Court File No. 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

THE MANUFACTURERS LIFE INSURANCE COMPANY

Applicant

- and –

2723 LANCASTER ROAD INC.

Respondent

THIRD REPORT OF THE RECEIVER ON 2723 LANCASTER ROAD INC.

November 7, 2016

Table of Contents

Appendices

I. INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (Commercial List) ("**Court**") dated January 5, 2016 (the "**Appointment Order**"), Collins Barrow Toronto Limited ("**CBTL**") was appointed receiver (the "**Receiver**"), without security, of all of the assets, undertakings and properties of 2723 Lancaster Road Inc. ("**2723**" or the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "**Property**"). A copy of the Appointment Order is attached as Appendix "**A**".

2. The Appointment Order authorizes the Receiver to, among other things:

   (a) 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) manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor; and

   (c) market any or all of the Property for sale.

3. In addition, paragraph 21 of the Appointment Order authorizes the Receiver to borrow monies to fund the receivership from time to time provided that the outstanding principal amount does not exceed $250,000 (or such greater amount as the Court may by further Order authorize), which advance(s) are secured by way of a fixed and specific charge over the Property (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 Bankruptcy and Insolvency Act (the "**BIA**").

4. On May 27, 2016, the Receiver issued its first report to the Court (the "**First Report**") for the purpose of, among other things, seeking an Order of the Court to increase the amount that may be borrowed pursuant to Paragraph 21 of the Appointment Order from $250,000 to $750,000 effective as of January 5, 2016. A copy of the First Report, without appendices, is attached as Appendix "**B**" to this report.

5. By order of Justice Smith dated June 23, 2016 (the "**June 23 Order**"), the Court, amongst other relief granted, amended paragraph 21 of the Appointment Order to empower the Receiver to borrow, effective as at January 5, 2016, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $750,000. A copy of the June 23 Order is attached hereto as Appendix "**C**".

6. On August 29, 2016, the Receiver issued its second report to the Court (the "**Second Report**") for the purpose of, among other things, seeking the Court's approval of the agreement of purchase and sale between the Receiver and Lioness Developments Inc. ("**Lioness**" or the "**Purchaser**") in connection with the sale of 2723 Lancaster Road (the "**Sale Agreement**"). A copy of the Second Report, without appendices, is attached hereto as Appendix "**D**".

7. By order of Justice Kane dated September 16, 2016 (the "**Vesting Order**"), the Court approved the Sale Agreement and authorized the Receiver to complete the transaction. A copy of the Vesting Order is attached hereto as Appendix "**E**".

8. By order of Justice Kane dated September 16, 2016 (the "**September 16 Order**"), the Court ordered that Schedule I to the Second Report be sealed pending completion of the transaction contemplated in the Sale Agreement. A copy of the September 16 Order is attached hereto as Appendix "**F**".

9. The Court Orders referred to in this report together with related Court documents have been posted on the Receiver`s website, which can be found at http://www.collinsbarrow.com/en/toronto-ontario/restructuring-and-recovery-engagements/2723-lancaster-road.

Purpose of Third Report

10. The Receiver has substantially completed the administration of the receivership. The Debtor's primary asset has been sold. There are no priority payables and there will be a shortfall to the secured creditor based on recoveries while interest continues to accrue on the secured debt. Accordingly, the Receiver is seeking an Order of the Court to distribute the net proceeds of realization and to be discharged as Receiver.

11. The purpose of this third report of the Receiver (the "**Third Report**") is to:

    (a) provide the Court with a summary of the activities of the Receiver since the date of its appointment;

    (b) provide the Court with a summary of the Receiver's cash receipts and disbursements for the period January 5, 2016 to October 31, 2016;

(c) seek an Order authorizing and directing the Receiver to make a final distribution in the amount of the Proposed Final Distribution (defined below) to The Manufacturers Life Insurance Company ("**Manulife**" or the "**Mortgagee**");

(d) seek the Court's approval of the Third Report and the Receiver's conduct and activities described therein;

(e) seek an order approving the fees and disbursements of the Receiver for the period January 5, 2016 to October 31, 2016 and estimated to completion;

(f) seek an order approving the fees and disbursements of the Receiver's legal counsel, Gowling WLG (Canada) LLP ("**Gowlings**") for the period June 14, 2016 to November 3, 2016 and estimated to completion;

(g) seek an order approving the fees and disbursements of Cassels Brock & Blackwell LLP ("**Cassels**"), real estate counsel to the Receiver in relation to the closing of the sale of 2723 Lancaster Road (the "**Lancaster Property**"); and

(h) seek an order discharging CBTL from the powers, duties and obligations attendant to its appointment as Receiver subject to the completion of certain minor administrative duties as set out in the Third Report.

Terms of Reference

12. In preparing this Third Report and making the comments herein, the Receiver has relied upon information from third-party sources (collectively, the "**Information**"). Certain of the information contained in this Third Report may

refer to, or is based on, the Information. As the Information has been provided by other parties, or obtained from documents filed with the Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the CPA Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.

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

II. BACKGROUND

14. 2723 is an Ontario corporation which was incorporated on October 23, 2002 and is a single purpose corporation which held legal title to 2723's primary asset being a two-storied commercial office building located on approximately 1.7 acres at 2723 Lancaster Road in the City of Ottawa, Ontario.

15. The office building encompassed approximately 37,000 square feet, and was unoccupied since November 2014, when the sole tenant moved out.

16. The Applicant, Manulife, is a commercial mortgage lender which advanced $2,900,000 to 2723 under a mortgage agreement dated November 27, 2002 (which was subsequently renewed in 2010), with the loan secured by a mortgage on the Lancaster Property amongst other security granted.

17. When the Debtor was unable to repay the loan when the mortgage matured in August 2015, Manulife issued a notice of intention to enforce security and subsequently took possession and control of the Lancaster Property with the intention of selling the Lancaster Property.

18. As there appeared to be widely divergent opinions of the value of the Lancaster Property, and possible remedial work required to the Lancaster Property prior to it being marketed for sale, Manulife sought the appointment of a receiver to realize on the Lancaster Property in an efficient, open and transparent manner whereby the receiver would be required to seek court approval for the sale of the Lancaster Property on notice to all interested parties.

19. On January 5, 2016, pursuant to the Appointment Order, CBTL was appointed as Receiver of 2723.

III. RECEIVER'S ACTIVITIES TO DATE

Possession and Control

20. The Receiver contacted the Debtor's bank, Bank of Montreal ("**BMO**"), on January 6, 2016 to instruct BMO to freeze the Debtor's account and transfer the funds to a trust account that had been set up by the Receiver. BMO advised the Receiver that the Debtor's account was set up in the name of The Regional Group of Companies ("**Regional**"), the former Property Manager retained by the Debtor, and therefore BMO could not comply with the Receiver's request.

21. The Receiver contacted Regional to request transfer of the funds in the BMO account to the Receiver, which the Receiver understood was approximately $14,000 and was advised by Regional that the BMO account was held in trust for

the beneficial owners of the Property and that 2723 held legal, but not beneficial, ownership of the Property. The Receiver obtained from Regional a copy of the agreement that set out 2723's legal status as bare trustee for the beneficial owners of the Property.

22. The agreement confirmed Regional's position that the Receiver was not entitled to claim the funds in the Regional bank account. As a result, no funds of 2723 were transferred to the Receiver and consequently, as is set out later herein, the Receiver borrowed monies from Manulife in order to administer the receivership.

Property Manager

23. Prior to the appointment of the Receiver, Manulife entered into an agreement with Bridgeport (Comot) Inc. c.o.b. as Bridgeport Realty Management ("**Bridgeport**") whereby Bridgeport agreed to act as Property Manager for the Property (the "**Agreement**"). Subsequent to the Receiver's appointment, the Receiver, Manulife and Bridgeport executed an amendment to the Agreement such that the Receiver became the instructing principal in respect of Bridgeport's responsibilities under the Agreement.

Insurance

24. Prior to the appointment of the Receiver, Manulife had arranged for property and liability insurance for the Lancaster Property under Bridgeport's umbrella policy. This policy remained in force until September 30, 2016 when the Lancaster Property was sold.

Books and Records

25. The books and records for 2723 are in the possession of Regional. The Receiver obtained from Regional copies of all financial and other information in

Regional's possession that the Receiver required to administer the receivership and market the Property. To date, the Receiver has not required possession of any additional records from Regional.

Property Taxes

26. The Receiver filed a property tax vacancy rebate application on the Debtor's behalf for the period November 1, 2014 to December 31, 2015. The application was processed by the City of Ottawa on or around October 3, 2016 and the rebate of $49,605.57 was applied by the City of Ottawa to outstanding 2016 property taxes of $147,145.97, leaving a net outstanding balance of $97,540.40.

27. The outstanding 2016 property taxes of $97,540.40 were paid by the Receiver on October 5, 2016.

Statutory Notices

28. Attached as Appendix "**G**" hereto is the Notice and Statement of Receiver dated January 12, 2016 (the "**Notice**") prepared pursuant to Sections 245(1) and 246(1) of the BIA. The Notice was sent to all known creditors of the Debtor, based on information provided by the Debtor, and to Canada Revenue Agency ("**CRA**") and the Ministry of Finance (Ontario). The only identified secured creditor was Manulife and there were only eleven unsecured creditors. No unsecured creditor has contacted the Receiver in respect of amounts owing to it by the Debtor.

Priority Claims

29. The Debtor did not have any outstanding liability to CRA as of the date of the receivership in respect of HST or source deductions. Prior to the date of receivership, the Debtor did not file HST returns under its own business number.

As the Debtor was a bare trustee for the owners of the Lancaster Property, Regional filed HST returns on behalf of the owners through a sub-account under Regional's own business number.

30. The Receiver contacted CRA and confirmed that no HST returns had been filed by the Debtor and that there were no HST returns required to be filed by the Debtor for the period prior to the receivership. As Regional was no longer entitled to file HST returns for 2723 after the Receiver's appointment, the Receiver obtained a business number in order to allow the Receiver to file HST returns on behalf of 2723 after the date of receivership.

31. The Debtor did not have any employees as its sole purpose was to hold legal title to the Lancaster Property. As a result, the Debtor did not have any source deduction obligations.

32. All income and losses of the Debtor were allocated to the owners and 2723 filed nil tax returns.

IV. MARKETING AND SALES ACTIVITIES

33. The Receiver retained CBRE Limited ("**CBRE**") as listing agent to market the Lancaster Property for sale commencing February 8, 2016. The sales process undertaken by CBRE included the following:

    (a) on February 8, 2016, CBRE e-mailed a flyer and confidentiality agreement to more than 500 potential investors;

    (b) on February 9, 2016, the Lancaster Property was listed for sale on MLS;

    (c) a ground sign was erected on the Lancaster Property on February 17, 2016;

(d) an advertisement was placed in The Globe and Mail's Real Estate section on March 15 and March 17, 2016 advertising the Lancaster Property for sale; and

(e) tours of the Lancaster Property were conducted for 20 different parties between February 17, 2016 and June 24, 2016.

34. Over the period February 8, 2016 to June 30, 2016, offers were received from four separate parties. The Receiver accepted an offer from one of these parties, Lioness, which presented the highest and best offer. Details of the offers received and reasons for acceptance of the Lioness offer are set out in detail in the Second Report.

35. The sale transaction closed on September 30, 2016. A copy of the Receiver's Certificate certifying that the transaction has been completed is attached hereto as Appendix "**H**".

V. RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

36. Attached as Appendix "**I**" is the Receiver`s Interim Statement of Receipts and Disbursements for the period January 5, 2016 to October 31, 2016 (the "**Interim R&D**"). During the period January 5, 2016 to October 31, 2016, receipts were $2,763,805 while disbursements were $746,528.

37. Closing proceeds from the sale of the Lancaster Property in the amount of $2,500,000 were received on September 30, 2016.

38. As the building was vacant, there was no operating income to cover the Lancaster Property's carrying costs. In order to pay the carrying costs and other costs of the receivership administration prior to the sale of the Lancaster

Property, the Receiver borrowed $250,000 from Manulife by way of Receiver Certificates issued on February 4, 2016 and March 17, 2016. On October 5, 2016, the Receiver paid to Manulife the amount of $257,598.24 which was owed in respect of the advances including interest.

39. The Receiver's disbursements for the period ending October 31, 2016 include $154,312 in respect of 2015 and 2016 property taxes; $93,750 in commission fees paid to the broker upon the sale of the Lancaster Property, and utilities of $56,198. Professional fees paid to October 31, 2016 (excluding HST) include $57,434 in Receiver's fees and $14,927 in legal fees.

VI. SECURED OR PRIORITY CLAIMS

40. The Receiver is not aware of any liens or charges registered against the Lancaster Property other than the Applicant's mortgage. A title search of the Ontario Land Registry did not reveal any other parties with a registration against the Lancaster Property. A report obtained from the Personal Property Security Registration System (Ontario) identified only one secured party, being the Applicant.

41. The Receiver has received a legal opinion from its independent counsel, Gowlings, that Manulife's mortgage is registered on title and the security over the real and personal property of the Debtor granted in favour of Manulife pursuant to its mortgage and general security agreement is valid and enforceable against 2723 in accordance with their respective terms.

42. No creditors have contacted the Receiver to assert any priority claims.

VII. UNSECURED CREDITORS

43. Based on information provided by the Debtor, the total claims of unsecured creditors were $109,061.85 as of the date of receivership. The largest creditor was the City of Ottawa which was owed $91,184.43 on account of 2015 property taxes and $1,175.07 for an outstanding water bill. The Receiver arranged for payment in full of the amounts owed to the City of Ottawa, since these arrears would have to be paid upon the sale of the Lancaster Property. In addition, an amount of $6,832.66 that was owed to Hydro Ottawa was paid by Regional subsequent to the appointment of the Receiver. Thus the net amount owing to unsecured creditors, of which the Receiver has knowledge, appears to be $9,869.69.

44. As there will be a shortfall to Manulife, there will be no funds to pay the claims of unsecured creditors.

VIII. PROPOSED FINAL DISTRIBUTION

45. According to a statement of account provided to the Receiver by Manulife, as at September 30, 2016, the Debtor's indebtedness to Manulife was $2,173,008.77 (excluding the Protective Advance and interest owed thereon of $257,435.94). A copy of the Manulife mortgage statement is attached as Appendix "**J**".

46. After payment of accrued expenses and estimated fees to completion and receipt of projected refunds, it is anticipated that there will be approximately $2,000,000 available for distribution. At this time, the Receiver proposes to make an interim distribution of $1,964,000. The Receiver seeks the Court's approval for a

distribution to Manulife of an amount up to $2,173,008.77 plus interest accrued since September 30, 2016 (the "**Proposed Final Distribution**").

IX. RECEIVER'S DISCHARGE

47. As the Receiver's administration of this estate is substantially complete, and in order to avoid the costs of making a motion to the Court to obtain the Receiver's discharge, the Receiver is presently seeking an order discharging CBTL from the powers, duties and obligations attendant to its appointment as Receiver. The Receiver is proposing that the Discharge Order become effective on the day that the Receiver files with the Court a Certificate in which the Receiver certifies that the Receiver has completed the Remaining Duties (defined below).

48. A copy of the proposed Discharge Order, including the form of Receiver Certificate ("**Receiver Discharge Certificate**"), is attached hereto as Appendix "**K**".

X. REMAINING DUTIES OF THE RECEIVER

49. The Receiver's remaining duties (the "**Remaining Duties**") include the following:

    (a) making disbursements in accordance with amounts accrued on the Receiver's Interim R&D;

    (b) making a distribution to Manulife in the amount of $1,964,000 upon the granting of this Order and a future distribution of the surplus funds on hand and any funds recovered in the future up to the amount of the Proposed Final Distribution;

(c) filing an application for a 2016 property tax vacancy rebate (the "**Rebate Application**") in respect of the Lancaster Property and follow up with the City of Ottawa on the status of the Rebate Application. It is anticipated that the rebate will be approximately $31,000;

(d) filing HST returns until the date of completion of the administration of this receivership;

(e) preparing Interim and Final Statements of Receiver pursuant to s.246(2) and s.246(3) of the BIA; and

(f) preparing a final statement of receipts and disbursements, a copy of which is to be attached to the Receiver Discharge Certificate.

50. Once the Receiver has completed its Remaining Duties, the Receiver intends to file a Receiver Discharge Certificate indicating that the Receiver has completed the Remaining Duties and that the Receiver's discharge is final.

XI. PROFESSONAL FEES

51. The Receiver's accounts total $75,975.00 in fees plus HST of $9,876.75 for a total amount of $85,851.75 from January 5, 2016 to October 31, 2016 (the "**Receiver's Accounts**"), which includes fees estimated to completion of $15,000 plus HST. 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 Bryan A. Tannenbaum sworn November 7, 2016 that is attached as Appendix "**L**".

52. The accounts of the Receiver's counsel, Gowlings, total $30,292.13 in fees and disbursements and $3,918.79 in HST for a total of $34,210.92 (the "**Gowlings**

Accounts") for the period June 14, 2016 to November 3, 2016, plus an additional $7,500 plus HST for fees estimated to completion. A copy of the Gowlings Accounts, together with a summary of the personnel, hours and hourly rates described in the Gowlings Accounts, supported by the Affidavit of Evan Stitt sworn November 7, 2016 is attached as Appendix "**M**".

53. The account of Cassels totals $14,926.52 in fees and disbursements and $1,928.88 in HST for a total of $16,855.40 (the "**Cassels Account**") for the period August 3, 2016 to October 13, 2016. A copy of the Cassels Account, supported by the Affidavit of David Ward sworn November 2, 2016, is attached as Appendix "**N**".

XII. CONCLUSION

54. The Receiver respectfully requests that the Court grant an Order which provides for the following:

    (a) approving the Third Report and the conduct and activities of the Receiver as set out therein;

    (b) approving the Receiver's Interim R&D including the accrued receipts and expenses incorporated therein;

    (c) authorizing and directing the Receiver to make the Proposed Final Distribution to Manulife;

    (d) approving the fees and disbursements of the Receiver and its legal counsel including the accruals for completion of all administration relating to this matter; and

(e) termination of these proceedings and discharge of CBTL from the powers, duties and obligations attendant to its appointment as Receiver effective upon the filing of the Receiver Discharge Certificate indicating that the Receiver has completed the Remaining Duties.

All of which is respectfully submitted to this Court as of this 7th day of November, 2016.

COLLINS BARROW TORONTO LIMITED
In its capacity as Court Appointed Receiver
of 2723 Lancaster Road Inc. and
not in its personal capacity

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

APPENDIX A

Court File No. 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE JUSTICE C.T. Hackland	)))	TUESDAY, THE 5TH DAY OF JANUARY, 2016

THE MANUFACTURERS LIFE INSURANCE COMPANY

Applicant

- and -

2723 LANCASTER ROAD INC.

Respondent

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

ORDER
(appointing Receiver)

THIS APPLICATION made by The Manufacturers Life Insurance Company (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 Collins Barrow Toronto Limited as receiver (the "**Receiver**") without security, of all of the assets, undertakings and properties of 2723 Lancaster Road Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, was heard this day at 161 Elgin Street, Ottawa, Ontario.

ON READING the affidavit of Robert Amos sworn December 17, 2015 and the exhibits thereto and the consent of Collins Barrow Toronto Limited to act as the Receiver,

AND UPON HEARING from counsel for the respondent, and upon being advised of the consent of the parties,

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 application is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. THIS COURT ORDERS that pursuant to section 243(1) of the BIA and section 101 of the CJA, Collins Barrow Toronto Limited is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "**Property**").

RECEIVER'S POWERS

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

(a) to take possession 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 manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary

course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor;

(d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;

(e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtor or any part or parts thereof;

(f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

(g) to settle, extend or compromise any indebtedness owing to the Debtor;

(h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;

(i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;

(j) 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;

(k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

(i) without the approval of this Court in respect of any transaction not exceeding $50,000.00, provided that the aggregate consideration for all such transactions does not exceed $250,000.00; and

(ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required, and in each case the Ontario *Bulk Sales Act* shall not apply;

(l) 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;

(m) 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;

(n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

(o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor;

(p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;

(q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and

(r) 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 Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "**Persons**" and each being a "**Person**") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "**Records**") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that

nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

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

7. THIS COURT ORDERS that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that all rights and remedies against the Debtor, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that 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 Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. 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 Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with the Debtor or statutory or regulatory mandates for the supply of goods and/or services, including

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

RECEIVER TO HOLD FUNDS

13. 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

14. THIS COURT ORDERS that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, 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

15. 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 Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. 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

17. 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

18. 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.

