

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

**BETWEEN:**

**HOME TRUST COMPANY**

Applicant

– and –

**2122775 ONTARIO INC.**

Respondent

**APPLICATION UNDER** section 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c. B-3, as amended and section 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c. C-43, as amended.

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**MOTION RECORD  
(returnable December 11, 2013)**

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# TAB 1



**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**B E T W E E N:**

HOME TRUST COMPANY

Applicant

-and-

2122775 ONTARIO INC.

Respondent

**APPLICATION UNDER** s. 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985 c. B-3, s. 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c. C-43, as amended

**NOTICE OF MOTION**

**COLLINS BARROW TORONTO LIMITED**, in its capacity as Court appointed Receiver of the assets, undertakings and properties of 2122775 Ontario Inc., will make a motion to a Judge presiding over the Commercial List on Wednesday, December 11, 2013, at 10:00 a.m., or as soon thereafter as the motion can be heard at 330 University Avenue, 8<sup>th</sup> Floor, Toronto, Ontario.

**PROPOSED METHOD OF HEARING:** Orally

**THE MOTION IS FOR:**

1. An Order approving the First Report to Court of the Receiver (the "**First Report**"), and the activities of the Receiver to date as described in the First Report for the period November 15, 2013 to December 3, 2013;

2. An Order approving the marketing and sales process proposed in the First Report;
3. An Order sealing Appendix “J” to the First Report, being the Confidential Information Memorandum, to be placed separate and apart from all other contents of the Court file, and to be opened only upon further Order of the Court.
4. An Order permitting the Receiver to be at liberty to retain Gowling Lafleur Henderson LLP as counsel, and to retain independent legal counsel at such time and capacity as may be deemed necessary by the Receiver;
5. An Order granting the Receiver costs of this Motion as provided for in the initial appointment order of the Receiver;
6. An Order authorizing the Receiver to enter into an agreement of purchase and sale (conditional upon Court approval);
7. An Order authorizing the Receiver, if the Receiver considers it necessary or appropriate, to disclose to and review with any secured creditor of the Debtor or any of their advisors, any and all offers received by the Receiver to purchase the Lands; and
8. Such further and other relief as counsel may advise and this Honourable Court may seem just.

**THE GROUNDS FOR THE MOTION ARE:**

1. On November 15, 2013 (the “**Appointment Date**”), the Honourable Justice Thorburn granted an order (the “**Receivership Order**”) appointing Collins Barrow Toronto Limited (the “**Receiver**”) as receiver and receiver and manager of 2122775 Ontario Inc. (the “**Debtor**”), and of all of the lands and premises municipally known as

2425 and 2427 Bayview Avenue, Toronto, Ontario (the “**Lands**”) together with all of the current and future assets, undertakings, and properties of the Debtor.

2. The Debtor is an Ontario corporation operating as a property owner and developer in the City of Toronto. The Debtor owns and holds for redevelopment the Lands as described herein. The Debtor defaulted upon its obligations to the Applicant, Home Trust Company, in respect of a mortgage loan and mortgage charge (the “**Mortgage**”), and has also defaulted upon its obligations to other creditors.

3. The Lands are residential land comprising of approximately 1.3 acres and was acquired by the Debtor in 2010 for the purpose of building a twenty-unit townhouse development thereon. Construction commenced in early 2012, but was halted in 2013 due to insufficient funds. Construction to date includes a poured common underground garage and an incomplete model home.

4. Since the date of its appointment, the Receiver has undertaken the following activities pursuant to the Receivership Order:

- a) advised the Debtor of the Receiver’s appointment and issued appropriate receivership notices;
- b) attended the Lands and confirmed the site is properly secured;
- c) taken control of the Lands and arranged for site inspections and maintenance;
- d) attended the offices of the Debtor to meet with the principal and discuss the books and records required by the Receiver;
- e) obtained insurance coverage; and
- f) prepared a marketing and sales plan as described herein.

5. The Receiver is seeking approval of the proposed marketing and sales process as described in the Receiver’s First Report.

6. In the interest of minimizing costs, the Receiver seeks to retain the applicant's solicitors as counsel, and also to be at liberty to retain independent counsel at such time and capacity as the Receiver deems necessary, or as the Court may direct.

7. Such further and other grounds as counsel may advise and this Honourable Court deems just.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be used at the hearing of the motion:

1. The First Report to Court of the Receiver;
2. Such further and other evidence as counsel may advise and this Honourable Court may permit.

DATE: December 4, 2013

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**HOME TRUST COMPANY**  
Applicant

v.

**2122775 ONTARIO INC.**  
Respondent

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
(Commercial List)  
  
(PROCEEDING COMMENCED AT TORONTO)

**NOTICE OF MOTION**

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Solicitors for the Applicant  
Home Trust Company

# TAB 2

Court File No. CV-13-10313-00CL

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

**BETWEEN:**

**HOME TRUST COMPANY**

**Applicant**

- and -

**2122775 ONTARIO INC.**

**Respondents**

**FIRST REPORT OF THE RECEIVER**

**December 4, 2013**

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## I. INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (Commercial List) (“**Court**”) dated November 15, 2013 (the “**Appointment Order**”), Collins Barrow Toronto Limited (“**CBTL**”) was appointed receiver and receiver and manager (the “**Receiver**”) of 2122775 Ontario Inc. (“**2122775**” or the “**Debtor**”), without security, of all of the lands and premises municipally known as 2425 and 2427 Bayview Avenue, Toronto, Ontario and described in Appendix “B” to the Appointment Order (the “**Lands**”) and of all the Debtor’s current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including those acquired for, or used in relation to, the development of the Lands and construction of improvements thereon, including all proceeds thereof (collectively, the “**Property**”). A copy of the Appointment Order is attached hereto as Appendix “A”.
2. The Appointment Order authorized the Receiver to, among other things, take possession and control of the Property and any and all proceeds, receipts and disbursements arising out of or from the Property. In addition, the Receiver was authorized to sell, convey, transfer, lease or assign the Property or any part thereof out of the ordinary course of business:
  - (a) without the approval of the Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
  - (b) with the approval of the Court in respect of any transaction in which the purchase price or aggregate purchase price exceeds \$500,000.

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### **Purpose of First Report**

3. The purpose of this first report of the Receiver (the “**First Report**”) is to:
  - i) inform the Court as to the status of matters since the Receiver’s appointment;
  - ii) provide a summary of the Company’s secured creditors;
  - iii) request that this Court issue an Order approving the First Report and the Receiver’s conduct and activities described therein for the period November 15, 2013 to December 3, 2013;
  - iv) request that this Court issue an Order authorizing the Receiver to retain independent legal counsel, as required;
  - v) request approval from the Court of the proposed marketing and sales process to be conducted by the Receiver to solicit offers for the sale of the Lands and to discuss any or all offers received with any of the secured creditors or any of their advisers;
  - vi) request that the Court issue an Order sealing the confidential information memorandum until after a sale transaction closes; and
  - vii) request authorization from the Court for the Receiver to enter into an agreement of purchase and sale (conditional on Court approval) pursuant to the Marketing Process.
  
4. A copy of the Appointment Order, together with related Court documents, has been posted on the Receiver’s website at <http://www.collinsbarrow.com/en/cbn/2122775-ontario>.

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### **Terms of Reference**

5. In preparing this First Report and making the comments herein, the Receiver has relied upon unaudited internal financial statements and other information prepared or provided by the Debtor, discussions with management, and information from other third-party sources (collectively, the "**Information**"). As the Information included in this First Report has been provided by the Debtor or other parties, or obtained from documents filed with the Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the Canadian Institute of Chartered Accountants Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.

## **II. BACKGROUND**

6. 2122775 is an Ontario corporation incorporated on December 20, 2006. Its President, Secretary and sole director is Mr. Naheel Suleman ("**Suleman**"). Suleman is also the owner/shareholder of 2122775. The business address of the Debtor is 75 International Blvd., Suite 400, Toronto, ON.
7. 2122775 is the registered owner and developer of the Lands legally described in Appendix "**B**" to this First Report and known municipally as 2425 and 2427 Bayview Avenue, Toronto, Ontario.

8. The Lands are residential land comprising approximately 1.3 acres located on the east side of Bayview Avenue, just north of Post Road, in the City of Toronto, Ontario. The Debtor acquired the Lands in 2010 for the purpose of building a twenty-unit townhouse development thereon (the “**Project**”). Construction started in Spring 2012 but was halted by the Debtor in Summer 2013 due to insufficient funds. Construction to date includes a poured underground garage and one model home which is incomplete as the interior has only been framed and roughed-in for electrical, heating and plumbing for the unit.
9. HUSH Homes Inc. (“**HUSH**”) acts as the project manager for the Project. HUSH is an Ontario corporation incorporated on February 13, 2007. Suleman is the President and a director of HUSH. The business address for HUSH is 75 International Blvd., Suite 400, Toronto, ON.

### III. SECURED CREDITORS

10. Attached hereto at Appendix “**C**” is a copy of the Parcel Register (Abbreviated) for Property Identifier report from the Ontario Land Registry Office (“**Title Search**”) dated October 25, 2013. Set out below is a summary of the various charges registered against the Lands:

Creditor	Amount of Charge against the Lands	Nature of Obligation
Home Trust Company	\$6,500,000	Mortgage
Visram Zaherali	\$5,100,000	Mortgage
VS Capital Corporation	\$8,750,000	Mortgage
VS Capital Corporation	\$4,000,000	Mortgage
Cameo Fine Cabinetry (Mississauga) Inc.	\$30,000	Mortgage
King Masonry Yard Ltd.	\$8,782	Construction Lien
UCIT Online Security Inc.	\$29,595	Construction Lien
Silverado Custom Home Corporation	\$37,500	Construction Lien



- 
11. In addition to the above charges against the Lands, the Receiver notes that there were two constructions liens that were registered against the Lands that have since been vacated. The first lien in the amount of \$211,875 was registered by Cameo Fine Cabinetry (Mississauga) Inc. and was vacated on January 18, 2013. The second lien in the amount of \$28,476 was registered by Marino Contractors and was vacated on April 19, 2013.
12. Attached hereto as Appendix "D" is a copy of a Personal Property Security Act ("PPSA") Enquiry Response Certificate ("PPSA Report") from the Ontario Ministry of Government Services with respect to the Debtor certified as at October 24, 2013. The PPSA Report identifies two other secured creditors being: Aviva Insurance Company of Canada ("**Aviva**") with a charge registered against Accounts and Other, and HUSH with a charge registered against Inventory, Equipment, Accounts and Other. The nature of these charges is discussed later in the First Report.
13. In order to minimize costs to the estate, the Receiver has retained the Applicant's solicitors, Gowlings LLP, as its legal counsel. Save and except for a review of the security granted by the Debtor to its creditors, the Receiver does not intend to retain independent legal counsel unless the Receiver identifies a conflict of interest or this Court directs otherwise.

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#### **IV. APPOINTMENT OF THE RECEIVER**

14. Home Trust Company ("**Home Trust**") is a mortgage lender which advanced a mortgage loan in the amount of \$6,500,000 (the "**Mortgage**") to the Debtor. The Mortgage matured in December, 2012 and has not been repaid.
15. Due to the Debtor's continuing default on its obligations to Home Trust and to other creditors, on October 30, 2013, Home Trust made an application for the appointment of CBTL as receiver and receiver and manager of the Debtor. The application was returnable on November 8, 2013.
16. On November 8, 2013, the application was adjourned to November 15, 2013 to allow the Debtor additional time to secure financing to, among other things, repay Home Trust's indebtedness. Prior to the return date of November 15, 2013, the Debtor did not file any material to demonstrate to the Court that the Debtor had secured financing. On November 15, 2013, the Court appointed CBTL as Receiver.

#### **V. RECEIVER'S ACTIVITIES TO DATE**

17. The Receiver has undertaken the following activities in accordance with the terms of the Appointment Order:
  - (a) advised the Debtor of the Receiver's appointment;
  - (b) attended at the Lands to confirm that the site was properly secured;

- 
- (c) taken control of the Lands and arranged for site inspections and maintenance;
  - (d) attended at the Debtor's offices at 75 International Blvd., Toronto, to meet with Suleman to discuss the receivership proceedings and the status of the Project. CBTL also provided Suleman with a list of documents and accounting records that the Receiver required Suleman to provide to the Receiver in order for the Receiver to administer the receivership;
  - (e) made interim arrangements for continuing site inspection and maintenance services pending the Court's approval of a marketing process to be conducted by the Receiver. Site inspections are conducted daily and other maintenance action is taken as needed;
  - (f) arranged for the Receiver's insurance coverage;
  - (g) obtained copies of certain of the Debtor's books and records from HUSH, namely financial information, information on the assets and liabilities and Project documents;
  - (h) notified the Debtor's bank of the receivership and advised the bank that no further disbursements are to be made from the account without the Receiver's authorization;
  - (i) prepared a marketing plan for the sale of the Lands, which is described in more detail below; and

- 
- (j) Issued the Notice and Statement of the Receiver ("**Receivership Notice**") in accordance with sections 245(1) and 246(1) of the BIA. A copy of the Receivership Notice is attached hereto as Appendix "E".

18. A review of the Debtor's books and records indicates the following:

- (a) according to the Debtor's unaudited internal balance sheet as at September 30, 2013, the Debtor's assets included \$473,705 in security deposits, most of which were paid to the City of Toronto to secure works on the site; and
- (b) the balance sheet shows Owner's equity of \$1,674,544 which, according to HUSH's VP of Finance, represents the debt owed by 2122775 to HUSH for advances made to the Debtor by HUSH.

19. In addition to the above, Aviva provided a \$400,000 bond to Tarion to assist with the registration of Suleman and the Project with Tarion. HUSH is the entity bonded and the bond was secured by an Indemnity Agreement signed by HUSH, Suleman and Musa Suleman. Aviva has registered a \$400,000 charge under the PPSA against 2122775 in respect of the Tarion bond, with the collateral stated as being the indemnity agreement, assignment of purchaser deposits and guarantee and postponement of claim in respect of debts of HUSH in respect of the Project.

### **Project Status**

20. The Receiver subsequently attended at the Lands on November 29, 2013 to tour the site, review the status of completion of the construction and ascertain if there

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were any maintenance issues or action that was required to winterize the site. The Receiver will be obtaining quotes for the work that is required which includes installing electric heaters and sump pumps and repairs to fencing.

21. To date, construction of the underground parking garage has been substantially completed and one model home has been partially completed such that the exterior is finished and the interior has only been framed and roughed in.
22. One townhouse unit has been sold and the purchaser's deposit is held in trust with Goldman Sloan Nash & Haber LLP ("**GSNH**"). The Agreement of Purchase and Sale for the sold unit identifies the vendor as HUSH. The Receiver has notified GSNH of the Debtor's receivership and to not deal with the Deposit without first obtaining the Receiver's prior written authorization.

#### **Priority Creditors**

23. The Receiver is not aware of any priority claims that would have priority to the claims of the secured creditors referred to earlier in the Report. As of October 31, 2013, the Debtor was in a HST refund position in the amount of \$312.98.
24. The Debtor did not have any employees. Its administrative and accounting functions were performed by HUSH or employees of another related company.

#### **VI. THE RECEIVER'S PROPOSED MARKETING AND SALES PROCESS**

25. Rather than retain an independent listing agent for the Lands, the Receiver proposes to directly market the Lands through a focused target marketing

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process. The Receiver has determined that it will be able to fully expose the Lands to the market through its list of potential purchasers. This will also result in a cost savings to the estate since fees for marketing the Lands will be billed on an hourly basis as opposed to a traditional commission if the Lands were listed with an agent.

26. The Receiver believes that a documentation preparation and marketing period of approximately 6 to 7 weeks will be sufficient to expose the Lands and permit qualified parties to conduct due diligence and to determine if they will make an offer, while at the same time minimizing the uncertainty and costs of a prolonged receivership period.

