

Court File No. CV-25-00740765-00CL

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

BETWEEN:

UBC SOLUTIONS INCORPORATED

Applicant

- and -

**1680 BRIMLEY LIMITED PARTNERSHIP, 2808908 ONTARIO INC. and BRIMLEY
PROGRESS DEVELOPMENTS INC.**

Respondents

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

RESPONDENTS' RECORD

Dated: May 29, 2025

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AFFIDAVIT OF HANS JAIN

(Sworn on May 29th, 2025)

I, **Hans Jain**, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND
SAY/AFFIRM:**

1. I am an Officer and Director of the respondent 2808908 ONTARIO INC. and BRIMLEY PROGRESS DEVELOPMENTS INC., and I am the General Partner of 1680 BRIMLEY LIMITED PARTNERSHIP the respondents are collectively referred to herein as the Owners.
2. 1680 Brimley Limited Partnership is the limited partner of 2808908 Ontario Inc. (the general partner) and are the beneficial owners of the Property municipally known as 1680 Brimley Road, Scarborough, Ontario. Brimley Progress Developments Inc. is the registered owner

of the Property but holds it for the benefit of the LP/GP. All of the units in the LP are owned by my family members or me/my corporations.

3. I have been involved in the development and construction of residential and commercial properties for over 30 years. The businesses I operate focus on the development of residential real estate including both condominium and purpose-built rentals. I have been directly involved with an experienced team in all stages of the development life cycle: from land acquisition and assembly, planning and approvals (COA, OMB/LPAT), financing, design, engineering and construction management, sales and marketing, to occupancy and long-term leasing and property management.
4. I graduated from the University of Toronto with an Honours B.Sc. in Quantitative Methods in Economics, and I pursued Graduate Studies in Economics at the University of Toronto. Since that time, I have been involved in the acquisition, development, or construction of various projects in the GTA and in southern/central Ontario (Toronto, Barrie, Peterborough, Oshawa, St. Catharines among other locations).
5. Through various companies¹, I have led the regeneration of Toronto's burgeoning Leslieville neighbourhood with the successful launches of i-Zone and the Garment Factory Lofts retrofit condominium projects; and completing Parkwood Residences, the first condominium project that downtown Oshawa had seen in nearly 20 years – all developments that saw existing buildings being converted into residential spaces. Recently I have completed new construction from the ground up on a 239-unit modern purpose built

¹ Since 2007 I have been the President of Atria Development <https://atriadevelopment.ca/about-us/people/> a development company that has overseen and oversees many construction projects.

rental and the second phase consisting of 370 units mid luxury purpose built rental at 80 and 100 Bond Street in Oshawa. In Peterborough, we retrofitted extensively the historic YMCA built in 1895 and converted it to 136 loft style apartments. Under our leadership we have purchased, entitled, and managed multiple properties. Through Atria Development our projects benefit from our vertical integration. Projects under Atria's leadership and management have closed almost \$300,000,000 in insured loans with CMHC on rental projects situated in Ontario (other than this Project).

6. As set out below, the Brimley Project has a real chance of success if we are given an opportunity to finalize the financing with the Canadian Mortgage Housing Corporation ("**CMHC**") which is, as detailed below imminent and will k=likely close in the next 60 days* or less. The land value is driven by the buildings that will be built on it and leased out to the residential market.
7. The respondent Owners seek time to close the CMHC process out and pay out UBC what it is lawfully owed on the mortgage and will pursue any claims against UBC or the related parties otherwise independent of same, as we do not want the construction of the Brimley Project to be impaired or delayed by such proceedings. The delay's by UBC and the claims that will be addressed in time have damaged the Brimley Project, but the path forward is to build it out and mitigate those losses to the extent possible.
8. Presently, in light of the realities of this Project, the economy, timing and other factors, the best course of action, absent finding a way to resume our dealings with UBC, is for the parties to cooperate on the best way to work out the payment of the UBC debt. A receivership sale is not an efficient, necessary or commercially sensible approach to the

realization of the equity in the Property. An orderly non-receivership sale of the Property in the event that we cannot close out the CMHC financing would allow the maximal return on the property realization for all stakeholders.

The Brimley Project and Overview of the Owners' Position

9. The Brimley Project is located at 1600-1680 Brimley Road, Toronto Ontario. The Brimley Project is a four-tower development on the southwest corner of Brimley and Progress Roads (across the street from the Scarborough Town Centre). The site is approximately 4.4 acres and will be home to over 1,550 residential units (approximately 1.4M square feet of total build) along with retail at the ground level. Originally, the Project was to be built on “one” property that is the property was not contemplated to be severed, but as noted herein, the current and plan since early 2024 has been to sever the property to protect the Project’s equity, maximize financing flexibility and land value among other things. The total site already has Site Plan Approval, building permits in place, and significant development and construction work have already been undertaken at the property as detailed below.
10. The Brimley Project will provide desperately needed accessible rental housing for Torontonians and in particular the residents of Scarborough, and its construction will generate hundreds of (trade and other) jobs and otherwise have a positive impact on the immediate and surrounding community including employment opportunities on completion. The location of the project puts it within walking distance of public transit including TTC/LRT, and only a few hundred metres south of the 401 with easy access for commuters.

11. When we first met with UBC in 2022 to discuss the Project, as the Owners we were looking for a development and construction partner and not merely a lender. The introduction was facilitated by a former employee of UBC, Durval Terceira who was a Coordinator at Local 1030 Union. At that time, Tony Iannuzzi was the Executive Secretary-Treasurer (EST) of the Carpenters Union in Ontario. The introduction was intended to explore the possibility of a partnership between the Owners and the Carpenters Union on a then-unspecified project, which was later confirmed to be the Brimley Project. I was introduced to a gentleman by the name of Dean Orrico, President and CEO of Middlefield International Limited to understand the investment parameters.
12. Over the course of discussions with UBC, Mr. Iannuzzi suddenly retired and Mr. Jason Rowe was appointed in his position. Mr. Rowe then created a Carpenters Regional Council (CRC). Mark Lewis then in-house counsel became the Chief of Staff for the CRC. Based on my interactions with Mark Lewis, I found him to be professional and forward thinking. He wanted to facilitate the partnership with us so the UBC union membership would benefit and grow. He had come from LIUNA Local 183, and he understood the importance of local union growth by making their employers successful together with the Carpenters Union through local investment. He also felt that it would be a win on all sides - for the Owners, the Carpenters union and their members. The investment philosophy was the same on both sides in terms of holding the asset for the long term. The added benefit to the union was that the returns from the investment would fund the memberships pensions into perpetuity. I met with Mr. Rowe, Mr. Lewis, Mr. Cardinal of UBC who was assisting Mr. Rowe. Thereafter, I was invited to speak (and I understand I was the first developer from Local

1030 to be invited) at UBC's Contractor's conference in Palm Springs, California with the moderator Mike Yorke, who was at that time the President of the Carpenters Union Local 27 and now retired. He has been on Atria Development's advisory board since January 2023.

13. Delays with CMHC on account of the political, economic, and electoral climate of the last two quarters are now behind us and we are confident, as detailed below, that financing will be in place to address the payment of UBC.
14. As set out below, once the project financing pivoted from Schedule A banks to borrowing from CMHC, the only issue facing the payout or conversion of the UBC debt was the delay in finalizing this financing. All of which was known to UBC. To underscore this point we asked for a loan commitment from TD Asset Management (TDAM) for \$350,000,000 was negotiated by Owners. The communication from TDAM is as follows:

Hello Shane,

To follow up our previous call our underwriting would suggest that we would be able to take the following position regarding the construction financing of the first two Brimley and Progress towers.

Loan Amount:	\$350 million
Rate:	Prime + 1.75%
Amortization:	Interest Only
Fee:	0.85%
Funding:	Cost-to-Complete

We would also be able to provide funds to be used towards letters of credit eg. Parkland Dedication and would look at them outside of the construction budget. For us to provide a formalized term sheet we would look to have a full understanding of the capital stack(all equity and debt) and the associated budget. Contrary to some other lenders we will refrain from issuing a term sheet until we are confident that we can carry everything we propose through to commitment.

Thank you,

Myles

Myles Routly | Vice President | Real Estate and Mortgages | **TD Asset Management**
 Suite 1907, 201 Portage Ave, Winnipeg, MB R3B 3K6
 T: 204 947 7173 | C: 204 793 5669

- This loan was non-syndicated and TDAM would fully fund. The Owners, through Atria and me, have a relationship with TDAM and they have funded our projects in the past. This loan was sought after (as detailed below) the original committed amount of \$135,000,000 from UBC was expressed as being available by both Mark Lewis, Brent Twist, and Durval Terceira. I understand from Shane Kennedy, who was Atria's SVP of Development and Planning, and do verily believe that Wayne Berg on behalf UBC met with Myles Routly of TD Asset Management as part of his due diligence in connection with the Brimley Project.
15. Ultimately when Brent Twist and Wayne Berg advised that it could not source the full funding of \$135M, we were forced to seek CMHC funding for the project as conventional Schedule

A financing was not viable with the reduced equity injection by the Union. By way of background, initially in or around December 2023, Brent Twist advised me that the additional funds (had already advanced 65,000,000) were not presently available but would be available before the maturity date of the initial Credit Agreement. Thereafter in February 2024, Brent told me that the remaining funds earmarked for the project were no longer available due to the funds being used for other projects. At this point a pivot to CMHC was required as noted above and the parties pivoted towards UBC being involved only in Phase 1 of the Project (allowing for conversion of the debt to equity in full) and the severance of the property between Phase 1 and Phase 2 became required in order address this reality (including negotiating with CMHC, as we did, to only encumber the Phase 1 lands [upon severance]). It was also understood by all parties, that the CMHC financing process was a lengthy process which involved substantial financial and project due diligence.

16. From the initial meeting regarding the investment with Mark Lewis and Mr. Cardinal in 2022, the main condition UBC sought for their partnership on the sole basis that we would engage a unionized contractor affiliated with UBC in high-rise forming work that had an agreement with Local 1030, and specifically not with the rival Union LIUNA Local 183. We agreed to this. As set out in more detail herein, this condition changed all of a sudden in late 2024 or early 2025 when UBC insisted that even affiliated trades for additional work be with a unionized contractor. As set out below this proved to be a turning point in the relationship in 2025. To be clear it was not that UBC took the position that if I agreed to this change that they would honour their commitments, rather they tried to force the signing of this document without agreeing to convert their debt to equity. To meet the original condition

for a unionized former contractor from Local 1030, Durval introduced me to Mike Martins, President of Reimar Forming in February 2024, a Hamilton-based contractor affiliated with Local 1030 (the only residential Local Union that had the agreement with the high-rise forming contractor was Local 1030.) After negotiations, Mr. Martins and I reached a handshake agreement to proceed with Reimar on the project provided a written agreement could be negotiated. This understanding was witnessed by Durval, and I will summon Durval as a witness with respect to the foregoing. At that time, it was a historical moment for the Carpenters Local 1030 to have a contractor from Local 1030 on a massive project in Toronto. Despite delays in transferring funds to equity, I was encouraged by Carpenters Union representatives—specifically, Mark Lewis, Pat Bono who was the Director of Organizer for CRC, and me—to commence the project, with constant verbal assurances that funding would follow. Based on these representations, and out of trust in the Union’s leadership, Durval urged me to proceed.

17. Durval was no longer with UBC in June 2024 and joined Atria Development in September 2024 as the Vice President of Business Development and Labour Relations.
18. Ultimately when Reimar mobilized to our site the forming work was a few months away, but no contract had been signed. The presence of Reimar made sense only because of the pressure and promises from UBC to commence construction and that monies for same would be advanced or the conversion would materialize allowing for construction financing. Pat Bono, specifically, advised me that it would be detrimental in the image of the Union if the project would stall if the cranes were not present and would be reputational damage to Union and the Owners. He continuously advised me and personally reassured

me that the conversion would happen any time month after month. In good faith we could not proceed to a contract with Reimar without funding from UBC and attempted to obtain same from UBC but were not successful.

19. At that time, The Owners were in a position to refinance the Brimley Project to allow time to find an equity partner and raise construction financing to commence construction. The Brimley Project, in 2023, was nearly ready for construction and presented an opportunity for an equity partner to participate in a profitable project. As detailed below, if UBC was only going to be a lender and not an equity partner and effective co-venturer in the Brimley Project then we would never have agreed to the Credit Agreement or continue to negotiate in good faith with UBC through to the end of January 2025. In fact, when we first started negotiations in 2023 and signed Credit Agreement in September 2023, we were assured by Brent Twist and Wayne Berg that the loan would be converted to equity in a few months due to technical issues on their side because this was the first time they were investing in a development project. We were promised by UBC that we should not be looking for any equity financing elsewhere, and they would be the sole financier in all our projects moving forward. This was also confirmed by Durval Terceira that the UBC wanted to be the sole partner and finance all the projects that Atria Development owned or was developing. The relationship in July 2024 between UBC and Reimar had deteriorated because Reimar had purchased a company that had an agreement with LIUNA Local 183. The carpenters asked Reimar to give them the bargaining rights of that company. They said no because they couldn't work for LIUNA Local 183 builders under Reimar Forming. The reason Reimar purchased that company was because the Brimley project was taking too long to start and

he needed work for his workers. By purchasing that company Reimar could work for LIUNA Local 183 builders. At the present time LIUNA Local 183 and UBC Local 1030 are in litigation at the labour relations board fighting to see who is going to have the bargaining rights for that company. This made UBC very upset with Reimar, and they put us in the middle between two rival unions that have nothing to do with us and pressured us to kick them off site and not use them for the formwork. UBC agreed that they would fully indemnify us for all legal and all damages. The UBC called a Teams meeting on Jan 2025, present at the meeting was Pat Bono, Mike Mazucca, Broghan Masters, Durval Terceira, and myself where Pat Bono initiated the meeting by introducing us to Mike Mazucca saying that Mike Mazucca was going to represent the Owners on the issue with Reimar and that the UBC would pay all legal fees and expenses including any settlement to kick Reimar off the site which we did, and we told Reimar to take their trailer off the site. I was told by Durval Terceira that by having Mike Mazucca in this case would be a conflict of interest. While we were having the meeting, Pat Bono did not raise the issue of conflict of interest by Durval being in the room and neither did Mike Mazucca. Firing Reimar was a setback for the Project, harming the Owners and the Project as Reimar was the only viable UBC Local 1030 contractor to do the work. The Union was forcing us to use TriStar Forming a small forming company based in Hamilton, a contractor that has never done a project this size and they forced us to see their site and quality of work on a project that was 9 storeys high and a year and a half behind schedule. This was very concerning, and there was no way TriStar would be able to perform as they did not have the manpower, equipment, and financial strength.

Pat Bono assured us that UBC would be responsible financially for the performance of the company, however this exposed a lot of risk to the project and the Owners.

20. Presently, the best course of action, absent finding a way to resume our dealings with UBC, is for the parties to cooperate on the best way to work out the payment of the UBC debt, and cost born by the Owners for all the work and investment incurred. A receivership sale is not an efficient, necessary or commercially sensible approach to the realization of the equity in the Property.

Value of the Project and Site Work at the Brimley Project

21. The development at 1680 Brimley Road has strategically utilized the City of Toronto's Section 27 Development Charges (DC) framework to secure substantial financial benefits. By entering into a Section 27 agreement in April 2023, the project locked in DC rates at that time, effectively shielding it from subsequent increases. The DC charges in April 2023 when the Owners locked in rates was \$29.14M compared to \$35.21M which would be the DC's today. This decision has resulted in an estimated savings of \$6.07M as of May 2025, compared to the rates that would have applied without the agreement.
22. Substantial development and construction (site preparation/readiness including environment, shoring and excavation) progress has been made by the Owners on the Brimley Project demonstrating clear and measurable advancement well beyond the conceptual stage and into execution.
23. The site is fully zoned, has received conditional Site Plan Approval, and is expected to receive final approval under the CMHC MLI Select program [MLI Select | CMHC](#) within 15-20

days. To date, \$26.87M in critical construction work has been completed, including full geothermal and shoring work, and excavation is 50% complete. In addition, 80% of construction contracts have been tendered and are prepared to be awarded on a fixed-price basis, consistent with the Owners' readiness to build and proceed with full-scale construction. The following is a list of the Planning Approvals and Permits obtained by the Owners:

Planning Approvals	Date	Notes
Zoning By Law Approval	June 8, 2022	Approved through the Ontario Land Tribunal.
Official Plan Amendment	October 12, 2023	To permit a maximum Parkland Dedication rate as prescribed in the Toronto Official Plan as opposed to the uncapped rate within the Scarborough Centre Secondary Plan.
Notice of Approval Conditions	April 17, 2023	
Public Art Plan	May 24, 2024	
Consent Application	October 14, 2024	Approved with Conditions

Permits	Date	Notes
Building Permit – Partial (SHO)	May 11, 2023	
Temporary Access Commercial/Industrial Permit	July 13, 2023	

24. Attached hereto as **Exhibit “A”**, is a document entitled Appendix A that accurately describes the use of the UBC loan advance, including construction work. This Appendix shows that the Owners have contributed almost \$6.42M of equity. Substantial construction progress has been made on site including 100% of shoring to stabilize the site for vertical and subsurface work (valued at approximately \$3 million). The geothermal system has been fully prepped through vertical drilling, grouting, and sleeving, enabling integration with future

mechanical systems once excavation reaches the lower parking (P2) level. Excavation has progressed to 50%, with strategic holdback measures implemented to maintain structural integrity until crane installation is completed. Extensive labor and site management has been ongoing since May 2023, including the full-time employment of a General Superintendent, laborers managing daily activities such as groundwater removal, LEED compliance, snow clearance, and traffic control, and an Assistant Superintendent handling administrative and construction documentation. Division No. 1 setup costs totaling \$150,000 have covered site trailer installation, safety fencing, temp power connections, site monitoring systems, dewatering infrastructure, and Hydro One tie-in. The Owners and senior project team have been engaged in continuous drawing review and coordination with the architectural team for over two years. A dedicated on-site accounts department is also operational, underscoring the project's readiness and ongoing capital commitment.

25. In short, the construction on this site only commenced once we understood from UBC that our partnership was going to be effected as UBC wanted the Project to be in a construction ready state so that their trades could have an opportunity to work on site. This is a fully mobilized project with significant capital already invested, key regulatory and approval milestones achieved, and demonstrable value creation. To be clear, Significant benefits for tenants include a 40% reduction in energy usage, Rick Hansen Gold accessibility certification [Get RHF Accessibility Certified | Rick Hansen Foundation](#), and transit-oriented rental housing in a low-vacancy, high-demand area of Toronto.
26. The Brimley Project was diligently submitted by the Owners to CMHC before the June 18, 2024 policy changes took effect. That timing allowed it to qualify under more favorable

guidelines, including the ability to earn maximum points for energy efficiency and accessibility. As a result, the project is not bound by the current affordability requirements and can offer all units at market rents. This structure enabled the Owners to optimize the financial model—securing a 50-year amortization and unlocking meaningful long-term value. Had the submission occurred after the policy change, the project would face reduced loan leverage and would be required to designate 25% of the units as affordable, significantly diminishing both the return potential and the overall financial feasibility.

27. The loan application with CMHC (as set out below) included a provision for a guarantee from UBC. To this end UBC supplied information directly to CMHC.
28. The 1680 Brimley Road development has reached a critical stage where significant work has already been completed, making it not only unwise but financially and strategically irresponsible to abandon the shovel-ready project before the Owners have the opportunity to deliver and build it. My continued leadership ensures continuity, safeguards prior investments, and maximizes the returns unlocked through CMHC-backed financing, green energy systems, and accessibility-first design.

Severance of the Property

29. No severance of the property has been achieved, although significant steps have been taken by the Owners to achieve this end and UBC was aware of this goal. We were not operating in secrecy in this regard. The severance of the property was and is a sensible strategy as it allows for the two parcels to be developed (and mortgaged) separately. The severance was part of a once joint strategy between the Owners and UBC to maximize the equity in the Property including the ability to arrange a mortgage for construction financings

only the lands used for Phase 1 independent of any mortgage on the Phase 2 site. This strategy might have been sensible in any event but became a necessity on account of UBC's inability to fund the full equity amount of \$135,000,000, and us having to pivot to CMHC.

30. The loan advance by UBC was made in three tranches, first, \$55,000,000, and then \$10,000,000 (October 3, 2023), and finally a further \$5,000,000 that was advanced on February 15, 2024. At the time of the third (\$5,000,000) advance, we amended the Credit Agreement with UBC. This included amending the interest provisions. At this juncture I want to note that it may be that the rate of interest claimed by UBC after default is in contravention of [s. 8 of the *Interest Act*](#) and along with other potential claims against UBC. I am seeking counsel to address a Claim against UBC that will address any defences or positions with respect to the interest claimed by UBC pursuant to the Credit Agreement as amended.
31. Once the funding situation is sorted, the severance will be obtained without any challenges.
32. These funds were advanced to allow for continued development of the Property and to commenced construction of the site, all with a view to moving the Project further to obtain construction financing and permit UBC to either convert their loan advance or would also permit a viable exit strategy for UBC as with construction financing in place UBC would be paid out its loan.
33. The UBC mortgage is not and will not be affected by the severance as the UBC mortgage will remain registered against the two pieces after any severance. The severance process should be continued to maximize the value of the property (and properties, upon severance). As noted below in the negotiations with UBC over the course of 2024 the issue

of severing the property was raised with UBC. As set out below, correspondence in May of 2024 to UBC's counsel addressed the issue of severance.

Definitions

34. The following terms/definitions are used in this affidavit for ease of reference:

Term	Definition
Atria	Atria Development Corporation
Brent	Brent Twist employed at UBC and Former COO of UBC's National Construction Council (June 2019 through February 2024)
Beausoleil	Beausoleil Real Estate Investments Ltd., consultant of UBC
Credit Agreement	Credit Agreement dated September 29, 2023, by and between inter alia Brimley Limited Partnership, as Borrower, and UBC, as lender, as amended and restated from time to time
Cynthia	Cynthia Sisconetto, investment portfolio manager - UBC
DLA	DLA Piper (Canada) LLP, counsel to the Owners and represented by Daniel Shapira and Peter Hill
Durval	Durval Terceira Local 1030 Regional Manager for CRC (former), now VP Business Development and Labour Relations at Atria Development
Mark	Mark Lewis Chief of Staff of UBC (former)
MLT	MLT Aiken LLP, counsel to UBC and represented by Doug Stewart
Fiera	Fiera Real Estate, consultant of UBC
Glen	Glen Chow, former Chief Financial Officer of Atria
Jason	Jason Rowe International VP and the acting Executive Secretary Treasure
Pat	Pat Bono CRC Residential Local Coordinator at Carpenters' District Council of Ontario and Member of the Executive Board - Financial Secretary / Ontario Residential Coordinator at UBC Local 27 https://www.ubc27.ca/members and CRC Director of Organizer
PWC	Price WaterhouseCoopers, consultant of UBC
RM	Rousseau Mazzuca LLP, counsel to UBC
Shane	Shane Kennedy, former advisor to Hans Jain and SVP of Development and Planning at Atria
Term Sheet	Draft term sheet with respect to the Debt-to-Equity Conversion by UBC pursuant to Section 3 of the Credit Agreement
UBC	United Solutions Incorporated and/or United Brotherhood of Carpenters and Joiners of Canada
Wayne	Wayne Berg – Consultant to Carpenter's Union
Waiver	Extension of the Term of the Credit Agreement

Overview

35. I have set out the events below generally in chronological order and begin with the situation as of May 2023.
36. In May 2023 I, on behalf of Brimley LP, was in discussions with Brent of UBC with respect to a partnership or venture between Brimley LP and UBC.
37. We sought out UBC as a potential equity partner as they had a similar vision of holding the purpose-built rental assets long term. At this time, May 2023, the Brimley Property was encumbered by a mortgage in favour of KingSett Capital for \$50,000,000. Rather than simply refinance the property, our group was seeking an equity partner that would allow the Project to be properly funded to pursue development and construction financing of apartments from a Schedule "A" Bank or Tier 1 lender to effect construction forthwith, rather than proceed with the more timelier route of financing through the CMHC.
38. The original equity amount contemplated by our group for the Brimley Project was \$220,000,000 comprised of \$85,000,000 (135,000,000 – 50,000,000 (KingSett Capital Mortgage)) of land/development value contributed by the Owners and \$135,000,000 of cash equity which was tied to the then appraised value of the land which UBC was in agreement with. UBC was identified as a source of the cash equity for the project; and discussions between Brent and I commenced in this regard in early 2023.
39. Also in May 2023, we sent over information including a proforma setting out the project details reflecting a fifty/fifty partnership/ownership between UBC and the Brimley LP. This proforma reflects equity of \$220,000,000 being \$85,000,000 land equity for Brimley LP and

\$135,000,000 cash equity from UBC. This proforma was in the context of the Initial Brimley Project.

40. Attached hereto as **Exhibit “B”**, is a copy of a Reliance Letter from Colliers to UBC dated September 1, 2023, and an Appraisal from Colliers for the Brimley Property of May 19, 2023 and an email from Shane Kennedy to Wayne in this regard. The said Reliance Letter showed a value of \$134,500,000 on an “As-Is” basis and \$141,800,000 on an “As-Approved” basis. The “As-Approved” basis is based on a minor variance amendment to increase the total gross floor area to 1,575,778 SF and 2,035 units from the original 1,455,662 SF and 1,591 units. In the result, the Brimley Project, through our efforts, achieved over 1,455,662 SF and there may yet be additional units approved for Phase 2 only improving the value added to the Project by the Owners. The Reliance Letter provides that the report has been completed directly on behalf of UBC Solutions Incorporated and is addressed to UBC Solutions Incorporated to the attention of Wayne Berg.
41. In the result, and in reliance that UBC would source the required funding (\$135,000,000 in total) the Owners entered into a Credit Agreement with the Applicant on September 29, 2023, for a six-month loan with interest reserve totaling \$65M (with an additional \$5,000,000 facility available) as the loan amount (if fully advanced) would represent roughly half of the required equity, would allow for the encumbrances on title to the property to be discharged, and would provide working capital for the project to continue to be developed and to secure the required third party-construction financing.
42. When we entered into the Credit Agreement, we did so with the understanding that the totality of the funding would be the full responsibility of UBC and that the loan conversion

would be completed within a few months. As matters unfolded there was no additional money available from UBC as promised, and the Brimley Project had to pivot to securing funding from CMHC to make up the difference in reduced equity. Over the course of the delays in confirming that no monies would be available, UBC encouraged our group to continue developing the project and even commencing construction (environmental, excavation and shoring) in the anticipation of the conversion and their continued promises in the participation in the project as an equity partner.

43. We entered into the Credit Agreement on September 29, 2023. In February 2024, Brent advised that the Loan would now only be \$65M in total. The Owners asked for an additional \$5M to fund the Geothermal Facility and Borehole Field. This was accepted and the amending agreement was dated February 15, 2024 for the additional \$5M was negotiated (as detailed below). The new total of the loan would be \$70M. Since the totality of the loan was no longer \$135M, the Owners would no longer be able to do conventional financing. This forced us to seek CMHC financing given the shortage of equity once the Union would convert the new Loan amount. The reason we were given at the time was that other purchases were made and the money originally allocated to the Owners was no longer available. This situation adversely affected the Brimley Project.
44. Despite this, we remained confident that UBC intended on honouring its commitments and that we would execute the necessary documentation to continue the relationship, build the building, and generate profits from the 1680 Brimley Apartment Project as equity partners. Specifically, the deal would be adjusted accordingly to reflect an equity contribution of \$70,000 or lower by UBC with respect to Phase 1 only, given the approved CMHC loan

amount (which is not confirmed). This approach was yet viable despite the challenging negotiations and protracted delays, along with the number of personnel changes on UBC's side since the Brimley project was conceived, through to the end of January 2025.

45. To affect this development and construction work the Owners requested from UBC an advance of an additional \$5M to fund the Geothermal Facility and Borehole Field, in accordance with Section 2.3 of the Credit Agreement. These funds (\$5,000,000) were advanced by UBC, and the amending Credit Agreement was dated February 15, 2024 for the additional \$5M. In March 2024, Brent Twist informed us that the funding available for this Project was not available and there would be a cap of \$70M. If we continued work on site, UBC promised that an additional \$5M would become available pushing the Loan total to \$75M which did not materialize even though we were promised several times by UBC and Cynthia putting the Owners in serious financial difficulties
46. Again, despite this, we remained confident, through to and including our most recent discussions with UBC (and based on these discussions) at the end of January 2025, that UBC intended on honouring its commitments and that we would execute the necessary documentation to continue the relationship, build the building, and generate profits from the Brimley project as equity partners. This is despite the challenging negotiations and protracted delays, along with the number of personnel changes on UBC's side since the Brimley Project was conceived.
47. I spoke with Pat Bono about a challenging issue facing the project that was a UBC problem. Specifically, UBC pressured the Owners to use Reimar Forming & Construction with respect to form work at the Brimley Project then shifted and pressured us to not use Reimar.

Any legal costs and damages associated with this were to be paid for by UBC in fully as agreed between UBC and the Owners. I raised this issue again with UBC in our discussions in January of 2025.

48. In good faith and in the spirit of cooperation – we agreed to work with UBC’s suggested contractor for forming at the project. At the time, UBC did not have a high-rise forming contractor in the city. Using Reimar on-site, would have created more jobs in the city of Toronto for the Union.
49. In January 2025, Pat Bono presented the Owners with a Collective Agreement (between Brimley Progress Developments Inc. and Carpenters’ Regional Council, United Brotherhood of Carpenters and Joiners of America) for work located at the Brimley Project. The draft of said agreement that was provided by UBC to our lawyers noted that the project was to be done in two Phases. UBC sought to force the Owners to only use UBC trades for the Brimley Project.
50. On January 20, 2025 I met with Pat Bono for dinner at a restaurant in Toronto (Auberge du Pommier) to discuss the matter. During this dinner meeting Pat clearly told me that I had to sign the Collective Agreement immediately. To this end, Pat even brought a copy of this Agreement to dinner and placed it on the table for me to sign. Pat told me that if we signed this agreement, then UBC would exercise its conversion rights, and the project would be able to move forward as we would be able to “get money” to fund (as stated by Pat). In reply I told Pat that this agreement, as it was then drafted, was onerous for us and that I would be prepared to sign it to save the deal provided I had legal counsel to review and advise which

I did immediately. He put a lot of pressure on me that UBC funding would be contingent on me signing it and if I did not sign it then they would cancel the deal.

51. It was after we reviewed and discussed the minor changes we then agreed to sign the collective agreement. The document was ready to be signed in the form presented to us that the lawyers for UBC wanted (although our lawyer sent a revised draft that went unanswered by UBC). Thereafter, UBC went silent on communications from our lawyers and so too with communications with our team. The document was beyond onerous and would have jeopardized the Brimley Project, including in obliging the Owners to use trade that were either not qualified or that would lead to cost overruns including delay cost and damages. In addition, this Collective Agreement was not beyond the Brimley Project but was trying to tie in all Projects under the “Atria Umbrella” including low-rise residential or other projects. Had we agreed to UBC’s terms in this regard it is now clear to me that UBC would have had its desired deal and would still not have closed on its conversion with our group on the Brimley Project but would still seek to enforce the Collective Agreement. This would have potentially destroyed all these projects and the impacts on the business and the people involved (employees/customers etc.) would have been disastrous.
52. Further, on January 21, 2025 at 12:30 pm, UBC and the Owners representative (Atria) met via Microsoft Teams. The attendees were Pat Bono, Michael Mazzuca, Stephen Chedas, Herbert Law (the lawyer from Matthews Dinsdale working on the Collective Agreement for Brimley Project), Leonard Lee (our then in-house counsel), and me.
53. Pat urged me to go to the UBC dinner reception at Hell’s Kitchen in Las Vegas on January 22, 2025. He stressed that it would be important that I would go and to see Jason Rowe at the

dinner and to bring the signed agreement with me. I rearranged my whole schedule to fly out to Las Vegas the evening of January 21, 2025 to show that I was committed to closing the deal, and to show respect. I did not bring the agreement with me obviously because I was waiting on their changes to the agreement as discussed, so I felt ignored the whole night.

54. This meeting was to review the Collective Agreement with lawyers present. Owners was prepared to sign the document subject to confirmation that UBC would convert to equity ownership, and that the subcontracting agreement would only be for the Phase I lands and not the Phase II lands, or any properties owned by Atria. There was a major concern that it was very onerous and could budget overruns, and the skillset was not available, and we would have to use trades like TriStar. I know for a fact that no other high-rise developer has a subcontracting clause with Local 1030 (UBC). There was a sense on our team and in my opinion that UBC was negotiating in bad faith and extortion. The agreement did not read just for Phase 1 but for Atria Development as a whole. After this meeting, I was invited to join various UBC personnel and legal counsel in Las Vegas on January 21st, 2025, through to January 22, 2025. I attended at the request of UBC.
55. During that trip, UBC lawyer, Michael Mazzuca came over to my seat on the plane stood in my extended seat area and spoke to me for about an hour on the plane ride to Las Vegas, on the evening of January 21, to discuss details of the Brimley project. No lawyers for the Owners were invited to attend. When I spoke with him at first I thought he was asking me questions to advance the deal, and I thought it was a friendly discussion. I did not understand that at this point UBC was positioning to move on its mortgage and not continue dealing with us in good faith. In addition, UBC lawyer Broghan Masters and two other

associates from the firm was also in attendance, and Broghan spoke with me but only socially. I spoke to Stephen Chadas, UBC in house counsel, after we were speaking he stopped and said he could not speak anymore, I felt like he was uncomfortable.

56. I understood this conversation with Mr. Mazzuca was to accelerate the closing of the equity transaction. He was asking about the land, the severance, the history of project, personally, and corporately ongoings with myself. He was trying to understand the angle and preparing for litigation, and was asking prying information Mazzuca is a named partner specializing in litigation, and construction infrastructure.
57. As the drilling for the geothermal field, excavation, and shoring work had been completed on the project and over the course of the months and months of negotiations in good faith and in the spirit of commercial compromise, we were willing to accept such arduous financial conditions imposed to move the project forward. We heard nothing back from the Union in this regard, instead of converting, UBC pulled the funding.
58. Similarly, the form of Waiver (detailed below) between us was negotiated for months and agreed upon. Marc Unger, a lawyer acting for UBC, sent the final version of the Waiver for execution on January 13, 2025. I signed the Waiver on January 15, 2025, and Jennette Boycott, a lawyer acting for the Owners, returned the signed Waiver to Marc on January 16, 2025, for it to be fully executed. Marc confirmed receipt of the signed Waiver and stated he would send over the fully executed document once available. Jenette followed up with Marc on January 27 for an update on the fully executed document. Marc replied 5 hours later and stated that he was waiting to hear back from his client on timing to sign. This was the last communication regarding the Waiver.

59. While we had hoped to work on the Brimley project with UBC as a partner, we understand that UBC seeks the return of its loan. The most efficient route to achieve this would be to allow the parties to work out an agreement to this end – securing financing to pay-out UBC. As the CMHC loan is close to finalization, as set out below, given a reasonable time, that is until the end of August 2025, we are confident that the loan will close and that the liability to UBC pursuant to the Loan Agreement (as amended) will be paid in full.
60. As set out herein, we are currently working with CMHC to finalize the loan approval
61. In the current marketplace and considering the nature and scale of the Brimley project, it will take some time for us to be able to restart the process and find a suitable equity partner on short notice. Any purchaser seeking to develop a project of this size or scope would require CMHC financing, so any third-party purchasers will face the same challenges of a lengthy CMHC approval. A receivership is not the ideal forum to secure a timely sale at a reasonable price.

Detailed History

62. Our team, including Shane Kennedy, coordinated with Wayne for UBC with respect to the flow of information between the parties to inform their negotiations which also included at times Brent and myself.
63. As these negotiations continued UBC expressed its desire to take out the Kingsett mortgage and provide a loan facility to the Brimley Project to address the discharge of the Kingsett mortgage and for working capital for the Brimley Project.

64. This loan closed with UBC in late September 2023 and negotiations with respect to UBC's equity participation continued. Changes with personnel and a lack of internal expertise on the investment front at UBC led to delays in the negotiations after March 2024 with Brent Twist leaving and a few months later Wayne also left. The new person taking over the role was Cynthia, and it looked like she was inexperienced in this area.
65. Specifically, by January 2024 or early February 2025, I understand that UBC engaged a team from Price Waterhouse Coopers (PWC) as an investment advisor for the Brimley Project.
66. The UBC Mortgage was agreed to by me as a temporary measure to allow for UBC to either advance the necessary funds or for the Project to move forward with this reduced amount and their participation adjusted accordingly. This allowed UBC to invest less monies and in turn allow more time for the Brimley Project to raise the required financing. Accordingly, I along with two of my team members (Shane Kennedy and Glen Chow) met with Brent and Wayne in Vancouver on April 4, 2024, to discuss a revised deal structure with the investment limited to \$70 million. I understood from the discussions in this meeting that PWC provided a report and that UBC was prepared to proceed with the investment at this time, that is, to cancel and convert the loan advance in exchange for units of partnership in the Brimley GP. As set out below, changes at UBC and further due diligence was used as a basis to delay the closing of this arrangement coupled with the delays in obtaining CMHC financing.
67. On April 10, 2024, we circulated a revised draft Term Sheet to UBC attached hereto as **Exhibit "C"**.

Waiver and Extension 2024

68. On April 26, 2024, a Waiver was signed that extended the Land Loan maturity date to September 29, 2024. A copy of the executed Waiver is attached hereto as **Exhibit “D”**.
69. I am advised by my lawyer, Jenette Boycott, and do verily believe that she dealt with UBC’s counsel (MLT Aikins – Marck Unger and Douglas Stewart) regarding extending the maturity date and deferral of interest payments over the course of April 2024 through to January 27, 2025. On January 14, 2025, Mr. Unger provided Ms. Boycott with a redline of the latest iteration of the Waiver that had been negotiated for months. On January 16, 2025, Mr. Unger emailed Ms. Boycott seeking a status update on the executed Waiver. On January 16, 2025, Ms. Boycott provided the signed (by me) copy of the Waiver on behalf of the Borrowing Entities and sought a fully executed Waiver signed by the Lender. She followed up with Mr. Unger on January 27, 2025, and in reply, Mr. Unger emailed her advising that he was following up with the Lender regarding same. Attached hereto as **Exhibit “E”** is a copy of this email correspondence.

Negotiations commencing May 2024

70. In May 2024, Cynthia Sisconetto was introduced to our team as the newly hired investment manager for UBC. Brent Twist was removed from the COO position and Wayne Berg was no longer with UBC concurrent with Cynthia’s arrival. It felt like we were starting negotiations all over again and she did not kn. Speaking with brent, he told me that she did not spend any time with him prior to his departure on learning the Brimley file. It felt like due to her inexperience; the file was slowed and delayed.

71. Following these changes a revised Term Sheet of May 29, 2024, was circulated to UBC reflecting revisions to, among other things, the distribution waterfall, **the severance of Phase 2**, leverage, and security discharge along with a Right of First Offer for UBC on Phase 2.
72. Counsel working for us on the Brimley Project (DLA) and counsel working with UBC (MLT) discussed the revised Term Sheet on June 7, 2024. Attached hereto as **Exhibit “F”** is a copy of the correspondence related to this discussion.
73. Following that counsel call, DLA circulated a revised draft of Term Sheet to MLT, a copy of which is attached hereto as attached hereto as **Exhibit “G”**.
74. The revisions in this Exhibit include further details on the distribution of proceeds of any take-out loans, additional financing at the discretion of the GP. DLA followed up on these matters by correspondence dated June 25 and July 3, 2024, attached hereto as **Exhibits “H” and “I”**, respectively.
75. On July 3, 2024, MLT circulated a revised draft of Term Sheet to DLA which was materially different from what had been previously discussed and circulated. Brent was removed as UBC principal, and replaced with Cynthia, who at this time or soon after, was engaged by UBC to manage the investments at UBC’s Regional Council.
76. Counsel scheduled a call to discuss the matter over July and into early August, but rather than have the call as scheduled on August 12, 2024, UBC requested three years’ worth of financial statements as part of its due diligence.
77. On August 14, 2024, Cynthia advised us for the basis for the financial statements requested and that Beausoleil is diligently working on report. Over the course of the summer of 2024,

I requested further funding from UBC to cover the Project expenses as construction was ongoing. In response to this request I was promised by UBC, including Cynthia and Pat, that this money (\$5,000,000) was forthcoming. Of course, this money was not advanced and at this juncture I am of the mind that the promise to advance was done to encourage site work and further jeopardize the project when those works were not paid for as in the case of the Astro lien.

78. On August 31, 2024, MLT delivers letter dated August 30th - new terms requested for Term Sheet / no waiver of rights in Credit Agreement.
79. On September 9, 2024, Brimley advised UBC regarding the maturity of the UBC Loan as the loan term was set to expire on the 29th of September, and communicated counsel “I trust that we can begin papering a loan extension right away. Let us know if you want our counsel on the loan to paper the extension or whether your counsel will paper it.”
80. On September 11, 2024, Beausoleil, Cynthia, Shane and I met to discuss list of issues identified by Beausoleil that included a lack of demonstration and understanding of the Project or our development/construction capability, regarding the extent of its development capabilities.
81. This was the first time there was any indication that the execution capabilities of the Owners were a factor in the formalization of our agreement to convert the debt to equity. On September 17, 2024, MLT circulated Beausoleil’s issues from their report including:

- | |
|---|
| <ul style="list-style-type: none"> • Obtain full disclosure of financial details on all projects Atria are involved with including their prorated share, overall budgets, lending sources, project status (how much complete) etc. |
| <ul style="list-style-type: none"> • Obtain a source and uses report detailing how the \$70 million Loan Amount was used. This should be an auditable report with evidence to support the distributions. |

Obtain a Quantity Surveyor's report from Altus or other qualified independent party that reflects the cost of work in place, cost of work to complete and a variance against current agreed budget. The budget should clearly delineate the allocation of common elements/areas to be charged to each development Phase so there is a clear understanding of what amenity set is available to Phase 1 residents at the time of completion.
An updated land value from Colliers that includes a direct comparison approach and one other valid and detailed method of valuation such as a land residual value technique. We can't dictate what approaches the appraiser takes but can insist on an updated opinion with a more robust analysis. We recommend that the report is addressed to both parties or UBC should at least obtain a reliance letter from Colliers.
The full CMHC loan submission package.
A variance analysis between the agreed Project Proforma and the CHMC Proforma, submitted (unless there is none).
A competitive analysis of all planned projects within this node that would reflect the current status of each project, total number and mix of suites to be delivered, timing for completion. This is required to understand the demand/supply dynamics that are likely to be in place as they come to market with rental units.
A copy of the current market rent report that Atria reportedly had completed on their behalf.

82. On September 20, 2024, MLT confirmed that there is no further information from PWC that requires a response from our group. Attached hereto as **Exhibit "J"**.
83. On September 25, 2024, Shane and Cynthia met with CBRE to discuss the CMHC Loan application. Shane also provided an updated proforma budget to MLT and Cynthia based on the Brimley Project's consultant's report (Altus Report).
84. On October 2, 2024, MLT advised by email that there are no further comments on the Altus Report at present, and Beausoleil are preparing revised Term Sheet for loan conversion and have confirmed they required all financial information of Atria entities.

85. On October 9, 2024, MLT circulates revised draft of Term Sheet in advance of a meeting scheduled for the next day, October 10, 2024. This document is very different from previous five iterations of the Term Sheet negotiated with MLT.
86. I am now quite concerned that the loan facility was never intended to be a temporary measure or otherwise there was a change by UBC after its execution to allow UBC to secure a higher interest rate on the piece through the default rate as when I agreed to this rate on behalf of the Owners I did so on the basis that a conversion agreement (along with further financing) was still in play and imminent but was a way for UBC to be paid out....
87. On October 12, 2024 we circulated a revised Altus proforma to Cynthia and then on October 14, 2024, DLA circulated a revised Term Sheet (attached hereto as **Exhibit “K”**) to MLT and without a reply, followed up on October 29, 2024 (attached hereto as **Exhibit “L”**).
88. I understood the negotiations to be continuing in good faith with UBC as critical to the Project – including their conversion from debt to equity or the repayment of their loan otherwise – was to secure construction financing (that would include some take-out financing also) with CMHC. Specifically, the financing would allow for UBC to participate in the Phase 1 lands by receiving a portion of the loan back and letting the remaining amount sit as equity.
89. On November 4, 2024 Durval, Krisitan Caubalejo (Atria) and Leonard Lee met with lawyers Michael Mazzuca and Broghan Masters along with Pat Bono all for UBC. The Minutes of this meeting are attached hereto as **Exhibit “M”**. In this meeting it was understood that construction would not stop, and that Rousseau Mazzuca LLP would represent Atria,

Atricon, Brimley Developments Inc. and 1680 Brimley Limited Partnership in regard to any claims by Reimar.

90. After following up from DLA, MLT, on November 5, 2024, circulated a revised draft of Term Sheet to DLA which contained significant changes:

- The Construction Management Agreement shall expressly state that the Construction Manager is prohibited from hiring, causing to be hired, or continuing to retain: (a) any Trade Contractor not exclusively bound to the Carpenters' Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals; or (b) any Trade Contractor exclusively bound to the Carpenters' Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals which is in violation of the terms of its applicable collective agreement(s), as determined by the Partnership and the Existing Limited Partner in their sole discretion, unless otherwise expressly permitted by UBC and Atria;
- UBC informational rights and monthly meetings
- Fees payable for development, construction and management of project
- Waterfall distribution
- Phase 2 ROFR

91. MLT confirmed that UBC's current counsel Rosseau Mazzuca was retained by UBC to assist in drafting the Construction Management Agreement section of the revised Term Sheet.
92. On November 7, 2024, MLT confirms ownership structure of UBC for CMHC Org chart and advising:

"I spoke with the guys from DLA Piper on this yesterday. The owner of our units will be a bare trustee corp. The holders of the shares of the bare trustee corp. will likely be the same as the participants in the current loan to the Brimley Partnership (UBC Solutions, pensions, etc.). However, there may be some changes to those participants so we can't 100% confirm the shareholders of the bare trustee corp. at this time. Hope that's enough for you. Let me know if you need anything further."

93. On November 14, 2024, DLA circulated revised draft of Term Sheet to MLT and requested update on Waiver (attached hereto as **Exhibit "N"**). The key proposed revisions included:

- Equal sharing of ownership upon conversion, unless Atria decreases its Capital Commitment
 - construction management section revised so that Atria will use commercially reasonable efforts hire/continue to hire UBC trades, having regard to bid amount, business reputation, breadth of experience in high rise
 - fees and Phase 2 participation right not ROFR
94. On November 14, 2024, MLT sent an update on the Waiver (attached hereto as **Exhibit “O”**) indicating “I just saw an email from Atria’s counsel on the loan extension, it seems like it has been settled other than we’ll need a longer extension date than November 15. I will ask my client about that and then hopefully we can get that settled.”
95. Over the course of November, DLA and MLT continued to connect on the issue of the draft Term Sheet and on November 18, 2024, Shane circulated investment model that reflected revised draft Term Sheet terms to Cynthia (attached hereto as **Exhibit “P”**) and then on November 19, 2024, Shane emailed Cynthia (attached hereto as **Exhibit “Q”**) on the Waiver stating/asking whether: *the requirement for \$2.6M to be paid to the lender for interest payable is intentional or oversight*, to which Cynthia responded on November 20 (attached hereto as **Exhibit “R”**), that *it can be disregarded as it was an error*.
96. On November 29, 2024, MLT sent a copy of the revised draft of the Term Sheet to DLA (attached hereto as **Exhibit “S”**) that included the following major revisions:
- UBC can waive requirement that UBC trades are exclusive on the site, but otherwise, UBC trades must be hired;
 - Removal of Asset Management Fee
 - Right to appoint FT representative at Atria office if ownership is greater than 60%
 - Closing Date to be concurrent with repayment of portion of Construction Loan

- Exclusivity of Trades on Phase 2 if Atria exercises Participation Right to acquire 10% or greater of the equity ownership of Phase 2
97. On December 10, 2024, DLA circulated a revised draft of the Term Sheet to MLT (attached hereto as **Exhibit “T”**) including removing exclusivity of UBC trades, addition of an Asset Management fee, removal of two components of the waterfall and restriction to enter into Term Sheet with other parties prior to January 31, 2025.
 98. On December 11, 2024, DLA discussed the revised Term Sheet with MLT and then DLA followed up on December 16, 2024, (attached hereto as **Exhibit “U”**) by email, asking for confirmation that UBC has accepted the new Waiver extension date of January 31, 2025, and that it would be great to have the paperwork finalized this week.
 99. On December 18, 2024, DLA followed up with MLT on the Term Sheet and Waiver (attached hereto as **Exhibit “V”**) and on the same day MLT confirmed that it had no instructions. A DLA follow up on December 20, 2024, was met with a reply from MLT on December 23, 2024 that it was experiencing “total silence from its client”.
 100. On December 26, 2024, Shane sent UBC a Phase 1 Appraisal to Fiera (who was now assisting UBC in this regard) attached hereto as **Exhibit “W”**. On January 1, 2025, Shane asked for an update on the Waiver and any other issues that are delaying UBC from executing the Waiver. On January 1, 2025, Cynthia replied confirming no issue from UBC’s end stating:

“Hi Shane,
 Happy New Year to you as well!
 There’s no issue from UBC's side at this time. Our legal team is reviewing the documents to ensure everything aligns properly before proceeding with the signing.
 I’ll follow up with them to confirm the timeline and will keep you updated.

Best regards,
Cynthia”

101. Thereafter we received nothing from UBC despite our efforts to connect with them, until a letter in February outlying defaults and ultimately correspondence leading to the present circumstances. We have been working diligently on this project over the course of 2024 and continually.

Astro Lien

102. The lien registered by Astro was for work that was done to improve the project and for which we have negotiated a resolution for the payment of \$2.1 million which is a fair price for both parties as the value of the work is in this approximate range. This offer was made in the conjunction that the Owners would be able to fund this payment (even if with non-Brimley Project monies) and the UBC debt owing as determined (by the parties or failing which the Court) as part of the CMHC initial loan advance (and then repatriate the costs of the lien payment from said funding if non-project monies used).
103. Astro began working on the project in late 2023 or early 2024 and was paid for work it did from the last advance from UBC. UBC encouraged further work on the site and the shoring/excavation work by Astro was not completed, so Astro was engaged to perform more work on the basis that UBC was promising the Owners that funding for same would be in place.

Conclusion

104. To conclude:

- We are close to obtaining the financing to not only address UBC's debt but also move the project forward to completion;
- The Owners have suffered losses due to the delays and other conduct of UBC including reputational damage on the execution capabilities of the Owners and Atria; these claims will be pursued in due course;
- The claims will also include a claim arising from the failure to fully advance the monies as agreed or in any event for representing that the monies were available and would be forthcoming in due course yet it our position now that the monies were either *never available* or were used elsewhere yet we were never advise of same; this will be pursued.

105. I swear this affidavit in support of the Respondent's position in within Application and for no other improper purpose or for delay.

Sworn/Affirmed before me by video conference by)
 Hans Jain, at the City of Toronto, in the Province of)
 Ontario, this 29th day of May, 2025, in accordance)
 with O.Reg.431/20, Administering Oath or)
 Declaration Remotely.)
)

Brett D. Moldaver

A Commissioner for taking Affidavits, etc.

Brett D. Moldaver

Hans Jain

Hans Jain

This is Exhibit “A”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

Appendix A

USE OF SEVENTY MILLION (\$70,000,000) LOAN ADVANCE - 1680 BRIMLEY RD TORONTO PROJECT FROM OCTOBER 1, 2023 TO MARCH 31, 2025

Loan Advance - Tranche 1	10/3/2023	\$ 65,000,000.00	Credit Agreement with UBC
Less: KingSett First Mortgage Discharge	10/3/2023	(50,470,099.35)	Per Payout Statement
Less: Credit Fees	10/3/2023	(910,000.00)	Per Statement of Advance
Less: Title Insurance	10/3/2023	(26,654.40)	Per Statement of Advance
Less: Interest Reserve (6 months) Blocked Account	10/3/2023	(2,600,000.00)	Per Credit Agreement
Less: Holdback	10/3/2023	(122,927.00)	Soft Cost Holdback
Closing Cost - Lenders & Borrowers Legals	10/3/2023	(169,245.52)	Bennet & Bogart Legals for closing
Proceeds from First Tranche		10,701,073.73	

Loan Advance - Tranche 2	2/15/2024	5,000,000.00	Credit Agreement with UBC
Less: BLG LLP	2/15/2024	(20,725.63)	Per Statement of Advance
Less: Blocked Account	2/15/2024	(446,632.00)	Per Statement of Advance
Less: Lender Fees on Adv	2/15/2024	(50,000.00)	Per Statement of Advance
Less: Title Insurance	2/15/2024	(3,535.00)	Per Statement of Advance

Net Proceeds from Tranche 1 & Tranche 2	\$ 15,180,181.10	Funds Available
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Less Payments:

Geothermal	(4,854,070.27)	Exhibit 01
Excavation & Shoring	(2,900,786.00)	Exhibit 02
Interest & Fees paid to UBC (Mar 1, 2024 to May 31, 2024)	(516,666.66)	Exhibit 03
Building Permit & Municipal Fees	(968,330.02)	Exhibit 04
Site Super & Disbursements	(390,628.33)	Exhibit 05
Temp Service Connection	(259,061.00)	Exhibit 06
Remaining Division 1 Costs	(452,154.48)	Exhibit 07
Architects	(432,196.50)	Exhibit 08
Design Consultants (Remainder)	(732,106.99)	Exhibit 09
Insurance	(716,650.78)	Exhibit 10
Construction Management Fees	(1,983,333.38)	Exhibit 11
Development Management Fees	(1,625,000.00)	Exhibit 12
Remaining Division Costs	(118,700.95)	Exhibit 13
Marketing Expense & Bank Fees	(90,946.37)	Exhibit 14
Legal & Admin	(105,219.75)	Exhibit 15

Funding Shortfall / (Equity Injected by Atria)	\$ (965,670.38)	a
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Equity from Atria in Brimley (unpaid to date)

Development Management Fee	Unpaid	(425,000.01)	Nov 2024 to January 2025 \$141,666.67 per month
Construction Management Fee	Unpaid	(625,000.00)	Nov 2024 to March 2025 \$125,000.00 per month
Site Labor	Estimated	(140,670.35)	Billing Pending to be recorded in Brimley
Project Manager	Estimated	(683,279.82)	Jan 2023 to March 2025
Assistant Site Super	Estimated	(126,533.30)	June 2024 to March 2025
Estimator	Estimated	(187,500.00)	Jan 2024 to Mar 2025
Legal & Accounting	Estimated	(300,000.00)	From Jan 2024 to March 2025

Equity from Atria in Brimley (unpaid to date)	(2,487,983.48)	b
--	-----------------------	----------

UBC agreed to the following reimbursements to Atria from Tranche 1 Proceeds:

6 Months Interest paid to KingSett Capital @ 8% from Apr 2023 to Sep 2023	(2,000,000.00)	On account of delay in funding by UBC.
Building Permit Fee - Paid in December 2022 by Atria	(968,330.00)	

Additional Equity owed to Atria	(2,968,330.00)	c
--	-----------------------	----------

Total Equity Injected (approximate) by Atria (a+b+c)	\$ (6,421,983.86)
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This is Exhibit “**B**”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: Shane Kennedy

Sent: Friday, September 1, 2023 3:42 PM

To: Wayne Berg <wayne.berg23@gmail.com>

Cc: Mark Tamberg <Mark.Tamberg@atria.ca>; Glen Chow <Glen.Chow@atria.ca>; Kinjesh Shah <kinjesh.shah@atria.ca>; Leonard Lee <leonard.lee@atria.ca>

Subject: FW: 1680 Brimley - Appraisal Reliance Letter

Wayne,

Please see the attached appraisal report and reliance letter, to satisfy CP (v).

Regards,

Shane



Shane Kennedy

Senior Vice President of Development &
Planning

☐ 416.873.1993

☐ atria@development.ca

☐ [5000 Yonge St, Suite 1706 Toronto, ON M2N 7E9](#)

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September 1, 2023

UBC Solutions Incorporated
95 Cole Ave
Winnipeg, Manitoba R2L1J3

Attention: **Wayne Berg**

RE: Appraisal of Residential Development Site
1680 Brimley Road, Toronto, Ontario

Colliers International Realty Advisors Inc. prepared a Narrative Appraisal Report of the property referenced above, retained in our files as TOR230606, on May 19, 2023. The effective date of the appraisal was May 12, 2023. Within our report, which is assumed to be in your possession, we concluded that the value, as of the effective date, was as follows:

VALUE TYPE	INTEREST APPRAISED	DATE OF VALUE	VALUE
"As-Is" Value	Fee Simple	May 12, 2023	\$134,500,000
"As-Approved" Value	Fee Simple	May 12, 2023	\$141,800,000

Please be advised that the value estimate expressed was as of May 12, 2023, and that the property's physical condition and financial position, as well as the prevailing market conditions, may have changed between this date and the date of this letter. The Appraisal Report was prepared in the context of the market conditions and other factors (including assumptions and/or materials provided by parties and sources outside of the control of Colliers Realty Advisors Inc.) prevailing as of the effective date. Real estate markets and assets are subject to significant volatility and change; and can be affected by numerous economic and political conditions as well as other conditions. The value contained (if any) in the Appraisal Report is made as of the effective date only and should not be relied on as of any other date. Colliers International Realty Advisors Inc. cannot be held liable for any errors in the information that was provided by third parties. The Appraisal Report must be used in its entirety and any reliance on any portion of the appraisal report independent of others may lead to erroneous conclusions.

We confirm that the report was originally completed at the request of Shane Kennedy of 2808908 Ontario Inc. who has authorized us to provide this letter permitting your use of the referenced report for first mortgage financing purposes. We further confirm that had the report been completed directly on behalf of UBC Solutions Incorporated, the results would not have differed. Authorization to use the appraisal provided by this Letter of Transmittal is conditional on the lender completing a thorough due diligence investigation that reasonably concludes that the borrower has the intention and capacity to repay the loan.

In the event that any fee outstanding is not paid by our client, we reserve the right to rescind reliance on our appraisal(s).

Respectfully,

Colliers International Realty Advisors Inc.

A handwritten signature in blue ink, appearing to read "Vicente Gamboa".

Vicente Gamboa AACI, P. App
Executive Vice President
Valuation & Advisory Services, Toronto

A handwritten signature in blue ink, appearing to read "Timour Petrov".

Timour Petrov, CFA, AACI, P.App.
Senior Associate, Toronto,



Narrative Appraisal

Residential Development Site

1680 Brimley Road

Toronto, Ontario

Effective Date: May 12, 2023

Report Date: May 19, 2023

Prepared For

Shane Kennedy

Senior Vice President of Development and Planning
2808908 Ontario Inc.

Prepared By

Vicente Gamboa, MBA, AACI, P. App

Executive Vice President, Toronto
Valuation & Advisory Services

Our File: TOR230606

May 19, 2023

2808908 Ontario Inc.
5000 Yonge Street,
Toronto, ON

Attention: Shane Kennedy
Senior Vice President of Development and Planning

Dear Mr. Kennedy;

Re: Appraisal of Residential Development Site
1680 Brimley Road, Toronto, Ontario

In accordance with your request, we have inspected the above property and have carried out an Appraisal in order to estimate its current and prospective market values as at May 12, 2023. The intended use of this report is for **first mortgage financing** only. Based on our analysis, the current and prospective market values of the Fee Simple estate of the Subject property, as of May 12, 2023 is estimated to be:

VALUE TYPE	INTEREST APPRAISED	DATE OF VALUE	VALUE
"As-Is" Value	Fee Simple	May 12, 2023	\$134,500,000
"As-Approved" Value	Fee Simple	May 12, 2023	\$141,800,000

It has been assumed the subject site will receive Site Plan Approval for the development of four towers with building heights of 38, 40, 41 and 47 storeys containing 1,591 dwelling units and a total GFA of 1,494,815 with 1,456,532 square feet of residential floor area, 29,602 square feet of retail floor area and 8,681 square feet child care facility.

For the "as-approved" value, it has been assumed that the proposed minor variance amendment to increase the total gross floor area to 1,575,778 SF and 2,035 units will be approved.

The above value estimate is based on an exposure period of six to nine months, assuming the basis of a transaction involving cash to the vendor, and is subject to the Hypothetical Conditions, Extraordinary Assumptions and Extraordinary Limiting Conditions as detailed in the Terms of Reference of this report beginning on page 11; in addition to the Ordinary Assumptions and Limiting Conditions contained in the Appendix. Any alterations to either the information provided or the assumptions in this report may have a material impact on the value contained.

This report describes the methods and approaches to value in support of the final conclusions and contains the pertinent data gathered in our investigation of the market.

Should you have any questions, we would be pleased to discuss the valuation further.

Yours very truly,



COLLIERS INTERNATIONAL REALTY ADVISORS INC.

A handwritten signature in blue ink, appearing to read 'Vicente Gamboa'.

Vicente Gamboa, MBA, AACI, P. App
Executive Vice President, Toronto

A handwritten signature in blue ink, appearing to read 'Timour Petrov'.

Timour Petrov, CFA, AACI, P.App
Senior Associate, Toronto

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Executive Summary

Overview

The subject site is approximately 4.442 acres (193,481 SF). The proposed development consists of four towers with building heights of 38, 40, 41 and 47 storeys containing 1,591 dwelling units and a GFA of 1,456,532 square feet, 29,602 square feet of retail floor area and 8,681 square feet child care facility. The building will have 1,214 parking units and surface visitor parking stalls and 989 Locker units. The proposed development has a Floor Space Index of approximately 7.74 times the area of the lot.

PROPERTY INFORMATION

Property Name	Residential Development Site
Address	1680 Brimley Road
Nearest Major Intersection	Brimley Road and Progress Ave
Purpose	Current And Prospective Market Values
Intended Use	First Mortgage Financing
Property Type	Land
Rights Appraised	Fee Simple
Effective Date	May 12, 2023
Site Area	Approximately 4.442 Acres (193,481 SF)
Access	The Subject has points of ingress/egress from Brimley Road and Progress Ave.
Services	Full municipal services are available to the Subject property. For the purposes of this report it has been assumed that there is adequate capacity for full services to be provided to a development of the Subject.
Land Use Controls	
Official Plan	Mixed Use Areas
Zoning	CCR and CCC (City Centre Residential and City Centre Commercial Site Specific Approval)
Highest And Best Use	As further detailed herein, the Highest and Best Use of the Subject Property is high-rise residential development.

