

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

-and-

UNIONVILLE RE-DEV CORPORATION,
UNIONVILLE RE-DEV PHASE 2 CORPORATION and
BLACKSMITH PARTNERS INC.

Respondents

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

MOTION RECORD

(Returnable May 12, 2021)

May 6, 2021

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SERVICE LIST

(as of February 5, 2021)

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Court File No. CV-20-00647644-00CL

**ONTARIO
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COMMERCIAL LIST**

B E T W E E N:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

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NOTICE OF MOTION

[Approval of Sale]

RSM Canada Limited (the “**Receiver**”), in its capacity as court appointed Receiver of the properties municipally known as 160, 162, 166, 170, 174-178, and 186 Main Street, Unionville, Ontario (collectively, the “**Properties**”), will make a Motion to a Judge presiding over the Commercial List by zoom videoconference on Wednesday, May 12, 2021 at 9:30 a.m., or as soon after that time as the Motion can be heard.

PROPOSED METHOD OF HEARING: The Motion is to be heard (*choose appropriate option*)

By video conference.

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at the following location <https://us02web.zoom.us/j/81186041944>

THE MOTION IS FOR *(State here the precise relief sought)*

(a) An Order:

(i) validating service of the Motion Record, abridging the time for service and dispensing with further service thereof;

(ii) approving:

(1) the First Report of the Receiver dated [December 22, 2020](#) (the **“First Report”**)

(2) the First Supplemental Report of the Receiver dated [January 28, 2021](#) (the **“First Supplemental Report”**); and

(3) the Second Report of the Receiver dated May 6, 2021 (the **“Second Report”**), and the Interim R&D (as defined in the Second Report) contained therein,

(all collectively, the **“Reports”**)

and the conduct and activities of the Receiver as set out therein;

(iii) authorizing and directing the Receiver to carry out the terms of the APS with the Purchaser (each as defined in the Second Report) in connection

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with the sale of the Properties (the “**Transaction**”), together with such minor amendments thereto as may be deemed necessary by the Receiver; and

- (iv) vesting title to the Properties in the Purchaser, or to such party as the Purchaser may further direct in writing, upon the closing of the Transaction and the delivery of the Receiver's Certificate to the Purchaser;
 - (v) authorizing and directing the Receiver to make the Interim Distribution (as defined and set out in the Second Report);
 - (vi) approving the fees and disbursements of the Receiver and its counsel as set out in the Fee Affidavits, as defined herein;
 - (vii) sealing the Confidential Appendices to the First Report and Second Report until the completion of the Transaction; and,
- (b) Such further and other Relief as to this Honourable Court may seem just.

THE GROUNDS FOR THE MOTION ARE

Background

- (a) Pursuant to an application made by First Source Financial Management Inc. (“**First Source**”), by Order of the Ontario Superior Court of Justice (the “**Court**”) dated October 16, 2020, with effect from October 27, 2020 (and as amended by Order on October 29, 2020 and January 4, 2021), RSM Canada Limited was appointed as

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receiver of the Properties. On October 29, 2020, the Court issued an amended appointment order (the “**Appointment Order**”);

- (b) First Source is an Ontario corporation in the business of providing mortgage financing. First Source holds a first mortgage in the principal amount of \$16,285,256 against the Properties. The appointment of the Receiver was sought by First Source as a result of the Respondents’ failure to repay the balance of the loan due and owing on the maturity date;

The Properties

- (c) The Properties consist of near-contiguous stretch of parcels located on Main St. Unionville, forming part of the central business and shopping district within the Unionville community. There are six (6) retail/commercial buildings situated on the various Properties, with a total of 10 rentable units. The location and present status of the rentable units are as follows:
 - (i) *160 Main St. (PIN 02979-0301 and 02979-0172)*: consists of a historic barn which has been converted into office/retail space and is currently unoccupied (the “**Barn**”);
 - (ii) *162 Main St. / 166 Main St: (both municipal addresses appear to be associated with PIN: 02979-0122)*: consists of two separate units being (1) a street-facing restaurant formerly operated as the Blacksmith Bistro (the “**Bistro**”) and (2) an adjacent alley-facing house (the “**House**”), both of which are currently unoccupied;

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- (iii) *170 Main St (PIN 02979-0123)*: consists of two units; upper and lower. The lower unit is occupied by a retail business known as the Old Firehall Confectionary and the upper unit is currently vacant;
- (iv) *174-178 Main St. (PIN 02979-0124)*: consists of four units; 2 upper and 2 lower, as follows: (1) a lower unit retail business currently operating as Pharmalinx (2) a lower unit retail business currently operating as Pretty Thingz (3) an upper unit office space currently occupied by Williams Family Lawyers and (4) an upper unit office space currently occupied by Homelife Dreams Realty Inc.;
- (v) *186 Main St. (PIN 02979-0126)*: which is currently occupied by a restaurant business operating as Il Postino;

Approval of Sale

- (d) As more particularly set out in the Second Report, following confirmation from the court of the Receiver's authorization to commence the Sale Process (as defined in the Reports), the Receiver executed a listing agreement with Colliers for the purposes of marketing the Properties for sale;
- (e) The Receiver believes that the marketing process undertaken was appropriate for the type of properties in question, and provided sufficient market exposure to the Properties for the following reasons:
 - (i) notice of the sale of the Properties was electronically sent to more than 4,500 parties, not including those enquiring via MLS;
 - (ii) 59 parties executed a Confidentiality Agreement and were provided with access to Colliers' data room respecting the Properties;

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- (iii) the Properties were listed for sale on MLS, both individually and as an “en bloc” group;
 - (iv) the Properties were listed on Colliers’ website;
 - (v) the Properties were exposed to the market for a period of approximately 13 weeks; and
 - (vi) First Source is supportive of the Receiver completing the APS;
- (f) The Receiver is of the view that sufficient efforts were made to obtain the best price for the Properties and the marketing process was conducted fairly.
- (g) The Receiver regards the Purchaser’s APS as the offer received for the Properties which is the most advantageous to the creditors of the Respondents.
- (h) The Receiver therefore recommends the approval of the APS by this Honourable Court and requests that an Order be granted:
- (i) authorizing and directing the Receiver to complete the Transaction with the Purchaser as set out in the APS;
 - (ii) granting an Order vesting title to the purchased assets in the Purchaser upon the closing of the Transaction;

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Interim Distribution

- (i) The Receiver has obtained a security opinion from its counsel concerning the validity, enforceability and priority of the security held by First Source as registered on title to the Properties;
- (j) The Receiver requests that it be authorized upon completion of the Transaction to release to First Source as an interim distribution from the funds received on closing and as more particularly set out in the Second Report;

Sealing Order

- (k) The Receiver believes that details of the offers submitted for the Properties including matters relating thereto should be kept confidential until the closing of the transaction. The Receiver is of the view that public disclosure thereof would have a negative impact on the future marketing of the Properties should the Transaction with the Purchaser not be approved or completed;
- (l) The Receiver therefore requests that the Confidential Appendices to the First and Second Report be sealed until the completion of the Transaction and closing of the sale of the Properties;

Approval of Reports, Fees and Conduct

- (m) The Receiver submits that its conduct and activities, as set out in the Reports, is reasonable. The Receiver requests approval of the Reports and the conduct and activities of the Receiver as set out therein;

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- (n) The Receiver submits that the fees and disbursements of the receiver and its counsel, as set out in the fee affidavits of Daniel Weisz dated May 5, 2021 and J. Glen Eddie dated May 6, 2021 (collectively, the “**Fee Affidavits**”) are reasonable and requests that the Court grant an Order approving same;
- (a) Such further and other grounds as the lawyers may advise.

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

(List the affidavits or other documentary evidence to be relied on)

- (a) The Reports and Confidential Appendices thereto;
- (b) The Fee Affidavits;
- (c) Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

May 6, 2021

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RSM Canada Limited

TO: **THE SERVICE LIST**

RCP-E 37A (September 1, 2020)

FIRST SOURCE FINANCIAL MANAGEMENT INC.
Applicant

-and- UNIONVILLE RE-DEV CORPORATION et al.
Respondents

Court File No. CV-20-00647644-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

NOTICE OF MOTION

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RCP-E 4C (May 1, 2016)

2

Court File No. CV-20-00647644-00CL

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

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

**UNIONVILLE RE-DEV CORPORATION,
UNIONVILLE RE-DEV PHASE 2 CORPORATION, and
BLACKSMITH PARTNERS INC.**

Respondents

SECOND REPORT OF THE RECEIVER

MAY 6, 2021

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I. INTRODUCTION

1. Pursuant to an application made by First Source Financial Management Inc. (“**First Source**”), by Order of the Ontario Superior Court of Justice (the “**Court**”) dated October 16, 2020, with effect from October 27, 2020, RSM Canada Limited (“**RSM**” or the “**Receiver**”) was appointed as receiver of the properties municipally known as 160, 162, 166, 170, 174-178, and 186 Main Street, Unionville, Ontario owned by the Respondents (the “**Properties**”). Amendments to the appointment order were made on October 29, 2020 and January 4, 2021. A copy of the Appointment Order as amended (the “**Appointment Order**”) is attached to this report as Appendix “**A**”.
2. On December 22, 2020, the Receiver issued its First Report to the Court (the “**First Report**”) for the purpose of, among other things, seeking an Order:
 - (i) terminating the lease between 2692006 Ontario Inc. (“**269**”) and the Respondent Blacksmith Partners Inc. (the “**269 Lease**”) in respect of the properties located at 160 Main St. and 162/166 Main St.;
 - (ii) amending the description of the Properties as set out in the Appointment Order; and
 - (iii) approving the Sale Process (as defined in the First Report) and authorizing the Receiver to enter into a listing agreement with Colliers.

A copy of the First Report, without appendices, is attached to this report as Appendix “**B**”.

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3. At the return of the motion on January 4, 2021 (the “**January 4 Motion**”), Justice Cavanagh granted the requested amendments to the Appointment Order, adjourning the balance of the motion so as to permit responding materials to be filed.
 4. A Case Conference was held on January 15, 2021, to address, without limitation, (i) the Receiver’s intention to commence the Sale Process for the Properties; (ii) timelines for the determination of the outstanding relief sought on the January 4, Motion; and (iii) the Receiver’s request for assistance from the Court in obtaining from a third party documents relating to the Properties. The January 15, 2021 Case Conference proceeded before the Honourable Justice Gilmore. Justice Gilmore:
 - a) agreed that the Receiver was authorized by the terms of the Appointment Order to commence the Sales Process as intended;
 - b) ordered a timetable for materials in relation to the 269 Lease termination issue, to be heard on February 8, 2021; and
 - c) stated that the documents prepared by KLM Planning Partners Inc. (the “**KLM Documents**”) “should be produced by the debtors (on instruction to KLM) without the necessity of a motion. If they are not, the Receiver may request this relief at the February 8, 2021 motion.”

A copy of Justice Gilmore’s Endorsement made on January 15, 2021 (the “**January 15 Endorsement**”) is attached to this report as Appendix “**C**”.

5. The Receiver’s Motion respecting termination of the 269 Lease was heard on February 8, 2021, by the Honourable Justice Cavanagh. The Receiver’s Supplemental Report to the First Report of the Receiver dated January 28, 2021 (the “**First Supplemental Report**”) filed in advance of the hearing of the motion is attached as Appendix “**D**”.
6. In his Endorsement, issued the following day on February 9, 2021, Justice Cavanagh ordered that the 269 Lease be terminated and authorized the Receiver to market and sell the corresponding properties free and clear of any interest created by the 269 Lease (the “**Lease Termination Order**”). A copy of the Lease Termination Order and the Endorsement of Justice Cavanagh are attached to this report as Appendix “**E**”.
7. At the February 8, 2021 hearing, additional relief sought by the Receiver in relation to its use of the KLM Documents was adjourned to February 24, 2021. The issues concerning the KLM Documents were, however, subsequently resolved without need for a hearing.
8. Court materials, Orders and other pertinent documents have been posted on the Receiver’s website, which can be found at <http://www.rsmcanada.com/160-162-166-170-174-178-186-main-street>.

II. PURPOSE OF REPORT

9. The purpose of this second report to the Court (the “**Second Report**”) is to:

-
- (a) report to the Court on the activities of the Receiver from the date of its First Report to April 30, 2021;
 - (b) report to the Court on the results of the Sale Process and activities leading to receipt of an offer for the Properties, as well as the agreement of purchase and sale entered into by the Receiver that is conditional, *inter alia*, on the Court's approval of the transaction set out therein;
 - (c) provide an update to the Court on the Receiver's requests for information from the Respondents;
 - (d) report to the Court on the status of the Properties and the Receiver's activities in connection therewith, including the Receiver's interactions with tenants of the Properties;
 - (e) provide the Court with a summary of the Receiver's cash receipts and disbursements for the period July 15, 2020 to April 30, 2021 (the "**Interim R&D**");
 - (f) report on the fees incurred by the Receiver and its counsel; and
 - (g) seek an order:
 - i. authorizing and directing the Receiver to enter into and carry out the terms of the APS (as defined below), together with such minor amendments thereto deemed necessary by the Receiver in its sole opinion, and vesting title to the Purchased Assets (as defined in the APS) in the Purchaser (as defined below), or as it may further direct in writing, free and clear of claims and encumbrances, upon closing of the

-
- transaction under the APS and the delivery of a Receiver's certificate to the Purchaser;
- ii. sealing Confidential Appendix H to the Second Report, including Tabs 2 and 3 thereto until the closing of the sale of the Properties;
 - iii. permanently sealing Tab 1 to Confidential Appendix H;
 - iv. authorizing the Receiver to make the Interim Distribution (as defined herein);
 - v. approving the First Report, the First Supplemental Report, the Second Report, and the Receiver's conduct and activities to date as set out in each of the reports;
 - vi. approving the Interim R&D; and
 - vii. approving the fees of the Receiver and its counsel.

Terms of Reference

10. In preparing this Second Report and making the comments herein, the Receiver has relied upon certain information from third-party sources (collectively, the "**Information**"). The Receiver has, 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 Canadian Auditing Standards pursuant to the CPA Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.
11. Unless otherwise stated, all dollar amounts contained in the Second Report are expressed in Canadian dollars.

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12. Defined terms in this Second Report have, unless indicated otherwise herein, the same meanings as set out in the First Report and the First Supplemental Report.

III. **BACKGROUND**

13. First Source is a private lender and mortgage broker in the business of originating and administering mortgage loans in Ontario. First Source holds a first mortgage in the principal amount of \$16,285,256 against the Properties (the “**First Mortgage**”). As of June 4, 2020, the amount outstanding under the mortgage held by First Source was \$14,156,122.
14. The Respondents failed to repay the amount of the loan due and owing on the maturity date of the First Mortgage and First Source sought the appointment of the Receiver pursuant to a Notice of Application dated September 15, 2020.
15. By Order of the Court dated October 16, 2020, with effect from October 27, 2020, RSM was appointed as receiver of the Properties.

The Properties

16. The Properties consist of a near-contiguous stretch of parcels located on Main St. Unionville, forming part of the central business and shopping district within the Unionville community.
17. There are six (6) retail/commercial buildings situated on the various Properties, with a total of 10 rentable units. The location and description of the rentable units are described in the First Report.
18. Prior to the appointment of the Receiver, the owners of the Properties had been engaged in planning the potential construction of a mixed use condominium

development on the site of the Properties, which plans do not appear to have progressed beyond early stages.

IV. RECEIVER'S ACTIVITIES SINCE THE FIRST REPORT

Insurance

19. The Receiver has arranged for renewal/extension of the insurance policies relating to the Properties which were scheduled to expire.

Tenants of the Properties

20. The lease for 170 Main St., 2nd floor, expired at the end of September, 2020. After requesting several one-month extensions from the Receiver, which the Receiver granted on the same terms as contained in the expired lease, the tenant vacated its unit on January 31, 2021. Given the pending Sale Process and uncertainty as to the intended use of the property by prospective purchasers, the Receiver did not market this unit for lease following its vacancy.
21. Additionally, the lease for the 1st floor of the 170 Main St. property was set to expire during the course of the receivership, on March 31, 2021. The 1st floor tenant, a long running tenant with an established business, sought to negotiate terms for the continued lease of its unit and advised that, without comfort as to the immediate future of its business operations at the location, it would have to consider other options. The Receiver sought advice from Colliers as to whether extending the lease with the tenant was likely to have a beneficial impact on value in the context of the Sale Process and concluded, on the basis of advice received, that it would be in the interest of stakeholders to extend the lease with the tenant on amended

terms. After negotiation between the Receiver and the tenant, the Receiver and the tenant executed a Lease Extension and Amending Agreement made as of March 30, 2021.

22. The Receiver has also agreed to defer collection of rent payments due from certain tenants of the Properties who had requested accommodations from the Receiver in light of the impact of the COVID-19 pandemic on their business. The Receiver's deferral of collection activities is a temporary indulgence only, and tenants remain liable for all amounts owed or outstanding under the terms of their lease. The Receiver has not waived any rights or remedies available to it in relation to such arrears, has not waived any rights to demand payment of such arrears, and has not forgiven any amounts owed by tenants.

Property Taxes

23. According to a Notice of Overdue Taxes dated April 5, 2021 received in respect of each of the Properties, the unpaid property taxes in respect of the Properties total \$296,915.20, as follows:

Address	Balance
160 Main St.	\$ 50,037.80
162 & 166 Main St.	50,811.62
170 Main St.	62,610.55
174 - 178 Main St.	57,473.19
186 Main St.	75,982.04
Total	\$ 296,915.20

24. The Receiver intends to address payment of the outstanding property taxes upon the closing of the sale of the Properties.

V. UNFILED SECOND SUPPLEMENTAL REPORT

25. The January 15 Endorsement set out that the KLM Documents should be provided to the Receiver.
26. Notwithstanding ongoing negotiations between counsel to Mr. Dave and the Receiver, as of February 17, 2021, the parties had not reached a resolution as to use by the Receiver of the KLM Documents.
27. As a result, the Receiver prepared its Second Supplemental Report to the First Report of the Receiver dated February 18, 2021 (the “**Second Supplemental Report**”), in connection with the Receiver’s motion scheduled to be heard on February 24, 2021 relating to the Receiver’s efforts to obtain certain documentation, including the KLM Documents, in relation to the Properties and the authorized uses of same. The Second Supplemental Report was not filed with the Court since, prior to the scheduled motion, the issue was resolved by agreement.

VI. MARKETING AND SALE PROCESS

28. On January 15, 2021, the Receiver signed the listing agreement with Colliers to market the Properties for sale.
29. Colliers’ marketing campaign consisted of two phases. The first phase, which commenced on January 18, 2021, consisted of efforts to raise awareness of the coming sale of the Properties amongst parties regarded by Colliers as likely to be interested as prospective purchasers.
30. The second phase of the marketing campaign consisted of intensified marketing efforts, including the establishment of a data room available to be accessed by

prospective purchasers who had signed confidentiality agreements, the listing of the Properties on MLS, conducting tours of the Properties, conducting on-going discussions with potential purchasers and making available template agreements of purchase and sale to prospective purchasers.

31. Two distinct groups of potential purchasers were targeted by Colliers in their marketing activities: those primarily interested in the development potential of the Properties, and those seeking to acquire income generating properties or properties for commercial use. With this in mind, the Properties were marketed on both on an individual basis and on a “land assembly” basis, the latter likely being of most interest to developers. Separate Multiple Listing Service Agreements listings for each category of purchaser were developed, one featuring the collection of Properties as an assembly, with others detailing the individual Properties.
32. Intensification of the marketing campaign commenced in early March, with the greatest concentration of activity, including viewings and tours of the Properties taking place over the final four weeks preceding the offer submission date.
33. Interested parties were notified that the offer submission date was scheduled for 3:00 p.m. on April 16, 2021. The Receiver provided Colliers with forms of agreement of purchase and sale for the ‘en bloc” and individual Properties, on which offers for the Properties were to be submitted. The forms of agreement of purchase and sale were included in the data room maintained by Colliers.
34. In order to provide interested parties with information to assist them in considering the Properties, the Receiver engaged Pottinger Gaherty Environmental Consultants Ltd. to prepare a Phase 1 environmental site assessment report and

a Phase 2 environmental site assessment report compliant to CSA Z768/01, both of which were posted to the Colliers data room upon their completion, on or about April 9, 2021 which Colliers indicated provided enough time for potential purchasers to review prior to the designated offer submission date.

35. A summary of the marketing activities undertaken by Colliers is set out below:
- a) the Properties were listed on the Toronto Real Estate Board MLS system on March 3, 2021;
 - b) Email Awareness Campaigns were emailed out along with the Confidentiality Agreement on a targeted basis to over 4,000 prospective purchasers and developers on a weekly basis starting the week of March 3, 2021 ("**EA Campaign**");
 - c) e-mails were sent to Colliers' list of co-operating real estate agents totalling approximately 560 contacts;
 - d) an advertisement was placed on March 29, 2021 in the Insolvency Insider publication ("**Insolvency Insider Advertisement**");
 - e) targeted solicitation calls were made to real estate developers and investors;
 - f) the Properties were listed on Colliers' website and Realtor.ca;
 - g) the MLS listings were updated on March 30, 2021 to include listing prices for the Properties; and
 - h) an electronic data room was set up to provide access to confidential information pertaining to the Properties to parties who had executed the Confidentiality Agreement.

Copies of the EA Campaign and the Insolvency Insider Advertisement are attached collectively to this report as Appendix “F”.

36. Colliers informed the Receiver that the marketing campaign generated the following response:

- a) 390 unique website clicks to investigate the opportunity further;
- b) 675 data room views and downloads of varying components of information;
- and
- c) 6,453 EA Campaign views.

VII. ADDITIONAL DISCLOSURE

37. On April 7, 2021, the Receiver was notified that an odour consistent with a gas leak had been reported by members of a group touring the restaurant/Bistro property located at 162/166 Main St. Further investigations into the issue were arranged by the Property Manager, who advised the Receiver that during the investigation performed, two gas leaks had been identified. The Property Manager has advised the Receiver that the gas supply to the building has been turned off. No repairs or further investigations into the issue have been performed. As no similar issue had been previously reported by groups attending at the 162/166 Main St. property, the Receiver requested that Colliers send notice of the issue to all parties who had either signed a Confidentiality Agreement or toured the property, alerting them to the gas leak discovery and the fact that the Receiver did not intend to take any further steps to investigate or repair same and Colliers

executed upon the Receiver's request. A copy of the Notice sent respecting the Gas Leak is attached to this report as Appendix "G".

VIII. OFFERS RECEIVED

38. As set out above, interested parties were advised that the offer submission date for the Properties was April 16, 2021. The offers received before the offer deadline were variously configured, including offers to purchase the entire assembly of Properties on an "en bloc" basis, to purchase some of the Properties but not others, as well as stand-alone offers for individual properties. A summary prepared by Colliers of the offers received is attached to this report as Tab 2 to Confidential Appendix "H".
39. All offers were presented on the form of agreement of purchase and sale provided by the Receiver, as modified by the offeror. Offers received were considered and evaluated on their merits with a view to the selection of the offer, or combination of offers, most beneficial to the creditors of the Respondents. In evaluating the offers, the Receiver consulted with its advisors, including Colliers and its legal counsel. The Receiver disclosed details of the offers received and the Receiver's evaluation of same with First Source, the senior secured creditor of the Respondents and first mortgagee on each of the Properties.
40. Following negotiations relating to the terms of the offer, First Source communicated its concurrence with the Receiver's view that the offer received from Watford Development Inc., in trust for a company to be incorporated, and Ajay Mehra, Raffi Tokmakjian, Sylvia Tokmakjian, Hripsime (Helen) Tokmakjian and

Berardino D'Amato, in trust for one or more companies to be incorporated (collectively, the "**Purchaser**") as the offer most advantageous to the creditors and other interested parties.

41. On April 28, 2021, the Receiver communicated to counsel to the Purchaser the Receiver's acceptance of the Purchaser's offer and provided an executed copy of the agreement of purchase and sale (the "**APS**").
42. The Receiver recommends that this Honourable Court approve the Receiver entering into the APS with the Purchaser and authorize the Receiver to complete the transaction set out therein.

IX. AGREEMENT OF PURCHASE AND SALE

43. Salient terms of the APS and matters relating thereto include (all capitalized terms in this section not defined in the APS are as otherwise defined in the Second Report):
 - a) the purchased assets include the Properties;
 - b) the deposit to be provided under the APS has been received from the Purchaser;
 - c) the offer does not provide for a diligence period during which the offer remains conditional;
 - d) the conditions in favour of the Purchaser, have either been satisfied or are expected by the Receiver to have been satisfied prior to the return of this motion. In particular:

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- i) First Source and the Purchaser's counsel have advised that terms of agreement between the parties have been reached and that the condition set out at Section 16(d)(v) of the APS has been satisfied;
 - ii) Il Postino Ristorante Inc. and Joe Sala have confirmed in writing that any Rights of First Refusal held by them in respect of any sale of the 186 Main St. Property will not be exercised and are no longer available to be exercised by them in respect of the Purchaser's APS. The condition set out at Section 16(d)(iv) has therefore been satisfied; and
 - iii) the remaining conditions, other than those relating to Court approval, are capable of being satisfied without requiring the consent or cooperation of third parties;
- e) the APS is conditional on Court approval and the issuance of an order vesting title to the Purchased Assets in the Purchaser free and clear of claims and encumbrances, other than those specifically itemized in the APS;
 - f) the Purchaser is buying the Properties on an "as is, where is" basis;
 - g) the Purchaser is assuming all leases at the Properties; and
 - h) closing of the sale provided for in the APS is scheduled to occur on the 10th Business Day following the date on which the Vesting Order is granted, or such other date as agreed between the Purchaser and the Receiver.

A copy of the APS is attached to this report as Tab 3 to Confidential Appendix “H”.

X. RIGHT OF FIRST REFUSAL IN FAVOUR OF TENANT OF 186 MAIN STREET

44. As addressed briefly above, Il Postino Ristorante Inc. (the “**Tenant**”) and Joe Sala, its principal, are parties to a Lease Amending Agreement dated July 2, 2019 which provides, in favour of Il Postino, the following: “The Tenant shall have right of first refusal to purchase the subject property that comprises the IL Postino Restaurant at 186 Main Street Unionville, ON L3R 2G9 (the Property) from the Landlord should the Landlord sell the property prior to the end of the Lease Term or an (sic) renewal thereof” (the “**ROFR**”).
45. During the Sale Process, Il Postino contacted the Receiver and communicated its intention to exercise the ROFR, as set out above, at the conclusion of the Sale Process. The Receiver expressed some concerns as to the enforceability of the provision in the Lease Amending Agreement relating to the ROFR, or whether the ROFR would be applicable to a sale by a Receiver, but advised the Tenant that if agreement could be reached establishing timelines and a process by which the ROFR would be exercised, the Receiver would share information in relation to the selected offer with the Tenant on a confidential basis, following which the Tenant would have 72 hours to submit an offer on the same or better terms, accompanied by a deposit, and the applicability and enforceability of the ROFR could be brought before the Court for a determination. The Tenant agreed to comply with the process and timelines proposed by the Receiver, which were established with a

view to facilitating an orderly process for determining the rights of the Tenant and minimizing the risk of disruption or delay to the Sale Process or any sale approval.

46. As agreed, upon the Receiver's selection of the Purchaser's offer, counsel for Il Postino and Mr. Sala was provided an agreement requiring these parties to keep confidential and not disclose any details or information concerning the APS. By the agreement, Il Postino and Mr. Sala furthermore acknowledged their agreement to comply with the process and timelines established with the Receiver for the exercise of the ROFR (if effective and applicable), failing which the ROFR would no longer be available in respect of the Purchaser's APS. Il Postino and Mr. Sala signed and returned the agreement.
47. Upon review of the APS, Il Postino and Mr. Sala confirmed that they would not exercise the ROFR and did not intend to submit any competing offer.

XI. APPROVAL OF SALE

48. The Receiver believes that the marketing process undertaken by the Receiver was appropriate for the type of properties in question, and provided sufficient market exposure to the Properties for the following reasons:
- a) notice of the sale of the Properties was electronically sent to more than 4,500 parties, not including those enquiring via MLS;
 - b) 59 parties executed a Confidentiality Agreement and were provided with access to Colliers' data room;
 - c) the Properties were listed for sale on MLS, both individually and as an "en bloc" group;

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- d) the Properties were listed on Colliers' website;
 - e) the Properties were exposed to the market for a period of approximately 13 weeks; and
 - f) First Source is supportive of the Receiver completing the APS.
49. The Receiver therefore recommends the approval of the APS by this Honourable Court.
50. The Receiver believes that details of the offers submitted for the Properties including matters relating thereto should be kept confidential until the closing of the sale of the Properties. The Receiver is of the view that these documents contain commercially sensitive information and that public disclosure thereof would have a negative impact on the Receiver's ability to market the Properties and maximize realizations should this become necessary in event that the transaction with the Purchaser not be approved or completed.
51. The Receiver therefore respectfully requests that (i) Confidential Appendix H, including Tabs 2 and 3 be sealed until after the closing of the sale of the Properties, or further Order of this Court, and (ii) Tab 1 to Confidential Appendix H be permanently sealed as it contains information relating to other parties.

XII. SECURED OR PRIORITY CLAIMS

52. The following is a list of the secured creditors having registrations against title to the Properties as shown on the parcel register for the Properties listed below ("**PIN**") as of October 27, 2020:

Real Property	Registered Charges
PIN: 02979-0301 (LT); LEGAL DESCRIPTION: PT LT 12 CON 5 MARKHAM, PTS 1, 2 & 3 65R20048 EXCEPT PTS 1, 2, 3, 4 & 5 65R23053, MARKHAM; S/T EASE OVER PT 7 65R23053 AS IN LT1547540	FIRST SOURCE FINANCIAL MANAGEMENT INC. as Instrument YR2957465 in the amount of \$16,285,256 VASILOVSKY, PAUL C, VASILOVSKY, THOMAS as Instrument YR2957467 in the amount of \$3,000,000
PIN: 02979-0172 (LT) LEGAL DESCRIPTION: PT LT 12 CON 5 MARKHAM PT 4, 65R20048; MARKHAM. S/T EASE AS IN LT1547540	FIRST SOURCE FINANCIAL MANAGEMENT INC. as Instrument YR2957465 in the amount of \$16,285,256 VASILOVSKY, PAUL C, VASILOVSKY, THOMAS as Instrument YR2957467 in the amount of \$3,000,000
PIN: 02979-0122 (LT) LEGAL DESCRIPTION: PT LT 12 CON 5 MARKHAM PT 1, 65R4965; T/W R646625; MARKHAM	FIRST SOURCE FINANCIAL MANAGEMENT INC. as Instrument YR2957465 in the amount of \$16,285,256 VASILOVSKY, PAUL C, VASILOVSKY, THOMAS as Instrument YR2957467 in the amount of \$3,000,000 VISTA CREDIT CORP. as Instrument YR3086022 in the amount of \$2,560
PIN: 02979-0123 (LT) LEGAL DESCRIPTION: PT LT 12 CON 5 MARKHAM AS IN R666021; T/W R666021; MARKHAM	FIRST SOURCE FINANCIAL MANAGEMENT INC. as Instrument YR2957465 in the amount of \$16,285,256
PIN: 02979-0124 (LT) PT LT 12 CON 5 MARKHAM PTS 1 & 2, 64R7629; S/T MA58258; CITY OF MARKHAM	THE BANK OF NOVA SCOTIA as Instrument YR2623311 in the amount of \$4,675,000 (the Bank of Nova Scotia has confirmed that it has been repaid and no funds, secured or unsecured, are owing, a copy of which correspondence is attached hereto as Appendix "I")

Real Property	Registered Charges
	FIRST SOURCE FINANCIAL MANAGEMENT INC. as Instrument YR2957465 in the amount of \$16,285,256
PIN: 02979-0126 (LT) LEGAL DESCRIPTION: PT LT 12 CON 5 MARKHAM AS IN R371141; S/T & T/W R371141; MARKHAM	FIRST SOURCE FINANCIAL MANAGEMENT INC. as Instrument YR2957465 in the amount of \$16,285,256

A copy of the Parcel Registers for the Properties are attached hereto as Appendix “J”.