27. The Receiver proposes to sell the Lands utilizing the following marketing and sales process (the "**Marketing Process**"):

(a) Distribution on December 12, 2013 of an information overview document ("**Flyer**") to potential purchasers. The list of potential purchasers will be developed from expressions of interest received by the Receiver from interested parties, as well as parties identified based on the Receiver's experience and contacts. A copy of the Flyer is attached at Appendix "**F**";

(b) Posting of "For Sale" signage at the Bayview Avenue entrance to the site by December 20, 2013;

(c) Distribution to prospective purchasers who sign back a confidentiality agreement of a confidential information memorandum ("**CIM**") providing

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detailed information in respect of the Lands. The CIM will also include the terms and conditions of sale by the Receiver and a form of offer. Attached as a separate document is Appendix "J" comprised of a copy of the CIM which the Receiver requests be sealed by the Court until after a sale transaction closes. The CIM contains confidential information which is not publicly available and its disclosure would be detrimental to the sales process. Attached at Appendix "G" is a copy of the confidentiality agreement. Two of the appendices to the CIM, the Form of Offer and Terms and Conditions of Sale, and the Agreement of Purchase and Sale are attached at Appendices "H" and "I", respectively;

- (d) Advertising the Lands for sale in the Commercial Real Estate section of the National edition of the Globe & Mail on December 17 and 19, 2013 and January 7 and 9, 2014;
- (e) Following up with prospective purchasers interested in the opportunity and provide access to the Lands and additional information as required;
- (f) Setting 12 o'clock noon on January 23, 2014 as the deadline for the submission of binding offers (the "**Offer Date**");
- (g) Following the Receiver's review of all submitted offers, the Receiver may, at its option, seek clarification from any of the offerors regarding the terms of a submitted offer, reject any of the offers submitted or request any of the offerors to submit revised and/or improved offers to purchase the Lands or to otherwise address any issues or concerns raised by the

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Receiver. There will be no obligation on the part of the Receiver to provide any offeror with the opportunity to amend or otherwise improve the terms of its offer following the Offer Date;

- (h) The Receiver not necessarily accepting the highest or any offer;
- (i) The Receiver having the right to extend the deadline for submitting offers without further Order of the Court;
- (j) Requiring each offeror, with its offer, to deliver to the Receiver the following:
  - i. An amount equal to 10% of the purchase price specified in the offer. If the offer is accepted, said cheque or bank draft will be deemed to be a cash deposit (the "**Deposit**") against the aggregate offer purchase price (the "**Purchase Price**") and the successful offeror (hereinafter called the "**Purchaser**") will pay the balance of the Purchase Price to the Receiver, by certified cheque or bank draft on the closing date of the subject transaction without interest;
  - ii. An executed copy of the template agreement of purchase and sale ("**Template Agreement**"), amended to reflect the particulars of the offer (the "**Offeror Sale Agreement**") and any other matters specific to the Offer, which shall be binding and irrevocable until February 11, 2014;



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- iii. A comparison of the Template Agreement to the executed Offeror Sale Agreement;
  - iv. A representation by the Purchaser that the Purchaser has written evidence of available cash and/or a commitment for financing to evidence the Purchaser's ability to close the proposed transaction as the Receiver may reasonably request;
  - v. A copy of a resolution of the Purchaser's board of directors or similar document demonstrating the Purchaser's authority to make an irrevocable offer and to execute the transaction contemplated by the Offeror Sale Agreement; and
  - vi. Disclosure of the identity of each entity (including its ultimate shareholders) that has submitted the offer.
28. Any transaction resulting from the Marketing Process will be subject to the approval of the Court. The Receiver will not be bound to sell any of the Lands until it has entered into a binding agreement of purchase and sale and received approval to complete such transaction from the Court. The Receiver will also reserve the right to enter into one or more agreements to sell any or all of the Lands at any time and to withdraw any or all of the Lands from the sale.
29. All sales will be on an "as is, where is" basis. Each Purchaser will be solely responsible for inspecting the Lands and satisfying itself as to title to the Lands it is offering to purchase. The Receiver will not provide any representations or

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warranties with regard to title, merchantability, condition, description, fitness for purpose, quality, quantity or any other matter or thing regarding the Lands.

30. The Receiver's solicitors will prepare any required closing documentation.

## **VII. RECEIVER'S REQUEST TO THE COURT**

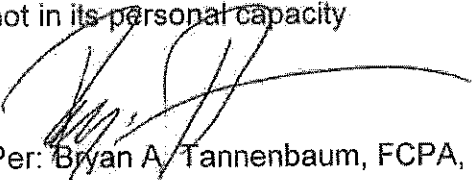
31. The Receiver respectfully requests that this Court issue an Order:

- (a) approving the First Report and the Receiver's conduct and activities for the period November 15, 2013 to December 3, 2013 as described therein;
- (b) authorizing the Receiver to retain independent legal counsel, as required;
- (c) approving the Marketing Process;
- (d) sealing the CIM until after a sale transaction closes;
- (e) authorizing the Receiver to enter into an agreement of purchase and sale (conditional on Court approval) pursuant to the Marketing Process; and
- (f) authorizing the Receiver, if considered by the Receiver to be necessary or appropriate, to disclose to and review with any secured creditors of the Debtor or any of their advisers, any and all offers received by the Receiver to purchase the Lands.

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All of which is respectfully submitted to this Court as of this 4th day of December, 2013.

**COLLINS BARROW TORONTO LIMITED**  
In its capacity as Court Appointed Receiver  
and Manager of 2122775 Ontario Inc. and  
not in its personal capacity



Per: Bryan A. Tannenbaum, FCPA, FCA, FCIRP  
President

## APPENDIX A

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Court File No.: CV-13-10313-00CL

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE ) FRIDAY, THE 15<sup>TH</sup> DAY  
JUSTICE *T. Honman* ) OF NOVEMBER, 2013

**B E T W E E N:**

**HOME TRUST COMPANY**

**Applicant**

- and -

**2122775 ONTARIO INC.**

**Respondent**

**APPLICATION UNDER** s. 243(1) of the Bankruptcy and Insolvency Act, R.S.C. 1985 c. B-3,  
s. 101 of the Courts of Justice Act, R.S.O. 1990, c. C-43 and  
Rules 14.05(2) and (3) (d), (g) and (h) of the Rules of Civil Procedure

**ORDER**

**THIS APPLICATION** made by Home Trust Company ("**Home Trust**") for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C-43 as amended (the "**CJA**") appointing Collins Barrow Toronto Limited ("**Collins Barrow**") as receiver and receiver and manager (jointly, the "**Receiver**") without security, of all of the assets,

undertakings and properties of 2122775 Ontario Inc. (the "**Debtor**") was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the affidavit of John Harry, sworn October 29, 2013 and the Exhibits thereto and on hearing the submissions of counsel for Home Trust, and on reading the consent of Collins Barrow to act as the Receiver:

#### **SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged so that this Application is properly returnable today and hereby dispenses with further service thereof.

#### **APPOINTMENT**

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, Collins Barrow is hereby appointed Receiver, without security, of all of the lands and premises legally described in Schedule "**B**" hereto (the "**Lands**") and of all the Debtor's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including those acquired for, or used in relation to, the development of the Lands and construction of improvements thereon, including all proceeds thereof (the "**Property**").

#### **RECEIVER'S POWERS**

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- (a) to take possession and control of the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- (b) to receive, preserve, protect and maintain control of the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate and carry on all or any part of the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons, from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- (i) to undertake environmental or workers' health and safety assessments of the Property and operations of the Debtor;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (k) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (l) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
  - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; and
  - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause,and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act* and subsection 31(1) of the Ontario *Mortgages Act* shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply;
- (m) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;
- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (s) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations;



- (t) to register a copy of this Order and any other orders in respect of the Property against title to any of the Property.

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

#### **DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER**

- 4. **THIS COURT ORDERS** that: (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.
  
- 5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

#### **NO PROCEEDINGS AGAINST THE RECEIVER**

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

#### **NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY**

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

### **NO EXERCISE OF RIGHTS OR REMEDIES**

9. **THIS COURT ORDERS** that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

### **NO INTERFERENCE WITH THE RECEIVER**

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

### **CONTINUATION OF SERVICES**

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

other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

### **RECEIVER TO HOLD FUNDS**

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

### **EMPLOYEES**

13. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, wages, severance pay, termination pay, vacation pay, and pension or benefit amounts, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.
14. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of current employees only to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate

and attempt to complete one or more sales of the Property (each, a "Sale") and for the sole purpose of assisting or facilitating the prospective purchaser's or bidder's negotiations or discussions with said employees in respect of future employment with the prospective purchaser or bidder. Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

#### **LIMITATION ON ENVIRONMENTAL LIABILITIES**

15. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

### **LIMITATION ON THE RECEIVER'S LIABILITY**

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

### **RECEIVER'S ACCOUNTS**

17. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.
18. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel in this proceeding are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.
19. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the normal rates and charges of the Receiver or its legal counsel, and such amounts shall

constitute advances against its remuneration and disbursements when and as approved by this Court.

#### **FUNDING OF THE RECEIVERSHIP**

20. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge.
21. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.
22. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as **Schedule "A"** hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
23. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

24. **THIS COURT ORDERS** that notwithstanding paragraphs 20 to 23 inclusive above, and as an alternate thereto, the Receiver is hereby authorized to borrow money to fund the exercise of its duties hereunder by way of advances from the Applicant, which advances shall be secured by the Applicant's security on the Property (including, without limitation, the Mortgage as defined in and as attached as an exhibit to the Affidavit of John Harry sworn October 29, 2013) with the same priority that may attach to such security.

#### **GENERAL**

25. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
26. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.
27. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.
28. **THIS COURT ORDERS** that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order. Accordingly, this Court further orders that the Receiver is hereby expressly appointed as a foreign representative of the Debtor for purposes of seeking the recognition and enforcement of this Order in a foreign proceeding, and taking any actions necessary to discharge its duties under the Order and applicable law.



29. **THIS COURT ORDERS** that the applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.
30. **THIS COURT ORDERS** that the Applicant and the Receiver and any party who has served a Notice of Appearance, may serve any materials in this proceeding by e-mailing a pdf or other electronic copy of such material to counsels' email address as recorded on the Service List from time to time, in accordance with the e-filing protocol of the Commercial List to the extent practicable, and the Receiver may post a copy of any or all such material on its website at [www.collinsbarrow.com](http://www.collinsbarrow.com) (the "Website").
31. **THIS COURT ORDERS** that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order, provided that nothing in this section operates to extend any applicable appeal period.

32. I will remain seized of this matter for the purpose of approval of the receiver's fees on the consent of all parties. Counsel for the receiver submitted that this is a straightforward matter involving the sale of property.

NOV 15 2013  
NB

**Schedule "A"**

**RECEIVER CERTIFICATE**

CERTIFICATE NO. ●

AMOUNT \$ ●

1. THIS IS TO CERTIFY that Collins Barrow Toronto Limited, the receiver and the receiver and manager (the "Receiver") of the assets, undertakings and properties of 2122775 Ontario Inc. (the "Debtor") appointed by Order of the Ontario Superior Court of Justice (the "Court") dated the ● day of November, 2013 (the "Order") made in an action having Court file number ●, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$●, being part of the total principal sum of \$● which the Receiver is authorized to borrow under and pursuant to the Order.

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

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property (as defined in the Order), in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

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

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

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

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

(a)

DATED the \_\_\_\_\_ day of \_\_\_\_\_, 2013.

**Collins Barrow Toronto Limited**  
solely in its capacity as Receiver of the Property (as  
defined in the Order), and not in its personal capacity

Per: \_\_\_\_\_

Name:

Title:

**SCHEDULE "B"**

**LEGAL DESCRIPTION**

<b>PIN</b>	10126 – 1010 LT
	Part of Lot 8 Concession 2 EYS (N York), designated as Parts 1 & 2 on Plan 66R24078; City of Toronto
<b>ADDRESS</b>	2425 and 2427 Bayview Avenue Toronto

**HOME TRUST COMPANY**  
Applicant

v.

**2122775 ONTARIO INC.**  
Respondent

Court File No. CV-13-10313-00CL

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
(Commercial List)  
(PROCEEDING COMMENCED AT TORONTO)

**ORDER**

**GOWLING LAFLEUR HENDERSON LLP**  
Barristers and Solicitors  
1 First Canadian Place  
100 King Street West, Suite 1600  
Toronto ON M5X 1G5

**Calvin J. Ho (LSUC No. 40875B)**  
Tel: (416) 862-5788  
Fax: (416) 862-7661

Solicitors for the Applicant  
Home Trust Company

## APPENDIX B

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**APPENDIX B**

**LEGAL DESCRIPTION OF THE PROPERTY**

<b>PIN</b>	10126 – 1010 LT Part of Lot 8 Concession 2 EYS (N York), designated as Parts 1 & 2 on Plan 66R24078; City of Toronto
<b>ADDRESS</b>	2425 and 2427 Bayview Avenue Toronto

## APPENDIX C

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LAND REGISTRY OFFICE #68

10126-1010 (LT)  
SUBJECT TO RESERVATIONS IN CROWN GRANT

PAGE 1 OF 6  
PREPARED FOR LG200801  
ON 2013/10/25 AT 10:36:11

**PROPERTY DESCRIPTION:** PART OF LOT 9 COMMISSION 2 ERS (N YORK), DESIGNATED AS PARTS 1 & 2 ON PLAN 6824078; CITY OF TORONTO

**PROPERTY REMARKS:** FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2008/12/10.

**ESTATE/COALITION:** REVEREND.

**FEE SIMPLE:** CONSOLIDATION FROM 10126-1806 10126-1007

**LT ABSOLUTE PLUS:** CARRIAGE SHARE

**OWNERS' NAMES:** 2122775 ONTARIO INC.

**PIN CREATION DATE:** 2011/04/14

REG. NO.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHRG
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE: 2011/04/14 **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
6824078	2008/12/10	PLAN REFERENCE		BRIDLE PATH LANE LIMITED	BRIDLE PATH LANE LIMITED	C
AT1970343	2008/12/10	REL ABSOLUTE TITLE		CITY OF TORONTO	BRIDLE PATH LANE LIMITED	C
AT2259143	2009/12/16	NOTICE	\$2		2122775 ONTARIO INC.	C
AT2507469	2010/09/17	TRANSFER	\$9,860,000	BRIDLE PATH LANE LIMITED		C
REMARKS: PLANNING ACT STATEMENTS						
AT2507469	2010/09/17	CHARGE		*** DELETED AGAINST THIS PROPERTY *** 2122775 ONTARIO INC.	C & K MORTGAGE SERVICES INC.	
AT2507470	2010/09/17	NO ASSEN RENT GEN		*** DELETED AGAINST THIS PROPERTY *** 2122775 ONTARIO INC.	C & K MORTGAGE SERVICES INC.	
REMARKS: AT2507469						
AT2526067	2010/10/14	TRANSFER OF CHARGE		*** DELETED AGAINST THIS PROPERTY *** C & K MORTGAGE SERVICES INC.	S & M HANDELMAN INVESTMENTS LIMITED HANDELMAN, ARNE YORSDALE CONTRACT INTERIORS LIMITED YERUSA INVESTMENTS INC. TITLE DRESS LIMITED ORBENBACH INVESTMENTS LIMITED GORDON, BEVERLEY SOUTHERN ATLANTIC SERVICE (ONTARIO) LTD. CERTNER, JANE 573830 ONTARIO LTD.	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



LAND  
REGISTRY  
OFFICE #66

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIERS

PAGE 2 OF 6

PREPARED FOR ISARHOS01  
ON 2013/10/25 AT 10:36:11

10126-1010 (LT)

SUBJECT TO RESERVATIONS IN CROWN GRANT

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CRWD
AT2526409	2010/10/14	NO ASSIGN RENT GEN		<p>*** DELETED AGAINST THIS PROPERTY *** C &amp; X MORTGAGE SERVICES INC.</p>	<p>STORM, FRANCIE SARNOCH HOLDINGS LIMITED BARKSI INVESTMENTS LIMITED DAN REALTY LIMITED E. WENSON INVESTMENTS LIMITED 593551 ONTARIO LTD. 1031436 ONTARIO INC. 2227046 ONTARIO LIMITED RICHARD GROBEIR MEDICAL PROFESSIONAL CORPORATION RICHMOND, GERTRUDE (TRUDY) LEVENSON, BAILEY TEPERMAN, MARVIN SHUMACHER, LEA BENRACER, ISA THE BARRY ALAN SPIEGEL TRUST KIRSHBLON, A. ELIEZER MATHE HOLDINGS LTD. SINGER, ERNEST KANE, MARTIN KANE, HONEY</p> <p>B &amp; M HANDELMAN INVESTMENTS LIMITED HARDELMAN, ANNE YORKDALE CONTACT INTERIORS LIMITED YEROSHA INVESTMENTS INC. TITLE DRESS LIMITED CHENBACH INVESTMENTS LIMITED CORSON, BEVERLEY SOUTHERN ATLANTIC SERVICE (ONTARIO) LTD. GERJIVER, JANE 673830 ONTARIO LTD. STORM, FRANCIE SARNOCH HOLDINGS LIMITED BARKSI INVESTMENTS LIMITED DAN REALTY LIMITED E. WENSON INVESTMENTS LIMITED 593551 ONTARIO LTD. 1031436 ONTARIO INC. 2227046 ONTARIO LIMITED RICHARD GROBEIR MEDICAL PROFESSIONAL CORPORATION RICHMOND, GERTRUDE (TRUDY) LEVENSON, BAILEY TEPERMAN, MARVIN SHUMACHER, LEA THE BARRY ALAN SPIEGEL TRUST</p>	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CHRG/CRNC
		REMARKS: REASSIGNMENT OF RENTS RECHARGE AT7307468 DELETED PER AT2708276 ON 2011 06 17 BY M. WILKIE			KIASHLOM, A. ELIEZER MAYME HOLDINGS LTD. SINGER, BENEST KANE, MARTIN KANE, HONEY	
AT2582978	2010/12/21	CHARGE		*** DELETED AGAINST THIS PROPERTY *** 2122775 ONTARIO INC.	TERRA FIRMA CAPITAL CORPORATION VS CAPITAL CORPORATION	
AT2582979	2010/12/21	NO ASSGN RENT GEN		*** DELETED AGAINST THIS PROPERTY *** 2122775 ONTARIO INC.	TERRA FIRMA CAPITAL CORPORATION VS CAPITAL CORPORATION	
		REMARKS: AT2582978.				
AT2583918	2011/01/07	APL CH NMAE INST		*** DELETED AGAINST THIS PROPERTY *** TERRA FIRMA CAPITAL CORPORATION	TERRA FIRMA CAPITAL CORPORATION VS CAPITAL CORPORATION	
		REMARKS: AT2582978.				
AT2589128	2011/01/14	CHARGE		*** DELETED AGAINST THIS PROPERTY *** 2122775 ONTARIO INC.	TERRA FIRMA CAPITAL CORPORATION	
AT2589129	2011/01/14	NO ASSGN RENT GEN		*** DELETED AGAINST THIS PROPERTY *** 2122775 ONTARIO INC.	VS CAPITAL CORPORATION	
		REMARKS: AT2589128				
AT2689602	2011/04/05	APL CONSOLIDATE		2122775 ONTARIO INC.	VS CAPITAL CORPORATION	C
AT2686523	2011/04/15	LN'S ORDER		LAND REGISTRAR, EXO NO. 66		C
		REMARKS: AMEND TRUSSELL DESCRIPTION				
AT2708324	2011/06/01	CHARGE	\$5,500,000	2122775 ONTARIO INC.	HOME TRUST COMPANY	C
AT2708325	2011/06/01	NO ASSGN RENT GEN		2122775 ONTARIO INC.	HOME TRUST COMPANY	C
		REMARKS: AT2708324				
AT2708407	2011/06/01	POSTPONEMENT		*** COMPLETELY DELETED *** TERRA FIRMA CAPITAL CORPORATION VS CAPITAL CORPORATION	HOME TRUST COMPANY	C
		REMARKS: AT2582978 TO AT2708324				