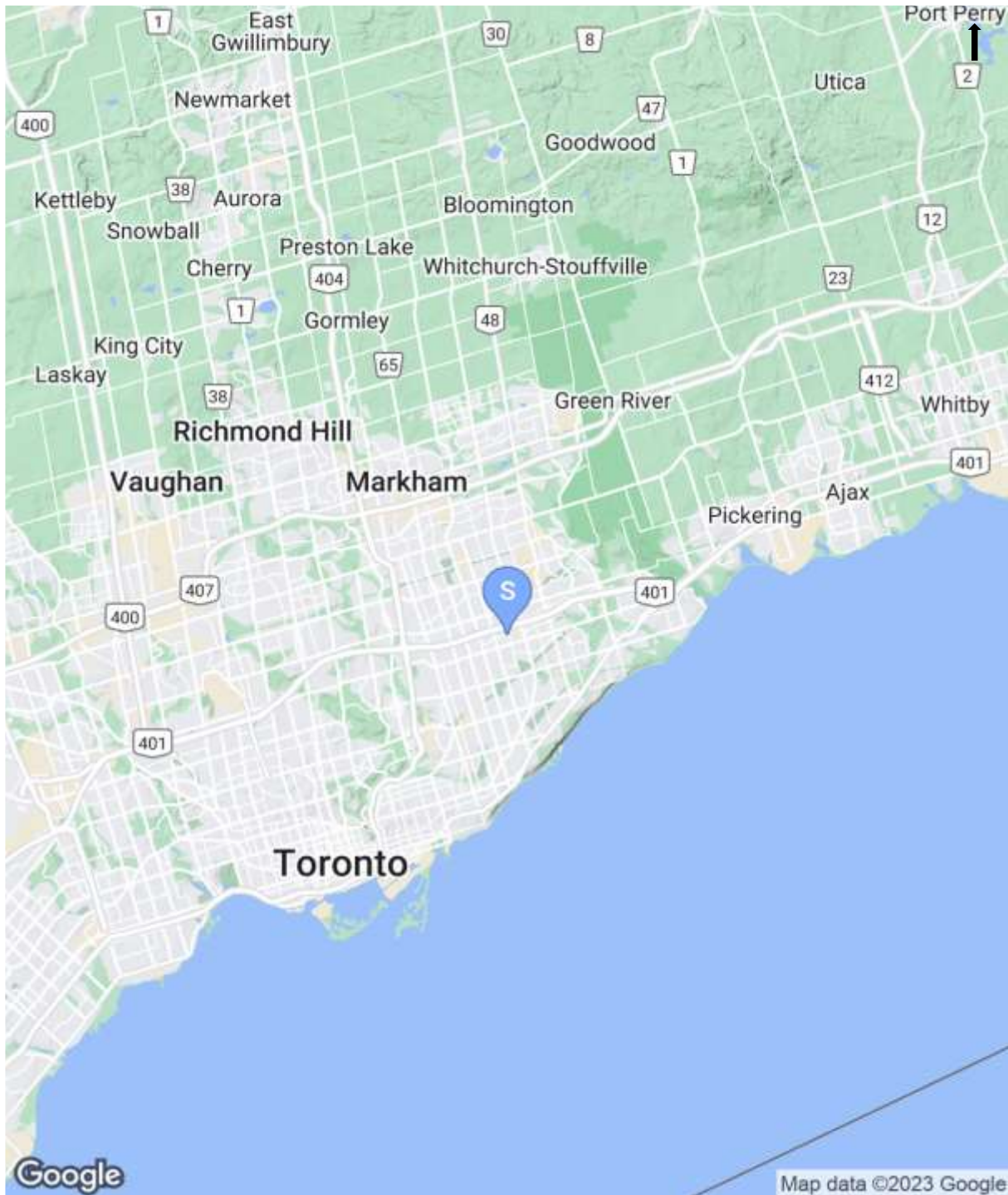
VALUATION CONCLUSIONS

"As-Is" Value	Direct Comparison Approach
Rate Per Buildable SF	\$90
<u>Buildable SF</u>	<u>1,494,815</u>
Value Estimate (Rounded)	\$134,500,000
"As-Approved" Value	Direct Comparison Approach
Rate Per Buildable SF	\$90
<u>Buildable SF</u>	<u>1,575,778</u>
Value Estimate (Rounded)	\$141,800,000

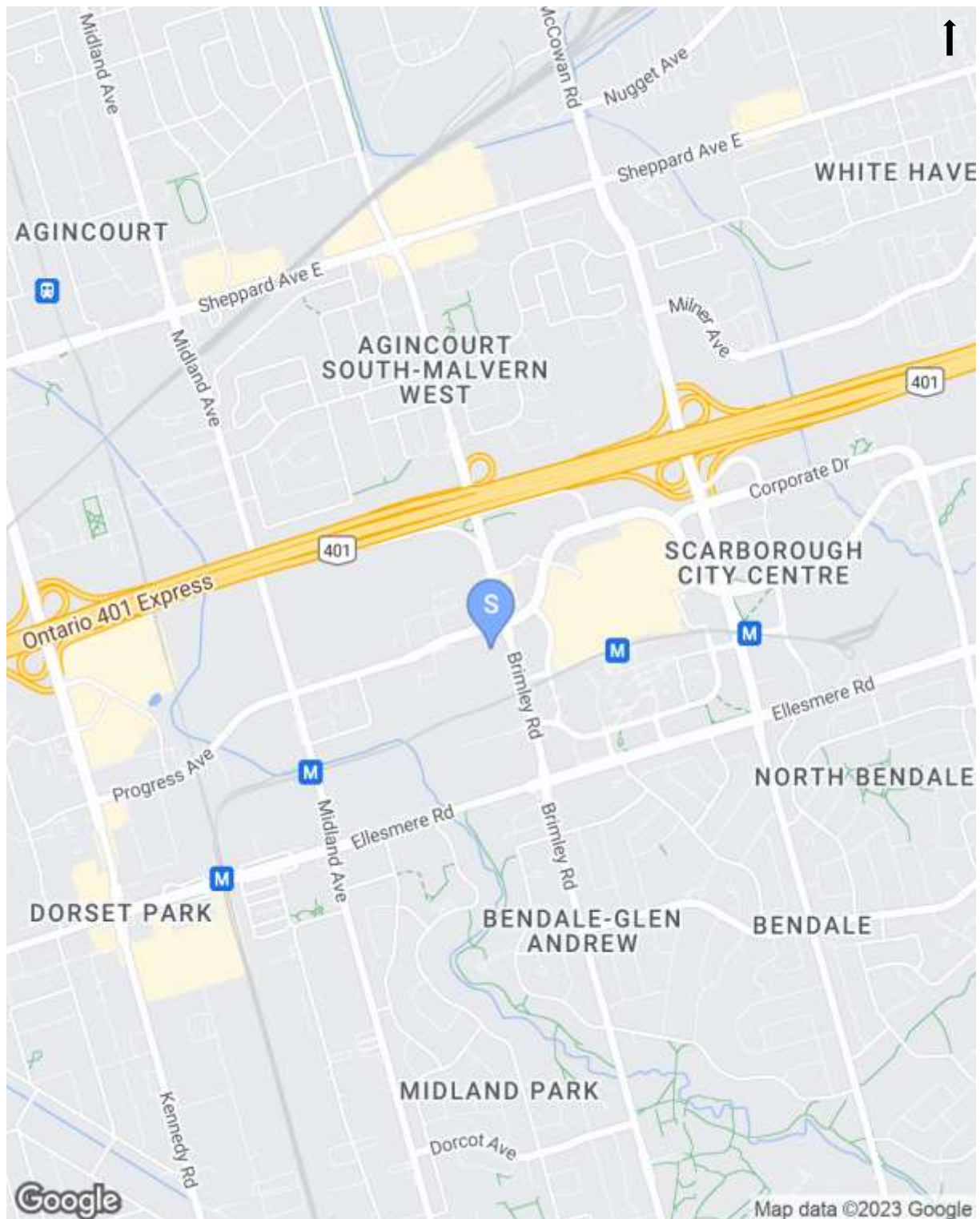
Comparable Sales

Index No.	Property Address City, Province	Site Area (Buildable SF) Official Plan Zoning	Sale Date Analysis Price Analysis Price / Buildable SF
1	32-38 Olive Avenue Toronto, ON	239,885 Mixed Use Areas R4 (former City of North York	13-Jan-23 \$39,630,683 \$165.21
2	3882 Highway No. 7 East Markham, ON	117,350 Residential Mid Rise R3*645	17-Oct-22 \$8,300,000 \$70.73
3	1088 Progress Avenue Toronto (Scarborough), ON	226,935 Mixed Use Area A & NC	11-Mar-22 \$14,000,000 \$61.69
4	6 Dawes Road Scarborough, ON	1,105,781 Mixed Use Area I1D2	24-Feb-22 \$132,252,000 \$119.60
5	180 Steeles Avenue West Vaughan, ON	1,737,199 Mixed Use Area C2	6-Dec-21 \$120,000,000 \$69.08

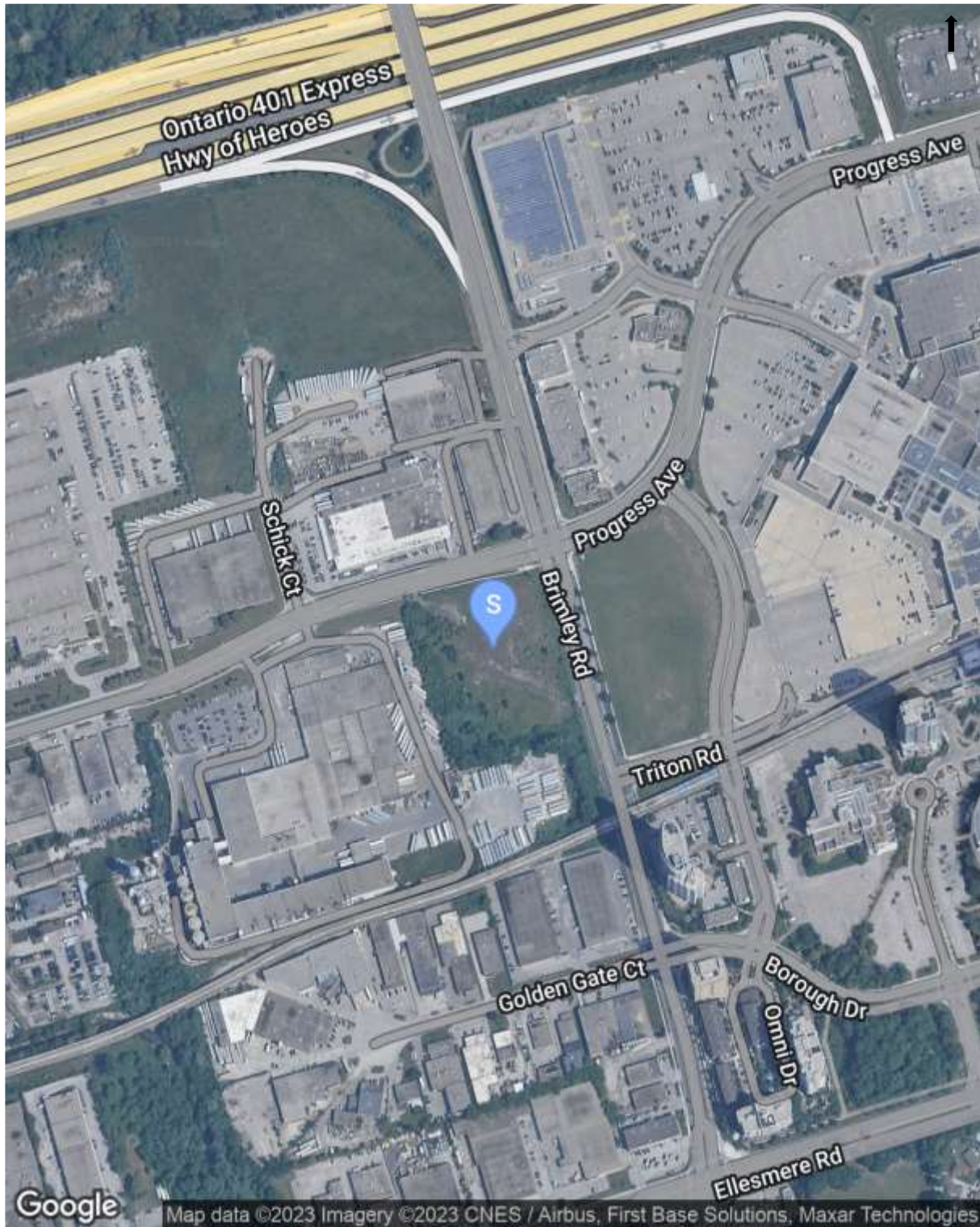
Regional Map



Location Map



Aerial Map



Photographs of Subject Property



VIEW OF SUBJECT PROPERTY



VIEW OF SUBJECT PROPERTY ALONG PROGRESS AVE



VIEW OF SUBJECT PROPERTY



VIEW OF SUBJECT PROPERTY



VIEW OF SUBJECT PROPERTY



VIEW OF SUBJECT PROPERTY ALONG BRIMLEY ROAD

Terms of Reference

Client and Intended User

The Client of this appraisal is 2808908 Ontario Inc., and the Intended User is 2808908 Ontario Inc.

Purpose and Intended Use of Report

The purpose of this valuation is to estimate the current and prospective market values of the Subject Property described.

This appraisal is provided on a confidential basis and for the sole and exclusive use by 2808908 Ontario Inc. and any other Intended User specifically identified for **first mortgage financing only** and any third party use of or reliance on this Appraisal Report or any materials prepared by Colliers International Realty Advisors Inc. (Colliers), is strictly prohibited, except to the extent that Colliers has provided prior permission in writing, such permission to be provided or withheld in Colliers's sole and exclusive discretion. In the event that Colliers has not provided said permission 2808908 Ontario Inc. shall ensure and be responsible for notifying the third party in writing that it should not rely on the Appraisal Report and any use by such third party of the Appraisal Report or any materials prepared by Colliers shall be at its own risk and that Colliers makes no representations or warranties of any kind. Notwithstanding anything to the contrary, Colliers shall not owe any duty to any third party with respect to the Appraisal Report.

Land value is subjective and includes many influencing factors including service availability, land entitlements, restricted development areas and other planning, heritage and built form restrictions. The value conclusion contained is predicated upon information sourced from municipal agents, brokers and developers in the market and is subject to Hypothetical Conditions, Extraordinary Assumptions and Extraordinary Limiting Conditions as detailed within the Terms of Reference section of this report. Any alterations to either the information provided or the assumptions in this report may have a material impact on the value contained.

The appraisal report must be used in its entirety and any reliance on any portion of the appraisal report independent of others may lead to erroneous conclusions.

Indemnification and Limitation of Liability

2808908 Ontario Inc. shall indemnify, defend and hold Colliers fully harmless from and against any and all claims, liabilities, damages, costs and expenses (including court costs and reasonable legal fees) resulting from or arising out of the Client's breach of the professional service agreement relating to the Appraisal Report, wrongful acts or omissions (including any failure to perform any duty imposed by law), misrepresentation, distortion or failure to provide complete and accurate information, or any unauthorized use or reliance by third parties on the Appraisal Report or any materials prepared by Colliers. Except for 2808908 Ontario Inc.'s indemnification obligations, neither party shall be liable to the other party for any special, consequential, punitive or incidental damages of any kind whatsoever. Moreover, to the maximum extent permitted by law, Colliers' total liability for any losses, claims or damages arising out of or connecting or relating to this agreement (under any applicable theory of law) shall be limited in the aggregate to the total sum of fees and costs received by Colliers from 2808908 Ontario Inc. for the applicable subject report(s).

Property Rights

The property rights appraised are those of the Fee Simple Interest. The Fee Simple Interest refers to absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power and escheat.

Effective Date

The effective date of this valuation is May 12, 2023.

This Appraisal Report is prepared in the context of the market conditions and other factors (including assumptions and/or materials provided by parties and sources outside of the control of Colliers) prevailing as of the effective date. Real estate markets and assets are subject to significant volatility and change; and can be affected by numerous economic and political conditions as well as other conditions. The value contained (if any) in this Appraisal Report is made as of the effective date only and should not be relied on as of any other date without receiving prior written authorization from Colliers.

Property Inspection

The following table illustrates the Colliers professionals involved with this appraisal report, and their status with respect to the property inspection.

SUBJECT PROPERTY INSPECTION			
APPRAISER	INSPECTED	EXTENT	DATE OF INSPECTION
Vicente Gamboa, MBA, AACI, P. App	No	-	-
Timour Petrov, CFA, AACI, P.App	No	-	-
Shirley Lee, AIC Candidate	Yes	Site Only	May 12, 2023

Market Value Definition

For the purposes of this valuation, market value is defined as:

"The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and the seller each acting prudently, knowledgeably, and for self-interest, assuming that neither is under duress."

(The Appraisal of Real Estate, Third Canadian Edition, ed. Dybvig, (University of British Columbia, Real Estate Division, 2010), p. 2.8)

Exposure Time

An estimate of market value is related to the concept of reasonable exposure time. Exposure time is defined as:

"The estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at the estimated value on the Effective Date of the appraisal. Exposure time is backward-looking."

(The Appraisal Institute of Canada "Canadian Uniform Standards of Professional Appraisal Practice". 2022 ed., p. 6)

Exposure Time is a retrospective function of asking price, property type, and past market conditions and encompasses not only adequate, sufficient and reasonable time, but also adequate, sufficient and reasonable marketing effort. Exposure time is a necessary element of a market value definition but is not a prediction of a specific date of sale.

In practice, the exposure time assumes the following:

- The property was extensively marketed. Potential purchasers could inspect the property at will.
- The owner provided interested agents with any and all relevant property information.
- Negotiations of any offers to purchase were performed in a timely manner.
- The property was maintained at a physical status equivalent to its present condition.
- Market level financing was readily available.
- The seller was not under duress.

Ongoing discussions with agents familiar with the market have indicated that properties like the Subject Property typically require a marketing period of six to nine months depending on a variety of factors including its location, vacancy levels, tenant quality, size, market conditions, and motivation of the vendor/purchaser. In consideration of these factors, it is concluded that for the Subject Property to sell at the market value estimated as of the effective date of this report, an exposure period of approximately six to nine months would be required.

Scope of the Valuation

This report has been written in a Narrative format, and complies with the reporting requirements set forth under the Canadian Uniform Standards of Professional Appraisal Practice. As such, all relevant material is provided in this report including the discussion of appropriate data, reasoning, and analyses that were used in the appraisal process to develop the appraiser's opinion of value. Additional supporting documentation concerning the data, reasoning, and analyses are retained in the appraiser's file. The depth of discussion contained in this report is specific to the needs of the client and for the intended use stated.

During the course of preparing this valuation, the following was completed:

- An inspection of the Subject Property and the surrounding area.
- No title search has been performed.
- Mortgages registered on title, if any, have not been examined. Investigation with respect to Subject title, encumbrances, and rights-of-way, which may or may not be registered on title have not been investigated, unless expressly noted herein. It is assumed that the Subject Property is not subject to unusual encumbrances or rights-of-way that would materially or adversely impact the market value of the property.
- Existing mortgage financing was not reviewed. The valuation herein assumed the Subject Property is free and clear of mortgage financing.
- A review of available data regarding local market conditions, local development trends, and prevailing land use development patterns.
- Verification of current land use and zoning regulations has been undertaken with reference to publicly available land use documents.
- Municipal and neighbourhood information, including tax information, were sourced as noted below and verified where appropriate and possible.
- Site area and dimensions are from information obtained from the Geowarehouse. Should further confirmation of site size and dimensions be required, a legal survey should be commissioned.
- A review of sales and listing data on comparable properties has been undertaken. Comparable market information was obtained from our information database and local real estate professionals knowledgeable in the Toronto real estate market. It was confirmed, when appropriate, with public information at the Geowarehouse or the parties involved when there was reason to doubt its accuracy.
- Discussions have been held with market participants where applicable.

SOURCES OF INFORMATION

ITEM	SOURCE
Assessment / Tax Information	MPAC
Zoning Information	City of Toronto
Official Plan Information	City of Toronto
Site Size Information	Geowarehouse
Building Size Information	Site Plan/Client
Demographics	PiiinPoint.com
Comparable Information	Colliers International, RealNet
Legal Description	Geowarehouse

Ordinary Assumptions and Limiting Conditions

This report is subject to the Ordinary Assumptions and Limiting Conditions set forth within the Appendix to this appraisal in addition to any specific assumptions that may be stated in the body of the report. These conditions are critical to the value stated and should be thoroughly read and understood before any reliance on this report should be considered.

Extraordinary Limiting Conditions

An Extraordinary Limiting Condition refers to a necessary modification to, or exclusion of, a Standard Rule which may diminish the reliability of the report. The following Extraordinary Limiting Conditions were invoked within this report:

As of the date of this report Canada and the Global Community is experiencing unprecedented measures undertaken by various levels of government to curtail health related impacts of the Covid-19 Pandemic. The duration of this event is not known. While there is potential for negative impact with respect to micro and macro-economic sectors, as well as upon various real estate markets, it is not possible to predict such impact at present, or the impact of current and future government countermeasures. There is some risk that the Covid-19 Pandemic increases the likelihood of a global recession, however without knowledge of further anticipated government countermeasures at the national and global levels it is not possible to predict any impact at this point in time. Accordingly, this point-in-time valuation assumes the continuation of current market conditions, and that current longer-term market conditions remain unchanged. Given the market uncertainties of the Covid-19 pandemic, a force majeure event, we reserve the right to revise the value estimation set out in this report for a fee, with an update appraisal report under a separate appraisal engagement, incorporating market information available at that time.

Hypothetical Conditions

Hypothetical Conditions are a specific type of an Extraordinary Assumption that presumes, as fact, simulated but untrue information about physical, legal or economic characteristics of the Subject Property or external conditions, and are imposed for purposes of reasonable analysis. No Hypothetical Conditions were invoked within this report.

Extraordinary Assumptions

An Extraordinary Assumption is an assumption, directly related to a specific assignment, which, if found to be false, could materially alter the opinions or conclusions. Extraordinary Assumptions presume as fact otherwise uncertain information about or anticipated changes in the physical, legal or economic characteristics of the Subject Property, or about conditions external to the Subject Property such as market

conditions or trends, or the integrity of data used in the analysis. The following Extraordinary Assumptions were invoked within this report:

- The Subject site is unimproved.
- It is assumed, for the purposes of this report, that there is adequate capacity for full services to be provided to a development of the Subject Property.
- It is assumed, for the purposes of this report that the Subject Property is not subject to any encumbrances or rights of way that would materially affect the impact of the market value of the Subject Property.
- We have not undertaken a detailed soil analysis, and as we are not qualified to comment on soil conditions, we have assumed that there are no contaminants affecting the site. However, a full environmental assessment would be required for certainty and any cost of remedy could potentially impact the reported value conclusion. The sub-soil is assumed to be similar to other lands in the area and suitable in drainage qualities and load bearing capacity to support the existing development.
- **It has been assumed the subject site will receive Site Plan Approval for the development of four towers with building heights of 38, 40, 41 and 47 storeys containing 1,591 dwelling units and a total GFA of 1,494,815 with 1,456,532 square feet of residential floor area, 29,602 square feet of retail floor area and 8,681 square feet child care facility.**
- **For the “as-approved” value, it has been assumed that the proposed minor variance amendment to increase the total gross floor area to 1,575,778 SF and 2,035 units will be approved.**

Assemblage

When relevant to the assignment, CUSPAP requires that assemblage must be considered and analyzed as to the effect on value. In the instance of the Subject Property, assemblage is not considered to be a relevant factor, and the impact has not been considered and has not been analyzed within the valuation analyses contained herein.

Anticipated Public or Private Improvements

When relevant to the assignment, CUSPAP requires that anticipated public or private improvements must be considered and analyzed as to the effect on value. In the instance of the Subject Property, public or private improvements are not considered to be a relevant factor, and therefore no analysis is deemed necessary.

Personal Property

When relevant to the assignment, CUSPAP requires that personal property must be considered and analyzed as to the effect on value. In the instance of the Subject Property, personal property is not considered to be a relevant factor, and therefore no analysis is deemed necessary.

Property Data

Municipal Address

The Subject property is municipally described as 1680 Brimley Road, Toronto, Ontario.

Legal Description

The Subject property's legal description is as follows:

P.I.N.	Legal Description
060000078	PT LT 25 CON 2 SCARBOROUGH PT 2 64R10330; S/T TB398371; TORONTO , CITY OF TORONTO

Current Ownership

Available data indicates the following ownership information:

PARCEL	REGISTERED OWNER	SOURCE OF TITLE INFORMATION
060000078	BRIMLEY PROGRESS DEVELOPMENTS INC.	Geowarehouse

Ownership History

Ownership of the property last transferred on June 2, 1999. According to the information available, the current owner, BRIMLEY PROGRESS DEVELOPMENTS INC., acquired the Subject Property from an undisclosed party for the reported consideration of \$1,714,410. This transaction is understood to have occurred at arm's length.

There have been no other transfers of the property within the past three years.

Source: Geowarehouse

Current Contracts

The Subject is not currently listed for sale.

Recent Activity

We are not aware of recent activity pertaining to the subject real estate.

Title Encumbrances

For the purposes of this analysis, the instruments registered against the title(s) to the property are assumed not to have a significant effect on the property's marketability or its market value. For greater certainty a legal opinion should be solicited for a full explanation of the effects of these encumbrances. The property has been valued as if free and clear of any financing.

Realty Taxes / Assessment

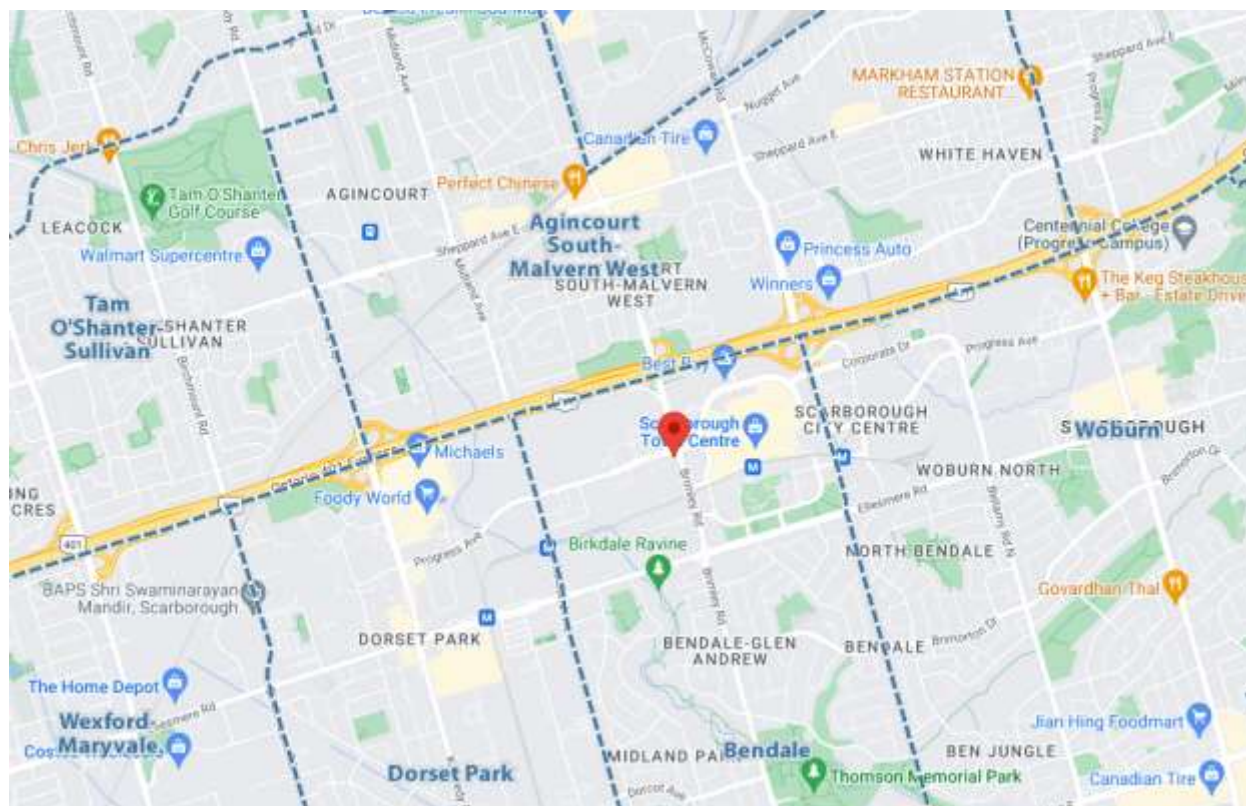
The Subject property assessment details are summarized as follows according to data provided by MPAC.

ASSESSMENT & TAXES				
ROLL NO	TOTAL 2022 ASSESSMENT	TOTAL ASSESSMENT PER ACRE	TOTAL 2022 TAX LEVY*	TOTAL TAX LEVY PER ACRE
190105169000500	\$11,770,000	\$2,649,877.43	\$59,565	\$13,410.47

**Estimated based on City of Toronto property tax rate of 0.506079% (New Multi-Residential).

The above assessment is based on the current use of the subject property and appears to be reasonable. It is assumed that the site will be reassessed upon redevelopment.

Location Overview – Bendale, Toronto



The Subject property is situated in the predominantly residential district of Bendale with convenient access to Scarborough City Centre, Highway 401 and TTC Line 3. The district's residential dwellings consist of predominantly single detached dwellings, with a small cluster of high-density residential buildings in the northeast of the district. The area also contains a small commercial node in its northern portion, consisting of predominantly industrial space, benefiting from close proximity to Highway 401. Scarborough Town Centre Shopping Mall is located in the northeastern corner of the district, providing the area with access to a variety of retail, dining and entertainment outlets. Overall, the district provides convenient access to Downtown Toronto by transit or vehicle and the Greater Toronto Area via Highway 401.

District Boundaries

- | | | |
|-------|---|---|
| North | • | Highway 401 |
| South | • | Pringdale Ravine, McCowan Park and Citadel Drive. |
| East | • | McCowan Road and West Highland Creek |
| West | • | Midland Avenue |

Adjacent Districts

- | | | |
|-------|---|---|
| North | • | Agincourt South-Malvern West – Residential and Commercial |
| South | • | Eglinton East – Residential |
| East | • | Woburn – Residential |
| West | • | Dorset Park – Residential and Commercial |

Major Arterials & Access

- Access
 - Access to the neighbourhood is considered to be excellent, with multiple arterial roadways, proximity to major highways and access to public transit.
- Highways
 - The area contains direct access to Highway 401, providing east-west transit across the Greater Toronto Area.
- Arterials
 - Major area arterials include Midland Avenue, Brimley Road, McCowan Road, Ellesmere Road, and Lawrence Avenue East.
- Transit
 - The area contains direct access to TTC Line 3 via the McCowan, Scarborough Centre and Midland Subways Stations. TTC Line 3 provides northeast-southwest transit from McCowan Subway Station to the northeast to Kennedy Subway Station to the southwest. The area is also served by bus routes along:
 - Midland Avenue (Route 57);
 - Brimley Road (Routes 21AC & 903);
 - McCowan Road (Route 16);
 - Ellesmere Road (Routes 95AB, 38, 133 & 995); and,
 - Lawrence Avenue East (Routes 54 & 954).

Summary

The Subject property is located in the City of Toronto, in the old City of Scarborough, in the district of Bendale, approximately fifteen kilometers northeast of the City of Toronto central business district. The subject is well situated for vehicular and transit access, and is situated in close proximity to a major highway, an existing subway line, and multiple bus routes.

Assignment Background and Planning Status

Overview

The subject site is approximately 4.442 acres (193,481 SF). The proposed development consists of four towers with building heights of 38, 40, 41 and 47 storeys containing 1,591 dwelling units and a GFA of 1,456,532 square feet, 29,602 square feet of retail floor area and 8,681 square feet child care facility. The building will have 1,214 parking units and surface visitor parking stalls and 989 Locker units. The proposed development has a Floor Space Index of approximately 7.74 times the area of the lot.

Application Status

A first application for Zoning By-law Amendment and Official Plan Amendment was submitted on December 29, 2006 in support of a proposed mixed-use development consisting of four towers ranging from 39 storey to 44 storeys height with 1,591 dwelling units, at-grade commercial space and live-work uses. A resubmission was made on June 24, 2007 to address various staff comments and was followed by a public meeting in autumn 2007. A second resubmission was made on January 4, 2008 with the intent of garnering a final recommendation from municipal staff.

A revised development proposal was submitted to the City on December 19, 2014 consisting of a similar four-tower scheme with tower heights ranging from 34 to 44 storeys, divided into four development phases. This proposal was reviewed by the Design Review Panel ("DRP") on April 22, 2015. A resubmission was made on December 23, 2015, incorporating revisions based on feedback from staff and the DRP.

On April 27, 2016, the owner appealed its applications for Official Plan Amendment, Zoning By-law Amendment and Site Plan Control to the OMB (now OLT) based on Council's failure to decide on the application with the allotted time directed by the Planning Act.

An OLT decision issued June 8, 2022 advised that a section 37 agreement has been executed and a final zoning by-law has been settled. A certified copy of the numbered City of Toronto By-law 1190-2022 (OLT) was issued by the City Clerk, dated September 29, 2022.

On December 7, 2022, the Site Plan Control Application (File No. 06 200147 ESC 37 SA) was resubmitted addressing technical comments from municipal departments and external stakeholder agencies and is under review.

Proposed Minor Variance

As we understand it, the client is assessing the potential for a Minor Variance application to increase the heights, densities and number of suites of the approved development. The variance would generally increase the heights of Towers 1, 2, and 3 from 40, 38 and 41 storeys respectively, to 44, 42, and 45 storeys respectively.

Proposed Minor Variance GFA

TOTAL GFA		
	m ²	ft ²
a. Total Parking	1,728	18,600
b. Total Residential Above Grade	143,877	1,548,679
c. Total Retail+Daycare	2,517.6	27,099
d. Total Above Grade Excluding Parking (b+c)	146,394.6	1,575,778
e. Total Above/Below Grade (a+b+c)	148,122.6	1,594,378

Project Rendering



Please see the following pages for development statistics and plans.

Development Statistics

RESIDENTIAL													
LEVEL	NUMBER OF FLOORS	GCA		DEDUCTIONS (m²)				TOTAL DEDUCTIONS		TOTAL GFA		SALEABLE	
		m²	ft²	LOADING	MECH / ELEC	GARBAGE	MECH PH	m²	ft²	m²	ft²	m²	ft²
LEVEL 1	1	5,878.5	63,276	959.2	219.4	666.1	0.0	1,844.7	19,856	4,033.8	43,420	1,524.6	16,410
LEVEL 1 UPPER	1	1,198.1	12,896	0.0	0.0	0.0	0.0	0	0	1,198.1	12,896	833.8	8,974
LEVEL 2	1	4,289.2	46,168	0.0	29.6	7.2	0.0	36.8	396	4,252.4	45,773	2,184.3	23,511
LEVEL 3	1	5,225.7	56,249	0.0	27.3	6.8	0.0	34.1	367	5,191.6	55,882	3,166.6	34,085
LEVEL 4	1	5,715	61,515	0.0	257.5	6.2	0.0	263.7	2,839	5,451.2	58,677	2,502.2	26,934
LEVEL 5	1	4,342.4	46,741	0.0	38.6	6.2	0.0	44.8	482	4,297.6	46,259	2,723.9	29,319
LEVEL 6	1	3,012.4	32,426	0.0	12.5	5.6	0.0	18.1	195	2,994.3	32,230	2,341.2	25,200
LEVEL 7	1	3,118.3	33,565	0.0	12.5	5.6	0.0	18.1	195	3,100.1	33,370	2,634.6	28,358
LEVEL 8-12 - T1,2	5	7,798.7	83,944	0.0	18.2	13.0	0.0	31.2	336	7,767.5	83,609	6,532	70,309
LEVEL 8-24 - T3,4	17	26,495	285,190	0.0	150.8	51.6	0.0	202.4	2,179	26,292.6	283,011	22,578.9	243,037
LEVEL 13 - T1,2	1	1,559.7	16,789	0.0	8.4	2.6	0.0	11	119	1,548.7	16,670	1,301.1	14,005
LEVEL 14-21 - T1,2	8	12,477.9	134,311	0.0	29.1	20.8	0.0	49.9	537	12,428	133,774	10,451.1	112,495
LEVEL 22 - T1,2	1	1,559.7	16,789	0.0	3.6	2.6	0.0	6.2	67	1,553.5	16,722	1,301.1	14,005
LEVEL 23-31 - T2	9	7,018.8	75,550	0.0	16.3	11.7	0.0	28.1	302	6,990.8	75,248	5,878.8	63,278
LEVEL 23-36 - T1	14	10,918.2	117,522	0.0	25.4	18.2	0.0	43.6	470	10,874.5	117,052	9,144.7	98,433
LEVEL 25 - T3,4	1	1,558.4	16,774	0.0	298.0	3.0	0.0	301	3,240	1,257.3	13,534	1,038.9	11,182
LEVEL 26-29 - T3	4	3,116.7	33,548	0.0	17.7	6.0	0.0	23.8	256	3,092.9	33,292	2,656	28,589
LEVEL 26-35 - T4	10	7,794.8	83,902	0.0	44.4	15.3	0.0	59.7	642	7,735.1	83,260	6,643	71,504
LEVEL 30-40 - T3	11	8,570.9	92,256	0.0	48.8	16.5	0.0	65.3	703	8,505.6	91,553	7,303.9	78,619
LEVEL 32-38 - T2	7	4,282.4	46,095	0.0	12.7	9.1	0.0	21.8	235	4,260.5	45,860	3,437.2	36,997
LEVEL 36-46 - T4	11	8,574.3	92,293	0.0	48.8	16.8	0.0	65.6	706	8,508.6	91,586	7,307.3	78,655
LEVEL 37-40 - T1	4	2,447.1	26,340	0.0	7.3	5.2	0.0	12.5	134	2,434.6	26,206	1,964.1	21,141
LEVEL 41 - T3	1	779.2	8,387	0.0	4.4	1.5	0.0	5.9	64	773.2	8,323	664	7,147
LEVEL 47 - T4	1	779.5	8,390	0.0	4.4	1.5	0.0	6	64	773.5	8,326	664.3	7,150
MPH	1	1,693.3	18,226	0.0	0.0	4.8	1,688.5	1,693.3	18,226	0	0	0	0
		140,203.9	1,509,142	959.2	1,335.9	904.1	1,688.5	4,887.6	52,610	135,316.3	1,456,532	106,777.1	1,149,340



DAYCARE																			
LEVEL	NUMBER OF FLOORS	GCA		DEDUCTIONS (m²)										TOTAL DEDUCTIONS		TOTAL GFA		LEASABLE	
		m²	ft²	BELOW GRADE PARKING	BIKE STORAGE	LOADING	BELOW GRADE STORAGE	MECH / ELEC	AMENITY	ELEVATOR	GARBAGE	MECH PH	STAIR	m²	ft²	m²	ft²	m²	ft²
LEVEL 1 - DAYCARE	1	72.8	783	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	72.8	783	40.3	434
LEVEL 2 - DAYCARE	1	733.7	7,897	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	733.7	7,897	710.4	7,647
		806.5	8,681	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	806.5	8,681	750.8	8,081

PARKING																			
LEVEL	NUMBER OF FLOORS	GCA		DEDUCTIONS (m²)										TOTAL DEDUCTIONS		TOTAL GFA			
		m²	ft²	BELOW GRADE PARKING	ABOVE GRADE PARKING	COMMON AREA	BIKE STORAGE	LOADING	BELOW GRADE STORAGE	MECH / ELEC	AMENITY	ELEVATOR	GARBAGE	MECH PH	STAIR	m²	ft²	m²	ft²
BASEMENT P1	1	17,603.8	189,486	15,094.7	0.0	189.2	138.4	0.0	107.8	1,577.7	0.0	119.0	0.0	0.0	377.0	17,603.8	189,486	0.0	0
BASEMENT P2	1	17,603.9	189,487	15,635.5	0.0	170.9	0.0	0.0	869.2	454.4	0.0	119.5	0.0	0.0	354.5	17,603.9	189,487	0.0	0
LEVEL 1	1	4,448.6	47,884	0.0	3,712.9	0.0	0.0	0.0	0.0	79.3	0.0	0.0	0.0	0.0	136.7	3,928.8	42,290	519.7	5,594
LEVEL 1 UPPER	1	2,677	28,815	0.0	2,078.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	282.9	2,361.8	25,422	315.2	3,393
LEVEL 2	1	4,441.2	47,804	0.0	3,911.8	0.0	0.0	0.0	0.0	43.0	0.0	0.0	0.0	0.0	223.5	4,178.3	44,974	262.9	2,830
LEVEL 3	1	4,854.7	52,256	0.0	4,453.8	0.0	0.0	0.0	0.0	61.2	0.0	0.0	0.0	0.0	216.5	4,731.4	50,928	123.3	1,327
		51,629.2	555,733	30,730.2	14,157.3	360.1	138.4	0.0	977.1	2,215.5	0.0	238.4	0.0	0.0	1,591.1	50,408.0	542,588	1,221.2	13,145

PARKING REQUIREMENTS			
	UNITS / SQ.M	BY-LAW	PARKING REQUIREMENTS
BACHELOR (150)	150	0.0	0
1 BEDROOM (637)	199	0.0	0
	438	0.70	307
2 BEDROOM (729)	729	0.90	656
3 BED (75)	75	1.00	75
SUM RESIDENTIAL	1591		1038
VISITORS	1591	0.10	159
COMMERCIAL USES			11
AUTOSHARE			6
TOTAL			1214

PROPOSED LOCKERS - TOTAL		
	SIZE	COUNT

T1		
BASEMENT P2	1830 x 915mm	59
LEVEL 2	1830 x 915mm	159
LEVEL 3	1830 x 915mm	161
LEVEL 4	1830 x 915mm	36
LEVEL 5	1830 x 915mm	54

T2		
BASEMENT P1	1830 x 915mm	2
BASEMENT P2	1830 x 915mm	9
LEVEL 2	1830 x 915mm	173
LEVEL 3	1830 x 915mm	67
LEVEL 4	1830 x 915mm	41
LEVEL 5	1830 x 915mm	68

T3		
BASEMENT P2	1830 x 915mm	36
LEVEL 5 - T3/T4	1830 x 915mm	9

T4		
BASEMENT P2	1830 x 915mm	50
LEVEL 2 - T3/T4	1830 x 915mm	65

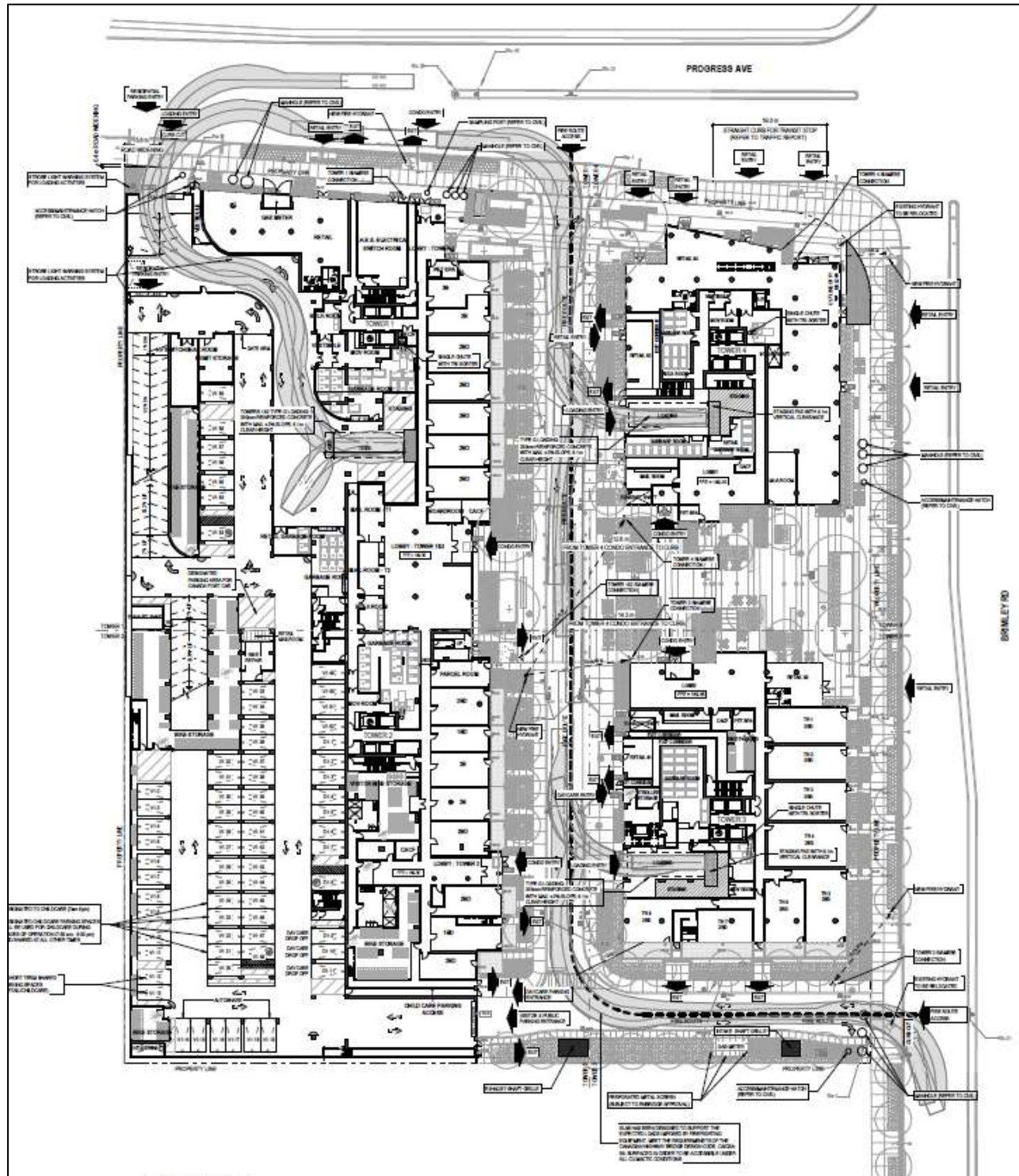
Grand total: 989

TOTAL GCA		
	m ²	ft ²
a. Total Parking	51,629.2	555,733
b. Total Residential Above Grade	140,203.9	1,509,142
c. Total Retail+Daycare	3,628	39,051
d. Total Above Grade Excluding Parking (b+c)	143,831.9	1,548,193
e. Total Above/Below Grade (a+b+c)	195,461.1	2,103,926

TOTAL GFA		
	m ²	ft ²
a. Total Parking	1,221.2	13,145
b. Total Residential Above Grade	135,316.3	1,456,532
c. Total Retail+Daycare	3,556.6	38,283
d. Total Above Grade Excluding Parking (b+c)	138,872.9	1,494,815
e. Total Above/Below Grade (a+b+c)	140,094.1	1,507,960

Development Plans

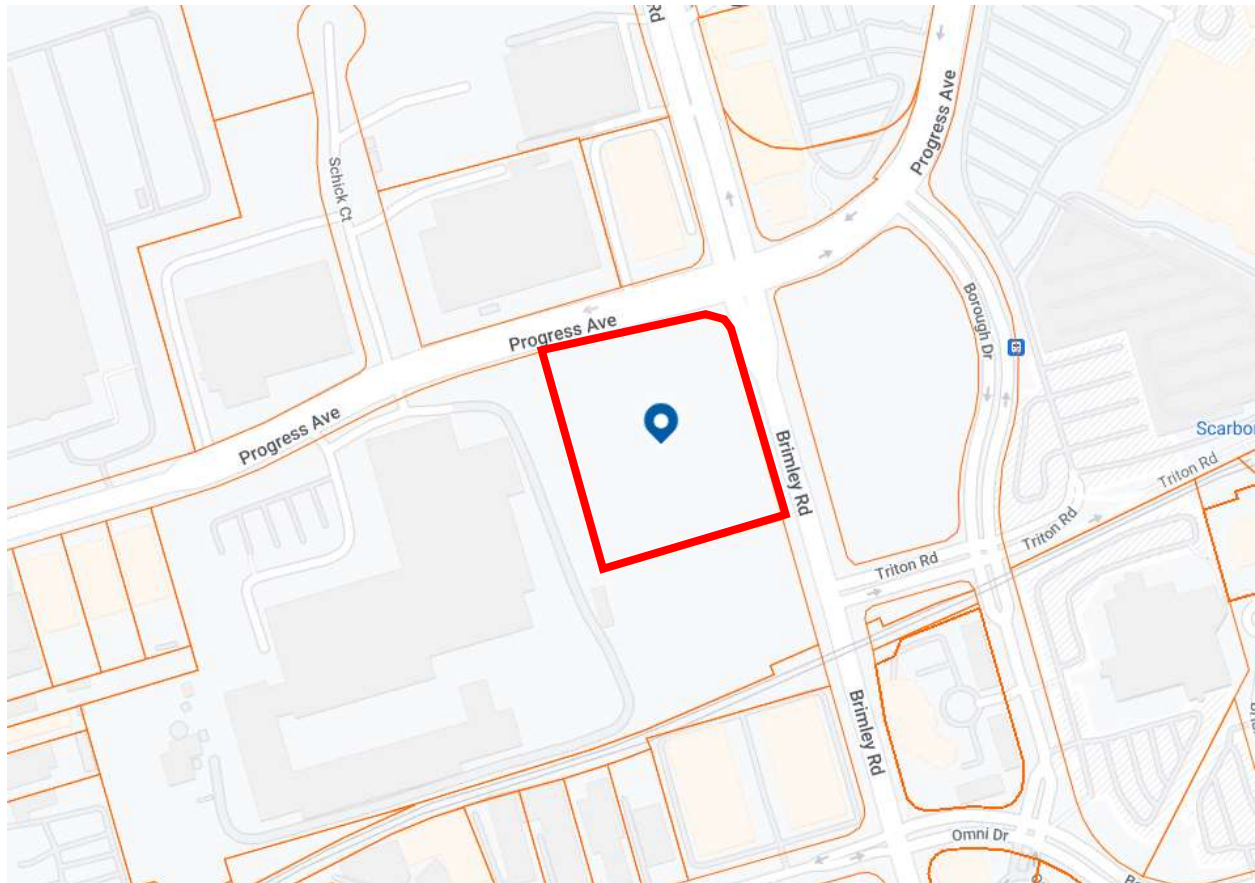
Site Plan



Building Elevations



Site Description



Site Area	Approximately 4.442 Acres (193,481 SF)
Improvements	The Subject site is unimproved.
Frontage	Approximately 415.91 feet of frontage along Brimley Road (according to MPAC). Approximately 371.54 feet of frontage along Progress Ave.
Configuration	The site is rectangular in its configuration, as shown on the site plan above.
Topography	The site is generally level with street frontage and adjoining properties.
Services	Full municipal services are available to the Subject property. For the purposes of this report it has been assumed that there is adequate capacity for full services to be provided to a development of the Subject.
Access	The Subject has points of ingress/egress from Brimley Road and Progress Ave.
Soil Conditions	We have not undertaken a detailed soil analysis, and as we are not qualified to comment on soil conditions, we have assumed that there are

no contaminants affecting the site. However, a full environmental assessment would be required for certainty and any cost of remedy could potentially impact the reported value herein. The sub-soil is assumed to be similar to other lands in the area and suitable in drainage qualities and load bearing capacity to support the existing development.

Demographics

DEMOGRAPHICS AND STATISTICS		
Population	1 km radius	12,193
	3 km radius	122,668
	5 km radius	353,470
Average Household Income	1 km radius	\$84,395
	3 km radius	\$91,287
	5 km radius	\$93,115

Source: PiiinPoint.com

Conclusion

The site is located in the City of Toronto in close proximity to arterial routes with good access characteristics. The Subject has a topography, shape and configuration which will likely permit development.

Land Use Controls

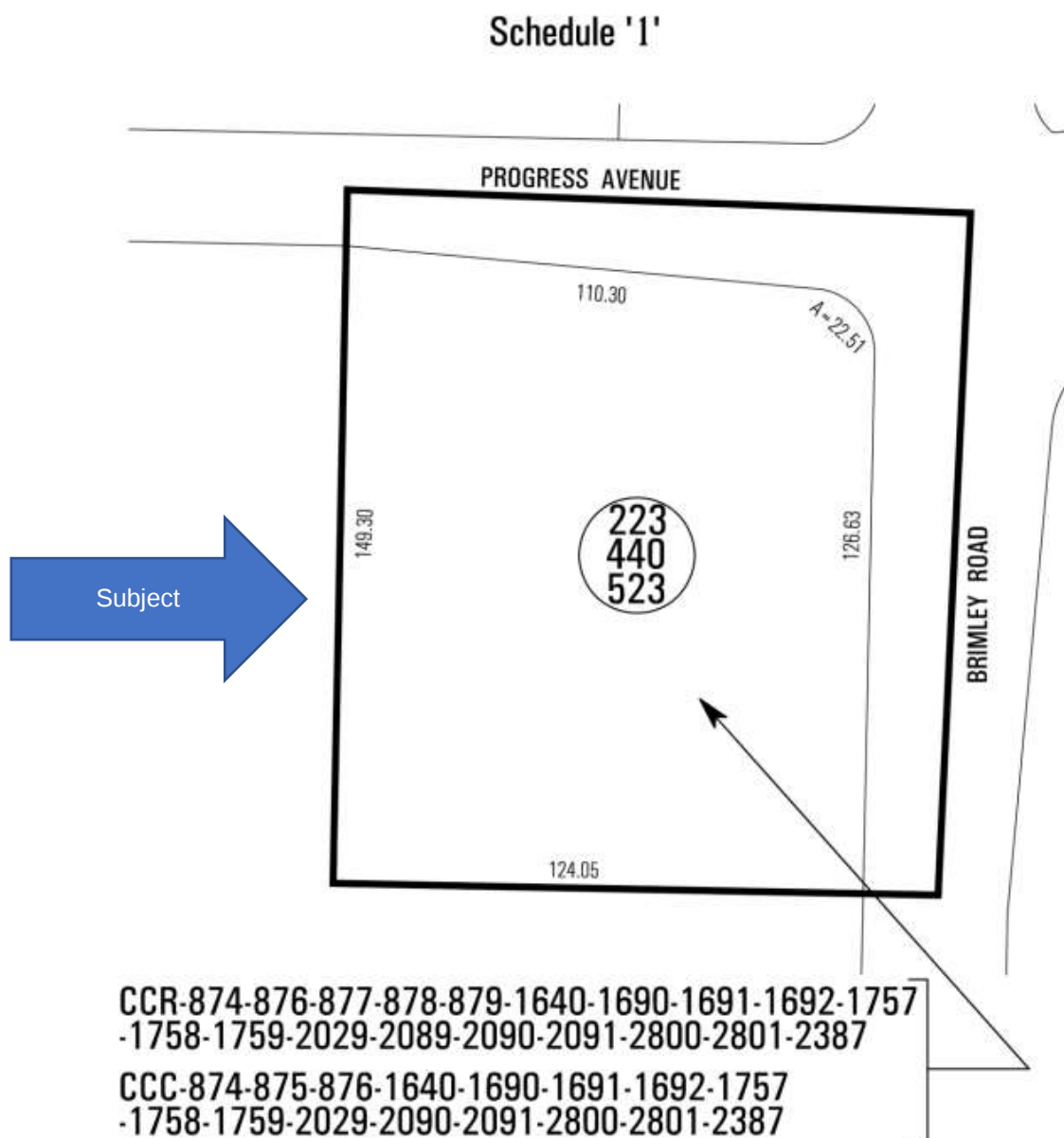
Zoning

Introduction

Zoning bylaws typically establish ranges of permitted and discretionary uses, in addition to development restrictions including such factors as maximum building heights, allowable densities, setback requirements, parking and loading limitations, signage restrictions and other items.

According to the Former Scarborough Employment District zoning bylaw 24982, the property is currently classified **CCR and CCC (City Centre Residential and City Centre Commercial Site Specific Approval)**. An excerpt from the zoning bylaw is included in the appendices to this report.

Zoning Map



A zoning summary and a listing of pertinent zoning requirements are presented below:

ZONING SUMMARY	
Municipality Governing Zoning	Former Scarborough Employment District
Zoning Bylaw Number	24982
Current Zoning	City Centre Residential and City Centre Commercial Site Specific Approval (CCR and CCC)
Permitted Uses	The subject received an OLT approval for the proposed development on June 8, 2022.
Current Use	Vacant Land
Is Proposed Use Legally Permitted?	Yes
Zoning Change	Recently Occurred (See Discussion Below)

Zoning Conclusions

A Zoning By-law Amendment application was approved pursuant to an Ontario Land Tribunal order issued June 8, 2022 (Case #OLT-322-003132) to permit the proposed development.

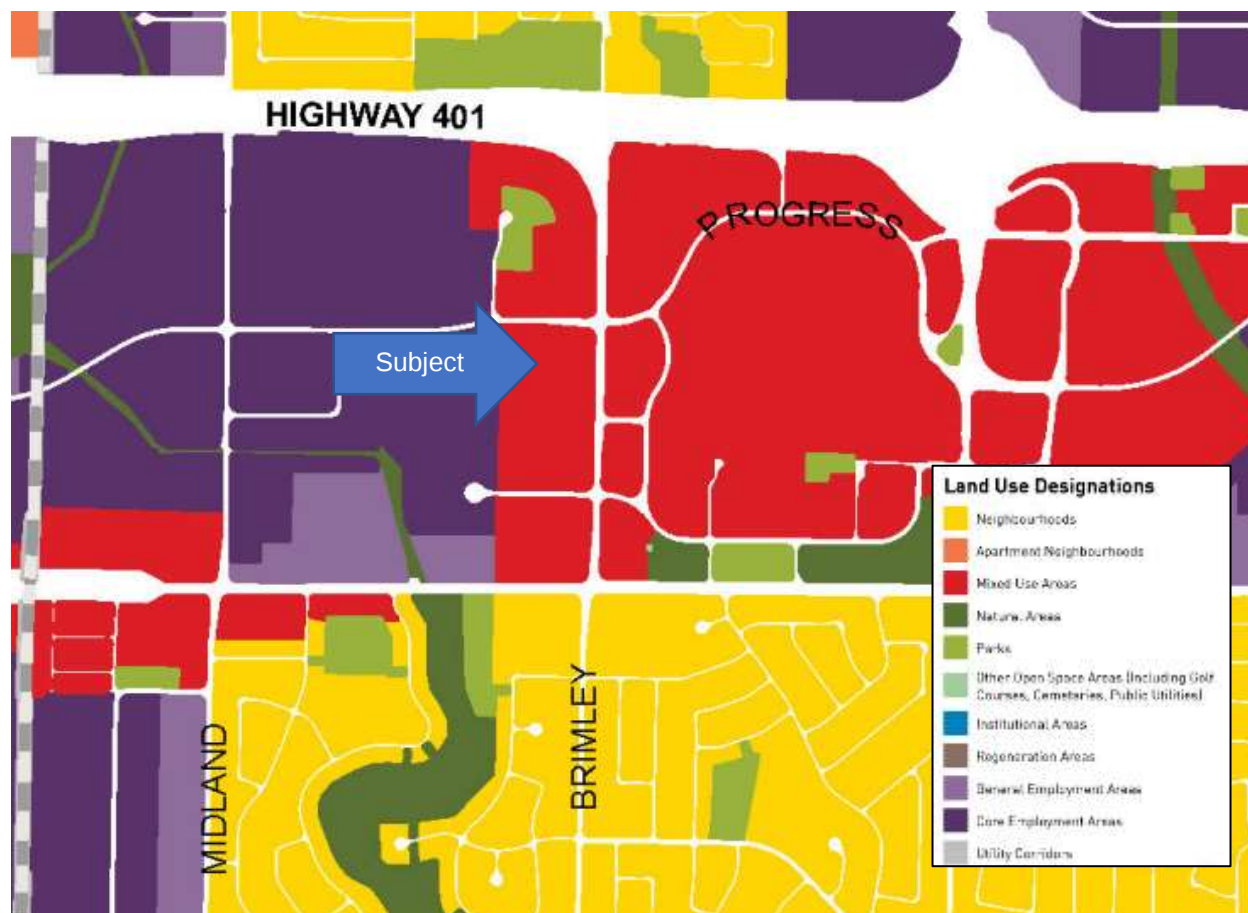
Detailed zoning studies are typically performed by a zoning or land use expert, including attorneys, land use planners, or architects. The depth of analysis presented correlates directly with the scope of this assignment, and it considers all pertinent issues that have been discovered through our due diligence. Please note that this appraisal is not intended to be a detailed determination of compliance, as that determination is beyond the scope of this real estate appraisal assignment.

Based on our interpretation of the applicable land use/zoning bylaw, the property use appears to reflect a legally permitted conforming use. However, the authors are not technically qualified to confirm zoning compliance, and for greater certainty in this regard, written confirmation from the municipality and/or a qualified legal opinion should be obtained.

Official Plan

The Municipal Official Plan is a policy document that provides direction for planning and development activities. It is intended to co-ordinate the effects of change and future development in the best long-term interests of the Municipality and the Region. The intentions of the Official Plan are implemented through creation of Zoning By-laws and other local regulations.

The Former Scarborough Employment District Official Plan designates the Subject Property as: **Mixed Use Areas**.



Permitted Uses

The permitted uses under the Mixed Use Areas designation permits a variety of Commercial, Residential (including apartment), Recreational and Institutional uses.

Please see Appendix C for the relevant exert.

Compliance

The subject received an OLT (Case #OLT-322-003132) approval for the proposed development on June 8, 2022. The purposed of the Official Plan Amendment was to exempt the subject lands from Policy 6.3 of the Scarborough Centre Secondary Plan. The proposed amendment would bring the parkland dedication rate for the subject lands into accordance with the Official Plan policies regarding parkland that are in force

at the time of issuance of the first above-grade building permit. Thus, the proposed use as a high-rise residential development appear to reflect a legally permitted conforming use.

Market Overviews

Economic Overview – Canada

Canada has the world's 39th largest population and the world's second largest land mass. The country's population is dispersed among 10 provinces and 3 territories with nearly 90% of its people living within 160 kilometers of the United States border. Canada consistently receives a top fifteen Human Development Index ranking and a top twenty ranking for GDP (nominal) per capita.

Canada's economy consistently receives a top twelve world ranking. International trade makes up a large part of Canada's economy, with the United States as its largest trading partner followed by the European Union and China. Key Canadian exports include petroleum, automobiles and auto parts, precious metals, machinery including computers, wood, electrical machinery, aircraft and spacecraft, pharmaceuticals and aluminum. More recently, Canada's high knowledge industries of manufacturing, business services, engineering and computer and management services have received a top ten global knowledge economy ranking from the World Bank Institute.

Following is a summary of featured insights prepared by the Conference Board of Canada regarding the Canadian economy.

Bracing for a Slowdown: Canada's Three-Year Business and Industry Outlook

- Many businesses anticipate a recession in Canada within the next year, derailing their production and investment plans.
- Elevated oil prices mean the energy sector will lead in investment over the short term.
- Industries hit hard over the past two years—such as transportation and manufacturing—are poised for increased investment, though challenges remain.
- Softer domestic and global demand and ongoing supply chain problems will continue to temper output in several manufacturing sectors throughout 2023.
- Commercial services will face competing forces over the short term, where the lifting of most pandemic-related restrictions will help some industries, but higher inflation will hinder others.
- Fiscal constraints at all levels of government will soften output growth for the public sector for most of the forecast period.

Short-Term Pain but Long-Term Gain: Canada's Three-Year Housing Outlook

- Higher mortgage interest rates are stifling homebuyer interest, prompting a dramatic reversal in Canadian housing markets.
- National resale price growth will slow to 2.0 per cent this year after a record 22.6 per cent increase in 2021. Canada's average price will decline roughly 8 per cent and 1 per cent respectively in 2023 and 2024 before rising by 3.0 per cent in 2025.
- Should the pace of current sales declines accelerate, a larger price correction could result.
- Housing starts will fall to 247,100 units in 2022, down from last year's 45-year high of near 271,200 units. Starts will hover near 230,000 units annually in 2023 to 2025.
- Slowing activity in the new and resale housing markets will outweigh modest renovation growth to cut total residential investment in 2023 before it rises again slightly in 2024 and 2025.
- Strong population growth will challenge industry and governments to deliver sufficient housing.

Rising Headwinds: Canada's Three-Year Labour and Household Outlook

- The labour market has reached an inflection point, employment growth has stalled, and unemployment is set to rise.
- Wage growth has given way to price pressure and is now accelerating. Ahead, weakening labour demand will draw steam from this ascent.
- The consumer price index will grow by 7.0 per cent this year and 3.8 per cent next year. Rising wage pressures will hinder inflation's return to the Bank of Canada's target range.
- Real household consumption spending will grow by 5.4 per cent in 2022 and 1.6 per cent in 2023.
- Tighter monetary policy is discouraging the consumption of goods and services that are sensitive to interest rates. Spending on durable goods fell in the second quarter of 2022 and will fall further into 2023.
- Real household spending on services reclaimed its pre-pandemic level in the second quarter of 2022. However, spending on transportation, recreation, and travel hasn't fully bounced back.

Central Banks Battle Inflation: Canada's Three-Year Financial Markets Outlook

- High inflation is prompting central banks everywhere to lift interest rates. Price pressures are widespread.
- The Bank of Canada has raised its benchmark interest rate five times this year with the overnight target rate increasing from 0.25 per cent in January to 3.25 per cent in September.
- We expect a further hike of 50 basis points in October 2022 before a Bank pause for economic assessment.
- The Bank should start cutting rates in the second half of 2023 by 25 points in each of the third and fourth quarters.
- The U.S. Federal Reserve Board seems poised to raise the federal funds rate by 50 basis points in November and by 25 points in December. This will put the rate near 4.0 per cent by year-end.
- We believe Canada's dollar will remain weak, hovering below US\$0.78 in the fourth quarter of 2022 and through much of 2023.