19. 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.

20. 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

21. 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.

22. 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.

23. THIS COURT ORDERS that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "A" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. 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

25. 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 http://www.collinsbarrow.com/en/toronto-ontario/2723-Lancaster-Road.

26. 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 Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor 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.

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 Debtor.

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 Debtor's 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.

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 January, 2016.

Collins Barrow Toronto Limited, solely in its capacity
as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

THE MANUFACTURERS LIFE INSURANCE COMPANY and 2723 LANCASTER ROAD INC.

Applicant Respondent

Court File No. 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
OTTAWA

ORDER

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Lawyers for the Applicant

APPENDIX B

Court File No. 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

THE MANUFACTURERS LIFE INSURANCE COMPANY

Applicant

- and –

2723 LANCASTER ROAD INC.

Respondent

FIRST REPORT OF THE RECEIVER ON 2723 LANCASTER ROAD INC.

May 27, 2016

Table of Contents

Appendices

I. INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (Commercial List) ("**Court**") dated January 5, 2016 (the "**Appointment Order**"), Collins Barrow Toronto Limited ("**CBTL**") was appointed receiver (the "**Receiver**"), without security, of all of the assets, undertakings and properties of 2723 Lancaster Road Inc. ("**2723**" or the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "**Property**"). A copy of the Appointment Order is attached as Appendix "**A**".

2. The Appointment Order authorizes the Receiver to, among other things:

   (a) 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) manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor; and

   (c) market the Property for sale.

3. In addition, the Appointment Order empowers the Receiver to borrow monies to fund the receivership. Paragraph 21 of the Appointment Order authorizes the Receiver to borrow monies to fund the receivership, from time to time provided that the outstanding principal amount does not exceed $250,000 (or such greater amount as this Court may by further Order authorize), which advance(s) are secured by way of a fixed and specific charge over the Property (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.

4. The Court Order referred to in this report together with related Court documents have been posted on the Receiver`s website, which can be found at http://www.collinsbarrow.com/en/toronto-ontario/restructuring-and-recovery-engagements/2723-lancaster-road.

Purpose of First Report

5. The purpose of this first report of the Receiver (the "**First Report**") is to:

   (a) report to the Court on the activities of the Receiver since the date of the Appointment Order to May 27, 2016;

   (b) seek the Court's approval of the First Report and the Receiver's conduct and activities described therein;

   (c) provide the Court with a summary of the Receiver's cash receipts and disbursements for the period January 5, 2016 to April 30, 2016;

   (d) provide the Court with the Receiver's projected cash flow to August 31, 2016 which demonstrates the Receiver's need for funding to cover the ongoing carrying costs of the Property and costs pertaining to the administration of the receivership; and

   (e) seek an order increasing the amount that may be borrowed pursuant to Paragraph 21 of the Appointment Order from $250,000 to $750,000 effective as of January 5, 2016.

Terms of Reference

6. In preparing this First Report and making the comments herein, the Receiver has relied upon information from third-party sources (collectively, the "Information"). Certain of the information contained in this First Report may refer to, or is based on, the Information. As the Information has been provided by other parties, or obtained from documents filed with the Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the 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.

II. BACKGROUND

8. 2723 is an Ontario corporation which was incorporated on October 23, 2002 and is a single purpose corporation holding legal title to 2723's sole asset being a two-storied commercial office building located on approximately 1.7 acres located at 2723 Lancaster Road in the City of Ottawa, Ontario.

9. The office building encompasses approximately 37,000 square feet, and has been unoccupied since November, 2014, when the sole tenant moved out.

10. The Applicant, The Manufacturers Life Insurance Company ("**Manulife**"), is a commercial mortgage lender which advanced $2,900,000 to 2723 under a mortgage agreement dated November 27, 2002 (which was subsequently renewed in 2010), with the loan secured by a mortgage on the Property amongst other security granted.

11. When the Debtor was unable to repay the loan when the mortgage matured in August 2015, Manulife issued a notice of intention to enforce security and subsequently took possession and control of the Property with the intention of selling the Property.

12. As there appeared to be widely divergent opinions of the value of the Property, and possible remedial work required to the Property prior to it being marketed for sale, Manulife sought the appointment of a receiver to realize on the Property in an efficient, open and transparent manner whereby the receiver would be required to seek court approval for the sale of the Property on notice to all interested parties.

13. On January 5, 2016, pursuant to the Appointment Order, CBTL was appointed as Receiver of 2723.

III. RECEIVER'S ACTIVITIES TO DATE

Possession and Control

14. The Receiver contacted the Debtor's bank, Bank of Montreal ("**BMO**"), on January 6, 2016 to instruct BMO to freeze the Debtor's account and transfer the funds to a trust account that had been set up by the Receiver. BMO advised the Receiver that the Debtor's account was set up in the name of The Regional

Group of Companies ("**Regional**"), the former Property Manager retained by the Debtor, and therefore BMO could not comply with the Receiver's request.

15. The Receiver contacted Regional to request transfer of the funds in the BMO account to the Receiver, which the Receiver understood was approximately $14,000 and was advised by Regional that the BMO account was held in trust for the beneficial owners of the Property and that 2723 held legal, but not beneficial, ownership of the Property. The Receiver obtained from Regional a copy of the agreement that set out 2723's legal status as bare trustee for the beneficial owners of the Property.

16. The agreement confirmed the Regional's position that the Receiver was not entitled to claim the funds in the Regional bank account. As a result, no funds of 2723 have been transferred to the Receiver and consequently, as is set out later herein, the Receiver has borrowed monies from Manulife in order to administer the receivership.

Property Manager

17. Prior to the appointment of the Receiver, Manulife entered into an agreement with Bridgeport (Comot) Inc. c.o.b. as Bridgeport Realty Management ("**Bridgeport**") whereby Bridgeport agreed to act as Property Manager for the Property (the "**Agreement**"). Subsequent to the Receiver's appointment, the Receiver, Manulife and Bridgeport executed an amendment to the Agreement such that the Receiver became the instructing principal in respect of Bridgeport's responsibilities under the Agreement.

Insurance

18. Prior to the appointment of the Receiver, Manulife had arranged for property and liability insurance for the Property under Bridgeport's umbrella policy. This policy remains in force until December 31, 2016. The Receiver has arranged to be added as an additional insured party and loss payee in respect of the Property under the Bridgeport policy.

Books and Records

19. The books and records for 2723 are in the possession of Regional. The Receiver has obtained from Regional copies of all financial and other information in Regional's possession that the Receiver requires to administer the receivership and market the Property. In the event that the Receiver requires possession of additional records, it will request that Regional provide those records to the Receiver.

Property Taxes

20. On February 4, 2016, the Receiver issued payment of $92,144.80 to the City of Ottawa in respect of the 2015 property tax arrears.

21. The 2016 Interim Tax bill for $70,197.16 which was due for payment on March 17, 2016 has not been paid. (NTD – do you need to say why)

22. A property tax vacancy rebate application was filed on the Debtor's behalf for the period November 1, 2014 to December 31, 2015. It is expected that the City of Ottawa will commence its review of property tax vacancy rebate applications in June 2016. It is estimated that the rebate would be 30% of taxes paid on the Property for this period, or approximately $42,000 to $49,000. Any rebate would be applied by the City of Ottawa to reduce outstanding property tax arrears.

Appraisal

23. In order to assist it in assessing offers received, the Receiver retained Altus Group to prepare an appraisal to provide an estimate of the current market value of the Property. The Receiver will provide information on the appraisal when the Receiver reports to the Court at a later date on offers that the Receiver receives for the sale of the Property.

Statutory Notices

24. Attached as Appendix "**B**" hereto is the Notice and Statement of Receiver prepared pursuant to Sections 245(1) and 246(1) of the Bankruptcy and Insolvency Act.

IV. MARKETING AND SALES ACTIVITIES

25. On February 3, 2016, the Receiver retained CBRE Limited ("**CBRE**") as listing agent to market the Property for sale. Prior to the receivership, CBRE had been approached by Manulife and had entered into a listing agreement with Manulife to sell the Property. As CBRE was familiar with the Property and had already prepared draft marketing materials, the Receiver determined that signing a listing agreement with CBRE was practical and would allow for the marketing campaign to be launched almost immediately.

26. CBRE launched its marketing campaign on February 8, 2016 and that campaign is currently ongoing. Information on the marketing campaign will be provided to the Court when the Receiver reports to the Court at a later date on offers that the Receiver receives for the sale of the Property.

V. RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

27. Attached as Appendix "**C**" is the Receiver`s Interim Statement of Receipts and Disbursements for the period January 5, 2016 to April 30, 2016 (the "**R&D**"). During this period, receipts were $13 while disbursements were $217,879, resulting in a net cash deficit of $217,866, prior to consideration of advances made to the Receiver by Manulife. As the building is vacant, there is no operating income to cover the Property's current carrying costs.

28. The Receiver's disbursements for the period ending April 30, 2016 include property tax arrears for 2015 of $92,145, property and liability insurance of $21,120 and utilities of $41,287. In addition, the Receiver has incurred carrying costs and professional fees of approximately $25,270 for which invoices have not yet been presented for payment.

29. In order to pay current and anticipated carrying costs, the Receiver borrowed $250,000 from Manulife, as follows:

    (a) $185,000 on February 4, 2016; and

    (b) $65,000 on March 17, 2016.

30. The Receiver has issued to Manulife Receiver's Certificates No.1 and No. 2 in respect of the funds advanced.

VI. SECURED OR PRIORITY CLAIMS

31. As of the date of First Report, the Receiver is not aware of any liens or charges registered against the Property other than the Applicant's first mortgage.

VII. RECEIVER'S PROJECTED CASH FLOW

32. Attached hereto as Appendix "**D**" is the Receiver's Estimated Carrying Costs for the period January 5, 2016 to August 31, 2016 which indicates that total cash requirements will be approximately $408,000.

33. The Receiver's projected disbursements for the next four months include operating/carrying costs of approximately $77,000 before HST, and professional fees of $90,000 before HST, which includes the Receiver's fees associated with the marketing and sale of the Property.

34. Given that the Property has no source of operating income, the Receiver is required to borrow monies from Manulife in order to fund carrying costs for the Property. Based on the anticipated cash shortfall for the next four months, the Receiver needs to borrow at least another $160,000 to meet estimated cash requirements to August 31, 2016.

35. The Receiver considers it fair and reasonable that the Applicant be fully protected for monies that it advances to the Receiver to fund the administration of the receivership. Accordingly, as the Receiver has reached the limit of $250,000 that it is empowered to borrow pursuant to paragraph 21 of the Appointment Order, the Receiver is requesting an increase to the borrowing limit set out in the Appointment Order. The Receiver is requesting that the borrowing limit set out in the Appointment Order be increased to $750,000, out of an abundance of caution, in order to avoid the cost of having to make a second application to Court to increase the borrowing limit in the event a sale transaction

for the Property is not completed by August 31, 2016 and additional funding is required by the Receiver.

VIII. CONCLUSION

36. The Receiver respectfully requests that the Court grant an Order which provides for the following:

    (a) approving the First Report and the conduct and activities of the Receiver as set out therein;

    (b) approving the R&D; and

    (c) increasing the borrowing limit under Paragraph 21 of the Appointment Order to $750,000 effective as of January 5, 2016.

All of which is respectfully submitted to this Court as of this 27th day of May, 2016.

COLLINS BARROW TORONTO LIMITED
In its capacity as Court Appointed Receiver
of 2723 Lancaster Road Inc. and
not in its personal capacity

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

APPENDIX C

Court File No. 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE JUSTICE PATRICK SMITH	)))	~~MONDAY~~ Thursday THE ~~13th~~ 23rd DAY OF JUNE, 2016

THE MANUFACTURERS LIFE INSURANCE COMPANY

Applicant

- and -

2723 LANCASTER ROAD INC.

Respondent

ORDER

THIS MOTION made by Collins Barrow Toronto Limited ("**Collins Barrow**") in its capacity as court appointed receiver (in such capacities, the "**Receiver**"), without security, of all of the assets, undertakings and property of 2723 Lancaster Road Inc. ("**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, for an Order pursuant to Rule 59.06(2)(d) of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, expanding the borrowing powers previously granted to Collins Barrow as Receiver, was heard this day at 161 Elgin Street, Ottawa, Ontario.

ON READING the First Report of the Receiver dated May 27, 2016, and on reading the submissions of counsel for the Applicant, no one appearing for the Debtor although duly served as appears from the Affidavit of Service of Mary Carreiro sworn June 9, 2016,

SERVICE

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

AMENDMENT OF THE RECEIVERSHIP ORDER

2. **THIS COURT ORDERS** that, in accordance with Rule 59.06 of the *Rules of Civil Procedure*, R.R.O. 1990, Reg. 194, paragraph 21 of the Order of the Honourable Justice C.T. Hackland dated January 5, 2016 appointing Collins Barrow as Receiver ("**Receivership Order**") be and is hereby amended to empower the Receiver to borrow, effective as at January 5, 2016, 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 $750,000.00 (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 the Receivership Order, including interim expenditures.

APPROVAL OF THE FIRST REPORT OF THE RECEIVER

3. **THIS COURT ORDERS** that the First Report of the Receiver on 2723 Lancaster Road Inc. dated May 27, 2016 ("**First Report**"), and the conduct and activities of the Receiver as set out therein, be and are hereby approved.

4. **THIS COURT ORDERS** that the Receiver's interim statement of receipts and disbursements for the period of January 5, 2016 to April 30, 2016, as appended to the First Report, be and is hereby approved.

THE MANUFACTURERS LIFE INSURANCE COMPANY
Applicant

- and -

2723 LANCASTER ROAD INC.

Respondent
Court File No. 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceedings commenced at Ottawa

ORDER
(Amending Receivership Order)

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Lawyers for the Receiver

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APPENDIX D

Court File No. 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

THE MANUFACTURERS LIFE INSURANCE COMPANY

Applicant

- and –

2723 LANCASTER ROAD INC.

Respondent

SECOND REPORT OF THE RECEIVER ON 2723 LANCASTER ROAD INC.

August 29, 2016

Table of Contents

Appendices

I. INTRODUCTION

1. By Order of the Ontario Superior Court of Justice ("**Court**") dated January 5, 2016 (the "**Appointment Order**"), Collins Barrow Toronto Limited ("**CBTL**") was appointed receiver (the "**Receiver**"), without security, of all of the assets, undertakings and properties of 2723 Lancaster Road Inc. ("**2723**" or the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "**Property**"). A copy of the Appointment Order is attached as Appendix "**A**".

2. The Appointment Order authorizes the Receiver to, among other things:

   (a) 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) manage, operate, and carry on the business of the Debtor, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtor; and

   (c) market any or all of the Property for sale.

3. In addition, paragraph 21 of the Appointment Order authorizes the Receiver to borrow monies to fund the receivership from time to time provided that the outstanding principal amount does not exceed $250,000 (or such greater amount as the Court may by further Order authorize), which advance(s) are secured by way of a fixed and specific charge over the Property (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 Bankruptcy and Insolvency Act.

4. On May 27, 2016, the Receiver issued its first report to the Court (the "**First Report**") for the purpose of, among other things, seeking an Order of the Court to increase the amount that may be borrowed pursuant to Paragraph 21 of the Appointment Order from $250,000 to $750,000 effective as of January 5, 2016. A copy of the First Report is attached as Appendix "**B**" to this report.

5. By order of Justice Smith dated June 23, 2016 (the "**June 23 Order**"), the Court, amongst other relief granted, amended paragraph 21 of the Appointment Order to empower the Receiver to borrow, effective as at January 5, 2016, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed $750,000. A copy of the June 23 Order is attached hereto as Appendix "**C**".

6. The Court Orders referred to in this report together with related Court documents have been posted on the Receiver`s website, which can be found at http://www.collinsbarrow.com/en/toronto-ontario/restructuring-and-recovery-engagements/2723-lancaster-road.

Purpose of Second Report

7. The purpose of this second report of the Receiver (the "**Second Report**") is to:

   (a) report to the Court on the activities of the Receiver since the date of the First Report;

(b) provide to the Court details of the activities leading to receipt of an offer for the Debtor's primary asset, namely the property municipally known as 2723 Lancaster Drive, Ottawa, Ontario, and certain chattels (the "**Lancaster Property**");

(c) seek an order authorizing and directing the Receiver to carry out the terms of the agreement of purchase and sale between the Receiver and Lioness Developments Inc. ("**Lioness**" or the "**Purchaser**") dated June 30, 2016 (the "**APS**") in connection with the sale of the Lancaster Property, together with any further amendments thereto deemed necessary by the Receiver in its sole opinion, and vesting title to the Lancaster Property in the Purchaser, or as it may further direct in writing, upon closing of the APS and the delivery of the Receiver's Certificate to the Purchaser;

(d) seek an order sealing Appendix "**I**" to the Second Report;

(e) provide the Court with a summary of the Receiver's cash receipts and disbursements for the period January 5, 2016 to August 19, 2016;

(f) seek an Order authorizing and directing the Receiver to make an interim distribution to The Manufacturers Life Insurance Company ("**Manulife**" or the "**Mortgagee**"); and

(g) seek the Court's approval of the Second Report and the Receiver's conduct and activities described therein.

Terms of Reference

8. In preparing this Second Report and making the comments herein, the Receiver has relied upon information from third-party sources (collectively, the

"**Information**"). Certain of the information contained in this Second Report may refer to, or is based on, the Information. As the Information has been provided by other parties, or obtained from documents filed with the Court in this matter, the Receiver has relied on the Information and, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Generally Accepted Assurance Standards pursuant to the CPA Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.

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

II. BACKGROUND

10. 2723 is an Ontario corporation which was incorporated on October 23, 2002 and is a single purpose corporation holding legal title to the Lancaster Property. The Lancaster Property is a two-storied commercial office building located on approximately 1.7 acres.

11. The office building encompasses approximately 37,000 square feet, and has been unoccupied since November 2014, when the sole tenant moved out.

12. The Applicant, Manulife, is a commercial mortgage lender which advanced $2,900,000 to 2723 under a mortgage agreement dated November 27, 2002 (which was subsequently renewed in 2010). This loan is secured by a mortgage on the Lancaster Property amongst other security granted.

13. When the Debtor was unable to repay the loan when the mortgage matured in August of 2015, Manulife issued a notice of intention to enforce security and subsequently took possession and control of the Lancaster Property with the intention of selling the Lancaster Property.

14. As there appeared to be widely divergent opinions of the value of the Lancaster Property, and possible remedial work required to the Lancaster Property prior to it being marketed for sale, Manulife sought the appointment of a receiver to realize on the Lancaster Property in an efficient, open and transparent manner whereby the receiver would be required to seek court approval for the sale of the Lancaster Property on notice to all interested parties.

15. On January 5, 2016, pursuant to the Appointment Order, CBTL was appointed as Receiver of 2723.

III. RECEIVER'S ACTIVITIES SINCE THE FIRST REPORT

16. The 2016 Final Property Tax bill for $141,850.69 which was due for payment on June 16, 2016, has not been paid by the Receiver as the Receiver was not in funds to make this payment. Outstanding property taxes will be paid on closing of the sale of the Lancaster Property.

17. A property tax vacancy rebate application was filed on the Debtor's behalf for the period November 1, 2014 to December 31, 2015. The application has not yet been processed by the City of Ottawa. It is estimated that the rebate would be approximately 30% of taxes paid on the Lancaster Property for this period, or approximately $42,000 to $49,000.

IV. MARKETING ACTIVITIES

18. As set out in the First Report, the Receiver retained CBRE Limited ("**CBRE**") as listing agent to market the Lancaster Property for sale. CBRE launched its marketing campaign on February 8, 2016 and the highlights of the sales process undertaken by CBRE are summarized below:

    (a) on February 8, 2016, CBRE e-mailed a flyer (the "**Flyer**") and confidentiality agreement ("**CA**") to more than 500 potential investors;

    (b) on February 9, 2016, the Lancaster Property was listed for sale on MLS;

    (c) a ground sign was erected on the Lancaster Property on February 17, 2016 (the "**Signage**");

    (d) an advertisement was placed in The Globe and Mail's Real Estate section advertising the Lancaster Property for sale on March 15 and March 17, 2016 (the "**Newspaper Ads**");

    (e) from February 22 to March 18, 2016, CBRE actively pursued the 500 potential investors who were recipients of the February 8 e-mail campaign through phone calls and follow-up;

    (f) the Lancaster Property was listed on LoopNet (the commercial real estate online marketplace) and included in CBRE vacancy/available property emails;

    (g) a follow-up e-mail campaign was conducted on May 5, 2016 as CBRE resent the Flyer and CA to the same 500 potential investors;

    (h) a further e-mail campaign was completed on June 3, 2016 as the Flyer and CA were once again sent to the same 500 potential investors;

(i) twenty-three CAs were signed by prospective purchasers who were all given access to an electronic data package containing a confidential information memorandum ("**CIM**") and other information on the Lancaster Property; and

(j) tours of the Lancaster Property were conducted for 20 different parties between February 17, 2016 and June 24, 2016.

