the validity or enforceability of any other provision of this Security Agreement.

23. **Notices.** Any notice required or desired to be given hereunder or under any Offer of Finance or under any instrument supplemental hereto shall be in writing and may be given by personal delivery, by facsimile or other means of electronic communication or by sending the same by registered mail, postage prepaid, to MZG or to the Debtor at their respective addresses set out above and, in the case of electronic communication, to the facsimile numbers set out above. Any notice so delivered shall be conclusively deemed given when personally delivered and any notice sent by facsimile or other means of electronic transmission shall be deemed to have been delivered on the Business Day following the sending of the notice, and any notice so mailed shall be conclusively deemed given on the third Business Day following the day of mailing, provided that in the event of a known disruption of postal service, notice shall not be given by mail. Any address for notice or payments herein referred to may be changed by notice in writing given pursuant hereto.

Notwithstanding the foregoing, if the Personal Property Security Act requires that notice be given in a special manner, then such notice or communication shall be given in such manner.

24. General.

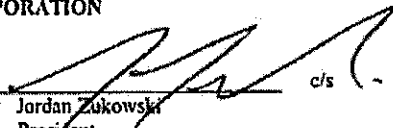
- (i) The Debtor authorizes MZG to file such financing statements, notices of security interest, caveats and other documents and do such acts and things as MZG may consider appropriate to perfect its security in the Collateral, to protect and preserve its interest in the Collateral and to realize upon the Collateral.
- (ii) Nothing in this Security Agreement will in any way obligate MZG to advance any funds, or otherwise make or cause to make credit available to the Debtor, nor will MZG have any liability for any failure or delay in its part to exercise any rights hereunder.
- (iii) If more than one Debtor executes this Security Agreement, the obligations of such Debtors hereunder shall be joint and several.
- (iv) The division of this Security Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Security Agreement.
- (v) When the context so requires, the singular shall include the plural and vice versa and words importing gender include all genders; all rights, advantages, privileges, immunities, powers and things hereby secured to the Debtor shall be equally secured to and exercised by its successors and assigns.
- (vi) Time is of the essence in this Security Agreement.
- (vii) The Debtor, if a corporation, waives the rights, benefits and protection given by and agrees that The Limitation of Civil Rights Act and The Land Contracts (Actions) Act, both of Saskatchewan, shall not apply to this Security Agreement or to any agreement renewing or extending this Security Agreement or to the rights, powers or remedies of MZG under this Security Agreement or under any agreement renewing or extending this Security Agreement.
 - a. (viii) Without limiting any other right of MZG, whenever the security granted hereunder becomes enforceable or MZG has the right to declare the security granted hereunder to be immediately due and payable (whether or not it has so declared), MZG may, in its sole discretion, set off against the Obligations any and all amounts then owed to Debtor by MZG in any capacity, whether or not due, and MZG shall be deemed to have exercised such right to set off immediately at the time of making its decision to do so even though any charge therefor is made or entered on MZG's records subsequent thereto.
 - b. (ix) MZG may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with Debtor, debtors of Debtor, sureties and others and with Collateral and other security as MZG may see fit without prejudice to the liability of Debtor or MZG's right to hold and realize the security granted hereunder. Furthermore, MZG may demand, collect and sue on Collateral in either Debtor's or MZG's name, at MZG's option, and may endorse Debtor's name on any and all cheques, commercial paper, and any other Instruments (as defined in the Personal Property Security Act) pertaining to or constituting Collateral.
 - c. (x) This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective heirs, executors, administrators, successors and assigns. In any action brought by an assignee of this Security Agreement and the security interest granted hereunder, or any part thereof, to enforce any rights hereunder, Debtor shall not assert against the assignee any claim or defence which Debtor now has or hereafter may have against MZG.
 - d. (xi) MZG may provide any financial and other information it has about Debtor, the security interest granted hereunder and the Collateral to anyone acquiring or who may acquire an interest in the security interest granted hereunder or the Collateral from MZG or anyone acting on behalf of MZG.

25. **Receipt.** The Debtor acknowledges that it has received an executed copy of this Security Agreement and, to the extent permitted by law, waives all rights to receive from MZG a copy of any financing statement or financing change statement filed, or any verification statement received, at any time in respect of this Security Agreement or any supplemental or collateral security granted to MZG.

26. **Governing Law.** This Security Agreement or any amendment or renewal thereof will be governed by and construed in accordance with the laws of Ontario and the laws of Canada applicable therein and the Debtor hereby irrevocably attorns to the jurisdiction of the courts of such province.

The Debtor has duly executed this Security Agreement on the 13 day of December, 2016.

FERNWOOD DEVELOPMENTS (ONTARIO)
CORPORATION

Per:  c/s
Name: Jordan Zukowski
Title: President

I have authority to bind the Corporation

Schedule "A"**Location of Collateral:****85 Sydenham Wells, Barrie, Ontario**

SCHEDULE "B"

PERMITTED ENCUMBRANCES

- (i) liens for taxes, assessments, governmental charges or levies not at the time due;
- (ii) easements, rights of way or other similar rights in land which in the aggregate do not materially impair the usefulness in the business of the Debtor of the property subject thereto;
- (iii) rights reserved to or vested in any municipal, governmental or other public authority by the terms of any lease, licence, franchise, grant or permit, or by any statutory provision, to terminate the same or to require annual or other periodic payments as a condition to the continuance thereof;
- (iv) any charge, lien, security interest or encumbrance the validity of which is being contested by the Debtor in good faith and in respect of which either there shall have been deposited with MZG cash in an amount sufficient to satisfy the same or MZG shall be otherwise satisfied that its interests are not prejudiced thereby;
- (v) validly perfected security given by the Debtor to its bankers on its Inventory or under assignments of its accounts receivable, except to the extent that such accounts receivable represent proceeds of the sale or disposition of Equipment or Real Property; and
- (vi) purchase money security interests consisting of any validly perfected charge, lien, security interest or other encumbrance, created, assumed or arising by operation of law after the date hereof, to provide or secure the whole or any part of the consideration for the acquisition of tangible personal property other than Inventory, where
 - (A) the principal amount secured thereby does not exceed the cost to the Debtor of such property,
 - (B) the Debtor's obligation to repay is secured only by the property so acquired by the Debtor,
 - (C) the property is not being acquired as a replacement or substitution for property and assets which are specifically charged hereby, and
 - (D) such security includes the renewal or refinancing of any such purchase money security interest on the same property provided that the indebtedness secured and the security therefor is not increased and remains validly perfected.

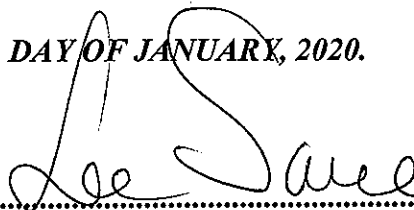
SCHEDULE "B"**PERMITTED ENCUMBRANCES****Personal Property Security Act Registrations:****Fernwood Developments (Ontario) Corporation**

- # 1 Debtor: Fernwood Developments (Ontario) Corporation
 Secured Party: MarshallZehr Group Inc.
 Term: 5 years
 Collateral: Accounts, other
 General Assignment of Lease and Rents covering the
 Property municipally known as 85 Sydenham Wells, Barrie
 Registration: 20131216 1414 1862 1437
 File No: 692617248
RENEWED AND EXTENDED
- #2 Debtor: Fernwood Developments (Ontario) Corporation
 Secured Party: MarshallZehr Group Inc.
 Term: 5 years
 Collateral: GSA
 Inventory, Equipment, Accounts, Other, Motor Vehicle
 Registration: 20131216 1415 1862 1438
 File No: 692617257
RENEWED AND EXTENDED
- #3 Debtor: Fernwood Developments (Ontario) Corporation
 Secured Party: Royal Bank of Canada
 Term: 5 years
 Collateral: 2010 Dodge Ram 2500
 Registration: 20150514 1439 1530 5936
 File No: 706123872
- #4 Debtor: Fernwood Developments (Ontario) Corporation
 Secured Party: Royal Bank of Canada
 Term: 5 years
 Collateral: Accounts, other
 Registration: 20160712 1435 1530 6382
 File No: 718542765

***THIS IS EXHIBIT "G" TO THE
AFFIDAVIT OF MURRAY SNEDDEN***

SWORN BEFORE ME THIS 30TH

DAY OF JANUARY, 2020.

A handwritten signature in black ink, appearing to read "Lee S. Aue". The signature is written in a cursive style and is positioned above a horizontal dotted line.

A Commissioner Etc.

RUN NUMBER : 020
RUN DATE : 2020/01/20
ID : 20200120135252.37

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 1
(3677)

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM IN RESPECT OF THE FOLLOWING:

TYPE OF SEARCH : BUSINESS DEBTOR

SEARCH CONDUCTED ON : FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION

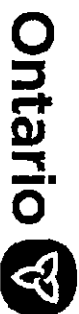
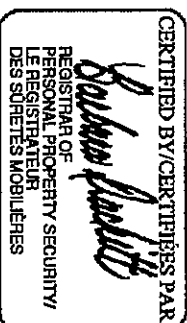
FILE CURRENCY : 19JAN 2020

ENQUIRY NUMBER 20200120135252.37 CONTAINS 11 PAGE(S), 5 FAMILY(IES).

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OFF A BUSINESS DEBTOR NAME WHICH IS SIMILAR TO THE NAME IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE OTHER SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

CHAITONS LLP (ADP) - ANTOINETTE DE PINTO
5000 YONGE STREET, 10TH FLOOR
TORONTO ON M2N 7E9

CONTINUED...



RUN NUMBER : 020
RUN DATE : 2020/01/20
ID : 20200120135252.37

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY REGISTRATION SYSTEM
MODIFY RESPONSE
CERTIFICATE

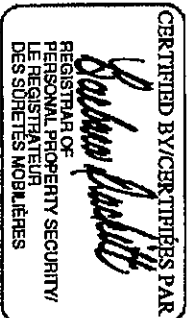
REPORT : PSSR060
PAGE : 2
(3678)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : FERRWOOD DEVELOPMENTS (ONTARIO) CORPORATION
FILE CURRENCY : 19JAN 2020

THE NEXT REGISTRATION IS A FINANCING CHANGE STATEMENT /
CHANGE STATEMENT OR A MOTOR VEHICLE SCHEDULE WHICH REFERS
TO A REGISTRATION THAT IS NOT RECORDED IN THE SYSTEM. IF IT
IS A FINANCING CHANGE STATEMENT/CHANGE STATEMENT, THIS MAY HAVE
OCCURRED AS A RESULT OF AN ERROR OR BECAUSE THE REGISTRATION
REFERRED TO HAS EXPIRED OR BEEN DISCHARGED. IF IT IS A MOTOR
VEHICLE SCHEDULE, THIS MAY HAVE OCCURRED BECAUSE OF AN ERROR

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...



(cifs 06/2019)



RUN NUMBER : 020
RUN DATE : 2020/01/20
ID : 20200120135252.37

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 3
(3679)

TYPE OF SEARCH BUSINESS DEBTOR
SEARCH CONDUCTED ON PERMCOO DEVELOPMENTS (ONTARIO) CORPORATION
FILE CURRENCY 19JUN 2020

FORM 20 FINANCING CHANGE STATEMENT / CHANGE STATEMENT

SAMPLE PAGE INFORMATION
PAGE NO. OF PAGES 01
SCHEDULE NUMBER 20191129 1035 1529 8135

01 RECORD REFERENCE NO. 718542765
PAGE AMENDED NO. 001
NO. OF PAGES 01
CHARGE REQUIRED
DISCHARGE

22 DEBTOR/GRANTEE INFORMATION
BUSINESS NAME PERMCOO DEVELOPMENTS (ONTARIO) CORPORATION
FIRST GIVEN NAME
SURNAME

23 DEBTOR/GRANTEE INFORMATION
BUSINESS NAME PERMCOO DEVELOPMENTS (ONTARIO) CORPORATION
FIRST GIVEN NAME
SURNAME

24 OTHER CHANGE
REASON/DESCRIPTION
DATE OF CHANGE
BUSINESS NAME
ADDRESS
INITIAL
SURNAME
ONTARIO CORPORATION NO.

25 ASSIGNOR
REGISTRATION/ATTN CLAIMANT/ASSIGNOR
ADDRESS

08 COLLATERAL CLASSIFICATION
GEMSTONE
MOTOR VEHICLE
GOODS INVENTORY EQUIPMENT OTHER (SCHEDULED) AMOUNT
DATE OF ACQUISITION
NO. OF PARTS

10 MOTOR VEHICLE
YEAR MAKE MODEL V.I.N.
11 MOTOR VEHICLE
12 MOTOR VEHICLE
13 GENERAL COLLATERAL
14 COLLATERAL
15 REGISTRATION AGENT OR
SECURED PARTY/ADDRESS
17 REGISTRATION AGENT OR
SECURED PARTY/ADDRESS
CANADIAN SECURITIES REGISTRATION SYSTEMS
4126 NORLAND AVENUE
BURNABY BC V5G 3S8

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY ***

CONTINUED... 4

CERTIFIED BY/CERTIFIES PAR
REGISTRAR OF PERSONAL PROPERTY SECURITY/
LE REGISTRATEUR DES SURETES MOBILIERES
Barbara Powell

(c)2019 08/20/19



RUN NUMBER : 020
RUN DATE : 2020/01/20
ID : 20200120135252.37

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : ESSR050
PAGE : 4
(3680)

SEARCH CONDITION: FERRWOOD DEVELOPMENTS (ONTARIO) CORPORATION
FILE CORRECTION: 19JAN 2020

FOR IC FINANCING STATEMENT / CLAIM FOR FIRM

FILE NUMBER
739063611

01 CAPTION PAGE NORMAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION
PLATE NO. OF PLATE SCHEDULE NUMBER UNDER DELETED
001 1 20180507 1141 1532 3105 P PPSA 5

02 DRETTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
03 NAME BUSINESS NAME FERRWOOD DEVELOPMENTS (ONTARIO) CORPORATION
04 ADDRESS 5556 5TH LINE ROCKWOOD
ON N0B 2K0

05 DEBTOR DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
06 NAME BUSINESS NAME ONTARIO CORPORATION NO.
07 ADDRESS

08 SECURED PARTY / BANK OF MONTREAL / BANQUE DE MONTREAL
09 FIRM CREDIT NAME ADDRESS 250 YONGE STREET TORONTO ON M5B 2L7

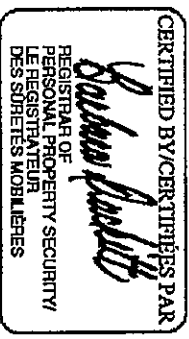
10 CONTAINER CLASSIFICATION MOTOR VEHICLE AMOUNT DATE OF NO-TAXED
CONSUMER INVENTORY SOLD/RENT ACCOUNTS OTHER INCLUDED MANUFACTURE OR ASSEMBLY DATE

11 MOTOR YEAR MAKE MODEL
12 VEHICLE

13 GENERAL IF130 ONTARIO PERSONAL PROPERTY SECURITY ACT SECURITY AGREEMENT
14 COLLATERAL
15 DISPOSITION

16 REGISTERING CSRS
17 AGENT ADDRESS 4126 NORLAND AVE BURNABY BC V5G 3S8

*** FOR FURTHER INFORMATION CONTACT THE SECURED PARTY ***
CONTINUED... 5



RUN NUMBER : 020
RUN DATE : 2020/01/20
ID : 20200120135252.37

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : ESR060
PAGE : 5
(3681)

NAME OF SEARCHER: BUSINESS DEBTOR
SEARCHED ON: FERRWOOD DEVELOPMENTS (ONTARIO) CORPORATION
DATE (DDMMYY): 19JAN 2020

FORM NO FINANCING STATEMENT / CLAIM FOR LITEN
MILLS REGISTRATION HAS BEEN DISCHARGED **

FILE NUMBER
70612872

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SECTION PAGE NO. OF PAGES MOTOR VEHICLE REGISTRATION REGISTRY NUMBER PERIOD OF REGISTRATION
01 001 20150514 1439 1530 5936 P PPSA 5

02 DRIVER NAME BUSINESS NAME FERRWOOD DEVELOPMENTS (ONTARIO) CORPORATION
03 NAME BUSINESS NAME FERRWOOD DEVELOPMENTS (ONTARIO) CORPORATION
04 ADDRESS 5556 5TH LINE BRANOSA, RR#1 ROCKWOOD
05 DRIVER NAME BUSINESS NAME FERRWOOD DEVELOPMENTS (ONTARIO) CORPORATION
06 NAME BUSINESS NAME FERRWOOD DEVELOPMENTS (ONTARIO) CORPORATION

07 REGISTERED PARTY / OWNER NAME ADDRESS 10 YORK MILLS ROAD TORONTO ON M2P 0A2
08 REGISTERED PARTY / OWNER NAME ADDRESS 10 YORK MILLS ROAD TORONTO ON M2P 0A2

09 CONTRACT GRANTEE REGISTRATION NO. OF MOTOR VEHICLE AMOUNT DATE OF ACQUISITION OR MAINTENANCE DATE NO. FINED
10 CONTRACT GRANTEE REGISTRATION NO. OF MOTOR VEHICLE AMOUNT DATE OF ACQUISITION OR MAINTENANCE DATE NO. FINED

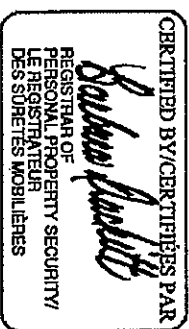
11 MOTOR VEHICLE REGISTRATION NO. OF MOTOR VEHICLE AMOUNT DATE OF ACQUISITION OR MAINTENANCE DATE NO. FINED
12 MOTOR VEHICLE REGISTRATION NO. OF MOTOR VEHICLE AMOUNT DATE OF ACQUISITION OR MAINTENANCE DATE NO. FINED

13 GENERAL DESCRIPTION CANADIAN SECURITIES REGISTRATION SYSTEMS
14 GENERAL DESCRIPTION CANADIAN SECURITIES REGISTRATION SYSTEMS
15 GENERAL DESCRIPTION CANADIAN SECURITIES REGISTRATION SYSTEMS

16 REGISTERED PARTY / OWNER NAME ADDRESS 4126 NORLAND AVENUE BURNABY BC V5G 3S8
17 REGISTERED PARTY / OWNER NAME ADDRESS 4126 NORLAND AVENUE BURNABY BC V5G 3S8

FOR FURTHER INFORMATION CONTACT THE SEARCHED PARTY

CONTINUED... 6



RUN NUMBER : 020
RUN DATE : 2020/01/20
ID : 20200120135252.37

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY REGISTRATION SYSTEM
INQUIRY RESPONSE
CERTIFICATE

REPORT : PRR060
PAGE : 6
(3682)

TYPE OF SEARCH: BUSINESS DEBTOR
SEARCH SUBJECT: FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
FILE CORRECTION: 19JAN 2020

FOR FURTHER INFORMATION, CONTACT THE SEARCH PARTY AT:

01 REGISTRATION NUMBER: 20191213 1433 1862 4548

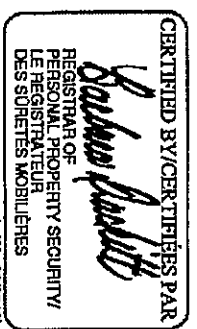
31 RECORD NUMBER: 706123872 CHANGE REGISTERED: C DISCHARGE
REFERENCE: RENEWAL YEARS:

32 BUSINESS DESIGNATION: FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
ONTARIO CORPORATION NO.:

08/16 SEARCHED BY: JIBEN SHAMAM/REGISTRATION AGENT
09/17 NAME: HARRISON PUNSA LIP (176119/164)
ADDRESS: 450 TALBOT STREET LONDON ON N6A 5J6

FOR FURTHER INFORMATION, CONTACT THE SEARCH PARTY AT:

CONTINUED...



RUN NUMBER : 020
RUN DATE : 2020/01/20
ID : 20200120135252.37

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 7
(3683)

TYPE OF SEARCH: BUSINESS DEBTOR
SEARCH CONDUCTED ON: FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
DATE: 19JAN 2020

FORM OF FINANCING STATEMENT / CLAIM FOR DEBT

FILE NUMBER
692617246

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17

SECTION PAGE NO. OF PAGES MOTOR VEHICLE REGISTRATION NUMBER UNDER PERIOD
001 001 20131216 1A14 1862 1437 P PPSA 5

DATE OF BIRTH FIRST GIVEN NAME SURNAME

BUSINESS NAME FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION ROCKWOOD

ADDRESS 5556 5TH LINE, R.R. #1

DATE OF BIRTH FIRST GIVEN NAME SURNAME

BUSINESS NAME ADDRESS

MARSHALZEHR GROUP INC.