53. The Receiver has received from First Source an Account Closing Statement (the “**First Source Statement**”). According to the First Source Statement, the amount owing by the Respondents to First Source and required to discharge the first mortgage will be, as of May 27, 2021, \$18,074,296.78, including the \$50,000 advance, plus interest on the advance for which Receiver Certificate No. 1 was issued. A copy of the First Source Statement is attached to this report as Appendix “K”.

54. The Receiver has received an opinion from Torkin Manes (“**Legal Opinion on First Source Security**”) that, subject to the qualifications set out in the opinion:

- a) the PPSA Security Documents (as defined in the Security Opinion) were validly registered pursuant to the PPSA and, subject to the qualifications set out in the Security Opinion, First Source holds a first-ranking security interest over personal property of the Debtors based on date of registration; and

b) the First Source Mortgage was validly registered against title to the Properties and, subject to the qualifications set out in the Security Opinion, ranks first in priority among registered encumbrances against title to the Properties, with the exception of a Charge registered as YR2623311 in favour of the Bank of Nova Scotia (“BNS”) as registered on title to PIN: 02979-0124 (LT), in respect of which BNS has confirmed that no amounts are owed to BNS.

A copy of the Legal Opinion on First Source Security is attached hereto, as Appendix “L”.

XIII. INTERIM DISTRIBUTION

55. The closing of the sale of the Properties is scheduled to take place on May 27, 2021.

56. Following the closing of the sale of the Properties, and receipt by the Receiver of the net sales proceeds therefrom, funds will be available for the Receiver to make an interim distribution. The Receiver proposes that, upon the closing of the sale of the Properties, and following the payment of the commission payable to Colliers and the payment of property taxes, the Receiver be authorized to additionally pay out, from the proceeds of sale and cash in the Receiver’s bank account, the following amounts:

a) to First Source the advances totaling \$50,000 under Receiver Certificate No. 1 plus interest (the “**Receiver Certificate Advance**”);

-
- b) the amounts owing to the Receiver and Torkin Manes on account of their respective unpaid accounts (collectively, the “**Receiver’s Expenses**”); and
 - c) the Interim Distribution (as defined below) to First Source.
57. Following receipt of the net proceeds from the sale of the Properties, and following the payment of the amounts set out in Paragraph 56, the Receiver proposes to on or about May 27, 2021 pay to First Source an amount equal to the balance in the Receiver’s bank account, less a holdback of \$200,000 or such other amount as may be agreed to with First Source, to pay for expenses related to the Properties and the estimated fees of the Receiver and its counsel to complete the receivership administration (the “**Interim Distribution**”).
58. The Receiver therefore recommends and requests that this Court direct that the Receiver be authorized to:
- a) pay to First Source the Receiver Certificate Advance; and
 - b) make an interim distribution to First Source in an amount equal to the Interim Distribution.

XIV. RECEIVER’S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

59. Attached to this report as Appendix “**M**” is the Interim R&D. As set out on the Interim R&D, as at April 30, 2021, total receipts, including the advance of \$50,000 pursuant to a Receiver’s Certificate, were \$346,010, while disbursements recorded were \$177,610 resulting in a net cash balance of \$168,400. This amount does not include the deposit provided to the Receiver in respect of the APS.

XV. PROFESSIONAL FEES

60. The Receiver's accounts total \$184,328.50 in fees plus HST of \$23,962.71 for a total amount of \$208,291.21 for the period July 15, 2020 to March 31, 2021 (the "**Receiver's Accounts**"). A copy of the Receiver's Accounts, together with a summary of the accounts, the total billable hours charged per account, and the average hourly rate charged per account, is set out in the Affidavit of Daniel Weisz sworn May 5, 2021 that is attached to this report as Appendix "**N**".
61. The accounts of the Receiver's counsel, Torkin Manes, total \$97,197.79 in fees and disbursements and \$12,551.53 in HST for a total of \$109,749.32 for the period October 22, 2020 to March 31, 2021 (the "**Torkin Manes Accounts**"). A copy of the Torkin Manes Accounts, together with a summary of the personnel, hours and hourly rates described in the Torkin Manes Accounts, supported by the Affidavit of J. Glen Eddie sworn May 6, 2021 is attached to this report as Appendix "**O**".

XVI. CONCLUSION

62. The Receiver respectfully requests that the Court make an Order:
- (i) authorizing and directing the Receiver to enter into and carry out the terms of the APS, together with such minor amendments thereto deemed necessary or expedient by the Receiver in its sole opinion, and vesting title to the Purchased Assets in the Purchaser or as it may further direct in writing, free and clear of claims and encumbrances, upon closing of the transaction under the APS and the delivery of a Receiver's certificate to the Purchaser;

-
- (ii) sealing Confidential Appendix H, including Tabs 2 and 3 until after the closing of the sale of the Properties, or further Order of this Court;
 - (iii) permanently sealing Tab 1 to Confidential Appendix H;
 - (iv) authorizing the Receiver to make the Interim Distribution;
 - (v) approving the First Report, the First Supplemental Report and the Receiver's conduct and activities set out therein;
 - (vi) approving the Second Report and the Receiver's conduct and activities set out herein;
 - (vii) approving the Interim R&D; and
 - (viii) approving the Receiver's Accounts and the Torkin Manes Accounts.

All of which is respectfully submitted to this Court as of this 6th day of May, 2021.

RSM CANADA LIMITED

In its capacity as Court-appointed Receiver of the properties municipally known as 160, 162, 166, 170, 174-178, and 186 Main St., Unionville, Ontario and not in its personal or corporate capacity



Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice President

APPENDIX "A"

Court File No. CV-20-00647644-00CL

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

THE HONOURABLE)	FRIDAY, THE
)	
JUSTICE GILMORE)	16 TH DAY OF OCTOBER, 2020

B E T W E E N:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

**UNIONVILLE RE-DEV CORPORATION,
UNIONVILLE RE-DEV PHASE 2 CORPORATION, and
BLACKSMITH PARTNERS INC.**

Respondents

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

**AMENDED ORDER
(appointing Receiver, January 4, 2021 Amendment)**

THIS APPLICATION made by the Applicant 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 RSM Canada Limited as receiver (the "**Receiver**") without security, of the real property owned by the Respondents (collectively, the "**Debtors**") and having the legal descriptions as set out in

Schedule “A” hereto (collectively, the “**Property**”), was heard this day virtually via Zoom videoconference as a result of the COVID-19 crisis.

ON READING the affidavit of David Mandel sworn July 6, 2020 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant and the Debtors, and on reading the consent of RSM Canada Limited 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 and validated so that this motion 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*, RSM Canada Limited is hereby appointed Receiver, without security, of the Property, effective October 27, 2020 at 12:00pm.

RECEIVER’S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to 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;
- (d) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors with respect to the Property and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (e) to settle, extend or compromise any indebtedness owing to the Debtors with respect to the Property;
- (f) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;
- (g) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors, the Property or the Receiver, and to settle or compromise any such

proceedings The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

- (h) 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;
- (i) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business with the approval of this Court, and notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;
- (j) 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;
- (k) 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;
- (l) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (m) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors;
- (n) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtors; and
- (o) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of 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 grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

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

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

providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

9. **THIS COURT ORDERS** that all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the *BIA*, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the

environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

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

PIPEDA

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 identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to

whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

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

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 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 standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

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 \$250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the *BIA*.

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 "B"** 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.

SERVICE AND NOTICE

24. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <https://rsmcanada.com/what-we-do/services/consulting/financial-advisory/restructuring-recovery/current-restructuring-recovery-engagements.html>

25. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by

forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtors' creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

26. **THIS COURT ORDERS** that the Applicant, the Receiver and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Debtors' creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

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

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

29. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this

Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

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

31. **THIS COURT ORDERS** that the Applicant shall have its costs of this motion, 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 Debtors' estate with such priority and at such time as this Court may determine.

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

33. **THIS COURT ORDERS** that, notwithstanding Rule 59.05, this order is effective from the date it is made, and it is enforceable without any need for entry and filing. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or motion

for leave to appeal is brought to an appellate court. Any party may nonetheless submit a formal order for original, signing, entry and filing, as the case may be, when the Court returns to regular operations.

SCHEDULE “A”

List of Properties

Municipal address: 166 Main Street, Unionville ON and 162 Main Street, Unionville

PIN: 02979-0122 (LT)

Property Description:

PT LT 12 CON 5 MARKHAM PT 1, 65R4965; T/W R646625 ; MARKHAM

Municipal address: 170 Main Street, Unionville ON

PIN: 02979-0123 (LT)

Property Description:

PT LT 12 CON 5 MARKHAM AS IN R666021; T/W R666021 ; MARKHAM

Municipal address: 174-178 Main Street, Unionville ON

PIN: 02979-0124 (LT)

Property Description:

PT LT 12 CON 5 MARKHAM PTS 1 & 2, 64R7629; S/T MA58258 ;; CITY OF MARKHAM

Municipal address: 186 Main Street, Unionville ON

PIN: 02979-0126 (LT)

Property Description:

PT LT 12 CON 5 MARKHAM AS IN R37141; S/T & T/W R371141 ; MARKHAM

~~Municipal address: 162 Main Street, Unionville ON~~

~~PIN: 02979-0172 (LT)~~

~~Property Description:~~

~~PT LT 12 CON 5 MARKHAM PT 4, 65R20048 ; MARKHAM. S/T EASE AS IN LT1547540~~

Municipal address: 160 Main Street, Unionville ON

PIN: 02979-0301 (LT)

Property Description:

PT LT 12 CON 5 MARKHAM, PTS 1, 2 & 3 65R20048 EXCEPT PTS 1, 2, 3, 4 & 5 65R23053, MARKHAM; S/T EASE OVER PT 7 65R23053 AS IN LT1547540.

and

PIN: 02979-0172 (LT)

Property Description:

PT LT 12 CON 5 MARKHAM PT 4, 65R20048 ; MARKHAM. S/T EASE AS IN LT1547540

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. **THIS IS TO CERTIFY** that RSM Canada Limited, the receiver (the "**Receiver**") of the Property (as defined in the Order) appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ● day of July, 2020 (the "**Order**") made in an application having Court file number CV-20-●-00CL, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

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

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

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.
6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.
7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

RSM CANADA LIMITED,
solely in its capacity as Receiver
of the Property, and not in its personal capacity

Per: _____

Name:

Title:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

-and-

UNIONVILLE RE-DEV CORPORATION *et al*

Applicant

Respondents

Court File No. CV-20-00647644-00CL

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

PROCEEDING COMMENCED AT
TORONTO

**ORDER
(appointing Receiver)**

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

155 Wellington Street West

35th Floor

Toronto ON M5V 3H1

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Daniel Rosenbluth (**LSO# 71044U**)

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Fax: 416.646.4301

Lawyers for the Applicant

APPENDIX "B"

Court File No. CV-20-00647644-00CL

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

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

**UNIONVILLE RE-DEV CORPORATION,
UNIONVILLE RE-DEV PHASE 2 CORPORATION, and
BLACKSMITH PARTNERS INC.**

Respondents

FIRST REPORT OF THE RECEIVER

DECEMBER 22, 2020

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I. INTRODUCTION

1. Pursuant to an application made by First Source Financial Management Inc. (“**First Source**”), by Order of the Ontario Superior Court of Justice (the “**Court**”) dated October 16, 2020, with effect from October 27, 2020, RSM Canada Limited (“**RSM**” or the “**Receiver**”) was appointed as receiver of the properties municipally known as 160, 162, 166, 170, 174-178, and 186 Main Street, Unionville, Ontario owned by the Respondents (the “**Properties**”). On October 29, 2020, the Court issued an amended appointment order (the “**Appointment Order**”). A copy of the Appointment Order is attached to this First Report as **Appendix “A”**.
2. The Appointment Order authorizes the Receiver to, *inter alia*:
 - a) exercise control over the Properties and any and all proceeds, receipts and disbursements arising out of or from the Properties;
 - b) receive, preserve, and protect the Properties, or any part or parts thereof, including, but not limited to, the changing of locks and security codes and the placement of such insurance coverage as may be necessary or desirable;
 - c) market the Properties, including advertising and soliciting offers in respect of the Properties and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate; and
 - d) sell, convey, transfer, lease or assign the Properties with the approval of this Court.

-
3. The Appointment Order and other pertinent documents have been posted on the Receiver's website, which can be found at <http://www.rsmcanada.com/160-162-166-170-174-178-186-main-street>.
 4. The Receiver has retained the firm of Torkin Manes LLP ("**Torkin**") as counsel to the Receiver.

II. PURPOSE OF REPORT

5. The purpose of this first report to the Court (the "**First Report**") is to:
 - (a) report to the Court on the activities of the Receiver from the date of its appointment to December 18, 2020;
 - (b) provide background information about the Properties;
 - (c) provide information on a lease that was entered into by 2692006 Ontario Inc. ("**269**") with the Respondent Blacksmith Partners Inc. in respect of the properties located at 160 Main St. and 162 Main St. / 166 Main St. (the "**269 Lease**"), including the basis for the Receiver's recommendation that the 269 Lease be terminated;
 - (d) provide information on the Receiver's attempts to obtain information relating to the Properties from Mr. Harshal Dave of the Respondents ("**Mr. Dave**");
 - (e) set out the proposed sale and marketing process by which offers will be solicited for the Properties, including the Receiver's proposed retention of Colliers Macaulay Nicolls Inc. ("**Colliers**") as listing agent; and
 - (f) seek an order:

-
- i. amending the Appointment Order to make a correction to the municipal address for certain of the Properties;
 - ii. terminating the 269 Lease;
 - iii. directing that Mr. Dave:
 - i) deliver to the Receiver by no later than January 12, 2021 certain information relating to the Properties in his, or the Respondents', power, possession or control; and
 - ii) comply in a timely fashion with any further requests made by the Receiver for information or documents relating to the Properties;
 - iv. approving the Sale Process and authorizing the Receiver to enter into the Listing Agreement (defined below) with Colliers and to list and market the Properties in accordance with the recommendations of the Receiver as set out in this First Report;
 - v. sealing Confidential Appendices L and M to the First Report; and
 - vi. approving the First Report and the Receiver's conduct and activities set out herein.

Terms of Reference

6. In preparing this report and making the comments herein, the Receiver has relied upon certain information from third-party sources (collectively, the "**Information**"). The Receiver has, 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 Canadian Auditing Standards pursuant to the CPA

Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.

7. Unless otherwise stated, all dollar amounts contained in the First Report are expressed in Canadian dollars.

III. BACKGROUND

Appointment of the Receiver

8. First Source is a private lender and mortgage broker in the business of originating and administering mortgage loans in Ontario. First Source holds a first mortgage in the principal amount of \$16,285,256 against the Properties. As of June 4, 2020, the amount outstanding under the mortgage held by First Source was \$14,156,122.
9. The Respondents failed to repay the amount of the loan due and owing on the maturity date.
10. First Source sought the appointment of the Receiver pursuant to a Notice of Application dated September 15, 2020.
11. By Order of the Court dated October 16, 2020, with effect from October 27, 2020, RSM was appointed as receiver of the Properties.

The Properties

12. The Properties consist of near-contiguous stretch of parcels located on Main St. Unionville, forming part of the central business and shopping district within the Unionville community. A composite of Teraview generated PIN maps showing the

location of the Properties, and identifying those subject to the Receivership, is attached to this First Report as **Appendix “B”**.

13. There are six (6) retail/commercial buildings situated on the various Properties, with a total of 10 rentable units. The location and present status of the rentable units are as follows:

- a) *160 Main St. (PIN 02979-0301 and 02979-0172)*: consists of a historic barn which has been converted into office/retail space and is currently unoccupied (the “**Barn**”);
- b) *162 Main St. / 166 Main St. (both municipal addresses appear to be associated with PIN: 02979-0122)*: consists of two separate units being (1) a street-facing restaurant formerly operated as the Blacksmith Bistro (the “**Bistro**”) and (2) an adjacent alley-facing house (the “**House**”), both of which are currently unoccupied;
- c) *170 Main St (PIN 02979-0123)*: consists of two units; upper and lower. The lower unit is occupied by a retail business known as the Old Firehall Confectionary and the upper unit consists of office space currently leased by 1777507 Ontario Inc. (dba Nicholby’s);
- d) *174-178 Main St. (PIN 02979-0124)*: consists of four units; 2 upper and 2 lower, as follows: (1) a lower unit retail business currently operating as Pharmalinx (2) a lower unit retail business currently operating as Pretty Thingz (3) an upper unit office space currently occupied by Williams Family Lawyers and (4) an upper unit office space currently occupied by Homelife Dreams Realty Inc.; and

-
- e) *186 Main St. (PIN 02979-0126)*: is currently occupied by a restaurant business operating as Il Postino.
14. Each of the units located at 170 Main St., 174-178 Main St. and 186 Main St. are, as indicated above, tenanted and occupied by businesses which continue to operate.
15. The status of the three units located at 160 Main St. and 162/166 Main St. is discussed in more detail below.
16. Prior to the appointment of the Receiver, the owners of the Properties had been engaged in planning the potential construction of a mixed use condominium development on the site of the Properties (the “**Proposed Development**”), which plans do not appear to have progressed beyond early stages.

IV. CORRECTION TO MUNICIPAL ADDRESS FOR PROPERTIES REFERENCED IN APPOINTMENT ORDER

17. In accordance with the PIN map referenced above and attached as Appendix B to this First Report and additional investigations undertaken by the Receiver with a view to confirming the corresponding municipal addresses of those parcels under Receivership, it would appear that the municipal address assigned to certain of the Properties in the Appointment Order require the following corrections:
- a) The municipal addresses of 162 Main St. and 166 Main St. Unionville both correspond to PIN 02979-0122 (it would appear that 162 Main St. is the official recognized municipal address for this parcel and that, while not

otherwise recognized by the municipality, the address of 166 Main St. is commonly associated with a second building located on the property); and

- b) The Municipal address of 160 Main St. corresponds to both PIN 02979-0172 and PIN 0279-0301.

18. The Receiver therefore requests that an amendment be made to the Appointment Order reflecting the above, so as to avoid further confusion as to the identification of each of the Properties.

V. RECEIVER'S ACTIVITIES TO DATE

Securing the Properties

19. In order to monitor the condition of the Properties on an ongoing basis, the Receiver entered into an agreement with Richmond Advisory Services Inc. ("**RAS**") to provide certain property management services including, without limitation:

- i) periodic site inspection of the Properties; and
- ii) sourcing and overseeing any necessary repairs and maintenance, as required.

20. On October 28, 2020, the Receiver attended on site at the Properties with a representative of RAS to, among other things, (i) notify the tenants of the Receiver's appointment, (ii) change the locks to all exterior doors, and (iii) complete a walk-through of the Properties to establish the present condition of same and to identify any maintenance needs or health and safety concerns.

-
21. RAS identified a number of minor maintenance issues relating to the winterization of the Properties. The Receiver subsequently authorized completion of the necessary repairs and has also engaged a snow removal contractor.

Insurance

22. Upon its appointment, the Receiver contacted the insurance brokers understood by the Receiver to have arranged for the placement of the Respondents' insurance coverage over the Properties to request and obtain confirmation that the Receiver would be added as loss payee and additional named insured on the relevant insurance policies. As the Receiver was unable to promptly obtain such confirmation, on October 27, 2020, the Receiver took steps to independently obtain liability insurance with coverage effective from October 27, 2020.
23. Subsequent to the Receiver's appointment, the Receiver arranged for all but one of the existing insurance policies relating to the Properties to be transferred to the Receiver, with the Receiver added as loss payee. The sole exception being the policy for 174-178 Main St., which is discussed below.
24. On December 2, 2020, the Receiver received a Registered Notice of Cancellation from Optimum General Insurance ("**Optimum**") regarding the policy for 174-178 Main St., Unionville (the "**Optimum Policy**"). The Receiver subsequently contacted Optimum to request that the Optimum Policy be reinstated, as it was the Receiver's position that cancellation of the Optimum Policy would be contrary to the terms of the Appointment Order.

25. On December 7, 2020, Optimum responded to the Receiver and agreed to reinstate the Optimum Policy, subject to the following terms:

- a) Optimum would not renew the Optimum Policy once the current policy term expired on January 31, 2021;
- b) Optimum would not add the Receiver as named insured on the Optimum Policy; and
- c) Optimum would not add the Receiver as loss payee on the Optimum Policy.

26. In view of Optimum's response, the Receiver arranged for alternate property insurance for 174-178 Main St., which was bound on December 9, 2020, and requested cancellation of the Optimum Policy in order to obtain a refund of the associated premiums.

Communications with Tenants

27. Upon attending at the Properties on October 28, 2020, the Receiver observed that all units were occupied by either retail or commercial tenants, with the exception of the 3 units located at 160 Main St. and 162/166 Main St., which appeared to be vacant. There are no residential tenants at the Properties.
28. Each of the tenants has been contacted, made aware of the appointment of the Receiver and provided with a copy of the Appointment Order. The Receiver has furthermore obtained copies of the leases for each of the tenanted units but for 170 Main St. (Old Firehall Confectionery) and 186 Main St. (Il Postino). The Receiver has requested from both the tenants and Mr. Dave copies of the leases for these units but, to date, no copy has been provided to the Receiver.

29. Certain tenants have requested rent reduction or other accommodation from the Receiver on account of the impact of the Covid-19 pandemic on their business. The Receiver is in the process of reviewing these requests.
30. With respect to the upper unit located at 170 Main St., occupied as an office space for Nicholby's, the tenant has advised the Receiver that it will be vacating the premises by December 31, 2020. The lease for this unit expired in September, 2020, and the tenant currently occupies same on a month-to-month basis.

Property Taxes

31. The Receiver has contacted the City of Markham to determine the status of property taxes payable in connection with the Properties. As at December 10, 2020, unpaid property taxes in respect of the Properties totalled \$192,542.22, allocated as follows:

Address	Balance
160 Main St.	\$ 14,289.25
162 & 166 Main St.	37,857.33
170 Main St.	48,965.81
174 - 178 Main St.	33,493.42
186 Main St.	57,936.41
Total	\$ 192,542.22

32. As the Receiver does not have funds with which to pay the property taxes, the Receiver intends to address any outstanding property taxes at the time of sale of the Properties.

Statutory Notices

33. On November 6, 2020, the Receiver sent a Notice and Statement of Receiver pursuant to Section 245(1) of the Bankruptcy and Insolvency Act to the known creditors of the Debtors related to the Properties (the “**245 Notice**”) as identified through a title search of the Properties and a Personal Property Security Registration System search of the Respondents. The Receiver has requested, but has not received from Mr. Dave, a list of the creditors of the Debtors related to the Properties. A copy of the 245 Notice is attached to this First Report as **Appendix “C”**.

VI. 160 MAIN ST. and 162 /166 MAIN STREET

34. Through its discussions with neighbouring tenants, the Receiver has been advised that, on or around March 1, 2020, the former tenant of 162/166 Main St., operating as the Blacksmith Bistro, ceased operations and vacated the property. The Receiver was further advised that the 162/166 Main St. property has remained vacant since that time. The precise circumstances of the former tenant’s departure are not known to the Receiver.
35. As of the date of the appointment of the Receiver, the House and Bistro units were vacant. The former tenant has made no attempts to contact or communicate with the Receiver, or gain access to the property for any purpose.
36. The Receiver was further advised by neighbouring tenants that the 160 Main St. property, on which the Barn is located, has been vacant for some time. The Receiver is unaware of any prior lease in respect of same. The information

provided by the neighbouring tenants is consistent with the rent rolls obtained by the Receiver in respect of the Properties, which do not indicate any rental income as being associated with the 160 Main St. property or the Barn.

37. Following its appointment, the Receiver changed the exterior locks on each of the Barn, the House and the Bistro, and posted notice of the receivership, as well as the contact information for the Receiver and RAS, on the main entrance for each.

The 269 Lease

38. On November 25, 2020, the Receiver was contacted by a representative of 269 who advised the Receiver that 269 was the tenant of the 160 Main St. and 162/166 Main St. properties, that they had been travelling outside of the country and had only now become aware of the receivership, and that immediate access to these properties was required for the purposes of performing renovation work in relation to same.
39. The Receiver advised the representative of 269 that the Receiver had understood that the property was not tenanted and that neither the owner nor neighbouring tenants had indicated otherwise. The Receiver furthermore requested a copy of the purported lease and advised that it would need to address these matters with legal counsel prior to granting any access.
40. On November 26, 2020, a copy of the purported lease (the “**269 Lease**”) was provided to the Receiver. A copy of the 269 Lease is attached to this First Report as **Appendix “D”**.
41. The Receiver has sought advice from Torkin and consulted with Colliers in connection with its evaluation of the 269 Lease and its terms. The Receiver is of

the view that the 269 Lease terms are not commercially reasonable and do not reflect market terms for the properties in question.

42. Specific concerns include, without limitation:

- a) the 269 Lease provides for an initial seven-month rent free period, from October 1, 2020 to April 30, 2021;
- b) no provision is made for deposit of first or last month's rent and the security deposit required is \$1,000, only;
- c) after the initial rent-free period, gross rent payable under the 269 Lease is equal to \$3,333.33 per month, plus HST, for the 1st and 2nd year of the lease term, 3,666.66 per month, plus HST, for the 3rd and 4th year and \$3,750 per month, plus HST, for the 5th year. On the basis of the rent rolls obtained by the Receiver, the former tenant of the 162/166 Main St. property, by comparison, paid base rent of \$114,000 annually, plus additional recoveries of approximately \$74,000, approximately five times higher than those rents contemplated by the 269 Lease. Furthermore, such rates were paid by the former tenant in connection with the 162/166 Main St. property only, whereas the 269 Lease significantly expands the total leased property to include the adjacent property located at 160 Main Street, on which the Barn is located;
- d) the 269 Lease is for an initial 5-year term but can be extended at the tenant's option for a further 5-year term; and
- e) the 269 Lease confers upon the tenant a right of first refusal to purchase the 160 Main St. and 162/ 166 Main St. properties in the event of any sale.

-
43. The Receiver has consulted with Colliers as to the potential impact of the 269 Lease on the Receiver's ability to market those properties for sale and obtain fair market value. Colliers has advised that it is of the view that the terms of the 269 Lease are likely to have a significant adverse impact on the Receiver's ability to market and sell the 160 Main St. and 162/166 Main St. properties. Colliers further confirmed to the Receiver that the terms of the 269 Lease are not, in its view, reflective of market rates for the subject properties.
44. Furthermore, while the 269 Lease states that it is "effective as of June 1, 2020", it is otherwise not dated. In the Receiver's view, it would be appropriate to verify the timing of its execution, in all the circumstances.
45. As a result of the foregoing the Receiver is of the view that:
- a) the provision of further substantiating evidence as to the circumstances and timing for the generation and execution of the 269 Lease is required;
 - b) even if otherwise validly entered into by arm's length parties at a time when the Properties were not subject to this Receivership proceeding, the 269 Lease does not represent fair market value terms of lease for the subject properties and is not commercially reasonable; and
 - c) if maintained, it is likely that the 269 Lease will:
 - (a) have a significant adverse impact on the Receiver's ability to market and sell the subject properties; and
 - (b) significantly reduce the value received for the subject properties in any potential sale; and

-
- d) in the interest of facilitating the sale of the 160 Main St. and 162/166 Main St. properties and maximizing realizations for the benefit of creditors, an Order terminating the 269 Lease should be granted.
46. On December 1, 2020, Torkin wrote to 269 to advise 269 of (i) the Receiver's position with respect to the 269 Lease, (ii) that the Receiver would not be providing access to the subject properties, and (iii) the Receiver's intention to seek an Order terminating the 269 Lease. A copy of Torkin's communication to 269 (the "**Torkin December 1 E-mail**") is attached to this First Report as **Appendix "E"**.
47. By letter dated December 8, 2020 (the "**McLean December 8 Letter**"), Reginald Murray McLean, counsel to 269, responded to Torkin and repeated 269's prior request for access. A copy of the McLean December 8 Letter is attached to this report as **Appendix "F"**.
48. Counsel for the Receiver responded to Mr. McLean by e-mail (the "**Torkin December 8 E-mail**") to advise that a hearing date of January 4, 2021 has been scheduled to address certain issues in relation to the Properties, including the termination of the 269 Lease. A copy of the Torkin December 8-mail to Mr. McLean is attached to this First Report as **Appendix "G"**.
49. As of the date of this First Report, the Receiver and its counsel have not received any further communications from either 269 or Mr. McLean.
50. For the reasons set out above, the Receiver is seeking an Order terminating the 269 Lease.

VII. CORRESPONDENCE WITH THE RESPONDENTS

51. On October 30, 2020, the Receiver sent a letter (the “**October 30 Letter**”) to Mr. Dave, who the Receiver understands to be the principal of the Respondents, to request certain information relating to the Properties. A copy of the October 30 Letter is attached to this First Report as **Appendix “H”**.

52. Specific information requested by the Receiver included the following:

- a) a list of all creditors of the Properties, including names, mailing addresses, and amounts owing;
- b) confirmation (if that is the case) that the Properties represent all or substantially all of the assets of Unionville Re-Dev Corporation, Unionville Re-Dev Phase 2 Corporation and Blacksmith Partners Inc.;
- c) the HST account(s) in respect of which the revenues and expenses for the Properties have been reported to CRA;
- d) statements of income and expenses for each of the Properties for the last 12 months;
- e) copies of all tenant leases;
- f) copies of contracts between the Debtors, or any of them, that relate to the Properties and/or their operations (i.e. equipment leases/rental agreements);
- g) most recent property/realty tax statements for each of the Properties;
- h) copies of the insurance policies in place for the Properties;

-
- i) name and account number of each utility service provider, and a recent invoice from each provider;
 - j) name, account number and contact information of any other recurring service providers such as waste removal, snow removal, property maintenance, HVAC maintenance, security companies, etc.;
 - k) appraisals for each of the Properties;
 - l) Environmental Site Assessment reports for each of the Properties;
 - m) any surveys, permits, architectural drawings, engineering reports, landscaping plans, geotechnical reports, or other documents relating to the Properties, collectively or individually; and
 - n) copies of correspondence with the City of Markham regarding future development plans for the Properties.
53. On November 2, 2020, Mr. Dave advised that he would provide a response his response by November 6, 2020.
54. As no response was received and the requested information was not provided, on November 11, 2020, the Receiver reiterated its request, and asked for its request to be complied with by noon on November 12, 2020. No response was received.
55. On November 18, 2020, counsel for the Receiver sent correspondence to Mr. Dave once again reiterating the Receiver's requests for information, reminding Mr. Dave of the duty to cooperate set out in the Appointment Order and advising Mr. Dave that continued non-compliance could necessitate that relief be sought against him personally.