Copies of the Flyer, Signage, Newspaper Ads, and CIM are attached as Appendices "**D**", "**E**", "**F**" and "**G**", respectively, to this report.

V. SALES ACTIVITIES

Initial Listing

19. On February 9, 2016, the Lancaster Property was listed for sale at a price of $3,775,000. The listing price was established at the recommendation of CBRE, based on its preliminary estimate of value of between $2,950,000 and $3,775,000 for the Lancaster Property.

20. No offers or letters of intent were received from any prospective purchasers in the two and a half months (77 day) period from February 9 to April 26, 2016.

Listing Price Reduction

21. CBRE recommended that the listing price be reduced, in order to generate interest and offers, by a substantial reduction of $400,000 to $500,000 as CBRE believed that a smaller reduction would not be sufficient to stimulate interest in the marketplace. In addition, CBRE suggested that a reduction be implemented at that time in order to allow time for prospective purchasers to respond before the expected slowdown of the real estate market in July and August. Based on

CBRE's recommendation, the listing price was reduced to $3,200,000 on April 26, 2016.

22. On May 2, 2016 a conditional offer was received with a purchase price of $2,287,000. Due to the low price and conditions attached, the Receiver did not review this offer with Manulife and decided not to respond with a counter-offer.

23. On May 16, 2016 a second offer was received with a purchase price of $2,350,000. While this offer was not substantially higher than the first offer, it was an unconditional offer with a short closing date. After consultation with Manulife, the Receiver responded with a counter-offer of $2,700,000; however, the prospective purchaser responded that it was not interested in pursuing the purchase of the Lancaster Property any further.

24. No other offers or letters of intent were received in the period up to June 3, 2016.

Further Listing Price Reduction

25. Given the dearth of offers and the anticipated slowdown in the real estate market in July and August, a further price reduction was contemplated by the Receiver and CBRE in an attempt to generate offers that would result in a transaction before the end of August 2016. With Manulife's concurrence, the listing price was reduced to $2,900,000 on June 3, 2016.

26. On June 9, 2016, an offer of $2,325,000 with an initial deposit of $10,000, a 15 day conditional period and a closing date of October 31, 2016 was received from Conti Corp., In Trust ("**Conti**").

27. On June 10, 2016, an offer of $2,400,000 with a deposit of $50,000 and a conditional period of 60 days was received from Lioness.

28. Both Conti and Lioness were invited to resubmit their offers and were made aware of the Receiver's requirements for a higher sale price, higher deposit and shorter conditional period.

29. Lioness responded on June 14, 2016 with its best and final offer (the "**Purchase Price**") with a deposit of $150,000, a conditional period of 30 days and closing date of 10 days after the Vesting Order is obtained.

30. Conti responded on June 16, 2016 with an offer of $2,350,000 but no changes to the deposit amount, conditional period or closing date.

31. After consultations with CBRE and Manulife, the Receiver decided to accept the Lioness offer. Subsequently on June 30, 2016, the Receiver and Lioness executed an agreement of purchase and sale for the sale of the Lancaster Property (the "**APS**"). A redacted copy of the fully executed APS is attached hereto as Appendix "**H**".

32. The terms of the APS include the following:

    (a) a deposit in the amount of $150,000 to be deposited in the Receiver's trust account upon the execution of the APS;

    (b) a conditional period of thirty (30) days from the date of acceptance of the APS for the Purchaser to satisfy itself, in its complete and absolute discretion, as to the state and status of the Property;

    (c) during the thirty (30) day conditional period, the Purchaser may, without the consent of the Vendor, assign the APS and the benefit thereof to any entity or corporation related to the Purchaser, provided that such assignee

assumes the obligations of the Purchaser and provided that notice of such assignment and assumption is given to the Vendor;

(d) the balance of the Purchase Price to be payable by way of wire transfer due at closing; and

(e) the date of closing of the sale to be ten (10) business days following the date on which the Approval and Vesting Order is granted.

33. The thirty day conditional period was due to expire on August 2, 2016. On July 29, 2016, the Purchaser requested an extension of thirty days to the date the conditional period was to expire. The Receiver agreed to an extension of the conditional period to August 5, 2016.

34. On August 4, 2016, the Purchaser advised the Receiver that it was satisfied with the results of its investigations and was waiving the condition in the APS (noted above).

VI. APPROVAL OF SALE

35. The Receiver believes that the sales process undertaken by the Receiver was appropriate for the type of property in question, that it provided sufficient market exposure to the Lancaster Property and that it resulted in obtaining a commercially reasonable offer for the following reasons:

(a) three e-mail campaigns to more than 500 investors was conducted on February 8, May 5 and June 3, 2016;

(b) the Lancaster Property was listed for sale on MLS;

(c) the Lancaster Property was listed for sale in The Globe and Mail;

(d) the Lancaster Property was listed on LoopNet and included in CBRE vacancy/available property e-mails; and

(e) the Lancaster Property was exposed to the market for a period of more than four and a half months;

36. Although the Purchase Price is lower than the latest listing price of $2,900,000, the Receiver believes that it is reasonable and prudent to accept the Lioness offer for the following reasons:

(a) the Lancaster Property was listed on the market for more than four and a half months and, as of the date of the Supplemental Report, the Receiver has received offers from only four parties;

(b) the Purchase Price is the highest offer that the Receiver has received;

(c) the APS provides for quick closing of the sale transaction, namely ten business days after the Vesting Order is granted;

(d) the Purchaser is a company affiliated with Urbandale Corporation, which is a major local landlord and real estate developer in Ottawa, and is expected to be able to close the sale transaction;

(e) the Lancaster Property has been vacant since November 2014 and therefore does not generate any rental revenue to pay carrying costs. Monthly carrying costs are approximately $17,000 excluding property taxes and professional fees. The Receiver has, to date, borrowed monies from Manulife to pay essential carrying costs; however, Manulife has informed the Receiver that it will not continue to fund future carrying costs on an indefinite basis;

(f) there is no certainty that marketing the Lancaster Property for a longer period will ultimately result in a higher net realization. Prospective purchasers who have toured the Lancaster Property have expressed concerns to CBRE about:

(i) the lack of a tenant and perceived leasing challenge, taking into account vacancies in nearby buildings; and

(ii) required cosmetic work estimated by one investor as costing an additional one million dollars;

(g) the Receiver is not in a position to offer leasehold inducements or to fund renovations to make the Lancaster Property more attractive to prospective tenants and ultimately to prospective purchasers; and

(h) Manulife has informed the Receiver that it supports completion of the APS. As of August 26, 2016, Manulife was owed $2,420,275.59 in respect of its mortgage including protective disbursements. Interest will continue to accrue and costs to effect a sale of the Lancaster Property continue to be incurred, and there is no certainty that a longer marketing period will result in higher realizations for the benefit of the creditors.

37. Paragraph 3(k) of the Appointment Order provides that the Receiver not complete any sale of all or any part or parts of the Property out of the ordinary course of business without first obtaining the approval of this Honourable Court in respect of any transaction in which the purchase price exceeds $50,000.00 or the aggregate purchase price exceeds $250,000.00. Accordingly, the Receiver is

seeking the approval of this Honourable Court of the APS entered into by the Receiver in connection with the sale of the Lancaster Property.

38. The Receiver believes that the amount of the offer should be kept confidential until the closing of the transaction. The Receiver has prepared a confidential report (the "**Confidential Report**") which provides details of the Purchase Price and the valuations obtained in respect of the Lancaster Property. The Confidential Report is attached as Confidential Appendix "**I**" to this Second Report. The Receiver is of the view that public disclosure of the Purchase Price and the valuations obtained in respect of the Lancaster Property would have a negative impact on the future marketing of the Lancaster Property should the transaction with Lioness not be approved or completed. The Receiver respectfully requests that its Confidential Report be sealed by this Honourable Court until after the sale transaction closes. Should legal counsel for Manulife or the Debtor wish to obtain a copy of the Confidential Report, the Receiver is prepared to provide a copy to these parties if they sign an undertaking that they will keep the contents of the Confidential Report confidential and not make use of the information in connection with any future efforts to market the Lancaster Property in the event the transaction with Lioness is not approved or completed.

VII. RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

39. Attached as Appendix "**J**" is the Receiver`s Interim Statement of Receipts and Disbursements for the period January 5, 2016 to August 19, 2016 (the "**R&D**"). During this period, receipts were $13,758 while disbursements were $257,823, resulting in a net cash deficit of $244,066, prior to consideration of advances

made to the Receiver by Manulife. As the building is vacant, there is no operating income to cover the Lancaster Property's carrying costs.

40. In order to pay current carrying costs, the Receiver borrowed $250,000 from Manulife, as follows:

    (a) $185,000 on February 4, 2016; and

    (b) $65,000 on March 17, 2016.

41. The Receiver has issued to Manulife Receiver's Certificates No.1 and 2 in respect of the funds advanced to date. The Receiver has requested additional funding of $175,000 from Manulife to pay accrued and estimated future carrying costs to September 30, 2016.

VIII. SECURED OR PRIORITY CLAIMS

42. The Receiver is not aware of any liens or charges registered against the Lancaster Property other than the Applicant's mortgage.

IX. PROPOSED INTERIM DISTRIBUTION

43. According to a statement of account provided to the Receiver by Manulife, as at August 26, 2016, the Debtor's indebtedness to Manulife was $2,420,275.59. A copy of the Manulife mortgage statement is attached as Appendix "**K**".

44. Upon closing of the sales transaction and receipt of the sales proceeds, funds will be available for the Receiver to make an interim distribution. The Receiver seeks the Court's approval for the following distribution (the "**Proposed Interim Distribution**"):

(a) Repayment of loans advanced under Receiver Certificates No. 1 and 2 and to be advanced under Receiver Certificate No. 3 and interest thereon in the amount of approximately $432,000; and

(b) Following payment of Receiver Certificates No. 1, 2 and 3 and interest thereon, payment to Manulife of up to 80% of the net sales proceeds from the sale of the Lancaster Property.

X. CONCLUSION

45. The Receiver respectfully requests that the Court grant an Order which provides for the following:

(a) approving the Second Report and the conduct and activities of the Receiver as set out therein;

(b) authorizing and directing the Receiver to enter into and carry out the terms of the APS between the Receiver and the Purchaser and vesting title to the Lancaster Property in the Purchaser, or as it may further direct in writing, upon closing of the APS and the delivery of the Receiver's Certificate to the Purchaser;

(c) sealing Appendix "I" to the Second Report;

(d) approving the R&D;

(e) authorizing and directing the Receiver to make the Proposed Interim Distribution to Manulife;

All of which is respectfully submitted to this Court as of this 29th day of August, 2016.

COLLINS BARROW TORONTO LIMITED
In its capacity as Court Appointed Receiver
of 2723 Lancaster Road Inc. and
not in its personal capacity

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

APPENDIX E

Court File No.: 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE	)	FRIDAY THE 16TH
	)	
JUSTICE P. KANE	)	DAY OF SEPTEMBER, 2016

B E T W E E N:

THE MANUFACTURERS LIFE INSURANCE COMPANY

Applicant

- and -

2723 LANCASTER ROAD INC.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by **COLLINS BARROW TORONTO LIMITED**, in its capacity as the Court-appointed interim receiver and receiver (the "**Receiver**") of the undertaking, properties and assets of 2723 Lancaster Road Inc. (the "**Debtor**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and Lioness Developments Inc. (the "**Purchaser**") made as of 30 June 2016 and appended to the Second Report of the Receiver dated 29 August 2016 (the "**Report**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets described in the Sale Agreement (the "**Purchased Assets**"), was heard this day at 161 Elgin Street, Ottawa, Ontario.

ON READING the Second Report and on hearing the submissions of counsel for the Receiver, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Fiorella Sasso sworn September 12, 2016, filed:

1. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and that the Sale Agreement is commercially reasonable and in the best interests of the Debtor and its stakeholders. The execution of the Sale Agreement by the Receiver is hereby authorized and approved, and the Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

2. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule "A"** hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets described in the Sale Agreement and listed on **Schedule "B"** hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Hackland dated 5 January 2016 as amended by the Order dated 23 June 2016; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule "C"** hereto (all of which are collectively referred to as the "Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule "D"**) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Title Division of Ottawa-Carleton (No 4) of an Application to Register a Vesting Order in

the form prescribed by the *Land Registration Reform Act* duly executed by the Receiver, the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in **Schedule "B"** hereto (the "**Real Property**") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in **Schedule "C"** hereto.

4. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

6. **THIS COURT ORDERS** that, notwithstanding:

(a) the pendency of these proceedings;

(b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and

(c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a settlement, fraudulent preference, assignment, fraudulent conveyance or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial

legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

7. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

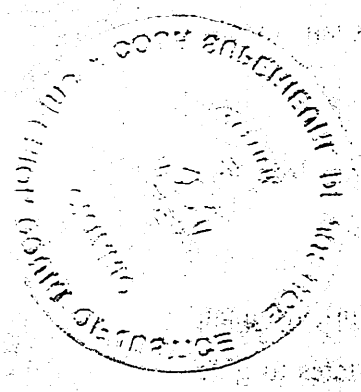
8. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals,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

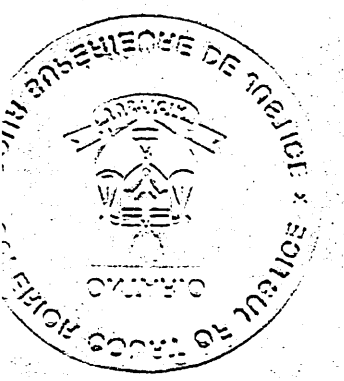
P. Kane

ENTERED AT OTTAWA
INSCRIT A OTTAWA

ON / LE SEP 16 2016

DOCUMENT # 0411
IN BOOK NO. 73-13
AU REGISTRE NO. 73-13





Schedule A – Form of Receiver's Certificate

Court File No.: 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

THE MANUFACTURERS LIFE INSURANCE COMPANY

Applicant

- and -

2723 LANCASTER ROAD INC.

Respondent

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Hackland of the Ontario Superior Court of Justice (the "**Court**") dated 5 January 2016, **COLLINS BARROW TORONTO LIMITED** was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of 2723 Lancaster Road Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated **[DATE]**, the Court approved the agreement of purchase and sale made as of 30 June 2016 (the "**Sale Agreement**") between the Receiver and Lioness Developments Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in sections 15 and 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;

2. The conditions to Closing as set out in sections 15 and 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and

3. The Transaction has been completed to the satisfaction of the Receiver.

4. This Certificate was delivered by the Receiver at _____ **[TIME]** on _____ **[DATE]**.

COLLINS BARROW TORONTO LIMITED, in its capacity as Receiver of the undertaking, property and assets of 2723 Lancaster Road Inc., and not in its personal capacity

Per: _____

Name:

Title:

Schedule B – Purchased Assets

PIN 04262-0027

PCL A-14, SEC 4M-121, PT BLK A, PL 4M-121, PART 1, 2, 3, 4, and 6, 4R6646, S/T LT496170; T/W LT496170; S/T LT601576; S/T LT608689 Ottawa/Gloucester

Schedule C – Claims to be deleted and expunged from title to Real Property

1. Instrument No. OC147843
2. Instrument No. OC147844
3. Instrument No. OC192305
4. Instrument No. OC1110945

Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants related to the Real Property

(unaffected by the Vesting Order)

1. Instrument No. LT481817
2. Instrument No. 4R5656
3. Instrument No. LT593589
4. Instrument No. 4R6646
5. Instrument No. LT608689
6. Instrument No. LT666897

Court File No.: 15-66931

B E T W E E N:

THE MANUFACTURERS LIFE INSURANCE COMPANY - **and** - **2723 LANCASTER ROAD INC.**

Applicant | Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT OTTAWA

APPROVAL AND VESTING ORDER

GOWLING WLG (CANADA) LLP
Barristers and Solicitors
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Toronto, ON M5X 1G5

E. Patrick Shea (LSUC No. 39655K)
Tel: (416) 369-7399
Fax: (416) 862-7661

Solicitors for Collins Barrow Toronto Limited

APPENDIX F

Court File No.: 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE	)	FRIDAY THE 16TH
JUSTICE P. KANE	)	DAY OF SEPTEMBER, 2016

B E T W E E N:

THE MANUFACTURERS LIFE INSURANCE COMPANY

Applicant

- and -

2723 LANCASTER ROAD INC.

Respondent

O R D E R

THIS MOTION made by **COLLINS BARROW TORONTO LIMITED**, in its capacity as court appointed interim receiver and receiver (the "**Receiver**") without security, of all of the undertaking, properties and assets of 2723 Lancaster Road Inc. (the "**Debtor**") was heard this day at 161 Elgin Street, Ottawa, Ontario.

ON READING the Receiver's Second Report dated 29 August 2016 (the "**Second Report**"), and on hearing the submissions of counsel for the Receiver, no one appearing for the Debtor,

1. **THIS COURT ORDERS** that the Schedule I to the Receiver's Second Report be and is hereby sealed pending completion of the sale transaction described in the Second Report.

2. ~~**THIS COURT ORDERS** that the Receiver be and is hereby authorized and directed to make the interim distribution to The Manufacturers Life Insurance Company described in the Second Report.~~ PK.

ENTERED AT OTTAWA
INSCRIT A OTTAWA
ON / LE SEP 16 2016
DOCUMENT # 0411
IN BOOK NO. 73-13
AU REGISTRE NO. 73-13

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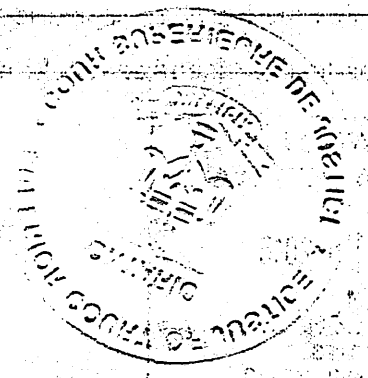

Court File No.: 15-66931

B E T W E E N:

THE MANUFACTURERS LIFE INSURANCE COMPANY - **and** – **2723 LANCASTER ROAD INC.**

Applicant Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT OTTAWA

ORDER

GOWLING WLG (CANADA) LLP
Barristers and Solicitors
1 First Canadian Place
100 King Street West, Suite 1600
Toronto, ON M5X 1G5

E. Patrick Shea (LSUC No. 39655K)
Tel: (416) 369-7399
Fax: (416) 862-7661

Solicitors for Collins Barrow Toronto Limited

APPENDIX G

Collins Barrow

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

T. 416.480.0160
F. 416.480.2646

www.collinsbarrow.com

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

In the matter of the receivership of the property of 2723 Lancaster Road Inc. (the "**Company**")

The receiver gives notice and declares that:

1. On the 5th day of January, 2016, the undersigned Collins Barrow Toronto Limited was appointed as receiver (the "**Receiver**") in respect of all of the assets, undertakings and properties of the Company, an insolvent person that is described below:

Cash	$13,963*
Land and building	$3,804,937*

**These balances represent the book values as at December 31st, 2015, as reported on the company's unaudited internal financial statements.*

2. The undersigned became a receiver in respect of the property described above by virtue of being appointed by the Ontario Superior Court of Justice - Commercial List.