465 PHILLIP STREET, UNIT 206 WATERLOO ON N2L 6C7

CONTINUED INVESTIGATION MOTOR VEHICLE AMOUNT DATE OR NO. FILED
GOODS INVESTIGATION ACCOUNTS OTHER INCLUDED MATERIALS ON HAND/RETR. DATE

11 MOTOR VEHICLE
12 VEHICLES

GENERAL ASSIGNMENT OF LEASES AND RENTS COVERING THE PROPERTY
MUNICIPALLY KNOWN AS 85 SYDENHAM WELLS, BARRIE, ONTARIO

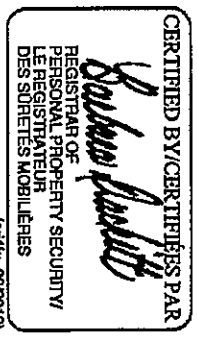
13 GENERAL
14 CONTINUED
15 DISPOSITION

SOHBARA, SCHMACHER, MCCANN LLP

31 UNION STREET EAST WATERLOO ON N2J 1B8

FOR FURTHER INFORMATION CONTACT THE SPICED PARTY

CONTINUED... 8



RUN NUMBER : 020
RUN DATE : 2020/01/20
ID : 20200120135252.37

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PPSR060
PAGE : 8
(3684)

DEPT OF SEARCH BUSINESS DEBTOR
SEARCH COMPLETED ON FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
TIME (DURATION) 19 JAN 2020

FORM 26 FINANCIAL CHANGE STATEMENT / CHANGE STATEMENT

OPTIONAL PAGES FROM MOTOR VEHICLE REGISTRATION
FEEDING NO OF PAGES SCHEDULE NUMBER UNDER
001 001 20161206 1120 1862 2209

21 RECORD FILE NUMBER 692617248
PAGE AMENDED NO REPORTS PAGE AMENDED
22 REVISIONS FIRST GIVEN NAME BIRTH DATE BIRTH PLACE
23 EXPERIENCES BUSINESS NAME FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
24 DRIVER / TRANSFEROR BUSINESS NAME FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION

25 OTHER CHANGE
26 REASON /
27 DESCRIPTION /

02/ DRIVER / DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME
05 / BUSINESS NAME
03 / TRANSFEROR BUSINESS NAME
06 / ADDRESS
04/07 ONTARIO CORPORATION NO.

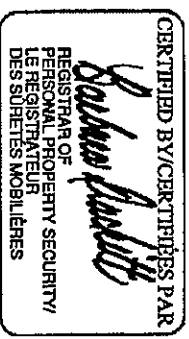
29 ASSIGNOR
08 SIGNED PARTY / YERN. GAI INAMV / ASSIGNER
09 ADDRESS

COLLATERAL CLASSIFICATION ADDRESS
10 CONSUMER INVENTORY COLLATERAL ACCOUNTS OTHER INCLD NO. FIXED
GOODS INVENTORY COLLATERAL ACCOUNTS OTHER INCLD ANNUITY OR MAINTENANCE DATES

11 MOTOR YEAR MAKE MODEL V T N
12 VEHICLES
13 GENERAL
14 COLLATERAL
15 DESCRIPTION
16 AGENT OR ADDRESS
17 SIGNED DATE / ADDRESS
SORBARA, SCHUMACHER, MCCANN LLP (MWS. KL.)
31 UNION STREET EAST WATERLOO ON N2J 1B8

*** FOR FURTHER INFORMATION CONTACT THE SECURED PARTY ***

CONTINUED...



RUN NUMBER : 020
RUN DATE : 2020/01/20
ID : 20200120135252.37

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 9
(3685)

TYPE OF SEARCH BUSINESS DEBTOR
SEARCH CONDUCTED ON FERRWOOD DEVELOPMENTS (ONTARIO) CORPORATION
FILING JURISDICTION 19/JAN 2020

FORM 10 - CHANGING STATEMENT OF CLAIM FOR LIEN

FILE NUMBER
697617257

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01
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CAUTION PAGE NO. OF ENTRIES 001 001
MOTOR VEHICLE REGISTRATION NUMBER 20131216 1415 1862 1438
REGISTERED UNDER P PSA 5

DEBTOR NAME BUSINESS NAME FERRWOOD DEVELOPMENTS (ONTARIO) CORPORATION
STREET GIVEN NAME
INDIVIDUAL SURNAMES

ADDRESS 5556 5TH LINE, R.R. #1
ROCKWOOD
ON N0B 2K0

DATE OF BIRTH
DATE OF BIRTH
FIRST GIVEN NAME
INDIVIDUAL SURNAMES

DEBTOR NAME BUSINESS NAME
ADDRESS
ONTARIO CORPORATION NO.

SECRET PARTY
MARSHALLZEHR GROUP INC.
ADDRESS
WATERLOO ON N2L 6C7

SECRET PARTY
ADDRESS
WATERLOO ON N2L 6C7

COMPARATIVE CLASSIFICATION
CONSUMER CREDITORS ACCOUNTS OTHER INCLUDED
MOTOR VEHICLE AMOUNT DATE OF MATURITY OF LIEN
NO. INDEXED

GOODS INVENTORY EQUIPMENT ACCOUNTS OTHER INCLUDED
MOTOR VEHICLE AMOUNT DATE OF MATURITY OF LIEN
NO. INDEXED

YEAR MAKE MODEL TYPE

MOTOR VEHICLE

VEHICLE

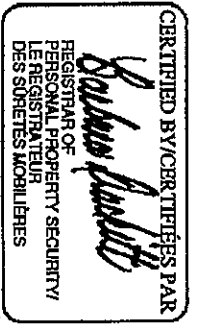
GENERAL

COMMERCIAL DESCRIPTION

REGISTRATION AGENT
SORBARA, SCHWABER, MCCANN LLP
ADDRESS
31 UNION STREET EAST
WATERLOO ON N2J 1B8

ADDRESS
31 UNION STREET EAST
WATERLOO ON N2J 1B8

FOR FURTHER INFORMATION CONTACT THE SERVICED PARTY
CONTINUED... 10



RUN NUMBER : 020
RUN DATE : 2020/01/20
ID : 20200120135252.37

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

REPORT : PSSR060
PAGE : 10
(3686)

REGISTRATION SEARCH
FERRWOOD DEVELOPMENTS (ONTARIO) CORPORATION
19JAN 2020

FORM 76 FINANCING CHANGE STATEMENT / CHANGE STATEMENT

REGISTRATION NO. OF CHARGES 20161206 1120 1862 2208

REGISTRATION NO. OF CHARGES 692647257

REGISTRATION NO. OF CHARGES 20161206 1120 1862 2208

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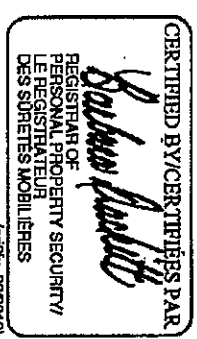
REGISTRATION NO. OF CHARGES 20161206 1120 1862 2208

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

CONTINUED...

YEAR	MAKE	MODEL	V. T. N.	NO. RECORDED
10				
11	HOTOR			
12	GENERAL			
13	COLLAUTREAL			
14	DESIGNATION			
15	AGENTS/AGENCY			
16	ADDRESS			
17	AGENTS/AGENCY			

SORBARA, SCHUMACHER, MCCANN LLP (MWS.KI)
31 UNION STREET EAST
WATERLOO ON N2J 1B8



RUN NUMBER : 020
RUN DATE : 2020/01/20
ID : 20200120135252.37

PROVINCE OF ONTARIO
MINISTRY OF GOVERNMENT SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE
CERTIFICATE

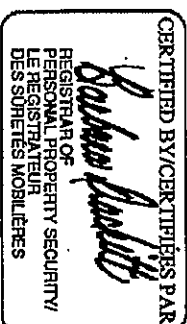
REPORT : PSSR060
PAGE : 11
(3687)

TYPE OF SEARCH : BUSINESS DEBTOR
SEARCH CONDUCTED ON : FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
FILE CURRENCY : 19JAN 2020

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
718542765	20191129	1035	1529	8135
739063641	20180507	1141	1532	3105
706123872	20150514	1439	1530	5936
692617248	20131216	1414	1862	1437
692617257	20131216	1415	1862	1438
	20191213	1433	1862	4548
	20161206	1120	1862	2209
	20161206	1120	1862	2208

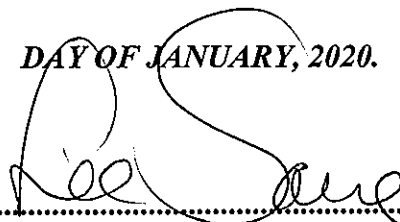
8 REGISTRATIONS (S) ARE REPORTED IN THIS ENQUIRY RESPONSE.



(c/s 06/2019)



*THIS IS EXHIBIT "H" TO THE
AFFIDAVIT OF MURRAY SNEDDEN
SWORN BEFORE ME THIS 30TH
DAY OF JANUARY, 2020.*

A handwritten signature in black ink, appearing to read "Noel S. [unclear]", written over a horizontal dotted line.

A Commissioner Etc.

Balance Sheet
As of October 31, 2019

DRAFT

ASSETS	
Current Assets	
Chequing/Savings	
1095 · BMO - Savings	(356.23)
Total Chequing/Savings	<u>(356.23)</u>
Other Current Assets	
1320 · Prepaid Expenses	325.00
1325 · Security Deposits (BSH)	1,400,000.00
1330 · Rentsure (BSH)	170,169.00
1400 · Rent Receivables (BSH)	1,086,524.00
1530 · Barrie Res	37,102,048.89
1600 · Work In Process	(23,909,320.85)
1700 · Rental Units	7,672,571.19
Total Other Current Assets	<u>23,522,317.23</u>
Total Current Assets	23,521,961.00
Fixed Assets	
1820 · Office Furniture & Equipment	693.69
Total Fixed Assets	<u>693.69</u>
TOTAL ASSETS	<u><u>23,522,654.69</u></u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2005 · Accrued Liabilities	5,000.00
2055 · Accrued Loan Interest	2,799,189.39
2101 · HST Payable/Receivable	1,793.51
2105 · Barrie Project Payables	2,246,967.84
2107 · Barrie Project Accrued Liab	125,000.00
21080 · Commissions Settlement (BSH)	468,451.90
2400 · Payroll Liabilities	1,562.93
2550 · GST/HST Payable	(8,916.38)
Total Other Current Liabilities	<u>5,639,049.19</u>
Total Current Liabilities	5,639,049.19
Long Term Liabilities	
2610 · Loan Payable - Barrie Res	19,950,000.00
2700 · Due To Related Parties	24,144.61
Total Long Term Liabilities	<u>19,974,144.61</u>
Total Liabilities	25,613,193.80
Equity	
3350 · Common Shares	1.00
3500 · Retained Earnings	(1,615,847.09)
Net Income	<u>(474,693.02)</u>
Total Equity	<u>(2,090,539.11)</u>
TOTAL LIABILITIES & EQUITY	<u><u>23,522,654.69</u></u>

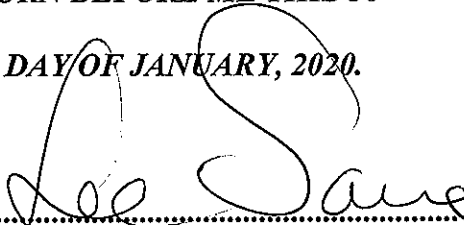
Profit & Loss

November 2018 through October 2019

DRAFT

Ordinary Income/Expense	
Income	
4250 · Other Income/Rebates	6,595.69
4500 · Rental Income	780,000.00
Total Income	786,595.69
Gross Profit	786,595.69
Expense	
5400 · Payroll Expenses	241,242.94
5616 · Meals & Entertainment	120.73
5650 · AI Guarantee Mgmt Fee	146,172.00
5660 · Amortization Expense	0.03
5690 · Bank Charges & Interest	14.71
5692 · Interest on Rental Units	806,620.00
5700 · Office Supplies	161.97
5760 · Rent	4,410.00
5765 · Repairs & Maintenance	231.16
5780 · Telephone	1,290.21
5785 · Travel & Entertainment	100.00
5790 · Utilities	163.67
5795 · Vehicle Expenses	12,272.40
Total Expense	1,212,799.82
Net Ordinary Income	(426,204.13)
Other Income/Expense	
Other Income	
7400 · Gain/Loss on Asset Sales	(2,850.50)
Total Other Income	(2,850.50)
Other Expense	
6695 · Non-Deductible Interest & Penal	45,638.39
Total Other Expense	45,638.39
Net Other Income	(48,488.89)
Net Income	(474,693.02)

*THIS IS EXHIBIT "I" TO THE
AFFIDAVIT OF MURRAY SNEDDEN
SWORN BEFORE ME THIS 30TH
DAY OF JANUARY, 2020.*

A handwritten signature in black ink, appearing to read "Lee Sane", written over a horizontal dotted line.

A Commissioner Etc.

**FERNWOOD DEVELOPMENTS
(ONTARIO) CORPORATION
FINANCIAL STATEMENTS
FOR THE YEAR ENDED OCTOBER 31, 2018**

INDEX

	Page
Notice to Reader	2
Financial Statements	
Balance Sheet - Assets	3
Balance Sheet - Liabilities and Shareholder's Deficit	4
Statement of Operations	5



Martha M. Zettle, CPA, CA, LPA, TEP
CPA (Illinois)

Lori A. Halliday, CPA, CA, LPA
Michael J. Kerr, CPA, CA, LPA

Lisa A. Bursey, CPA, CA, LPA, TEP
Andrew W. Renner, CPA, CA

NOTICE TO READER

On the basis of information provided by management, we have compiled the balance sheet of **Fernwood Developments (Ontario) Corporation** as at **October 31, 2018** and the statement of operations for the year then ended.

We have not performed an audit or a review engagement in respect of these financial statements and, accordingly, we express no assurance thereon.

Readers are cautioned that these statements may not be appropriate for their purposes.

Comparative figures were compiled by another accountant and have been reclassified for the purpose of comparability.

Guelph, Ontario
April 18, 2019

Weiler & Company
Chartered Accountants
Licensed Public Accountants

FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
BALANCE SHEET
AS AT OCTOBER 31, 2018

	2018	2017
ASSETS		
CURRENT		
Cash	\$ 16,130	\$ 61,355
Accounts receivable	359,408	0
HST receivable	629,760	50,710
Work in process	10,373,265	17,432,692
Rental unit inventory	8,177,566	0
Prepaid expenses	<u>309,866</u>	<u>0</u>
	<u>19,865,995</u>	<u>17,544,757</u>
CAPITAL ASSETS		
Equipment	17,000	17,000
Office equipment	22,025	22,025
Vehicles	68,533	81,943
Computer equipment	<u>475</u>	<u>475</u>
	108,033	121,443
Less - accumulated depreciation	<u>(84,402)</u>	<u>(80,279)</u>
	<u>23,631</u>	<u>41,164</u>
OTHER ASSETS		
Due from related parties	245,865	262,335
Tarion security deposit	600,000	0
Incorporation costs	<u>0</u>	<u>1,209</u>
	<u>845,865</u>	<u>263,544</u>
	<u>\$ 20,735,491</u>	<u>\$ 17,849,465</u>

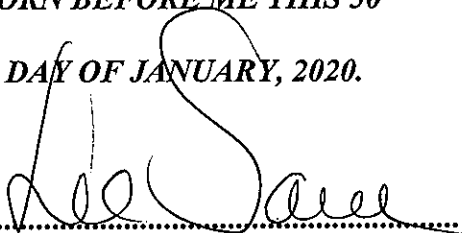
FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
BALANCE SHEET
AS AT OCTOBER 31, 2018

	2018	2017
LIABILITIES		
CURRENT		
Accounts payable and accrued liabilities	\$ 2,377,326	\$ 1,808,556
Income taxes payable	12,951	15,850
Customer deposits	0	260,000
Rental deposits	0	2,430
Current portion of vehicle loan	<u>6,848</u>	<u>6,451</u>
	<u>2,397,125</u>	<u>2,093,287</u>
 LONG-TERM DEBT		
Building construction loan	19,950,000	16,091,832
Vehicle loan	<u>11,060</u>	<u>28,659</u>
	19,961,060	16,120,491
Less - current portion of vehicle loan	<u>(6,848)</u>	<u>(6,451)</u>
	<u>19,954,212</u>	<u>16,114,040</u>
 Total Liabilities	 <u>22,351,337</u>	 <u>18,207,327</u>
 SHAREHOLDER'S DEFICIT		
CAPITAL STOCK		
Authorized		
Unlimited Class A Special shares, non-voting, non-cumulative dividends, retractable, redeemable		
Unlimited Common shares		
Issued		
100 Common shares for	<u>1</u>	<u>1</u>
 DEFICIT		
As previously stated	(222,159)	(368,006)
Accounting adjustment	<u>(135,704)</u>	<u>112,435</u>
As restated	(357,863)	(255,571)
(Loss) for the year	(1,257,984)	(77,292)
Dividend paid on common shares	<u>0</u>	<u>(25,000)</u>
Balance at end of the year	<u>(1,615,847)</u>	<u>(357,863)</u>
 Total Shareholder's Deficit	 <u>(1,615,846)</u>	 <u>(357,862)</u>
	<u>\$ 20,735,491</u>	<u>\$ 17,849,465</u>

FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
STATEMENT OF OPERATIONS
FOR THE YEAR ENDED OCTOBER 31, 2018

	2018	2017
REVENUE	<u>\$ 4,987,205</u>	<u>\$ 8,140,324</u>
COST OF SALES		
Purchases	4,639,767	7,841,409
Sub-contractors	26,593	45,223
Permits and fees	1,190	98
Equipment rental	<u>0</u>	<u>1,042</u>
	<u>4,667,550</u>	<u>7,887,772</u>
GROSS PROFIT	<u>319,655</u>	<u>252,552</u>
EXPENSES		
Wages and benefits	288,232	27,044
Repairs and maintenance (recovered)	34,196	(27,875)
Vehicle	28,222	21,960
Rent	10,825	10,200
Interest on long-term debt	9,936	6,563
Professional fees	9,025	0
Depreciation	6,134	12,709
Telephone	4,132	2,632
Office	1,995	4,872
Bank charges and interest	1,798	2,691
Meals and entertainment	250	1,536
Travel	0	2,492
Advertising and promotion	<u>0</u>	<u>98</u>
	<u>394,745</u>	<u>64,922</u>
(LOSS) INCOME FROM OPERATIONS	<u>(75,090)</u>	<u>187,630</u>
OTHER EXPENSES		
Rental income	651,180	254,189
Occupancy fees	91,463	13,198
Gain (loss) on sale of capital assets	8,864	(15,148)
Interest income	0	5,232
Rental expenses	(251,577)	(258,660)
Interest on rental units	(805,620)	(247,883)
Commission settlement	<u>(877,204)</u>	<u>0</u>
	<u>(1,182,894)</u>	<u>(249,072)</u>
(LOSS) BEFORE TAX PROVISION	(1,257,984)	(61,442)
PROVISION FOR INCOME TAXES	<u>0</u>	<u>15,850</u>
(LOSS) for the year	<u>\$ (1,257,984)</u>	<u>\$ (77,292)</u>

*THIS IS EXHIBIT "J" TO THE
AFFIDAVIT OF MURRAY SNEDDEN
SWORN BEFORE ME THIS 30TH
DAY OF JANUARY, 2020.*

A handwritten signature in black ink, appearing to read "Neil S. Sauer", written over a horizontal dotted line.

A Commissioner Etc.