Economic Overview – Ontario

The Province of Ontario is Canada's most populous province and home to the nation's capital, Ottawa, as well as the nation's largest city, Toronto. Besides having 40% of Canada's population, Ontario has the most culturally diverse population in Canada. The great majority of Ontario's population and arable land is located in the south. In contrast, the larger, northern part of Ontario is sparsely populated.

Ontario generates 39% of Canada's GDP and forms Canada's largest economy. The province's economy is led by its service sector, manufacturing, agriculture, mining and forestry industries. Nearly 50% of Canada's high tech, financial services and other knowledge intensive industries are employed in Ontario. Meanwhile, Ontario is Canada's manufacturing powerhouse, shipping more than \$258 billion of automobiles, information and communications technologies, biotech, pharmaceuticals and medical devices. In addition, the province's mining industry is among the top 10 producers in the world for nickel and platinum and a significant producer of gold, copper, zinc, cobalt and silver.



Economic Overview – Toronto

Toronto is the most populous city in Canada, the provincial capital of Ontario, and forms the centre of the most populous metropolitan area in Canada. In addition, Toronto is located within one of North America's fastest growing regions, known as the Golden Horseshoe – Canada's most important economic engine. Culturally, Toronto is one the world's most diverse cities and known as a prominent centre for music, theatre, and motion picture and television production. The Metropolitan Toronto Area consists of 24 municipalities including Mississauga, Brampton, Markham and Vaughan which are interconnected by an extensive road network.

Toronto is Canada's business and financial capital. The city is the second largest financial services centre in North America after New York and has one of the highest concentrations of financial services company headquarters in the Americas. Toronto is also the headquarters of many large Canadian and multinational corporations as well as a robust and critical concentration of top legal, accounting, consulting, academic and technology providers. The city's other prominent industries include technology, design, financial services, life sciences, education, arts, fashion, business services, environment, food & beverage, and tourism. The following are select highlights from the Conference Board of Canada Major City Insights Report for the City of Toronto:

- To date, Toronto has done well in its economic recovery, with real GDP already above its pre-pandemic level at the end of last year.
- And despite hitting a few speed bumps in the first quarter of this year, real GDP growth in Toronto will still be roughly in line with that of Ontario's in 2022.
- Looking ahead, several factors, both domestic and international, will take some steam out of real GDP activity in 2023.
- While the pandemic is far from over—we are seeing weaker global demand and ongoing supply chain issues sparked by the pandemic still challenging several sectors—it will not be the biggest risk to Toronto's overall outlook over the short term.
- The main concern for the city's economic prospects in the near term is the impact of stubbornly high inflation and rising interest rates.
- Accordingly, real GDP growth in Toronto is forecast to reach 3.8 per cent in 2022 before decelerating to a more modest pace of 2.1 per cent in 2023.



Residential Demand in the GTA

A total of 2,360 new condo apartments were sold across the Greater Toronto Area in the first quarter of 2023 representing a decrease of 74% year over year. The average new launch price for the Greater Toronto Area was \$1,407. Additionally, resale index prices decreased by 13.3% year over year to \$857 per square foot.

Condominium Market Overview by Quarter Greater Toronto Area					
Quarter	Q1-2022	Q2-2022	Q3-2022	Q4-2022	Q1-2023
New Condominium Market					
Projects (incl. sold-out)	473	478	462	459	461
Total Units	136,385	138,424	136,187	136,689	137,701
Quarter Sales	9,242	7,111	1,850	3,494	2,360
Unsold Inventory	9,430	12,406	13,774	15,233	16,299
Avg. New Launch PSF	\$1,415	\$1,369	\$1,427	\$1,329	\$1,407
Avg. Unsold PSF	\$1,410	\$1,446	\$1,447	\$1,430	\$1,434
Total Absorption Level	93%	91%	90%	89%	88%
New Project Openings					
Projects	26	35	10	16	11
Total Units	7,193	10,091	3,244	4,812	3,441
New Project Construction					
Construction Starts	6,818	6,296	12,601	3,695	5,076
Completions	4,291	4,532	2,365	3,757	5,246
Projects U/C	300	308	338	334	333
Total Units U/C	90,303	92,672	102,458	101,618	100,857
Resale Market					
Projects	2,096	2,112	2,136	2,159	2,172
Total Units	400,531	405,293	409,958	415,463	418,507
Quarter Sales	6,964	5,112	3,825	3,218	4,026
Avg. Price	\$812,000	\$793,000	\$742,000	\$730,000	\$719,000
Avg. Price PSF	\$988	\$941	\$892	\$844	\$857
Total Listings	9,157	9,370	9,032	6,480	7,665
Sales to Listings Ratio	76%	55%	42%	50%	53%
New Resale Additions					
Projects	18	16	24	23	13
Total Units	4,408	4,762	4,665	5,505	3,044

*Source: Urbanation

Scarborough Residential Resale Market

Resale data during Q4 2022 for the subject's neighbourhood of Bendale is presented below. The subject is located in the district of Toronto E09. According to the Toronto Real Estate Board, during the fourth quarter of 2022 in the subject's neighbourhood of Bendale there were a total of 30 residential sales on market. The average price per dwelling for condominium apartment was \$621,000 with the median price per dwelling at \$658. The average number of days on market for condominium apartment in Bendale was 29 days. For Condo Apartments, there were 11 transactions in Q4 2022.



*Source: Toronto Real Estate Board

Conclusion

Market conditions for residential real estate have worsened during the last 12 months. Prices have declined since peaking in February 2022. The environment remains challenging for new project launches.

Valuation

Highest and Best Use

The principle of highest and best use is fundamental to the concept of value in real estate. Highest and best use, in general, may be defined as follows:

“The reasonably probable use of real property, that is physically possible, legally permissible, financially feasible, and maximally productive, and that results in the highest value.”

(The Appraisal Institute of Canada "Canadian Uniform Standards of Professional Appraisal Practice". 2022 ed., p. 7)

The aforementioned characteristics are considered sequentially. The tests of legal permissibility and physical possibility must be applied before the remaining tests. See the **Appendix** for a more detailed definition of each of the four characteristics. The following analysis contributes to our conclusions of highest and best use.

As Vacant Analysis

Legal Permissibility

The legal factors that can influence the highest and best use of the Subject site include land use/zoning regulations, private restrictions, building codes, historic designations/district controls, environmental regulations and others, if applicable to the Subject site. In the Subject instance, general ranges of permitted uses under its City Centre Residential and City Centre Commercial Site Specific Approval zoning were summarized in the Land Use / Zoning section. The subject site received a zoning by-law amendment approval for the development of an FSI of 7.74 times. Therefore, legal factors are supportive of high-rise residential development at the subject site.

Physical Possibility

Regarding physical characteristics, the Subject site is rectangular in shape and has generally level topography with good access and good/excellent exposure. Physical and locational features appear supportive of high-rise residential development for the site's highest and best use as-vacant.

Financial Feasibility

Our observations of current market conditions for development at the Subject property's location suggest that development of the site with a high-rise residential development would be feasible.

Maximum Productivity

Of the various legally permissible, physically possible, and financially feasible uses available, the maximum productivity of the property would be achieved with a high-rise residential development.

Highest and Best Use as if Vacant

Upon examination of the factors mentioned above and careful consideration of the relevant factors including the Subject property location, site characteristics, land use controls and the condition of the real estate market, the highest and best use of the Subject property, as if vacant, is considered to be high-rise residential development.

Highest and Best Use as Improved

As the property being appraised represents vacant land, an analysis of its Highest and Best Use as Improved is not relevant and has therefore not been completed.

Valuation Methodology

Traditionally, there are three accepted methods of valuing real property:

- Cost Approach;
- Direct Comparison Approach; and
- Income Approach.

The selection of a relevant methodology depends upon the nature and characteristics of the real estate under consideration. The Subject property is a vacant land parcel as such we have outlined the applicable land valuation techniques below:

The **Direct Comparison Approach** is based upon the premise that a prudent purchaser would not pay more for a property than what it would cost to acquire a suitable alternative property and that the market value of a property can be estimated by comparing sales, offers, and listings of properties which have similar characteristics to the property being appraised.

The **Abstraction Method** of valuing land is premised upon the Principal of Contribution. This method is premised on the assumption that within each category and type of real estate, there exists a typical ratio of land value to total property value. By knowing what this ratio is from data compiled from areas where land and building values are available and applying it to the sales information regarding improved properties in a built up area, an estimate of land value can be abstracted. The reliability of this method is diminished because it does not take into explicit consideration such relevant criteria as building age or quality of construction.

A method of land valuation similar to the Abstraction Method but which implicitly recognizes differences in building age and quality of construction is the **Extraction Method**. This method deducts the estimated depreciated reproduction or replacement cost of the improvements of an improved property for which the total property value is known to arrive at an estimate of land value as if vacant.

When valuing larger parcels for which the highest and best use is the parcel's subdivision into smaller sites, and for which sales information regarding similar larger sites is insufficient to undertake a Direct Comparison Approach, the **Subdivision Development Method** may be employed. In applying this method, the first step is to establish market values for the smaller sites as though subdivided, the length of the development period, and an appropriate absorption period. The second step is to determine the costs required to create and market the subdivided parcels which includes engineering and construction costs associated with the site preparation, roadways, sidewalks and servicing; carrying costs such as insurance and taxes; and marketing costs. These costs are then deducted from the projected gross revenue of the lots to arrive at an estimate of the net proceeds which, once discounted at an applicable rate to account for the risk associated with the time required to complete such a development, are indicative of the present market value of the larger, un-subdivided site.

Another method that may be employed in the absence of adequate comparable information is the **Land Residual Technique**. In this method the net income generated from the property is established. From this is deducted a reasonable return on and recapture of capital invested in the improvements. The residual income is considered to be ascribed from the land. This income is then capitalized at an appropriate rate to arrive at an estimate of land value. An important assumption required in the application of this method is

that the site is developed to its highest and best use such that the income from land and improvements are of the same type and sources.

A similar method as the Land Residual Technique is **Ground Rent Capitalization**. Undertaking this method of site valuation requires the analysis of ground rents prevalent in the market and in consideration of the characteristics of the site being appraised. From the analysis, a gross income is established from which any requisite expenses or anticipated losses are deducted to arrive at a net operating income. This net operating income is then capitalized at an applicable rate to arrive at an estimate of the vacant site.

All of the above noted methods are derived from the three traditional approaches to value noted above.

Selection of Relevant Methodology

The primary valuation methodology for development lands such as the Subject is the Direct Comparison Approach thus it will be completed and relied upon in our report. The Direct Comparison Approach involves the analysis of sales of similar land parcels. The other land valuation techniques are not appropriate in this case. Only the Direct Comparison Approach will be completed and relied upon in our report. The Cost Approach is not considered applicable in the valuation of lands such as the Subject site. The Income Approach is also not considered appropriate in the valuation of development lands where no lease is in place.

Direct Comparison Approach

The Direct Comparison Approach is based on the Principle of Substitution, which maintains that a prudent purchaser would not pay more for a property than the cost to purchase a suitable alternative property, which exhibits similar physical characteristics, tenancy, location, etc. Within this approach, the property being valued is compared to properties that have sold recently or are currently listed and are considered to be relatively similar to the Subject property. Typically, a unit of comparison (i.e. sale price per square foot, sale price per acre) is used to facilitate the analysis. In the case of properties similar to the Subject, the sale price per SF buildable is used in our analysis.

The transactions summarized and analyzed in the table on the following pages are considered to be suitably comparable to the Subject property with respect to the characteristics below and therefore provide a reasonable and reliable indication of value.

As one sale is not necessarily indicative of market value, an appraiser examines a number of market transactions. When properly reconciled, trends emerge, leading to the estimate of market value of the property being appraised.

In valuing the Subject property, comparison was made to each of the indexed sales. The basis for comparison included the consideration of the following:

Property Rights Conveyed

- When real property rights are sold, they may be the sole subject of the contract or the contract may include other rights. In the sales comparison analysis, it is pertinent that the property rights of the comparable sale be similar to the property rights of the Subject property.

Financing Terms

- The transaction price of one property may differ from that of a similar property due to different financing arrangements. Financing arrangements may include existing mortgages at favourable interest rates or paying cash to a lender so that a mortgage with a below-market interest rate could be offered.

Conditions of Sale

- Adjustments for conditions of sale usually reflect the motivations of the purchaser and vendor. In some cases the conditions of sale significantly affect transaction prices. Sales that reflect unusual situations, require an appropriate adjustment for motivation or sale condition. For example, power-of-sale conditions involve a certain degree of urgency on part of the lender - leading to a somewhat lower sale price than what would otherwise be expected.

Market Conditions (Time)

- When market conditions are changing, it may be necessary to adjust prices to reflect the time difference between the date of sale of a comparable property and the effective date of valuation.

Location

- An adjustment for location within a market area may be required when the locational characteristics of a comparable property differ from those of the Subject property. Excessive locational differences

may disqualify a property from use as a comparable. Although no location is inherently desirable or undesirable, the market recognizes that one location maybe better than, similar to, or worse than another.

Development Timing

- An adjustment for the anticipated time to development may be required when the site requires demolition, official plan amendments, zoning amendments, and site plan approval. The time required to prepare the site for development may affect the sale price. For example a development with a 10-15 year development time horizon would sell at a lower unit rate than a development with a 3-5 year development time horizon, all else being equal.

Physical Characteristics

- Adjustments may be required for characteristics such as size, frontage, shape and configuration.

Use

- Adjustments may be required for differences between the highest and best use of the comparable sales and the Subject property. These differences are typically identified by differences in official plan designations and zoning and the probability of an amendment.

Density

- An adjustment may be required to consider the differences in the permitted and/or likely achievable density.

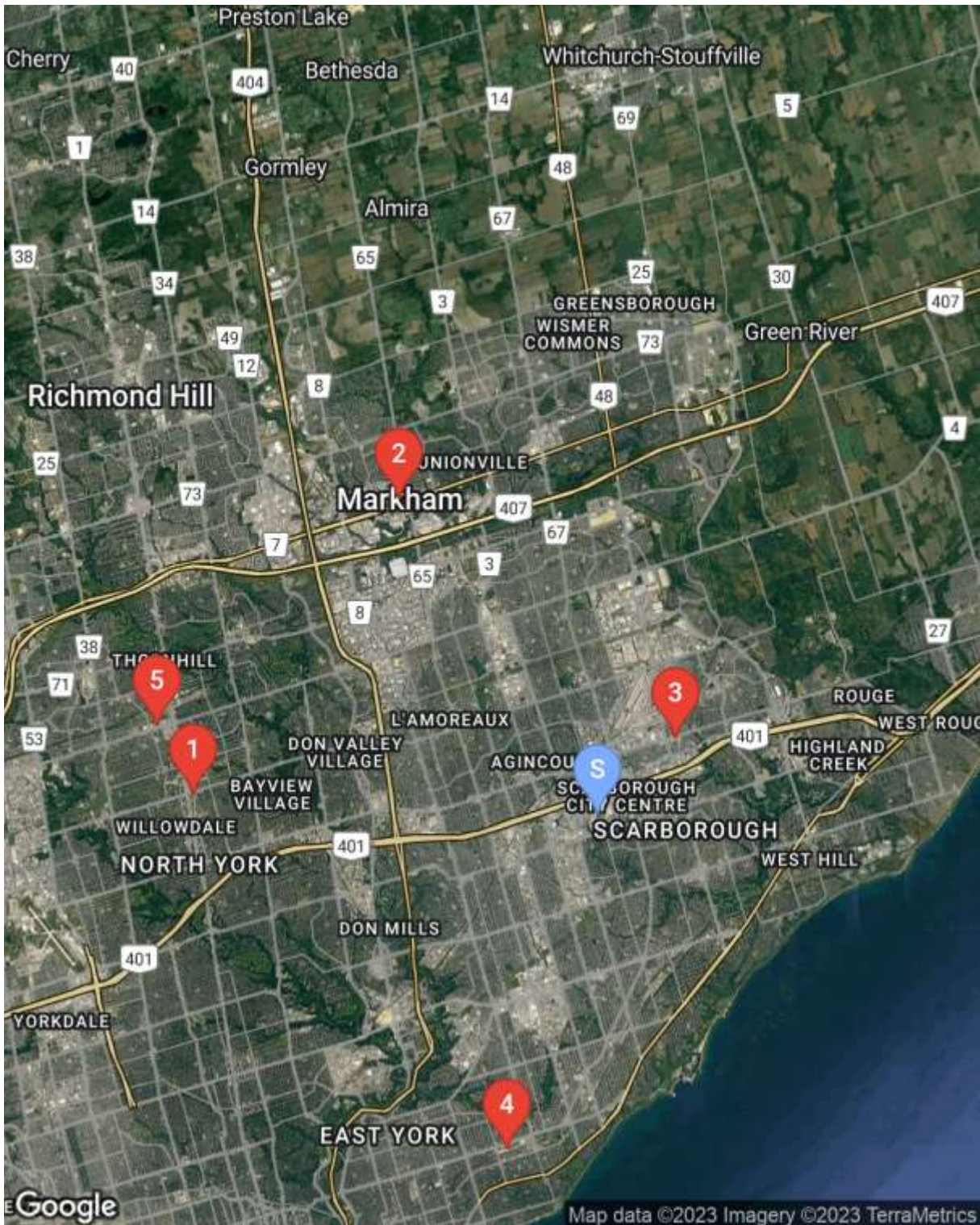
The Appraisal Institute of Canada recommends the use of "paired sales analysis" in the derivation of adjustments. This involves locating two very similar sales that sell in a similar time period. If the two sales differ in only one key feature, then the difference in sale price can be used as the "market indicator" for the adjustment for that feature. In practice, this concept usually only applies to newer homes in a subdivision. Commercial and industrial properties tend to be more unique and therefore, it is not always possible to find paired sales to derive adjustments. In the absence of paired sales, it is the appraisers' experience and judgment (based on observation), which is used for adjustments.

In order to establish reasonably achievable rates for the Subject, we have conducted a search of the Subject's area as well as other relevant markets for transactions of development sites featuring comparable sizes, land use controls, locations and development risk. Our search yielded five sales, which are considered to provide a reasonable indication of rates for development sites similar to the Subject property. The map and comparable sale sheets included on the following pages detail the five comparable property sales we have identified and considered for analysis, followed by an overview of each comparable sale property.

The table following summarizes the unadjusted unit rates for the comparable sale properties

LAND SALES SUMMATION TABLE						
COMPARABLE	SUBJECT	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5
Name	Residential Development Site	Development Site	Residential Development and	High-Density Residential	Residential Land	High Density Development Land
Address	1680 Brimley Road	32-38 Olive Avenue	3882 Highway No. 7 East	1088 Progress Avenue	6 Dawes Road	180 Steeles Avenue West
City	Toronto	Toronto	Markham	Toronto (Scarborough)	Scarborough	Vaughan
Province	ON	ON	ON	ON	ON	ON
PIN	060000078	100800092	029840311	061770643	210130719	032470055
PHYSICAL INFORMATION						
Site Area (Acres)	4.442	0.550	0.710	0.920	2.960	5.570
Buildable SF	1,494,815	239,885	117,350	226,935	1,105,781	1,737,199
FSI	7.73	10.01	3.79	5.66	8.58	7.16
Buildable Units	1,591	350	91	354	1,303	2,080
Access	Good	Average	Good	Good	Good	Average
Shape	Rectangular	Square	Generally Rectangular	Generally Rectangular	Irregular	Generally Rectangular
Official Plan	Mixed Use Areas	Mixed Use Areas	Residential Mid Rise	Mixed Use Area	Mixed Use Area	Mixed Use Area
Zoning	CCR and CCC	R4 (former City of North York Zoning By-law 7625)	R3*645	A & NC	11D2	C2
Application Status	Approved. Site Plan Application under review.	Approved. Site Plan Application under review.	Approved. Site Plan Application under review.	Distress Sale. OPA and ZBA Approved.	OLT Approved.	Application under review
Corner	Yes	No	No	Yes	No	No
Topography	Generally Level	Generally Level	Level	Generally Level	Gentle Incline	Generally Level
SALE INFORMATION						
Date		1/13/2023	10/17/2022	3/11/2022	2/24/2022	12/6/2021
Status		Recorded	Recorded	Recorded	Recorded	Recorded
Rights Transferred		Fee Simple	Fee Simple	Fee Simple	Fee Simple	Fee Simple
Transaction Price		\$39,630,683	\$8,300,000	\$14,000,000	\$132,252,000	\$120,000,000
\$/Acre		\$72,055,787	\$11,690,141	\$15,217,391	\$44,679,730	\$21,543,986
\$/SF Buildable		\$165.21	\$70.73	\$61.69	\$119.60	\$69.08
\$/Unit Buildable		\$113,231	\$91,209	\$39,548	\$101,498	\$57,692

Comparable Sales Map



COMPARABLE 1: 32-38 Olive Avenue, Toronto, ON**TRANSACTION SUMMARY**

Vendor	Bell Canada
Purchaser	Capital Developments (31F Development GP Corporation)
Registered Date	1/13/2023
Status	Recorded
PIN	100800092
Sale Price	\$39,630,683
Site Area (Buildable SF)	239,885
Site Area (Acre)	0.550
Site Area (Buildable SF)	239,885
Site Area (Buildable Unit)	350
Sale Price per SF Buildable	\$165.21

SITE DESCRIPTION

Address	32-38 Olive Avenue
Configuration	Square
Topography	Generally Level

LAND USE PLANNING

Official Plan Designation	Mixed Use Areas
Underlying Zoning	R4 (former City of North York Zoning By-law 7625)

GENERAL COMMENTS

The City of Toronto Official Plan designates the property Mixed Use Areas. At the time of sale, the property was a paved surface parking lot. An Official Plan Amendment and Rezoning Application (No. 21 227683 NNY 18 OZ) and a Site Plan Application (No. 21 227685 NNY 18 SA) were submitted on October 19, 2021 pertaining to the land in this transaction. The Applications proposed the infill development of a 29-storey apartment condominium building containing 350 dwelling units and 124 parking spaces contained within a three level underground garage and 271 bicycle spaces. The development would have a total gross floor area of approximately 239,885 square feet. The Official Plan Amendment and Rezoning Application was approved on July 19, 2022. The Site Plan Application was under review at the time of sale.

COMPARABLE 2: 3882 Highway No. 7 East, Markham, ON**TRANSACTION SUMMARY**

Vendor	Kingsberg Warden Development Inc.
Purchaser	1000311332 Ontario Inc.
Registered Date	10/17/2022
Status	Recorded
PIN	29840311
Sale Price	\$8,300,000
Site Area (Buildable SF)	117,350
Site Area (Acre)	0.710
Site Area (Buildable SF)	117,350
Site Area (Buildable Unit)	91
Sale Price per SF Buildable	\$70.73

SITE DESCRIPTION

Address	3882 Highway No. 7 East
Configuration	Generally Rectangular
Topography	Level

LAND USE PLANNING

Official Plan Designation	Residential Mid Rise
Underlying Zoning	R3*645

GENERAL COMMENTS

The City of Markham Official Plan designates the property Residential Mid Rise. The Zoning By-law classifies the property R3*645, a Residential Zone classification which regulates the use of land and buildings through height and density, parking and loading spaces, and setbacks from the street.

An Official Plan Amendment (No. OP 18 233310) and a Rezoning Application (No. ZA 18 233310) were submitted in August, 2018 and a Site Plan Application (No. SPC 20 135517) was submitted in December, 2020 pertaining to the land in this transaction. The Application proposed the development of an eight storey, 91 unit residential condominium development. The development would have a total gross floor area of approximately 117,350 square feet, including approximately 29,625 square feet of non-residential space and would have 142 below grade parking spaces on two levels.

As of October, 2022, the Official Plan Amendment and the rezoning application had been approved and the site plan application was still in circulation subject to conditions. An Official Plan Amendment (No. 18 23331) and a Rezoning Application (No. 18 23331) were submitted on August, 2018 pertaining to the land in this transaction. The Applications proposed the development of a ten storey, 80 unit residential condominium development. The development would have a total gross floor area of approximately 123,462 square feet, and would have three levels of underground parking with 167 parking spaces.

As of September, 2018, the Applications were still in circulation.

Subsequent to the date of sale, the Purchaser had not initiated marketing of the development. The total consideration of \$3,200,000 represents a price per acre of \$4,513,399, a price per square foot buildable of \$26 and a price per unit buildable of \$40,000, based on current applications.

COMPARABLE 3: 1088 Progress Avenue, Toronto (Scarborough), ON**TRANSACTION SUMMARY**

Vendor	Ontario Superior Court of Justice
Purchaser	2591672 Ontario Ltd.
Registered Date	3/11/2022
Status	Recorded
PIN	61770643
Sale Price	\$14,000,000
Site Area (Buildable SF)	226,935
Site Area (Acre)	0.920
Site Area (Buildable SF)	226,935
Site Area (Buildable Unit)	354
Sale Price per SF Buildable	\$61.69

SITE DESCRIPTION

Address	1088 Progress Avenue
Configuration	Generally Rectangular
Topography	Generally Level

LAND USE PLANNING

Official Plan Designation	Mixed Use Area
Underlying Zoning	A & NC

GENERAL COMMENTS

At the time of sale, the property was improved with a commercial building. In November, 2007, prior to the sale date, an Official Plan Amendment and Rezoning Application applications were submitted and subsequently revised numerous time by the previous owners. The final report of the decision for the development dated on May 31, 2013 was approved. The development proposed to permit a 2-phase condominium development consisting of a total of 414 dwelling units in stacked townhouse and apartment building forms. The overall increase in the permitted density and height would be from 326 to 414 dwelling units and from 16 to 18-storeys. The most recent project data for this development is sourced from an architectural plans for a minor variance dated July 13, 2017, that remains in circulation with the City of Toronto. This data indicates the project has a total site area of 39,970 square feet, a gross floor area of 226,935 square feet, representing an FSI of 5.68, for an 18-storey mixed-use development with a total unit count of 268 residential units and would have 354 parking spaces. At the time of sale, the property had its Zoning permission in place for the proposed development and required the approval of a Site Plan Application in order to proceed with the proposed development. As of March, 2023, the Application was still under review. This transaction is pursuant to a vesting order dated January 31, 2022 authorized by Court Order File No. CV-19-628258-00CL.

COMPARABLE 4: 6 Dawes Road, Scarborough, ON**TRANSACTION SUMMARY**

Vendor	6 Dawes Danforth Inc.
Purchaser	Ontari Holdings Ltd.; 6 Dawes Fitzrovia Inc.
Registered Date	2/24/2022
Status	Recorded
PIN	210130719
Sale Price	\$132,252,000
Site Area (Buildable SF)	1,105,781
Site Area (Acre)	2.960
Site Area (Buildable SF)	1,105,781
Site Area (Buildable Unit)	1,303
Sale Price per SF Buildable	\$119.60

SITE DESCRIPTION

Address	6 Dawes Road
Configuration	Irregular
Topography	Gentle Incline

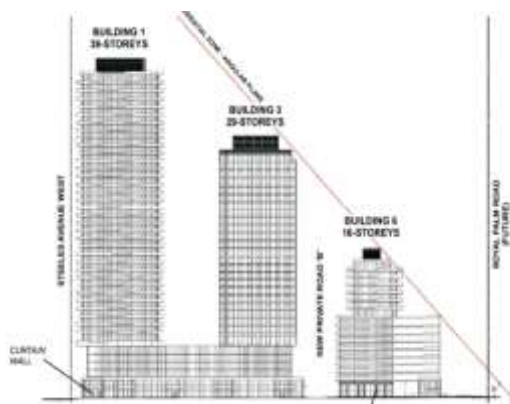
LAND USE PLANNING

Official Plan Designation	Mixed Use Area
Underlying Zoning	I1D2

GENERAL COMMENTS

At the date of sale, the Subject was improved with 14 single-storey self-storage warehouse buildings (incl. an ancillary office). On November 25, 2019, prior the transaction date, a development application (19 253476 STE 19 OZ) was submitted to permit the development of two mixed-use buildings containing 1425 residential units and new community centre use comprised of 56,227 square feet of non-residential floor area. However, on January 5, 2022, the Ontario Land Tribunal issued a Final Decision with preconditions that are required to be satisfied in order to achieve a Final Order to permit the development of four towers, ranging from 17- to 39-storeys, containing a total Gross Floor Area of 1,105,781 square feet across 1,303 residential dwellings. In addition, the development is to incorporate 1,501 square feet of grade-level retail space; six affordable housing units containing a minimum floor area of 4,600 square feet (to be conveyed to the City at no cost); a market rental housing component without restriction for a period of 20 years in an amount not less than 166,841 square feet; a minimum parkland dedication of 15,069 square feet; and 316 above-grade parking stalls contained within the podium. At the time of sale, the Subject required the approval of a Zoning By-law application, as well as Draft Plan of Subdivision and Site Plan Approval in order to permit the proposed development. OP: Mixed-Use Areas

COMPARABLE 5: 180 Steeles Avenue West, Vaughan, ON



TRANSACTION SUMMARY

Vendor	562443 Ontario Limited
Purchaser	Mizrahi Developments and Constantine Enterprises Inc. (Mizrahi Constantine
Registered Date	12/6/2021
Status	Recorded
PIN	32470055
Sale Price	\$120,000,000
Site Area (Buildable SF)	1,737,199
Site Area (Acre)	5.570
Site Area (Buildable SF)	1,737,199
Site Area (Buildable Unit)	2,080
Sale Price per SF Buildable	\$69.08

SITE DESCRIPTION

Address	180 Steeles Avenue West
Configuration	Generally Rectangular
Topography	Generally Level

LAND USE PLANNING

Official Plan Designation	Mixed Use Area
Underlying Zoning	C2

GENERAL COMMENTS

This Index is a high density development site presently used as a retail plaza. In February 2020, An Official Plan Amendment (No. OP.20.002) and a Rezoning Application (No. Z.20.005) to the City of Vaughan. The Applications proposed the development of six buildings, at 45, 39, 29, 25, 16 and 16 storeys, containing 2,080 units. The development would have a total gross floor area of approximately 1,737,199 square feet, would have 945 parking spaces. At the time of sale, the application remained under review.

The City of Vaughan Official Plan designates the property Community Areas.

Direct Comparison Sales Analysis

The sales have been reduced to a similar unit of comparison, namely price per SF buildable. The comparable sales provide unadjusted unit rates from \$61.69 to \$165.21 per SF buildable and range in size from 117,350 to 1,737,199 buildable SF. The properties sold between December 2021 and January 2023. The following table is a summary of the adjustments we have considered for each of the comparable sale properties.

Adjustment Table					
Characteristic	COMPARABLE 1	COMPARABLE 2	COMPARABLE 3	COMPARABLE 4	COMPARABLE 5
Address	32-38 Olive Avenue	3882 Highway No. 7 East	1088 Progress Avenue	6 Dawes Road	180 Steeles Avenue West
\$/SF Buildable	\$165	\$71	\$62	\$120	\$69
Property Rights Conveyed	↔	↔	↔	↔	↔
Financing Terms	↔	↔	↔	↔	↔
Conditions of Sale	↔	↔	↑	↔	↔
Market Conditions (Time)	↔	↔	↔	↔	↑
Location	↓	↑	↑	↓	↓
Development Timing	↔	↔	↔	↔	↑
Physical Characteristics	↔	↔	↔	↔	↔
Use	↔	↔	↔	↔	↔
Density	↔	↔	↔	↔	↔
Scale	↓	↓	↓	↔	↔
Overall Adjustment	↓	↑	↑	↓	↑

The adjustments to the comparable transactions are further detailed as follows:

Index No.1 is the sale of a 239,885 buildable SF site located at 32-38 Olive Avenue. This index sold for \$39,630,683 (\$165.21 per SF buildable) on January 13, 2023. The following adjustments to the unit rate were applied:

- Downward adjustment for location since this Index is in a superior neighbourhood.
- Downward for scale as the subject is a larger development. This reflects the inverse relationship between size and value.

Overall, this Index is felt to be superior to the subject. For this reason, we feel that the subject should achieve a unit rate per SF buildable lower to the \$165.21 as represented by this index, after adjustments.

Index No.2 is the sale of a 117,350 buildable SF site located at 3882 Highway No. 7 East. It sold for \$8,300,000 (\$70.73 per SF buildable) on October 17, 2022. The following adjustments to the unit rate were applied:

- Upward adjustment for location since this Index is located in an inferior transit oriented neighbourhood.
- Downward for scale as the subject is a larger development. This reflects the inverse relationship between size and value.

Overall, this Index is felt to be slightly inferior to the subject. For this reason, we feel that the subject should achieve a unit rate per SF buildable higher than the \$70.73 represented by this index, after adjustments.

Index No.3 is the sale of a 226,935 buildable SF site located at 1088 Progress Avenue. It sold for \$14,000,000 (\$61.69 per SF buildable) on March 11, 2022. The following adjustments to the unit rate were applied:

- Upward adjustment for conditions of sale since this transaction was a distress sale.
- Upward adjustment for location since this Index is located in an inferior neighbourhood.
- Downward for scale as the subject is a larger development. This reflects the inverse relationship between size and value.

Overall, this Index is felt to be inferior to the subject. For this reason, we feel that the subject should achieve a unit rate per SF buildable greater than the \$61.69 represented by this index, after adjustments.

Index No.4 is the sale of a 1,105,781 buildable SF site located at 6 Dawes Road. It sold for \$132,252,000 (\$119.60 per SF buildable) on February 24, 2022. The following adjustments to the unit rate were applied:

- Downward adjustment for location since this Index is in a superior neighbourhood.

Overall, this Index is felt to be superior to the subject. For this reason, we feel that the subject should achieve a unit rate per SF buildable lower than the \$119.60 represented by this index, after adjustments.

Index No.5 is the sale of a 1,737,199 buildable SF site located at 180 Steeles Avenue West. It sold for \$120,000,000 (\$69.08 per SF buildable) on December 6, 2021. The following adjustments to the unit rate were applied:

- Upward adjustment since market conditions have improved.
- Downward adjustment for location since this Index is in a superior neighbourhood.
- Upward for development timeline since the development application for this Index is under review.

Overall, this Index is felt to be inferior to the subject. For this reason, we feel that the subject should achieve a unit rate per SF buildable greater to the \$69.08 represented by this index, after adjustments.

Direct Comparison Approach Conclusion – As-Is

The Direct Comparison Approach, which is the most common technique used to value land, is the preferred method when sales of comparable properties are available. Before adjustments, the five comparable sale properties range from \$61.69 per SF buildable to \$165.21 per SF buildable.

The subject is a large-scale development site located closely to higher order transit. The proposed density conforms to the existing zoning and only requires a site plan application. Given the subject's large scale development, a general downward adjustment was applied. Additionally, the subject has an average quality location which requires a downward adjustment relative to sites in superior neighbourhoods such as Indices 1, 4 and 5. Overall, the subject should achieve a rate at the mid end of the range plus a downward adjustment for development scale.

Based on our preceding analysis, it is our opinion that an appropriate unit value for the Subject property would lie within the range between **\$85.00** and **\$95.00** per SF buildable. Applying these unit values yields a range in value estimates as noted below.

VALUE MATRIX - LAND VALUATION		
SIZE (BUILDABLE SF)	VALUE PER SF BUILDABLE	VALUE ⁽¹⁾
1,494,815	\$85.00	\$127,100,000
1,494,815	\$90.00	\$134,500,000
1,494,815	\$95.00	\$142,000,000

(1) Rounded to nearest \$100,000

Based upon all of the foregoing analysis, and selecting the mid-point of the above range, the current market value of the Subject property, as at May 12, 2023 is concluded to be **\$134,500,000**.

Direct Comparison Approach Conclusion - As-Approved

As we understand it, the client is assessing the potential for a Minor Variance application to increase the heights, densities and number of suites of the approved development. The variance would generally increase the heights of Towers 1, 2, and 3 from 40, 38 and 41 storeys respectively, to 44, 42, and 45 storeys respectively.

For the “as-approved” value, it has been assumed that the proposed minor variance amendment to increase the total gross floor area to 1,575,778 SF and 2,035 units will be approved.

VALUE MATRIX - LAND VALUATION		
SIZE (BUILDABLE SF)	VALUE PER SF BUILDABLE	VALUE ⁽¹⁾
1,575,778	\$85.00	\$133,900,000
1,575,778	\$90.00	\$141,800,000
1,575,778	\$95.00	\$149,700,000

(1) Rounded to nearest \$100,000

Based upon all of the foregoing analysis, and selecting the mid-point of the above range, the prospective market value of the Subject property, as at May 12, 2023 is concluded to be **\$141,800,000**.

The above value estimate is based on an exposure period of six to nine months, assuming the basis of a transaction involving cash to the vendor, and is subject to the Hypothetical Conditions, Extraordinary Assumptions and Extraordinary Limiting Conditions as detailed within the Terms of Reference section of this report, in addition to the Ordinary Assumptions and Limiting Conditions contained in the Appendix. Any alterations to either the information provided or the assumptions in this report may have a material impact on the value contained.

Reconciliation and Final Estimate of Value – As-Is and As-Approved

Based on the foregoing market analysis, it is our opinion that the current and propestive market value of the Subject property, as at May 12, 2023, is:

“As-Is” Land-Value

One Hundred Thirty Four Million Five Hundred Thousand Dollars

\$134,500,000

“As-Approved” Land-Value

One Hundred Forty One Million Eight Hundred Thousand

\$141,800,000

The above value estimate is based on an exposure period of six to nine months, assuming the basis of a transaction involving cash to the vendor, and is subject to the Hypothetical Conditions, Extraordinary Assumptions and Extraordinary Limiting Conditions as detailed within the Terms of Reference of this report, in addition to the Ordinary Assumptions and Limiting Conditions contained in the Appendix. Any alterations to either the information provided or the assumptions in this report may have a material impact on the value contained.

Certification

Residential Development Site 1680 Brimley Road, Toronto, Ontario

I, the undersigned appraiser, certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct;
- The reported analyses, opinions and conclusions are limited only by the reported Assumptions and Limiting conditions, and are my impartial and unbiased professional analyses, opinions and conclusions;
- I have no past, present or prospective interest in the property that is the subject of this report and no personal and/or professional interest or conflict with respect to the parties involved with this assignment;
- I have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment;
- My engagement in and compensation for this assignment were not contingent upon developing or reporting predetermined results, the amount of the value estimate, a conclusion favouring the client, or the occurrence of a subsequent event;
- My analyses, opinions and conclusions were developed, and this report has been prepared, in conformity with the Canadian Uniform Standards of Professional Appraisal Practice (CUSPAP);
- I have the knowledge and experience to complete this assignment competently, and where applicable this report is co-signed in compliance with CUSPAP;
- Except as disclosed herein, no one has provided significant professional assistance to the person(s) signing this report;
- As of the date of this report the undersigned has fulfilled the requirements of The Appraisal Institute of Canada's Continuing Professional Development Program;
- I am a member in good standing of the Appraisal Institute of Canada;

I, the co-signing AIC Appraiser, certify that:

- I directly supervised the appraiser who prepared this appraisal report and, having reviewed the report, agree with the statements and conclusions of the appraiser, agree to be bound by the appraiser's Certification and am taking full responsibility for the appraisal and the appraisal report;
- I am a member in good standing of the Appraisal Institute of Canada;

Information pertaining to inspection of the subject property is as follows:

SUBJECT PROPERTY INSPECTION			
APPRAISER	INSPECTED	EXTENT	DATE OF INSPECTION
Vicente Gamboa, MBA, AACI, P. App	No	-	-
Timour Petrov, CFA, AACI, P.App	No	-	-
Shirley Lee, AIC Candidate	Yes	Site Only	May 12, 2023

Final Estimate of Value

Based upon the data, analyses and conclusions contained herein, the current market value of the Fee Simple interest in the property described herein, as at May 12, 2023, is estimated to be as follows:

VALUE TYPE	INTEREST APPRAISED	DATE OF VALUE	VALUE
"As-Is" Value	Fee Simple	May 12, 2023	\$134,500,000
"As-Approved" Value	Fee Simple	May 12, 2023	\$141,800,000

It has been assumed the subject site will receive Site Plan Approval for the development of four towers with building heights of 38, 40, 41 and 47 storeys containing 1,591 dwelling units and a total GFA of 1,494,815 with 1,456,532 square feet of residential floor area, 29,602 square feet of retail floor area and 8,681 square feet child care facility.

For the "as-approved" value, it has been assumed that the proposed minor variance amendment to increase the total gross floor area to 1,575,778 SF and 2,035 units will be approved.

The above value estimate is based on an exposure period of six to nine months, assuming the basis of a transaction involving cash to the vendor, and is subject to the Hypothetical Conditions, Extraordinary Assumptions and Extraordinary Limiting Conditions as detailed in the Terms of Reference of this report beginning on page 11; in addition to the Ordinary Assumptions and Limiting Conditions contained in the Appendix. Any alterations to either the information provided or the assumptions in this report may have a material impact on the value contained.

This value is based on an exposure time of six to nine months.

Co-Signing AIC Appraiser



Vicente Gamboa, MBA, AACI, P. App.
Executive Vice President, Toronto
Valuation & Advisory Services, Toronto
AIC No. 905029

AIC Appraiser



Timour Petrov, CFA, AACI, P.App
Senior Associate, Toronto
AIC No. 914027

Appendices

Appendix A	Ordinary Assumptions and Limiting Conditions
Appendix B	Definitions
Appendix C	Land Use / Zoning
Appendix D	Geowarehouse Report(s)

Appendix A

Ordinary Assumptions and Limiting Conditions

Ordinary Assumptions and Limiting Conditions

Ordinary Assumptions and Limiting Conditions

The certification that appears in this appraisal report is subject to compliance with the Personal Information and Electronic Documents Act (PIPEDA), Canadian Uniform Standards of Professional Appraisal Practice ("CUSPAP"), and the following conditions:

- 1) This report has been prepared at the request of **Shane Kennedy** of 2808908 Ontario Inc. (the client) for the purpose of providing an estimate of the market value of **1680 Brimley Road, Toronto, Ontario** (the Subject Property) and for the specific use referred to. It is not reasonable for any party other than the person or those to whom this report is addressed to rely upon this appraisal without first obtaining written authorization from the client and the author of this report. This report has been prepared on the assumption that no other party will rely on it for any other purpose. Liability is expressly denied to any person other than the client and those who obtain written consent and, accordingly, no responsibility is accepted for any damage suffered by any such person as a result of decisions made or actions based on this report. Diligence by all intended users is assumed.
- 2) This report has been prepared at the request of **Shane Kennedy** of 2808908 Ontario Inc. and for the exclusive (and confidential) use of the recipient as named and for the specific purpose and function as stated. Written consent from the authors must be obtained before any part of the appraisal report can be used for any use by anyone except the client and other intended users identified in the report. Liability to any other party or for any other use is expressly denied regardless of who pays the appraisal fee.
- 3) All copyright is reserved to the author and this report is considered confidential by the author and **Shane Kennedy** of 2808908 Ontario Inc.. Possession of this report, or a copy thereof, does not carry with it the right to reproduction or publication in any manner, in whole or in part, nor may it be disclosed, quoted from or referred to in any manner, in whole or in part, without the prior written consent and approval of the author as to the purpose, form and content of any such disclosure, quotation or reference. Without limiting the generality of the foregoing, neither all nor any part of the contents of this report shall be disseminated or otherwise conveyed to the public in any manner whatsoever or through any media whatsoever or disclosed, quoted from or referred to in any report, financial statement, prospectus, or offering memorandum of the client, or in any documents filed with any governmental agency without the prior written consent and approval of the author as to the purpose, form and content of such dissemination, disclosure, quotation or reference.
- 4) The contents of this report are confidential and will not be disclosed by the author to any party except as provided for by the provisions of the CUSPAP and/or when properly entered into evidence of a duly qualified judicial or quasi-judicial body. The appraiser acknowledges that the information collected is personal and confidential and shall not use or disclose the contents of this report except as provided for in the provisions of the CUSPAP and in accordance with the appraiser's privacy policy. The client agrees that in accepting this report, it shall maintain the confidentiality and privacy of any personal information contained and shall comply in all material respects with the contents of the appraiser's privacy policy and in accordance with the PIPEDA.
- 5) This appraisal report, its content and all attachments/addendums and their content are the property of the appraiser. The client, intended users and any appraisal facilitator are prohibited, strictly forbidden and no permission is expressly or implicitly granted or deemed to be granted, to modify, alter, merge, publish (in whole or in part) screen scrape, database scrape, exploit, reproduce, decompile, reassemble or participate in any other activity intended to separate, collect, store, reorganize, scan, copy,

manipulate electronically, digitally, manually or by any other means whatsoever this appraisal report, addendum, all attachments and the data contained within for any commercial, or other, use.

- 6) The appraiser has agreed to enter into the assignment as requested by the client named in the report for the use specified by the client, which is stated in the report. The client has agreed that the performance of this appraisal and the report format are appropriate for the intended use.
- 7) This report is completed on the basis that testimony or appearance in court or at any administrative proceeding concerning this appraisal is not required unless specific arrangements to do so have been made beforehand. Such arrangements will include, but not necessarily be limited to, adequate time to review the appraisal report and data related thereto and for preparation and for any appearances that may be required, and the provision of appropriate additional compensation.
- 8) The estimated market value of the real estate that is the Subject of this appraisal pertains to the value of the **fee simple interest** in the real property. The property rights appraised exclude mineral rights, if any.
- 9) The concept of market value presumes reasonable exposure. The exposure period is the estimated length of time the asset being valued would have been offered on the market prior to the hypothetical consummation of a sale at market value on the effective date of valuation. The overall concept of reasonable exposure encompasses not only adequate, sufficient and reasonable time but also adequate, sufficient and reasonable effort. The reasonable exposure period is a function not only of time and effort but will depend on the type of asset being valued, the state of the market at the date of valuation and the level at which the asset is priced. (The estimated length of the exposure period needed to achieve the estimated market value is set forth in the Letter of Transmittal, prefacing this report).
- 10) The analyses set out in this report relied on written and verbal information obtained from a variety of sources we considered reliable. However, these data are not guaranteed for accuracy. Unless otherwise stated, we did not verify client-supplied information, which we believed to be correct. Certain information has been accepted at face value, especially if there was no reason to doubt its accuracy. Other empirical data required interpretative analysis pursuant to the objective of this appraisal. Certain inquiries were outside the scope of this mandate.
- 11) The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it. No title search has been performed, and the appraiser assumes that the title is good and marketable and free and clear of all value influencing encumbrances, encroachments, restrictions or covenants, including leases, unless otherwise noted in this report, and that there are no pledges, charges, liens or special assessments outstanding against the property other than as stated and described. The property is appraised on the basis of it being under responsible ownership. Matters of a legal nature, including confirming who holds legal title to the appraised property or any portion of the appraised property, are outside the scope of work and expertise of the appraiser. Any information regarding the identity of a property's owner or identifying the property owned by the listed client and/or applicant provided by the appraiser is for informational purposes only and any reliance on such information is unreasonable. Any information provided by the appraiser does not constitute any title confirmation. Any information provided does not negate the need to retain a real estate lawyer, surveyor or other appropriate experts to verify matters of ownership and/or title.
- 12) The property has been valued on the basis that there are no outstanding liabilities except as expressly noted, pursuant to any agreement with a municipal or other government authority, pursuant to any contract or agreement pertaining to the ownership and operation of the real estate or pursuant to any lease or agreement to lease, which may affect the stated value or saleability of the Subject Property or any portion thereof.

- 13) The property has been valued on the basis that there is no action, suit, proceeding or investigation pending or threatened against the real estate or affecting the titular owners of the property, at law or in equity or before or by any federal, provincial or municipal department, commission, board, bureau, agency or instrumentality which may adversely influence the value of the real estate appraised.
- 14) The legal description of the property and the area of the site were obtained from the Geowarehouse. No survey of the property has been made. Any plans and sketches contained in this report show approximate dimensions only and are included solely to aid the recipient in visualizing the location of the property, the configuration and boundaries of the site and the relative position of the improvements on the said lands. It is unreasonable to rely on this report as an alternative to a survey, and an accredited surveyor ought to be retained for such matters.
- 15) The property has been valued on the basis that the real estate complies in all material respects with any restrictive covenants affecting the site and has been built and is occupied and being operated, in all material respects, in full compliance with all Government regulations and requirements of law, including all zoning, land use classification, building codes, planning, fire and health by-laws, rules, regulations, orders and codes of all federal, provincial, regional and municipal governmental authorities having jurisdiction with respect thereto, and that if it doesn't comply, any such non-compliance may affect market value. (It is recognized there may be work orders or other notices of violation of law outstanding with respect to the real estate and that there may be certain requirements of law preventing occupancy of the real estate as described in this report. However, such circumstances have not been accounted for in the appraisal process).
- 16) The term "inspection" refers to observation and reporting of the general material finishing and conditions seen for the purposes of a standard appraisal inspection. The inspection scope of work includes the identification of marketable characteristics/amenities offered for comparison and valuation purposes only, in accordance with the CUSPAP.
- 17) The opinions of value and other conclusions contained assume satisfactory completion of any work remaining to be completed in a good and workmanlike manner. Further inspection may be required to confirm completion of such work. The appraiser has not confirmed that all mandatory building inspections have been completed to date, nor has the availability/issuance of an occupancy permit been confirmed. The appraiser has not evaluated the quality of construction, workmanship or materials. It should be clearly understood that this physical inspection does not imply compliance with any building code requirements as this is beyond the professional expertise of the appraiser.
- 18) The author of this report is not qualified to comment on environmental issues (including, without limitation any chemical or biological issues) that may affect the market value of the property appraised, including but not limited to pollution or contamination of land, buildings, water, groundwater or air. Unless expressly stated, the property is assumed to be free and clear of pollutants and contaminants, including but not limited to moulds or mildews or the conditions that might give rise to either, and in compliance with all regulatory environmental requirements, government, or otherwise, and free of any environmental condition, past, present or future, that might affect the market value of the property appraised. If the party relying on this report requires information about environmental issues then that party is cautioned to retain an expert qualified in such issues. We expressly deny any legal liability relating to the effect of environmental issues on the market value of the property appraised.
- 19) Unless otherwise stated in this report, the appraiser has no knowledge of any hidden or unapparent conditions of the property (including, but not limited to, its soils, physical structure, mechanical or other operating systems, its foundation, etc.) or adverse environmental conditions (on it or a neighbouring property, including the presence of hazardous wastes, toxic substances, etc.) that would make the property more or less valuable. It has been assumed that there are no such conditions unless they were observed at the time of inspection or became apparent during the normal research involved in

completing the appraisal. This report should not be construed as an environmental audit or detailed property condition report, as such reporting is beyond the scope of this report and/or the qualifications of the appraiser. The author makes no guarantees or warranties, express or implied, regarding the condition of the property, and will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. The bearing capacity of the soil is assumed to be adequate.

- 20) Investigations have been undertaken in respect of matters which regulate the use of land. However, no inquiries have been placed with the fire department, the building inspector, the health department or any other government regulatory agency with respect to the Subject property's compliance with all applicable regulations, unless such investigations are expressly represented to have been made in this report. Assumptions have been made that the Subject property is in compliance with all such regulations. The Subject Property must comply with such regulations and, if it does not comply, its non-compliance may affect the market value of this property. To be certain of such compliance, further investigations may be necessary. Any information provided by the appraiser does not negate the need to retain an appropriately qualified professional to determine government regulation compliance.
- 21) The interpretation of any leases and other contractual agreements, pertaining to the operation and ownership of the property, as expressed, is solely the opinion of the author and should not be construed as a legal interpretation. Further, any summaries of such contractual agreements are presented for the sole purpose of giving the reader an overview of the salient facts thereof.
- 22) The estimated market value of the property does not necessarily represent the value of the underlying shares of the entity owning the property, if the asset is so held, as the value of the shares could be affected by other considerations. Further, the estimated market value does not include consideration of any extraordinary financing, rental or income guarantees, special tax considerations or any other atypical benefits which may influence the ordinary market value of the property, unless the effects of such special conditions, and the extent of any special value that may arise therefrom, have been described and measured in this report.
- 23) Should title to the real estate presently be held (or changed to a holding) by a partnership, in a joint venture, through a Co-tenancy arrangement or by any other form of divisional ownership, the value of any fractional interest associated therewith may be more or less than the percentage of ownership appearing in the contractual agreement pertaining to the structure of such divisional ownership. For the purposes of our valuation, we have not made any adjustment for the value of a fractional interest.
- 24) In the event of syndication, the aggregate value of the limited partnership interests may be greater than the value of the freehold or fee simple interest in the real estate, by reason of the possible contributory value of non-realty interests or benefits such as provision for tax shelter, potential for capital appreciation, special investment privileges, particular occupancy and income guarantees, special financing or extraordinary agreements for management services.
- 25) Unless otherwise noted, the estimated market value of the property referred to is predicated upon the condition that it would be sold on a cash basis to the vendor subject to any contractual agreements and encumbrances as noted in this report as-is and where-is, without any contingent agreements or caveats. Other financial arrangements, good or cumbersome, may affect the price at which this property might sell in the open market.
- 26) Because market conditions, including economic, social and political factors, change rapidly and, on occasion, without notice or warning, the estimate of market value expressed, as of the effective date of this appraisal, cannot be relied upon as of any other date except with further advice from the appraiser and confirmed in writing.
- 27) The value expressed is in Canadian dollars.

- 28) This report is only valid if it bears the original or password secured digital signature(s) of the author(s). If transmitted electronically, this report will have been digitally signed and secured with personal passwords to lock the appraisal file. Due to the possibility of digital modification, only originally signed reports and those reports sent directly by the appraiser, can be relied upon without fault.
- 29) These Ordinary Assumptions and Limiting Conditions shall be read with all changes in number and gender as may be appropriate or required by the context or by the particulars of this mandate.
- 30) Where the intended use of this report is for financing or mortgage lending or mortgage insurance, it is a condition of reliance on this report that the authorized user has or will conduct lending underwriting and insurance underwriting and rigorous due diligence in accordance with the standards of a reasonable and prudent lender or insurer, including but not limited to ensuring the borrower's demonstrated willingness and capacity to service his/her debt obligations on a timely basis, and to conduct loan underwriting or insuring due diligence similar to the standards set out by the Office of the Superintendent of Financial Institutions (OSFI), even when not otherwise required by law. Liability is expressly denied to those that do not meet this condition. Any reliance on this report without satisfaction of this condition is unreasonable.

Appendix B

Definitions

Definitions

Property Interests

- Fee Simple**
- Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, expropriation, police power and escheat.
- Leased Fee Interest**
- The ownership interest held by the lessor, which includes the right to the contract rent specified in the lease plus the reversionary right when the lease expires.
- Leasehold Interest**
- The right held by the lessee to use and occupy real estate for a stated term and under the conditions specified in the lease.

General Definitions

Adjusted or Stabilized Overall Capitalization Rate is usually derived from transactions with excessive vacancy levels or contract rents over/under market levels. In such cases, net operating income is “normalized” to market levels and the price adjusted to reflect expected costs required to achieve the projected net operating income.

The Cost Approach to value is based upon the economic principle of substitution, which holds that the value of a property should not be more than the amount by which one can obtain, by purchase of a site and construction of a building without undue delay, a property of equal desirability and utility.

Direct or Overall Capitalization refers to the process of converting a single year’s income with a rate or factor into an indication of value.

The Direct Comparison Approach examines the cost of acquiring equally desirable and valuable substitute properties, indicated by transactions of comparable properties, within the market area. The characteristics of the sale properties are compared to the Subject Property on the basis of time and such features as location, size and quality of improvements, design features and income generating potential of the property.

Discount Rate is a yield rate used to convert future payments or receipts into a present value.

Discounted Cash Flow Technique offers an opportunity to account for the anticipated growth or decline in income over the term of a prescribed holding period. More particularly, the value of the property is equivalent to the discounted value of future benefits. These benefits represent the annual cash flows (positive or negative) over a given period of time, plus the net proceeds from the hypothetical sale at the end of the investment horizon.

Two rates must be selected for an application of the DCF process:

- the internal rate of return or discount rate used to discount the projected receivables;
- an overall capitalization rate used in estimating reversionary value of the asset.

The selection of the discount rate or the internal rate of return is based on comparing the Subject Property to other real estate opportunities as well as other forms of investments. Some of the more common benchmarks in the selection of the discount rate are the current yields on long term bonds and mortgage interest rates.

Exposure Time - The Canadian Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Institute of Canada define “Exposure Time” (The Appraisal Institute of Canada, Canadian Uniform Standards of Professional Appraisal Practice, 2022 ed. Page 6) as:

“The estimated length of time the property interest being appraised would have been offered on the market before the hypothetical consummation of a sale at the estimated value on the Effective Date of the appraisal. Exposure time is backward-looking.”

Fair Value (International Financial Reporting Standards) – IFRS 13 defines “Fair Value” as:

“The price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.”

Highest and Best Use - The Canadian Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Institute of Canada define “Highest and Best Use” (The Appraisal Institute of Canada, Canadian Uniform Standards of Professional Appraisal Practice, 2022 ed. Page 7) as:

“The reasonably probable use of Real Property, that is physically possible, legally permissible, financially feasible, and maximally productive, and that results in the highest value.”

The Income Approach to value is utilized to estimate real estate value of income-producing or investment properties.

Internal Rate of Return is the yield rate that is earned or expected over the period of ownership. It applies to all expected benefits including the proceeds of sale at the end of the holding period. The IRR is the Rate of Discount that makes the net present value of an investment equal zero.

Market Value - The Canadian Uniform Standards of Professional Appraisal Practice adopted by the Appraisal Institute of Canada define “Market Value” (The Appraisal of Real Estate, Third Canadian Edition, ed. Dybvig, (University of British Columbia, Real Estate Division, 2010), p. 2.8) as:

“The most probable price, as of a specified date, in cash, or in terms equivalent to cash, or in precisely revealed terms, for which the specified property rights should sell after reasonable exposure in a competitive market under all conditions requisite to a fair sale, with the buyer and the seller each acting prudently, knowledgeably, and for self-interest, assuming that neither is under duress.”

Net Operating Income is the actual or anticipated net income remaining after all operating expenses are deducted from effective gross income before debt service and depreciation. Net Operating Income is usually calculated for the current fiscal year or the forthcoming year.

Overall Capitalization Rate is an income rate that reflects the relationship between a single year's net operating income expectancy and the total property price. The Overall Capitalization Rate converts net operating income into an indication of a property's overall value.

A Yield Rate is applied to a series of individual incomes to obtain a present value of each.

Appendix C

Land Use / Zoning

Zoning

14. City Centre Commercial Zone (CCC)

(a) Permitted Uses

- **Day Nurseries**
- **Financial Institutions**
- **Libraries**
- **Personal Service Shops**
- **Places of Entertainment**
- **Recreational Uses**
- **Restaurants**
- **Retail Stores**
- **Service Shops**
- **Studios**
- **Vehicle Service Garages**
- **Vehicle Service Stations**

27. City Centre Residential Zone (CCR)

(a) Permitted Uses

- **All types of dwelling units**
- **Day Nurseries**
- **Private Home Day Care**

(b) Prohibited Uses

- **Hotels**

Authority: Scarborough Community Council Item ~ as adopted by City of Toronto Council
on ~, 20~
Enacted by Council: ~, 20~

CITY OF TORONTO

Bill No. ~

BY-LAW No. ~20~

**To amend former City of Scarborough Employment Districts Zoning By-law No. 24982
(Progress Employment District), as amended with respect to the lands municipally known
as 1680 Brimley Road**

WHEREAS authority is given to Council by Section 34 of the *Planning Act*, R.S.O. 1990, c.P.
13, as amended, to pass this By-law; and

WHEREAS Council of the City of Toronto has provided adequate information to the public and
has held at least one public meeting in accordance with the *Planning Act*;

The Council of the City of Toronto HEREBY ENACTS as follows:

1. **Schedule "A"** of the former City of Scarborough Employment Districts Zoning By-law
No. 24982 (Progress Employment District) is amended by deleting the current zoning and
replacing it with the following zoning as shown on Schedule 'I'.

CCR – 874 – 876 – 877 – 878 – 879 – 1640 – 1690 – 1691 – 1692 – 1757 – 1758
– 1759 2029 – 2089 – 2090 – 2091 – 2800 – 2801 – 2387

CCC – 874 – 875 – 876 – 1640 – 1690 – 1691 – 1692 – 1757 – 1758 – 1759 –
2029 – 2090 – 2091 – 2800 – 2801 – 2387

223

440

523

2. **CLAUSE IV – DEFINITIONS** is amended by adding the following definition:

Amenity Space

shall mean indoor or outdoor space on a **lot** that is communal and available for use by the
occupants of a building on the **lot** for recreational or social activities.

3. **Schedule "B", PERFORMANCE STANDARDS CHART**, of the former City of
Scarborough Employment Districts Zoning By-law No. 24982 (Progress Employment
District) is amended by adding the following Performance Standards:

INTENSITY OF USE

874. The maximum **gross floor area** of all uses permitted in the **City Centre
Residential Zone (CCR)** and the **City Centre Commercial Zone (CCC)** shall
not exceed 140,200 m².

875. The minimum **gross floor area** of all uses permitted in the **City Centre**

Commercial Zone (CCC) shall be 3,200 m².

- 876. A minimum **gross floor area** of 855 m² shall be used for a **day nursery**.
- 877. Maximum – 1,591 **dwelling units**.
- 878. A minimum of 4.7% of the total number of **dwelling units** will contain a minimum of three bedrooms and a minimum additional 3.3% of the total number of **dwelling units** will be convertible to **dwelling units** that contain a minimum of three bedrooms.
- 879. A minimum of 48% of the total number of **dwelling units** will contain a minimum of two bedrooms.

PARKING

- 1690. The following provisions of **CLAUSE V - GENERAL PROVISIONS** are not applicable: Sub-Clauses **6. Underground Structures**; 7.1.1 **Location**; 7.2. **Table of Required Parking Rates**; and 7.4.1. **Height (above grade Parking Structures)**.
- 1691. Parking shall be provided in accordance with the following:
 - a. 0.0 parking spaces per bachelor **dwelling unit** for residents.
 - b. A minimum of 0.7 parking spaces per one-bedroom **dwelling unit** for residents.
 - c. A minimum of 0.9 parking spaces per two-bedroom **dwelling unit** for residents.
 - d. A minimum of 1.0 parking space per three-bedroom **dwelling unit** for residents.
 - e. Despite performance standard 1691.d., a minimum of 0.9 parking spaces per three-bedroom **dwelling unit** for residents may be provided for a maximum of 53 three-bedroom **dwelling units**.
 - f. A minimum of 0.1 parking spaces per **dwelling unit** for use by visitors, and such parking spaces may be designated for shared use between residential and non-residential uses.
 - g. In addition to those parking spaces provided in accordance with performance standard 1691.f., a minimum of 11 parking spaces shall be provided for all uses permitted in the **City Centre Commercial Zone (CCC)**.
 - g. A minimum of six car-share parking spaces shall be provided for the

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City of Toronto By-law No. xxx-20~

exclusive use of a car-share motor vehicle and organization where:

- i. car-share parking space shall mean a parking space exclusively reserved and signed for the parking of a car-share motor vehicle; and
- ii. car-share motor vehicle shall mean a motor vehicle owned by a profit or non-profit car-sharing organization available for short term rental, including an option for hourly rental and/or kilometres driven, intended for the shared use by a number of people including the occupants of the building.

1692. **Bicycle parking spaces** shall be provided in accordance with the following:

- a. a minimum of 0.75 **bicycle parking spaces** per **dwelling unit**, allocated as 0.68 "long-term" **bicycle parking spaces** per **dwelling unit** and 0.07 "short-term" **bicycle parking spaces** per **dwelling unit**, where:
 - i. "long-term" **bicycle parking spaces** are for use by the occupants or tenants of a building and are located in a building; and
 - ii. "short-term" **bicycle parking spaces** are for use by visitors to a building.
- b. Where bicycles are to be parked in a horizontal position, the **bicycle parking spaces** shall have minimum horizontal dimensions of 0.6 m by 1.8 m per bicycle and minimum vertical dimension of 1.9 m.
- c. Where bicycles are to be parked in a vertical position, the **bicycle parking spaces** shall have minimum horizontal dimensions of 0.6 m by 1.2 m per bicycle and minimum vertical dimension of 1.9 m.
- d. **Bicycle parking spaces** shall not be provided within a **dwelling unit** or on a balcony associated thereto, or in a storage locker.

