

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

**CHINA MACHINERY ENGINEERING CORPORATION**

Applicant

-and-

**2284649 ONTARIO INC., 2270613 LIMITED PARTNERSHIP  
and 2270613 ONTARIO INC.**

Respondents

Application Under Section 101 of the *Courts of Justice Act*, R.S.O. 1990,  
c.C.43, as amended, and Section 243 of the *Bankruptcy and Insolvency Act*,  
R.S.C. 1985, c.B-3, as amended

**AFFIDAVIT OF YUEQING ZHANG  
(sworn June 14, 2018)**

**VOLUME 3 OF 3**

**MILLER THOMSON LLP**

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Suite 5800  
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M5H 3S1, Canada

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Lawyers for the Respondents, 2284649 Ontario Inc.,  
2270613 Limited Partnership and 2270613 Ontario Inc.

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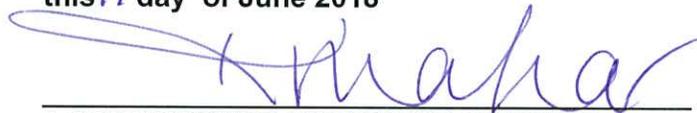
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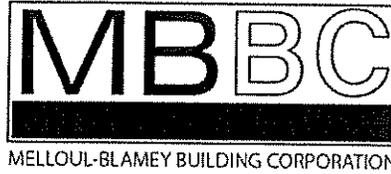
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**This is Exhibit "JJ" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14<sup>th</sup> day of June 2018**

A handwritten signature in blue ink, appearing to read "Mahar", written over a horizontal line.

**A COMMISSIONER FOR TAKING AFFIDAVIT**



**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: Feb. 26, 2014

Document No.: CED-MBBC-PSRP-2015-012

To: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#10	3,000,000.00
<b>TOTAL (IN WORDS): Three million US dollars</b>	<b>TOTAL: 3,000,000.00</b>

*J Xu*

\_\_\_\_\_  
Jennifer Xu

President



## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I , WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #10 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW AMOUNTS TO DATE (INCL. DRAW#8)	<u>\$54,380,000.00</u>
3. PAYMENT RECEIVED	<u>\$51,380,000.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 3,000,000.00</u>

SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION

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Jennifer Xu

Director

DATE: February 27, 2015

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



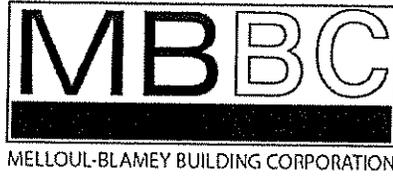
## Draw #10 ( February 2015) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract

Date: 27 Feb. 2015

S/N	Description	Amount	Draw #10	% of Draw#10	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00		0.00%	2,029,626	100.00%
1.2	Pre-Construction	\$ 11,492,594.00		0.00%	11,492,594	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00	50,000	2.12%	2,117,529	89.73%
1.4	Other Administration Costs	\$ 8,624,119.00			8,624,119	100.00%
	<b>Sub-total 1. Soft Cost</b>	<b>\$ 24,506,252.00</b>	<b>50,000</b>	<b>0.20%</b>	<b>24,263,867</b>	<b>99.01%</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00	0	0.00%	1,338,750	97.66%
2.2	Materials Procurement	\$ 1,549,309.00	80,000	5.16%	1,483,042	95.72%
	<b>Sub-total 2. Procurement</b>	<b>\$ 2,920,189.00</b>	<b>80,000</b>	<b>2.74%</b>	<b>2,821,792</b>	<b>96.63%</b>
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	95,558	3.19%	1,804,084	60.14%
3.2	Site Work	\$ 1,096,811.00	0	0.00%	1,092,551	99.61%
3.3	Concrete & Pre-cast	\$ 8,837,937.00	74,788	0.85%	8,767,272	99.20%
3.4	Masonry	\$ 219,881.00		0.00%	195,712	89.01%
3.5	Metals	\$ 258,593.00	50,800	19.64%	89,545	34.63%
3.6	Carpentry	\$ 428,400.00	11,958	2.79%	117,456	27.42%
3.7	Thermal & Moisture	\$ 1,367,583.00	32,750	2.39%	410,331	30.00%
3.8	Doors & Windows	\$ 1,630,062.00	327,292	20.08%	1,236,724	75.87%
3.9	Finishes	\$ 2,613,240.00	1,500,000	57.40%	2,197,880	84.11%
3.10	Specialities	\$ 84,218.00	0	0.00%	0	0.00%
3.11	Equipment	\$ 47,124.00	0	0.00%	0	0.00%
3.12	Conveying Systems - Elevators	\$ 728,280.00	34,000	4.67%	174,166	23.91%
3.13	Mechanical	\$ 3,851,316.00	509,370	13.23%	2,804,888	72.83%
3.14	Electrical	\$ 1,409,972.00	133,484	9.47%	1,316,709	93.39%
3.15	Miscellaneous Costs	\$ 866,848.00	0	0.00%	866,848	100.00%
3.16	Construction Contingency	\$ 1,713,600.00	100,000	5.84%	420,175	24.52%
3.17	Project Management	\$ 5,800,000.00	0	0.00%	5,800,000	100.00%
	<b>Sub-total 3. Construction</b>	<b>\$ 33,953,559.00</b>	<b>2,870,000</b>	<b>8.45%</b>	<b>27,294,341</b>	<b>80.39%</b>
	<b>Total</b>	<b>\$ 61,380,000.00</b>	<b>3,000,000</b>	<b>4.89%</b>	<b>54,380,000</b>	<b>88.60%</b>



## PROGRESS REPORT #10 – February 2015

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001



700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



MELLOUL-BLAMEY BUILDING CORPORATION

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**Project Status:**

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**1. Design, Pre-Construction and other Administrations:**

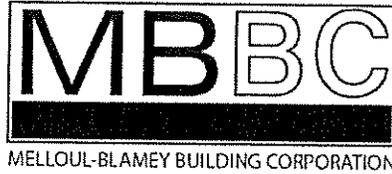
a. All design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, as well as Interior Design for Amenity area as well as finishes selection.

**2. Furniture, Fixture & Equipment :**

Furniture, Fixtures & Equipment as well as other materials Sourcing started, including appliances, Furniture for suites and common area as well as tools, equipment and various materials for site purpose. A number of products were ordered. The delivery of shipment in progress.

**3. Construction:**

- a. Site Services 95% complete
- b. Mechanical and Electrical Rough-in on typical floors ongoing.
- c. Shop drawings submissions and review process ongoing.
- d. Windows installation: Level 19-20 Window walls/curtain walls aim to complete March 2015.
- e. Drywall framing – Drywall boarding and taping started week of Jan.19. Level 7 to 11, main framing all completed.
- f. Drywall Board and Taping – Ongoing. 3<sup>rd</sup>, 4<sup>th</sup> & 5<sup>th</sup> Floor most areas ready for painting.
- g. Roofing structural steel work complete
- h. Roofing : Upper roof complete and lower roof started
- i. Painting ceilings, walls, stairwells, frames ongoing.
- j. Caulking, fireproofing, firestopping ongoing.
- k. Communications rough-in for typical suites ongoing
- l. Flooring work aim to start early March
- m. Millwork installation to start mid March



**4. Site Safety:**

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.
- e. Regular site safety inspections are ongoing.

**5. Inspections / Testing:**

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

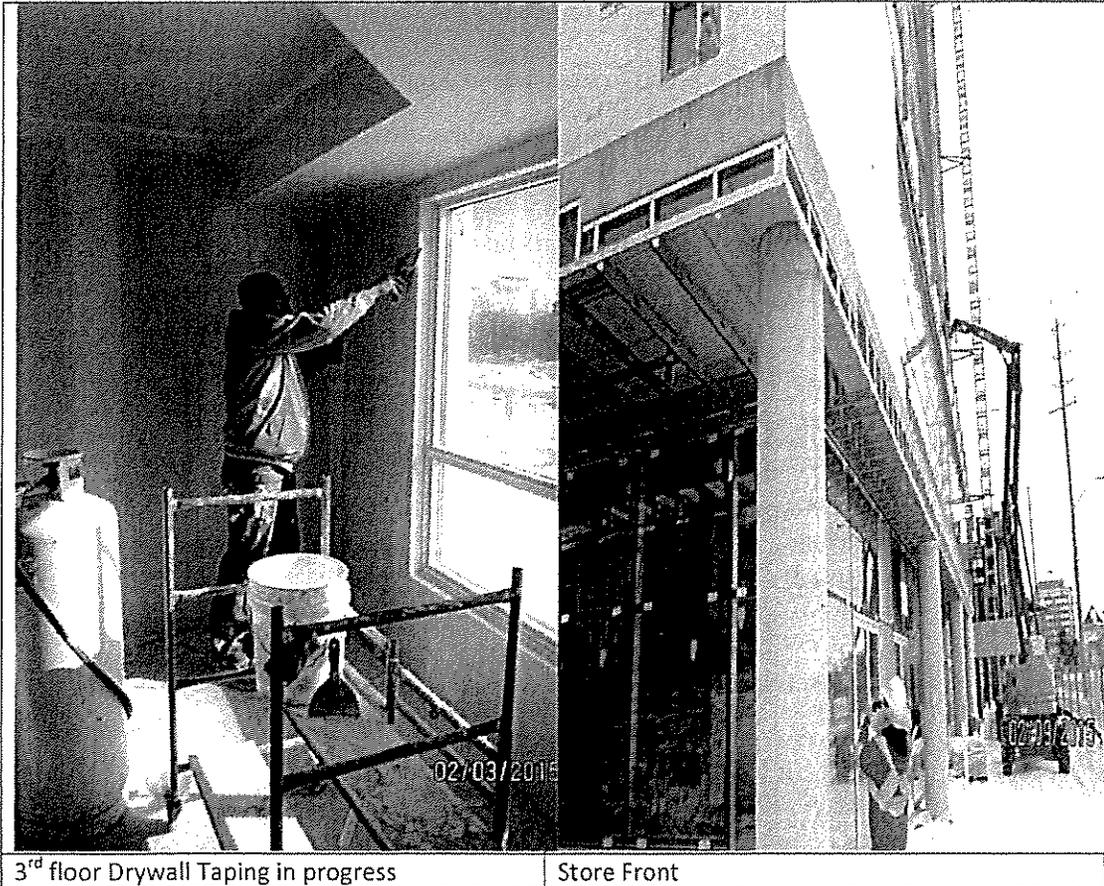
**6. Key Milestone Dates**

1st cast-in-place pour:	01-Apr-14
Pre-cast to start	18-Aug-14
Pre-Cast complete	19-Dec-14
Structural / Enclosure complete	6-Mar-15
Exterior work to complete	30-Jun-15
Substantial completion	31-Jul -15
Owner F.F.E by	25-Aug-15



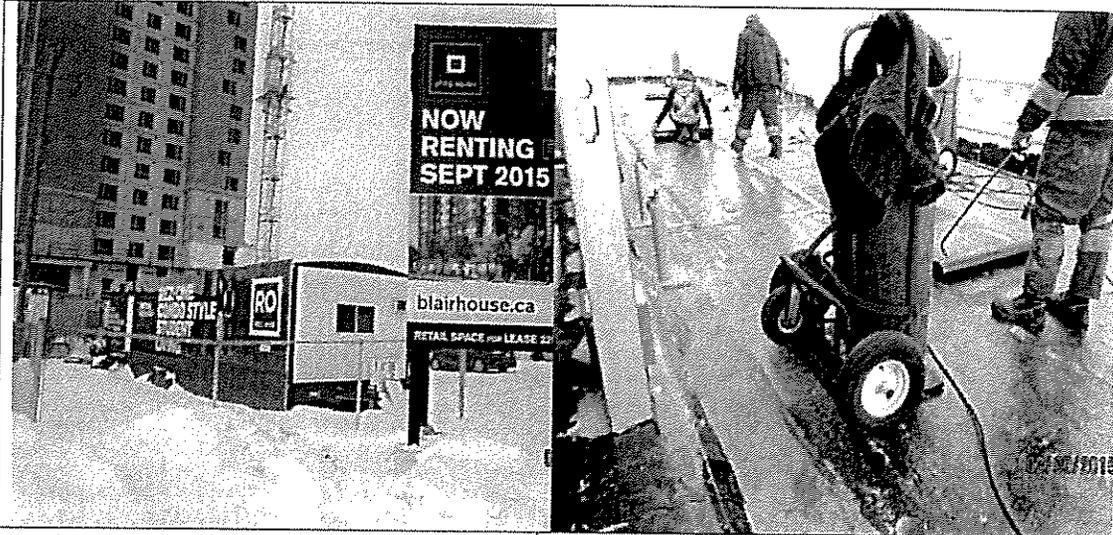
MELLOUL-BLAMEY BUILDING CORPORATION

7. Progress Photos



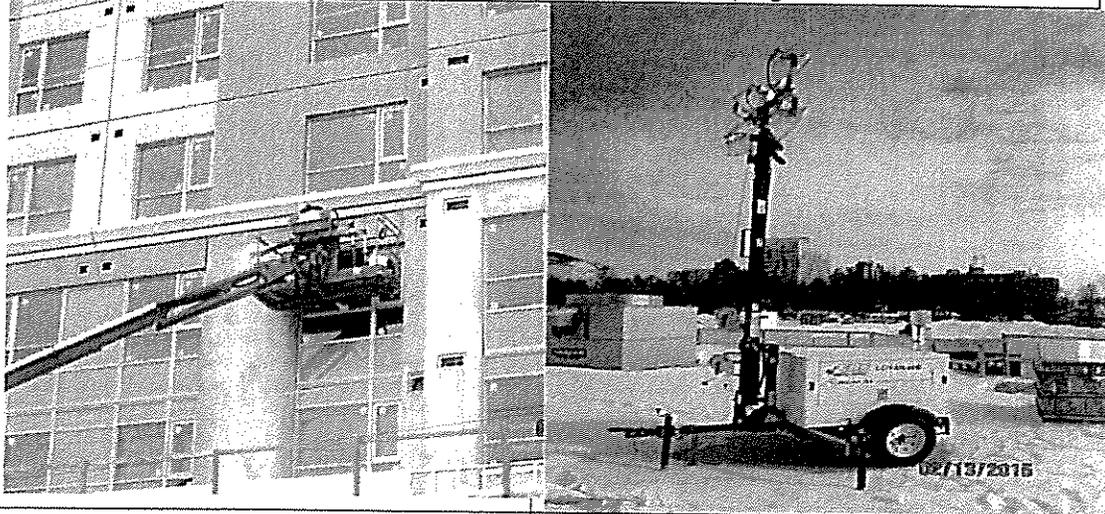


MELLOUL-BLAMEY BUILDING CORPORATION



Marketing Trailer

Roofing Work in progress



Exterior Windows Installation

Tower Light

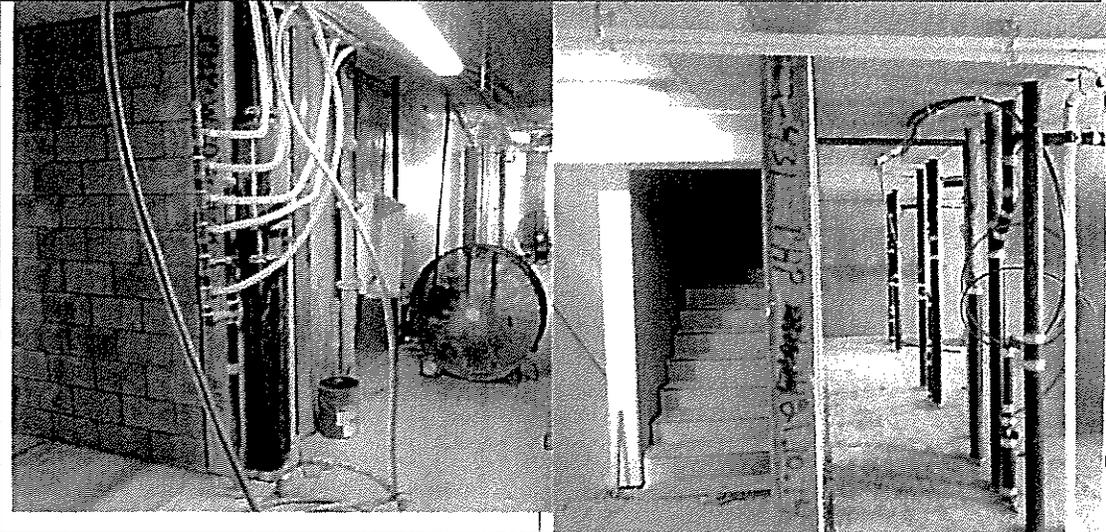


MELLOUL-BLAMEY BUILDING CORPORATION



20<sup>th</sup> Floor Rough-in work in progress

Typical Suite Accent Wall Mockup

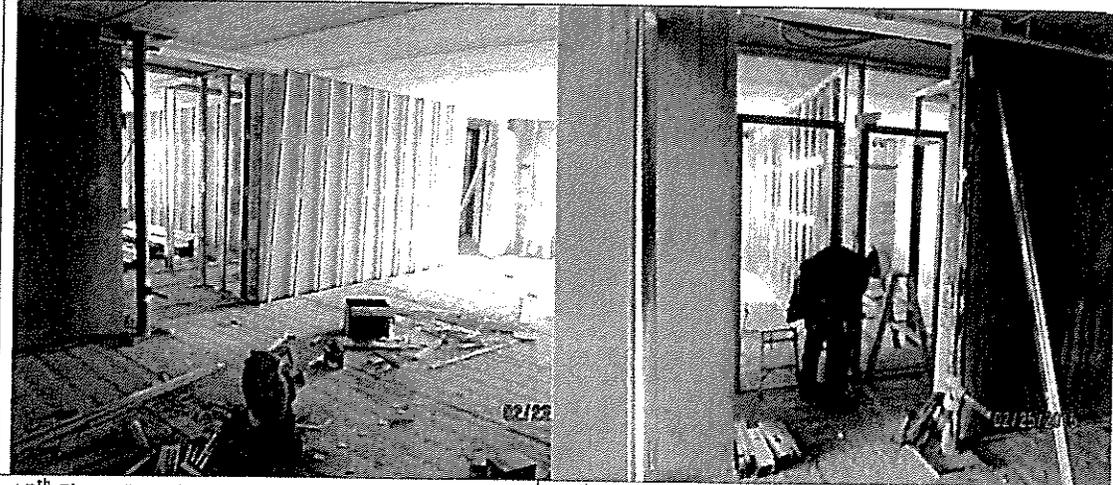


Temp Gas services for heating purpose

17<sup>th</sup> Floor Mechanical rough-in in progress



MELLOUL-BLAMEY BUILDING CORPORATION



15<sup>th</sup> Floor Framing in progress

15<sup>th</sup> Floor Frames installation in progress



MELLOUL-BLAMEY BUILDING CORPORATION

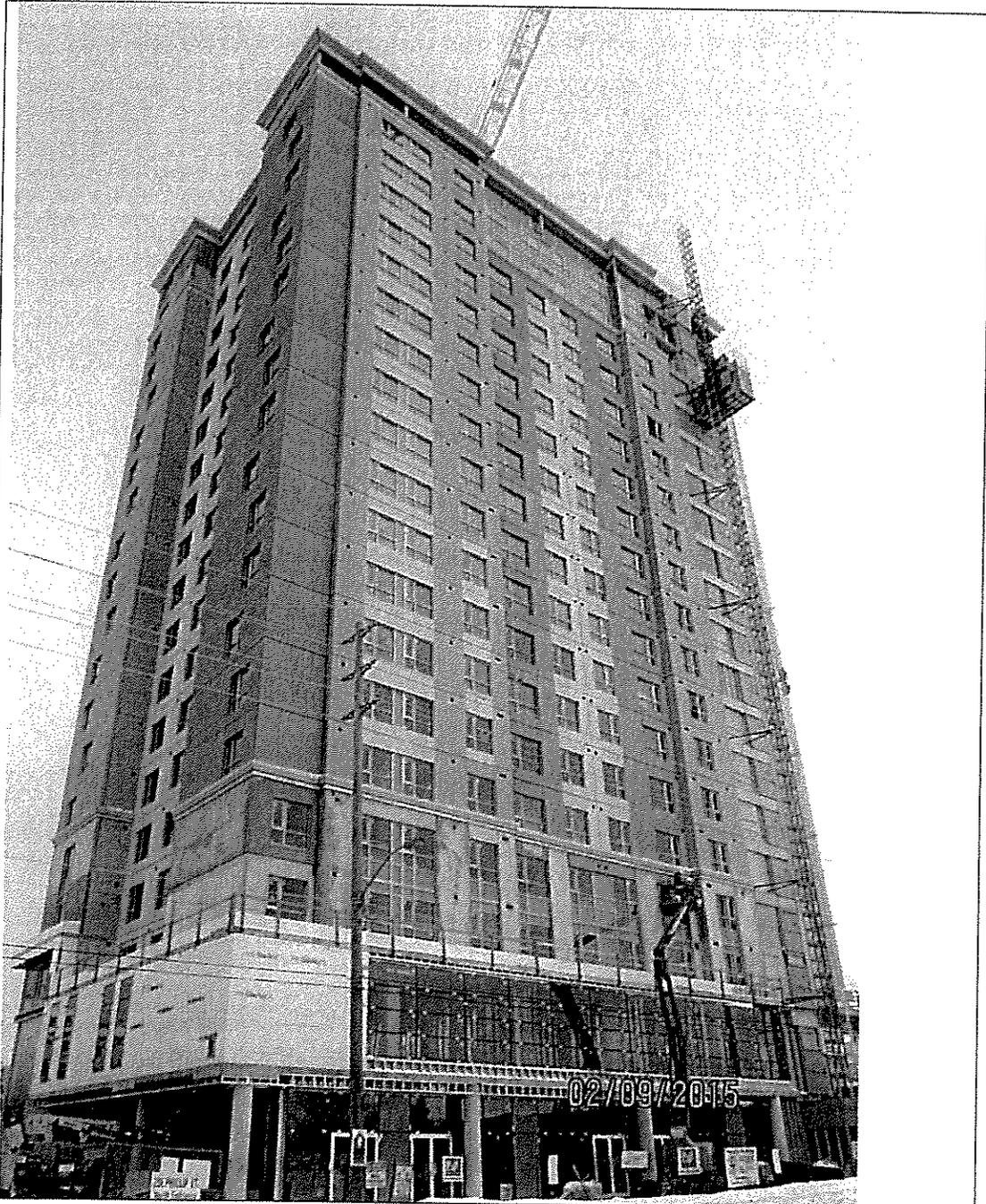


Front View

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



MELLOUL-BLAMEY BUILDING CORPORATION



Front View

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



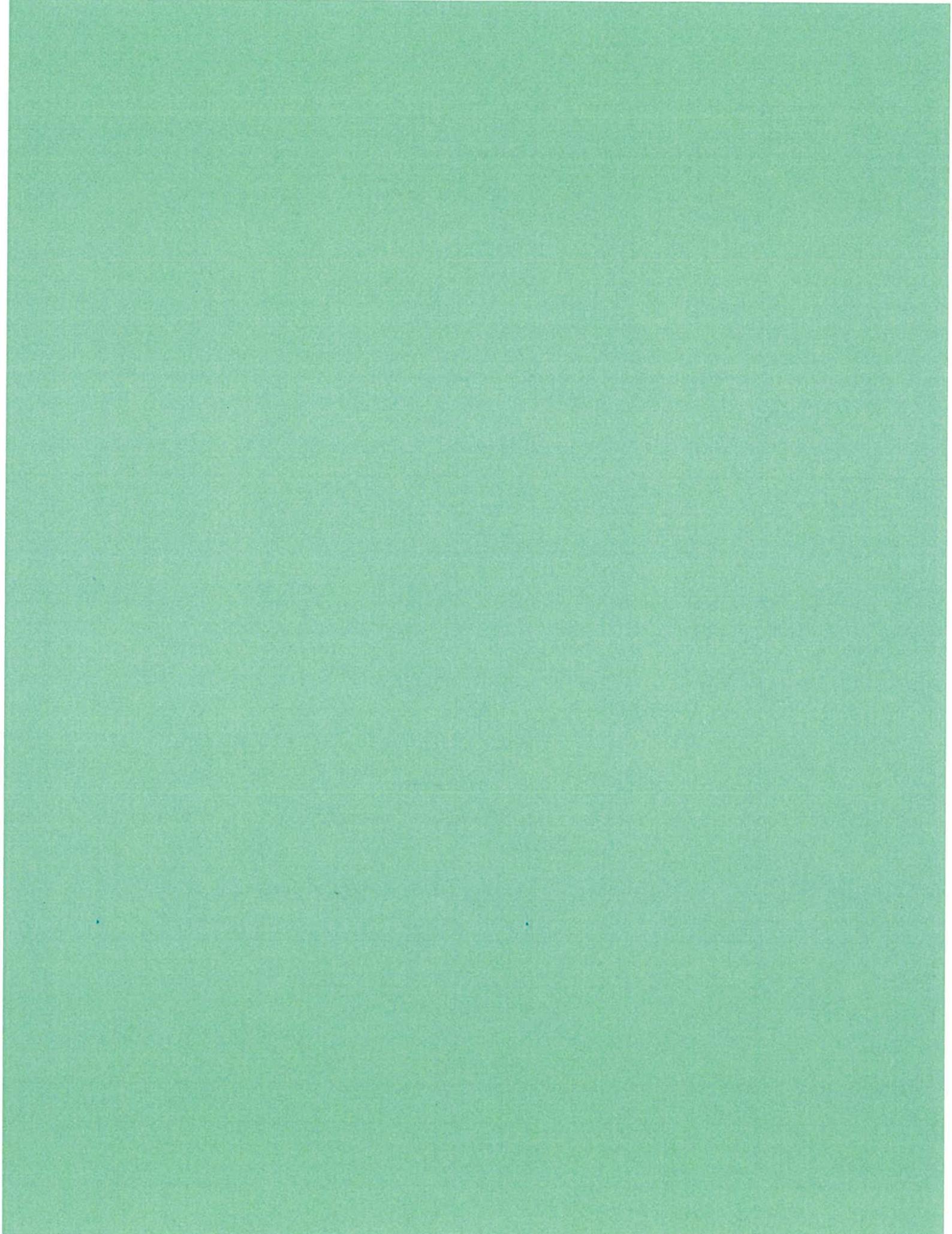
MELLOUL-BLAMEY BUILDING CORPORATION



Streetview

~ END ~

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426





**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: May 15, 2014

Document No.: CED-MBBC-PSRP-2014-003

To: China Everbest Development International Limited

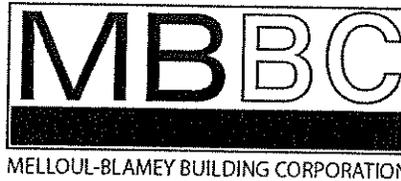
Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#1	30,861,900
<b>TOTAL (IN WORDS):</b> Thirty million eight hundred sixty one thousand nine hundred US dollars	<b>TOTAL:</b> 30,861,900.00

A handwritten signature in black ink, appearing to read 'Jennifer Xu', is written over a horizontal line.

Jennifer Xu

President



## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

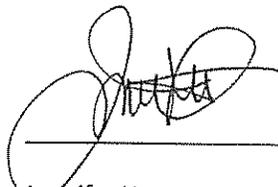
Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #1 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW NO.#1 AMOUNT	<u>\$30,861,900.00</u>
3. DEPOSIT RECEIVED IN JANUARY 2014	<u>\$5,861,900.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$25,000,000.00</u>

SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION



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Jennifer Xu

President

DATE: May 15, 2014



## Draw #1 (May 2014) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001

Date: 15 May, 2014

S/N	Description	Amount	Draw #1	%
1	Soft Cost			
1.1	Design & Engineering	\$ 2,029,625.00	\$ 1,549,139.00	76.33%
1.2	Pre-Construction	\$ 11,492,594.00	\$ 11,492,594.00	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00	\$ 1,023,574.00	43.37%
1.4	Other Administration Costs	\$ 8,624,119.00	\$ 7,455,918.00	86.45%
	<b>Sub-total 1. Soft Cost</b>	<b>\$ 24,506,252.00</b>	<b>\$ 21,521,225.00</b>	<b>87.82%</b>
2	FF & E			
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00	\$ -	0.00%
2.2	Materials Procurement	\$ 1,549,309.00	\$ 42,992.00	2.77%
	<b>Sub-total 2. Procurement</b>	<b>\$ 2,920,189.00</b>	<b>\$ 42,992.00</b>	<b>1.47%</b>
3	Construction			
3.1	General Conditions	\$ 2,999,694.00	\$ 538,887.00	17.96%
3.2	Site Work	\$ 1,096,811.00	\$ 734,489.00	66.97%
3.3	Concrete & Pre-cast	\$ 8,837,937.00	\$ 1,771,021.00	20.04%
3.4	Masonry	\$ 219,881.00	\$ -	0.00%
3.5	Metals	\$ 258,593.00	\$ -	0.00%
3.6	Carpentry	\$ 428,400.00	\$ 4,313.00	1.01%
3.7	Thermal & Moisture	\$ 1,367,583.00	\$ -	0.00%
3.8	Doors & Windows	\$ 1,630,062.00	\$ -	0.00%
3.9	Finishes	\$ 2,613,240.00	\$ -	0.00%
3.10	Specialities	\$ 84,218.00	\$ -	0.00%
3.11	Equipment	\$ 47,124.00	\$ -	0.00%
3.12	Conveying Systems - Elevators	\$ 728,280.00	\$ 32,666.00	4.49%
3.13	Mechanical	\$ 3,851,316.00	\$ 96,898.00	2.52%
3.14	Electrical	\$ 1,409,972.00	\$ 85,466.00	6.06%
3.15	Miscellaneous Costs	\$ 866,848.00	\$ 233,943.00	26.99%
3.16	Construction-Contingency	\$ 1,713,600.00	\$ -	0.00%
3.17	Project Management	\$ 5,800,000.00	\$ 5,800,000.00	100.00%
	<b>Sub-total 3. Construction</b>	<b>\$ 33,953,559.00</b>	<b>\$ 9,297,683.00</b>	<b>27.38%</b>
	<b>Total</b>	<b>\$ 61,380,000.00</b>	<b>\$ 30,861,900.00</b>	<b>50.28%</b>

dx



MELLOUL-BLAMEY BUILDING CORPORATION

## PROGRESS REPORT #1

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001



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MELLOUL-BLAMEY BUILDING CORPORATION

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**Project Status:**

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**1. Design, Pre-Construction and other Administrations:**

- a. Most of design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, etc.. Interior Design for Amenity area as well as finishes selection is ongoing.
- b. Pre-Construction and various administrations are complete and/or ongoing.