OFFICE SCHEDULE

SC1354411

Certificate of Receipt
Certificat de Réception

OCT 24 2016 11:35

Katherine Cece
Land Registrar / Régistrateur Simcoe #51 Barrie

DECLARATION

CONDOMINIUM ACT, 1998

SIMCOE STANDARD CONDOMINIUM PLAN NO 420

NEW PROPERTY IDENTIFIER'S BLOCK ~~5831~~ 59420

RECENTLY : 58831-1813

DECLARANT : FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION

**SOLICITOR : Lisa M. Gazolla
SMITH VALERIOTE LAW FIRM**

**ADDRESS: 100-105 Silvercreek Parkway North
GUELPH ON N1H 6S4**

PHONE: 519 632 1327

FAX: 519 837 1617

No. OF UNITS 64

FEES : \$70.00 + (\$5.00 x 64) = \$393.35

DECLARATION

Introductory

THIS DECLARATION is made and executed by FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION who is described herein as the "Declarant" and who is the owner of the property described in Schedule A (hereinafter the "Real Property"); and the Description submitted with this Declaration by the Declarant for registration in accordance with Sections 7 and 8 of the *Condominium Act, 1998* (the "Act");

And Whereas the Declarant intends to construct two (2) buildings upon the Real Property comprising thirty-two (32) Residential Units on Level 1; thirty-two (32) Parking Units on Level 1; thirty (30) visitor parking spaces; and one (1) parking space designated for exclusive use by the management office, with two (2) additional proposed phases to follow, one such phase comprising thirty (30) Residential Units, and one such phase comprising thirty-two (32) Residential Units, for a total of ninety-four (94) Residential Units.

And Whereas the Declarant intends that the Real Property, together with the buildings constructed on the lands, shall be a freehold standard condominium corporation that is a stacked townhouse Phased Condominium Corporation for residential purposes to which Part XI of the *Condominium Act, 1998*, applies;

The Declarant intends that the land and interest appurtenant to the land in the description and Schedule A of this declaration be governed by the Act.

Article 1 - Definitions

- 1.1 All words in this Declaration that are defined in the Act shall have the meaning ascribed to them in the Act, and:
- (a) "AC Equipment" has the meaning attributed to such term in Section 9.2 hereof;
 - (b) "Act" means the *Condominium Act, 1998* and the Regulations pursuant to that Act each as amended, supplemented or replaced from time to time and any successor legislation;
 - (c) "Board" means the board of directors of the Corporation;
 - (d) "By-law" means a by-law or by-laws (as the case may be) of the Corporation;
 - (e) "Common Elements" means all the condominium property including any exclusive use portions of the Common Elements except the Units;
 - (f) "Common Services" means any and all street lighting on any internal roadway (not including Parking Units), and all curbs, sidewalks, walkways, visitor parking spaces, pipes, wires, vents, ducts, cables, conduits, sewers (both storm and sanitary), service connections, electricity transformer(s), storm water swales, storm water management facilities, sump pumps, sump pump pits, weeping tiles and/or other conduits, telecommunication signal and reception facilities and lines, water mains, fire hydrants, water supply hose bibs and related piping and metering, telephone cables and access transmission lines and public and private utility lines that, without limiting the generality of the foregoing, provide or transmit, power, communication facilities, water, fuel, storm water and other drainage, and/or sewage disposal, provided same service only the Common Elements or more than one (1) Unit or service both a Unit and the Common Elements or are otherwise designated herein as Common Elements;
 - (g) "Condominium Plan" means the condominium plan created by the registration of this Declaration and the related description with respect to the Land as amended from time-to-time;
 - (h) "Corporation" means the condominium corporation created by the registration of this declaration on the title to the Lands;
 - (i) "Declaration" means this declaration of this Corporation as amended from time-to-time;
 - (j) "Declarant" means FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION;
 - (k) "Governmental Authority" means the Municipality and any other governmental authority, quasi-governmental authority, agency, body or department whether federal, provincial or municipal,

having jurisdiction over the Land or use thereof and/or the registration of the Condominium;

- (l) "Lands" means the lands described in Schedule A including the servient lands described in Schedule A;
 - (m) "Life Safety Warning Devices" has the meaning attributed to such term in Section 4.2 hereof;
 - (n) "Monitoring Agency" means any person, company or other organization or entity supplying metering, monitoring, cost recovery and/or administration with respect to any Private Flow Meter(s);
 - (o) "Municipality" means any municipal corporation (whether local or regional) having jurisdiction over the Land, and its agencies;
 - (p) "Other Devices" has the meaning attributed to such term in Section 4.2 hereof;
 - (q) "Parking Space" means a space or unit that is designed to be used for motor vehicle parking;
 - (r) "Parking Unit" means an exclusive use parking space assigned to a Residential Unit;
 - (s) "Private Flow Meter" means a meter or other monitoring or measuring device used to measure the quantity of any Utility supplied to or used by or on account of any Residential Unit;
 - (t) "Recreational Vehicle" means boats, trailers, snowmobiles, personal water craft, all-terrain vehicles and any vehicle which contains cooking and/or sleeping facilities or which is capable of providing accommodation facilities to one (1) or more persons;
 - (u) "Residential Unit" means a Unit that is designed to be used for residential accommodation;
 - (v) "Rule" means a rule or the rules (as the case may be) of this Corporation;
 - (w) "Telecommunication Device" means any signal transmission or signal reception device, or any roof antenna, satellite dish, or any other antenna, exterior tower antenna, or satellite dish antenna for either radio, television, internet or other reception or transmission, or for any other purpose and includes any exterior tower or other structure or support device that can be used as a support or otherwise in conjunction with any antenna, satellite dish, or other transmission or reception device;
 - (x) "Unit" means a Unit as defined in the Act and in the Declaration;
 - (y) "Unit Occupant" means any Unit owner, any Unit owner's spouse, child or children, invitee, servant, guest, or tenant and tenant's spouse, child or children, invitee, servant, guest, or any other occupant of a Unit in this Condominium Plan; and
 - (z) "Unit Owner" means the owner or owners of a Unit, as does the general term "Owner";
 - (aa) "Unit Systems" has the meaning attributed to such term in Section 4.4 hereof;
 - (bb) "Utility" means a generally available utility service including water, natural gas, heating oil, or other residential fuel, sanitary sewer, sewage disposal, storm sewer, electricity, telephone, cable television, Internet, and public utilities as defined by the Public Utilities Act and/or the Municipal Act, 2001 as applicable;
 - (cc) "Utility Supplier" means an entity supplying a Utility to the Units or Common Elements for the use or consumption by Unit Owners, Unit Occupants, and/or the Corporation.
- 1.2 Captions and headings with respect to paragraphs, articles and/or subparagraphs of this declaration do not have any standing and are placed herein for descriptive purposes only and do not affect or in any way vary the plain meaning of the contents of the paragraphs, articles and/or subparagraphs to which they are appurtenant.
- 1.3 The use of the masculine gender in this Declaration shall be deemed to include the feminine and neuter genders and the use of the singular shall be deemed to include plural wherever the context so requires and vice versa.
- 1.4 The consent of any person or entity having a registered mortgage against the Lands, or interests appurtenant to the Lands, is contained in Schedule B.
- 1.5 The monuments controlling the extent of the Units are the physical boundaries set out in Schedule C

and in the description.

- 1.6 A statement of the proportions, expressed in percentages, of the common interests appurtenant to the Units is set out in Schedule D.
- 1.7 A statement of the proportions, expressed in percentages allocated to the Units, in which the Owners are to contribute to the common expenses, is set out in Schedule D.
- 1.8 A statement of the common expenses is set out in Schedule E.
- 1.9 A specification of the exclusive use portions (if any) of the Common Elements that are to be used by the Owners of one (1) or more designated Units and not by all the Owners is set out in Schedule F.
- 1.10 The requisite certificate of an architect or engineer as prescribed by the Act is attached hereto as Schedule G.
- 1.11 The address for service for the Corporation shall be 240 Penetanguishine Road, Barrie, Ontario.
- 1.12 The municipal address for the Corporation is 240 Penetanguishine Road, Barrie, Ontario.
- 1.13 The mailing address of the Corporation is 240 Penetanguishine Road, Barrie, Ontario.

Article 2 - Use of Units and Common Elements

- 2.1 The Units are for residential use only. Home offices, however, are permitted within the Residential Units of this condominium plan provided the same do not:
 - (a) violate the relevant municipal zoning by-law(s);
 - (b) generate an unreasonable amount of vehicular or pedestrian traffic within any part of the Common Elements as reasonably determined by the Board; or
 - (c) cause significant irritation to other Unit Occupants as reasonably determined by the Board.

The Board is entitled to prohibit any home offices that violate the foregoing proviso.

- 2.2 Without limiting the generality of the foregoing, the Board has the right to prohibit any and all forms of babysitting services and day care facilities regardless of whether same are permitted by the municipal zoning by-laws.
- 2.3 Parking Spaces shall only be used for the parking of motor vehicles by Unit Occupants and their guests.
- 2.4 No Unit shall be occupied or used by anyone whose occupancy or use shall give rise to the possible cancellation of any policy of insurance. If any proposed or actual use of a Unit or the proposed or actual occupation thereof by any person or persons should in the sole determination of the Board upon the advice of its insurer and/or other counsel, cause a threatened or actual:
 - (a) increase in the cost of the insurance coverage that the Corporation is obligated to maintain on account of the provisions of the Act, the Declaration or any By-law of the Corporation; or
 - (b) cancellation and/or non-renewal of any or all of the insurance coverage that the Corporation is obligated to maintain on account of the provisions of the Act, the Declaration or any By-law of the Corporation;

then, such proposed or actual use of such Unit or proposed or actual occupation thereof by such person or persons if it has not yet occurred, shall not be allowed to occur, or, if it has occurred already and is continuing, shall immediately cease upon the written request to the Unit Owner by the Board.

In addition, in the sole and absolute discretion of the Board, if a Unit is occupied or used by anyone in a way that results in an increased insurance premium cost to the Corporation, the Owner of the relevant Unit shall reimburse the Corporation for the amount of the increase, and the increase in premium cost shall be added to the said Owner's contribution towards common expenses.

- 2.5 The Declarant is entitled to complete all buildings and all Improvements to the Lands, enter onto the Common Elements and Units to complete construction, display signage on the Common Elements, maintain Units as models for display and sales purposes, to have potential purchasers and tenants

visit any Units owned by the Declarant (including viewing the Common Elements and passing across same), and otherwise maintain construction offices, displays and signs on the Common Elements and in the Units owned by the Declarant, until all Units in the Condominium Plan including any proposed phase thereof have been sold by the Declarant. In addition, the Declarant can, from time-to-time, designate, assign and/or exclusively use the Common Elements parking spaces for sales customer use, construction vehicles and activity or otherwise as it chooses until all Units in the Condominium Plan have been sold by the Declarant including any proposed phase thereof. Nothing in this Declaration or otherwise shall prevent or hinder the foregoing. With respect to such facilities and use, the Declarant, subject to the right to use the same as set out above, must otherwise comply with this Declaration, all enforceable rules and by-laws and the Act and act reasonably. In addition, reasonable use of exterior lighting by the Declarant will not be considered a nuisance to other owners. The Declarant is obligated to pay the common expenses attributed to any Unit that it owns despite the fact it may be using such Unit in accordance with the provisions of this paragraph.

- 2.6 It shall be each Unit Owner's responsibility to ensure that all Unit Occupants of such Owner's Unit comply with and are aware of all current rules and it is a duty of the Unit Owner to comply and ensure that Unit Occupants comply with all such rules.
- 2.7 No Unit Owner shall lease the Unit Owner's Unit unless such Unit Owner causes the tenant to deliver to the Corporation an agreement signed by the tenant to the following effect:

"I..... covenant and agree that I, the members of my household and my guests from time-to-time will, in using the Unit rented by me and the Common Elements, comply with the legislation applicable to condominiums, the Declaration and the By-Law(s) and all Rules of the Condominium Corporation and the Board, applicable provisions of all municipal development, site plan and other agreements, all utility and conservation easement agreements and all restrictive covenants during the term of the tenancy."

- 2.8 Each Unit Owner must provide the Board with keys for all doors of and within the Unit and the current security codes necessary to deactivate such Unit's security system (if any). No one shall change any lock or place any additional locks on the doors to or within any Unit without- immediately providing the Corporation with a key for each new or changed lock and shall, when requested, provide the Corporation with a key for each lock on the doors of the Unit and the Corporation shall be provided with the codes necessary to deactivate any security alarm situated therein.
- 2.9 In case of an emergency or reasonably perceived emergency, one (1) or more members of the Board, the management company, if any, and/or an agent or contractor of the Corporation may enter any Unit at any time and without notice for repairing or inspecting the Unit and/or the Common Elements and/or any Unit, or for correcting any condition that might result in damage or loss to the property. If the keys for all the door and locks of a Unit and the security codes required to deactivate all alarms for such Unit have not been provided to a Board member and the Board is unable in the time frame necessary for access to occur to reach any contact person who can provide access whose name has been provided by the Unit Occupants for that purpose or reaching such person access is not provided in the time frame necessary for access, the Board and/or its manager, if any, and/or its agents and contractors are authorized to use such force as is necessary to permit access to the Unit with the costs of repairing the damage so caused and any charges from any alarm company being the responsibility of the Owner.
- 2.10 As cool temperatures in a Residential Unit can:
- (a) cause heat loss to nearby Units and Common Elements;
 - (b) cause damage to components of the Unit; and/or
 - (c) lead to freezing water pipes;

each Residential Unit Owner is responsible for ensuring that the temperature in the Residential Unit does not fall below 10 degrees Celsius at any time. The Corporation shall, to effect and maintain such temperature, be entitled to repair and, if necessary, replace the heating apparatus with respect to any Unit at the expense of the Unit Owner of the Residential Unit. Any costs incurred by the Corporation in maintaining the temperature within a Residential Unit to at least ten (10) degrees Celsius (including maintenance, repair or replacement of the heating apparatus) shall be payable by the Unit Owner of

the Residential Unit, as the case may be, forthwith upon the expenditure being incurred. If the Unit Owner does not pay the cost of maintaining the temperature in such Unit to a minimum often (10) degrees Celsius and the Corporation expends money to do so, then, the monies expended by the Corporation shall be deemed to be a common expense and an item of repair for which the Unit Owner is solely responsible.

- 2.11 As high humidity levels within a Residential Unit can cause damage to the physical structure thereof and to other Units and Common Elements and/or give rise to conditions that promote the presence of and spread of mould, It is essential that the levels of humidity within all Residential Units be kept below the level at which damage or mould can occur. Humidity levels can be caused or contributed to by the actions or omissions of Unit Occupants. The Board is entitled to inspect any Residential Unit as the Board sees fit from time to time and monitor humidity levels within any Unit. All Unit Occupants must comply with any requirements of the Board from time to time as to doing or omitting from doing things or activities that the Board advises may cause or contribute to humidity levels higher than those prescribed by the Board. By way of example only and without limitation of the foregoing, the Board may require that fans be run following showering in order to force high humidity level air from a Residential Unit, that all clothes dryers be vented to the outside, that no clothes drying take place within a Residential Unit except within an externally vented clothes dryer.
- 2.12 No addition or alteration to any Unit, or to the Common Elements (including the construction of any structure(s) thereon) is permitted that would have any impact on the storm water management plan applicable to the Condominium Plan or neighbouring lands unless such addition or alteration has received the prior written approval of the Board and the Municipality or governmental authority having jurisdiction which approval includes, without limitation, site plan approval and/or the issuance of a building permit.
- 2.13 Each Unit and all of the Common Elements are subject to a right of entry and access in favour of the Corporation, the Municipality, Utility Suppliers or Sub-metering companies, companies that supply television and/or telephone facilities and any cable or other television signal supplier to permit entry by equipment, machinery and workers as is reasonably required to install, construct, repair, replace, modify, upgrade, renovate, improve and/or maintain all pipes, vents, meters, wires, ducts, cables, drains, conduits, service connections, equipment, mains for sewer and storm water, electricity transformer(s), water mains, telephone cables and access transmission lines and public utility lines (including all appurtenances to any of the foregoing) that, without limiting the generality of the foregoing provide power, communication facilities, water, fuel, venting and/or sewage or waste water disposal to or from any one (1) or more of the Units and/or Common Elements. In addition, such right of entry is allowed on account of any emergency situation that may exist anywhere on the property including, without limitation, the entry onto any Unit or part of the Common Elements by medical personnel, emergency services personnel, medics, police and/or fire fighters. Any utility company and/or company supplying television and/or telephone facilities and any cable or other television signal supplier is entitled to affix such equipment as it deems appropriate to outside walls. No Unit Occupant shall interfere with or do or omit to do anything that could reasonably be expected to impair the ability of the same to perform the function(s) intended. There shall be no construction proximate to such pipes, equipment, meters, vents, wires, ducts, cables, drains, conduits, service connections, mains for sewer and storm water, electricity transformer(s), water mains, telephone cables and access transmission lines and public utility lines (including all appurtenances to any of the foregoing) that could damage the same or impair the ability of the same to function as intended. The Declarant and the Corporation have the right to enter any Unit and install any pipes, vents, meters, wires, ducts, cables, drains, conduits, service connections, equipment and/or mains. Access to the meters shall be in accordance with any regulations which the Utility Supplier responsible for reading the meter may have in effect or be subject to from time to time. No meter shall be hidden or obscured or blocked so that it cannot be easily and conveniently read by the person charged with the responsibility to read such meter.
- 2.14 Each Unit and all of the Common Elements are subject to a right of entry and access in favour of the Declarant to permit the Declarant to complete any work, inspections, monitoring, warranty work, and/or as required in order to comply with any municipal or government requirement relating to any part of the Condominium Plan, including without limiting the generality of the foregoing, anything required to be done on account of any subdivision, site plan, or other municipal agreement or requirement. In addition, this right of entry and access includes the right of entry and access to make inspections or to do any work or repairs thereon or therein which may be deemed necessary by the

Declarant in connection with the completion, rectification or servicing of anything in or forming part of the Unit or any other Unit or portion of the Common Elements.

- 2.15 No addition or alteration to a Unit or the Common Elements (including the construction of any structure(s)) is permitted without the prior written approval of the Board and the Declarant (while it owns any Unit within the Condominium Plan).
- 2.16 Anything that is permitted to be placed or constructed on any Unit must be kept in good condition by the Unit Owner, unchanged in appearance except as permitted in writing by the Board and the Declarant (while it owns any Unit within the Condominium Plan), failing which any of the Board and the Declarant (while it owns any Unit within the Condominium Plan) may either effect repairs as are necessary to ensure compliance with the foregoing or remove same from the Land. For such purpose, entry to any such Unit is permitted by or on behalf of the Corporation and the Declarant. Any costs relating to same are deemed to be common expenses due from the Unit Owner in question.
- 2.17 No person shall install, fix, hang or otherwise place window or glass door coverings of any type in any building in any Residential Unit that are visible from any abutting street or any other Units or the Common Elements, unless the same are in accordance with criteria for permitted colours, materials, design, and installation as established by the Board in its unfettered discretion from time to time. This paragraph is intended (without limiting the generality of the foregoing) to prevent window and glass door coverings being used that are unattractive, obnoxious, not intended for use as window and glass door coverings, not in keeping with the building, of low quality, and/or unsightly, which determinations shall be made by the Board in its unfettered discretion.
- 2.18 No person (other than Corporation authorized personnel) shall be permitted on any roof or similar or related or connected exterior projection of any building, except for any balconies or terraces forming part of a Unit or the Common Elements and designed and intended for the use and enjoyment of Unit Occupants and their guests.
- 2.19 No one shall have access to any balcony appurtenant to a Residential Unit other than the Corporation, its employees and agents and the Unit Occupants of the Residential Unit that is appurtenant to the balcony, and their guests. Each Unit Owner shall be responsible for keeping any balcony appurtenant to the Unit Owner's Residential Unit in a neat, tidy and clean condition in accordance with the requirements of the Corporation from time to time. The Corporation shall be responsible for the maintenance and repair of the balconies.
- 2.20 No one shall make any changes within or to a Unit that would:
- (a) adversely affect noise attenuation features of the Unit or any other portion of the Condominium;
 - (b) diminish the fire rating of the Unit or any other portion of the Condominium Plan; or
 - (c) violate any applicable Building Codes, property standards or building regulations.
- 2.21 Subject to compliance with the foregoing paragraph no one shall do anything or make any change with respect to any part of the floor, ceiling, or roof structure or to a load bearing wall or any other load bearing component within a Unit or any part of the Condominium Plan without:
- (a) the submission to the Board of an engineer's certificate addressed to the Corporation confirming that the proposed action will not adversely reduce the load bearing capacity of the said roof, roof structure, wall or such other load bearing component;
 - (b) obtaining the prior written consent of the Board to the proposed action which consent may be arbitrarily withheld or which consent may be granted only upon such conditions as the Board may in its sole discretion impose; and
 - (c) obtaining written authorization of such changes in conformity with all requirements of the Act.