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
 NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



LAND  
REGISTRY  
OFFICE #66

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

PAGE 4 OF 6  
PREPARED FOR LSantos01  
ON 2013/10/25 AT 10:36:11

10126-1010 (LT)  
SUBJECT TO RESERVATIONS IN CROWN GRANT

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CREY/ CHRD
AT2708408	2011/06/01	POSTPONEMENT REMARKS: AT2558428 TO AT2708324		*** COMPLETELY DELETED *** VS CAPITAL CORPORATION	HOME TRUST COMPANY	
AT2709276	2011/06/01	DISCH OF CHARGE		*** COMPLETELY DELETED *** E & M HANDELMAN INVESTMENTS LIMITED HANDELMAN, RENE YORKDALE CONTRACT INTERIORS LIMITED YERUSHA INVESTMENTS INC. TITLE DRESS LIMITED GARBACH INVESTMENTS LIMITED GORDON, BEVERLEY SOUTHERN ATLANTIC SERVICE (ONTARIO) LTD. GERNER, JANE 673830 ONTARIO LTD. STORM, FRANCIS RAMBURGH HOLDINGS LIMITED BASKY INVESTMENTS LIMITED DAN REALTY LIMITED E. MANSON INVESTMENTS LIMITED 593651 ONTARIO LTD. 1031436 ONTARIO INC. 2227046 ONTARIO LIMITED RICHARD GURHEIR MEDICAL PROFESSIONAL CORPORATION RICHMOND, GERTRUDE (TRUST) LEVENSON, BAILEY TEPPERMAN, MARVIN SHUMACHER, LEA THE BARRY ALAN SPIGOSL TRUST KIRSHBLUM, A. ELIEZER NORME HOLDINGS LTD. SINGER, ERNEST KANE, MARTIN KANE, HONEY		
AT2918710	2012/01/13	CHARGE	\$8,100,000	2122775 ONTARIO INC.	VISSAM, ZAHERALI	C
AT2918711	2012/01/13	NO ASSGN RENT GEN REMARKS: AT2918710		2122775 ONTARIO INC.	VISSAM, ZAHERALI	C
AT2918713	2012/01/27	DISCH OF CHARGE REMARKS: AT2558428.		*** COMPLETELY DELETED *** VS CAPITAL CORPORATION		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



LAND  
REGISTRY  
OFFICE #66

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

10126-1010 (LP)  
SUBJECT TO RESERVATIONS IN CROWN GRANT

PAGE 5 OF 6  
PREPARED FOR LSantos01  
ON 2013/10/25 AT 10:36:11

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CHRY/ CHCD
AT2950564	2012/02/22	NOTICE REMARKS: AMENDING SITE PLAN AGREEMENT AT2259143	\$2	CITY OF TORONTO	2122775 ONTARIO INC.	C
AT3030539	2012/05/30	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** COLUMBIA DRAIN & CONCRETE CONTRACTORS LIMITED		
AT3030551	2012/05/30	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** CONCORD CONCRETE GROUP INC.		
AT3088760	2012/07/31	CERTIFICATE		*** COMPLETELY DELETED *** COLUMBIA DRAIN & CONCRETE CONTRACTORS LIMITED		
AT3094151	2012/08/03	CERTIFICATE		*** COMPLETELY DELETED *** CONCORD CONCRETE GROUP INC.		
AT3108193	2012/08/22	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED *** CONCORD CONCRETE GROUP INC.		
AT3109546	2012/08/24	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED *** COLUMBIA DRAIN & CONCRETE CONTRACTORS LIMITED		
AT3114322	2012/08/29	CHARGE	\$9,750,000	2122775 ONTARIO INC.	VS CAPITAL CORPORATION	C
AT3117852	2012/08/31	DISCH OF CHARGE		*** COMPLETELY DELETED *** TERRA FIRMA CAPITAL CORPORATION VS CAPITAL CORPORATION		
AT3133542	2012/10/17	CHARGE	\$4,000,000	2122775 ONTARIO INC.	VS CAPITAL CORPORATION	C
AT3192503	2012/12/07	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** CAMCO FINE CABINETS (MISSISSAUGA) INC.		
AT3218630	2013/01/18	CERTIFICATE		*** COMPLETELY DELETED *** CAMCO FINE CABINETS (MISSISSAUGA) INC.		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.  
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.



LAND  
REGISTRY  
OFFICES #66

PARCEL REGISTEE (ABBREVIATED) FOR PROPERTY IDENTIFIER

10126-1010 (LF)  
SUBJECT TO RESERVATIONS IN CHOWN GRANT

PAGE 6 OF 6  
PREPARED FOR LSAND0601  
ON 2013/10/25 AT 10:36:11

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CHRG/ CHCD
AT3224700	2013/01/25 REMARKS: AT2916710 TO AT3114222	POSTPONEMENT		VISHAM, ZAREBALL	VS CAPITAL CORPORATION	C
AT3249030	2013/03/04	CONSTRUCTION LIEN	✓	*** COMPLETELY DELETED *** MARTINO CONTRACTORS LTD.		
AT3259812	2013/04/04	CONSTRUCTION LIEN	✓	\$8,782 KING MASONRY YARD LTD.		C
AT3276855	2013/04/05	CONSTRUCTION LIEN	✓	\$29,595 DCIT ONLINE SECURITY INC.		C
AT3280786	2013/04/19	CERTIFICATE		*** COMPLETELY DELETED *** MARTINO CONTRACTORS LTD.		
AT3298579	2013/05/13 REMARKS: RE:AT3249030	CERTIFICATE		DCIT ONLINE SECURITY INC.		C
AT3302736	2013/05/15 REMARKS: AT3270855	CERTIFICATE		KING MASONRY YARD LTD.	2122775 ONTARIO INC. HUSH HOMES INC. CARRYING ON BUSINESS AS HUSH FINE HOME	C
AT3312698	2013/05/31	CHARGE	\$30,000	2122775 ONTARIO INC.	CAMEO FINE CABINETRY (MISSISSAUGA) INC.	C
AT3324858	2013/06/14	CONSTRUCTION LIEN	✓	SILVERADO CUSTOM HOME CORPORATION		C
AT3351475	2013/07/25 REMARKS: AT3324858	CERTIFICATE	\$37,500	SILVERADO CUSTOM HOME CORPORATION		C
AT3363302	2013/07/30	AFL AMEND ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	HUSH HOMES INC.	C
AT3363303	2013/07/30	AFL AMEND ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	HUSH HOMES INC.	C

## APPENDIX D

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

REPORT : PSSR060  
PAGE : ( 3578)

RUN NUMBER : 297  
RUN DATE : 2013/10/24  
ID : 20131024115034.79

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

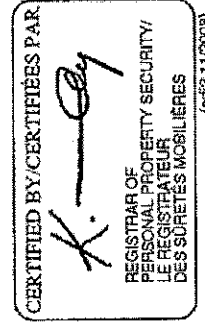
SEARCH CONDUCTED ON : 2122775 ONTARIO INC.

FILE CURRENCY : 23OCT 2013

ENQUIRY NUMBER 20131024115034.79 CONTAINS 8 PAGE(S), 5 FAMILY(IES).

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS WHICH SET OUT 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.

GOMLINGS  
BOX 104  
FCF  
TORONTO ON M5X 1G5



CONTINUED . . . 2



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

RUN NUMBER : 297  
RUN DATE : 2013/10/24  
ID : 20131024115034.79

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : 2122775 ONTARIO INC.  
FILE CURRENCY : 23OCT 2013

FORM 10 FINANCING STATEMENT CLAIMED FOR CLEAR

FILE NUMBER  
681038991

CAUTION PAGE TOTAL WORDS VARIANTS REGISTRATION REGISTERED REGISTRATION  
NO. OF PAGES SCHEDULE NUMBER PERIOD UNDER PERIOD

5

20120829 0840 1793 9852 P PPSA

DATE OF BIRTH FIRST GIVEN NAME INITIAL SURNAME

DEBTOR NAME BUSINESS NAME ADDRESS

TORONTO

ONTARIO CORPORATION NO. 002122775  
ON M9W6L9

DEBTOR NAME BUSINESS NAME ADDRESS

TORONTO

ONTARIO CORPORATION NO.

SECURED PARTY VS CAPITAL CORPORATION

TORONTO

ON M2M4H7

COLLATERAL CLASSIFICATION MOTOR VEHICLE AMOUNT DATE OF NO FINES  
CONSUMER INVENTORY EQUIPMENT ACCOUNT OTHER ENDORSEMENT NATURALITY OF SALES TAX DATE

8750000

YEAR MAKE MODEL VIN

11 MOTOR VEHICLE

GENERAL SECURITY AGREEMENT, ALL CONTRACTS, PROCEEDS WITH RESPECT TO  
THE ALEXANDRIA PROJECT, 2425-2427 BAYVIEW AVENUE, TORONTO

GOLDMAN SLOAN NASH & HABER LLP - IKEDA

TORONTO

ON M5G1V2

CERTIFIED BY/CERTIFIES PAR  
K. [Signature]  
REGISTRAR OF PERSONAL PROPERTY SECURITY  
LE REGISTRATEUR DES SURETES MOBILIERES  
(c) (R 11/2009)

CONTINUED ... 3



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

RUN NUMBER : 297  
RUN DATE : 2013/10/24  
ID : 20131024115034.79

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : 2122775 ONTARIO INC.  
FILE CURRENCY : 23OCT 2013

FORM 5 - FINANCING STATEMENT - CLARIF FOR LIEN

00 FILE NUMBER : 675878715  
01 CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION ESTIMATED REGISTRATION FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD 20120127 0928 1590 5353 P PPSA 3

02 DATE OF BIRTH : [REDACTED] SURNAME : [REDACTED]  
03 BUSINESS NAME : 2122775 ONTARIO INC. TORONTO  
04 ADDRESS : 93 SKYWAY AVENUE, SUITE 109 TORONTO ON M9W 6N6

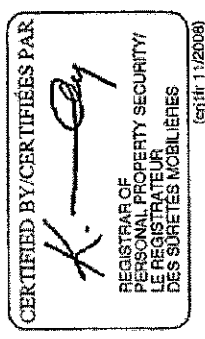
05 DATE OF BIRTH : [REDACTED] SURNAME : [REDACTED]  
06 BUSINESS NAME : [REDACTED]  
07 ADDRESS : [REDACTED]  
08 ZAHERALI VISRAM TORONTO  
09 7 LAREDO COURT TORONTO ON M2M 4H7

10 COLLATERAL CLASSIFICATION : [REDACTED] DATE OF RECEIPT : [REDACTED]  
CONSUMER : [REDACTED] AMOUNT : [REDACTED] MATURITY OR MATURITY DATE : [REDACTED]  
SECURITY EQUIPMENT ACCIDENTS OTHER INCLUDED : [REDACTED]

11 YEAR MAKE : [REDACTED] VIN : [REDACTED]  
12 MOTOR VEHICLE : [REDACTED]

13 GENERAL : [REDACTED]  
14 COLLATERAL : [REDACTED]  
15 DESCRIPTION : [REDACTED]

16 REGISTERING AGENT : [REDACTED]  
17 ADDRESS : 222 BAY STREET, 18TH FLOOR, PO BOX 124 TORONTO ON M5K 1H1  
DICKINSON WRIGHT LLP (CD)  
\*\*\* FOR FURTHER INFORMATION CONTACT THE ISSUING PARTY \*\*\*  
CONTINUED... 4



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

RUN NUMBER : 297  
RUN DATE : 2013/10/24  
ID : 20131024115034.73

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : 2122775 ONTARIO INC.  
FILE CURRENCY : 23OCT 2013

FORM ID : FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER  
675878751

CAUTION : CASE NO. OF PAGE : 001 1  
MOTOR VEHICLE REGISTRATION NUMBER : 20120127 0931 1590 5354 P PPSA 3  
SCHEDULE INDEX PERIOD

DATE OF BIRTH : [REDACTED] FIRST GIVEN NAME : [REDACTED] SURNAME : [REDACTED]  
BUSINESS NAME : 2122775 ONTARIO INC. TORONTO  
ADDRESS : 93 SKYWAY AVENUE, SUITE 109

DATE OF BIRTH : [REDACTED] FIRST GIVEN NAME : [REDACTED] SURNAME : [REDACTED]  
BUSINESS NAME : HUSH HOMES INC.  
ADDRESS : 93 SKYWAY AVENUE, SUITE 109 TORONTO

SPEARED PARTY : VS CAPITAL CORPORATION TORONTO  
LEAD CLAIMANT : 7 LAREDO COURT  
ADDRESS : TORONTO

COMPARTEL CLASSIFICATION : MOTOR VEHICLE AMOUNT : DATE OF : NO FINED  
CONSUMER : INVENTORY EQUIPMENT ACCOUNTS OTHER : INCLUDED : PROPERTY OF : MATURITY DATE :

YEAR MAKE : [REDACTED] MODEL : [REDACTED] V.I.N. : [REDACTED]  
MOTOR VEHICLE : [REDACTED]

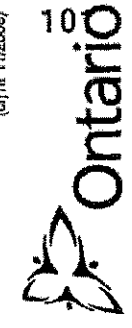
GENERAL : [REDACTED]  
COLLATERAL : [REDACTED]  
DESCRIPTION : [REDACTED]

REGISTERING : [REDACTED]  
AGENCY : [REDACTED]

DICKINSON WRIGHT LLP (CD)  
ADDRESS : 222 BAY STREET, 18TH FLOOR, PO BOX 124 TORONTO  
ON M5K 1H1

CONTINUED... 5

CERTIFIED BY/CERTIFIÉES PAR  
*K. [Signature]*  
REGISTRAR OF  
PERSONAL PROPERTY SECURITY/  
LE REGISTREUR EN  
DES SURETES MOBILIÈRES  
(e/11r 11/2008)



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

RUN NUMBER : 297  
RUN DATE : 2013/10/24  
ID : 20131024115034.79

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : 2122775 ONTARIO INC.  
FILE CURRENCY : 23OCT 2013

FORM OF FINANCIAL STATEMENT : CLAIM FOR LIEB

FILE NUMBER : 669737052

CAUTION PAGE TOTAL MOTOR VEHICLE REGISTRATION  
FILING NO. OF PAGES SCHEDULE NUMBER UNDER PERIOD  
001 2 20110510 1414 1590 1560 P PPSA 10

DATE OF BIRTH : [REDACTED] INITIAL SURNAME : [REDACTED]

BUSINESS NAME : 2122775 ONTARIO INC.

ADDRESS : 75 INTERNATIONAL BLVD. TORONTO

DATE OF BIRTH : [REDACTED] INITIAL SURNAME : [REDACTED]

BUSINESS NAME : [REDACTED]

ADDRESS : [REDACTED]

SECURED PARTY : AVIVA INSURANCE COMPANY OF CANADA

LENDER : 2200 EGLINTON AVENUE EAST SCARBOROUGH

ADDRESS : [REDACTED]

COLLATERAL CLASSIFICATION : MOTOR VEHICLE ACCOUNT NUMBER OF NO. LIVES  
CONSUMER : [REDACTED] PURCHASER OF PROPERTY OF MATURITY DATE : X  
GOODS : [REDACTED] INVENTORY OF EQUIPMENT ACCOUNTS OTHER : 400000 X

YEAR MAKE : [REDACTED] MODEL : [REDACTED] V.I.N. : [REDACTED]

MOTOR VEHICLE : [REDACTED]

GENERAL : INDEMNITY AGREEMENT, ASSIGNMENT OF PURCHASER DEPOSITS AND GUARANTEE  
COLLATERAL : AND POSTPONEMENT OF CLAIM IN RESPECT OF DEBTS OF HUSH HOMES INC. IN  
DESCRIPTION : RESPECT OF THE ALEXANDRIA PROJECT, LOCATED AT 2425-2427 BAYVIEW

REGISTERING AGENT : GOLDMAN SLOAN NASH & HABER LLP - RAI

ADDRESS : 480 UNIVERSITY AVE, SUITE 1600 TORONTO

FOR FURTHER INFORMATION CONTACT THE SECURED PARTY

CONTINUED ... 6

CERTIFIED BY/CERTIFIÉES PAR  
K. [Signature]  
REGISTRAR OF PERSONAL PROPERTY SECURITY/  
LE REGISTRATEUR DES SURETES MOBILIERES  
(s/11r 112008)



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

RUN NUMBER : 297  
RUN DATE : 2013/10/24  
ID : 20131024115034.79

TYPE OF SEARCH : BUSINESS DEBTOR  
SEARCH CONDUCTED ON : 2122775 ONTARIO INC.  
FILE CURRENCY : 23OCT 2013

00 [REDACTED] FILE NUMBER 669737052

01 [REDACTED] REGISTRATION NUMBER 20110510 1414 1590 1560

02 [REDACTED] DATE OF BIRTH [REDACTED] SURNAME [REDACTED] ONTARIO CORPORATION NO. [REDACTED]

03 [REDACTED] BUSINESS NAME [REDACTED]

04 [REDACTED] ADDRESS [REDACTED] ONTARIO CORPORATION NO. [REDACTED]

05 [REDACTED] DATE OF BIRTH [REDACTED] INITIAL SURNAME [REDACTED]

06 [REDACTED] BUSINESS NAME [REDACTED]

07 [REDACTED] ADDRESS [REDACTED]

08 [REDACTED] SECURED PARTY / GLEN CLAIMANT

09 [REDACTED] ADDRESS [REDACTED]

10 [REDACTED] GENERAL CLASSIFICATION [REDACTED] DATE OF ACQUISITION [REDACTED] DATE OF EXPIRATION [REDACTED] DATE OF MATURITY [REDACTED] DATE OF REGISTRATION [REDACTED]

11 [REDACTED] YEAR MAKE [REDACTED] MODEL [REDACTED]

12 [REDACTED] MOTOR VEHICLE

13 [REDACTED] GENERAL AVENUE, TORONTO, ONTARIO.