**2. Furniture, Fixture & Equipment :**

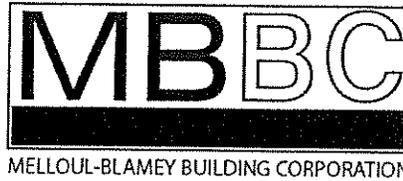
Furniture, Fixtures & Equipment as well as other materials Sourcing started, including appliances, Furniture for suites and common area as well as tools, equipment and various materials for site purpose.

**3. Construction:**

- a. Demolition completed
- b. Excavation 95% complete
- c. Site Services 85% complete
- d. Concrete forming including rebar and concrete supply ongoing. Raft slab area is near completion. Lower level walls and columns form/pour is complete. Garage footings are ongoing.
- e. Mechanical and Electrical underground work complete. Miscellaneous sleeving ongoing. Prefabrication to various mechanical and electrical items are ongoing.
- f. Shop drawings submissions and review process ongoing.

**4. Site Safety:**

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.



- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.

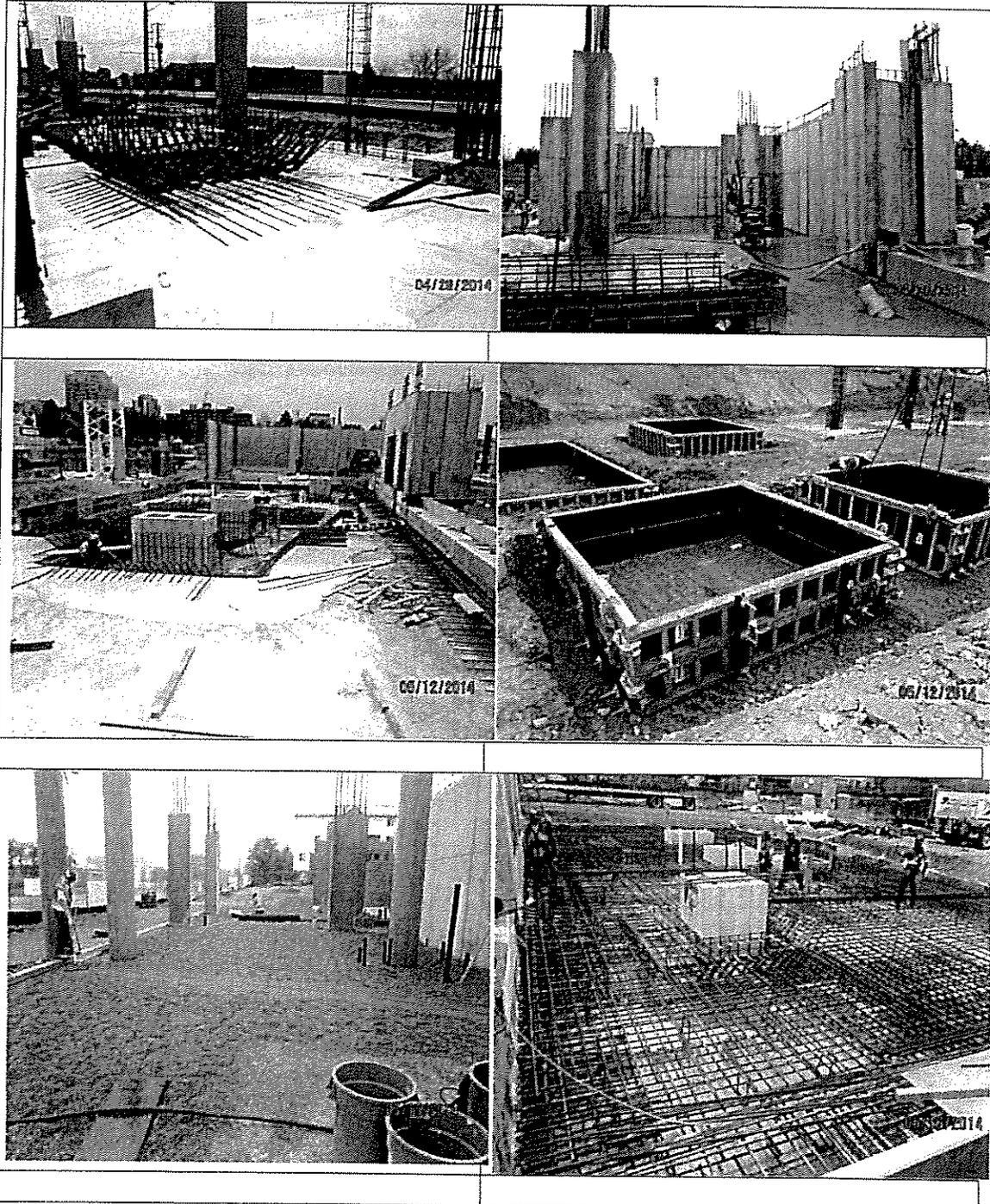
**5. Inspections / Testing:**

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

**6. Key Milestone Dates (Planned Dates)**

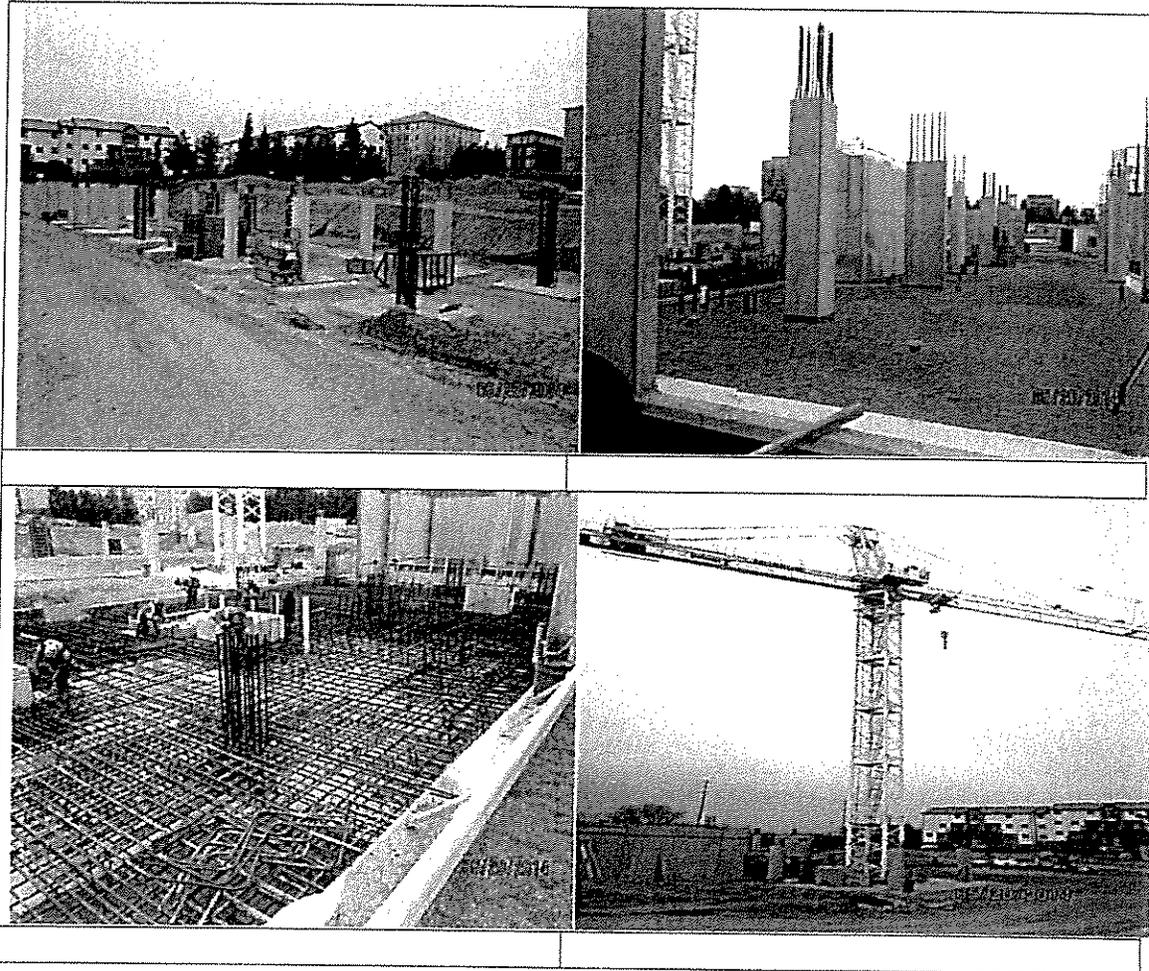
1st cast-in-place pour:	01-Apr-14
Pre-cast to start	21-Jul-14
1st shipment of frame (arrival for installation)	15-Aug-14
Drywall taping and finishing work to start	03-Nov-14
Structural / Enclosure complete	16-Jan-15
Exterior work to complete	30-Jun-15
Substantial completion	31-Jul-15
Owner F.F.E by	25-Aug-15

## 7. Progress Photos

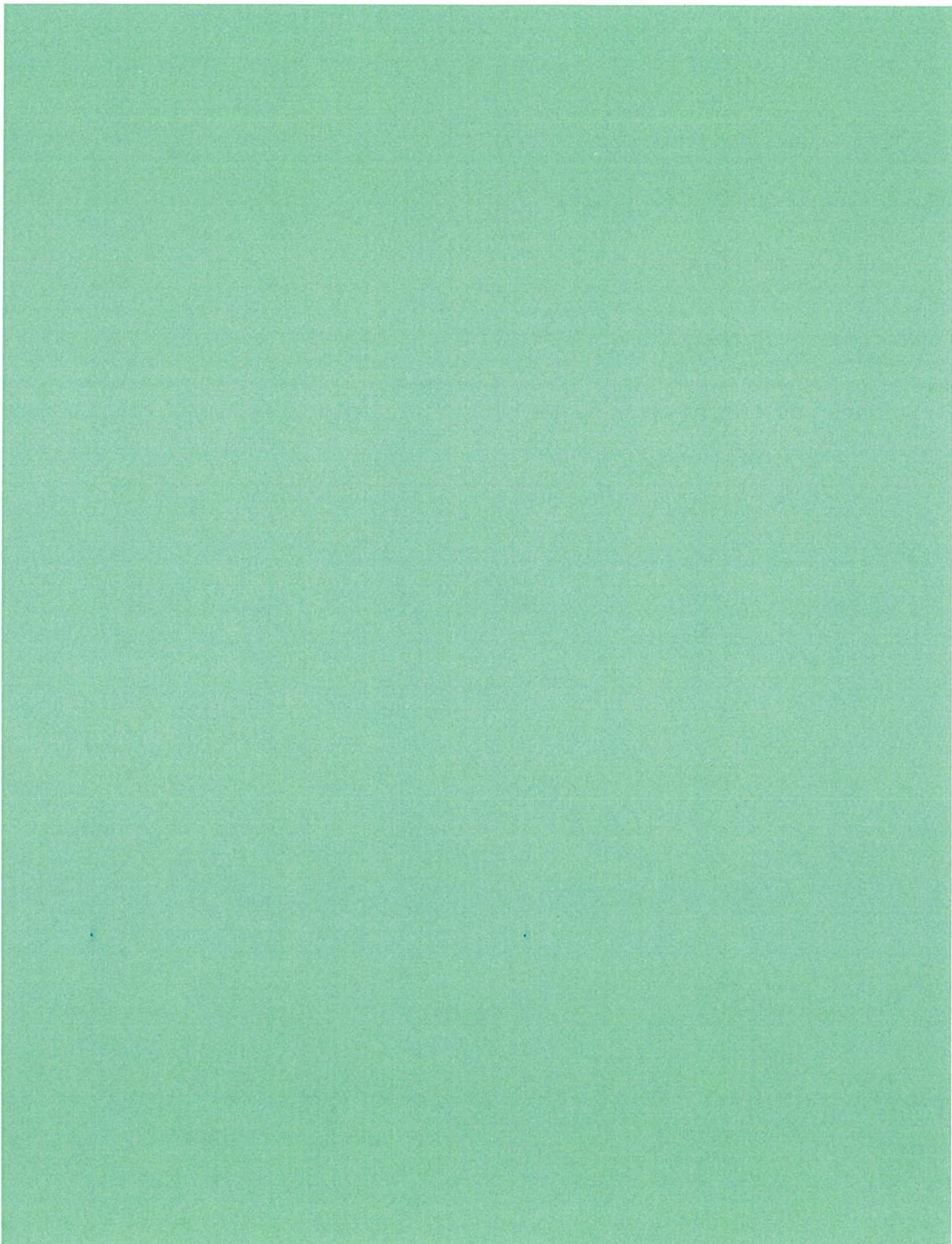


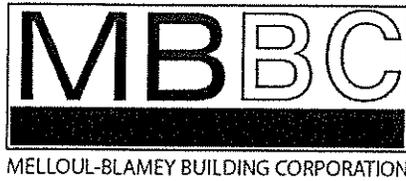


MELLOUL-BLAMEY BUILDING CORPORATION



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**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: June 15, 2014

Document No.: CED-MBBC-PSRP-2014-004

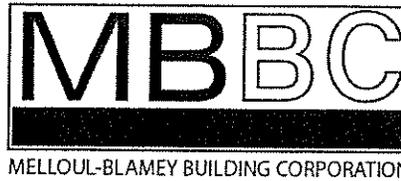
To: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#2	5,018,107.00
<b>TOTAL (IN WORDS): Five million eighteen thousand one hundred seven US dollars</b>	<b>TOTAL: 5,018,107.00</b>

Jennifer Xu

Director



## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I , WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #2 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW NO.#2 AMOUNT	<u>\$ 5,018,107.00</u>
3. PAYMENT RECEIVED	<u>\$30,861,900.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 5,018,107.00</u>

SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION

Jennifer Xu

Director

DATE: June 15, 2014



## Draw #2 (June 2014) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001

Date: 15 June, 2014

S/N	Description	Amount	Draw #2	% of Draw#2	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00	\$ 480,485.00	23.67%	\$ 2,029,624.00	100.00%
1.2	Pre-Construction	\$ 11,492,594.00			\$ 11,492,594.00	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00	\$ 691,920.00	29.32%	\$ 1,715,494.00	72.69%
1.4	Other Administration Costs	\$ 8,624,119.00	\$ 1,168,201.00	13.55%	\$ 8,624,119.00	100.00%
	<b>Sub-total 1. Soft Cost</b>	<b>\$ 24,506,252.00</b>	<b>\$ 2,340,606.00</b>	<b>9.55%</b>	<b>\$ 23,861,831.00</b>	<b>97.37%</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00	\$ 321,300.00	23.44%	\$ 321,300.00	23.44%
2.2	Materials Procurement	\$ 1,549,309.00	\$ 351,000.00	22.66%	\$ 393,992.00	25.43%
	<b>Sub-total 2. Procurement</b>	<b>\$ 2,920,189.00</b>	<b>\$ 672,300.00</b>	<b>23.02%</b>	<b>\$ 715,292.00</b>	<b>24.49%</b>
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	\$ 305,352.00	10.18%	\$ 844,239.00	28.14%
3.2	Site Work	\$ 1,096,811.00	\$ 200,000.00	18.23%	\$ 934,489.00	85.20%
3.3	Concrete & Pre-cast	\$ 8,837,937.00	\$ 778,852.00	8.81%	\$ 2,549,873.00	28.85%
3.4	Masonry	\$ 219,881.00	\$ -	0.00%	\$ -	0.00%
3.5	Metals	\$ 258,593.00	\$ 15,000.00	5.80%	\$ 15,000.00	5.80%
3.6	Carpentry	\$ 428,400.00	\$ -	0.00%	\$ 4,313.00	1.01%
3.7	Thermal & Moisture	\$ 1,367,583.00	\$ 54,322.00	3.97%	\$ 54,322.00	3.97%
3.8	Doors & Windows	\$ 1,630,062.00	\$ 20,000.00	1.23%	\$ 20,000.00	1.23%
3.9	Finishes	\$ 2,613,240.00	\$ -	0.00%	\$ -	0.00%
3.10	Specialities	\$ 84,218.00	\$ -	0.00%	\$ -	0.00%
3.11	Equipment	\$ 47,124.00	\$ -	0.00%	\$ -	0.00%
3.12	Conveying Systems - Elevators	\$ 728,280.00	\$ 39,500.00	5.42%	\$ 72,166.00	9.91%
3.13	Mechanical	\$ 3,851,316.00	\$ 268,280.00	6.97%	\$ 365,178.00	9.48%
3.14	Electrical	\$ 1,409,972.00	\$ 159,800.00	11.33%	\$ 245,266.00	17.40%
3.15	Miscellaneous Costs	\$ 866,848.00	\$ 150,395.00	17.35%	\$ 384,338.00	44.34%
3.16	Construction Contingency	\$ 1,713,600.00	\$ 13,700.00	0.80%	\$ 13,700.00	0.80%
3.17	Project Management	\$ 5,800,000.00	\$ -	0.00%	\$ 5,800,000.00	100.00%
	<b>Sub-total 3. Construction</b>	<b>\$ 33,953,559.00</b>	<b>\$ 2,005,201.00</b>	<b>5.91%</b>	<b>\$ 11,302,884.00</b>	<b>33.29%</b>
	<b>Total</b>	<b>\$ 61,380,000.00</b>	<b>\$ 5,018,107.00</b>	<b>8.18%</b>	<b>\$ 35,880,007.00</b>	<b>58.46%</b>

W



MELLOUL-BLAMEY BUILDING CORPORATION

## PROGRESS REPORT #2 - June 2014

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001





MELLOUL-BLAMEY BUILDING CORPORATION

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**Project Status:**

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**1. Design, Pre-Construction and other Administrations:**

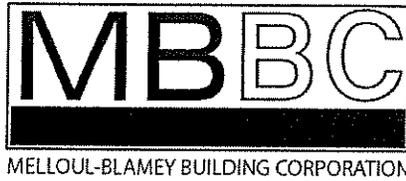
- a. Most of design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, etc.. Interior Design for Amenity area as well as finishes selection is ongoing.
- b. Pre-Construction and various administrations are complete and/or ongoing.

**2. Furniture, Fixture & Equipment :**

Furniture, Fixtures & Equipment as well as other materials Sourcing started, including appliances, Furniture for suites and common area as well as tools, equipment and various materials for site purpose. A number of products were ordered.

**3. Construction:**

- a. Demolition completed
- b. Excavation 95% complete
- c. Site Services 85% complete
- d. Concrete forming including rebar and concrete supply ongoing. Raft slab as well as Lower floor walls/columns forming were complete. Main floor walls/columns were complete. South Main floor slab area was complete and North aim to complete by June. 3<sup>rd</sup> Floor Walls/columns tentatively aim to complete by end of June and Structural slab areas by mid July.
- e. Weeper system and interior granulars are complete.
- f. Mechanical and Electrical underground work complete. Miscellaneous sleeving ongoing.  
Prefabrication to various mechanical and electrical items are ongoing.
- g. Shop drawings submissions and review process ongoing.
- h. Tower crane operational and hoarding complete
- i. Acceleration on Main floor to 4<sup>th</sup> Floor concrete forming work being reviewed to catch up the loss time due to delay in sump pit area.



**4. Site Safety:**

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.
- e. Regular site safety inspections are ongoing.

**5. Inspections / Testing:**

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

**6. Key Milestone Dates (Planned Dates)**

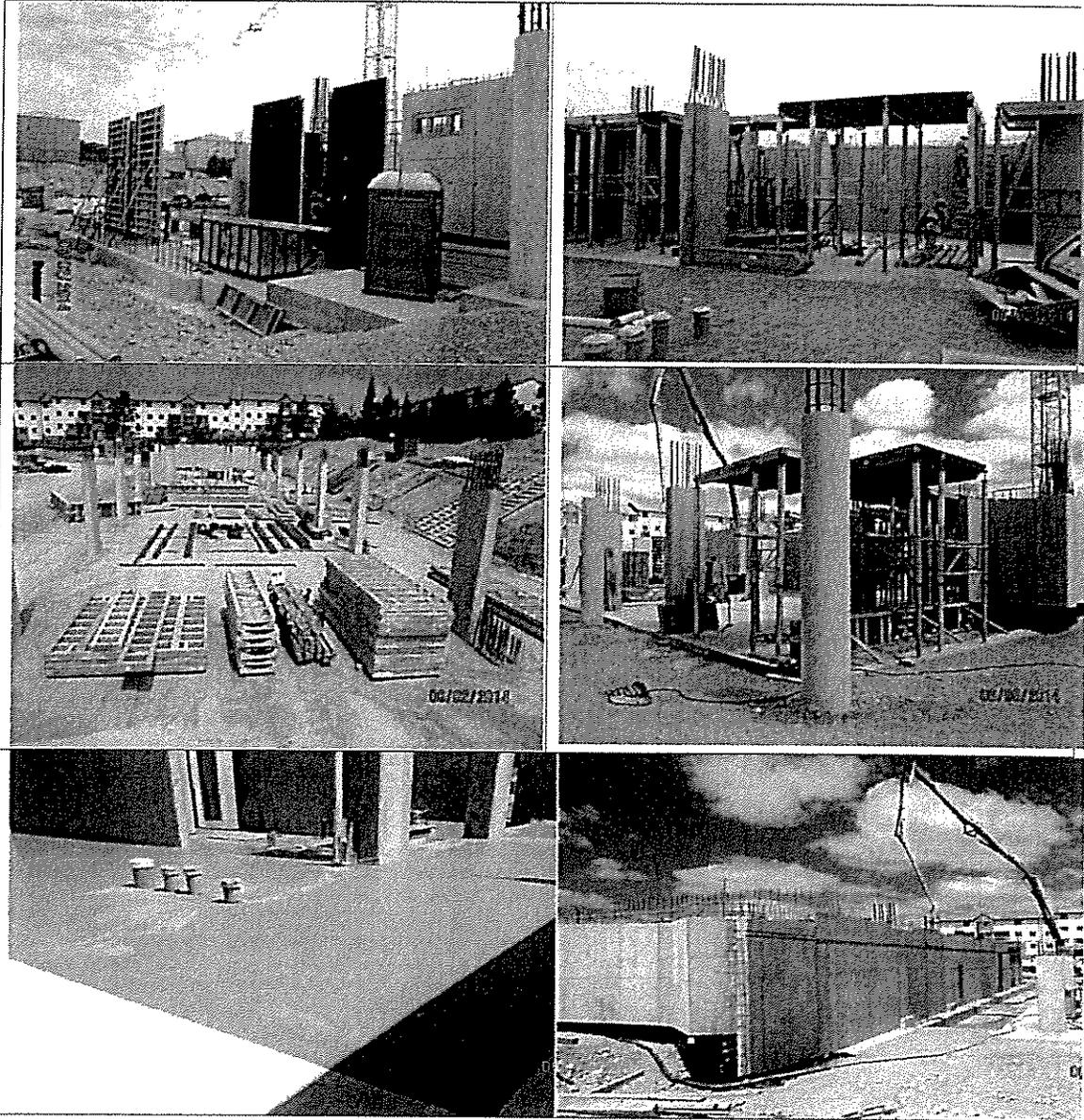
1st cast-in-place pour:	01-Apr-14
Pre-cast to start	<u>1-Sep-14</u>
1st shipment of frame (arrival for installation)	15-Aug-14
Drywall taping and finishing work to start	03-Nov-14
Structural / Enclosure complete	16-Jan-15
Exterior work to complete	30-Jun-15
Substantial completion	31-Jul-15
Owner F.F.E by	25-Aug-15

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MELLOUL-BLAMEY BUILDING CORPORATION

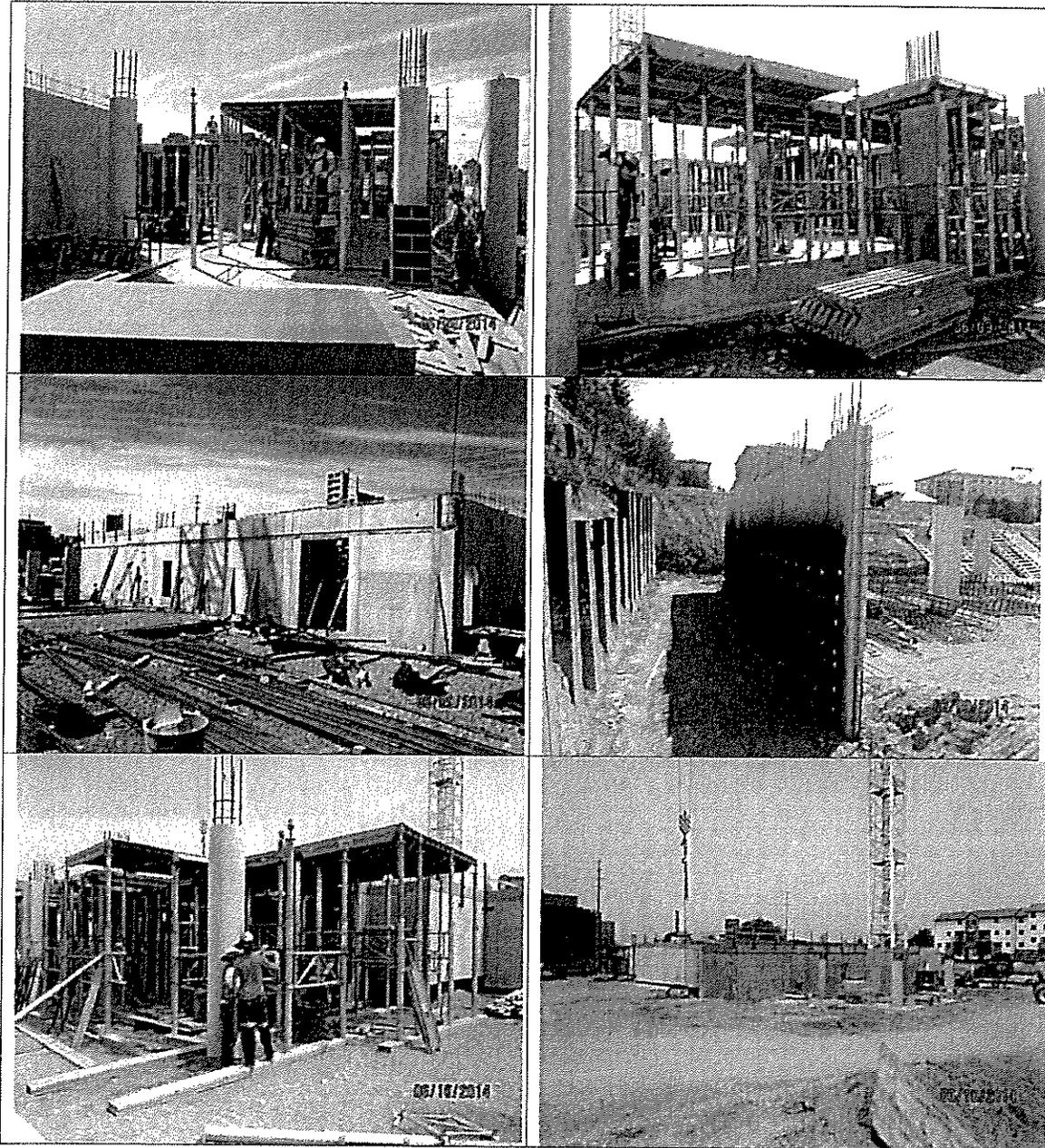
7. Progress Photos



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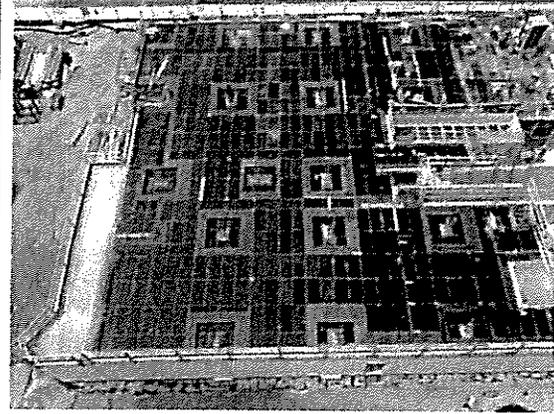
MELLOUL-BLAMEY BUILDING CORPORATION



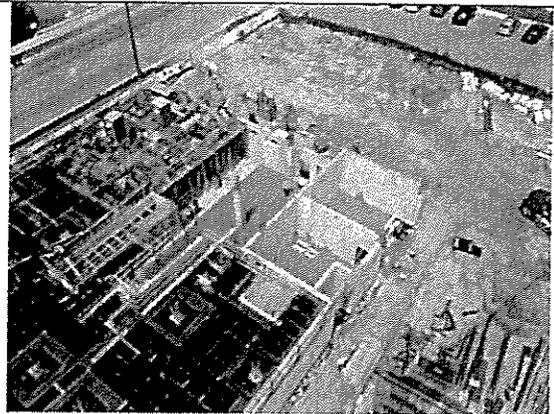
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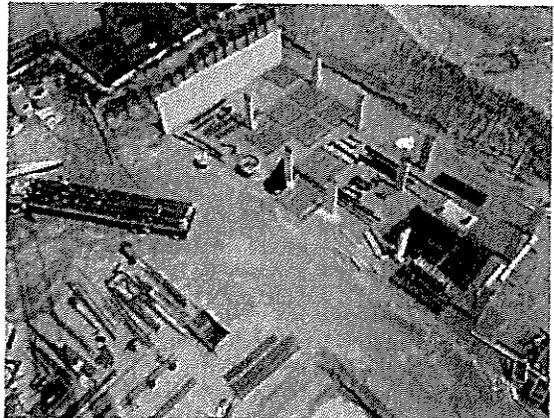
MELLOUL-BLAMEY BUILDING CORPORATION



View from crane (Tower south).