HEIGHT

- 1757. The height of any building or **structure** is measured from the Canadian Geodetic Datum elevation of 169.1 metres, and shall not exceed the height in metres specified by the numbers following the symbol HT on Schedule 2 of (Clerk to insert By-law #).
- 1758. The hatched areas shown and described on Schedule 2 of (Clerk to insert By-law #) shall commence as measured from the Canadian Geodetic Datum elevation of 169.1 m.
- 1759. Lighting fixtures, cornices, sills, eaves, awnings, **canopies**, parapets, guardrails, balustrades, bollards, railings and dividers, planters, patios, porches, stoops, pillars, pergolas, trellises, fences, screens, lightning rods, stairs, wheelchair

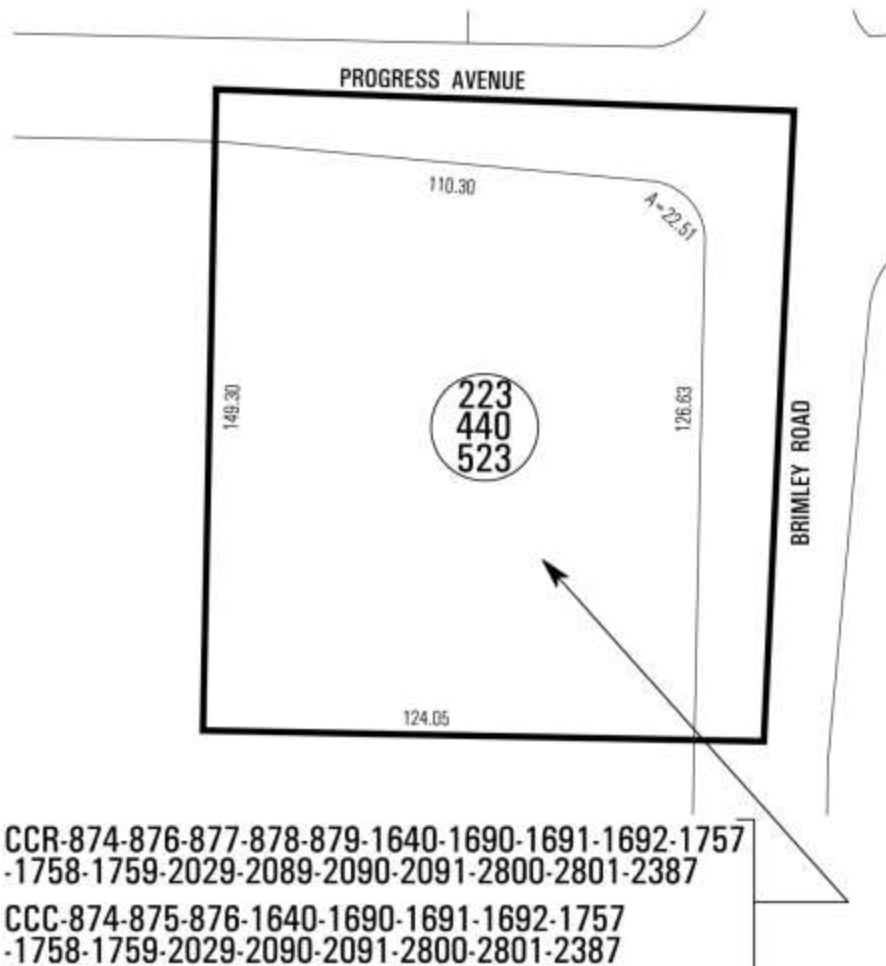
ramps, window washing equipment, roof drainage, elements of a green roof, **structures** and elements associated with green energy and renewable energy facilities, **day nursery** facilities, public art features, landscape features, architectural features and ornamental elements may exceed the permitted maximum height by 3 m.

MISCELLANEOUS

2089. **Amenity space** for each building with 20 or more **dwelling units** shall be provided at a minimum rate of 4 m² for each **dwelling unit**, of which:
- a. a minimum of 2 m² for each **dwelling unit** is indoor **amenity space**;
 - b. a minimum of 2 m² for each **dwelling unit** is outdoor **amenity space**;
 - c. a minimum of 40 m² is outdoor **amenity space** in a location adjoining or directly accessible to an indoor **amenity space**; and
 - d. a maximum of 25% of the outdoor component may be a **green roof**.
2090. The minimum height of the first **storey**, measured between the floor of the first **storey** and the ceiling of the first **storey**, shall be 4.5 m.
2091. A minimum of three type "G" loading spaces shall be provided and each loading space shall have the following minimum dimensions:
- a. length of 13.0 m;
 - b. width of 4.0 m; and
 - c. vertical clearance of 6.1 m.

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City of Toronto By-law No. xxx-20~

Schedule 'I'



Toronto
Zoning By-Law Amendment

1680 Brimley Road
File # 06 200146 ESC 41 OZ

 Area Affected By This By-Law

Progress Employment District By-law
Not to Scale
06/07/17

Official Plan

4.5 MIXED USE AREAS

Mixed Use Areas achieve a multitude of planning objectives by combining a broad array of residential uses, offices, retail and services, institutions, entertainment, recreation and cultural activities, and parks and open spaces. Torontonians will be able to live, work, and shop in the same area, or even the same building, giving people an opportunity to depend less on their cars, and create districts along transit routes that are animated, attractive and safe at all hours of the day and night.

Mixed Use Areas will absorb most of the anticipated increase in retail, office and service employment in Toronto in the coming decades, as well as much of the new housing. The proportion of commercial and residential uses will vary widely among *Mixed Use Areas*. For example, office and retail uses will continue to be paramount in the *Financial District*, but much of the new development along the *Avenues* will have a residential emphasis.



CHAPTER FOUR

LAND USE DESIGNATIONS

Not all *Mixed Use Areas* will experience the same scale or intensity of development. The highest buildings and greatest intensity will typically occur *Downtown*, particularly in the *Financial District*. The *Centres* will develop at differing scales and densities, set out in their respective Secondary Plans and zoning by-laws, reflecting the context of their surroundings and transportation infrastructure. Development along the *Avenues* will generally be at a much lower scale than in the *Downtown* and most often at a lower scale than in the *Centres*.

Policies

1. *Mixed Use Areas* are made up of a broad range of commercial, residential and institutional uses, in single use or mixed use buildings, as well as parks and open spaces and utilities.

Development Criteria in Mixed Use Areas

2. In *Mixed Use Areas* development will:
 - a) create a balance of high quality commercial, residential, institutional and open space uses that reduces automobile dependency and meets the needs of the local community;
 - b) provide for new jobs and homes for Toronto's growing population on underutilized lands in the *Downtown and Central Waterfront*, *Centres*, *Avenues* and other lands designated *Mixed Use Areas*, creating and sustaining well-paid, stable, safe and fulfilling employment opportunities for all Torontonians;
 - c) locate and mass new buildings to provide a transition between areas of different development intensity and scale, as necessary to achieve the objectives of this Plan, through means such as providing appropriate setbacks and/or a stepping down of heights, particularly towards lower scale *Neighbourhoods*;
 - d) locate and mass new buildings so as to adequately limit shadow impacts on adjacent *Neighbourhoods*, particularly during the spring and fall equinoxes;
 - e) locate and mass new buildings to frame the edges of streets and parks with good proportion and maintain sunlight and comfortable wind conditions for pedestrians on adjacent streets, parks and open spaces;
 - f) provide an attractive, comfortable and safe pedestrian environment;
 - g) have access to schools, parks, community centres, libraries and childcare;
 - h) take advantage of nearby transit services;
 - i) provide good site access and circulation and an adequate supply of parking for residents and visitors;
 - j) locate and screen service areas, ramps and garbage storage to minimize the impact on adjacent streets and residences;
 - k) provide indoor and outdoor recreation space for building residents in every significant multi-unit residential development;
 - l) provide opportunities for energy conservation, peak demand reduction, resilience to power disruptions and small local integrated energy solutions that incorporate renewables, district

CHAPTER FOUR

- energy, combined heat and power or energy storage; and
- m) provide opportunities for green infrastructure including tree planting, stormwater management systems and green roofs.
3. Large scale, stand-alone retail stores and/or "power centres" are not permitted in *Mixed Use Areas* within the *Central Waterfront*, and *Downtown*, and are permitted only through a zoning by-law amendment in other *Mixed Use Areas*. Where permitted new large scale, stand-alone retail stores and/or "power centres" will ensure that:
- a) sufficient transportation capacity is available to accommodate the additional traffic generated by the development, resulting in an acceptable volume of traffic on adjacent and nearby streets; and
 - b) the function and amenity of the area for businesses and residents and the economic health of nearby shopping districts are not adversely affected.
4. Existing large scale, stand-alone retail stores and/or "power centres" legally established prior to the approval date of this Official Plan in *Mixed Use Areas* are permitted.

Application – Decision Report Approval



REPORT FOR ACTION

1680 Brimley Road – Official Plan Amendment Application – Decision Report - Approval

Date: April 28, 2023

To: Scarborough Community Council

From: Acting Director, Community Planning, Scarborough District

Wards: 21 - Scarborough Centre

Planning Application Number: 22 237726 ESC 21 OZ

SUMMARY

This report reviews and recommends approval of the application to amend the Official Plan to exempt the subject lands from Policy 6.3 of the Scarborough Centre Secondary Plan. The proposed amendment would bring the parkland dedication rate for the subject lands into accordance with the Official Plan policies regarding parkland that are in force at the time of issuance of the first above-grade building permit. Section 3.2.3(5) of Toronto's Official Plan continues to apply with respect to parkland dedication rates for the subject lands.

RECOMMENDATIONS

The City Planning Division recommends that:

1. City Council amend the Official Plan, for the lands at 1680 Brimley Road substantially in accordance with the draft Official Plan Amendment attached as Attachment 5 to this report.
2. City Council authorizes the City Solicitor to make such stylistic and technical changes to the draft Official Plan Amendment as may be required.

FINANCIAL IMPACT

The City Planning Division confirms that there are no financial implications resulting from the recommendations included in this report in the current budget year or in future years.

DECISION HISTORY

A Zoning By-law Amendment application was approved pursuant to an Ontario Land Tribunal order issued June 8, 2022 (Zoning By-law 1192-2022 (OLT)) to permit a mixed-use development consisting of four high-rise towers with 1,591 dwelling units, 4,770.8 square metres of non-residential floor area and a day nursery. City Council's decisions on the applications can be found at the following links: [Agenda Item History - 2017.SC23.10 \(toronto.ca\)](#) and [Agenda Item History - 2017.MM32.34 \(toronto.ca\)](#)

A site plan application has been submitted and is currently under review.

THE SITE

Description: The site is rectangular and has an approximate area of 17,941 square metres, with a frontage of 127 metres on Brimley Road, and a frontage of 124 metres on Progress Avenue.

Existing Use: The site is currently vacant.

THE APPLICATION

Description: This Official Plan Amendment (OPA) Application is associated with Site Plan Application No. 06 200147 ESC 37 SA, that implements Zoning By-law 1190-2002 (OLT) for the redevelopment of the property with four towers with building heights of 38, 40, 41 and 47 storeys containing 1,591 dwelling units, 2,750 square metres of retail floor area, an 802 square metre child care facility. 1,193 bicycle parking spaces and 1,214 vehicle parking spaces are proposed.

Density: 7.74 times the area of the lot.

Additional Information: See Attachments 1, 2 and 6 of the report for the Application Data Sheet, project in context, and a site plan of the proposal, respectively. Detailed project information including all plans and reports submitted as part of the application can be found on the City's Application Information Centre at: <http://app.toronto.ca/AIC/index.do?folderRsn=MwzN4VyaVfPSNmeybACYpg%3D%3D>

Reason for the Application: An OPA is required to exempt the subject lands from Policy 6.3 of the Scarborough Centre Secondary Plan ("SCSP") regarding parkland dedication. The parkland dedication policies of the SCSP currently differ from those in Official Plan Policy 3.2.3(5). The requested amendment would allow the site to be developed as noted in the Description above.

Site Plan Control: The development is subject to Site Plan Control. A Site Plan Control Application has been submitted, File No. 06 200147 ESC 37 SA, and is under review.

POLICY CONSIDERATIONS

Provincial Land-Use Policies: All decisions of Council in respect of the exercise of any authority that affects a planning matter shall be consistent with the Provincial Policy Statement, and shall conform to provincial plans.

Official Plan: *Centres* on the Urban Structure Map (Map 2) of the Official Plan. *Mixed Use Areas* on Land Use Plan (Map 19) of the Official Plan. See Attachment 3 of this report for the Official Plan Land Use Map.

Secondary Plan: Scarborough Centre Secondary Plan.

Zoning: The site is zoned City Centre Residential (CCR) and City Centre Commercial (CCC) under Scarborough Employment Districts Zoning By-law 24982, as amended and sit subject to Zoning By-law 1192-2022 (OLT). See attachment 4 of this report for the existing Zoning By-law Map.

COMMUNITY CONSULTATION

A Virtual Community Consultation Meeting was hosted by City staff on March 27, 2023. Approximately 10 people participated, as well as the Ward Councillor. Following a presentation by City staff, the following comments and issues were raised:

- appropriateness of minimizing shadow impacts in the Centre;
- amount of parkland or cash in lieu to be required and whether it meets the City's minimum requirements;
- appropriateness of the amount of parking being provided and desire to keep it to a minimum;
- access to green space north of the site, as well as if there is a need for fencing around the site;
- provision of car share parking spaces and variety of bicycle parking spaces to accommodate all types of bicycles, including e-bikes;
- traffic impacts, including increased vehicular and pedestrian impacts due to the Scarborough Subway Extension; and,
- which governing body will consider this application and associated timelines.

COMMENTS

Provincial Framework

Staff's review of this application has had regard for the relevant matters of provincial interest set out in the *Planning Act*. Staff has reviewed the proposed amendment for consistency with the Provincial Policy Statement (PPS), and conformity with the Growth

Plan. Staff find the proposal to be consistent with the PPS (2020) and conforms with the Growth Plan (2020).

Land Use

This application has been reviewed against the Official Plan policies and SCSP policies. The proposed OPA supports the planned residential growth in Scarborough Centre contemplated in the Official Plan, as well as the broad range of uses, including residential and commercial uses, permitted in *Mixed Use Areas*.

Open Space/Parkland

The City of Toronto [Parkland Strategy](#) (the "Strategy") is a 20-year strategic city-wide plan that guides long-term planning for new parks, park expansions and improvements, and improved access to existing parks. The Strategy includes a new methodology to measure and assess parkland provision, using the baseline of residential population against the area of parkland available across the city. According to the Strategy's methodology, the development site is currently in an area with too low a population to produce an associated parkland provision per person for the area. For reference, the city-wide average provision is 28 square metres of parkland per person (2016). The site is in a parkland acquisition priority area, as per Chapter 415, Article III, of the Toronto Municipal Code.

Policy 6.3 of the SCSP establishes an alternative parkland conveyance of 0.4 hectares of land for every 300 dwelling units. However, the SCSP does not specify a maximum parkland dedication rate, which would cap the overall percentage of the site area required to be conveyed as parkland.

In the absence of a maximum/cap, the owner would not be able to satisfy the parkland dedication requirement at the time of issuance of an above-grade building permit. Using the SCSP policy, based on 0.4 hectares per 300 units, which would represent approximately 118% of the subject property (1.79 hectares). The above-noted parkland dedication would render the site undevelopable.

As such, the Official Plan Amendment application proposes to exempt the subject site from Policy 6.3 of the SCSP. The proposed amendment to the Official Plan would exempt 1680 Brimley Road from Policy 6.3 of the SCSP. This would have the effect of applying the general parkland dedication rate for the site into accordance with the Official Plan policies that are in force at the time of issuance of the first above-grade building permit. This approach has been adopted for other sites within the SCSP Area. Section 3.2.3(5) of Toronto's Official Plan continues to apply in respect of parkland dedication rates for the subject site.

In accordance with Chapter 415, Article III of the Toronto Municipal Code, Parks, Forestry and Recreation staff have advised the owner would be required to satisfy the parkland dedication through a cash-in-lieu payment. The value of the cash-in-lieu of parkland dedication will be appraised through Real Estate Services staff and will be

determined prior to the issuance of the first above-grade building permit. Payment will be required at the time of issuance of the building permit.

Conclusion

The recommended Official Plan amendment has been reviewed against the policies of the PPS (2020), the Growth Plan (2020) and the Official Plan. Staff are of the opinion that the recommended Official Plan amendment is consistent with the PPS (2020) and conforms with the Growth Plan (2020). Furthermore, the proposal is in keeping with the intent of the Official Plan, particularly as it relates to the *Centres*: directing growth towards *Mixed Use Areas* and areas served by transit and compatible with adjacent land uses. It should be noted that similar amendments have been made for other projects within the Centre to address this over dedication issue. As such, the adoption of this OPA will allow for the implementation of the OMB approval while still applying the appropriate Official Plan policies related to parkland to the site to support a more livable community.

Staff recommend that Council support this Official Plan Amendment application.

CONTACT

Kelly Dynes, Senior Planner, Community Planning, Scarborough District, Tel. No. 416-396-4250, E-mail: Kelly.Dynes@toronto.ca

Appendix D

Geowarehouse Report(s)



1680 BRIMLEY ROAD, TORONTO | PIN 060000078

Property Details

GeoWarehouse Address:

1680 BRIMLEY ROAD
TORONTO

PIN: 060000078

Land Registry Office: METROPOLITAN TORONTO (80)

Land Registry Status: Active

Registration Type: Certified (Land Titles)

Ownership Type: Freehold



Ownership

Owner Name:

BRIMLEY PROGRESS DEVELOPMENTS INC.

Legal Description

PT LT 25 CON 2 SCARBOROUGH PT 2 64R10330; S/T TB398371; TORONTO , CITY OF TORONTO



1680 BRIMLEY ROAD, TORONTO | PIN 060000078

Lot Size

Area:	103481.1 sq.ft
Perimeter:	1748.09 ft.
Measurements:	9.19ft. x 9.19ft. x 9.19ft. x 9.19ft. x 9.26ft. x 9.26ft. x 9.26ft. x 371.54ft. x 490.38ft. x 407.48ft. x 415.91ft.
Lot Measurement Accuracy : LOW These lot boundaries may have been adjusted to fit within the overall parcel fabric and should only be considered to be estimates.	



Sales History

Sale Date	Sale Amount	Type	Party To	Notes
Jul 02, 1999	\$1,714,410	Transfer	BRIMLEY PROGRESS DEVELOPMENTS INC.;	

This is Exhibit "C"

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: [Shane Kennedy](#)
To: [Braiden Goodchild \(CA\)](#); [Wayne Berg](#)
Cc: [John Mormile \(CA\)](#); [Jordan Samberg \(CA\)](#); [Glen Chow](#); [Hans Jain](#); [Wayne Berg](#)
Subject: RE: New PWC Team Member
Attachments: [UBC Equity Conversion term sheet.msg](#)
[Brimley model.msg](#)

Braiden & John,

Please see the attached correspondence with UBC yesterday. Included are the revised Term Sheet, Model & notes from Atria.

Please send a list of additional documents or information that you require.

Shane

From: Braiden Goodchild (CA) <braiden.goodchild@pwc.com>
Sent: Monday, April 8, 2024 4:14 PM
To: Shane Kennedy <shane.kennedy@atria.ca>; Wayne Berg <wayne.berg23@gmail.com>
Cc: John Mormile (CA) <john.t.mormile@pwc.com>; Jordan Samberg (CA) <jordan.samberg@pwc.com>
Subject: Re: New PWC Team Member

Hi Shane,

Thanks for the note. Thought it more sensible to receive the revised model before sending a few questions however - Jordan/John can you please send the few queries we have?

Not sure we saw the uploaded model yet - is that the still game plan?

Kind regards,

Braiden

Braiden Goodchild

PricewaterhouseCoopers LLP

Real Estate Deals - Director

Mobile: +1

647 285 7085

Email:

braiden.goodchild@pwc.com

Admin Support: tallyzabeth.j.jurado@pwc.com
Linkedin: www.linkedin.com/in/braidengoodchild

From: Shane Kennedy <shane.kennedy@atria.ca>
Sent: April 5, 2024 3:29 PM
To: Braiden Goodchild (CA) <braiden.goodchild@pwc.com>; Wayne Berg <wayne.berg23@gmail.com>
Cc: John Mormile (CA) <john.t.mormile@pwc.com>; Jordan Samberg (CA) <jordan.samberg@pwc.com>
Subject: Re: New PWC Team Member

Thanks Braiden.

Looking forward to working with you John.

As you know Atria and UBC met earlier this week in Vancouver to review proposed deal terms etc.

Based on our discussions, we are revising the draft term sheet and project modeling. This will be circulated on Monday with further third party reports relating to projected expense and so on.

If you have any specific questions on our projections, as noted by Adam on our last call, please send them today and we will try to address them by Monday.

Shane



Shane Kennedy

Senior Vice President of Development & Planning

☐ 416.873.1993 ☐ atria@development.ca
☐ 5000 Yonge St. Suite 1706 Toronto, ON M2N 7E9

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From: [Glen Chow](#)
To: [Wayne Berg](#)
Cc: [Shane Kennedy](#); [Leonard Lee](#); [Hamza Ansari](#); [Hans Jain](#); [Brent Twist](#)
Subject: UBC Equity Conversion term sheet
Date: April 9, 2024 7:05:00 PM
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)
[Term Sheet - 1680 Brimley - Loan Set-off \(04.09.2024\).docx](#)
[BLK Term Sheet - 1680 Brimley - Loan Set-off \(04.09.2024\) to \(03.2024\).pdf](#)

Hi Wayne, see revised and amended UBC equity conversion term sheet for changes as discussed.

1. Added provision for severance of Phase II lands
2. Added the granting of a participation right to UBC on Phase II lands for up to 50% of value of the land (\$70M) expiring upon achievement of term financing on the project and project completion/first occupancy
3. Provision to allow Atria to put on financing of up to \$25M on Phase II lands when severed
4. Return of 100% net proceeds from CMHC financing in surplus over remaining costs to complete the project to UBC
5. Distribution pro-rata per equity interest to UBC and Atria until a return of capital to each partner is complete
6. Thereafter, distribution of surplus cash and any sale proceeds from sale of interests in the property at 50/50
7. Reduced the construction management fee to match the underwriting in the model to 3.25%

As always, happy to walk you through the changes and answer any questions or comments you may have at any time.

Glen



Glen A. Chow, cfa

Chief Financial Officer

☐ 416.301.3830

☐ 416.645.2481

☐ atriadevelopment.ca

☐ 5000 Yonge St. Suite 1706 Toronto, ON M2N 7E9

BINDING TERM SHEET

April 9, 2024

UBC Solutions Incorporated
 93 Lombard Avenue
 Winnipeg, Manitoba R3B 3B1

Attention: Brent Twist

Dear Mr. Twist:

Re: Conversion of Debt – Phase 1 of Town Centre Place at 1680 Brimley Road, Scarborough, Ontario

This term sheet ("**Term Sheet**") is a binding term sheet and constitutes an offer to subscribe for Class B units of the Partnership as repayment for the Loan (as defined below). In this Term Sheet, a "**Unit**" means a Class A Unit, Class B Unit or a General Partner Unit, and "**Units**" means any one or more of them and any such other units that may be issued from time to time.

On execution of this Term Sheet, the parties hereto agree to be bound by the terms contained herein. Each of the parties hereto agrees to use commercially reasonable efforts in good faith to settle and enter into the Amended and Restated Partnership Agreement (as defined below) on or before May 31, 2024 ("**Closing Date**") to formalize the terms of this Term Sheet.

<u>Description of the Cancellation of the Loan in exchange of Units of the Partnership</u>	
Repayment of Loan	1680 Brimley Limited Partnership (the "Partnership"), as borrower, and United Brotherhood of Carpenters and Joiners of America – Canadian District and Carpenters' District Council of Ontario through a special purpose entity, UBC Solutions Incorporated (the "Subscriber"), as lender, entered into a credit agreement dated September 29, 2023, as amended by an amendment agreement dated as of February 15, 2024 (collectively, the "Credit Agreement"), with respect to a loan amount of \$70,000,000.00 advanced on October 2, 2023 (Tranche A), October 3, 2023 (Tranche B) and February 15, 2024 (Tranche C) (the "Loan"). The Subscriber agrees to subscribe for and the Partnership agrees to issue to the Subscriber Class B Units in the capital of the Partnership equal to the number of Class A Units held by the Existing Limited Partner (as defined below) as repayment of the Loan (the "Debt Conversion"). Immediately following the Debt Conversion: (i) all Security (as defined in the Credit Agreement) shall be discharged, and (ii) registered title of the Property shall be transferred to a nominee entity, to be formed, that will hold registered title as bare trustee and nominee for and on behalf of the Partnership (the "Nominee").
Ancillary Documents	On the Closing Date, the Subscriber agrees to execute and deliver the following: (i) Amended and Restated Partnership Agreement (as defined below); (ii) evidence that the promissory note from the Partnership evidencing the principal outstanding and capitalized interest from time to time has been cancelled; (iii) a release of the guarantee provided by the relevant guarantors of the Loan; (iv) confirmation of discharge of any charge and release of any assignments of material contracts given by the Borrower and/or the Guarantors in favor of the Subscriber; and (v) such other documents reasonable required by the Partnership to affect the transactions contemplated herein.
<u>Description of the Property and Project</u>	

Property	Lands municipally known as 1680 Brimley Road, Scarborough, ON, M1P 2B9 (the “ Property ”) legally owned by Brimley Progress Developments Inc. and beneficially owned by the Partnership.
Project	The Project consists of: (a) the development of two (2) towers on the Property with a total gross floor area of approximately 739,580 square feet, including 736,631 square feet of residential premises and 2,949 square feet of retail space (“Phase 1”); and (b) the development of two (2) towers on the Property with a total gross floor area of approximately 737,590 square feet, including 697,138 square feet of residential premises and 26,602 square feet of retail space (“Phase 2”). See attached Schedule “A” outlining the Property and the Severed Property (as defined herein).
Phase 2	The Partnership is currently the beneficial owner of the Property in its entirety. At such time as determined by the General Partner, in its sole discretion, the portion of the Property associated with Phase 2 of the Project (the “Severed Property”) will be severed from the Property (the “Severance”). The portion of the Property associated with Phase 1 of the Project shall be referred to as the “Phase 1 Property”. The Existing Limited Partner and the Subscriber each hereby acknowledge and agree that notwithstanding the Subscriber’s interest in the Limited Partnership, the Subscriber will not have any beneficial or legal interest in the Severed Property subject to its Participation Right (defined below) and therefore, the Subscriber shall not receive any consideration for the Severance. Upon completion of the Severance, registered title to the Severed Property shall be transferred to the Nominee. To the extent registered title of the Severed Property is not transferred to the Nominee following the Severance, if required and at the request of the registered owner of the Severed Property, the Nominee and the registered owner of the Severed Property shall enter into the necessary reciprocal easement agreements for the purpose of granting rights to the registered owner of the Severed Property in respect of ingress and egress over the Phase 1 Property and the Severed Property, and granting reasonable access over the Phase 1 Property for the purpose of facilitating construction, repairs and maintenance on or about the Severed Property. The General Partner shall grant the Subscriber the right to acquire up to a 50% beneficial ownership interest in the Severed Property (the “Participation Right”). The Participation Right shall expire following: (i) the Partnership replacing the CMHC Loan with a term facility on terms acceptable to the Partnership in its sole and absolute discretion; and (ii) the earlier of: (a) the completion of construction of Phase 1 and (b) the issuance of an occupancy permit by the municipal authority authorizing partial or full occupancy of Phase 1. The parties hereto acknowledge and agree that the current land value of the Severed Property is confirmed to be \$70,000,000. The terms of the Participation Right shall be included in a side letter agreement to be entered into by the parties concurrently with the closing of the Debt Conversion. Following the Severance, the Subscriber shall, if required and upon the request of the General Partner, provide its consent to a financing facility to be secured against the Severed Property of up to \$25,000,000.00 (“Phase 2 Financing”), including all associated security required by the lender of the Phase 2 Financing.
<u>Description of the Limited Partnership</u>	
Limited Partnership:	The Partnership is a limited partnership formed under the laws of the Province of Ontario pursuant to a limited partnership agreement, dated as of January 18, 2021 (the “ Partnership Agreement ”), which shall be amended and restated in its entirety concurrent with the Closing

	Date based on the terms set out in this Term Sheet (the “ Amended and Restated Partnership Agreement ”).
General Partner:	2808908 Ontario Inc. is the general partner of the Partnership (the “ General Partner ” or “ GP ”) under the Partnership Agreement.
Existing Limited Partner	Brimley Progress Developments Inc. is the existing limited partner of the Partnership (the “ Existing Limited Partner ” and together with the Subscriber, collectively, the “ Limited Partners ”). The Existing Limited Partner currently holds 9,999.90 Class A Units and the parties each acknowledge that its capital contribution is deemed to be \$20,000,000.00.
Term	The Partnership will continue indefinitely, unless terminated in accordance with the terms of the Amended and Restated Partnership Agreement.
Related Party Transactions	The Partnership may enter into various agreements with entities which are affiliated with or related to the GP.
Units	The Amended and Restated Limited Agreement shall contemplate the limited partnership interests in the Partnership as divided into three classes of Units designated as “Class A Units”, “Class B Units” and “General Partner Unit”. The Subscriber will receive Class B Units equal to the number of Class A Units issued to the Existing Limited Partner. The General Partner holds 1 General Partner Unit. The Class A and Class B Units shall each carry one vote. The terms and conditions of the Units shall be set out in the Amended and Restated Partnership Agreement.
Financing of Phase 1	The Partnership shall seek a construction financing facility insured by Canada Mortgage Housing Corporation for Phase 1 (the “CMHC Loan”). If required, the Limited Partners shall provide joint and several guarantees for up to 100% of the outstanding amount under the CMHC Loan. If the net proceeds of the CMHC Loan, as determined by the General Partner, exceed the costs to develop and construct Phase 1, including but not limited to, repayment of any construction loans, indebtedness and liabilities, and construction, management and Partnership fees and expenses remaining to complete and construct Phase 1 (“Phase 1 Remaining Project Costs”), the General Partner, acting reasonably, shall distribute 100% of the net proceeds of the CMHC Loan after deducting the Phase 1 Remaining Project Costs (“CMHC Loan Surplus Distribution”) to the holder of the Class B Units as a return of its’ Capital Contributions (as defined herein) within 30 days’ of the advance of the CMHC Loan.
Distributions of Phase 1	Operating cash flow less the management fees and partnership expenses (“Net Operating Cash Flow”) will be distributed at the discretion of the General Partner. Net Operating Cash Flow, net of amounts required in the General Partner’s sole discretion to pay or reserve for current or potential costs, expenses, indebtedness and liabilities, will be distributed in the following amounts and order of priority: (i) first, as to the lesser of \$100 and 0.001% to the holder of the General Partner Unit; (ii) second, to the Limited Partners, <i>pro rata</i> in proportion with the amount of capital contributed by each Limited Partner to the Partnership for Phase 1 (“Capital Contributions”) until each Limited Partner has received a return of its Capital Contributions, for greater certainty, (a) once a Limited Partner receives a return of all of its Capital Contributions, it will not receive additional distributions until all other Limited Partners have received their respective return of its Capital Contributions, and (b) any CMHC Loan Surplus Distribution shall be accounted for in reducing the outstanding Capital Contributions of the holders of the Class B Units; and (iii) third, 50% to the holders of the Class A Units and 50% to the holders of the Class B Units.
Reporting	The Partnership will furnish annually to the Limited Partners reviewed unaudited financial statements and will provide an annual report detailing the Partnership’s performance for that year. On a quarterly basis, a meeting of the steering committee shall be held to discuss the status of the Project. The steering committee shall be comprised of two (2) representatives from each of the Existing Limited Partner and the Subscriber.

Resale Restrictions:	Limited Partners will be restricted from selling Units for an indefinite period, and other than pursuant to an available prospectus exemption and in accordance with applicable securities laws and the terms of the Amended and Restated Partnership Agreement.
Exit Rights	Within 20 days after the expiry of the 10 year period following the Closing Date (the “First Exit Option Period”), the Existing Limited Partner may, at its sole option, initial the following exit rights (the “First Exit Option”) by notice in writing to the Subscriber (the “First Exit Option Notice”) electing any of the following options: (i) The Existing Limited Partner may require the Subscriber to sell all of the Units held by the Subscriber for an amount equal to the fair market value (as determined by the accountant of the Partnership) of the Units held by the Subscriber; or (ii) If the Existing Limited Partner does not wish purchase all of the Units held by the Subscriber, and the Subscriber desires to sell all of its Units, the parties agree to use commercially reasonable efforts enter into an agreement with an arm’s length third party for the sale of all of the Units of the Subscriber within 120 days from the expiry of the First Exit Option Period. If the Existing Limited Partner does not exercise the First Exit Option within the First Exit Option Period, the Existing Limited Partner shall be deemed to have waive the First Exit Option and shall have no further entitlement to the First Exit Option. Within 20 days after the expiry of the 15 year period following the Closing Date (the “Final Exit Option Period”), one of the following must occur: (i) the Existing Limited Partner, by notice in writing to the Subscriber, may elect to purchase all of the Units held by the Subscriber for an amount equal to the fair market value (as determined by the accountant of the Partnership) of the Units held by the Existing Limited Partner; or (ii) If the Existing Limited Partner does not wish to purchase all of the Units held by the Subscriber and the Subscriber desires to sell its Units, the parties agree to use commercially reasonable efforts to enter into an agreement with an arm’s length third party for the sale of all of the Units of the Subscriber within 120 days from the expiry of the Final Exit Option Period. (Items (i) to (ii) are referred to as the “Final Exit Option”)
Construction Management Fee	The Partnership shall engage an entity which is affiliated with or related to the GP at a rate equal to 3.25% of the hard cost of construction to the Partnership, on commercially reasonable terms and conditions as determined by the General Partner, in its sole discretion, pursuant to a construction management agreement.
Property Management Fee	The Partnership shall engage an entity which is affiliated with or related to the GP at a rate equal to 4% of the effective gross income of the properties of the Partnership on commercially reasonable terms and conditions as determined by the General Partner, in its sole discretion, pursuant to a property management agreement.
Development Management Fee	The Partnership shall engage AtriaCon Management Inc. at a rate equal to 1.5% of the capital budget (less land value) of the development for the Project (being Phase 1 or Phase 2, as applicable), on commercially reasonable terms and conditions as determined by the General Partner, in its sole discretion, pursuant to a development management agreement.
Fund Management Fee	The Partnership shall engage an entity which is affiliated with or related to the GP at a rate equal to 1% of the capital contributed to the Partnership on commercially reasonable terms and conditions as determined by the General Partner, in its sole discretion, pursuant to a fund management agreement.
Consent of the Limited Partners	Certain Major Decisions (as defined in the Partnership Agreement) shall require the consent of all the Limited Partners, including the removal of the General Partner. However, the intention is that the General Partner, subject to certain limited Major Decisions, shall have full autonomy on day-to-day operations and the development of the Project.
Tax Matters:	Units are <u>not</u> a qualified investment under the <i>Income Tax Act</i> (Canada) and the regulations thereunder (the “ Tax Act ”) for trusts governed by registered retirement savings plans,

	registered retirement income funds, registered disability savings plans, registered education savings plans or tax-free savings accounts, each as defined in the Tax Act (collectively, “Plans”), or trusts governed by deferred profit-sharing plans.
Additional Financing:	The Partnership may require additional financing in the future, and may raise such financing by way of the issuance of additional Units, mortgage financing and construction financing, as may be determined by the General Partner. The Subscriber shall not have any obligation to contribute any additional capital, however, the Subscriber’s equity will be diluted in the event it does not contribute its proportionate shares of capital in any future equity financings.
Default Provisions	The Amended and Restated Partnership Agreement will provide that a Limited Partner that defaults in respect of transfers of its Units or otherwise defaults on its obligations may suffer certain adverse consequences, including, loss of decision making input, a discounted buyout and forfeiture of all or a portion of its Units.

[Signature page follows]

DATED AS FIRST WRITTEN ABOVE.

**1680 BRIMLEY LIMITED
PARTNERSHIP**, by its general partner,
2808908 ONTARIO INC.

Per _____
Name: Hans Jain
Title: President

AGREED AND ACCEPTED THIS ____ DAY OF APRIL, 2024, by:

UBC SOLUTIONS INCORPORATED

Per _____
Name: Brent Twist
Title: Chief Operating Officer

SCHEDULE A
PROPERTY

[See attached map of the Property and shaded portion of the Property indicating the Severed Property]

BINDING TERM SHEET~~March 8~~ April 9, 2024

UBC Solutions Incorporated
 93 Lombard Avenue
 Winnipeg, Manitoba R3B 3B1

Attention: Brent Twist

Dear Mr. Twist:

Re: Conversion of Debt – Phase 1 of Town Centre Place at 1680 Brimley Road, Scarborough, Ontario

This term sheet (“**Term Sheet**”) is a binding term sheet and constitutes an offer to subscribe for Class B units of the Partnership as repayment for the Loan (as defined below). In this Term Sheet, a “**Unit**” means a Class A Unit ~~or a~~ Class B Unit or a General Partner Unit, and “**Units**” means any one or more of them and any such other units that may be issued from time to time.

On execution of this Term Sheet, the parties hereto agree to be bound by the terms contained herein. Each of the parties hereto agrees to use commercially reasonable efforts in good faith to settle and enter into the Amended and Restated Partnership Agreement (as defined below) on or before ~~April 1~~ May 31, 2024 (“**Closing Date**”) to formalize the terms of this Term Sheet.

Description of the Cancellation of the Loan in exchange of Units of the Partnership	
Repayment of Loan	1680 Brimley Limited Partnership (the “Partnership”), as borrower, and United Brotherhood of Carpenters and Joiners of America – Canadian District and Carpenters’ District Council of Ontario through a special purpose entity, UBC Solutions Incorporated (the “Subscriber”), as lender, entered into a credit agreement dated September 29, 2023, <u>as amended by an amendment agreement dated as of February 15, 2024 (collectively, the “Credit Agreement”)</u>, with respect to a loan amount of \$70,000,000.00 advanced on October 2, 2023 (Tranche A), October 3, 2023 (Tranche B) and February 15, 2024 (Tranche C) (the “Loan”). The Subscriber agrees to subscribe for and the Partnership agrees to issue to the Subscriber Class B Units in the capital of the Partnership equal to the number of Class A Units held by the Existing Limited Partner (as defined below) as repayment of the Loan <u>(the “Debt Conversion”). Immediately following the Debt Conversion: (i) all Security (as defined in the Credit Agreement) shall be discharged, and (ii) registered title of the Property shall be transferred to a nominee entity, to be formed, that will hold registered title as bare trustee and nominee for and on behalf of the Partnership (the “Nominee”).</u>
Ancillary Documents	On the Closing Date, the Subscriber agrees to execute and deliver the following: (i) Amended and Restated Partnership Agreement (as defined below); (ii) evidence that the promissory note from the Partnership evidencing the principal outstanding and capitalized interest from time to time has been cancelled; (iii) a release of the guarantee provided by the relevant guarantors of the Loan; (iv) confirmation of discharge of any charge and release of any assignments of material contracts given by the Borrower and/or the Guarantors in favor of the Subscriber; and (v) such other documents reasonable required by the Partnership to affect the transactions contemplated herein.
Description of the Property and Project	
Property	Lands municipally known as 1680 Brimley Road, Scarborough, ON, M1P 2B9 (the

	“Property”) legally owned by Brimley Progress Developments Inc. and beneficially owned by the Partnership.
Project	The Project consists of: (a) the development of two (2) towers on the Property with a total gross floor area of approximately 739,580 square feet, including 736,631 square feet of residential premises and 2,949 square feet of retail space (“Phase 1”); and (b) the development of two (2) towers on the Property with a total gross floor area of approximately 737,590 square feet, including 697,138 square feet of residential premises and 26,602 square feet of retail space (“Phase 2”). The Partnership is currently the beneficial owner of the Property in its entirety. It is intended that the portion of the Property associated with Phase 2 of the Project will be severed from the Property (“Severed Property”). The Subscriber will not have any interest in the Severed Property, nor will the Subscriber receive any consideration for the severance of the Severed Property. Upon completion of the severance of the Severed Property, the Severed Property will be transferred to an entity controlled by or affiliated with the Existing Limited Partner. See attached Schedule “A” outlining the Property and the Severed Property (as defined herein).
<u>Phase 2</u>	<u>The Partnership is currently the beneficial owner of the Property in its entirety. At such time as determined by the General Partner, in its sole discretion, the portion of the Property associated with Phase 2 of the Project (the “Severed Property”) will be severed from the Property (the “Severance”). The portion of the Property associated with Phase 1 of the Project shall be referred to as the “Phase 1 Property”.</u> <u>The Existing Limited Partner and the Subscriber each hereby acknowledge and agree that notwithstanding the Subscriber’s interest in the Limited Partnership, the Subscriber will not have any beneficial or legal interest in the Severed Property subject to its Participation Right (defined below) and therefore, the Subscriber shall not receive any consideration for the Severance. Upon completion of the Severance, registered title to the Severed Property shall be transferred to the Nominee. To the extent registered title of the Severed Property is not transferred to the Nominee following the Severance, if required and at the request of the registered owner of the Severed Property, the Nominee and the registered owner of the Severed Property shall enter into the necessary reciprocal easement agreements for the purpose of granting rights to the registered owner of the Severed Property in respect of ingress and egress over the Phase 1 Property and the Severed Property, and granting reasonable access over the Phase 1 Property for the purpose of facilitating construction, repairs and maintenance on or about the Severed Property.</u> <u>The General Partner shall grant the Subscriber the right to acquire up to a 50% beneficial ownership interest in the Severed Property (the “Participation Right”). The Participation Right shall expire following: (i) the Partnership replacing the CMHC Loan with a term facility on terms acceptable to the Partnership in its sole and absolute discretion; and (ii) the earlier of: (a) the completion of construction of Phase 1 and (b) the issuance of an occupancy permit by the municipal authority authorizing partial or full occupancy of Phase 1. The parties hereto acknowledge and agree that the current land value of the Severed Property is confirmed to be \$70,000,000. The terms of the Participation Right shall be included in a side letter agreement to be entered into by the parties concurrently with the closing of the Debt Conversion.</u> <u>Following the Severance, the Subscriber shall, if required and upon the request of the General Partner, provide its consent to a financing facility to be secured against the Severed Property of up to \$25,000,000.00 (“Phase 2 Financing”), including all associated security required by the lender of the Phase 2 Financing.</u>

<u>Description of the Limited Partnership</u>	
Limited Partnership:	The Partnership is a limited partnership formed under the laws of the Province of Ontario pursuant to a limited partnership agreement, dated as of January 18, 2021 (the “ Partnership Agreement ”), which shall be amended and restated in its entirety concurrent with the Closing Date based on the terms set out in this Term Sheet (the “ Amended and Restated Partnership Agreement ”).
General Partner:	2808908 Ontario Inc. is the general partner of the Partnership (the “ General Partner ” or “ GP ”) under the Partnership Agreement.
Existing Limited Partner	Brimley Progress Developments Inc. is the existing limited partner of the Partnership (the “ Existing Limited Partner ” and together with the Subscriber, collectively, the “ Limited Partners ”). The Existing Limited Partner currently holds 9,999.90 Class A Units and the parties each acknowledge that its capital contribution is deemed to be \$20,000,000.00.
Term	The Partnership will continue indefinitely, unless terminated in accordance with the terms of the Amended and Restated Partnership Agreement.
Related Party Transactions	The Partnership may enter into various agreements with entities which are affiliated with or related to the GP.
Units	The Amended and Restated Limited Agreement shall contemplate the limited partnership interests in the Partnership as divided into two <u>three</u> classes of Units designated as “Class A Units” and “Class B Units” <u>and “General Partner Unit”</u> . The Subscriber will receive Class B Units equal to the number of Class A Units issued to the Existing Limited Partner. The General Partner holds 1 Class A <u>General Partner</u> Unit. The Class A and Class B Units shall each carry one vote. The terms and conditions of the Units shall be set out in the Amended and Restated Partnership Agreement.
<u>Financing of Phase 1</u>	<u>The Partnership shall seek a construction financing facility insured by Canada Mortgage Housing Corporation for Phase 1 (the “CMHC Loan”). If required, the Limited Partners shall provide joint and several guarantees for up to 100% of the outstanding amount under the CMHC Loan.</u> <u>If the net proceeds of the CMHC Loan, as determined by the General Partner, exceed the costs to develop and construct Phase 1, including but not limited to, repayment of any construction loans, indebtedness and liabilities, and construction, management and Partnership fees and expenses remaining to complete and construct Phase 1 (“Phase 1 Remaining Project Costs”), the General Partner, acting reasonably, shall distribute 100% of the net proceeds of the CMHC Loan after deducting the Phase 1 Remaining Project Costs (“CMHC Loan Surplus Distribution”) to the holder of the Class B Units as a return of its’ Capital Contributions (as defined herein) within 30 days’ of the advance of the CMHC Loan.</u>
<u>Distributions of Phase 1</u>	Operating cash flow less the management fees and partnership expenses (“Net Operating Cash Flow”) will be distributed at the discretion of the General Partner. Net Operating Cash Flow, net of amounts required in the General Partner’s sole discretion to pay or reserve for current or potential costs, expenses, indebtedness and liabilities, will be distributed in the following amounts and order of priority: (i) first, as to the lesser of \$100 and 0.001% to the <u>holder of the General Partner Unit</u>; (ii) second, 100% to the holders of Class A Units and Class B Units pro rata based on the number Class A Units and Class B Units held until the holders of the Class A Units and the Class B Units have each<u>Limited Partners, pro rata in proportion with the amount of capital contributed by each Limited Partner to the Partnership for Phase 1 (“Capital Contributions”) until each Limited Partner has received a return of their Capital Contributions, for greater certainty, (a) once a Limited Partner receives a return of all of its Capital Contributions, it will not receive additional distributions until all other Limited Partners have received their respective return of its eCapital eContributions, and (b) any CMHC Loan Surplus Distribution shall be accounted for in reducing the outstanding Capital Contributions of the holders of the Class B Units; and</u> (iii) second<u>third, 100</u><u>50%</u> to the holders of <u>the</u> Class A Units and <u>50% to the holders of</u>

	the Class B Units pro-rata based on the number of Units held.
Reporting	The Partnership will furnish annually to the Limited Partners reviewed unaudited financial statements and will provide an annual report detailing the Partnership's performance for that year. <u>On a quarterly basis, a meeting of the steering committee shall be held to discuss the status of the Project. The steering committee shall be comprised of two (2) representatives from each of the Existing Limited Partner and the Subscriber.</u>
Resale Restrictions:	Limited Partners will be restricted from selling Units for an indefinite period, and other than pursuant to an available prospectus exemption and in accordance with applicable securities laws and the terms of the Amended and Restated Partnership Agreement.
Exit Rights	Within 20 days after the expiry of the 10 year period following the Closing Date (the "First Exit Option Period"), the Existing Limited Partner may, at its sole option, initial the following exit rights (the "First Exit Option") by notice in writing to the Subscriber (the "First Exit Option Notice") electing any of the following options: (i) The Existing Limited Partner may require the Subscriber to sell all of the Units held by the Subscriber for an amount equal to the fair market value (as determined by the accountant of the Partnership) of the Units held by the Subscriber; <u>or</u> (ii) If the Existing Limited Partner does not wish purchase all of the Units held by the Subscriber, and the Subscriber desires to sell all of its Units, the parties agree to use commercially reasonable efforts enter into an agreement with an arm's length third party for the sale of all of the Units of the Subscriber within 120 days from the expiry of the First Exit Option Period; or, (iii) If the parties cannot find an arm's length third party buyer for the Units of the Subscriber within 120 days from the expiry of the First Exit Option Period or the Subscriber does not wish to sell its Units, the Subscriber may purchase all of the Units held by the Existing Limited Partner for an amount equal to the fair market value (as determined by the accountant of the Partnership) of the Units held by the Subscriber. If the Existing Limited Partner does not exercise the First Exit Option within the First Exit Option Period, the Existing Limited Partner shall be deemed to have waive the First Exit Option and shall have no further entitlement to the First Exit Option. Within 20 days after the expiry of the 15 year period following the Closing Date (the "Final Exit Option Period"), one of the following must occur: (i) the Existing Limited Partner, by notice in writing to the Subscriber, may elect to purchase all of the Units held by the Subscriber for an amount equal to the fair market value (as determined by the accountant of the Partnership) of the Units held by the Existing Limited Partner; <u>or</u> (ii) If the Existing Limited Partner does not wish to purchase all of the Units held by the Subscriber and the Subscriber desires to sell its Units, the parties agree to use commercially reasonable efforts to enter into an agreement with an arm's length third party for the sale of all of the Units of the Subscriber within 120 days from the expiry of the Final Exit Option Period; or, (iii) If the parties cannot find an arm's length third party buyer for all of the Units of the Subscriber within the 120 days from the expiry of the Final Exit Option Period or the Subscriber does not wish to sell, the Subscriber may purchase all of the Units held by the Existing Limited Partner for an amount equal to the fair market value (as determined by the accountant of the Partnership) of the Units held by the Subscriber. (Items (i) to (iii) are referred to as the "Final Exit Option")
Construction Management Fee	The Partnership shall engage an entity which is affiliated with or related to the GP at a rate equal to 3.5 <u>3.25</u> % of the <u>hard</u> cost of construction to the Partnership, on commercially reasonable terms and conditions as determined by the General Partner, in its sole discretion, pursuant to a construction management agreement.
Property Management Fee	The Partnership shall engage an entity which is affiliated with or related to the GP at a rate equal to 4% of the effective gross income of the properties of the Partnership on

	commercially reasonable terms and conditions as determined by the General Partner, in its sole discretion, pursuant to a property management agreement.
Development Management Fee	The Partnership shall engage AtriaCon Management Inc. at a rate equal to 1.5% of the cost of <u>capital budget (less land value) of the development to the Partnership for the Project (being Phase 1 or Phase 2, as applicable)</u> , on commercially reasonable terms and conditions as determined by the General Partner, in its sole discretion, pursuant to a development management agreement.
Fund Management Fee	The Partnership shall engage an entity which is affiliated with or related to the GP at a rate equal to 1% of the capital contributed to the Partnership on commercially reasonable terms and conditions as determined by the General Partner, in its sole discretion, pursuant to a fund management agreement.
Consent of the Limited Partners	Certain Major Decisions (as defined in the Partnership Agreement) shall require the consent of all of the Limited Partners, including the removal of the General Partner. However, the intention is that the General Partner, subject to certain limited Major Decisions, shall have full autonomy on day-to-day operations and the development of the Project.
Tax Matters:	Units are <u>not</u> a qualified investment under the <i>Income Tax Act</i> (Canada) and the regulations thereunder (the “ Tax Act ”) for trusts governed by registered retirement savings plans, registered retirement income funds, registered disability savings plans, registered education savings plans or tax-free savings accounts, each as defined in the Tax Act (collectively, “ Plans ”), or trusts governed by deferred profit-sharing plans.
Additional Financing:	The Partnership may require additional financing in the future, and may raise such financing by way of the issuance of additional Units, mortgage financing and construction financing, as may be determined by the General Partner. The Subscriber shall not have any obligation to contribute any additional capital, however, the Subscriber’s equity will be diluted in the event it does not contribute its proportionate shares of capital in any future equity financings.
Default Provisions	The Amended and Restated Partnership Agreement will provide that a Limited Partner that defaults in respect of transfers of its Units or otherwise defaults on its obligations may suffer certain adverse consequences, including, loss of decision making input, a discounted buyout and forfeiture of all or a portion of its Units.

[Signature page follows.]

DATED AS FIRST WRITTEN ABOVE.

**1680 BRIMLEY LIMITED
PARTNERSHIP**, by its general partner,
2808908 ONTARIO INC.

Per _____

Name: Hans Jain
Title: President

AGREED AND ACCEPTED THIS ____ DAY OF APRIL, 2024, by:

UBC SOLUTIONS INCORPORATED

Per _____

Name: Brent Twist
Title: Chief Operating Officer

[Signature Page to Term Sheet]

SCHEDULE A
PROPERTY

[See attached map of the Property and shaded portion of the Property indicating the Severed Property]

Summary report: Litera Compare for Word 11.4.0.111 Document comparison done on 4/9/2024 2:53:41 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: Term Sheet - 1680 Brimley - Loan Set-off (03.08.2024).docx	
Modified DMS: iw://cloudimanage.com/FIRMDOCS/52294132/1	
Changes:	
<u>Add</u>	41
Delete	30
Move From	1
<u>Move To</u>	1
<u>Table Insert</u>	2
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	75

This is Exhibit “D”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: [Fran Coffin](#)
To: [Finance Atria](#)
Cc: [Hans Jain](#); [Glen Chow](#); [Kinjesh Shah](#); [Leonard Lee](#); [Shane Kennedy](#); [Jenette Boycott](#)
Subject: RE: UBC - Waiver of Extension Breach
Date: April 26, 2024 1:32:51 PM
Attachments: [image028.png](#)
[image030.png](#)
[image031.png](#)
[image032.png](#)
[image034.png](#)
[image035.png](#)
[image036.png](#)
[image001.png](#)
[image004.png](#)
[image005.png](#)
[image006.png](#)
[image007.png](#)
[UBC - Waiver of Extension Breach \(Compiled\).pdf](#)

Attached is the fully compiled waiver. I have been advised by the Lender's solicitor to remind you that the first installment of the extension fee is to be made by April 30, 2024.

BRClogosig25crop5



Fran Coffin

Real Estate Law Clerk
Direct: 437-253-4327

Bogart Robertson & Chu LLP

20 Adelaide Street East, Suite 303
Toronto, ON M5C 2T6
416-601-1991 www.brclaw.com

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From: Finance Atria <finance@atria.ca>
Sent: April 26, 2024 1:04 PM
To: Fran Coffin <fcoffin@bogart-robertson-chu.com>
Cc: Hans Jain <hans.jain@atria.ca>; Glen Chow <Glen.Chow@atria.ca>; Kinjesh Shah <kinjesh.shah@atria.ca>; Leonard Lee <leonard.lee@atria.ca>; Shane Kennedy <shane.kennedy@atria.ca>; Jenette Boycott <jboycott@bogart-robertson-chu.com>
Subject: RE: UBC - Waiver of Extension Breach

CAUTION: External email - do not click links or open attachments unless you recognize the sender and know the content is safe.

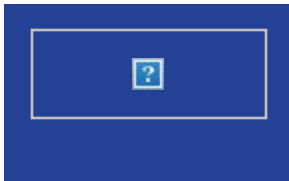
Hello Fran,

Please see attached signed waiver of extension breach.

Thank you,

Chirag

Chirag Kapopara, CPA



Assistant Controller

☐ 647.496.9486 ☐ atriadevelopment.ca
☐ 5000 Yonge St. Suite 1706 Toronto, ON M2N 7E9

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From: Fran Coffin <fcoffin@bogart-robertson-chu.com>

Sent: Friday, April 26, 2024 9:46 AM

To: Glen Chow <Glen.Chow@atria.ca>

Cc: Leonard Lee <leonard.lee@atria.ca>; Hans Jain <hans.jain@atria.ca>; Kinjesh Shah <kinjesh.shah@atria.ca>; Shane Kennedy <shane.kennedy@atria.ca>; Jenette Boycott <jboycott@bogart-robertson-chu.com>

Subject: RE: UBC - Waiver of Extension Breach

Thanks Glen. I'm advised that everyone has now signed off on the form of Waiver. Can you sign the attached and return to me. I will send it to UBC's Solicitor for signing and forward a fully executed copy to you once I receive it. I've attached both a word and .pdf form whichever is easier for you have signed and return. Thanks.

Thanks



Fran Coffin

Real Estate Law Clerk
Direct: 437-253-4327

Bogart Robertson & Chu LLP

20 Adelaide Street East, Suite 303
Toronto, ON M5C 2T6
416-601-1991 www.brclaw.com

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WAIVER

THIS WAIVER (the “**Waiver**”) dated as of April 26, 2024 is made among 1680 Brimley Limited Partnership (the “**Borrower**”), as borrower, 2808908 Ontario Inc. and Brimley Progress Developments Inc. (the “**Guarantors**” and together with the Borrower, collectively, the “**Loan Parties**” and each, a “**Loan Party**”) as guarantors, and UBC Solutions Incorporated (the “**Lender**”), as lender.

- A. **WHEREAS** the Borrowers, the Guarantors, and the Lender are party to a credit agreement dated September 29, 2023, as amended by an amendment agreement to credit agreement dated February 15, 2024 (as it may at any time or from time to time be further amended, supplemented, restated or replaced, collectively the “**Credit Agreement**”).
- B. **AND WHEREAS** Section 2.1 of the Credit Agreement provides, among other things, that the Extension Term is subject to the Borrower paying to the Lender an extension fee equal to \$390,000 (the “**Extension Fee**”), representing 60 bps on the aggregate principal amount of the Land Loan, such Extension Fee to be paid on or prior to the first day of the Extension Term, being April 1, 2024 (the “**Extension Fee Due Date**”).
- C. **AND WHEREAS** the Borrower has not paid the Extension Fee on or prior to the Extension Fee Due Date (the “**Extension Breach**”).
- D. **AND WHEREAS** the Borrower has requested that the Lender waives the Extension Breach.
- E. **AND WHEREAS** the Lender has agreed to waive the Extension Breach, subject to the terms and conditions set forth in this Waiver.

NOW THEREFORE in consideration of the foregoing premises, the sum of \$10.00 in lawful money of Canada now paid by the Borrower to the Lender and other good and valuable consideration, the receipt and sufficiency of which are acknowledged by the Lender, the parties agree as follows:

- 1. **Defined Terms.** Capitalized terms used in this Waiver and not otherwise defined herein shall have the respective meanings attributed to them in the Credit Agreement.
- 2. **Waiver.** Subject to Section 3, the Lender hereby waives the Extension Breach but only in respect of the Extension Fee being payable on or prior to the Extension Fee Due Date. Notwithstanding the foregoing, the Lender confirms the Maturity Date of the Land Loan has been extended to September 29, 2024.
- 3. **Payment of Extension Fee.** The waiver of the Extension Breach provided for in Section 2 above is subject to, and conditional upon, the Borrower paying to the Lender the Extension Fee in equal monthly installments of \$65,000.00, each due on the last Business Day of each calendar month, commencing April, 2024 and ending September, 2024.
- 4. **Acknowledgment and Confirmation.** The Loan Parties each acknowledge and confirm that the waiver set out in Section 2 is provided on the basis that:

- (a) such waiver of compliance shall not be deemed to be a consent to any other transaction or matter or waiver of compliance in the future or a waiver of compliance of the same or any other covenant or provision of the Credit Agreement; and
 - (b) such waiver shall not be a consent or waiver of any matter which has not been fully and accurately disclosed by the Loan Parties to the Lender.
- 5. **Loan Document.** This Waiver shall constitute a Loan Document for purposes of the Credit Agreement.
- 6. **Representations and Warranties.** Each Loan Party represents and warrants to the Lender as follows:
 - (a) the entering into and performance by it of this Waiver, (i) have been duly authorized by all necessary corporate or other action on its part, and (ii) do not and will not violate its constating documents, any Applicable Law, any permit or any contract to which it is a party;
 - (b) this Waiver constitutes a legal, valid and binding obligation of each Loan Party enforceable against each such Person in accordance with its terms, subject to the availability of equitable remedies and the effect of bankruptcy, insolvency and similar laws affecting the rights of creditors generally;
 - (c) the representations and warranties made by it in the Credit Agreement, other than those expressly stated to be made as of a specific date, are true and correct as of the date hereof with the same effect as if such representations and warranties had been made on and as of the date hereof (except as may be modified by the waivers granted herein); and
 - (d) no Event of Default has occurred and is continuing on the date hereof.
- 7. **Governing Law.** This Waiver shall be governed by and interpreted and enforced in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein.
- 8. **Counterparts.** This Waiver may be executed in any number of counterparts, each of which when executed and delivered shall be deemed to be an original, and such counterparts together shall constitute one and the same agreement. This Waiver may be executed by way of electronic signature (including through an information system such as DocuSign or OneSpan or by any other electronic means) and any such execution of this Waiver shall be of the same legal effect, validity or enforceability as a manually executed signature. The delivery of a facsimile or portable document format (PDF) or other electronic copy of an executed counterpart of this Waiver shall be deemed to be valid execution and delivery of this Waiver.

[SIGNATURE PAGE FOLLOWS]

- S1 -

IN WITNESS WHEREOF the parties have caused this Waiver to be executed by their respective duly authorized officers as of the date first above written.

BY THE LENDER:

UBC SOLUTIONS INCORPORATED

Per: 

Brent Twist

Chief Operating Officer

I have the authority to bind the Lender.

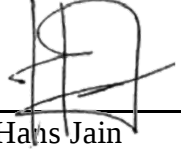
[signature page for Extension Breach Waiver]

- S2 -

IN WITNESS WHEREOF, the parties have caused this Waiver to be executed by their respective duly authorized officers as of the date first above written.

BY THE BORROWER:

1680 BRIMLEY LIMITED PARTNERSHIP
by its general partner, **2808908 ONTARIO INC.**

Per: 

Hans Jain
President

I have the authority to bind the general partner.
The general partner has the authority to bind the limited partnership.

BY THE GUARANTORS:

2808908 ONTARIO INC.

Per: 

Hans Jain
President

I have the authority to bind the GP.

BRIMLEY PROGRESS DEVELOPMENTS INC.

Per: 

Hans Jain
President

I have the authority to bind the Nominee.

[signature page for Extension Breach Waiver]

This is Exhibit “E”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: [Marc Unger](#)
To: [Boycott, Jenette](#)
Cc: [W. Douglas Stewart](#)
Subject: RE: UBC/Atria - Loan Extension
Date: January 27, 2025 6:07:22 PM
Attachments: [image001.png](#)

Thanks for the reminder, Jenette – I've reached out to our client, requesting an update / will keep you posted.

Marc Unger (he/him)

Partner

P: +1 (204) 957-4601 **or** +1 (403) 693-2639 | **E:** munger@mltaikins.com

From: Boycott, Jenette <jboycott@grllp.com>
Sent: Monday, January 27, 2025 1:51 PM
To: Marc Unger <MUnger@mltaikins.com>
Cc: W. Douglas Stewart <DStewart@mltaikins.com>
Subject: RE: UBC/Atria - Loan Extension

[EXTERNAL MESSAGE]

Marc,

Do you have a fully executed copy of the Waiver yet from your client. If so, can you please provide.

Thanks,
 Jenette

Jenette Boycott • Partner

Gardiner Roberts LLP

Bay Adelaide Centre - East Tower, 22 Adelaide St W, Ste. 3600, Toronto, ON M5H 4E3

T [437.253.4178](tel:437.253.4178) | F [416.865.6636](tel:416.865.6636) | E jboycott@grllp.com

From: Marc Unger <MUnger@mltaikins.com>
Sent: Thursday, January 16, 2025 12:23 PM
To: Boycott, Jenette <jboycott@grllp.com>
Cc: W. Douglas Stewart <DStewart@mltaikins.com>
Subject: RE: UBC/Atria - Loan Extension

Appreciated, will do!

Many thanks,
 Marc

Marc Unger (he/him)

Partner

P: +1 (204) 957-4601 **or** +1 (403) 693-2639 | **E:** munger@mltaikins.com

From: Boycott, Jenette <jboycott@grllp.com>

Sent: Thursday, January 16, 2025 10:21 AM
To: Marc Unger <MUnger@mltaikins.com>
Cc: W. Douglas Stewart <DStewart@mltaikins.com>
Subject: RE: UBC/Atria - Loan Extension

[EXTERNAL MESSAGE]

Marc,

Attached is the Waiver signed by my client.

Please provide a fully executed copy once available.