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56. Following demand from counsel, on each of November 18, 2020, November 26, 2020 and December 1, 2020 Mr. Dave delivered correspondence to the Receiver in which he committed to timelines by which he would deliver the requested information, which he then failed to meet. To date, Mr. Dave has not provided any of the requested information. Copies of correspondence sent to Mr. Dave and his responses to same are collectively attached to this First Report as **Appendix "I"**.
57. Furthermore, while attending at the Properties on or about December 9, 2020, certain tenants disclosed to the Receiver that Mr. Dave continued to communicate with them in relation to matters concerning the Properties, and had advised them that the receivership proceedings had been resolved, that the Receiver no longer had any authority in relation to the Properties and that the Properties were again fully under his control. It was evident to the Receiver that there appeared to be confusion amongst certain tenants as to the status of these proceedings and the scope of the Receiver's authority.
58. By e-mail dated December 10, 2020 (the "**Torkin December 10 E-mail**") Torkin wrote to Mr. Dave and advised that such conduct, to the extent that it had occurred, amounted to obstruction of the Receiver's ability to perform its duties and was a very serious concern. Once again, counsel for the Receiver demanded that Mr. Dave comply with the Receiver's previous requests for information and documentation relating to the Properties. A copy of the Torkin December 10 E-mail is attached to this First Report as **Appendix "J"**.
59. On December 10, 2020, Mr. Dave delivered correspondence in response (the "**Dave December 10 E-mail**") in which he denied having made any such

representations to tenants of the Properties. Mr. Dave further undertook to provide the Receiver with copies of all leases by December 11, 2020, and the balance of the information by December 14, 2020. A copy of the Dave December 10 E-mail is attached to this First Report as **Appendix “K”**.

60. As of the date of this First Report, the requested information has not been provided by Mr. Dave. The Receiver is furthermore concerned that should the Receiver continue to encounter difficulties in obtaining documents and information from Mr. Dave in a timely fashion, including the information and documentation already requested but not received, the Receiver’s ability to effectively and efficiently perform its duties could be impaired, unnecessary expenses will likely be incurred, and prejudice to the creditors could result.

61. The Receiver therefore respectfully requests that the Court issue an Order (i) directing that Mr. Dave is to deliver to the Receiver, by no later than January 12, 2021, all requested documents and information within either his or the Respondents’ power, possession or control or, where such documentation cannot be provided, a detailed explanation as to the reasons for same, and (ii) directing Mr. Dave to comply in a timely fashion with any further requests made by the Receiver for information or documents relating to the Properties.

VIII. SALE PROCESS

62. Pursuant to the terms of the Appointment Order, the Receiver is authorized to market the Properties for sale, including advertising and soliciting offers in respect of the Properties.

63. In light of the Respondents' intentions with respect to the Proposed Development, and with a view to establishing an effective marketing strategy and maximizing potential realizations on any sale of the Properties, the Receiver has considered the question of what impact any development potential for the Properties might have on the determination of an appropriate marketing strategy.

64. To this end, the Receiver invited five (5) commercial realtors, Avison Young, CBRE Limited, Lennard Commercial Realty, Cushman & Wakefield ULC, and Colliers, to each submit listing proposals for the marketing and sale of the Properties. Each was requested to consider two distinct approaches and estimated range of potential outcomes for each, these being:

- a) for the sale of the Properties individually as separate retail-commercial properties (the "**As-Is Approach**"); and
- b) for the sale of the Properties (together with an additional property not under receivership, whose participation would be required in order to complete the necessary assembly), as an assembly of parcels suitable for development (the "**Assembly Approach**").

65. The Receiver has received and reviewed listing proposals submitted by four of the above commercial realtors, the fifth having declined to do so. Following its review of the proposals submitted, the Receiver, with the concurrence of First Source, recommends that this Court authorize the Receiver to enter into a listing agreement with Colliers to market the Properties for sale on the basis of the As-Is Approach. A summary of the listing proposals submitted to the Receiver is attached to this First Report as **Confidential Appendix "L"**. A copy of the

proposed listing agreement, which has been executed by Colliers, is attached to this First Report as **Confidential Appendix “M”** (the **“Listing Agreement”**).

66. Colliers’ proposed sale process for the Properties (the **“Sale Process”**) is summarized in the table below:

Summary of Sale Process		
Milestone	Description of Activities	Timeline
<i>Phase 1 – Pre-Marketing Period</i>		
Due diligence	<ul style="list-style-type: none"> ➤ review all available documents concerning the Properties, including environmental reports and planning and development reports; and ➤ formulate initial development scheme showing the possible redevelopment options, taking into account any site specific restrictions. 	pre-marketing launch
Finalize marketing materials	<ul style="list-style-type: none"> ○ populate an online data room; ○ prepare a confidentiality agreement (“CA”); ○ prepare form of Agreement of Purchase and Sale (“APS”). 	January 2021
Prospect Identification	<ul style="list-style-type: none"> ➤ develop a master prospect list; pre-marketing discussions with targeted developers. 	January 2021
<i>Phase 2 – Marketing</i>		
Stage 1	<ul style="list-style-type: none"> ➤ Mass market introduction, including: <ul style="list-style-type: none"> ○ print offering summary and marketing materials; ○ telephone and email canvassing of leading prospects; and 	January and February, 2021

Summary of Sale Process		
Milestone	Description of Activities	Timeline
	<ul style="list-style-type: none"> ○ meet with and interview prospective purchasers. 	
Stage 2	<ul style="list-style-type: none"> ➤ provide detailed information to qualified prospects which sign the CA, and access to the data room; and ➤ facilitate all diligence by interested parties. 	January & February, 2021
Stage 3	<ul style="list-style-type: none"> ➤ prospective purchasers to submit APS' or other proposals. 	Deadline for offers tentatively scheduled for 5-6 weeks following Colliers' marketing launch
<i>Phase 3 – Offer Review and Negotiations</i>		
Selection of Successful Bids	<ul style="list-style-type: none"> ➤ review of offers and select successful bidder and finalize definitive documents. 	Week 6 after marketing launch
Sale Approval Motion and Closing	<ul style="list-style-type: none"> ➤ Motion for sale approval and closing of the transaction. 	TBD

67. Additional aspects of the Sale Process include:

- a) the Properties will be marketed on an “as is, where is” basis;
- b) the Receiver will have the right to reject any and all offers, including the highest offer; and
- c) any transaction will be subject to Court approval.

68. The Receiver respectfully requests that an Order be granted (i) approving the Sale Process, (ii) authorizing the Receiver to execute the Listing Agreement and to proceed with implementing the Sale Process, and (iii) sealing Confidential Appendices L and M.

IX. CONCLUSION

69. The Receiver respectfully requests that the Court make an Order:

- (i) amending the Appointment Order;
- (ii) terminating the 269 Lease;
- (iii) directing that Mr. Dave:
 - (a) deliver to the Receiver by no later than January 12, 2021 all documents and information referenced in the Receiver's October 30, 2020 correspondence or, where unable to do so, a detailed explanation as to as the reasons for such inability; and
 - (b) comply in a timely fashion with any and all further requests for information or documents relating to the Properties which are in his or the Respondents' power, possession or control;
- (iv) approving the Sale Process including authorizing and directing the Receiver to enter into the Listing Agreement;
- (v) sealing Confidential Appendices L and M to the First Report; and
- (vi) approving the First Report and the Receiver's conduct and activities set out therein.

All of which is respectfully submitted to this Court as of this 22nd day of December, 2020.

RSM CANADA LIMITED

In its capacity as Court-appointed Receiver of the properties municipally known as 160, 162, 166, 170, 174-178, and 186 Main St., Unionville, Ontario and not in its personal or corporate capacity



Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice President

APPENDIX "C"

From: "Gilmore, Madam Justice Cory (SCJ)" [REDACTED]
Date: January 15, 2021 at 1:58:38 PM EST
To: Jeff.Larry@paliareroland.com, Stewart Thom <sthom@torkinmanes.com>, MR@friedmans.ca
Cc: JUS-G-MAG-CSD-Toronto-SCJ Commercial List [REDACTED]
Subject: First Source Financial Management Inc. v. Unionville Re-Dev Corporation et al.

This is an external email.

Endorsement of Gilmore, J.

This conference was requested by Mr. Russell on behalf of the debtors. He is concerned that the Receiver is accelerating the sales process while his clients still have questions and concerns about the marketing process. A Receivership Order was granted by me in this proceeding October 16, 2020. In accordance with the usual provisions of such Orders, the Receiver is authorized to take possession of and sell, convey or transfer the subject properties. The Receiver is poised to sign a listing agreement with Colliers to commence a seven week marketing plan which is composed of three weeks of "soft" marketing and four weeks of the usual open market marketing. There is a motion scheduled for February 8, 2021 at which the Receiver seeks to terminate a lease for one of the properties. Assuming such an Order is obtained, the Receiver will be free to move from soft to more aggressive marketing of the properties.

Mr. Russell, on behalf of the debtors raises a number of issues as follows:

1. The Debtors intend to respond to the motion date originally set by the Receiver for March 24, 2021 to approve the sale process and authorize a listing agent.
2. The debtors require information about the sales process including reviewing listing proposals which the Receiver has withheld from its motion materials as confidential information. The debtors have concerns about the way in which the properties are to be marketed given their development potential and the personal guarantees at stake.
3. The Receiver has provided a draft NDA which would permit the debtors to review the confidential material (subject to a non-participation clause). The debtors need more time to review this.
4. The debtors do not intend to delay. Their concerns can be addressed as part of the February 8th motion.

The Receiver makes the following response:

1. The Receiver does not require approval to proceed with a sales process. The authorization is already contained in the October 15, 2020.
2. Over \$100,000 in interest accumulates each month that goes by without a sale taking place.
3. Colliers is an experience commercial realtor whose marketing plan should be given weight.
4. The debtors have refused to provide access to certain documents in possession of KLM Planning Partners. The Receiver seeks an Order today compelling such production. The debtors oppose such an order and seek to have the matter dealt with on February 8, 2021.
5. The debtors received a copy of the NDA on Monday and have still not provided their comments. The delays requested by the debtors will interfere with the marketing plan recommended by Colliers.

I agree with the Receiver that the debtors are essentially asking the court to restrain it from moving ahead with a sales process that has already been approved by the Court. I do not make any Order with respect to delaying the signing of the listing agreement with Colliers or the sales process in general. The debtors have had time to sign the NDA but have not dealt with it. They can still do so and obtain the confidential materials if they intend to take steps to bring a proper motion for relief in relation to the sales process at some future point.

The KLM Planning Partners documents should be produced by the debtors (on instruction to KLM) without the necessity of a motion. If they are not, the Receiver may request this relief at the February 8, 2021 motion.

In addition, this court orders that the following timetable be complied with in respect of the Receiver's motion for termination of the 269 Lease, as defined in the First Report, scheduled to be heard on February 8, 2021:

- 269's materials responding to the lease termination issue to be served on or by January 26, 2021
- Any supplemental report from the Receiver, if necessary, to be served by January 28, 2021
- If any examination of 269's affiant is required, such examination shall be conducted on January 29, 2021
- The Receiver's factum is to be served on or by February 2, 2021
- 269's factum is to be served on or by February 5, 2021

I would ask that Mr. Thom circulate this email to any other interested parties.

January 15, 2021



Madam Justice Cory A. Gilmore
Ontario Superior Court of Justice
361 University Avenue
4th Floor
Toronto, Ontario
M5G 1T3

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APPENDIX "D"

Court File No. CV-20-00647644-00CL

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

BETWEEN:**FIRST SOURCE FINANCIAL MANAGEMENT INC.**

Applicant

- and -

**UNIONVILLE RE-DEV CORPORATION,
UNIONVILLE RE-DEV PHASE 2 CORPORATION, and
BLACKSMITH PARTNERS INC.**

Respondents

SUPPLEMENTAL REPORT TO THE FIRST REPORT OF THE RECEIVER**JANUARY 28, 2021**

I. INTRODUCTION

1. Pursuant to an application made by First Source Financial Management Inc. (“**First Source**”), by Order of the Ontario Superior Court of Justice (the “**Court**”) dated October 16, 2020, with effect from October 27, 2020, RSM Canada Limited (“**RSM**” or the “**Receiver**”) was appointed as receiver of the properties municipally known as 160, 162, 166, 170, 174-178, and 186 Main Street, Unionville, Ontario owned by the Respondents (the “**Properties**”). On October 29, 2020, and subsequently on January 4, 2021, certain amendments were made to the appointment order pertaining to the description of the properties subject to the receivership (such order, as amended, the “**Appointment Order**”).
2. The First Report of the Receiver dated December 22, 2020 (the “**First Report**”) was filed in connection with a motion by the Receiver seeking, inter alia, an Order:
 - i) amending the Appointment Order to make a correction to the municipal address for certain of the Properties;
 - ii) terminating the 269 Lease (as defined in the First Report);
 - iii) directing that Mr. Harshall Dave:
 - a. deliver to the Receiver by no later than January 12, 2021 certain information relating to the Properties in his, or the Respondents’, power, possession or control; and
 - b. comply in a timely fashion with any further requests made by the Receiver for information or documents relating to the Properties; and

iv) approving the Sale Process and authorizing the Receiver to enter into the Listing Agreement (defined below) with Colliers and to list and market the Properties in accordance with the recommendations of the Receiver as set out in this First Report.

3. This Supplemental Report should be read in conjunction with the First Report, including the Terms of Reference contained therein. Capitalized terms herein have the same definition as in the First Report.

II. SCHEDULING OF THE FEBRUARY 8 MOTION

4. Shortly prior to the return of the January 4, 2021 motion, counsel for 269, the tenant under the 269 Lease, contacted the Receiver to request a two-week adjournment of the motion to allow 269 to prepare responding materials opposing termination of the 269 Lease.
5. In addition, Counsel for the Respondents and their principal, Mr. Harshall Dave, contacted the Receiver to request an adjournment of the motion “to be able to properly review the matters raised on the motion, including with respect to the listing proposals and the Receiver’s recommendation to select Colliers. Respondents’ counsel also requested disclosure of the Confidential Appendices to the First Report and asked that the motion be adjourned to a date that was 45-60 days after the provision of such information.
6. The Receiver did not oppose the request for adjournment by 269, but asked that the adjournment be brief, so as not to unduly delay progression of the Sale Process for the Properties. At the attendance on January 4, 2021, before the Honourable Cavanagh J., the Receiver’s motion was adjourned to the next available date,

which, as of that time, was March 24, 2021. Attached as **Appendix “A”** is a copy of the Endorsement of Cavanagh J. dated January 4, 2021.

7. On January 11, 2021, the Receiver provided counsel for the Respondents with a draft Non-Disclosure and Non-Participation Agreement (the “**NDA**”) required by the Receiver to be executed by the Respondents prior to the Receiver’s disclosure of the Confidential Appendices to the First Report. As of the date of this Supplemental Report, the Respondents have not executed the NDA, nor provided any comments in connection with same.
8. In consultation with the intended listing agent, Colliers, and having regard to the interests of the stakeholders and the implications of a lengthy delay in commencement of the Sale Process (including the accrual of approximately \$200,000 per month in interest on the debt outstanding to the senior secured creditor), the Receiver determined that the best course of action would be to commence the Sale Process as soon as possible.
9. Furthermore, based on the Sale Process timeline recommended by Colliers, it was the Receiver’s view that if the Sale Process was commenced during the third week of January 2021, the scheduled hearing date of March 24, 2021 could likely be used not only for approval of the Sale Process, but also for approval of any selected offer(s) to purchase the Properties, which were made on a non-conditional basis.
10. Colliers advised the Receiver, however, that completion of the Sale Process without any determination or certainty of the 269 Lease termination issue could have a detrimental effect on the Sale Process, impair the Receiver’s ability to

maximize value and may discourage interested parties from committing resources towards making an offer to purchase those properties subject to the 269 Lease. Accordingly, through consultation with the Commercial List scheduling office and with the cooperation of counsel for 269, an earlier date of February 8, 2021 was obtained and scheduled for the hearing of the 269 Lease termination issue.

11. On January 13, 2021, the Receiver sent correspondence to the service list parties informing as to the advanced hearing date for the 269 Lease issue and advising of the Receiver's intention to commence the Sale Process and, if possible, seek Court approval of selected offers on the March 24, 2021 date, together with approval of the Sale Process. A copy of the January 13, 2021 email is attached as **Appendix "B"**.
12. Counsel for the Respondents communicated its objection to the commencement of the Sale Process, scheduling a Case Conference for January 15, 2021 to address its concerns with the Court. The January 15, 2021 Case Conference proceeded before the Honourable Gilmore J. Justice Gilmore accepted the Receiver's position that the Court had already authorized the Receiver to market the Properties for sale in the Appointment Order and that there was no basis for ordering that the Receiver be restrained from commencing the Sale Process. The Endorsement of Gilmore J. dated January 15, 2021 is attached as **Appendix "C"**.
13. At the Receiver's request, Justice Gilmore furthermore:
 - i) ordered a timetable for materials in relation to the 269 Lease termination issue; and

- ii) directed that Mr. Dave instruct KLM Planning Partners Inc. (“**KLM**”) to release certain documents relating to the Properties in the possession of KLM, who had expressed concern about releasing such documents without first obtaining the consent of Mr. Dave.

III. STATUS OF THE 269 LEASE TERMINATION ISSUE

14. 269 has complied with the timetable established by the Endorsement of Gilmore J. dated January 15, 2021 and delivered Responding materials. The timetable set by Gilmore J. contemplated that cross examinations, if any, were to be conducted on January 29, 2021.
15. In discussions prior to delivery of 269’s Responding materials, and as addressed in the First Report, the Receiver had requested that 269 provide evidence capable of substantiating the timing of execution of the 269 Lease, which is itself undated, in order to confirm that the document was not executed after, or on the eve of, the receivership. Following its review of the Responding materials, the Receiver is of the view that this issue is not adequately addressed therein.
16. In lieu of examinations, counsel for the Receiver and 269 agreed that it would be more practical for 269 to provide an undertaking, which would form part of the evidence of Ms. Mizrachi, 269’s affiant, to produce documentation relevant to the formation and timing of the 269 Lease and forego formal cross examinations.
17. Pursuant to this arrangement, the Receiver has requested that 269 produce to the Receiver by the end of day on Monday February 1, 2021, the following:
 - i) copies of all written correspondence between 269 and the owner:

-
- a) containing negotiations or discussions relating to terms of the 269 Lease;
 - b) exchanging any drafts of the 269 Lease; and
 - c) delivering executed copies of the 269 Lease; and
- ii) if requested, copies of such correspondence in original and unedited electronic format.

IV. STATUS OF THE KLM DOCUMENTATION

18. Following the January 15, 2021 Case Conference, the Receiver made several requests of KLM for those documents more particularly set out in the First Report (the “**KLM Documents**”), as well as requests of Mr. Dave that he consent to the release of same as directed. Correspondence between the Receiver, KLM and counsel for Mr. Dave/the Respondents is attached as **Appendix “D”**.
19. On January 26, 2021, counsel for Mr. Dave/the Respondents advised, for the first time, that his clients’ position was that the KLM Documents were property of Watford Development Inc. (“**Watford**”), subject to a Development Management Agreement between Watford and the Respondents, and that Watford opposed their use for any purpose without the consent of Watford.
20. Watford, of which Mr. Dave is a Director and Officer, is a related company to the Respondents. The Corporation Profile Report for Watford is attached as **Appendix “E”**. The Development Management Agreement provided by counsel for the Respondents is attached as **Appendix “F”**.

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21. The Receiver has requested that counsel for the Respondents provide evidence to substantiate their claim that the KLM Documents are not owned by the Respondents, which assertion appears to contradict other documentation in the possession of the Receiver, as well as documentation provided by KLM. Attached as **Confidential Appendix “G”** is a copy of a January 29, 2019 letter from KLM to Unionville Re-Dev Corporation. Attached as **Confidential Appendix “H”** is a copy of correspondence from KLM responding to questions from the Receiver regarding ownership of the KLM Documents.

V. USE OF THE KLM DOCUMENTATION

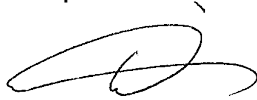
22. The KLM Documents are documents generated in preparation for seeking the municipal approvals necessary in relation to the intended Proposed Development (as referenced in the First Report).
23. As discussed in the First Report, the Sale Process is proceeding on the basis of the As-Is Approach, meaning that the Receiver has determined that it would not be in the best interests of the stakeholders for the Receiver to pursue acquisition of the additional properties (i.e., properties that are not subject to this receivership) needed to complete the assembly of properties required for the Proposed Development (the **“Third Party Properties”**).
24. It is, however, intended that Colliers will nonetheless market the Properties to developers as a potential development opportunity, with the responsibility for establishing any necessary arrangements with the owners of the Third Party Properties falling on the purchaser.

-
25. Colliers has advised that the KLM Documents would be of significant interest to potential purchasers from the development community and has requested that, if possible, these be included in the data room for the Properties and available for review by potential purchasers.
 26. The Receiver has agreed with the Respondents and KLM to receive the KLM Documents on the basis that these will not be further disclosed or used without the consent of Mr. Dave/Watford or, otherwise, Court authorization.
 27. The Receiver requests that the Court authorize the Receiver to provide the KLM Documents to Colliers for the purpose of making these available to potential purchasers of the Properties who have signed confidentiality agreements and have been granted access to the data room.

All of which is respectfully submitted to this Court as of this 28th day of January, 2021.

RSM CANADA LIMITED

In its capacity as Court-appointed Receiver of the properties municipally known as 160, 162, 166, 170, 174-178, and 186 Main St., Unionville, Ontario and not in its personal or corporate capacity.



Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice President

APPENDIX "E"

Court File No. CV-20-00647644-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE)	TUESDAY, THE 9 TH
)	
MR. JUSTICE CAVANAGH)	DAY OF FEBRUARY, 2021

B E T W E E N:

(Court Seal)

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

-and-

UNIONVILLE RE-DEV CORPORATION,
UNIONVILLE RE-DEV PHASE 2 CORPORATION and
BLACKSMITH PARTNERS INC.

Respondents

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

**ORDER
(RE LEASE TERMINATION)**

THIS MOTION, made by RSM Canada Limited (the “**Receiver**”), in its capacity as court appointed Receiver of the properties municipally known as 160, 162, 166, 170, 174-178, and 186 Main Street, Unionville, Ontario (collectively, the “**Properties**”), was heard on February 8, 2021 by zoom video-conference before a Judge of the Ontario Superior Court of Justice, Commercial List.

-2-

ON READING the First Report of the Receiver dated December 22, 2020 and the Supplemental Report to the First Report dated January 28, 2021 (collectively, the "**First Report**") and on hearing the submissions of the lawyers for the interested parties,

1. THIS COURT ORDERS AND DECLARES that the 269 Lease, as defined in the First Report, is terminated and is of no effect.

2. THIS COURT ORDERS the Receiver is authorized to market for sale and to sell the below properties free and clear of any interest created by the 269 Lease:
 - (a) The property having municipal address of 160 Main Street, Unionville and having Property Identification Numbers 02979-0301 (LT) and 02979-0172 (LT); and

 - (b) The property having municipal address of 162 and 166 Main St., Unionville and having Property Identification Number 02979-0122 (LT).

(Signature of judge, officer or registrar)

RCP-E 59A (September 1, 2020)

FIRST SOURCE FINANCIAL MANAGEMENT INC.
Applicant

-and- UNIONVILLE RE-DEV CORPORATION et al.
Respondents

Court File No. CV-20-00647644-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

ORDER

TORKIN MANES LLP
Barristers & Solicitors
151 Yonge Street, Suite 1500
Toronto ON M5C 2W7

Stewart Thom (55695C)
sthom@torkinmanes.com
Tel: 416-777-5197
Fax: 1-877-689-3872

Lawyers for the Receiver, RSM Canada Limited

Court File Number: CV-20-00647644-00CL

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicants

AND

**UNIONVILLE RE-DEV CORPORATION, UNIONVILLE RE-DEV PHASE 2
CORPORATION and BLACKSMITH PARTNERS INC.**

Respondent

Case Management Yes No by Judge: _____

Counsel	Telephone No:	Email/Facsimile No:
Stewart Thom for Receiver		
Jeff Larry for First Source		
Jordan Potasky for second mortgagees		
Reginald McLean for 2692006		
Mark Russell for respondents		

Order Direction for Registrar **(No formal order need be taken out)**
 Above action transferred to the Commercial List at Toronto **(No formal order need be taken out)**

Adjourned to: _____

Timetable approved (as follows): _____

Date Heard: February 8, 2021

- [1] RSM Canada Limited, the Court appointed receiver of certain properties (the “Receiver”) brings this motion for an order terminating a lease (the “Lease”) for certain property municipally known as 160 Main Street and 162/166 Main Street, Unionville, Ontario (the “Leased Property”) between the tenant, 2692006 Ontario Inc. (“269”), and the respondent property owner Blacksmith Partners Inc. (the “Owner”) and authorizing the Receiver to market and sell the Leased Property free and clear of the Lease.
- [2] The receiver’s motion is supported by the first mortgagee, First Source Management Inc. (“First Source”), and by the second mortgagees.
- [3] 269, supported by the Owner, opposes the relief sought.

Factual Background

- [4] On the application of First Source, by an order dated October 16, 2020 with effect from October 27, 2020 (the “Appointment Order”), the Receiver was appointed as receiver of properties municipally known as 160, 162, 166, 170, 174-178, and 186 Main Street, Unionville, Ontario owned by the respondents (the “Properties”).
- [5] The Appointment Order authorizes the Receiver to, among other things, (i) exercise control over the Properties and any and all proceeds, receipts and disbursements arising out of or from the Properties, (ii) market the Properties, and (iii) sell, convey, transfer, lease or assign the Properties with the approval of the court, and (iv) apply for any vesting order or other orders necessary to convey the Properties or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances affecting the Properties.
- [6] Through its discussions with neighbouring tenants, the Receiver had been advised that on or around March 1, 2020, the former tenant of 162/166 Main Street, operating as the Blacksmith Bistro, ceased operations and vacated the property. The Receiver was advised that this property had remained vacant since that time. As of the date of the appointment of the Receiver, the two separate units on this property, a street facing restaurant, and an adjacent alley-facing house, were vacant. The Receiver was unaware of any prior lease in respect of this property.
- [7] On November 25, 2020, the Receiver was contacted by a representative of 269 who advised the Receiver that 269 was the tenant of the 160 Main Street and 162/166 Main Street properties (which are, together, the Leased Property). The representative of 269 advised that she had been travelling outside of the country and had only become aware of the receivership, and that immediate access to the Lease Property was required for the purposes of performing renovation work in relation to it.
- [8] On November 26, 2020, a copy of the Lease was provided to the Receiver.
- [9] The Receiver has engaged Colliers Macauley Nicholls Inc. (“Colliers”) for the purpose of marketing the Properties for sale. The Receiver sought advice from its legal counsel and consulted with Colliers in connection with its evaluation of the Lease and its terms. In the First Report of the Receiver, the Receiver reports its view that the Lease terms are not commercially reasonable and do not reflect market terms for the properties in question. In its report, the Receiver identifies the following specific concerns:

- a. The Lease provides for an initial seven-month rent free period, from October 1, 2020 to April 30, 2021.
- b. No provision is made for deposit of first or last month's rent and the security deposit required is \$1,000, only.
- c. After the initial rent-free period, gross rent payable under the Lease is equal to \$3,333.33 per month, plus HST, for the first and second year of the lease term, \$3,666.66 per month, plus HST, for the third and fourth year and \$3,750 per month, plus HST, for the fifth year. On the basis of rent rolls obtained by the receiver, the former tenant of 162/166 Main Street property, by comparison, paid base rent of \$114,000 annually, plus additional recoveries of approximately \$74,000, which is approximately five times higher than the rents provided for by the Lease. Further, such rates were paid by the former tenant in connection with the 162/166 Main Street property only, whereas the Lease expands the total leased property to include the adjacent property located at 160 Main Street.
- d. The Lease is for an initial 5-year term but can be extended at the tenant's option for a further 5-year term.
- e. The Lease confers upon the tenant a right of first refusal to purchase the 160 Main St. and 162/166 Main Street properties in the event of any sale.

[10] The Receiver has consulted with Colliers as to the potential impact of the Lease on the Receiver's ability to market those properties for sale and obtain fair market value. Colliers has advised that it is of the view that the terms of the Lease are likely to have a significant adverse impact on the Receiver's ability to market and sell the 160 Main Street and 162/166 Main Street properties. Colliers further confirmed to the Receiver that the terms of the Lease are not, in its view, reflective of market rates for the subject properties.

[11] On behalf of 269, affidavit evidence has been filed by its principal, Ms. Tamara Mizrachi, and by Mr. Harshal Dave, the principal of the Owner.

[12] Ms. Mizrachi provided evidence that:

- a. She is 42 and has been employed in the hospitality industry for over 15 years. Her brother approached her in May 2020 with a potential opportunity for her to operate her own business. Her brother had been working as a property manager for Watford Development Inc., a company related to the Owner. She was advised that the previous operator of the restaurant at 160-166 Main Street had abandoned the premises and left all of its equipment, chattels, fixtures and other leasehold improvements on the premises and that the premises were available for rent.
- b. It was made clear to Ms. Mizrachi by Mr. Dave that she would likely be able to operate the restaurant only for some 2 to 3 years without any issues and that eventually the Watford Group would begin construction on the surrounding properties. She understood that the proposed rent was lower than might be expected because of all the restrictions and conditions on the new property, and in particular, the restaurant itself may have to be demolished and possibly moved for construction within a reasonably short period of time. It was also a benefit to her that she was getting all the equipment and chattels for free.

- c. The Lease was signed effective the 1st day of June 2020. The plan at that time was that, as a result of the COVID-19 crisis, work would not start on preparing the restaurant for operation until October. Over the summer, 269 engaged designers and signed a contract with one to assist 269 to plan the look and feel of the new restaurant. 269 provided a deposit in the amount of \$5,000 for this work.
 - d. When she went to see the Property in October with a view to commencing construction, Ms. Mizrachi learned that the landlord had gone into receivership and she needed to contact the Receiver about the Lease.
- [13] Mr. Dave provided evidence that the Blacksmith Bistro closed around April 2020 in the face of COVID-19 shutdowns and restrictions and, prior to that, the tenant had been suffering from health issues and was behind in rent. He states in his affidavit that tenants for the premises are hard to find because any new tenancy needs to be subject to Watford's development plans and the development schedule and acknowledge that the tenant's business can be impacted by the development. He states that the terms of the Lease include 269's acknowledgement of the future development plans and agreement to hold the landlord harmless for any loss of revenue or viability of operations arising from the development. Mr. Dave states that 269 received a tenant's inducement equal to seven months rent-free from October 1, 2020 and reduced rent provided for in the Lease in consideration of its acknowledgement regarding Watford's development plans, the impacts of COVID-19, and 269's capital improvements to be undertaken.
- [14] At the time the Lease was signed, the First Source Mortgage was in default. The maturity date for the First Source mortgage was June 2, 2020, the day after the Lease was signed. On May 25, 2020, counsel for First Source wrote to counsel for the respondents and confirmed that the mortgage loan would fall due on June 2, 2020, there was no agreement to extend the loan, and the intention of First Source is to proceed with enforcement immediately should the mortgage debt not be repaid in full at maturity. The Owner pointed to evidence that there were negotiations concerning the terms of a forbearance agreement which took place after the mortgage loan had fallen due. During these negotiations, First Source was not advised of the Lease.
- [15] The Owner made an agreement dated May 2, 2019 with First Source in which, among other things, the Owner covenanted and agreed with First Source (i) that all offers to lease and leases shall be bona fide, and (ii) the terms of which are to be approved by First Source prior to execution and shall be at rental rates and terms consistent with comparable space in the area of the applicable lands and premises. The Owner did not seek the approval of First Source to the terms of the Lease.
- [16] Colliers has advised the Receiver that obtaining certainty on the Lease termination issue is of critical importance for the remainder of the sale process and that to complete the final phase of the sale process as described in the First Report of the Receiver without such certainty could have a detrimental effect on the marketing efforts and impair the Receiver's ability to maximize value.