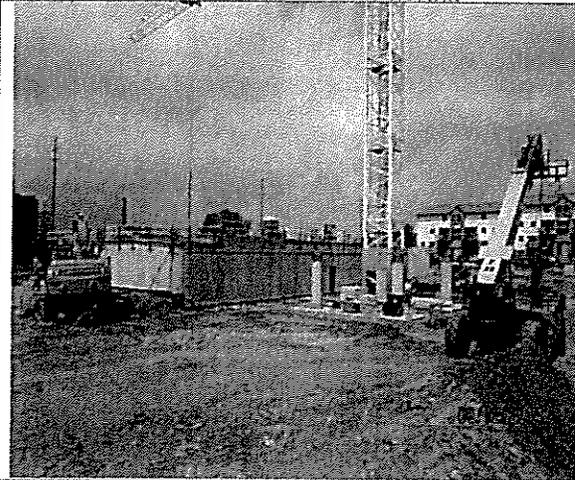
View from crane (Tower north).



View from crane (Garage north).



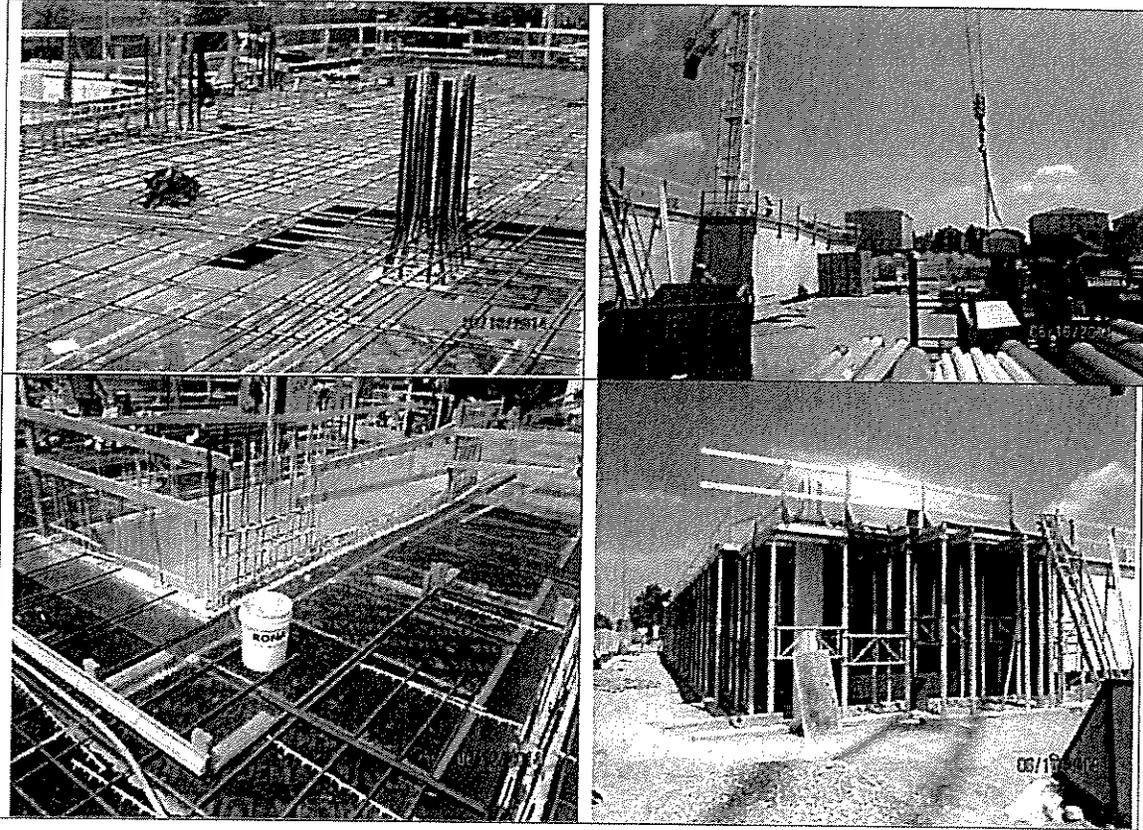
View from crane (Garage south).



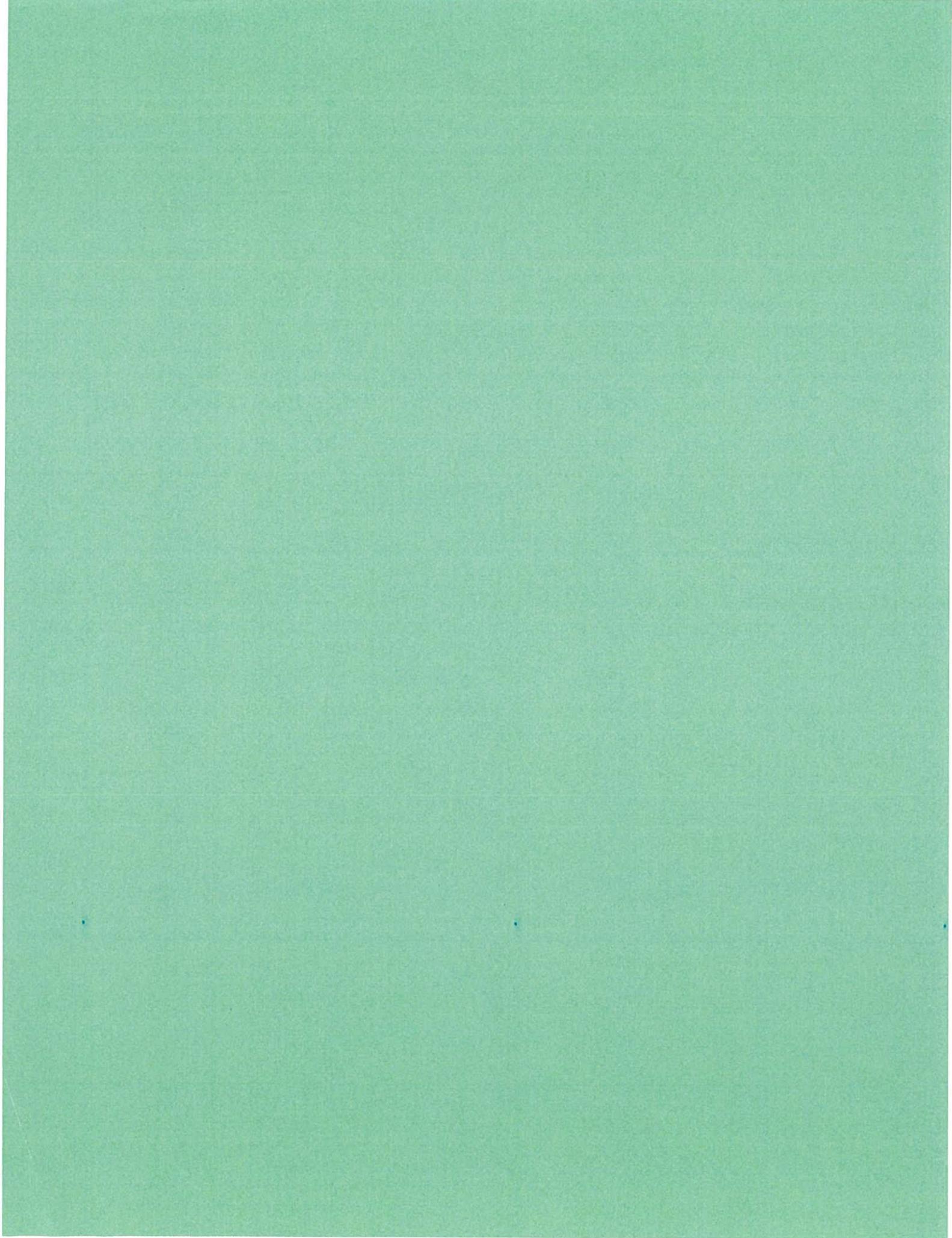
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MELLOUL-BLAMEY BUILDING CORPORATION



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**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: July 15, 2014

Document No.: CED-MBBC-PSRP-2014-005

To: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#3	3,499,993.00
<b>TOTAL (IN WORDS): Three million four hundred ninety nine nine hundred ninety three US dollars</b>	<b>TOTAL: 3,499,993.00</b>

Jennifer Xu

Director



MELLOUL-BLAMEY BUILDING CORPORATION

## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I , WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #3 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW AMOUNTS TO DATE (INCL. DRAW#3)	<u>\$39,380,000.00</u>
3. PAYMENT RECEIVED	<u>\$35,880,007.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 3,499,993.00</u>

SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION

A handwritten signature in black ink, appearing to read 'Jennifer Xu', is written over a horizontal line.

Jennifer Xu

Director

DATE: July 15, 2014



## Draw #3 (July 2014) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO,  
CANADA

Contract No. CED/MBBC/2014-001

Date: 15 July, 2014

S/N	Description	Amount	Draw #3	% of Draw#3	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00			2,029,624	100.00%
1.2	Pre-Construction	\$ 11,492,594.00			11,492,594	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00	286,993.00	12.16%	2,002,487	84.85%
1.4	Other Administration Costs	\$ 8,624,119.00			8,624,119	100.00%
	<b>Sub-total 1. Soft Cost</b>	<b>\$ 24,506,252.00</b>	<b>286,993.00</b>	<b>1.17%</b>	<b>24,148,824</b>	<b>98.54%</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00	642,600.00	46.88%	963,900	70.31%
2.2	Materials Procurement	\$ 1,549,309.00	214,200.00	13.83%	608,192	39.26%
	<b>Sub-total 2. Procurement</b>	<b>\$ 2,920,189.00</b>	<b>856,800.00</b>	<b>29.34%</b>	<b>1,572,092</b>	<b>53.84%</b>
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	116,133.00	3.87%	960,372	2.83%
3.2	Site Work	\$ 1,096,811.00	108,975.00	9.94%	1,043,464	95.14%
3.3	Concrete & Pre-cast	\$ 8,837,937.00	1,071,658.00	12.13%	3,621,531	40.98%
3.4	Masonry	\$ 219,881.00		0.00%	0	0.00%
3.5	Metals	\$ 258,593.00		0.00%	15,000	5.80%
3.6	Carpentry	\$ 428,400.00		0.00%	4,313	1.01%
3.7	Thermal & Moisture	\$ 1,367,583.00	127,400.00	9.32%	181,722	13.29%
3.8	Doors & Windows	\$ 1,630,062.00	60,000.00	3.68%	80,000	4.91%
3.9	Finishes	\$ 2,613,240.00		0.00%	0	0.00%
3.10	Specialities	\$ 84,218.00		0.00%	0	0.00%
3.11	Equipment	\$ 47,124.00		0.00%	0	0.00%
3.12	Conveying Systems - Elevators	\$ 728,280.00	34,000.00	4.67%	106,166	14.58%
3.13	Mechanical	\$ 3,851,316.00	242,012.00	6.28%	607,190	15.77%
3.14	Electrical	\$ 1,409,972.00	113,512.00	8.05%	358,778	25.45%
3.15	Miscellaneous Costs	\$ 866,848.00	482,510.00	55.66%	866,848	100.00%
3.16	Construction Contingency	\$ 1,713,600.00		0.00%	13,700	0.80%
3.17	Project Management	\$ 5,800,000.00			5,800,000	100.00%
	<b>Sub-total 3. Construction</b>	<b>\$ 33,953,559.00</b>	<b>2,356,200</b>	<b>6.94%</b>	<b>13,659,084</b>	<b>40.23%</b>
	<b>Total</b>	<b>\$ 61,380,000.00</b>	<b>3,499,993</b>	<b>5.70%</b>	<b>39,380,000</b>	<b>64.16%</b>

W



MELLOUL-BLAMEY BUILDING CORPORATION

## PROGRESS REPORT #3 - July 2014

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001



700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



MELLOUL-BLAMEY BUILDING CORPORATION

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**Project Status:**

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**1. Design, Pre-Construction and other Administrations:**

- a. Most of design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, etc.. Interior Design for Amenity area as well as finishes selection is ongoing.
- b. Pre-Construction and various administrations are complete and/or ongoing.

**2. Furniture, Fixture & Equipment :**

Furniture, Fixtures & Equipment as well as other materials Sourcing started, including appliances, Furniture for suites and common area as well as tools, equipment and various materials for site purpose. A number of products were ordered.

**3. Construction:**

- a. Demolition completed
- b. Excavation 95% complete
- c. Site Services 90% complete
- d. Concrete forming including rebar and concrete supply ongoing.
  - i. Rebar pre-tie and installation at footings/walls/columns are ongoing.
  - ii. 3<sup>rd</sup> Floor structural slab complete
  - iii. Stairs @ 1st-3<sup>rd</sup> Floor complete
  - iv. Garage area foundation work on going
  - v. Strip/ re-short on level 2 completed. Level 3 started.
- e. Mechanical and Electrical underground work complete. Miscellaneous sleeving ongoing. Rough-in at lower floors started.  
Prefabrication to various mechanical and electrical items ongoing.
- f. Waterproofing in various areas ongoing.
- g. Shop drawings submissions and review process ongoing.
- h. Tower crane operational and hoarding complete



**4. Site Safety:**

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.
- e. Regular site safety inspections are ongoing.

**5. Inspections / Testing:**

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

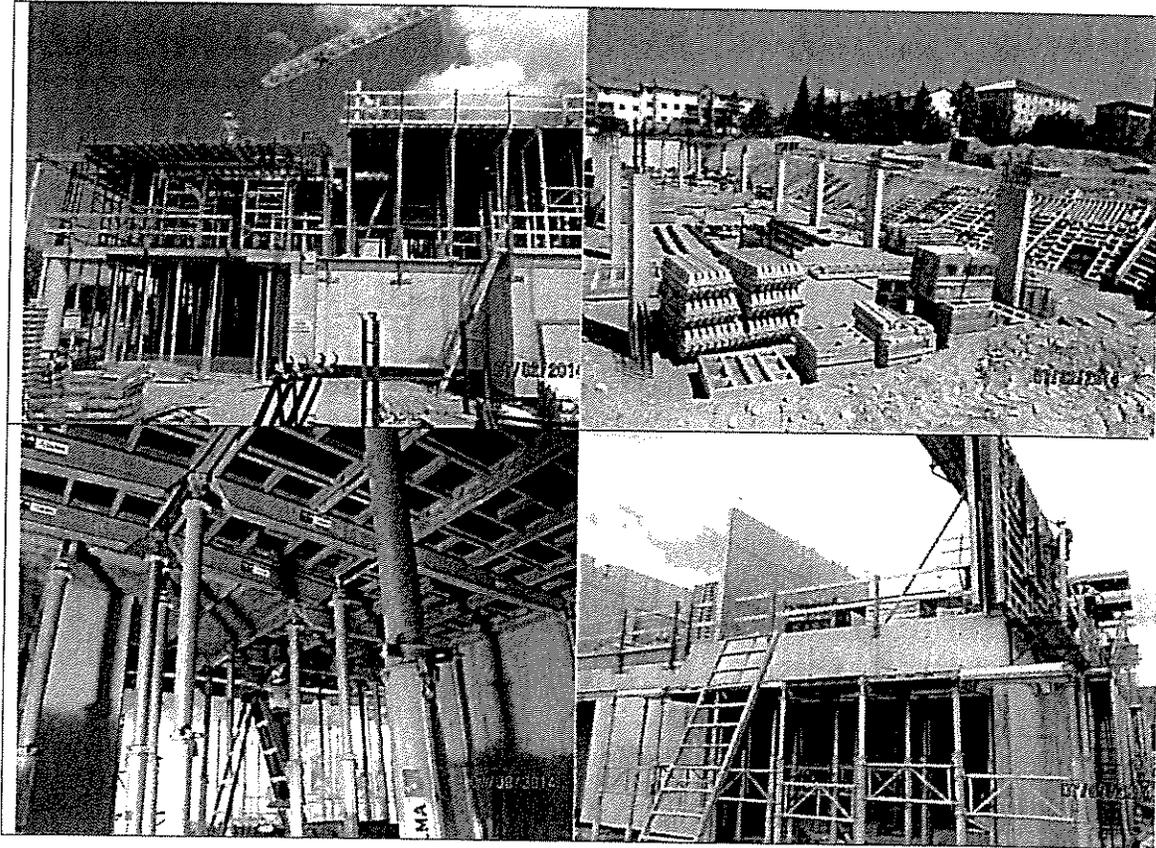
**6. Key Milestone Dates (Planned Dates)**

1st cast-in-place pour:	01-Apr-14
Pre-cast to start	11-Aug-14
1st shipment of frame (arrival for installation)	15-Aug-14
Drywall taping and finishing work to start	03-Nov-14
Structural / Enclosure complete	16-Jan-15
Exterior work to complete	30-Jun-15
Substantial completion	31-Jul -15
Owner F.F.E by	25-Aug-15



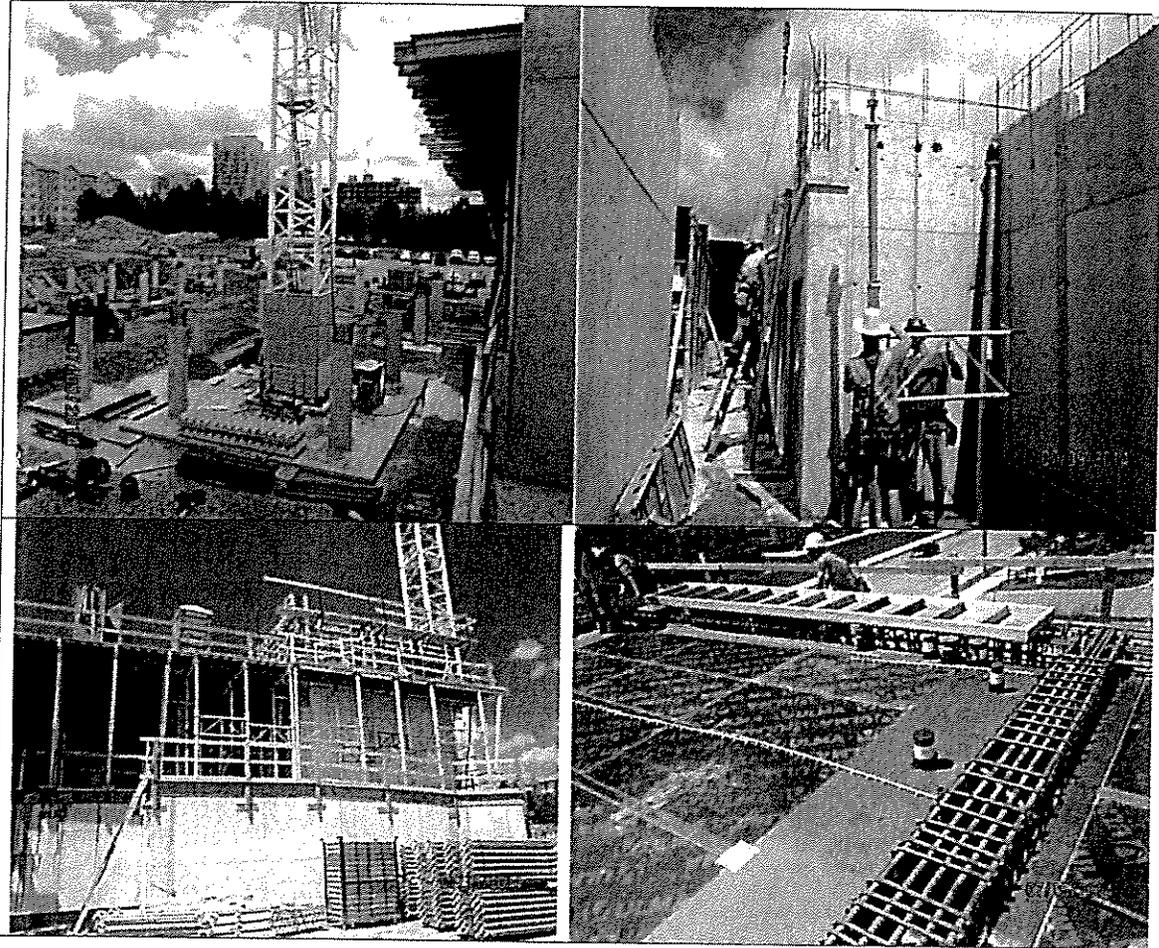
MELLOUL-BLAMEY BUILDING CORPORATION

### 7. Progress Photos





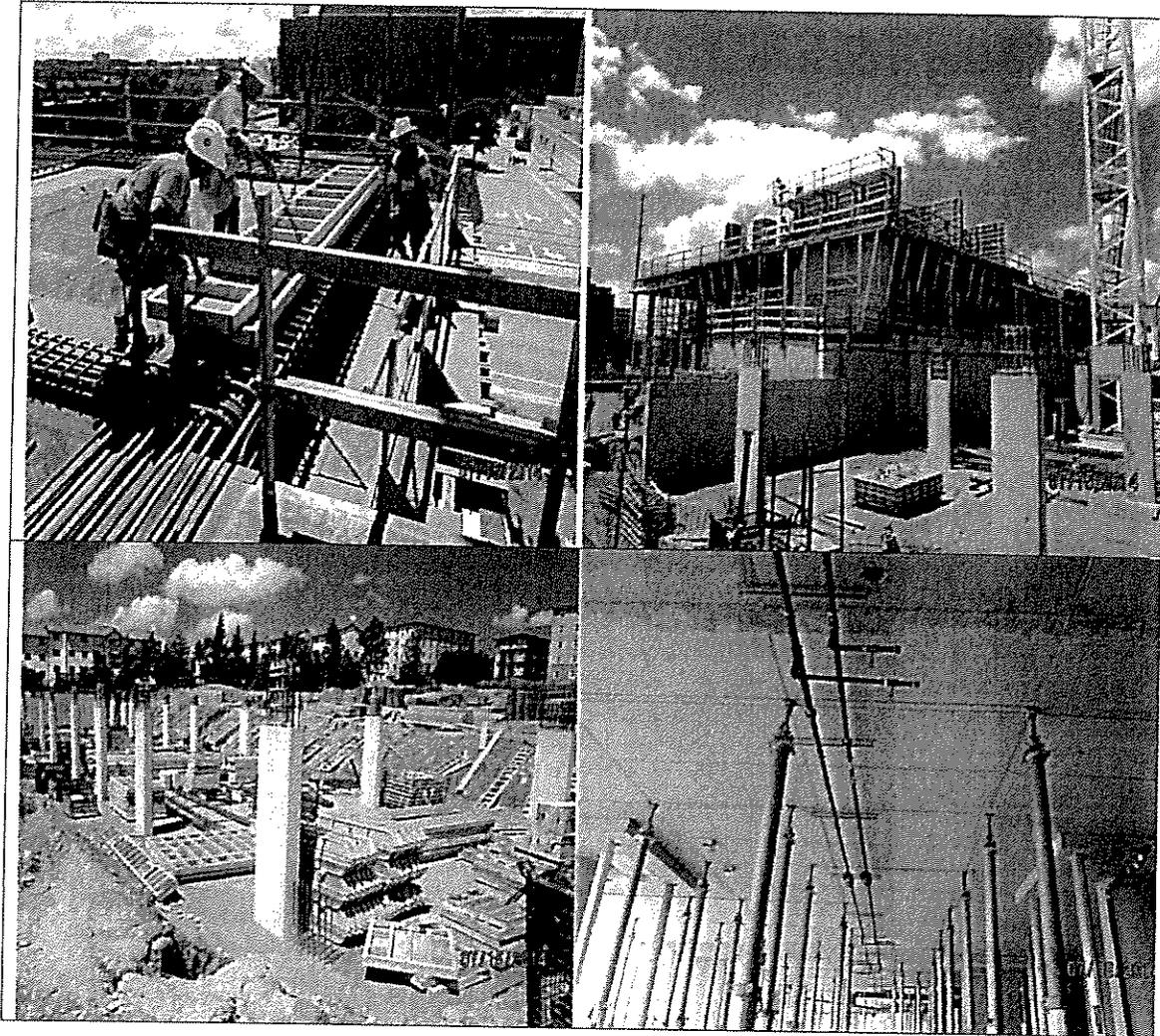
MELLOUL-BLAMEY BUILDING CORPORATION



700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



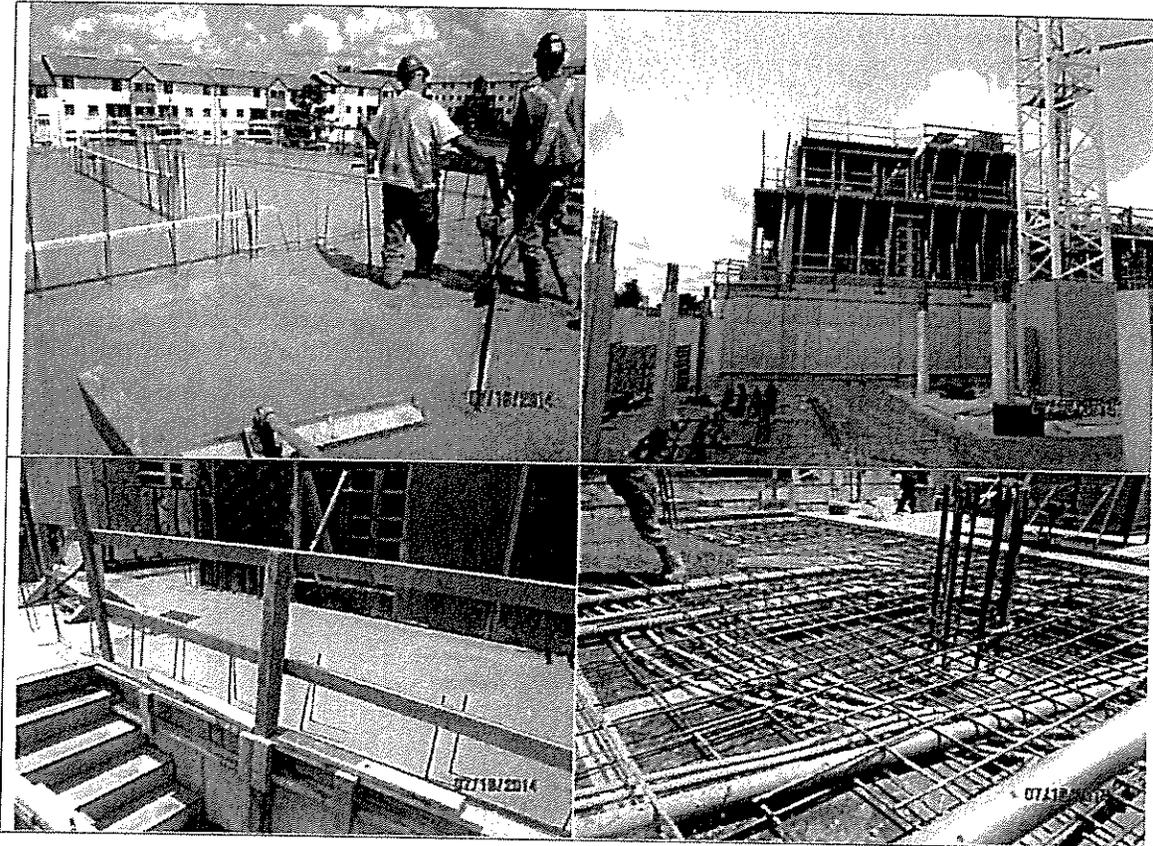
MELLOUL-BLAMEY BUILDING CORPORATION



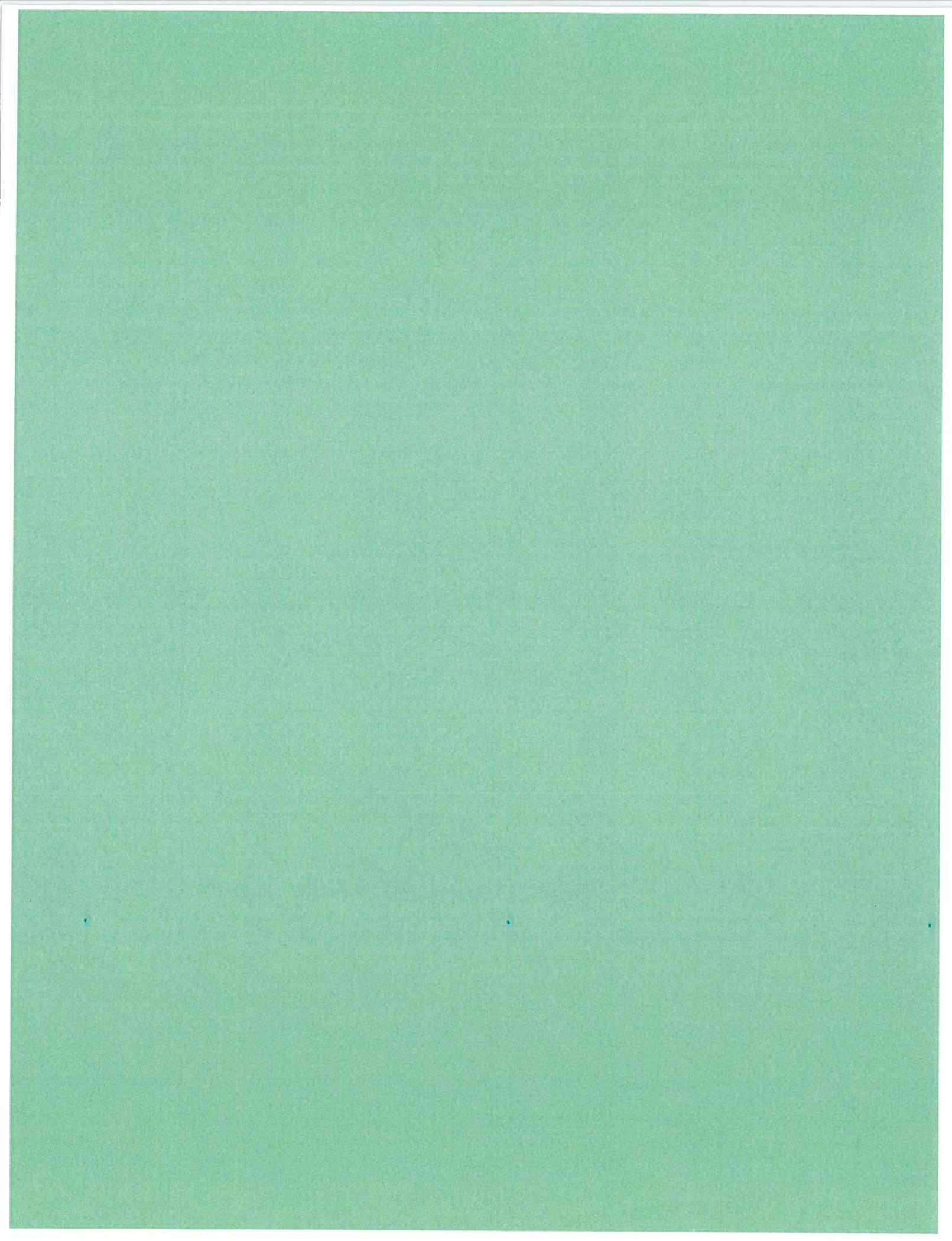
700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426

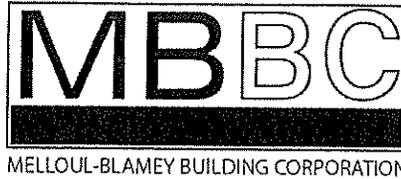
# MBBC

MELLOUL-BLAMEY BUILDING CORPORATION



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**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: Aug 15, 2014

Document No.: CED-MBBC-PSRP-2014-006

To: China Everbest Development International Limited

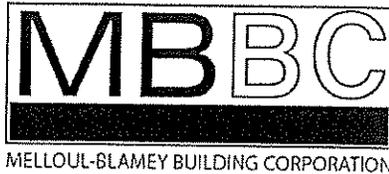
Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#4	1,000,000.00
<b>TOTAL (IN WORDS): One million US dollars</b>	<b>TOTAL: 1,000,000.00</b>

A handwritten signature in black ink, appearing to read 'Jennifer Xu', is written over a horizontal line.