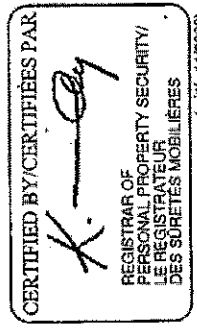
14 [REDACTED] COLLATERAL

15 [REDACTED] DESCRIPTION

16 [REDACTED] REGISTERING AGENT

17 [REDACTED] ADDRESS [REDACTED]

CONTINUED...



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

REPORT : PSSR060  
 PAGE : ( 7  
 ( 3594)

RUN NUMBER : 297  
 RUN DATE : 2013/10/24  
 ID : 20131024115034.79

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : 2122775 ONTARIO INC.  
 FILE CURRENCY : 23OCT 2013

FORM IC FINANCING STATEMENT / CLAIM FOR LIEN

FILE NUMBER  
 666544761

CATION PAGE TOTAL MOTOR VEHICLE REGISTRATION REGISTERED REGISTRATION  
 FILING NO. OF PAGES ASSEMBLY ADDRESS UNDER PERIOD

3

P PPSA

20101214 1035 1590 3393

ONTARIO CORPORATION NO.2  
 ON M3W 6N6

INDIVIDUAL SURNAME

ONTARIO CORPORATION NO.2  
 ON M3W 6N6

ONTARIO CORPORATION NO.2

FIRST GIVEN NAME

2122775 ONTARIO INC.

TORONTO

93 SKYWAY AVENUE, SUITE 108

INDIVIDUAL SURNAME

FIRST GIVEN NAME

TORONTO

HOME TRUST COMPANY

C/O HARBOUR MTG, 36 TORONTO ST, STE 500 TORONTO

ON M5C 2C5

GENERAL CLASSIFICATION MOTOR VEHICLE AMOUNT DAYS OF NOTICES  
 CONSUMER INVENTORY EQUIPMENT ACCOUNTS OTHER ENDED MAJORITY OR MAJORITY PART

X X X X X X

MODEL

YEAR MAKE

YEAR MAKE

11 MOTOR  
 12 VEH. CLP

13 GENERAL  
 14 COLLATERAL  
 15 DESCRIPTION

TORKIN MANES LLP (L. RODNESS/JWA 17349-130)

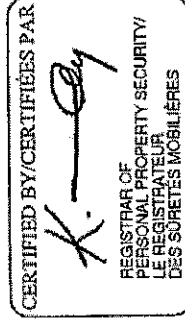
ADDRESS 1500 151 YONGE STREET

TORONTO

ON M5C 2W7

FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY AT:

CONTINUED ... 8



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

REPORT : P588060  
 PAGE : 8  
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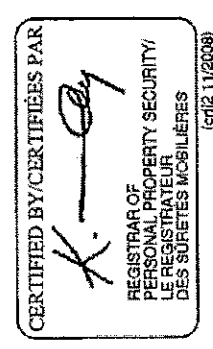
RUN NUMBER : 297  
 RUN DATE : 2013/10/24  
 ID : 20131024115034.79

TYPE OF SEARCH : BUSINESS DEBTOR  
 SEARCH CONDUCTED ON : 2122775 ONTARIO INC.  
 FILE CURRENCY : 23OCT 2013

INFORMATION RELATING TO THE REGISTRATIONS LISTED BELOW IS ATTACHED HERETO.

FILE NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER	REGISTRATION NUMBER
681038991	20120829 0840 1793 9852		
675876715	20120127 0928 1590 5353		
675876751	20120127 0931 1590 5354		
669737052	20110510 1414 1590 1560		
666544761	20101214 1035 1590 3393		

5 REGISTRATION(S) ARE REPORTED IN THIS ENQUIRY RESPONSE.



## APPENDIX E

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Collins Barrow Toronto Limited  
Collins Barrow Place  
11 King Street West  
Suite 700, Box 27  
Toronto, Ontario  
M5H 4C7 Canada

T. 416.480.0160  
F. 416.480.2646

[www.collinsbarrow.com](http://www.collinsbarrow.com)

November 25, 2013

**To: The Creditors of 2122775 Ontario Inc. o/a Alexandria Town Homes**

Pursuant to sections 245 and 246 of the *Bankruptcy and Insolvency Act*, please find attached the *Notice and Statement of Receiver* in the matter of the receivership of 2122775 Ontario Inc. (the "**Company**").

The claims of creditors of the Company as recorded on the attached lists have been compiled from information provided by management. Creditors should check the balance that is recorded as the amount owed to them by the Company and notify the Receiver as soon as possible if the amount is not correct.

Please note that the Receiver has not yet initiated a formal claims process.

Yours truly,

**COLLINS BARROW TORONTO LIMITED**

In its capacity as Court-appointed Receiver  
and Manager of 2122775 Ontario Inc.  
and not in its personal capacity

A handwritten signature in black ink, appearing to read 'Bryan A. Tannenbaum', written over the typed name.

Per: Bryan A. Tannenbaum, FCPA, FCA, FCIRP  
President

**NOTICE AND STATEMENT OF RECEIVER  
(SECTION 245(1) AND 246(1) OF THE ACT)**

In the matter of the receivership of the property of 2122775 Ontario Inc. (the "**Company**")

The receiver gives notice and declares that:

1. On the 15<sup>th</sup> day of November, 2013, the undersigned Collins Barrow Toronto Limited was appointed as receiver and manager (the "**Receiver**") in respect of all of the assets, undertakings and properties of the Company, an insolvent person that is described below:

Security deposits	\$ 473,705	
Land	11,854,444	
Construction in progress	<u>10,551,466</u>	
	<u><b>\$22,879,616</b></u>	

*Source: Unaudited internal balance sheet as at September 30, 2013.*

2. The undersigned became a receiver and manager in respect of the property described above by virtue of being appointed by the Ontario Superior Court of Justice - Commercial List.
3. The undersigned commenced the exercise of its powers in respect of that appointment on the 15<sup>th</sup> day of November, 2013.
4. The following information relates to the receivership.
  - a) Address of insolvent company: 75 International Blvd., Suite 400, Toronto, ON
  - b) Principal line of business: property owner and developer of real property municipally known as 2425-2427 Bayview Avenue, Toronto, Ontario.
  - c) According to the Company's records, the amounts owed by the Company to the creditors who appear to hold a security interest on the property described above include:

Home Trust Company	\$ 6,500,000	Mortgage
Zaherali Visram	5,100,000	Mortgage
VS Capital Corporation	12,750,000	Mortgage
Cameo Fine Cabinetry (Mississauga) Inc.	30,000	Mortgage
Martino Contractors Ltd.	28,476	Lien Claim
King Masonry Yard Ltd.	8,782	Lien Claim
UCIT Online Security Inc.	29,595	Lien Claim
Silverado Custom Home Corporation	37,500	Lien Claim
Hush Homes Inc.	1,674,544	
Total	<u><u><b>\$26,158,897</b></u></u>	

*The validity of the above list of secured creditors has yet to be confirmed.*

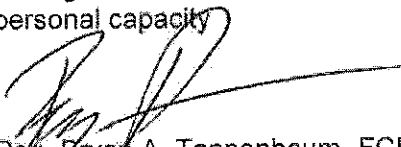
- d) The list of other creditors of the Company and the amount owed to each creditor and the total amount due by the insolvent company is attached.
- e) The Receiver is reviewing the current status of the Company in order to determine the optimal course of action for realizing on the assets.
- f) Contact person for the Receiver:

Brenda Wong  
Collins Barrow Toronto Limited  
11 King Street West  
Suite 700, PO Box 27  
Toronto, Ontario M5H 4C7  
Telephone: (647) 727-3621  
Facsimile: (416) 480-2646  
E-mail: [bywong@collinsbarrow.com](mailto:bywong@collinsbarrow.com)

- g) Additional information: A copy of the receivership order is posted on the Receiver's website at <http://www.collinsbarrow.com/en/cbn/2122775-ontario> and other pertinent public information will be posted to this website as that information becomes available.

Dated at Toronto this 25<sup>th</sup> day of November, 2013.

**COLLINS BARROW TORONTO LIMITED**  
In its capacity as Court Appointed Receiver and  
Manager of 2122775 Ontario Inc. and not in its  
personal capacity



Per: Bryan A. Tannenbaum, FCPA, FCA, FCIRP  
President

**COLLINS BARROW TORONTO LIMITED**  
In the Matter of the Receivership of the Property of  
2122775 ONTARIO INC.

**MAILING LIST**

<b>Unsecured</b>	
AECON Construction Group Inc.	\$ 30,352.02
Alpa Stairs & Railings Inc.	62.15
Artistic Smart Homes	34,498.90
Aviva Insurance Company of Canada	2,500.00
Battlefield Equipment Rentals	7,338.47
Casa Bella Windows Inc.	2,121.01
Christal Mechanical	4,474.80
Concord Concrete Group Inc.	1,185.35
Davroc Testing Laboratories Inc.	1,104.81
Deckcellence	1,582.00
Double Rainbow Stucco Systems Limited	10,961.00
Drain-Tite Industries Inc.	8,877.85
EnerQuality Corporation	2,825.00
Erindale Contracting Ltd.	1,892.75
Field Review Consultants Ltd.	1,740.20
Harvey Kalles Real Estate Ltd.	103,905.00
HomeLife Excelsior Realty Inc., Brokerage	48,980.00
In2ition Realty	723.20
JEEM Services	10,292.32
Kamnik Electric Limited	32,832.15
Kromar Surveyors Ltd.	5,527.53
Mansteel Limited	8,296.46
Medi Group Inc.	2,259.32
MMM Group Limited	2,486.00
Pave Plumbing & Heating Inc.	61,359.00
Pro-Drain Construction Ltd.	18,387.60
Roman Building Materials Ltd.	2,237.11
Romar Stone Carving Inc.	19,775.00
Rose Construction & Rebuild	31,075.00
Royal Framing Developments Inc.	678.00
RS Bulk Propane Inc.	5,400.01
RTG Systems	5,624.95
Safex Workplace Safety Manager	768.40
Stephenson's Rental	2,798.79
SYNERGETIC Marketing & Promotion Inc.	3,876.37
Terra Firma Plus Inc.	847.50
TFN Realty Inc.	242.70
The Brand Factory	6,554.00
Treasurer, City of Toronto	62,023.43
Vander Brand Group Inc.	4,689.50
Velcan Forest Products Inc.	67,723.15
VoiceMailTel Inc.	121.19
W.J. Miller Ltd.	904.00
Waste Management of Canada Corp.	581.95
Total	<u>\$ 622,485.94</u>

**COLLINS BARROW TORONTO LIMITED**  
**In the Matter of the Receivership of the Property of**  
**2122775 ONTARIO INC.**

**MAILING LIST**

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**Supplementary**

Aird & Berlis LLP  
Fluxgold Izsak Jaeger LLP  
Fogler Rubinoff LLP  
Gowling Lafleur Henderson LLP  
Keyser Mason Ball LLP  
Loopstra Nixon LLP  
RDQ Barristers and Solicitors LLP

Canada Revenue Agency  
Department of Justice (Canada)  
Ministry of Finance (Ontario)  
Bankruptcy Court - Toronto  
Office of the Superintendent of Bankruptcy

## APPENDIX F

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## **Prime residential development opportunity**

**For Sale – Alexandria Towns at The Bridle Path**  
2425 and 2427 Bayview Avenue, Toronto, ON



### **Highlights**

- **Prime residential location in The Bridle Path**
- **Approximately 1.3 acres**
- **Zoned for multi-family dwellings**

## THE OPPORTUNITY

Collins Barrow Toronto Limited, in its capacity as Court-Appointed Receiver and Manager (the “**Receiver**”) of 2122775 Ontario Inc. o/a Alexandria Town Homes (the “**Company**”), is soliciting offers for the purchase of the lands and premises including the building project which has been partially constructed thereon at 2425 and 2427 Bayview Avenue, Toronto, Ontario.

The Receiver will receive offers to purchase up to and including January 23, 2014.

## OVERVIEW OF THE PROPERTY

The Company is the owner and developer of the property known municipally as 2425 and 2427 Bayview Avenue. The property was acquired for the purpose of constructing a twenty unit townhouse development (the “**Project**”) thereon.

Construction commenced on the Project in Spring 2012 and was halted in Summer 2013 due to insufficient funds. As of this time, the Company has substantially completed the underground parking garage and has partially completed one model home such that the exterior is finished and the interior has been framed and roughed in.

## LOCATION

The subject property is located in the former city of North York in the upscale residential neighbourhood known as *The Bridle Path*, home to some of the largest and most expensive homes in Toronto.

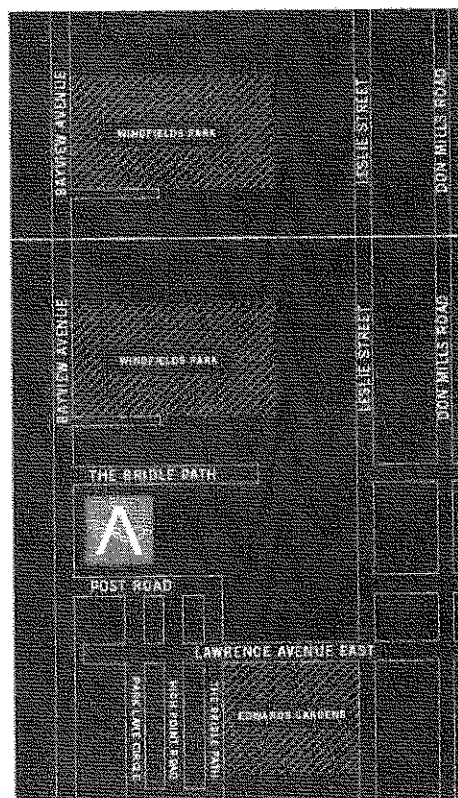
## SITE DESCRIPTION

The property is rectangular in shape measuring approximately 1.3 acres.

The site fronts on east side of Bayview Avenue and is surrounded by residential properties to the north, east and south. The two closest streets to the north and south are The Bridle Path and Post Road, respectively.

## THE COMPANY’S PROJECT DESCRIPTION

- Twenty luxury town homes facing a central paved and landscaped courtyard with a fountain
- Neo-Georgian architecture with stone cast facades, French balconies and wrought iron railings
- Private elevators
- Underground double-car garage
- Fourth floor roof top garden





## **ZONING**

According to City of Toronto By-Law No. 619-2009(OMB), the subject property is zoned for Multiple-Family Dwellings First Density Zone (RMI), and the only permitted use shall be multiple attached dwellings.

## **LEGAL DESCRIPTION**

The real property is described as PIN No. 10126-1010 (LT) Part of Lot 8 Concession 2 EYS (N York), designated as Parts 1 & 2 on Plan 66R24078; City of Toronto.

## **TRANSACTION AND COMPETITIVE BIDS PROCESS**

The Receiver is conducting a Request for Offers, with the deadline for submission of offers set for January 23, 2014, at 12:00 noon, Eastern Standard Time. Offers must be submitted using the pre-approved form of offer available with the Confidential Information Memorandum ("**CIM**"). The Receiver reserves the right to extend the above deadline at its sole discretion.

To receive additional information including the CIM, interested parties must execute the enclosed Confidentiality Agreement and return a copy via e-mail to [bywong@collinsbarrow.com](mailto:bywong@collinsbarrow.com) or by facsimile (Facsimile #: (416) 480-2646) to the Receiver, attention Ms. Brenda Wong.

The information contained in this document is based on information made available to the Receiver by the Company. The information is intended for informational purposes only. The Receiver has not verified the information and does not represent, warrant or guarantee the accuracy, correctness and completeness of the information. The Receiver does not accept or assume any responsibility or liability of any kind in connection with the information and the recipient's reliance upon the information. The recipient should take such steps as they may deem necessary to verify the information prior to placing any reliance upon it. The information may change and any property described in the information may be withdrawn from the market at any time without notice or obligation to the recipient from the Receiver.

## APPENDIX G

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**CONFIDENTIALITY AGREEMENT**

**2122775 ONTARIO INC.**

BETWEEN:

**Collins Barrow Toronto Limited**

Solely in its capacity as the Court-Appointed Receiver and Manager  
of certain assets, undertakings and properties of 2122775 Ontario Inc. (the "**Debtor**")  
and without personal or corporate liability

(hereinafter, the "**Receiver**")

- and -

[•]

(hereinafter, the "**Recipient**")

WHEREAS:

- A. Pursuant to an Order of the Ontario Superior Court of Justice (the "**Court**") dated November 15, 2013, (the "**Appointment Order**") Collins Barrow Toronto Limited was appointed as the receiver and receiver and manager of all of the lands and premises known municipally as 2425 and 2427 Bayview Avenue, Toronto, Ontario (the "**Lands**") and legally described in Schedule "B" to the Appointment Order and of all of the Debtor's current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, including those acquired for, or used in relation to, the development of the Lands and construction of improvements thereon, including all proceeds thereof (collectively the "**Property**").
- B. By Order of the Court dated December ■, 2013 (the "**Marketing Order**"), the Receiver was authorized by the Court to market and sell the Receiver's right, title and interest, if any, in and to the Property.
- C. The Lands and certain of the Property is being offered for sale by the Receiver pursuant to the Request for Offers (the "**RFO**") approved by the Court pursuant to the Marketing Order.
- D. The Recipient has expressed an interest in acquiring (the "**Potential Transaction**") the Property.
- E. The Receiver intends to provide certain confidential information pertaining to the Debtor and the Property to the Recipient for its review and consideration in connection with the Potential Transaction.