Thanks,
 Jenette

Jenette Boycott • Partner

Gardiner Roberts LLP

Bay Adelaide Centre - East Tower, 22 Adelaide St W, Ste. 3600, Toronto, ON M5H 4E3

F 416.865.6636 | E jboycott@grllp.com

From: Marc Unger <MUnger@mltaikins.com>
Sent: Thursday, January 16, 2025 12:17 PM
To: Boycott, Jenette <jboycott@grllp.com>
Cc: W. Douglas Stewart <DStewart@mltaikins.com>
Subject: RE: UBC/Atria - Loan Extension

Hi Jenette,

Any further movement / questions on your client's end?

Many thanks,
 Marc

Marc Unger (he/him)

Partner

P: +1 (204) 957-4601 or +1 (403) 693-2639 | E: munger@mltaikins.com

From: Marc Unger <MUnger@mltaikins.com>
Sent: Tuesday, January 14, 2025 3:17 PM
To: Boycott, Jenette <jboycott@grllp.com>
Cc: W. Douglas Stewart <DStewart@mltaikins.com>
Subject: RE: UBC/Atria - Loan Extension

For sure, Jenette – please see attached, tracked back to the last November draft, which I believe is the last copy I sent over.

As to Brent, appreciate the heads up – will confirm with our client / amend.

Many thanks,
Marc

Marc Unger (he/him)

Partner

P: +1 (204) 957-4601 **or** +1 (403) 693-2639 | **E:** munger@mltaikins.com

From: Boycott, Jenette <jboycott@grllp.com>

Sent: Tuesday, January 14, 2025 3:01 PM

To: Marc Unger <MUnger@mltaikins.com>

Cc: W. Douglas Stewart <DStewart@mltaikins.com>

Subject: Re: UBC/Atria - Loan Extension

[EXTERNAL MESSAGE]

Marc.

Would you be able to send me a redline of the Waiver. My client is requesting. I also see that you have Brent signing on behalf of UBC. I think he might no longer be with UBC. Can you confirm that.

Thanks

Jenette

Sent from my iPhone



Jenette Boycott • Partner

Gardiner Roberts LLP

Bay Adelaide Centre - East Tower, 22 Adelaide St W, Ste. 3600, Toronto, ON M5H 4E3

F 416.865.6636 | E jboycott@grllp.com

Named one of Ontario's Top 10 Regional Firms by Canadian Lawyer Magazine in 2023-24

This is Exhibit “F”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: W. Douglas Stewart <DStewart@mltaikins.com>
Sent: Thursday, June 6, 2024 2:29 PM
To: Shane Kennedy <shane.kennedy@atria.ca>; Hill, Peter <peter.hill@ca.dlapiper.com>; Wayne Berg <wayne.berg23@gmail.com>
Cc: Cynthia Sisconetto <csisconetto@ubcja.ca>; Hans Jain <hans.jain@atria.ca>; Glen Chow <Glen.Chow@atria.ca>; Leonard Lee <leonard.lee@atria.ca>; Shapira, Daniel <daniel.shapira@ca.dlapiper.com>
Subject: RE: [EXTERNAL] RE: Follow up

OK, sounds good. I'll send out the Teams invite now.

Thanks,

Doug

W. Douglas Stewart*

Partner

P: (204) 957-4890 | **E:** DStewart@mltaikins.com

**Law Corporation*

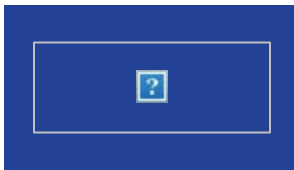
From: Shane Kennedy <shane.kennedy@atria.ca>
Sent: Thursday, June 6, 2024 1:27 PM
To: W. Douglas Stewart <DStewart@mltaikins.com>; Hill, Peter <peter.hill@dlapiper.com>; Wayne Berg <wayne.berg23@gmail.com>
Cc: Cynthia Sisconetto <csisconetto@ubcja.ca>; Hans Jain <hans.jain@atria.ca>; Glen Chow <Glen.Chow@atria.ca>; Leonard Lee <leonard.lee@atria.ca>; Shapira, Daniel <daniel.shapira@dlapiper.com>
Subject: Re: [EXTERNAL] RE: Follow up

[EXTERNAL MESSAGE]

Doug,

No one else from Atria or DLA so we are good on our end.

Shane



Shane Kennedy

Senior Vice President of Development & Planning

☐ 416.873.1993 ☐ atriadevelopment.ca

☐ 5000 Yonge St, Suite 1706 Toronto, ON M2N 7E9

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From: W. Douglas Stewart <DStewart@mltaikins.com>
Sent: Thursday, June 6, 2024 2:21:57 PM
To: Hill, Peter <peter.hill@dlapiper.com>; Shane Kennedy <shane.kennedy@atria.ca>; Wayne Berg <wayne.berg23@gmail.com>
Cc: Cynthia Sisconetto <csisconetto@ubcja.ca>; Hans Jain <hans.jain@atria.ca>; Glen Chow <Glen.Chow@atria.ca>; Leonard Lee <leonard.lee@atria.ca>; Shapira, Daniel <daniel.shapira@dlapiper.com>
Subject: RE: [EXTERNAL] RE: Follow up

Hi guys,

2:00 ET works for me. Are we waiting on anyone else to confirm availability? Happy to send out a Teams invite if not.

Thanks,

Doug

W. Douglas Stewart*
Partner
P: (204) 957-4890 | **E:** DStewart@mltaikins.com
**Law Corporation*

From: Hill, Peter <peter.hill@dlapiper.com>
Sent: Thursday, June 6, 2024 11:05 AM
To: Shane Kennedy <shane.kennedy@atria.ca>; W. Douglas Stewart <DStewart@mltaikins.com>; Wayne Berg <wayne.berg23@gmail.com>
Cc: Cynthia Sisconetto <csisconetto@ubcja.ca>; Hans Jain <hans.jain@atria.ca>; Glen Chow <Glen.Chow@atria.ca>; Leonard Lee <leonard.lee@atria.ca>; Shapira, Daniel <daniel.shapira@dlapiper.com>
Subject: RE: [EXTERNAL] RE: Follow up

[EXTERNAL MESSAGE]

Hi Shane and Doug,

Dan and I are available tomorrow at 2:00pm ET or 4:30pm ET and onwards as well as Monday at 9:15am ET or anytime in the afternoon.

Thanks,

Peter Hill

Associate

T [+1 416.941.5406](tel:+14169415406)

E peter.hill@dlapiper.com

From: Shane Kennedy <shane.kennedy@atria.ca>

Sent: Thursday, June 6, 2024 11:45 AM

To: W. Douglas Stewart <DStewart@mltaikins.com>; Wayne Berg <wayne.berg23@gmail.com>

Cc: Cynthia Sisconetto <csisconetto@ubcja.ca>; Hans Jain <hans.jain@atria.ca>; Glen Chow <Glen.Chow@atria.ca>; Leonard Lee <leonard.lee@atria.ca>; Shapira, Daniel <daniel.shapira@ca.dlapiper.com>; Hill, Peter <peter.hill@ca.dlapiper.com>

Subject: [EXTERNAL] RE: Follow up

DLA Piper (Canada) LLP ALERT: This is an external email. Do not click links or open attachments unless you recognize the sender's email address and know the content is safe.

Doug,

My day tomorrow is open.

Daniel & Peter, can you confirm your availability? We may have people from BC and MB on the call so later in the day is probably best.

Regards,

Shane



Shane Kennedy

Senior Vice President of Development &
Planning

☐ [416.873.1993](tel:416.873.1993) ☐ atriadevelopment.ca
☐ [5000 Yonge St, Suite 1706 Toronto, ON M2N 7E9](#)

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From: W. Douglas Stewart <DStewart@mltaikins.com>
Sent: Thursday, June 6, 2024 11:26 AM
To: Shane Kennedy <shane.kennedy@atria.ca>; Wayne Berg <wayne.berg23@gmail.com>
Cc: Cynthia Sisconetto <csisconetto@ubcja.ca>; Hans Jain <hans.jain@atria.ca>; Glen Chow <Glen.Chow@atria.ca>; Leonard Lee <leonard.lee@atria.ca>; Shapira, Daniel <daniel.shapira@dlapiper.com>; Hill, Peter <peter.hill@dlapiper.com>
Subject: RE: Follow up

Hi Shane,

Let me know when you and your team are available for a call. I am available any time tomorrow other than 10:00 to 12:00 Central time.

Thanks,

Doug

W. Douglas Stewart*
Partner
P: (204) 957-4890 | **E:** DStewart@mltaikins.com

MLT Aikins LLP
 30th Floor - 360 Main Street
 Winnipeg, MB R3C 4G1
**Law Corporation*

[BIO](#) | [VCARD](#)



Our offices are located on the territories of Indigenous peoples, including the First Nations of Treaties 1, 4, 6 and 7, the Coast Salish peoples, as well as other non-Treaty First Nations and Métis. [We are committed to reconciliation.](#)

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This is Exhibit “G”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: [Hill, Peter](#)
To: [W. Douglas Stewart](#); [Wayne Berg](#)
Cc: [Cynthia Sisconetto](#); [Hans Jain](#); [Shane Kennedy](#); [Glen Chow](#); [Leonard Lee](#); [Shapira, Daniel](#)
Subject: RE: [EXTERNAL] RE: Follow up
Date: June 9, 2024 7:26:01 PM
Attachments: [image011.png](#)
[image012.png](#)
[image001.jpg](#)
[image002.png](#)
[image004.png](#)
[image005.png](#)
[image007.png](#)
[image009.png](#)
[image013.png](#)
[Term Sheet - 1680 Brimley - Loan Set-off \(06.08.2024\).docx](#)
[BLK Term Sheet - 1680 Brimley - Loan Set-off \(06.08.2024\).pdf](#)

Hi Doug,

Nice speaking with you on Friday.

Please see the attached revised term sheet along with a blackline to the previous draft.

As noted on our call, please convey to your client group the importance of resolving this term sheet as soon as possible.

Thanks,

Peter Hill

Associate

T [+1 416.941.5406](tel:+14169415406)

E peter.hill@dlapiper.com

BINDING TERM SHEET

June 30, 2024

UBC Solutions Incorporated
93 Lombard Avenue
Winnipeg, Manitoba R3B 3B1

Attention: Brent Twist

Dear Mr. Twist:

Re: Conversion of Debt – Phase 1 of Town Centre Place at 1680 Brimley Road, Scarborough, Ontario

This term sheet (“**Term Sheet**”) is a binding term sheet and constitutes an offer to subscribe for Class B units of the Partnership as repayment for the Loan (as defined below). In this Term Sheet, a “**Unit**” means a Class A Unit, Class B Unit or a General Partner Unit, and “**Units**” means any one or more of them and any such other units that may be issued from time to time.

On execution of this Term Sheet, the parties hereto agree to be bound by the terms contained herein. Each of the parties hereto agrees to use commercially reasonable efforts in good faith to settle and enter into the Amended and Restated Partnership Agreement (as defined below) on or before June 30, 2024 (“**Closing Date**”) to formalize the terms of this Term Sheet.

Description of the Cancellation of the Loan in exchange of Units of the Partnership	
Repayment of Loan	1680 Brimley Limited Partnership (the “Partnership”), as borrower, and United Brotherhood of Carpenters and Joiners of America – Canadian District and Carpenters’ District Council of Ontario through a special purpose entity, UBC Solutions Incorporated (the “Subscriber”), as lender, entered into a credit agreement dated September 29, 2023 as amended by an amending agreement dated as of February 15, 2024 (collectively, the “Credit Agreement”) with respect to a loan amount of \$70,000,000.00 advanced on October 2, 2023 (Tranche A), October 3, 2023 (Tranche B) and February 15, 2024 (Tranche C) (the “Loan”). The Subscriber agrees to subscribe for and the Partnership agrees to issue to the Subscriber Class B Units in the capital of the Partnership equal to the number of Class A Units held by the Existing Limited Partner (as defined below) as repayment of the Loan (the “Debt Conversion”). Immediately following the Debt Conversion: (i) all Security (as defined in the Credit Agreement) shall be discharged, and (ii) registered title of the Property shall be transferred to a nominee entity, to be formed, that will hold registered title as bare trustee and nominee for and on behalf of the Partnership (the “Nominee”).
Ancillary Documents	On the Closing Date, the Subscriber agrees to execute and deliver the following: (i) Amended and Restated Partnership Agreement (as defined below); (ii) evidence that the promissory note from the Partnership evidencing the principal outstanding and capitalized interest from time to time has been cancelled; (iii) a release of the guarantee provided by the relevant guarantors of the Loan; (iv) confirmation of discharge of any charge and release of any assignments of material contracts given by the Borrower and/or the Guarantors in favor of the Subscriber; and (v) such other documents reasonable required by the Partnership to affect the transactions contemplated herein.
Description of the Property and Project	
Property	Lands municipally known as 1680 Brimley Road, Scarborough, ON, M1P 2B9 (the

	“Property”) legally owned by Brimley Progress Developments Inc. and beneficially owned by the Partnership.
Project	The Project consists of: (a) the development of two (2) towers on the Property with a total gross floor area of approximately 739,580 square feet, including 736,631 square feet of residential premises and 2,949 square feet of retail space (“Phase 1”); and (b) the development of two (2) towers on the Property with a total gross floor area of approximately 737,590 square feet, including 697,138 square feet of residential premises and 26,602 square feet of retail space (“Phase 2”). See attached Schedule “A” outlining the Property and the Severed Property (as defined herein).
Phase 2	The Partnership is currently the beneficial owner of the Property in its entirety. At such time as determined by the General Partner, in its sole discretion, the portion of the Property associated with Phase 2 of the Project (the “Severed Property”) will be severed from the Property (the “Severance”). The portion of the Property associated with Phase 1 of the Project shall be referred to as the “Phase 1 Property”. The Existing Limited Partner and the Subscriber each hereby acknowledge and agree that notwithstanding the Subscriber’s interest in the Limited Partnership, the Subscriber will not have any beneficial or legal interest in the Severed Property subject to its Right of First Offer (and the Phase 2 Security (as each are defined below), and therefore, the Subscriber shall not receive any consideration for the Severance. Upon completion of the Severance, registered title to the Severed Property shall be transferred to the Nominee. To the extent registered title of the Severed Property is not transferred to the Nominee following the Severance, if required and at the request of the registered owner of the Severed Property, the Nominee and the registered owner of the Severed Property shall enter into the necessary reciprocal easement agreements for the purpose of granting rights to the registered owner of the Severed Property in respect of ingress and egress over the Phase 1 Property and the Severed Property, and granting reasonable access over the Phase 1 Property for the purpose of facilitating construction, repairs and maintenance on or about the Severed Property. Following the Severance, the Subscriber shall register a first-ranking charge in the amount of [●] on the Severed Property (the “Phase 2 Security”). The Subscriber shall, if required and upon the request of the General Partner, provide its consent to a financing facility to be secured against the Severed Property of up to a maximum of \$15,000,000.00 (“Phase 2 Financing”), including all associated security required by the lender of the Phase 2 Financing. For greater certainty, the Subscriber shall subordinate its Phase 2 Security to the provider of the Phase 2 Financing. The Phase 2 Security shall be discharged upon the earlier occurrence of: (i) substantial completion of the formwork contract for Phase 1, to the same extent as shall be required for a contract to be substantially performed as defined in accordance with the <i>Construction Act</i>, and (ii) the delivery of the ROFO Acceptance Notice.
Right of First Offer	If, at any time from the closing of the Debt Conversion until the date of the first advance of the Subsequent<u>Take-Out</u> Loan(s), the Existing Limited Partner decides to sell a beneficial interest in the Severed Property (“ROFO Beneficial Interest”), the Subscriber shall have a right of first offer to acquire such ROFO Beneficial Interest (“Right of First Offer”). The Existing Limited Partner shall first offer to sell the ROFO Beneficial Interest to the Subscriber and shall deliver to the Subscriber a notice (the “First Offer Notice”) stating its bona fide intention to sell the ROFO Beneficial Interest. The First Offer Notice shall constitute the Existing Limited Partner’s offer to negotiate the sale of the ROFO Beneficial Interest to the Subscriber, which offer shall expire at 3:00 p.m. on the 15th day following receipt by the Subscriber of such First Offer Notice (the “ROFO Response Period”). The Subscriber shall

	have the right to accept the Existing Limited Partner's offer to negotiate the sale of the ROFO Beneficial Interest prior to the expiry of the ROFO Response Period by delivering written notice (a "ROFO Acceptance Notice") to the Existing Limited Partner stating that it wishes to accept the Existing Limited Partner's offer to negotiate the sale of the ROFO Beneficial Interest. Following the delivery of the ROFO Acceptance Notice by the Subscriber, the parties shall negotiate in good faith, for a period of 30 days commencing on the receipt of the ROFO Acceptance Notice by the Existing Limited Partner ("ROFO Negotiation Period"), to come to an agreement on the terms of the sale of the ROFO Beneficial Interest. If the Subscriber does not deliver a ROFO Acceptance Notice prior to the expiry of the ROFO Response Period or the parties fail to come to agreement on terms and conditions of the purchase and sale of the ROFO Beneficial Interest prior to the expiry of the ROFO Negotiation Period, the Subscriber's Right of First Offer and all of the Subscriber's rights and option to purchase the ROFO Beneficial Interest hereunder shall conclusively be deemed to be waived, and the Existing Limited Partner shall be free, to complete a sale of the ROFO Beneficial Interest to a third party, without any further obligation to the Subscriber under this Right of First Offer. The third party purchaser shall acquire the ROFO Beneficial Interest free and clear of the Subscriber's Right of First Offer (which shall be extinguished, null, void, and of no further force or effect upon such sale). The terms of the Right of First Offer shall be included in a side letter agreement to be entered into by the parties concurrently with the closing of the Debt Conversion.
<u>Description of the Limited Partnership</u>	
Limited Partnership:	The Partnership is a limited partnership formed under the laws of the Province of Ontario pursuant to a limited partnership agreement, dated as of January 18, 2021 (the " Partnership Agreement "), which shall be amended and restated in its entirety concurrent with the Closing Date based on the terms set out in this Term Sheet (the " Amended and Restated Partnership Agreement ").
General Partner:	2808908 Ontario Inc. is the general partner of the Partnership (the " General Partner " or " GP ") under the Partnership Agreement.
Existing Limited Partner	Brimley Progress Developments Inc. is the existing limited partner of the Partnership (the " Existing Limited Partner " and together with the Subscriber, collectively, the " Limited Partners "). The Existing Limited Partner currently holds 9,999.90 Class A Units and the parties each acknowledge that its Capital Contributions (as defined herein) is deemed to be \$20,500,000.00.
Term	The Partnership will continue indefinitely, unless terminated in accordance with the terms of the Amended and Restated Partnership Agreement.
Related Party Transactions	The Partnership may enter into various agreements with entities which are affiliated with or related to the GP.
Units	The Amended and Restated Limited Agreement shall contemplate the limited partnership interests in the Partnership as divided into three classes of Units designated as "Class A Units", "Class B Units" and "General Partner Unit". The Subscriber will receive Class B Units equal to the number of Class A Units issued to the Existing Limited Partner. The General Partner holds 1 General Partner Unit. The Class A and Class B Units shall each carry one vote. The terms and conditions of the Units shall be set out in the Amended and Restated Partnership Agreement.
<u>Distribution of proceeds of Financing(s) of Phase 1</u>	The Partnership shall seek a construction financing facility or facilities for Phase 1 (the " Subsequent Loan(s) " Construction Loan "). <u>Following completion of the construction of Phase 1, the Partnership shall seek a financing facility or facilities for the purpose of repaying the Construction Loan and any other indebtedness incurred by the Partnership in the development and construction of Phase 1 (the "Take-Out Loan" and together with the Construction Loan, the "Subsequent Loans".</u> If required, the Limited Partners shall provide

	joint and several guarantees for up to 100% of the outstanding amount under the Subsequent Loans(s). If the net proceeds of the any Subsequent Loan(s), as determined by the General Partner, exceeds the costs to develop and construct Phase 1, including but not limited to, repayment of any construction loans, indebtedness and liabilities, and construction, management and Partnership fees and expenses remaining to complete and construct Phase 1, such amount estimated to be \$390,000,000.00 (“Phase 1 Remaining Project Costs”), the General Partner, acting reasonably, shall, within 30 days’ of the first advance of the such Subsequent Loan(s): (a) first, distribute 100% of the net proceeds of the such Subsequent Loan(s) after deducting the Phase 1 Remaining Project Costs (“Subsequent Loan Surplus Distribution”) as follows: (a) <u>first, 100% of the Subsequent Loan Surplus Distribution</u> to the holder of the Class A Units, as a return of its’ Capital Contributions, an amount equal to the interest and fees paid on the Loan from May 1, 2024 until the closing of the Debt Conversion; and (b) second, distribute 100% of the remaining Subsequent Loan Surplus Distribution to the holder of the Class B Units as a return of its’ Capital Contributions.
Preferred Return	The Subscriber’s Capital Contributions, after deducting any Subsequent Loan Surplus Distribution received by the Subscriber, shall earn a 5% preferred return accruing from the date of the first advance of the Subsequent Construction Loan(s) until the grant of full occupancy of Phase 1 by the municipality (the “Preferred Return”). <u>The General Partner shall increase the Capital Contributions of the Subscriber in the Partnership’s capital account by the amount of the Preferred Return.</u>
Distributions of Net Operating Cash Flow of Phase 1	Operating cash flow, less the management fees and partnership expenses (“Net Operating Cash Flow”) will be distributed at the discretion of the General Partner. Net Operating Cash Flow, net of amounts required in the General Partner’s sole discretion to pay or reserve for current or potential costs, expenses, indebtedness and liabilities, will be distributed in the following amounts and order of priority: (i) first, as to the lesser of \$100 and 0.001% to the holder of the General Partner Unit; (ii) second, to the Limited Partners, <i>pro rata</i> in proportion with the amount of capital contributed by each Limited Partner to the Partnership for Phase 1 (“Capital Contributions”) until each Limited Partner has received a return of its Capital Contributions, for greater certainty, (a) once a Limited Partner receives a return of all of its Capital Contributions, it will not receive additional distributions until all other Limited Partners have received their respective return of its Capital Contributions; (b) any Subsequent Loan Surplus Distribution received by a Limited Partner shall be accounted for in reducing its’ outstanding Capital Contributions; and (c) the Preferred Return shall be accounted for in increasing the Capital Contributions of the holder of the Class B Units; and; and (iii) third, 50% to the holder of the Class A Units and 50% to the holder of the Class B Units.
Reporting	The Partnership will furnish annually to the Limited Partners reviewed unaudited financial statements and will provide an annual report detailing the Partnership’s performance for that year. On a quarterly basis, a meeting of the steering committee shall be held to discuss the status of the Project. The steering committee shall be comprised of two (2) representatives from each of the Existing Limited Partner and the Subscriber.
Resale Restrictions:	Limited Partners will be restricted from selling Units for an indefinite period, and other than pursuant to an available prospectus exemption and in accordance with applicable securities laws and the terms of the Amended and Restated Partnership Agreement.
Exit Rights	Within 20 days after the expiry of the 10 year period following the Closing Date (the “First Exit Option Period”), the Existing Limited Partner may, at its sole option, initial the following exit rights (the “First Exit Option”) by notice in writing to the Subscriber (the “First Exit Option Notice”) electing any of the following options: (i) The Existing Limited Partner may require the Subscriber to sell all of the Units held by the Subscriber for an amount equal to the fair market value (as determined by the accountant of the Partnership) of the Units held by the

	Subscriber; or (ii) If the Existing Limited Partner does not wish purchase all of the Units held by the Subscriber, and the Subscriber desires to sell all of its Units, the parties agree to use commercially reasonable efforts enter into an agreement with an arm's length third party for the sale of all of the Units of the Subscriber within 120 days from the expiry of the First Exit Option Period. If the Existing Limited Partner does not exercise the First Exit Option within the First Exit Option Period, the Existing Limited Partner shall be deemed to have waive the First Exit Option and shall have no further entitlement to the First Exit Option. Within 20 days after the expiry of the 15 year period following the Closing Date (the "Final Exit Option Period"), one of the following must occur: (i) the Existing Limited Partner, by notice in writing to the Subscriber, may elect to purchase all of the Units held by the Subscriber for an amount equal to the fair market value (as determined by the accountant of the Partnership) of the Units held by the Existing Limited Partner; or (ii) If the Existing Limited Partner does not wish to purchase all of the Units held by the Subscriber and the Subscriber desires to sell its Units, the parties agree to use commercially reasonable efforts to enter into an agreement with an arm's length third party for the sale of all of the Units of the Subscriber within 120 days from the expiry of the Final Exit Option Period. (Items (i) to (ii) are referred to as the "Final Exit Option")
Construction Management Fee	The Partnership shall engage an entity which is affiliated with or related to the GP at a rate equal to 3.25% of the hard cost of construction to the Partnership, on commercially reasonable terms and conditions as determined by the General Partner, in its sole discretion, pursuant to a construction management agreement.
Property Management Fee	The Partnership shall engage an entity which is affiliated with or related to the GP at a rate equal to 4% of the effective gross income of the properties of the Partnership on commercially reasonable terms and conditions as determined by the General Partner, in its sole discretion, pursuant to a property management agreement.
Development Management Fee	The Partnership shall engage Atria Development Management Inc. at a rate equal to 1.5% of the capital budget (less land value) of the development for the Project (being Phase 1), on commercially reasonable terms and conditions as determined by the General Partner, in its sole discretion, pursuant to a development management agreement.
Fund Management Fee	The Partnership shall engage an entity which is affiliated with or related to the GP at a rate equal to 1% of the capital contributed to the Partnership on commercially reasonable terms and conditions as determined by the General Partner, in its sole discretion, pursuant to a fund management agreement.
Consent of the Limited Partners	Certain Major Decisions (as defined in the Partnership Agreement) shall require the consent of all the Limited Partners, including the removal of the General Partner. However, the intention is that the General Partner, subject to certain limited Major Decisions, shall have full autonomy on day-to-day operations and the development of the Project.
Tax Matters:	Units are not a qualified investment under the <i>Income Tax Act</i> (Canada) and the regulations thereunder (the " Tax Act ") for trusts governed by registered retirement savings plans, registered retirement income funds, registered disability savings plans, registered education savings plans or tax-free savings accounts, each as defined in the Tax Act (collectively, " Plans "), or trusts governed by deferred profit-sharing plans.
Additional Financing:	The Partnership may require <u>obtain</u> additional financing in the future, and may raise such financing by way of the issuance of additional Units, mortgage financing and/or construction financing, as may be determined by the General Partner. The Subscriber shall not have any obligation to contribute any additional capital, however, the Subscriber's equity will be diluted in the event it does not contribute its proportionate shares of capital in any future equity financings.
Default Provisions	The Amended and Restated Partnership Agreement will provide that a Limited Partner that defaults in respect of transfers of its Units or otherwise defaults on its obligations may suffer certain adverse consequences, including, loss of decision making input, a discounted buyout

	and forfeiture of all or a portion of its Units.
--	--

[Signature page follows]

DATED AS FIRST WRITTEN ABOVE.

**1680 BRIMLEY LIMITED
PARTNERSHIP**, by its general partner,
2808908 ONTARIO INC.

Per _____

Name: Hans Jain
Title: President

AGREED AND ACCEPTED THIS ____ DAY OF June, 2024, by:

UBC SOLUTIONS INCORPORATED

Per _____

Name: Brent Twist
Title: Chief Operating Officer

[Signature Page to Term Sheet]

SCHEDULE A
PROPERTY

[See attached map of the Property and shaded portion of the Property indicating the Severed Property]

Summary report: Litera Compare for Word 11.8.0.56 Document comparison done on 6/8/2024 8:48:42 AM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: Term Sheet - 1680 Brimley - Loan Set-off (06.04.2024).docx	
Modified DMS: iw://cloudimanage.com/FIRMDOCS/52203423/9	
Changes:	
<u>Add</u>	22
Delete	24
Move From	1
<u>Move To</u>	1
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	48

This is Exhibit “H”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: [Cynthia Sisconetto](#)
To: [Shane Kennedy](#); [W. Douglas Stewart](#); [Hill, Peter](#); [Wayne Berg](#)
Cc: [Hans Jain](#); [Glen Chow](#); [Leonard Lee](#); [Shapira, Daniel](#)
Subject: RE: [EXTERNAL] RE: Follow up
Date: June 25, 2024 3:59:09 PM
Attachments: [image001.jpg](#)
[image002.jpg](#)
[image004.jpg](#)
[image005.jpg](#)
[image012.jpg](#)
[image015.png](#)
[image016.png](#)
[image017.png](#)
[image018.png](#)
[image019.jpg](#)
[image020.png](#)
[image021.png](#)
[image022.png](#)
[image023.png](#)

Hi Shane,

We need to discuss internally first. Please prioritize our conversation regarding UBC and Atria initially.

[@W. Douglas Stewart](#), please wait for our internal discussion before sending any comments on the document.

Thank you.



Cynthia Sisconetto

Investment Portfolio Manager

c. 437.446.1602

e. csisconetto@ubcja.ca

830 Edgeley Blvd, Concord, ON L4K 4X1



From: Shane Kennedy <shane.kennedy@atria.ca>
Sent: Tuesday, June 25, 2024 3:50 PM
To: W. Douglas Stewart <DStewart@mltaikins.com>; Hill, Peter <peter.hill@dlapiper.com>; Wayne Berg <wayne.berg23@gmail.com>
Cc: Cynthia Sisconetto <csisconetto@ubcja.ca>; Hans Jain <hans.jain@atria.ca>; Glen Chow <Glen.Chow@atria.ca>; Leonard Lee <leonard.lee@atria.ca>; Shapira, Daniel <daniel.shapira@dlapiper.com>
Subject: RE: [EXTERNAL] RE: Follow up

This message is from outside of the organization and the sender cannot be verified. Please be diligent when responding or clicking on any links. Thank you for helping fight cybercrime!

Doug,

Do you have any comments on the Term Sheet that you want to send us at this time?

Regards,

Shane



Shane Kennedy

Senior Vice President of Development & Planning

☐ [416.873.1993](tel:416.873.1993) ☐ atriadevelopment.ca
☐ [5000 Yonge St. Suite 1706 Toronto, ON M2N 7E9](#)

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From: W. Douglas Stewart <DStewart@mltaikins.com>

Sent: Monday, June 10, 2024 8:16 AM

To: Hill, Peter <peter.hill@dlapiper.com>; Wayne Berg <wayne.berg23@gmail.com>

Cc: Cynthia Sisconetto <csisconetto@ubcja.ca>; Hans Jain <hans.jain@atria.ca>; Shane Kennedy <shane.kennedy@atria.ca>; Glen Chow <Glen.Chow@atria.ca>; Leonard Lee <leonard.lee@atria.ca>; Shapira, Daniel <daniel.shapira@dlapiper.com>

Subject: Re: [EXTERNAL] RE: Follow up

Thanks Peter. Will do.

Doug

Get [Outlook for iOS](#)

W. Douglas Stewart*
Partner

P: (204) 957-4890 | **E:** DStewart@mltaikins.com

**Law Corporation*

This is Exhibit “T”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: [W. Douglas Stewart](#)
To: [Hill, Peter](#)
Cc: [Cynthia Sisconetto](#); [Hans Jain](#); [Shane Kennedy](#); [Glen Chow](#); [Leonard Lee](#); [Wayne Berg](#); [Shapira, Daniel](#)
Subject: RE: [EXTERNAL] RE: Follow up
Date: July 3, 2024 5:11:06 PM
Attachments: [Non-Binding Term Sheet - 1680 Brimley v.3 to Atria Term Sheet.docx](#)
[Non-Binding Term Sheet - 1680 Brimley v.3.docx](#)
[image009.png](#)
[image008.png](#)
[image007.png](#)
[image006.png](#)
[image005.jpg](#)
[image004.png](#)
[image003.png](#)
[image002.png](#)
[image001.png](#)

Hi Peter,

Apologies for the delay getting back to you. Please find attached hereto a revised draft term sheet as well as a blackline to the version you previously circulated.

Regards,

Doug

W. Douglas Stewart*

Partner

P: (204) 957-4890 | **E:** DStewart@mltaikins.com

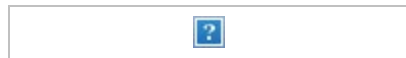
MLT Aikins LLP

30th Floor - 360 Main Street

Winnipeg, MB R3C 4G1

*Law Corporation

[BIO](#) | [VCARD](#)



Our offices are located on the territories of Indigenous peoples, including the First Nations of Treaties 1, 4, 6 and 7, the Coast Salish peoples, as well as other non-Treaty First Nations and Métis. We are committed to reconciliation.

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From: Hill, Peter <peter.hill@dlapiper.com>

Sent: Wednesday, July 3, 2024 7:41 AM

To: W. Douglas Stewart <DStewart@mltaikins.com>

Cc: Cynthia Sisconetto <csisconetto@ubcja.ca>; Hans Jain <hans.jain@atria.ca>; Shane Kennedy <shane.kennedy@atria.ca>; Glen Chow <Glen.Chow@atria.ca>; Leonard Lee <leonard.lee@atria.ca>; Wayne Berg <wayne.berg23@gmail.com>; Shapira, Daniel <daniel.shapira@dlapiper.com>

Subject: RE: [EXTERNAL] RE: Follow up

[EXTERNAL MESSAGE]

Hi Doug – I hope you had a nice long weekend.

Any updates on timing for circulating comments to the term sheet? Our client is eager to finalize this.

Thanks,

Peter Hill

Associate

T [+1 416.941.5406](tel:+14169415406)

E peter.hill@dlapiper.com



This is Exhibit “J”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: W. Douglas Stewart <DStewart@mltaikins.com>

Sent: Friday, September 20, 2024 10:48 AM

To: Shane Kennedy <shane.kennedy@atria.ca>

Cc: csisconetto@ubcja.ca; Hans Jain <hans.jain@atria.ca>; Leonard Lee <leonard.lee@atria.ca>; Hill, Peter <peter.hill@dlapiper.com>; Shapira, Daniel <daniel.shapira@dlapiper.com>

Subject: RE: Brimley - Issues Raised by Beausoleil

Hi Shane,

I confirmed with Cynthia that there is nothing really further from PWC that you need to respond to.

Regards,

Doug

W. Douglas Stewart*

Partner

P: (204) 957-4890 | **E:** DStewart@mltaikins.com

**Law Corporation*

From: Shane Kennedy <shane.kennedy@atria.ca>

Sent: Thursday, September 19, 2024 11:53 AM

To: W. Douglas Stewart <DStewart@mltaikins.com>

Cc: csisconetto@ubcja.ca; Hans Jain <hans.jain@atria.ca>; Leonard Lee <leonard.lee@atria.ca>; Hill, Peter <peter.hill@dlapiper.com>; Shapira, Daniel <daniel.shapira@dlapiper.com>

Subject: RE: Brimley - Issues Raised by Beausoleil

[EXTERNAL MESSAGE]

Thank you Doug.

Are there additional items from PWC that we should respond to also? I would like to make a resubmission as complete as possible.

Regards,

Shane



Shane Kennedy

Advisor to the CEO

📞 416.873.1993

🖱️ atriadevelopment.ca

📍 [5000 Yonge St, Suite 1706 Toronto, ON M2N 7E9](#)

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From: W. Douglas Stewart <DStewart@mltaikins.com>

Sent: Wednesday, September 18, 2024 10:05 AM

To: Shane Kennedy <shane.kennedy@atria.ca>

Cc: csisconetto@ubcja.ca

Subject: Brimley - Issues Raised by Beausoleil

Hi Shane,

Further to our discussion below, please see a summary of the issues raised by Beausoleil in their report. Please advise if you are able to provide these items, which Beausoleil would like to see prior to negotiating the new terms for the transaction.

Thanks,

Doug

W. Douglas Stewart*

Partner

P: (204) 957-4890 | **E:** DStewart@mltaikins.com

**Law Corporation*

From: Blair McCreddie <blair.mccreadie@beausoleil-realestate.com>

Sent: Tuesday, September 17, 2024 4:52 PM

To: W. Douglas Stewart <DStewart@mltaikins.com>; Peter Cuthbert <peter.cuthbert@beausoleil-realestate.com>; Cynthia Sisconetto <csisconetto@ubcja.ca>

Subject: Re: Call

[EXTERNAL MESSAGE]

Hi, please see below list as previously set out in our report. Feel free to pass this along to Atria.

1. Obtain full disclosure of financial details on all projects Atria are involved with including their prorated share, overall budgets, lending sources, project status (how much complete) etc.
2. Obtain a sources and uses report detailing how the \$70 million Loan Amount was used. This should be an auditable report with evidence to support the distributions.
3. Obtain a Quantity Surveyor's report from Altus or other qualified independent party that reflects the cost of work in place, cost of work to complete and a variance against current agreed budget. The budget should clearly delineate the allocation of common elements/areas to be charged to each development Phase so there is a clear understanding of what amenity set is available to Phase 1 residents at the time of completion.

4. An updated land value from Colliers that includes a direct comparison approach and one other valid and detailed method of valuation such as a land residual value technique. We can't dictate what approaches the appraiser takes but can insist on an updated opinion with a more robust analysis. We recommend that the report is addressed to both parties or UBC should at least obtain a reliance letter from Colliers.
5. The full CMHC loan submission package.
6. A variance analysis between the agreed Project Proforma and the CHMC Proforma, submitted (unless there is none).
7. A competitive analysis of all planned projects within this node that would reflect the current status of each project, total number and mix of suites to be delivered, timing for completion. This is required to understand the demand/supply dynamics that are likely to be in place as they come to market with rental units.
8. A copy of the current market rent report that Atria reportedly had completed on their behalf.

Blair McCreadie, AACI

Managing Partner

Beausoleil Real Estate Investments Ltd.

(647)407-4387

This is Exhibit “K”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: [Shapira, Daniel](#)
To: [W. Douglas Stewart](#)
Cc: [Hill, Peter](#); [Shapira, Daniel](#)
Subject: UBC and Atria Term Sheet
Date: October 18, 2024 3:25:35 PM
Attachments: [BLK - Non-Binding Term Sheet - 1680 Brimley \(DLA 10.18.2024\).pdf](#)
[Non-Binding Term Sheet - 1680 Brimley \(DLA 10.18.2024\).docx](#)

Hi Doug,

Further to our discussion, please find attached revised clean and blacklined drafts of the term sheet for your review. Please let me know if you have any questions, comments or concerns.

Thanks

Daniel Shapira

Partner

T [+1 416.862.3371](tel:+14168623371)

E daniel.shapira@dlapiper.com

NON-BINDING TERM SHEET

October [●], 2024

Atria Development Corporation
5000 Yonge Street
Suite 1706
North York, Ontario M2N 7E9

Attention: ~~Shane Kennedy~~ Hans Jain

Re: Conversion of Debt to Equity on 1680 Brimley Road, ~~Toronto~~ Scarborough, Ontario (the "Development Site")

This term sheet (the "Term Sheet") is for discussion purposes only and is not intended to create binding obligations on the parties hereto and does not constitute an offer, agreement or commitment. Please note that the information provided in this document is confidential and may not be disclosed to anyone without the consent of UBC Solutions Incorporated ("UBC") and Atria Development Corporation ("Atria"), except as otherwise permitted herein. Any agreement with respect to the conversion of the Loan (as defined below) into an equity interest in ~~the Development Site~~ Phase 1 (as defined herein) of the Project (as defined herein) is subject to the receipt by UBC of additional project information as well as approval from all UBC governing entities, including certain pension funds.

1. BACKGROUND

~~1.1. Atria and UBC will form a venture to jointly develop and improve the Development Site. Atria and UBC are described herein as the "Partners" or "Owners";~~

1.1. ~~1.2. The Development Site to be developed by 1680 Brimley Limited Partnership ("Existing LP") is a 4.4 acre site located at 1680 Brimley Road in Scarborough, Ontario, M1P 2B9 is a 4.4 acre site to be developed over two phases - Phase 1 and Phase 2 (as each is defined herein) as shown in Schedule "A" attached hereto;~~

~~1.3. It is understood that Atria is the current beneficial owner of the Development Site with legal title being held by 2808908 Ontario Inc. (the "General Partner"), as general partner of the Existing LP, both of which are entities controlled by Atria;~~

1.2. On September 18, 2024, the Committee of Adjustments conditionally approved the severance (the "Severance") of the portion of the Development Site associated with Phase 1 ("Phase 1 Lands");

1.3. Following the Severance: (a) 1680 Brimley Limited Partnership (the "Partnership") will remain the beneficial owner of the Phase 1 Lands with legal title being held by Brimley Progress Developments Inc. (the "Existing Limited Partner"); and (b) a subsidiary of the Partnership will own the lands associated with Phase 2 ("Phase 2 Lands");

~~1.4. It is also understood that UBC has made a loan (the "Loan") to the Existing LP Partnership in the amount of \$70,000,000 pursuant to a credit agreement among UBC, the Existing LP, the Partnership, 2808908 Ontario Inc. (the "General Partner") and~~

~~Brimley Progress Developments Inc.~~ an affiliate of Atria, the Existing Limited Partner dated September 29, 2023, as amended (the “Credit Agreement”). Pursuant to Section 3 of the Credit Agreement, UBC has the right, but not the obligation, to convert all of the Loan to an equity interest in the ~~Existing LP~~ Partnership (the “Loan Conversion”); and

~~1.5. It is intended that UBC will acquire an interest in the Existing LP pursuant to the Loan Conversion. UBC’s proportionate share in the Existing LP will equate to their equity investment in the Development Site as detailed later in this Term Sheet.~~

1.5. Following the waiver of its Conditions (as defined herein) in respect to the Loan Conversion, UBC shall convert its Loan into limited partnership units in the Partnership. The date upon which the Loan Conversion is completed shall be referred to herein as the “Closing Date”.

2. PROJECT

2.1. The proposed Project consists of:

2.1.1. the development of two (2) towers on the Development Site with a total gross floor area of approximately 739,580 square feet, including 736,631 square feet of residential premises and 2,949 square feet of retail space (“Phase 1” or the “Project”); and

2.1.2. the development of two (2) towers on the Development Site with a total gross floor area of approximately 737,590 square feet, including 697,138 square feet of residential premises and 26,602 square feet of retail space (“Phase 2”); ~~and~~.

~~2.1.3. Phase 1 and Phase 2 are collectively the “Project”; and~~

2.2. The Project will include ~~acquiring, seeking~~ obtaining the necessary municipal development approvals (i.e. variance permits, development permits and building permits) ~~and~~ construction ~~for the Development Site and~~ certain leasing activities ~~until~~ during both pre-stabilization and post-stabilization of the Project, along with the management of the operations of the Project.

3. STRUCTURE

3.1. The Partnership is an Ontario limited partnership formed under a limited partnership agreement, dated as of January 18, 2021, which shall be amended and restated concurrent with the Closing Date based on the terms set out in this Term Sheet (the “Amended and Restated Partnership Agreement”).

3.2. The Existing Limited Partner currently holds 9,999.90 Class A Units of the Partnership and the parties each acknowledge that its current Capital Contribution (as defined herein) is deemed to be \$20,500,000.00. Upon the Loan Conversion, (i) all Security (as defined in the Credit Agreement) shall be discharged, and (ii) UBC shall subscribe for and the Partnership agrees to issue to UBC Class B Units in the capital of the Partnership equal to the number of Class A Units held by the Existing Limited Partner as repayment of the Loan. The Existing Limited Partner and UBC (collectively, the “Limited Partners”) each acknowledge that the capital contributed or to be contributed to the Partnership from the Limited Partners (the “Capital Contributions”) shall be determined by Atria on or prior to the date that is 10 days after delivery to UBC of the certificate of insurance from CMHC (the “COI”) in respect of the construction of the

Project. The parties each hereby acknowledge and agree that: (a) Atria may maintain up to 50% of the Project and the Capital Contributions would be equalized in that scenario; and (b) in no event will UBC's initial Capital Contribution exceed \$57,800,000. For greater certainty, the Class B Units issued to UBC shall not include any interest in the Phase 2 Lands and Phase 2.

3.3. To the extent required, each of UBC and the Existing Limited Partner shall each commit to advance additional Capital Contributions in accordance with its interest in the Partnership.

3.4. The Amended and Restated Limited Partnership Agreement which will govern the Partnership will provide: (a) a right of first opportunity and tag along rights on any transfer of any interest in the Partnership; and (b) that a Limited Partner that defaults on its obligations may suffer certain adverse consequences, including, loss of decision making input, dilution of its interest and/or a discounted buyout and forfeiture of all or a portion of its units.

~~3.1. The Project shall be held in a structure that will be determined by the Owners and their respective legal and tax advisors with the intention that the structure be tax efficient and satisfactory to the Owners in each of their sole discretion. As noted above, subject to due diligence by UBC, it is intended that the Existing LP will form the basis of the ownership structure of the Project;~~

~~3.2. The determination of each Partner's equity is to be calculated as set out in Section 11.1.7 below. Each Partner's equity interest in the Project, hereinafter referred to as the "Equity Split", is currently anticipated to be as follows:~~

~~UBC—74%~~

~~Atria—26%;~~

~~3.3. Each of UBC and Atria shall commit to advance equity in accordance with the Equity Split to allow the development of the Project (collectively the "Equity Advances"). Equity Advances shall include the Loan Conversion by UBC and the provision of the Development Site by Atria. Equity Advances shall be made on a pari passu basis based on the Equity Split. In the event that either Partner fails to make any required Equity Advances, the Equity Split shall be adjusted accordingly.~~

4. DEVELOPMENT MANAGEMENT

4.1. An entity controlled ~~by Atria~~(as defined in the *Canada Business Corporations Act* (the "*CBCA*")) either directly or indirectly by Hans Jain shall be named as the development ~~and project~~ manager (the "**Development Manager**") and will enter into an agreement (the "**Development Management Agreement**") with the Partners~~hip~~ setting out the responsibilities of the Development Manager;

4.2. The Development Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Development Manager~~and such agreement shall be acceptable to UBC;~~ and

4.3. The Development Manager shall be entitled to receive a development management fee. This fee will be fixed at the amount which equates to ~~1.54~~4% of ~~the~~the approved capital budget for ~~Phase 1~~the Project (the "**Capital Budget**"). The Capital Budget will not

include any ~~fees to any government agencies or any~~ financing fees or land value. The Capital Budget will be approved by UBC ~~during~~prior to the ~~due diligence period~~Condition Date.

5. CONSTRUCTION MANAGEMENT

- 5.1. An entity controlled ~~by Atria~~(as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the construction manager (the “**Construction Manager**”) and will enter into an agreement (the “**Construction Management Agreement**”) with the Partners~~hip setting out the responsibilities of the Construction Manager;~~
- 5.2. The Construction Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Construction Manager~~and such agreement shall be acceptable to UBC;~~ and
- 5.3. The Construction Manager shall be entitled to receive a construction management fee. This fee will be at a rate of 3.25% of the approved hard construction costs for ~~Phase 1~~the Project (the “**Hard Costs**”). The Hard Costs will be approved by UBC ~~during~~prior to the ~~due diligence period~~Condition Date.

6. PROPERTY MANAGEMENT

- 6.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the property manager (the “**Property Manager**”) and will enter into an agreement (the “**Property Management Agreement**”) with the Partnership;
- 6.2. The Property Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Property Manager; and
- 6.3. The Property Manager shall be entitled to receive a property management fee. This fee will be at a rate equal to 4.25% per annum of the effective gross income of the properties to be developed on the Phase 1 Lands.

7. ASSET MANAGEMENT

- 7.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the asset manager (the “**Asset Manager**”) and will enter into an agreement (the “**Asset Management Agreement**”) with the Partnership;
- 7.2. The Asset Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Asset Manager; and
- 7.3. The Asset Manager shall be entitled to receive an asset management fee. This fee will be at a rate equal to 1% per annum of the effective gross income of the properties to be developed on the Phase 1 Lands.

8. Leasing and Marketing Services

- 8.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall have a first right of opportunity to provide leasing and marketing services on market terms;
- 8.2. The selected leasing and marketing manager (the “**Marketing Manager**”) will enter into an agreement (the “**Marketing Management Agreement**”) with the Partnership; and
- 8.3. The Marketing Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Marketing Manager.

9. MANAGEMENT

- 9.1. ~~6.1.~~ Decisions requiring unanimous consent by the ~~Owners (“Major Decisions”)~~Limited Partners, to be described more fully in the ~~agreements which will govern the Existing LP~~

~~and the Project~~Amended and Restated Partnership Agreement, are anticipated to be ~~but are not limited to~~ the following:

- 9.1.1. approval of the initial Capital Budget;
- 9.1.2. any amendments or modifications to, or the approval of any costs resulting in a deviation from, the Capital Budget, in any such case:
 - (a) 5% for any specific line item (whether on a one-time or cumulative basis), provided that no approval shall be needed for deviations of less than \$1,000,000;
 - (b) 2% across all items (whether on a one-time or cumulative basis), or
 - (c) provided in any event that the General Partner will promptly inform the Limited Partners, and provide the Limited Partners with an updated Capital Budget, in the event of any material deviations thereof, being no less than the above thresholds;
- 9.1.3. ~~6.1.1.~~ any material changes to the nature or scope of the Project that impacts the Capital Budget by more than \$1,000,000.00;
- ~~6.1.2. any acquisition or additional land and or debt required for the Project;~~
- 9.1.4. the issuance of additional units of the Partnership, other than as specifically contemplated under the Amended and Restated Limited Partnership Agreement;
- 9.1.5. ~~6.1.3.~~ the admission of any requirement for additional equity required for partners into the Project Partnership;
- 9.1.6. ~~6.1.4.~~ any non-arm's length transactions not on market terms;
- ~~6.1.5. any decision relating to the negotiation or acceptance of a commitment letter from a prospective lender and the approval of all definitive agreements related thereto;~~
- 9.1.7. ~~6.1.6.~~ any decision as to the timing and quantum of distributions outside of Section 12;
- ~~6.1.7. any material changes to construction schedules and budget which are within the control of the Owners;~~
- ~~6.1.8. the entering into of any material agreements (above \$250,000 in value);~~
- 9.1.8. ~~6.1.9.~~ all the cheques greater than or equal to \$251,000,000 and not contained in the Capital Budget, will have to be approved by UBC prior to their signature and every cheque payable to an Atria-controlled entity controlled by Hans Jain shall bear two signatures, one of which shall be an from a UBC approved representative; but only if UBC executes any such cheque within 5 days from the date of such request (the "Dispute Period") otherwise only one signatory will be required, unless UBC disputes any such cheque and provides reasonable backup to Atria within the Dispute Period;
- ~~6.1.10. the terms and conditions upon which the residential and commercial units in the Project are to be offered for lease to prospective tenants;~~
- ~~6.1.11. entering into a property management agreement;~~
- ~~6.1.12. agreements to list residential and commercial units for lease with third party broker;~~

- 9.1.9. ~~6.1.13.~~ settling any claim against either of the ~~Owners~~Limited Partners or commencing any action or legal proceeding on behalf of the ~~Owners~~Limited Partners relating to the Project in excess of \$1,000,000;
- 9.1.10. ~~6.1.14.~~ the sale, exchange ~~of~~or other disposition of all or any part of ~~the Project~~Phase 1, subject to ~~Exit Rights (as defined below)~~terms of the Amended and Restated Limited Partnership Agreement;
- 9.1.11. the approval of material terms of any third-party financing or borrowing on the security of the assets of the Partnership;
- 9.1.12. the waiver of any default on the part of a General Partner; and
- 9.1.13. the dissolution of the Partnership;
- 9.2. It is acknowledged and agreed by the Limited Partners that the General Partner shall be responsible for the day-to-day operations of the Project.
- 9.3. The Partnership will furnish annually to the Limited Partners reviewed unaudited financial statements and will provide an annual report detailing the Partnership's performance for that year. On a quarterly basis, a meeting of a steering committee shall be held to discuss the status of the Project. The steering committee shall be comprised of two (2) executives, senior officers or directors from each of the Existing Limited Partner and UBC.
- ~~6.1.15. any decision as to the implementation of all Project financing;~~
- ~~6.1.16. entering into and terminating any easements and legal agreements, if required.~~
- ~~6.2. In addition to the foregoing, UBC shall be entitled to attend monthly meetings with Atria, the General Partner, the Development Manager, the Construction Manager and any other relevant party with regards to the status and progress of the Project. UBC shall also be provided monthly financial updates with regards to the Project as well as annual audited financial statements of the Existing LP.~~

~~7. INVESTMENT HORIZON AND EXIT RIGHTS~~

- ~~7.1. The Limited Partnership Agreement which will govern the Existing LP will provide customary exit mechanisms in favour of UBC including a right of first refusal, drag along and tag along ("Exit Rights").~~

10. ~~8.~~ FINANCING

- 10.1. ~~8.1.~~ It is the intention of the ~~Owners~~Partnership to obtain construction financing (the "Construction Loan") representing a maximum ~~90~~95% of total development costs from construction lender(s). To the extent that any guarantees are required by any land or construction lender(s) (collectively, "Lenders"), each ~~party~~Limited Partner shall provide joint and several guarantees ~~in proportion to their partnership interest on a several and not joint and several basis; and~~for up to 100% of the Construction Loan;
- 10.2. UBC shall promptly provide all necessary requested information and documentation as requested by CMHC and/or any Lenders in respect to the Construction Loan, in any event, UBC shall respond no later than ten (10) days of each such request;
- 10.3. In the event security (by way of cash, letter or credit, or otherwise) is required by the City of Toronto, any other government authority or a utility supplier in respect to the Project (hereafter "Security"), such Security shall be provided by a third party lender on the Partnership's behalf, and each Limited Partner shall, if requested by such third party lender, provide joint and several guarantees for up to 100% of such Security; and

10.4. ~~8.2.~~ The Construction Loan is intended to be a Canada Mortgage and Housing Corporation ("CMHC") insured loan in accordance with the loan application provided as prepared by CBRE Capital (Canada) Inc. dated Q2 2024~~7~~.

11. **~~9.~~ COMMISSION**

~~9.1. Atria acknowledges that if the services of any finder, agent, realtor or other third party have or will be retained relating to the development of the Project by Atria, Atria agrees that any amounts due to such parties are the sole responsibility of Atria and not UBC or the Existing LP.~~

11.1. The parties each acknowledge and agree that the services of any finder, agent, realtor or other third party retained by or on behalf of the Partnership relating to the development of Phase 1, including any lease-up thereof, shall be a Project cost.

12. **~~10.~~ DISTRIBUTION OF FREE CASH FLOW**

12.1. ~~10.1.~~ Free cash-flow realized from the sale activities, leasing, and/or (re)financing of the Project shall be distributed to the ~~Owners~~Limited Partners as follows:

12.1.1. firstly, as to the lesser of \$100 and 0.001% to the General Partner;

12.1.2. secondly, 100% to the Limited Partners, *pro rata* in proportion with the amount of its Capital Contributions until each Limited Partner has received a return of its Capital Contributions, for greater certainty, once a Limited Partner receives a return of all of its Capital Contributions, it will not receive additional distributions until all other Limited Partners have received their respective return of its Capital Contributions;

12.1.3. thirdly, 100% to the Limited Partners, until each Limited Partner has received an amount equal to an 8% internal rate of return on the amount of its Capital Contributions;

12.1.4. fourthly, 43.7% to UBC as holder of the Class B units in the Partnership and 56.3% to the Existing Limited Partner as holder of the Class A units in the Partnership, until UBC has received an amount equal to a 15% internal rate of return on the amount of its Capital Contributions; and

12.1.5. lastly, 40% to UBC as holder of the Class B units in the Partnership and 60% to the Existing Limited Partner as holder of the Class A units in the Partnership.

~~10.1.1. Firstly, the reimbursement of all Equity Advances by the Owners on a pari-passu basis;~~

~~10.1.2. Secondly, to the extent applicable, and to the extent the return in Section 10.1.1 above has been paid in full, an 8% internal rate of return (based on a monthly compounding) in respect of UBC's Equity Advances, shall be paid to UBC, in priority over other cash distributions save for the equity reimbursement in Section 11.1.1;~~

~~10.1.3. Thirdly, to the extent applicable, and to the extent the returns in Sections 10.1.1 and 10.1.2 and above have been paid in full, an 8% internal rate of return (based on a monthly compounding) in respect of Atria's Equity Advances, shall be paid to Atria, in priority over other cash distributions save for the equity reimbursement in Section 10.1.1 and the payment to UBC in Section 10.1.2.~~

~~10.1.4. Fourthly, to the extent applicable, and to the extent the returns in Sections 10.1.1, 10.1.2 and 10.1.3 above have been paid in full, a 15% internal rate of~~

~~return (based on a monthly compounding) on the amount of all Equity Advances by the Owners on a pari-passu basis; and~~
~~10.1.5. Lastly, any remaining free cash flow will be distributed on an 50/50 basis between the Owners.~~

13. ~~11.~~ **CONDITIONS PRECEDENT**

~~11.1. It is agreed and understood that the following conditions precedent to the Loan Conversion are for the sole benefit of UBC of and may only be waived at the sole discretion of UBC:~~

13.1. UBC shall not be obligated to complete the Loan Conversion unless each of the following conditions (the “Conditions”, or individually a “Condition”) shall have been waived or fulfilled and complied with in accordance with their terms on or before 5:00 p.m. on the fifteenth (15th) day following receipt by UBC of the COI or such earlier date that UBC provides notice of such waiver or satisfaction with the Conditions to the General Partner (the “Condition Date”):

13.1.1. ~~11.1.1.~~ UBC to be satisfied in its sole discretion in the ability of Atria, the Development Manager and, the Construction Manager, the Asset Manager and the Property Manager, to complete the Project. This shall require full certain financial disclosure regarding the Existing LP, Atria, its related entities and its current holdings and projects as mutually agreed to by the parties, each acting reasonably and in good faith;

13.1.2. Approval of the COI, acting reasonably, including a principal loan amount sufficient to permit the payment to UBC of a minimum of \$12,200,000 upon funding of the Construction Loan (the “Construction Loan Distribution”);

13.1.3. Receipt of a quantity surveyors’ report certifying the current cost of the work in place at the Project (the “Costs In Place”); and

~~11.1.2. Approval of the Construction Loan by CMHC on terms acceptable to UBC;~~

~~11.1.3. Commitment by the applicable Lenders to fund the Construction Loan;~~

~~11.1.4. Agreement by CMHC and the applicable Lenders of the Construction Loan to permit the payment to UBC of a minimum of \$12,200,000 upon receipt of the Construction Loan. Following a \$12,200,000 payment, UBC’s initial equity interest in the Project will be established at a maximum of \$57,800,000. If UBC receives a larger initial payment from the Lenders of the Construction Loan, UBC’s equity interest shall be adjusted downward;~~

13.1.4. ~~11.1.5.~~ Receipt of a current fair market value appraisal of the Development Site Phase 1 Lands (the “FMV”), prepared by an acceptable AACI that is satisfactory to UBC in its sole discretion.

~~11.1.6. Receipt of a quantity surveyors’ report certifying the current cost of the work in place at the Development Site (the “Costs In Place”)~~

~~11.1.7. The sum of the FMV and the Costs In Place must be no less than \$78,100,000 (the “Total Value”). Accordingly, the Owners’ equity will be established as follows: UBC—\$57,800,000 and Atria—\$20,300,000. It is understood that should the Total Value be greater than \$78,100,000, each partner’s equity will increase proportionately based on the Equity Split of 74% to UBC and 26% to Atria;~~

- ~~11.1.8. All interest, and any other fees, outstanding on the Loans shall continue to accrue and shall be repayable concurrently with any Loan Conversion;~~
- ~~11.1.9. Relinquishment of the Phase 2 lands of the Project will be at the sole discretion of and on terms satisfactory to UBC. Once the Phase 2 lands have been relinquished to Atria, UBC will not retain any control over decisions regarding the development of Phase 2 except as specifically agreed by the Partners;~~
- ~~11.1.10. UBC will be permitted reasonable oversight of the Project by itself or its consultants which will include regular progress meeting and reports provided by Atria, as required by UBC or its consultants; and~~
- ~~11.1.11. All material documents with regards to the Project as set forth in Section 14.1 shall be finalized concurrently with the Loan Conversion.~~

13.2. The closing date of the Loan Conversion shall be the 60th day following the Condition Date or such other date that the parties may agree in writing (the “Closing Date”). If UBC elects to complete the Loan Conversion then it shall waive all interest payable under the Loan from June 1st, 2024 up and until the Closing Date.

13.3. All material documents with regards to the Project, including but not limited to the Amended and Restated Partnership Agreement, Development Management Agreement, Construction Management Agreement, Asset Management Agreement and Property Management Agreement shall be finalized on or before the Closing Date.

14. Phase 2 Participation Right

14.1. If, at any time from the Closing Date until the date of the first advance of the Construction Loan, the Existing Limited Partner decides to sell a beneficial interest in the Phase 2 Lands (“ROFO Beneficial Interest”), UBC shall have a right of first offer to acquire such ROFO Beneficial Interest (“Right of First Offer”). The Existing Limited Partner shall first offer to sell the ROFO Beneficial Interest to UBC and shall deliver to UBC a notice (the “First Offer Notice”) stating its bona fide intention to sell the ROFO Beneficial Interest.

14.2. The First Offer Notice shall constitute the Existing Limited Partner’s offer to negotiate the sale of the ROFO Beneficial Interest to UBC, which offer shall expire at 3:00 p.m. on the 15th day following receipt by UBC of such First Offer Notice (the “ROFO Response Period”). UBC shall have the right to accept the Existing Limited Partner’s offer to negotiate the sale of the ROFO Beneficial Interest prior to the expiry of the ROFO Response Period by delivering written notice (a “ROFO Acceptance Notice”) to the Existing Limited Partner stating that it wishes to accept the Existing Limited Partner’s offer to negotiate the sale of the ROFO Beneficial Interest. Following the delivery of the ROFO Acceptance Notice by UBC, the parties shall negotiate in good faith, for a period of 30 days commencing on the receipt of the ROFO Acceptance Notice by the Existing Limited Partner (“ROFO Negotiation Period”), to come to an agreement on the terms of the sale of the ROFO Beneficial Interest.

14.3. If UBC does not deliver a ROFO Acceptance Notice prior to the expiry of the ROFO Response Period or the parties fail to come to agreement on terms and conditions of the purchase and sale of the ROFO Beneficial Interest prior to the expiry of the ROFO Negotiation Period, UBC’s Right of First Offer and all of UBC’s rights and option to purchase the ROFO Beneficial Interest hereunder shall conclusively be deemed to be

waived, and the Existing Limited Partner shall be free, to complete a sale of the ROFO Beneficial Interest to a third party, without any further obligation to UBC under this Right of First Offer. The third party purchaser shall acquire the ROFO Beneficial Interest free and clear of the UBC's Right of First Offer (which shall be extinguished, null, void, and of no further force or effect upon such sale).

- 14.4. The terms of the Right of First Offer shall be included in a side letter agreement to be entered into by the parties concurrently with the closing of the Loan Conversion.

15. ~~12.~~ **CONFIDENTIALITY**

- 15.1. ~~12.1.~~ Neither party shall disclose the terms of this Term Sheet to any third party (except to their advisors, consultants, prospective lenders who require such information to carry out their respective mandates to such parties) without the prior written consent of the other provided, however, that each party shall be entitled to make disclosure to the extent required by law in which event the disclosing party shall notify the other party in writing prior to making such disclosure in order that the latter may seek to obtain a protective order; and

- 15.2. ~~12.2.~~ The confidentiality provisions of Section ~~12.1~~15.1 shall survive and remain in effect and shall continue to be binding upon the parties notwithstanding the termination of this Term Sheet or the failure to consummate the transactions contemplated hereby for any reason whatsoever.