3. The undersigned commenced the exercise of its powers in respect of that appointment on the 5th day of January, 2016.

4. The following information relates to the receivership:

   a) Address of insolvent company: 2723 Lancaster Road, Ottawa, Ontario

   b) Principal line of business: owner of a two-storey office building located at 2723 Lancaster Road, Ottawa, Ontario.

   c) According to the Company's records, the amounts owed by the Company to the creditors who appear to hold a security interest on the property described above include:

The Manufacturers Life Insurance Company	$2,014,525	Mortgage

   d) The list of other creditors of the Company and the amount owed to each creditor by the insolvent company is attached. This list has been compiled from information provided by the former property manager retained by the Company and has not been audited or verified.

e) The Receiver is reviewing the current status of the Company in order to determine the optimal course of action for realizing on the assets.

f) Contact person for the Receiver:

Jeffrey Berger
Collins Barrow Toronto Limited
11 King Street West
Suite 700, PO Box 27
Toronto, Ontario M5H 4C7
Telephone: (647) 726-0496
Facsimile: (416) 480-2646
E-mail: jkberger@collinsbarrow.com

g) Additional information: A copy of the receivership order is posted on the Receiver's website at http://www.collinsbarrow.com/en/toronto-ontario/2723-Lancaster-Road. Other pertinent public information will be posted to this website as that information becomes available.

Dated at Toronto this 12th day of January, 2016.

COLLINS BARROW TORONTO LIMITED
In its capacity as Court Appointed Receiver of 2723 Lancaster Road Inc. and not in its personal capacity

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

COLLINS BARROW TORONTO LIMITED
In the Matter of the Receivership of the Property of
2723 LANCASTER ROAD INC.

LIST OF OTHER CREDITORS

Unsecured

City of Ottawa - Property tax	$	91,184.43
City of Ottawa - Utilities		1,175.07
ADT Security Services Canada Inc.		353.92
Comsatec Inc.		312.90
Ilott Mechanical Contracting Ltd.		271.20
Security Technical Team Inc.		54.24
Thyssenkrupp Elevator		452.02
Douglas Fire Safety Systems Ltd.		271.20
Bell Canada		94.67
Hydro Ottawa		6,832.66
Stratos Tax Solutions		8,059.54
Total	$	109,061.85

Supplementary Mailing List

Merovitz Potechin LLP
Canada Revenue Agency
Ministry of Finance (Ontario)
Office of the Superintendent of Bankruptcy

APPENDIX H

Court File No.: 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

THE MANUFACTURERS LIFE INSURANCE COMPANY

Applicant

- and -

2723 LANCASTER ROAD INC.

Respondent

RECEIVER'S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Hackland of the Ontario Superior Court of Justice (the "**Court**") dated 5 January 2016, **COLLINS BARROW TORONTO LIMITED** was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of 2723 Lancaster Road Inc. (the "**Debtor**").

B. Pursuant to an Order of the Court dated September 16, 2016, the Court approved the agreement of purchase and sale made as of 30 June 2016 (the "**Sale Agreement**") between the Receiver and Lioness Developments Inc. (the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor's right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in sections 15 and 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;

2. The conditions to Closing as set out in sections 15 and 16 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and

3. The Transaction has been completed to the satisfaction of the Receiver.

4. This Certificate was delivered by the Receiver at on September 30, 2016.

COLLINS BARROW TORONTO LIMITED, in its capacity as Receiver of the undertaking, property and assets of 2723 Lancaster Road Inc., and not in its personal capacity

Per: _____

Name: Bryan A. Tannenbaum

Title: President

APPENDIX I

Collins Barrow Toronto Limited
Court Appointed Receiver of 2723 Lancaster Road Inc.
Interim Statement of Receipts and Disbursements
For the period January 5 to October 31, 2016

Receipts		
HST Refund	$	13,727
Interest on bank deposit		78
Sale of 2723 Lancaster Road property		2,500,000
Advances from secured lender		250,000
Total receipts	$	2,763,805
Disbursements		
Appraisal	$	9,350
Commission on sale of property		93,750
Insurance		23,237
Legal fees		14,927
Operating costs		7,878
Other		1,412
Property maintenance and repairs		12,825
Property Manager		20,000
Property taxes		154,312
HST/PST paid		36,517
Receiver's fees		57,434
Repayment of Advances from Secured Lender (1)		257,598
Security		1,090
Utilities		56,198
Total disbursements	$	746,528
Excess of Disbursements over Receipts	$	2,017,277
Accrued receipts:		
Refund of utility deposit	$	11,974
Estimated 2016 Property tax vacancy rebate (2)		31,000
	$	42,974
Accrued expenses:		
Operating costs	$	1,500
Receiver's fees to October 31, 2016		4,001
Estimated Receiver's fees to completion		16,950
Legal fees to November 3, 2016		34,211
Estimated legal fees to completion		8,475
	$	65,137
Estimated cash on hand after accruals	**$**	**1,995,114**

Notes:

(1) Loans totaling $250,000 advanced by Manulife by way of Receivers Certificates have been repaid in full. Interest charges payable on the amounts advanced were $7,598.

(2) The rebate is estimated to be 30% of the 2016 property taxes paid. The rebate application will not be processed by the City of Ottawa until Summer 2017 and the refund is not expected to be received until Fall 2017.

This Appendix forms part of the Receiver's Report to the Court dated November 7, 2016 and should only be read in conjunction therewith.

APPENDIX J

Manulife John Hancock

September 30, 2016

2723 Lancaster Road Inc.
"For Internal Purposes Only"

Attention: Rob Amos

Re: Mortgage #: 840273:11
Mortgagor: 2723 Lancaster Road, Inc.
Property Address: 2723 Lancaster Rd., Ottawa, ON

We have prepared the following figures for payoff of the above-referenced mortgage for payout on September 30, 2016:

Principal balance (PBO) after application of the 7/1/2015 instalment	$1,987,725.89
Accrued Interest from July 1, 2015 through to September 30, 2016 @ 4.72%	117,945.54
Protective Advance	250,000.00
Interest Owing on Protective Advance	7,435.94
Suspense Credit (Aug. 1, 2015 payment)	(16,568.79)
Recoverable Expense	67.00
Legal Fees	83,839.13
Total amount due to payoff on September 30, 2016	**$2,430,444.71**

This statement is valid until September 30, 2016 only. Funds received after 3:00pm EST on September 30, 2016 are subject to a combined per diem of $290.55 on the PBO and protective advance.

After September 30, 2016 a revised statement will be required to discharge your loan and will be prepared only upon your written request.

Please remit the required payoff funds using one of the following methods:

(1) By Wire - before 3:00pm EST
Manulife, Transit # 06702-003, Account #160-101-2, Swift Code: ROYCCAT2
Royal Bank of Canada, 2 Bloor Street East, Yonge & Bloor Branch, Toronto, ON M4W 1A9
Reference Mortgage #840273:11 / Attention: Mortgage Servicing-Remittance Area

(2) By Certified Cheque or Bank Draft - must arrive at our office before 12:00 noon EST
Made payable to "Manulife", Mortgage Servicing, 200 Bloor Street East, Toronto, ON M4W 1E5

…/2

Mortgage Servicing
Canada: P.O. Box 3000, PO F, Toronto, ON M4Y 1X1
U.S.: P.O. Box 600, Niagara Station, Buffalo, NY 14201-0600
Courier: 200 Bloor Street East, Toronto, ON M4W 1E5
Telephone: (416) 926-3620 Toll Free: (800) 286-1909
Fax: (416) 926-3123 Toll Free: (800)615-0387

Uncertified funds will be returned. Any additional charges will be your responsibility.

Upon receipt of the applicable funds, we will prepare the necessary release of all pertinent security documents held by Manulife. Alternatively, your attorney can prepare and email the release documentation to both INVMTGSVCMGT@manulife.com and INVMTGLGL@manulife.com.

Please note that we reserve the right to amend the above any time before receipt of funds.

Sincerely,

Leslie Ann Scott
Mortgage Servicing
Leslie_Ann_Scott@manulife.com
416-852-0505

E.&O.E.
cc: Remittance, REIG,

APPENDIX K

Court File No.: 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE

THE HONOURABLE MR.	)	**, THE DAY**
	)	
JUSTICE	)	**OF , 2016**

B E T W E E N:

THE MANUFACTURERS LIFE INSURANCE COMPANY

Applicant

- and -

2723 LANCASTER ROAD INC.

Respondent

DISCHARGE ORDER

THIS MOTION, made by Collins Barrow Toronto Limited (the "**Receiver**") without security, of all of the undertaking, properties and assets of 2723 Lancaster Road Inc. was heard this day at Ottawa, Ontario

ON READING the Notice of Motion, the Third Report of the Receiver dated November 7, 2016 (the "**Third Report**"), the Affidavit of Evan Stitt sworn November 7, 2016, the Affidavit of Bryan Tannenbaum sworn November 7, 2016 and the Affidavit of David S. Ward sworn November 2, 2016, and upon hearing the submissions of counsel for the Receiver, no one appearing for any of the persons on the Service List, although properly served,

1. **THIS COURT ORDERS** that the Third Report and the Receiver's activities described therein are hereby approved.

2. **THIS COURT ORDERS** that the fees and disbursements of the Receiver in the amount of $85,851.75, Gowling WLG (Canada) LLP in the amount of $34,210.92 and Cassels Brock LLP in the amount of $16,855.40, plus the fees and disbursements required to complete the discharge of the Receiver and the administration of the receivership through as set forth in the Third Report, are hereby approved and the Receiver is authorized and directed to pay such fees and disbursements out of the funds in the receiver's hands.

3. **THIS COURT ORDERS** that the Receiver is authorized and directed to make the distributions described in the Third Report.

4. **THIS COURT ORDERS** that, upon the completion of the activities described in the Third Report and the distribution of funds herein authorized, the Receiver shall file a Certificate (the "**Discharge Certificate**") substantially in the form attached as **Schedule "A"** and, upon filing of the Discharge Certificate, shall be discharged as Receiver, provided however that notwithstanding its discharge herein

(a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and

(b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of the Receiver.

SCHEDULE "A"

Court File No.: 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE

BETWEEN:

THE MANUFACTURERS LIFE INSURANCE COMPANY

Applicant

- and -

2723 LANCASTER ROAD INC.

Respondent

DISCHARGE CERTIFICATE

WHEREAS pursuant to the Order dated **[Date]** November 2016 the Ontario Superior Court of Justice Ordered that Collins Barrow Toronto Limited (the "**Receiver**") would be discharged as receiver of 2723 Lancaster Road Inc. upon the filing of a Certificate by the Receiver certifying that it had completed the activities described in its Third Report dated 7 November, 2016.

Collins Barrow Toronto Limited, in its capacity as Receiver of 2723 Lancaster Road Inc., certifies that it has completed the activities described in its Third Report dated 7 November, 2016.

DATED at Toronto this___day of _____, 2016

COLLINS BARROW TORONTO LIMITED in its capacity as receiver of 2723 Lancaster Road Inc.

_____

Court File No.: 15-66931

B E T W E E N:

THE MANUFACTURERS LIFE INSURANCE COMPANY - **and** – **2723 LANCASTER ROAD INC.**

Applicant Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT OTTAWA

DISCHARGE CERTIFICATE

GOWLING WLG (CANADA) LLP
Barristers and Solicitors
1 First Canadian Place
100 King Street West, Suite 1600
Toronto, ON M5X 1G5

E. Patrick Shea (LSUC No. 39655K)
Tel: (416) 369-7399
Fax: (416) 862-7661

Solicitors for Collins Barrow Toronto Limited

Court File No.: 15-66931

B E T W E E N:

THE MANUFACTURERS LIFE INSURANCE COMPANY - **and** – **2723 LANCASTER ROAD INC.**

Applicant Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT OTTAWA

DISCHARGE ORDER

GOWLING WLG (CANADA) LLP
Barristers and Solicitors
1 First Canadian Place
100 King Street West, Suite 1600
Toronto, ON M5X 1G5

E. Patrick Shea (LSUC No. 39655K)
Tel: (416) 369-7399
Fax: (416) 862-7661

Solicitors for Collins Barrow Toronto Limited

APPENDIX L

Court File No. 15-6693

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

BETWEEN:

THE MANUFACTURERS LIFE INSURANCE COMPANY

Applicant

- and –

2723 LANCASTER ROAD INC.

Respondent

AFFIDAVIT OF BRYAN A. TANNENBAUM
(Sworn November 22, 2016)

I, **BRYAN A. TANNENBAUM**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY**:

1. I am the President of Collins Barrow Toronto Limited ("**CBTL**") 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 the order herein dated January 5, 2016 (the "**Appointment Order**"), CBTL was appointed receiver (the "**Receiver**"), without security, of all of the assets, undertakings and properties of 2723 Lancaster Road Inc. (the "**Company**").

3. For the period commencing January 5, 2016 to October 31, 2016 (the "**Passing of Accounts Period**"), the Receiver has been

engaged in various activities in connection with the administration of the receivership. Particulars of the Receiver's conduct and activities during the Passing of Accounts Period are contained in the Receiver's three reports, filed.

4. Attached hereto and marked as Exhibit "**A**" to this my affidavit is a summary of the fees charged and periodic accounts rendered by the Receiver in respect of the proceedings for the Passing of Accounts Period in the amount of $68,901.75 plus an accrual of $15,000 plus HST for estimated fees to be incurred by the Receiver to complete its administration of the receivership for a total of $85,851.75 (the "**Receiver Fees**"). Copies of the interim invoices which are referenced in the summary are appended to this affidavit as Exhibit "**B**".

5. In accordance with the provisions of paragraph 20 of the Receivership Order, the Receiver's and its solicitors' practice has been to render its interim invoices on a regular basis and to pay such fees and disbursements out of the funds in the Receiver's bank account, subject to the approval of this Court ultimately being obtained.

6. In the course of its administration of the receivership during the Passing of Accounts Period, the Receiver's staff expended 192 hours of time to complete its administration, which aggregates to fees of $60,975.00 based on the Receiver's hourly billing rates for an average hourly rate of $317.58.

7. To the best of my knowledge, the rates charged by the Receiver throughout the course of these proceedings are comparable to the rates charged by other accounting firms for the provision of similar services.

8. I verily believe that the Receiver's accounts are fair and reasonable in the circumstances.

9. Attached as Exhibits "A" and "B" to the affidavit of David Ward sworn and filed in support of the within motion are the full particulars of the fees and disbursements of Cassels Brock & Blackwell LLP ("**Cassels**"), real estate counsel to the Receiver in relation to the closing of the sale of 2723 Lancaster Road, which have been incurred during the Passing of Accounts Period.

10. Attached as Exhibit "A" to the affidavit of Evan Stitt sworn and filed in support of the within motion are the full particulars of the fees and disbursements of Gowlings WLG (Canada) LLP ("**Gowlings**"), counsel to the Receiver, which have been incurred during the period June 14, 2016 to November 3, 2016.

11. Cassels and Gowlings have rendered services throughout these proceedings in a manner consistent with instructions from the Receiver. The Receiver has approved all such accounts and I verily believe that the fees and disbursements of legal counsel are fair and reasonable in the circumstances.

12. CBTL is requesting the Court approve the Receiver Fees.

13. This affidavit is sworn in support of the Receiver's motion for approval of its fees and disbursements by this Honourable Court and for no improper purpose.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario, this 22nd day of November, 2016.	)	**BRYAN A. TANNENBAUM**
A Commissioner, etc.	)	

Daniel Raphael Weisz, a Commissioner, etc., Province of Ontario, for Collins Barrow Toronto LLP and Collins Barrow Toronto Limited. Expires June 8, 2019.

THIS IS EXHIBIT "A" REFERRED TO IN THE AFFIDAVIT OF BRYAN A. TANNENBAUM SWORN BEFORE ME THIS 22nd DAY OF November, 2016

A Commissioner, etc.

Daniel Raphael Weisz, a Commissioner, etc., Province of Ontario, for Collins Barrow Toronto LLP and Collins Barrow Toronto Limited. Expires June 8, 2019.

EXHIBIT "A"

Summary of Receiver's Fees
for the Passing of Accounts Period

Invoice Date	Period	Hours	Fees	HST	Total	Average
25-Feb-16	Period ending January 31, 2016	42.10	$ 12,113.00	$ 1,574.69	$ 13,687.69	$ 287.72
17-Mar-16	February 1 to 29, 2016	25.30	7,287.50	947.38	8,234.88	$ 288.04
21-Apr-16	March 1 to 31, 2016	15.65	4,056.50	527.35	4,583.85	$ 259.20
11-May-16	April 1 to 30, 2016	17.10	4,743.00	616.59	5,359.59	$ 277.37
3-Jun-16	May 1 to 31, 2016	18.15	6,376.50	828.95	7,205.45	$ 351.32
12-Jul-16	June 1 to 30, 2016	18.90	7,170.00	932.10	8,102.10	$ 379.37
15-Aug-16	July 1 to 31, 2016	14.10	5,125.00	666.25	5,791.25	$ 363.48
21-Sep-16	August 1 to 31, 2016	15.50	5,673.50	737.56	6,411.06	$ 366.03
17-Oct-16	September 1 to 30, 2016	15.00	4,889.00	635.57	5,524.57	$ 325.93
3-Nov-16	October 1 to 31, 2016	10.20	3,541.00	460.33	4,001.33	$ 347.16
	Total fees to October 31, 2016	192.00	$ 60,975.00	$ 7,926.75	$ 68,901.75	$ 317.58
	Estimated fees to completion		15,000.00	1,950.00	16,950.00	
	Total		**$ 75,975.00**	**$ 9,876.75**	**$ 85,851.75**	

THIS IS EXHIBIT "B" REFERRED TO IN THE AFFIDAVIT OF BRYAN A. TANNENBAUM SWORN BEFORE ME THIS 22nd DAY OF November, 2016

A Commissioner, etc.

Daniel Raphael Weisz, a Commissioner, etc., Province of Ontario, for Collins Barrow Toronto LLP and Collins Barrow Toronto Limited. Expires June 8, 2019.

Collins Barrow

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

T. 416.480.0160
F. 416.480.2646

www.collinsbarrow.com

To Collins Barrow Toronto Limited
Court-appointed Receiver of 2723 Lancaster Road Inc.
11 King Street West, Suite 700
Toronto, ON M5H 4C7

Date February 25, 2016

Client File 110751-29125
Invoice No. 1
C000213

GST/HST: 80784 1440 RT 0001

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Receiver of 2723 Lancaster Road Inc. (the "**Debtor**") for the period to January 31, 2016.

Date	Professional	Description
12/9/2015	Bryan Tannenbaum	Telephone call with D. Ward of Cassels Brock & Blackwell LLP ("Cassels") regarding background and scope.
12/10/2015	Bryan Tannenbaum	Conference call with D. Ward and R. Amos of Manulife regarding background and timing.
1/4/2016	Bryan Tannenbaum	Telephone call with D. Ward regarding status of Order and logistics, etc.
1/5/2016	Brenda Wong	Review application materials; meet with B. Tannenbaum and J. Berger to discuss matters to be addressed; review property management agreement and emails with D. Ward regarding his comments on the property management agreement and drafting an amendment; prepare list of questions for Bridgeport Realty Management ("Bridgeport"); review list of information required from debtor; email to B. Potechin regarding information required; discussion with Bridgeport regarding appointment of Receiver and arrangements in place with respect to the property; telephone call from The Regional Group of Companies Inc. ("Regional Group") regarding books and records; review and finalize web page introduction; review draft letter to Bank of Montreal ("BMO") to set up trust account; telephone discussion with B. Tannenbaum and R. Amos.
1/5/2016	Bryan Tannenbaum	Accepting appointment; receipt of various emails; meeting with B. Wong to organize first day activities regarding insurance, request for funds, property taxes, property management agreement, etc.; telephone call with R. Amos regarding status and to discuss operational issues and funding and sale of property.
1/5/2016	Jeffrey Berger	Discussion with B. Tannenbaum and B. Wong regarding appointment of Collins Barrow Toronto Limited as Receiver; drafting correspondence to BMO to set up trust account, CRA, and creditors; drafting correspondence to debtor re information required; discussion with property manager; correspondence with BMO regarding new trust account.