**FOR GOOD AND VALUABLE** consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereby agree as follows:

1. The Receiver shall furnish to the Recipient certain information pertaining to the Debtor and the Property that is either non-public, confidential or proprietary in nature, including, but not limited to, property, financial and operating information and an information memorandum. All such information furnished to the Recipient, its directors, officers, employees, agents or representatives, including, without limitation, its lawyers, accountants, consultants or financial advisers (collectively "**Representatives**") by the Receiver, and all analyses, compilations, data, studies, derivative works or other documents prepared by the Recipient or its Representatives containing or based upon, in whole or in part, any such furnished information is herein referred to as the "**Information**". Information includes, but is not limited to, information about identifiable individuals ("**Personal Information**").
2. The Information will be kept confidential by the Recipient and its Representatives and will not, without the prior written consent of the Receiver, be disclosed by the Recipient or its Representatives, in any manner whatsoever, in whole or in part, and will not be used by the Recipient or its Representatives, directly or indirectly, for any purpose other than in connection with the Potential Transaction and not in any way that is, directly or indirectly, detrimental to the interests of the Receiver or the Debtor.
3. The Recipient acknowledges that the Information is being furnished to the Recipient in accordance with the RFO and the Marketing Order and no provision of this Confidentiality Agreement shall limit or otherwise affect any of the terms of the Marketing Order including, without limitation, the limitations on the Receiver's liability contained therein with respect to marketing and sale of the Property as well as the confidentiality obligations imposed upon the Recipient pursuant thereto. The Recipient acknowledges that the Receiver does not make any express or implied representation or warranty as to the accuracy, sufficiency or completeness of the Information and agrees that the Receiver shall not have any liability, direct or indirect, to the Recipient or its Representatives relating to or resulting from the Information or the use by the Recipient or its Representatives thereof, errors therein, or omissions therefrom, except in accordance with any specific representation or warranty made in any definitive agreement entered into in respect of the Potential Transaction.
4. The Recipient agrees to furnish the Information only to those Representatives who need to know the Information for the purpose of evaluating the Potential Transaction and who are informed by the Recipient of the confidential nature of the Information and who agree in writing to be bound by the terms of this Agreement. The Recipient further agrees to be responsible for any breach of this Agreement by any of its Representatives. The Recipient will make all reasonable, necessary and appropriate efforts to safeguard the Information from disclosure to anyone other than as permitted hereby.
5. Without the prior written consent of the Receiver, the Recipient will not, and will direct its Representatives not to, disclose to any other person that the Information has been made available, that this Agreement has been entered into, that discussions or negotiations are taking place concerning the Potential Transaction, or any of the terms, conditions or other facts with respect to the Potential Transaction, unless and only to the extent that in the opinion of its counsel disclosure is required to be made under applicable laws or regulations or as required by any competent governmental, judicial or other authority,

provided that the Recipient will advise the Receiver so the Receiver may seek a protective order or other appropriate remedy and, where reasonably practical, consult with the Receiver prior to such disclosure concerning the Information the Recipient proposes to disclose. The Recipient shall co-operate with the Receiver on a reasonable basis to obtain such protective order or other appropriate remedy.

6. The Recipient shall keep a record of each location of the Information and its Representatives to whom the Information is provided. If the Recipient determines not to enter into an offer to purchase the Property, (or if an offer to purchase the Property is not concluded), the Recipient shall promptly (a) notify the Receiver of that decision, and (b) destroy all physical and electronic copies of the Information and all notes prepared by the the Recipient or any of its Representatives, including electronic back-ups of the foregoing in a manner that ensures that such data may not be retrieved or undeleted. Without limiting the generality of the foregoing, the Recipient shall not retain for any longer than necessary, and shall destroy or make anonymous, any records pertaining to Personal Information in accordance with applicable law.
7. The Recipient shall store the Personal Information properly and securely and ensure that appropriate technical and organizational means are in place to protect the Personal Information against unauthorized or unlawful processing and against accidental loss, destruction or damage, including taking reasonable steps to ensure the reliability of any person permitted by the Recipient to have access to the Personal Information.
8. Save and except with respect to Personal Information, this Agreement shall be inoperative as to such portions of the Information which: (a) are or become generally available to the public other than as a result of the disclosure by the Recipient or its Representatives; (b) become available to the Recipient from a source other than the Receiver or its Representatives, provided that such source, so far as the Recipient is aware, is not bound by a confidentiality agreement with the Receiver or its Representatives or otherwise prohibited from transmitting the Information to the Recipient by a contractual or legal obligation; or (c) were known to the Recipient prior to their disclosure to the Recipient by the Receiver.
9. The Recipient's right to receive information hereunder may be terminated by the Receiver at any time upon written notice to the Recipient whereupon the Recipient shall destroy, without any cost to the Receiver, the Information and all notes and writings in respect thereof, which the Recipient or its Representatives may have in their possession at that time.
10. The Recipient hereby agrees to indemnify the Receiver against any damages, liability or expense (including legal fees and disbursements) caused to the Receiver, or its agents and arising from any breach by the Recipient of its obligations under the terms of this Agreement.
11. The Recipient acknowledges that it has not been introduced to the Property through any registered real estate agent or intermediary and agrees to work directly through the Receiver with respect to any purchase of the Property.
12. No failure or delay by either party in exercising any right, power or privilege under this Agreement will operate as a waiver thereof, nor will any single or partial exercise preclude any other or further exercise of any right, power or privilege under this Agreement.

13. The Recipient acknowledges that disclosure of the Information or other breach of this Agreement would cause serious and irreparable damage and harm to the Receiver and that remedies at law would be inadequate to protect against breach of this Agreement, and each agrees in advance to the granting of injunctive relief in favour of the Receiver for any breach of the provisions of this Agreement and to the specific enforcement of the terms of this Agreement, without proof of actual damages, in addition to any other remedy to which the Receiver would be entitled.
14. No amendment, supplement, modification or waiver or termination of this Agreement and, unless otherwise specified, no consent or approval by either party, shall be binding unless executed in writing by the party to be bound thereby.
15. The confidentiality and non-use obligations described in this Agreement shall terminate two (2) years from the date of this Agreement.
16. This Agreement shall not be assigned without the prior consent of both the Receiver and the Recipient.
17. This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable to agreements made to be performed within such province.

DATED at Toronto this        day of \_\_\_\_\_ 201\_\_.

Collins Barrow Toronto Limited in its capacity as  
Court-Appointed Receiver and Manager of the  
Property (as defined herein) of 2122775 Ontario  
Inc. and not in its personal capacity

Per: \_\_\_\_\_

Name:

Title:

[NAME OF RECIPIENT]

Per: \_\_\_\_\_

Name:

Title:

## APPENDIX H

---

## FORM OF OFFER

To: Collins Barrow Toronto Limited, solely in its capacity as Court-Appointed Receiver and Manager of 2122775 Ontario Inc. including all of the lands and premises known municipally as 2425 and 2427 Bayview Avenue, Toronto, Ontario and more particularly described in Schedule "A" attached hereto (the "Lands"), and all of the assets, undertakings and properties of 2122775 Ontario Inc. acquired for, or used in relation to, the development of the Lands and construction of improvements thereon (collectively, the "Property"), and without personal or corporate liability (the "Receiver").

1. \_\_\_\_\_  
(Name of Offeror)
2. \_\_\_\_\_  
(Address of Offeror)
3. \_\_\_\_\_  
(Telephone Number)      (Facsimile Number)      (E-mail address)
4. We/I hereby submit this en bloc offer for the purchase of the Property for the purchase price of CAD\$ \_\_\_\_\_ ( \_\_\_\_\_ dollars), excluding applicable taxes.
5. We/I agree, that in the event this offer is accepted, to be bound by the Terms and Conditions of Sale dated December \_\_\_\_, 2013 which shall form part of this offer.
6. This Offer is irrevocable and shall remain open for the consideration of the Receiver until 12:00 o'clock noon Eastern Standard Time on the 23<sup>rd</sup> day of January, 2014.
7. Warranty - We/I represent and warrant to the Receiver that we/I am/are not a non-eligible person as defined by the *Investment Canada Act*.
8. Enclosed is our/my certified cheque payable to Collins Barrow Toronto Limited, Court-Appointed Receiver and Manager of 2122775 Ontario Inc., as a deposit in the amount of \$ \_\_\_\_\_, representing 10% of the total amount of our/my Offer submitted herein.

DATED at \_\_\_\_\_ this \_\_\_\_ day of \_\_\_\_\_, 2014.

[NAME OF OFFEROR]

Per: \_\_\_\_\_  
Name:  
Title:

Per: \_\_\_\_\_  
Name:  
Title:

We/I have authority to bind the Corporation.



**SCHEDULE "A"**  
**LEGAL DESCRIPTION OF THE LANDS**

The Lands comprising the Property are legally described as follows:

PIN No.	10126-1010 LT Part of Lot 8 Concession 2 EYS (N York), designated as Parts 1 & 2 on Plan 66R24078; City of Toronto
Address	2425 and 2427 Bayview Avenue, Toronto

## TERMS AND CONDITIONS OF SALE

1. The vendor is Collins Barrow Toronto Limited, solely in its capacity as the Receiver and Manager (the "**Vendor**") appointed pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated November 15, 2013 of all of the lands and premises known municipally as 2425 and 2427 Bayview Avenue, Toronto, Ontario and more particularly described in Schedule "B" to the Appointment Order (the "**Lands**") and of all of the current and future assets, undertakings and properties of 2122775 Ontario Inc. (the "**Debtor**") of every nature and kind whatsoever, and wherever situate, including those acquired for, or used in relation to, the development of the Lands and construction of improvements thereon, including all proceeds thereof.
2. Pursuant to these Conditions of Sale, the Vendor is offering for sale the Vendor's and the Debtor's right, title and interest, if any, in the Property as defined in the Confidential Information Memorandum (the "**CIM**") dated December \_\_\_\_, 2013.
3. A listing of the various items comprising the Property is contained in the CIM. All information contained in the CIM, including without limitation, the lists and descriptions of the Property (including, without limitation, the legal description of the Lands), has been prepared solely for the convenience of the party submitting an offer to purchase some or all of the Property (an "**Offeror**") and are not warranted to be complete or accurate and do not form part of these Conditions of Sale.
4. The Property is available for inspection by contacting the Vendor's representative identified below to arrange for an appointment:  
  
Ms. Brenda Wong  
Telephone: 647-727-3621  
E-mail: bywong@collinsbarrow.com
5. The Vendor will only consider en bloc offers for the Lands comprising the Property. Offers may not be submitted for individual parcels of the Lands.
6. Sealed offer marked "Offer — 2122775 Ontario Inc." shall be delivered or mailed postage prepaid to Collins Barrow Toronto Limited, 11 King Street West, Suite 700, PO Box 27, Toronto, Ontario, M5H 4C7, to the attention of Brenda Wong. All offers must be received by the Vendor by 12:00 noon Eastern Standard Time on January 23, 2014 (the "**Offer Date**"). The Vendor reserves the right to extend the Offer Date at any time for any reason.
7. The Vendor reserves the right to amend or terminate the Sales Process at any time.
8. Every offer submitted should be in the form of offer attached hereto. Offers received by the Vendor which are not in such form may be rejected. Offers shall be opened by the Vendor and reviewed with representatives of Home Trust Company. No Offeror shall be entitled to be present for the opening of offers.
9. The Vendor shall have no obligation, at law or in equity or otherwise, to any Offeror or any other person or party, to:
  - (a) consider any offer which:

- (i) specifies a purchase price as an amount or percentage in excess of any other offer or otherwise as a function of the purchase price offered by any other Offeror;
  - (ii) has not been fully completed and duly executed;
  - (iii) is not accompanied by the Deposit (as defined below) required hereunder;
  - (iv) is conditioned on the outcome of unperformed due diligence by the Offeror;
  - (v) has not been delivered to and received at the offices of the Vendor as required hereunder; or
- (b) negotiate with any Offeror after the Offer Date with respect to any provision of the offer or request or agree to any changes therein,

but nothing in these Conditions of Sale shall preclude the Vendor from taking any of the foregoing steps if, in its sole and unfettered discretion, it decides to do so; however the taking of any such step shall not constitute a waiver by the Vendor of the provisions of this paragraph or an obligation on the part of the Vendor to take any further or other steps referred to above with the same or any other Offeror. The Vendor will be under no obligation to negotiate identical terms with, or extend identical terms to, each Offeror.

10. The Offeror shall, with its offer, deliver to the Vendor the following:

- (a) an amount equal to 10% of the purchase price specified in the Offer by certified cheque or bank draft drawn on or issued by a Schedule 1 Canadian chartered bank or trust company, which shall be held in a non-interest bearing account by the Vendor. If the Offer is accepted by the Vendor said cheque shall be deemed to be a cash deposit (the "**Deposit**") against the aggregate offered purchase price (the "**Purchase Price**") and, subject to Court approval of the Offer, the Offeror (hereinafter called the "**Purchaser**") under an Approved Sale Agreement (as defined below) shall pay the balance of the Purchase Price to the Vendor, by certified cheque or bank draft drawn on or issued by a Schedule 1 Canadian chartered bank or trust company on the Closing Date of the transaction under the Approved Sale Agreement;
- (b) an executed copy of the template agreement of purchase and sale prepared by the Vendor ("**Template Sale Agreement**"), amended to reflect matters specific to the Offer (the Template Sale Agreement as amended, the "**Offeror Sale Agreement**"), which shall be binding and irrevocable until February 11, 2014;
- (c) a comparison of the Template Sale Agreement to the executed and amended Offeror Sale Agreement;
- (d) a representation of the Offeror that the Offeror has, and written evidence of, available cash and/or a commitment for financing to evidence the Offeror's

- ability to close the proposed transaction as the Vendor may reasonably request;
- (e) a copy of a resolution of the Offeror's board of directors or similar document demonstrating the Offeror's authority to make an irrevocable Offer and to execute the transaction contemplated by the Offeror Sale Agreement; and
  - (f) disclosure of the identity of each entity (including its ultimate shareholders) that has submitted the Offer.
11. Following the Offer Date, the Vendor specifically reserves its right to negotiate with any Offeror with respect to any provision of the offer or to request or agree to any changes in any such Offer. The Vendor may choose to take such steps with respect to one or more Offers but the Vendor shall have no obligation to negotiate identical terms with, or extend identical terms to each Offeror. The Vendor reserves its right to request some, but not all, Offerors to submit a revised offer reflecting improved terms or other amendments requested by the Vendor. The Vendor will be under no obligation to provide to each Offeror the opportunity to improve the terms of any offer submitted to the Vendor following the Offer Date.
  12. If the Vendor accepts an offer and the subject Offeror Sale Agreement, the Vendor shall seek Court approval of such Offeror Sale Agreement as soon as reasonably possible. Any Offeror Sale Agreement accepted by the Vendor and approved by the Court is referred to herein as an "**Approved Sale Agreement**".
  13. If the Vendor accepts an offer but the terms of that offer or the Offeror Sale Agreement are not approved by the Court then the Vendor may, in its sole and unfettered discretion, terminate the proposed transaction and any Offeror Sale Agreement accepted by the Vendor, whereupon the Deposit shall forthwith be returned to the Offeror without credit for any accrued interest thereon and the Vendor may then accept any other offer to purchase the Property.
  14. Notwithstanding any other provision contained in these Conditions of Sale, nothing herein shall constitute an assignment or attempted assignment of any of the Property subject to an Approved Sale Agreement ("**Purchased Assets**") which is not assignable without the consent of any person if such consent is not obtained by the Purchaser. It shall be the Purchaser's sole responsibility to obtain, at its own expense, any consents, approvals or any further documentation or assurances which may be required to carry out the terms of the sale of the Purchased Assets, including, without limitation, any approvals with respect to the assignment of any of the Purchased Assets not assignable without the consent or action of a third party or parties. Specifically, and without limiting the generality of the foregoing, by submitting an Offer, an Offeror acknowledges that it has conducted its own investigations with respect to any licences, approvals or third party consents which are necessary to purchase any of the Property, to develop or construct improvements upon the Lands or any other activity utilizing or in connection with any of the Property.
  15. Cheques accompanying Offers that are not accepted will be returned to the Offeror by registered mail addressed to the Offeror at the address set out in its Offer or made available for pick up not later than eighteen (18) days following the opening of Offers unless otherwise arranged with the Offeror.