Jennifer Xu

Director



## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I , WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

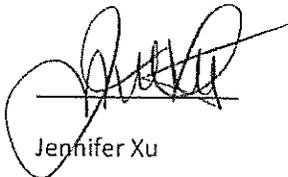
Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #4 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW AMOUNTS TO DATE (INCL. DRAW#4)	<u>\$40,380,000.00</u>
3. PAYMENT RECEIVED	<u>\$39,380,000.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 1,000,000.00</u>

SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION



Jennifer Xu

Director

DATE: August 15, 2014



## Draw #4 (August 2014) Application ( Breakdown)

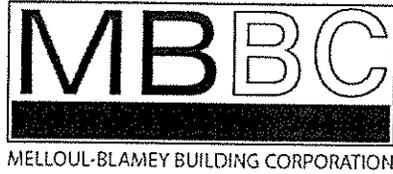
PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO,  
CANADA

Contract No. CED/MBBC/2014-001

Date: 15 Aug, 2014

S/N	Description	Amount	Draw #4	% of Draw#4	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00	1	0.00%	2,029,625	100.00%
1.2	Pre-Construction	\$ 11,492,594.00	0	0.00%	11,492,594	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00	0	0.00%	2,002,487	84.85%
1.4	Other Administration Costs	\$ 8,624,119.00	0	0.00%	8,624,119	100.00%
	Sub-total 1. Soft Cost	\$ 24,506,252.00	1	0.00%	24,148,825	98.54%
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00	0	0.00%	963,900	70.31%
2.2	Materials Procurement	\$ 1,549,309.00	0	0.00%	608,192	39.26%
	Sub-total 2. Procurement	\$ 2,920,189.00	0	0.00%	1,572,092	53.84%
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	116,982	3.90%	1,077,354	3.17%
3.2	Site Work	\$ 1,096,811.00	6,500	0.59%	1,049,964	95.73%
3.3	Concrete & Pre-cast	\$ 8,837,937.00	610,156	6.90%	4,231,687	47.88%
3.4	Masonry	\$ 219,881.00		0.00%	0	0.00%
3.5	Metals	\$ 258,593.00	0	0.00%	15,000	5.80%
3.6	Carpentry	\$ 428,400.00	0	0.00%	4,313	1.01%
3.7	Thermal & Moisture	\$ 1,367,583.00	9,395	0.69%	191,117	13.97%
3.8	Doors & Windows	\$ 1,630,062.00	0	0.00%	80,000	4.91%
3.9	Finishes	\$ 2,613,240.00	0	0.00%	0	0.00%
3.10	Specialities	\$ 84,218.00	0	0.00%	0	0.00%
3.11	Equipment	\$ 47,124.00	0	0.00%	0	0.00%
3.12	Conveying Systems - Elevators	\$ 728,280.00	0	0.00%	106,166	14.58%
3.13	Mechanical	\$ 3,851,316.00	146,370	3.80%	753,560	19.57%
3.14	Electrical	\$ 1,409,972.00	95,078	6.74%	453,856	32.19%
3.15	Miscellaneous Costs	\$ 866,848.00	0	0.00%	866,848	100.00%
3.16	Construction Contingency	\$ 1,713,600.00	15,518	0.91%	29,218	1.71%
3.17	Project Management	\$ 5,800,000.00	0	0.00%	5,800,000	100.00%
	Sub-total 3. Construction	\$ 33,953,559.00	999,999	2.95%	14,659,083	43.17%
	Total	\$ 61,380,000.00	1,000,000	1.63%	40,380,000	65.79%

dx



## PROGRESS REPORT #4 - August 2014

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001





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**Project Status:**

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**1. Design, Pre-Construction and other Administrations:**

- a. Most of design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, etc.. Interior Design for Amenity area as well as finishes selection is ongoing.
- b. Pre-Construction and various administrations are complete and/or ongoing.

**2. Furniture, Fixture & Equipment :**

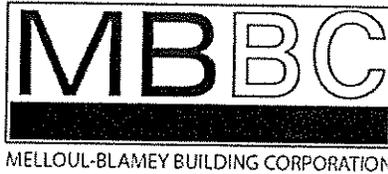
Furniture, Fixtures & Equipment as well as other materials Sourcing started, including appliances, Furniture for suites and common area as well as tools, equipment and various materials for site purpose. A number of products were ordered.

**3. Construction:**

- a. Demolition completed
- b. Excavation 95% complete
- c. Site Services 95% complete
- d. Concrete forming including rebar and concrete supply tower portion complete.
- e. Mechanical and Electrical underground work complete. Miscellaneous sleeving ongoing. Rough-in at lower floors started.  
Prefabrication to various mechanical and electrical items ongoing.
- f. Waterproofing in various areas ongoing.
- g. Shop drawings submissions and review process ongoing.
- h. Tower crane operational and hoarding complete
- i. Precast to start week of Aug.18.

**4. Site Safety:**

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation



- upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.
- e. Regular site safety inspections are ongoing.

**5. Inspections / Testing:**

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

**6. Key Milestone Dates**

1st cast-in-place pour:	01-Apr-14
Pre-cast to start	<u>18-Aug-14</u>
1st shipment of frame (arrival for installation)	2-Sep-14
Drywall taping and finishing work to start	03-Nov-14
Structural / Enclosure complete	16-Jan-15
Exterior work to complete	30-Jun-15
Substantial completion	31-Jul -15
Owner F.F.E by	25-Aug-15

**7. Progress Photos**

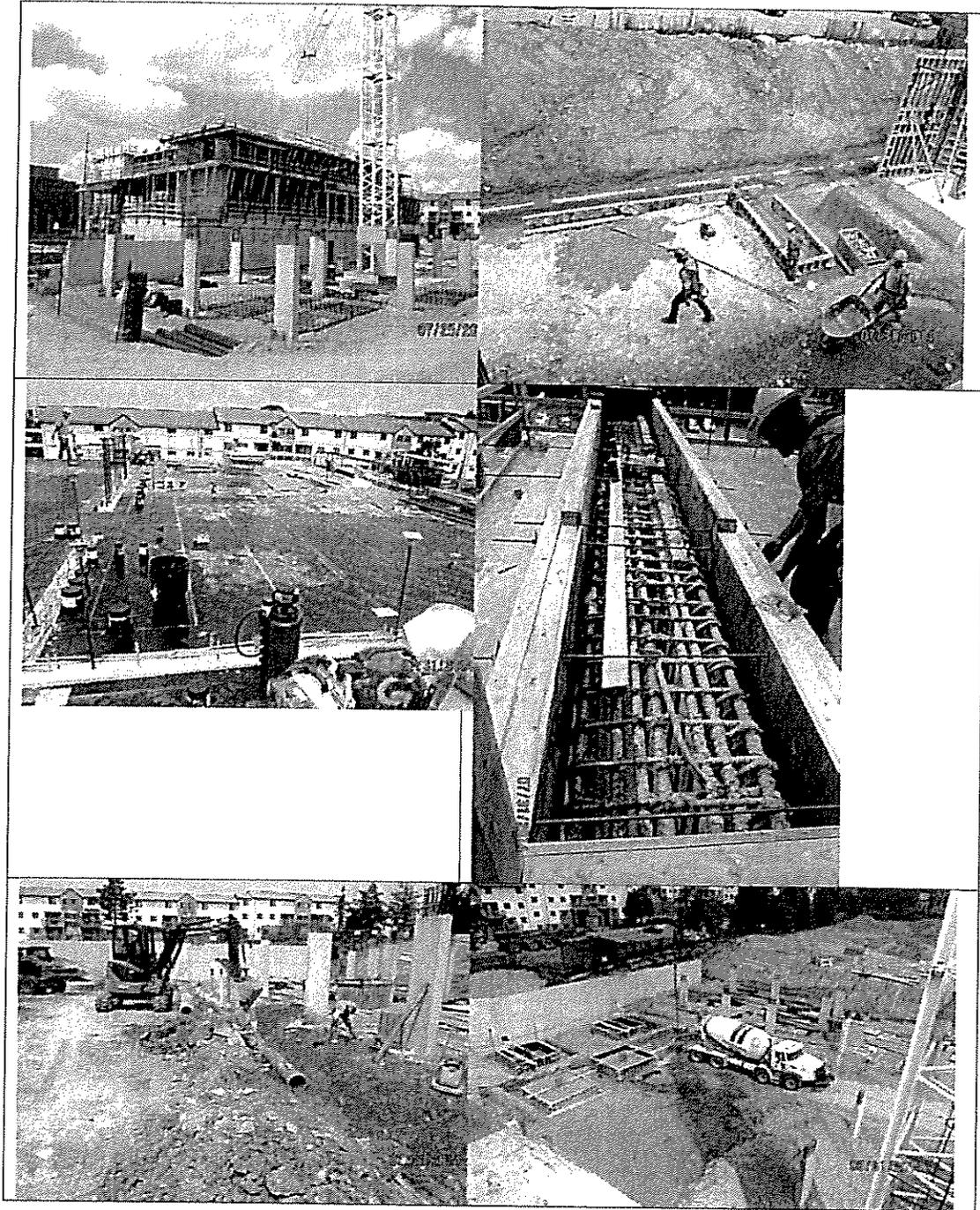
# MBBC

MELLOUL-BLAMEY BUILDING CORPORATION



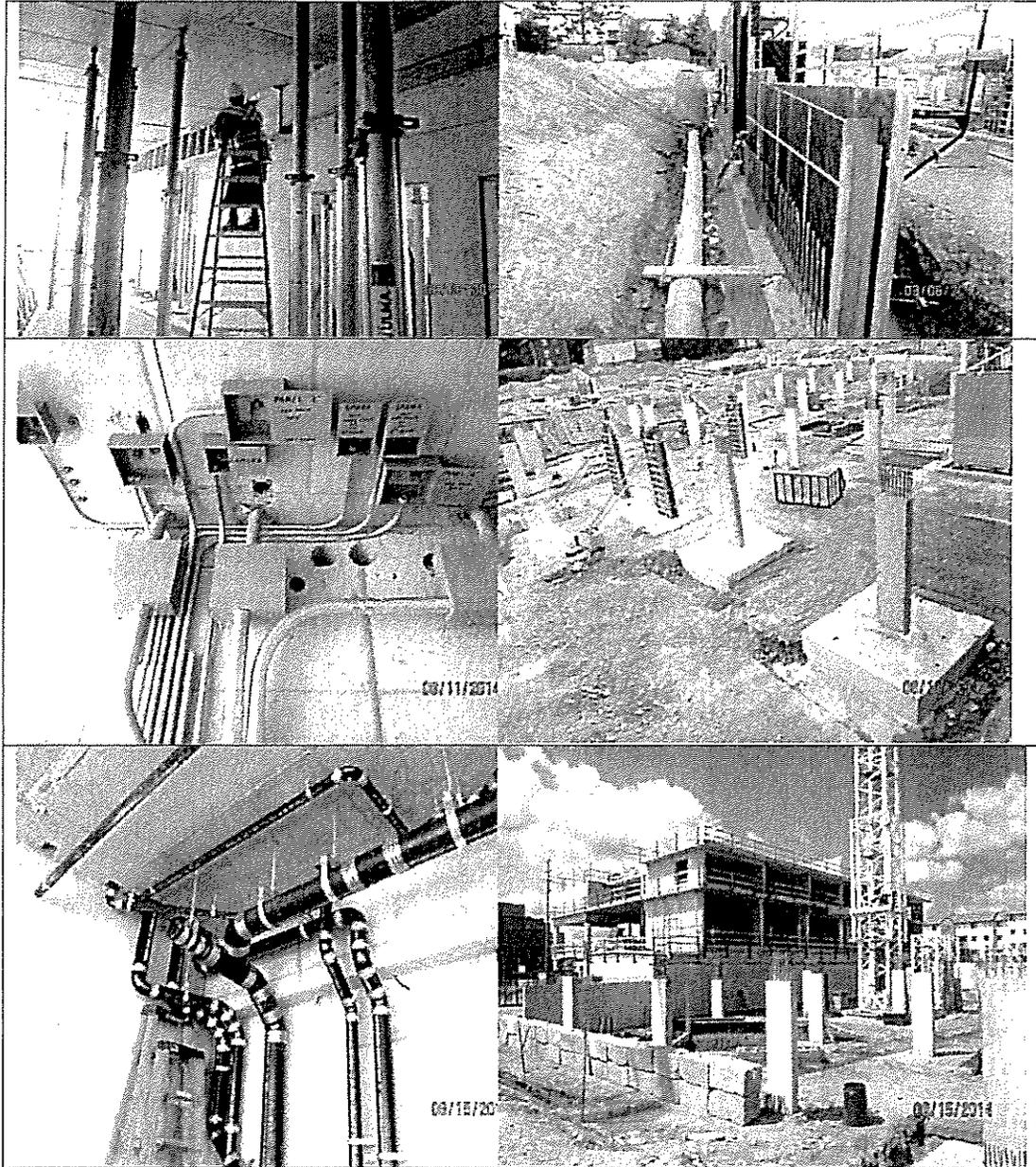
# MBBC

MELLOUL-BLAMEY BUILDING CORPORATION



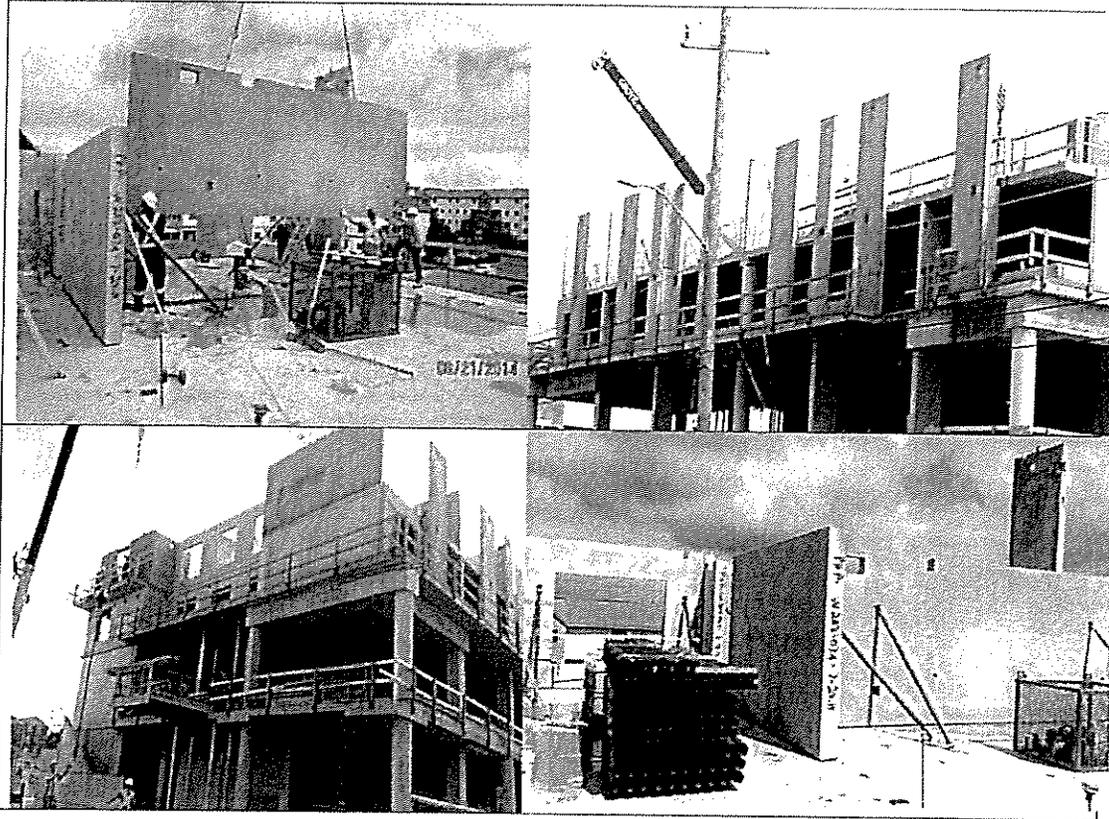
# MBBC

MELLOUL-BLAMEY BUILDING CORPORATION

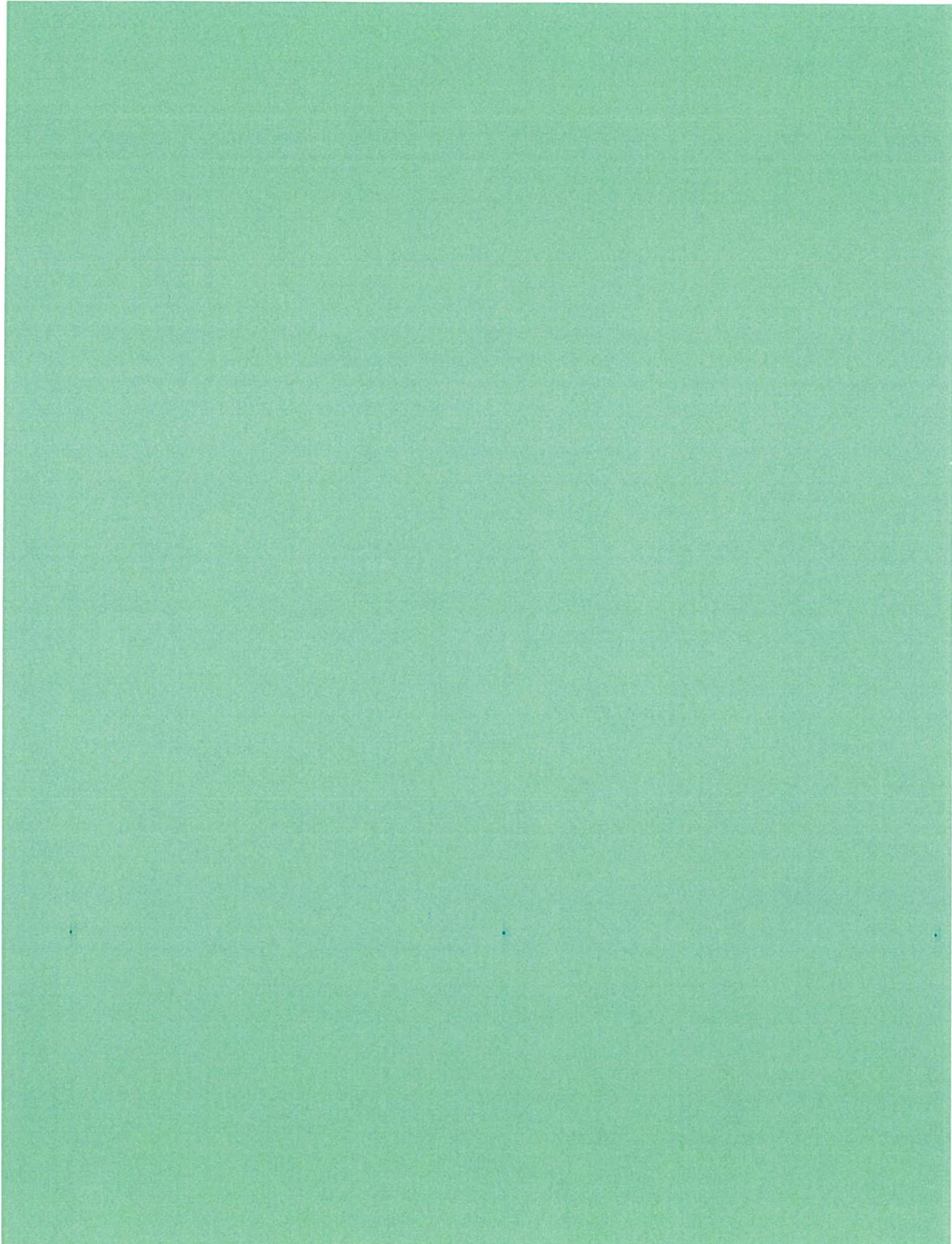


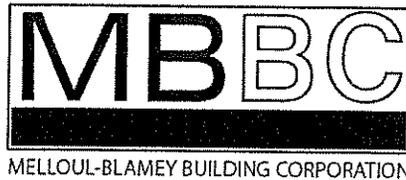
# MBBC

MELLOUL-BLAMEY BUILDING CORPORATION



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**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: Sep 15, 2014

Document No.: CED-MBBC-PSRP-2014-007

To: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#5	1,500,000.00
<b>TOTAL (IN WORDS): One million five hundred thousand US dollars</b>	<b>TOTAL: 1,500,000.00</b>

A handwritten signature in black ink, appearing to read 'Jennifer Xu', is written over a horizontal line.

Jennifer Xu

President



## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I , WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #5 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW AMOUNTS TO DATE (INCL. DRAW#5)	<u>\$41,880,000.00</u>
3. PAYMENT RECEIVED	<u>\$40,380,000.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 1,500,000.00</u>

SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION



Jennifer Xu

Director

DATE: September 15, 2014



## Draw #5 (September 2014) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO,  
CANADA

Contract No. CED/MBBC/2014-001

Date: 15 Sep, 2014

S/N	Description	Amount	Draw #5	% of Draw#5	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00		0%	2,029,625	100.00%
1.2	Pre-Construction	\$ 11,492,594.00		0%	11,492,594	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00		0%	2,002,487	84.85%
1.4	Other Administration Costs	\$ 8,624,119.00		0%	8,624,119	100.00%
	<b>Sub-total 1. Soft Cost</b>	<b>\$ 24,506,252.00</b>	<b>0</b>	<b>0%</b>	<b>24,148,825</b>	<b>98.54%</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00		0%	963,900	70.31%
2.2	Materials Procurement	\$ 1,549,309.00		0%	608,192	39.26%
	<b>Sub-total 2. Procurement</b>	<b>\$ 2,920,189.00</b>	<b>0</b>	<b>0%</b>	<b>1,572,092</b>	<b>53.84%</b>
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	146,743	5%	1,224,097	3.61%
3.2	Site Work	\$ 1,096,811.00	42,587	4%	1,092,551	99.61%
3.3	Concrete & Pre-cast	\$ 8,837,937.00	962,073	11%	5,193,760	58.77%
3.4	Masonry	\$ 219,881.00	20,399	9%	20,399	9.28%
3.5	Metals	\$ 258,593.00	5,080	2%	20,080	7.77%
3.6	Carpentry	\$ 428,400.00	42,230	10%	46,543	10.86%
3.7	Thermal & Moisture	\$ 1,367,583.00	15,631	1%	206,748	15.12%
3.8	Doors & Windows	\$ 1,630,062.00		0%	80,000	4.91%
3.9	Finishes	\$ 2,613,240.00		0%	0	0.00%
3.10	Specialities	\$ 84,218.00		0%	0	0.00%
3.11	Equipment	\$ 47,124.00		0%	0	0.00%
3.12	Conveying Systems - Elevators	\$ 728,280.00		0%	106,166	14.58%
3.13	Mechanical	\$ 3,851,316.00	182,848	5%	936,408	24.31%
3.14	Electrical	\$ 1,409,972.00	82,409	6%	536,265	38.03%
3.15	Miscellaneous Costs	\$ 866,848.00		0%	866,848	100.00%
3.16	Construction Contingency	\$ 1,713,600.00		0%	29,218	1.71%
3.17	Project Management	\$ 5,800,000.00		0%	5,800,000	100.00%
	<b>Sub-total 3. Construction</b>	<b>\$ 33,953,559.00</b>	<b>1,500,000</b>	<b>4%</b>	<b>16,159,083</b>	<b>47.59%</b>
	<b>Total</b>	<b>\$ 61,380,000.00</b>	<b>1,500,000</b>	<b>2%</b>	<b>41,880,000</b>	<b>68.23%</b>

*Handwritten initials/signature*

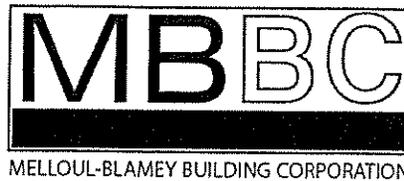


## PROGRESS REPORT #5 - September 2014

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001





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**Project Status:**

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**1. Design, Pre-Construction and other Administrations:**

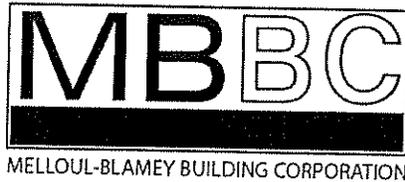
- a. Most of design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, etc.. Interior Design for Amenity area as well as finishes selection is ongoing.
- b. Pre-Construction and various administrations are complete and/or ongoing.

**2. Furniture, Fixture & Equipment :**

Furniture, Fixtures & Equipment as well as other materials Sourcing started, including appliances, Furniture for suites and common area as well as tools, equipment and various materials for site purpose. A number of products were ordered.

**3. Construction:**

- a. Demolition completed
- b. Excavation 95% complete
- c. Site Services 95% complete
- d. Concrete forming including rebar and concrete supply tower portion complete.
- e. Concrete forming including rebar and concrete supply for underground parking completed and upper deck in progress.
- f. Mechanical and Electrical underground work complete. Rough-in at lower floors started.  
Prefabrication to various mechanical and electrical items ongoing.
- g. Waterproofing in various areas ongoing.
- h. Shop drawings submissions and review process ongoing.
- i. Precast to start week of Aug.18. 7<sup>th</sup> Floor slab completed.
- j. Mockup suite for 4<sup>th</sup> floor for coordination purpose ongoing.
- k. Window mockup and envelope assembly mockup complete and ready for inspection.



4. Site Safety:

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.
- e. Regular site safety inspections are ongoing.