Date	Professional	Description
1/6/2016	Brenda Wong	Review draft letter to City of Ottawa; telephone call to N. Zentil of CBRE Limited ("CBRE") to request listing proposal and marketing of property; discussion with D. Ward regarding amendment to property management agreement; review information sent by Regional Group; review draft letter to bank to request freezing of account; discussions with J. Berger regarding outstanding property taxes, information received from Regional Group and follow-up required; review insurance certificate received.
1/6/2016	Jeffrey Berger	Correspondence with the City of Ottawa, Revenue Services regarding property taxes; correspondence with BMO regarding freezing of the debtor's active accounts; review of financial statements and creditor information provided by Regional Group.
1/7/2016	Jeffrey Berger	Review of invoices and accruals provided by Regional Group; correspondence with R. Matheson of Bridgeport; correspondence with E. Crowe and H. Geller of Regional Group regarding accounting records, freezing the Debtor's BMO bank account and other information; review of property appraisals.
1/7/2016	Bryan Tannenbaum	Review funding request letter to Manulife and discuss analysis with B. Wong.
1/7/2016	Brenda Wong	Review listing agreement and other information received from CBRE; review additional information received from Regional Group; review and make changes to draft email to Bridgeport regarding suppliers; prepare schedule of projected costs and draft letter to request funding; email to R. Amos regarding projected carrying costs; telephone call with B. Tannenbaum and D. Ward; telephone call from CBRE regarding indication of value to be updated with value; review and make revisions to draft letter to Regional Group.
1/8/2016	Jeffrey Berger	Correspondence with Regional Group regarding letter of direction for BMO in respect of the Debtor's account.
1/8/2016	Brenda Wong	Respond to email from R. Amos regarding status; telephone call with and email to S. Katchen regarding providing quote for preparing appraisal for 2723 Lancaster.
1/11/2016	Brenda Wong	Email to D. Ward regarding funding for receivership; review correspondence from Regional Group and CBRE; discussions with S. Katchen regarding quote for appraisal; telephone call and email to Altus Group Limited ("Altus") to obtain quote for appraisal; discussion with R. Amos regarding funding and appraisal; revise schedule of estimated carrying costs; finalize funding letter and prepare Receiver Certificate #1; telephone call from T. Pollesel of BMO regarding why Debtor's account cannot be frozen; review draft S245 report and discussion with J. Berger regarding changes.
1/11/2016	Jeffrey Berger	Comparing various real estate appraisals received to date; correspondence with BMO regarding freezing the Debtor's bank account; correspondence with R. Matheson regarding property management contracts.
1/12/2016	Jeffrey Berger	Preparing documents for Altus information request; request information from Regional Group.
1/12/2016	Bryan Tannenbaum	Review and sign Notice and Statement of Receiver.

Date	Professional	Description
1/12/2016	Brenda Wong	Review letter from Altus and discussion with J. Berger regarding information available; follow up regarding finalizing Notice of Receiver and email to R. Amos and D. Ward; review draft emails to Altus and Regional Group; review amendment to management agreement and email to Cassels regarding suggested change; send revised amendment to Bridgeport for comments; review email from Regional Group regarding information request and follow up with R. Amos and D. Ward to obtain copies of reports.
1/12/2016	Donna Nishimura	Mailing of Notice and Statement of Receiver.
1/13/2016	Brenda Wong	Review email from BMO re Debtor's account; follow up email to CFO of The Regional Group; discussion with Bridgeport regarding amendment and supplier contracts and utilities; email to Cassels regarding execution of amendment.
1/14/2016	Brenda Wong	Email Receiver's and Bridgeport executed copies of amendments to Cassels; email to Bridgeport regarding emergency contact numbers.
1/14/2016	Jeffrey Berger	Correspondence with Cassels and Altus regarding property appraisal.
1/15/2016	Jeffrey Berger	Arranging site visit for Altus.
1/19/2016	Bryan Tannenbaum	Review and edit status report email to Manulife and discuss with B. Wong.
1/19/2016	Jeffrey Berger	Drafting update for Manulife.
1/19/2016	Brenda Wong	Review and make revisions to status update email to Manulife.
1/20/2016	Jeffrey Berger	Preparing cheque requisition for Bridgeport invoices.
1/21/2016	Jeffrey Berger	Drafting first Receiver's report.
1/22/2016	Brenda Wong	Return call from CRA regarding status of company, returns filed and owners reporting income; email to E. Crowe to request copy of trust document; discussion with J. Berger regarding questions from Altus.
1/22/2016	Jeffrey Berger	Discussions with Altus and B. Wong regarding Altus report details and timeline.
1/25/2016	Jeffrey Berger	Correspondence with Bridgeport and Regional Group regarding tour of property for potential lessee.
1/25/2016	Brenda Wong	Review email from E. Crowe regarding request for tour.
1/27/2016	Brenda Wong	Review appraisals and CBRE marketing information; email and telephone call with CBRE regarding timing of marketing; prepare form of listing agreement to use for 2723 Lancaster.
1/27/2016	Jeffrey Berger	Preparing correspondence with CRA regarding HST and other authorization for Collins Barrow Toronto Limited.
1/28/2016	Jeffrey Berger	Review of listing agreement and prepare draft purchase and sale agreement.
1/28/2016	Brenda Wong	Telephone call to CRA regarding Receiver's HST filing status.
1/29/2016	Brenda Wong	Review draft CA and CIM and flyer prepared by CBRE; follow up with Altus regarding its reporting of its appraisal conclusions to be provided today.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, file organization and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP	President	2.9	$ 525	$ 1,522.50
Brenda Wong, CIRP	Senior Manager	16.7	$ 375	6,262.50
Jeffrey K. Berger, CPA, CA	Senior Analyst	21.8	$ 195	4,251.00
Donna Nishimura	Estate Administrator	0.7	$ 110	77.00
Total hours and professional fees		**42.1**		$ 12,113.00
HST @ 13%				1,574.69
Total payable				**$ 13,687.69**

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA$ Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

PLEASE RETURN ONE COPY WITH REMITTANCE

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.

Collins Barrow

Collins Barrow

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www.collinsbarrow.com

To Collins Barrow Toronto Limited
Court-appointed Receiver of 2723 Lancaster Road Inc.
11 King Street West, Suite 700
Toronto, ON M5H 4C7

Date March 17, 2016

Client File 110751-29125
Invoice No. 2
C000226

GST/HST: 80784 1440 RT 0001

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Receiver of 2723 Lancaster Road Inc. (the "**Debtor**") for the period February 1, 2016 to February 29, 2016.

Date	Professional	Description
2/1/2016	Brenda Wong	Send wiring instructions to Manulife; review Altus Group Limited ("Altus") appraisal; telephone call with B. Tannenbaum and D. Ward of Cassels Brock & Blackwell LLP ("Cassels") regarding sales process and next steps; discussion with N. Zentil of CBRE Limited ("CBRE") regarding listing price and commission; update listing agreement; discussion with Altus regarding bad debt slippage and capital repairs to be factored into report, email to R. Amos of Manulife regarding same; send executed amendment to Bridgeport Realty Management ("Bridgeport"); email from Bridgeport regarding listing broker and Regional leasing inquiry.
2/1/2016	Jeffrey Berger	Correspondence with Bridgeport regarding vacancy rebate application, Bell Canada account transfer, and property management agreement; prepare draft for Manulife status update.
2/1/2016	Bryan Tannenbaum	Review of Altus appraisal and discussion of same with B. Wong; conference call with Cassels regarding debtor and appraisal and use of CBRE to sell the property and discussion of listing price.
2/2/2016	Brenda Wong	Review co-tenancy agreement regarding trust relationship; discussion with J. Berger regarding party interested in short-term lease; telephone call from Altus regarding revisions to be made to appraisal; review form of Agreement of Purchase and Sale ("APS") template to be used; review and make changes to status update memo to Manulife.
2/2/2016	Jeffrey Berger	Continue drafting status update memo to Manulife.
2/3/2016	Jeffrey Berger	Correspondence with The Regional Group of Companies Inc. ("Regional Group") and Bell Canada regarding termination of unidentified Bell account.
2/3/2016	Bryan Tannenbaum	Review and execute exclusive authority to sell agreement with CBRE.
2/3/2016	Brenda Wong	Fax copy of trust document to Canada Revenue Agency ("CRA"); email from E. Crowe of Regional Group regarding current owners; email to R. Amos regarding releasing Phase I and BCPA reports to CBRE; review changes to APS by D. Ward; review Altus revised appraisal report and forward copy to Manulife.

Date	Professional	Description
2/3/2016	Sandra Pereira	Prepare disbursement cheques.
2/4/2016	Bryan Tannenbaum	Review and sign cheques.
2/4/2016	Jeffrey Berger	Correspondence with CBRE regarding information required for data room, property manager contact, etc.; correspondence with Bell Canada and property manager regarding termination of Bell Canada account; correspondence with City of Ottawa regarding interest accrued on property taxes and 2016 interim taxes.
2/4/2016	Brenda Wong	Review signed listing agreement; send copies of CA, APS, Phase I and BPCA reports to CBRE; confirm funding received and send Receiver Certificate No. 1 to Manulife; review draft emails to Bridgeport and CBRE.
2/5/2016	Jeffrey Berger	Correspondence with Bell Canada, Bridgeport and Regional Group regarding Bell Canada account and Hydro Ottawa invoices; preparing cheque requisition for Bell Canada.
2/5/2016	Brenda Wong	Discussion with J. Berger regarding unidentified Bell line and Ottawa Hydro bill; review draft email to Bell; follow up with CBRE regarding marketing materials.
2/8/2016	Brenda Wong	Review CBRE CIM, flyer and MLS form and emails regarding same; review CBRE 2013 Indication of Value, discussion with N. Zentil regarding same; discussion regarding sales process and protect period to February 18; respond to email from D. Ward regarding why change in value; review OREA MLS listing agreement.
2/9/2016	Jeffrey Berger	Correspondence with Regional Group regarding outstanding hydro invoices; correspondence with CBRE regarding BOMA measurements submitted for use in marketing materials.
2/9/2016	Brenda Wong	Review outstanding hydro charges and email to R. Amos regarding payment of pre-receivership expenses; prepare letter of authorization for Altus property tax rebate application; execute MLS listing agreement.
2/10/2016	Brenda Wong	Email from CBRE regarding condition of building and BCP to be provided to Bridgeport.
2/11/2016	Sandra Pereira	Prepare disbursement cheques.
2/11/2016	Brenda Wong	Finalize Letter of Authorization for Altus property tax vacancy rebate application.
2/11/2016	Jeffrey Berger	Email to P. Sirois of Bridgeport to follow up on outstanding invoices.
2/16/2016	Jeffrey Berger	Drafting bi-weekly status update memo to Manulife.
2/17/2016	Brenda Wong	Review draft update memo, make edits and email to R. Amos.
2/18/2016	Jeffrey Berger	Correspondence with Bridgeport regarding outstanding payables for the property.
2/19/2016	Jeffrey Berger	Correspondence with Bridgeport regarding outstanding invoices; review of outstanding invoices and contracts.
2/19/2016	Brenda Wong	Review CBRE reporting letter on marketing activity to date; discussion with J. Berger regarding invoices/quote received from Bridgeport.
2/22/2016	Jeffrey Berger	Review of invoices provided by Bridgeport; preparation of cheque requisitions; correspondence with P. Sirrois of Bridgeport.
2/23/2016	Brenda Wong	Make changes to schedule of estimated carrying costs; review invoices forwarded by Bridgeport for payment; email to Bridgeport regarding payment of

Date	Professional	Description
		Marsh insurance premium.
2/24/2016	Brenda Wong	Email to Bridgeport to confirm that refund of insurance premium upon cancellation of insurance policy should be paid to Receiver; discussion with J. Berger regarding schedule of estimated carrying costs; review and make revisions to estimate of carrying costs.
2/24/2016	Jeffrey Berger	Preparing cheque requisitions; updating the schedule of estimated carrying costs and cash requirements.
2/25/2016	Sandra Pereira	Prepare disbursement cheques.
2/25/2016	Brenda Wong	Update schedule of estimated carrying costs; prepare letter to Manulife and Receiver Certificate No. 2 and send to R. Amos; send proof of payment of property taxes and wire instructions to Manulife; review and sign disbursement cheques.
2/26/2016	Bryan Tannenbaum	Review and sign disbursement cheques.
2/26/2016	Brenda Wong	Prepare letter to Marsh Canada regarding payment of premium and refund to be payable to Receiver.
2/29/2016	Brenda Wong	Review email from Bridgeport regarding generator maintenance contract.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, file organization and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	0.9	$ 525	$ 472.50
Brenda Wong, CIRP, LIT	Senior Manager	11.9	$ 375	4,462.50
Jeffrey K. Berger, CPA, CA	Senior Analyst	11.5	$ 195	2,242.50
Sandra Pereira	Estate Administrator	1.0	$ 110	110.00
Total hours and professional fees		**25.3**		$ 7,287.50
HST @ 13%				947.38
Total payable				**$ 8,234.88**

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA$ Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

PLEASE RETURN ONE COPY WITH REMITTANCE

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.

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www.collinsbarrow.com

To Collins Barrow Toronto Limited
Court-appointed Receiver of 2723 Lancaster Road Inc.
11 King Street West, Suite 700
Toronto, ON M5H 4C7

Date April 21, 2016

Client File 110751-29125
Invoice No. 3
C000257

GST/HST: 80784 1440 RT 0001

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Receiver of 2723 Lancaster Road Inc. (the "**Debtor**") for the period March 1, 2016 to March 31, 2016.

Date	Professional	Description
3/1/2016	Brenda Wong	Review draft status update email to Manulife.
3/1/2016	Jeffrey Berger	Discussion with N. Zentil of CBRE Limited ("CBRE") regarding marketing efforts for the sale of 2723 Lancaster; draft bi-weekly update for Manulife; correspondence with P. Sirois of Bridgeport Realty Management ("Bridgeport") regarding outstanding contracts and invoices.
3/2/2016	Bryan Tannenbaum	Review draft status report and provide to B. Wong for approval to release.
3/2/2016	Brenda Wong	Review and make edits to status update memo for Manulife.
3/3/2016	Cindy Baeta	Prepare disbursement cheque.
3/3/2016	Jeffrey Berger	Correspondence with P. Sirois regarding release of BCR from CBRE.
3/9/2016	Brenda Wong	Review CBRE draft of Globe and Mail ad.
3/10/2016	Bryan Tannenbaum	Provide comments to B. Wong regarding draft ad to be placed by Colliers.
3/10/2016	Jeffrey Berger	Preparing cheque requisition; updating cash flow projection for February expenses.
3/10/2016	Brenda Wong	Respond to CBRE with comments on the Globe and Mail ad.
3/11/2016	Cindy Baeta	Prepare bank reconciliation.
3/11/2016	Brenda Wong	Review cash status; follow up with Manulife regarding second funding request.
3/15/2016	Jeffrey Berger	Drafting bi-weekly status update for Manulife; update of cash flow for February, 2016, discussion with D. Glick-Stall of CBRE regarding updates in the sales process since their second report of March 4, 2016.
3/15/2016	Bryan Tannenbaum	Review bi-weekly status report to Manulife.
3/15/2016	Brenda Wong	Review and make revisions to draft of status update for Manulife.
3/16/2016	Brenda Wong	Review/respond to email from R. Amos of Manulife; check online banking for whether funding was received; review and made edits to estimated cash flow schedule.
3/17/2016	Brenda Wong	Telephone call from M. Bobar of Canada Revenue Agency ("CRA") regarding HST reporting and email to request copies of past HST filing from The

Date	Professional	Description
		Regional Group of Companies Inc. ("Regional Group"); review preliminary draft of Receiver's first report.
3/18/2016	Cindy Baeta	Prepare disbursement cheque.
3/18/2016	Brenda Wong	Review CBRE reporting letter.
3/21/2016	Brenda Wong	Conference call with CBRE and B. Tannenbaum regarding marketing activity to date.
3/21/2016	Bryan Tannenbaum	Conference call with N. Zentil and D. Glik of CBRE and B. Wong regarding progress report.
3/22/2016	Brenda Wong	Review HST return received from Regional Group and fax to CRA as requested.
3/24/2016	Jeffrey Berger	Preparing preliminary draft of Receiver's first report to Court.
3/29/2016	Jeffrey Berger	Drafting status update email for Manulife; drafting Receiver's first report; correspondence with Bridgeport.
3/29/2016	Brenda Wong	Review draft status update email; telephone call from CBRE with update on sales process.
3/30/2016	Brenda Wong	Send status update email to Manulife; discussion with R. Amos regarding status.
3/31/2016	Brenda Wong	Review and respond to email from D. Ward of Cassels Brock & Blackwell LLP ("Cassels") regarding providing status update to debtors; review outstanding matters.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, file organization and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	1.30	$ 525	$ 682.50
Brenda Wong, CIRP, LIT	Senior Manager	3.60	$ 375	1,350.00
Jeffrey K. Berger, CPA, CA	Senior Analyst	9.90	$ 195	1,930.50
Cindy Baeta	Estate Administrator	0.85	$ 110	93.50
Total hours and professional fees		**15.65**		$ 4,056.50
HST @ 13%				527.35
Total payable				**$ 4,583.85**

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA$ Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

PLEASE RETURN ONE COPY WITH REMITTANCE

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.

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www.collinsbarrow.com

To Collins Barrow Toronto Limited
Court-appointed Receiver of 2723 Lancaster Road Inc.
11 King Street West, Suite 700
Toronto, ON M5H 4C7

Date May 11, 2016

Client File 110751-29125
Invoice No. 4
C000270

GST/HST: 80784 1440 RT 0001

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Receiver of 2723 Lancaster Road Inc. (the "**Debtor**") for the period April 1, 2016 to April 30, 2016.

Date	Professional	Description
4/1/2016	Brenda Wong	Review CBRE Limited ("CBRE") data room and email to CBRE regarding additional documents to be added.
4/8/2016	Cindy Baeta	Prepare bank reconciliation.
4/8/2016	Brenda Wong	Review reporting letter from CBRE.
4/11/2016	Jeffrey Berger	Drafting the Receiver's first report to Court.
4/11/2016	Brenda Wong	Follow up with J. Berger regarding outstanding bills, review response from Bridgeport Realty Management ("Bridgeport") and update on credit on hydro bill.
4/12/2016	Jeffrey Berger	Drafting bi-weekly status update for Manulife; emails with CBRE on sales update.
4/12/2016	Brenda Wong	Review and make edits to draft status update for Manulife.
4/14/2016	Brenda Wong	Review email from Bridgeport regarding landscaping quotes and respond to J. Berger regarding same.
4/15/2016	Brenda Wong	Review email from CBRE regarding sales update and price reduction; forward to Manulife.
4/19/2016	Jeffrey Berger	Review of invoices and vendor contracts provided by Bridgeport; discussion with P. Sirois of Bridgeport and B. Wong regarding same.
4/19/2016	Bryan Tannenbaum	Conference call with N. Zentil and D. Glick-Stal of CBRE and B. Wong regarding sales status and consideration of price reduction.
4/19/2016	Brenda Wong	Telephone call with B. Tannenbaum and CBRE regarding update on sales process and recommendation for reduction in listing price.
4/20/2016	Jeffrey Berger	Review of invoices provided by Bridgeport; updating the cash flow schedule and cost projections through April 19, 2016; preparing cheque requisitions.
4/20/2016	Brenda Wong	Review updated cash flow schedule.
4/21/2016	Cindy Baeta	Preparation of disbursement cheques.
4/22/2016	Jeffrey Berger	Updating the cash flow schedule and cost projections through April 22, 2016; preparing the May - August cash flow projection.

Date	Professional	Description
4/22/2016	Bryan Tannenbaum	Sign and approve cheques; telephone call from D. Ward of Cassels Brock & Blackwell LLP ("Cassels") regarding status and discussion on listing price reduction to $3.2M.
4/22/2016	Brenda Wong	Review and sign disbursement cheques; emails with D. Ward regarding response from debtors with respect to reduction in listing price and property tax vacancy rebate; contact City of Ottawa regarding status of property tax rebate application.
4/25/2016	Brenda Wong	Review hydro invoice and funds on hand.
4/26/2016	Brenda Wong	Review and make changes to draft report; review and sign MLS amendment form.
4/26/2016	Jeffrey Berger	Filing of HST return.
4/27/2016	Brenda Wong	Review and make changes to draft cash flow projection; telephone call to City of Ottawa regarding water bill; review and finalize status update memo to Manulife; email to D. Ward regarding acting Cassels acting as Receiver's counsel.
4/27/2016	Jeffrey Berger	Drafting the bi-weekly status update for Manulife, emails with CBRE regarding sales update.
4/28/2016	Jeffrey Berger	Changes to the Receiver's first report, correspondence with L. Loewith of Cassels and D. Glick-Stal to obtain information to include in report.
4/28/2016	Brenda Wong	Review email from City of Ottawa regarding property tax vacancy rebate amount and calculate estimated rebate; emails and telephone discussion with D. Ward regarding court application and estimated legal fees; make updates to estimate of carrying costs.
4/29/2016	Cindy Baeta	Prepare disbursement cheques.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, file organization and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	0.90	$ 525	$ 472.50
Brenda Wong, CIRP, LIT	Senior Manager	6.60	$ 375	2,475.00
Jeffrey K. Berger, CPA, CA	Senior Analyst	8.70	$ 195	1,696.50
Cindy Baeta	Estate Administrator	0.90	$ 110	99.00
Total hours and professional fees		**17.10**		$ 4,743.00
HST @ 13%				616.59
Total payable				**$ 5,359.59**

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA$ Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

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www.collinsbarrow.com

To Collins Barrow Toronto Limited
Court-appointed Receiver of 2723 Lancaster Road Inc.
11 King Street West, Suite 700
Toronto, ON M5H 4C7

Date June 3, 2016

Client File 110751-29125
Invoice No. 5
C000283

GST/HST: 80784 1440 RT 0001

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Receiver of 2723 Lancaster Road Inc. (the "**Debtor**") for the period May 1, 2016 to May 31, 2016.