16. The closing of the Approved Sale Agreement shall take place at the office of the Vendor, 11 King Street West, Suite 700, Toronto, Ontario or at the option of the Vendor, at the offices of the Vendor's solicitors at 11:00 a.m. on the 31<sup>st</sup> day after approval by the Court of the Approved Sale Agreement (the "**Closing Date**") or such other date as the Vendor and the Purchaser may agree.
17. Upon closing of the sale of the Purchased Assets contemplated by the Approved Sale Agreement (the "**Closing**"), the Purchaser shall be entitled, upon receipt by the Vendor of the Purchase Price, to possession of the Purchased Assets and to such bills of sale or assignments as may be considered necessary by the Vendor to convey the Purchased Assets to the Purchaser provided that the Purchaser shall remain liable under the Approved Sale Agreement. Any such deeds, bills of sale or assignments shall contain only a release of the Vendor's interest in the Purchased Assets and shall not contain any covenants.
18. The Purchaser shall pay on closing in addition to the Purchase Price all applicable federal, provincial and municipal taxes.
19. The Purchaser shall assume at the Purchaser's cost complete responsibility for compliance with all laws, municipal, provincial or federal in so far as same apply to the Purchased Assets and the use thereof by the Purchaser.
20. The Vendor shall not be required to furnish or produce any abstract of title, title deed, survey, declaration or other document or evidence as to title, other than those in its possession.
21. Prior to the Closing, the Purchased Assets shall be and remain in the possession of and at the risk of the Vendor and the Vendor will hold all policies of insurance effected thereon and the proceeds thereof in trust for the Vendor and the Purchaser as their respective interests may appear. After Closing, the Purchased Assets shall be at the risk of the Purchaser. In the event of substantial damage to the Purchased Assets occurring on or before Closing, the Purchaser may either have the proceeds of the insurance and complete the Approved Sale Agreement or may cancel such Approved Sale Agreement and have the Deposit paid thereunder, returned without interest, costs or compensation of any kind whatsoever. Where any damage is not substantial, the Purchaser shall be obliged to complete the purchase and shall be entitled to the proceeds of insurance referable to such damage, but not to any other costs or compensation whatsoever.
22. All adjustments of such taxes and other items as are specified herein will be made as of Closing under the Approved Sale Agreement. The Purchaser shall arrange its own insurance and there shall be no adjustment with respect to insurance.
23. No adjustments will be allowed by either the Vendor or the Purchaser for changes in the condition or quantity of any of the Property comprising the Purchased Assets. The Vendor shall remain in possession of the Purchased Assets until the Purchase Price therefor has been paid in full. The Purchaser will take possession of the Purchased Assets at Closing.
24. If the Purchaser fails to comply with the Approved Sale Agreement, the Purchaser's deposit shall be forfeited to the Vendor and the Purchased Assets may be resold by

the Vendor, and the Purchaser shall pay to the Vendor (i) an amount equal to the amount, if any, by which the Purchase Price under the Approved Sale Agreement exceeds the net purchase price received by the Vendor pursuant to such resale, and (ii) an amount equal to all costs and expenses incurred by the Vendor in respect of or occasioned by the Purchaser's failure to comply with the Approved Sale Agreement.

25. By submitting an Offer, a Purchaser acknowledges that it has inspected the Purchased Assets and that the Purchased Assets are sold on an "as is, where is" basis at the time of Closing and that no representation, warranty or condition is expressed or implied as to title, description, fitness for purpose, merchantability, quantity, conditions or quality thereof or in respect of any other matter or thing whatsoever. Each Purchaser acknowledges that the Vendor is not required to inspect, or provide any inspection of the Purchased Assets or any part thereof and each Purchaser shall be deemed, at its own expense, to have relied entirely on its own inspection and investigation. It shall be the Purchaser's sole responsibility to obtain, at its own expense, any consents to the transfer of the Purchased Assets and any further documents or assurances which are necessary or desirable in the circumstances. Without limiting the generality of the foregoing, any and all conditions, warranties and representations expressed or implied pursuant to the Sale of Goods Act (Ontario) do not apply to the sale of the Purchased Assets and have been waived by the Purchaser.
26. Collins Barrow Toronto Limited acts solely in its capacity as Court-Appointed Receiver and Manager of the Property and shall have no personal or corporate liability in connection with the Vendor offering the Property for sale, pursuant to the Conditions of Sale, the CIM or under any Offer, Offeror Sale Agreement or Approved Sale Agreement.
27. The highest or any offer will not necessarily be accepted.
28. The acceptance of any offer and any Offeror Sale Agreement entered into by the Vendor shall be subject to the condition that the sale and the terms thereof be approved by the Court.
29. No Offeror shall be at liberty to withdraw, vary or countermand an Offer once received by the Vendor. Each Offer shall be irrevocable until February 11, 2014.
30. The Vendor, at its sole discretion, may waive or vary any or all of the terms and conditions hereof. The terms and conditions contained herein shall not merge on the Closing of the transaction contemplated by any Approved Sale Agreement but shall survive such closing and remain in full force and effect and be binding on the Purchaser thereafter.
31. These Conditions of Sale and the validity and interpretation of any offer, Offeror Sale Agreement or Approved Sale Agreement shall be governed by the laws of Ontario, and such agreement shall enure to the benefit of and be binding upon the parties thereto, and their respective heirs, executors, administrators, successors or assigns as the case may be.
32. The submission of an offer by a resident of the province of Quebec shall be deemed to constitute the declaration and acknowledgement by the Offeror that it has requested the Conditions of Sale, the form of the offer referred to herein, any Offeror Sale

Agreement and all other documentation relating to its offer and to the acceptance thereof to be drawn up in the English language only.

33. All stipulations as to time are strictly of the essence.
34. Any offer of documents or money hereunder may be made upon the Vendor or the Purchaser, or their respective solicitors. Money may be paid by certified cheque or bank draft drawn on or issued by a Schedule 1 Canadian chartered bank or trust company.
35. The obligations of the Vendor to complete an Approved Sale Agreement shall be relieved if, on or before the Closing of such sale, the Order of the Court approving the subject Approved Sale Agreement is subject to appeal, any of the Purchased Assets subject to the sale have been removed from the control of the Vendor by any means or process, or if any of the Purchased Assets subject to the sale is redeemed, whereupon the only obligation of the Vendor shall be to return the applicable Deposit, without interest, costs or compensation.
36. The Vendor shall not be bound to sell any of the Property until it is authorized by the Court to accept and enter into an Approved Sale Agreement. The Vendor reserves the right to enter into one or more agreements to sell any or all of the Property at any time and to withdraw any or all of the Property from the sale.

## APPENDIX I

---



**AGREEMENT OF PURCHASE AND SALE**

Made as of the <\*> day of January, 2014

Between

**Collins Barrow Toronto Limited  
in its capacity as Court-Appointed Receiver and Manager  
of the assets, undertakings and properties of  
2122775 Ontario Inc.  
and not in its personal capacity**

(the "Vendor")

- and -

<\*>

(the "Purchaser")

## AGREEMENT OF PURCHASE AND SALE

This AGREEMENT made the <\*> day of <\*> 2014.

BETWEEN:

**COLLINS BARROW TORONTO LIMITED,**

in its capacity as Court-Appointed Receiver and Manager (the  
"Receiver") of the assets, undertakings and properties of **2122775**  
**ONTARIO INC.** and not in its personal or corporate capacity

(the "Vendor")

and

<\*>

(the "Purchaser")

RECITALS:

- A. Pursuant to the Order of The Honourable Justice Thorburn dated November 15, 2013, Collins Barrow Toronto Limited was appointed receiver and receiver and manager, without security, of all of the lands and premises legally described in Schedule "A" attached hereto and all of the current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate, of 2122775 Ontario Inc. including those acquired for, or used in relation to, the development of the lands and construction of improvements thereon, including all proceeds thereof.
- B. Pursuant to the Marketing Order, the Court approved the sale process proposed by the Vendor for the sale of the Lands and the Property.
- C. The Vendor desires to sell and the Purchaser desires to purchase the Purchased Assets, as more particularly set out herein, subject to the terms and conditions hereof.

FOR VALUE RECEIVED, the Parties agree as follows:

### SECTION 1 - INTERPRETATION


#### 1.1 Definitions

In this Agreement, unless the context clearly indicates otherwise, the following terms shall have the following meanings:

- (a) "**Acceptance Date**" means the day on which this Agreement is executed by both parties hereto;
- (b) "**Agreement**" means this Agreement of Purchase and Sale;

- (c) "**Applicable Laws**" means, with respect to any person, property, transaction or event, all laws, by-laws, rules, regulations, orders, judgments, decrees, decisions or other requirements having the force of law relating to or applicable to such Person, property, transaction or event;
- (d) "**Appointment Order**" means the order set out in recital A herein appointing Collins Barrow Toronto Limited, as receiver and receiver and manager of the Lands and the Property;
- (e) "**Approval and Vesting Order**" has the meaning set out in Section 4.3(a);
- (f) "**APS**" means the agreement(s) of purchase and sale entered into by the Debtor with buyers of proposed town house units on the subject Lands;
- (g) "**Assets**" means the right, title and interest of the Debtor in and to the Lands and the Property including the assets described in Schedule "A";
- (h) "**Assignment of Leases**" means an Assignment by the Vendor without any warranties, representations and on a non-recourse basis and an Assumption by the Purchaser of the Leases, for the Lease(s) that the Purchaser elects in writing to assume;
- (i) "**Assumed Encumbrances**" means those items listed in Schedule "B" attached hereto and in Schedule "D" to the Approval and Vesting Order;
- (j) "**Building**" means the existing building comprised of the underground parking garage and one town home situate on the Lands described in the Confidential Information Memorandum;
- (k) "**Business Day**" means a day on which banks are open for business in the City of Toronto but does not include a Saturday, Sunday, or statutory holiday in the Province of Ontario;
- (l) "**CIM**" means the confidential information memorandum prepared by the Receiver;
- (m) "**Claim**" means any claim, demand, action, cause of action, damage, loss, cost, liability or expense, including reasonable professional fees and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing;
- (n) "**Closing**" means the successful completion of the Transaction;
- (o) "**Closing Date**" means the earlier of <\*> or 31 days after the granting of the Approval and Vesting Order and subject to Section 4.5, and in no event later than <\*>;
- (p) "**Conditions of Sale**" means the conditions of sale approved pursuant to the Marketing Order;
- (q) "**Court**" means the Ontario Superior Court of Justice (Commercial List);
- (r) "**Debtor**" means 2122775 Ontario Inc.;
- (s) "**Encumbrance**" means any mortgage, charge, pledge, hypothecation, security interest, assignment, lien (statutory or otherwise), claim, title retention agreement or arrangement, restrictive covenant, rights of way, easements, encroachments, reserves, or other

encumbrance of any nature or any other arrangement or condition which, in substance, secures payment or performance of an obligation;

- (t) **"Environmental Laws"** means all Applicable Laws concerning pollution or protection of the natural environment or otherwise relating to the environment or health or safety matters, including Applicable Laws pertaining to (i) reporting, licensing, permitting, investigating and remediating the presence of Hazardous Materials, and (ii) the storage, generation, use, handling, manufacture, processing, transportation, treatment, release and disposal of Hazardous Materials;
- (u) **"ETA"** means the Excise Tax Act (Canada);
- (v) **"Government Authority"** means any person, body, department, bureau, agency, board, tribunal, commission, branch or office of any federal, provincial or municipal government having or claiming to have jurisdiction over part or all of the Assets being purchased pursuant to the Agreement, the transaction contemplated in this Agreement or one or both of the parties and shall include a board, commission, courts, bureau, agency or any quasi-governmental or private body exercising any regulatory authority including an association of insurance underwriters;
- (w) **"Hazardous Materials"** means any contaminants, pollutants, substances or materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances or materials are or shall become prohibited, controlled or regulated by any Authority and any "contaminants", "dangerous substances", "hazardous materials", "hazardous substances", "hazardous wastes", "industrial wastes", "liquid wastes", "pollutants" and "toxic substances", all as defined in, referred to or contemplated in federal, provincial and/or municipal legislation, regulations, orders and/or ordinances relating to environmental, health or safety matters;
- (x) **"HST"** means all goods and services taxes and harmonized sales tax payable under the ETA;
- (y) **"Land Transfer Tax"** means all the taxes payable under the Land Transfer Tax Act (Ontario) and any other applicable provincial or municipal land transfer tax legislation, including all registration fees, license fees, and other like charges payable upon a transfer of real property, together with interest, penalties and additions thereto;
- (z) **"Lands"** means the lands and premises municipally known as 2425 and 2427 Bayview Avenue, Toronto, Ontario and more particularly described in Schedule "A" attached hereto;
- (aa) **"Leases"** means all subsisting offers to lease, agreements to lease, leases, and renewals of leases;
- (bb) **"Marketing Order"** means the Order of the Court dated  authorizing the Receiver to market and sell the Property;
- (cc) **"Parties"** means the Vendor, the Purchaser and any other Person who may become a party to this Agreement. "Party" means any one of the foregoing;

- (dd) **"Person"** means an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision thereof, or any agency or department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity;
- (ee) **"Plans"** means all plans and documentation in the possession or control of the Vendor relevant to the development of the Lands and the construction of any buildings thereon including, without limitation, engineering drawings, architectural plans and working drawings, landscaping plans, other documentation prepared to illustrate or define a particular aspect of the development of the Lands and the construction of the buildings;
- (ff) **"Project Documents"** means, the documents made available to the Purchaser including, drawings, surveys, reports, agreements, and the CIM;
- (gg) **"Property"** means the Lands including the Building situate on the Lands;
- (hh) **"Purchase Price"** shall have the meaning ascribed to it in Section 2.4. For greater certainty, the Purchase Price shall be exclusive of Transfer Taxes and any other taxes payable as a result of or in connection with the Transaction;
- (ii) **"Purchased Assets"** means the Assets subject to this Agreement;
- (jj) **"Purchaser"** <\*>;
- (kk) **"Release"** means, in addition to the meaning given to it under any applicable Environmental Laws, any release, spill, leak, pumping, pouring, emission, emptying, discharge, injection, escape, leaching, disposal, dumping, deposit spraying, burial, abandonment, incineration, seepage or placement of any Hazardous Materials;
- (ll) **"Time of Closing"** means 2.00 p.m. (EST) on the Closing Date or such other time on the Closing Date as the Parties may mutually agree;
- (mm) **"Transaction"** means the transaction of purchase and sale and assignment and assumption contemplated by this Agreement;
- (nn) **"Transfer Taxes"** means all HST, Land Transfer Tax, sales, excise, use, transfer, gross receipts, documentary, filing, recordation, value-added, stamp, stamp duty reserve, and all other similar taxes, duties or other like charges, however denominated together with interest, penalties and additional amounts imposed with respect thereto; and
- (oo) **"Vendor"** means Collins Barrow Toronto Limited in its capacity as Court-Appointed Receiver and Manager of the assets, undertakings and properties of the Debtor and not in its personal or corporate capacity.

## 1.2 Interpretation Not Affected by Headings, etc.

The division of this Agreement into sections and the insertion of headings are for convenience of reference only and shall not affect the construction or interpretation of this Agreement. The terms "this Agreement", "hereof", "herein" and "hereunder" and similar expressions refer to this Agreement and not to any particular section hereof.

### 1.3 Extended Meanings

Words importing the singular include the plural and vice versa, words importing gender include all genders and words importing persons include individuals, partnerships, associations, trusts, unincorporated organizations, corporations and governmental authorities. The term "including" means "including, without limitation," and such terms as "includes" have similar meanings.

### 1.4 Schedules

The following Schedules are incorporated in and form part of this Agreement;

Schedule "A"	Purchased Assets
Schedule "B"	Assumed Encumbrances
Schedule "C"	Form of Approval and Vesting Order

## SECTION 2 — SALE AND PURCHASE AND ASSIGNMENT

### 2.1 Sale and Purchase of Assets

Subject to the terms and conditions hereof, the Vendor, exercising the powers of sale granted pursuant to the Appointment Order, shall sell to the Purchaser, and the Purchaser shall purchase, the Purchased Assets on the Closing Date. The Purchaser acknowledges that it is not purchasing any other property or assets of the Debtor other than the Purchased Assets. The Purchaser acknowledges that the various parties who prepared the Plans may have restricted the use thereof by the Debtor only, in their respective retainers with the Debtor and any purported conveyance of the Plans by the Vendor to the Purchaser may be subject to such limitations.