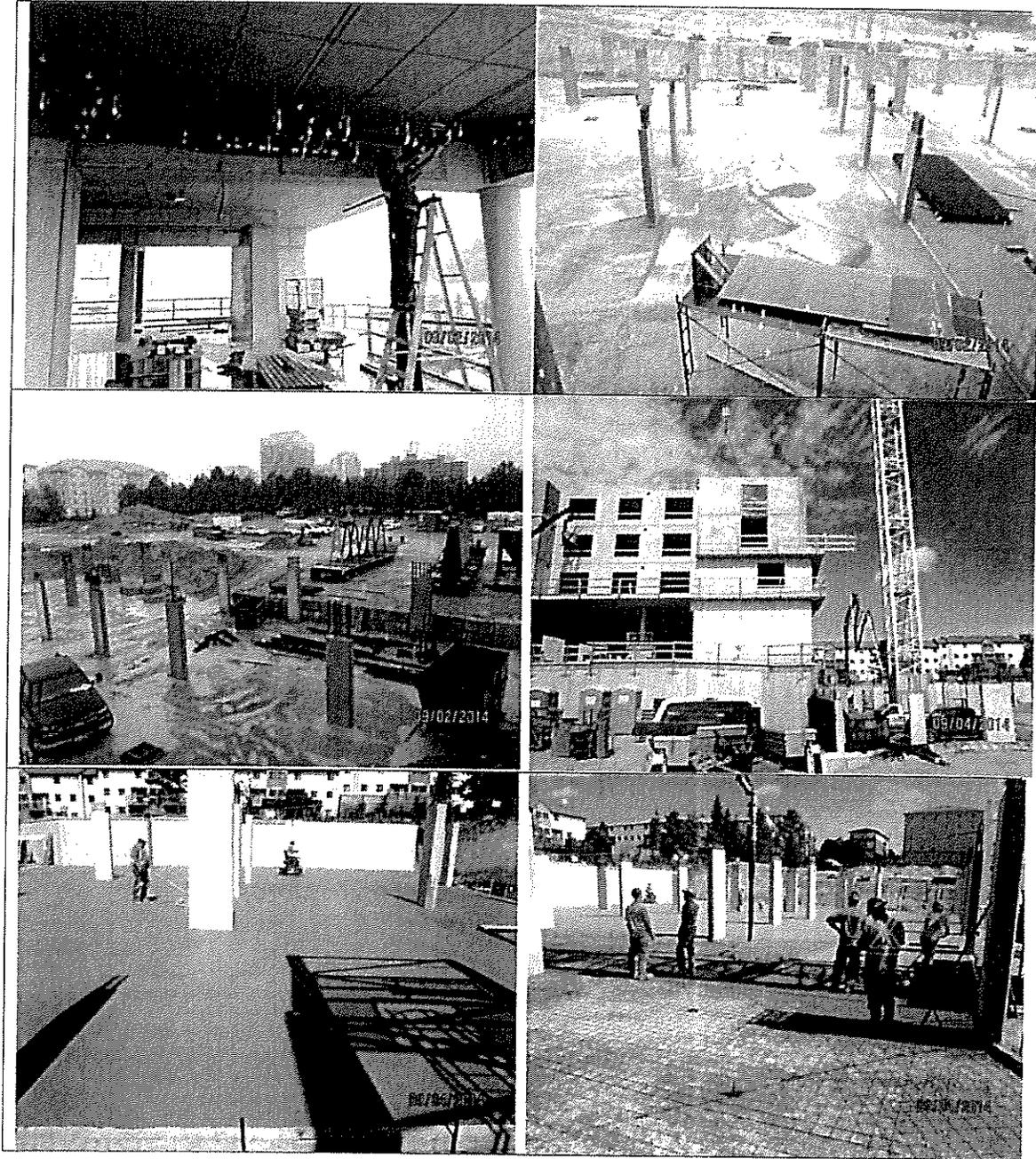
5. Inspections / Testing:

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

6. Key Milestone Dates

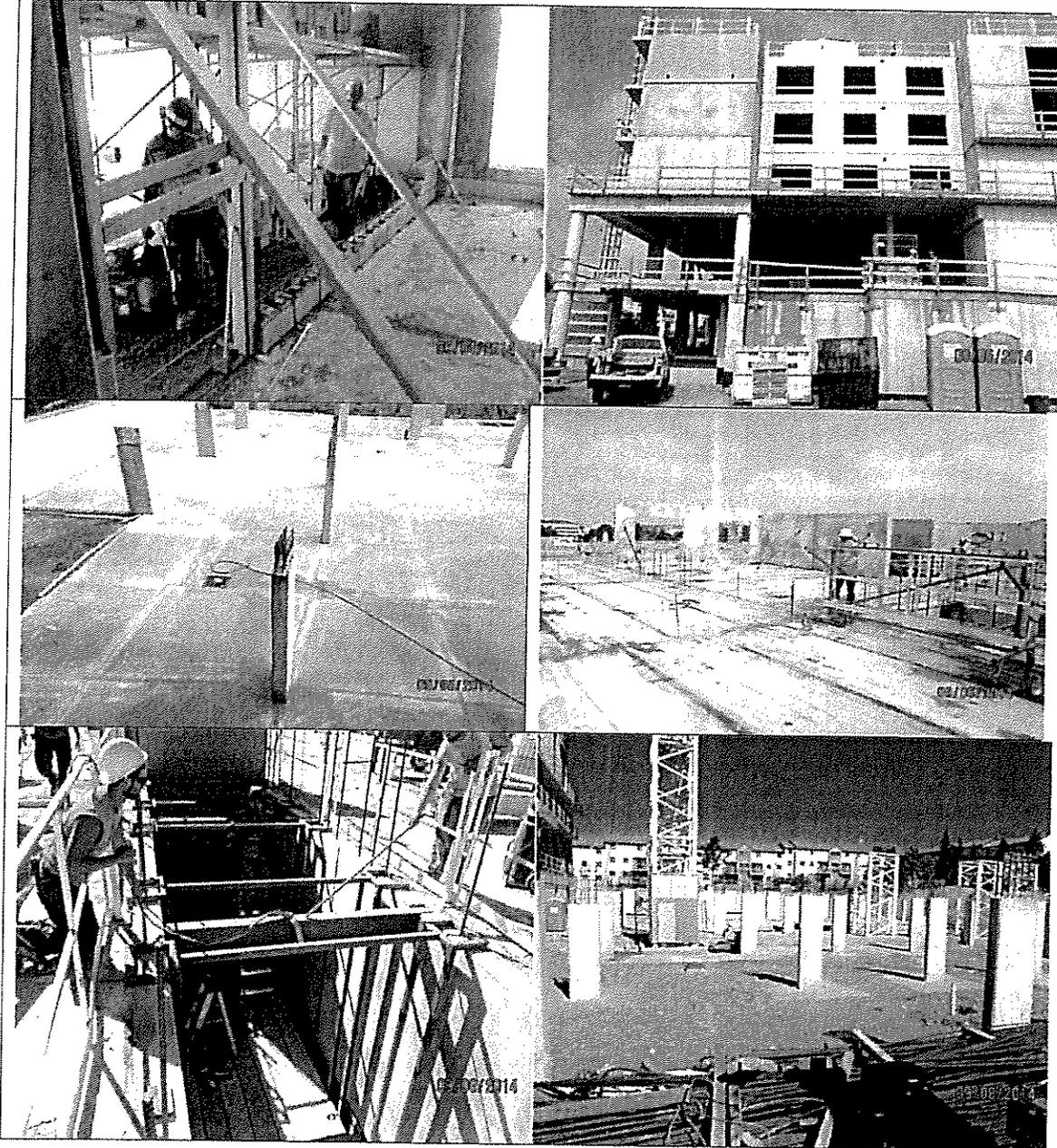
1st cast-in-place pour:	01-Apr-14
Pre-cast to start	<b>18-Aug-14</b>
1st shipment of frame (arrival for installation)	2-Sep-14
Drywall taping and finishing work to start	03-Nov-14
Structural / Enclosure complete	16-Jan-15
Exterior work to complete	30-Jun-15
Substantial completion	31-Jul -15
Owner F.F.E by	25-Aug-15

7. Progress Photos



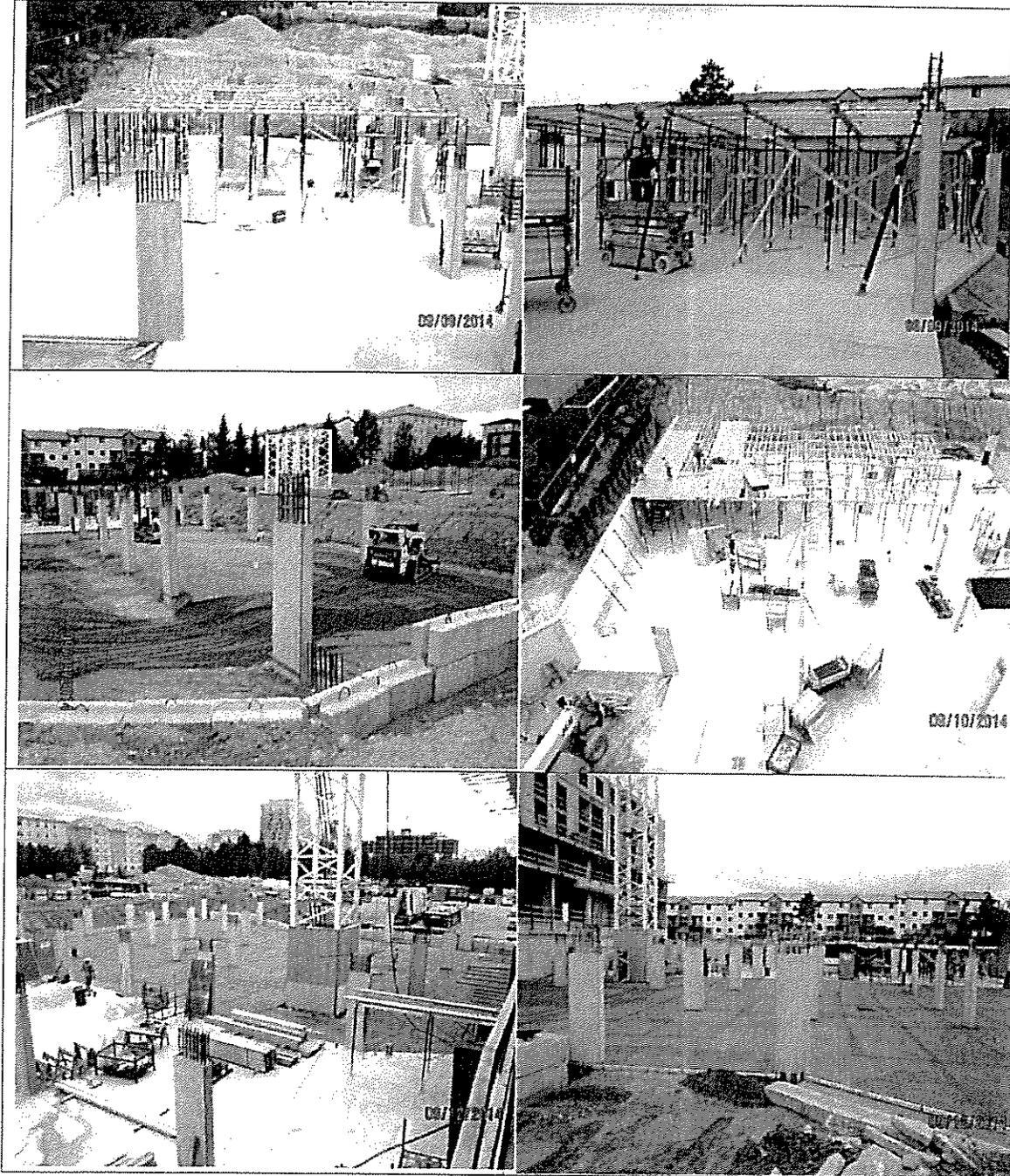
# MBBC

MELLOUL-BLAMEY BUILDING CORPORATION



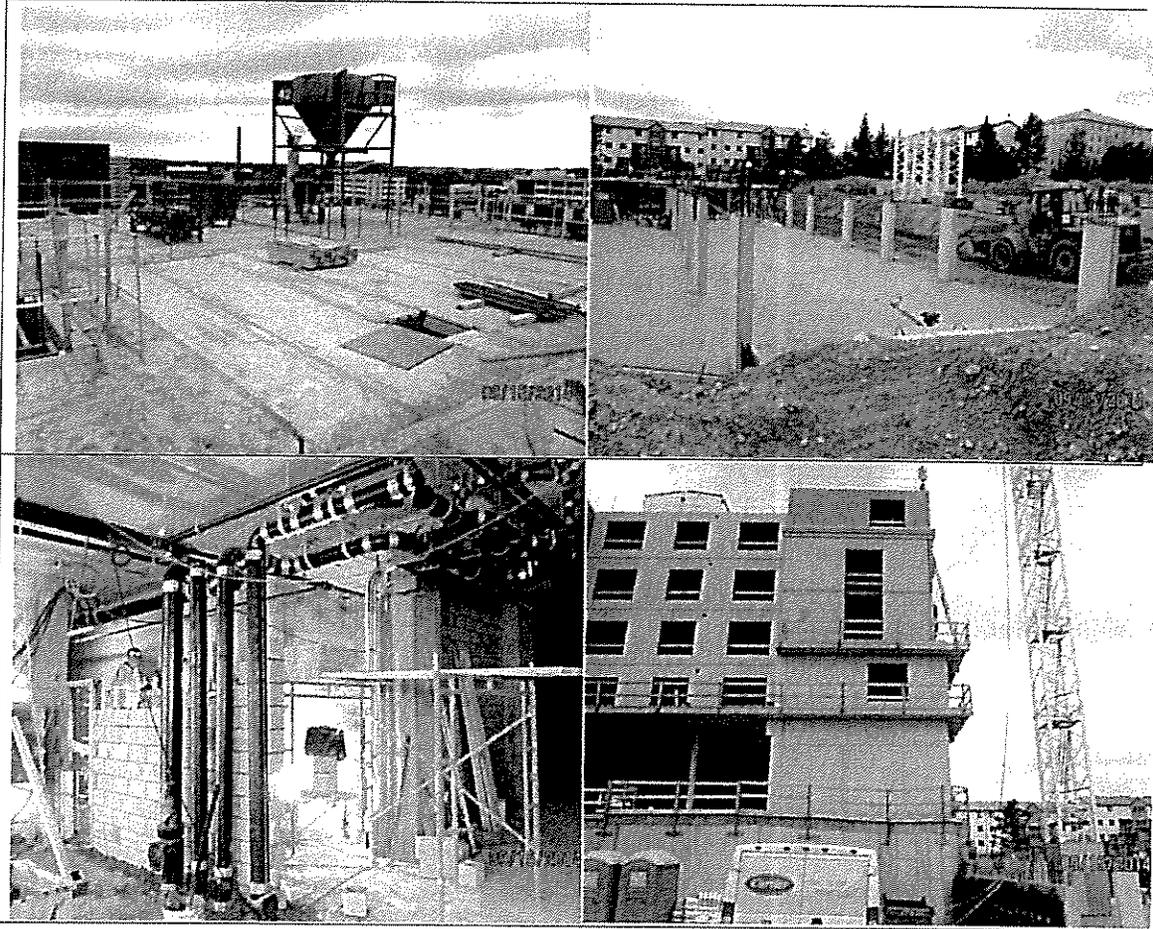


MELLOUL-BLAMEY BUILDING CORPORATION

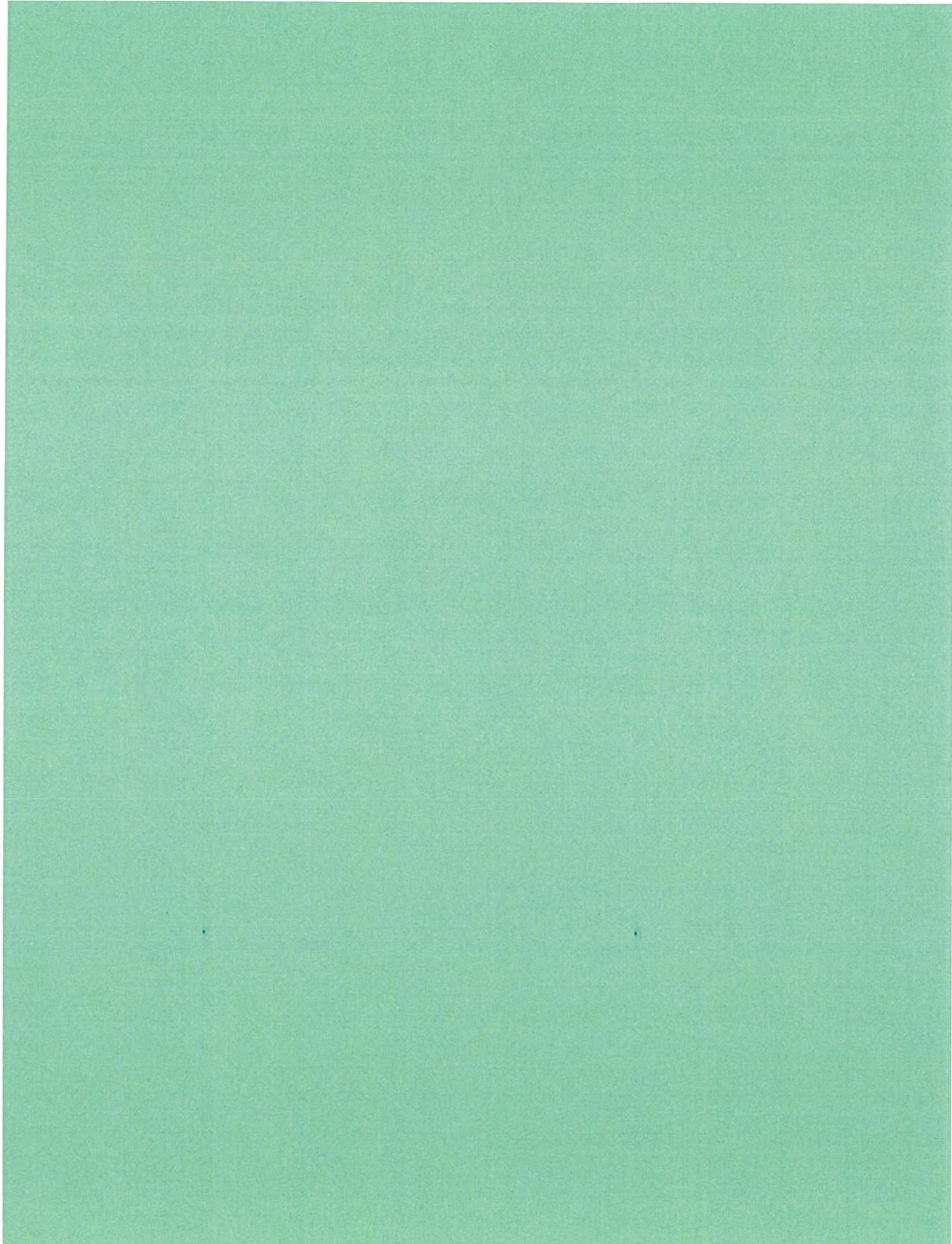


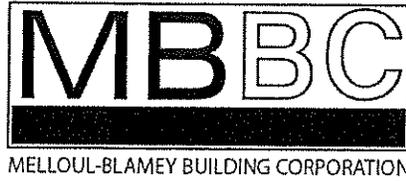


MELLOUL-BLAMEY BUILDING CORPORATION



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**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: Oct 20, 2014

Document No.: CED-MBBC-PSRP-2014-008

To: China Everbest Development International Limited

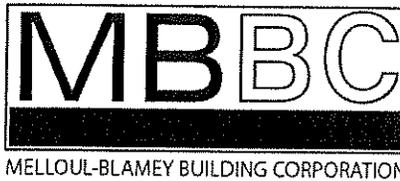
Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#6	2,000,000.00
<b>TOTAL (IN WORDS): Two million US dollars</b>	<b>TOTAL: 2,000,000.00</b>

A handwritten signature in black ink, appearing to be 'Jennifer Xu', is written over a horizontal line.

Jennifer Xu

President



**SUBCONTRACTOR APPLICATION FOR PAYMENT**

**NAME OF PROJECT:** PHILLIP STUDENT RESIDENCE PROJECT PHASE I , WATERLOO, CANADA

**TO:** China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

**FROM:** Melloul-Blamey Building Corporation

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

**RE:** Application for Draw No. #6 to Contract No. CED/MBBC/2014-001 and Payment Schedule

**STATEMENT OF SUBCONTRACTOR STATUS**

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW AMOUNTS TO DATE (INCL. DRAW#6)	<u>\$43,880,000.00</u>
3. PAYMENT RECEIVED	<u>\$41,880,000.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 2,000,000.00</u>

**SUBCONTRACTOR:** MELLOUL BLAMEY BUILDING CORPORATION

Jennifer Xu

Director

DATE: October 20, 2014



## Draw #6 (October 2014) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO,  
CANADA

Contract No. CED/MBBC/2014-001

Date: 20 Oct, 2014

S/N	Description	Amount	Draw #6	% of Draw#6	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00	0.00	0.00%	2,029,625.00	100.00%
1.2	Pre-Construction	\$ 11,492,594.00	0.00	0.00%	11,492,594.00	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00	0.00	0.00%	2,002,487.00	84.85%
1.4	Other Administration Costs	\$ 8,624,119.00	0.00	0.00%	8,624,119.00	100.00%
	<b>Sub-total 1. Soft Cost</b>	<b>\$ 24,506,252.00</b>	<b>0.00</b>	<b>0.00%</b>	<b>24,148,825.00</b>	<b>98.54%</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00	160,650.00	11.72%	1,124,550.00	82.03%
2.2	Materials Procurement	\$ 1,549,309.00	53,550.00	3.46%	661,742.00	42.71%
	<b>Sub-total 2. Procurement</b>	<b>\$ 2,920,189.00</b>	<b>214,200.00</b>	<b>7.34%</b>	<b>1,786,292.00</b>	<b>61.17%</b>
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	154,500.00	5.15%	1,378,597.00	45.96%
3.2	Site Work	\$ 1,096,811.00	0.00	0.00%	1,092,551.00	99.61%
3.3	Concrete & Pre-cast	\$ 8,837,937.00	1,150,000.00	13.01%	6,343,760.00	71.78%
3.4	Masonry	\$ 219,881.00	121,000.00	55.03%	141,399.00	64.31%
3.5	Metals	\$ 258,593.00		0.00%	20,080.00	7.77%
3.6	Carpentry	\$ 428,400.00	12,453.00	2.91%	58,996.00	13.77%
3.7	Thermal & Moisture	\$ 1,367,583.00	3,950.00	0.29%	210,698.00	15.41%
3.8	Doors & Windows	\$ 1,630,062.00	4,800.00	0.29%	84,800.00	5.20%
3.9	Finishes	\$ 2,613,240.00	31,400.00	1.20%	31,400.00	1.20%
3.10	Specialties	\$ 84,218.00		0.00%	0.00	0.00%
3.11	Equipment	\$ 47,124.00		0.00%	0.00	0.00%
3.12	Conveying Systems - Elevators	\$ 728,280.00		0.00%	106,166.00	14.58%
3.13	Mechanical	\$ 3,851,316.00	121,740.00	3.16%	1,058,148.00	27.47%
3.14	Electrical	\$ 1,409,972.00	95,000.00	6.74%	631,265.00	44.77%
3.15	Miscellaneous Costs	\$ 866,848.00		0.00%	866,848.00	100.00%
3.16	Construction Contingency	\$ 1,713,600.00	90,957.00	5.31%	120,175.00	7.01%
3.17	Project Management	\$ 5,800,000.00		0.00%	5,800,000.00	100.00%
	<b>Sub-total 3. Construction</b>	<b>\$ 33,953,559.00</b>	<b>1,785,800.00</b>	<b>5.26%</b>	<b>17,944,883.00</b>	<b>52.85%</b>
	<b>Total</b>	<b>\$ 61,380,000.00</b>	<b>2,000,000.00</b>	<b>3.26%</b>	<b>43,880,000.00</b>	<b>71.49%</b>

*Handwritten signature/initials*



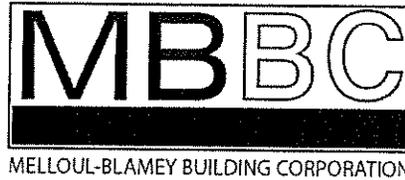
MELLOUL-BLAMEY BUILDING CORPORATION

## PROGRESS REPORT #6 - October 2014

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001





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**Project Status:**

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**1. Design, Pre-Construction and other Administrations:**

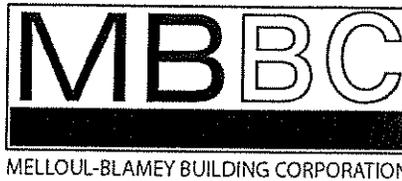
- a. Most of design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, etc.. Interior Design for Amenity area as well as finishes selection is ongoing.
- b. Pre-Construction and various administrations are complete and/or ongoing.

**2. Furniture, Fixture & Equipment :**

Furniture, Fixtures & Equipment as well as other materials Sourcing started, including appliances, Furniture for suites and common area as well as tools, equipment and various materials for site purpose. A number of products were ordered.

**3. Construction:**

- a. Demolition completed
- b. Excavation 95% complete
- c. Site Services 95% complete
- d. Concrete forming including rebar and concrete supply tower portion complete.
- e. Concrete forming including rebar and concrete supply for underground parking completed and upper deck 50% complete and balance in progress.
- f. Mechanical and Electrical underground work complete. Rough-in on typical floors ongoing.
- g. Prefabrication to various mechanical and electrical items complete.
- h. Waterproofing in various areas ongoing.
- i. Shop drawings submissions and review process ongoing.
- j. Precast to start week of Aug.18. 12<sup>th</sup> Floor slab installation completed
- k. Mockup suite for 4<sup>th</sup> floor for coordination purpose ongoing.
- l. Windows installation started from lower floors.



#### 4. Site Safety:

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.
- e. Regular site safety inspections are ongoing.

#### 5. Inspections / Testing:

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

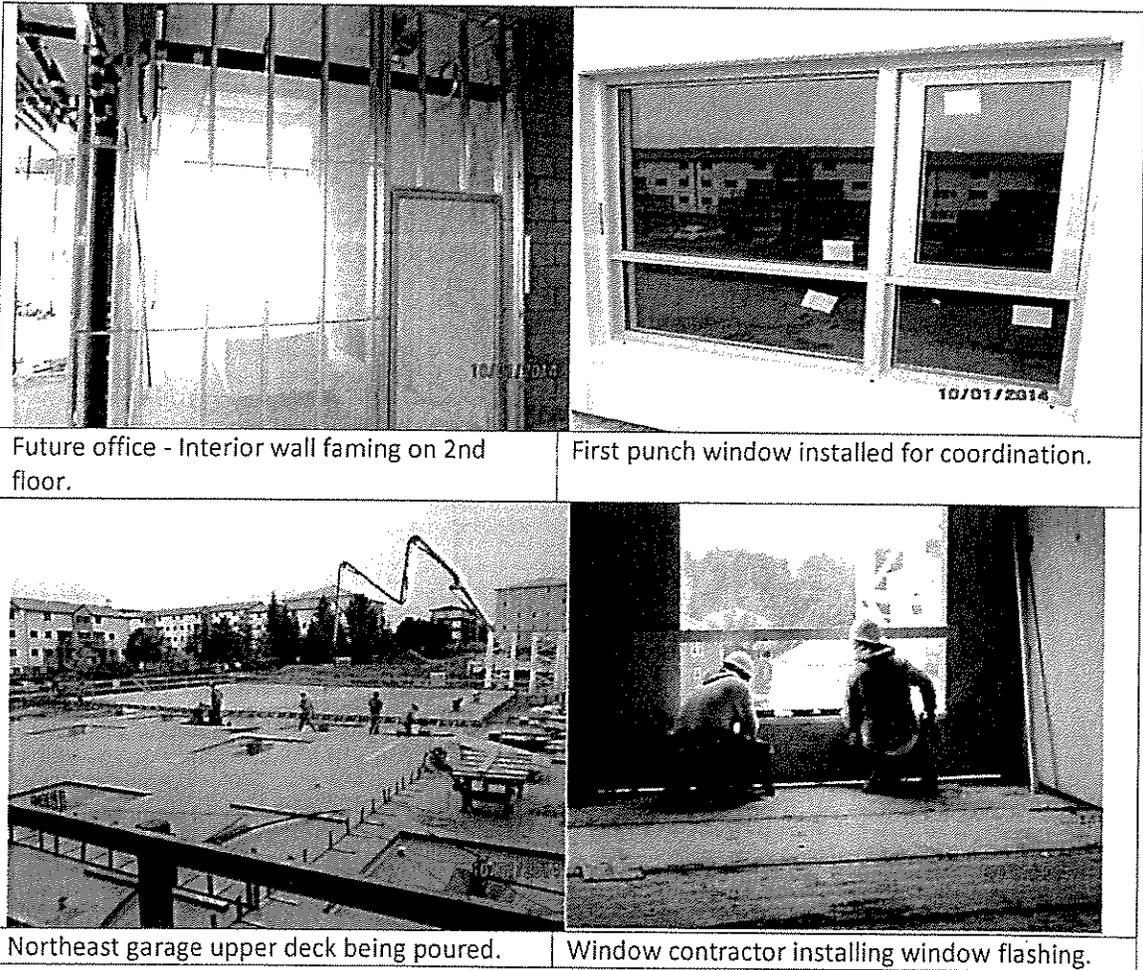
#### 6. Key Milestone Dates

1st cast-in-place pour:	01-Apr-14
Pre-cast to start	<b>18-Aug-14</b>
1st shipment of frame (arrival for installation)	2-Sep-14
Drywall taping and finishing work to start	03-Nov-14
Structural / Enclosure complete	16-Jan-15
Exterior work to complete	30-Jun-15
Substantial completion	31-Jul -15
Owner F.F.E by	25-Aug-15



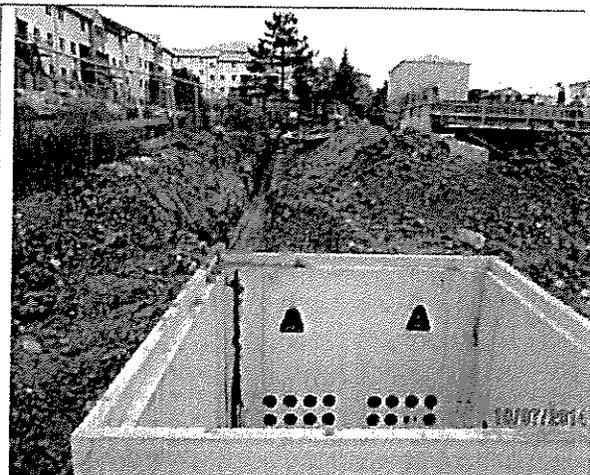
MELLOUL-BLAMEY BUILDING CORPORATION

7. Progress Photos

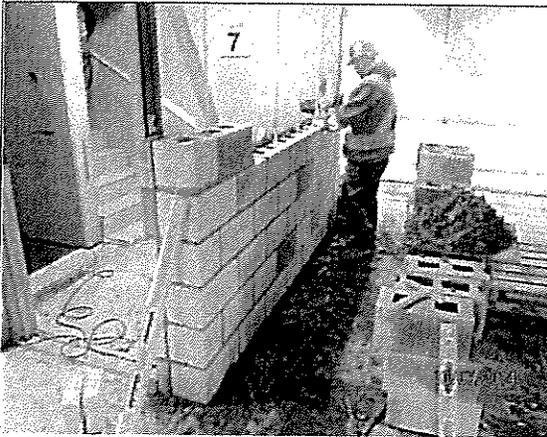




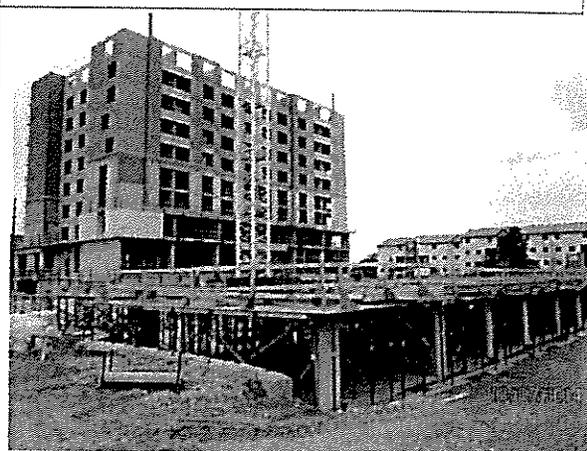
Workers installing rebar on upper garage.