Analysis

- [17] In *Third Eye Capital Corp. v. Dianor Resources Inc.*, 2019 ONCA 508, the Court of Appeal for Ontario noted, at para. 73, that the purpose of a receivership is to enhance and facilitate the preservation and realization of the assets for the benefit of creditors and that such

purpose is generally achieved through a liquidation of the debtor's assets. The essence of a receiver's powers is to liquidate the assets under receivership and the receiver's primary task is to ensure that the highest value is received for the assets so as to maximize the return to creditors.

- [18] In *Third Eye*, the Court of Appeal, at paras. 40-41, accepted that s. 100 of the *Courts of Justice Act* provides a power to vest out interests on a free and clear basis so long as the terms of the order are appropriate and accord with principles of equity.
- [19] In *Third Eye*, the Court of Appeal, at para. 110, set out the framework for a court to follow in determining whether to order the extinguishment of an interest in land. A court should consider (1) the nature and strength of the interest in land that is proposed to be extinguished, and (2) whether the interest holder has consented to the vesting out of their interest either in the insolvency process itself or in the agreements reached prior to the insolvency. If these factors prove to be ambiguous or inconclusive, the court may then engage in a consideration of the equities to determine if a vesting order is appropriate in the particular circumstances of the case. This would include consideration of the prejudice, if any, to the third party interest holder; whether the third party may be adequately compensated for its interest from the proceeds of the disposition or sale; whether, based on evidence of value, there is any equity in the property; whether the parties are acting in good faith; and any other factors as may be relevant to the analysis.
- [20] When I consider the nature and strength of the interest created by the Lease, I note that the First Source first mortgage and the second mortgage in favour of Paul Vasilovsky and Thomas Vasilovsky were registered on title prior to the Lease being signed and, as such, these mortgages have priority over the Lease. Had First Source proceeded to enforce its mortgage by power of sale, the Leased Property could have been sold free and clear of the 269 Lease. First Source did not do so and sought the appointment of a receiver. However, the second mortgagees did not seek the appointment of a receiver, although their right to enforce their mortgage by way of power of sale is stayed by the appointment order.
- [21] This factor is not determinative because the sale is not being conducted by power of sale, but through a court-appointed receiver.
- [22] The Lease does not contain a subordination provision and 269 has not agreed to the extinguishment of its rights under the Lease.
- [23] In this case, in order to determine whether to issue an order terminating the interest of a party in land, I must consider the equitable positions of the parties. See *Meridien Credit Union Ltd. v. 984 Bay Street Inc.*, [2006] O.J. No. 3169, at paras. 18-19.
- [24] I first note that the indebtedness secured by the first and second mortgages on the Leased Property far exceeds the value of the Leased Property. At the time the Lease was signed, the first source Mortgage had been in default for some time and the Owner had been advised that the mortgage would not be extended. This information supports the interest of the Receiver in maximizing return from liquidation of the property to creditors.
- [25] I accept the Receiver's submission that the rents payable under the Lease are less than what would be payable in the marketplace. The Receiver's report to the court supports this conclusion. The fact that the rents to be paid under the Lease are many times lower

than rents paid by a former tenant also supports this conclusion. Although the business of a restaurant would presently be affected by the COVID-19 pandemic, the term of the Lease is for a period far longer than the time that the pandemic is reasonably expected to adversely affect restaurant operations. I accept that the terms of the Lease are likely to have a significant adverse impact on the Receiver's ability to market and sell the Leased property.

- [26] Ms. Mizrachi accepts that the rent is "lower than expected" and she explains this by reference to "all of the restrictions and conditions on the new property", and, in particular, that the restaurant itself may have to be demolished and possibly moved within a reasonably short period of time. Ms. Mizrachi states in her affidavit that it was made clear to her by Mr. Dave that she would likely be able to operate the restaurant for only two to three years without any issues in that eventually the Watford Group would begin construction on the surrounding premises.
- [27] The Lease itself does not provide that 269 is required to surrender its rights under the Lease if the Owner wishes to develop the Leased Property. The Lease does, however, provide that 269 has the right to assign the Lease without the prior written consent of the Landlord and that 269 has the right to sublet the Lease without the prior written consent of the Landlord. The terms of the Lease, if it is not extinguished, would be binding on the Receiver and a purchaser, and include 269's right to assign the Lease or sublet the Leased Property without the landlord's consent. The rents payable under the Lease, which are below market rentals, would apply to and be binding on a purchaser, who would not have a right to terminate the Lease if it wished to develop the Leased Property. The rents payable would remain below market value for the term of the Lease, and any renewal.
- [28] 269 has not occupied or carried on business from the Leased Property. 269 has not paid rent under the Lease. Any amounts paid in connection with the Leased Property are, on the evidence before me, very modest. I accept that the Lease was a very favourable one for 269 and this factors into my considerations of the equities. However, 269 has not invested significant amounts into its proposed restaurant business, and it is able to look for another suitable location for its business.
- [29] Finally, as part of my consideration of the equities, I return to the fact that the First Source mortgage and the second mortgage have priority over the Lease and, had First Source proceeded by way of power of sale, the Leased Property could have been sold free and clear of the Lease. This is a factor which favours the interest of the Receiver in selling the Leased Property free of the Lease.
- [30] When I consider the equities between the Receiver and 269, I am satisfied that they favour an order extinguishing the interest of 269 under the Lease and that such an order is appropriate.

Disposition

[31] For these reasons, I order that the Lease is terminated. The Receiver does not seek costs.

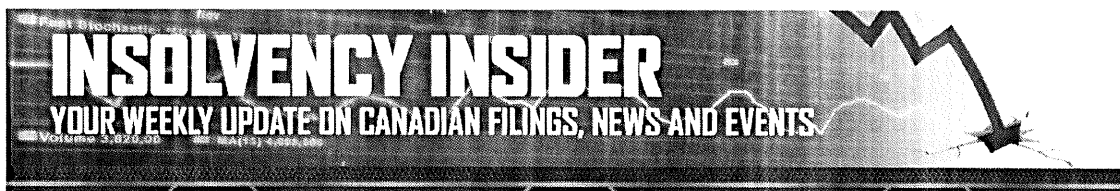
Cavanagh J.

February 9, 2021

APPENDIX "F"

Stewart Thom

From: Insolvency Insider <editor@insolvencyinsider.ca>
Sent: March 29, 2021 7:01 AM
To: Odeh, Echa
Subject: Details released in Catalyst sting operation; Laurentian granted relief on pension payments



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RECENT FILINGS

- **Hydrx Farms Ltd.**, a vertically integrated **Health Canada**-licensed cannabis company with a facility in Whitby, Ontario, obtained protection under the CCAA on March 22 on application by **Domenico Serafino**. In August 2017, the company financed its operations through the issuance of a convertible debenture from **Aphria Inc.** for \$11.5 million and raising approximately \$86.0 million in an equity financing. To date, the company has accumulated losses in excess of \$55.0 million and its operations have been shut down due to liquidity problems. All of the company's employees have been laid off and only a few consultants remain with the company in order to maintain the company's license with **Health Canada**. In addition to the company's financial issues, it is the subject of six legal proceedings. **Schwartz Levitsky Feldman Inc.** was appointed monitor. Counsel is **Paliare Roland** for the monitor and **Minden Gross** for the applicant.

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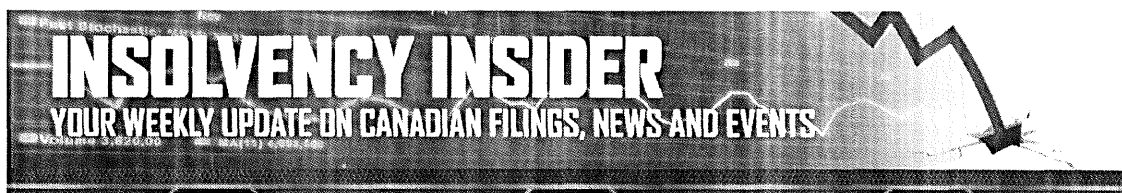
hillmount.ca | Yitz Levinson, yitz@hillmount.ca Lic. #10453

ASSETS FOR SALE

- **RSM Canada Limited**, in its capacity as court-appointed receiver of the properties located at 160, 162, 166, 170, 174-178, and 186 Main Street, Unionville, Ontario (collectively the "**Properties**"), has engaged **Colliers** to solicit offers for the purchase the **Properties** on either an individual or *en bloc* basis. The **Properties** consist of five commercial parcels containing retail and office uses, with potential mixed-use development opportunities. For more information, please contact Steve Keyzer at 416-643-3770 or Steve.Keyzer@colliers.com. Further information can also be found [HERE](#).
- **Baigel Corp.**, in its capacity as court-appointed receiver of **Natural Energy Systems Inc.** ("**NES**"), is soliciting offers for the business and/or assets of **NES**, including but not limited to, intellectual property comprising 40 global patents relating to a process for creating renewable clean energy through gas phase reduction. Interested parties may contact Noah Litwack at 416-224-4350 or via email at litwack@baigel.ca to obtain a non-disclosure agreement and access to due diligence materials. The deadline for submission of Letters of Intent has been extended by one week to 5:00pm (Toronto time) on April 1, 2021. Further details, including the Bidding Procedures, can also be found [HERE](#).
- **msi Spergel inc. (GRIP)**, in its capacity as court-appointed receiver of **ZM Global Inc.**, has engaged **Intercity Realty Inc.** to solicit offers for 10 commercial condominium units located at 7250 Keele Street, Concord, Ontario. The units are contained within the **IMPROVE** complex which houses providers to the home renovation marketplace. Further details can also be found [HERE](#).

Stewart Thom

From: Insolvency Insider <editor@insolvencyinsider.ca>
Sent: April 5, 2021 7:01 AM
To: Odeh, Echa
Subject: US stimulus could hurt Canadian economy; Unpaid securities fines lead to blocked driving privileges



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RECENT FILINGS

- **1465770 Alberta Ltd. o/a Westlake Husky**, a Lloydminster, Alberta-based company that operates a gas station and convenience store, was placed in receivership on March 24 on application by RBC, owed approximately \$1.2 million. EY was appointed receiver. Counsel is **Dentons** for RBC and **DLA Piper** for the receiver.
- **Morris Group of Companies**, which consists of four Saskatchewan-based companies and an American branch in the business of manufacturing and distributing farm equipment, had its sale to **102114983 Saskatchewan Ltd.** in the CCAA proceedings (the "**MEL Transaction**") approved and a receiver was appointed to carry out the final administrative duties and satisfy the conditions of the MEL Transaction. **BMO** also brought applications for bankruptcy for certain entities in the **Morris Group of Companies** (the "**Dormant Companies**"). Since the bankruptcy orders were granted, the CCAA proceedings will be terminated in regard to the Dormant Companies and a bankruptcy trustee will be appointed. **Alvarez & Marsal** was appointed receiver and bankruptcy



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ASSETS FOR SALE

- RSM Canada Limited**, in its capacity as court-appointed receiver of the properties located at 160, 162, 166, 170, 174-178, and 186 Main Street, Unionville, Ontario (collectively the "**Properties**"), has engaged **Colliers** to solicit offers for the purchase the **Properties** on either an individual or *en bloc* basis. The **Properties** consist of five commercial parcels containing retail and office uses, with potential mixed-use development opportunities. For more information, please contact [Steve Keyzer](#) at 416-643-3770 or Steve.Keyzer@colliers.com. The deadline for submission of offers is April 16, 2021. Further information can also be found [HERE](#).

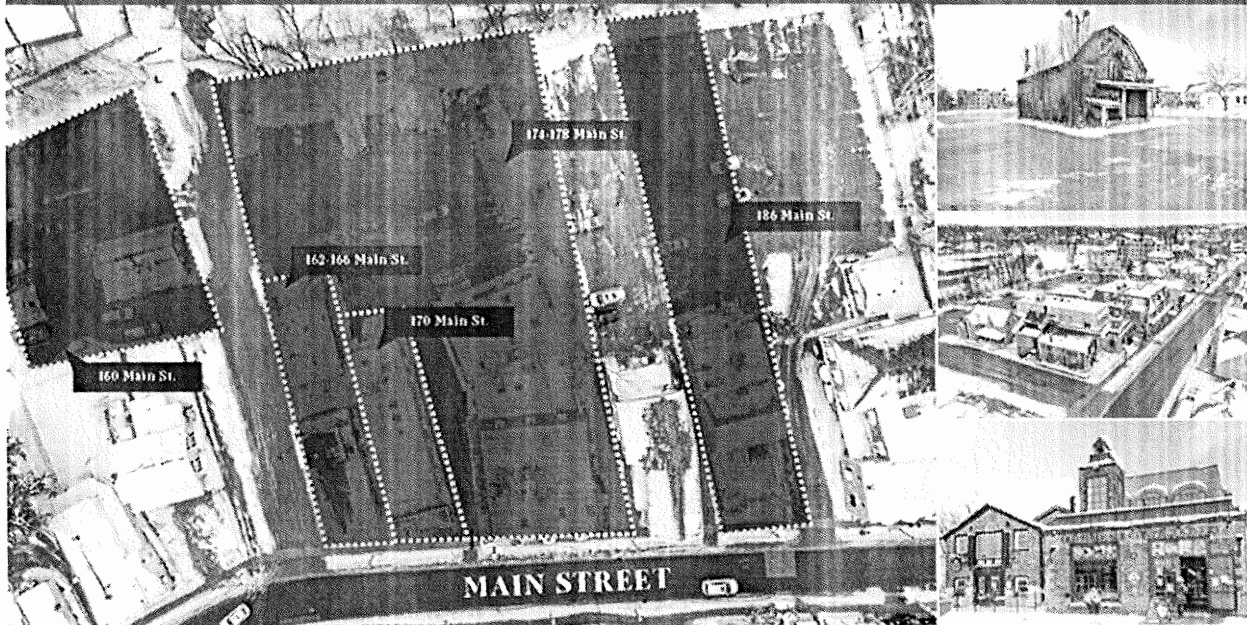
- msi Spergel inc. (GRIP)**, in its capacity as court-appointed receiver of **ZM Global Inc.**, has engaged **Intercity Realty Inc.** to solicit offers for 10 commercial condominium units located at 7250 Keele Street, Concord, Ontario. The units are contained within the **IMPROVE** complex which houses providers to the home renovation marketplace. Further details can also be found [HERE](#).

- Richter Advisory Group Inc.**, in its capacity as court-appointed monitor of **2592931 Ontario Inc.**, **W.G.K. Fitness Inc.**, **2039675 Ontario Inc.**, **WGWindsor 2 Fitness Inc.**, **WG Brampton Fitness Inc.**, **WGH Fitness Inc.**, **CFC Welland Inc.**, **W.G.C. Fitness Inc.**, **2014595 Ontario Inc.**, **CFC Brantford Inc.** **CFC Waterdown Inc.**, **CFC London South Inc.**, **W.G.G. Fitness Inc.**, **WGWindsor Fitness Inc.**, **W.G.W Fitness Inc.**, **WGLondon Fitness Inc.**, and **WG Orillia Inc.** (collectively, the "**Companies**"), is seeking offers for all of the properties, assets and undertakings of the Companies. The Companies operate 16 fitness centers in the province of Ontario under the "**Crunch Fitness**" banner. For more information, please contact [Shane Connolly](#) at 647-921-3902 or via email at SConnolly@richter.ca. Further details can also be found [HERE](#).



Mixed-Use Heritage Income & Development Opportunity in the Heart of Unionville

160, 162, 166, 170, 174-178 & 186 Main Street, Unionville, Ontario, Canada



Details

For Sale:

5 Commercial Parcels

Land Area: 59,736 SF

Features

- Designated Mixed-use Heritage Main Street with redevelopment potential
- Abundance of local commercial boutiques and flourishing restaurants with street-facing patios
- Minutes from Downtown Toronto with effortless access to Highway 7

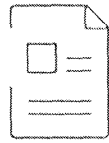
Description

Colliers International has been retained by RSM Canada Limited, in its capacity as Court-Appointed Receiver, to solicit offers from prospective purchasers to acquire the properties located at 160, 162, 166, 170, 174-178 & 186 Main Street, Unionville Ontario (the "Properties"), either on an en-bloc basis or individually. The Properties consist of 5 commercial parcels containing retail and office uses. Additional land at the rear of the Properties provide for a mixed-use boutique luxury residential intensification opportunity consistent with existing development precedent in the immediate Main Street area. Founded in 1794, Main Street in Unionville is a historically unique village with many of the original buildings from the 1800s still standing today. This opportunity allows purchasers and developers to preserve and build upon the existing charm of the village while adding desirable boutique luxury residential and/or commercial density to the Properties.

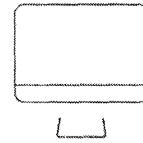
The Properties are being offered on an unpriced basis.

BID DATE: April 16, 2021

To receive a copy of the Confidential Information Memorandum ("CIM") and receive access to the data website, please sign and return a copy of the Confidentiality and Indemnification Agreement included in the link below.



[Confidentiality Agreement](#)



[View Property On Website](#)



Steve Keyzer

Senior Vice President, Sales Representative

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David Williams

Senior Vice President, Sales Representative

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Tim Bristow

Senior Vice President, Sales Representative

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Ian Gragtman

Executive Vice President, Broker

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M: +1 416 565 6670

APPENDIX "G"



Notice to Potential Purchasers

Please be advised that during an attendance at the property on April 7, 2021, several attendees advised the listing agent of having smelled gas in the kitchen area of the restaurant at 162/166 Main Street (The Blacksmith Bistro). No similar issue had been reported previously.

On Friday April 9, 2021, an inspection was arranged by the vendor's property manager. The vendor has been advised that during the inspection, two gas leaks were identified: one at the valve stem next to the exhaust hood and another upstream from the first.

The vendor has no knowledge of any further leaks, but no representations or warranties are made or given by the vendor as to the completeness of the investigation performed or as to the presence or absence of any additional issues or defects which were not identified or not reported to the vendor.

The gas to the building has been turned off as a result. The vendor has taken no further steps to resolve or repair the issue and does not intend to do so. The property is offered for sale strictly on an as-is where-is basis.

APPENDIX "H"

APPENDIX "I"

Josset-Patricia Johnson

From: Tozer, Rebecca <Rebecca.Tozer@scotiabank.com>
Sent: Wednesday, December 30, 2020 11:17 AM
To: Stewart Thom
Cc: West, Paul
Subject: Motion Record - First Source Financial Management Inc. v. Unionville et al
Attachments: Motion_Record_Returnable_Jan_4_2021_First_Source_v_Unionville_.PDF

This is an external email.

Dear Mr. Thom,

I am a law clerk in the Bank of Nova Scotia's legal department. We are in receipt of RSM's Motion Record in the above-noted matter, which I have attached here for your reference.

I am writing to confirm that the Bank has been repaid in full a couple of years ago, and we have no further interest, secured or unsecured on these properties. Thus, the Bank of Nova Scotia will not be taking a position on the motion returnable for January 4, 2021.

Happy Holidays,
Rebecca

[Rebecca Tozer](#) | Senior Law Clerk – Litigation

Scotiabank | Legal Department
40 King Street West, 8th floor, Toronto, Ontario, Canada M5H 1H1

T 1.416.866.3747
rebecca.tozer@scotiabank.com
scotiabank.com

Scotiabank is a business name used by The Bank of Nova Scotia

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APPENDIX "J"

LAND
REGISTRY
OFFICE #65

02979-0301 (LT)

PREPARED FOR shalan01
ON 2020/10/27 AT 14:04:12

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PT LT 12 CON 5 MARKHAM, PTS 1, 2 & 3 65R20048 EXCEPT PTS 1, 2, 3, 4 & 5 65R23053, MARKHAM; S/T EASE OVER PT 7 65R23053 AS IN LT1547540.

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 02979-0295

PIN CREATION DATE:

2006/11/08

OWNERS' NAMES

BLACKSMITH PARTNERS INC.

CAPACITY SHARE

BENO

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2006/11/08 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 1999/09/27 **						
R488826	1988/11/15	NOTICE				C
REMARKS: AIRPORT ZONING REGULATIONS						
R728864	1998/09/03	DEPOSIT		SEE DEPOSIT NO. R728864		C
REMARKS: STAT. DECLARATION						
R728865	1998/09/03	TRANSFER	\$860,000	INGRAM, RUTH	BLACKSMITH PARTNERS INC.	C
REMARKS: PLANNING ACT STATEMENTS						
65R23053	2000/10/30	PLAN REFERENCE				C
LT1547540	2000/11/08	TRANSFER EASEMENT		BLACKSMITH PARTNERS INC.	THE CORPORATION OF THE TOWN OF MARKHAM	C
YR95217	2002/01/14	NOTICE		THE CORPORATION OF THE TOWN OF MARKHAM	BLACKSMITH PARTNERS INC.	C
YR95239	2002/01/14	NOTICE		THE CORPORATION OF THE TOWN OF MARKHAM	BLACKSMITH PARTNERS INC.	C
YR687897	2005/08/22	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C

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 #65

02979-0301 (LT)

PREPARED FOR shalan01
ON 2020/10/27 AT 14:04:12

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR789570	2006/03/14	BYLAW <i>REMARKS: BY-LAW # 251-97 - TO DESIGNATE AN AREA OF THE TOWN AS A HERITAGE CONSERVATION DISTRICT.</i>		THE CORPORATION OF THE TOWN OF MARKHAM		C
YR2957465	2019/05/06	CHARGE	\$16,285,256	UNIONVILLE RE-DEV CORPORATION UNIONVILLE RE-DEV PHASE 2 CORPORATION BLACKSMITH PARTNERS INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	C
YR2957466	2019/05/06	NO ASSGN RENT GEN <i>REMARKS: YR2957465</i>		UNIONVILLE RE-DEV CORPORATION UNIONVILLE RE-DEV PHASE 2 CORPORATION BLACKSMITH PARTNERS INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	C
YR2957467	2019/05/06	CHARGE	\$3,000,000	BLACKSMITH PARTNERS INC.	VASILOVSKY, PAUL VASILOVSKY, THOMAS	C
YR2980152	2019/07/05	NOTICE <i>REMARKS: YR2957467</i>		BLACKSMITH PARTNERS INC.	VASILOVSKY, PAUL VASILOVSKY, THOMAS	C

LAND
REGISTRY
OFFICE #65

02979-0172 (LT)

PAGE 1 OF 2
PREPARED FOR shalan01
ON 2020/10/27 AT 13:44:20

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PT LT 12 CON 5 MARKHAM PT 4, 65R20048 ; MARKHAM. S/T EASE AS IN LT1547540.

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
RE-ENTRY FROM 02979-0290

PIN CREATION DATE:
1999/09/24

OWNERS' NAMES
BLACKSMITH PARTNERS INC.

CAPACITY SHARE
BENO

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/03/24 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1999/09/24**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1999/09/24 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1999/09/27 **</p>						
R488826	1988/11/15	NOTICE REMARKS: AIRPORT ZONING REGULATIONS				C
65R20048	1998/03/20	PLAN REFERENCE				C
R728865	1998/09/03	TRANSFER REMARKS: PLANNING ACT STATEMENTS	\$860,000	INGRAM, RUTH	BLACKSMITH PARTNERS INC.	C
R728866	1998/09/03	CHARGE		*** DELETED AGAINST THIS PROPERTY *** BLACKSMITH PARTNERS INC.	CANADA TRUSTCO MORTGAGE COMPANY	
R728867	1998/09/03	ASSIGNMENT GENERAL REMARKS: RENTS FOR CHARGE R728866		*** DELETED AGAINST THIS PROPERTY *** BLACKSMITH PARTNERS INC.	CANADA TRUSTCO MORTGAGE COMPANY	
65R22281	2000/02/17	PLAN REFERENCE				C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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LAND
REGISTRY
OFFICE #65

02979-0172 (LT)

PREPARED FOR shalan01
ON 2020/10/27 AT 13:44:20

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
65R23053	2000/10/30	PLAN REFERENCE				C
LT1547540	2000/11/08	TRANSFER EASEMENT		BLACKSMITH PARTNERS INC.	THE CORPORATION OF THE TOWN OF MARKHAM	C
LT1547541	2000/11/08	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY *** CANADA TRUSTCO MORTGAGE COMPANY	THE CORPORATION OF THE TOWN OF MARKHAM	
<i>REMARKS: R728866 TO LT1547540</i>						
YR687897	2005/08/22	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
YR789570	2006/03/14	BYLAW		THE CORPORATION OF THE TOWN OF MARKHAM		C
<i>REMARKS: BY-LAW # 251-97 - TO DESIGNATE AN AREA OF THE TOWN AS A HERITAGE CONSERVATION DISTRICT.</i>						
YR879785	2006/09/11	DISCH OF CHARGE		*** COMPLETELY DELETED *** CANADA TRUSTCO MORTGAGE COMPANY		
<i>REMARKS: RE: R728866</i>						
YR2957465	2019/05/06	CHARGE	\$16,285,256	UNIONVILLE RE-DEV CORPORATION UNIONVILLE RE-DEV PHASE 2 CORPORATION BLACKSMITH PARTNERS INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	C
YR2957466	2019/05/06	NO ASSGN RENT GEN		UNIONVILLE RE-DEV CORPORATION UNIONVILLE RE-DEV PHASE 2 CORPORATION BLACKSMITH PARTNERS INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	C
<i>REMARKS: YR2957465</i>						
YR2957467	2019/05/06	CHARGE	\$3,000,000	BLACKSMITH PARTNERS INC.	VASILOVSKY, PAUL VASILOVSKY, THOMAS	C
YR2980152	2019/07/05	NOTICE		BLACKSMITH PARTNERS INC.	VASILOVSKY, PAUL VASILOVSKY, THOMAS	C
<i>REMARKS: YR2957467</i>						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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LAND
REGISTRY
OFFICE #65

02979-0122 (LT)

PAGE 1 OF 2
PREPARED FOR shalan01
ON 2020/10/27 AT 13:36:06

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PT LT 12 CON 5 MARKHAM PT 1, 65R4965; T/W R646625 ; MARKHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
RE-ENTRY FROM 02979-0252

PIN CREATION DATE:
1999/09/24

OWNERS' NAMES
BLACKSMITH PARTNERS INC.