### 2.2 "As is, Where is"

The Purchaser acknowledges and agrees that:

(a) It has access to the Project Documents, CIM and any other information and documentation provided by or at the request of the Vendor and that same has been made available for informational and convenience purposes only and do not constitute any express, or implied representation or warranty by the Vendor, or any other representative of the Vendor to the Purchaser as to the contents thereof, the completeness and accuracy thereof, or otherwise and although believed to be correct, if any misstatement, error or omission is found in the particulars thereof, the Purchaser shall not be entitled to any abatement, damages, reimbursement, in respect thereof. Without limiting the generality of the foregoing, in respect of the financial data, forecasts, residential development potential and any like material provided by the Vendor and/or described in the CIM (collectively, "**Forward Looking Information**"), it is acknowledged by the Purchaser that (i) there are uncertainties inherent in attempting to make such estimates, projections and other forecasts and plans, (ii) the Purchaser is familiar with such uncertainties, (iii) the Purchaser is taking full responsibility for making its own evaluation of the adequacy and accuracy of any Forward Looking Information (including the reasonableness of any underlying assumptions), and (iv) the Purchaser will have no claim against the Vendor, or any other parties in respect of any Forward Looking Information;

(b) It has inspected the Property and that it is relying entirely upon its own investigations and inspections in proceeding with this transaction and has relied solely upon its own judgment therefrom

and not in reliance on any information, including the Forward Looking Information provided by the Vendor, or any other person or entities on behalf of or at the direction of the Vendor;

(c) The Purchased Assets are being purchased, accepted and assumed by the Purchaser "As Is, Where Is". The term "As Is, Where Is" means in its condition or state on the date of this Agreement and Closing and without any agreement, representation or warranty, statutory or otherwise as to the suitability of the Purchased Assets for development, the existence of patent and latent defects and the quality of the Purchased Assets, compliance with Applicable Laws and Environmental Laws (including any environmental condition thereof arising as a result of the presence of Hazardous Materials or the Release thereof) and subject to the Permitted Encumbrances;

(d) The Vendor makes no representation or warranties with respect to the physical condition or any other aspect of the Purchased Assets, the Forward Looking Information, or any other aspect of the transaction contemplated by this Agreement including, (i) the structural integrity of the Building, (ii) the conformity of the Building to any plans or specifications for such Building (including, but not limited to, any plans and specifications that may have been or which may be provided to the Purchaser), (iii) the conformity of the Lands and Building, or either of them, to past, current or future applicable zoning or building code requirements, (iv) the existence of soil instability, past soil repairs, soil additions or conditions of soil fill, or susceptibility to landslides, (v) the sufficiency of any undershoring, (vi) the sufficiency of any drainage, (vii) whether the Lands are located wholly or partially in a flood plain or a flood hazard boundary or similar area, (viii) the existence or non-existence of underground storage tanks, (ix) any other matters affecting the stability or integrity of the Lands, or any Building situated on or as part of the Lands, (x) the availability of public utilities and services for the Lands, (xi) the fitness or suitability of the Lands for occupancy or any intended use (including matters relating to health and safety), (xii) the potential for further development of the Lands, (xiii) the existence of vested land use, zoning or building entitlements affecting the Lands, or (xiv) the presence of Hazardous Materials;

(e) as part of its agreement to purchase and accept the Purchased Assets "As Is, Where Is", and not as a limitation on such agreement, the Purchaser hereby unconditionally and irrevocably waives any and all actual or potential rights the Purchaser might have against the Vendor regarding any form of warranty, express or implied, of any kind or type, (including all applicable statutory warranties), such waiver is absolute, complete, total and unlimited in every way. Such waiver includes, but is not limited to, a waiver of express warranties, implied warranties, warranties of fitness for a particular use or purpose, warranties of merchantability, warranties of occupancy, all applicable statutory warranties, strict liability rights, and claims of every kind and type, including, but not limited to, claims regarding defects which might have been discoverable, claims regarding defects which were not or are not discoverable, product liability claims, product liability type claims, and all other extent or later created or conceived of strict liability or strict liability type claims and rights. The Purchaser acknowledges to the Vendor that the Purchaser has inspected the Purchased Assets and that the Vendor is selling the Purchased Assets on an "as is, where is" basis with all faults known, or unknown, as they shall exist as of the date of execution of this Agreement, or on the Closing Date. The Purchaser further acknowledges that it has entered into this Agreement on the basis that the Vendor does not guarantee title to the Purchased Assets and that the Purchaser has conducted such inspections of the condition and title to the Purchased Assets as it deemed appropriate and has satisfied itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to any matter including, title, encumbrances, description, fitness for purpose, merchantability, condition, quantity or quality, latent defects, cost, size, value, state of repair, environmental condition, Environmental Laws, zoning, permitted uses, permits, compliance with Applicable Laws of the Governmental Authorities, threatened claims, litigation, or in respect of any other matter or thing whatsoever concerning the Purchased Assets or the right of the Vendor to sell or assign same save and except as expressly

represented or warranted herein. Without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the Sale of Goods Act (Ontario) or similar legislation do not apply hereto and are hereby waived by the Purchaser. The description of the Purchased Assets contained in the Schedules hereto, in the Project Documents and in any marketing material is for the purpose of identification only. No representation, warranty or condition has or will be given by the Vendor concerning completeness or the accuracy of such descriptions. The Purchaser acknowledges that it has relied entirely upon its own inspections and investigations with respect to the purchase of the Purchased Assets including the quantity, quality and value thereof. The information contained in the Project Documents and description of the Purchased Assets in any marketing material, listing information, and any like material delivered or made available by the Vendor, agents or any other party on its behalf to the Purchaser or its representatives are believed to be correct, but if any misstatement, error, inaccuracy or omission (collectively the 'Inaccuracies') is found in the particulars thereof the Purchaser shall not be entitled to any abatement, damages, reimbursement, costs or to termination of this Agreement as a result thereof and the Purchaser hereby releases the Vendor from any claims, damages, suits, costs, etc., the Purchaser had, has or may have as a result of such Inaccuracies.

### 2.3 Assumed Encumbrances

The Purchaser acknowledges that the Vendor is selling the Purchased Assets subject to the Assumed Encumbrances and that the Vendor undertakes no obligation to discharge such Assumed Encumbrances on the Closing or thereafter.

### 2.4 Purchase Price

The Purchase Price for the Purchased Assets shall be the sum of <\*> (\$<\*>).

### 2.5 Taxes

In addition to the Purchase Price, the Purchaser shall pay all applicable Transfer Taxes exigible in connection with the purchase and sale of the Purchased Assets, including, without limitation, HST and Land Transfer Tax.

The Purchaser will be a HST registrant under the ETA on or before the Closing Date and will provide its registration number to the Vendor on or before the Closing Date.

If part or all of the said transaction is subject to HST and:

- (i) the Vendor is a non-resident of Canada or the Vendor would be a non-resident of Canada but for Subsection 132(2) of the Act; and/or
- (ii) the Purchaser is a "prescribed recipient" under the Act and/or is registered under the Act,

then the Purchaser shall deliver, prior to Closing, its certificate in form prescribed by the Act or, if no such form is prescribed, then in reasonable form, certifying that the Purchaser shall be liable for, shall self-assess and shall remit to the appropriate Governmental Authority all HST payable in respect of the transaction contemplated hereunder. If sub-paragraph (a) (ii) above is applicable, then the Purchaser's certificate shall also include certification of the Purchaser's prescription and/or registration as the case may be, and the Purchaser's HST registration number. If the Purchaser shall fail to deliver its certificate, then the Purchaser shall tender to the Vendor at Closing, in addition to the balance due on Closing, an amount equal to the HST that the Vendor shall be obligated to collect and remit in connection with the



said transaction.

The Purchaser hereby indemnifies and holds the Vendor harmless from and against any liability for Transfer Taxes, including, without limitation, HST and Land Transfer Tax, arising out of any failure to pay such taxes as and when due, together with all interest, penalties and expenses resulting from such failure.

## 2.6 Inspections

The Vendor will permit the Purchaser, its consultants, agents and representatives to carry out, at the Purchaser's sole expense and risk, such tests and investigations (including structural and physical tests, soil tests and environmental audits) and inspections as the Purchaser, acting reasonably, may deem necessary with respect to the Property, provided that no invasive testing shall be conducted in or under the Building and any other invasive testing shall require the Vendor's written approval prior to such testing and:

- (a) the Purchaser shall provide at least two Business Days' Notice to the Vendor of any such tests and inspections and the Vendor will be entitled to have a representative present during all such tests and inspections;
- (b) all soil tests or environmental audits shall be coordinated with the Vendor;
- (c) any damage to the Property caused by such tests and inspections will be promptly repaired by the Purchaser and the Purchaser will indemnify and save the Vendor harmless from all losses, costs, claims, third party actions, damages and expenses which the Vendor may suffer directly as a result of the said tests and inspections or any other breach of this Section by the Purchaser; and
- (d) prior to entering the Property to conduct the Purchaser's tests and investigations, the Purchaser shall deliver (or shall cause its representatives completing the Purchaser's investigations on its behalf to deliver) to the Vendor evidence of liability insurance coverage for at least \$2,000,000.

## SECTION 3— REPRESENTATIONS AND WARRANTIES

### 3.1 Purchaser's Representations

The Purchaser represents and warrants to the Vendor that:

- (a) the Purchaser is a corporation duly incorporated, organized and subsisting under the laws of Ontario;
- (b) the Purchaser has all necessary corporate power, authority and capacity to enter into this Agreement and to perform its obligations and the execution and delivery of this Agreement and the consummation of the transactions contemplated have been duly authorized by all necessary corporate action on the part of the Purchaser;
- (c) the Purchaser is not a party to, bound or affected by or subject to any indenture, agreement, instrument, charter or by-law provision, order, judgment or decree which would be violated, contravened or breached by the execution and delivery by it of this Agreement or the performance by it of any of the terms contained herein;

- (d) there is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or, to the best of the Purchaser's knowledge, threatened against or relating to the Purchaser or any judgment, decree, injunction, rule or order of any court, governmental department, commission, agency, instrumentality or arbitrator which, in any case, might adversely affect the ability of the Purchaser to enter into this Agreement or to consummate the transactions contemplated and the Purchaser is not aware of any existing ground on which any action, suit or proceeding may be commenced with any reasonable likelihood of success;
- (e) this Agreement and all other documents contemplated hereunder to which the Purchaser is or will be a party have been or will be, as at the Time of Closing, duly and validly executed and delivered by the Purchaser and constitute or will, as at the Time of Closing, constitute legal, valid and binding obligations of the Purchaser, as the case may be, enforceable in accordance with the terms hereof or thereof;
- (f) the Purchaser is not a non-Canadian person as defined in the Investment Canada Act; and
- (g) the Purchaser is registered or will be registered on Closing under Part IX of the ETA.

### 3.2 Vendor's Representations

The Vendor represents and warrants to the Purchaser as follows:

- (a) the Vendor has been duly appointed as the Receiver of the Assets pursuant to the Appointment Order with authority to exercise the powers of sale contained therein;
- (b) the Vendor has the right to enter into this Agreement and to complete the Transaction, subject to the granting of the Approval and Vesting Order;
- (c) save and except for the charges created in the Appointment Order, the Vendor has done no act to encumber the Purchased Assets; and
- (d) the Receiver is not a non-resident of Canada for purposes of Section 116 of the *Income Tax Act* (Canada).

## SECTION 4—CONDITIONS AND TITLE

### 4.1 Conditions - Purchaser

The obligation of the Purchaser to complete the Transaction is subject to the following condition precedent being fulfilled or performed at or prior to the Time of Closing:

- (a) the Vendor shall have performed each of its obligations under this Agreement to the extent required to be performed on or before the Closing Date;

The foregoing condition is for the exclusive benefit of the Purchaser. Such condition may be waived by the Purchaser in whole or in part. Any such waiver shall be binding on the Purchaser only if made in writing.

#### 4.2 Conditions — Vendor

The obligation of the Vendor to complete the Transaction is subject to the following conditions being fulfilled or performed at or prior to the Time of Closing:

- (a) all representations and warranties of the Purchaser contained in this Agreement shall be true as of the Closing Date with the same effect as though made on and as of that date;
- (b) the Purchaser shall have performed each of its obligations under this Agreement to the extent required to be performed on or before the Closing Date;
- (c) no action or proceedings shall be pending or threatened to restrain or prohibit the completion of the Transaction contemplated by this Agreement; and
- (d) the Vendor shall not have lost possession or control of the Purchased Assets or any part thereof.

The foregoing conditions are for the exclusive benefit of the Vendor. Any condition may be waived by the Vendor in whole or in part. Any such waiver shall be binding on the Vendor only if made in writing.

#### 4.3 Approval and Vesting Order

The obligations of the Vendor and the Purchaser are subject to the conditions that:

- (a) the Approval & Vesting Order shall have been obtained, the terms of the Approval & Vesting Order shall not differ materially from the form of Order at Schedule "C", and such Order shall not have been stayed, reversed or dismissed, and shall vest in the Purchaser all the right, title and interest of the Debtor in the Purchased Assets free and clear of any and all liabilities and encumbrances except for the Assumed Encumbrances; and
- (b) no order shall have been issued which restrains or prohibits the completion of the Transaction

The Parties hereto acknowledge that the foregoing conditions are for the mutual benefit of the Vendor and the Purchaser.

#### 4.4 Non-Satisfaction of Conditions

If any condition set out in this Section 4 is not satisfied or performed prior to the time specified therefore, the party for whose benefit the condition is inserted may

- (a) waive compliance with the condition in whole or in part in its sole discretion by written notice to the other party and without prejudice to any of its rights of termination in the event of non-fulfilment of any other condition in whole or in part; or
- (b) elect on written notice to the other party to terminate this Agreement before Closing.

#### 4.5 Title Examination

The Purchaser acknowledges that it shall, at its own expense, examine title to the Lands and satisfy itself as to the state thereof. Title shall be free and clear of all Encumbrances save and except for the Assumed Encumbrances. The Purchaser will be allowed until the seventh (7<sup>th</sup>) Business Day prior to closing to

examine the title to the Lands at the Purchaser's expense. The Purchaser further acknowledges that, notwithstanding any statutory provisions to the contrary, the Purchaser has no right to submit requisitions on title in respect of any Assumed Encumbrances, or in regard to any outstanding work orders, deficiency notices, or orders issued by any Government Authority. The Purchaser further acknowledges that it shall not be entitled to a conveyance of transfer, but shall receive an Approval and Vesting Order whereby title to the Purchased Assets will be vested in the Purchaser free and clear of all Encumbrances other than the Assumed Encumbrances. If, during that time, any valid objection to title is made in writing to the Vendor which the Vendor is unable or unwilling to remove or satisfy and which the Purchaser will not waive, this Agreement will, notwithstanding any intermediate acts or negotiations in respect of such objections, be terminated. Save as to any valid objections so made which the Vendor agreed herein to rectify, and save as to any objections going to the root of title and any Encumbrances arising after the date hereof that are not Assumed Encumbrances, the Purchaser will be conclusively deemed to have accepted the title of the Debtor to the Lands.

Except as may be otherwise specified herein, the Purchaser will not call for the production of any title deed, abstract of title, survey or other evidence of title.

In the event any valid requisition is made with respect to the Vendor's title to the Purchased Assets, the Agreement, Leases, possession or any other matter (collectively the "Requisition(s)"), which is not insurable, and which the Vendor which is so obligated to rectify hereunder and which it is unable to satisfy using reasonable commercial efforts and which the Purchaser will not waive, then the Vendor may at its sole option extend the Closing Date for a period or periods of time not exceeding 60 days in total. If the Vendor is unable to resolve any such Requisitions(s) by the expiry of the extension period or periods, the Vendor at its sole option may terminate this Agreement. The Purchaser acknowledges that its sole remedy with respect to any of the Requisitions(s) raised by it shall be rescission of the Agreement and the Purchaser agrees that it shall have no right to any Claim including for specific performance with or without an abatement of the purchase price and/or for damages. The Purchaser further agrees that the Property is not unique.

## SECTION 5 — CLOSING

### 5.1 Closing

The completion of the Transaction shall take place on the Closing Date at the Time of Closing or as otherwise determined by mutual agreement of the Parties in writing.

### 5.2 Purchaser's Deliveries on Closing

At or before the Time of Closing, the Purchaser shall execute or deliver as applicable, to the Vendor the following, each of which shall be in form and substance satisfactory to the Vendor, acting reasonably:

- (a) payment of the Purchase Price;
- (b) a certificate, dated the Closing Date, confirming that all of the representations and warranties of the Purchaser contained in this Agreement are true as of the Closing Date, with the same effect as though made on and as of the Closing Date;
- (c) an acknowledgement dated the Closing Date, that each of the conditions precedent in Section 4.1 of this Agreement have been fulfilled, performed or waived as of the Closing Date;
- (d) an Assignment and Assumption of Leases, if applicable;

- (e) an assumption of the Assumed Encumbrances;
- (f) a certificate of the Purchaser executed by a senior officer of the Purchaser confirming that the Purchaser (or such permitted assignee of the Purchaser) is purchasing the Purchased Assets on its own account and not as agent, trustee or nominee for any other Person and that it is a registrant for HST purposes under the ETA as at the Closing Date and setting out the registration number of the Purchaser for HST purposes;
- (g) an undertaking of the Purchaser to remit to the Receiver General for Canada on a timely basis, to the extent required under the ETA, any HST exigible in connection with the transactions contemplated by this Agreement and to indemnify and hold the Vendor harmless from and against any and all Claims that may be suffered or incurred by the Vendor arising from or in respect of the Purchaser's failure to register for the purposes of the HST or to perform its obligations under the ETA in connection with the completion of the transactions contemplated by this Agreement;
- (h) certified copy of a resolution of the board of directors of the Purchaser authorizing the execution of this Agreement and performance of each of the Purchaser's obligations hereunder;
- (i) a certificate of status and certified copy of the Articles of Incorporation of the Purchaser; and
- (j) such further and other documentation as is referred to in this Agreement or as the Vendor may reasonably require to give effect to this Agreement.

### 5.3 Vendor's Deliveries on Closing

At the time of Closing the Vendor shall execute and deliver to the Purchaser the following, each of which shall be in form and substance satisfactory to the Purchaser, acting reasonably:

- (a) Certified or notarial copy of the Approval and Vesting Order and the Receiver's Certificate, as referred to in the Approval and Vesting Order;
- (b) an acknowledgement dated the Closing Date, that each of the conditions precedent in Section 4.2 of this Agreement have been fulfilled, performed or waived as of the Closing Date;
- (c) an Assignment and Assumption of Leases, if applicable; and
- (d) such other documents as may be reasonably requested by the Purchaser's solicitors to give effect to this Agreement.

### 5.4 Purchaser's Acknowledgement

The Purchaser acknowledges that the Vendor is selling the rights, title and interests of the Debtor in and to the Purchased Assets pursuant to the Vendor's powers and as authorized by the Appointment Order, Terms and Conditions of Sale and the Approval and Vesting Order. The Purchaser agrees to purchase and accept the rights, title and interests of the Debtor in and to the Purchased Assets pursuant to and in accordance with the terms of this Agreement, the Terms and Conditions of Sale and the Approval and Vesting Order.

## 5.5 Possession of Purchased Assets

On Closing, the Purchaser shall take possession of the Purchased Assets where situate at the Time of Closing. In no event shall the Purchased Assets be sold, assigned, transferred or set over to the Purchaser until the conditions set out in the Approval and Vesting Order have been satisfied and the Purchaser has satisfied all delivery requirements outlined in Section 5.2.