Date	Professional	Description
5/2/2016	Bryan Tannenbaum	Receipt and review of offer from prospective purchaser; discussion with B. Wong and decide to reject it as the offer is too low.
5/2/2016	Brenda Wong	Review offer received from prospective purchaser; updating draft report; review comments from CBRE Limited ("**CBRE**") regarding offer received.
5/3/2016	Brenda Wong	Emails and discussion with CBRE regarding Receiver's response to offer received; prepare statement of receipts and disbursements; update cash flow schedule; make revisions and updates to the Receiver's draft report.
5/4/2016	Brenda Wong	Make revisions to draft report and send to D. Ward of Cassels Brock & Blackwell LLP ("**Cassels**") for review.
5/4/2016	Bryan Tannenbaum	Review and edit the First Report of the Receiver and discuss with B. Wong.
5/5/2016	Brenda Wong	Review CBRE reporting letter and draft of CBRE email to prospective purchasers to notify them of the revised price.
5/6/2016	Brenda Wong	Telephone discussion with CBRE regarding prospective tenant.
5/10/2016	Bryan Tannenbaum	Review status report to Manulife.
5/10/2016	Brenda Wong	Review outstanding vendor invoices; review and finalize draft status update to Manulife.
5/10/2016	Jeffrey Berger	Prepare draft update memo to Manulife, emails with CBRE regarding sales update.
5/11/2016	Daniel Weisz	Review and update Receiver's report to Court and discussion with B. Wong on same.
5/12/2016	Jeffrey Berger	Reference the Receiver's First Report to source documents.
5/12/2016	Brenda Wong	Review landscaping contract and email to J. Berger regarding comments on same; review changes to draft report and make additional edits; respond to email from CBRE requesting Word copy of APS; email from CBRE regarding obtaining structural drawings.
5/13/2016	Cindy Baeta	Prepare bank reconciliation; preparation of disbursement cheques.
5/13/2016	Jeffrey Berger	Correspondence with P. Sirois of Bridgeport Realty Management ("**Bridgeport**") regarding outstanding contracts and invoices.

Date	Professional	Description
5/16/2016	Jeffrey Berger	Correspondence with Bridgeport regarding outstanding invoices and contracts; preparation of cheque requisitions.
5/16/2016	Brenda Wong	Telephone call from CBRE regarding offer received; review offer and forward to R. Amos of Manulife; review black-lined APS; email to D. Ward regarding offer.
5/16/2016	Bryan Tannenbaum	Receipt and review of offer and discuss sign back amount with B. Wong and obtain input from R. Amos.
5/17/2016	Brenda Wong	Calculate estimated realization from sale of property; telephone discussion with B. Tannenbaum and D. Ward; discussion with CBRE regarding suggested price for counteroffer; making edits to APS; respond to email from CBRE regarding providing information on operating expenses to prospective purchaser.
5/18/2016	Bryan Tannenbaum	Receipt and review of Manulife mortgage statement; review estimated realization calculation from B. Wong and discuss sale price, etc.
5/18/2016	Brenda Wong	Review mortgage statement and calculated estimated realization; email to R. Amos regarding estimated realization; telephone call from D. Ward regarding estimated costs and email supporting schedule to D. Ward.
5/20/2016	Bryan Tannenbaum	Telephone call with R. Amos regarding sign back amount and instructions per CBRE and counter-offer and discuss cash flow forecasts.
5/20/2016	Brenda Wong	Discussion with R. Amos and B. Tannenbaum regarding counter-offer; revise counter-offer and send to CBRE; discussion with D. Glick-Stal of CBRE regarding counter-offer.
5/24/2016	Jeffrey Berger	Drafting of bi-weekly status update to Manulife.
5/24/2016	Bryan Tannenbaum	Review status report to Manulife; receipt and review of CBRE email regarding retraction of offer.
5/24/2016	Brenda Wong	Review/respond to email from R. Matheson regarding insurance coverage; review and make changes to draft of bi-weekly status update and send to Manulife; review email from CBRE regarding potential purchaser's response to Receiver's counter-offer; follow-up with D. Ward regarding court application.
5/25/2016	Cindy Baeta	Prepare disbursement cheques.
5/25/2016	Jeffrey Berger	Correspondence with Regional Group, CBRE, City of Ottawa and Bridgeport regarding availability of structural drawings.
5/25/2016	Brenda Wong	Review and respond to email from R. Amos regarding prospective purchaser.
5/27/2016	Brenda Wong	Review draft notice of motion and email to Cassels regarding same; review report for items to be updated.
5/27/2016	Bryan Tannenbaum	Review and sign off report to Court.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, file organization and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	2.90	$ 525	$ 1,522.50
Daniel R. Weisz, CPA, CA, CIRP, LIT	Senior Vice President	1.20	$ 495	594.00
Brenda Wong, CIRP, LIT	Senior Manager	8.80	$ 375	3,300.00
Jeffrey K. Berger, CPA, CA	Senior Analyst	4.50	$ 195	877.50
Cindy Baeta	Estate Administrator	0.75	$ 110	82.50
Total hours and professional fees		**18.15**		$ 6,376.50
HST @ 13%				828.95
Total payable				**$ 7,205.45**

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA$ Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

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www.collinsbarrow.com

To Collins Barrow Toronto Limited
Court-appointed Receiver of 2723 Lancaster Road Inc.
11 King Street West, Suite 700
Toronto, ON M5H 4C7

Date July 12, 2016

Client File 110751-29125
Invoice No. 6
C000305

GST/HST: 80784 1440 RT 0001

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Receiver of 2723 Lancaster Road Inc. (the "**Debtor**") for the period June 1, 2016 to June 30, 2016.

Date	Professional	Description
6/2/2016	Brenda Wong	Respond to email from R. Amos of Manulife regarding status of taxes; follow up with CBRE Limited ("**CBRE**") regarding marketing report; telephone call from D. Ward of Cassels Brock & Blackwell LLP ("**Cassels**") regarding Receiver's report; discussion with B. Tannenbaum and R. Amos regarding Receiver's report and current status and listing price.
6/3/2016	Cindy Baeta	Prepare disbursement cheques.
6/3/2016	Bryan Tannenbaum	Conference call with N. Zentil and D. Glick-Stal of CBRE regarding reduction of listing price to $2.9M.
6/3/2016	Brenda Wong	Review CBRE reporting letter and forward to Manulife; discussion with D. Glick-Stal regarding top prospect and reduction in listing price; review insurance status and emails to HUB International Insurance Brokers ("**HUB**") and Marsh Canada Limited ("**Marsh**") regarding obtaining quote for liability insurance for Receiver; discussion with Marsh regarding extent of protection afforded to Receiver under Bridgeport Realty Management ("**Bridgeport**") policy; review and sign disbursement cheques; telephone call with B. Tannenbaum and CBRE regarding listing price; review and sign MLS listing amendment.
6/6/2016	Brenda Wong	Review/respond to email from D. Ward regarding Receiver's fees; review updated Confidential Information Memorandum.
6/7/2016	Brenda Wong	Review and respond to email from D. Ward regarding Receivers report; prepare bi-weekly update for Manulife.
6/8/2016	Brenda Wong	Emails with D. Ward regarding filing materials in Court; emails from CBRE regarding MLS error in posted listing price; finalize bi-weekly update and send to Manulife; email to HUB to request they add Manulife as Additional Insured to Receiver's liability policy; review and respond to request from CBRE to give prospective purchaser/lessee access to the building to make an auto-cad drawing.
6/8/2016	Bryan Tannenbaum	Review draft status report and comments to B. Wong for approval to send; receipt and review CBRE email regarding lowball offer at $1.8M.

Date	Professional	Description
6/9/2016	Brenda Wong	Telephone call from CBRE regarding potential tenant who wants to make auto-cad drawings; review of conditional offer received; discussion with B. Tannenbaum regarding offer and emails and discussion with CBRE regarding same; email to R. Amos regarding offer.
6/10/2016	Cindy Baeta	Prepare disbursement cheques; prepare bank reconciliation.
6/10/2016	Bryan Tannenbaum	Receipt and review of D. Ward email attaching email from C. Merovitz objecting to new listing price; discussion with B. Wong regarding a memo setting out the marketing chronology of the property, carrying costs, appraisals, etc.; telephone call with R. Amos regarding recent email from C. Merovitz expressing concerns and current offer with low deposit and long closing date, etc.
6/10/2016	Brenda Wong	Review/respond to email from D. Ward regarding debtor's objection to new listing price; email to CBRE to request chronology of marketing done prior to receivership, 2016 property tax bill for posting to data room, and counter-offer will be next week; telephone call with B. Tannenbaum and R. Amos regarding latest offer; discussion with N. Zentil regarding CBRE's prior involvement and research re price psf; update schedule of estimated carrying costs; prepare chronology of marketing and sales activity to date.
6/13/2016	Bryan Tannenbaum	Review B. Wong's summary of marketing efforts; telephone call with D. Ward regarding status and strategy going forward.
6/13/2016	Brenda Wong	Review offer received June 10; emails with R. Amos regarding offers; email to CBRE regarding information requested; update summary of sales activity; review and discussion with D. Glick-Stal regarding comparable buildings sold/listed; telephone call with D. Ward and B. Tannenbaum regarding sales process and responding to C. Merovitz; review and respond to CBRE regarding its recommended response to the two offers received last week.
6/14/2016	Brenda Wong	Review email to P. Shea of Gowling WLG (Canada) LLP ("**Gowlings**") and send additional background information to Gowlings; emails and discussion with CBRE regarding revised offer and value of property.
6/15/2016	Brenda Wong	Review email from CBRE regarding status of prospective purchaser; review revised offer; telephone call with D. Ward, P. Shea and B. Tannenbaum regarding sales status; update estimated realization schedule; emails to R. Amos regarding conference call to discuss strategy and revised offer received and estimated realization.
6/15/2016	Bryan Tannenbaum	Review emails from CBRE on offers and their comments; conference call with D. Ward and P. Shea regarding sale, price, etc.
6/16/2016	Bryan Tannenbaum	Conference call with R. Amos, D. Ward and P. Shea regarding sale of property and valuation/appraisal.
6/16/2016	Brenda Wong	Emails with CBRE regarding revised offer received and status of sale; discussion with B. Tannenbaum regarding changes to form of agreement of purchase and sale ("**APS**") by offeror.
6/17/2016	Brenda Wong	Review emails regarding sale; email to CBRE regarding Receiver's response to offers.
6/20/2016	Brenda Wong	Follow up with CBRE regarding whether party that toured last Friday will submit offer; follow up with Gowlings regarding comments on offeror's changes to APS and review preliminary comments.

Date	Professional	Description
6/21/2016	Brenda Wong	Review comments on APS from Gowlings and discussion with P. Shea regarding same; make changes to APS; email to CBRE regarding Receiver's counter-offer; prepare status update memo for Manulife; email to D. Ward to follow up regarding status of application; emails from CBRE regarding new party to tour the property on June 22; discussion and emails with Altus Group Limited ("**Altus**") regarding preparing a review/comparison of the Altus and Colliers appraisals.
6/22/2016	Brenda Wong	Telephone call from CBRE to update re party who toured today, email to R. Amos regarding same.
6/23/2016	Bryan Tannenbaum	Discussion with B. Wong on acceptance of offer from Lioness Development Inc. ("**Lioness**") and email to L. Abrahmson of Cassels to give a heads up that purchaser's lawyer will call him for clarification on APS, etc.
6/23/2016	Brenda Wong	Arrange for posting of documents to Receiver's webpage; review email from CBRE regarding response to Receiver's counter-offer; review emails with Cassels regarding sale transaction; email to CBRE regarding update to contact person for APS for Receiver.
6/27/2016	Brenda Wong	Emails with CBRE and P. Shea regarding status of Lioness offer; email to R. Amos regarding status.
6/28/2016	Brenda Wong	Update cash flow projection; emails with N. Zentil and P. O'Shea regarding status of Lioness offer; review email from Bridgeport regarding quote for AC repairs and discussion with P. Sirois of Bridgeport regarding same; review email from J. Rick regarding changes to wording, make edits to APS and send to P. Shea for review.
6/29/2016	Cindy Baeta	Prepare disbursement cheques.
6/29/2016	Brenda Wong	Emails and call with P. Shea regarding status of APS and make additional edits to APS; review and sign disbursement cheques; follow up with Cassels regarding status of basket motion.
6/30/2016	Brenda Wong	Emails with CBRE regarding status of offer; review updated APS from purchaser; arrange for signing and send back to purchaser's counsel with wire instructions; email to Manulife regarding status of offer.
6/30/2016	Bryan Tannenbaum	Receipt and review of emails regarding Lioness APS; discuss with B. Wong and execute final copy, etc.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, file organization and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	3.20	$ 525	$ 1,680.00
Brenda Wong, CIRP, LIT	Senior Manager	14.20	$ 375	5,325.00
Cindy Baeta	Estate Administrator	1.50	$ 110	165.00
Total hours and professional fees		**18.90**		$ 7,170.00
HST @ 13%				932.10
Total payable				**$ 8,102.10**

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA$ Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

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Collins Barrow

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To Collins Barrow Toronto Limited
Court-appointed Receiver of 2723 Lancaster Road Inc.
11 King Street West, Suite 700
Toronto, ON M5H 4C7

Date August 15, 2016

Client File 110751-29125
Invoice No. 7
C000318

GST/HST: 80784 1440 RT 0001

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Receiver of 2723 Lancaster Road Inc. (the "**Debtor**") for the period July 1, 2016 to July 31, 2016.

Date	Professional	Description
7/4/2016	Bryan Tannenbaum	Receipt and review of order issued by Ottawa Court approving increase in Receiver's borrowing power.
7/5/2016	Bryan Tannenbaum	Receipt and review of email regarding prospective purchaser wanting to put up for lease signs before closing, discussion with B. Wong on same; review letter to Manulife for funding with B. Wong.
7/5/2016	Brenda Wong	Update cash flow; prepare letter to Manulife to request funding and Receiver Certificate 3; discuss with B. Tannenbaum and respond to emails from CBRE Limited ("**CBRE**") regarding CBRE acting on purchaser's behalf to lease the property; prepare draft of bi-weekly status update to Manulife.
7/6/2016	Brenda Wong	Start writing Receiver's Second Report to the Court; email to P. Shea of Gowling WLG (Canada) LLP ("**Gowlings**") to request a legal opinion of the security held by Manulife; finalize and send bi-weekly status update to Manulife.
7/7/2016	Brenda Wong	Draft Supplemental Report to Receiver's Second Report; follow up with Altus Group regarding status of review of Colliers' appraisal.
7/8/2016	Cindy Baeta	Prepare disbursement cheques; prepare bank reconciliation.
7/8/2016	Brenda Wong	Continue writing Receiver's Supplemental Report and Second Report to Court; review Altus report on Colliers' appraisal and discussion with Altus regarding same; email to R. Amos of Manulife regarding Altus draft review.
7/11/2016	Jeffrey Berger	Review disbursement invoices and prepare cheque requisitions.
7/11/2016	Brenda Wong	Review documents in data room and forward survey to CBRE to add to data room and send to Lioness Development Inc. ("**Lioness**"); prepare draft affidavit of fees; update schedule of estimated realization and send to R. Amos.
7/12/2016	Brenda Wong	Update schedule of estimated realization and send to Manulife; continue drafting Receiver's Second Report and Supplemental Report.
7/12/2016	Bryan Tannenbaum	Review updated schedule of estimated realizations for Manulife.
7/15/2016	Cindy Baeta	Prepare disbursement cheques.

Date	Professional	Description
7/15/2016	Bryan Tannenbaum	Email from P. Shea regarding possible redemption and email to B. Wong regarding same.
7/15/2016	Brenda Wong	Review email from P. Shea and emails with R. Amos regarding redemption value; review Manulife payout letter and calculate redemption value.
7/18/2016	Bryan Tannenbaum	Review and sign cheques; telephone call with P. Shea regarding request for redemption in face of an accepted offer and provide debtor with the amount of indebtedness and property taxes.
7/18/2016	Brenda Wong	Call City of Ottawa to check on status of 2015 property tax vacancy rebate; follow up with Manulife regarding Altus appraisal review and email to Altus to instruct them to finalize their review; call with B. Tannenbaum and P. Shea regarding debtor's request for redemption value; email to P. Shea regarding outstanding balances.
7/19/2016	Brenda Wong	Prepare bi-weekly status update to Manulife; call with B. Tannenbaum and P. Shea regarding update on call with C. Merovitz; emails with CBRE regarding status of due diligence by purchaser.
7/20/2016	Brenda Wong	Respond to email from D. Ward of Cassels Brock & Blackwell LLP ("**Cassels**") regarding legal fees; review and draft response to email from R. Amos and send to P. Shea for his comments on question regarding C. Merovitz.
7/21/2016	Bryan Tannenbaum	Review the draft Second and Supplementary Reports and provide comments to B. Wong.
7/21/2016	Brenda Wong	Send response to R. Amos regarding questions on sale.
7/22/2016	Cindy Baeta	Post disbursements to Ascend and issue cheques.
7/22/2016	Brenda Wong	Review comments on draft report and make changes; follow up with P. Shea regarding completion of legal opinion.
7/22/2016	Bryan Tannenbaum	Review and sign cheques.
7/25/2016	Brenda Wong	Review/respond to emails regarding booking a Court date and expiry date for the conditional period.
7/29/2016	Brenda Wong	Review email from J. Rick, counsel for Lioness requesting an extension to the conditional period; forward to R. Amos and D. Ward and discuss with R. Amos; emails to P. Shea and N. Zentil of CBRE regarding status update.
7/29/2016	Daniel Weisz	Review emails regarding Lioness request for extension and status of transaction.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, file organization and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	1.50	$ 525	$ 787.50
Daniel R. Weisz, CPA, CA, CIRP, LIT	Senior Vice President	0.10	$ 495	49.50
Brenda Wong, CIRP, LIT	Senior Manager	10.80	$ 375	4,050.00
Jeffrey K. Berger, CPA, CA	Senior Analyst	0.60	$ 195	117.00
Cindy Baeta	Estate Administrator	1.10	$ 110	121.00
Total hours and professional fees		**14.10**		$ 5,125.00
HST @ 13%				666.25
Total payable				**$ 5,791.25**

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA$ Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

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Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.

Collins Barrow

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To Collins Barrow Toronto Limited
Court-appointed Receiver of 2723 Lancaster Road Inc.
11 King Street West, Suite 700
Toronto, ON M5H 4C7

Date September 21, 2016

Client File 110751-29125
Invoice No. 8
C000340

GST/HST: 80784 1440 RT 0001

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Receiver of 2723 Lancaster Road Inc. (the "**Debtor**") for the period August 1, 2016 to August 31, 2016.