13. DUE DILIGENCE

- ~~13.1. This non-binding Term Sheet is an expression of our present intention and our willingness to continue negotiations which we hope shall lead to the satisfactory negotiation of the agreements and transaction contemplated herein. The material contained in this Term Sheet is for information only and no transactions will be finalized until a document is executed by both Owners. Any transaction or agreement is subject to full and complete due diligence including unlimited access by UBC and its legal counsel and other representatives to all documentation, information and personnel relevant to the Project.~~

14. LEGAL PARTNERSHIP DOCUMENTATION

- ~~14.1. Each of the Owners agrees that all usual documentation for an investment such as the Loan Conversion (Limited Partnership Agreement, Co-Ownership Agreement, Development Management Agreement, Construction Management Agreement, etc.) will be implemented and shall be to the satisfaction of UBC and its legal advisers.~~

15. NEGOTIATION WITH OTHER PARTIES

- ~~15.1. Upon execution of this Term Sheet, Atria agrees that it will only negotiate with UBC to reach a final agreement with regards to the Development Site. Atria will refrain from (i) offering the Development Site to any other person, (ii) soliciting an offer for the Development Site, directly or indirectly, and (iii) otherwise negotiating for the sale or other disposition of the Development Site with any third party in any way whatsoever in respect of the Development Site until termination of this Term Sheet or completion of the Loan Conversion, whichever is earlier.~~

16. GOVERNING LAW

- 16.1. This Letter shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

17. ASSIGNMENT

17.1. UBC shall have the right to assign this term sheet or any agreement resulting from the transactions contemplated herein to any entity affiliated (as defined in CBCA) with UBC, upon prior written notice to Atria.

18. TERMINATION

18.1. Either of the parties hereto shall be entitled to terminate this Term Sheet at any time upon 30 days' prior written notice to the other party.

19. NON-BINDING

19.1. This non-binding Term Sheet is an expression of our present intention and our willingness to continue negotiations which we hope shall lead to the satisfactory negotiation of the agreements and transaction contemplated herein. The material contained in this Term Sheet is for information only and no transactions will be finalized until a document is executed by both parties. Any transaction or agreement is subject to full and complete and is not intended to create contractual relations or obligations between the parties. ~~This letter is only an expression of business intention and is subject to finalization of the legal partnership documentation and other ancillary documents satisfactory to the Owners and their respective legal counsel.~~ Notwithstanding the foregoing, Sections ~~12, 15~~15 and ~~16~~16 of this Term Sheet are intended to be, and shall be, legally binding on Atria and UBC.

[REMAINDER OF THE PAGE LEFT INTENTIONALLY BLANK]

DATED AS FIRST WRITTEN ABOVE.

UBC SOLUTIONS INCORPORATED

Name: [Cynthia Sisconetto](#)

Title:

Name:

Title:

AGREED AND ACCEPTED THIS _____ DAY OF OCTOBER, 2024.

ATRIA DEVELOPMENT CORPORATION

Name: [Hans Jain](#)

Title: [President](#)

~~Name:-~~

~~Title:-~~

SCHEDULE "A"
DEVELOPMENT SITE
[to be attached]

Summary report: Litera Compare for Word 11.8.0.56 Document comparison done on 10/18/2024 12:50:20 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: Atria - UBC Term Sheet - DRAFT v5.docx	
Modified DMS: iw://cloudimanage.com/FIRMDOCS/54272390/7	
Changes:	
<u>Add</u>	201
Delete	175
Move From	6
<u>Move To</u>	6
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	388

NON-BINDING TERM SHEET

October [●], 2024

Atria Development Corporation
5000 Yonge Street
Suite 1706
North York, Ontario M2N 7E9

Attention: Hans Jain

Re: Conversion of Debt to Equity on 1680 Brimley Road, Scarborough, Ontario (the “Development Site”)

This term sheet (the “**Term Sheet**”) is for discussion purposes only and is not intended to create binding obligations on the parties hereto and does not constitute an offer, agreement or commitment. Please note that the information provided in this document is confidential and may not be disclosed to anyone without the consent of UBC Solutions Incorporated (“**UBC**”) and Atria Development Corporation (“**Atria**”), except as otherwise permitted herein. Any agreement with respect to the conversion of the Loan (as defined below) into an equity interest in Phase 1 (as defined herein) of the Project (as defined herein) is subject to the receipt by UBC of additional project information as well as approval from all UBC governing entities, including certain pension funds.

1. BACKGROUND

- 1.1. The Development Site is a 4.4 acre site to be developed over two phases - Phase 1 and Phase 2 (as each is defined herein) as shown in Schedule “A” attached hereto;
- 1.2. On September 18, 2024, the Committee of Adjustments conditionally approved the severance (the “**Severance**”) of the portion of the Development Site associated with Phase 1 (“**Phase 1 Lands**”);
- 1.3. Following the Severance: (a) 1680 Brimley Limited Partnership (the “**Partnership**”) will remain the beneficial owner of the Phase 1 Lands with legal title being held by Brimley Progress Developments Inc. (the “**Existing Limited Partner**”); and (b) a subsidiary of the Partnership will own the lands associated with Phase 2 (“**Phase 2 Lands**”);
- 1.4. UBC made a loan (the “**Loan**”) to the Partnership in the amount of \$70,000,000 pursuant to a credit agreement among UBC, the Partnership, 2808908 Ontario Inc. (the “**General Partner**”) and an affiliate of Atria, the Existing Limited Partner dated September 29, 2023, as amended (the “**Credit Agreement**”). Pursuant to Section 3 of the Credit Agreement, UBC has the right, but not the obligation, to convert all of the Loan to an equity interest in the Partnership (the “**Loan Conversion**”); and
- 1.5. Following the waiver of its Conditions (as defined herein) in respect to the Loan Conversion, UBC shall convert its Loan into limited partnership units in the Partnership. The date upon which the Loan Conversion is completed shall be referred to herein as the “**Closing Date**”.

2. PROJECT

- 2.1. The proposed Project consists of:
 - 2.1.1. the development of two (2) towers on the Development Site with a total gross floor area of approximately 739,580 square feet, including 736,631 square feet of residential premises and 2,949 square feet of retail space ("**Phase 1**" or the "**Project**"); and
 - 2.1.2. the development of two (2) towers on the Development Site with a total gross floor area of approximately 737,590 square feet, including 697,138 square feet of residential premises and 26,602 square feet of retail space ("**Phase 2**").
- 2.2. The Project will include obtaining the necessary municipal development approvals (i.e. variance permits, development permits and building permits), construction, certain leasing activities during both pre-stabilization and post-stabilization of the Project, along with the management of the operations of the Project.

3. STRUCTURE

- 3.1. The Partnership is an Ontario limited partnership formed under a limited partnership agreement, dated as of January 18, 2021, which shall be amended and restated concurrent with the Closing Date based on the terms set out in this Term Sheet (the "**Amended and Restated Partnership Agreement**").
- 3.2. The Existing Limited Partner currently holds 9,999.90 Class A Units of the Partnership and the parties each acknowledge that its current Capital Contribution (as defined herein) is deemed to be \$20,500,000.00. Upon the Loan Conversion, (i) all Security (as defined in the Credit Agreement) shall be discharged, and (ii) UBC shall subscribe for and the Partnership agrees to issue to UBC Class B Units in the capital of the Partnership equal to the number of Class A Units held by the Existing Limited Partner as repayment of the Loan. The Existing Limited Partner and UBC (collectively, the "**Limited Partners**") each acknowledge that the capital contributed or to be contributed to the Partnership from the Limited Partners (the "**Capital Contributions**") shall be determined by Atria on or prior to the date that is 10 days after delivery to UBC of the certificate of insurance from CMHC (the "**COI**") in respect of the construction of the Project. The parties each hereby acknowledge and agree that: (a) Atria may maintain up to 50% of the Project and the Capital Contributions would be equalized in that scenario; and (b) in no event will UBC's initial Capital Contribution exceed \$57,800,000. For greater certainty, the Class B Units issued to UBC shall not include any interest in the Phase 2 Lands and Phase 2.
- 3.3. To the extent required, each of UBC and the Existing Limited Partner shall each commit to advance additional Capital Contributions in accordance with its interest in the Partnership.
- 3.4. The Amended and Restated Limited Partnership Agreement which will govern the Partnership will provide: (a) a right of first opportunity and tag along rights on any transfer of any interest in the Partnership; and (b) that a Limited Partner that defaults on its obligations may suffer certain adverse consequences, including, loss of decision making input, dilution of its interest and/or a discounted buyout and forfeiture of all or a portion of its units.

4. DEVELOPMENT MANAGEMENT

- 4.1. An entity controlled (as defined in the *Canada Business Corporations Act* (the “CBCA”)) either directly or indirectly by Hans Jain shall be named as the development manager (the “**Development Manager**”) and will enter into an agreement (the “**Development Management Agreement**”) with the Partnership;
- 4.2. The Development Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Development Manager; and
- 4.3. The Development Manager shall be entitled to receive a development management fee. This fee will be fixed at the amount which equates to 4% of the approved capital budget for the Project (the “**Capital Budget**”). The Capital Budget will not include any financing fees or land value. The Capital Budget will be approved by UBC prior to the Condition Date.

5. CONSTRUCTION MANAGEMENT

- 5.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the construction manager (the “**Construction Manager**”) and will enter into an agreement (the “**Construction Management Agreement**”) with the Partnership;
- 5.2. The Construction Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Construction Manager; and
- 5.3. The Construction Manager shall be entitled to receive a construction management fee. This fee will be at a rate of 3.25% of the approved hard construction costs for the Project (the “**Hard Costs**”). The Hard Costs will be approved by UBC prior to the Condition Date.

6. PROPERTY MANAGEMENT

- 6.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the property manager (the “**Property Manager**”) and will enter into an agreement (the “**Property Management Agreement**”) with the Partnership;
- 6.2. The Property Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Property Manager; and
- 6.3. The Property Manager shall be entitled to receive a property management fee. This fee will be at a rate equal to 4.25% per annum of the effective gross income of the properties to be developed on the Phase 1 Lands.

7. ASSET MANAGEMENT

- 7.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the asset manager (the “**Asset Manager**”) and will enter into an agreement (the “**Asset Management Agreement**”) with the Partnership;
- 7.2. The Asset Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Asset Manager; and

- 7.3. The Asset Manager shall be entitled to receive an asset management fee. This fee will be at a rate equal to 1% per annum of the effective gross income of the properties to be developed on the Phase 1 Lands.

8. Leasing and Marketing Services

- 8.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall have a first right of opportunity to provide leasing and marketing services on market terms;
- 8.2. The selected leasing and marketing manager (the “**Marketing Manager**”) will enter into an agreement (the “**Marketing Management Agreement**”) with the Partnership; and
- 8.3. The Marketing Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Marketing Manager.

9. MANAGEMENT

- 9.1. Decisions requiring unanimous consent by the Limited Partners, to be described more fully in the Amended and Restated Partnership Agreement, are anticipated to be the following:
- 9.1.1. approval of the initial Capital Budget;
 - 9.1.2. any amendments or modifications to, or the approval of any costs resulting in a deviation from, the Capital Budget, in any such case:
 - (a) 5% for any specific line item (whether on a one-time or cumulative basis), provided that no approval shall be needed for deviations of less than \$1,000,000;
 - (b) 2% across all items (whether on a one-time or cumulative basis), or
 - (c) provided in any event that the General Partner will promptly inform the Limited Partners, and provide the Limited Partners with an updated Capital Budget, in the event of any material deviations thereof, being no less than the above thresholds;
 - 9.1.3. any change to the nature or scope of the Project that impacts the Capital Budget by more than \$1,000,000.00;
 - 9.1.4. the issuance of additional units of the Partnership, other than as specifically contemplated under the Amended and Restated Limited Partnership Agreement;
 - 9.1.5. the admission of any additional partners into the Partnership;
 - 9.1.6. any non-arm’s length transactions not on market terms;
 - 9.1.7. any decision as to the timing and quantum of distributions outside of Section 12;
 - 9.1.8. all the cheques greater than or equal to \$1,000,000 and not contained in the Capital Budget, will have to be approved by UBC prior to their signature and every

cheque payable to an entity controlled by Hans Jain shall bear two signatures, one of which shall be from a UBC approved representative but only if UBC executes any such cheque within 5 days from the date of such request (the “**Dispute Period**”) otherwise only one signatory will be required, unless UBC disputes any such cheque and provides reasonable backup to Atria within the Dispute Period;

- 9.1.9. settling any claim against either of the Limited Partners or commencing any action or legal proceeding on behalf of the Limited Partners relating to the Project in excess of \$1,000,000;
- 9.1.10. the sale, exchange or other disposition of all or any part of Phase 1, subject to terms of the Amended and Restated Limited Partnership Agreement;
- 9.1.11. the approval of material terms of any third-party financing or borrowing on the security of the assets of the Partnership;
- 9.1.12. the waiver of any default on the part of a General Partner; and
- 9.1.13. the dissolution of the Partnership;
- 9.2. It is acknowledged and agreed by the Limited Partners that the General Partner shall be responsible for the day-to-day operations of the Project.
- 9.3. The Partnership will furnish annually to the Limited Partners reviewed unaudited financial statements and will provide an annual report detailing the Partnership’s performance for that year. On a quarterly basis, a meeting of a steering committee shall be held to discuss the status of the Project. The steering committee shall be comprised of two (2) executives, senior officers or directors from each of the Existing Limited Partner and UBC.

10. FINANCING

- 10.1. It is the intention of the Partnership to obtain construction financing (the “**Construction Loan**”) representing a maximum 95% of total development costs from construction lender(s). To the extent that any guarantees are required by any land or construction lender(s) (collectively, “**Lenders**”), each Limited Partner shall provide joint and several guarantees for up to 100% of the Construction Loan;
- 10.2. UBC shall promptly provide all necessary requested information and documentation as requested by CMHC and/or any Lenders in respect to the Construction Loan, in any event, UBC shall respond no later than ten (10) days of each such request;
- 10.3. In the event security (by way of cash, letter or credit, or otherwise) is required by the City of Toronto, any other government authority or a utility supplier in respect to the Project (hereafter “**Security**”), such Security shall be provided by a third party lender on the Partnership’s behalf, and each Limited Partner shall, if requested by such third party lender, provide joint and several guarantees for up to 100% of such Security; and
- 10.4. The Construction Loan is intended to be a Canada Mortgage and Housing Corporation (“**CMHC**”) insured loan in accordance with the loan application provided as prepared by CBRE Capital (Canada) Inc. dated Q2 2024.

11. COMMISSION

- 11.1. The parties each acknowledge and agree that the services of any finder, agent, realtor or other third party retained by or on behalf of the Partnership relating to the development of Phase 1, including any lease-up thereof, shall be a Project cost.

12. DISTRIBUTION OF FREE CASH FLOW

- 12.1. Free cash-flow realized from the sale activities, leasing, and/or (re)financing of the Project shall be distributed to the Limited Partners as follows:
- 12.1.1. firstly, as to the lesser of \$100 and 0.001% to the General Partner;
 - 12.1.2. secondly, 100% to the Limited Partners, *pro rata* in proportion with the amount of its Capital Contributions until each Limited Partner has received a return of its Capital Contributions, for greater certainty, once a Limited Partner receives a return of all of its Capital Contributions, it will not receive additional distributions until all other Limited Partners have received their respective return of its Capital Contributions;
 - 12.1.3. thirdly, 100% to the Limited Partners, until each Limited Partner has received an amount equal to an 8% internal rate of return on the amount of its Capital Contributions;
 - 12.1.4. fourthly, 43.7% to UBC as holder of the Class B units in the Partnership and 56.3% to the Existing Limited Partner as holder of the Class A units in the Partnership, until UBC has received an amount equal to a 15% internal rate of return on the amount of its Capital Contributions; and
 - 12.1.5. lastly, 40% to UBC as holder of the Class B units in the Partnership and 60% to the Existing Limited Partner as holder of the Class A units in the Partnership.

13. CONDITIONS PRECEDENT

- 13.1. UBC shall not be obligated to complete the Loan Conversion unless each of the following conditions (the “**Conditions**”, or individually a “**Condition**”) shall have been waived or fulfilled and complied with in accordance with their terms on or before 5:00 p.m. on the fifteenth (15th) day following receipt by UBC of the COI or such earlier date that UBC provides notice of such waiver or satisfaction with the Conditions to the General Partner (the “**Condition Date**”):
- 13.1.1. UBC to be satisfied in its sole discretion in the ability of Atria, the Development Manager, the Construction Manager, the Asset Manager and the Property Manager, to complete the Project. This shall require certain financial disclosure as mutually agreed to by the parties, each acting reasonably and in good faith;
 - 13.1.2. Approval of the COI, acting reasonably, including a principal loan amount sufficient to permit the payment to UBC of a minimum of \$12,200,000 upon funding of the Construction Loan (the “**Construction Loan Distribution**”);

- 13.1.3. Receipt of a quantity surveyors' report certifying the current cost of the work in place at the Project (the "**Costs In Place**"); and
- 13.1.4. Receipt of a current fair market value appraisal of the Phase 1 Lands (the "**FMV**"), prepared by an acceptable AACI that is satisfactory to UBC in its sole discretion.
- 13.2. The closing date of the Loan Conversion shall be the 60th day following the Condition Date or such other date that the parties may agree in writing (the "**Closing Date**"). If UBC elects to complete the Loan Conversion then it shall waive all interest payable under the Loan from June 1st, 2024 up and until the Closing Date.
- 13.3. All material documents with regards to the Project, including but not limited to the Amended and Restated Partnership Agreement, Development Management Agreement, Construction Management Agreement, Asset Management Agreement and Property Management Agreement shall be finalized on or before the Closing Date.

14. Phase 2 Participation Right

- 14.1. If, at any time from the Closing Date until the date of the first advance of the Construction Loan, the Existing Limited Partner decides to sell a beneficial interest in the Phase 2 Lands ("**ROFO Beneficial Interest**"), UBC shall have a right of first offer to acquire such ROFO Beneficial Interest ("**Right of First Offer**"). The Existing Limited Partner shall first offer to sell the ROFO Beneficial Interest to UBC and shall deliver to UBC a notice (the "**First Offer Notice**") stating its bona fide intention to sell the ROFO Beneficial Interest.
- 14.2. The First Offer Notice shall constitute the Existing Limited Partner's offer to negotiate the sale of the ROFO Beneficial Interest to UBC, which offer shall expire at 3:00 p.m. on the 15th day following receipt by UBC of such First Offer Notice (the "**ROFO Response Period**"). UBC shall have the right to accept the Existing Limited Partner's offer to negotiate the sale of the ROFO Beneficial Interest prior to the expiry of the ROFO Response Period by delivering written notice (a "**ROFO Acceptance Notice**") to the Existing Limited Partner stating that it wishes to accept the Existing Limited Partner's offer to negotiate the sale of the ROFO Beneficial Interest. Following the delivery of the ROFO Acceptance Notice by UBC, the parties shall negotiate in good faith, for a period of 30 days commencing on the receipt of the ROFO Acceptance Notice by the Existing Limited Partner ("**ROFO Negotiation Period**"), to come to an agreement on the terms of the sale of the ROFO Beneficial Interest.
- 14.3. If UBC does not deliver a ROFO Acceptance Notice prior to the expiry of the ROFO Response Period or the parties fail to come to agreement on terms and conditions of the purchase and sale of the ROFO Beneficial Interest prior to the expiry of the ROFO Negotiation Period, UBC's Right of First Offer and all of UBC's rights and option to purchase the ROFO Beneficial Interest hereunder shall conclusively be deemed to be waived, and the Existing Limited Partner shall be free, to complete a sale of the ROFO Beneficial Interest to a third party, without any further obligation to UBC under this Right of First Offer. The third party purchaser shall acquire the ROFO Beneficial Interest free and

clear of the UBC's Right of First Offer (which shall be extinguished, null, void, and of no further force or effect upon such sale).

- 14.4. The terms of the Right of First Offer shall be included in a side letter agreement to be entered into by the parties concurrently with the closing of the Loan Conversion.

15. CONFIDENTIALITY

- 15.1. Neither party shall disclose the terms of this Term Sheet to any third party (except to their advisors, consultants, prospective lenders who require such information to carry out their respective mandates to such parties) without the prior written consent of the other provided, however, that each party shall be entitled to make disclosure to the extent required by law in which event the disclosing party shall notify the other party in writing prior to making such disclosure in order that the latter may seek to obtain a protective order; and
- 15.2. The confidentiality provisions of Section 15.1 shall survive and remain in effect and shall continue to be binding upon the parties notwithstanding the termination of this Term Sheet or the failure to consummate the transactions contemplated hereby for any reason whatsoever.

16. GOVERNING LAW

- 16.1. This Letter shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

17. ASSIGNMENT

- 17.1. UBC shall have the right to assign this term sheet or any agreement resulting from the transactions contemplated herein to any entity affiliated (as defined in CBCA) with UBC, upon prior written notice to Atria.

18. TERMINATION

- 18.1. Either of the parties hereto shall be entitled to terminate this Term Sheet at any time upon 30 days' prior written notice to the other party.

19. NON-BINDING

- 19.1. This non-binding Term Sheet is an expression of our present intention and our willingness to continue negotiations which we hope shall lead to the satisfactory negotiation of the agreements and transaction contemplated herein. The material contained in this Term Sheet is for information only and no transactions will be finalized until a document is executed by both parties. Any transaction or agreement is subject to full and complete and is not intended to create contractual relations or obligations between the parties. Notwithstanding the foregoing, Sections 15 and 16 of this Term Sheet are intended to be, and shall be, legally binding on Atria and UBC.

[REMAINDER OF THE PAGE LEFT INTENTIONALLY BLANK]

DATED AS FIRST WRITTEN ABOVE.

UBC SOLUTIONS INCORPORATED

Name: Cynthia Sisconetto
Title:

Name:
Title:

AGREED AND ACCEPTED THIS _____ DAY OF OCTOBER, 2024.

ATRIA DEVELOPMENT CORPORATION

Name: Hans Jain
Title: President

SCHEDULE "A"
DEVELOPMENT SITE
[to be attached]

This is Exhibit “L”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: Hill, Peter <peter.hill@ca.dlapiper.com>
Sent: Tuesday, October 29, 2024 10:10 AM
To: W. Douglas Stewart <DStewart@mltaikins.com>
Cc: Shapira, Daniel <daniel.shapira@ca.dlapiper.com>
Subject: RE: UBC and Atria Term Sheet

[EXTERNAL MESSAGE]

Morning Doug,

Hope all is well.

Do you have any update on when a revised draft of the term sheet will be circulated?

Thanks,

Peter Hill

Associate

T [+1 416.941.5406](tel:+14169415406)

E peter.hill@dlapiper.com

From: Shapira, Daniel <daniel.shapira@ca.dlapiper.com>
Sent: Friday, October 18, 2024 3:25 PM
To: W. Douglas Stewart <DStewart@mltaikins.com>
Cc: Hill, Peter <peter.hill@ca.dlapiper.com>; Shapira, Daniel <daniel.shapira@ca.dlapiper.com>
Subject: UBC and Atria Term Sheet

Hi Doug,

Further to our discussion, please find attached revised clean and blacklined drafts of the term sheet for your review. Please let me know if you have any questions, comments or concerns.

Thanks

Daniel Shapira

Partner

T [+1 416.862.3371](tel:+14168623371)

E daniel.shapira@dlapiper.com

This is Exhibit “M”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

Atria Development**1680 Brimley, Toronto**

Date of Meeting: November 4, 2024

Meeting Time: 3:30 PM – 4:00 PM

Location: Microsoft Teams

Type of meeting: External Meeting

Attendees	Organization	Regrets	Organization
Hans Jain (HJ)	Atria Development	Leonard Lee (LL)	Atria Development
Durval Terceira (DT)	Atria Development		
Kristian Caubalejo (KC)	Atria Development		
Michael Mazzuca (MM)	Rousseau Mazzuca LLP		
Broghan Masters (BM)	Rousseau Mazzuca LLP		
Pat Bono (PB)	UBC Built		

The following meeting minutes pertain to the discussion between Atria, Rousseau Mazzuca LLP and UBC Built in relation to the issues surrounding 1680 Brimley.

ITEM	DESCRIPTION	ACTION	DUE DATE
1.0	Discussion and Issues Review		
1.1	Status of Project		
1.1.1	Excavation of Phase I on-going	Info.	
1.1.2	- Negotiation with the Union was on going as they would have a share in equity - Inability to convert money to equity has resulted in the delay of construction - An agreement must be in place prior to continuing construction in the event the Union backs out of the deal - Atria cannot take on full financial responsibility nor can construction halt	Info.	
1.2	Notice		
1.2.1	- A Notice of Delay was sent out by Reimar - Notice was not sent within 5 working days - There was a mutual trust between Atria and Reimar, which may have resulted in a late Notice - The letter was vague regarding CCDC provisions and referenced general terms. - Non specificity may allude to non-compliance	Info.	
1.2.2	Reimar has not conducted any work	Info.	

	○ As outlined by BM through the CCDC, Reimar was intended to start in May – June ○ Reimar is considering moving a trailer off-site		
1.2.3	• Reimar had claims including (but not limited to): ○ Four (4) rental cranes ○ Three (3) coordinators on site ○ Fixed Costs ▪ Full breakdown can be requested from Rousseau Mazzuca LLP	Info.	
1.3	Summary		
1.3.1	• Rousseau Mazzuca LLP will be representing Atria, Atriacon, Brimley Developments Inc. and 1680 Brimley Limited Partnership as per legal agreements ○ When provided, LL to verify company names	Info. LL	
1.3.2	• Any attempt by the plaintiff to seek information from Atria should be deferred	Info.	
2.0	Next Steps & Key Dates		
2.1	• Rousseau Mazzuca LLP to send email to Atria regarding a list of required documents and questions • Rousseau Mazzuca LLP to prepare a response letter and notify Atria upon circulation • Rousseau Mazzuca LLP to request supporting documents from Reimar	MM MM MM	

Note: The above content is considered to be a true account of the meeting minutes. However, if any discrepancies are noticed, please report to Kristian Caubalejo within 48 hours of receipt.

This is Exhibit “N”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: [Hill, Peter](#)
To: [W. Douglas Stewart](#)
Cc: [Shapira, Daniel](#)
Bcc: shane.kennedy@atria.ca; leonard.lee@atria.ca
Subject: UBC and Atria Term Sheet
Date: November 14, 2024 4:34:45 PM
Attachments: [BLK - Non-Binding Term Sheet - 1680 Brimley \(DLA 11.14.2024\).pdf](#)
[Non-Binding Term Sheet - 1680 Brimley \(DLA 11.14.2024\).docx](#)

Hi Doug – I hope all is well.

Please see the attached revised term sheet along with a blackline to the draft your circulated on November 5th.

We are hoping to manage any unintended misinterpretations to our draft and would appreciate the opportunity to connect for a call to discuss our revisions prior to circulating to the broader client group.

Please let me us know your availability to connect.

Separately, have you heard anything on the loan waiver?

Thanks,

Peter Hill

Associate

T [+1 416.941.5406](tel:+14169415406)

E peter.hill@dlapiper.com

NON-BINDING TERM SHEET

November [●], 2024

~~Atria Development Corporation~~
1680 Brimley Limited Partnership
 5000 Yonge Street
 Suite 1706
 North York, Ontario M2N 7E9

Attention: Hans Jain

Re: Conversion of Debt to Equity on 1680 Brimley Road, Scarborough, Ontario (the “Development Site”)

This term sheet (the “**Term Sheet**”) is for discussion purposes only and is not intended to create binding obligations on the parties hereto and does not constitute an offer, agreement or commitment. Please note that the information provided in this document is confidential and may not be disclosed to anyone without the consent of UBC Solutions Incorporated (“**UBC**”) and ~~Atria Development Corporation~~ (“~~Atria~~1680 Brimley Limited Partnership (“**Partnership**”)), except as otherwise permitted herein. Any agreement with respect to the conversion of the Loan (as defined below) into an equity interest in Phase 1 (as defined herein) of the Project (as defined herein) is subject to the receipt by UBC of additional project information as well as approval from all UBC governing entities, including certain pension funds.

1. BACKGROUND

- 1.1. The Development Site is a 4.4 acre site to be developed over two phases - Phase 1 and Phase 2 (as each is defined herein) as shown in Schedule “A” attached hereto;
- 1.2. On September 18, 2024, the Committee of Adjustments conditionally approved the severance (the “**Severance**”) of the portion of the Development Site associated with Phase 1 (“**Phase 1 Lands**”);
- 1.3. Following the Severance: (a) 1680 Brimley Limited Partnership (the “**Partnership**”) will remain the beneficial owner of the Phase 1 Lands with legal title being held by Brimley Progress Developments Inc. (the “**Existing Limited Partner**”); and (b) a subsidiary of the Partnership (the “**Phase 2 Owner**”) will own the lands associated with Phase 2 (“**Phase 2 Lands**”);
- 1.4. UBC made a loan (the “**Loan**”) to the Partnership in the amount of \$70,000,000 pursuant to a credit agreement among UBC, the Partnership, 2808908 Ontario Inc. (the “**General Partner**”) and ~~an affiliate of Atria~~, the Existing Limited Partner dated September 29, 2023, as amended (the “**Credit Agreement**”). Pursuant to Section 3 of the Credit Agreement, UBC has the right, but not the obligation, to convert all of the Loan to an equity interest in the Partnership (the “**Loan Conversion**”); and

- 1.5. Following the ~~confirmation~~delivery of notice of satisfaction or waiver of its Conditions (as defined herein) in respect to the Loan Conversion, UBC shall convert its Loan into limited partnership units in the Partnership on the Closing Date (as defined herein).

2. PROJECT

- 2.1. The proposed Project consists of:
- 2.1.1. the development of two (2) towers on the ~~Development Site~~Phase 1 Lands with a total gross floor area of approximately 739,580 square feet, including 736,631 square feet of residential premises (including above grade parking) and 2,949 square feet of retail space ("Phase 1" or the "Project"); and
 - 2.1.2. the development of two (2) towers on the ~~Development Site~~Phase 2 Lands with a total gross floor area of approximately 737,590 square feet, including 697,138 square feet of residential premises and 26,602 square feet of retail space ("Phase 2").
- 2.2. The Project will include obtaining the necessary municipal development approvals (i.e. variance permits, development permits and building permits), construction, certain leasing activities during both pre-stabilization and post-stabilization of the Project, along with the management of the operations of the Project.

3. STRUCTURE

- 3.1. The Partnership is an Ontario limited partnership formed under a limited partnership agreement, dated as of January 18, 2021, which shall be amended and restated concurrent with the Closing Date based on the terms set out in this Term Sheet (the "**Amended and Restated Partnership Agreement**"). As of the date hereof, the Existing Limited Partner is the sole limited partner of the Partnership and holds 9,999.90 Class A Units of the Partnership.

~~3.2. The Existing Limited Partner currently holds 9,999.90 Class A Units of the Partnership and the parties each acknowledge that its current Capital Contribution (as defined herein) is deemed to be \$20,500,000.00. The parties further acknowledge that UBC's Capital Contribution shall be deemed to be \$57,800,000. Upon the Loan Conversion, (i) all Security (as defined in the Credit Agreement) shall be discharged, provided that UBC has been repaid at least \$12,200,000 from the Construction Loan as set forth in Section 12.1.3, and (ii) UBC shall subscribe for and the Partnership agrees to issue to UBC Class B Units in the capital of the Partnership equal to the number of Class A Units held by the Existing Limited Partner as repayment of the Loan.~~

- 3.2. ~~3.3.~~ The Existing Limited Partner and UBC (collectively, the "**Limited Partners**") each acknowledge and agree that the capital contributed or to be contributed to the Partnership from the Limited Partners (the "**Capital Contributions**") shall be finalized ~~on or~~ prior to the ~~Condition~~Closing Date (as defined herein). The ~~parties each hereby~~Limited Partners acknowledge and agree that: ~~(a) Atria they intend for ownership of the Project to be equally divided among them. If UBC exercises its Loan Conversion, then after repayment by the Borrower of a maximum of \$38,040,500.00 from the funding of the Construction Loan (in accordance with Section 13.1.3 below) and assuming that the Existing Limited Partner does not elect to decrease its Capital Contribution, then each Limited Partner shall each have made a Capital Contribution of~~

\$31,959,500 representing a 50% ownership interest in the Project for each of the Limited Partners. Notwithstanding the foregoing and for greater certainty, the Existing Limited Partner may ~~increase~~ its ownership interest in the Project ~~to up to 50% of, in its sole discretion, down to a minimum of 26.18% ownership interest in~~ the Project by ~~providing additional funds~~ decreasing its Capital Contributions to the Partnership ~~prior to the Condition Date; and (b) in no event will UBC's initial Capital Contribution exceed \$57,800,000. For greater certainty: (i) in the event that Atria does not provide any additional funds to the Partnership prior to the Condition Date, the respective to a minimum of \$20,500,000.00 (representing the value of the Phase 1 Lands) prior to the Closing Date. For greater clarity, the Existing Limited Partner may, in its sole discretion, decrease its~~ ownership interests ~~of the parties~~ in the Project ~~would be as follows: Atria — 26.18%; and UBC — 73.82%; and (ii) in the event that Atria provides an additional \$37,300,000 to the Partnership prior to the Condition Date, the respective ownership interest of the parties in the Project would each be 50%. from 50% to as low as 26.18%.~~ **[DLA NTD: The intention is that the Limited Partners will have 50/50 ownership on closing, unless the Existing Limited Partner decreases its Capital Contribution.]**

~~3.4. To the extent required, each of UBC and the Existing Limited Partner shall each commit to advance additional Capital Contributions in accordance with its interest in the Partnership.~~

3.3. Upon the Loan Conversion, (i) all Security (as defined in the Credit Agreement) shall be discharged, and (ii) UBC shall subscribe for and the Partnership agrees to issue to UBC Class B Units in the capital of the Partnership equal to the number of Class A Units held by the Existing Limited Partner.

3.4. ~~3.5.~~ The Amended and Restated Limited Partnership Agreement which will govern the Partnership will provide: (a) a right of first opportunity and tag along rights on any transfer of any interest in the Partnership; and (b) that a Limited Partner that defaults on its obligations may suffer certain adverse consequences, including, loss of decision making input, dilution of its interest and/or a discounted buyout and forfeiture of all or a portion of its units. (c) to the extent required, each Limited Partner shall commit to advance additional Capital Contributions in accordance with its ownership interest in the Partnership, and (d) for mutual indemnity provisions with respect to each Limited Partner's obligations under the Construction Loan and the Security. Notwithstanding the foregoing, for greater clarity, the covenant of the UBC entity providing an indemnity or fulfilling obligations under the Amended and Restated Partnership Agreement, will be satisfactory to the Existing Limited Partner, in its sole discretion. To assess such covenant, the Existing Limited Partner shall have access to the audited financial statements of such UBC entity or entities.

4. DEVELOPMENT MANAGEMENT

4.1. An entity controlled (as defined in the *Canada Business Corporations Act* (the "CBCA")) either directly or indirectly by Hans Jain shall be named as the development manager (the "Development Manager") and will enter into an agreement (the "Development Management Agreement") with the Partnership;

- 4.2. The Development Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Development Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably; and
- 4.3. The Development Manager shall be entitled to receive a development management fee. This fee will be fixed at the amount which equates to 3.05% of the ~~approved initial preliminary~~ capital budget prepared by Altus for the Project lender's first advance (the "**Capital Budget**"). The Capital Budget will not include any financing fees or land value. The Capital Budget will be approved by UBC prior to the Condition Date.

5. CONSTRUCTION MANAGEMENT

- 5.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the construction manager (the "**Construction Manager**") and will enter into an agreement (the "**Construction Management Agreement**") with the Partnership and/or the Existing Limited Partnership;
- 5.2. The Construction Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Construction Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably;
- 5.3. The Construction Management Agreement shall expressly state that the Construction Manager has the authority to hire and manage any trade contractor engaged in work on the Project (each a "**Trade Contractor**");
- 5.4. The Construction ~~Management Agreement shall expressly state that the Construction Manager is prohibited from hiring~~ shall use commercially reasonable efforts to hire, causing to be hired, or continuing to retain ~~-(a) any Trade Contractor~~ s not exclusively bound to the Carpenters' Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals; or (b) any, having regard to such Trade Contractor's exclusively bound to the Carpenters' Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals which is in violation of the terms of its applicable collective agreement(s), as determined by the Partnership and the Existing Limited Partner in their sole discretion, unless otherwise expressly permitted by UBC and Atria; bid amount, business reputation and breadth of experience working on high rise projects in the Greater Toronto Area of the scope and scale of the Project ; and
- ~~5.5. The Construction Management Agreement shall expressly state that any violation of the prohibition in Section 5.4 by the Construction Manager shall constitute a labour dispute and shall entitle the Partnership or Existing Limited Partner to lawfully terminate the associated construction agreement with the Trade Contractor without penalty; and~~
- 5.5. ~~5.6.~~ The Construction Manager shall be entitled to receive a construction management fee. This fee will be at a rate of 3.25% of the approved hard construction costs and construction contingencies for the Project (the "**Hard Costs**"). The Hard Costs will be approved by UBC prior to the Condition Date.

6. PROPERTY MANAGEMENT

- 6.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the property manager (the "**Property Manager**") and will enter into an agreement (the "**Property Management Agreement**") with the Partnership on standard market terms;

6.2. The Property Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Property Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably; and

6.3. The Property Manager shall be entitled to receive a property management fee as follows: (i) for the period commencing three (3) months prior to the initial occupancy date, \$25,000.00 (plus HST) per month, and (ii) for the period commencing on the initial occupancy date, a fee equal to 4.0% per annum of the in-place effective gross income of the properties to be developed on the Phase 1 Lands.

7. **ASSET MANAGEMENT**

7.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the asset manager (the “Asset Manager”) and will enter into an agreement (the “Asset Management Agreement”) with the Partnership;

7.2. The Asset Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Asset Manager; and

7.3. ~~6.3.~~ ~~The Property~~ Asset Manager shall be entitled to receive ~~a property~~ an asset management fee ~~which will commence after the stabilization date for the Project.~~ This fee will be at a rate equal to ~~4.00.75%~~ 4.00.75% per annum of the ~~in-place~~ effective gross income of the properties to be developed on the Phase 1 Lands, commencing following the closing of the building permit for the Project.

8. **~~7.~~ LEASING AND MARKETING SERVICES**

8.1. ~~7.1.~~ An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall have a first right of opportunity to provide leasing and marketing services on market terms;

8.2. ~~7.2.~~ The selected leasing and marketing manager (the “Marketing Manager”) will enter into an agreement (the “Marketing Management Agreement”) with the Partnership and such agreement shall be acceptable to the Limited Partners, acting reasonably; and

8.3. ~~7.3.~~ The Marketing Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Marketing Manager.

9. **~~8.~~ MANAGEMENT**

9.1. ~~8.1.~~ Decisions requiring unanimous consent by the Limited Partners, to be described more fully in the Amended and Restated Partnership Agreement, are anticipated to be, but are not limited to, the following (in addition to any other matters set out herein, including approval of the Development Management Agreement, etc.):

9.1.1. ~~8.1.1.~~ approval of the initial Capital Budget;

9.1.2. ~~8.1.2.~~ any amendments or modifications to, or the approval of any costs resulting in a deviation from, the Capital Budget, in any such case:

(a) ~~the lesser of: (i) 3%; or (ii) \$500,000~~ 5% for any specific line item (whether on a one-time or cumulative basis), provided that no approval shall be needed for deviations of less than \$750,000;

(b) 2% across all items (where on a one-time or cumulative basis); or

(c) ~~(b) p~~ Provided, in any event that the General Partner will promptly inform the Limited Partners, and provide the Limited Partners with an updated Capital Budget, in the event of any material deviations thereof, being no less than the above thresholds;

- 9.1.3. ~~8.1.3.~~ any change to the nature or scope of the Project that impacts the Capital Budget by more than \$~~50~~750,000;
- 9.1.4. ~~8.1.4.~~ the issuance of additional units of the Partnership, other than as specifically contemplated under the Amended and Restated Limited Partnership Agreement;
- 9.1.5. ~~8.1.5.~~ the admission of any additional partners into the Partnership or change of the General Partner;
- 9.1.6. ~~8.1.6.~~ any non-arm's length agreements or transactions not otherwise contemplated herein (including matters contemplated by the Development Management Agreement and Construction Management Agreement);
- 9.1.7. ~~8.1.7.~~ any decision as to the timing and quantum of distributions outside of Section 11;
- ~~8.1.8. the entering into of any material agreements above \$250,000 in value;~~
- 9.1.8. ~~8.1.9.~~ all the cheques greater than or equal to \$~~10~~750,000 and not contained in the Capital Budget, will have to be approved by UBC prior to their signature and every cheque payable to an entity controlled by Hans Jain shall bear two signatures, one of which shall be from a UBC approved representative but only if UBC executes any such cheque within ~~10~~seven (7) days from the date of such request (the "Dispute Period") otherwise only one signatory will be required, unless UBC disputes any such cheque and provides reasonable backup to ~~Atria~~the Existing Limited Partner within the Dispute Period;
- 9.1.9. ~~8.1.10.~~ settling any claim against either of the Limited Partners or commencing any action or legal proceeding on behalf of the Limited Partners relating to the Project in excess of \$750,000;
- 9.1.10. ~~8.1.11.~~ the sale, exchange or other disposition of all or any part of Phase 1, subject to terms of the Amended and Restated Limited Partnership Agreement;
- 9.1.11. ~~8.1.12.~~ the approval of any financing or borrowing on the security of the assets of the Partnership; [DLA NTD: Former 8.1.14 deleted as such transaction is included in 9.1.6 herein.]
- 9.1.12. ~~8.1.13.~~ the approval of any agreement requiring guarantees from the Limited Partners;
- ~~8.1.14. the approval of any agreement with an entity controlled directly or indirectly by Hans Jain;~~
- 9.1.13. ~~8.1.15.~~ the waiver of any default on the part of a General Partner; and
- 9.1.14. ~~8.1.16.~~ the dissolution of the Partnership;
- 9.2. ~~8.2.~~ It is acknowledged and agreed by the Limited Partners that the General Partner shall be responsible for the day-to-day operations of the Project.
- 9.3. ~~8.3.~~ The Partnership will furnish annually to the Limited Partners reviewed unaudited financial statements and will provide an annual report detailing the Partnership's performance for that year. On a quarterly basis, a meeting of a steering committee shall be held to discuss the status of the Project. The steering committee shall be comprised of two (2) executives, senior officers or directors from each of the Existing Limited Partner and UBC.

9.4. ~~8.4.~~ In addition to the foregoing, UBC shall be entitled to request monthly meetings with Atria Development Corporation, the General Partner, the Development Manager, the Construction Manager ~~and any~~. At the reasonable request of UBC, the General Partner shall directly coordinate meetings with other relevant parties with regards to the status and progress of the Project. During the construction phase of the Project, UBC shall be provided with a ~~bi-weekly~~monthly report on the financials and progress of construction ~~and a monthly financial update of the Project~~. Following the construction phase of the Project, UBC will be provided with a monthly report on the ~~financial~~accounting records (such as, by way of example only, draw request, trial balance, aging payable listing etc.) and operational aspects of the Project.

10. ~~9.~~ FINANCING

10.1. ~~9.1.~~ It is the intention of the Partnership to obtain construction financing (the “Construction Loan”) representing a maximum 95% of total development costs from construction lender(s). To the extent that any guarantees are required by any land or construction lender(s) (collectively, “Lenders”), each Limited Partner shall provide guarantees for the Construction Loan to the extent required by such Lenders;

10.2. ~~9.2.~~ Each party shall promptly provide all necessary requested information and documentation as requested by Canada Mortgage and Housing Corporation (“CMHC”) and/or any Lenders in respect to the Construction Loan, in any event, shall respond no later than ten (10) days of each such request;

10.3. ~~9.3.~~ In the event security (by way of cash, letter or credit, or otherwise) is required by the City of Toronto, any other government authority or a utility supplier in respect to the Project (hereafter “Security”), such Security shall be provided by a third party lender on the Partnership’s behalf, and each Limited Partner shall, if required by such third party lender, provide guarantees to the extent required by such Security;

10.4. ~~9.4.~~ The Construction Loan is intended to be a CMHC insured loan in accordance with the loan application provided as prepared by CBRE Capital (Canada) Inc. dated Q2 2024. The Limited Partners shall agree on the terms of the Construction Loan prior to the Condition Date; and

10.5. ~~9.5.~~ The ~~parties shall enter into a contribution and indemnity agreement (the “Contribution Agreement”) with respect to their respective obligations under the Construction Loan and the Security. The parties~~ Partnership and the Phase 2 Owner shall also enter into a shared facilities agreement (the “Facilities Agreement”) with respect to any amenities required by Phase 1 that are to be contained in Phase 2 and shall make all applicable registrations against title to the Phase 2 Lands to enforce such obligations. [DLA NTD: Contribution language to be included directly in the Amended and Restated Limited Partnership Agreement. Please See Section 3.5.]

11. ~~10.~~ COMMISSION

11.1. ~~10.1.~~ Neither of the parties have incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder’s fees, agent’s commissions and the like in connection with the Loan Conversion.

12. ~~11.~~ DISTRIBUTION OF FREE CASH FLOW

12.1. ~~11.1.~~ Free cash-flow realized from the sale activities, leasing, and/or (re)financing of the Project shall be distributed to the Limited Partners as follows:

- 12.1.1. ~~11.1.1.~~ firstly, as to the lesser of \$100 and 0.001% to the General Partner;
- 12.1.2. ~~11.1.2.~~ secondly, 100% to the Limited Partners, *pro rata* in proportion with the amount of its Capital Contributions until each Limited Partner has received a return of its Capital Contributions, for greater certainty, once a Limited Partner receives a return of all of its Capital Contributions, it will not receive additional distributions until all other Limited Partners have received their respective return of its Capital Contributions;
- ~~11.1.3. thirdly, 100% to UBC until UBC has received an amount equal to an 8% internal rate of return on the amount of its Capital Contributions;~~
- 12.1.3. ~~11.1.4. fourthly~~thirdly, 100% to the ~~Existing~~ Limited Partners, until ~~the Existing~~each Limited Partner has received an amount equal to an 8% internal rate of return on the amount of its Capital Contributions;
- 12.1.4. ~~11.1.5. fifthly~~fourthly, 100% to the Limited Partners, *pro rata* in proportion with the amount of its Capital Contributions until each Limited Partner has received an amount equal to a 15% internal rate of return on the amount of its Capital Contributions; and
- 12.1.5. ~~11.1.6.~~ lastly, an amount to each of the Limited Partners equal to its percentage of the total Capital Contributions, plus 25% in the case of the Existing Limited Partner and less 25% in the case of UBC. For example, in the event that each Limited Partner contributes 50% of the total Capital Contributions, ~~Atria~~the Existing Limited Partner shall be entitled to receive 75% of the remaining free cash-flow pursuant of the Project pursuant to this clause and UBC shall be entitled to receive 25% of the remaining free cash-flow from of the Project.

- 12.2. ~~11.2.~~ For the purposes of ~~the foregoing calculations of~~Section 12.1, the return on the Capital Contributions ~~of UBC, UBC shall be deemed to have made its entire Capital Contribution as of June 1, 2024~~shall be calculated from the Closing Date.

13. ~~12.~~ **CONDITIONS PRECEDENT**

- 13.1. ~~12.1.~~ UBC shall not be obligated to complete the Loan Conversion unless each of the following conditions (the “**Conditions**”, or individually a “**Condition**”) shall have been waived or fulfilled and complied with in accordance with their terms ~~at least 30 days prior to the Closing Date~~on or before 5:00 p.m. on the fifteenth (15th) day following receipt by UBC of the COI (as defined below) or such earlier date that UBC provides notice of such waiver or satisfaction with the Conditions to the General Partner (the “**Condition Date**”) ~~and the Partnership shall have received the first advance of the Construction Loan as contemplated by Section 12.2.:~~
- 13.1.1. ~~12.1.1.~~ UBC to be satisfied in its sole discretion in the ability of ~~Atria~~the Partnership, the Development Manager, the Construction Manager, the Asset Manager and the Property Manager, to complete the Project. This shall require certain financial disclosure as mutually agreed to by the parties, each acting reasonably and in good faith;
- 13.1.2. ~~12.1.2.~~ Approval of the certificate of insurance from CMHC in respect of the construction of the Project (the “COI”);

13.1.3. ~~12.1.3.~~ Approval of the Construction Loan on terms acceptable to the Limited Partners, acting reasonably, which shall include approval from the applicable Lenders to fund the Construction Loan, which shall include a principal loan amount sufficient to permit the payment to UBC of a minimum of \$12,200,000 upon funding of the Construction Loan;

13.1.4. ~~12.1.4.~~ Receipt of a quantity surveyors' report certifying the current cost of the work in place at the Project; and

13.1.5. ~~12.1.5.~~ Receipt of a current fair market value appraisal of the Phase 1 Lands, prepared by an acceptable AACI that is satisfactory to UBC in its sole discretion.

13.2. ~~12.2.~~ The following the waiver or fulfillment of the Conditions, the closing date of the Loan Conversion shall be concurrent with, and conditional on, the first advance of the Construction Loan by the Lenders, or such other date that the parties may agree in writing (the "**Closing Date**"). If UBC elects to complete the Loan Conversion then it shall waive all interest and any penalties payable under the Loan from June 1st, 2024 up and until the Closing Date. In the event that the Loan Conversion is not completed, UBC will give at least ~~90~~180 days' written notice to ~~Atria~~the Partnership prior to demanding repayment of the Loan.

13.3. ~~12.3.~~ All material documents with regards to the Project, including but not limited to the Amended and Restated Partnership Agreement, Development Management Agreement, Construction Management Agreement, Property Management Agreement, Contribution Agreement and Facilities Agreement shall be finalized on or before the Condition Date.

14. ~~13.~~ **PHASE 2 PARTICIPATION RIGHT**

14.1. The Phase 2 Owner intends to include all or part of the Phase 2 Lands in a fund to be formed (the "**Fund**"). The Phase 2 Owner shall deliver or cause to be delivered to UBC the Fund investment and subscription documents once prepared. Upon delivery of the Fund investment and subscription documents to UBC, UBC shall have fifteen (15) days to commit to participating in the Fund ("**Participation Right**"), following which, UBC shall no longer have a Participation Right or any option or right to acquire a beneficial interest in all or any part of the Phase 2 Lands. The terms of the Participation Right shall be the same terms offered to other potential investors of the Fund.

~~13.1. If, at any time for a period of 7 years from the Closing Date, the owner of the Phase 2 Lands (the "**Owner**") receives a bona fide offer (the "**Offer**") to purchase a beneficial interest in the Phase 2 Lands (the "**ROFR Beneficial Interest**") and/or provide any equity or debt financing to develop the Phase 2 Lands (the "**ROFR Financing**") from a third party (the "**Third Party**") and the Owner desires to accept the Offer, UBC shall have a right of first refusal to match the terms of any such Offer and purchase the ROFR Beneficial Interest and/or provide the ROFR Financing (either, the "**Right of First Refusal**"). Forthwith following receipt of an Offer, the Owner shall deliver to UBC a notice setting forth the terms of the Offer and offering to sell the ROFR Beneficial Interest to UBC and/or accept the ROFR Financing from UBC on the same terms as contained in the Offer (the "**First Refusal Notice**").~~

- ~~13.2. The First Refusal Notice shall constitute the Owner's offer to sell the ROFR Beneficial Interest to UBC and/or accept the ROFR Financing from UBC on the terms set forth in the Offer, which offer shall expire at 3:00 p.m. on the 30th day following receipt by UBC of such First Refusal Notice (the "ROFR Response Period"). UBC shall have the right to accept the Owner's offer to sell the ROFR Beneficial Interest and/or provide the ROFR Financing prior to the expiry of the ROFR Response Period by delivering written notice (a "ROFR Acceptance Notice") to the Owner to that effect. Following the delivery of the ROFR Acceptance Notice by UBC, the parties shall negotiate in good faith and use their best efforts to complete the sale of the ROFR Beneficial Interest to UBC and/or the provision of the ROFR Financing by UBC to the Owner.~~
- ~~13.3. If UBC does not deliver a ROFR Acceptance Notice prior to the expiry of the ROFR Response Period, UBC's Right of First Refusal and all of UBC's rights and option to purchase the ROFR Beneficial Interest and/or provide the ROFR Financing hereunder shall conclusively be deemed to be waived, and the Owner shall be free, to complete a sale of the ROFR Beneficial Interest to the Third Party or accept the ROFR Financing from the Third Party, without any further obligation to UBC under this Right of First Refusal. The Third Party shall acquire the ROFR Beneficial Interest and/or provide the ROFR Financing free and clear of the UBC's Right of First Refusal (which shall be extinguished, null, void, and of no further force or effect upon completion of such transaction).~~
- ~~13.4. In addition to the foregoing, Atria and the Owner agree that they will not undertake or permit a sale of a ROFR Beneficial Interest or a ROFR Financing for a period of one year following the Closing Date.~~
- ~~13.5. The terms of the Right of First Refusal shall be included in a side letter agreement to be entered into by the parties concurrently with the closing of the Loan Conversion. Notwithstanding the foregoing, upon request by the Owner, UBC may agree, in its sole discretion, to waive its Right of First Refusal.~~

15. ~~14.~~ CONFIDENTIALITY

- 15.1. ~~14.1.~~ Neither party shall disclose the terms of this Term Sheet to any third party (except to their advisors, consultants, prospective lenders who require such information to carry out their respective mandates to such parties) without the prior written consent of the other party, provided, however, that each party shall be entitled to make disclosure to the extent required by law in which event the disclosing party shall notify the other party in writing prior to making such disclosure in order that the latter may seek to obtain a protective order; and
- 15.2. ~~14.2.~~ The confidentiality provisions of Section ~~14.1~~15 shall survive and remain in effect and shall continue to be binding upon the parties notwithstanding the termination of this Term Sheet or the failure to consummate the transactions contemplated hereby for any reason whatsoever.

16. ~~15.~~ DUE DILIGENCE

16.1. ~~15.1.~~ The closing of the Loan Conversion remains subject to the completion of full and complete due diligence on the Project and the Partnership by UBC and its legal counsel and ~~other representatives~~ advisors.

[DLA NTD: "NEGOTIATION WITH OTHER PARTNERS" heading removed as the parties have been negotiating for 14 months and Atria/the Partnership cannot be put in a position where it does not have alternative parties to work with should UBC decide to not convert the Loan.]

~~16. NEGOTIATION WITH OTHER PARTIES~~

~~16.1. Upon execution of this Term Sheet, Atria agrees that it will only negotiate with UBC to reach a final agreement with regards to the Phase 1. Atria will refrain from (i) offering the Phase 1 to any other person, (ii) soliciting an offer for Phase 1, directly or indirectly, and (iii) otherwise negotiating for the sale or other disposition of Phase 1 with any third party in any way whatsoever in respect of Phase 1 until termination of this Term Sheet or completion of the Loan Conversion, whichever is earlier.~~

17. GOVERNING LAW

17.1. This Letter shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

18. ASSIGNMENT

18.1. UBC shall have the right to assign this Term Sheet or any agreement resulting from the transactions contemplated herein to any ~~non-arm's length~~ entity, upon the prior written ~~notice to Atria~~ consent of the Partnership, such consent may be unreasonably withheld and provided the financial covenant of the assignee is no less than that of UBC.

19. TERMINATION

19.1. Either of the parties hereto shall be entitled to terminate this Term Sheet at any time upon 30 days' prior written notice to the other party.

20. NON-BINDING

20.1. This non-binding Term Sheet is an expression of our present intention and our willingness to continue negotiations which we hope shall lead to the satisfactory negotiation of the agreements and transaction contemplated herein. The material contained in this Term Sheet is for information only and no transactions will be finalized until a document is executed by both parties. Any transaction or agreement is subject to full and complete due diligence and is not intended to create contractual relations or obligations between the parties. Notwithstanding the foregoing, Sections ~~14, 16~~ 15 and ~~17~~ 18 of this Term Sheet are intended to be, and shall be, legally binding on ~~Atria~~ the Partnership, the Existing Limited Partnership and UBC.

[REMAINDER OF THE PAGE LEFT INTENTIONALLY BLANK]

DATED AS FIRST WRITTEN ABOVE.

UBC SOLUTIONS INCORPORATED

Name: Cynthia Sisconetto

Title:

Name:

Title:

AGREED AND ACCEPTED THIS _____ DAY OF NOVEMBER, 2024.

ATRIA DEVELOPMENT CORPORATION

1680 BRIMLEY LIMITED PARTNERSHIP, by its general
partner 2808908 ONTARIO INC.

Name: Hans Jain

Title: ~~President~~ Authorized Signatory

BRIMLEY PROGRESS DEVELOPMENTS

Name: Hans Jain

Title: Authorized Signatory

SCHEDULE "A"
DEVELOPMENT SITE
[to be attached]

Summary report: Litera Compare for Word 11.8.0.56 Document comparison done on 11/14/2024 4:30:19 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: Atria - UBC Term Sheet v.11.docx	
Modified DMS: iw://cloudimanage.com/FIRMDOCS/54272390/12	
Changes:	
<u>Add</u>	172
Delete	160
Move From	8
<u>Move To</u>	8
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	348

NON-BINDING TERM SHEET

November [●], 2024

1680 Brimley Limited Partnership
5000 Yonge Street
Suite 1706
North York, Ontario M2N 7E9

Attention: Hans Jain

Re: Conversion of Debt to Equity on 1680 Brimley Road, Scarborough, Ontario (the “Development Site”)

This term sheet (the “**Term Sheet**”) is for discussion purposes only and is not intended to create binding obligations on the parties hereto and does not constitute an offer, agreement or commitment. Please note that the information provided in this document is confidential and may not be disclosed to anyone without the consent of UBC Solutions Incorporated (“**UBC**”) and 1680 Brimley Limited Partnership (“**Partnership**”), except as otherwise permitted herein. Any agreement with respect to the conversion of the Loan (as defined below) into an equity interest in Phase 1 (as defined herein) of the Project (as defined herein) is subject to the receipt by UBC of additional project information as well as approval from all UBC governing entities, including certain pension funds.

1. **BACKGROUND**

- 1.1. The Development Site is a 4.4 acre site to be developed over two phases - Phase 1 and Phase 2 (as each is defined herein) as shown in Schedule “A” attached hereto;
- 1.2. On September 18, 2024, the Committee of Adjustments conditionally approved the severance (the “**Severance**”) of the portion of the Development Site associated with Phase 1 (“**Phase 1 Lands**”);
- 1.3. Following the Severance: (a) 1680 Brimley Limited Partnership (the “**Partnership**”) will remain the beneficial owner of the Phase 1 Lands with legal title being held by Brimley Progress Developments Inc. (the “**Existing Limited Partner**”); and (b) a subsidiary of the Partnership (the “**Phase 2 Owner**”) will own the lands associated with Phase 2 (“**Phase 2 Lands**”);
- 1.4. UBC made a loan (the “**Loan**”) to the Partnership in the amount of \$70,000,000 pursuant to a credit agreement among UBC, the Partnership, 2808908 Ontario Inc. (the “**General Partner**”) and the Existing Limited Partner dated September 29, 2023, as amended (the “**Credit Agreement**”). Pursuant to Section 3 of the Credit Agreement, UBC has the right, but not the obligation, to convert all of the Loan to an equity interest in the Partnership (the “**Loan Conversion**”); and
- 1.5. Following the delivery of notice of satisfaction or waiver of its Conditions (as defined herein) in respect to the Loan Conversion, UBC shall convert its Loan into limited partnership units in the Partnership on the Closing Date (as defined herein).

2. **PROJECT**

- 2.1. The proposed Project consists of:
 - 2.1.1. the development of two (2) towers on the Phase 1 Lands with a total gross floor area of approximately 739,580 square feet, including 736,631 square feet of residential premises (including above grade parking) and 2,949 square feet of retail space (“**Phase 1**” or the “**Project**”); and
 - 2.1.2. the development of two (2) towers on the Phase 2 Lands with a total gross floor area of approximately 737,590 square feet, including 697,138 square feet of residential premises and 26,602 square feet of retail space (“**Phase 2**”).
- 2.2. The Project will include obtaining the necessary municipal development approvals (i.e. variance permits, development permits and building permits), construction, certain leasing activities during both pre-stabilization and post-stabilization of the Project, along with the management of the operations of the Project.

3. STRUCTURE

- 3.1. The Partnership is an Ontario limited partnership formed under a limited partnership agreement, dated as of January 18, 2021, which shall be amended and restated concurrent with the Closing Date based on the terms set out in this Term Sheet (the “**Amended and Restated Partnership Agreement**”). As of the date hereof, the Existing Limited Partner is the sole limited partner of the Partnership and holds 9,999.90 Class A Units of the Partnership.
- 3.2. The Existing Limited Partner and UBC (collectively, the “**Limited Partners**”) each acknowledge and agree that the capital contributed or to be contributed to the Partnership from the Limited Partners (the “**Capital Contributions**”) shall be finalized prior to the Closing Date (as defined herein). The Limited Partners acknowledge and agree that they intend for ownership of the Project to be equally divided among them. If UBC exercises its Loan Conversion, then after repayment by the Borrower of a maximum of \$38,040,500.00 from the funding of the Construction Loan (in accordance with Section 13.1.3 below) and assuming that the Existing Limited Partner does not elect to decrease its Capital Contribution, then each Limited Partner shall each have made a Capital Contribution of \$31,959,500 representing a 50% ownership interest in the Project for each of the Limited Partners. Notwithstanding the foregoing and for greater certainty, the Existing Limited Partner may decrease its ownership interest in the Project, in its sole discretion, down to a minimum of 26.18% ownership interest in the Project by decreasing its Capital Contributions to the Partnership to a minimum of \$20,500,000.00 (representing the value of the Phase 1 Lands) prior to the Closing Date. For greater clarity, the Existing Limited Partner may, in its sole discretion, decrease its ownership interest in the Project from 50% to as low as 26.18%. **[DLA NTD: The intention is that the Limited Partners will have 50/50 ownership on closing, unless the Existing Limited Partner decreases its Capital Contribution.]**
- 3.3. Upon the Loan Conversion, (i) all Security (as defined in the Credit Agreement) shall be discharged, and (ii) UBC shall subscribe for and the Partnership agrees to issue to UBC

Class B Units in the capital of the Partnership equal to the number of Class A Units held by the Existing Limited Partner.

- 3.4. The Amended and Restated Limited Partnership Agreement which will govern the Partnership will provide: (a) a right of first opportunity and tag along rights on any transfer of any interest in the Partnership; (b) that a Limited Partner that defaults on its obligations may suffer certain adverse consequences, including, loss of decision making input, dilution of its interest and/or a discounted buyout and forfeiture of all or a portion of its units, (c) to the extent required, each Limited Partner shall commit to advance additional Capital Contributions in accordance with its ownership interest in the Partnership, and (d) for mutual indemnity provisions with respect to each Limited Partner's obligations under the Construction Loan and the Security. Notwithstanding the foregoing, for greater clarity, the covenant of the UBC entity providing an indemnity or fulfilling obligations under the Amended and Restated Partnership Agreement, will be satisfactory to the Existing Limited Partner, in its sole discretion. To assess such covenant, the Existing Limited Partner shall have access to the audited financial statements of such UBC entity or entities.

4. DEVELOPMENT MANAGEMENT

- 4.1. An entity controlled (as defined in the *Canada Business Corporations Act* (the "**CBCA**")) either directly or indirectly by Hans Jain shall be named as the development manager (the "**Development Manager**") and will enter into an agreement (the "**Development Management Agreement**") with the Partnership;
- 4.2. The Development Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Development Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably; and
- 4.3. The Development Manager shall be entitled to receive a development management fee. This fee will be fixed at the amount which equates to 3.5% of the preliminary capital budget prepared by Altus for the Project lender's first advance (the "**Capital Budget**"). The Capital Budget will not include any financing fees or land value. The Capital Budget will be approved by UBC prior to the Condition Date.

5. CONSTRUCTION MANAGEMENT

- 5.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the construction manager (the "**Construction Manager**") and will enter into an agreement (the "**Construction Management Agreement**") with the Partnership and/or the Existing Limited Partnership;
- 5.2. The Construction Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Construction Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably;
- 5.3. The Construction Management Agreement shall expressly state that the Construction Manager has the authority to hire and manage any trade contractor engaged in work on the Project (each a "**Trade Contractor**");

- 5.4. The Construction Manager shall use commercially reasonable efforts to hire, cause to be hired, or continue to retain Trade Contractors exclusively bound to the Carpenters' Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals, having regard to such Trade Contractor's bid amount, business reputation and breadth of experience working on high rise projects in the Greater Toronto Area of the scope and scale of the Project ; and
- 5.5. The Construction Manager shall be entitled to receive a construction management fee. This fee will be at a rate of 3.25% of the approved hard construction costs and construction contingencies for the Project (the "**Hard Costs**"). The Hard Costs will be approved by UBC prior to the Condition Date.