Article 3 - Further Restrictions With Respect to the Use of the Units

- 3.1 Any work within a Residential Unit that requires a building permit may not be performed without the prior written consent of the Board which consent may be arbitrarily withheld.
- 3.2 The smoking or holding of lighted tobacco or other burning substance intended to be inhaled is

prohibited in any Residential Unit and any Common Elements areas located inside of a building on the Condominium Plan.

Article 4 - Maintenance and Repairs

- 4.1 Each Residential Unit Owner must maintain and repair (including repair or replacement after wear and tear and/or damage) such Owner's Residential Unit, and any and all improvements to such Residential Unit, and everything therein and all components of and systems servicing such Residential Unit which include all components and structures within the Residential Unit.
- 4.2 Each Residential Unit shall be equipped at all times by the Unit Occupants with smoke detectors, fire detectors, carbon monoxide detectors and other life safety warning devices as are prescribed by the applicable governmental legislation, regulations and building or other codes, and as a prudent and careful owner or occupant would require, and/or as may be required by the Board, the Corporation's and/or Unit Occupants' Insurers from time-to-time (the foregoing being collectively referred to herein as "Life Safety Warning Devices"), as well as dryer duct hoses on clothes dryers, chimney flue sleeves, ventilation ducts, water hoses and hose fastening devices and mechanisms on water using appliances (such as, for example only and without limiting the generality of the foregoing, clothes washers, dishwashers, water softeners and/or water heaters) and other similar devices (the foregoing being collectively referred to herein as the "Other Devices") as are prescribed by the applicable governmental legislation, regulations and building or other codes, and as a prudent and careful owner or occupant would require, and/or as may be required by the Board, the Corporation's and/or Unit Occupants' Insurers from time-to-time.
- 4.3 The Life Safety Warning Devices and Other Devices in any Residential Unit shall be kept by the Unit Owner in good operating condition and fully powered (as applicable) at all times.
- 4.4 Each Residential Unit must effect such repairs, replacements and maintenance in respect of the Residential with respect to such Unit's electrical systems, plumbing mechanisms and systems, water softener, dish washers, water and air heating and/or air-conditioning mechanisms and systems, ventilation systems, clothes dryers and drying devices, and dryer ducts, range hood vents, fireplaces and fireplace flues and chimney components (if any), (the foregoing being collectively referred to herein as the "Unit Systems") hoses and hose fastening mechanisms (i.e., for dishwashers, water softeners, water heaters and/or washing machines) and the Life Safety Warning Devices and the Other Devices servicing such Residential Unit, as a prudent and careful owner or occupant would require, and as may be required by the Board, the Corporation's and/or Unit Occupants' Insurers from time-to-time and/or as may be prescribed by the Board at the cost of the Unit Owner of the Residential Unit, as the case may be.
- 4.5 Each Residential Unit's, Life Safety Warning Devices and Other Devices and all components thereof shall be kept in accordance with all applicable governmental legislation, regulations and building or other codes all requirements prescribed by the Board and/or applicable law and/or and as the Board and the Corporation's and Unit Occupants' Insurers may require from time-to-time and the same shall be kept in a good and safe condition at all times by the Unit Owner of the Unit in which the same are located.
- 4.6 Each Unit Owner shall provide the Board with such evidence as the Board may require from time-to-time that:
- (a) all required Unit Systems, Life Safety Warning Devices and Other Devices, are in place, fully powered (as applicable), in compliance with, and in good operating condition and in such locations as required by applicable governmental legislation, regulations and building or other codes and by the Board and the Corporation's and Unit Occupants' Insurers;
 - (b) the electrical system is in compliance with all applicable law and requirements of the Board;
 - (c) all water using appliances, such as, for example only without limiting the generality of the foregoing, clothes washers, dishwashers, water softeners and/or water heaters, are in a reasonable state of repair so as to be unlikely to be prone to leakage;
 - (d) all ducts and vent pipes are clean and free of flammable and/or other materials;
 - (e) all water hose and hose fastening devices and mechanisms are in good repair and properly attached to the device the same service; and

- (f) all Unit Systems, air heating, and/or air-conditioning mechanisms are in good operating condition, all required Life Safety Warning Devices, are in place, fully powered (as applicable), in good operating condition, and in such locations as required by the Board.
- 4.7 The Board has the right to cause periodic inspections of any or all Units, including Residential Units, as may be required to confirm any of the foregoing. Such persons as are designated by the Board to perform such inspections are permitted entry to any and all Units from time-to-time on twenty-four (24) hours prior notice given to any Unit Occupant except in the case of emergency as reasonably determined by the Board, in which case immediate entry may be obtained. The cost of all routine periodic inspections shall be paid by the Corporation but any additional inspections that the Board causes to be performed to fulfill any legal obligation, or upon the request of a mortgagee or Unit Owner, or due to any pending or completed transfer of title to the Unit, or to ensure that deficiencies noted in a prior inspection have been remedied, shall be at the cost of the Owner of the Unit.
- 4.8 The Board has the right to have its representatives make such installations or perform such work (including, without limiting the foregoing, any repairs, installations or replacements as may be recommended in a report based upon an inspection hereunder) required to ensure that:
- (a) all required Unit Systems, Life Safety Warning Devices and Other Devices, are in place, fully powered (as applicable), in compliance with, and in good operating condition and in such locations as required by applicable governmental legislation, regulations and building or other codes and by the Board and the Corporation's and Unit Occupants' insurers;
 - (b) each Unit's electrical system is in compliance with all applicable law and requirements of the Board;
 - (c) all water using appliances, such as, for example only without limiting the generality of the foregoing, clothes washers, dishwashers, water softeners and/or water heaters, are in a reasonable state of repair so as to be unlikely to be prone to leakage;
 - (d) all ducts and vent pipes are clean and free of flammable and/or other materials;
 - (e) all fireplaces, chimneys and flues are in compliance with all applicable law, governmental legislation, regulations and building or other codes and in a proper state of repair and condition and clean and free of blockage and that chimneys and flues are free of flammable materials;
 - (f) all water hose and hose fastening devices and mechanisms are in good repair and properly attached to the device the same service; and
 - (g) all Unit Systems air heating and/or air-conditioning mechanisms are in good operating condition, all required Life Safety Warning Devices, are in place, fully powered (as applicable) and in good operating condition and in such locations as required by the Board.

All costs thereof and related thereto are the obligation of the Unit Owner of the Unit to pay. If the costs specified in this paragraph and/or the costs for any of the inspections that are the obligation of an Owner to pay are not paid when required by the Board such costs shall be added to the said Owner's contribution towards common expenses.

- 4.9 The Board is empowered to require maintenance, repair and replacement by the Unit Owner of any component of the Unit Owner's Residential Unit including, without limitation, any component of such Residential Unit and improvements to the Residential Unit. The Board has the authority to dictate the person, contractor, or company who is to effect such maintenance, repair, and replacement of any Residential Unit. The Corporation, through the Board, is hereby empowered to dictate when any such maintenance, repair or replacement is to be done and who is to do such maintenance, repair or replacement in any Residential Unit. The Board has the right to determine the amount owing by each Unit Owner for whose Residential Unit such maintenance, repair or replacement has been done. The Board also has the right to contract for such maintenance, repair or replacement on behalf of the Unit Owners for whom such work is being done and to pay for the same and collect from the Unit Owners in question the amount the Board determines is properly owing by each such Unit Owner on account of such work. Any amounts that are payable by any Unit Owner on account of the provisions of this paragraph shall be common expenses owing by such Unit Owner to the Corporation.
- 4.10 Notwithstanding anything contained herein:

- (a) any hose bib, piping and metering installed for the purpose of supplying water for use in connection with the Common Elements and situate within the Unit shall be deemed to be Common Elements despite being within the boundaries of any Unit;
- (b) any pipes, wires, vents, ducts, cables, conduits, sewers (both storm and sanitary), service connections, electricity transformer(s), sump pumps, sump pump pits and weeping tiles and/or other conduits appurtenant thereto, water mains, gas mains and lines, telephone cables and access transmission lines and public utility lines that, without limiting the generality of the foregoing, provide power, communication facilities, water, fuel, venting and/or sewage or water disposal:
 - (i) that service more than one (1) Unit to the extent that same service more than one (1) Unit are deemed not to be part of a Unit but shall be Common Elements, despite being within the vertical planes defining a Unit;
 - (ii) that pass through a Unit to service a Unit other than that through which the same passes shall, to the extent that the same lie outside the boundaries of the Unit being serviced by the same be deemed to be Common Elements;

subject to the foregoing, to the extent that same lie within the Unit boundaries of the Unit being serviced they shall be considered part of such Unit.

- 4.11 Notwithstanding anything otherwise provided herein, each Unit shall include all parts of the Unit Systems, heating, ventilating and air conditioning (if any) equipment, metal sleeves, pipes, flues and vents and related equipment, all furnace and fireplace chimneys and flues and related equipment and all pipes, wires, cables, conduits, ducts, and related junction boxes, fixtures, outlets and other facilities relative to utilities in respect of the Unit, that service only such Unit, regardless of where they are situate, except for lateral feeds to and from the Unit.
- 4.12 Each Owner of a Residential Unit must keep all walkways, decks, patios, porches, or balconies appurtenant to such Unit in a neat and tidy condition as required by the Board, failing which, the Board shall have the option of performing said work at the expense of the Unit Owner. The Unit Owner is responsible for paying the costs so incurred and such costs shall be for all purposes common expenses payable by the Unit Owner in question.
- 4.13 Nothing may be stored on walkways, decks, patios, porches, or balconies appurtenant to any Residential Unit other than outdoor seasonal furniture.
- 4.14 Subject to compliance with all applicable statutory and Municipal requirements and regulations, each Residential Unit may store a maximum of one (1) electric barbecue that is in good operating condition on any balcony or terrace included within or appurtenant to a Residential Unit. No other barbecues are permitted in such areas or in any other area within the Condominium Plan. For further clarity, the total number of barbecues permitted to be stored within the Condominium Plan by any Residential Unit is one (1), regardless of how many balconies or terraces are included within or appurtenant to the Residential Unit. Residential Units having no balconies or terraces included within or appurtenant to the Residential Unit shall have no right to store any barbecue within the Condominium Plan.
- 4.15 The Corporation is responsible for the maintenance and repair after damage of the Parking Units. The Unit Owners must ensure their Parking Units are in a neat and tidy condition, which determination shall be made by the Board, in its sole and absolute discretion.
- 4.16 All driveways, walkways and parking areas of the Condominium Plan are to be kept void of any obstructions at all times other than permitted motor vehicles in driveways and designated parking areas. No Unit Occupant shall cause or permit any obstruction to be placed or left anywhere on the Common Elements driveways or walkways contrary to the foregoing. Each Unit Occupant shall maintain such areas free of obstruction (other than permitted motor vehicles) at all times.
- 4.17 All driveways, walkways, and parking areas of the Condominium Plan are to be kept in a snow free condition at all times by the Corporation other than as set out herein. If a portion of the Condominium Plan from which snow or ice is to be removed is obstructed by a vehicle or other obstruction at the time of attempted snow and/or ice removal by the Corporation, the Owner of the Unit in which the vehicle's owner is a Unit Occupant or whose Unit Occupant placed the obstruction (if known) is responsible for the snow and/or ice removal prevented by such obstruction and/or for any costs or liabilities incurred by the Corporation on account of its inability to complete such snow and/or ice

removal at that time.

- 4.18 The Corporation is responsible for the cutting of any Common Element grass and the weeding and maintenance of Common Elements landscaping, shrub beds, and plantings.
- 4.19 If the asphalt or other hard surface area of any Common Elements area is damaged or in need of maintenance or repair because of the act or omission of any Unit Occupant, the Unit Owner of the Unit in which the Unit Occupant resides or has visited shall pay the costs of the maintenance or repair in question with such expense being deemed to be a common expense and an item of repair for which the Unit Owner is solely responsible.
- 4.20 All of the Lands, whether Unit or Common Elements, shall at all times be maintained by the party responsible for such maintenance in such manner as to comply with any applicable site plan, landscape plan, tree management plan or site lighting plan approved by the Municipality.
- 4.21 Subject to the provisions of the foregoing, the Corporation is responsible to maintain and repair (including repair or replacement after wear and tear and/or damage) the Common Elements.
- 4.22 Except with the prior express written consent of the Board and the Declarant (while it owns any Unit within this condominium plan):
- (a) nothing is permitted to be placed, left, installed, situate or otherwise be in the Common Elements;
 - (b) no addition, alteration, repair, renovation, improvement, painting or staining that affects the appearance of any part of any Residential Unit that can be seen from any abutting street or from any other Unit within this Condominium Plan and/or from the Common Elements of the Corporation is permitted;
 - (c) no maintenance, addition, signage, alteration, repair, renovation, improvement, painting or staining that affects the appearance of any part of any Residential Unit or Common Elements that can be seen from any abutting street or from any other Unit in the Condominium Plan and/or from the Common Elements of the Condominium Plan is permitted; and
 - (d) without limiting the generality of the foregoing, no hot tub or other thing which may or does contain water is allowed anywhere in the Common Elements including any exclusive use portion thereof.

For clarity, the foregoing consent is subject to the following:

- (i) neither the Board nor the Declarant is required to provide such consent;
- (ii) if given can be revoked without reason or explanation; and
- (iii) may be subject to such conditions and/or criteria as the Board or Declarant, as the case may be, deems or determines is appropriate in its absolute discretion, including without limiting the generality of the foregoing a requirement that the Unit Owner making the request pay a security deposit and/or execute a waiver or indemnity in a form acceptable to the Board or Declarant, as the case may be, where it is reasonable to do so having regard to the risks of property damage and/or personal injury inherent in or attendant to allowing the alteration, addition, placement or other thing that is subject of such consent.

This paragraph is not applicable to the Declarant or to any Unit owned by the Declarant.

Article 5 - Animals and Pets

General Prohibition on Animals, Insects, and Reptiles

- 5.1 No animals, insects, and/or reptiles are permitted to be brought into or kept within any part of the Condominium Plan, including any part of the Units or Common Element areas.

Board's Authority to Require Removal

- 5.2 The Board has the absolute discretion and jurisdiction to order the permanent removal of any animal, reptile, or insect from the Lands for any reason.
- 5.3 Also, notwithstanding any challenge being permitted and/or made, the Board shall not be required to explain or justify its decision to order such removal. Upon such order being given the animal, reptile,

or insect in question must be permanently removed from the Lands within fourteen (14) days from the date such order is delivered to a Unit Occupant of the Unit in which such pet resides or visits.

Service Animals

- 5.4 The Board may make reasonable exceptions to the prohibitions applicable to animals for service animals present within the Condominium Plan for the purpose of providing assistance to an individual with a disability.
- 5.5 Prior to granting such an exception, the Board may request documentation sufficient to establish:
- (a) the animal has been individually trained as a guide animal, hearing animal, or service animal in order to provide assistance to an individual with a disability;
 - (b) the animal provides assistance to a specified individual having a disability, which individual is a Unit Occupant or is otherwise entitled to access the Common Elements of the Condominium Plan (e.g., as a guest or visitor of Unit Occupants); and
 - (c) the medical necessity of the animal providing such assistance to the specified individual.

Article 6 - Indemnity

- 6.1 Each Unit Owner shall indemnify the Corporation and as the case may be other Unit Owners against loss, costs, damage or injury caused to the Common Elements or Units because of any act or omission of any Unit Occupant of the said Unit Owner's Unit. A Unit Owner shall also indemnify the Declarant and the Corporation for all their legal costs and disbursements (including legal fees on a solicitor and client basis):
- (a) in effecting compliance by the Unit Owner or any Unit Occupant of the Unit Owner's Unit with the provisions of:
 - (i) the Declaration, by-laws, rules and/or the Act;
 - (ii) any registered agreements with local or regional municipal governments and authorities and/or the condominium approval authority including pursuant to either or both of Sections 41 and 51 of the *Planning Act*, R.S.O. 1990, c. P13 entered by the Declarant and/or any of its predecessors in title;
 - (iii) any registered easement(s) and access agreements for the supply of gas, electricity, telephone and cable services to the Corporation entered into by the Declarant and/or any of its predecessors in title;
 - (iv) any negative restrictive covenant agreements and/or building schemes to which one or more of the units and/or all or part of the common elements of this condominium plan and/or any of the assets of the Condominium (if any) is subject; and/or
 - (b) incurred in bringing, defending, or responding to any court or tribunal application or other legal action or threat of legal action or circumstances that could give rise to any of the foregoing involving the Unit Owner and/or a Unit Occupant of the Unit Owner's Unit pursuant to the Act or on account of the provisions of this Declaration.
- 6.2 Each Unit Owner is responsible for indemnifying the Corporation or the Declarant as the case may be for the legal costs, fees and disbursements incurred by the Corporation or the Declarant in effecting such compliance or pursuant to such application even if the Unit Owner is not in possession of the Unit but has leased the same or granted any other right of occupation with respect to same.
- 6.3 If damage should occur to part of the Common Elements and a Unit Occupant of or visitor to a Unit is responsible for such damage and such damage was not caused by the Corporation or any agent or employee thereof, the amount that is the lesser of the cost of repairing the damage and the deductible limit of the Corporation's insurance policy will be the responsibility of the Owner who owns the Unit in which the Unit Occupant or visitor responsible for the damage resides.
- 6.4 If damage should occur to a Unit and such damage was not caused by the Corporation or any agent or employee thereof, and such damage or any part thereof is repaired at the expense of the Corporation, the amount that is the lesser of the cost of repairing the damage and the deductible limit of the

Corporation's insurance policy will be the responsibility of the Owner who owns the damaged Unit or and shall be added to the common expenses payable on account of such Unit. Any right of such Unit Owner to be indemnified by another Unit Occupant or other person is a matter between the said Owner and Unit Occupant or other person and shall not involve the Corporation nor affect its right to payment from the Unit Owner in accordance with this paragraph.

Article 7 - Parking and Motor Vehicles

- 7.1 In the absence of the prior written permission of the Board, only motor vehicle(s), as defined in paragraph 7.5 of this Article 7, shall be permitted on any area of the Condominium Plan. No part of any motor vehicle, while parked in a Parking Space or Parking Unit shall extend beyond the designated parking area so as to encroach into other areas of the Condominium Plan. No motor vehicle of any kind may be parked or left on any portion of the Common Elements by anyone except with the written permission of the Board.
- 7.2 Only motor vehicles, as defined in paragraph 7.5 of this Article 7, that are operable, with a current motor vehicle license and insurance, as is required to permit the operation of that motor vehicle on the highways of Ontario, may be parked in any Parking Space.
- 7.3 There shall be no parking or storage of derelict vehicles of any kind on or in any Parking Unit or the Common Elements of this Condominium Plan.
- 7.4 In the absence of the prior written permission of the Board, only bona fide visitors (as determined by the Board in its absolute discretion) to a Residential Unit may use the areas signed for visitor parking. The Board may establish rules and policies and may pass By-laws and post signage governing the use and/or allocation of visitor parking spaces. It shall be each Unit Owner's responsibility to ensure that its visitors are aware of and comply with all current parking rules, policies, By-laws, and posted signage.
- 7.5 Only motorcycles, motorized or electric scooters, automobiles, station wagons, vans, sport utility vehicles and pick-up trucks of a Unit Occupant may be parked on or in any Parking Space within this Condominium Plan.
- 7.6 No Recreational Vehicles are permitted to be parked or stored in or upon the Condominium Plan. Notwithstanding the foregoing, Recreational Vehicles may enter and stop upon the Lands for short periods of time for reasonable loading and/or unloading of the Recreational Vehicle. The Board, in its sole discretion, has the right to determine what constitutes a Recreational Vehicle, a short period of time, and for reasonable loading and unloading.
- 7.7 Only Unit Owners of Residential Units within the Condominium Plan may own a Parking Unit. A lease of a Parking Unit shall only be permitted to the Declarant, the Corporation, or to any Unit Occupant of a Residential Unit. If a Parking Unit is leased to a Unit Occupant of a Residential Unit then the term of such lease shall not extend beyond the term of the tenancy in respect of such Residential Unit.
- 7.8 One (1) or more of the parking spaces to be created within this Condominium Plan will be designated as "Barrier Free Parking Space(s)". The Board is authorized and empowered to allocate any such designated Barrier Free Parking Space(s) for use by one (1) or more Unit Occupants of the Condominium Plan and it is expected that such use will likely be restricted to persons who are entitled to make use of municipal barrier free parking spaces. The Board is entitled to charge a fee for such use as a precondition to such use. No Unit Occupant has any rights to make use of any such designated Barrier Free Parking Space(s). The Board has discretion to decide who is to use such Barrier Free Parking Spaces and on what terms and for what period of time and to revoke any permission given to use the same. No person who is allocated the use of any such Barrier Free Parking Space(s) shall have any rights to license or lease same. Should any person entitled to use a Barrier Free Parking Space purport to license or lease such Barrier Free Parking Space, such person's right to use the Barrier Free Parking Space shall immediately terminate. The Board has the right, as a condition of such approval, to require any Unit Occupant who is allocated the use of a Barrier Free Parking Space to give up such Unit Occupant's rights to any Parking Spaces such Unit Occupant has the right to use and allow the same to be used for visitor or other parking as determined by the Board from time to time for so long as the Unit Occupant has the use of a Barrier Free Parking Space. The discretion of the Board in this regard includes the right to allow the use of any such Barrier Free Parking Space(s) by visitors to the Condominium Plan who may or may not be considered disabled or otherwise qualify to use the same on account of the designation as being reserved for

persons considered disabled.