Workers installing rebar on upper garage.



Mason laying blocks with rough-in conduit.



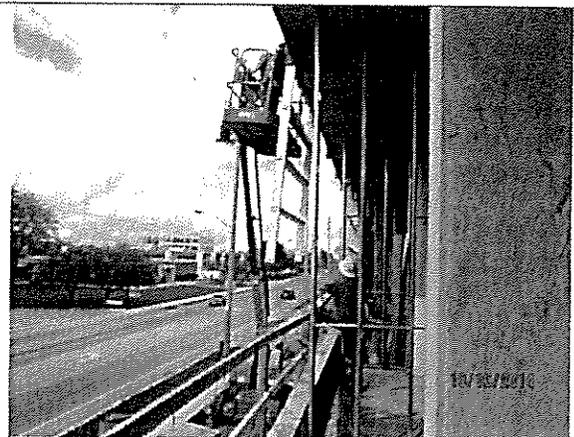
Southeast elevation.



MELLOUL-BLAMEY BUILDING CORPORATION



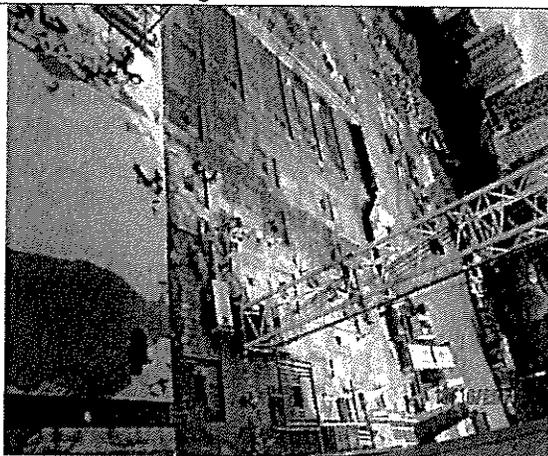
Window frames installed at ground level.



Workers installing 2<sup>nd</sup> floor window frame.

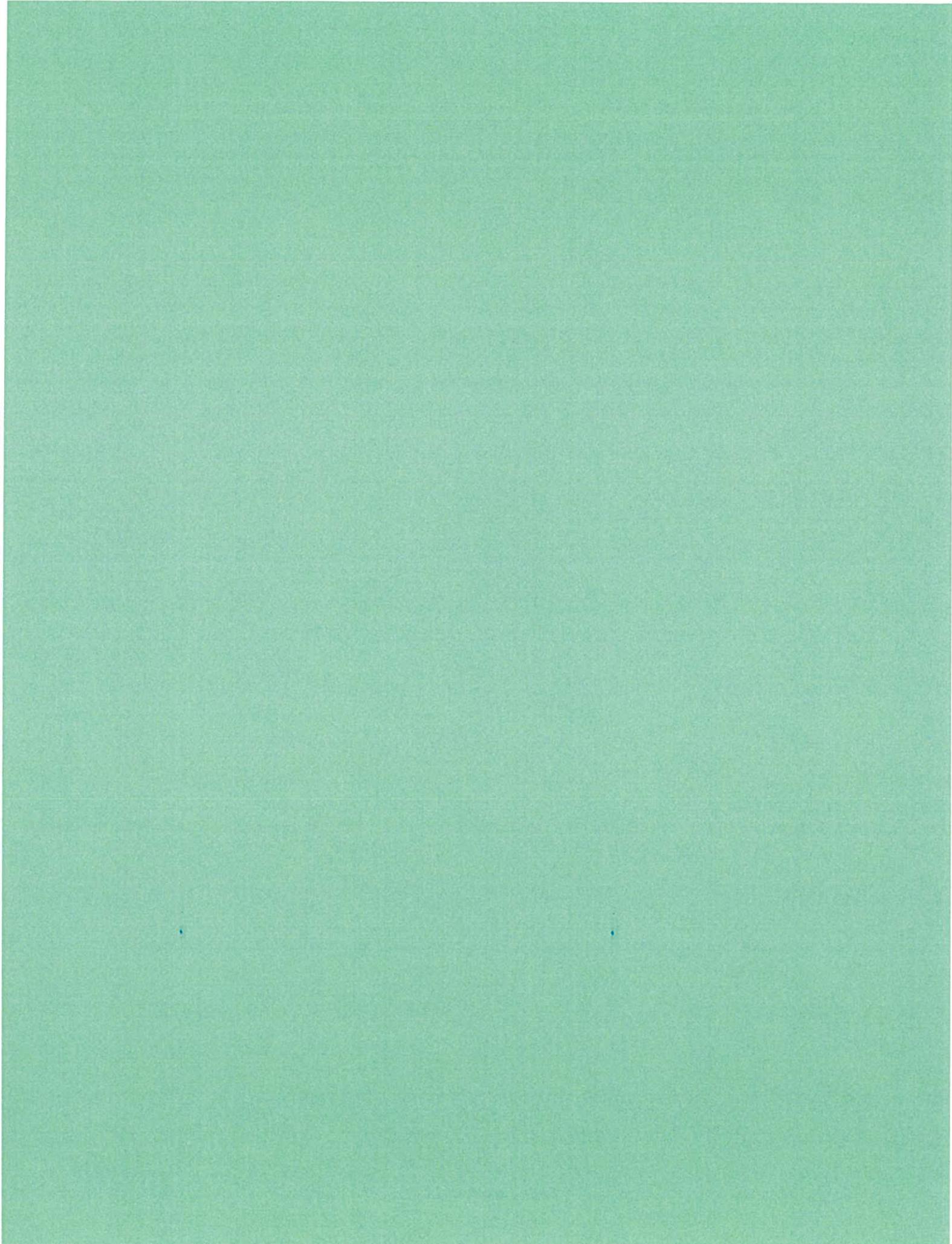


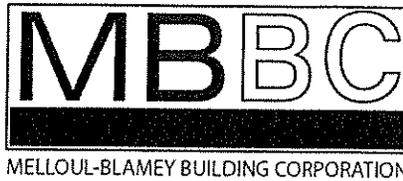
Framing at typical interior suite corridor.



South portion of upper garage deck.

~ END ~





**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: Nov. 21, 2014

Document No.: CED-MBBC-PSRP-2014-009

To: China Everbest Development International Limited

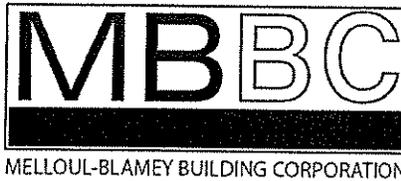
Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#7	3,000,000.00
<b>TOTAL (IN WORDS): Three million US dollars</b>	<b>TOTAL: 3,000,000.00</b>

A handwritten signature in black ink, appearing to read 'Jennifer Xu', is written over a horizontal line.

Jennifer Xu

President



## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I , WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #7 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW AMOUNTS TO DATE (INCL. DRAW#6)	<u>\$46,880,000.00</u>
3. PAYMENT RECEIVED	<u>\$43,880,000.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 3,000,000.00</u>

SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION

A handwritten signature in black ink, appearing to read 'Jennifer Xu', is written over a horizontal line. The signature is stylized and cursive.

Jennifer Xu

Director

DATE: November 21, 2014



## Draw #7 ( November 2014) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001

Date: 21 Nov, 2014

S/N	Description	Amount	Draw #7	% of Draw#7	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00	0.00	0.00%	2,029,625.00	100.00%
1.2	Pre-Construction	\$ 11,492,594.00	0.00	0.00%	11,492,594.00	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00	15,042.00	0.64%	2,017,529.00	85.49%
1.4	Other Administration Costs	\$ 8,624,119.00	0.00	0.00%	8,624,119.00	100.00%
	<b>Sub-total 1. Soft Cost</b>	<b>\$ 24,506,252.00</b>	<b>15,042.00</b>	<b>0.06%</b>	<b>24,163,867.00</b>	<b>98.60%</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00	214,200.00	15.63%	1,338,750.00	97.66%
2.2	Materials Procurement	\$ 1,549,309.00	521,300.00	33.65%	1,183,042.00	76.36%
	<b>Sub-total 2. Procurement</b>	<b>\$ 2,920,189.00</b>	<b>735,500.00</b>	<b>25.19%</b>	<b>2,521,792.00</b>	<b>86.36%</b>
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	47,171.00	1.57%	1,425,768.00	47.53%
3.2	Site Work	\$ 1,096,811.00	0.00	0.00%	1,092,551.00	99.61%
3.3	Concrete & Pre-cast	\$ 8,837,937.00	1,288,724.00	14.58%	7,632,484.00	86.36%
3.4	Masonry	\$ 219,881.00	12,513.00	5.69%	153,912.00	70.00%
3.5	Metals	\$ 258,593.00	5,080.00	1.96%	25,160.00	9.73%
3.6	Carpentry	\$ 428,400.00	298.00	0.07%	59,294.00	13.84%
3.7	Thermal & Moisture	\$ 1,367,583.00	29,328.00	2.14%	240,026.00	17.55%
3.8	Doors & Windows	\$ 1,630,062.00	353,238.00	21.67%	438,038.00	26.87%
3.9	Finishes	\$ 2,613,240.00	179,050.00	6.85%	210,450.00	8.05%
3.10	Specialities	\$ 84,218.00	0.00	0.00%	0.00	0.00%
3.11	Equipment	\$ 47,124.00	0.00	0.00%	0.00	0.00%
3.12	Conveying Systems - Elevators	\$ 728,280.00	0.00	0.00%	106,166.00	14.58%
3.13	Mechanical	\$ 3,851,316.00	265,580.00	6.90%	1,323,728.00	34.37%
3.14	Electrical	\$ 1,409,972.00	68,476.00	4.86%	699,741.00	49.63%
3.15	Miscellaneous Costs	\$ 866,848.00	0.00	0.00%	866,848.00	100.00%
3.16	Construction Contingency	\$ 1,713,600.00	0.00	0.00%	120,175.00	7.01%
3.17	Project Management	\$ 5,800,000.00	0.00	0.00%	5,800,000.00	100.00%
	<b>Sub-total 3. Construction</b>	<b>\$ 33,953,559.00</b>	<b>2,249,458.00</b>	<b>6.63%</b>	<b>20,194,341.00</b>	<b>59.48%</b>
	<b>Total</b>	<b>\$ 61,380,000.00</b>	<b>3,000,000.00</b>	<b>4.89%</b>	<b>46,880,000.00</b>	<b>76.38%</b>

*SLX*



MELLOUL-BLAMEY BUILDING CORPORATION

## PROGRESS REPORT #7 - November 2014

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001





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**Project Status:**

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**1. Design, Pre-Construction and other Administrations:**

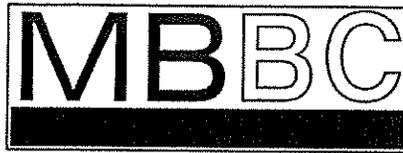
- a. Most of design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, etc.. Interior Design for Amenity area as well as finishes selection is ongoing.
- b. Pre-Construction and various administrations are complete.

**2. Furniture, Fixture & Equipment :**

Furniture, Fixtures & Equipment as well as other materials Sourcing started, including appliances, Furniture for suites and common area as well as tools, equipment and various materials for site purpose. A number of products were ordered.

**3. Construction:**

- a. Demolition completed
- b. Excavation 100% complete
- c. Site Services 95% complete
- d. Concrete forming including rebar and concrete supply tower portion complete.
- e. Concrete forming including rebar and concrete supply for underground parking completed and upper deck 90% complete and balance in progress.
- f. Mechanical and Electrical underground work complete. Rough-in on typical floors ongoing.
- g. Prefabrication to various mechanical and electrical items complete.
- h. Waterproofing in various areas ongoing.
- i. Shop drawings submissions and review process ongoing.
- j. Precast to start week of Aug.18. 17<sup>th</sup> Floor walls installation complete
- k. Windows installation: Level 1 & 2 curtain wall complete. Level 3 to 8 & 10-12 completed.
- l. Drywall framing – mockup complete. Level 2 interior framing ongoing. Level 3 to 5 typical suite framing complete, Level 6 – 8 ongoing.



MELLOUL-BLAMEY BUILDING CORPORATION

**4. Site Safety:**

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.
- e. Regular site safety inspections are ongoing.

**5. Inspections / Testing:**

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

**6. Key Milestone Dates**

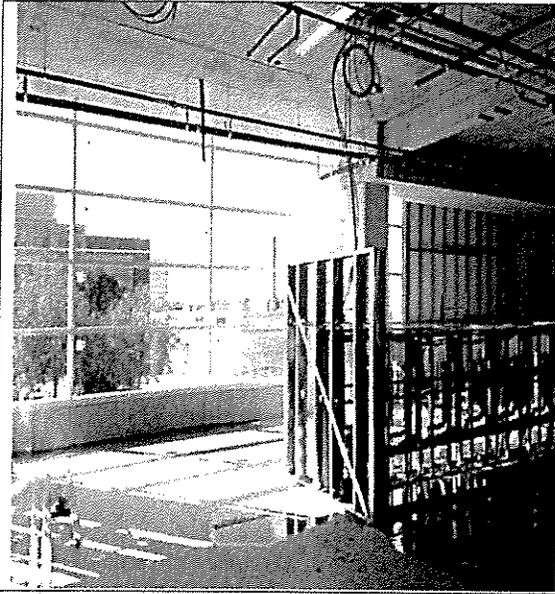
1st cast-in-place pour:	01-Apr-14
Pre-cast to start	<b>18-Aug-14</b>
Pre-Cast to complete	19-Dec-14
Structural / Enclosure complete	16-Jan-15
Exterior work to complete	30-Jun-15
Substantial completion	31-Jul -15
Owner F.F.E by	25-Aug-15





MELLOUL-BLAMEY BUILDING CORPORATION

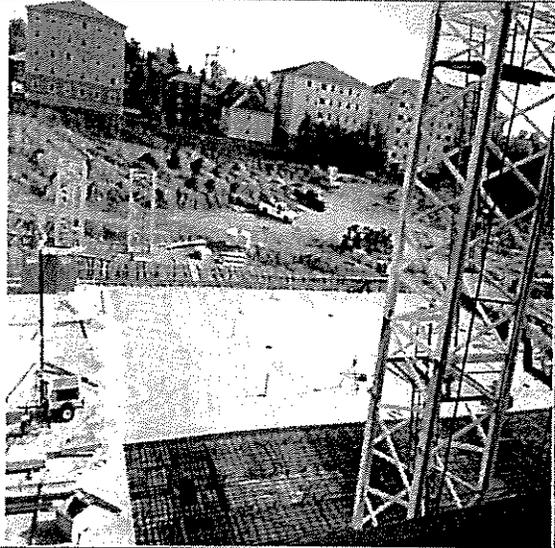
7. Progress Photos



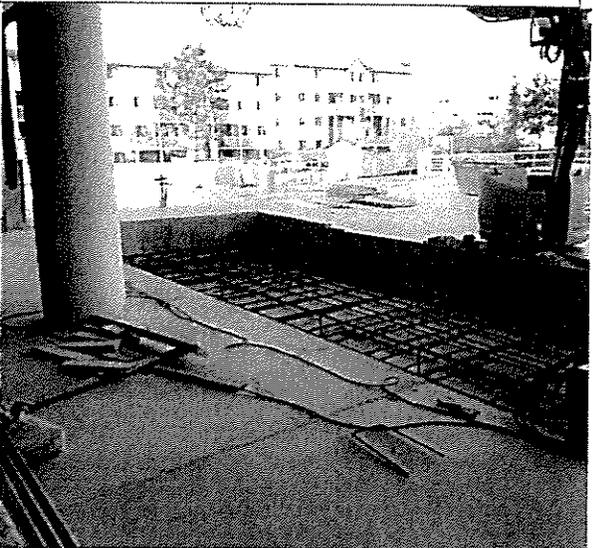
2<sup>nd</sup> Floor Amenity – Laundry Area. Curtain walls installed.



1<sup>st</sup> Floor Retail Area – Window installed

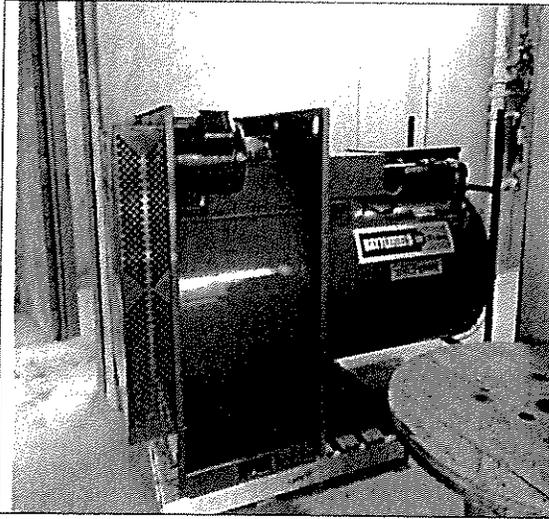


Upper Parking Deck

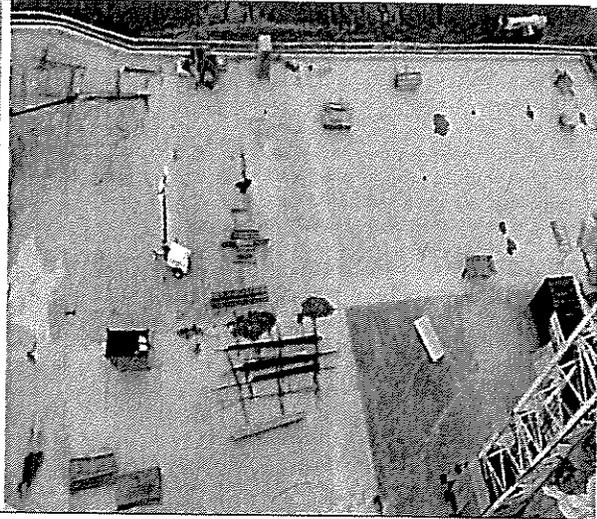


Upper Parking Deck – Landscape area

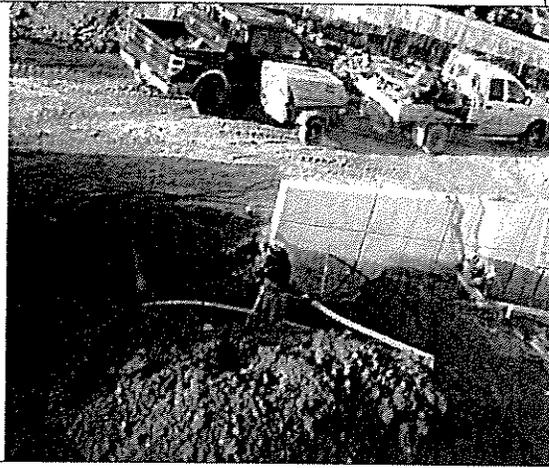
A handwritten signature or initials, possibly 'JX', located in the bottom right corner of the page.



2.2 Million BTU Temp Heat equipment



Upper Parking Deck top view



Installation of Main Gas services



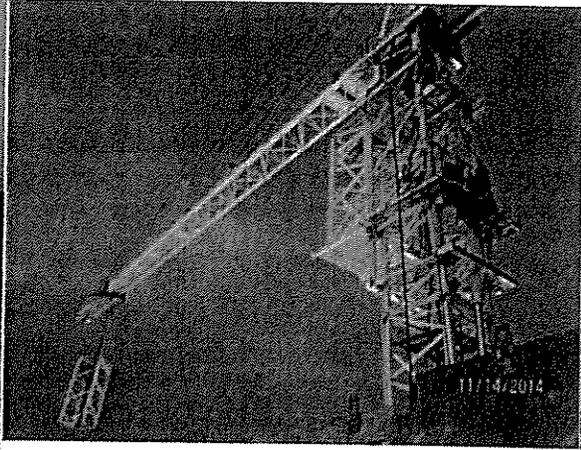
1<sup>st</sup> Floor building side entrance walkway



MELLOUL-BLAMEY BUILDING CORPORATION



11<sup>th</sup> floor Propane temp heat solution



Tower Crane extension



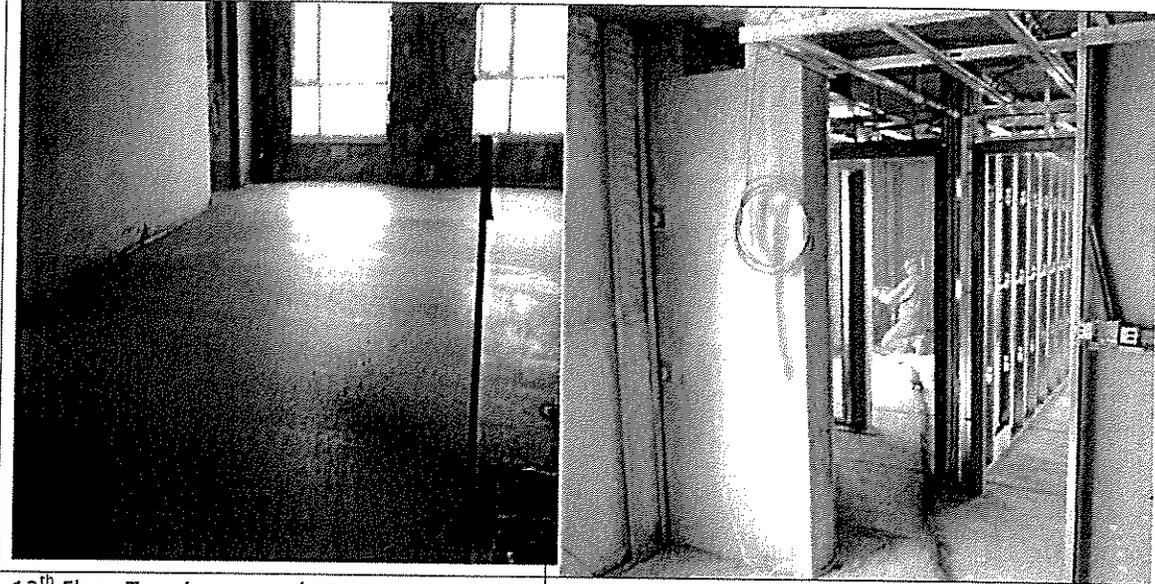
Phillip Street view



Back view



MELLOUL-BLAMEY BUILDING CORPORATION

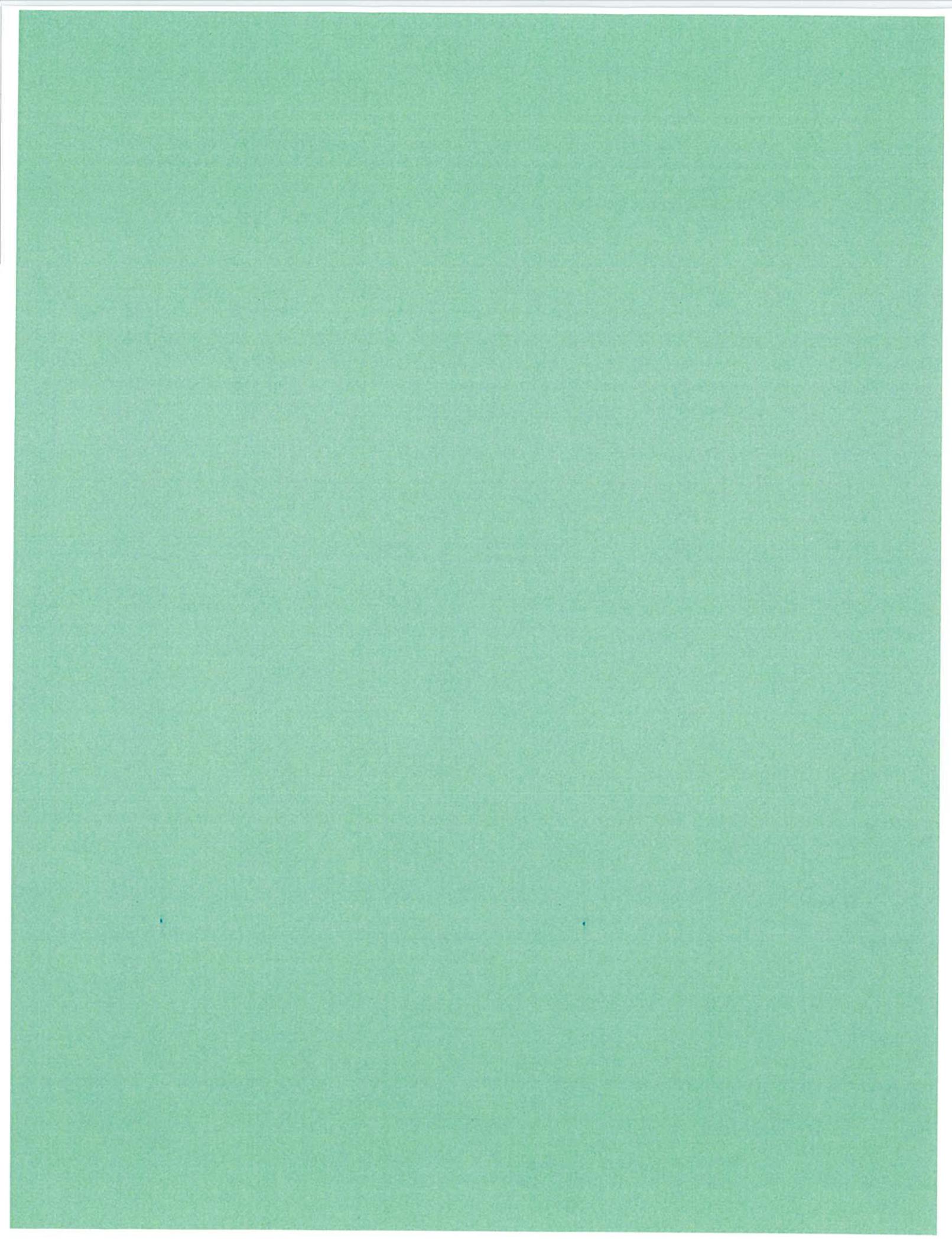


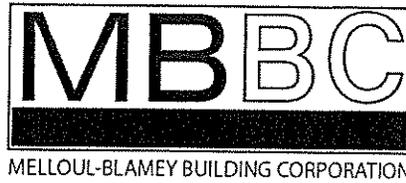
12<sup>th</sup> Floor Topping poured

Spray Foam insulation in progress

~ END ~







**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: Dec. 19, 2014

Document No.: CED-MBBC-PSRP-2014-010

To: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#8	2,500,000.00
<b>TOTAL (IN WORDS): Two million and Five hundred thousand US dollars</b>	<b>TOTAL: 2,500,000.00</b>

A handwritten signature in black ink, appearing to read 'Jennifer Xu', is written over a horizontal line.

Jennifer Xu

President



## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I , WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #8 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW AMOUNTS TO DATE (INCL. DRAW#8)	<u>\$49,380,000.00</u>
3. PAYMENT RECEIVED	<u>\$46,880,000.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 2,500,000.00</u>

SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION

A handwritten signature in black ink, appearing to read 'Jennifer Xu', is written over a horizontal line. The signature is stylized and cursive.

Jennifer Xu

Director

DATE: December 19, 2014



## Draw #8 ( December 2014) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001

Date: 19 Dec, 2014

S/N	Description	Amount	Draw #8	% of Draw#8	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00			2,029,626	100.00%
1.2	Pre-Construction	\$ 11,492,594.00			11,492,594	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00	50,000	2.12%	2,067,529	87.61%
1.4	Other Administration Costs	\$ 8,624,119.00			8,624,119	100.00%
	<b>Sub-total 1. Soft Cost</b>	<b>\$ 24,506,252.00</b>	<b>50,000</b>	<b>0.20%</b>	<b>24,213,867</b>	<b>98.81%</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00	0	0.00%	1,338,750	97.66%
2.2	Materials Procurement	\$ 1,549,309.00	200,000	12.91%	1,383,042	89.27%
	<b>Sub-total 2. Procurement</b>	<b>\$ 2,920,189.00</b>	<b>200,000</b>	<b>6.85%</b>	<b>2,721,792</b>	<b>93.21%</b>
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	95,558	3.19%	1,521,326	4.48%
3.2	Site Work	\$ 1,096,811.00	0	0.00%	1,092,551	99.61%
3.3	Concrete & Pre-cast	\$ 8,837,937.00	1,010,000	11.43%	8,642,484	97.79%
3.4	Masonry	\$ 219,881.00	31,800	14.46%	185,712	84.46%
3.5	Metals	\$ 258,593.00	11,045	4.27%	36,205	14.00%
3.6	Carpentry	\$ 428,400.00	1,000	0.23%	60,294	14.07%
3.7	Thermal & Moisture	\$ 1,367,583.00	80,731	5.90%	320,757	23.45%
3.8	Doors & Windows	\$ 1,630,062.00	327,292	20.08%	765,330	46.95%
3.9	Finishes	\$ 2,613,240.00	133,300	5.10%	343,750	13.15%
3.10	Specialities	\$ 84,218.00	0	0.00%	0	0.00%
3.11	Equipment	\$ 47,124.00	0	0.00%	0	0.00%
3.12	Conveying Systems - Elevators	\$ 728,280.00	34,000	4.67%	140,166	19.25%
3.13	Mechanical	\$ 3,851,316.00	291,790	7.58%	1,615,518	41.95%
3.14	Electrical	\$ 1,409,972.00	133,484	9.47%	833,225	59.10%
3.15	Miscellaneous Costs	\$ 866,848.00	0	0.00%	866,848	100.00%
3.16	Construction Contingency	\$ 1,713,600.00	100,000	5.84%	220,175	12.85%
3.17	Project Management	\$ 5,800,000.00	0	0.00%	5,800,000	100.00%
	<b>Sub-total 3. Construction</b>	<b>\$ 33,953,559.00</b>	<b>2,250,000</b>	<b>6.63%</b>	<b>22,444,341</b>	<b>66.10%</b>
	<b>Total</b>	<b>\$ 61,380,000.00</b>	<b>2,500,000</b>	<b>4.07%</b>	<b>49,380,000</b>	<b>80.45%</b>

OK



MELLOUL-BLAMEY BUILDING CORPORATION

## PROGRESS REPORT #8 - December 2014

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001





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**Project Status:**

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**1. Design, Pre-Construction and other Administrations:**

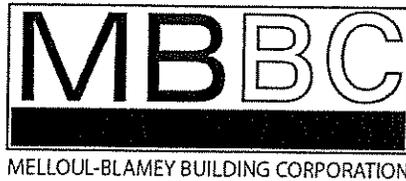
- a. Most of design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, etc.. Interior Design for Amenity area as well as finishes selection is ongoing.
- b. Pre-Construction and various administrations are complete.