6. **PROPERTY MANAGEMENT**

- 6.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the property manager (the "**Property Manager**") and will enter into an agreement (the "**Property Management Agreement**") with the Partnership on standard market terms;
- 6.2. The Property Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Property Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably; and
- 6.3. The Property Manager shall be entitled to receive a property management fee as follows: (i) for the period commencing three (3) months prior to the initial occupancy date, \$25,000.00 (plus HST) per month, and (ii) for the period commencing on the initial occupancy date, a fee equal to 4.0% per annum of the in-place effective gross income of the properties to be developed on the Phase 1 Lands.

7. **ASSET MANAGEMENT**

- 7.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the asset manager (the "**Asset Manager**") and will enter into an agreement (the "**Asset Management Agreement**") with the Partnership;
- 7.2. The Asset Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Asset Manager; and
- 7.3. The Asset Manager shall be entitled to receive an asset management fee. This fee will be at a rate equal to 0.75% per annum of the effective gross income of the properties to be developed on the Phase 1 Lands, commencing following the closing of the building permit for the Project.

8. **LEASING AND MARKETING SERVICES**

- 8.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall have a first right of opportunity to provide leasing and marketing services on market terms;

- 8.2. The selected leasing and marketing manager (the “**Marketing Manager**”) will enter into an agreement (the “**Marketing Management Agreement**”) with the Partnership and such agreement shall be acceptable to the Limited Partners, acting reasonably; and
- 8.3. The Marketing Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Marketing Manager.

9. MANAGEMENT

- 9.1. Decisions requiring unanimous consent by the Limited Partners, to be described more fully in the Amended and Restated Partnership Agreement, are anticipated to be, but are not limited to, the following (in addition to any other matters set out herein, including approval of the Development Management Agreement, etc.):
 - 9.1.1. approval of the initial Capital Budget;
 - 9.1.2. any amendments or modifications to, or the approval of any costs resulting in a deviation from, the Capital Budget, in any such case:
 - (a) 5% for any specific line item (whether on a one-time or cumulative basis), provided that no approval shall be needed for deviations of less than \$750,000;
 - (b) 2% across all items (where on a one-time or cumulative basis); or
 - (c) Provided, in any event that the General Partner will promptly inform the Limited Partners, and provide the Limited Partners with an updated Capital Budget, in the event of any material deviations thereof, being no less than the above thresholds;
 - 9.1.3. any change to the nature or scope of the Project that impacts the Capital Budget by more than \$750,000;
 - 9.1.4. the issuance of additional units of the Partnership, other than as specifically contemplated under the Amended and Restated Limited Partnership Agreement;
 - 9.1.5. the admission of any additional partners into the Partnership or change of the General Partner;
 - 9.1.6. any non-arm’s length agreements or transactions not otherwise contemplated herein (including matters contemplated by the Development Management Agreement and Construction Management Agreement);
 - 9.1.7. any decision as to the timing and quantum of distributions outside of Section 11;
 - 9.1.8. all the cheques greater than or equal to \$750,000 and not contained in the Capital Budget, will have to be approved by UBC prior to their signature and every cheque payable to an entity controlled by Hans Jain shall bear two signatures, one of which shall be from a UBC approved representative but only if UBC executes any such cheque within seven (7) days from the date of such request (the “**Dispute Period**”) otherwise only one signatory will be required, unless UBC disputes any such

cheque and provides reasonable backup to the Existing Limited Partner within the Dispute Period;

- 9.1.9. settling any claim against either of the Limited Partners or commencing any action or legal proceeding on behalf of the Limited Partners relating to the Project in excess of \$750,000;
- 9.1.10. the sale, exchange or other disposition of all or any part of Phase 1, subject to terms of the Amended and Restated Limited Partnership Agreement;
- 9.1.11. the approval of any financing or borrowing on the security of the assets of the Partnership; **[DLA NTD: Former 8.1.14 deleted as such transaction is included in 9.1.6 herein.]**
- 9.1.12. the approval of any agreement requiring guarantees from the Limited Partners;
- 9.1.13. the waiver of any default on the part of a General Partner; and
- 9.1.14. the dissolution of the Partnership;
- 9.2. It is acknowledged and agreed by the Limited Partners that the General Partner shall be responsible for the day-to-day operations of the Project.
- 9.3. The Partnership will furnish annually to the Limited Partners reviewed unaudited financial statements and will provide an annual report detailing the Partnership's performance for that year. On a quarterly basis, a meeting of a steering committee shall be held to discuss the status of the Project. The steering committee shall be comprised of two (2) executives, senior officers or directors from each of the Existing Limited Partner and UBC.
- 9.4. In addition to the foregoing, UBC shall be entitled to request monthly meetings with Atria Development Corporation, the General Partner, the Development Manager, the Construction Manager. At the reasonable request of UBC, the General Partner shall directly coordinate meetings with other relevant parties with regards to the status and progress of the Project. During the construction phase of the Project, UBC shall be provided with a monthly report on the financials and progress of construction of the Project. Following the construction phase of the Project, UBC will be provided with a monthly report on the accounting records (such as, by way of example only, draw request, trial balance, aging payable listing etc.) and operational aspects of the Project.

10. FINANCING

- 10.1. It is the intention of the Partnership to obtain construction financing (the "**Construction Loan**") representing a maximum 95% of total development costs from construction lender(s). To the extent that any guarantees are required by any land or construction lender(s) (collectively, "**Lenders**"), each Limited Partner shall provide guarantees for the Construction Loan to the extent required by such Lenders;
- 10.2. Each party shall promptly provide all necessary requested information and documentation as requested by Canada Mortgage and Housing Corporation ("**CMHC**") and/or any Lenders

in respect to the Construction Loan, in any event, shall respond no later than ten (10) days of each such request;

- 10.3. In the event security (by way of cash, letter or credit, or otherwise) is required by the City of Toronto, any other government authority or a utility supplier in respect to the Project (hereafter “**Security**”), such Security shall be provided by a third party lender on the Partnership’s behalf, and each Limited Partner shall, if required by such third party lender, provide guarantees to the extent required by such Security;
- 10.4. The Construction Loan is intended to be a CMHC insured loan in accordance with the loan application provided as prepared by CBRE Capital (Canada) Inc. dated Q2 2024. The Limited Partners shall agree on the terms of the Construction Loan prior to the Condition Date; and
- 10.5. The Partnership and the Phase 2 Owner shall also enter into a shared facilities agreement (the “**Facilities Agreement**”) with respect to any amenities required by Phase 1 that are to be contained in Phase 2 and shall make all applicable registrations against title to the Phase 2 Lands to enforce such obligations. **[DLA NTD: Contribution language to be included directly in the Amended and Restated Limited Partnership Agreement. Please See Section 3.5.]**

11. COMMISSION

- 11.1. Neither of the parties have incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder’s fees, agent’s commissions and the like in connection with the Loan Conversion.

12. DISTRIBUTION OF FREE CASH FLOW

- 12.1. Free cash-flow realized from the sale activities, leasing, and/or (re)financing of the Project shall be distributed to the Limited Partners as follows:
 - 12.1.1. firstly, as to the lesser of \$100 and 0.001% to the General Partner;
 - 12.1.2. secondly, 100% to the Limited Partners, *pro rata* in proportion with the amount of its Capital Contributions until each Limited Partner has received a return of its Capital Contributions, for greater certainty, once a Limited Partner receives a return of all of its Capital Contributions, it will not receive additional distributions until all other Limited Partners have received their respective return of its Capital Contributions;
 - 12.1.3. thirdly, 100% to the Limited Partners, until each Limited Partner has received an amount equal to an 8% internal rate of return on the amount of its Capital Contributions;
 - 12.1.4. fourthly, 100% to the Limited Partners, *pro rata* in proportion with the amount of its Capital Contributions until each Limited Partner has received an amount equal to a 15% internal rate of return on the amount of its Capital Contributions; and

- 12.1.5. lastly, an amount to each of the Limited Partners equal to its percentage of the total Capital Contributions, plus 25% in the case of the Existing Limited Partner and less 25% in the case of UBC. For example, in the event that each Limited Partner contributes 50% of the total Capital Contributions, the Existing Limited Partner shall be entitled to receive 75% of the remaining free cash-flow pursuant of the Project pursuant to this clause and UBC shall be entitled to receive 25% of the remaining free cash-flow from of the Project.
- 12.2. For the purposes of Section 12.1, the return on the Capital Contributions shall be calculated from the Closing Date.

13. CONDITIONS PRECEDENT

- 13.1. UBC shall not be obligated to complete the Loan Conversion unless each of the following conditions (the “**Conditions**”, or individually a “**Condition**”) shall have been waived or fulfilled and complied with in accordance with their terms on or before 5:00 p.m. on the fifteenth (15th) day following receipt by UBC of the COI (as defined below) or such earlier date that UBC provides notice of such waiver or satisfaction with the Conditions to the General Partner (the “**Condition Date**”):
 - 13.1.1. UBC to be satisfied in its sole discretion in the ability of the Partnership, the Development Manager, the Construction Manager, the Asset Manager and the Property Manager, to complete the Project. This shall require certain financial disclosure as mutually agreed to by the parties, each acting reasonably and in good faith;
 - 13.1.2. Approval of the certificate of insurance from CMHC in respect of the construction of the Project (the “**COI**”);
 - 13.1.3. Approval of the Construction Loan on terms acceptable to the Limited Partners, acting reasonably, which shall include approval from the applicable Lenders to fund the Construction Loan, which shall include a principal loan amount sufficient to permit the payment to UBC of a minimum of \$12,200,000 upon funding of the Construction Loan;
 - 13.1.4. Receipt of a quantity surveyors’ report certifying the current cost of the work in place at the Project; and
 - 13.1.5. Receipt of a current fair market value appraisal of the Phase 1 Lands, prepared by an acceptable AACI that is satisfactory to UBC in its sole discretion.
- 13.2. Following the waiver or fulfillment of the Conditions, the closing date of the Loan Conversion shall be concurrent with, and conditional on, the first advance of the Construction Loan by the Lenders, or such other date that the parties may agree in writing (the “**Closing Date**”). If UBC elects to complete the Loan Conversion then it shall waive all interest and any penalties payable under the Loan from June 1st, 2024 up and until the Closing Date. In the event that the Loan Conversion is not completed, UBC will give at least 180 days’ written notice to the Partnership prior to demanding repayment of the Loan.

- 13.3. All material documents with regards to the Project, including but not limited to the Amended and Restated Partnership Agreement, Development Management Agreement, Construction Management Agreement, Property Management Agreement, Contribution Agreement and Facilities Agreement shall be finalized on or before the Condition Date.

14. PHASE 2 PARTICIPATION RIGHT

- 14.1. The Phase 2 Owner intends to include all or part of the Phase 2 Lands in a fund to be formed (the “**Fund**”). The Phase 2 Owner shall deliver or cause to be delivered to UBC the Fund investment and subscription documents once prepared. Upon delivery of the Fund investment and subscription documents to UBC, UBC shall have fifteen (15) days to commit to participating in the Fund (“**Participation Right**”), following which, UBC shall no longer have a Participation Right or any option or right to acquire a beneficial interest in all or any part of the Phase 2 Lands. The terms of the Participation Right shall be the same terms offered to other potential investors of the Fund.

15. CONFIDENTIALITY

- 15.1. Neither party shall disclose the terms of this Term Sheet to any third party (except to their advisors, consultants, prospective lenders who require such information to carry out their respective mandates to such parties) without the prior written consent of the other party, provided, however, that each party shall be entitled to make disclosure to the extent required by law in which event the disclosing party shall notify the other party in writing prior to making such disclosure in order that the latter may seek to obtain a protective order; and
- 15.2. The confidentiality provisions of Section 15 shall survive and remain in effect and shall continue to be binding upon the parties notwithstanding the termination of this Term Sheet or the failure to consummate the transactions contemplated hereby for any reason whatsoever.

16. DUE DILIGENCE

- 16.1. The closing of the Loan Conversion remains subject to the completion of full and complete due diligence on the Project and the Partnership by UBC and its legal counsel and advisors.

[DLA NTD: “NEGOTIATION WITH OTHER PARTNERS” heading removed as the parties have been negotiating for 14 months and Atria/the Partnership cannot be put in a position where it does not have alternative parties to work with should UBC decide to not convert the Loan.]

17. GOVERNING LAW

- 17.1. This Letter shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

18. ASSIGNMENT

18.1. UBC shall have the right to assign this Term Sheet or any agreement resulting from the transactions contemplated herein to any entity, upon the prior written consent of the Partnership, such consent may be unreasonably withheld and provided the financial covenant of the assignee is no less than that of UBC.

19. **TERMINATION**

19.1. Either of the parties hereto shall be entitled to terminate this Term Sheet at any time upon 30 days' prior written notice to the other party.

20. **NON-BINDING**

20.1. This non-binding Term Sheet is an expression of our present intention and our willingness to continue negotiations which we hope shall lead to the satisfactory negotiation of the agreements and transaction contemplated herein. The material contained in this Term Sheet is for information only and no transactions will be finalized until a document is executed by both parties. Any transaction or agreement is subject to full and complete due diligence and is not intended to create contractual relations or obligations between the parties. Notwithstanding the foregoing, Sections 15 and 18 of this Term Sheet are intended to be, and shall be, legally binding on the Partnership, the Existing Limited Partnership and UBC.

[REMAINDER OF THE PAGE LEFT INTENTIONALLY BLANK]

DATED AS FIRST WRITTEN ABOVE.

UBC SOLUTIONS INCORPORATED

Name: Cynthia Sisconetto

Title:

Name:

Title:

AGREED AND ACCEPTED THIS _____ DAY OF NOVEMBER, 2024.

**1680 BRIMLEY LIMITED PARTNERSHIP, by its general
partner 2808908 ONTARIO INC.**

Name: Hans Jain

Title: Authorized Signatory

BRIMLEY PROGRESS DEVELOPMENTS

Name: Hans Jain

Title: Authorized Signatory

SCHEDULE "A"
DEVELOPMENT SITE
[to be attached]

This is Exhibit “O”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: [W. Douglas Stewart](#)
To: [Hill, Peter](#)
Cc: [Shapira, Daniel](#)
Subject: [EXTERNAL] RE: UBC and Atria Term Sheet
Date: November 14, 2024 4:48:48 PM

DLA Piper (Canada) LLP ALERT: This is an external email. Do not click links or open attachments unless you recognize the sender's email address and know the content is safe.

Hi Peter,

Thanks very much. I'll take a look and then we can have a call before we send it out to everyone. I'm generally available tomorrow afternoon.

I just saw an email from Atria's counsel on the loan extension, it seems like it has been settled other than we'll need a longer extension date than November 15. I will ask my client about that and then hopefully we can get that settled.

Regards,

Doug

W. Douglas Stewart*

Partner

P: (204) 957-4890 | **E:** DStewart@mltaikins.com

**Law Corporation*

This is Exhibit “P”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: Shane Kennedy <shane.kennedy@atria.ca>
Sent: Monday, November 18, 2024 11:44 AM
To: Cynthia Sisconetto <csisconetto@ubcja.ca>
Cc: Hans Jain <hans.jain@atria.ca>; Leonard Lee <leonard.lee@atria.ca>; W. Douglas Stewart <DStewart@mltaikins.com>; Hill, Peter <peter.hill@ca.dlapiper.com>; Shapira, Daniel <daniel.shapira@ca.dlapiper.com>
Subject: 1680 Brimley Investment Model

This message is from outside of the organization and the sender cannot be verified. Please be diligent when responding or clicking on any links. Thank you for helping fight cybercrime!

Cynthia,

Please see the attached Investment Model which reflects the Term Sheet circulated last week.

Let me know if you have any questions. I'm happy to set aside time to review with you.

Regards,
Shane



Shane Kennedy

Advisor to the CEO

☐ 416.873.1993

☐ atriadevelopment.ca

☐ 5000 Yonge St, Suite 1706 Toronto, ON M2N 7E9

CONFIDENTIALITY NOTICE: The contents of this email message and any attachments are intended solely for the addressee(s) and may contain confidential and/or privileged information and may be legally protected from disclosure. If you are not the intended recipient of this message or their agent, or if this message has been addressed to you in error, please immediately alert the sender by reply email and then delete this message and any attachments. If you are not the intended recipient, you are hereby notified that any use, dissemination, copying, or storage of this message or its attachments is strictly prohibited.

This is Exhibit “Q”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: Shane Kennedy <shane.kennedy@atria.ca>
Sent: Tuesday, November 19, 2024 5:07 PM
To: Cynthia Sisconetto <csisconetto@ubcja.ca>
Cc: Hans Jain <hans.jain@atria.ca>; Leonard Lee <leonard.lee@atria.ca>; W. Douglas Stewart <DStewart@mltaikins.com>; Hill, Peter <peter.hill@ca.dlapiper.com>; Shapira, Daniel <daniel.shapira@ca.dlapiper.com>
Subject: RE: 1680 Brimley Investment Model

This message is from outside of the organization and the sender cannot be verified. Please be diligent when responding or clicking on any links.
Thank you for helping fight cybercrime!

Cynthia,

It was circulated at the end of last week.

We saw another reversion of the Waiver today, which includes a condition precedent which states that the Borrower must remit \$2,593,333.35 to the Lender for interest and fees owing on or before November 22, 2024 (Friday of this week). This is a departure from our understanding of discussions on the Waiver to date.

Can you confirm if this was intentional or an oversight on UBC's behalf?

Regards,

Shane



Shane Kennedy

Advisor to the CEO

☐ 416.873.1993 ☐ atriadevelopment.ca
☐ 5000 Yonge St, Suite 1706 Toronto, ON M2N 7E9

CONFIDENTIALITY NOTICE: The contents of this email message and any attachments are intended solely for the addressee(s) and may contain confidential and/or privileged information and may be legally protected from disclosure. If you are not the intended recipient of this message or their agent, or if this message has been addressed to you in error, please immediately alert the sender by reply email and then delete this message and any attachments. If you are not the intended recipient, you are hereby notified that any use, dissemination, copying, or storage of this message or its attachments is strictly prohibited.

This is Exhibit “**R**”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: [Cynthia Sisconetto](#)
To: [Shane Kennedy](#)
Cc: [Hans Jain](#); [Leonard Lee](#); [W. Douglas Stewart](#); [Hill, Peter](#); [Shapira, Daniel](#)
Subject: [EXTERNAL] Re: 1680 Brimley Investment Model
Date: November 20, 2024 2:24:53 PM
Attachments: [C2 signature 734395 instagram media online photo social icon a72cb183-abb1-4734-9573-b2d347735cbc.png](#)
[C2 signature 734367 media online social twitter icon 5e283ee5-c60a-4c42-bc6d-435ced58e5f9.png](#)
[C2 signature 734393 in linked media online social icon 8fa0c3ba-d59c-4e6e-9726-8336355dded2.png](#)
[C2 signature 734386 facebook media online social icon e0a86408-04d6-470d-bd40-cddd26c42245.png](#)
[C2 signature wordmark-crc v colour-b1 224efe80-85ff-477c-86ec-6b042787f751.png](#)
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[image003.png](#)
[image002.png](#)
[image001.png](#)

DLA Piper (Canada) LLP ALERT: This is an external email. Do not click links or open attachments unless you recognize the sender's email address and know the content is safe.

Hi Shane,

Thank you for your email.

Sorry for that, you can either disregard or suggest an amendment to this part. It was a language error, but that was not our intention, nor is it what we actually agreed upon.

Please let me know if you need any further clarification.

Best regards,



Cynthia Sisconetto

Investment Portfolio Manager

E: csisconetto@ubcja.ca

D: 437-446-1602

830 Edgeley Blvd, Concord ON, L4K 4X1



This is Exhibit “S”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: [W. Douglas Stewart](#)
To: [Hill, Peter](#); [Shapira, Daniel](#)
Subject: RE: [EXTERNAL] RE: UBC/Atria
Date: November 29, 2024 5:01:35 PM
Attachments: [Atria - UBC Term Sheet v.15.docx](#)
[Atria - UBC Term Sheet v.15 to v.12.docx](#)
[image002.gif](#)
[image001.png](#)

Hi Peter and Dan,

Further to my call with Cynthia today, please find attached hereto a revised term sheet, clean and blacklined to the most recent draft you provided. I understand that we are going to have a meeting with the clients on Tuesday to discuss further..

Regards,

Doug

W. Douglas Stewart*

Partner

P: (204) 957-4890 | **E:** DStewart@mltaikins.com

**Law Corporation*

NON-BINDING TERM SHEET

December [●], 2024

1680 Brimley Limited Partnership
5000 Yonge Street
Suite 1706
North York, Ontario M2N 7E9

Attention: Hans Jain

Re: Conversion of Debt to Equity on 1680 Brimley Road, Scarborough, Ontario (the “Development Site”)

This term sheet (the “**Term Sheet**”) is for discussion purposes only and is not intended to create binding obligations on the parties hereto and does not constitute an offer, agreement or commitment. Please note that the information provided in this document is confidential and may not be disclosed to anyone without the consent of UBC Solutions Incorporated (“**UBC**”) and 1680 Brimley Limited Partnership (“**Partnership**”), except as otherwise permitted herein. Any agreement with respect to the conversion of the Loan (as defined below) into an equity interest in Phase 1 (as defined herein) of the Project (as defined herein) is subject to the receipt by UBC of additional project information as well as approval from all UBC governing entities, including certain pension funds.

1. BACKGROUND

- 1.1. The Development Site is a 4.4 acre site to be developed over two phases - Phase 1 and Phase 2 (as each is defined herein) as shown in Schedule “A” attached hereto;
- 1.2. On September 18, 2024, the Committee of Adjustments conditionally approved the severance (the “**Severance**”) of the portion of the Development Site associated with Phase 1 (“**Phase 1 Lands**”);
- 1.3. Following the Severance: (a) the Partnership will remain the beneficial owner of the Phase 1 Lands with legal title being held by Brimley Progress Developments Inc. (the “**Existing Limited Partner**”); and (b) a subsidiary of the Partnership (the “**Phase 2 Owner**”) will own the lands associated with Phase 2 (“**Phase 2 Lands**”);
- 1.4. UBC made a loan (the “**Loan**”) to the Partnership in the amount of \$70,000,000 pursuant to a credit agreement among UBC, the Partnership, 2808908 Ontario Inc. (the “**General Partner**”) and the Existing Limited Partner dated September 29, 2023, as amended (the “**Credit Agreement**”). Pursuant to Section 3 of the Credit Agreement, UBC has the right, but not the obligation, to convert all of the Loan to an equity interest in the Partnership (the “**Loan Conversion**”); and
- 1.5. Following the delivery of notice of satisfaction or waiver of its Conditions (as defined herein) in respect to the Loan Conversion, UBC shall convert its Loan into limited partnership units in the Partnership on the Closing Date (as defined herein), subject to satisfaction of the conditions as set forth herein.

2. PROJECT

- 2.1. The proposed Project consists of:
 - 2.1.1. the development of two (2) towers on the Phase 1 Lands with a total gross floor area of approximately 739,580 square feet, including 736,631 square feet of residential premises (including above grade parking) and 2,949 square feet of retail space ("**Phase 1**" or the "**Project**"); and
 - 2.1.2. the development of two (2) towers on the Phase 2 Lands with a total gross floor area of approximately 737,590 square feet, including 697,138 square feet of residential premises and 26,602 square feet of retail space ("**Phase 2**").
- 2.2. The Project will include obtaining the necessary municipal development approvals (i.e. variance permits, development permits and building permits), construction, certain leasing activities during both pre-stabilization and post-stabilization of the Project, along with the management of the operations of the Project.

3. STRUCTURE

- 3.1. The Partnership is an Ontario limited partnership formed under a limited partnership agreement, dated as of January 18, 2021, which shall be amended and restated concurrent with the Closing Date based on the terms set out in this Term Sheet (the "**Amended and Restated Partnership Agreement**"). As of the date hereof, the Existing Limited Partner is the sole limited partner of the Partnership and holds 9,999.90 Class A Units of the Partnership.
- 3.2. The Existing Limited Partner and UBC (collectively, the "**Limited Partners**") each acknowledge and agree that the capital contributed or to be contributed to the Partnership from the Limited Partners (the "**Capital Contributions**") shall be finalized within 30 days of the Condition Date (as defined herein). The Limited Partners acknowledge and agree that they intend for ownership of the Project to be equally divided among them, subject to the provisions hereof. If UBC exercises its Loan Conversion, and assuming the repayment by the Partnership of \$38,040,500.00 from the funding of the Construction Loan (in accordance with Section 12.1.3 below) and assuming that the Existing Limited Partner has made an additional Capital Contribution to the Partnership of \$11,459,500 (which is the maximum additional Capital Contribution that the Existing Limited Partner will be permitted to put into the Partnership prior to the Closing Date), then each Limited Partner shall each have made a Capital Contribution of \$31,959,500 representing a 50% ownership interest in the Project for each of the Limited Partners. In the event that the repayment by the Partnership is less than \$38,040,500 or the Existing Limited Partner does not make an additional Capital Contribution of \$11,459,500, the percentage ownership interest in the Project shall be adjusted accordingly. Notwithstanding the foregoing and for greater certainty, the Existing Limited Partner may decrease its ownership interest in the Project, in its sole discretion by decreasing its Capital Contributions to the Partnership to a minimum of \$20,500,000.00 (representing the value of the Phase 1 Lands) within 30 days of the Condition Date. In that case, assuming the repayment by the Partnership of \$38,040,500 to UBC as described above, the ownership interest of the Existing Limited Partner would be reduced to 26.18%.

- 3.3. Upon the Loan Conversion, (i) all Security (as defined in the Credit Agreement) shall be discharged, and (ii) UBC shall subscribe for and the Partnership agrees to issue to UBC Class B Units in the capital of the Partnership equal to the number of Class A Units held by the Existing Limited Partner.
- 3.4. The Amended and Restated Limited Partnership Agreement which will govern the Partnership will provide: (a) a right of first opportunity and tag along rights on any transfer of any interest in the Partnership; (b) that a Limited Partner that defaults on its obligations may suffer certain adverse consequences, including, loss of decision making input, dilution of its interest and/or a discounted buyout and forfeiture of all or a portion of its units, (c) to the extent required, each Limited Partner shall commit to advance additional Capital Contributions in accordance with its ownership interest in the Partnership, and (d) for mutual indemnity provisions with respect to each Limited Partner's obligations under the Construction Loan and the Security. Notwithstanding the foregoing, for greater clarity, the covenant of the UBC entity providing an indemnity or fulfilling obligations under the Amended and Restated Partnership Agreement, will be satisfactory to the Existing Limited Partner, in its sole discretion. To assess such covenant, the Existing Limited Partner shall have access to the financial statements of such UBC entity or entities.

4. DEVELOPMENT MANAGEMENT

- 4.1. An entity controlled (as defined in the *Canada Business Corporations Act* (the "**CBCA**")) either directly or indirectly by Hans Jain shall be named as the development manager (the "**Development Manager**") and will enter into an agreement (the "**Development Management Agreement**") with the Partnership;
- 4.2. The Development Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Development Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably; and
- 4.3. The Development Manager shall be entitled to receive a development management fee. This fee will be fixed at the amount which equates to 3.0% of the preliminary capital budget prepared by Altus Group Limited for the Project lender's first advance (the "**Capital Budget**"). The Capital Budget will not include any financing fees or land value. The Capital Budget will be approved by UBC prior to the Condition Date.

5. CONSTRUCTION MANAGEMENT

- 5.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the construction manager (the "**Construction Manager**") and will enter into an agreement (the "**Construction Management Agreement**") with the Partnership and/or the Existing Limited Partner;
- 5.2. The Construction Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Construction Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably;

- 5.3. The Construction Management Agreement shall expressly state that the Construction Manager shall only hire, cause to be hired, or continue to retain trade contractors to work on the Project (“**Trade Contractors**”) that are exclusively bound to the Carpenters’ Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals, provided that UBC may agree to waive this requirement with respect to any particular Trade Contractor at the request of the Construction Manager; and
- 5.4. The Construction Manager shall be entitled to receive a construction management fee. This fee will be at a rate of 3.25% of the approved hard construction costs and construction contingencies for the Project (the “**Hard Costs**”). The Hard Costs will be approved by UBC prior to the Condition Date.

6. PROPERTY MANAGEMENT

- 6.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the property manager (the “**Property Manager**”) and will enter into an agreement (the “**Property Management Agreement**”) with the Partnership on standard market terms;
- 6.2. The Property Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Property Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably; and
- 6.3. The Property Manager shall be entitled to receive a property management fee as follows: (i) for the period commencing three (3) months prior to the initial occupancy date, \$25,000.00 (plus HST) per month, and (ii) for the period commencing on the initial occupancy date, a fee equal to 4.0% per annum of the in-place effective gross income of the properties to be developed on the Phase 1 Lands.

7. LEASING AND MARKETING SERVICES

- 7.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall have a first right of opportunity to provide leasing and marketing services on market terms;
- 7.2. The selected leasing and marketing manager (the “**Marketing Manager**”) will enter into an agreement (the “**Marketing Management Agreement**”) with the Partnership and such agreement shall be acceptable to the Limited Partners, acting reasonably; and
- 7.3. The Marketing Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Marketing Manager.

8. MANAGEMENT

- 8.1. Decisions requiring unanimous consent by the Limited Partners, to be described more fully in the Amended and Restated Partnership Agreement, are anticipated to be, but are not limited to, the following (in addition to any other matters set out herein, including approval of the Development Management Agreement, etc.):

- 8.1.1. approval of the initial Capital Budget;

- 8.1.2. any amendments or modifications to, or the approval of any costs resulting in a deviation from, the Capital Budget, in any such case:
 - (a) 5% for any specific line item (whether on a one-time or cumulative basis), provided that no approval shall be needed for deviations of less than \$500,000;
 - (b) 1% across all items (where on a one time or cumulative basis); and
 - (c) provided, in any event that the General Partner will promptly inform the Limited Partners, and provide the Limited Partners with an updated Capital Budget, in the event of any material deviations thereof, being no less than the above thresholds;
- 8.1.3. any change to the nature or scope of the Project that impacts the Capital Budget by more than \$500,000;
- 8.1.4. the issuance of additional units of the Partnership, other than as specifically contemplated under the Amended and Restated Limited Partnership Agreement;
- 8.1.5. the admission of any additional partners into the Partnership or change of the General Partner;
- 8.1.6. any non-arm's length agreements or transactions (other than matters specifically contemplated by the Development Management Agreement and Construction Management Agreement), including any agreements or transactions with entities controlled by Hans Jain or members of his family;
- 8.1.7. any decision as to the timing and quantum of distributions outside of Section 11;
- 8.1.8. all the cheques greater than or equal to \$500,000 and not contained in the Capital Budget, will have to be approved by UBC prior to their signature and every cheque payable to an entity controlled by Hans Jain shall bear two signatures, one of which shall be from a UBC approved representative but only if UBC executes any such cheque within ten (10) days from the date of such request (the "**Dispute Period**") otherwise only one signatory will be required, unless UBC disputes any such cheque and provides reasonable backup to the Existing Limited Partner within the Dispute Period;
- 8.1.9. settling any claim against either of the Limited Partners or commencing any action or legal proceeding on behalf of the Limited Partners relating to the Project in excess of \$500,000;
- 8.1.10. the sale, exchange or other disposition of all or any part of Phase 1, subject to terms of the Amended and Restated Limited Partnership Agreement;
- 8.1.11. the approval of any financing or borrowing on the security of the assets of the Partnership;
- 8.1.12. the approval of any agreement requiring guarantees from the Limited Partners;
- 8.1.13. the waiver of any default on the part of a General Partner; and

8.1.14. the dissolution of the Partnership;

- 8.2. It is acknowledged and agreed by the Limited Partners that the General Partner shall be responsible for the day-to-day operations of the Project.
- 8.3. The Partnership will furnish annually to the Limited Partners reviewed unaudited financial statements and will provide an annual report detailing the Partnership's performance for that year. On a quarterly basis, a meeting of a steering committee shall be held to discuss the status of the Project. The steering committee shall be comprised of two (2) executives, senior officers or directors from each of the Existing Limited Partner and UBC.
- 8.4. In addition to the foregoing, UBC shall be entitled to request monthly meetings with Atria Development Corporation, the General Partner, the Development Manager, the Construction Manager. At the reasonable request of UBC, the General Partner shall directly coordinate meetings with other relevant parties with regards to the status and progress of the Project. During the construction phase of the Project, UBC shall be provided with a monthly report on the financials and progress of construction of the Project and the usage of Trade Contractors bound to the Carpenters' Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals. Following the construction phase of the Project, UBC will be provided with a monthly report on the accounting records (such as, by way of example only, draw request, trial balance, aging payable listing etc.) and operational aspects of the Project.
- 8.5. In the event that UBC's equity ownership interest in the Partnership is greater than 60%, UBC shall be have the option to appoint a full-time representative to work with management of the Partnership at the offices of the Partnership to monitor its investment in the Partnership.

9. FINANCING

- 9.1. It is the intention of the Partnership to obtain construction financing (the "**Construction Loan**") representing a maximum 95% of total development costs from construction lender(s). To the extent that any guarantees are required by any land or construction lender(s) (collectively, "**Lenders**"), each Limited Partner shall provide guarantees for the Construction Loan to the extent required by such Lenders;
- 9.2. Each party shall promptly provide all necessary requested information and documentation as requested by Canada Mortgage and Housing Corporation ("**CMHC**") and/or any Lenders in respect to the Construction Loan, in any event, shall respond no later than ten (10) days of each such request;
- 9.3. In the event security (by way of cash, letter or credit, or otherwise) is required by the City of Toronto, any other government authority or a utility supplier in respect to the Project (hereafter "**Security**"), such Security shall be provided by a third party lender on the Partnership's behalf, and each Limited Partner shall, if required by such third party lender, provide guarantees to the extent required by such Security;

- 9.4. The Construction Loan is intended to be a CMHC insured loan in accordance with the loan application provided as prepared by CBRE Capital (Canada) Inc. dated Q2 2024. The Limited Partners shall agree on the terms of the Construction Loan prior to the Condition Date; and
- 9.5. The Partnership and the Phase 2 Owner shall also enter into a shared facilities agreement (the “**Facilities Agreement**”) with respect to any amenities required by Phase 1 that are to be contained in Phase 2 and shall make all applicable registrations against title to the Phase 2 Lands to enforce such obligations.

10. COMMISSION

- 10.1. Neither of the parties have incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder’s fees, agent’s commissions and the like in connection with the Loan Conversion.

11. DISTRIBUTION OF FREE CASH FLOW

- 11.1. Free cash-flow realized from the sale activities, leasing, and/or (re)financing of the Project shall be distributed to the Limited Partners as follows:
 - 11.1.1. firstly, as to the lesser of \$100 and 0.001% to the General Partner;
 - 11.1.2. secondly, 100% to the Limited Partners, *pro rata* in proportion with the amount of its Capital Contributions until each Limited Partner has received a return of its Capital Contributions, for greater certainty, once a Limited Partner receives a return of all of its Capital Contributions, it will not receive additional distributions until all other Limited Partners have received their respective return of its Capital Contributions;
 - 11.1.3. thirdly, 100% to UBC until UBC has received an amount equal to an 8% internal rate of return on the amount of its Capital Contributions;
 - 11.1.4. fourthly, 100% to the Existing Limited Partner until the Existing Limited Partner has received an amount equal to an 8% internal rate of return on the amount of its Capital Contributions;
 - 11.1.5. fifthly, 100% to the Limited Partners, *pro rata* in proportion with the amount of its Capital Contributions until each Limited Partner has received an amount equal to a 15% internal rate of return on the amount of its Capital Contributions; and
 - 11.1.6. lastly, an amount to each of the Limited Partners equal to its percentage of the total Capital Contributions, plus 25% in the case of the Existing Limited Partner and less 25% in the case of UBC. For example, in the event that each Limited Partner contributes 50% of the total Capital Contributions, the Existing Limited Partner shall be entitled to receive 75% of the remaining free cash-flow pursuant of the Project pursuant to this clause and UBC shall be entitled to receive 25% of the remaining free cash-flow from of the Project.

- 11.2. For the purposes of Section 11.1, the return on the Capital Contributions shall be calculated from the Closing Date.

12. CONDITIONS PRECEDENT

- 12.1. UBC shall not be obligated to complete the Loan Conversion unless each of the following conditions (the “**Conditions**”, or individually a “**Condition**”) shall have been waived or fulfilled and complied with in accordance with their terms on or before 5:00 p.m. on the thirtieth (30th) day following receipt by UBC of the COI (as defined below) or such earlier date that UBC provides notice of such waiver or satisfaction with the Conditions to the General Partner or such other date as the parties may agree (the “**Condition Date**”):
- 12.1.1. UBC to be satisfied in its sole discretion in the ability of the Partnership, the Development Manager, the Construction Manager and the Property Manager, to complete the Project. This shall require certain financial disclosure as mutually agreed to by the parties, each acting reasonably and in good faith;
 - 12.1.2. Approval of the certificate of insurance from CMHC in respect of the construction of the Project (the “**COI**”);
 - 12.1.3. Approval of the Construction Loan on terms acceptable to the Limited Partners, acting reasonably, which shall include approval from the applicable Lenders to fund the Construction Loan, which shall include a principal loan amount sufficient to permit the payment to UBC of a minimum of \$12,200,000 up to a maximum of \$38,040,500 upon funding of the Construction Loan;
 - 12.1.4. Receipt of a quantity surveyors’ report certifying the current cost of the work in place at the Project; and
 - 12.1.5. Receipt of a current fair market value appraisal of the Phase 1 Lands, prepared by an acceptable AACI that is satisfactory to UBC in its sole discretion.
- 12.2. Following the waiver or fulfillment of the Conditions, the closing date of the Loan Conversion (the “**Closing Date**”) shall be concurrent with, and conditional on: (a) the first advance of the Construction Loan by the Lenders; (b) the repayment of a portion of the Loans from the proceeds of the Construction Loan in accordance with Sections 3.2 and 12.1.3; and (c) the payment by UBC of all interest and any other fees outstanding on the Loans. In the event that the Loan Conversion is not completed, UBC will give at least 90 days’ written notice to the Partnership prior to demanding repayment of the Loan.
- 12.3. All material documents with regards to the Project, including but not limited to the Amended and Restated Partnership Agreement, Development Management Agreement, Construction Management Agreement, Property Management Agreement, Contribution Agreement and Facilities Agreement shall be finalized on or before the Condition Date.

13. PHASE 2 PARTICIPATION RIGHT

- 13.1. The Phase 2 Owner intends to include all or part of the Phase 2 Lands in a fund to be formed (the “**Fund**”). The Phase 2 Owner shall deliver or cause to be delivered to UBC the

Fund investment and subscription documents once prepared. Upon delivery of the Fund investment and subscription documents to UBC, UBC shall have thirty (30) days to commit to participating in the Fund ("**Participation Right**"), following which, UBC shall no longer have a Participation Right or any option or right to acquire a beneficial interest in all or any part of the Phase 2 Lands. The terms of the Participation Right shall be the same terms offered to other potential investors of the Fund. In the event that UBC (or any assignee of UBC) elects to exercise its Participation Right to acquire 10% or greater of the equity ownership of the Fund, the Phase 2 Owner shall agree to hire Trade Contractors that are exclusively bound to the Carpenters' Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals, to perform such percentage of the construction work on the Phase 2 development as is equal to the percentage ownership of the Fund by UBC or its affiliates.

14. CONFIDENTIALITY

- 14.1. Neither party shall disclose the terms of this Term Sheet to any third party (except to their advisors, consultants, prospective lenders who require such information to carry out their respective mandates to such parties) without the prior written consent of the other party, provided, however, that each party shall be entitled to make disclosure to the extent required by law in which event the disclosing party shall notify the other party in writing prior to making such disclosure in order that the latter may seek to obtain a protective order; and
- 14.2. The confidentiality provisions of Section 14 shall survive and remain in effect and shall continue to be binding upon the parties notwithstanding the termination of this Term Sheet or the failure to consummate the transactions contemplated hereby for any reason whatsoever.

15. DUE DILIGENCE

- 15.1. The closing of the Loan Conversion remains subject to the completion of full and complete due diligence on the Project and the Partnership by UBC and its legal counsel and advisors.

16. NEGOTIATIONS WITH OTHER PARTIES

- 16.1. The Partnership agrees that it is its intention to complete with the Loan Conversion to develop Phase 1 on the terms set forth herein. In the event that the Partnership receives an offer (the "Third Party Offer") that it wishes to accept from such Third Party to finance the development of Phase 1 in place of the Loan Conversion, the Partnership shall not accept such Third Party Offer without first permitting UBC or one of its affiliated entities, to match the terms of such Third Party Offer, which offer to UBC shall be open for a period of at least 30 days. In the event that UBC matches the terms of the Third Party Offer, the Partnership agrees to hire only Trade Contractors that are exclusively bound to the Carpenters' Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals, to perform construction work on the development of Phase 1,

provided that UBC may agree to waive this requirement with respect to any particular Trade Contractor in its sole discretion.

17. GOVERNING LAW

17.1. This Letter shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

18. ASSIGNMENT

18.1. UBC shall have the right to assign this Term Sheet or any agreement resulting from the transactions contemplated herein to any non-arm's length entity, upon prior written notice to the Existing Limited Partner, provided that UBC agrees to guarantee any financial obligations of such assignee.

19. TERMINATION

19.1. Either of the parties hereto shall be entitled to terminate this Term Sheet at any time upon 30 days' prior written notice to the other party.

20. NON-BINDING

20.1. This non-binding Term Sheet is an expression of our present intention and our willingness to continue negotiations which we hope shall lead to the satisfactory negotiation of the agreements and transaction contemplated herein. The material contained in this Term Sheet is for information only and no transactions will be finalized until a document is executed by both parties. Any transaction or agreement is subject to full and complete due diligence and is not intended to create contractual relations or obligations between the parties. Notwithstanding the foregoing, Sections 14, 16 and 17 of this Term Sheet are intended to be, and shall be, legally binding on the Partnership, the Existing Limited Partner and UBC.

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DATED AS FIRST WRITTEN ABOVE.

UBC SOLUTIONS INCORPORATED

Name: Cynthia Sisconetto

Title:

Name:

Title:

AGREED AND ACCEPTED THIS _____ DAY OF DECEMBER, 2024.

**1680 BRIMLEY LIMITED PARTNERSHIP, by its general
partner 2808908 ONTARIO INC.**

Name: Hans Jain

Title: Authorized Signatory

BRIMLEY PROGRESS DEVELOPMENTS

Name: Hans Jain

Title: Authorized Signatory

SCHEDULE "A"
DEVELOPMENT SITE
[to be attached]

NON-BINDING TERM SHEET

Style Definition: Comment Text

~~November~~December 10, 2024

1680 Brimley Limited Partnership
5000 Yonge Street
Suite 1706
North York, Ontario M2N 7E9

Attention: Hans Jain

Re: Conversion of Debt to Equity on 1680 Brimley Road, Scarborough, Ontario (the "Development Site")

This term sheet (the "**Term Sheet**") is for discussion purposes only and is not intended to create binding obligations on the parties hereto and does not constitute an offer, agreement or commitment. Please note that the information provided in this document is confidential and may not be disclosed to anyone without the consent of UBC Solutions Incorporated ("**UBC**") and 1680 Brimley Limited Partnership ("**Partnership**"), except as otherwise permitted herein. Any agreement with respect to the conversion of the Loan (as defined below) into an equity interest in Phase 1 (as defined herein) of the Project (as defined herein) is subject to the receipt by UBC of additional project information as well as approval from all UBC governing entities, including certain pension funds.

1. BACKGROUND

- 1.1. The Development Site is a 4.4 acre site to be developed over two phases - Phase 1 and Phase 2 (as each is defined herein) as shown in Schedule "A" attached hereto;
- 1.2. On September 18, 2024, the Committee of Adjustments conditionally approved the severance (the "**Severance**") of the portion of the Development Site associated with Phase 1 ("**Phase 1 Lands**");
- 1.3. Following the Severance: (a) ~~1680 Brimley Limited the~~ Partnership (~~the "Partnership"~~) will remain the beneficial owner of the Phase 1 Lands with legal title being held by Brimley Progress Developments Inc. (the "**Existing Limited Partner**"); and (b) a subsidiary of the Partnership (the "**Phase 2 Owner**") will own the lands associated with Phase 2 ("**Phase 2 Lands**");
- 1.4. UBC made a loan (the "**Loan**") to the Partnership in the amount of \$70,000,000 pursuant to a credit agreement among UBC, the Partnership, 2808908 Ontario Inc. (the "**General Partner**") and the Existing Limited Partner dated September 29, 2023, as amended (the "**Credit Agreement**"). Pursuant to Section 3 of the Credit Agreement, UBC has the right, but not the obligation, to convert all of the Loan to an equity interest in the Partnership (the "**Loan Conversion**"); and
- 1.5. Following the delivery of notice of satisfaction or waiver of its Conditions (as defined herein) in respect to the Loan Conversion, UBC shall convert its Loan into limited partnership units in the Partnership on the Closing Date (as defined herein), subject to satisfaction of the conditions as set forth herein.

2. PROJECT

2.1. The proposed Project consists of:

- 2.1.1. the development of two (2) towers on the Phase 1 Lands- with a total gross floor area of approximately 739,580 square feet, including 736,631 square feet of residential premises (including above grade parking) and 2,949 square feet of retail space ("**Phase 1**" or the "**Project**"); and
- 2.1.2. the development of two (2) towers on the Phase 2 Lands with a total gross floor area of approximately 737,590 square feet, including 697,138 square feet of residential premises and 26,602 square feet of retail space ("**Phase 2**").

2.2. The Project will include obtaining the necessary municipal development approvals (i.e. variance permits, development permits and building permits), construction, certain leasing activities during both pre-stabilization and post-stabilization of the Project, along with the management of the operations of the Project.

3. STRUCTURE

3.1. The Partnership is an Ontario limited partnership formed under a limited partnership agreement, dated as of January 18, 2021, which shall be amended and restated concurrent with the Closing Date based on the terms set out in this Term Sheet (the "**Amended and Restated Partnership Agreement**"). As of the date hereof, the Existing Limited Partner is the sole limited partner of the Partnership and holds 9,999.90 Class A Units of the Partnership.

3.2. The Existing Limited Partner and UBC (collectively, the "**Limited Partners**") each acknowledge and agree that the capital contributed or to be contributed to the Partnership from the Limited Partners (the "**Capital Contributions**") shall be finalized ~~prior to within 30 days of~~ the ClosingCondition Date (as defined herein). The Limited Partners acknowledge and agree that they intend for ownership of the Project to be equally divided among them, subject to the provisions hereof. If UBC exercises its Loan Conversion, ~~then after and assuming the~~ repayment by the ~~Borrower of a maximum Partnership of~~ \$38,040,500.00 from the funding of the Construction Loan (in accordance with Section ~~13.12~~ 1.3 below) and assuming that the Existing Limited Partner ~~does not elect to decrease its has made an additional~~ Capital Contribution, to the Partnership of \$11,459,500 (which is the maximum additional Capital Contribution that the Existing Limited Partner will permitted to put into the Partnership prior to the Closing Date), then each Limited Partner shall each have made a Capital Contribution of \$31,959,500 representing a 50% ownership interest in the Project for each of the Limited Partners. In the event that the repayment by the Partnership is less than \$38,040,500 or the Existing Limited Partner does not make an additional Capital Contribution of \$11,459,500, the percentage ownership interest in the Project shall be adjusted accordingly. Notwithstanding the foregoing and for greater certainty, the Existing Limited Partner may decrease its ownership interest in the Project, in its sole discretion, ~~down to a minimum of 26.18% ownership interest in the Project~~ by decreasing its Capital Contributions to the Partnership to a minimum of \$20,500,000.00

(representing the value of the Phase 1 Lands) ~~prior to within 30 days of the Closing/Condition Date. For greater clarity, In that case, assuming the repayment by the Partnership of \$38,040,500 to UBC as described above, the ownership interest of the Existing Limited Partner may, in its sole discretion, decrease its ownership interest in the Project from 50% would be reduced to as low as 26.18%. [DLA NTD: The intention is that the Limited Partners will have 50/50 ownership on closing, unless the Existing Limited Partner decreases its Capital Contribution.]~~

- 3.3. Upon the Loan Conversion, (i) all Security (as defined in the Credit Agreement) shall be discharged, and (ii) UBC shall subscribe for and the Partnership agrees to issue to UBC Class B Units in the capital of the Partnership equal to the number of Class A Units held by the Existing Limited Partner.
- 3.4. The Amended and Restated Limited Partnership Agreement which will govern the Partnership will provide: (a) a right of first opportunity and tag along rights on any transfer of any interest in the Partnership; (b) that a Limited Partner that defaults on its obligations may suffer certain adverse consequences, including, loss of decision making input, dilution of its interest and/or a discounted buyout and forfeiture of all or a portion of its units, (c) to the extent required, each Limited Partner shall commit to advance additional Capital Contributions in accordance with its ownership interest in the Partnership, and (d) for mutual indemnity provisions with respect to each Limited Partner's obligations under the Construction Loan and the Security. Notwithstanding the foregoing, for greater clarity, the covenant of the UBC entity providing an indemnity or fulfilling obligations under the Amended and Restated Partnership Agreement, will be satisfactory to the Existing Limited Partner, in its sole discretion. To assess such covenant, the Existing Limited Partner shall have access to the ~~audited~~ financial statements of such UBC entity or entities.

4. DEVELOPMENT MANAGEMENT

- 4.1. An entity controlled (as defined in the *Canada Business Corporations Act* (the "CBCA")) either directly or indirectly by Hans Jain shall be named as the development manager (the "Development Manager") and will enter into an agreement (the "Development Management Agreement") with the Partnership;
- 4.2. The Development Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Development Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably; and
- 4.3. The Development Manager shall be entitled to receive a development management fee. This fee will be fixed at the amount which equates to 3.50% of the preliminary capital budget prepared by Altus Group Limited for the Project lender's first advance (the "Capital Budget"). The Capital Budget will not include any financing fees or land value. The Capital Budget will be approved by UBC prior to the Condition Date.

5. CONSTRUCTION MANAGEMENT

- 5.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the construction manager (the "Construction Manager") and will enter into

an agreement (the “**Construction Management Agreement**”) with the Partnership and/or the Existing Limited ~~Partnership~~**Partner**;

- 5.2. The Construction Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Construction Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably;

~~5.3.~~ The Construction Management Agreement shall expressly state that the Construction Manager ~~has the authority to hire and manage any trade contractor engaged in work on the Project (each a “Trade Contractor”);~~

~~5.4.5.3.~~ The Construction Manager shall ~~use commercially reasonable efforts to only~~ hire, cause to be hired, or continue to retain ~~trade contractors to work on the Project (“Trade Contractors”) that are~~ exclusively bound to the Carpenters’ Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals, ~~having regard to such Trade Contractor’s bid amount, business reputation and breadth of experience working on high rise projects in the Greater Toronto Area of the scope and scale of the Project provided that UBC may agree to waive this requirement with respect to any particular Trade Contractor at the request of the Construction Manager;~~ and

~~5.5.5.4.~~ The Construction Manager shall be entitled to receive a construction management fee. This fee will be at a rate of 3.25% of the approved hard construction costs and construction contingencies for the Project (the “**Hard Costs**”). The Hard Costs will be approved by UBC prior to the Condition Date.

6. **PROPERTY MANAGEMENT**

- 6.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the property manager (the “**Property Manager**”) and will enter into an agreement (the “**Property Management Agreement**”) with the Partnership on standard market terms;
- 6.2. The Property Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Property Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably; and
- 6.3. The Property Manager shall be entitled to receive a property management fee as follows: (i) for the period commencing three (3) months prior to the initial occupancy date, \$25,000.00 (plus HST) per month, and (ii) for the period commencing on the initial occupancy date, a fee equal to 4.0% per annum of the in-place effective gross income of the properties to be developed on the Phase 1 Lands.

~~7.~~ **ASSET MANAGEMENT**

~~7.1.~~ An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the asset manager (the “**Asset Manager**”) and will enter into an agreement (the “**Asset Management Agreement**”) with the Partnership;

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~~7.2. The Asset Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Asset Manager; and~~

~~7.3. The Asset Manager shall be entitled to receive an asset management fee. This fee will be at a rate equal to 0.75% per annum of the effective gross income of the properties to be developed on the Phase 1 Lands, commencing following the closing of the building permit for the Project.~~

8.7. LEASING AND MARKETING SERVICES

~~8.1.7.1.~~ An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall have a first right of opportunity to provide leasing and marketing services on market terms;

~~8.2.7.2.~~ The selected leasing and marketing manager (the “**Marketing Manager**”) will enter into an agreement (the “**Marketing Management Agreement**”) with the Partnership and such agreement shall be acceptable to the Limited Partners, acting reasonably; and

~~8.3.7.3.~~ The Marketing Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Marketing Manager.

9.8. MANAGEMENT

~~9.1.8.1.~~ Decisions requiring unanimous consent by the Limited Partners, to be described more fully in the Amended and Restated Partnership Agreement, are anticipated to be, but are not limited to, the following (in addition to any other matters set out herein, including approval of the Development Management Agreement, etc.):

~~9.1.1.8.1.1.~~ approval of the initial Capital Budget;

~~9.1.2.8.1.2.~~ any amendments or modifications to, or the approval of any costs resulting in a deviation from, the Capital Budget, in any such case:

- (a) 5% for any specific line item (whether on a one-time or cumulative basis), provided that no approval shall be needed for deviations of less than \$~~750~~500,000;
- (b) ~~21~~% across all items (where on a one-time or cumulative basis); ~~or and~~
- (c) ~~Provided~~provided, in any event that the General Partner will promptly inform the Limited Partners, and provide the Limited Partners with an updated Capital Budget, in the event of any material deviations thereof, being no less than the above thresholds;

~~9.1.3.8.1.3.~~ any change to the nature or scope of the Project that impacts the Capital Budget by more than \$~~750~~500,000;

~~9.1.4.8.1.4.~~ the issuance of additional units of the Partnership, other than as specifically contemplated under the Amended and Restated Limited Partnership Agreement;

9.1.5-8.1.5. the admission of any additional partners into the Partnership or change of the General Partner;

9.1.6-8.1.6. any non-arm's length agreements or transactions ~~not otherwise contemplated herein (including other than~~ matters specifically contemplated by the Development Management Agreement and Construction Management Agreement~~); including any agreements or transactions with entities controlled by Hans Jain or members of his family;~~

9.1.7-8.1.7. any decision as to the timing and quantum of distributions outside of Section 11;

9.1.8-8.1.8. all the cheques greater than or equal to \$~~750~~500,000 and not contained in the Capital Budget, will have to be approved by UBC prior to their signature and every cheque payable to an entity controlled by Hans Jain shall bear two signatures, one of which shall be from a UBC approved representative but only if UBC executes any such cheque within ~~seven (7)~~ten (10) days from the date of such request (the "Dispute Period") otherwise only one signatory will be required, unless UBC disputes any such cheque and provides reasonable backup to the Existing Limited Partner within the Dispute Period;

9.1.9-8.1.9. settling any claim against either of the Limited Partners or commencing any action or legal proceeding on behalf of the Limited Partners relating to the Project in excess of \$~~750~~500,000;

9.1.10-8.1.10. the sale, exchange or other disposition of all or any part of Phase 1, subject to terms of the Amended and Restated Limited Partnership Agreement;

9.1.11-8.1.11. the approval of any financing or borrowing on the security of the assets of the Partnership; ~~{DLA-NTD: Former 8.1.14 deleted as such transaction is included in 9.1.6 herein.}~~

9.1.12-8.1.12. the approval of any agreement requiring guarantees from the Limited Partners;

9.1.13-8.1.13. the waiver of any default on the part of a General Partner; and

9.1.14-8.1.14. the dissolution of the Partnership;

9.2-8.2. It is acknowledged and agreed by the Limited Partners that the General Partner shall be responsible for the day-to-day operations of the Project.

9.3-8.3. The Partnership will furnish annually to the Limited Partners reviewed unaudited financial statements and will provide an annual report detailing the Partnership's performance for that year. On a quarterly basis, a meeting of a steering committee shall be held to discuss the status of the Project. The steering committee shall be comprised of two (2) executives, senior officers or directors from each of the Existing Limited Partner and UBC.

9.4-8.4. In addition to the foregoing, UBC shall be entitled to request monthly meetings with Atria Development Corporation, the General Partner, the Development Manager, the

Construction Manager. At the reasonable request of UBC, the General Partner shall directly coordinate meetings with other relevant parties with regards to the status and progress of the Project. During the construction phase of the Project, UBC shall be provided with a monthly report on the financials and progress of construction of the Project, and the usage of Trade Contractors bound to the Carpenters' Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals. Following the construction phase of the Project, UBC will be provided with a monthly report on the accounting records (such as, by way of example only, draw request, trial balance, aging payable listing etc.) and operational aspects of the Project.

8.5. In the event that UBC's equity ownership interest in the Partnership is greater than 60%, UBC shall be have the option to appoint a full-time representative to work with management of the Partnership at the offices of the Partnership to monitor its investment in the Partnership.

10.9. FINANCING

10.1-9.1. It is the intention of the Partnership to obtain construction financing (the "Construction Loan") representing a maximum 95% of total development costs from construction lender(s). To the extent that any guarantees are required by any land or construction lender(s) (collectively, "Lenders"), each Limited Partner shall provide guarantees for the Construction Loan to the extent required by such Lenders;

10.2-9.2. Each party shall promptly provide all necessary requested information and documentation as requested by Canada Mortgage and Housing Corporation ("CMHC") and/or any Lenders in respect to the Construction Loan, in any event, shall respond no later than ten (10) days of each such request;

10.3-9.3. In the event security (by way of cash, letter or credit, or otherwise) is required by the City of Toronto, any other government authority or a utility supplier in respect to the Project (hereafter "Security"), such Security shall be provided by a third party lender on the Partnership's behalf, and each Limited Partner shall, if required by such third party lender, provide guarantees to the extent required by such Security;

10.4-9.4. The Construction Loan is intended to be a CMHC insured loan in accordance with the loan application provided as prepared by CBRE Capital (Canada) Inc. dated Q2 2024. The Limited Partners shall agree on the terms of the Construction Loan prior to the Condition Date; and

10.5-9.5. The Partnership and the Phase 2 Owner shall also enter into a shared facilities agreement (the "Facilities Agreement") with respect to any amenities required by Phase 1 that are to be contained in Phase 2 and shall make all applicable registrations against title to the Phase 2 Lands to enforce such obligations. [DLA-NTD: Contribution language to be included directly in the Amended and Restated Limited Partnership Agreement. Please See Section 3.5.]

11.10. COMMISSION

~~11.1.10.1.~~ Neither of the parties have incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, agent's commissions and the like in connection with the Loan Conversion.

12.11. DISTRIBUTION OF FREE CASH FLOW

~~12.1.11.1.~~ Free cash-flow realized from the sale activities, leasing, and/or (re)financing of the Project shall be distributed to the Limited Partners as follows:

~~12.1.1.11.1.1.~~ firstly, as to the lesser of \$100 and 0.001% to the General Partner;

~~12.1.2.11.1.2.~~ secondly, 100% to the Limited Partners, *pro rata* in proportion with the amount of its Capital Contributions until each Limited Partner has received a return of its Capital Contributions, for greater certainty, once a Limited Partner receives a return of all of its Capital Contributions, it will not receive additional distributions until all other Limited Partners have received their respective return of its Capital Contributions;

~~12.1.3.11.1.3.~~ thirdly, 100% to ~~the Limited Partners, UBC~~ until ~~each Limited Partner~~ UBC has received an amount equal to an 8% internal rate of return on the amount of its Capital Contributions;

~~11.1.4.~~ ~~fourthly~~ fourthly, 100% to the Existing Limited Partner until the Existing Limited Partner has received an amount equal to an 8% internal rate of return on the amount of its Capital Contributions;

~~12.1.4.11.1.5.~~ fifthly, 100% to the Limited Partners, *pro rata* in proportion with the amount of its Capital Contributions until each Limited Partner has received an amount equal to a 15% internal rate of return on the amount of its Capital Contributions; and

~~12.1.5.11.1.6.~~ lastly, an amount to each of the Limited Partners equal to its percentage of the total Capital Contributions, plus 25% in the case of the Existing Limited Partner and less 25% in the case of UBC. For example, in the event that each Limited Partner contributes 50% of the total Capital Contributions, the Existing Limited Partner shall be entitled to receive 75% of the remaining free cash-flow pursuant of the Project pursuant to this clause and UBC shall be entitled to receive 25% of the remaining free cash-flow from of the Project.

~~12.2.11.2.~~ For the purposes of Section ~~12.11.1~~, the return on the Capital Contributions shall be calculated from the Closing Date.

13.12. CONDITIONS PRECEDENT

~~13.1.12.1.~~ UBC shall not be obligated to complete the Loan Conversion unless each of the following conditions (the "Conditions", or individually a "Condition") shall have been waived or fulfilled and complied with in accordance with their terms on or before 5:00 p.m. on the ~~fifteenth (15th)~~ thirtieth (30th) day following receipt by UBC of the COI (as defined below) or such earlier date that UBC provides notice of such waiver or satisfaction

with the Conditions to the General Partner or such other date as the parties may agree (the “**Condition Date**”):

~~13.1.1.~~12.1.1. UBC to be satisfied in its sole discretion in the ability of the Partnership, the Development Manager, the Construction Manager, ~~the Asset Manager~~ and the Property Manager, to complete the Project. This shall require certain financial disclosure as mutually agreed to by the parties, each acting reasonably and in good faith;

~~13.1.2.~~12.1.2. Approval of the certificate of insurance from CMHC in respect of the construction of the Project (the “**COI**”);

~~13.1.3.~~12.1.3. Approval of the Construction Loan on terms acceptable to the Limited Partners, acting reasonably, which shall include approval from the applicable Lenders to fund the Construction Loan, which shall include a principal loan amount sufficient to permit the payment to UBC of a minimum of \$12,200,000 up to a maximum of \$38,040,500 upon funding of the Construction Loan;

~~13.1.4.~~12.1.4. Receipt of a quantity surveyors’ report certifying the current cost of the work in place at the Project; and

~~13.1.5.~~12.1.5. Receipt of a current fair market value appraisal of the Phase 1 Lands, prepared by an acceptable AACI that is satisfactory to UBC in its sole discretion.

~~13.2.~~12.2. Following the waiver or fulfillment of the Conditions, the closing date of the Loan Conversion (the “**Closing Date**”) shall be concurrent with, and conditional on: (a) the first advance of the Construction Loan by the Lenders, ~~or such other date that the parties may agree;~~ (b) the repayment of a portion of the Loans from the proceeds of the Construction Loan in writing (the “**Closing Date**”); ~~if accordance with Sections 3.2 and 12.1.3; and (c) the payment by UBC elects to complete the Loan Conversion then it shall waive~~ of all interest and any ~~penalties payable under the Loan from June 1st, 2024 up and until the Closing Date; other fees outstanding on the Loans.~~ In the event that the Loan Conversion is not completed, UBC will give at least ~~180~~90 days’ written notice to the Partnership prior to demanding repayment of the Loan.

~~13.3.~~12.3. All material documents with regards to the Project, including but not limited to the Amended and Restated Partnership Agreement, Development Management Agreement, Construction Management Agreement, Property Management Agreement, Contribution Agreement and Facilities Agreement shall be finalized on or before the Condition Date.

14.13. PHASE 2 PARTICIPATION RIGHT

~~14.1.~~13.1. The Phase 2 Owner intends to include all or part of the Phase 2 Lands in a fund to be formed (the “**Fund**”). The Phase 2 Owner shall deliver or cause to be delivered to UBC the Fund investment and subscription documents once prepared. Upon delivery of the Fund investment and subscription documents to UBC, UBC shall have ~~fifteen (15)~~thirty (30) days to commit to participating in the Fund (“**Participation Right**”), following which, UBC

shall no longer have a Participation Right or any option or right to acquire a beneficial interest in all or any part of the Phase 2 Lands. The terms of the Participation Right shall be the same terms offered to other potential investors of the Fund. In the event that UBC (or any assignee of UBC) elects to exercise its Participation Right to acquire 10% or greater of the equity ownership of the Fund, the Phase 2 Owner shall agree to hire Trade Contractors that are exclusively bound to the Carpenters' Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals, to perform such percentage of the construction work on the Phase 2 development as is equal to the percentage ownership of the Fund by UBC or its affiliates.