- 7.9 One (1) of the parking spaces to be created within this Condominium Plan will be designated for exclusive use by the management office.

Article 8 - Metering

Utilities

- 8.1 If at any time any Utility supplied to any of the Residential Units is directly and separately metered, measured and billed either by the Municipality, the supplier or on account of Private Flow Meters put in place by the Declarant or the Corporation or others or some combination thereof to any such Residential Unit(s) the cost of such Utility so supplied and metered will not be considered a common expense of the Corporation.
- 8.2 If any Utility supplied to any Residential Unit(s) is not so separately metered, measured and billed at any time in the future then for such period of time the same is not so separately metered, measured and billed the cost of the same with respect to any such Residential Unit(s) will be considered a common expense of the Corporation.

Heat and Hot Water

- 8.3 If at any time any of the Residential Unit(s) are heated by heat supplied from a central boiler or other system and/or if the hot water used in any of the Residential Units is also supplied from such central boiler or other system:
- a) and the amount of gas or other fuel used by such central boiler or other system for the heating of any individual Residential and/or the provision of hot water to any Residential Units is directly and separately metered, measured or otherwise determined and/or allocated to such individual Residential Units and billed either by the Municipality, the supplier or on account of Private Flow Meters put in place by the Declarant or the Corporation or others or some combination thereof to any of the Residential Unit(s), the cost of such of gas or other fuel so separately metered, measured or otherwise determined and/or allocated to such individual Residential Units and billed will not be considered a common expense of the Corporation; or,
 - b) if the amount of gas or other fuel used by such central boiler or other system for the heating of any individual Residential Units and/or the provision of hot water to any Residential Units is not directly and separately metered, measured or otherwise determined and/or allocated to such individual Residential Units and billed either by the Municipality, the supplier or on account of Private Flow Meters put in place by the Declarant or the Corporation or others or some combination thereof to any of the Residential Unit(s) then for such period of time the same is not so separately metered, measured or otherwise determined and/or allocated to such individual Residential Units and billed the cost of the same with respect to any such Residential Unit(s) will be considered a common expense of the Corporation.

General

- 8.4 Any reference in this Article to the "Board" or the "Corporation" shall include any Monitoring Agency if authorized or directed in writing (as the context requires) by the Board.
- 8.5 Any reference to a "Utility" in the definition of Private Flow Meter and in the balance of this Article shall include the gas or other fuel used by any central boiler or other system that is directly and separately metered, measured and billed either by the Municipality, Monitoring Agency, the supplier or on account of Private Flow Meters or other monitoring or measuring devices put in place by the Declarant or the Corporation to any of the Residential Unit(s) and the amount so directly and separately metered, measured and billed shall be deemed to be a Utility supplied to the Residential Unit(s) in question.
- 8.6 Any costs, expenses or charges that arise on account of any act or omission of or by a Unit Occupant with respect to the supply of a Utility to the Residential Unit(s) in which such Unit Occupant resides shall be the responsibility of the Unit Owner(s) who own(s) the Residential Unit(s) in question and shall, to the extent that same are paid by the Corporation, constitute common expenses owing by the Unit Owner of such Residential Unit(s) who shall be considered in default of payment of such

common expenses.

- 8.7 Entry to any of the Residential Units from time to time by any representative of any Monitoring Agency, and/or municipal or public utility representative and/or other person authorized by any Monitoring Agency and/or the Board for the purposes of installation, repair, maintenance, inspection, replacement and/or reading of any meter or meters is hereby authorized.
- 8.8 Any administration or other fee charged by a Monitoring Agency, Municipality or supplier with respect to the supply of a Utility to a Residential Unit shall be billed to and collected from that Residential Unit Owner(s) in the same manner as the cost of the said Utility supplied to the Residential Unit.
- 8.9 If any Utility is separately metered, measured and/or monitored to a Residential Unit by way of Monitoring Agency, Municipality or supplier meters, the Unit Owner of each such Residential Unit shall pay the cost of any metered Utility supplied to the Residential Unit as billed by the Municipality, Monitoring Agency or supplier of same and obtain no credit for such payment against the obligation to pay common expenses.
- 8.10 If any Utility is separately metered, measured and/or monitored to a Residential Unit by way of Private Flow Meter(s):
- (a) the cost of any Utility supplied to such Residential Unit as measured by the Private Flow Meter shall be paid by the Owner(s) of such Residential Unit as directed by the Corporation as and when requested by the Corporation;
 - (b) the monies paid by the Corporation on account of any Utility supplied to such Residential Unit which is measured by a Private Flow Meter will not be considered a common expense of the Corporation. However, if same are not paid, then, to the extent same are in arrears, monies owing on account of any Utility supplied to any Residential Unit to the Corporation or any Monitoring Agency shall be considered to be common expenses that are in arrears and owing for and on account of such Residential Unit. For such purposes only, the said monies owing shall be considered common expenses and shall be considered in arrears. Interest will accrue on arrears of monies owing for any Utility supplied to any Residential Unit at the same rate as interest accrues on arrears of common expense payments;
 - (c) each such Residential Unit Owner shall pay the cost of any Utility supplied to the Residential Unit, based on the amount of such Utility supplied as determined by the said Private Flow Meter for the Residential Unit and will obtain no credit for such payment against the obligation to pay common expenses;
 - (d) as a condition of being supplied or continuing to be supplied with any Utility that is metered or monitored by a Private Flow Meter, the Board and/or any Monitoring Agency has the right to require a Unit Owner(s) of a Residential Unit that is being so supplied, to maintain a deposit with the Corporation or the Monitoring Agency, as the case may be, of an amount equal to up to three (3) months' charges for such Unit Occupant's Utility usage as determined and estimated by the Board in its discretion. The Corporation is entitled to apply such deposits against monies owing by a defaulting Owner(s) on account of the supply of any Utility to such Owner's Residential Unit;
 - (e) the Board and any Monitoring Agency is entitled, subject to complying with all relevant laws and regulations, to stop the supply of any Utility to any Residential Unit if the payments owing for same are more than thirty (30) days in arrears; and
 - (f) the cost of any Utility which is not separately metered, measured and billed to any Residential Unit shall be referred to herein as the "Common Utility Costs". The Common Utility Costs will be common expenses of the Condominium.
- 8.12 The Owner of each Residential Unit to which the amount of any Utility is measured or monitored, by a Private Flow Meter shall pay the Corporation or the relevant Monitoring Agency monthly on a date designated by the Board or Monitoring Agency, as the case may be, the estimated cost for the amount for all Utilities separately metered or monitored by the applicable Private Flow Meter(s) and billed by the Corporation or Monitoring Agency (the "Estimated Utility Monthly Payment"). The Estimated Utility Monthly Payment will be an estimate by the Board or Monitoring Agency, as the case may be, acting reasonably, of the cost of all such utility services separately metered, measured and billed by the Private Flow Meters or other monitoring or measuring devices by the Corporation to such Residential

Unit.

- (a) The Board or any Monitoring Agency shall have the right to require any Owner of a Residential Unit or:
- (i) provide post-dated cheques on a Corporation fiscal year basis for the Estimated Utility Monthly Payment prior to the first month of every such fiscal year; or
 - (ii) pay the Estimated Utility Monthly Payment via an automatic monthly withdrawal from the Owner of the Residential Unit's bank account or such other similar method of automatic payment.
- (b) The Estimated Utility Monthly Payment for each Residential Unit shall be adjusted annually (the "Annual Utility Adjustment") by the Board or Monitoring Agency, as the case may be, to reflect the actual cost of Utilities so supplied to each such Residential Unit as determined by the applicable Private Flow Meter(s). The Board or the relevant Monitoring Agency has the right to adjust the Estimated Utility Monthly Payment at other times throughout the year in addition to the Annual Utility Adjustment if the Board deems such additional adjustments necessary.
- (c) Following the end of each fiscal year, the Board or Monitoring Agency, as the case may be, shall calculate how much of each such Utility was supplied in such fiscal year to each Residential Unit. If the cost of the said Utilities supplied for such fiscal year on account of any such Residential Unit:
- (i) exceeds the amount paid by the Unit Owner of such Residential Unit for the fiscal year in question the Owner of such Residential Unit shall, upon receiving written notification from the Board or Monitoring Agency, as the case may be, forthwith pay the Corporation the amount of such deficiency;
 - (ii) is less than the amount paid by the Unit Owner of such Residential for the fiscal year in question the excess shall be taken into consideration by the Board or Monitoring Agency, as the case may be, at the time of the Board's or Monitoring Agency's, as the case may be, next determination of the Estimated Utility Monthly Payment for the said- Residential Unit or, at the option of the Board or Monitoring Agency, as the case may be, the deficiency shall be paid by the Corporation to the Unit Owner of such Residential Unit.

- 8.13 The Corporation has the power, on giving reasonable notice to the Unit Occupant(s), to allow the Monitoring Agency access to the Units and Common Elements for the purpose of installing, repairing, replacing, modifying, upgrading, renovating, improving and/or maintaining the Private Flow Meters.

Article 9 - Miscellaneous

Equipment Provisions

- 9.1 No window mounted air-conditioners are permitted with respect to the Residential Units except in strict compliance with the requirements of the Declarant if the Declarant owns any Unit within this Condominium Plan at such time and thereafter of the Board. There is no intention of allowing window mounted air conditioners of the type generally in use as of the date of the registration of this Declaration. This potential for allowing window mounted air-conditioners is included only to recognize that advancements in technology may allow there to be window mounted air conditioners significantly less offensive and irritating than those presently available.
- 9.2 Subject to any other provisions of this Declaration, no air-conditioning equipment nor heat pump nor similar equipment and machinery and other noise generating equipment appurtenant to or used with any Residential Unit (all of which are collectively referred to herein as "AC Equipment") is permitted save and except AC Equipment that has been preapproved in writing by the Board or the Declarant. Absent reasonable grounds to refuse same, the Board and the Declarant shall approve applications for the foregoing. The external elements and components of any such AC Equipment may only be located where permitted by the Board or the Declarant. The foregoing part of this paragraph is not applicable to AC Equipment placed by or on behalf of the Declarant. All AC Equipment must be kept in good repair by the Owner of same so the noise from same is kept as low as is reasonably possible.

All components of such AC Equipment shall form part of the Unit the same service so the Unit Owner of the said Unit is responsible to maintain, repair (after damage or otherwise) and replace the same as required by the Board or the Declarant.

- 9.3 There shall be no Telecommunication Device erected, fixed, resting by its own weight or otherwise, hanging, or otherwise visible anywhere on the Land or any building or structure thereon or present or visible from any abutting street or any other Unit or Common Elements on any of the Condominium Plan, except in accordance with criteria established by the Board which has the authority to prohibit any and all Telecommunication Devices that are so visible.

Garbage, Recycling and Organics

- 9.4 Unit Occupants shall place garbage in garbage bags and place same in areas designated by the Board as garbage collection areas.
- 9.5 Residential Unit Occupants shall sort recycling and place same into areas designated by the Board as recycling collection areas.
- 9.6 Residential Unit Occupants shall sort organics and place same into areas designated by the Board as organics collection areas.

Compliance with Subdivision, Site Plan and/or other Municipal Development Agreements, Utility Easement Agreements, and Restrictive Covenants affecting the Lands

- 9.7 It shall be the duty of the Corporation to comply with and ensure compliance by Unit Occupants with the applicable provisions of all applicable site plan and other agreements entered into pursuant to the *Planning Act*, and all Municipality approved storm-water management facility, grading and drainage and landscape plans.
- 9.8 Without limiting the generality of the provisions in the prior paragraph, It is a duty of the Corporation to comply with and enforce compliance by the Unit Owners with the requirements of any agreements with the Municipality that are registered against the title of any of the Lands.
- 9.9 The Corporation shall ensure that the drainage in the Condominium Plan shall at all times conform to the Municipality approved overall drainage plan for the Lands, that drainage will not be altered without the approval of the Municipality, that roof water shall be discharged onto the surface of the ground and not be connected to the storm sewers without the approval of the Municipality. The Corporation shall also ensure that there will be no construction of any accessory buildings or structures without the approval of the Municipality; that all drainage swales will be maintained to provide surface water runoff in accordance with the Municipality approved drainage control plan.
- 9.10 A linear storm water management facility is located upon Lands included within the Condominium Plan.
- 9.11 Neither the Corporation, nor the Unit Owners or Unit Occupants shall alter in any way or make any changes to any Municipality approved storm-water management facility within the Land without the written consent of the Municipality.

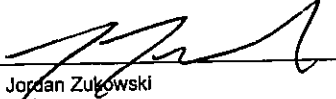
Blanket Easements

- 9.12 Despite the reservation or granting of any easement in Schedule "A" to this Declaration (as it now exists and as it may be amended on account of future phases, if any, to this Condominium Plan), the same shall not impair, restrict or prohibit the construction within the lands of any existing or future building, structure, roadway, driveway, service, Common Services, landscape or other feature or other component provided for, permitted by, or required by any municipally approved site, landscape, grading, drainage, storm water management, or similar plan or any applicable municipal development agreement or provided the construction is authorized by a municipal building permit.
- 9.13 For clarity, no Common Service can be installed, constructed or placed so as to cause any significant impairment to any building, structure, roadway, driveway, service, other Common Services, landscape or other feature or other component provided for, permitted by or required by any municipal approved site, landscape, grading, drainage, storm water management or similar plan or any applicable municipal development agreement or constructed with a municipal building permit. It is recognized that the right to construct and maintain buildings, structures, roadways, driveways, services, Common Services, landscape or other features or other components provided for, permitted by or required by

any municipal approved site, landscape, grading, drainage, storm water management or similar plan or any applicable municipal development agreement or constructed with a municipal building permit is preeminent to the installation of any future Common Services.

Dated the 29th day of September, 2016.

FERNWOOD DEVELOPEMNTS (ONTARIO)
CORPORATION
Per:



Name: Jordan Zukowski
Office: President

I have authority to bind the Corporation.

Schedule A**DESCRIPTION**

The following is a description of the land and interests appurtenant to the land intended to be governed by the Act, including a description of every easement, as shown on the description that, upon the registration of the Declaration and description, will be appurtenant to the land or to which the land will be subject.

Part Block 6, Registered Plan 51M-983, City of Barrie, being Part 1, Reference Plan 51R-40027, hereinafter known as the "Condominium Lands", being Part of PIN 58831-1813 (LT).

SUBJECT TO AN EASEMENT at all times in perpetuity registered as and on terms set out in Instrument Number SC1189600, over the Condominium Lands.

RESERVING AN EASEMENT in perpetuity over and along all of the common elements of the Condominium Lands for the purpose of common ingress, egress and access for persons and vehicles in favour of Part Block 6, Plan 51M-983, City of Barrie, being Parts 2 and 3, Reference Plan 51R-40027.

RESERVING AN EASEMENT in perpetuity in, on, under, over and through all of the common elements of the Condominium Lands for the purpose of entry thereon and construction, repair, replacement, operation, use and maintenance of Common Services in favour of Part Block 6, Plan 51M-983, City of Barrie, being Parts 2 and 3, Reference Plan 51R-40027.

TOGETHER WITH AN EASEMENT in perpetuity in, on, under, over and through Part Block 6, Plan 51M-983, City of Barrie, being Parts 2 and 3, Reference Plan 51R-40027, (the servient lands) for the purpose of entry thereon and construction, repair, replacement, operation, use and maintenance of Common Services situate in, on, under, over and through the servient lands in favour of the Condominium Lands.

BEING PART OF PIN 58831-1813 (LT)

DESCRIPTION OF SERVIENT LANDS

Part Block 6, Plan 51M-983, City of Barrie, being parts 2 and 3, Reference Plan 51R-40027, BEING PARTS OF PIN 58831-1813 (LT).

I am the solicitor who is registering this Declaration.

In my opinion, based on the parcel register or abstract index and the plans and documents recorded in them, the legal description is correct, the described easements will exist in law upon the registration of the Declaration and description, and the Declarant is the registered owner of the land and appurtenant interests.

DATED at Guelph, this 29 day of September, 2016.

SmithValerjote Law Firm LLP


Lisa M. Caradola

Schedule B

CONSENT

(under clause 7 (2) (b) of the Condominium Act, 1998)

Marshallzehr Group Inc. has a registered mortgage within the meaning of clause 7 (2) (b) of the *Condominium Act, 1998*, registered as Instrument Number SC1107324 in the Land Registry Office for the Land Titles Division of Simcoe (No. 51).

Marshallzehr Group Inc. consents to the registration of this declaration, pursuant to the Act, against the land or the interests appurtenant to the land, as the land and the interests are described in the description.

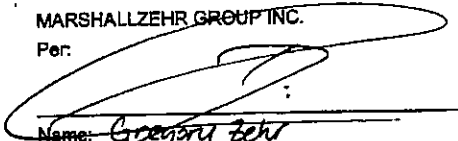
Marshallzehr Group Inc. postpones the mortgage and the interests under it to the declaration and the easements described in Schedule A to the declaration.

Marshallzehr Group Inc. is entitled by law to grant this consent and postponement.

Dated this 20th day of October, 2016.

MARSHALLZEHR GROUP INC.

Per:



Name: Gregory Zehr

Title: CO-CEO & Founder

Per:

Name:

Title:

I/We have authority to bind the Corporation.

Schedule B
CONSENT – "SERVIENT LANDS"
(under clause 7(2)(b) of the *Condominium Act, 1998*)

Marshallzehr Group Inc. has a mortgage registered against land owned by the declarant that is included in the property but not included in a phase, including the buildings and structures on the land, registered as Instrument Number SC1107324 in the Land Registry Office for the Land Titles Division of Simcoe (No. 51).

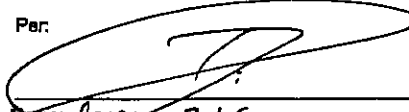
Marshallzehr Group Inc. consents to the registration of this Declaration pursuant to the Act, against the land or the interest appurtenant to the land, as the land and the interest are described in the Description.

Marshallzehr Group Inc. is entitled by law to grant this consent and postponement.

DATED this 20th day of October, 2016

MARSHALLZEHR GROUP INC.

Per:


Name: Gregory Zehr
Title: Co-CEO & Founder

Per:

Name:
Title:

I/We have authority to bind the Corporation.

Schedule C**UNIT BOUNDARIES**

Each Unit shall comprise the area within the heavy lines shown on Part 1, Sheets 2 and 3 of the Description with respect to the Unit numbers indicated thereon. The monuments controlling the extent of the Units are the physical surfaces and planes referred to below and are illustrated on Part 1, Sheets 2 and 3 of the Description and all dimensions shall have reference to them.