CAPACITY SHARE
BENO

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/03/24 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1999/09/24**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1999/09/24 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *</p> <p>** AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF</p> <p>** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY</p> <p>** CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1999/09/27 **</p>						
65R4965	1982/04/13	PLAN REFERENCE				C
R488826	1988/11/15	NOTICE REMARKS: AIRPORT ZONING REGULATIONS				C
R646625	1994/09/08	TRANSFER	\$365,000		BLACKSMITH PARTNERS INC.	C
R653717	1995/01/20	AGREEMENT				C
R661654	1995/07/12	AGREEMENT REMARKS: ENCROACHMENT			THE TOWN OF MARKHAM	C
R661655	1995/07/12	AGREEMENT REMARKS: SITE PLAN			THE TOWN OF MARKHAM	C
R662940	1995/08/03	AGREEMENT			TOWN OF MARKHAM	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

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LAND
REGISTRY
OFFICE #65

02979-0122 (LT)

PREPARED FOR shalan01
ON 2020/10/27 AT 13:36:06

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
R692044	1997/01/22	CHARGE		*** COMPLETELY DELETED ***	CANADA TRUSTCO MORTGAGE COMPANY	
R692045	1997/01/22	ASSIGNMENT GENERAL		*** COMPLETELY DELETED ***		
		REMARKS: RENTS, R692044				
R728868	1998/09/03	CHARGE		*** DELETED AGAINST THIS PROPERTY *** BLACKSMITH PARTNERS INC.	CANADA TRUSTCO MORTGAGE COMPANY	
YR687893	2005/08/22	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
YR789570	2006/03/14	BYLAW		THE CORPORATION OF THE TOWN OF MARKHAM		C
		REMARKS: BY-LAW # 251-97 - TO DESIGNATE AN AREA OF THE TOWN AS A HERITAGE CONSERVATION DISTRICT.				
YR879797	2006/09/11	DISCH OF CHARGE		*** COMPLETELY DELETED *** CANADA TRUSTCO MORTGAGE COMPANY		
		REMARKS: RE: R728868				
YR1143583	2008/04/01	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE CANADA TRUST COMPANY		
		REMARKS: RE: R692044				
YR2957465	2019/05/06	CHARGE	\$16,285,256	UNIONVILLE RE-DEV CORPORATION UNIONVILLE RE-DEV PHASE 2 CORPORATION BLACKSMITH PARTNERS INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	C
YR2957466	2019/05/06	NO ASSGN RENT GEN		UNIONVILLE RE-DEV CORPORATION UNIONVILLE RE-DEV PHASE 2 CORPORATION BLACKSMITH PARTNERS INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	C
		REMARKS: YR2957465				
YR2957467	2019/05/06	CHARGE	\$3,000,000	BLACKSMITH PARTNERS INC.	VASILOVSKY, PAUL VASILOVSKY, THOMAS	C
YR2980152	2019/07/05	NOTICE		BLACKSMITH PARTNERS INC.	VASILOVSKY, PAUL VASILOVSKY, THOMAS	C
		REMARKS: YR2957467				
YR3086022	2020/04/02	NO SEC INTEREST	\$2,560	VISTA CREDIT CORP.		C

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LAND
REGISTRY
OFFICE #65

02979-0123 (LT)

PREPARED FOR shalan01
ON 2020/10/27 AT 13:41:30

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PT LT 12 CON 5 MARKHAM AS IN R666021; T/W R666021 ; MARKHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

RE-ENTRY FROM 02979-0253

PIN CREATION DATE:

1999/09/24

OWNERS' NAMES

UNIONVILLE RE-DEV PHASE 2 CORPORATION

CAPACITY SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/03/24 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1999/09/24**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1999/09/24 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *</p> <p>** AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF</p> <p>** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY</p> <p>** CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1999/09/27 **</p>						
R488826	1988/11/15	NOTICE				C
REMARKS: AIRPORT ZONING REGULATIONS						
R666021	1995/10/02	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	DAVINA BUILDING CORPORATION	
R737246	1999/02/11	NOTICE OF LEASE		*** DELETED AGAINST THIS PROPERTY *** DAVINA FINANCIAL SERVICES INC.	FIREHALL SKIS & SPORTS INC.	
R741323	1999/05/28	CHARGE		*** DELETED AGAINST THIS PROPERTY *** DAVINA FINANCIAL SERVICES INC.	BUSINESS DEVELOPMENT BANK OF CANADA	
R741324	1999/05/28	POSTPONEMENT		*** DELETED AGAINST THIS PROPERTY *** FIREHALL SKIS & SPORTS INC.	BUSINESS DEVELOPMENT BANK OF CANADA	
REMARKS: NOTICE OF LEASE R737246 POSTPONED TO R741323						

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LAND
REGISTRY
OFFICE #65

02979-0123 (LT)

PREPARED FOR shalan01
ON 2020/10/27 AT 13:41:30

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
R743781	1999/08/13	CHARGE		*** COMPLETELY DELETED *** DAVINA FINANCIAL SERVICES INC.	CANADIAN IMPERIAL BANK OF COMMERCE	
LT1429261	1999/11/29	CHARGE		*** COMPLETELY DELETED *** DAVINA FINANCIAL SERVICES INC.	HER MAJESTY THE QUEEN IN RIGHT OF ONTARIO, AS REPRESENTED BY THE MINISTER OF FINANCE	
LT1429262	1999/11/29	CHARGE		*** COMPLETELY DELETED *** DAVINA FINANCIAL SERVICES INC.	SCHWALM, WILLIAM	
YR172418	2002/07/11	TRANSFER OF CHARGE		*** COMPLETELY DELETED *** BUSINESS DEVELOPMENT BANK OF CANADA	CESARONI MANAGEMENT LIMITED	
REMARKS: R741323 - DELETED YR172418 PER YR290640 B MCCOLL 2017/07/17						
YR279461	2003/03/19	NOTICE		THE CORPORATION OF THE TOWN OF MARKHAM	DAVINA FINANCIAL SERVICES INC.	C
REMARKS: SITE PLAN						
YR290640	2003/04/17	TRANS POWER SALE		*** COMPLETELY DELETED *** CESARONI MANAGEMENT LIMITED	AQUAPELLOR INVESTMENTS INC.	
REMARKS: RE: R741323 & YR172418						
YR290641	2003/04/17	CHARGE		*** COMPLETELY DELETED *** AQUAPELLOR INVESTMENTS INC.	CESARONI MANAGEMENT LIMITED	
YR290650	2003/04/17	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** AQUAPELLOR INVESTMENTS INC.	CESARONI MANAGEMENT LIMITED	
REMARKS: RE: YR290641						
YR310877	2003/06/09	CHARGE		*** COMPLETELY DELETED *** AQUAPELLOR INVESTMENTS INC.	AQUAPELLOR PROPERTIES INC.	
YR375281	2003/10/17	DISCH OF CHARGE		*** COMPLETELY DELETED *** AQUAPELLOR PROPERTIES INC.		
REMARKS: RE: YR310877						
YR375304	2003/10/17	TRANSFER		*** COMPLETELY DELETED *** AQUAPELLOR INVESTMENTS INC.	OLD FIREHALL SPORTS LTD.	
REMARKS: PLANNING ACT STATEMENTS						
YR375316	2003/10/17	CHARGE		*** COMPLETELY DELETED *** OLD FIREHALL SPORTS LTD.	ROYAL BANK OF CANADA	
YR375351	2003/10/17	NO ASSGN RENT GEN		*** COMPLETELY DELETED ***		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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LAND
REGISTRY
OFFICE #65

02979-0123 (LT)

PREPARED FOR shalan01
ON 2020/10/27 AT 13:41:30

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
				OLD FIREHALL SPORTS LTD.	ROYAL BANK OF CANADA	
YR375368	2003/10/17	CHARGE		*** COMPLETELY DELETED *** OLD FIREHALL SPORTS LTD.	AQUAPELLOR PROPERTIES INC.	
YR376594	2003/10/21	NO DET/SURR LEASE		*** COMPLETELY DELETED ***	FIREHALL SKIS & SPORTS INC.	
				HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
YR701932	2005/09/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** AQUAPELLOR PROPERTIES INC.		
YR789570	2006/03/14	BYLAW		THE CORPORATION OF THE TOWN OF MARKHAM TOWN AS A HERITAGE CONSERVATION DISTRICT.		C
YR1151281	2008/04/18	APL CH NAME OWNER		*** COMPLETELY DELETED *** OLD FIREHALL SPORTS LTD.	1559301 ONTARIO LTD.	
YR1151807	2008/04/21	CHARGE		*** COMPLETELY DELETED *** 1559301 ONTARIO LTD.	ROYAL BANK OF CANADA	
YR1305492	2009/04/15	TRANSFER		*** COMPLETELY DELETED *** 1559301 ONTARIO LTD.	1777507 ONTARIO LIMITED	
YR1305493	2009/04/15	CHARGE		*** COMPLETELY DELETED *** 1777507 ONTARIO LIMITED	BUSINESS DEVELOPMENT BANK OF CANADA	
YR1305632	2009/04/15	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 1777507 ONTARIO LIMITED	BUSINESS DEVELOPMENT BANK OF CANADA	
YR1316161	2009/05/13	DISCH OF CHARGE		*** COMPLETELY DELETED ***		

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LAND
REGISTRY
OFFICE #65

02979-0123 (LT)

PREPARED FOR shalan01
ON 2020/10/27 AT 13:41:30

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
				ROYAL BANK OF CANADA		
YR1324506	2009/06/02	DISCH OF CHARGE		*** COMPLETELY DELETED *** ROYAL BANK OF CANADA		
YR1356819	2009/08/11	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** RT WOOD ART LTD.		
YR1359938	2009/08/17	NOTICE		*** COMPLETELY DELETED *** 1777507 ONTARIO LIMITED	BUSINESS DEVELOPMENT BANK OF CANADA	
YR1374714	2009/09/15	CERTIFICATE		*** COMPLETELY DELETED *** RT WOOD ART LTD.	1777507 ONTARIO LIMITED PERSAUD, DOORGA BUSINESS DEVELOPMENT BANK OF CANADA	
YR1405595	2009/11/18	DIS CONSTRUCT LIEN		*** COMPLETELY DELETED *** RT WOOD ART LTD.		
YR1425463	2010/01/05	NOTICE		THE CORPORATION OF THE TOWN OF MARKHAM	1777507 ONTARIO LIMITED	C
YR2138187	2014/06/10	NOTICE		*** COMPLETELY DELETED *** 1777507 ONTARIO LIMITED	BUSINESS DEVELOPMENT BANK OF CANADA	
YR2836046	2018/06/08	TRANSFER	\$3,350,000	1777507 ONTARIO LIMITED	UNIONVILLE RE-DEV PHASE 2 CORPORATION	C
YR2836047	2018/06/08	CHARGE		*** COMPLETELY DELETED *** UNIONVILLE RE-DEV PHASE 2 CORPORATION	HMT HOLDINGS INC.	
YR2836048	2018/06/08	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** UNIONVILLE RE-DEV PHASE 2 CORPORATION	HMT HOLDINGS INC.	
YR2836051	2018/06/08	CHARGE		*** COMPLETELY DELETED *** UNIONVILLE RE-DEV PHASE 2 CORPORATION UNIONVILLE RE-DEV CORPORATION	1777507 ONTARIO LIMITED	

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 #65

02979-0123 (LT)

PREPARED FOR shalan01
ON 2020/10/27 AT 13:41:30

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2918031	2019/01/10	DISCH OF CHARGE		*** COMPLETELY DELETED *** BUSINESS DEVELOPMENT BANK OF CANADA		
		REMARKS: YR1305493.				
YR2957461	2019/05/06	DISCH OF CHARGE		*** COMPLETELY DELETED *** HMT HOLDINGS INC.		
		REMARKS: YR2836047.				
YR2957463	2019/05/06	DISCH OF CHARGE		*** COMPLETELY DELETED *** 1777507 ONTARIO LIMITED		
		REMARKS: YR2836051.				
YR2957465	2019/05/06	CHARGE	\$16,285,256	UNIONVILLE RE-DEV CORPORATION UNIONVILLE RE-DEV PHASE 2 CORPORATION BLACKSMITH PARTNERS INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	C
YR2957466	2019/05/06	NO ASSGN RENT GEN		UNIONVILLE RE-DEV CORPORATION UNIONVILLE RE-DEV PHASE 2 CORPORATION BLACKSMITH PARTNERS INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	C
		REMARKS: YR2957465				

LAND
REGISTRY
OFFICE #65

02979-0126 (LT)

PREPARED FOR shalan01
ON 2020/10/27 AT 13:43:03

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PT LT 12 CON 5 MARKHAM AS IN R371141; S/T & T/W R371141 ; MARKHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
RE-ENTRY FROM 02979-0256

PIN CREATION DATE:
1999/09/24

OWNERS' NAMES
UNIONVILLE RE-DEV CORPORATION

CAPACITY SHARE
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1997/03/24 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1999/09/24**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1999/09/24 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *</p> <p>** AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF</p> <p>** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY</p> <p>** CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1999/09/27 **</p>						
R371141	1985/06/17	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	MARIANI'S CUSTOM CLOTHIER LTD.	
R384879	1985/11/28	AGREEMENT REMARKS: SITE PLAN CONTROL			THE TOWN OF MARKHAM	C
R488826	1988/11/15	NOTICE REMARKS: AIRPORT ZONING REGULATIONS				C
R596823	1992/06/16	CHARGE		*** COMPLETELY DELETED ***	CANADA TRUSTCO MORTGAGE COMPANY	
R596824	1992/06/16	ASSIGNMENT GENERAL REMARKS: RENTS, R596823		*** COMPLETELY DELETED ***		

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 #65

02979-0126 (LT)

PREPARED FOR shalan01
ON 2020/10/27 AT 13:43:03

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
R720692	1998/04/29	AGREEMENT <i>REMARKS: AMENDING AGREEMENT NO. R384879</i>		MARIANI'S CUSTOM CLOTHIER LTD.	THE CORPORATION OF THE TOWN OF MARKHAM	C
R721146	1998/05/05	POSTPONEMENT <i>REMARKS: R596823 TO R720692</i>		*** DELETED AGAINST THIS PROPERTY *** CANADA TRUSTCO MORTGAGE COMPANY	TOWN OF MARKHAM	
YR687893	2005/08/22	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
YR789570	2006/03/14	BYLAW <i>REMARKS: BY-LAW # 251-97 - TO DESIGNATE AN AREA OF THE</i>		THE CORPORATION OF THE TOWN OF MARKHAM TOWN AS A HERITAGE CONSERVATION DISTRICT.		C
YR2921767	2019/01/22	DISCH OF CHARGE <i>REMARKS: R596823.</i>		*** COMPLETELY DELETED *** CANADA TRUSTCO MORTGAGE COMPANY		
YR2943842	2019/03/28	APL CH NAME OWNER		*** COMPLETELY DELETED *** MARIANI'S CUSTOM CLOTHIER LTD.	MARIANI'S OF UNIONVILLE INC.	
YR2957464	2019/05/06	TRANSFER <i>REMARKS: PLANNING ACT STATEMENTS.</i>	\$3,500,000	MARIANI'S OF UNIONVILLE INC.	UNIONVILLE RE-DEV CORPORATION	C
YR2957465	2019/05/06	CHARGE	\$16,285,256	UNIONVILLE RE-DEV CORPORATION UNIONVILLE RE-DEV PHASE 2 CORPORATION BLACKSMITH PARTNERS INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	C
YR2957466	2019/05/06	NO ASSGN RENT GEN <i>REMARKS: YR2957465</i>		UNIONVILLE RE-DEV CORPORATION UNIONVILLE RE-DEV PHASE 2 CORPORATION BLACKSMITH PARTNERS INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	C

APPENDIX "K"

ACCOUNT CLOSING STATEMENT

FIRST SOURCE
FINANCIAL MANAGEMENT INC.

Account No	1289.19.02
Statement Closing Date	27-May-21
Payoff Amount	\$18,074,296.78
Payoff Due Date	28-May-21

BORROWER
(Main Street, Unionville) Unionville Re-Dev Corporation etal.
62 Hepburn Street Markham ON L3S 3Z9

After 5/28/2021, please pay an additional \$8,007.59 per day. This notice expires on 6/7/2021, at which time you are instructed to contact this office for additional instructions.

Funds may be tendered any time up to 1:00 pm May 28, 2021 based on the existing statement. If funds are tendered after 1:00 pm, May 28, 2021 please add additional per diem to NEXT business day. Subject to adjustments to legal fees, disbursements, charges, etc.
E. & O.E.

Interest Rate	18.000%
Daily Periodic Rate	0.050000%
Unpaid Principal Balance	\$13,571,047.00
Receiver Certificate	\$50,000.00

Account Activity

Principal	\$13,571,047.00
Receiver Certificate	\$50,000.00
Receiver Certificate - interest	\$2,932.22
June 2020 - Interest	\$203,565.71
July 2020 - Interest	\$206,619.19
August 2020 - Interest	\$209,718.48
September 2020 - Interest	\$212,864.26
October 2020 - Interest	\$216,057.22
November 2020 - Interest	\$219,298.08
December 2020 - Interest	\$222,587.55
January 2021 - Interest	\$225,926.36
February 2021 - Interest	\$229,315.26
March 2021 - Interest	\$232,754.99
April 2021 - Interest	\$236,246.31
May 2021 - Interest	\$215,811.01
Sched A 15) Management Cost	\$678,552.35
3 month interest bonus	\$610,697.12
Sched A 4) Holding Over Interest Bonus	\$412,776.39
Johnston Litavski - Inv #19P09 (reimburse FS)	\$3,772.39
Chaitons LLP - Legal Fees - Inv#276590	\$2,625.79
Chaitons Inv#276665 (tax certificates)- reimburse FS	\$1,100.14
Failure to provide proof of current property taxes (March 2020)	\$350.00
NSF Payment Charge (Oct 1/19)	\$700.00
NSF Payment Charge (Apr 1/20)	\$700.00
NSF Payment Charge (Aug 1/19)	\$350.00
Failure to provide proof of renewed insurance policy (Jan. & April 2020 x2)	\$1,050.00
Chaitons LLP - Legal Fees - Inv#276911	\$10,773.35
Chaitons LLP - Legal Fees - Inv#277300	\$11,406.22
Chaitons LLP - Legal Fees - Inv#271584	\$676.99
Chaitons LLP - Legal Fees - Inv#277661	\$18,358.55
Chaitons LLP - Legal Fees - Inv#278173	\$9,136.05
Chaitons LLP - Legal Fees - Inv#279788	\$4,495.14
Legal Fees - Paliare Roland (estimate)	\$75,000.00
Sched A 2k) Request for Discharge Statement	\$350.00
Late Charges	\$9,800.00
HST on Admin Fee	\$4,777.14
Reserve	-\$37,894.47
Total	\$18,074,296.78

Interest Charges Summary

Month	Daily balance	Interest Rate	Daily Rate	Days	Interest Charges
Jun-20	\$13,571,047.00	18.000%	0.05000%	30	\$203,565.71
Jul-20	\$13,774,612.71	18.000%	0.05000%	30	\$206,619.19
Aug-20	\$13,981,231.90	18.000%	0.05000%	30	\$209,718.48
Sep-20	\$14,190,950.38	18.000%	0.05000%	30	\$212,864.26
Oct-20	\$14,403,814.64	18.000%	0.05000%	30	\$216,057.22
Nov-20	\$14,619,871.86	18.000%	0.05000%	30	\$219,298.08
Dec-20	\$14,839,169.94	18.000%	0.05000%	30	\$222,587.55
Jan-21	\$15,061,757.49	18.000%	0.05000%	30	\$225,926.36
Feb-21	\$15,287,683.85	18.000%	0.05000%	30	\$229,315.26
Mar-21	\$15,516,999.11	18.000%	0.05000%	30	\$232,754.99
Apr-21	\$15,749,754.10	18.000%	0.05000%	30	\$236,246.31
May-21	\$15,986,000.41	18.000%	0.05000%	27	\$215,811.01
					\$2,630,764.42

APPENDIX "L"

Torkin Manes LLP
Barristers & Solicitors
151 Yonge Street, Suite 1500
Toronto, Ontario M5C 2W7

Tel: 416-863-1188
Fax: 416-863-0305
www.torkinmanes.com

Stewart Thom
Direct Tel: 416-777-5197
Direct Fax: 1-877-689-3872
sthom@torkinmanes.com

An international
member of
AllyLaw

Torkin|Manes
Barristers & Solicitors

May 6, 2021

RSM Canada Limited
11 King St W #700
Toronto, ON
M5H 4C7

Attention: Daniel Weisz

Dear Mr. Weisz ,

**Re: 160, 162/166, 170, 174-178 and 186 Main St., Unionville Properties
First Source Financial Management Inc. (the “Creditor”) – Security Review**

You have requested that we review and provide you with our opinion as to the validity and enforceability of certain security and related documents granted or executed by Unionville Re-Dev Corporation, Unionville Re-Dev Phase 2 Corporation, and Blacksmith Partners Inc. (collectively, the “**Debtors**”) and the Creditor.

In forming the opinions expressed below, we have examined photocopies of the following:

LOAN/COMMITMENT LETTER

1. Commitment Letter dated February 25, 2019 between Unionville Re-Dev Corporation and the Creditor;
2. Promissory note dated June 2, 2020 in the amount of \$16,285,256 granted by the Debtors in favour of the Creditor.

(collectively, the “**Credit Agreements**”)

SECURITY DOCUMENTS

Real Property

1. Instrument No. YR2957465 registered May 6th, 2019, being a Charge in favour of the Creditor in the amount of \$16,285,256 as registered on title to the Real Property (defined below);

2. Instrument No. YR2957466 registered May 6, 2019, being a Notice of Assignment of Rents - General in favour of the Creditor in relation to the Charge registered as Instrument No. YR2957465 as registered on title to the Real Property (defined below);

(collectively, the “**Mortgage**”)

PPSA Security

1. General Security Agreement dated May 3, 2019 granted by Blacksmith Partners Inc. in favour of the Creditor;
2. General Security Agreement dated May 3, 2019 granted by Unionville Re-Dev Phase 2 Corporation in favour of the Creditor; and
3. General Security Agreement dated May 3, 2019 granted by Unionville Re-Dev Corporation in favour of the Creditor;
4. Interlenders Agreement dated May 3, 2020 between the Creditor, the Debtors, Paul Vasilovsky, Thomas Vasilovsky, Harshal Dave and Qing Li.

(hereinafter collectively, the “**PPSA Security Documents**” or, together with the Mortgage, the “**Security Documents**”).

SEARCHES

We have reviewed the following searches (collectively, the “**Searches**”) in connection with the preparation of this opinion:

Corporation Profile Reports

Corporation Profile Report for the Debtors dated June 18, 2020.

Personal Property Security Act (“PPSA”) Search Report

PPSA search result printout in respect of each of the Debtors with a currency date of June 18, 2020.

Real Property Searches

Parcel registers for the following real properties current as of October 27, 2020 (collectively, the “**Real Property**”):

1. PIN: 02979-0301 (LT);
LEGAL DESCRIPTION: PT LT 12 CON 5 MARKHAM, PTS 1, 2 & 3 65R20048 EXCEPT PTS 1, 2, 3, 4 & 5 65R23053, MARKHAM; S/T EASE OVER PT 7 65R23053 AS IN LT1547540
2. PIN: 02979-0172 (LT)
LEGAL DESCRIPTION: PT LT 12 CON 5 MARKHAM PT 4, 65R20048; MARKHAM. S/T EASE AS IN LT1547540
3. PIN: 02979-0122 (LT)
LEGAL DESCRIPTION: PT LT 12 CON 5 MARKHAM PT 1, 65R4965; T/W R646625; MARKHAM
4. PIN: 02979-0123 (LT)
LEGAL DESCRIPTION: PT LT 12 CON 5 MARKHAM AS IN R666021; T/W R666021; MARKHAM
5. PIN: 02979-0124 (LT)
PT LT 12 CON 5 MARKHAM PTS 1 & 2, 64R7629; S/T MA58258; CITY OF MARKHAM
6. 02979-0126 (LT)
LEGAL DESCRIPTION: PT LT 12 CON 5 MARKHAM AS IN R371141; S/T & T/W R371141; MARKHAM

QUALIFICATIONS

1. We have assumed that all documents were executed on the date indicated therein;
2. We have assumed the genuineness of all signatures and legal capacity of the Debtor and the conformity to the original documents of all documents submitted to us as photocopies or telefaxed copies;
3. We have assumed the accuracy and currency of the indices and filing systems maintained at the public offices where we have searched or inquired or have caused such Searches or inquiries to be conducted and that all instruments and registrations were authorized by, performed by or consented to by those parties thereon indicated or whose interests were directly affected through same;

4. We have assumed that the Debtor has no legal defences against the Creditor for, without limitation, absence of legal capacity, fraud by or to the knowledge of the Creditor, misrepresentation, undue influence or duress or any other defences based on doctrines of equity or equitable subordination;
5. We have assumed that all Security Documents were delivered by the Debtor as security for the obligations of the Debtor to the Creditor;
6. We have assumed that monies were in fact advanced as reflected by the Credit Agreement, or value was given by the Creditor to the Debtor and that monies are in fact owing by the Debtor to the Creditor with respect to the obligations of the Debtor as of the date hereof;
7. We express no opinion as to title of the Debtor to any of the collateral whatsoever;
8. The enforcement of the security by the Creditor or any judgment arising out of or in connection therewith, and the priority of any rights thereunder, may be limited by any laws of general application affecting the Creditor's rights from time to time in effect, and general principles of equity including the equitable or statutory powers of the courts of Ontario and Canada to stay proceedings, stay the execution of judgment and grant relief against forfeiture.
9. We are qualified to render opinions in this regard only as to the laws in force in the Province of Ontario and the applicable federal laws of Canada as currently applied and in force in Ontario and accordingly we render no opinion with respect to any security delivered by the Debtor or which has been registered in provinces other than Ontario;
10. We have assumed that the security interests created by the Security Documents have, to the extent that a financing statement has been registered under the PPSA with respect to any of them, attached in accordance with the provisions of the PPSA in connection therewith and we are also assuming that the description of the collateral secured is sufficient to enable it to be identified within the meaning of subsection 11(1)(a) of the PPSA and that, neither the Debtor nor any other creditor has agreed to postpone the time for attachment; and
11. This opinion is confined to statements of fact or matters set forth herein as existing as at the date of this opinion.

OPINION

Based upon and subject to the foregoing, we are of the opinion that:

- (a) The PPSA Security Documents were validly registered pursuant to the PPSA and, based solely on copies of the executed PPSA Security Documents as reviewed by us as well as the Searches summarized herein, subject also to the qualifications set out herein, that the Creditor holds a first-ranking security interest over personal property of the Debtors based on date of registration;
- (b) The Mortgage was validly registered against title to the Real Property and based solely on the printouts of the Security Documents obtained from the Creditor and an examination the Parcel Registers in respect of the Real Property, it appears, subject to the qualifications set out herein, that the Mortgage ranks first in priority among registered encumbrances against title to the Real Property, with the exception of a Charge registered as YR2623311 in favour of the Bank of Nova Scotia (“BNS”) as registered on title to PIN: 02979-0124 (LT), in respect of which BNS has confirmed that no amounts are owed to BNS;
- (c) The Credit Agreements and Security Documents constitute valid and binding obligations of the Debtor in favour of the Creditor and are enforceable in accordance with their terms.

The opinions expressed herein are provided solely for the benefit of the party to whom it is delivered and may not be relied upon or used by any other person for any reason whatsoever.

TORKIN MANES LLP

Per:



Stewart Thom
ST/jj

APPENDIX "M"

RSM Canada Limited
Court-Appointed Receiver of 160, 162, 166, 170, 174 - 178,
and 186 Main St., Unionville, Ontario
Interim Statement of Receipts and Disbursements
for the period October 27, 2020 to April 30, 2021

Receipts

Advance from Secured Creditor (Note 1)	\$	50,000
Rental Income		262,429
HST Collected		31,577
Insurance Refund		2,004
Total Receipts (Note 2)	\$	<u>346,010</u>

Disbursements

Insurance	\$	72,610
Repairs & Maintenance		34,843
Landscaping & Snow Removal		16,005
Property Management Fees		9,371
Security & Taking Possession		2,926
Miscellaneous		1,037
Utilities - Gas		5,558
Utilities - Hydro		17,552
Utilities - Water		1,485
PST Paid		4,556
HST Paid		11,668
Total Disbursements	\$	<u>177,610</u>

Excess of receipts over disbursements **\$** 168,400

Notes:

1. This amount represents an advance from First Source Financial Management Inc. secured by Receiver Certificate No. 1.
2. This statement of receipts and disbursements does not include the deposit provided to the Receiver pursuant to the terms of the Agreement of Purchase and Sale, as that information is considered confidential pending the completion of the sale of the Properties.

This Appendix forms part of the Second Report of the Receiver dated May 6, 2021, and should only be read in conjunction therewith.

APPENDIX "N"

Court File No. CV-20-00647644-00CL

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

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

- and -

**UNIONVILLE RE-DEV CORPORATION,
UNIONVILLE RE-DEV PHASE 2 CORPORATION, and
BLACKSMITH PARTNERS INC.**

Respondents

**AFFIDAVIT OF DANIEL WEISZ
(Sworn May 5, 2021)**

I, **DANIEL WEISZ**, of the City of Vaughan, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a Senior Vice-President of RSM Canada Limited ("**RSM**") and as such I have personal knowledge of the matters to which I hereinafter depose, save and except those matters based upon information and belief, in which case I have stated the source of such facts, all of which I verily believe to be true.
2. Pursuant to an application made by First Source Financial Management Inc., by Order of the Ontario Superior Court of Justice (the "**Court**") dated October 16, 2020, with

effect from October 27, 2020, as amended from time to time, RSM was appointed as receiver of the properties municipally known as 160, 162, 166, 170, 174-178, and 186 Main Street, Unionville, Ontario owned by the Respondents (the "Properties").

3. Attached hereto and marked as Exhibit "A" to this my affidavit are copies of invoices issued by RSM for fees and disbursements incurred by the Receiver in respect of these proceedings for the period ending March 31, 2021 (the "Period"). The total fees charged for the Period are \$184,328.50, plus HST of \$23,962.71 for a total of \$208,291.21. The average hourly rate charged during the Period was \$460.59.

4. The invoices are a fair and accurate description of the services provided and the amounts charged by RSM for the Period.

5. Attached hereto and marked as Exhibit "B" is a schedule summarizing the invoices in Exhibit "A", the total billable hours charged, the total fees charged and the average hourly rate charged.

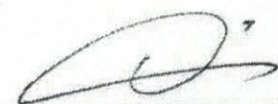
6. I make this affidavit in support of a motion for an Order approving the Receiver's fees and disbursements and for no other or improper purpose.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario, this 5th day of May, 2021



A Commissioner, etc.

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)
)



DANIEL WEISZ

Bryan Allan Tannenbaum,
a Commissioner, etc., Province of Ontario, for
RSM Canada LLP and RSM Canada Limited.
Expires February 4, 2024.

**THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF DANIEL WEISZ SWORN BEFORE ME
THIS 5th DAY OF MAY 2021**



A Commissioner, etc.

Bryan Allan Tannenbaum,
a Commissioner, etc., Province of Ontario, for
RSM Canada LLP and RSM Canada Limited.
Expires February 4, 2024.

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[Faint, illegible text]

[Faint, illegible text]



GST/HST: 80784 1440 RT 0001

RSM CANADA LIMITED
Licensed Insolvency Trustee
 11 King St W, Suite 700, Box 27
 Toronto, ON M5H 4C7

T +1 416 480 0160
 F +1 416 480 2646

www.rsmcanada.com

To RSM Canada Limited
 Court-appointed Receiver of
 160, 162, 166, 170, 174-178, and 186 Main Street
 Unionville, ON
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date February 22, 2021

Client File 7835095/10013

Invoice 1

No. 6241360

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of 160, 162, 166, 170, 174-178, and 186 Main Street, Unionville, ON, (collectively referred to hereafter as the "**Properties**") for the period July 15, 2020 to December 31, 2020.

Date	Professional	Description
07/15/2020	Daniel Weisz	Exchange emails with D. Bourassa of Chaitons LLP; sign consent to act as Receiver.
09/17/2020	Daniel Weisz	Discussion with J. Berger re file.
09/21/2020	Daniel Weisz	Discussion with J. Larry of Paliare Roland Rosenberg Rothstein LLP ("Paliare Roland") on status; discussion with J. Berger on status.
09/22/2020	Daniel Weisz	Discussion with J. Larry re Court application scheduled for September 24, 2020.
10/13/2020	Daniel Weisz	Discussion with J. Berger re property management and insurance status.
10/14/2020	Daniel Weisz	Discussion with J. Berger re his discussion with First Source Financial Management Inc. ("First Source").
10/15/2020	Daniel Weisz	Discussion with J. Berger on insurance and property management; exchange emails with J. Larry re court attendance scheduled for tomorrow.
10/16/2020	Daniel Weisz	Discussion with J. Larry re today's receivership application; review emails from HUB International Insurance Brokers ("HUB"); discussion with J. Berger re same.
10/19/2020	Daniel Weisz	Discussion with J. Berger re insurance.
10/22/2020	Daniel Weisz	Discussion with S. Thom of Torkin Manes LLP re status of the receivership and retention as independent counsel.
10/23/2020	Daniel Weisz	Discussion with J. Berger on status.
10/26/2020	Daniel Weisz	Discussion with J. Berger re letter to tenants; review email from J. Berger.
10/26/2020	Jeff Berger	Make arrangements with Richmond Advisory Services Inc. ("RAS") to attend on site and assist the Receiver with taking possession and

February 22, 2021

Invoice 1

Page 2

Date	Professional	Description
		securing the Properties; call with L. Zaidener of First Source re status of negotiations with borrower; email to HUB re insurance requirements.
10/27/2020	Daniel Weisz	Exchange emails with J. Berger re insurance; exchange emails with J. Larry re status of the Appointment Order; review the Appointment Order and exchange emails with Paliare Roland re description of the premises in the Appointment Order; discussion with S. Thom re same; discussion with J. Berger re possession matters; various discussions with S. Thom and J. Berger re description of the Properties; exchange emails with D. Rosenbluth; discussion with J. Berger re binding of insurance coverage.
10/27/2020	Echa Odeh	Prepare draft letter to Bank of Montreal ("BMO") to open trust account; draft notice to tenants; create Ascend file and request Ascend license.
10/27/2020	Jeff Berger	Correspond with debtor's insurance brokers regarding continuation of coverage for the Receiver; review Appointment Order and discuss the municipal addresses relating to the legal descriptions contained in the Appointment Order with D. Weisz, J. Larry and S. Thom; arrange for RAS to attend on site with the Receiver tomorrow; review insurance coverage and arrange for coverage.
10/28/2020	Donna Nishimura	Order Ascend License.
10/28/2020	Daniel Weisz	Discussion with J. Berger re email from insurer; review and update letters to tenants and sign same; discussion with J. Berger re same; review and update letter to open receivership bank account; discussions with J. Berger re his attendance at the Properties; conference call with J. Larry, S. Thom and J. Berger re amendments to the Court order required and status of the receivership; review follow up letter to tenants and provide comments; email re setting up of webpage.
10/28/2020	Echa Odeh	Prepare draft letter to Canada Revenue Agency ("CRA"); draft notice pursuant to Section 245 of the Bankruptcy and Insolvency Act (the "245 Notice"); draft letter to utility companies; draft website description; draft letter to debtor requesting further information.
10/28/2020	Jeff Berger	Review and finalize letter to tenants; attend on site at the Properties to take possession; meet with representative of RAS and locksmith to change locks; meet with tenants re the Receiver's appointment; email to tenants to provide Court Order and other information.
10/29/2020	Daniel Weisz	Exchange emails with J. Larry re timing re listing proposals; discussion with J. Berger re listing proposals and insurance; review draft email re request for listing proposals and discussion with J. Berger on same; discussion with J. Berger re funding request; draft property management agreement; review email from W. Friedman of Friedman Law Professional Corporation and J. Larry response thereto; discussion with J. Berger re property management fees, 162 Main Street; email to J. Larry re service list.
10/29/2020	Jeff Berger	Send requests for listing proposals to commercial real estate brokers; discussion with insurance broker re existing policy coverage.