15.14. CONFIDENTIALITY

15.1.14.1. Neither party shall disclose the terms of this Term Sheet to any third party (except to their advisors, consultants, prospective lenders who require such information to carry out their respective mandates to such parties) without the prior written consent of the other party, provided, however, that each party shall be entitled to make disclosure to the extent required by law in which event the disclosing party shall notify the other party in writing prior to making such disclosure in order that the latter may seek to obtain a protective order; and

15.2.14.2. The confidentiality provisions of Section ~~15.14~~ shall survive and remain in effect and shall continue to be binding upon the parties notwithstanding the termination of this Term Sheet or the failure to consummate the transactions contemplated hereby for any reason whatsoever.

16.15. DUE DILIGENCE

16.1.15.1. The closing of the Loan Conversion remains subject to the completion of full and complete due diligence on the Project and the Partnership by UBC and its legal counsel and advisors.

~~[DLA-NTD: "NEGOTIATION~~

16. ~~NEGOTIATIONS WITH OTHER PARTNERS"~~ heading removed as the parties have been negotiating for 14 months and Atria/the PARTIES

16.1. The Partnership ~~cannot be put in a position where~~ agrees that it ~~does not have alternative parties~~ is its intention to ~~work~~ complete with ~~should UBC decide~~ the Loan Conversion to ~~not convert~~ develop Phase 1 on the terms set forth herein. In the Loan event that the Partnership receives an offer (the "Third Party Offer") that it wishes to accept from such Third Party to finance the development of Phase 1 in place of the Loan Conversion, the Partnership shall not accept such Third Party Offer without first permitting UBC or one of its affiliated entities, to match the terms of such Third Party Offer, which offer to UBC shall be open for a period of at least 30 days. In the event that UBC matches the terms of the Third Party Offer, the Partnership agrees to hire only Trade Contractors that are exclusively bound to the Carpenters' Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals, to perform construction work on the development of

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Phase 1, provided that UBC may agree to waive this requirement with respect to any particular Trade Contractor in its sole discretion.

17. **GOVERNING LAW**

17.1. This Letter shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

18. **ASSIGNMENT**

18.1. UBC shall have the right to assign this Term Sheet or any agreement resulting from the transactions contemplated herein to any non-arm's length entity, upon ~~the~~ prior written ~~consent of the Partnership, such consent may be unreasonably withheld and~~ notice to the Existing Limited Partner, provided ~~that~~ that UBC agrees to guarantee any financial covenant obligations of the such assignee ~~is no less than that of UBC.~~

19. **TERMINATION**

19.1. Either of the parties hereto shall be entitled to terminate this Term Sheet at any time upon 30 days' prior written notice to the other party.

20. **NON-BINDING**

20.1. This non-binding Term Sheet is an expression of our present intention and our willingness to continue negotiations which we hope shall lead to the satisfactory negotiation of the agreements and transaction contemplated herein. The material contained in this Term Sheet is for information only and no transactions will be finalized until a document is executed by both parties. Any transaction or agreement is subject to full and complete due diligence and is not intended to create contractual relations or obligations between the parties. Notwithstanding the foregoing, Sections ~~15~~14, 16 and ~~18~~17 of this Term Sheet are intended to be, and shall be, legally binding on the Partnership, the Existing Limited ~~Partnership~~Partner and UBC.

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DATED AS FIRST WRITTEN ABOVE.

UBC SOLUTIONS INCORPORATED

Name: Cynthia Sisconetto
Title:

Name:
Title:

AGREED AND ACCEPTED THIS _____ DAY OF ~~NOVEMBER~~DECEMBER, 2024.

**1680 BRIMLEY LIMITED PARTNERSHIP, by its general
partner 2808908 ONTARIO INC.**

Name: Hans Jain
Title: Authorized Signatory

BRIMLEY PROGRESS DEVELOPMENTS

Name: Hans Jain
Title: Authorized Signatory

SCHEDULE "A"
DEVELOPMENT SITE
[to be attached]

This is Exhibit “T”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: [Hill, Peter](#)
To: [W. Douglas Stewart](#); [Shapira, Daniel](#)
Subject: RE: [EXTERNAL] RE: UBC/Atria
Date: December 10, 2024 7:50:39 AM
Attachments: [image001.png](#)
[image002.gif](#)
[Non-Binding Term Sheet - 1680 Brimley \(DLA 12.09.2024\).docx](#)
[BLK - Non-Binding Term Sheet - 1680 Brimley \(DLA 12.09.2024\).pdf](#)

Hi Doug – please see the attached revised term sheet along with a blackline to your latest draft. Note the attached remains subject to our client’s continued review and comment.

Let us know if it would be worthwhile for the three of us to connect prior to circulating to UBC.

Thanks,

Peter Hill

Associate

T [+1 416.941.5406](tel:+14169415406)

E peter.hill@dlapiper.com

NON-BINDING TERM SHEET

December [●], 2024

1680 Brimley Limited Partnership
5000 Yonge Street
Suite 1706
North York, Ontario M2N 7E9

Attention: Hans Jain

Re: Conversion of Debt to Equity on 1680 Brimley Road, Scarborough, Ontario (the “Development Site”)

This term sheet (the “**Term Sheet**”) is for discussion purposes only and is not intended to create binding obligations on the parties hereto and does not constitute an offer, agreement or commitment. Please note that the information provided in this document is confidential and may not be disclosed to anyone without the consent of UBC Solutions Incorporated (“**UBC**”) and 1680 Brimley Limited Partnership (“**Partnership**”), except as otherwise permitted herein. Any agreement with respect to the conversion of the Loan (as defined below) into an equity interest in Phase 1 (as defined herein) of the Project (as defined herein) is subject to the receipt by UBC of additional project information as well as approval from all UBC governing entities, including certain pension funds.

1. BACKGROUND

- 1.1. The Development Site is a 4.4 acre site to be developed over two phases - Phase 1 and Phase 2 (as each is defined herein) as shown in Schedule “A” attached hereto;
- 1.2. On September 18, 2024, the Committee of Adjustments conditionally approved the severance (the “**Severance**”) of the portion of the Development Site associated with Phase 1 (“**Phase 1 Lands**”);
- 1.3. Following the Severance: (a) the Partnership will remain the beneficial owner of the Phase 1 Lands with legal title being held by Brimley Progress Developments Inc. (the “**Existing Limited Partner**”); and (b) a subsidiary of the Partnership (the “**Phase 2 Owner**”) will own the lands associated with Phase 2 (“**Phase 2 Lands**”);
- 1.4. UBC made a loan (the “**Loan**”) to the Partnership in the amount of \$70,000,000 pursuant to a credit agreement among UBC, the Partnership, 2808908 Ontario Inc. (the “**General Partner**”) and the Existing Limited Partner dated September 29, 2023, as amended (the “**Credit Agreement**”). Pursuant to Section 3 of the Credit Agreement, UBC has the right, but not the obligation, to convert all of the Loan to an equity interest in the Partnership (the “**Loan Conversion**”); and
- 1.5. Following the delivery of notice of satisfaction or waiver of its Conditions (as defined herein) in respect to the Loan Conversion, UBC shall convert its Loan into limited partnership units in the Partnership on the Closing Date (as defined herein), subject to the satisfaction or waiver of the conditions precedent set forth in Section 13.2. **[DLA NTD:]**

Following the waiver of its Condition, the Loan Conversion is only conditional on the satisfaction/waiver of the conditions precedent in Section 14.2.]

2. PROJECT

- 2.1. The proposed Project consists of:
 - 2.1.1. the development of two (2) towers on the Phase 1 Lands with a total gross floor area of approximately 739,580 square feet, including 736,631 square feet of residential premises (including above grade parking) and 2,949 square feet of retail space ("**Phase 1**" or the "**Project**"); and
 - 2.1.2. the development of two (2) towers on the Phase 2 Lands with a total gross floor area of approximately 737,590 square feet, including 697,138 square feet of residential premises and 26,602 square feet of retail space ("**Phase 2**").
- 2.2. The Project will include obtaining the necessary municipal development approvals (i.e. variance permits, development permits and building permits), construction, certain leasing activities during both pre-stabilization and post-stabilization of the Project, along with the management of the operations of the Project.

3. STRUCTURE

- 3.1. The Partnership is an Ontario limited partnership formed under a limited partnership agreement, dated as of January 18, 2021, which shall be amended and restated concurrent with the Closing Date based on the terms set out in this Term Sheet (the "**Amended and Restated Partnership Agreement**"). As of the date hereof, the Existing Limited Partner is the sole limited partner of the Partnership and holds 9,999.90 Class A Units of the Partnership.
- 3.2. The Existing Limited Partner and UBC (collectively, the "**Limited Partners**") each acknowledge and agree that the capital contributed or to be contributed to the Partnership from the Limited Partners (the "**Capital Contributions**") shall be finalized within thirty (30) days of the Condition Date (as defined herein). Subject to the provisions hereof, the Limited Partners acknowledge and agree that they intend for ownership of the Project to be equally divided among them. If UBC exercises its Loan Conversion, and assuming the repayment by the Partnership of \$38,040,500.00 from the funding of the Construction Loan (in accordance with Section 13.1.3 below) and assuming that the Existing Limited Partner has made an additional Capital Contribution to the Partnership of \$11,459,500 (which is the maximum additional Capital Contribution that the Existing Limited Partner will be permitted to put into the Partnership prior to the Closing Date), then each Limited Partner shall each have made a Capital Contribution of \$31,959,500 representing a 50% ownership interest in the Project for each of the Limited Partners. In the event that the repayment by the Partnership is less than \$38,040,500 or the Existing Limited Partner does not make an additional Capital Contribution of \$11,459,500, the percentage ownership interest in the Project shall be adjusted accordingly. Notwithstanding the foregoing and for greater certainty, the Existing Limited Partner may decrease its ownership interest in the Project, in its sole discretion by decreasing its

Capital Contributions to the Partnership to a minimum of \$20,500,000.00 (representing the value of the Phase 1 Lands) within thirty (30) days of the Condition Date. In that case, assuming the repayment by the Partnership of \$38,040,500 to UBC as described above, the ownership interest of the Existing Limited Partner would be reduced to 26.18%. Notwithstanding the foregoing, for greater clarity, the calculation of the Limited Partners' respective ownership interests herein assumes a total Construction Loan amount of \$434,000,000.00. To the extent the total Construction Loan amount differs, the proceeds available to be disbursed to UBC upon the first advance of the Construction Loan, as well as each Limited Partner's respective Capital Contributions, shall be revised accordingly.

- 3.3. Upon the Loan Conversion, (i) all Security (as defined in the Credit Agreement) shall be discharged, and (ii) UBC shall subscribe for and the Partnership agrees to issue to UBC Class B Units in the capital of the Partnership equal to the number of Class A Units held by the Existing Limited Partner.
- 3.4. The Amended and Restated Limited Partnership Agreement which will govern the Partnership will provide: (a) a right of first opportunity and tag along rights on any transfer of any interest in the Partnership; (b) that a Limited Partner that defaults on its obligations may suffer certain adverse consequences, including, loss of decision making input, dilution of its interest and/or a discounted buyout and forfeiture of all or a portion of its units, (c) to the extent required, each Limited Partner shall commit to advance additional Capital Contributions in accordance with its ownership interest in the Partnership, and (d) for mutual indemnity provisions with respect to each Limited Partner's obligations under the Construction Loan and the Security. Notwithstanding the foregoing, for greater clarity, the covenant of the UBC entity providing an indemnity or fulfilling obligations under the Amended and Restated Partnership Agreement, will be satisfactory to the Existing Limited Partner, in its sole discretion. To assess such covenant, the Existing Limited Partner shall have access to the financial statements of such UBC entity or entities.

4. DEVELOPMENT MANAGEMENT

- 4.1. An entity controlled (as defined in the *Canada Business Corporations Act* (the "**CBCA**")) either directly or indirectly by Hans Jain shall be named as the development manager (the "**Development Manager**") and will enter into an agreement (the "**Development Management Agreement**") with the Partnership;
- 4.2. The Development Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Development Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably; and
- 4.3. The Development Manager shall be entitled to receive a development management fee payable until the closing of the building permit for the Project. This fee will be fixed at the amount which equates to 3.0% of the preliminary capital budget prepared by Altus Group Limited for the Project lender's first advance (the "**Capital Budget**"). The Capital Budget will not include any financing fees or land value. The Capital Budget will be approved by UBC prior to the Condition Date.

5. CONSTRUCTION MANAGEMENT

- 5.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the construction manager (the “**Construction Manager**”) and will enter into an agreement (the “**Construction Management Agreement**”) with the Partnership and/or the Existing Limited Partner;
- 5.2. The Construction Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Construction Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably;
- 5.3. UBC hereby approves the current trades list for the Project appended hereto as Schedule “B”. If additional tendering for trades to work on the Project (“**Trade Contractors**”) is required, Carpenters’ Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals shall be the preferred provider, having regard to such Trade Contractor’s bid amount, business reputation, breadth of experience working on high rise projects in the Greater Toronto Area of the scope and scale of the Project, and the financial wherewithal to complete the work. All communications in respect to the approval of Trade Contractors (not already approved in Schedule “B” hereto) shall be provided by the UBC Investment Portfolio Manager or such other UBC representative designated in writing by UBC from time to time. Notwithstanding the foregoing, for greater clarity, the Construction Manager shall have authority to manage the Trade Contractors engaged on the Project; and
- 5.4. The Construction Manager shall be entitled to receive a construction management fee. This fee will be at a rate of 3.25% of the approved hard construction costs and construction contingencies for the Project (the “**Hard Costs**”). The Hard Costs will be approved by UBC prior to the Condition Date.

6. PROPERTY MANAGEMENT

- 6.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the property manager (the “**Property Manager**”) and will enter into an agreement (the “**Property Management Agreement**”) with the Partnership on standard market terms;
- 6.2. The Property Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Property Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably; and
- 6.3. The Property Manager shall be entitled to receive a property management fee as follows: (i) for the period commencing three (3) months prior to the initial occupancy date, \$25,000.00 (plus HST) per month, and (ii) for the period commencing on the initial occupancy date, a fee equal to 4.0% per annum of the in-place effective gross income of the properties to be developed on the Phase 1 Lands.

7. ASSET MANAGEMENT

- 7.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the asset manager (the “**Asset Manager**”) and will enter into an agreement (the “**Asset Management Agreement**”) with the Partnership;
- 7.2. The Asset Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Asset Manager; and
- 7.3. The Asset Manager shall be entitled to receive an asset management fee. This fee will be at a rate equal to 0.75% per annum of the effective gross income of the properties to be developed on the Phase 1 Lands, commencing following the closing of the building permit for the Project.

8. LEASING AND MARKETING SERVICES

- 8.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall have a first right of opportunity to provide leasing and marketing services on market terms;
- 8.2. The selected leasing and marketing manager (the “**Marketing Manager**”) will enter into an agreement (the “**Marketing Management Agreement**”) with the Partnership and such agreement shall be acceptable to the Limited Partners, acting reasonably; and
- 8.3. The Marketing Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Marketing Manager.

9. MANAGEMENT

- 9.1. Decisions requiring unanimous consent by the Limited Partners, to be described more fully in the Amended and Restated Partnership Agreement, are anticipated to be, but are not limited to, the following (in addition to any other matters set out herein, including approval of the Development Management Agreement, etc.):
 - 9.1.1. approval of the initial Capital Budget;
 - 9.1.2. any amendments or modifications to, or the approval of any costs resulting in a deviation from, the Capital Budget, in any such case:
 - (a) 5% for any specific line item (whether on a one-time or cumulative basis), provided that no approval shall be needed for deviations of less than \$500,000;
 - (b) 1% across all items (where on a one time or cumulative basis); and
 - (c) provided, in any event that the General Partner will promptly inform the Limited Partners, and provide the Limited Partners with an updated Capital Budget, in the event of any material deviations thereof, being no less than the above thresholds;
 - 9.1.3. any change to the nature or scope of the Project that impacts the Capital Budget by more than \$500,000;

- 9.1.4. the issuance of additional units of the Partnership, other than as specifically contemplated under the Amended and Restated Limited Partnership Agreement;
- 9.1.5. the admission of any additional partners into the Partnership or change of the General Partner;
- 9.1.6. any non-arm's length agreements or transactions (other than matters specifically contemplated by the Development Management Agreement and Construction Management Agreement), including any agreements or transactions with entities controlled by Hans Jain or members of his family;
- 9.1.7. any decision as to the timing and quantum of distributions outside of Section 12;
- 9.1.8. all the cheques greater than or equal to \$500,000 and not contained in the Capital Budget, will have to be approved by UBC prior to their signature and every cheque payable to an entity controlled by Hans Jain shall bear two signatures, one of which shall be from a UBC approved representative but only if UBC executes any such cheque within ten (10) days from the date of such request (the "**Dispute Period**") otherwise only one signatory will be required, unless UBC disputes any such cheque and provides reasonable backup to the Existing Limited Partner within the Dispute Period;
- 9.1.9. settling any claim against either of the Limited Partners or commencing any action or legal proceeding on behalf of the Limited Partners relating to the Project in excess of \$500,000;
- 9.1.10. the sale, exchange or other disposition of all or any part of Phase 1, subject to terms of the Amended and Restated Limited Partnership Agreement;
- 9.1.11. the approval of any financing or borrowing on the security of the assets of the Partnership;
- 9.1.12. the approval of any agreement requiring guarantees from the Limited Partners;
- 9.1.13. the waiver of any default on the part of a General Partner; and
- 9.1.14. the dissolution of the Partnership;
- 9.2. It is acknowledged and agreed by the Limited Partners that the General Partner shall be responsible for the day-to-day operations of the Project.
- 9.3. The Partnership will furnish annually to the Limited Partners reviewed unaudited financial statements and will provide an annual report detailing the Partnership's performance for that year. On a quarterly basis, a meeting of a steering committee shall be held to discuss the status of the Project. The steering committee shall be comprised of two (2) executives, senior officers or directors from each of the Existing Limited Partner and UBC.
- 9.4. In addition to the foregoing, UBC shall be entitled to request monthly meetings with Atria Development Corporation ("**Atria**"), the General Partner, the Development Manager, the Construction Manager. At the reasonable request of UBC, the General Partner shall

directly coordinate meetings with other relevant parties with regards to the status and progress of the Project. During the construction phase of the Project, UBC shall be provided with a monthly report on the financials and progress of construction of the Project and the usage of Trade Contractors bound to the Carpenters' Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals. Following the construction phase of the Project, UBC will be provided with a monthly report on the accounting records (such as, by way of example only, draw request, trial balance, aging payable listing etc.) and operational aspects of the Project.

- 9.5. In the event that UBC's equity ownership interest in the Partnership is greater than 65%, UBC shall have the option to appoint a full-time representative ("**UBC Representative**") to work with management of the Partnership at the offices of the Partnership to monitor its investment in the Partnership. In the event UBC elects to appoint a UBC Representative to work with the management of the Partnership at its offices in accordance with this Section 9.5, the individual shall be required to sign a confidentiality agreement. UBC shall indemnify, defend and hold harmless, the Existing Limited Partner, the General Partner, the Limited Partnership and Atria from and against any liability or damage resulting from the breach of the confidentiality agreement by the UBC Representative and any acts or omissions of the UBC Representative while attending the offices of the Partnership.

10. FINANCING

- 10.1. It is the intention of the Partnership to obtain construction financing (the "**Construction Loan**") representing a maximum 95% of total development costs from construction lender(s). To the extent that any guarantees are required by any land or construction lender(s) (collectively, "**Lenders**"), each Limited Partner shall provide guarantees for the Construction Loan to the extent required by such Lenders;
- 10.2. Each party shall promptly provide all necessary requested information and documentation as requested by Canada Mortgage and Housing Corporation ("**CMHC**") and/or any Lenders in respect to the Construction Loan, in any event, shall respond no later than ten (10) days of each such request;
- 10.3. In the event security (by way of cash, letter or credit, or otherwise) is required by the City of Toronto, any other government authority or a utility supplier in respect to the Project (hereafter "**Security**"), such Security shall be provided by a third party lender on the Partnership's behalf, and each Limited Partner shall, if required by such third party lender, provide guarantees to the extent required by such Security;
- 10.4. The Construction Loan is intended to be a CMHC insured loan in accordance with the loan application provided as prepared by CBRE Capital (Canada) Inc. dated Q2 2024. The Limited Partners shall agree on the terms of the Construction Loan prior to the Condition Date; and
- 10.5. The Partnership and the Phase 2 Owner shall also enter into a shared facilities agreement (the "**Facilities Agreement**") with respect to any amenities required by Phase 1 that are

to be contained in Phase 2 and shall make all applicable registrations against title to the Phase 2 Lands to enforce such obligations.

11. COMMISSION

- 11.1. Neither of the parties have incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder's fees, agent's commissions and the like in connection with the Loan Conversion.

12. DISTRIBUTION OF FREE CASH FLOW

- 12.1. Free cash-flow realized from the sale activities, leasing, and/or (re)financing of the Project shall be distributed to the Limited Partners as follows:

- 12.1.1. firstly, as to the lesser of \$100 and 0.001% to the General Partner;

- 12.1.2. secondly, 100% to the Limited Partners, *pro rata* in proportion with the amount of its Capital Contributions until each Limited Partner has received a return of its Capital Contributions, for greater certainty, once a Limited Partner receives a return of all of its Capital Contributions, it will not receive additional distributions until all other Limited Partners have received their respective return of its Capital Contributions;

- 12.1.3. thirdly, 100% to the Limited Partners, *pro rata* in proportion with the amount of its Capital Contributions until each Limited Partner has received an amount equal to a 15% internal rate of return on the amount of its Capital Contributions; and

- 12.1.4. lastly, an amount to each of the Limited Partners equal to its percentage of the total Capital Contributions, plus 25% in the case of the Existing Limited Partner and less 25% in the case of UBC. For example, in the event that each Limited Partner contributes 50% of the total Capital Contributions, the Existing Limited Partner shall be entitled to receive 75% of the remaining free cash-flow pursuant of the Project pursuant to this clause and UBC shall be entitled to receive 25% of the remaining free cash-flow from of the Project.

- 12.2. For the purposes of Section 12.1, the return on the Capital Contributions shall be calculated from the Closing Date.

13. CONDITIONS PRECEDENT

- 13.1. UBC shall not be obligated to complete the Loan Conversion unless each of the following conditions (the "**Conditions**", or individually a "**Condition**") shall have been waived or fulfilled and complied with in accordance with their terms on or before 5:00 p.m. on the thirtieth (30th) day following receipt by UBC of the COI (as defined below) or such earlier date that UBC provides notice of such waiver or satisfaction with the Conditions to the General Partner or such other date as the parties may agree (the "**Condition Date**"):
 - 13.1.1. UBC to be satisfied in its sole discretion in the ability of the Partnership, the Development Manager, the Construction Manager, Asset Manager and the Property Manager, to complete the Project. This shall require certain financial

disclosure as mutually agreed to by the parties, each acting reasonably and in good faith;

- 13.1.2. Approval of the certificate of insurance from CMHC in respect of the construction of the Project (the “**COI**”);
 - 13.1.3. Approval of the Construction Loan on terms acceptable to the Limited Partners, acting reasonably, which shall include approval from the applicable Lenders to fund the Construction Loan, which shall include a principal loan amount sufficient to permit the payment to UBC of a minimum of \$12,200,000 up to a maximum of \$38,040,500 upon funding of the Construction Loan;
 - 13.1.4. Receipt of a quantity surveyors’ report certifying the current cost of the work in place at the Project; and
 - 13.1.5. Receipt of a current fair market value appraisal of the Phase 1 Lands, prepared by an acceptable AACI that is satisfactory to UBC in its sole discretion.
- 13.2. Following the waiver or fulfillment of the Conditions, the closing date of the Loan Conversion (the “**Closing Date**”) shall be concurrent with, and conditional on: (a) the first advance of the Construction Loan by the Lenders; (b) the repayment of a portion of the Loans from the proceeds of the Construction Loan in accordance with Sections 3.2 and 13.1.3; and (c) the payment by UBC of all interest and any other fees outstanding on the Loans. In the event that the Loan Conversion is not completed, UBC will give at least one hundred and twenty (120) days’ written notice to the Partnership prior to demanding repayment of the Loan.
- 13.3. All material documents with regards to the Project, including but not limited to the Amended and Restated Partnership Agreement, Development Management Agreement, Construction Management Agreement, Property Management Agreement, Asset Management Agreement, Contribution Agreement and Facilities Agreement shall be finalized on or before the Condition Date.

14. **PHASE 2 PARTICIPATION RIGHT**

- 14.1. The Phase 2 Owner intends to include all or part of the Phase 2 Lands in a fund to be formed (the “**Fund**”). The Phase 2 Owner shall deliver or cause to be delivered to UBC the Fund investment and subscription documents once prepared. Upon delivery of the Fund investment and subscription documents to UBC, UBC shall have thirty (30) days to commit to participating in the Fund (“**Participation Right**”), following which, UBC shall no longer have a Participation Right or any option or right to acquire a beneficial interest in all or any part of the Phase 2 Lands. The terms of the Participation Right shall be the same terms offered to other potential investors of the Fund. In the event that UBC (or any assignee of UBC) elects to exercise its Participation Right and acquires 20% or greater of the equity ownership of the Fund (which includes for greater certainty, the contribution of the required capital for such equity position) (the “**UBC Phase 2 Equity Position**”), and so long as UBC maintains the UBC Phase 2 Equity Position, the Trade Contractors that are exclusively bound to the Carpenters’ Regional Council, United Brotherhood of Carpenters

and Joiners of America or its affiliated locals shall be the preferred providers to be hired to work on the Project, having regard to such Trade Contractor's bid amount, business reputation, breadth of experience working on high rise projects in the Greater Toronto Area of the scope and scale of the Project, and the financial wherewithal to complete the work.

15. CONFIDENTIALITY

- 15.1. Neither party shall disclose the terms of this Term Sheet to any third party (except to their advisors, consultants, prospective lenders who require such information to carry out their respective mandates to such parties) without the prior written consent of the other party, provided, however, that each party shall be entitled to make disclosure to the extent required by law in which event the disclosing party shall notify the other party in writing prior to making such disclosure in order that the latter may seek to obtain a protective order; and
- 15.2. The confidentiality provisions of this Section 15 shall survive and remain in effect and shall continue to be binding upon the parties notwithstanding the termination of this Term Sheet or the failure to consummate the transactions contemplated hereby for any reason whatsoever.

16. DUE DILIGENCE

- 16.1. The closing of the Loan Conversion remains subject to the completion of full and complete due diligence on the Project and the Partnership by UBC and its legal counsel and advisors.

17. NEGOTIATIONS WITH OTHER PARTIES

- 17.1. The Partnership agrees that it is its intention to complete with the Loan Conversion to develop Phase 1 on the terms set forth herein. Provided that UBC has not terminated this Term Sheet in accordance with Section 20 hereof, the Existing Limited Partner shall not enter into a binding term sheet or memorandum of understanding with another party in respect to the Project prior to January 31, 2025. For the avoidance of doubt, this provision shall not preclude the Existing Limited Partner from entering into negotiations with other parties.

18. GOVERNING LAW

- 18.1. This Term Sheet shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

19. ASSIGNMENT

- 19.1. UBC shall have the right to assign this Term Sheet or any agreement resulting from the transactions contemplated herein to any non-arm's length entity, upon prior written notice to the

Existing Limited Partner and the General Partner, provided that UBC agrees to guarantee any financial obligations of such assignee.

20. **TERMINATION**

20.1. Either of the parties hereto shall be entitled to terminate this Term Sheet at any time upon thirty (30) days' prior written notice to the other party.

21. **NON-BINDING**

21.1. This non-binding Term Sheet is an expression of our present intention and our willingness to continue negotiations which we hope shall lead to the satisfactory negotiation of the agreements and transaction contemplated herein. The material contained in this Term Sheet is for information only and no transactions will be finalized until a document is executed by both parties. Any transaction or agreement is subject to full and complete due diligence and is not intended to create contractual relations or obligations between the parties. Notwithstanding the foregoing, Sections 15, 17 and 18 of this Term Sheet are intended to be, and shall be, legally binding on the Partnership, the Existing Limited Partner and UBC.

[REMAINDER OF THE PAGE LEFT INTENTIONALLY BLANK]

DATED AS FIRST WRITTEN ABOVE.

UBC SOLUTIONS INCORPORATED

Name: Cynthia Sisconetto

Title:

Name:

Title:

AGREED AND ACCEPTED THIS _____ DAY OF DECEMBER, 2024.

**1680 BRIMLEY LIMITED PARTNERSHIP, by its general
partner 2808908 ONTARIO INC.**

Name: Hans Jain

Title: Authorized Signatory

BRIMLEY PROGRESS DEVELOPMENTS

Name: Hans Jain

Title: Authorized Signatory

SCHEDULE "A"
DEVELOPMENT SITE
[to be attached]

SCHEDULE "B"

TRADES BID LIST

[to be attached]

NON-BINDING TERM SHEET

December [●], 2024

1680 Brimley Limited Partnership
5000 Yonge Street
Suite 1706
North York, Ontario M2N 7E9

Attention: Hans Jain

Re: Conversion of Debt to Equity on 1680 Brimley Road, Scarborough, Ontario (the “Development Site”)

This term sheet (the “**Term Sheet**”) is for discussion purposes only and is not intended to create binding obligations on the parties hereto and does not constitute an offer, agreement or commitment. Please note that the information provided in this document is confidential and may not be disclosed to anyone without the consent of UBC Solutions Incorporated (“**UBC**”) and 1680 Brimley Limited Partnership (“**Partnership**”), except as otherwise permitted herein. Any agreement with respect to the conversion of the Loan (as defined below) into an equity interest in Phase 1 (as defined herein) of the Project (as defined herein) is subject to the receipt by UBC of additional project information as well as approval from all UBC governing entities, including certain pension funds.

1. BACKGROUND

- 1.1. The Development Site is a 4.4 acre site to be developed over two phases - Phase 1 and Phase 2 (as each is defined herein) as shown in Schedule “A” attached hereto;
- 1.2. On September 18, 2024, the Committee of Adjustments conditionally approved the severance (the “**Severance**”) of the portion of the Development Site associated with Phase 1 (“**Phase 1 Lands**”);
- 1.3. Following the Severance: (a) the Partnership will remain the beneficial owner of the Phase 1 Lands with legal title being held by Brimley Progress Developments Inc. (the “**Existing Limited Partner**”); and (b) a subsidiary of the Partnership (the “**Phase 2 Owner**”) will own the lands associated with Phase 2 (“**Phase 2 Lands**”);
- 1.4. UBC made a loan (the “**Loan**”) to the Partnership in the amount of \$70,000,000 pursuant to a credit agreement among UBC, the Partnership, 2808908 Ontario Inc. (the “**General Partner**”) and the Existing Limited Partner dated September 29, 2023, as amended (the “**Credit Agreement**”). Pursuant to Section 3 of the Credit Agreement, UBC has the right, but not the obligation, to convert all of the Loan to an equity interest in the Partnership (the “**Loan Conversion**”); and
- 1.5. Following the delivery of notice of satisfaction or waiver of its Conditions (as defined herein) in respect to the Loan Conversion, UBC shall convert its Loan into limited partnership units in the Partnership on the Closing Date (as defined herein), subject to the satisfaction or waiver of the conditions as precedent set forth herein in Section 13.2.

[DLA NTD: Following the waiver of its Condition, the Loan Conversion is only conditional on the satisfaction/waiver of the conditions precedent in Section 14.2.]

2. PROJECT

- 2.1. The proposed Project consists of:
 - 2.1.1. the development of two (2) towers on the Phase 1 Lands with a total gross floor area of approximately 739,580 square feet, including 736,631 square feet of residential premises (including above grade parking) and 2,949 square feet of retail space ("**Phase 1**" or the "**Project**"); and
 - 2.1.2. the development of two (2) towers on the Phase 2 Lands with a total gross floor area of approximately 737,590 square feet, including 697,138 square feet of residential premises and 26,602 square feet of retail space ("**Phase 2**").
- 2.2. The Project will include obtaining the necessary municipal development approvals (i.e. variance permits, development permits and building permits), construction, certain leasing activities during both pre-stabilization and post-stabilization of the Project, along with the management of the operations of the Project.

3. STRUCTURE

- 3.1. The Partnership is an Ontario limited partnership formed under a limited partnership agreement, dated as of January 18, 2021, which shall be amended and restated concurrent with the Closing Date based on the terms set out in this Term Sheet (the "**Amended and Restated Partnership Agreement**"). As of the date hereof, the Existing Limited Partner is the sole limited partner of the Partnership and holds 9,999.90 Class A Units of the Partnership.
- 3.2. The Existing Limited Partner and UBC (collectively, the "**Limited Partners**") each acknowledge and agree that the capital contributed or to be contributed to the Partnership from the Limited Partners (the "**Capital Contributions**") shall be finalized within thirty (30) days of the Condition Date (as defined herein). Subject to the provisions hereof, the Limited Partners acknowledge and agree that they intend for ownership of the Project to be equally divided among them, ~~subject to the provisions hereof~~. If UBC exercises its Loan Conversion, and assuming the repayment by the Partnership of \$38,040,500.00 from the funding of the Construction Loan (in accordance with Section ~~12.1.3~~ 13.1.3 below) and assuming that the Existing Limited Partner has made an additional Capital Contribution to the Partnership of \$11,459,500 (which is the maximum additional Capital Contribution that the Existing Limited Partner will permitted to put into the Partnership prior to the Closing Date), then each Limited Partner shall each have made a Capital Contribution of \$31,959,500 representing a 50% ownership interest in the Project for each of the Limited Partners. In the event that the repayment by the Partnership is less than \$38,040,500 or the Existing Limited Partner does not make an additional Capital Contribution of \$11,459,500, the percentage ownership interest in the Project shall be adjusted accordingly. Notwithstanding the foregoing and for greater certainty, the Existing Limited Partner may decrease its ownership interest in the Project, in its sole discretion by decreasing its Capital Contributions to the Partnership to a minimum of \$20,500,000.00 (representing the value of the Phase 1 Lands) within thirty (30) days of the Condition Date. In that case, assuming the repayment by the Partnership of \$38,040,500 to UBC as described above,

the ownership interest of the Existing Limited Partner would be reduced to 26.18%. Notwithstanding the foregoing, for greater clarity, the calculation of the Limited Partners' respective ownership interests herein assumes a total Construction Loan amount of \$434,000,000.00. To the extent the total Construction Loan amount differs, the proceeds available to be disbursed to UBC upon the first advance of the Construction Loan, as well as each Limited Partner's respective Capital Contributions, shall be revised accordingly.

- 3.3. Upon the Loan Conversion, (i) all Security (as defined in the Credit Agreement) shall be discharged, and (ii) UBC shall subscribe for and the Partnership agrees to issue to UBC Class B Units in the capital of the Partnership equal to the number of Class A Units held by the Existing Limited Partner.
- 3.4. The Amended and Restated Limited Partnership Agreement which will govern the Partnership will provide: (a) a right of first opportunity and tag along rights on any transfer of any interest in the Partnership; (b) that a Limited Partner that defaults on its obligations may suffer certain adverse consequences, including, loss of decision making input, dilution of its interest and/or a discounted buyout and forfeiture of all or a portion of its units, (c) to the extent required, each Limited Partner shall commit to advance additional Capital Contributions in accordance with its ownership interest in the Partnership, and (d) for mutual indemnity provisions with respect to each Limited Partner's obligations under the Construction Loan and the Security. Notwithstanding the foregoing, for greater clarity, the covenant of the UBC entity providing an indemnity or fulfilling obligations under the Amended and Restated Partnership Agreement, will be satisfactory to the Existing Limited Partner, in its sole discretion. To assess such covenant, the Existing Limited Partner shall have access to the financial statements of such UBC entity or entities.

4. DEVELOPMENT MANAGEMENT

- 4.1. An entity controlled (as defined in the *Canada Business Corporations Act* (the "**CBCA**")) either directly or indirectly by Hans Jain shall be named as the development manager (the "**Development Manager**") and will enter into an agreement (the "**Development Management Agreement**") with the Partnership;
- 4.2. The Development Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Development Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably; and
- 4.3. The Development Manager shall be entitled to receive a development management fee payable until the closing of the building permit for the Project. This fee will be fixed at the amount which equates to 3.0% of the preliminary capital budget prepared by Altus Group Limited for the Project lender's first advance (the "**Capital Budget**"). The Capital Budget will not include any financing fees or land value. The Capital Budget will be approved by UBC prior to the Condition Date.

5. CONSTRUCTION MANAGEMENT

- 5.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the construction manager (the "**Construction Manager**") and will enter into an agreement (the "**Construction Management Agreement**") with the Partnership and/or the Existing Limited Partner;

- 5.2. The Construction Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Construction Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably;
- 5.3. ~~The Construction Management Agreement shall expressly state that the Construction Manager shall only hire, cause to be hired, or continue to retain trade contractors~~ UBC hereby approves the current trades list for the Project appended hereto as Schedule "B". If additional tendering for trades to work on the Project ("Trade Contractors") ~~that are exclusively bound to theis required,~~ Carpenters' Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals, ~~provided that UBC may agree to waive this requirement with respect to any particular~~ shall be the preferred provider, having regard to such Trade Contractor's bid amount, business reputation, breadth of experience working on high rise projects in the Greater Toronto Area of the scope and scale of the Project, and the financial wherewithal to complete the work. All communications in respect to the approval of Trade Contractors ~~at the request of~~ (not already approved in Schedule "B" hereto) shall be provided by the UBC Investment Portfolio Manager or such other UBC representative designated in writing by UBC from time to time. Notwithstanding the foregoing, for greater clarity, the Construction Manager shall have authority to manage the Trade Contractors engaged on the Project; and
- 5.4. The Construction Manager shall be entitled to receive a construction management fee. This fee will be at a rate of 3.25% of the approved hard construction costs and construction contingencies for the Project (the "**Hard Costs**"). The Hard Costs will be approved by UBC prior to the Condition Date.

6. **PROPERTY MANAGEMENT**

- 6.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the property manager (the "**Property Manager**") and will enter into an agreement (the "**Property Management Agreement**") with the Partnership on standard market terms;
- 6.2. The Property Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Property Manager and such agreement shall be acceptable to the Limited Partners, acting reasonably; and
- 6.3. The Property Manager shall be entitled to receive a property management fee as follows: (i) for the period commencing three (3) months prior to the initial occupancy date, \$25,000.00 (plus HST) per month, and (ii) for the period commencing on the initial occupancy date, a fee equal to 4.0% per annum of the in-place effective gross income of the properties to be developed on the Phase 1 Lands.

7. **ASSET MANAGEMENT**

- 7.1. An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall be named as the asset manager (the "**Asset Manager**") and will enter into an agreement (the "**Asset Management Agreement**") with the Partnership;
- 7.2. The Asset Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Asset Manager; and
- 7.3. The Asset Manager shall be entitled to receive an asset management fee. This fee will be at a rate equal to 0.75% per annum of the effective gross income of the properties

to be developed on the Phase 1 Lands, commencing following the closing of the building permit for the Project.

8. ~~7.~~ **LEASING AND MARKETING SERVICES**

- 8.1. ~~7.1.~~ An entity controlled (as defined in the CBCA) either directly or indirectly by Hans Jain shall have a first right of opportunity to provide leasing and marketing services on market terms;
- 8.2. ~~7.2.~~ The selected leasing and marketing manager (the “**Marketing Manager**”) will enter into an agreement (the “**Marketing Management Agreement**”) with the Partnership and such agreement shall be acceptable to the Limited Partners, acting reasonably; and
- 8.3. ~~7.3.~~ The Marketing Management Agreement shall clearly identify the roles, responsibilities, and remuneration of the Marketing Manager.

9. ~~8.~~ **MANAGEMENT**

- 9.1. ~~8.1.~~ Decisions requiring unanimous consent by the Limited Partners, to be described more fully in the Amended and Restated Partnership Agreement, are anticipated to be, but are not limited to, the following (in addition to any other matters set out herein, including approval of the Development Management Agreement, etc.):
- 9.1.1. ~~8.1.1.~~ approval of the initial Capital Budget;
- 9.1.2. ~~8.1.2.~~ any amendments or modifications to, or the approval of any costs resulting in a deviation from, the Capital Budget, in any such case:
- (a) 5% for any specific line item (whether on a one-time or cumulative basis), provided that no approval shall be needed for deviations of less than \$500,000;
 - (b) 1% across all items (where on a one time or cumulative basis); and
 - (c) provided, in any event that the General Partner will promptly inform the Limited Partners, and provide the Limited Partners with an updated Capital Budget, in the event of any material deviations thereof, being no less than the above thresholds;
- 9.1.3. ~~8.1.3.~~ any change to the nature or scope of the Project that impacts the Capital Budget by more than \$500,000;
- 9.1.4. ~~8.1.4.~~ the issuance of additional units of the Partnership, other than as specifically contemplated under the Amended and Restated Limited Partnership Agreement;
- 9.1.5. ~~8.1.5.~~ the admission of any additional partners into the Partnership or change of the General Partner;
- 9.1.6. ~~8.1.6.~~ any non-arm’s length agreements or transactions (other than matters specifically contemplated by the Development Management Agreement and Construction Management Agreement), including any agreements or transactions with entities controlled by Hans Jain or members of his family;
- 9.1.7. ~~8.1.7.~~ any decision as to the timing and quantum of distributions outside of Section ~~11~~12;
- 9.1.8. ~~8.1.8.~~ all the cheques greater than or equal to \$500,000 and not contained in the Capital Budget, will have to be approved by UBC prior to their signature and every cheque payable to an entity controlled by Hans Jain shall bear two signatures, one of which shall be from a UBC approved representative but only if

UBC executes any such cheque within ten (10) days from the date of such request (the “**Dispute Period**”) otherwise only one signatory will be required, unless UBC disputes any such cheque and provides reasonable backup to the Existing Limited Partner within the Dispute Period;

9.1.9. ~~8.1.9.~~ settling any claim against either of the Limited Partners or commencing any action or legal proceeding on behalf of the Limited Partners relating to the Project in excess of \$500,000;

9.1.10. ~~8.1.10.~~ the sale, exchange or other disposition of all or any part of Phase 1, subject to terms of the Amended and Restated Limited Partnership Agreement;

9.1.11. ~~8.1.11.~~ the approval of any financing or borrowing on the security of the assets of the Partnership;

9.1.12. ~~8.1.12.~~ the approval of any agreement requiring guarantees from the Limited Partners;

9.1.13. ~~8.1.13.~~ the waiver of any default on the part of a General Partner; and

9.1.14. ~~8.1.14.~~ the dissolution of the Partnership;

9.2. ~~8.2.~~ It is acknowledged and agreed by the Limited Partners that the General Partner shall be responsible for the day-to-day operations of the Project.

9.3. ~~8.3.~~ The Partnership will furnish annually to the Limited Partners reviewed unaudited financial statements and will provide an annual report detailing the Partnership’s performance for that year. On a quarterly basis, a meeting of a steering committee shall be held to discuss the status of the Project. The steering committee shall be comprised of two (2) executives, senior officers or directors from each of the Existing Limited Partner and UBC.

9.4. ~~8.4.~~ In addition to the foregoing, UBC shall be entitled to request monthly meetings with Atria Development Corporation (“Atria”), the General Partner, the Development Manager, the Construction Manager. At the reasonable request of UBC, the General Partner shall directly coordinate meetings with other relevant parties with regards to the status and progress of the Project. During the construction phase of the Project, UBC shall be provided with a monthly report on the financials and progress of construction of the Project and the usage of Trade Contractors bound to the Carpenters’ Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals. Following the construction phase of the Project, UBC will be provided with a monthly report on the accounting records (such as, by way of example only, draw request, trial balance, aging payable listing etc.) and operational aspects of the Project.

9.5. ~~8.5.~~ In the event that UBC’s equity ownership interest in the Partnership is greater than ~~60~~65%, UBC shall be have the option to appoint a full-time representative (“UBC Representative”) to work with management of the Partnership at the offices of the Partnership to monitor its investment in the Partnership. In the event UBC elects to appoint a UBC Representative to work with the management of the Partnership at its offices in accordance with this Section 9.5, the individual shall be required to sign a confidentiality agreement. UBC shall indemnify , defend and hold harmless, the Existing Limited Partner, the General Partner, the Limited Partnership and Atria from and against any liability or damage resulting from the breach of the confidentiality

agreement by the UBC Representative and any acts or omissions of the UBC Representative while attending the offices of the Partnership.

10. ~~9.~~ **FINANCING**

10.1. ~~9.1.~~ It is the intention of the Partnership to obtain construction financing (the “**Construction Loan**”) representing a maximum 95% of total development costs from construction lender(s). To the extent that any guarantees are required by any land or construction lender(s) (collectively, “**Lenders**”), each Limited Partner shall provide guarantees for the Construction Loan to the extent required by such Lenders;

10.2. ~~9.2.~~ Each party shall promptly provide all necessary requested information and documentation as requested by Canada Mortgage and Housing Corporation (“**CMHC**”) and/or any Lenders in respect to the Construction Loan, in any event, shall respond no later than ten (10) days of each such request;

10.3. ~~9.3.~~ In the event security (by way of cash, letter or credit, or otherwise) is required by the City of Toronto, any other government authority or a utility supplier in respect to the Project (hereafter “**Security**”), such Security shall be provided by a third party lender on the Partnership’s behalf, and each Limited Partner shall, if required by such third party lender, provide guarantees to the extent required by such Security;

10.4. ~~9.4.~~ The Construction Loan is intended to be a CMHC insured loan in accordance with the loan application provided as prepared by CBRE Capital (Canada) Inc. dated Q2 2024. The Limited Partners shall agree on the terms of the Construction Loan prior to the Condition Date; and

10.5. ~~9.5.~~ The Partnership and the Phase 2 Owner shall also enter into a shared facilities agreement (the “**Facilities Agreement**”) with respect to any amenities required by Phase 1 that are to be contained in Phase 2 and shall make all applicable registrations against title to the Phase 2 Lands to enforce such obligations.

11. ~~10.~~ **COMMISSION**

11.1. ~~10.1.~~ Neither of the parties have incurred any obligation or liability, contingent or otherwise, for brokerage fees, finder’s fees, agent’s commissions and the like in connection with the Loan Conversion.

12. ~~11.~~ **DISTRIBUTION OF FREE CASH FLOW**

12.1. ~~11.1.~~ Free cash-flow realized from the sale activities, leasing, and/or (re)financing of the Project shall be distributed to the Limited Partners as follows:

12.1.1. ~~11.1.1.~~ firstly, as to the lesser of \$100 and 0.001% to the General Partner;

12.1.2. ~~11.1.2.~~ secondly, 100% to the Limited Partners, pro rata in proportion with the amount of its Capital Contributions until each Limited Partner has received a return of its Capital Contributions, for greater certainty, once a Limited Partner receives a return of all of its Capital Contributions, it will not receive additional distributions until all other Limited Partners have received their respective return of its Capital Contributions;

~~11.1.3. thirdly, 100% to UBC until UBC has received an amount equal to an 8% internal rate of return on the amount of its Capital Contributions;~~

~~11.1.4. fourthly, 100% to the Existing Limited Partner until the Existing Limited Partner has received an amount equal to an 8% internal rate of return on the amount of its Capital Contributions;~~

12.1.3. ~~11.1.5. fifthly~~ thirdly, 100% to the Limited Partners, *pro rata* in proportion with the amount of its Capital Contributions until each Limited Partner has received an amount equal to a 15% internal rate of return on the amount of its Capital Contributions; and

12.1.4. ~~11.1.6.~~ lastly, an amount to each of the Limited Partners equal to its percentage of the total Capital Contributions, plus 25% in the case of the Existing Limited Partner and less 25% in the case of UBC. For example, in the event that each Limited Partner contributes 50% of the total Capital Contributions, the Existing Limited Partner shall be entitled to receive 75% of the remaining free cash-flow pursuant of the Project pursuant to this clause and UBC shall be entitled to receive 25% of the remaining free cash-flow from of the Project.

12.2. ~~11.2.~~ For the purposes of Section ~~11.1~~ 12.1, the return on the Capital Contributions shall be calculated from the Closing Date.

13. ~~12.~~ **CONDITIONS PRECEDENT**

13.1. ~~12.1.~~ UBC shall not be obligated to complete the Loan Conversion unless each of the following conditions (the “**Conditions**”, or individually a “**Condition**”) shall have been waived or fulfilled and complied with in accordance with their terms on or before 5:00 p.m. on the thirtieth (30th) day following receipt by UBC of the COI (as defined below) or such earlier date that UBC provides notice of such waiver or satisfaction with the Conditions to the General Partner or such other date as the parties may agree (the “**Condition Date**”):

13.1.1. ~~12.1.1.~~ UBC to be satisfied in its sole discretion in the ability of the Partnership, the Development Manager, the Construction Manager, Asset Manager and the Property Manager, to complete the Project. This shall require certain financial disclosure as mutually agreed to by the parties, each acting reasonably and in good faith;

13.1.2. ~~12.1.2.~~ Approval of the certificate of insurance from CMHC in respect of the construction of the Project (the “**COI**”);

13.1.3. ~~12.1.3.~~ Approval of the Construction Loan on terms acceptable to the Limited Partners, acting reasonably, which shall include approval from the applicable Lenders to fund the Construction Loan, which shall include a principal loan amount sufficient to permit the payment to UBC of a minimum of \$12,200,000 up to a maximum of \$38,040,500 upon funding of the Construction Loan;

13.1.4. ~~12.1.4.~~ Receipt of a quantity surveyors’ report certifying the current cost of the work in place at the Project; and

13.1.5. ~~12.1.5.~~ Receipt of a current fair market value appraisal of the Phase 1 Lands, prepared by an acceptable AACI that is satisfactory to UBC in its sole discretion.

13.2. ~~12.2.~~ Following the waiver or fulfillment of the Conditions, the closing date of the Loan Conversion (the “**Closing Date**”) shall be concurrent with, and conditional on: (a) the first advance of the Construction Loan by the Lenders; (b) the repayment of a portion of the Loans from the proceeds of the Construction Loan in accordance with Sections ~~3.2~~ 3.2 and ~~12.1.3~~ 13.1.3; and (c) the payment by UBC of all interest and any other fees

outstanding on the Loans. In the event that the Loan Conversion is not completed, UBC will give at least ~~90~~one hundred and twenty (120) days' written notice to the Partnership prior to demanding repayment of the Loan.

13.3. ~~12.3.~~ All material documents with regards to the Project, including but not limited to the Amended and Restated Partnership Agreement, Development Management Agreement, Construction Management Agreement, Property Management Agreement, Asset Management Agreement, Contribution Agreement and Facilities Agreement shall be finalized on or before the Condition Date.

14. ~~13.~~ **PHASE 2 PARTICIPATION RIGHT**

14.1. ~~13.1.~~ The Phase 2 Owner intends to include all or part of the Phase 2 Lands in a fund to be formed (the "**Fund**"). The Phase 2 Owner shall deliver or cause to be delivered to UBC the Fund investment and subscription documents once prepared. Upon delivery of the Fund investment and subscription documents to UBC, UBC shall have thirty (30) days to commit to participating in the Fund ("**Participation Right**"), following which, UBC shall no longer have a Participation Right or any option or right to acquire a beneficial interest in all or any part of the Phase 2 Lands. The terms of the Participation Right shall be the same terms offered to other potential investors of the Fund. In the event that UBC (or any assignee of UBC) elects to exercise its Participation Right ~~to and~~ acquires ~~10~~20% or greater of the equity ownership of the Fund, ~~the Phase 2 Owner shall agree to hire~~ (which includes for greater certainty, the contribution of the required capital for such equity position) (the "**UBC Phase 2 Equity Position**"), and so long as UBC maintains the UBC Phase 2 Equity Position, the Trade Contractors that are exclusively bound to the Carpenters' Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals, ~~to perform such percentage of the construction work on the Phase 2 development as is equal to the percentage ownership of the Fund by UBC or its affiliates.~~ shall be the preferred providers to be hired to work on the Project, having regard to such Trade Contractor's bid amount, business reputation, breadth of experience working on high rise projects in the Greater Toronto Area of the scope and scale of the Project, and the financial wherewithal to complete the work.

15. ~~14.~~ **CONFIDENTIALITY**

15.1. ~~14.1.~~ Neither party shall disclose the terms of this Term Sheet to any third party (except to their advisors, consultants, prospective lenders who require such information to carry out their respective mandates to such parties) without the prior written consent of the other party, provided, however, that each party shall be entitled to make disclosure to the extent required by law in which event the disclosing party shall notify the other party in writing prior to making such disclosure in order that the latter may seek to obtain a protective order; and

15.2. ~~14.2.~~ The confidentiality provisions of this Section ~~14~~15 shall survive and remain in effect and shall continue to be binding upon the parties notwithstanding the termination of this Term Sheet or the failure to consummate the transactions contemplated hereby for any reason whatsoever.

16. ~~15.~~ DUE DILIGENCE

16.1. ~~15.1.~~ The closing of the Loan Conversion remains subject to the completion of full and complete due diligence on the Project and the Partnership by UBC and its legal counsel and advisors.

17. ~~16.~~ NEGOTIATIONS WITH OTHER PARTIES

17.1. ~~16.1.~~ The Partnership agrees that it is its intention to complete with the Loan Conversion to develop Phase 1 on the terms set forth herein. ~~In the event that the Partnership receives an offer (the "Third Party Offer") that it wishes to accept from such Third Party to finance the development of Phase 1 in place of the Loan Conversion, the Partnership shall not accept such Third Party Offer without first permitting UBC or one of its affiliated entities, to match the terms of such Third Party Offer, which offer to UBC shall be open for a period of at least 30 days. In the event that UBC matches the terms of the Third Party Offer, the Partnership agrees to hire only Trade Contractors that are exclusively bound to the Carpenters' Regional Council, United Brotherhood of Carpenters and Joiners of America or its affiliated locals, to perform construction work on the development of Phase 1, provided that UBC may agree to waive this requirement with respect to any particular Trade Contractor in its sole discretion.~~ Provided that UBC has not terminated this Term Sheet in accordance with Section 20 hereof, the Existing Limited Partner shall not enter into a binding term sheet or memorandum of understanding with another party in respect to the Project prior to January 31, 2025. For the avoidance of doubt, this provision shall not preclude the Existing Limited Partner from entering into negotiations with other parties.

18. ~~17.~~ GOVERNING LAW

18.1. ~~17.1.~~ This ~~Letter~~ Term Sheet shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

19. ~~18.~~ ASSIGNMENT

19.1. ~~18.1.~~ UBC shall have the right to assign this Term Sheet or any agreement resulting from the transactions contemplated herein to any non-arm's length entity, upon prior written notice to the Existing Limited Partner and the General Partner, provided that UBC agrees to guarantee any financial obligations of such assignee.

20. ~~19.~~ TERMINATION

20.1. ~~19.1.~~ Either of the parties hereto shall be entitled to terminate this Term Sheet at any time upon thirty (30) days' prior written notice to the other party.

21. ~~20.~~ **NON-BINDING**

21.1. ~~20.1.~~ This non-binding Term Sheet is an expression of our present intention and our willingness to continue negotiations which we hope shall lead to the satisfactory negotiation of the agreements and transaction contemplated herein. The material contained in this Term Sheet is for information only and no transactions will be finalized until a document is executed by both parties. Any transaction or agreement is subject to full and complete due diligence and is not intended to create contractual relations or obligations between the parties. Notwithstanding the foregoing, Sections ~~14~~15, ~~16~~17 and ~~17~~18 of this Term Sheet are intended to be, and shall be, legally binding on the Partnership, the Existing Limited Partner and UBC.

[REMAINDER OF THE PAGE LEFT INTENTIONALLY BLANK]

DATED AS FIRST WRITTEN ABOVE.

UBC SOLUTIONS INCORPORATED

Name: Cynthia Sisconetto

Title:

Name:

Title:

AGREED AND ACCEPTED THIS _____ DAY OF DECEMBER, 2024.

**1680 BRIMLEY LIMITED PARTNERSHIP, by its general
partner 2808908 ONTARIO INC.**

Name: Hans Jain

Title: Authorized Signatory

BRIMLEY PROGRESS DEVELOPMENTS

Name: Hans Jain

Title: Authorized Signatory

SCHEDULE "A"
DEVELOPMENT SITE
[to be attached]

SCHEDULE "B"

TRADES BID LIST

[to be attached]

Summary report: Litera Compare for Word 11.8.0.56 Document comparison done on 12/9/2024 2:18:21 PM	
Style name: Default Style	
Intelligent Table Comparison: Active	
Original filename: Atria - UBC Term Sheet v.15.docx	
Modified DMS: iw://cloudimanage.com/FIRMDOCS/54272390/15	
Changes:	
<u>Add</u>	133
Delete	96
Move From	0
<u>Move To</u>	0
<u>Table Insert</u>	0
Table Delete	0
<u>Table moves to</u>	0
Table moves from	0
Embedded Graphics (Visio, ChemDraw, Images etc.)	0
Embedded Excel	0
Format changes	0
Total Changes:	229

This is Exhibit “U”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: [Hill, Peter](#)
To: [W. Douglas Stewart](#)
Cc: [Shapira, Daniel](#)
Subject: FW: [EXTERNAL] RE: UBC/Atria
Date: December 16, 2024 10:28:34 AM
Attachments: [image001.png](#)
[image002.gif](#)
[Non-Binding Term Sheet - 1680 Brimley \(DLA 12.09.2024\).docx](#)
[BLK - Non-Binding Term Sheet - 1680 Brimley \(DLA 12.09.2024\).pdf](#)

Hi Doug – hope you had a nice weekend. I wanted to check-in on this.

Any updates on this?

Thanks,

Peter Hill

Associate

T [+1 416.941.5406](#)

E peter.hill@dlapiper.com

From: Hill, Peter

Sent: Tuesday, December 10, 2024 7:51 AM

To: W. Douglas Stewart <DStewart@mltaikins.com>; Shapira, Daniel
<daniel.shapira@ca.dlapiper.com>

Subject: RE: [EXTERNAL] RE: UBC/Atria

Hi Doug – please see the attached revised term sheet along with a blackline to your latest draft. Note the attached remains subject to our client’s continued review and comment.

Let us know if it would be worthwhile for the three of us to connect prior to circulating to UBC.

Thanks,

Peter Hill

Associate

T [+1 416.941.5406](#)

E peter.hill@dlapiper.com

This is Exhibit “V”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto, in
the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: [Hill, Peter](#)
To: [W. Douglas Stewart](#)
Cc: [Shapira, Daniel](#)
Subject: RE: [EXTERNAL] RE: UBC/Atria
Date: December 20, 2024 1:16:08 PM
Attachments: [image001.png](#)
[image002.gif](#)

Hi Doug – any further updates? Thanks.

Pete

Peter Hill

Associate

T [+1 416.941.5406](#)

E peter.hill@dlapiper.com

From: W. Douglas Stewart <DStewart@mltaikins.com>
Sent: Wednesday, December 18, 2024 12:19 PM
To: Hill, Peter <peter.hill@ca.dlapiper.com>
Cc: Shapira, Daniel <daniel.shapira@ca.dlapiper.com>
Subject: RE: [EXTERNAL] RE: UBC/Atria

Hi Peter,

Apologies, I haven't heard anything back on this from my client. I assume there must be something going on in the background. I will follow up again. Please let me know if you hear anything.

Regards,

Doug

W. Douglas Stewart*

Partner

P: (204) 957-4890 | **E:** DStewart@mltaikins.com

**Law Corporation*

From: Hill, Peter <peter.hill@ca.dlapiper.com>
Sent: Wednesday, December 18, 2024 11:15 AM
To: W. Douglas Stewart <DStewart@mltaikins.com>
Cc: Shapira, Daniel <daniel.shapira@ca.dlapiper.com>
Subject: RE: [EXTERNAL] RE: UBC/Atria

[EXTERNAL MESSAGE]

Hi Doug – hope all is well.

We wanted to follow-up on the loan waiver and extension and term sheet. Can you please provide

an update at your earliest convenience.

Thanks,

Peter Hill

Associate

T [+1 416.941.5406](tel:+14169415406)

E peter.hill@dlapiper.com

This is Exhibit “W”

referred to in the Affidavit of **HANS JAIN**,
affirmed before me by video telephone conference, in the City of Toronto,
in the Province of Ontario, in accordance with Ontario Regulation 431/20,
administering oath or declaration remotely, this 29th day of May 2025.

Brett D. Moldaver

A Commissioner for taking affidavits

Brett D. Moldaver

From: [Shane Kennedy](#)
To: kathy.black@fierarealestate.com
Cc: [Cynthia Sisconetto](#); [Hans Jain](#); [Leonard Lee](#); [Shapira, Daniel](#); [Hill, Peter](#); [W. Douglas Stewart](#)
Subject: Information for Brimley Phase 1 Appraisal
Attachments: [image001.png](#)
[image002.png](#)
[image003.png](#)
[image004.png](#)
[image005.png](#)

Kathy,

Please see the below link for the appraisal that you are obtaining on UBC's behalf.

Link here: [2024.12.23 - TCP - Appraisal Source Docs](#) (Expires 2025.02.01)

Site and Phase specific information is included in order to detail the phase specific savings and the back-ending of costs into Phase 2, which do not form part of the anticipated deal with UBC. Notably, the following:

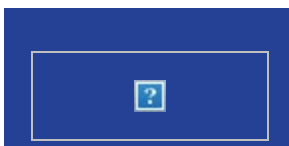
1. Zoning is approved.
2. Draft SPA has been issued and NOAC conditions are nearly complete.
3. Conditional permits have been issued.
4. Section 37 agreement is fully executed and not included in Phase 1. Community Benefit Charges are not applicable to Phase 1.
5. Residential DC's are fixed in the Section 27 agreement in April 2023. Current DC's are ~\$11M higher today (June 2024 rates) than as fixed for rental projects. When compared to Condo rates, the Section 27 rate is ~\$32M lower (highest and best use.
6. ~75% of the required costs associated with amenity, Section 37, POPS, Public Art and Bridges, etc. are back-ended in to Phase 2. Details included.

We have also included the cost reports from Altus Group and Rental Market studies from early 2024 and late 2024.

We're available to answer questions about the site for the appraisal. Also, please advise when the appraiser is going to site so that Atria can provide access. The site may be closed if they show up without planning ahead.

Regards,

Shane



Shane Kennedy

Advisor to the CEO

[416.873.1993](tel:416.873.1993)

atriadevelopment.ca

  5000 Yonge St. Suite 1706 Toronto, ON M2N 7E9

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UBC SOLUTIONS INCORPORATED

Applicant

v.

1680 BRIMLEY LIMITED PARTNERSHIP et. al.

Respondents

Court File No.: CV-25-00740765-00CL

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

Proceeding commenced at TORONTO

AFFIDAVIT of HANS JAIN
(sworn on May 29th, 2025)

MOLDAVER BARRISTERS

365 Bloor Street East, Suite 1608
Toronto, Ontario
M4W 3L4

Brett D. Moldaver (LSO #44191E)

brett@moldaverbarristers.com

Tel. (416) 238-2953

Lawyers for the Respondents, 1680 BRIMLEY LIMITED
PARTNERSHIP, 2808908 ONTARIO INC. and BRIMLEY
PROGRESS DEVELOPMENTS INC.

UBC SOLUTIONS INCORPORATED

Applicant

v.

1680 BRIMLEY LIMITED PARTNERSHIP et. al.

Respondents

Court File No.:CV-25-00740765-00CL

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

Proceeding commenced at TORONTO

RESPONDING APPLICATION RECORD

MOLDAVER BARRISTERS

365 Bloor Street East, Suite 1608
Toronto, Ontario
M4W 3L4

Brett D. Moldaver (LSO #44191E)

brett@moldaverbarristers.com

Tel. (416) 238-2953

Lawyers for the Respondents, 1680 BRIMLEY LIMITED
PARTNERSHIP, 2808908 ONTARIO INC. and BRIMLEY
PROGRESS DEVELOPMENTS INC.