**2. Furniture, Fixture & Equipment :**

Furniture, Fixtures & Equipment as well as other materials Sourcing started, including appliances, Furniture for suites and common area as well as tools, equipment and various materials for site purpose. A number of products were ordered.

**3. Construction:**

- a. Site Services 95% complete
- b. Concrete forming including rebar and concrete supply for underground parking completed and upper deck complete.
- c. Mechanical and Electrical Rough-in on typical floors ongoing.
- d. Waterproofing in various areas ongoing.
- e. Shop drawings submissions and review process ongoing.
- f. Precast to start week of Aug.18. and main structure completed on Dec.19, 2014. Balance of cornice to complete in Jan.2015.
- g. Windows installation: Level 1-17 windows complete. Level 18 -20 Window walls/curtain walls aim to complete Feb. 2015.
- h. Drywall framing – Interior framing in residential suites up to 6<sup>th</sup> floor complete ready for drywall in Jan. Level 7 to 11, main framing complete except bulkhead scheduled for Jan.2015.
- i. Temp membrane for 12<sup>th</sup> floor in place.
- j. Roof anchors and roofing work aim to start Jan 2015 and complete by Feb 2015.
- k. Painting for frames to start Jan 2015
- l. Caulking, fireproofing, firestopping ongoing.
- m. Topping up completed up to 7<sup>th</sup> floor.



n. Communications rough-in for typical suites ongoing

**4. Site Safety:**

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.
- e. Regular site safety inspections are ongoing.

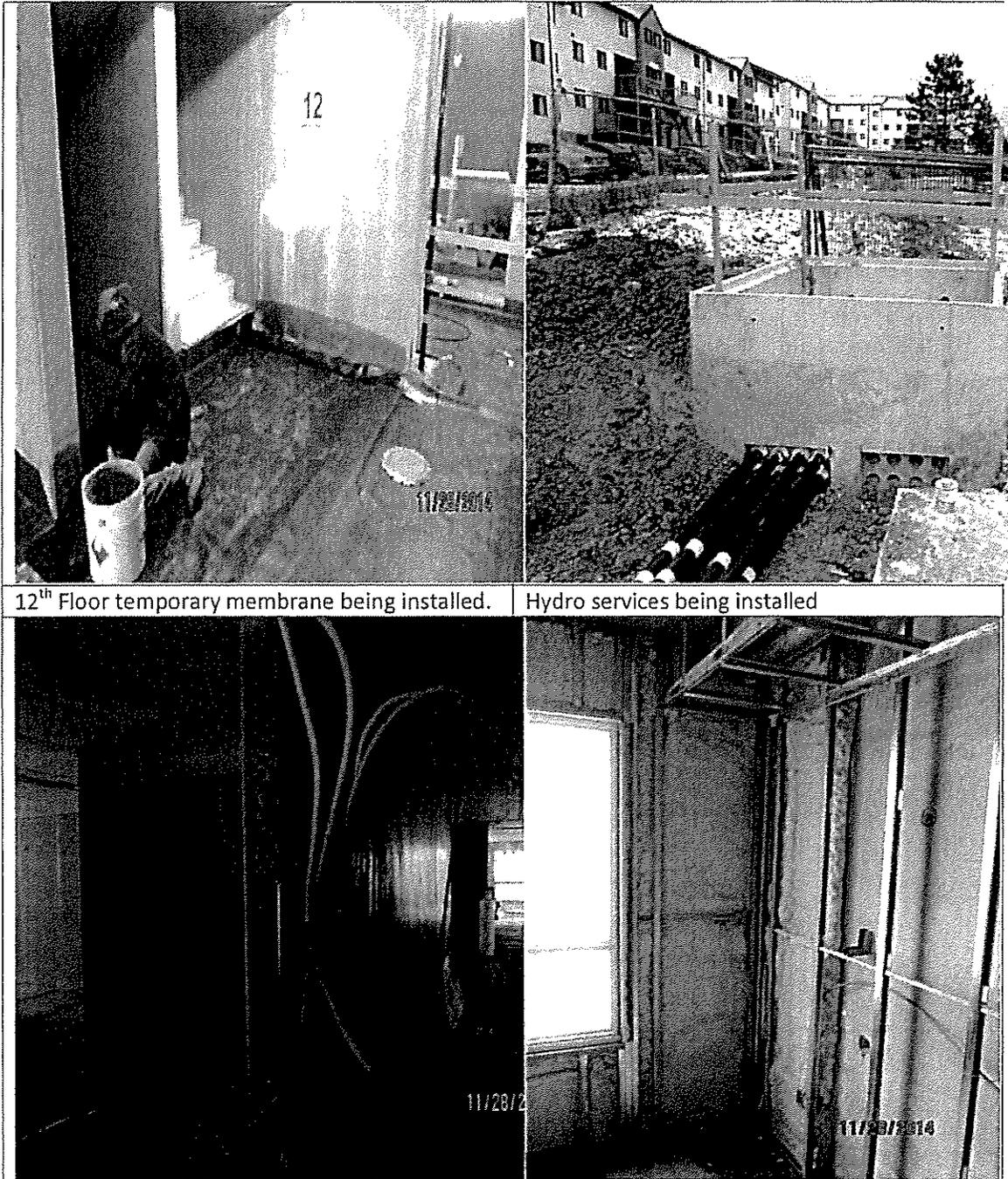
**5. Inspections / Testing:**

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

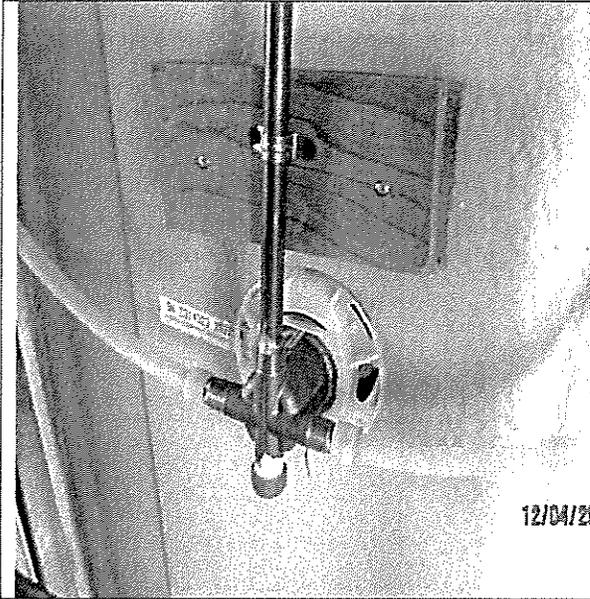
**6. Key Milestone Dates**

1st cast-in-place pour:	01-Apr-14
Pre-cast to start	<b>18-Aug-14</b>
Pre-Cast to complete	19-Dec-14
Structural / Enclosure complete	16-Jan-15
Exterior work to complete	30-Jun-15
Substantial completion	31-Jul -15
Owner F.F.E by	25-Aug-15

## 7. Progress Photos



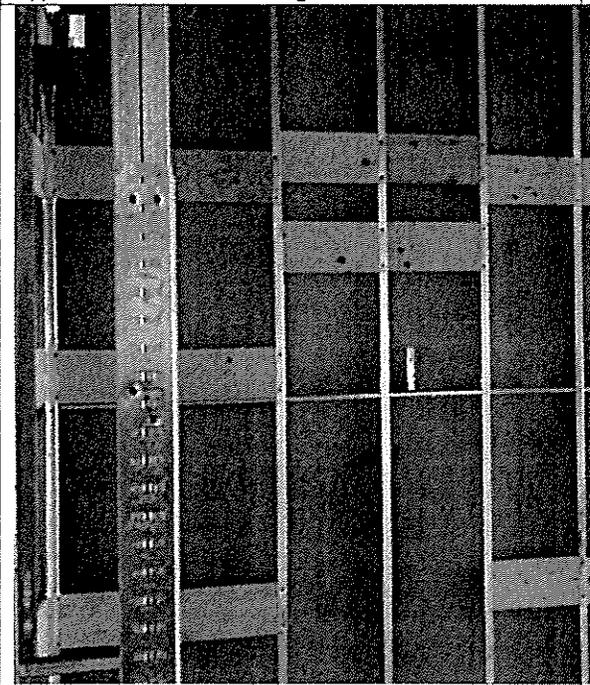
Temp heat for precast work.	Exterior walls spray foam insulation
	
Lobby Area	Inside view Parking deck
	
Coring in progress	Temp Water Services



Typical Shower valve rough-in



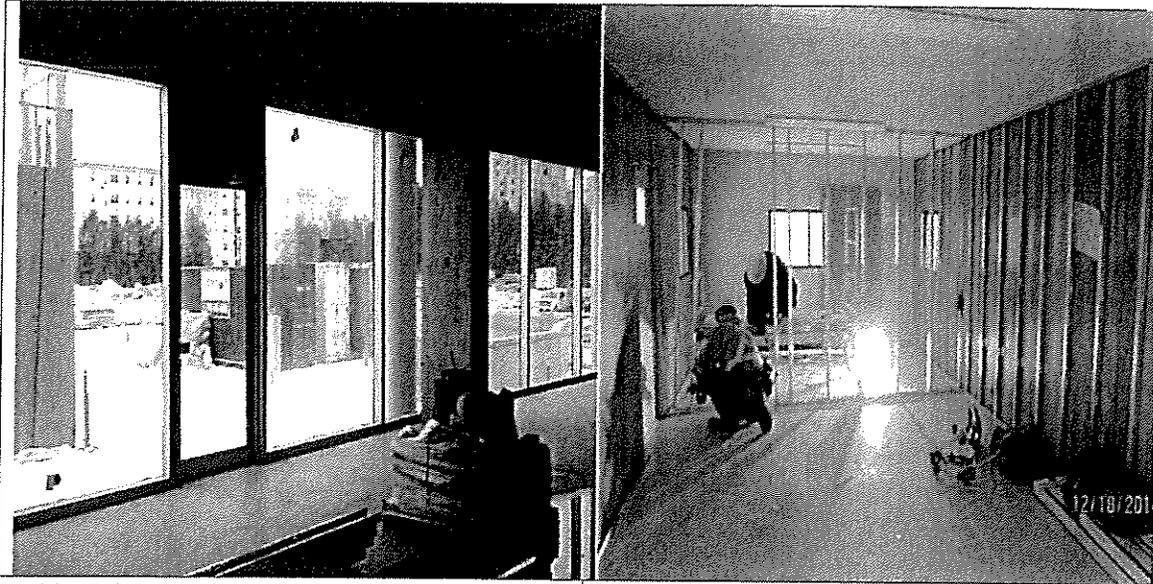
Typical suite Heating unit being installed



Typical suite wood blocking



Side View

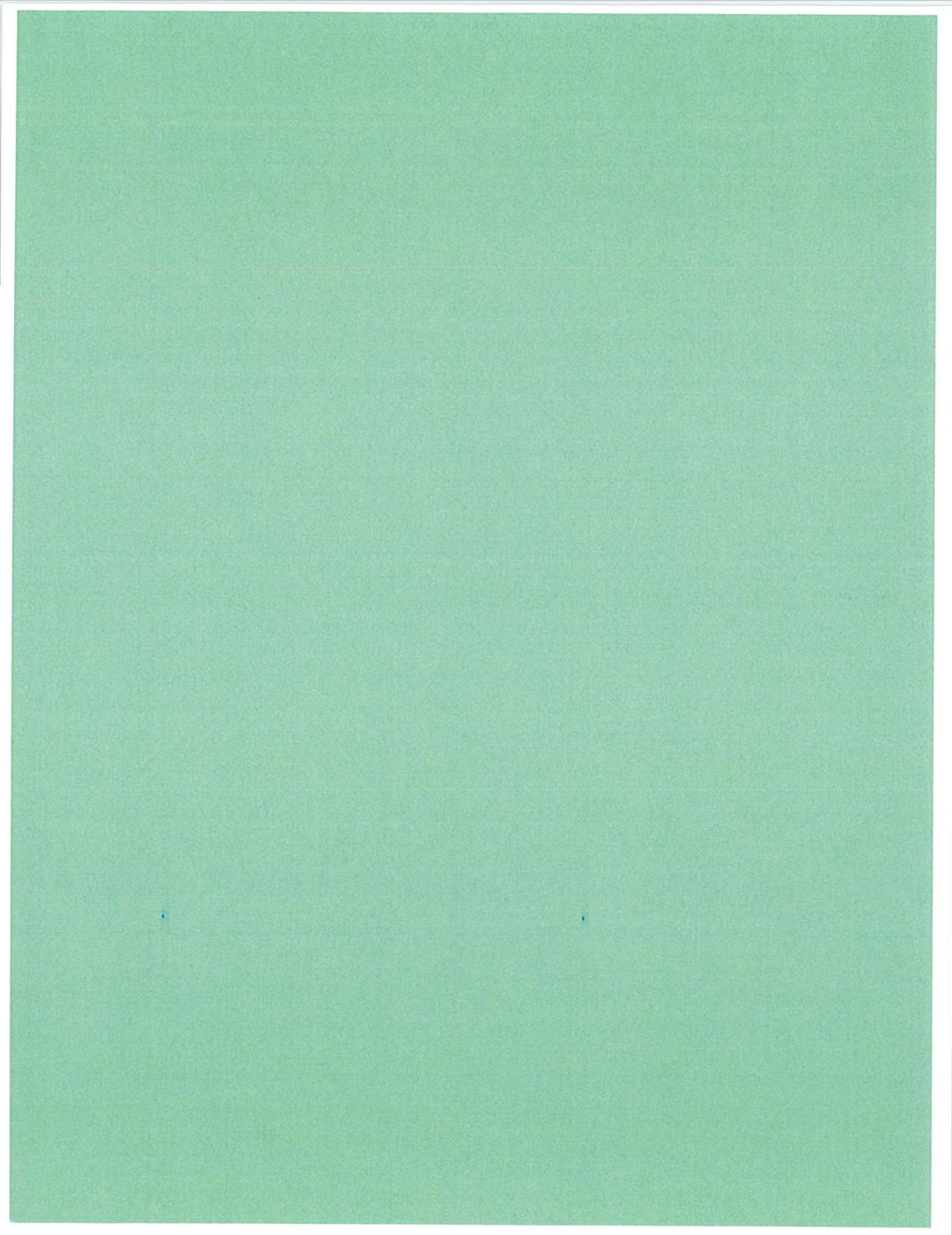


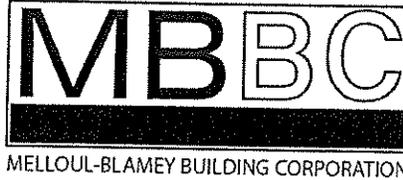
Lobby Side entrance

Marking Trailer work in progress

~ END ~







**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: Jan. 26, 2015

Document No.: CED-MBBC-PSRP-2015-011

To: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#9	2,000,000.00
<b>TOTAL (IN WORDS): Two million US dollars</b>	<b>TOTAL: 2,000,000.00</b>

A handwritten signature in black ink, appearing to read 'Jennifer Xu', is written over a horizontal line.

Jennifer Xu

President



## Draw #9 ( January 2015) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract

Date: 26 Jan. 2015

S/N	Description	Amount	Draw #9	% of Draw#9	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00		0.00%	2,029,626	100.00%
1.2	Pre-Construction	\$ 11,492,594.00		0.00%	11,492,594	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00		0.00%	2,067,529	87.61%
1.4	Other Administration Costs	\$ 8,624,119.00		0.00%	8,624,119	100.00%
	<b>Sub-total 1. Soft Cost</b>	<b>\$ 24,506,252.00</b>	<b>0</b>	<b>0.00%</b>	<b>24,213,867</b>	<b>98.81%</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00	0	0.00%	1,338,750	97.66%
2.2	Materials Procurement	\$ 1,549,309.00	20,000	1.29%	1,403,042	90.56%
	<b>Sub-total 2. Procurement</b>	<b>\$ 2,920,189.00</b>	<b>20,000</b>	<b>0.68%</b>	<b>2,741,792</b>	<b>93.89%</b>
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	187,200	6.24%	1,708,526	56.96%
3.2	Site Work	\$ 1,096,811.00		0.00%	1,092,551	99.61%
3.3	Concrete & Pre-cast	\$ 8,837,937.00	50,000	0.57%	8,692,484	98.35%
3.4	Masonry	\$ 219,881.00	10,000	4.55%	195,712	89.01%
3.5	Metals	\$ 258,593.00	2,540	0.98%	38,745	14.98%
3.6	Carpentry	\$ 428,400.00	45,204	10.55%	105,498	24.63%
3.7	Thermal & Moisture	\$ 1,367,583.00	56,824	4.16%	377,581	27.61%
3.8	Doors & Windows	\$ 1,630,062.00	144,102	8.84%	909,432	55.79%
3.9	Finishes	\$ 2,613,240.00	354,130	13.55%	697,880	26.71%
3.10	Specialities	\$ 84,218.00		0.00%	0	0.00%
3.11	Equipment	\$ 47,124.00		0.00%	0	0.00%
3.12	Conveying Systems - Elevators	\$ 728,280.00		0.00%	140,166	19.25%
3.13	Mechanical	\$ 3,851,316.00	680,000	17.66%	2,295,518	59.60%
3.14	Electrical	\$ 1,409,972.00	350,000	24.82%	1,183,225	83.92%
3.15	Miscellaneous Costs	\$ 866,848.00		0.00%	866,848	100.00%
3.16	Construction Contingency	\$ 1,713,600.00	100,000	5.84%	320,175	18.68%
3.17	Project Management	\$ 5,800,000.00		0.00%	5,800,000	100.00%
	<b>Sub-total 3. Construction</b>	<b>\$ 33,953,559.00</b>	<b>1,980,000</b>	<b>5.83%</b>	<b>24,424,341</b>	<b>71.93%</b>
	<b>Total</b>	<b>\$ 61,380,000.00</b>	<b>2,000,000</b>	<b>3.26%</b>	<b>51,380,000</b>	<b>83.71%</b>

✓



MELLOUL-BLAMEY BUILDING CORPORATION

## PROGRESS REPORT #9 – January 2015

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001





MELLOUL-BLAMEY BUILDING CORPORATION

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**Project Status:**

---

**1. Design, Pre-Construction and other Administrations:**

- a. All design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, as well as Interior Design for Amenity area as well as finishes selection.
- b. Pre-Construction and various administrations are complete.

**2. Furniture, Fixture & Equipment :**

Furniture, Fixtures & Equipment as well as other materials Sourcing started, including appliances, Furniture for suites and common area as well as tools, equipment and various materials for site purpose. A number of products were ordered. The delivery of shipment in progress.

**3. Construction:**

- a. Site Services 95% complete
- b. Concrete forming including rebar and concrete supply for underground parking completed and upper deck complete.
- c. Mechanical and Electrical Rough-in on typical floors ongoing.
- d. Waterproofing in various areas ongoing.
- e. Shop drawings submissions and review process ongoing.
- f. Precast work completed.
- g. Windows installation: Level 1-17 windows complete. Level 18 -20 Window walls/curtain walls aim to complete Feb. 2015.
- h. Drywall framing – Drywall boarding and taping started week of Jan.19. Level 7 to 11, main framing all completed.
- i. Roof anchors installation complete.
- j. Roofing structural steel work in progress and roofing installation to start week of Feb.2.
- k. Painting for frames and suite ceiling started.
- l. Caulking, fireproofing, firestopping ongoing.
- m. Communications rough-in for typical suites ongoing



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#### 4. Site Safety:

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.
- e. Regular site safety inspections are ongoing.

#### 5. Inspections / Testing:

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

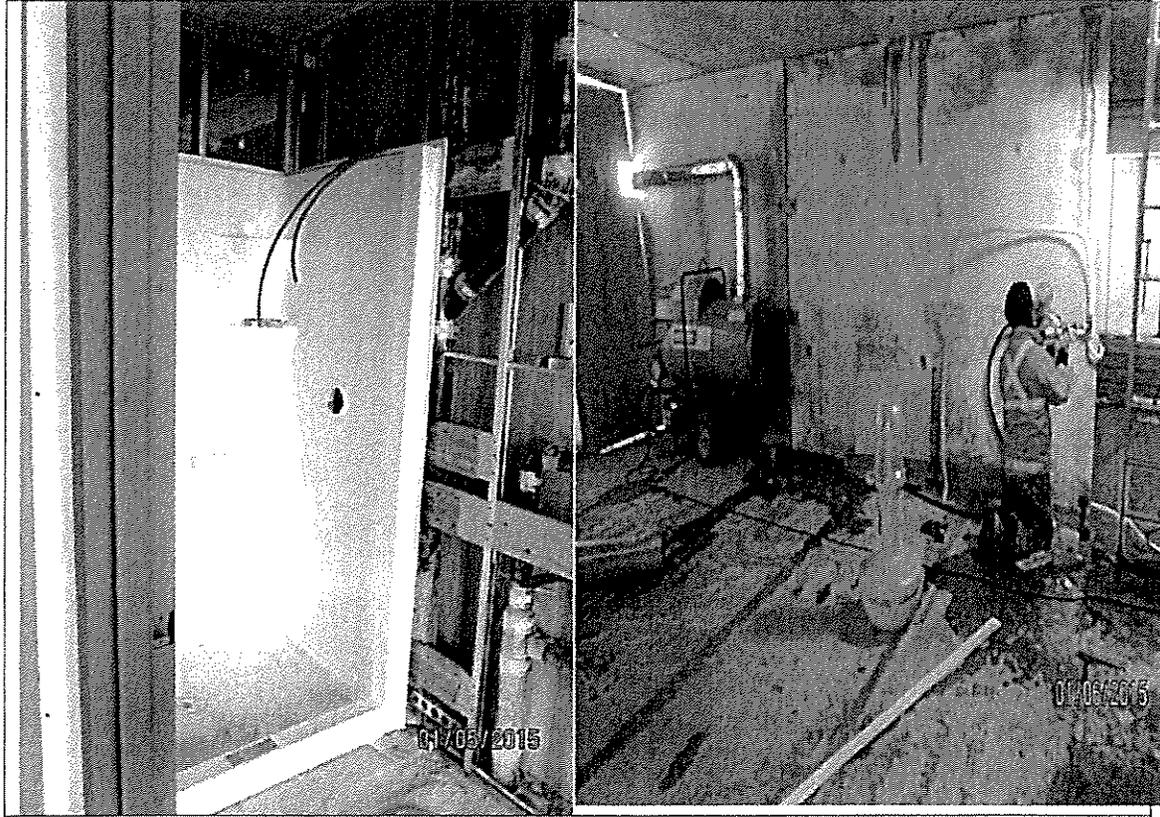
#### 6. Key Milestone Dates

1st cast-in-place pour:	01-Apr-14
Pre-cast to start	18-Aug-14
Pre-Cast complete	19-Dec-14
Structural / Enclosure complete	6-Mar-15
Exterior work to complete	30-Jun-15
Substantial completion	31-Jul -15
Owner F.F.E by	25-Aug-15



MELLOUL-BLAMEY BUILDING CORPORATION

7. Progress Photos

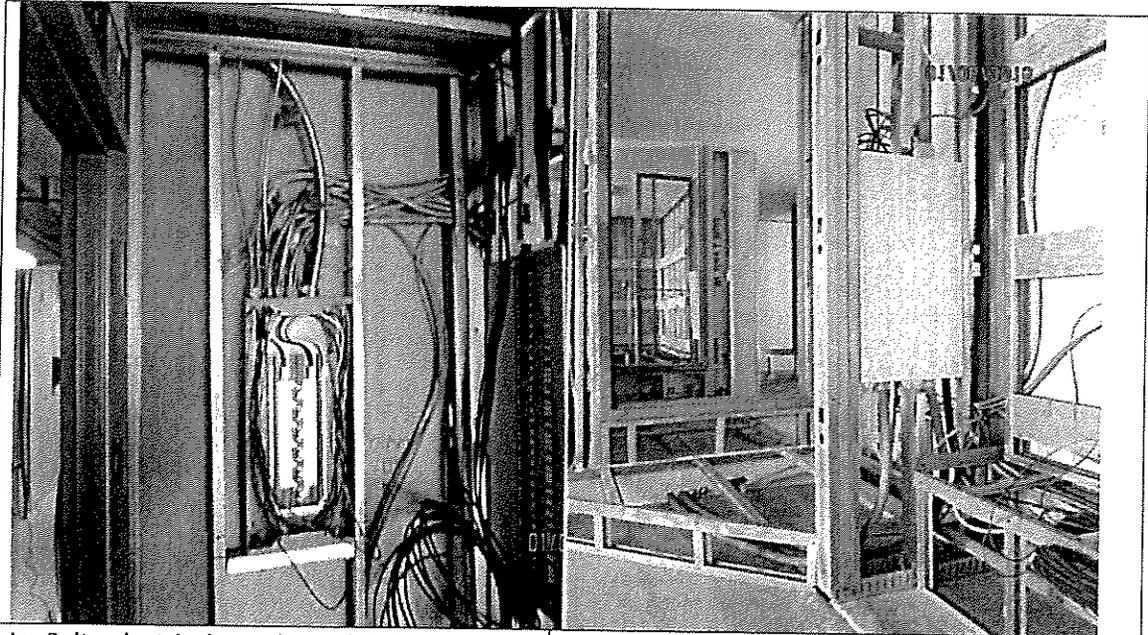


8<sup>th</sup> Floor Washroom rough-in in progress

Site Temp Heating

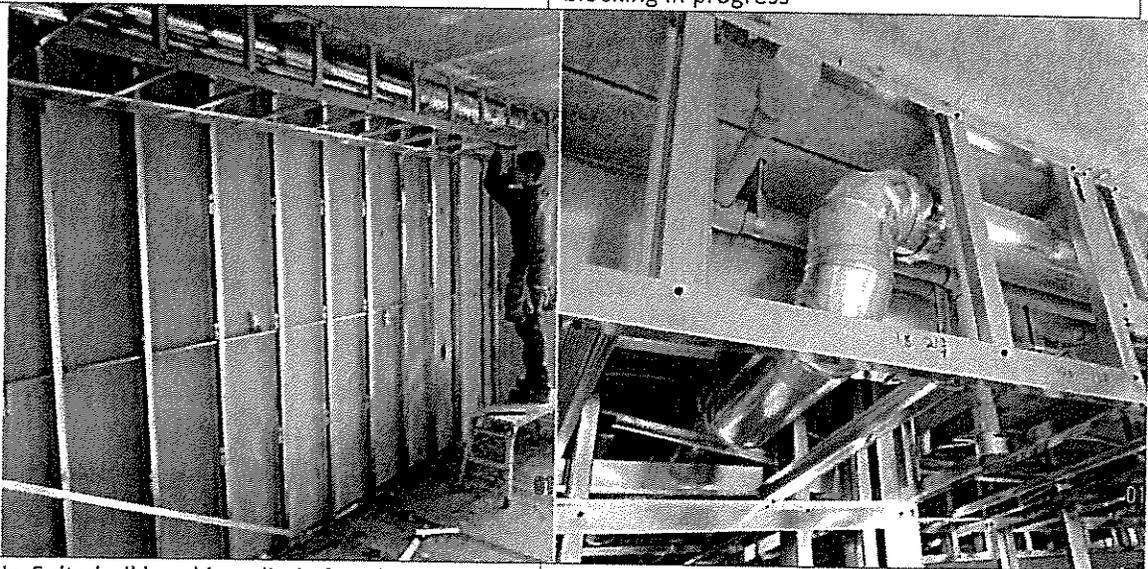


MELLOUL-BLAMEY BUILDING CORPORATION



In-Suite electrical panel rough-in in progress

In-Suite Communications wiring and wood blocking in progress



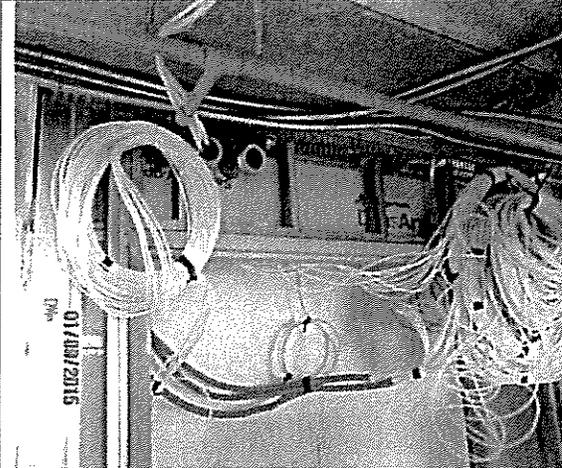
In-Suite bulkhead installed after ductwork

In-Suite sprinkler work rough-in





MELLOUL-BLAMEY BUILDING CORPORATION



Typical floor communication closet



Front view (along Phillip Street)