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Date	Professional	Description
10/30/2020	Echa Odeh	Follow up with BMO regarding new trust account; prepare wire form; prepare cheque requisition and receipt processing form templates for banking.
10/30/2020	Daniel Weisz	Discussions with J. Berger re the status of insurance; review and update lender update and send; preliminary review of information received from First Source.
10/30/2020	Jeff Berger	Draft update to First Source and send to D. Weisz; send wire instructions to First Source re advance of funds to the Receiver; call with S. Thom to discuss the municipal address 162 Main Street, Unionville; email to L. Zaidener re status of insurance coverage for the Properties; exchange emails with insurance brokers; arrange for payment of policies; prepare and send request for information to H. Dave.
10/31/2020	Jeff Berger	Review draft property management agreement with RAS; review information provided by First Source re information re the Properties; email to D. Weisz and S. Thom re further information about the municipal address for 162 Main Street.
11/02/2020	Jeff Berger	Arrange for insurance quote re 170 Main Street; discuss same with D. Weisz; review draft property management agreement with RAS and forward same to S. Thom for review and comments; receipt and review of certain tenant leases; review snow removal quotes and discuss same with RAS and D. Weisz; call with S. Thom re legal ownership of second/ auxiliary building on 166 Main Street parcel.
11/02/2020	Daniel Weisz	Review snow removal quotes and discussion with J. Berger re same; discussion with J. Berger re 162 Main Street; discussion with J. Berger re status of property management agreement and cost of services; discussion with J. Berger re insurance; email to BMO re status of wire transfer not yet deposited to bank account.
11/02/2020	Echa Odeh	Phone calls to AON and Linx to obtain contact information.
11/03/2020	Jeff Berger	Call with CBRE to address its questions regarding the Properties; call from a party re the status of receivership; receipt and review of property condition reports from RAS; call with RAS re various matters relating to the Properties; review S. Thom comments on draft Non-Disclosure Agreement ("NDA"); finalize NDA and send to brokers.
11/03/2020	Daniel Weisz	Discussion with J. Larry re various matters; read information provided by First Source; review banking information re receipt of advance and email to First Source re same; prepare Receiver Certificate No. 1; prepare for and attend call with S. Thom and J. Berger to discuss various matters; exchange emails with D. Mandel of First Source re the marketing process; attend conference call with representatives of CBRE and J. Berger; review confidentiality agreement for brokers and discussion with J. Berger on same.
11/03/2020	Echa Odeh	Organize for court order to be uploaded to the website; phone calls and email to insurance company regarding 170 Main Street.
11/04/2020	Daniel Weisz	Discussion with J. Berger re snow removal; review the 245 Notice and update and email to S. Thom re same; review of Application Record;

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Date	Professional	Description
		discussion with S. Thom re secured creditors and site map for the Properties.
11/04/2020	Echa Odeh	Prepare creditor listing and address list for mailing.
11/04/2020	Jeff Berger	Email to insurance broker to request confirmation of coverage; review changes to NDA made by real estate brokers and send same to S. Thom for review and approval; review of RAS property reports and comments therein.
11/05/2020	Daniel Weisz	Prepare for and attend conference call with L. Zaidener, J. Larry, S. Thom and J. Berger re the Properties; subsequent discussion with S. Thom; discussion with J. Larry; prepare draft email to be sent to listing brokers.
11/05/2020	Jeff Berger	Review of snow removal contract and provide comments re same to D. Weisz and S. Thom; calls with various insurance brokers re status of existing coverage, and the Receiver's request re the policies; email to D. Weisz re status of the various insurance policies and coverage in place; email to various real estate brokers re delay in submission deadline for listing proposals; discuss same with D. Weisz.
11/06/2020	Daniel Weisz	Conference call with E. Odeh and J. Berger re the 245 Notice; review and update draft agreement re snow clearing; exchange emails with S. Thom re secured parties; update, finalize and sign the 245 Notice; review S. Thom comments re property management agreement and discussion with J. Berger on same; discussion with S. Thom re snow removal contract and creditors with security interests registered; review S. Thom comments on snow removal contract.
11/06/2020	Echa Odeh	Finalize the 245 Notice; email to creditors and fax to the Office of the Superintendent of Bankruptcy ("OSB") and CRA; save confirmations to the file.
11/06/2020	Jeff Berger	Email to H. Dave re outstanding request for information; discuss same with D. Weisz.
11/09/2020	Daniel Weisz	Review email from tenant requesting rent relief and discussion with J. Berger on same.
11/09/2020	Echa Odeh	Create rent collections spreadsheet; review file for leases; email to J. Berger re information outstanding from tenants.
11/09/2020	Jeff Berger	Attend to various administrative matters re insurance coverage for the Properties.
11/10/2020	Daniel Weisz	Process electronic payment; discussion with J. Berger and S. Thom re land parcels; conference call with J. Larry, S. Thom and J. Berger re the status of the receivership; review draft email to listing brokers and discussion with J. Berger on same; preliminary review of S. Thom comments on draft property management agreement and snow removal contract and discussion with J. Berger on same; review S. Thom comments on email to listing brokers and email to J. Larry for comments.
11/10/2020	Jeff Berger	Call with J. Larry, D. Weisz and S. Thom re review of land parcels/PINs and other matters relating to the receivership; receipt and review of S. Thom comments re property management agreement and snow removal contract; discuss same with RAS; draft follow-up email to real

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Date	Professional	Description
		estate brokers and send to D. Weisz for comments; review snow removal contract and property management agreement.
11/11/2020	Daniel Weisz	Review responses from listing brokers; process electronic payment; attend conference call with representatives of CBRE; discussion with J. Berger re various draft documents.
11/11/2020	Echa Odeh	Discussion with J. Berger re HST account and process for opening new HST account.
11/11/2020	Jeff Berger	Receipt and review of policy endorsement; arrange for payment of premiums re insurance policy for 170 Main Street; email to real estate brokers to provide further instructions on listing proposals; provide rent roll and other information to the real estate brokers.
11/12/2020	Daniel Weisz	Review insurance renewal; process electronic payment.
11/12/2020	Echa Odeh	Call with CRA regarding outstanding filings; email to J. Berger and D. Weisz regarding same; discussion with J. Berger re RT002 account, phone call with B. Wong and CRA regarding opening new HST account.
11/12/2020	Jeff Berger	Email to the real estate brokers re revised request for listing proposals; call with CBRE re same; receipt and review of E. Odeh email re CRA filing status; call with E. Odeh re same.
11/13/2020	Anne Baptiste	Process receipt and disbursements in Ascend.
11/13/2020	Daniel Weisz	Discussion with J. Berger re status of property management agreement and snow removal; review and update lender update and send; discussion with J. Berger re his discussions re matters relating to the snow removal contract.
11/13/2020	Echa Odeh	Phone calls and emails with tenants to follow up on rent and copies of leases; discussions with J. Berger re same; phone call with CRA regarding the 245 Notice and Appointment Order.
11/13/2020	Jeff Berger	Draft update to First Source; call with E. Odeh re status of rent payments ; call with HUB re snow removal contractor; email to RAS re property management agreement and snow removal contract; call with D. Weisz re status of request for information from H. Dave; other administrative matters.
11/16/2020	Daniel Weisz	Discussion with E. Odeh re electronic transfers of rent; discussion with J. Berger re status of property management agreement and snow removal contract; review and sign property management agreement and email to J. Berger re same; discussion with J. Berger on the status of various matters.
11/16/2020	Echa Odeh	Response email to tenant with email transfer information.
11/17/2020	Daniel Weisz	Review updated property management agreement and initial as required; review and update snow removal contract and sign; discussion with M. Cacciavillani of the OSB re the receivership proceeding; update the Section 245 Notice and send to M Cacciavillani; discussion with S. Thom on status; discussion with S. Thom re letter to planner..
11/17/2020	Echa Odeh	Emails with tenant and discussion with J. Berger re rent payments.

Date	Professional	Description
11/18/2020	Daniel Weisz	Exchange emails with M. Cacciavillani; discussion with J. Larry re status of the listing proposals; discussion with J. Berger re status of rent collections and snow removal agreement.
11/18/2020	Echa Odeh	Follow up calls to tenants regarding rent payment; emails resent to tenants; email to RAS rent cheques.
11/18/2020	Jeff Berger	Review of invoices and snow removal contract; correspond with the real estate brokers regarding the listing proposal request.
11/19/2020	Daniel Weisz	Review email from S. Thom to H. Dave and discussion with S. Thom re status of information; exchange emails with J. Larry re status of information requested re planner; preliminary review of listing proposals received and discussion with J. Berger on same.
11/19/2020	Jeff Berger	Review and finalize snow removal contract; send to RAS to forward to contractor.
11/20/2020	Daniel Weisz	Review listing proposal summary; review listing proposals; discussion with J. Berger on updating summary; conference call with S. Thom, J. Larry and J. Berger to discuss the listing proposals received.
11/20/2020	Anne Baptiste	Process receipt in Ascend.
11/20/2020	Jeff Berger	Call with Colliers re listing proposal; call with J. Larry, S. Thom and D. Weisz re the Properties, agreements relating to the Properties, and listing proposals received; draft summary of listing proposals and forward to D. Weisz for review and comments; finalize snow removal contract and discuss same with RAS.
11/21/2020	Daniel Weisz	Correspondence with J. Berger re snow removal contract status.
11/23/2020	Daniel Weisz	Review updated listing proposal summary and email to J. Berger re same; discussion with J. Berger re listing proposals and snow removal contract; discussion with J. Larry re status of the listing proposals; discussion with J. Berger re his discussion with CBRE; conference call with Avison Young re its listing proposal.
11/23/2020	Jeff Berger	Call with Avison Young and D. Weisz to discuss the listing proposal received from Avison Young; call with CBRE to discuss its listing proposal for the Properties; prepare summary of listing proposals and send to D. Weisz for review and comments.
11/24/2020	Daniel Weisz	Process electronic rent receipts; discussion with S. Thom on status; email to First Source re listing proposals received and discussion with J. Berger on same; discussion with J. Berger on status of rent collections; review email from L. Zaidener and respond thereto.
11/24/2020	Jeff Berger	Prepare summary of listing proposals and discuss same with D. Weisz; make revisions to the summary of listing proposals.
11/24/2020	Echa Odeh	Exchange emails with RAS and tenant regarding pick up of cheque and follow up on outstanding leases; phone call with prospective purchaser; process rent payments.
11/25/2020	Daniel Weisz	Discussion with J. Berger re setting calls and status of report to Court; email to First Source re status re listing proposals.

Date	Professional	Description
11/25/2020	Jeff Berger	Email to First Source and counsel re summary of listing proposals received; arrange phone calls with real estate brokers; call with tenants re status of rent, lease documentation, etc.
11/26/2020	Daniel Weisz	Prepare for and attend conference calls with representatives of the first mortgagee and real estate brokers; discussion with D. Mandel on same; review emails relating to same; process electronic receipt.
11/26/2020	Anne Baptiste	Process receipts in Ascend.
11/26/2020	Jeff Berger	Calls with real estate brokers to discuss their listing proposals; update summary of listing proposals based on same, and circulate.
11/27/2020	Daniel Weisz	Review email from J. Berger re purported lease for 160-166 Main Street and email to S. Thom and J. Larry re same; review lease and email to J. Berger re same; prepare for and attend call with S. Thom, J. Larry and J. Berger re purported lease for 160-166 Main Street; discussion with S. Thom re response to purported tenant; review and edit the proposed response and email re same; discussion with J. Berger re same; prepare for and attend conference call with representatives of First Source, S. Thom and J. Berger to discuss the status of the listing proposals; discussion with J. Berger re his discussion with the purported tenant; email to Colliers re engagement re the Properties.
11/27/2020	Jeff Berger	Call with representatives of First Source regarding the listing proposals received and next steps regarding same; receipt and review of lease for 160 - 166 Main Street; provide comments on same to D. Weisz and S. Thom; call with D. Weisz, S. Thom and J. Larry to discuss position on lease; email to purported tenant re Receiver's review of lease; call with purported tenant re Receiver's position and need for further information, etc.
11/27/2020	Echa Odeh	Process rent payments received; email to tenant confirming balance remaining to be paid; email to RAS re COVID-19 case in tenant unit; prepare cheque requisition for expenses.
11/30/2020	Jeff Berger	Call with D. Weisz and Colliers to discuss listing and various matters relating to the Properties; receipt and review of email from tenant, and forward to D. Weisz and S. Thom for review and comments; begin drafting report to Court re sale process approval; upload documents to the Colliers' Sharefile site.
11/30/2020	Echa Odeh	Prepare receipt processing form.
11/30/2020	Daniel Weisz	Prepare for and attend call with representatives of Colliers re marketing of the Properties and email to S. Thom re same; review offer received, discussion with J. Larry re same and email to S. Thom re same; discussion with S. Thom.
12/01/2020	Daniel Weisz	Review and reply to email from L. Zaidener; discussion with S. Thom re letter to tenant; review and provide comments on draft email to the purported 160 tenant.
12/01/2020	Anne Baptiste	Process receipts in Ascend.
12/02/2020	Daniel Weisz	Email to L. Zaidener re agreement of purchase and sale put forward; review email from S. Keyzer and reply thereto; discussion with J. Berger

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Date	Professional	Description
		re insurance cancellation notice received; review insurance quote from HUB and discussion with J. Berger on same; discussion with J. Larry re status; review email from S. Thom re email from Beard Winter and respond to S. Thom.
12/02/2020	Jeff Berger	Receive and review notice of policy cancellation; forward to HUB for review and comments; email to broker re policy cancellation; calls with insurance brokers re coverage; continue to draft the Receiver's First Report; discuss same with D. Weisz.
12/02/2020	Echa Odeh	Email to City of Markham regarding property tax and water arrears; prepare cheque requisition for insurance.
12/03/2020	Daniel Weisz	Review information re status of the tenancies and rent payment and discussion with J. Berger on same; discussion with J. Berger on status of insurance; process electronic payment.
12/03/2020	Echa Odeh	Respond to potential purchaser email.
12/03/2020	Jeff Berger	Review rent roll and status of payments; review tenant leases; calls with various tenants re same; call with insurer re alternate coverage for the Receiver; draft the Receiver's First Report to Court.
12/04/2020	Daniel Weisz	Discussion with J. Berger on various matters.
12/04/2020	Jeff Berger	Review email from tenant re request for rent reduction; discuss same with D. Weisz; calls and emails with insurer re cancellation of policy.
12/07/2020	Daniel Weisz	Discussion with J. Berger re status of insurance, his discussion with S. Thom; review email re insurance and email to J. Berger on same; discussion with S. Thom re Court date; review of listing agreement and email to S. Thom re same.
12/07/2020	Anne Baptiste	Process disbursements in Ascend.
12/07/2020	Jeff Berger	Exchange emails re insurance policy; discuss insurance with D. Weisz; call with T. Thompson of HUB re coverage available to the Receiver; call with an insurer re quote for insurance; receipt and review of email from tenant requesting rent reduction; respond to same.
12/08/2020	Daniel Weisz	Discussion with J. Berger re his discussion with purported tenant of 160 - 166 Main Street; discussion with J. Berger re apparent communications to tenants by owner of the Properties.
12/08/2020	Echa Odeh	Prepare receipt processing form and deposit slip; follow up phone call with the City of Markham and email to follow up on property tax arrears information.
12/08/2020	Jeff Berger	Review draft Listing Agreement and provide comments re same to Colliers.
12/09/2020	Daniel Weisz	Discussion with J. Berger re status of insurance; discussion with First Source re notice of insurance cancellation and respond to email re same; discussion with J. Berger re his attendance at the Properties and discussion with S. Thom re same; review draft email to H. Dave and provide comments.
12/09/2020	Jeff Berger	Attend at the Properties to discuss issues with tenants; email to First Source re cancellation of insurance policy and Receiver's coverage for

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Date	Professional	Description
		that property; email to tenant re purported lease for 160 - 166 Main Street; call with S. Thom re status of information requested from H. Dave; review of S. Thom letter to H. Dave and provide comments re same.
12/10/2020	Daniel Weisz	Review email from H. Dave in response to S. Thom email; discussion with S. Thom re status of various matters.
12/10/2020	Echa Odeh	Phone call with City of Markham regarding property tax and water arrears; email to J. Berger re same; email to RAS re utility accounts changed; email to Alectra Utilities re outstanding water bills; prepare receipt processing form.
12/11/2020	Daniel Weisz	Work on report to court.
12/14/2020	Anne Baptiste	Process receipt and disbursement in Ascend.
12/14/2020	Daniel Weisz	Discussion with J. Berger on the status of various matters; discussion with S. Thom re draft report to court.
12/14/2020	Jeff Berger	Draft update to First Source and forward to D. Weisz for comments; call with S. Thom re 160-166 leases and correspondence from purported tenant re same; review D. Weisz comments and changes to draft Receiver's report and discuss same with D. Weisz; forward draft Receiver's report to S. Thom for review.
12/14/2020	Echa Odeh	Phone call with potential purchaser and email to J. Berger re same.
12/15/2020	Jeff Berger	Call with D. Weisz, S. Thom and Colliers to discuss next steps re listing of the Properties; discussions with representatives of neighbouring properties.
12/15/2020	Daniel Weisz	Discussion with J. Berger re status of listing agreement; review updated listing agreement; review draft update to First Source and update; exchange emails with J. Berger re same; conference call with Colliers and J. Berger to discuss the marketing process; finalize lender update.
12/16/2020	Daniel Weisz	Exchange emails with .L Zaidener re lender update.
12/17/2020	Daniel Weisz	Review Torkin Manes account and email to S. Thom re same; review email re counsel for the second mortgagee.
12/17/2020	Anne Baptiste	Process receipts in Ascend.
12/17/2020	Echa Odeh	Email to counsel to update service list.
12/18/2020	Daniel Weisz	Review of S. Thom suggested changes to the Receiver's report; discussion with S. Thom re the status of the report and amendment required to the Appointment Order; review and update report to court.
12/18/2020	Echa Odeh	Draft response email to Ministry of Finance.
12/18/2020	Jeff Berger	Review S. Thom comments and edits to the draft First Report and discuss same with D. Weisz and S. Thom; attend to administrative matters.
12/21/2020	Daniel Weisz	Review S. Thom comments re draft report and update same; review email and S. Thom on same; process electronic payments and discussion with J. Berger on same; review draft notice of motion and email to S. Thom re same.
12/21/2020	Echa Odeh	Email to tenants regarding emergency hours during holiday period; prepare cheque requisition for payment to RAS.

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Date	Professional	Description
12/21/2020	Jeff Berger	Attend to various administrative matters; calls with tenants re rent payments and lease documentation; review of RAS invoice and discussion with A. Mehta re same.
12/22/2020	Daniel Weisz	Work on finalizing report to court; sign report and email to S. Thom re same.
12/22/2020	Anne Baptiste	Prepare bank reconciliation; process disbursement in Ascend.
12/23/2020	Anne Baptiste	Process disbursements in Ascend.
12/29/2020	Daniel Weisz	Review emails re tenant issues and repairs and maintenance required and discussion with J. Berger on same.
12/31/2020	Daniel Weisz	Review emails from R. MacLean and M. Russell re motion scheduled for January 4, 2021.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	58.3	\$ 595	\$ 34,688.50
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Manager	109.7	\$ 395	43,331.50
Echa Odeh	Senior Associate	13.2	\$ 225	2,970.00
Anne Baptiste/Donna Nishimura	Estate Administrator	1.6	\$ 110	176.00
Total hours and professional fees		<u>182.8</u>		\$ 81,166.00
HST @ 13%				10,551.58
Total payable				\$ 91,717.58

VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.



GST/HST: 80784 1440 RT 0001

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To RSM Canada Limited
 Court-appointed Receiver of
 160, 162, 166, 170, 174-178, and 186 Main Street
 Unionville, ON
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date February 22, 2021

Client File 7835095/10013

Invoice 2

No. 6241438

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of 160, 162, 166, 170, 174-178, and 186 Main Street, Unionville, ON, (collectively referred to hereafter as the **"Properties"**) for the period January 1, 2021 to January 31, 2021.

Date	Professional	Description
01/01/2021	Daniel Weisz	Prepare for and attend conference call with S. Thom and J. Berger re motion scheduled for January 4, 2021 and review correspondence received from counsel.
01/04/2021	Daniel Weisz	Review proposed amended appointment order and email to S. Thom re same; discussion with S. Thom re upcoming Court application; discussion with S. Thom re his discussions with counsel to the debtors and counsel to the second mortgagee; prepare for and attend in Court re Receiver's application; subsequent conference call with S. Thom, J. Larry and J. Berger; subsequent discussion with J. Berger; discussion with T. Bristow; email to S. Thom, J. Larry and J. Berger re status; follow up email to T. Bristow; discussion with T. Bristow and D. Williams and email to S. Thom and J. Larry re same; discussion with S. Thom re status.
01/04/2021	Echa Odeh	Prepare receipt processing forms for rent received; prepare deposit slip.
01/04/2021	Jeff Berger	Prepare for and attend hearing re the Receiver's application for termination of the 269 lease, approval of Receiver's proposed sale and marketing process, etc.; call with D. Weisz and S. Thom re same; calls with tenants re lease documentation, utility issues, and other matters; review of lease documentation and discuss same with S. Thom.
01/05/2021	Daniel Weisz	Review email from T. Bristow; conference call with T. Bristow, I. Gragtmans, D. Williams and S. Keyzer of Colliers; discussion with S. Thom and J. Berger to discuss marketing process; subsequent conference call with S. Thom and J. Berger; discussion with J. Larry re same.
01/05/2021	Anne Baptiste	Process receipts in Ascend.

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Date	Professional	Description
01/05/2021	Echa Odeh	Phone call with Canada Revenue Agency ("CRA") regarding contact information for the owner of the Properties.
01/06/2021	Daniel Weisz	Review email exchange with the City of Markham; review email re status of utilities.
01/06/2021	Jeff Berger	Correspond with Alectra Utilities re service and billing for Unionville properties; receipt and review of H. Dave email to Unionville BIA and forward same to D. Weisz.
01/07/2021	Daniel Weisz	Discussion with J. Larry and subsequent discussion with S. Thom; discussion with J. Berger re status of lender update; conference call with I. Gragtmans, T. Bristow, D. Williams, S. Keyzer, S. Thom and J. Berger re the proposed sale process; subsequent discussion with S. Thom and J. Berger; discussion with S. Thom re possible Court date; discussion with S. Thom re Court date secured; review exchange of emails with debtors' counsel.
01/07/2021	Echa Odeh	Prepare receipt processing form for rent received.
01/07/2021	Jeff Berger	Draft update to First Source; discuss same with D. Weisz.
01/08/2021	Daniel Weisz	Prepare estimated timeline re marketing process re updated Court date; review and update lender update; discussion with a party with respect to the Receiver's sale process; discussion with J. Berger; discussion with S. Thom and J. Berger re various matters; conference call with S. Thom, J. Larry and J. Berger re Court date and proposed sale process timeline; conference call with I. Gragtmans, S. Keyzer and J. Berger re February Court date and marketing process; finalize update to First Source and send; review draft confidentiality agreement.
01/08/2021	Echa Odeh	Email to creditor; follow up with counsel for updated service list and organize for same to be posted to the Receiver's webpage.
01/08/2021	Jeff Berger	Call with D. Weisz and Colliers to discuss the marketing and sale process and timelines; call with D. Weisz and S. Thom to discuss the timing of the sale process for the Properties.
01/11/2021	Daniel Weisz	Email to S. Thom re notice to the service list.
01/11/2021	Echa Odeh	Prepare receipt processing form for rent received.
01/12/2021	Daniel Weisz	Exchange emails with S. Thom; discussion with J. Berger re status of rent reduction requests.
01/12/2021	Jeff Berger	Call with D. Williams of Colliers re tenant requests for rent reduction and renewals.
01/13/2021	Daniel Weisz	Prepare for and attend conference call with S. Thom re status of notice to the service list re commencement of the Receiver's sale process; review email from D. Williams re rent deferrals and email to S. Thom re same; review email from M. Russell and email to S. Thom re same; review email re discussion with City of Markham and email to Colliers re same; discussion with S. Thom on status; review draft email to the service list and provide comments to S. Thom; process electronic disbursement; review exchange of emails between M. Russell and S. Thom.
01/13/2021	Anne Baptiste	Prepare bank reconciliation.

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Date	Professional	Description
01/13/2021	Echa Odeh	Prepare cheque requisition for insurance payment.
01/13/2021	Jeff Berger	Call with the City of Markham re status of the Receiver's sale process; email to Colliers re same; receipt and preliminary review of leases provided by the debtors.
01/14/2021	Daniel Weisz	Discussion with J. Berger re sales process, documentation and leases; conference call with S. Thom and J. Berger re debtors' request for case conference, documents to be provided by the debtors and leases; review email from M. Russell re case conference tomorrow and email to S. Thom re same; discussion with J. Larry re case conference tomorrow; exchange emails with L. Zaidener re enquiries; exchange emails with D. Mandel; process electronic payments.
01/14/2021	Echa Odeh	Prepare cheque requisition for Ascend license fee.
01/14/2021	Jeff Berger	Call with S. Thom and D. Weisz re review of tenant leases, case conference scheduled for Friday, and other matters.
01/15/2021	Jeff Berger	Prepare for and attend case conference; call with D. Weisz, S. Thom and representatives of Colliers to discuss the commencement of the sale process and marketing efforts; attend to various administrative matters.
01/15/2021	Echa Odeh	Email with tenant and RAS regarding maintenance issues.
01/15/2021	Daniel Weisz	Discussion with J. Berger re update to First Source; discussion with S. Keyzer; review information posted re case conference and discussion with S. Thom re same; prepare for and attend case conference; review Justice Gilmore's Endorsement re the case conference; prepare for and attend conference call with J. Berger, S. Thom, I. Gragtmans, S. Keyzer, T. Bristow and D. Williams re the sales process for the Properties; prepare and send lender update to First Source; review email from M. Russell enclosing additional information and discussion with J. Berger re same.
01/18/2021	Daniel Weisz	Review email from L. Zaidener and discussion with J. Berger on same; review email from T. Bristow and respond thereto; respond to L. Zaidener; email to Colliers enclosing interested parties; email to D. Mandel re information requested; review email from S. Keyzer and email to S. Thom re same.
01/19/2021	Daniel Weisz	Discussions with J. Berger re various matters; review email from S. Thom and respond thereto.
01/19/2021	Anne Baptiste	Process receipt in Ascend.
01/19/2021	Jeff Berger	Discussion with D. Weisz re status of the receivership and outstanding issues; call with S. Thom re matters relating to the sales process; review and respond to email from a tenant re heating issue at the leased premises; email to RAS re same.
01/20/2021	Daniel Weisz	Discussion with J. Berger on his discussion with S. Thom; review documents sent by counsel for the owner of a neighbouring property; review emails re documents sent to Colliers and email re same; conference call with J. Berger and S. Thom to discuss various matters.
01/20/2021	Anne Baptiste	Process disbursement in Ascend.
01/20/2021	Echa Odeh	Email to tenant to follow up on rent.

February 22, 2021

Invoice 2

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Date	Professional	Description
01/20/2021	Jeff Berger	Call with D. Weisz and S. Thom; review of various information provided by the debtors and forward same to Colliers for its review and comments; correspond with certain tenants regarding status of rent payments.
01/21/2021	Anne Baptiste	Process disbursement in Ascend.
01/21/2021	Daniel Weisz	Review confidentiality agreement updated by S. Thom, update further and email to S. Thom re same; review schedule of outstanding property taxes and discussion with E. Odeh on same; review email from D. Mandel and respond thereto; review further changes to confidentiality agreement.
01/21/2021	Echa Odeh	Prepare summary of property tax arrears; update property tax summary with roll numbers; email summary to D. Weisz.
01/26/2021	Daniel Weisz	Prepare for and attend conference call with K. Beallor, S. Thom, T. Bristow, S. Keyzer, D. Williams and J. Berger to discuss lease status, tenants and sales process.
01/26/2021	Jeff Berger	Call with S. Thom, K. Beallor, D. Weisz, T. Bristow, S. Keyzer and D. Williams re review of leases and next steps.
01/27/2021	Daniel Weisz	Review email from M. Russell; discussion with S. Thom re affidavit sent by R. McLean and H. Dave position re planning documents; discussion with S. Thom re KLM Planning Partners Inc. ("KLM"); discussion with J. Berger re his attendance at the Properties; review email re discussion with adjacent property owner.
01/27/2021	Jeff Berger	Review of quotes for new locks at one of the Properties and discuss same with RAS; attend on site at the Properties to collect rent cheques and discuss lease renewals and rent reduction requests with tenants; email to Colliers and S. Thom to summarize the Receiver's intended course of action with respect to certain leases; call with adjacent property owner and email to D. Weisz and S. Thom re same.
01/28/2021	Daniel Weisz	Review email from T. Bristow and discussions with J. Berger and S. Thom on same; review information sent from counsel to KLM and email to S. Thom re same; review and update supplementary report to Court and discussions with S. Thom and J. Berger re same; review and finalize report.
01/28/2021	Anne Baptiste	Process deposit in Ascend.
01/28/2021	Echa Odeh	Prepare cheque requisition for payment to RAS.
01/28/2021	Jeff Berger	Review of Receiver's supplementary report.
01/29/2021	Daniel Weisz	Exchange emails with L. Zaidener; review email from S. Thom and reply thereto; discussion with J. Berger re tenant discussions.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

February 22, 2021
 Invoice 2
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FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	26.4	\$ 595	15,708.00
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Senior Manager*	27.2	\$ 425	11,560.00
Echa Odeh	Senior Associate	2.4	\$ 225	540.00
Anne Baptiste	Estate Administrator	0.8	\$ 110	88.00
Total hours and professional fees		<u>56.8</u>		\$ 27,896.00
HST @ 13%				3,626.48
Total payable				\$ 31,522.48

*New rate effective January 1, 2021

VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.
 RSM Canada Limited



GST/HST: 80784 1440 RT 0001

RSM CANADA LIMITED
Licensed Insolvency Trustee
 11 King St W, Suite 700, Box 27
 Toronto, ON M5H 4C7

T +1 416 480 0160
 F +1 416 480 2646

www.rsmcanada.com

To RSM Canada Limited
 Court-appointed Receiver of
 160, 162, 166, 170, 174-178, and 186 Main Street
 Unionville, ON
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date April 1, 2021

Client File 7835095/10013

Invoice 3

No. 6285393

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of 160, 162, 166, 170, 174-178, and 186 Main Street, Unionville, ON, (collectively referred to hereafter as the **"Properties"**) for the period February 1, 2021 to February 28, 2021.