## 5.6 Risk

The Purchased Assets shall be and remain at the risk of the Debtor until Closing and at the risk of the Purchaser from and after Closing.

## 5.7 Termination

If either the Vendor or the Purchaser validly terminates this Agreement pursuant to the provisions of Section 4.4,

- (a) all the obligations of both the Vendor and Purchaser pursuant to this Agreement shall be at an end; and
- (b) neither party shall have any right to specific performance or other remedy against, or any right to recover damages or expenses from, the other.

## 5.8 Breach by Purchaser

If all of the conditions contained in Section 4.1 have been complied with, or waived by the Purchaser and the Purchaser fails to comply with the terms of this Agreement, the Vendor may by notice to the Purchaser elect to treat this Agreement as having been repudiated by the Purchaser. In addition, the Purchaser shall pay to the Vendor, on demand, the deficiency, if any, arising upon such resale (after deducting the expenses of resale) together with interest and all other damages or charges occasioned by or resulting from the default by the Purchaser.

## SECTION 6 - GENERAL

### 6.1 Further Assurances

Each of the Parties shall, from time to time after the Closing Date, at the request and expense of the other, take or cause to be taken such action and execute and deliver or cause to be executed and delivered to the other such documents and further assurances as may be reasonably necessary to give effect to this Agreement.

### 6.2 Notice

Any notice or other communication under this Agreement shall be in writing and may be delivered personally or transmitted by fax, addressed:

in the case of the Purchaser, as follows:

Attention:  
Telephone No:  
Fax No.  
Email

and in the case of the Vendor, as follows:

Collins Barrow Toronto Limited, Court-Appointed  
Receiver and Manager of 2122775 Ontario Inc.  
11 King Street West  
Suite 700, PO Box 27  
Toronto ON M5H 4C7

Attention: Bryan Tannenbaum  
Fax No.: 416-480-2646

Email: [btannenbaum@collinsbarrow.com](mailto:btannenbaum@collinsbarrow.com)

Any such notice or other communication, if given by personal delivery, will be deemed to have been given on the day of actual delivery thereof and, if *transmitted by fax* before 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on that Business Day, and if transmitted by fax after 5:00 p.m. (Toronto time) on a Business Day, will be deemed to have been given on the Business Day after the date of the transmission.

### 6.3 Time

Time shall, in all respects, be of the essence hereof, provided that the time for doing or completing any matter provided for herein may be extended or abridged by an agreement in writing signed by the Vendor and the Purchaser or by their respective solicitors.

### 6.4 Currency

Except where otherwise indicated, all references herein to money amounts are in Canadian currency.

### 6.5 Survival

The representations and warranties of the Parties hereto contained in this Agreement shall survive Closing.

### 6.6 Benefit of Agreement

This Agreement shall enure to the benefit of and be binding upon the Parties hereto and their respective successors and permitted assigns, provided that the Purchaser shall not assign the benefit of this Agreement without the prior written consent of the Vendor.

### 6.7 Entire Agreement

This Agreement and the attached Schedules constitute the entire agreement between the Parties with respect to the subject matter and supersede all prior negotiations, understandings and agreements provided, however, that the Conditions of Sale continue to bind the Parties. This Agreement may not be amended or modified in any respect except by written instrument executed by the Parties. No waiver of any of the provisions of this Agreement shall be deemed to constitute a waiver of any other provision (whether or not similar), nor shall such waiver constitute a waiver or continuing waiver unless otherwise expressly provided in writing duly executed by the Party to be bound thereby. Subject to the Approval & Vesting Order being issued by the Court, this Agreement is intended to create binding obligations on the part of the Vendor as set forth herein and on acceptance by the Purchaser, is intended to create binding obligations on the part of the Purchaser, as set out herein.

#### 6.8 Paramountcy

In the event of any conflict or inconsistency between the provisions of this Agreement and any other agreement, document or instrument executed or delivered in connection with this Transaction or this Agreement, the provisions of this Agreement shall prevail to the extent of such conflict or inconsistency.

#### 6.9 Severability

If any provision of this Agreement or any document delivered in connection with this Agreement is partially or completely invalid or unenforceable, the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of this Agreement, all of which shall be construed and enforced as if that invalid or unenforceable provision were omitted. The invalidity or unenforceability of any provision in one jurisdiction shall not affect such provision's validity or enforceability in any other jurisdiction.

#### 6.10 Governing Law

This Agreement shall be governed by and construed in accordance with the Laws of the Province of Ontario and the laws of Canada applicable therein and each of the Parties irrevocably attorns to the exclusive jurisdiction of the courts of the Province of Ontario.

#### 6.11 Commission

The Purchaser acknowledges that there are no agent or broker fees or other commissions payable by the Vendor on the Purchase Price or otherwise in connection with the Transaction, and the Purchaser agrees to indemnify the Vendor against any claim for compensation or commission by any third party or agent retained by the Purchaser in connection with, or in contemplation of, the Transaction.

#### 6.12 Certain Words

In this Agreement, the words "including" and "includes" means "including (or includes) without limitation", and "third party" means any Person who is not a Party.

#### 6.13 Statutory References

All references to any statute is to that statute or regulation as now enacted or as may from time to time be amended, re-enacted or replaced and includes all regulations made thereunder, unless something in the subject matter or context is inconsistent therewith or unless expressly provided otherwise in this Agreement.

#### 6.14 Actions to be Performed on a Business Day

Whenever this Agreement provides for or contemplates that a covenant or obligation is to be performed, or a condition is to be satisfied or waived on a day which is not a Business Day, such covenant or obligation shall be required to be performed, and such condition shall be required to be satisfied or waived on the next Business Day following such day.

#### 6.15 No Registrations

The Purchaser covenants and agrees not to register Notices of this Agreement, assignments thereof,



caution, Certificate of Pending Litigation, Purchaser's Liens or any other instrument or reference to this Agreement of its interest in the Lands. If any such registration occurs, the Vendor may, at its option, terminate this Agreement. The Purchaser hereby irrevocably consents to a court order removing any such registrations and agrees to bear all costs on a solicitor and his own client basis, in obtaining such order.

#### 6.16 Strict Construction

Each party to this Agreement hereto acknowledges that it and its legal counsel have reviewed and participated in settling the terms of this Agreement and the parties hereby agree that any rule of construction to the effect that any ambiguity is to be resolved against the drafting party shall not be applicable in the interpretation of this Agreement.

#### 6.17 Capacity of Vendor

The Purchaser acknowledges that Collins Barrow Toronto Limited has been appointed as Receiver pursuant to the Appointment Order. The Purchaser further acknowledges and agrees that Collins Barrow Toronto Limited acts solely in its capacity as Receiver, without personal or corporate liability. The Purchaser acknowledges and agrees that Collins Barrow Toronto Limited is entering into this Agreement solely in its capacity as the Receiver and that Collins Barrow Toronto Limited, its directors, agents, officers, partners and employees shall have no personal or corporate liability of any kind whatsoever, in contract, in tort, or at equity as a result of or in any way connected with this Agreement or as a result of the Vendor performing or failing to perform any of its obligations hereunder.

#### 6.18 No Third Party Beneficiaries

This Agreement shall be binding upon and enure solely to the benefit of each of the Parties hereto and its permitted assigns and nothing in this Agreement, express or implied, is intended to confer upon any other person any rights or remedies of any nature whatsoever under or by reason of this Agreement. Nothing in this Agreement shall be construed to create any rights or obligations except between the Parties, and no person or entity shall be regarded as a third party beneficiary of this Agreement. Each of the Parties agrees that all provisions of this Agreement, and all provisions of any and all documents and security delivered in connection herewith, shall not merge and except where otherwise expressly stipulated herein, survive the closing of the transactions contemplated by this Agreement.

#### 6.19 Planning Act

This Agreement is entered into subject to the express conditions that it is to be effective only if the provisions of Section 50 of the Planning Act, Act, R.S.O. 1990, Chapter P.13, and amendments, are complied with.

#### 6.20 Counterparts

This Agreement may be executed in any number of counterparts, each of which shall be deemed to be an original and all of which shall constitute one and the same agreement.

Transmission by facsimile or electronic mail of an executed counterpart of this Agreement shall be deemed to constitute due and sufficient delivery of such counterpart.

#### 6.21 Assignment

The Vendor acknowledges that the Purchaser has the right, and is permitted, provided it is not in breach and or in default of, its obligations hereunder, on five (5) Business Days prior written notice to the

Vendor, to assign this Agreement and all the benefits contained herein, or the rights under this Agreement, to an affiliated entity only, subject to the assignee entering into an assumption agreement with the Vendor assuming the within Agreement.

The Parties have executed this Agreement by their duly authorized officers.

**COLLINS BARROW TORONTO LIMITED in its  
capacity as Court-Appointed Receiver and Manager  
of the assets, undertakings and properties of  
2122775 Ontario Inc. and not in its personal capacity**

Per: \_\_\_\_\_  
Name: Bryan A. Tannenbaum, FCPA, FCA, FCIRP  
Title: President

<\*

Per: \_\_\_\_\_  
Name:  
Title:

**Schedule A**  
**Purchased Assets**

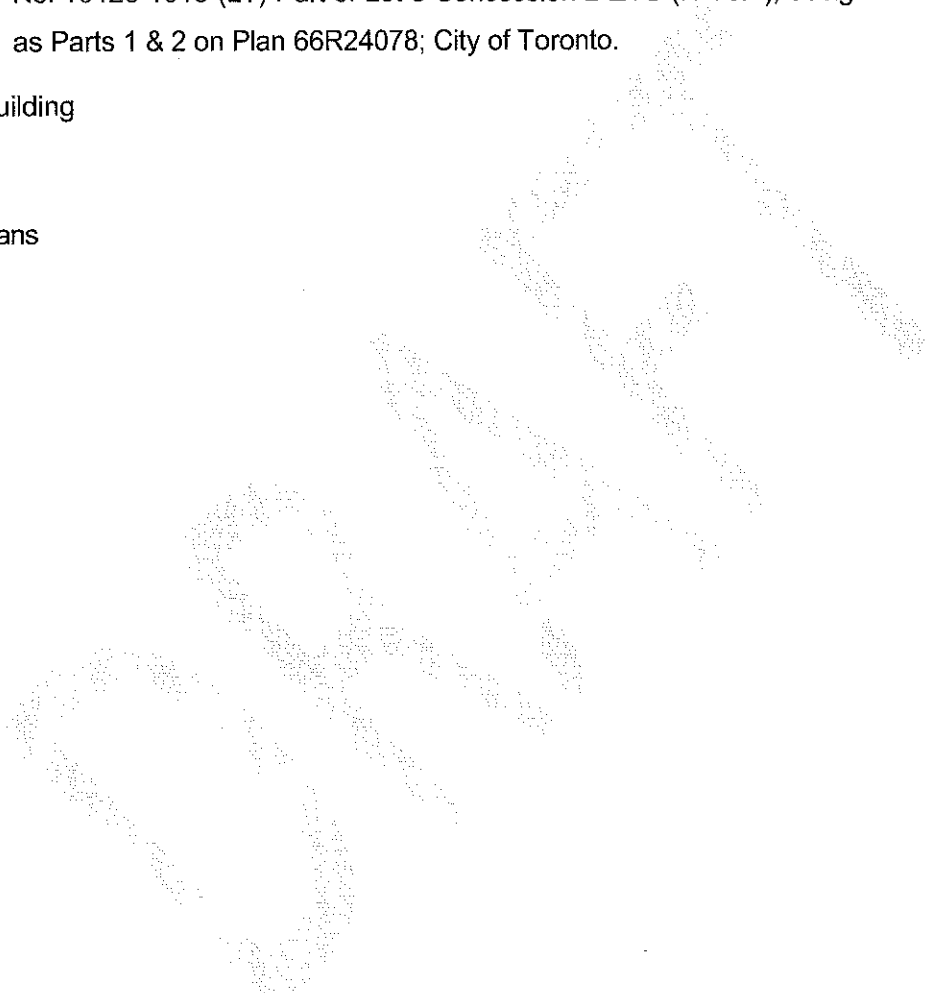
**The Lands**

The right, title and interest of the Debtor in the real property described as PIN No. 10126-1010 (LT) Part of Lot 8 Concession 2 EYS (N York), designated as Parts 1 & 2 on Plan 66R24078; City of Toronto.

The Building

and

The Plans



**Schedule B**


**Assumed Encumbrances**

“Assumed Encumbrances” means the following:

1. The exceptions and qualifications contained in Section 44(1) of the *Land Titles Act*, R.S.O. 1990, and any amendments thereto or any successor legislation, except paragraph 11;
2. The reservations, limitations, provisos and conditions expressed in the original grant from the Crown;
3. Any registered or unregistered easements or rights of way in favour of any governmental authority or public utility provided that none of the foregoing interfere in any material adverse respect with the current use of the Property;
4. Inchoate liens for taxes, assessments, public utility charges, governmental charges or levies not at the time due;
5. All agreements and easements, registered or otherwise, for utilities and services for hydro, water, heat, power, sewer, drainage, cable and telephone serving the Property, adjacent or neighbouring properties, provided none of the foregoing interfere in any material adverse respect with the current use of the Property;
6. Any encroachments, minor defects or irregularities indicated on any survey of the Property or which may be disclosed on an up-to-date survey of the Property provided that in either case same do not materially adversely impair the use, operation, or marketability of the Property;
7. Zoning (including, without limitation, airport zoning regulations), use and building by-laws and ordinances, federal, provincial or municipal by-laws and regulations, work orders, deficiency notices and any other noncompliance;
8. Any breaches of any Applicable Laws, including outstanding building permits, work orders and deficiency notices;
9. Any subdivision agreements, site plan agreements, developments and any other agreements with the Municipality, Region, publicly regulated utilities or other governmental authorities having jurisdiction;
10. Minor title defects, if any, that do not in the aggregate materially affect the use of the Property for the purposes for which it is used on the date of acceptance of this Agreement;
11. The following instruments registered on title against the Lands:

Assumed Encumbrances related to the Lands  
(unaffected by the Vesting Order)

Permitted Encumbrances for PIN No. 10126-1010 (LT)

Reg. Num.	Date	Instrument Type	Parties From	Parties To
				

## APPENDIX J

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**SEALED**

# TAB 3

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE  
JUSTICE

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WEDNESDAY, THE 11<sup>TH</sup>  
DAY OF DECEMBER, 2013

**B E T W E E N:**

HOME TRUST COMPANY

Applicant

-and-

2122775 ONTARIO INC.

Respondent

**APPLICATION UNDER** s. 243(1) of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985 c. B-3, s. 101 of the *Courts of Justice Act*,  
R.S.O. 1990, c. C-43, as amended

**ORDER**

THIS MOTION, made by Collins Barrow Toronto Limited, in its capacity as Court appointed receiver and receiver and manager (the “**Receiver**”) of 2122775 Ontario Inc. (the “**Debtor**”), without security, of all the lands and premises municipally known as 2425 and 2427 Bayview Avenue, Toronto, Ontario, and all of the Debtor’s current and future assets, undertakings and properties, for an Order approving the marketing and sales process proposed in the First Report to Court of the Receiver (the “**First Report**”), as well as the activities of the Receiver as set out in the First Report, was heard this day at 330 University Avenue, Toronto, Ontario.



**ON READING** the First Report and on hearing the submissions of counsel for the Receiver, no other person appearing though served,

1. **THIS COURT ORDERS** that the First Report and the activities of the Receiver as described in the First Report for the period November 15, 2013 to December 3, 2013, are hereby approved.
  
2. **THIS COURT FURTHER ORDERS** that the Receiver's marketing and sales plan for the Lands as described in the First Report, including the Confidential Information Memorandum, Form of Offer, and Terms and Conditions of Sale, together with any amendments thereto deemed necessary and appropriate by the Receiver (the "**Marketing Process**") is hereby approved, and the Receiver is hereby authorized and directed to proceed with carrying out the Marketing Process.
  
3. **THIS COURT FURTHER ORDERS** that Appendix "**J**" to the First Report, being the Confidential Information Memorandum, shall be sealed, kept confidential, and not form part of the public record, but rather shall be placed, separate and apart from all other contents of the Court file, in a sealed envelope and shall only be opened upon further order of the Court.
  
4. **THIS COURT FURTHER ORDERS** that the Receiver is at liberty to retain Gowling Lafleur Henderson LLP as counsel, and also to retain independent legal counsel at such time and capacity as may be deemed necessary by the Receiver.
  
5. **THIS COURT FURTHER ORDERS** that the Receiver be authorized to enter into an agreement of purchase and sale (conditional on Court approval).

6. **THIS COURT FURTHER ORDERS** that if considered by the Receiver to be necessary or appropriate, to disclose to and review with any secured creditors of the Debtor or any of their advisors, any and all offers received by the Receiver to purchase the Lands.

7. **THIS COURT FURTHER ORDERS** that the Receiver shall have its costs of this Motion from the estate herein in accordance with the initial Appointment Order.

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HOME TRUST COMPANY  
Applicant

v. 2122775 ONTARIO INC.  
Respondent

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

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**ORDER**

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**GOWLING LAFLEUR HENDERSON LLP**  
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Lawyers for the Court appointed Receiver

**Court File No.:** CV-13-10313-00CL

**HOME TRUST COMPANY**  
Applicant

v.

**2122775 ONTARIO INC.**  
Respondent

**ONTARIO**  
**SUPERIOR COURT OF JUSTICE**  
(Commercial List)  
  
(PROCEEDING COMMENCED AT TORONTO)

**MOTION RECORD**  
(returnable December 11, 2013)

**GOWLING LAFLEUR HENDERSON LLP**

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Home Trust Company