Residential Units

Without limiting the generality of the foregoing, the boundaries of Residential Units 1 to 32 on Level 1, are as follows:

- (1) Each Residential Unit is bounded vertically by:
 - (i) the upper surface and plane of the concrete floor slab or plywood sub-floor; and,
 - (ii) the Units side surface of the wood floor joists in the ceiling.
- (2) Each Residential Unit is bounded horizontally by:
 - (i) the backside surface and plane of the drywall sheathing on all exterior walls or walls separating a Unit from the common elements;
 - (ii) the unit side surface of all exterior doors, door and window frames, the said doors and windows being in a closed position, and the unit side surface of all glass panels contained therein; and,
 - (iii) In the vicinity of ducts, pipe spaces and concrete columns, the unit boundaries are the backside surfaces of the drywall sheathing enclosing said ducts, pipe spaces and concrete columns.

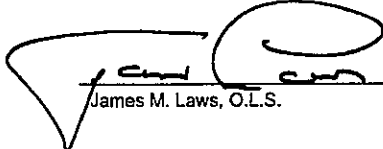
Parking Units

Without limiting the generality of the foregoing, the boundaries of Parking Units 33 to 64 on Level 1, are as follows:

- (3) Each Parking Unit is bounded vertically by:
 - (i) the upper surface of asphalt parking surface; and,
 - (ii) no upper vertical limit.
- (4) Each Parking Unit is bounded horizontally by:
 - (i) the vertical planes located and controlled by the survey monuments as shown on Part 1, Sheet 2 & 3 of the Description;
 - (ii) the face of concrete curb and production thereof.
 - (iii) dimensions outlined on the description plan.

I hereby certify that the written description of the monuments and boundaries of the Units contained herein accurately corresponds with the diagrams of the Units shown on Part 1, Sheets 2 & 3 of the Description.

OCT 6, 2016.


James M. Laws, O.L.S.

Note: Reference should be made to the provisions of the Declaration itself, in order to determine the maintenance and repair responsibilities for any Residential Unit, and whether specific physical components (such as wires, pipes, cables, conduits, equipment, fixtures, structural components and/or any other appurtenances) are included or excluded from the Residential Unit, regardless of whether same are located within or beyond the boundaries established for such Residential Units.

Schedule D
PROPORTIONS OF COMMON INTERESTS AND CONTRIBUTIONS TO COMMON EXPENSES

Unit	Level	Percentage Contribution to Common Expenses	Percentage Ownership Interest of the Common Elements (Common Interest)
Residential Units			
1	1	3.1050	3.1050
2	1	3.1050	3.1050
3	1	3.1050	3.1050
4	1	3.1050	3.1050
5	1	3.1050	3.1050
6	1	3.1050	3.1050
7	1	3.1050	3.1050
8	1	3.1050	3.1050
9	1	3.1050	3.1050
10	1	3.1050	3.1050
11	1	3.1050	3.1050
12	1	3.1050	3.1050
13	1	3.1050	3.1050
14	1	3.1050	3.1050
15	1	3.1050	3.1050
16	1	3.1050	3.1050
17	1	3.1050	3.1050
18	1	3.1050	3.1050
19	1	3.1050	3.1050
20	1	3.1050	3.1050
21	1	3.1050	3.1050
22	1	3.1050	3.1050
23	1	3.1050	3.1050
24	1	3.1050	3.1050
25	1	3.1050	3.1050

Unit1	Level	Percentage Contribution to Common Expenses	Percentage Ownership Interest of the Common Elements (Common Interest)
26	1	3.1050	3.1050
27	1	3.1050	3.1050
28	1	3.1050	3.1050
29	1	3.1050	3.1050
30	1	3.1050	3.1050
31	1	3.1050	3.1050
32	1	3.1050	3.1050
Parking Units			
33	1	0.0200	0.0200
34	1	0.0200	0.0200
35	1	0.0200	0.0200
36	1	0.0200	0.0200
37	1	0.0200	0.0200
38	1	0.0200	0.0200
39	1	0.0200	0.0200
40	1	0.0200	0.0200
41	1	0.0200	0.0200
42	1	0.0200	0.0200
43	1	0.0200	0.0200
44	1	0.0200	0.0200
45	1	0.0200	0.0200
46	1	0.0200	0.0200
47	1	0.0200	0.0200
48	1	0.0200	0.0200
49	1	0.0200	0.0200
50	1	0.0200	0.0200
51	1	0.0200	0.0200
52	1	0.0200	0.0200
53	1	0.0200	0.0200
54	1	0.0200	0.0200
55	1	0.0200	0.0200
56	1	0.0200	0.0200
57	1	0.0200	0.0200

58	1	0.0200	0.0200
59	1	0.0200	0.0200
60	1	0.0200	0.0200
61	1	0.0200	0.0200
62	1	0.0200	0.0200
63	1	0.0200	0.0200
64	1	0.0200	0.0200
	TOTAL	100.0000%	100.0000%

Schedule E
COMMON EXPENSES

1. "Common Expenses" means the expenses related to the performance of the objects and duties of the Corporation and all expenses specified as Common Expenses in the Act or in the accompanying Declaration of which this is a schedule and include, without limiting the generality of the foregoing:
2.
 - (a) Anything that is determined by By-law to be a Common Expense;
 - (b) Interest on Common Expense arrears calculated monthly from the date the Common Expenses were due at two percent (2%) above the commercial rate of interest per annum established and reported by any one (1) of the five (5) largest chartered Canadian banks chosen by the Board in its absolute discretion from time-to-time as a reference rate of interest for the determination of interest rates that such chosen bank charges to customers of varying degrees of credit worthiness in Canada for Canadian dollar loans made by it in Canada as of the date that the Common Expenses in question were due. Such interest shall be deemed to be part of the Common Expenses that are in arrears. Any lien that arises because of the failure of a Unit Owner to pay Common Expenses when due shall also include such interest. Such lien is not released until such interest is paid. If this rate of interest is not capable of being determined for any reason or is no longer in existence, the Corporation shall have the right to establish a rate of interest in lieu thereof by By-law. In such event all references to a rate of interest in the foregoing shall mean the rate of interest established by By-law.
3. The Board shall have the power from time-to-time as it sees fit, to impose a Common Expenses surcharge on the Owner(s) of any Unit, if any Unit Occupant(s) of such Unit is determined, by the Board in its sole discretion, to be using an excessive amount of any Corporation provided service, facility or utility (meaning any service, facility or utility paid for by the Corporation). The amount of such surcharge shall be an amount that the Board of Directors in its absolute discretion determines represents the value or cost of the excess use by the Unit Occupant(s) of the Unit in question of any Corporation provided service, facility or utility and shall be considered Common Expenses owing by the said Unit Owner(s) which are due upon written demand for payment being made by the Board.
4. In the event of mediation involving the Corporation and a Unit Owner, if the mediator or a settlement agreement pertaining to the mediation requires that all or part of the costs of such mediation are the responsibility of the Unit Owner, the costs that are so found to be, or agreed to be, the responsibility of the Unit Owner may be paid by the Corporation in the absolute discretion of the Board. If any such costs are so paid by the Corporation, and if so paid, the amount so paid shall be added to the Common Expenses payable for the Owner's Unit. In such event the Board may specify a time for payment by the Owner of the Unit. If the said costs are not paid by the time specified by the Board, the said costs so paid shall be considered to be Common Expenses in arrears, owing on account of such Unit Owner's Unit.
5. If any costs specified in this Declaration that are the obligation of a Unit Owner to pay are not paid when required by the Board such costs shall be added to the Owner's contribution towards common expenses.
6. Any monies owing by a Unit Owner to the Corporation which are deemed in this Declaration to be common expenses owing by a Unit Owner or stated in this Declaration to be common expenses owing by a Unit Owner or added to an Owner's contribution to common expenses may be subject to a lien pursuant to the Act and shall be considered due upon the invoice for same being presented or delivered to the Unit Owner or mailed to the address maintained pursuant to Section 47 of the Act for the Unit Owner if such address has been provided by the Unit Owner, failing which the invoice for the foregoing shall be considered presented or delivered to the Unit Owner by leaving same at or mailing same by registered mail or ordinary mail to the Unit owned by such Unit Owner. In the event of mailing, the invoice shall be deemed to be presented or delivered to the Unit Owner on the day of mailing.
7. In the event of a request for copies of any records of the Corporation pursuant to section 55 of the Act, or any successor legislation thereto, the Corporation is entitled to require payment of a fee to compensate the Corporation for labour and copying charges. In the event such fee is charged and is not paid by the time specified by the Board, the said fee shall be considered to be common expenses in arrears owing on account of the Unit associated with the party requesting such copies and therefore the amount of such fee can be the subject matter of a lien for common expense arrears pursuant to the Act.

Schedule F**EXCLUSIVE USE PORTIONS OF THE COMMON ELEMENTS**

Subject to the provisions of the Declaration, the by-laws and rules of the Corporation and the right of entry in favour of the Corporation thereto and thereon and thereunder for purposes of facilitating any requisite maintenance or repair work or to give access to the Common Services and utility and service areas adjacent thereto, and the right of access referred to in the body of this Declaration in favour of other Unit Occupants, the Unit Occupants of the Units as listed below shall have exclusive use of the common elements appurtenant thereto as illustrated in heavy outline on the Description and listed opposite such Unit as set out below:

- There are no exclusive use areas.

**CERTIFICATE OF ARCHITECT OR ENGINEER
(SCHEDULE G TO DECLARATION FOR A STANDARD OR LEASEHOLD
CONDOMINIUM CORPORATION)
(UNDER CLAUSES 5 (8) (A) OR (B) OF ONTARIO REGULATION 48/01 OR
CLAUSE 8 (1) (E) OR (H) OF THE *CONDOMINIUM ACT, 1998*)**

Condominium Act, 1998

I certify that:

Each building on the property has been constructed in accordance with the regulations made under the *Condominium Act, 1998*, with respect to the following matters:

1. The exterior building envelope, including roofing assembly, exterior wall cladding, doors and windows, caulking and sealants, is weather resistant if required by the construction documents and has been completed in general conformity with the construction documents.
2. Except as otherwise specified in the regulations, floor assemblies are constructed to the sub-floor.
3. Except as otherwise specified in the regulations, walls and ceilings of the common elements, excluding interior structural walls and columns in a unit, are completed to the drywall (including taping and sanding), plaster or other final covering.
4. All underground garages have walls and floor assemblies in place.

OR

- There are no underground garages.
5. All elevating devices as defined in the *Elevating Devices Act* are licensed under that Act if it requires a licence, except for elevating devices contained wholly in a unit and designed for use only within the unit.

OR

- There are no elevating devices as defined in the *Elevating Devices Act*, except for elevating devices contained wholly in a unit and designed for use only within the unit.
6. All installations with respect to the provision of water and sewage services are in place.
7. All installations with respect to the provision of heat and ventilation are in place and heat and ventilation can be provided.

8. All installations with respect to the provision of air conditioning are in place.

OR

- There are no installations with respect to the provision of air conditioning.

9. All installations with respect to the provision of electricity are in place.

10. All indoor and outdoor swimming pools are roughed in to the extent that they are ready to receive finishes, equipment and accessories.

OR

- There are no indoor and outdoor swimming pools.

11. Except as otherwise specified in the regulations, the boundaries of the units are completed to the drywall (not including taping and sanding), plaster or other final covering, and perimeter doors are in place.

Dated this 19th day of September, 2016.



A handwritten signature in black ink, appearing to read "Steve Burrows", written over a horizontal dotted line.

(signature)

Facet Design Studio

Steve Burrows

Architect

For registration of Fernwood Developments' School House development at 244 Penetanguishene Rd and 242 Penetanguishene rd, Barrie. This phase of registration includes phase 1 & 2 comprising units 1-16 for each address.

FOR OFFICE USE ONLY

SC1496430

**Certificate of Receipt
Certificat de Réception**

MAR 09 2018 11:20

Katherine Cece

Land Registrar / Registrateur, Simcoe #81 Barrie

New Property Identifiers

Additional:
See
Schedule

Executions

Additional:
See
Schedule

(1) Registry Land Titles (2) Page 1 of 17 pages *L*

(3) Property Identifier(s) Block 59420 - 58831 Property 0001-0064 & 1859 (Part) Additional: See Schedule

(4) Nature of Document

Amendment to Declaration and Description

(5) Consideration

NIL Dollars \$

(6) Description
Part of PIN: 58831-1859 (LT)
Part Block 6, Registered Plan 51M-983, City of Barrie, being Part 2, Reference Plan 51R-40027.

(7) This Document Contains: (a) Redescription New Easement Plan/Sketch (b) Schedule for: Description Parties Other

(8) This Document provides as follows:
Simcoe Standard Condominium Corporation No. 420 amends its Declaration registered as Instrument SC1354411 and Description, as set out in the attached schedules.

Continued on Schedule

(9) This Document relates to instrument number(s)
SC1354411

(10) Party(ies) (Set out Status or Interest)
Name(s) Signature(s) Date of Signature
Y M D
FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
(by its solicitors SmithValeriotte Law Firm LLP) Per: *Lisa M. Gazzola* 2018 01 31

(11) Address for Service
5556 5th Line Eramosa, Rockwood, ON N0B 2K0

(12) Party(ies) (Set out Status or Interest)
Name(s) Signature(s) Date of Signature
Y M D

(13) Address for Service

(14) Municipal Address of Property
240, 242, 244, 246 and 248
Penetanguishene Road, Barrie

(15) Document Prepared by:
Lisa M. Gazzola
SmithValeriotte Law Firm LLP
105 Silvercreek Parkway North
Suite 100
GUELPH, Ontario
N1H 6N6 LMG*JO

Fees and Tax	
Registration Fee	74.25
100 Units	300.00
Total	374.25

FOR OFFICE USE ONLY

**AMENDMENT TO DECLARATION AND
DESCRIPTION TO CREATE A PHASE**

(subsection 146 (3) of the *Condominium Act, 1998*)

AMENDMENT TO DECLARATION

Fernwood Developments (Ontario) Corporation states that:

1. The board has been elected at a meeting of owners held on the 14th day of September, 2017, at a time when Fernwood Developments (Ontario) Corporation, the Declarant, did not own the majority of the units.
2. More than 60 days have passed since the registration of the declaration and description or the registration of the latest amendments to the declaration and description creating a phase, whichever is the later.
3. There is no outstanding application to the Superior Court of Justice for an injunction under subsection 149 (2) of the *Condominium Act, 1998* and the Superior Court has not issued an injunction to prevent the registration of the amendments creating the phase.
4. More than 60 days have passed since Fernwood Developments (Ontario) Corporation, the Declarant, delivered to the Corporation the documents described in clauses 149 (1) (a), (b) and (c) of the *Condominium Act, 1998*.

The declaration of Simcoe Standard Condominium Plan No. 420 registered as Instrument Number SC1354411 on the 24th day of October 2016, (known as the "Declaration" is amended as follows:

1. Schedule A is replaced with Schedule A attached.
2. Schedule B is amended to include the attached Consent.
3. Schedule C is amended to include the material identified as Amendments to Schedule C attached.
4. Schedule D is replaced with Schedule D attached.
5. Schedule F is amended to include the material identified as Amendments to Schedule F attached.
6. Schedule G is amended to include the material identified as Amendments to Schedule G attached.
7. Schedule K is added to the Declaration.

AMENDMENT TO DESCRIPTION

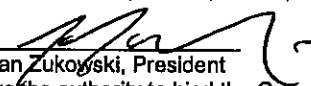
The description identified as Simcoe Standard Condominium Plan No. 420 is amended as follows:

1. Part I of the description is amended to include the following prepared by Jamie Laws, Ontario Land Surveyor, and dated the 20th day of November, 2017.
 - (a) 1 sheet of a perimeter plan of survey, designated as Sheet 2 of 7 sheets; and,
 - (b) 3 sheets designated units for the land included in the phase, designated as Sheets 5, 6 and 7 of 7 sheets.
2. Part 5 is added consisting of architectural plans of the buildings on the land included in the phase prepared by Orchard Design dated October, 2015.

DATED the 31 day of January, 2018.

Declarant

Femwood Developments (Ontario) Corporation

Per: 
Jordan Zukowski, President
I have the authority to bind the Corporation.

Schedule "A"

FIRSTLY

Part Block 6, Registered Plan 51M-983, City of Barrie, being Part 1, Reference Plan 51R-40027, hereinafter known as the "Condominium Lands".

SUBJECT TO AN EASEMENT at all times in perpetuity registered as and on the terms set out in Instrument Number SC1189600, over the Condominium Lands.

SUBJECT TO AN EASEMENT in perpetuity over and along all of the common elements of the Condominium Lands for the purpose of common ingress, egress and access for persons and vehicles in favour of Part Block 6, Plan 51M-983, City of Barrie, being Part 3, Reference Plan 51R-40027, as in SC1354411.

SUBJECT TO AN EASEMENT in perpetuity in, on, under, over and through all of the common elements of the Condominium Lands for the purpose of entry thereon and construction, repair, replacement, operation, use and maintenance of Common Services in favour of Part Block 6, Plan 51M-983, City of Barrie, being Part 3, Reference Plan 51R-40027, as in SC1354411.

TOGETHER WITH AN EASEMENT in perpetuity in, on, under, over and through Part Block 6, Plan 51M-983, City of Barrie, being Part 3, Reference Plan 51R-40027 (the servient lands), for the purpose of entry thereon and construction, repair, replacement, operation, use and maintenance of Common Services situate in, on, under, over and through the servient lands in favour of the Condominium Lands, as in SC1354411.

BEING PINS: 59420-001 (LT) TO 59420-0064 (LT)

SECONDLY

Part Block 6, Registered Plan 51M-983, City of Barrie, being Part 2, Reference Plan 51R-40027, hereinafter known as the "Phase 1 Lands".

SUBJECT TO AN EASEMENT at all times in perpetuity registered as and on the terms set out in Instrument Number SC1189600, over the "Phase 1 Lands".

RESERVING AN EASEMENT in perpetuity over and along all of the common elements of the Phase 1 Lands for the purpose of common ingress, egress and access for persons and vehicles in favour of the servient lands being Part Block 6, Plan 51M-983, City of Barrie, being Part 3, Reference Plan 51R-40027.

RESERVING AN EASEMENT in perpetuity in, on, under, over and through all of the common elements of the Phase 1 Lands for the purpose of entry thereon and construction, repair, replacement, operation, use and maintenance of Common Services in favour of the servient lands being Part Block 6, Plan 51M-983, City of Barrie, being Part 3, Reference Plan 51R-40027.

TOGETHER WITH AN EASEMENT in perpetuity in, on, under, over and through the servient lands being Part Block 6, Plan 51M-983, City of Barrie, being Part 3, Reference Plan 51R-40027, for the purpose of entry thereon and construction, repair, replacement, operation, use and maintenance of Common Services situate in, on, under, over and through the servient lands in favour of the Phase 1 Lands.

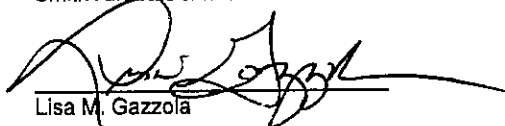
BEING PART OF PIN: 58831-1859 (LT)

I am the solicitor who is registering this Declaration.

In my opinion, based on the parcel register and the plans and documents recorded in them, the legal description is correct, set out above in "Secondly" is correct, the easements described in "Secondly" will exist in law upon the registration of the amendment to the Declaration and description creating the phase, the Declarant is the registered owner of the land included in the phase and appurtenant interests thereto.

DATED at Guelph, this 19th day of December, 2017.

SmithValeriate Law Firm LLP


Lisa M. Gazzola

DESCRIPTION OF SERVIENT LANDS

Part Block 6, Registered Plan 51M-983, City of Barrie, being Part 3, Reference Plan 51R-40027, hereinafter known as "the servient lands".

BEING PART OF PIN: 58831-1859 (LT)

In my opinion and based on the parcel register and plans and documents recorded therein the following described easements will merge and no longer exist in law upon the registration of the amendment to the declaration:

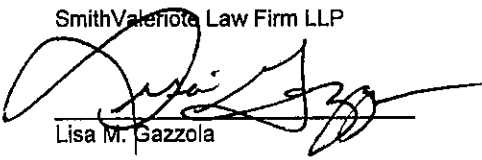
AN EASEMENT in perpetuity over and along all of the common elements of the Condominium Lands for the purpose of common ingress, egress and access for persons and vehicles in favour of Part Block 6, Plan 51M-983, City of Barrie, being Part 2, Reference Plan 51R-40027 (Phase 1 Lands), as in SC1354411.