Date	Professional	Description
8/2/2016	Brenda Wong	Emails with P. Shea of Gowling WLG (Canada) LLP regarding intent of debtor to redeem; telephone call and email from N. Zentil of CBRE Limited ("**CBRE**") re: Lioness Development Inc. ("**Lioness**") offer/request for more time; telephone calls with R. Amos of Manulife and D. Ward of Cassels Brock & Blackwell LLP regarding status of Lioness offer.
8/2/2016	Daniel Weisz	Various discussions with B. Wong on status of transaction.
8/3/2016	Daniel Weisz	Review status of sale of property.
8/3/2016	Brenda Wong	Prepare bi-weekly update email to Manulife; telephone call from N. Zentil regarding status and CBRE to contact Lioness.
8/4/2016	Brenda Wong	Review/respond to email from CBRE regarding Lioness confusion over Court application; telephone call from CBRE regarding Lioness indicating it will waive conditions; review email from J. Rick, counsel for Lioness, and email to R. Amos/D. Ward regarding waiver of conditions; email from P. Shea confirming debtor did not respond regarding redemption.
8/4/2016	Daniel Weisz	Review emails regarding status of transaction.
8/5/2016	Donna Nishimura	Deposit cheque at the bank.
8/5/2016	Brenda Wong	Telephone call from N. Zentil regarding next steps and whether formal written waiver of conditions is required.
8/9/2016	Brenda Wong	Update Receiver's second report and supplemental report.
8/10/2016	Jeffrey Berger	Contact Hydro Ottawa regarding outstanding invoices and set up e-billing account in order to access bills online; review bills and prepare cheque requisition for payment of same.
8/10/2016	Brenda Wong	Follow up with P. Shea regarding Court date for sale application; email to R. Amos regarding funding requested to meet critical carrying costs; update schedule of estimated carrying costs.
8/10/2016	Daniel Weisz	Discussion with B. Wong on funding of receivership.
8/11/2016	Daniel Weisz	Review draft Second Report to the Court and Supplemental Report to Court.

Date	Professional	Description
8/11/2016	Jeffrey Berger	Preparing invoices forwarded by property manager for payment and prepare cheque requisitions.
8/15/2016	Brenda Wong	Review/respond to emails regarding Lioness's request to allow it to put up a For Lease sign; meet with D. Weisz to discuss the draft report; make revisions to the report and send to P. Shea for review; telephone call with N. Zentil regarding leasing activity; email from P. Shea regarding November Court date.
8/15/2016	Daniel Weisz	Meet with B. Wong to discuss report to Court.
8/16/2016	Brenda Wong	Prepare bi-weekly update to Manulife, review cash status and urgent bills to be paid.
8/16/2016	Bryan Tannenbaum	Review bi-weekly report with B. Wong and discuss status, etc., review and sign cheques.
8/16/2016	Daniel Weisz	Review and sign cheques.
8/18/2016	Brenda Wong	Follow up with P. Shea regarding transfer of application to Toronto; email to R. Amos regarding status.
8/19/2016	Cindy Baeta	Post invoices to Ascend; prepare bank reconciliation.
8/22/2016	Brenda Wong	Review quote from Douglas Fire Safety Systems; follow up with P. Shea regarding response from C. Merovitz, counsel for debtor.
8/24/2016	Brenda Wong	Emails with P. Shea regarding response from C. Merovitz and finalizing Receiver's report; email to R. Amos regarding status of sale approval; prepare interim statement of receipts and disbursements; review estimated carrying costs to September 30, 2016.
8/25/2016	Cindy Baeta	Post disbursements to Ascend and issue cheques.
8/25/2016	Brenda Wong	Make revisions to Receiver's second report and confidential report.
8/26/2016	Brenda Wong	Review changes and comments from P. Shea regarding draft report; check references to source and finalize report.
8/29/2016	Brenda Wong	Prepare bi-weekly update email to Manulife; follow up with P. Shea regarding materials to be served on debtor.
8/30/2016	Brenda Wong	Telephone discussion with P. Shea regarding debtor's response to Receiver's application for approval of sale of property.
8/31/2016	Bryan Tannenbaum	Brief telephone call with B. Wong regarding debtor's request for Receiver's undertaking that the Receiver currently has no reason or intent to file a bankruptcy.
8/31/2016	Brenda Wong	Review draft vesting order and email comments to P. Shea; review and respond to email from CBRE regarding status of sale; make changes to bi-weekly status update to Manulife.
8/31/2016	Cindy Baeta	Post disbursements to Ascend and issue cheques.
		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
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	0.40	$ 525	$ 210.00
Daniel R. Weisz, CPA, CA, CIRP, LIT	Senior Vice President	2.20	$ 495	1,089.00
Brenda Wong, CIRP, LIT	Senior Manager	10.80	$ 375	4,050.00
Jeffrey K. Berger, CPA, CA	Senior Analyst	1.10	$ 195	214.50
Cindy Baeta/Donna Nishimura	Estate Administrator	1.00	$ 110	110.00
Total hours and professional fees		**15.50**		$ 5,673.50
HST @ 13%				737.56
Total payable				**$ 6,411.06**

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA$ Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

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To Collins Barrow Toronto Limited
Court-appointed Receiver of 2723 Lancaster Road Inc.
11 King Street West, Suite 700
Toronto, ON M5H 4C7

Date October 17, 2016

Client File 110751-29125
Invoice No. 9
C000358

GST/HST: 80784 1440 RT 0001

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Receiver of 2723 Lancaster Road Inc. (the "**Debtor**") for the period September 1, 2016 to September 30, 2016.

Date	Professional	Description
9/1/2016	Brenda Wong	Finalize and send biweekly update to Manulife; review and file emails; email to J. Rick of LaBarge Weinstein LLP, counsel for Lioness Development Inc., regarding assignment of service contracts; email to Bridgeport Realty Management ("**Bridgeport**") regarding sale approval.
9/1/2016	Jeffrey Berger	Review and prepare summary of service contracts, corresponding with Bridgeport regarding same.
9/1/2016	Brenda Wong	Review schedule of current service contracts and draft email to Bridgeport.
9/6/2016	Brenda Wong	Review email from Bridgeport regarding service contracts; finalize summary and send to J. Rick.
9/7/2016	Brenda Wong	Emails with P. Shea of Gowling WLG (Canada) LLP ("**Gowlings**") regarding date for sale approval motion and service of materials; emails to R. Amos of Manulife regarding hearing date and update on funding; emails to P. Shea and D. Ward of Cassels Brock & Blackwell LLP ("**Cassels**") regarding estimated fees; updating schedule of estimated carrying costs.
9/8/2016	Brenda Wong	Emails with Cassels regarding outstanding and estimated future fees; update cash flow and estimated realization schedules; review disbursements to pay; call from R. Amos regarding refusal of additional funding and revising schedule of estimated realization to reflect no additional advances.
9/9/2016	Cindy Baeta	Post invoices to Ascend and issue cheques.
9/9/2016	Brenda Wong	Contact City of Ottawa regarding status of property tax vacancy rebate and current balance on property tax and water accounts; email to R. Amos regarding property tax rebate; emails with J. Rick regarding contracts; follow up with J. Berger regarding Bell telephone line and email to J. Rick re same.
9/9/2016	Jeffrey Berger	Corresponding with P. Sirrois of Bridgeport regarding the nature of services provided by Bell to the property.
9/12/2016	Brenda Wong	Review motion record and arrange for posting to Receiver's web page; email to P. Shea and J. Freeman of Cassels regarding closing date and items to be addressed at closing; prepare bi-weekly update memo for Manulife.

Date	Professional	Description
9/13/2016	Brenda Wong	Finalize update memo; email to Bridgeport regarding outstanding Altus bill for preparation of property tax rebate application.
9/16/2016	Cindy Baeta	Prepare monthly bank reconciliation.
9/16/2016	Brenda Wong	Emails with P. Shea regarding vesting order issued and confirmation of closing date; email to J. Rick regarding contracts to be retained or cancelled; email to R. Amos regarding sale approval and Manulife to cancel Bridgeport contract.
9/20/2016	Brenda Wong	Follow up regarding closing date; email to Cassels regarding property tax vacancy rebate; email to Bridgeport regarding closing date and contracts to be cancelled; review draft email to Bell Canada.
9/20/2016	Jeffrey Berger	Corresponding with Hydro Ottawa and Bell Canada regarding termination of Receiver's accounts.
9/21/2016	Brenda Wong	Respond to email from R. Amos regarding closing date and distribution to Manulife; email to P. Shea regarding booking a court date; calls from Cassels regarding property taxes and closing deliveries.
9/23/2016	Cindy Baeta	Post disbursements to Ascend and issue cheques.
9/26/2016	Brenda Wong	Review email from J. Rick regarding contracts to be assigned; emails to Bridgeport and Cassels re same; review and finalize letters to vendors notifying of sale and continuation or cancellation of services.
9/26/2016	Jeffrey Berger	Drafting letters to suppliers to notify them of the sale of the property and the resulting termination/assignment of their service contract.
9/27/2016	Brenda Wong	Obtain copy of most recent water bill and send to Cassels; respond to email from Cassels regarding status of payments to vendors that will be continuing with the purchaser.
9/28/2016	Brenda Wong	Review closing documents and email to Cassels regarding correction required.
9/29/2016	Bryan Tannenbaum	Review and discuss closing documents with B. Wong and execute: Acknowledgement and Direction, Vendor's Undertaking/Bill of Sale/ Direction, Assignment and Assumption of Contracts, Statutory Declaration; review of the Statement of Adjustments, and discuss revisions to the Purchasers Undertaking for property tax rebate to better protect Receiver and ensure the Receiver gets the eventual refund from the City; execute Receiver's Certificate.
9/29/2016	Brenda Wong	Email and call with Cassels regarding revisions to undertaking re property tax rebate and closing documents to be executed; prepare bi-weekly update to Manulife; call from Cassels regarding property tax rebate application for 2016 and sales proceeds to be held in trust; email to J. Freeman regarding transfer of sales proceeds to Receiver.
9/30/2016	Cindy Baeta	Post disbursements to Ascend and issue cheques.
9/30/2016	Bryan Tannenbaum	Approve and sign cheques; review report to R. Amos regarding closing confirmed, etc.

Date	Professional	Description
9/30/2016	Brenda Wong	Review/respond to emails from D. Ward regarding cancellation of Bridgeport property management contract; emails with C. Brewster of Cassels regarding Receiver's Certificate and other closing matters; sending wire transfer instructions to Cassels; emails with Manulife and CBRE regarding closing; email to Bridgeport regarding cancellation of property insurance and partial refund of premium to Receiver; finalize bi-weekly status update to Manulife.
		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
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	0.70	$ 525	$ 367.50
Brenda Wong, CIRP, LIT	Senior Manager	10.10	$ 375	3,787.50
Jeffrey K. Berger, CPA, CA	Senior Analyst	3.20	$ 195	624.00
Cindy Baeta	Estate Administrator	1.00	$ 110	110.00
Total hours and professional fees		**15.00**		$ 4,889.00
HST @ 13%				635.57
Total payable				**$ 5,524.57**

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA$ Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

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To Collins Barrow Toronto Limited
Court-appointed Receiver of 2723 Lancaster Road Inc.
11 King Street West, Suite 700
Toronto, ON M5H 4C7

Date November 3, 2016

Client File 110751-29125
Invoice No. 10
C000370

GST/HST: 80784 1440 RT 0001

For professional services rendered with respect to the appointment of Collins Barrow Toronto Limited as Court-appointed Receiver of 2723 Lancaster Road Inc. (the "**Debtor**") for the period October 1, 2016 to October 31, 2016.

Date	Professional	Description
10/3/2016	Brenda Wong	Call to City of Ottawa regarding property tax vacancy rebate and transfer of credit balance on water account to property tax account; emails with Ottawa vacancy rebate department to inquire as to filing of the 2016 application; review and respond to emails with Marsh regarding insurance refund; email to Manulife regarding per diem rate for protective advance.
10/4/2016	Brenda Wong	Prepare letter of instruction to BMO regarding wire transfer of funds to Manulife.
10/5/2016	Brenda Wong	Fax letter to BMO regarding wire transfer instructions; prepare transmittal letter to City of Ottawa; discussion with P. Shea of Gowling WLG (Canada) LLP ("**Gowlings**") regarding preparation of final report for court.
10/7/2016	Cindy Baeta	Post invoices to Ascend and issue cheques.
10/11/2016	Brenda Wong	Email from Bridgeport Realty Management ("**Bridgeport**") regarding call from GMS and email to Urbandale regarding same; prepare biweekly update for Manulife; update cash flow for expenses paid and outstanding; emails to Bell and Bridgeport regarding outstanding invoices.
10/12/2016	Brenda Wong	Emails with BMO regarding investing funds in short term investment and prepare letter regarding same; continue working on Receiver's draft report.
10/14/2016	Cindy Baeta	Post invoices to Ascend and issue cheques; prepare monthly bank reconciliation.
10/17/2016	Brenda Wong	Review HST filing status and file return for 2016 Q3.
10/19/2016	Brenda Wong	Email to Cassels Brock & Blackwell LLP ("**Cassels**") to request account for legal fees associated with the sale transaction and review invoice; email to Altus Group to request invoice to be re-issued to Receiver for fees charged in respect of the 2015 property tax rebate application.
10/21/2016	Cindy Baeta	Post invoices to Ascend and issue cheques.
10/21/2016	Brenda Wong	Review comments from P. Shea on Receiver's draft report; review revised invoice from Altus Group; review and sign disbursement cheques.

Date	Professional	Description
10/24/2016	Jeffrey Berger	Reviewing the Hydro Ottawa account and corresponding with Hydro Ottawa regarding the credit on the account to be refunded to the Receiver.
10/25/2016	Brenda Wong	Make revisions to the Receiver's draft report.
10/26/2016	Brenda Wong	Review status of cash and disbursements and update cash flow projection; prepare weekly update to Manulife.
10/27/2016	Brenda Wong	Prepare draft of 2016 property tax rebate application and supporting affidavit, review for information to be obtained from new owner; update Receiver's affidavit of fees for final report.
10/28/2016	Brenda Wong	Prepare statement of receipts and disbursements for Receiver's final report; update affidavit of fees.
		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
Brenda Wong, CIRP, LIT	Senior Manager	9.00	$ 375	$ 3,375.00
Jeffrey K. Berger, CPA, CA	Senior Analyst	0.40	$ 195	78.00
Cindy Baeta	Estate Administrator	0.80	$ 110	88.00
Total hours and professional fees		**10.20**		$ 3,541.00
HST @ 13%				460.33
Total payable				**$ 4,001.33**

PAYMENT BY VISA ACCEPTED

VISA NUMBER _____ Expiry Date _____

Name on Card _____ Amount _____

WIRE PAYMENT DETAILS

For CA$ Payments: For credit to the account of Collins Barrow Toronto Limited, Account No. 65-84918, Canadian Imperial Bank of Commerce Branch No. 00002, Commerce Court Banking Centre, Toronto, ON M5L 1G9

PLEASE RETURN ONE COPY WITH REMITTANCE

Terms: Payment upon receipt. Interest will be charged at the rate of 12% per annum (1% per month) on overdue accounts.

COLLINS BARROW

APPENDIX M

Court File No. 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N :

THE MANUFACTURERS LIFE INSURANCE COMPANY

Applicant

– and –

2723 LANCASTER ROAD INC.

Respondent

AFFIDAVIT OF EVAN STITT
(sworn November 7, 2016)

I, EVAN STITT, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am an Associate at the law firm of Gowling WLG (Canada) LLP ("**Gowling WLG**"), formerly Gowling Lafleur Henderson LLP. Gowling WLG is counsel to Collins Barrow Toronto Limited, (the "**Receiver**") without security, of all of the undertaking, properties and assets, of 2723 Lancaster Road Inc. (the "**Debtor**") and as such have personal knowledge of the matters herein deposed.

2. My knowledge as set forth in this affidavit comes from my review of our accounts and from information provided to me by E. Patrick Shea, the partner at Gowling WLG responsible for the representation of the Receiver.

3. Gowling WLG has rendered a single account to the Receiver dated 7 November 2016. A copy of that account is attached as **Exhibit "A"**.

4. Gowling WLG's professional fees for this engagement totalled $30,000 plus HST and Gowling WLG incurred disbursements totalling $292.13 plus HST for a total of $34,210.92.

5. Gowling WLG professional fees were calculated based on the standard hourly rates of the professionals that incurred time in connection with the receivership.

6. I am swearing this Affidavit in support of a Motion seeking, *inter alia*, approval for the Receiver's professional fees and disbursements, which disbursements include the professional fees and disbursements of Gowling WLG.

SWORN before me at the City of Toronto, in the Province of Ontario, this 7th day of November, 2016.	)	
A Commissioner for Taking Affidavits, etc.	)	**EVAN STITT**

P SHEA

THIS IS EXHIBIT "A" TO THE AFFIDAVIT OF EVAN STITT, SWORN BEFORE ME ON NOVEMBER 7TH, 2016

_____

A COMMISSIONER FOR TAKING OATHS

GOWLING WLG

Invoice

Collins Barrow
ATTN: Bryan A. Tannenbaum
11 King Street West #700
Toronto ON M5H 4C7

November 7, 2016
INVOICE: 18555908

Our Matter: T1008969 / 117760
RE: 2723 Lancaster Rd (Ottawa)

		HST (13.0%)
Fees for Professional Services	$30,224.00	
Adjustment	(224.00)	
Total Fees	**30,000.00**	3,900.00
Disbursements (Taxable)	144.53	
Disbursements (Non-Taxable)	147.60	
Total Disbursements	**292.13**	18.79
Total Fees and Disbursements	30,292.13	
Total Taxes	3,918.79	3,918.79
Total Invoice	**34,210.92**	
Please remit balance due: In Canadian Dollars	**$34,210.92**	

P. Shea Signed for & on behalf of Gowling WLG (Canada) LLP

Our services are provided in accordance with our Standard Terms of Business (www.gowlingwlg.com/TermsofBusiness), subject to any other written engagement agreement entered into between the parties.

GOWLING WLG (CANADA) LLP
1 First Canadian Place, 100 King Street West,
Suite 1600, Toronto, Ontario, M5X 1G5, Canada

T +1 (416) 862 7525
gowlingwlg.com

GST/HST: 11936 4511 RT

November 7, 2016
INVOICE: 18555908

Collins Barrow
Our Matter: T1008969
2723 Lancaster Rd (Ottawa)

PROFESSIONAL SERVICES

14/06/2016	Communications with client; receive and review documents			
	Patrick Shea	0.80	650.00/hr	520.00
15/06/2016	Communications re engagement; communications with counsel for secured creditor			
	Patrick Shea	0.60	650.00/hr	390.00
16/06/2016	Prepare for and participate in conference call; follow-up following call; engaged re review of asset purchase agreement and consideration of strategy re sale of building over objection of debtor			
	Patrick Shea	1.50	650.00/hr	975.00
17/06/2016	Communications with counsel for secured creditor			
	Patrick Shea	0.20	650.00/hr	130.00
20/06/2016	Office conference with S Willard re Asset Purchase Agreement; communications with client re agreement			
	Patrick Shea	1.10	650.00/hr	715.00
20/06/2016	Reviewing and commenting on Collins Barrow agreement.			
	Steven R Willard	1.50	695.00/hr	1,042.50
21/06/2016	Communications with client; review amended agreement; communications with counsel for debtor			
	Patrick Shea	1.50	650.00/hr	975.00
23/06/2016	Communications with counsel for debtor; communications with client; communications with counsel for secured creditor re agreement; engaged re negotiation of agreement of purchase and sale			
	Patrick Shea	1.20	650.00/hr	780.00
24/06/2016	Telephone call with counsel to purchaser; review agreement			
	Patrick Shea	1.10	650.00/hr	715.00
27/06/2016	Communications with client			
	Patrick Shea	0.10	650.00/hr	65.00
28/06/2016	Engaged re amendments to Asset Purchase Agreement			
	Patrick Shea	0.70	650.00/hr	455.00
29/06/2016	Communications re asset purchase agreement			
	Patrick Shea	0.40	650.00/hr	260.00
30/06/2016	Communications re signed Asset Purchase Agreement			
	Patrick Shea	0.70	650.00/hr	455.00
04/07/2016	Receive and review order increasing borrowing base; communications from purchaser re deposit			
	Patrick Shea	0.10	650.00/hr	65.00