Date	Professional	Description
02/01/2021	Daniel Weisz	Discussion with I. Gragtmans of Colliers; prepare for and attend conference call with First Source Financial Management Inc. ("First Source"), Colliers and Torkin Manes LLP re the status of the marketing process; email to L. Zaidener of First Source re same; discussion with S. Thom of Torkin Manes re his discussion with R. McLean.
02/02/2021	Daniel Weisz	Review emails re release of documents to Colliers; review email from R. McLean; review affidavit filed by H. Dave.
02/02/2021	Jeff Berger	Review of KLM Planning Partners Inc. ("KLM") planning documents; upload same to Colliers' sharefile platform.
02/03/2021	Daniel Weisz	Discussion with J. Berger re repairs required to the premises and his discussion with Colliers; review email re same from Colliers; discussion with J. Berger re his discussion with tenants; review draft factum and discussion with S. Thom re same.
02/03/2021	Jeff Berger	Call with D. Williams and T. Bristow re draft Confidential Information Memorandum ("CIM") and financial information contained therein; review email from S. Keyzer re KLM planning documents and respond to same.
02/04/2021	Daniel Weisz	Discussion with J. Larry of Paliare Roland Rosenberg Rothstein LLP re status.
02/04/2021	Jeff Berger	Review Colliers' changes to draft confidentiality agreement; forward same to S. Thom for review.
02/05/2021	Daniel Weisz	Review factum of 2692006; review draft email to tenant, update and discussion with J. Berger on same; discussion with S. Thom re factum and upcoming court attendance.

Date	Professional	Description
02/05/2021	Jeff Berger	Exchange emails with Torkin Manes re proposed rent deferral for Unionville tenant.
02/08/2021	Daniel Weisz	Review draft court order, review files and email to S. Thom re same; discussion with S. Thom; prepare for and attend court application re termination of the 2692006 lease; subsequent discussion with S. Thom and conference call with S. Thom, J. Larry and J. Berger; process electronic receipts; discussion with J. Larry; discussion with J. Berger re communications with Colliers; discussion with J. Larry; exchange emails with S. Keyzer of Colliers.
02/08/2021	Jeff Berger	Prepare for and attend Court hearing re termination of lease; call with D. Weisz, S. Thom and J. Larry re same; draft lender update; email to tenant re proposed rent deferral.
02/08/2021	Echa Odeh	Email tenants regarding outstanding rent; process rent received.
02/09/2021	Daniel Weisz	Discussion with J. Berger re review of information required; prepare for and attend conference call with I. Gragtmans, T. Bristow, D. Williams and S. Keyzer, S. Thom and J. Berger to discuss the status of the marketing process; subsequent exchange of emails; discussion with J. Larry on status; review Endorsement of Justice Cavanagh and discussion with S. Thom regarding same; email to Colliers re the Court Endorsement; review summary of activities to December 31, 2020.
02/09/2021	Jeff Berger	Discussion with Colliers re February 8 th hearing and review of Court Order and Endorsement; discussion with S. Sterling of Unionville BIA.
02/10/2021	Daniel Weisz	Review draft memo from Colliers and email to S. Thom re same; discussion with S. Thom including re status of draft agreement of purchase and sale; discussion with S. Keyzer re memo re materials for data room; review final document; review and update summary of activities re January; review and update lender update, review S. Thom comments on same and send.
02/10/2021	Jeff Berger	Edit lender update; email to AON re renewal of insurance policy for 170 Main St.
02/10/2021	Echa Odeh	Prepare receipt processing form for rent payment.
02/11/2021	Daniel Weisz	Discussion with S. Thom re email proposed to be sent to M. Russell and matters relating thereto.
02/12/2021	Daniel Weisz	Discussion with J. Berger re status of rent deferral arrangements with tenants.
02/12/2021	Jeff Berger	Attend at the Properties to meet with a tenant.
02/14/2021	Jeff Berger	Call with P. Vasilovsky re Receiver's sale process and request for a meeting with the Receiver.
02/16/2021	Daniel Weisz	Review statements of account for Torkin Manes for December 2020 and January 2021; discussion with J. Berger re his meeting with the second mortgagees.
02/16/2021	Jeff Berger	Meeting with second mortgagees and their representative re the Receiver's sale process; call with D. Weisz re same; email to T. Bristow regarding the meeting and request made.

Date	Professional	Description
02/16/2021	Echa Odeh	Prepare receipt processing form for rent; emails with tenant regarding outstanding rent; email listing agent details to potential purchaser.
02/16/2021	Anne Baptiste	Post receipts.
02/17/2021	Daniel Weisz	Discussion with J. Berger re email from realtor; discussion with S. Thom on various matters.
02/17/2021	Jeff Berger	Email to AON re renewal of insurance policy for 170 Main St.
02/17/2021	Echa Odeh	Phone call with tenant regarding outstanding rent.
02/18/2021	Daniel Weisz	Review email from M. Russell to S. Thom and discussion with S. Thom re court hearing scheduled for Monday; review draft notice of motion and email to S. Thom re same.
02/18/2021	Jeff Berger	Review of current rent collections and discuss same with E. Odeh.
02/19/2021	Daniel Weisz	Review and update Second Supplemental Report to the court and discussion with J. Berger on same; discussion with S. Thom and further update the report, finalize the report and forward to S. Thom; review email from M. Russell, discuss same with S. Thom and forward to Colliers; prepare for and attend conference call with S. Keyzer, D. Williams, S. Thom and J. Berger; subsequent discussion with S. Thom; discussion with J. Larry re status.
02/19/2021	Jeff Berger	Review of Receiver's second supplementary report and provide comments on same; call with S. Thom re same; calls with various environmental consultants to request a quote for updated Phase 1 ESA reports for the Properties; discuss same with D. Weisz and Colliers.
02/22/2021	Daniel Weisz	Review email from I. Gragtmans; draft response; discussion with J. Berger and S. Thom re same; email response to I. Gragtmans; review documents and email to L. Zaidener.
02/22/2021	Jeff Berger	Various discussions with PGL Environmental Consultants ("PGL") re proposed work plan for Phase 1 and Phase 2 ESA reports; discuss same with D. Weisz.
02/23/2021	Daniel Weisz	Review debtor request and subsequent emails with S. Thom; discussion with J. Larry re status of the sale process.
02/23/2021	Jeff Berger	Call with WSP re request for proposal for updated Phase 1 ESA reports for the Properties; discuss same with D. Weisz; review rent collections and provide information to S. Thom.
02/23/2021	Echa Odeh	Email to tenant attaching EFT/wire information.
02/23/2021	Anne Baptiste	Post receipt.
02/24/2021	Daniel Weisz	Conference call with S. Thom and J. Berger re environmental reports in advance of call with Colliers; review and sign agreement re Phase 1 environmental assessments; prepare for and attend conference call with I. Gragtmans, S. Keyzer, D. Williams, S. Thom and J. Berger to discuss the marketing process; attend conference call with P. Schuster of PGL, I. Gragtmans, S. Keyzer and J. Berger to discuss the environmental report(s) required for the sale process; subsequent discussion with S. Thom re same.

April 1, 2021
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Date	Professional	Description
02/24/2021	Jeff Berger	Calls with D. Weisz, S. Thom and Colliers to discuss the proposals received for updated ESA reports and the Receiver's intended course of action; call with PGL to discuss its proposed scope of work.
02/24/2021	Echa Odeh	Review invoices and prepare payment requisitions.
02/25/2021	Daniel Weisz	Review revised Phase 1 review engagement letter and sign same; exchange emails with J. Berger re same; discussion with J. Larry re status of the sale process.
02/25/2021	Jeff Berger	Finalize work plan with PGL; arrange for engagement letter with PGL to be signed and returned; call with PGL to discuss booking drilling and locate services.
02/26/2021	Daniel Weisz	Conference call with I. Gragtmans, S. Keyzer, J. Berger re the marketing process; subsequent discussion with J. Berger re same; discussion with S. Thom re same; review email from S. Keyzer and S. Thom on same; review offer received including subsequent discussions with S. Thom, J. Berger and J. Larry re same.
02/26/2021	Jeff Berger	Call with D. Weisz, S. Keyzer and I. Gragtmans to discuss the updated Phase 1 ESA proposal from PGL; call with PGL to discuss amendments required to the proposed scope of work and timing; draft lender update.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	25.4	\$ 595	\$ 15,113.00
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Senior Manager	27.8	\$ 425	11,815.00
Echa Odeh	Senior Associate	1.9	\$ 225	427.50
Anne Baptiste	Estate Administrator	0.3	\$ 110	33.00
Total hours and professional fees		<u>55.4</u>		\$ 27,388.50
HST @ 13%				3,560.51
Total payable				\$ 30,949.01

VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.



GST/HST: 80784 1440 RT 0001

RSM CANADA LIMITED
Licensed Insolvency Trustee
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 Toronto, ON M5H 4C7

T +1 416 480 0160
 F +1 416 480 2646

www.rsmcanada.com

To RSM Canada Limited
 Court-appointed Receiver of
 160, 162, 166, 170, 174-178, and 186 Main Street
 Unionville, ON
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date April 9, 2021

Client File 7835095/10013

Invoice 4

No. 6291371

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver of 160, 162, 166, 170, 174-178, and 186 Main Street, Unionville, ON, (collectively referred to hereafter as the "**Properties**") for the period March 1, 2021 to March 31, 2021.

Date	Professional	Description
3/1/2021	Jeff Berger	Receipt and review of draft marketing brochure and Confidential Information Memorandum ("CIM") from Colliers; call with E. Odeh re the status of rent collections from various tenants; email to First Source Financial Management Inc. ("First Source") re insurance policy; email to PGL Environmental Consultants ("PGL") re Phase 2 Environmental Site Assessment ("ESA") report.
3/1/2021	Daniel Weisz	Process electronic receipt; review and edit lender update; email to S. Keyzer of Colliers re offer received and review response received; exchange emails with L. Zaidener of First Source re the lender update; discussion with J. Berger re status of arrangements with certain tenants; discussion with S. Thom of Torkin Manes LLP; review S. Thom email to W. Friedman.
3/1/2021	Echa Odeh	Phone call with J. Berger regarding tenants and rent; phone call and email with certain tenants regarding rent due; prepare receipt processing form for rent payments received.
3/2/2021	Daniel Weisz	Review emails from L. Zaidener and D. Mandel of First Source; discussion with J. Larry of Paliare Roland Rosenberg Rothstein LLP re same; discussion with J. Berger re same; review and respond to subsequent email from L. Zaidener; attend conference call with I. Gragtmans, T. Bristow, S. Keyzer, and D. Williams of Colliers, and J. Berger to discuss matters relating to the sale process; review email from Richmond Advisory Services Inc. ("RAS") and email to J. Berger re same; process electronic receipt; prepare for and attend conference call with J. Berger and S. Thom to discuss various matters; review draft email to tenant and provide

Date	Professional	Description
		comments to J. Berger; review listing agreement re MLS, discussion with S. Thom re same and sign and return to Colliers.
3/2/2021	Jeff Berger	Call with D. Weisz and Colliers to review the CIM, other marketing materials and tenant request to renew lease; call with D. Weisz and S. Thom re same; receipt and review of emails from H. Dave re various property management concerns; call and email with RAS re same; arrange for property inspection by RAS; draft email to tenant re renewal of lease and discuss same with D. Weisz.
3/2/2021	Anne Baptiste	Post receipt.
3/2/2021	Echa Odeh	Exchange emails with RAS regarding utilities; email and phone call to Enbridge Gas; review of tenant leases and summarize certain information from leases re the CIM.
3/3/2021	Anne Baptiste	Post receipt.
3/3/2021	Daniel Weisz	Email to J. Berger re email from RAS; review drafts of the teaser brochure prepared by Colliers and email to Colliers re same; discussion with J. Berger; review and exchange emails re tenant request to exercise lease renewal option; review draft form of Agreement of Purchase and Sale ("APS") and email to S. Thom re same; email to First Source re status of the marketing process and exchange emails with First Source relating to same.
3/3/2021	Jeff Berger	Attend to various administrative matters; exchange emails with tenant re tenant's proposal; email to tenant re request for renewal/extension of lease.
3/3/2021	Echa Odeh	Prepare receipt processing forms and deposit slips for rent received; phone call with City of Markham; email to RAS to transfer utility accounts.
3/4/2021	Daniel Weisz	Conference call with T. Bristow, D. Williams and J. Berger re tenant lease, discussion with S. Thom and J. Berger on same; discussion with J. Berger and S. Keyzer.
3/4/2021	Jeff Berger	Review letter to Alectra Utilities ("Alectra") and provide comments on same; email to tenant re proposal; email to Colliers re tenant request to renew/extend lease.
3/4/2021	Echa Odeh	Draft letter to Alectra to open accounts; email to RAS requesting meter information.
3/5/2021	Daniel Weisz	Discussion with J. Larry re status of the sales process; discussion with S. Thom re same and status of the APS; discussion with J. Berger; discussion with First Source; review documents re security over the property; discussion with J. Berger re his discussion with tenant regarding its tenancy; review suggested change to Confidentiality Agreement ("CA") and S. Thom on same.
3/5/2021	Echa Odeh	Exchange emails with RAS regarding utilities and utility meters; prepare statement of rent and expenses for the CIM.
3/5/2021	Jeff Berger	Call with tenant to discuss lease renewal request; email to Colliers and D. Weisz regarding the tenant's request; review of prospective purchaser's changes to CA.

Date	Professional	Description
3/8/2021	Daniel Weisz	Review draft CIM and email comments to J. Berger; discussion with J. Berger re same; process electronic payment; prepare for and attend conference call with D. Williams, I. Gragtmans, S. Keyzer, S, Thom and J. Berger to discuss lease status of a tenant; review email and email to S. Thom re lease terms.
3/8/2021	Echa Odeh	Edit statement of rent and expenses; calls to utility companies to obtain bills; contact insurance provider to obtain information for CIM.
3/8/2021	Jeff Berger	Call with Colliers and D. Weisz to discuss various matters; review draft CIM from Colliers and provide comments on same to D. Weisz and Colliers; attend at the Property to collect rent from tenants and look into damage referred to by the debtor.
3/9/2021	Daniel Weisz	Review email from S. Keyzer, review files and respond to S. Keyzer and discussion with S. Thom re same; exchange emails with D. Williams re execution of CA; discussion with J. Berger re status of insurance renewals; discussion with S. Walters of First Source re email sent; discussion with J. Berger re HST accounts for the receivership.
3/9/2021	Echa Odeh	Phone call with Enbridge Gas regarding transfer of accounts; prepare receipt processing forms and deposit slip for rent cheques received; email to J. Berger regarding rent collections; email with J. Berger and B. Wong regarding HST account; phone call with RAS and J. Berger regarding estimate of expenses.
3/9/2021	Jeff Berger	Review and edit CIM; forward draft CIM to D. Weisz and S. Thom for review and comments; discussion with E. Odeh re status of rent collections and HST filings.
3/10/2021	Daniel Weisz	Review S. Thom suggested changes to the CIM and email to J. Berger re same; review email re insurance policy renewal and email to J. Berger re same; review updated CIM and email to S. Thom re same; email re lease renewal considerations; discussion with J. Berger re the CIM, discussion with a tenant and insurance; discussion with S. Thom on various matters.
3/10/2021	Jeff Berger	Review and edit financial disclosure section of CIM; discuss same with D. Weisz and E. Odeh; call with D. Williams to discuss financial disclosure; call with tenant to discuss terms of lease renewal; email to tenant to summarize discussion and terms of renewal; email and call re upcoming policy renewals; call with D. Weisz re status of various insurance policies.
3/11/2021	Daniel Weisz	Discussion with S. Thom re court date; discussion with J. Berger re CIM and exchange emails with T. Teng re same; review updated CIM and discussion with J. Berger regarding same.
3/11/2021	Jeff Berger	Review draft CIM and discuss same with D. Weisz; calls with T. Teng and D. Williams to discuss changes and comments re draft CIM; review and forward title searches to PGL for Phase 1 ESA report; arrange for PGL site visit.
3/11/2021	Echa Odeh	Prepare cheque requisition.
3/12/2021	Anne Baptiste	Prepare bank reconciliation.

Date	Professional	Description
3/12/2021	Daniel Weisz	Review updated CIM and discussion with J. Berger on same; conference call with S. Keyzer and T. Teng to discuss final changes to the CIM, and status of the sale process; discussion with J. Berger re RAS invoice, status of environmental review; process electronic payment; discussion with A. D'Angelo of Torkin Manes re APS; review status of HST accounts and email to S. Thom re same.
3/12/2021	Anne Baptiste	Post receipt.
3/12/2021	Jeff Berger	Review draft letter to Canada Revenue Agency ("CRA") re HST accounts for the receivership; discuss same with D. Weisz; review final draft of CIM.
3/12/2021	Echa Odeh	Email with J. Berger regarding HST accounts; draft letter to CRA to open HST accounts; prepare CRA AUT-01 forms; phone call and email with tenant to collect rent.
3/15/2021	Jeff Berger	Correspondence re insurance policy renewal; exchange emails with T. Thompson of HUB International Insurance Brokers re same; email to D. Weisz re insurance renewal; review of rent collections and compare to leases.
3/15/2021	Echa Odeh	Emails with tenant regarding rent due; prepare receipt processing form for rent received.
3/15/2021	Daniel Weisz	Process electronic receipt; review email re status of insurance coverage.
3/16/2021	Daniel Weisz	Process electronic receipt.
3/16/2021	Echa Odeh	Prepare receipt processing form.
3/16/2021	Jeff Berger	Call with insurer re policy renewal options; discuss same with D. Weisz.
3/17/2021	Daniel Weisz	Discussion with J. Berger re status of insurance renewal; review email from L. Zaidener and update draft response and send; discussion with J. Berger re status of the APS, his discussions with Torkin Manes and tenant matters.
3/17/2021	Echa Odeh	Phone call to Enbridge Gas.
3/17/2021	Anne Baptiste	Post receipts and disbursement.
3/17/2021	Jeff Berger	Call with S. Thom and K. Beallor to discuss lease amendments for certain tenants; discuss same with D. Weisz; draft update to secured lender and discuss same with D. Weisz; review of insurance renewal package and forward to T. Thompson; call with T. Thompson to discuss insurance renewal options and terms, etc.; arrange for site visit for prospective purchasers; review email from RAS re garbage accumulation at the Properties and respond to same; email to K. Beallor re proposed rent terms for tenant.
3/18/2021	Daniel Weisz	Discussion with J. Berger re insurance renewal.
3/18/2021	Jeff Berger	Email to T. Teng re issue with listing of the properties on MLS.
3/19/2021	Daniel Weisz	Review Colliers marketing update report.
3/19/2021	Jeff Berger	Receipt and review of roof repair invoice; discuss insurance renewal with D. Weisz and bind coverage.
3/20/2021	Daniel Weisz	Exchange emails with Colliers re the marketing of the properties.

Date	Professional	Description
3/22/2021	Daniel Weisz	Email to S. Keyzer; prepare for and attend call with I. Gragtmans, T. Bristow, D. Williams, S. Keyzer and J. Berger to discuss the status of the marketing process; discussion with S. Thom; email to Colliers re APS.
3/23/2021	Daniel Weisz	Review email from S. Keyzer; discussion with S. Thom and J. Berger re same; discussion with J. Larry; work on lender update; review global APS provided by Torkin Manes; exchange emails with J. Larry.
3/23/2021	Echa Odeh	Review of insurance documents and save to the file; email to J. Berger re same; email to Alectra regarding new accounts.
3/23/2021	Jeff Berger	Review and edit update to secured lender; receipt and review of Phase II ESA work plan from PGL; discuss same with D. Weisz.
3/24/2021	Daniel Weisz	Prepare for and attend call with I. Gragtmans, T. Bristow, S. Keyzer, D. Williams, S. Thom and J. Berger to discuss the status of the marketing of the Properties; subsequent discussion with S. Thom and J. Berger; review email from J. Larry and reply to same; review revised APS for single property and email to Torkin Manes re same; review draft advertisement for Insolvency Insider and email to E. Odeh re same; discussion with S. Thom; discussion with J. Berger re his discussion with tenant re considerations re purchasing a property.
3/24/2021	Anne Baptiste	Update bank reconciliation.
3/24/2021	Echa Odeh	Draft advertisement for Insolvency Insider and make amendments thereto.
3/24/2021	Jeff Berger	Call with PGL and Colliers to discuss the Phase II ESA report requirements and work plan.
3/25/2021	Daniel Weisz	Review draft lease amending agreements and email to Torkin Manes re same.
3/25/2021	Echa Odeh	Email with RAS regarding garbage clean up; email sent to tenants to confirm rent due; create online access with Alectra and download invoices; email to Alectra re prior payments; email to Insolvency Insider.
3/25/2021	Jeff Berger	Review lease amendment agreements for certain units and provide comments on same to Torkin Manes; discuss same with D. Weisz.
3/26/2021	Daniel Weisz	Discussion with J. Berger re garbage issue and tenant lease renewals; prepare for and attend call with S. Thom and A. D'Angelo to discuss the draft APS documents; follow-up discussion with S. Thom; discussion with D. Williams; review and update summary of activities; prepare for and attend conference call with D. Mandel, L. Zaidener, J. Cooper, B. Hughes, I. Gragtmans, S. Keyzer, D. Williams, T. Bristow, S. Thom, J. Larry and J. Berger to discuss the status of the sale process; subsequent discussions with S. Thom and J. Berger; discussion with I. Gragtmans re Phase II proposal received; exchange emails with D. Mandel; review Colliers marketing report and discussion with S. Keyzer re same; review revised marketing report.
3/26/2021	Anne Baptiste	Post receipts.
3/26/2021	Jeff Berger	Call with secured lender and Colliers to discuss the status of the sale process; call with K. Beallor and S. Thom to discuss the status of certain lease amendment documents; call with S. Thom and D. Weisz to discuss the draft APS.

Date	Professional	Description
3/29/2021	Daniel Weisz	Review email from D. Williams re individual MLS property listing pricing and discussion with J. Berger re same; discussion with S. Thom; review PGL plan for Phase II ESA report and discussion with J. Berger re same; review emails from J. Larry and reply to same; email to D. Williams re MLS listings for the Properties.
3/29/2021	Jeff Berger	Review property management invoice and discuss same with E. Odeh; call with PGL re Phase II ESA fieldwork to be completed, and revisions to PGL's work plan; discussion with D. Williams and D. Weisz re marketing of 160 Main St.
3/29/2021	Echa Odeh	Prepare cheque requisition for payment to RAS.
3/30/2021	Daniel Weisz	Review and sign MLS listing agreements for the individual Properties; review and sign revised PGL engagement letter for Phase II ESA report.
3/30/2021	Jeff Berger	Receipt and review of amended work plan from PGL re Phase II ESA report and related fieldwork; discuss same with D. Weisz and P. Schuster; email to K. Beallor re status of lease amendment documents.
3/30/2021	Echa Odeh	Review invoices for payment; prepare cheque requisition for payments to Alectra and Enbridge Gas for the Properties.
3/31/2021	Jeff Berger	Attend at the Properties to collect April, 2021 rent cheques from tenants; review final changes to lease amendment documents from Torkin Manes; email to tenants re lease extension and amendment agreement and respond to various follow-up emails re same.
3/31/2021	Echa Odeh	Provide J. Berger with a summary of rent due.
3/31/2021	Daniel Weisz	Review updated lease extension agreement with tenant and discussion with J. Berger re same; sign lease extension agreement; email to S. Thom re opening of HST accounts; review revised tear sheets received from Colliers and email to T. Teng re same; email to First Source re tear sheets; review email from D. Williams and respond thereto; discussion with J. Berger re response from tenant.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

April 9, 2021
 Invoice 4
 Page 7

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	37.8	\$ 595	\$ 22,491.00
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Senior Manager	51.8	\$ 425	22,015.00
Echa Odeh	Senior Associate	14.4	\$ 225	3,240.00
Anne Baptiste	Estate Administrator	1.2	\$ 110	132.00
Total hours and professional fees		<u>105.2</u>		\$ 47,878.00
HST @ 13%				6,224.14
Total payable				\$ 54,102.14

VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.
 RSM Canada Limited

**THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF DANIEL WEISZ SWORN BEFORE ME
THIS 5th DAY OF MAY 2021**



Bryan Allan Jappenberg,
A Commissioner, etc., Province of Ontario, for
RSM Canada LLP and RSM Canada Limited.
Expires February 4, 2024.

[Faint, illegible text]

[Faint, illegible text]

[Faint, illegible text]

**RSM Canada Limited
Summary of Invoices
for the Period ending March 31, 2021**

Invoice No.	Billing Period	Total Fees	HST	Hours	Average Hourly Rate	Total
1	July 15, 2020 to December 31, 2020	\$ 81,166.00	\$ 10,551.58	182.80	\$ 444.02	\$ 91,717.58
2	January 1, 2021 to January 31, 2021	\$ 27,896.00	\$ 3,626.48	56.80	\$ 491.13	\$ 31,522.48
3	February 1, 2021 to February 28, 2021	\$ 27,388.50	\$ 3,560.51	55.40	\$ 494.38	\$ 30,949.01
4	March 1, 2021 to March 31, 2021	\$ 47,878.00	\$ 6,224.14	105.20	\$ 455.11	\$ 54,102.14
Total		\$ 184,328.50	\$ 23,962.71	400.20	\$ 460.59	\$ 208,291.21

APPENDIX "O"

Court File No. CV-20-00647644-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

BETWEEN:

FIRST SOURCE FINANCIAL MANAGEMENT INC.

Applicant

-and-

UNIONVILLE RE-DEV CORPORATION,
UNIONVILLE RE-DEV PHASE 2 CORPORATION and
BLACKSMITH PARTNERS INC.

Respondents

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

AFFIDAVIT OF J. GLEN EDDIE

I, J. Glen Eddie, of the City of Toronto, in the Province of Ontario, MAKE OATH AND

SAY:

1. I am a Lawyer with the law firm of TORKIN MANES LLP ("**Torkin Manes**"), which has been engaged as independent counsel to RSM Canada Limited ("**RSM**"), in its capacity as Receiver of the properties municipally known as 160, 162, 166, 170, 174-178, and 186 Main Street, Unionville, Ontario owned by the Respondents and as such have knowledge of the matters to which I hereinafter depose either through my own knowledge or by informing myself with respect thereto in which case I have indicated the source of my information and belief.

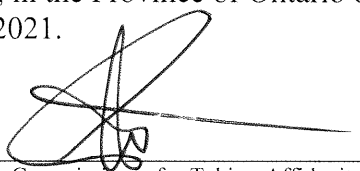
2. Attached hereto as **Exhibit "A"** are true copies of the accounts issued by Torkin Manes to RSM, in its capacity as Receiver, which includes detailed descriptions of the work performed for

the period from October 22, 2020 to and including March 31, 2021. The total fees charged by Torkin Manes to RSM during this period were \$95,039.50, plus HST of \$12,355.15, plus disbursements of \$2,158.29, plus HST on disbursements of \$196.38, for a total amount of \$109,749.32.

3. I confirm that the attached accounts accurately reflect the services provided by Torkin Manes in this matter and the fees and disbursements claimed by it during the period described above.

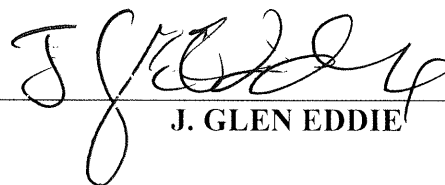
4. Additionally, attached hereto as **Exhibit "B"** is a summary of additional information with respect to the aforesaid accounts indicating all members of Torkin Manes who worked on this matter during the period described above, their year of call to the bar, total time charges and hourly rates, and I hereby confirm that this list represents an accurate account of such information.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario on May 6, 2021.



Commissioner for Taking Affidavits
(or as may be)

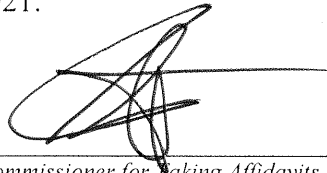
STEWART THOM



J. GLEN EDDIE

RCP-E 4D (July 1, 2007)

This is Exhibit "A" referred to in the Affidavit of J. Glen Eddie sworn May 6, 2021.

A handwritten signature in black ink, appearing to be 'STEWART THOM', written over a horizontal line.

Commissioner for Taking Affidavits (or as may be)

STEWART THOM

Torkin Manes LLP
 Barristers & Solicitors
 151 Yonge Street, Suite 1500
 Toronto, ON M5C 2W7

Tel: 416 863 1188
 Fax: 416 863 0305
 torkinmanes.com

Torkin | Manes
 Barristers & Solicitors

December 23, 2020

Invoice No.: 342240

Attention: Daniel Weisz
 RSM Canada
 11 King St. W., Suite 700
 Box 27
 Toronto, ON M5H 4C7

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

RE: Receivership Re Unionville Re-Dev Corporation, Unionville
 Re-Dev Phase 2 Corporation, and Blacksmith Partners Inc.
 File No.: 34487.0005

TO PROFESSIONAL SERVICES RENDERED HEREIN AS FOLLOWS:

Oct 22 20	SJ	Ascertained the corporate status of and obtained profile reports for each of Unionville Re-Dev Corporation and Unionville Re-Dev Phase 2 Corporation	0.20
Oct 27 20	SJ	Conducted real property searches in an effort to identify various properties located in Unionville	3.40
Oct 27 20	JMA	Review email from Shalan, PIN map, google maps and conducting MPAC searches and review	1.10
Oct 27 20	SDT	Communications with Receiver; review of materials; communications with clerk re land registry searches; review of searches; further communications with receiver	2.40
Oct 29 20	SDT	Communications re amendments to order and possession of property	0.40

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Torkin|Manes
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Oct 30 20	SDT	Communications with Receiver re possession of property issues and identification of properties under Receivership; communications re revisions to appointment order	1.00
Nov 02 20	SDT	Communications with client re draft NDA and property management Agreement; review of documents; revisions to NDA	0.60
Nov 03 20	SJ	Prepared diagram highlighting Unionville properties, their relation to each other, ownership and any charges registered on title	1.50
Nov 03 20	SDT	Communications with Receiver; revision to draft Non-Disclosure Agreement	0.50
Nov 04 20	SDT	Communications with receiver; additional property searches and corporate searches re 825210 Ontario and review of same	0.80
Nov 06 20	SJ	Conducted PPSA searches against each of Unionville Re-Dev Phase 2 Corporation, Unionville Re-Dev Corporation and Blacksmith Partners Inc.	0.30
Nov 06 20	SDT	Communications with Receiver and counsel for First Source; revisions to property management agreement; review of snow removal services agreement and communications with receiver re same	1.70
Nov 10 20	SJ	Discussions with L. Deland and S. Thom regarding properties being enforced upon; conducted additional real property searches	1.50
Nov 10 20	LD	Reviewed searches conducted by Shalan Jankowski; conducted property lookups with the Municipal Property Assessment Corporation to verify tax parcels and municipal addresses; reviewed security documents; drafted summary of parcels to be included in receivership	2.20

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		proceedings	
Nov 10 20	SDT	Communications with receiver re property issues and information required for listing agent consideration; communications with receiver re property manager agreement;	2.70
Nov 11 20	SDT	Communications with receiver re non-disclosure agreements; communications with receiver re listing of properties	0.90
Nov 17 20	SDT	Communications with Jeff Larry re request for information from planning consultant; communications with Paul Johnson re same; communications to Mike Smith of KLM Planning re request for information and terms of Appointment Order	1.20
Nov 18 20	SDT	Communications with Harshal Dave re information request and cooperation with receiver	0.50
Nov 20 20	SDT	Communications re listing proposals and related considerations	0.80
Nov 23 20	SDT	Communications with Receiver	0.20
Nov 25 20	SDT	Review of listing proposals; communications with receiver re same	0.80
Nov 27 20	SDT	Communications re lease of 166 Main Street property and listing agreement proposals; conducted construction permit searches re 166 Main St.; conference call with counsel for First Source; conference call with First Source; draft correspondence to purported lessee re 166 Main St. and request for access to property	2.70
		Total Hours:	27.40

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OUR FEE:	\$11,478.50
HST:	\$1,492.21
SUB-TOTAL:	<u>\$12,970.71</u>

LAWYERS' SUMMARY: FEES SUBJECT TO HST:

<u>LAWYERS AND LEGAL ASSISTANTS INVOLVED</u>	<u>HOURLY RATE</u>	<u>HOURS WORKED</u>
Laurel Deland	225.00	2.20
Jean Atkins	285.00	1.10
Shalan Jankowski	300.00	6.90
Stewart D. Thom	500.00	17.20
TOTAL HOURS		27.40

DISBURSEMENTS

TAXABLE DISBURSEMENTS:

Agents fees	55.38
	<u>55.38</u>

NON-TAXABLE DISBURSEMENTS:

Corporate search	16.00
Personal Prop Securities Act search	24.00
	<u>40.00</u>

Total Disbursements	\$95.38
HST on Disbursements	\$7.20

TOTAL DISBURSEMENTS AND HST:	<u>\$102.58</u>
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TOTAL FEE, DISBURSEMENTS & HST	\$13,073.29
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Our File No.: 34487.0005
Invoice # 342240

Torkin | Manes
Barristers & Solicitors

BALANCE DUE AND OWING BY YOU

\$13,073.29

TORKIN MANES LLP



Per: _____

Stewart D. Thom

E. & O. E.

HST REGISTRATION NUMBER: R117245456

Payment is due upon receipt.
Interest will be charged pursuant to the Solicitors Act at the
rate of 1.0 percent per year.