AN EASEMENT in perpetuity in, on, under, over and through all of the common elements of the Condominium Lands for the purpose of entry thereon and construction, repair, replacement, operation, use and maintenance of Common Services in favour of Part Block 6, Plan 51M-983, City of Barrie, being Part 2, Reference Plan 51R-40027 (Phase 1 Lands), as in SC1354411.

AN EASEMENT in perpetuity in, on, under, over and through Part Block 6, Plan 51M-983, City of Barrie, being Part 2, Reference Plan 51R-40027 (Phase 1 Lands), for the purpose of entry thereon and construction, repair, replacement, operation, use and maintenance of Common Services situate in, on, under, over and through the Phase 1 Lands in favour of the Condominium Lands, as in SC1354411.

DATED at Guelph, this 19th day of December, 2017.

SmithValeriotto Law Firm LLP



Lisa M. Gazzola

Condominium Act, 1998

CONSENT AND POSTPONEMENT
(AMENDMENT TO SCHEDULE "B" TO DECLARATION OF A PHASED CONDOMINIUM CORPORATION TO CREATE A PHASE)

(under clause 148(4)(a) of the Condominium Act, 1998)

1. Marshallzehr Group Inc. have a registered mortgage within the meaning of clause 146(4)(a) of the Condominium Act, 1998, registered as on the 19th day of December, 2013 as Instrument Number SC1107324, and amended on 15 day of December, 2016 as instrument No. SC1372009 in the Land registry Office for the Land Titles Division of Simcoe (No. 51).
2. The declaration was registered as Instrument No. SC1354411, on the 24th day of October, 2016.
3. Marshallzehr Group Inc. consents to the registration of this amendment to the declaration, pursuant to the Act, against the land included in the phase or interests appurtenant to the land, as the land and the interest are described in the amendment to the description, for the purpose of creating the phase.
4. Marshallzehr Group Inc. postpones the mortgage and the interests under it to the declaration and the easements described in Schedule "A" to the declaration, as amended by this amendment.
5. Marshallzehr Group Inc. is entitled by law to grant this consent and postponement.

DATED this 19th day of December, 2017

MARSHALLZEHR GROUP INC.


Per: _____

Name: Gregory Behr

Title: CEO & Co-Founder

"I have authority to bind the Corporation"

Amendments to Schedule "C"

Each Unit shall comprise the area within the heavy lines shown on Part 1, Sheets 5, 6 and 7 of the Description with respect to the Unit numbers indicated thereon. The monuments controlling the extent of the Units are the physical surfaces and planes referred to below and are illustrated on Part 1, Sheets 5, 6 and 7 of the Description and all dimensions shall have reference to them.

Residential Units

Without limiting the generality of the foregoing, the boundaries of Residential Units 65 to 94 on Level 1 are as follows:

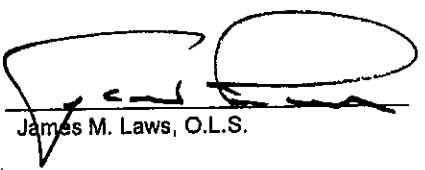
- (1) Each Residential Unit is bounded vertically by:
 - (i) the upper surface and plane of the concrete floor slab or plywood sub-floor; and,
 - (ii) the Units side surface of the wood floor joists in the ceiling.
- (2) Each Residential Unit is bounded horizontally by:
 - (i) the backside surface and plane of the drywall sheathing on all exterior walls or walls separating a Unit from the common elements;
 - (ii) the unit side surface of all exterior doors, door and window frames, the said doors and windows being in a closed position, and the unit side surface of all glass panels contained therein; and,
 - (iii) in the vicinity of ducts, pipe spaces and concrete columns, the unit boundaries are the backside surfaces of the drywall sheathing enclosing said ducts, pipe spaces and concrete columns.

Parking Units

Without limiting the generality of the foregoing, the boundaries of Parking Units 95 to 124 on Level 1 are as follows:

- (3) Each Parking Unit is bounded vertically by:
 - (i) the upper surface of asphalt parking surface; and,
 - (ii) no upper vertical limit.
- (4) Each Parking Unit is bounded horizontally by:
 - (i) the vertical planes located and controlled by the survey monuments as shown on Part 1, Sheets 6 and 7 of the Description;
 - (ii) the face of concrete curb and production thereof.
 - (iii) dimensions outlined on the description plan.

I hereby certify that the written description of the monuments and boundaries of the Units contained herein accurately corresponds with the diagrams of the Units shown on Part 1, Sheets 5, 6 & 7 of the Description.

Jan. 22, 2018 

James M. Laws, O.L.S.

Note: Reference should be made to the provisions of the Declaration itself, in order to determine the maintenance and repair responsibilities for any Residential Unit, and whether specific physical components (such as wires, pipes, cables, conduits, equipment, fixtures, structural components and/or any other appurtenances) are included or excluded from the Residential Unit, regardless of whether same are located within or beyond the boundaries established for such Residential Units.

Schedule D
PROPORTIONS OF COMMON INTERESTS AND CONTRIBUTIONS TO COMMON EXPENSES

Unit	Level	Percentage Contribution to Common Expenses	Percentage Ownership Interest of the Common Elements (Common Interest)
Residential Units			
1	1	1.6128	1.6128
2	1	1.6128	1.6128
3	1	1.6128	1.6128
4	1	1.6128	1.6128
5	1	1.6128	1.6128
6	1	1.6128	1.6128
7	1	1.6128	1.6128
8	1	1.6128	1.6128
9	1	1.6128	1.6128
10	1	1.6128	1.6128
11	1	1.6128	1.6128
12	1	1.6128	1.6128
13	1	1.6128	1.6128
14	1	1.6128	1.6128
15	1	1.6128	1.6128
16	1	1.6128	1.6128
17	1	1.6128	1.6128
18	1	1.6128	1.6128
19	1	1.6128	1.6128
20	1	1.6128	1.6128
21	1	1.6128	1.6128
22	1	1.6128	1.6128
23	1	1.6128	1.6128
24	1	1.6128	1.6128
25	1	1.6128	1.6128

Unit	Level	Percentage Contribution to Common Expenses	Percentage Ownership Interest of the Common Elements (Common Interest)
26	1	1.6128	1.6128
27	1	1.6128	1.6128
28	1	1.6128	1.6128
29	1	1.6128	1.6128
30	1	1.6128	1.6128
31	1	1.6128	1.6128
32	1	1.6128	1.6128
65	1	1.6128	1.6128
66	1	1.6128	1.6128
67	1	1.6128	1.6128
68	1	1.6128	1.6128
69	1	1.6128	1.6128
70	1	1.6128	1.6128
71	1	1.6128	1.6128
72	1	1.6128	1.6128
73	1	1.6128	1.6128
74	1	1.6128	1.6128
75	1	1.6128	1.6128
76	1	1.6128	1.6128
77	1	1.6128	1.6128
78	1	1.6128	1.6128
79	1	1.6128	1.6128
80	1	1.6128	1.6128
81	1	1.6128	1.6128
82	1	1.6128	1.6128
83	1	1.6128	1.6128
84	1	1.6128	1.6128
85	1	1.6128	1.6128
86	1	1.6128	1.6128
87	1	1.6128	1.6128
88	1	1.6128	1.6128

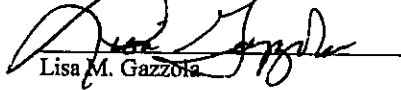
Unit	Level	Percentage Contribution to Common Expenses	Percentage Ownership Interest of the Common Elements (Common Interest)
89	1	1.6128	1.6128
90	1	1.6128	1.6128
91	1	1.6128	1.6128
92	1	1.6128	1.6128
93	1	1.6128	1.6128
94	1	1.6130	1.6130
Parking Units			
33	1	0.0001	0.0001
34	1	0.0001	0.0001
35	1	0.0001	0.0001
36	1	0.0001	0.0001
37	1	0.0001	0.0001
38	1	0.0001	0.0001
39	1	0.0001	0.0001
40	1	0.0001	0.0001
41	1	0.0001	0.0001
42	1	0.0001	0.0001
43	1	0.0001	0.0001
44	1	0.0001	0.0001
45	1	0.0001	0.0001
46	1	0.0001	0.0001
47	1	0.0001	0.0001
48	1	0.0001	0.0001
49	1	0.0001	0.0001
50	1	0.0001	0.0001
51	1	0.0001	0.0001
52	1	0.0001	0.0001
53	1	0.0001	0.0001
54	1	0.0001	0.0001
55	1	0.0001	0.0001
56	1	0.0001	0.0001

Unit	Level	Percentage Contribution to Common Expenses	Percentage Ownership Interest of the Common Elements (Common Interest)
57	1	0.0001	0.0001
58	1	0.0001	0.0001
59	1	0.0001	0.0001
60	1	0.0001	0.0001
61	1	0.0001	0.0001
62	1	0.0001	0.0001
63	1	0.0001	0.0001
64	1	0.0001	0.0001
95	1	0.0001	0.0001
96	1	0.0001	0.0001
97	1	0.0001	0.0001
98	1	0.0001	0.0001
99	1	0.0001	0.0001
100	1	0.0001	0.0001
101	1	0.0001	0.0001
102	1	0.0001	0.0001
103	1	0.0001	0.0001
104	1	0.0001	0.0001
105	1	0.0001	0.0001
106	1	0.0001	0.0001
107	1	0.0001	0.0001
108	1	0.0001	0.0001
109	1	0.0001	0.0001
110	1	0.0001	0.0001
111	1	0.0001	0.0001
112	1	0.0001	0.0001
113	1	0.0001	0.0001
114	1	0.0001	0.0001
115	1	0.0001	0.0001
116	1	0.0001	0.0001
117	1	0.0001	0.0001

Unit	Level	Percentage Contribution to Common Expenses	Percentage Ownership Interest of the Common Elements (Common Interest)
118	1	0.0001	0.0001
119	1	0.0001	0.0001
120	1	0.0001	0.0001
121	1	0.0001	0.0001
122	1	0.0001	0.0001
123	1	0.0001	0.0001
124	1	0.0001	0.0001
	TOTAL	100.0000%	100.0000%

"I certify that the foregoing percentages total 100.00000%, this 21st day of January, 2018."

SMITH VALERIO TE LAW FIRM LLP


Lisa M. Gazzola

Schedule "F"
Exclusive Use Portion of the Common Elements

There are no exclusive use common elements on this condominium plan.

SCHEDULE "G"**Certificate of Architect or Engineer**
(under clause 8(1)(e) or (h) of the Condominium Act, 1998)

I certify that:

(Strike out whichever is not applicable)

Each building on the property that is included within the phase has been constructed in accordance with the regulations made under the Condominium Act, 1998, with respect to the following matters:

1. The exterior building envelope, including roofing assembly, exterior wall cladding, doors and windows, caulking and sealants, is weather resistant if required by the construction documents and has been completed in general conformity with the construction documents.
2. Except as otherwise specified in the regulations, floor assemblies are constructed to the sub-floor.
3. Except as otherwise specified in the regulations, walls and ceilings of the common elements, excluding interior structural walls and columns in a Home, are completed to the drywall (including taping and sanding), plaster or other final covering.
4. All underground garages have walls and floor assemblies in place.

OR

There are no underground garages.

5. All elevating devices as defined in the Elevating Devices Act are licensed under that Act if it requires a licence, except for elevating devices contained wholly in a Home and designed for use only within the Home.

OR

There are no elevating devices as defined in the Elevating Devices Act, except for elevating devices contained wholly in a Home and designed for use only within the Home.

6. All installations with respect to the provision of water and sewage services are in place.
7. All installations with respect to the provision of heat and ventilation are in place and heat and ventilation can be provided.
8. All installations with respect to the provision of air conditioning are in place.

OR

There are no installations with respect to the provision of air conditioning.

9. All installations with respect to the provision of electricity are in place.

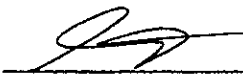
10. All indoor and outdoor swimming pools are roughed in to the extent that they are ready to receive finishes, equipment and accessories.

OR

There are no indoor and outdoor swimming pools.

11. Except as otherwise specified in the regulations, the boundaries of the Homes are completed to the drywall (not including taping and sanding), plaster or other final covering, and perimeter doors are in place.

DATED this 21ST day of DECEMBER, 2017.



(signature)

Print Name: Steve Burrows
Professional Architect



AMENDMENTS TO SCHEDULE "G"**Statement from the Municipality**

The Corporation of the City of Barrie hereby confirms that the facilities and services have been installed or provided or a bond or other security has been provided to ensure the independent operation of the corporation if no subsequent phases are created.

Dated this 7th day of March, 2018

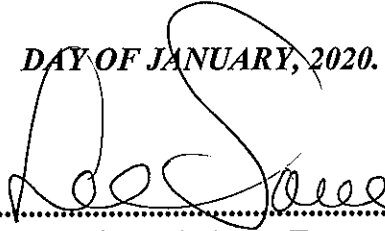
THE CORPORATION OF THE CITY OF BARRIEPer: Name: Jeff LehmanTitle: MayorPer: Name: Wendy CodkeTitle: City Clerk

"I/We have authority to bind the Corporation."

Schedule "K"

The Approving Authority, being the City of Barrie, approved the amendment to the description creating the first phase on Part Block 6, Plan 51M-983, City of Barrie, being Part 2 on Reference Plan 51R-40027, with no conditions required to be mentioned in the amendment to the Declaration.

*THIS IS EXHIBIT "K" TO THE
AFFIDAVIT OF MURRAY SNEDDEN
SWORN BEFORE ME THIS 30TH
DAY OF JANUARY, 2020.*

A handwritten signature in black ink, appearing to read "D. S. Lee", written over a horizontal dotted line.

A Commissioner Etc.

Bayshore

PROPERTY MANAGEMENT INC.

To: Fernwood Developments (Ontario) Corporation
 #5556 5th Line, R.R. #1
 Rockwood, ON N0B 2K0

And: Marshallzehr Group Inc.
 #206 – 465 Phillip Street
 Waterloo, ON N2L 6C7

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against the following Fernwood units:

03 - 242 Penetanguishene Rd. Barrie, ON
 # 10 - 242 Penetanguishene Rd. Barrie, ON
 # 11 - 242 Penetanguishene Rd. Barrie, ON
 # 16 - 242 Penetanguishene Rd. Barrie, ON

08 - 244 Penetanguishene Rd. Barrie, ON
 # 11 - 244 Penetanguishene Rd. Barrie, ON
 # 14 - 244 Penetanguishene Rd. Barrie, ON
 # 15 - 244 Penetanguishene Rd. Barrie, ON

01 - 246 Penetanguishene Rd. Barrie, ON
 # 03 - 246 Penetanguishene Rd. Barrie, ON
 # 04 - 246 Penetanguishene Rd. Barrie, ON
 # 06 - 246 Penetanguishene Rd. Barrie, ON
 # 07 - 246 Penetanguishene Rd. Barrie, ON
 # 08 - 246 Penetanguishene Rd. Barrie, ON
 # 12 - 246 Penetanguishene Rd. Barrie, ON
 # 13 - 246 Penetanguishene Rd. Barrie, ON

02 - 252 Penetanguishene Rd. Barrie, ON
 # 08 - 252 Penetanguishene Rd. Barrie, ON
 # 09 - 252 Penetanguishene Rd. Barrie, ON
 # 10 - 252 Penetanguishene Rd. Barrie, ON
 # 11 - 252 Penetanguishene Rd. Barrie, ON
 # 12 - 252 Penetanguishene Rd. Barrie, ON
 # 13 - 252 Penetanguishene Rd. Barrie, ON
 # 14 - 252 Penetanguishene Rd. Barrie, ON
 # 15 - 252 Penetanguishene Rd. Barrie, ON

See enclosed documentation.



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 3 - 242 Penetanguishene Rd. Barrie, ON L4M 7C2** for:

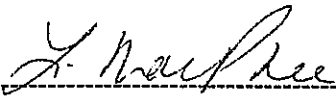
- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420


LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (242-03)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,939.21	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee NOL	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 10 - 242 Penetanguishene Rd. Barrie, ON L4M 7C2** for:

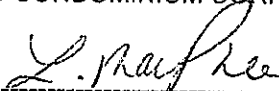
- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420



LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (242-10)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 - 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 11 - 242 Penetanguishene Rd. Barrie, ON L4M 7C2** for:

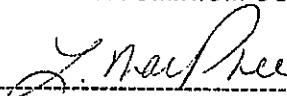
- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420



LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (242-11)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 16 - 242 Penetanguishene Rd. Barrie, ON L4M 7C2** for:

- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420

LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (242-16)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 8 - 244 Penetanguishene Rd. Barrie, ON L4M 7C2** for:

- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420

LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (244-08)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 11 - 244 Penetanguishene Rd. Barrie, ON L4M 7C2** for:

- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420

LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (244-11)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 14 - 244 Penetanguishene Rd. Barrie, ON L4M 7C2** for:

- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420

LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
 Fernwood Developments Corp. (244-14)
 SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00

Bayshore

PROPERTY MANAGEMENT INC.

NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 15 - 244 Penetanguishene Rd. Barrie, ON L4M 7C2** for:

- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420

L. MacPhee

LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (244-15)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00

Bayshore

PROPERTY MANAGEMENT INC.

NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 1 - 246 Penetanguishene Rd. Barrie, ON L4M 7C2** for:

- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420



LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON-PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (246-01)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00

Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 3 - 246 Penetanguishene Rd. Barrie, ON L4M 7C2** for:

- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420

LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (246-03)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 -- 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit # 4 - 246 Penetanguishene Rd. Barrie, ON L4M 7C2 for:

- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420

LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (246-04)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit # 6 - 246 Penetanguishene Rd. Barrie, ON L4M 7C2 for:

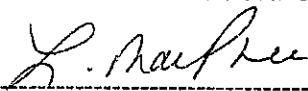
- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420



LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (246-06)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit # 7 - 246 Penetanguishene Rd. Barrie, ON L4M 7C2 for:

- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420

LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (246-07)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00

Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit # 8 - 246 Penetanguishene Rd. Barrie, ON L4M 7C2 for:

- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420

LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (246-08)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit # 12 - 246 Penetanguishene Rd. Barrie, ON L4M 7C2 for:


- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420


LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (246-12)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00

Bayshore

PROPERTY MANAGEMENT INC.

NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 13 - 246 Penetanguishene Rd. Barrie, ON L4M 7C2** for:

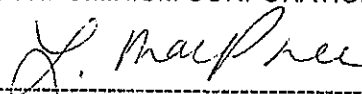
- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420



LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (246-13)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit # 2 - 252 Penetanguishene Rd. Barrie, ON L4M 5X2 for:

- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420

LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (252-02)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 8 - 252 Penetanguishene Rd. Barrie, ON L4M 5X2** for:

- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420

LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (252-08)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 9 - 252 Penetanguishene Rd. Barrie, ON L4M 5X2** for:

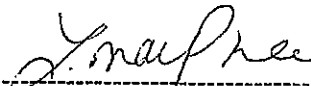
- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420



LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (252-09)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00

Bayshore

PROPERTY MANAGEMENT INC.

NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 10 - 252 Penetanguishene Rd. Barrie, ON L4M 5X2** for:

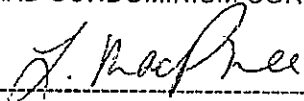
- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420



LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

**Owner Ledger
Fernwood Developments Corp. (252-10)
SSCC#420**

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00

Bayshore

PROPERTY MANAGEMENT INC.

NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 11 - 252 Penetanguishene Rd. Barrie, ON L4M 5X2** for:


- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420



LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (252-11)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00

Bayshore

PROPERTY MANAGEMENT INC.

NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 12 - 252 Penetanguishene Rd. Barrie, ON L4M 5X2** for:

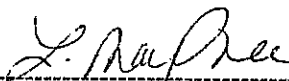
- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420



LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (252-12)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00

Bayshore

PROPERTY MANAGEMENT INC.

NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 13 - 252 Penetanguishene Rd. Barrie, ON L4M 5X2** for:

- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420



LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (252-13)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00



NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 14 - 252 Penetanguishene Rd. Barrie, ON L4M 5X2** for:

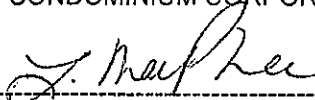
- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420


LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (252-14)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00

Bayshore

PROPERTY MANAGEMENT INC.

NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 15 - 252 Penetanguishene Rd. Barrie, ON L4M 5X2** for:

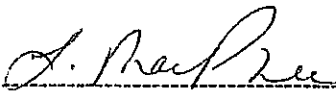
- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420


LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Developments Corp. (252-15)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
11/12/19	Admin fee legal	113.00		3,029.00
11/12/19	Title search	200.00		3,229.00
Current	30 Days	60 Days	90 Days	Amount Due
571.00	258.00	240.00	2,160.00	3,229.00

Bayshore

PROPERTY MANAGEMENT INC.

NOTICE OF LIEN TO OWNER

(UNDER SUBSECTION 85(4) OF THE CONDOMINIUM ACT 1998)
(FORM 14)

To: Fernwood Developments (Ontario) Corporation
#5556 5th Line, R.R. #1
Rockwood, ON N0B 2K0

Via Registered Mail

And: Marshallzehr Group Inc.
#206 – 465 Phillip Street
Waterloo, ON N2L 6C7

Via Registered Mail

Simcoe Standard Condominium Corporation No. 420 notifies you that it will place a lien under the Condominium Act 1998 against your unit **# 14 - 246 Penetanguishene Rd. Barrie, ON L4M 7C2** for:

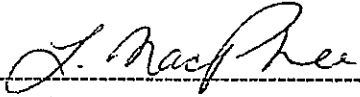
- a) Unpaid common expenses in the amount of \$1,069.00.
- b) Reasonable legal costs and reasonable expenses in the amount of \$1,000.00 to be incurred by the Condominium Corporation in connection with the collection or attempted collection of the amounts described in clauses (a) and also consisting of Title Search and Notice of Lien.

If the total amount of \$1,069.00 is not paid by 24th day of November 2019, the Condominium Corporation is entitled to register a certificate of lien against the unit and additional amounts, including the costs of preparing and registering the certificate of lien and a discharge of lien, will become payable and will be secured by the lien.

The lien may be enforced in the same manner as a mortgage.

Dated this 12th day of November, 2019

SIMCOE STANDARD CONDOMINIUM CORPORATION NO. 420


LAURA MACPHEE
Legal Department For Bayshore
Property Management Inc. c/o SSCC#420
722-3700 EX. 235

Encl. Owner Ledger



P.O. Box 606, 11 Ferris Lane, Suite 101, Barrie, ON L4M 4V1 Bus: (705) 722-3700 Toll Free: (888) 919-0996 Fax: (705) 722-6242

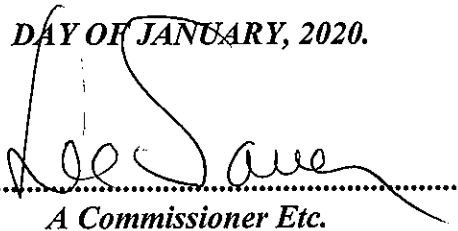
CONDOMINIUM • NON PROFIT • RESIDENTIAL • COMMERCIAL

Owner Ledger
Fernwood Development Corp. (14myt)
SSCC#420

Date	Description	Charges	Payments	Balance
03/21/19	chk# 5586 PYMT MARSHALLZEHR GROUP INC.		1,830.00	960.00
04/01/19	Fees (04/2019)	240.00		1,200.00
05/01/19	Fees (05/2019)	240.00		1,440.00
06/01/19	Fees (06/2019)	240.00		1,680.00
07/01/19	Fees (07/2019)	240.00		1,920.00
08/01/19	Fees (08/2019)	240.00		2,160.00
09/01/19	Fees (09/2019)	240.00		2,400.00
10/01/19	Fees (10/2019)	258.00		2,658.00
11/01/19	Fees (11/2019)	258.00		2,916.00
Current	30 Days	60 Days	90 Days	Amount Due
258.00	258.00	240.00	2,160.00	2,916.00

*THIS IS EXHIBIT "L" TO THE
AFFIDAVIT OF MURRAY SNEDDEN
SWORN BEFORE ME THIS 30TH*

DAY OF JANUARY, 2020.


A Commissioner Etc.

DUNCAN, LINTON LLP

LAWYERS

IRWIN A. DUNCAN+ • J. DAVID LINTON+ • DAVID M. STEELE • MICHAEL A. VAN BODEGOM
 PATRICK J. KRAEMER • DANIEL W. VEINOT • PETER A. HERTZ • BRYAN A. ROWE
 THOMAS E. SANDERSON • JUSTINE A. DALTON • ROBIN J. ELLIS
 BRANDON J. CARTER • MARK E. SIMON

(+ Denotes Professional Corporation)

45 ERB STREET EAST
 WATERLOO, ONTARIO
 N2J 1L7

TEL: 519-886-3340
 FAX: 519-886-8651
 WEBSITE: www.kwlaw.net
 EMAIL: iad@kwlaw.net

January 14, 2020
 File No. 0041883

Harvey Chaiton and Robert A. Miller
 CHAITONS LLP
 5000 Yonge Street, 10th Floor
 Toronto ON M2N 7E9

VIA EMAIL
 (Harvey@chaitons.com)
 (Robert@chaitons.com)

Dear Sirs:

Re: Fernwood Developments – Georgian Meadows Project

We understand that you represent MarshallZehr. We represent Fernwood Developments and its principal, Jordan Zukowski.

As you know, the proposed sale of the shares of Fernwood to Pensio will not be proceeding. Neither we nor our clients ever understood why such a sale was contemplated in the first place. It appeared to make no sense – Pensio had no funding to complete the purchase. There were two previous aborted sales attempts involving Pensio over the past 2 years. Our clients spent very significant amounts of time and expense in preparing for these sales attempts.

We are advised by our clients that they met in Waterloo with representatives of MarshallZehr on December 13, 2020, to discuss the future of the Georgian Meadows Project.

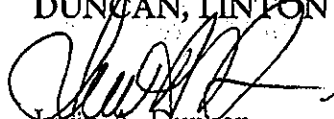
MarshallZehr indicated that it would be proceeding with a receivership in the next few days. We are at a loss to understand why a receivership would be considered given that our clients have proposed clear alternatives that would permit prompt completion of the Project for the benefit of all parties, including unpaid sub-trades and suppliers. There appears to be no good reason for this Project to be in the state that currently exists. MarshallZehr refused to provide funds to complete the Project for many months. One building of 16 units needed less than \$180,000 to complete for occupancy. This building has been left unfinished for the past 17 months while Pensio was permitted to collect the

income from the Project for more than two and one-half years totalling approximately \$2.0 million. Those rents did not accrue to the benefit of the Project which resulted in a total crippling of Fernwood's ability to complete the Project. Control of the Project was given to Pensio since 2017, with all cheques on the Fernwood bank account being approved by MarshallZehr and Pensio. We also know that, inexplicably, prospective unit purchasers for 26 inventory units were directed away from the Barrie Project to another MarshallZehr project in Woodstock, Ontario.

We have recommended to our clients that the parties convene a meeting to review this matter in detail, with respective legal counsel in attendance. If a receivership is the course of action that MarshallZehr seeks to pursue, that will no doubt involve very significant expense and delays. Our clients are prepared to co-operate with MarshallZehr to solve the problems that exist, but if MarshallZehr elects to proceed with a receivership that may result in claims against our clients, there will be no co-operation and our clients will take whatever steps are required to protect their interests, and their reputations and their sub-trades and suppliers.

We look forward to hearing from you. Time appears to be of the essence.

Yours very truly,
DUNCAN, LINTON LLP



Irwin A. Duncan
IAD/fs

***THIS IS EXHIBIT "M" TO THE
AFFIDAVIT OF MURRAY SNEDDEN
SWORN BEFORE ME THIS 30TH
DAY OF JANUARY, 2020.***


.....
A Commissioner Etc.



REPLY TO: HARVEY G. CHAITON
FILE NO.: 62614
DIRECT: 416-218-1129
FAX: 416-218-1849
EMAIL: harvey@chaitons.com

January 20, 2020

VIA E-MAIL

Duncan, Linton LLP
45 Erb Street East
Waterloo, Ontario
N2J 1L7

Attention: Irwin A. Duncan

Re: *MarshallZehr Group Inc. ("MZ") loan to Fernwood Developments (Ontario) Corporation ("Fernwood")
Georgian Meadows -85 Sydenham Wells, Barrie, Ontario (the "Project")*

We acknowledge receipt of your letter dated January 14, 2020 and wish to respond to the points raised therein.

1. MZ fully supported Fernwood in its efforts to complete the share purchase transaction, including our assistance in drafting various documents relating thereto. The fact that the transaction did not proceed is in large part due to Fernwood's failure to provide basic financial information and documentation requested by Pensio, in a timely manner or at all.
2. Fernwood's "clear alternative" to permit completion of the Project involves MZ providing additional debt to Fernwood, notwithstanding the absence of any ongoing sales or other sources of repayment (completed inventory or otherwise) for the outstanding loan. This is unacceptable to MZ.
3. As you are aware, as MZ's loan to Fernwood is in default, MZ is entitled to appoint a Receiver (or pursue other enforcement remedies as it may determine in its sole discretion) in accordance with its commitment letter and the security provided by Fernwood.
4. MZ previously committed to a specific loan amount and your client agreed via the Deficiency Agreement (and other security) that any additional funds required to complete the Project would be from Fernwood's own resources. Fernwood has failed to abide by its commitment to fund the deficiency.
5. We have been advised by MZ that Fernwood chose to begin construction on the final two blocks rather than phasing them to complete one at a time, with what was at the time, sufficient loan availability to complete at least one of the two in-progress blocks.



6. We have been advised by MZ that Fernwood brought the Pensio team into the Project and introduced them to MZ, not the other way around.
7. We have been advised by MZ that they only found out after the fact from your client that prospective Georgian Meadows unit purchasers were moved to another project by Pensio. It is coincidental that the other project was also being financed by MZ.

In the circumstances, our client is not prepared to meet yet again with Fernwood to discuss this matter and will be taking the necessary steps to obtain the appointment of a receiver.

Yours truly,
CHAITONS LLP

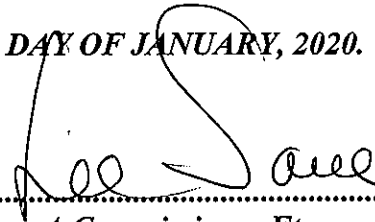
A handwritten signature in black ink, appearing to read "Harvey G. Chaiton".

Harvey G. Chaiton
PARTNER

HGC:im

c. MarshallZehr Group Inc.

*THIS IS EXHIBIT "N" TO THE
AFFIDAVIT OF MURRAY SNEDDEN
SWORN BEFORE ME THIS 30TH
DAY OF JANUARY, 2020.*

A handwritten signature in black ink, appearing to read "Noel S. All", written over a horizontal dotted line.

A Commissioner Etc.

5000 YONGE STREET, 10TH FLOOR, TORONTO, CANADA M2N 7E9
 www.chaitons.com



REPLY TO: HARVEY G. CHAITON
 FILE NO.: 62614
 DIRECT: 416-218-1129
 FAX: 416-218-1849
 EMAIL: harvey@chaitons.com

January 21, 2020

**VIA REGULAR MAIL AND REGISTERED MAIL
 PRIVATE & CONFIDENTIAL**

Fernwood Developments (Ontario) Corporation
 5556 5th Line
 Rockwood, ON NOB 2K0

Fernwood Developments (Ontario) Corporation
 490 York Road
 Building E, Unit 1
 Guelph, ON N1E 6V1

Attention: Jordan Zukowski

**Re: MarshallZehr Group Inc. ("MZG") loan to Fernwood Developments (Ontario)
 Corporation (the "Borrower")
 Georgian Meadows (School House) – 85 Sydenham Wells, Barrie, ON**

Dear Sirs,

We are lawyers for MZG. Pursuant to a commitment letter dated September 20, 2016, as amended (the "**Commitment Letter**"), MZG made a loan of \$19.95 million to the Borrower (the "**Loan**").

The Loan matured on September 1, 2019. Despite maturity, the amounts owed thereunder have not been paid by the Borrower.

According to MZG's records, the outstanding Loan balance as of January 20, 2020 is \$24,051,019.23, as detailed in the enclosed discharge statement.

Interest continues to accrue at the rates set out in the Commitment Letter until fully paid.

Payment of the amount owing is secured by, among other things, a Charge/Mortgage in the principal amount of \$22.0 million registered against title to real property municipally known as 85 Sydenham Well and 240 to 252 Pentanguishene Road, Barrie, ON, an Assignment of Rents registered against title to the properties, and a General Security Agreement dated December 13, 2016.

On behalf of MZG, we hereby declare the outstanding balance of the Loan to be immediately due and payable.

Unless payment of the aforesaid sum of \$24,051,019.23, together with additional interest accrued and legal costs actually incurred to the date of payment are paid forthwith, MZG shall



take such steps as it deems necessary or desirable to recover payment of the Borrower's indebtedness in full, including enforcement of the security.

Enclosed please find our client's Notice of Intention to Enforce Security, which is served upon the Borrower pursuant to section 244(1) of the *Bankruptcy and Insolvency Act* (Canada).

Govern yourself accordingly.

CHAITONS LLP


Harvey G. Chaiton
PARTNER
ENCL.

Cc: MarshallZehr Group Inc. (via e-mail)
Irwin Duncan, Duncan Linton LLP (via e-mail)



DISCHARGE STATEMENT as at January 20, 2020

Prepared: January 20, 2020

Terms:

Tranche A \$15,000,000 @ 9.50% per annum, calculated, compounded and payable monthly;
Tranche B \$ 4,950,000 @ 14.00% per annum, calculated, compounded and payable monthly.

Georgian Meadows (School House) - MZGI 72
85 Sydenham Wells, Barrie, ON

	Tranche A	Tranche B	Total
Principal Amount Outstanding	\$ 15,000,000.00	\$ 4,950,000.00	\$ 19,950,000.00
Unpaid Monthly Payable Interest	\$ 2,102,707.90	\$ 1,053,607.84	\$ 3,156,315.74
Mortgage Subtotal	\$ 17,102,707.90	\$ 6,003,607.84	\$ 23,106,315.74
Administration Fee Payable on Default - 16 months (Oct 2018 - Jan 2020)			\$ 80,000.00
Cost recovery - Sorbara Law legal fees - multiple			\$ 13,409.63
Cost recovery - Chaltons legal fees - Invoice#272106			\$ 4,031.59
Cost recovery - Federated Insurance premium - Policy #0140494.6			\$ 8,752.00
Cost recovery - 3rd party site visits - multiple			\$ 8,161.53
Cost recovery - Glynn Group - Invoice #219524			\$ 7,013.91
Cost recovery - Sprint Courier - Invoice #112703			\$ 14.11
Amendment Fee (September 7, 2018 Amendment)			\$ 399,000.00
Deferred Lender Fee - \$7,315 per unit x 58 units remaining			\$ 424,270.00
MarshallZehr Administration Fee			\$ 500.00
Fee Subtotal			\$ 945,152.77
Less Balance held in MZG Trust Account			\$ 449.28
Balance due January 20, 2020			\$ 24,051,019.23

Payment must be received by 1:00pm or per diem interest will be added

	Tranche A	Tranche B	Total
Monthly Payable Interest Per diem	\$ 4,429.49	\$ 2,286.09	\$ 6,715.58

You are authorized and directed to make the balance due payable to our solicitor, Chaltons LLP "In Trust", OR as they may further direct.

The funds are due and payable by certified cheque or wire transfer.

MARSHALLZEHR GROUP INC.

Per 
Mortgage Administrator #: 11955

E. & O. E.

If Total Payable is not received by the Proposed Settlement Date, then a per diem rate set out above will be charged. This Statement is only valid for a period of 30 days from the Proposed Settlement Date. Please confirm the Total Payable prior to remitting funds. Balances are projected and are based on the assumption that all outstanding amounts/payments due up to the Proposed Settlement Date are paid as set out therein. MarshallZehr Group Inc. will not provide a discharge of the mortgage until the entire outstanding balance, including interest and costs have been paid and honored.

NOTICE OF INTENTION TO ENFORCE A SECURITY
(given pursuant to section 244 of the *Bankruptcy and Insolvency Act*)

To: **Fernwood Developments (Ontario) Corporation**, an insolvent person

Take notice that:

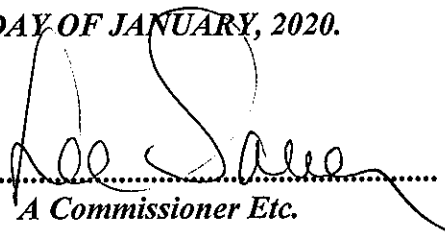
1. **MarshallZehr Group Inc.**, a secured creditor, intends to enforce its security on all of the present and after-acquired property of Fernwood Developments (Ontario) Corporation.
2. The security that is to be enforced includes, *inter alia*, a Charge/Mortgage in the principal amount of \$22.0 million registered against title to real property municipally known as 85 Sydenham Well and 240 to 252 Pentanguishene Road, Barrie, ON, an Assignment of Rents registered against title to the properties, and a General Security Agreement dated December 13, 2016 (collectively, the "**Security**").
3. The total amount of indebtedness secured by the Security as at the close of business on January 20, 2020 is \$24,051,019.23 inclusive of principal, interest and fees, plus costs.
4. The secured creditor will not have the right to enforce the Security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Toronto, this 21st day of January, 2020.

MARSHALLZEHR GROUP INC.,
by its lawyers, Chaitons LLP

Per:  _____

*THIS IS EXHIBIT "O" TO THE
AFFIDAVIT OF MURRAY SNEDDEN
SWORN BEFORE ME THIS 30TH
DAY OF JANUARY, 2020.*


.....
A Commissioner Etc.

Court File No.

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

BETWEEN:

MARSHALLZEHR GROUP INC.

Applicant

- and -

FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION

Respondent

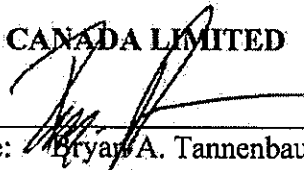
APPLICATION UNDER SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c.B-3, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c.C.43, AS AMENDED

CONSENT

RSM CANADA LIMITED ("RSM") hereby consents to act as Court-appointed receiver, without security, of all of the assets, undertakings and properties of the Respondent pursuant to subsection 243(1) of *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended, in accordance with an order substantially in the form requested by the Applicant, or as such order may be amended in a manner satisfactory to RSM.

DATED this 29th day of January, 2020

RSM CANADA LIMITED

By: 
Name: Bryan A. Tannenbaum
Position: President

I have authority to bind the corporation

MARSHALL ZEHR GROUP INC.
Applicant

-and-

FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
Respondent

Court File No.

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO

AFFIDAVIT OF MURRAY SNEDDEN

(sworn January 30, 2020)

CHAITONS LLP

5000 Yonge Street, 10th Floor
Toronto, Ontario M2N 7E9

Harvey Chaiton (LSO No. 21592F)

Tel: (416) 218-1129

Fax: (416) 218-1849

E-mail: harvey@chaitons.com

Sam Rappos (LSO No. 51399S)

Tel: (416) 218-1137

Fax: (416) 218-1837

E-mail: samr@chaitons.com

Lawyers for the Applicant

MARSHALLZEHR GROUP INC.
Applicant

-and-

FERNWOOD DEVELOPMENTS (ONTARIO) CORPORATION
Respondent
Court File No. CV-20-00635523-00CL

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

PROCEEDING COMMENCED AT
TORONTO

APPLICATION RECORD

(re application for the appointment of a Receiver)
(returnable February 10, 2020)

CHATTONS LLP

5000 Yonge Street, 10th Floor
Toronto, Ontario M2N 7E9

Harvey Chaiton (LSO No. 21592F)

Tel: (416) 218-1129
Fax: (416) 218-1849
E-mail: harvey@chaitons.com

Sam Rappos (LSO No. 51399S)

Tel: (416) 218-1137
Fax: (416) 218-1837
E-mail: samr@chaitons.com

Lawyers for the Applicant