08/07/2016	Review of charge and real property registration			
	Patrick Shea	1.50	650.00/hr	975.00
14/07/2016	Communications re request by debtor to redeem; review case law re right of redemption			
	Patrick Shea	0.50	650.00/hr	325.00
15/07/2016	Communications with counsel to debtor re redemption			
	Patrick Shea	0.60	650.00/hr	390.00
18/07/2016	Prepare for and participate in conference call re redemption			
	Patrick Shea	0.40	650.00/hr	260.00
19/07/2016	Communications with debtor counsel; communications with secured creditor counsel; communications with client			
	Patrick Shea	0.80	650.00/hr	520.00
21/07/2016	Communications with client and respond to questions from secured creditor			
	Patrick Shea	0.20	650.00/hr	130.00
22/07/2016	Communications with client			
	Patrick Shea	0.10	650.00/hr	65.00
25/07/2016	Communications re sale transaction and Court approval			
	Patrick Shea	0.40	650.00/hr	260.00
29/07/2016	Engaged re request by purchaser to extend closing; communications with debtor re redemption			
	Patrick Shea	0.60	650.00/hr	390.00
01/08/2016	Communications with counsel to debtor re redemption			
	Patrick Shea	0.20	650.00/hr	130.00
02/08/2016	Communications with client; communications with debtor's counsel; communications with potential purchaser's counsel			
	Patrick Shea	0.30	650.00/hr	195.00
03/08/2016	Telephone conference with D Ward			
	Patrick Shea	0.10	650.00/hr	65.00
04/08/2016	Communications re sale approval			
	Patrick Shea	0.30	650.00/hr	195.00
10/08/2016	Engaged re scheduling of Motion to approve sale transaction; communications with client and counsel to secured creditor			
	Patrick Shea	0.50	650.00/hr	325.00
11/08/2016	Engaged re application to approve sale			
	Patrick Shea	0.20	650.00/hr	130.00
15/08/2016	Engaged re scheduling with Ottawa court; communications with counsel to purchaser and client			
	Patrick Shea	0.40	650.00/hr	260.00
16/08/2016	Communications from client			

	Patrick Shea	0.10	650.00/hr	65.00
18/08/2016	Engaged with counsel to debtor re requests for information re purchase price and details of sale of property			
	Patrick Shea	0.40	650.00/hr	260.00
24/08/2016	Communications with counsel to debtor re consent to sale			
	Patrick Shea	0.30	650.00/hr	195.00
25/08/2016	Engaged in sub search of title;			
	Lina Santos	0.60	300.00/hr	180.00
25/08/2016	Instructions to clerk and review search results; consider issues re scheduling; draft letter to Court re scheduling; prepare motion record; engaged re report re sale			
	Patrick Shea	1.50	650.00/hr	975.00
26/08/2016	Review reports re sale of building; prepare motion record			
	Patrick Shea	2.10	650.00/hr	1,365.00
29/08/2016	Engaged re sale approval; lengthy conversation with counsel to debtor re consent; communications with client; communications with counsel to debtor			
	Patrick Shea	1.70	650.00/hr	1,105.00
30/08/2016	Discussion with counsel to Purchaser; communications with client			
	Patrick Shea	0.90	650.00/hr	585.00
31/08/2016	Prepare Approval and Vesting Order; communications with client and counsel for Purchaser			
	Patrick Shea	2.10	650.00/hr	1,365.00
01/09/2016	Engaged re sale of property; communications re approval and vesting order, and amendments to same			
	Patrick Shea	0.60	650.00/hr	390.00
05/09/2016	Engaged re approval of sale transaction; internal communications and review of materials and order			
	Patrick Shea	2.00	650.00/hr	1,300.00
06/09/2016	Communications with client			
	Patrick Shea	0.10	650.00/hr	65.00
07/09/2016	Engaged re sale transaction			
	Patrick Shea	0.80	650.00/hr	520.00
08/09/2016	Internal communications re Motion materials and Motion to approve sale transaction			
	Patrick Shea	0.40	650.00/hr	260.00
09/09/2016	Finalize Motion Record; finalize orders; communications with client; communications with purchaser and other stakeholders			
	Patrick Shea	1.20	650.00/hr	780.00
12/09/2016	Finalize order; internal communications re Motion			
	Patrick Shea	0.30	650.00/hr	195.00
12/09/2016	E-mail and teleconference with counsel to debtor			
	Patrick Shea	0.80	650.00/hr	520.00

13/09/2016	Review of Motion Record and Second Report to the Court; review of Confidential Supplement to the Second Report; emails to and from Patrick Shea regarding same.			
	Gordon Douglas	1.60	415.00/hr	664.00
13/09/2016	Engaged re Motion to approve sale transaction; communications with G Douglas			
	Patrick Shea	0.50	650.00/hr	325.00
15/09/2016	Receiving instructions from G. Douglas;			
	Sarah Alasaly	0.10	145.00/hr	14.50
15/09/2016	Revisions to draft Orders in advance of motion hearing.			
	Gordon Douglas	0.50	415.00/hr	207.50
16/09/2016	Filing express motion at courthouse; attending express motion with G. Douglas;			
	Sarah Alasaly	3.00	145.00/hr	435.00
16/09/2016	Attendance at the motion hearing at the Ottawa Courthouse; attendance at the Civil Counter to have Orders issued and Entered; email and telephone call to Patrick Shea regarding outcome of motion hearing.			
	Gordon Douglas	1.70	415.00/hr	705.50
16/09/2016	Engaged re matters relating to sale of property; e-mail exchanges with G Douglas; e-mail exchanges with client; e-mail to purchaser counsel			
	Patrick Shea	0.50	650.00/hr	325.00
19/09/2016	Communications with client re closing; follow-up with other counsel re closing			
	Patrick Shea	0.30	650.00/hr	195.00
20/09/2016	Engaged re closing of transaction			
	Patrick Shea	0.30	650.00/hr	195.00
21/09/2016	Communications re closing sale transaction			
	Patrick Shea	0.10	650.00/hr	65.00
27/09/2016	Communications re sale transaction			
	Patrick Shea	0.50	650.00/hr	325.00
28/09/2016	Communications re closing of sale transaction			
	Patrick Shea	0.20	650.00/hr	130.00
29/09/2016	Engaged re closing of transaction			
	Patrick Shea	0.20	650.00/hr	130.00
30/09/2016	Communications re closing of sale transaction			
	Patrick Shea	0.20	650.00/hr	130.00
03/10/2016	Receive and review payour statement from client; preparation or discharge and final distribution			
	Patrick Shea	0.40	650.00/hr	260.00
05/10/2016	Communications re final discharge and distribution			
	Patrick Shea	0.20	650.00/hr	130.00
11/10/2016	Report from client to secured creditor			

	Patrick Shea	0.10	650.00/hr	65.00
12/10/2016	Communications re closing certificate; communications with client			
	Patrick Shea	0.20	650.00/hr	130.00
13/10/2016	Consider report and ability to bring motion on short list; review information re creditors and claims process; review law re discharge of receivers; review procedure in Ottawa court re motions			
	Patrick Shea	2.00	650.00/hr	1,300.00
15/10/2016	Review and consider report re discharge and final distribution			
	Patrick Shea	0.80	650.00/hr	520.00
18/10/2016	Communications with client re discharge;			
	Patrick Shea	0.10	650.00/hr	65.00
20/10/2016	Review file and consider discharge process; review final report prepare by receiver in support of discharge			
	Patrick Shea	1.10	650.00/hr	715.00
25/10/2016	Review revised final report in support of discharge and final distribution			
	Patrick Shea	0.60	650.00/hr	390.00
26/10/2016	Review report from client to secured lender			
	Patrick Shea	0.10	650.00/hr	65.00
28/10/2016	Review final report for discharge purposes and provide comments to client			
	Patrick Shea	0.50	650.00/hr	325.00
01/11/2016	Engaged re discharge motion; communications with client			
	Patrick Shea	0.10	650.00/hr	65.00
03/11/2016	Communications with client			
	Patrick Shea	0.10	650.00/hr	65.00

Fees for Professional Services	$30,224.00
Adjustment	$(224.00)
Total Fees for Professional Services	$30,000.00

DISBURSEMENTS

Taxable Costs

Copying	$35.75
Scanning Service	$39.75
Binding	$20.85
Corporate Searches - Taxable	$15.00
Courier	$8.03
TeraView (Ontario) Online Searches & Registration - Taxable	$25.15
Total Taxable Disbursements	$144.53

GOWLING WLG

November 7, 2016
INVOICE: 18555908

Non-Taxable Costs

Corporate Searches - Agency		$8.00
TeraView (Ontario) Online Searches & Registration - Agency		$12.60
13/09/2016	Minister of Finance - Agency VENDOR: The Minister of Finance; INVOICE#: 09132016; DATE: 09/13/2016 - File Motion Record	$127.00
	Total Non-Taxable Disbursements	$147.60

Terms: due upon receipt
Interest at the rate of 0.8% per annum will be charged on all amounts not paid within one month from the date of this invoice
Errors and omissions excluded

GOWLING WLG

November 7, 2016
INVOICE: 18555908

Remittance Copy

Client:	117760 Collins Barrow
Matter:	T1008969
RE:	2723 Lancaster Rd (Ottawa)
Amount Due:	$34,210.92

PAYMENT BY CHEQUE:

Please return this page with your payment payable to Gowling WLG (Canada) LLP

Remit to:
Gowling WLG (Canada) LLP
PO Box 466, STN D
Ottawa, ON K1P 1C3
Canada

PAYMENT BY WIRE TRANSFER:

Pay by Swift MT 103 Direct to:

SWIFTCODE:	CIBCCATT
BENEFICIARY BANK:	Canadian Imperial Bank of Commerce 119 Sparks Street, Ottawa, ON K1P 5B5
TRANSIT NUMBER:	0010-00006
BENEFICIARY ACCOUNT NAME:	Gowling WLG (Canada) LLP 160 Elgin Street, Suite 2600, Ottawa ,ON K1P 1C3
BENEFICIARY ACCOUNT NUMBER(S):	CDN Account: 41-02916 USD Account: 02-21015

US Corresponding Bank for US Dollar wires:
Wells Fargo Bank, N.A. BIC: PNBPUS3NNYC - ABA:026005092

* if paying by wire or EFT please e-mail the remittance details to **payments.ca@gowlingwlg.com**

Terms: due upon receipt
Interest at the rate of 0.8% per annum will be charged on all amounts not paid within one month from the date of this invoice
Errors and omissions excluded

Court File No.: 15-66931

B E T W E E N:

THE MANUFACTURERS LIFE INSURANCE COMPANY - **and** - **2723 LANCASTER ROAD INC.**

Applicant Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

(PROCEEDING COMMENCED AT OTTAWA)

FEE AFFIDAVIT OF EVAN STITT

GOWLING WLG (CANADA) LLP
Barristers and Solicitors
1 First Canadian Place
100 King Street West, Suite 1600
Toronto, ON M5X 1G5

E. Patrick Shea (LSUC No. 39655K)
Tel: (416) 369-7399
Fax: (416) 862-7661

Solicitors for Collins Barrow Toronto Limited

APPENDIX N

Court File No. 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE

B E T W E E N:

THE MANUFACTURERS LIFE INSURANCE COMPANY

Applicant

- and -

2723 LANCASTER ROAD INC.

Respondent

AFFIDAVIT OF FEES OF
DAVID S. WARD
(sworn November 2, 2016)

I, David S. Ward, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a partner with Cassels Brock & Blackwell LLP ("**Cassels**"), real estate counsel for Collins Barrow Toronto Limited, in its capacity as the court-appointed receiver (the "**Receiver**") of 2723 Lancaster Road Inc. As such, I have knowledge of the matters to which I depose except where stated to be on information and belief, and where so stated, I verily believe it to be true.

2. Between August 3, 2016 and October 13, 2016, Cassels charged fees and disbursements in the aggregate amount of $14,926.52 plus applicable Harmonized Sales Tax. The fees and disbursements were incurred in relation to the closing of the

receivership sale of the respondent's real property. Attached as **Exhibit "A"** is a true copy of this invoice.

3. Attached hereto and marked as **Exhibit "B"** is a summary of the lawyers whose services are reflected on that invoice, including, year of call, hourly rate, and a summary of the total fees and hours billed.

4. Further, attached as **Exhibit "C"** is a summary of the invoice together with a calculation of the average hourly billing rates for the lawyers whose services are reflected thereon. The average hourly billed rate for this period of the engagement is $452.07.

5. To the best of my knowledge, the rates charged by Cassels are comparable to the rates charged for the provision of similar services by other legal firms in the Toronto market.

6. This affidavit is made in support of a motion to, among other things, seek approval of the foregoing fees and disbursements as fair and reasonable.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario, on the 2nd day of November, 2016.

Commissioner for Taking Affidavits

David S. Ward

This is **Exhibit "A"** referred to in the affidavit of David S. Ward sworn before me in the City of Toronto, in the Province of Ontario, this 2nd day of November, 2016.

.....
A Commissioner For Taking Affidavits

CASSELS BROCK
LAWYERS

Collins Barrow Toronto Limited
11 King Street West
Suite 700, Box 27
Toronto, ON M5H 3C7

Date: October 14, 2016
File No. 25788-0376
Invoice No.: 199800

GST# R121379572

Attention: Brenda Wong, CIRP, LIT, Senior Manager

Re: Sale of 2723 Lancaster Road, Ottawa, Ontario

FOR OUR SERVICES RENDERED with respect to the above-noted matter, including the following specific matters:

Date	Timekeeper Name	Narrative	Worked Hours
08/03/16	JONATHAN FREEMAN	Review bi-weekly update e-mail from Collins Barrow.	0.10
08/04/16	JONATHAN FREEMAN	Review e-mail correspondence re: condition waiver.	0.10
08/15/16	JONATHAN FREEMAN	Review e-mail correspondence re: for lease signage.	0.10
08/31/16	JONATHAN FREEMAN	Review and respond to e-mail correspondence; review draft vesting order.	0.30
09/01/16	LANNING J. ABRAMSON	Review of draft order and consider re the real estate sale; review of abstract and title to confirm information in the draft order;	0.40
09/01/16	LANNING J. ABRAMSON	Communication with David Ward and Jonathan Freeman re four suggested changes to the draft order	0.30
09/01/16	JONATHAN FREEMAN	Review and respond to e-mail correspondence; review vesting order; comment on vesting order; review title matters; call with L. Abramson re: comments on vesting	1.30

Accounts are due when rendered. Pursuant to the Solicitors Act, interest will be charged on any unpaid balance of this account from one month after the date rendered, at the rate of 0.50% per annum until paid.

CASSELS BROCK
LAWYERS

Date	Timekeeper Name	Narrative	Worked Hours
		order.	
09/07/16	JONATHAN FREEMAN	Review and respond to e-mail correspondence re: sale of property;	0.20
09/10/16	JONATHAN FREEMAN	Review amended vesting order; draft e-mail correspondence to C. Brewster re: closing matters.	0.30
09/12/16	JONATHAN FREEMAN	Review and respond to e-mail correspondence from B. Wong; meeting with C. Brewster re: additional comments on vesting order.	0.20
09/12/16	COLLEEN BREWSTER	Review Order vesting property-make comments -discuss with J Freeman; email to D Ward	0.70
09/16/16	COLLEEN BREWSTER	Receive and review communications; receive and review Vesting Order; discuss with J Freeman	0.70
09/20/16	COLLEEN BREWSTER	Emails with D Ward; emails and telephone conversation with Gowlings re order; emails with John Rick re closing; emails with B Wong-Collins Barrow re taxes and closing	0.70
09/21/16	COLLEEN BREWSTER	Review APS; 2 x telephone conversation with Collins Barrow-Brenda Wong; draft documents; statement of adjustments	2.50
09/22/16	COLLEEN BREWSTER	Draft closing documents; draft statement of adjustments; emails with Collins Barrow; telephone conversation x2 with City Ottawa tax department re realty taxes; emails with Purchaser's solicitor.	2.10
09/23/16	COLLEEN BREWSTER	Draft documents; email to purchaser's solicitor-correspondence and fax to City of Ottawa	1.00
09/26/16	COLLEEN BREWSTER	Amend documents; receive and	3.00

CASSELS BROCK
LAWYERS

Date	Timekeeper Name	Narrative	Worked Hours
		review contracts; amend SofA; draft assignment of contracts; discuss with J Freeman; send file documents to J Freeman for review; request updated tax and utility info from City Ottawa	
09/27/16	COLLEEN BREWSTER	Draft correspondence, revise draft documents; emails to client; meet with J Freeman; emails to Gowlings; scan and send documents; follow up with City of Ottawa re adjustments	2.20
09/27/16	JONATHAN FREEMAN	Review purchase agreement; review and comment on draft closing documents; meetings with C. Brewster re: vesting order and receiver's certificate and draft closing documents.	1.80
09/28/16	JONATHAN FREEMAN	Meetings with C. Brewster; review and respond to e-mail correspondence from P. Shea; call to P. Shea re: court order; review and comment on draft closing documents; attend to closing matters.	0.90
09/28/16	COLLEEN BREWSTER	Complete Statement of Adjustments; revise documents; draft additional documents; discussions with J Freeman; emails with client, Purchaser's solicitor, Gowlings	2.10
09/29/16	JONATHAN FREEMAN	Draft receiver's certificate; calls with J. Rick and B. Wong; calls with D. Ward re: closing mechanics; review and respond to e-mail correspondence; meetings with C. Brewster; review and comment on revised undertaking re: taxes.	1.80
09/29/16	COLLEEN BREWSTER	Prepare documents and file for	3.00

CASSELS BROCK
LAWYERS

Date	Timekeeper Name	Narrative	Worked Hours
		closing; discussions with client; discussions with J Freeman; draft correspondence; prepare closing package; email and deliver to Purchaser's solicitor	
09/30/16	JONATHAN FREEMAN	Review and respond to e-mail correspondence; attend to closing matters.	1.20
09/30/16	COLLEEN BREWSTER	Receive and review closing document; numerous telephone conversation with John Rick; numerous emails with J Rick; meet with J Freeman; emails and telephone conversation with Collins Barrow; receive funds; draft and process wire to Collins Barrow; report to J Freeman, Collins Barrow,; deliver Receiver's certificate to D Ward.	3.40
10/13/16	COLLEEN BREWSTER	All matters with respect to the preparation of the final reporting letter and organizing and arranging enclosures therewith;	2.0

Timekeeper Summary

Timekeeper Name	Hourly Rate	Hours Docketed	Docketed Time Value
Lanning J. Abramson	$800.00	0.7	$ 560.00
Jonathan Freeman	$640.00	8.3	5,312.00
Colleen Brewster (Law Clerk)	$375.00	23.4	8,775.00

OUR FEE:	$14,647.00
HST ON FEES:	1,904.11

CASSELS BROCK
LAWYERS

DISBURSEMENTS:

Paid photocopies	$ 41.75	
Paid delivery	28.76	
Paid binding, tabs, disks, etc.	2.91	
Paid clearances	68.00	
Paid title search	49.10	
Non-taxable Disbursements:		
Paid tax certificate	68.00	
Paid title search	21.00	
TOTAL DISBURSEMENTS:		279.52
HST on taxable disbursements:		24.77
TOTAL FEES, DISBURSEMENTS AND HST:		**$16,855.40**

THIS IS OUR ACCOUNT HEREIN
CASSELS BROCK & BLACKWELL LLP

Lanning J. Abramson
LJA/sjm
E.&O.E
Services provided through a Professional Corporation

EXHIBIT "A"

True Copy of Invoice issued by Cassels to Receiver.

See attached.

This is **Exhibit "B"** referred to in the affidavit of David S. Ward sworn before me in the City of Toronto, in the Province of Ontario, this 2nd day of November, 2016.

.....

A Commissioner For Taking Affidavits

EXHIBIT "B"

Summary of Lawyers Services per Invoice Issued

Invoice No. 199800 (for the period from August 3, 2016 – October 13, 2016)

Year of Call	Lawyer	Billed Rate ($)	Fees Billed ($)	Hours Worked
1977	Lanning Abramson	800.00	560.00	0.7
2005	Jonathan Freeman	640.00	5,312.00	8.3
Clerk	Colleen Brewster	375.00	8,775.00	23.4
Actual fees incurred			$14,647.00	
Total Fees Billed			**$14,647.00**	**32.4**

This is **Exhibit "C"** referred to in the affidavit of David S. Ward sworn before me in the City of Toronto, in the Province of Ontario, this 2nd day of November, 2016.

Benjamin Goodis

.....

A Commissioner For Taking Affidavits

Exhibit "C"

Calculation of Average Hourly Billing Rates of Cassels Brock & Blackwell LLP for the period August 3, 2016 – October 13, 2016

Invoice No./ Period	Fees ($)	Disbursements ($)	HST ($)	Total Fees, Disbursements and HST ($)	Hours Billed	Average Billed Rate ($)
Inv. # 199800 (August 3, 2016 – October 13, 2016)	14,647.00	279.52	1,928.88	16,855.40	32.4	452.07
TOTAL	**$14,647.00**	**$279.52**	**$1,928.88**	**$16,855.40**	**32.4**	**$452.07**

THE MANUFACTURERS LIFE INSURANCE COMPANY **and** 2723 LANCASTER ROAD INC.

Applicant Respondent

Court File No. 15-66931

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
OTTAWA

AFFIDAVIT OF FEES

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Barristers & Solicitors
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