Torkin Manes LLP
 Barristers & Solicitors
 151 Yonge Street, Suite 1500
 Toronto, Ontario M5C 2W7

Tel: 416-863-1188
 Fax: 416-863-0305
 www.torkinmanes.com

Torkin|Manes
 Barristers & Solicitors

December 31, 2020

Invoice No.: 343244, 343748

Attention: Daniel Weisz
 RSM Canada
 11 King St. W., Suite 700
 Box 27
 Toronto, ON M5H 4C7

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

RE: Receivership Re Unionville Re-Dev Corporation, Unionville
 Re-Dev Phase 2 Corporation, and Blacksmith Partners Inc.
 File No.: 34487.0005

TO PROFESSIONAL SERVICES RENDERED HEREIN AS FOLLOWS:

Dec 01 20	SDT	Communications with receiver; review of lease terms re 160-166 Main St. and related documentation; preparation of correspondence to tenant re lease issues and intention to request order terminating lease; communications with counsel for potential purchaser of properties and discussion with receiver re same	1.80
Dec 02 20	SDT	Further communications with counsel for potential purchaser re receivership proceeding status and sales process; review and provide comments on listing agreement with Colliers; communications with receiver re same; communications with receiver re insurance issues	1.50

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Dec 07 20	SDT	Communications with Receiver; communications with court re scheduling of motion for approval of sales process; communications with receiver re listing agreement	0.90
Dec 08 20	SDT	Communications with receiver; communications with counsel for tenant re lease of 160-166 Main St.	0.70
Dec 09 20	SDT	Communications with Receiver re attendance at properties and discussions with tenants/issues concerning Mr. Dave; draft correspondence re communications respecting second purported lease for 160-166 Main St. Property; review of insurance documentation; preparation of correspondence to Mr. Dave	2.00
Dec 10 20	SDT	Communications with Mr. Dave; communications with Receiver	0.30
Dec 14 20	SDT	Communications with counsel for party interested in leasing 160-166 Main St. Property; received and reviewed draft first report; communications with receiver re request for information from Mr. Dave	1.20
Dec 15 20	SDT	Communications with Receiver; conference call with listing agent re next steps and sales process	0.70
Dec 16 20	SDT	Receipt and review of Assignment of Rights re APS re 182 Main St. Property; communications with Receiver re various issues	0.60
Dec 17 20	SDT	Revision to First Report and communications with Receiver re same	3.90
Dec 21 20	SDT	Review of receiver revision and comments on First Report; additional revision to same; preparation of Notice of Motion; communications with counsel for party; inquiring re sale of properties; communications with receiver	5.20

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Dec 22 20	SDT	Finalization of Motion Record and Appendices; 2.00 communications with Receiver re same	
Dec 30 20	SDT	Communications with Bank of Nova Scotia; 0.70 communications with Receiver; e-mail to service list re zoom videoconference for motion re approval of sale and termination of lease; communications with Josset Johnson re filing of confidential appendices; communication with counsel for tenant	
		Total Hours:	21.50

OUR FEE:	\$10,750.00
HST:	\$ 1,397.50
SUB-TOTAL:	<u>\$12,147.50</u>

LAWYERS' SUMMARY: FEES SUBJECT TO HST:

LAWYERS AND LEGAL ASSISTANTS INVOLVED	HOURLY RATE	HOURS WORKED
Stewart D. Thom	500.00	21.50
TOTAL HOURS		21.50

DISBURSEMENTS

TAXABLE DISBURSEMENTS:

Reproduction of documents	0.60
Telefax	12.30
Title search disbursements	435.45
Laser copies	57.90
Colour copies	28.00
	<u>534.25</u>

NON-TAXABLE DISBURSEMENTS:

Title search disbursements	173.20
	<u>173.20</u>

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Total Disbursements	\$707.45	
HST on Disbursements	\$69.45	
TOTAL DISBURSEMENTS AND HST		<u>\$776.90</u>
TOTAL FEE, DISBURSEMENTS & HST		\$12,924.40
BALANCE DUE AND OWING BY YOU		\$12,924.40

TORKIN MANES LLP



Per: _____
 Stewart D. Thom

E. & O. E.

HST REGISTRATION NUMBER: R117245456

Payment is due upon receipt.
 Interest will be charged pursuant to the Solicitors Act at the
 rate of 1.0 percent per year

Torkin Manes LLP
 Barristers & Solicitors
 151 Yonge Street, Suite 1500
 Toronto, ON M5C 2W7

Tel: 416 863 1188
 Fax: 416 863 0305
 torkinmanes.com

Torkin | Manes
 Barristers & Solicitors

February 28, 2021

Invoice No.: 346319

Attention: Daniel Weisz
 RSM Canada
 11 King St. W., Suite 700
 Box 27
 Toronto, ON M5H 4C7

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

RE: Receivership Re Unionville Re-Dev Corporation, Unionville
 Re-Dev Phase 2 Corporation, and Blacksmith Partners Inc.
 File No.: 34487.0005

TO PROFESSIONAL SERVICES RENDERED HEREIN AS FOLLOWS:

Feb 01 21	AD	To further reviewing and revising draft agreements of purchase and sale; internal conference with Stewart Thom re same	1.00
Feb 01 21	AE	To attending to outstanding matters re draft template agreements of purchase and sale	0.20
Feb 01 21	SDT	Communications with Aaron English re preparation of baseline agreements of purchase and sale; conference call with Colliers and Receiver re sale process issues; communications with counsel for 26920006 Ontario Inc. ("269") re lease termination motion and potential resolution; correspondence with counsel for 269 re same	1.40
Feb 02 21	GT	Populate Schedules of the agreement of purchase and sale;	1.30

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Feb 02 21	SDT	Communications with counsel for debtors re release of planning documents; communications with counsel for 269 re lease termination motion; communications with Receiver; communication with counsel for First Source re lease termination motion and related issues; review of mortgage documentation; receipt and review of debtor responding materials re lease termination issue; preparation of factum re lease termination	6.20
Feb 03 21	SDT	Communications with Receiver re planning documents and discussions with Colliers re same; continued preparation of factum re lease termination; communications with Receiver and revisions to same; service of factum re lease termination	5.90
Feb 04 21	SJ	Obtained parcel registers for each of 64 and 72 Major Mackenzie Dr. E and 115 and 119 Church St., Richmond Hill	0.50
Feb 04 21	SDT	Communications with Receiver re Confidentiality Agreement re data room access; communications with counsel for Vasilovskys re participation in hearing and materials	0.70
Feb 04 21	SDT	Review of KLM Documents and engagement letter; review of parcel registers re properties referenced in KLM engagement letter; review of development management agreement	0.60
Feb 05 21	SDT	Communications with counsel and court re video and documents for hearing of lease termination motion; communications with Josset Johnson re service list and service of materials; receipt and review of factum of 269 re lease termination issue; discussion with receiver re same; communications with receiver re tenant issues and	2.10

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		lease review	
Feb 08 21	SDT	Preparation of draft order re lease termination issue and KLM documents; preparation for hearing; participation in hearing; communications with receiver; communications with counsel for First Source	4.60
Feb 09 21	SDT	Conference call with Colliers re documents issue and sale process timelines; communications with receiver re same; receipt and review of decision re lease termination; revisions to draft order and communications with court re same;	2.60
Feb 10 21	SDT	Communications with receiver and Colliers re documents issue and sale process; communications with receiver re status and outstanding issues	0.50
Feb 11 21	SDT	Communications with counsel for debtors re documents issue and critical documents identified as necessary to sale process	0.30
Feb 12 21	JW	Corresponded with S. Thom re: research on use of documents obtained through receivership process by receiver	0.20
Feb 12 21	SDT	Communications with Jeff Weaver re research required for motion re use of KLM documents	0.30
Feb 16 21	JW	Began research re: powers of receiver to obtain documents	1.40
Feb 16 21	SDT	Communications with Larry Levine re sale process and form of APS; communications with counsel for debtors re consent to use of documents and scope of dispute	0.40

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Feb 17 21	JW	Provided S. Thom with a summary of research on a receiver's power regarding disputed documents; continued researching a receiver's power regarding disputed documents	2.50
Feb 17 21	SDT	Revisions to confidentiality agreement; communications with receiver re same; communications with receiver status and issues; preparation of receiver report and Notice of Motion re KLM documents issue	5.80
Feb 18 21	SDT	Completion of materials and report re KLM document issue and motion; communications with receiver re same; revisions to materials; preparation of confidential brief re disputed documents; review of management agreement; review of case law re use of documents; communications with counsel for First Source re status;	4.40
Feb 19 21	JW	Research re use of documents	1.10
Feb 19 21	SDT	Finalization of motion materials; preparation re cross examination of Mr. Dave; communication with counsel for debtors re resolution of documents issue; communications with Receiver and Colliers re same;	4.20
Feb 22 21	SDT	Communications with court re cancellation of motion date; communications with receiver and Colliers re sale process, documents and issues re environmental reports; communications with counsel for debtor re collection of rent	1.10
Feb 23 21	SDT	Communications with Receiver re environmental reports and sale process issues; communications with counsel for debtor re collection of rents	0.80

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Feb 24 21	SDT	Communications with Receiver and Colliers re sale process and related issues	0.70
Feb 26 21	SDT	Communications with receiver; receipt and review of communications with debtor and offer to purchase; communications with receiver and counsel for debtor re same	1.20
Total Hours:			52.00

OUR FEE:	\$24,985.00
HST:	\$3,248.05
SUB-TOTAL:	<u>\$28,233.05</u>

LAWYERS' SUMMARY: FEES SUBJECT TO HST:

<u>LAWYERS AND LEGAL ASSISTANTS INVOLVED</u>	<u>HOURLY RATE</u>	<u>HOURS WORKED</u>
Grammy Tien	200.00	1.30
Jeffrey Weaver	225.00	5.20
Anthony DAngelo	300.00	1.00
Shalan Jankowski	310.00	.50
Aaron English	525.00	.20
Stewart D. Thom	525.00	43.80
TOTAL HOURS		52.00

DISBURSEMENTS

TAXABLE DISBURSEMENTS:

Reproduction of documents	0.60
Agents fees	12.94
Title search disbursements	104.10
Laser copies	206.40
Colour Copies	389.00

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	713.04	
NON-TAXABLE DISBURSEMENTS:		
Title search disbursements	46.90	
Corporate search	16.00	
	62.90	
Total Disbursements	\$775.94	
HST on Disbursements	\$92.70	
TOTAL DISBURSEMENTS AND HST:		\$868.64
TOTAL FEE, DISBURSEMENTS & HST		\$29,101.69
BALANCE DUE AND OWING BY YOU		\$29,101.69

TORKIN MANES LLP

Per: 

Stewart D. Thom

E. & O. E.

HST REGISTRATION NUMBER: R117245456

Payment is due upon receipt.
 Interest will be charged pursuant to the Solicitors Act at the
 rate of 1.0 percent per year.

Torkin Manes LLP
 Barristers & Solicitors
 151 Yonge Street, Suite 1500
 Toronto, ON M5C 2W7

Tel: 416 863 1188
 Fax: 416 863 0305
 torkinmanes.com

Torkin | Manes
 Barristers & Solicitors

February 16, 2021

Invoice No.: 345130

Attention: Daniel Weisz
 RSM Canada
 11 King St. W., Suite 700
 Box 27
 Toronto, ON M5H 4C7

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

RE: Receivership Re Unionville Re-Dev Corporation, Unionville
 Re-Dev Phase 2 Corporation, and Blacksmith Partners Inc.
 File No.: 34487.0005

TO PROFESSIONAL SERVICES RENDERED HEREIN AS FOLLOWS:

Jan 01 21	SDT	Communications with Receiver re motion returnable January 4, 2021 and requests for adjournment; communications with counsel for First Source; communications with counsel for debtor	0.90
Jan 02 21	SDT	Communications with counsel for debtor re request for disclosure of documents; communications with Receiver re same; communications with counsel for the Vasilovskys	1.30
Jan 03 21	SDT	Communications with counsel for debtors; communications with counsel for 2692006 Ontario Inc. ("269"); preparation of Amending Order re Appointment Order	1.40
Jan 04 21	JW	Corresponded with S. Thom re: legal research	0.30

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Torkin | **Manes**
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Jan 04 21	SDT	Preparation for and attendance on motion re sales process approval/lease termination issues; communications with court re draft order; communications with Receiver re sales process issues; communications with counsel for First Source	2.70
Jan 05 21	SDT	Communications with Receiver, communications with Colliers re sales process issues and timing; communications with counsel for First Source; communications with Larry Levine; communications with counsel for debtor re non-compliant CRA accounts; communications with Receiver re same	2.10
Jan 06 21	SDT	Communications with Receiver re correspondence from town; communications with First Source re various issues	0.60
Jan 07 21	SDT	Communications with Receiver; communications with counsel for First Source; communications with court re issued Amending Order; communications with Receiver and Colliers re sales process issues; communications with court re obtaining early date for lease termination issue; communications with counsel for 269 re scheduling issues and availability; communications with counsel for First Source; communications with Receiver	2.40
Jan 08 21	JW	Corresponded with S. Thom re legal research	1.20
Jan 08 21	SDT	Communications with Receiver re commencement of marketing process and sales process timeline; communications with Colliers re same; communications with court re Feb 8, 2021 date scheduling issues; preparation of non-disclosure and non-participation agreement for debtor; communications	3.80

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		with Receiver re same; revisions to NDA; communications with counsel for 269 re February 8, 2021 motion	
Jan 10 21	SDT	Communications with counsel for 269 re February 8, 2021 motion	0.20
Jan 11 21	SDT	Communications with counsel for debtor re production of requested documents and authorized use of same; communications with Receiver re documents from debtor and sales process issues	1.10
Jan 12 21	JW	Continued legal research; drafted memo re: summary of findings of research on receivers and termination of lease	4.90
Jan 12 21	SDT	Communications with counsel for debtor re production of documents; review of lease documentation provided by debtor; communications with Receiver re same; communications with counsel for 269 re lease termination issue and timetable for same; received and reviewed memorandum of law re lease termination issue; communications with counsel for debtor re authorization to include lease documentation in data room	2.50
Jan 13 21	SDT	Communications with Receiver re sales process issues; correspondence to service list re commencement of sales process	1.10
Jan 14 21	SDT	Communications with counsel for debtor re case conference request; communications with counsel for 269 re delivery of materials for February 8, 2021 motion and scheduling of examinations if necessary; communications with Receiver re case conference	1.90

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Jan 15 21	SDT	Communications with Receiver re case conference and related issues; communications with counsel for 269 and counsel for debtor; review of position statement of debtor; attendance at case conference; communications with court re proposed language for endorsement; received and reviewed communications from debtor re requested documents	3.40
Jan 18 21	SDT	Communications with Receiver	0.20
Jan 19 21	SDT	Communications with counsel for Mariani's; communications with Receiver re outstanding issues; communications with Receiver re confidentiality agreement and review of same	1.30
Jan 20 21	SDT	Communications with counsel for debtor re release of documentation to Colliers; communications with Receiver re same; communications with KLM re release of KLM documents; revisions to confidentiality agreement and communications with Receiver re same	2.80
Jan 21 21	AE	To telephone discussion with Stewart Thom re agreements of purchase and sale; review of First Report of Receiver	0.40
Jan 21 21	SJ	Ascertained the corporate status of and obtained a profile report for 825210 Ontario Inc.	0.10
Jan 21 21	SDT	Communications with Larry Levine re adjournment of sales process approval and related matters; communications with Ken Beallor re review of commercial leases for Main St. properties; review and revision to Confidentiality Agreement re data room access; communications with Real Estate Department re Agreements of Purchase and Sale	2.10

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Jan 22 21	SDT	Communications with counsel for Mariani's; communications with counsel for debtor re KLM documents	0.30
Jan 25 21	SDT	Communications with counsel for BNS re removal from service list; communications with counsel for Mariani's; communications with counsel for debtor re KLM documents	0.40
Jan 26 21	KB	Review of lease documents; conference call with clients	3.00
Jan 26 21	SDT	Receipt and review of responding materials re lease termination issue; communications with Receiver re same	0.60
Jan 27 21	AD	To internal conference with Aaron English re forms of agreements of purchase and sale	0.40
Jan 27 21	AE	To determination of issues to be addressed in template agreements of purchase and sale	0.40
Jan 27 21	SJ	Ascertained the corporate status of and obtained profile reports for each of 2692006 Ontario Inc. and Watford Development Inc; obtained a parcel register for 2261 Gimby Crescent	0.50
Jan 27 21	SDT	Communications with counsel for debtor re KLM documents; communications with KLM Planning re KLM documents; communications with Paul Johnson re prior review of KLM documents and initial offering memorandum; communications with counsel for KLM; review of documentation provided by KLM and Paul Johnson re planning engagement; communications with Aaron English re agreement of purchase and sale	3.30

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Jan 28 21	AD	To drafting agreement of purchase and sale re Main Street, Unionville properties; drafting agreement of purchase and sale re 170 Main Street, Unionville; internal correspondence with Aaron English and Stewart Thom re same and re outstanding leasing issues	8.90
Jan 28 21	AE	To review of draft template agreement of purchase and sale for all properties	1.00
Jan 28 21	SDT	Preparation of Supplemental Report to First Report of the Receiver; communications with counsel for KLM and debtor; communications with Receiver re revision to Supplemental Report; finalization of Supplemental Report	5.90
Jan 29 21	AE	To review of revised draft template agreements of purchase and sale	0.40
Jan 29 21	AD	To further reviewing and revising draft agreements of purchase and sale	0.40
Jan 29 21	AH	Virtual commissioning of Affidavit of Service of Josset Johnson	0.10
Jan 29 21	SDT	Communications with KLM; received and conducted brief review of documentation from KLM; communications with counsel for debtor re release of documentation to Colliers for review and comment; communications with real estate group re draft agreement of purchase and sale	1.10
Jan 31 21	AE	To drafting rental arrears provisions for template agreements of purchase and sale re adjustments	0.40
Jan 31 21	AD	To further reviewing and revising draft agreements of purchase and sale	0.30
		Total Hours:	66.10

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OUR FEE:	\$31,048.50
HST:	\$4,036.31
SUB-TOTAL:	<u>\$35,084.81</u>

LAWYERS' SUMMARY: FEES SUBJECT TO HST:

<u>LAWYERS AND LEGAL ASSISTANTS INVOLVED</u>	<u>HOURLY RATE</u>	<u>HOURS WORKED</u>
Abel Hazon	225.00	.10
Jeffrey Weaver	225.00	6.40
Anthony DAngelo	300.00	10.00
Shalan Jankowski	310.00	.60
Aaron English	525.00	2.60
Stewart D. Thom	525.00	43.40
Ken Beallor	750.00	3.00
TOTAL HOURS		66.10

DISBURSEMENTS

TAXABLE DISBURSEMENTS:

Deliveries	12.00
Agents fees	33.12
Title search disbursements	51.70
Laser copies	6.60
Court Forms Fee	100.00
Colour Copies	4.50
	<u>207.92</u>

NON-TAXABLE DISBURSEMENTS:


Title search disbursements	19.60
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Corporate search	32.00	
File a Motion	320.00	
	<hr/>	
	371.60	
Total Disbursements	\$579.52	
HST on Disbursements	\$27.03	
TOTAL DISBURSEMENTS AND HST:		\$606.55
		<hr/>
TOTAL FEE, DISBURSEMENTS & HST		\$35,691.36
BALANCE DUE AND OWING BY YOU		\$35,691.36

TORKIN MANES LLP

Per: 
 Stewart D. Thom

E. & O. E.

HST REGISTRATION NUMBER: R117245456

Payment is due upon receipt.
 Interest will be charged pursuant to the Solicitors Act at the
 rate of 1.0 percent per year.

Torkin Manes LLP
 Barristers & Solicitors
 151 Yonge Street, Suite 1500
 Toronto, ON M5C 2W7

Tel: 416 863 1188
 Fax: 416 863 0305
 torkinmanes.com

Torkin | Manes
 Barristers & Solicitors

March 31, 2021

Invoice No.: 347858

Attention: Daniel Weisz
 RSM Canada
 11 King St. W., Suite 700
 Box 27
 Toronto, ON M5H 4C7

ACCOUNT FOR PROFESSIONAL SERVICES RENDERED

RE: Receivership Re Unionville Re-Dev Corporation, Unionville
 Re-Dev Phase 2 Corporation, and Blacksmith Partners Inc.
 File No.: 34487.0005

TO PROFESSIONAL SERVICES RENDERED HEREIN AS FOLLOWS:

Feb 05 21	KB	Review Pharmacy deferral agreement; review lease; respond to client	0.30
Mar 01 21	SDT	Communications with Receiver re offer to purchase; communications with counsel for debtors	0.30
Mar 02 21	SDT	Communications with receiver re sale process issues and 170 Main St. lease; review and revision to listing agreement; communications re debtor offer to purchase and correspondence re same; revisions to draft APS	2.80
Mar 03 21	SDT	Communications with receiver re sale process and related issues; communications with court re scheduling of sale approval motion; communications with counsel for debtors re offer to purchase and related issues; communications with receiver re tenant proposal and lease of 170 Main St.	1.10

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		property	
Mar 05 21	SDT	Communications and discussions with client and Colliers re 170 Main St. lease	0.30
Mar 08 21	SDT	Communications with receiver re lease issues and potential renewal/extension; communications with Colliers re same	0.60
Mar 09 21	SDT	Communications with Receiver re data room access issues; communications from counsel for respondents; communications with court re motion scheduling for approval of sale motion; review of CIM; communications with Ken Beallor re lease issues;	1.20
Mar 10 21	AD	To internal conference with Stewart Thom re comments on and changes to agreements of purchase and sale	0.10
Mar 10 21	SDT	Communications with Receiver re comments on draft APS; communications with Anthony D'Angelo re same; communications with court re scheduling motion for approval of sale; communications with counsel for First Source	0.60
Mar 11 21	AD	To attending to issues re agreements of purchase and sale	0.10
Mar 11 21	KB	Review confectionary lease and provide comments to S. Thom	0.80
Mar 11 21	SDT	Communications with receiver; communications with RE group re APS documents	0.30
Mar 12 21	AD	To internal conference with Stewart Thom re agreements of purchase and sale	0.40
Mar 12 21	SDT	Communications with Anthony D'Angelo re APS templates;	0.30

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Mar 17 21	AD	To reviewing RSM comments on form of agreement of purchase and sale; reviewing and revising global agreement of purchase and sale re Main Street properties; preparing standalone form of agreement of purchase and sale for each Main Street property	3.50
Mar 17 21	KB	Discussion with J. Berger re. new lease terms; Review correspondence from J. Berger	0.50
Mar 17 21	SDT	Communications with Ken Beallor and Jeff Berger re lease extension/renewal agreements; communications with court re scheduling of court date	0.70
Mar 18 21	SDT	Communications with court re vacating of March 24, 2021 motion date; communications with RE Group re finalization of APS	0.30
Mar 19 21	AD	To finalizing draft agreements of purchase and sale; discussions with Stewart Thom re same; detailed email to Danny Weisz circulating same	0.40
Mar 19 21	SDT	Review of draft APS documents; communications with RE group re same; communications with client	1.10
Mar 22 21	KB	Reviewing instructions from client; Review lease documents; Prepare lease extension & amending agreement for Confectionery; Prepare lease amending agreement for Pharmacy; Correspondence to client	2.50
Mar 22 21	SDT	Communications with receiver	0.30
Mar 23 21	SDT	Communications with Receiver re listing of properties and sale process issues; review of related materials	0.70

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Mar 24 21	AD	To receipt and review of comments on template agreements of purchase and sale from Danny Weisz; email correspondence with Danny Weisz re same	0.10
Mar 24 21	SDT	Conference call with Colliers re issues concerning sales and marketing process and status of environmental assessment of properties; communications with Receiver re form of APS; review comments on form of APS; review lease for 186 Main St. re ROFR issue; communications with RE group re same	1.90
Mar 25 21	AD	To internal conference with Stewart Thom and Aaron English re tenant's right of first refusal re 186 Main Street and provisions to agreements of purchase and sale re same	0.50
Mar 25 21	AE	To conference with Stewart Thom and Anthony D'Angelo re options for addressing Il Postino ROFR	0.60
Mar 25 21	SDT	Communications with Receiver; communications with Aaron English and Anthony D'Angelo re APS and ROFR issues	0.70
Mar 26 21	AD	To preparing for and attending to conference call with Danny Weisz and Stewart Thom re further revisions to forms of agreement of purchase and sale and right of first refusal re 186 Main Street	0.80
Mar 26 21	KB	Discussion with client re. review of extension and amending agreements; revise agreements; Discussion with S. Thom	0.50
Mar 26 21	SDT	Conference call re marketing update and recommendations; communications with receiver; communications with counsel for First Source	2.00

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Mar 29 21	AH	Legal research re enforceability regarding right of first refusal	2.90
Mar 29 21	SDT	Communications with receiver and Ken Beallor re lease amending agreements; communications with 186 Main St. tenant re ROFR issue and sale process; communications with receiver re same	1.10
Mar 30 21	KB	Revising lease amending agreements; Correspondence to client	0.20
Mar 30 21	AH	Legal research re enforceability regarding right of first refusal	2.20
Mar 30 21	SDT	Communications with student and review of case law re ROFR issue; communications with receiver	1.00
Mar 31 21	AD	To further reviewing and revising forms of agreements of purchase and sale	1.30
Mar 31 21	AE	To review of revisions to template agreement of purchase and sale re adjustments for arrears of rent and ROFR condition	0.20
Mar 31 21	SDT	Communications with receiver re lease extending agreements; communications with receiver re form of APS and sales process matters	0.70
		Total Hours:	35.90

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OUR FEE:	\$16,777.50
HST:	\$2,181.08
SUB-TOTAL:	<u>\$18,958.58</u>

LAWYERS' SUMMARY: FEES SUBJECT TO HST:

<u>LAWYERS AND LEGAL ASSISTANTS INVOLVED</u>	<u>HOURLY RATE</u>	<u>HOURS WORKED</u>
Abel Hazon	225.00	5.10
Anthony D'Angelo	300.00	7.20
Aaron English	525.00	.80
Stewart D. Thom	525.00	18.00
Ken Beallor	750.00	4.80
TOTAL HOURS		35.90

TOTAL FEE, DISBURSEMENTS & HST	\$18,958.58
BALANCE DUE AND OWING BY YOU	\$18,958.58

TORKIN MANES LLP

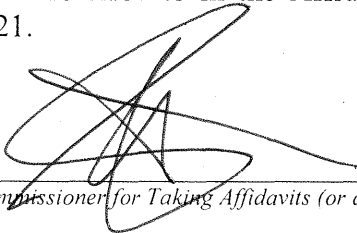
Per: 
 Stewart D. Thom

E. & O. E.

HST REGISTRATION NUMBER: R117245456

Payment is due upon receipt.
 Interest will be charged pursuant to the Solicitors Act at the
 rate of 1.0 percent per year.

This is Exhibit "B" referred to in the Affidavit of J. Glen Eddie
sworn May 6, 2021.



Commissioner for Taking Affidavits (or as may be)

STEWART THOM

Summary of Additional Lawyer Information

<u>Lawyer</u>	<u>Year of Call</u>	<u>Hours Billed</u>	<u>Hourly Rate</u>	<u>Total Billed</u>
Stewart Thom	2008	38.70	\$500.00	\$19,350.00
		105.20	\$525.00	\$55,230.00
Ken Beallor	1991	7.80	\$750.00	\$5,850.00
Aaron English	2004	3.60	\$525.00	\$1,890.00
Anthony D'Angelo	2019	18.20	\$300.00	\$5,460.00
Jeffrey Weaver	Student	11.60	\$225.00	\$2,610.00
Abel Hazon	Student	5.20	\$225.00	\$1,170.00
Shalan Jankowski	Clerk	6.90	\$300.00	\$2,070.00
		1.10	\$310.00	\$341.00
Grammy Tien	Clerk	1.30	\$200.00	\$260.00
Jean Atkins	Clerk	1.10	\$285.00	\$313.50
Laurel Deland	Clerk	2.20	\$225.00	\$495.00
TOTAL				<u>\$95,039.50</u>

FIRST SOURCE FINANCIAL MANAGEMENT INC.
Applicant

-and- UNIONVILLE RE-DEV CORPORATION, et al
Respondents

Court File No. CV-20-00647644-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

AFFIDAVIT OF J. GLEN EDDIE

TORKIN MANES LLP

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151 Yonge Street, Suite 1500
Toronto, ON M5C 2W7

Stewart Thom (55695C)
sthom@torkinmanes.com
Direct Tel: 416-777-5197

Tel: 416-863-1188

Lawyers for the Receiver, RSM Canada Limited

RCP-E 4C (May 1, 2016)

FIRST SOURCE FINANCIAL MANAGEMENT INC.
Applicant

-and- UNIONVILLE RE-DEV CORPORATION et al.
Respondents

Court File No. CV-20-00647644-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

MOTION RECORD
(Returnable May 12, 2021)

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Lawyers for the Receiver, RSM Canada Limited

RCP-E 4C (May 1, 2016)