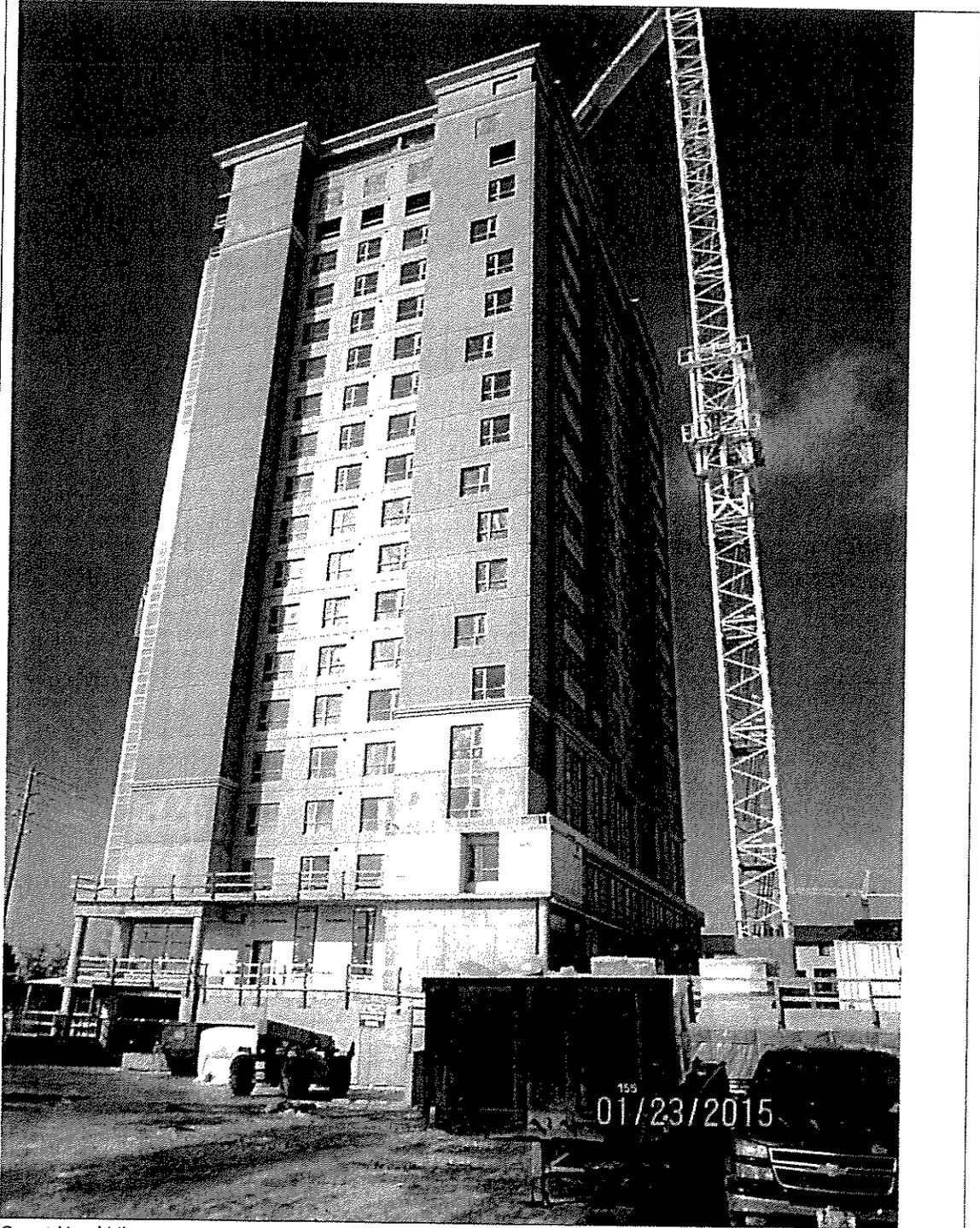


Site Materials



Plumbing rough-in

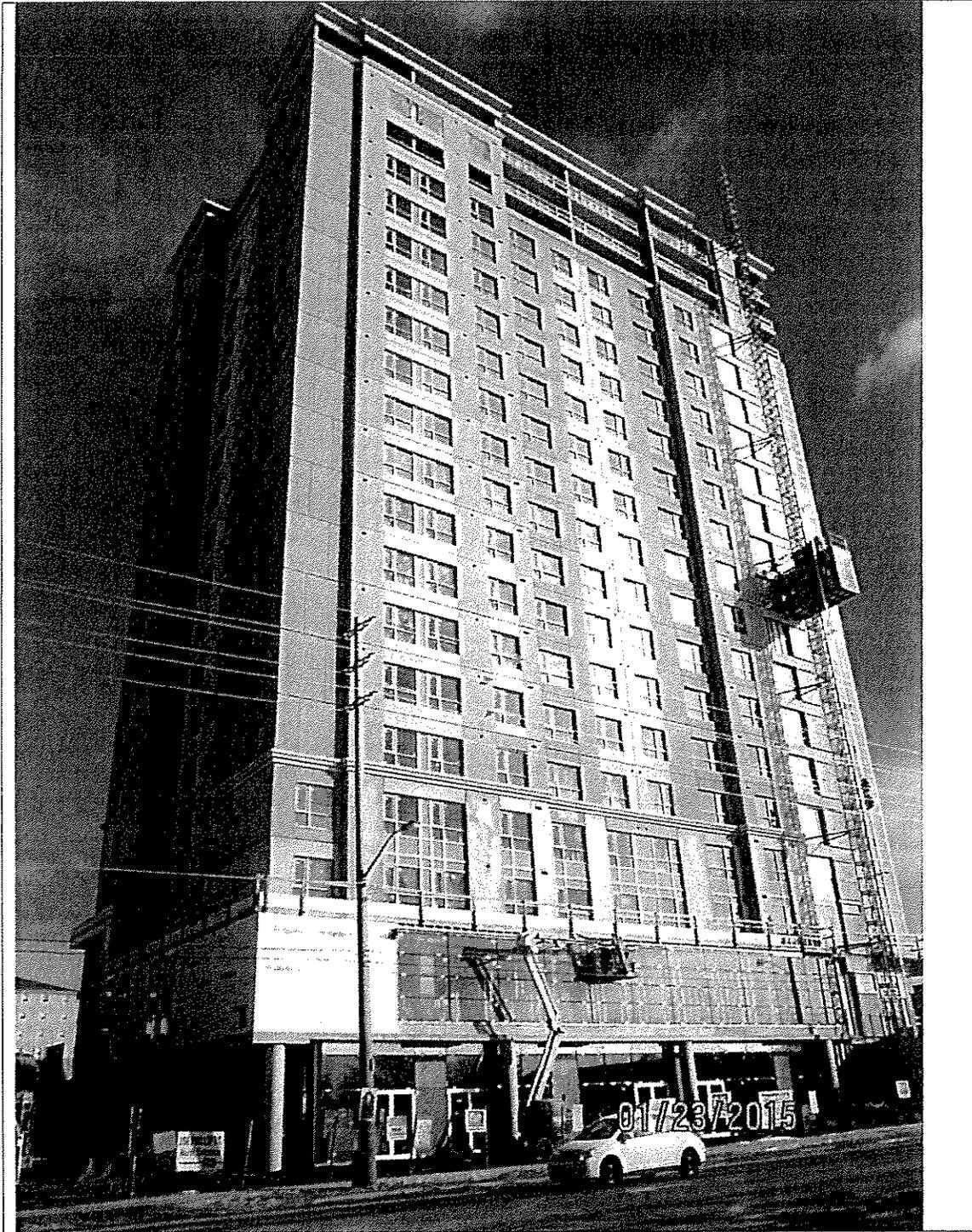




Court Yard View



MELLOUL-BLAMEY BUILDING CORPORATION



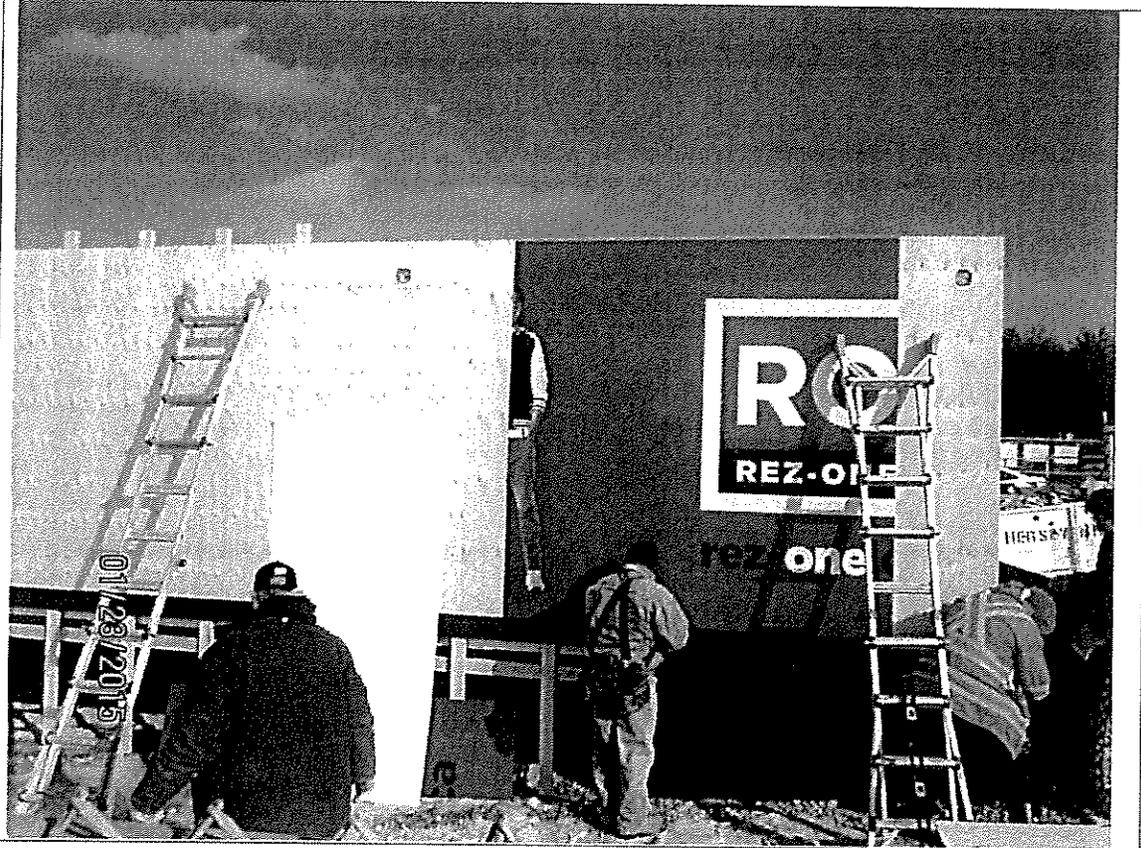
Front View

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426





MELLOUL-BLAMEY BUILDING CORPORATION



Marketing Trailer Signage

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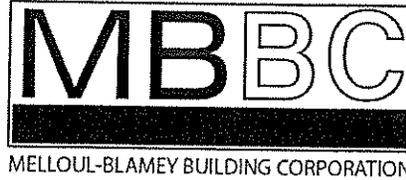
MELLOUL-BLAMEY BUILDING CORPORATION



Sideview

~ END ~





## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I , WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #9 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW AMOUNTS TO DATE (INCL. DRAW#8)	<u>\$51,380,000.00</u>
3. PAYMENT RECEIVED	<u>\$49,380,000.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 2,000,000.00</u>

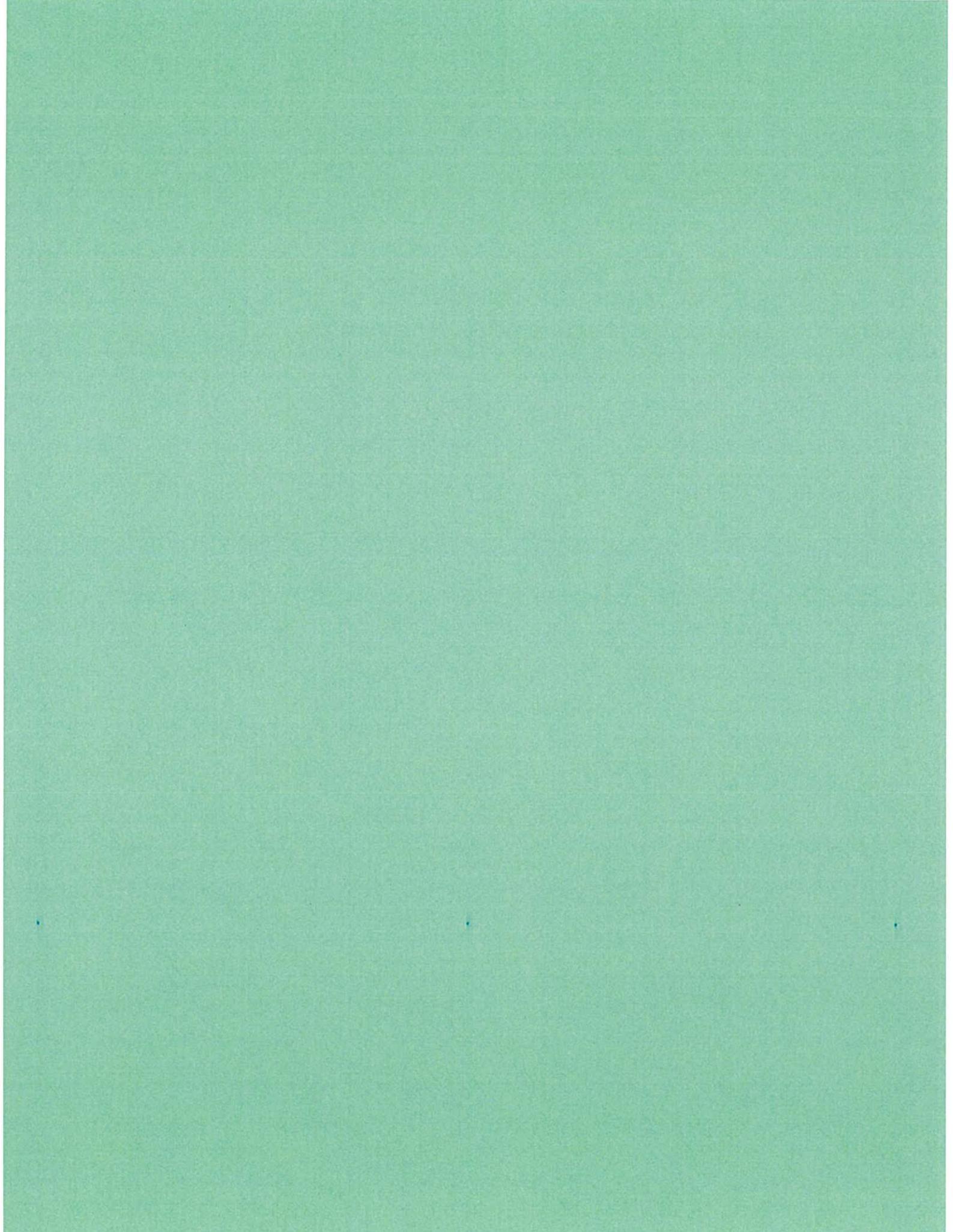
SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION

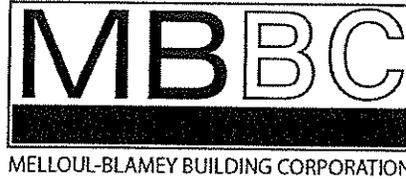
A handwritten signature in black ink, appearing to read 'Jennifer Xu', is written over a horizontal line.

Jennifer Xu

Director

DATE: January 26, 2015





**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: Mar. 26, 2015

Document No.: CED-MBBC-PSRP-2015-013

To: China Everbest Development International Limited

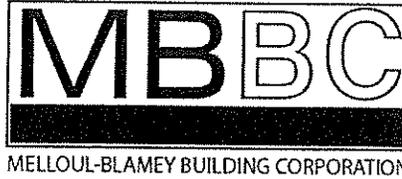
Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#11	3,000,000.00
<b>TOTAL (IN WORDS): Three million US dollars</b>	<b>TOTAL: 3,000,000.00</b>

A handwritten signature in black ink, appearing to read 'Jennifer Xu', is written over a horizontal line.

Jennifer Xu

President



## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I , WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #11 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW AMOUNTS TO DATE (INCL. DRAW#8)	<u>\$57,380,000.00</u>
3. PAYMENT RECEIVED	<u>\$54,380,000.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 3,000,000.00</u>

SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION



Jennifer Xu

Director

DATE: March 26, 2015



## Draw #11 ( March 2015) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO,  
CANADA

Contract

Date: 26-Mar-15

S/N	Description	Amount	Draw #10	% of Draw#11	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00		0.00%	2,029,626	100.00%
1.2	Pre-Construction	\$ 11,492,594.00		0.00%	11,492,594	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00	100,000	4.24%	2,217,529	93.97%
1.4	Other Administration Costs	\$ 8,624,119.00		0.00%	8,624,119	100.00%
	<b>Sub-total 1. Soft Cost</b>	<b>\$ 24,506,252.00</b>	<b>100,000</b>	<b>0.41%</b>	<b>24,363,867</b>	<b>99.42%</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00	0	0.00%	1,338,750	97.66%
2.2	Materials Procurement	\$ 1,549,309.00	40,000	2.58%	1,523,042	98.30%
	<b>Sub-total 2. Procurement</b>	<b>\$ 2,920,189.00</b>	<b>40,000</b>	<b>1.37%</b>	<b>2,861,792</b>	<b>98.00%</b>
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	350,000	11.67%	2,154,084	71.81%
3.2	Site Work	\$ 1,096,811.00	0	0.00%	1,092,551	99.61%
3.3	Concrete & Pre-cast	\$ 8,837,937.00	3,005	0.03%	8,770,277	99.23%
3.4	Masonry	\$ 219,881.00	6,318	2.87%	202,030	91.88%
3.5	Metals	\$ 258,593.00	76,200	29.47%	165,745	64.09%
3.6	Carpentry	\$ 428,400.00	29,118	6.80%	146,574	34.21%
3.7	Thermal & Moisture	\$ 1,367,583.00	366,967	26.83%	777,298	56.84%
3.8	Doors & Windows	\$ 1,630,062.00	254,000	15.58%	1,490,724	91.45%
3.9	Finishes	\$ 2,613,240.00	266,300	10.19%	2,464,180	94.30%
3.10	Specialities	\$ 84,218.00	0	0.00%	0	0.00%
3.11	Equipment	\$ 47,124.00	37,500	79.58%	37,500	79.58%
3.12	Conveying Systems - Elevators	\$ 728,280.00	150,000	20.60%	324,166	44.51%
3.13	Mechanical	\$ 3,851,316.00	642,215	16.68%	3,447,103	89.50%
3.14	Electrical	\$ 1,409,972.00	78,377	5.56%	1,395,086	98.94%
3.15	Miscellaneous Costs	\$ 866,848.00	0	0.00%	866,848	100.00%
3.16	Construction Contingency	\$ 1,713,600.00	600,000	35.01%	1,020,175	59.53%
3.17	Project Management	\$ 5,800,000.00	0	0.00%	5,800,000	100.00%
	<b>Sub-total 3. Construction</b>	<b>\$ 33,953,559.00</b>	<b>2,860,000</b>	<b>8.42%</b>	<b>30,154,341</b>	<b>88.81%</b>
	<b>Total</b>	<b>\$ 61,380,000.00</b>	<b>3,000,000</b>	<b>4.89%</b>	<b>57,380,000</b>	<b>93.48%</b>

*JK*



MELLOUL-BLAMEY BUILDING CORPORATION

## PROGRESS REPORT #11 – March 2015

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001





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**Project Status:**

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**1. Design, Pre-Construction and other Administrations:**

a. All design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, as well as Interior Design for Amenity area as well as finishes selection.

**2. Furniture, Fixture & Equipment :**

Furniture, Fixtures & Equipment as well as other materials Sourcing started, including appliances, Furniture for suites and common area as well as tools, equipment and various materials for site purpose. A number of products were ordered. The delivery of shipment in progress.

**3. Construction:**

- a. Site Services 95% complete
- b. Mechanical and Electrical Rough-in on typical floors ongoing.
- c. Shop drawings submissions and review process ongoing.
- d. Windows installation: Level 19-20 Window walls/curtain walls aim to complete March 2015.
- e. Topping completed up to 15<sup>th</sup> Floor.
- f. Drywall framing completed up to 16<sup>th</sup> Floor.
- g. Drywall Board and Taping – Up to 8<sup>th</sup> Floors where possible. Level 9 & 10 started.
- h. Painting: Framing up to 14<sup>th</sup> Floor. Priming up to Level 8. Final finishing coats for 4<sup>th</sup>, 5<sup>th</sup>, 6<sup>th</sup> floors started. Stairwells and miscellaneous areas ongoing.
- i. Roofing : Upper roof complete and lower roof in progress and aim to complete mid April. Building current water-tight.
- j. Roof Anchors installation complete. Button installation scheduled to start in April.
- k. Caulking, fireproofing, firestopping ongoing.
- l. Communications rough-in for typical suites ongoing. Current up to 14<sup>th</sup> floor.
- m. Ceramic tiles installation : 4<sup>th</sup> & 5<sup>th</sup> floor complete. Laminate flooring will start in April.
- n. Kitchen millwork for 4<sup>th</sup> floor complete.
- o. Garbage Chute installation in progress.



- p. Delta Elevator: rails installation in progress. Aim to have (2) construction elevators ready for use in May.

#### 4. Site Safety:

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.
- e. Regular site safety inspections are ongoing.

#### 5. Inspections / Testing:

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

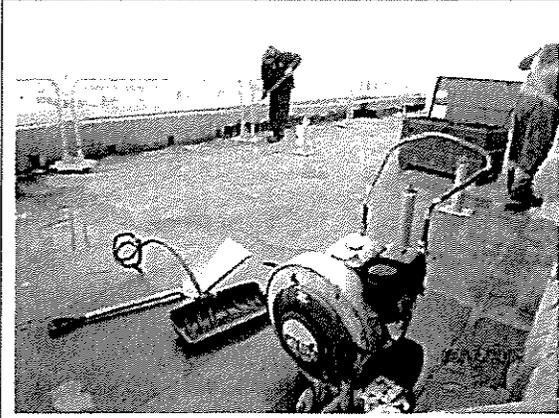
#### 6. Key Milestone Dates

1st cast-in-place pour:	01-Apr-14
Pre-cast to start	18-Aug-14
Pre-Cast complete	19-Dec-14
Structural / Enclosure complete	6-Mar-15
Exterior work to complete	30-Jun-15
Substantial completion	31-Jul -15
Owner F.F.E by	25-Aug-15

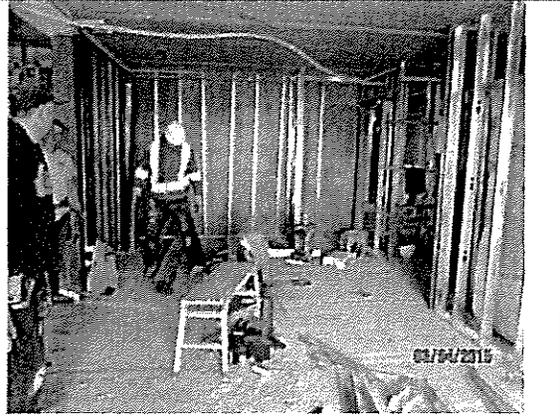


MELLOUL-BLAMEY BUILDING CORPORATION

7. Progress Photos



Roof Cleanup & Preparation



Wall Framing on 16<sup>th</sup> Floor



Provide Fire Rating Steel Lintel on 12<sup>th</sup> Floor



18<sup>th</sup> Floor Garbage Chute

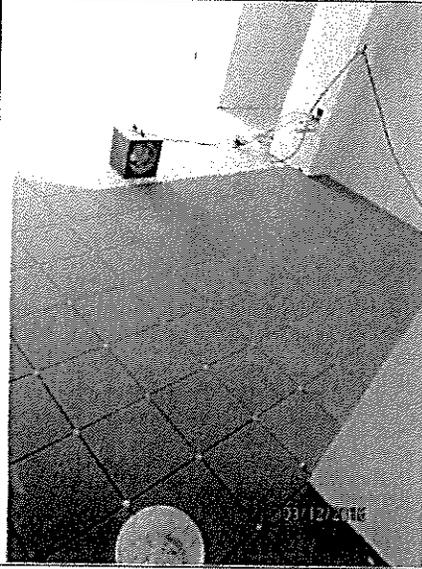




MELLOUL-BLAMEY BUILDING CORPORATION



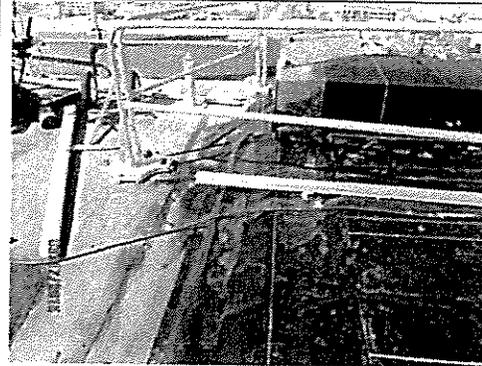
Window Installation on 20<sup>th</sup> Floor



Kitchen Floor Tile on 4<sup>th</sup> Floor



4<sup>th</sup> Floor Kitchen Cabinet



Install Roofing Insulation In Progress



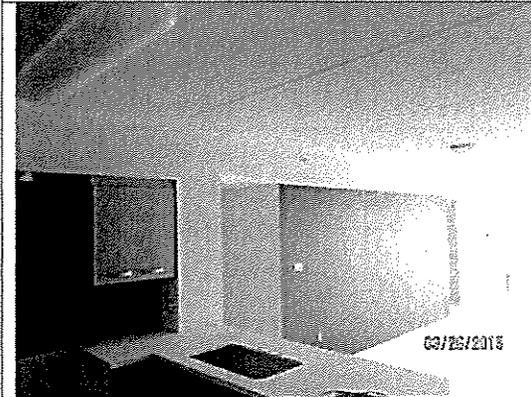
MELLOUL-BLAMEY BUILDING CORPORATION



3<sup>rd</sup> Floor Exterior Wall Construction



11<sup>th</sup> Floor Drywall In Progress



4<sup>th</sup> Floor Kitchen & Living Areas

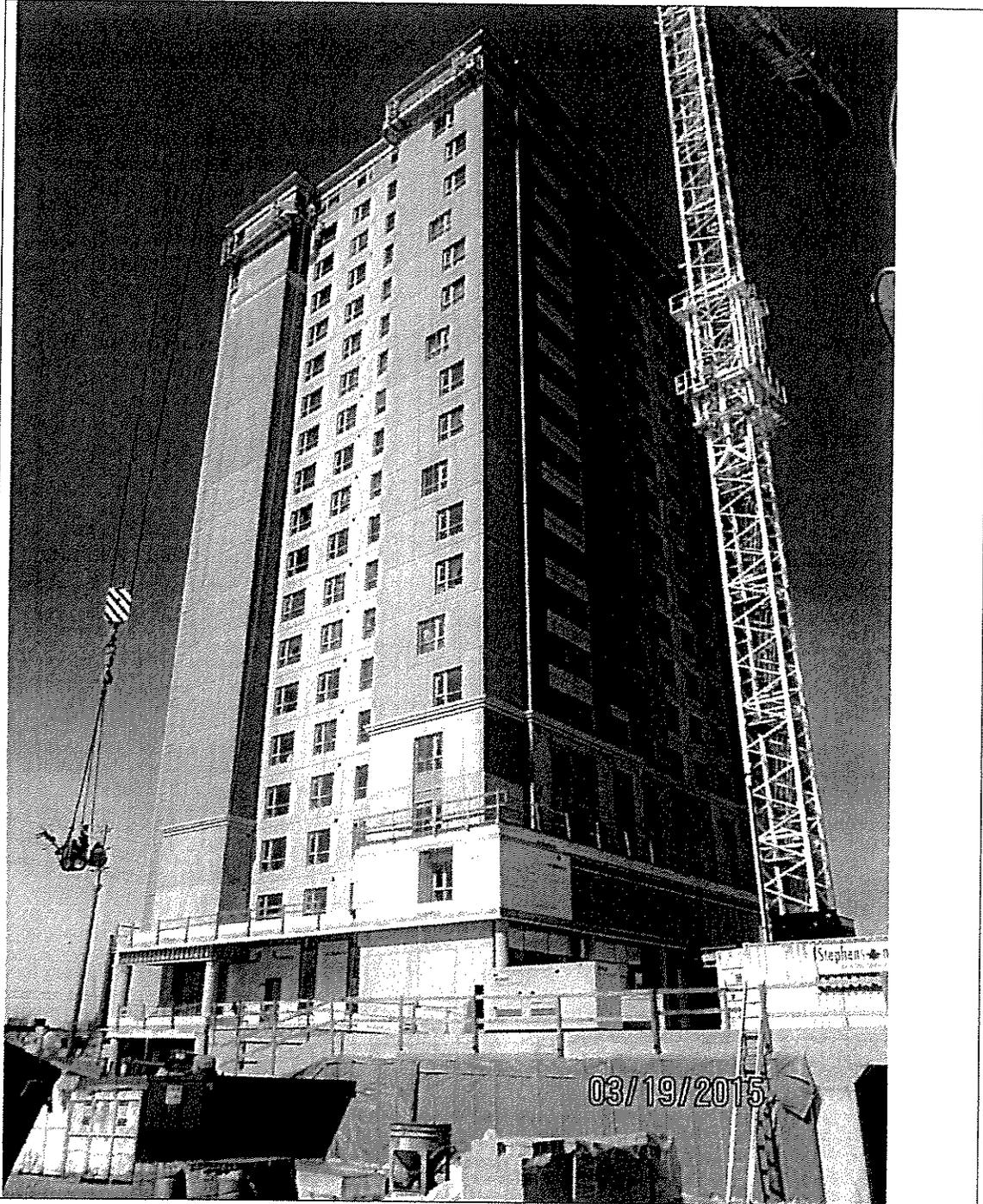


Installing Laminate Flooring on 4<sup>th</sup> Floor





MELLOUL-BLAMEY BUILDING CORPORATION



SouthEast Elevation



MELLOUL-BLAMEY BUILDING CORPORATION

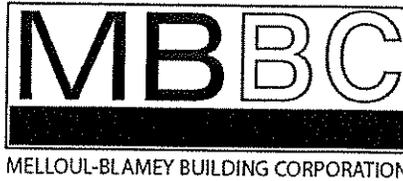


NorthWest Elevation

~ END ~







**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: April. 27, 2015

Document No.: CED-MBBC-PSRP-2015-014

To: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#12	1,600,000.00
<b>TOTAL (IN WORDS): One million six hundred thousand US dollars</b>	<b>TOTAL: 1,600,000.00</b>

A handwritten signature in black ink, appearing to read 'Jennifer Xu', is written over a horizontal line.

Jennifer Xu

President



## Draw #12( April 2015) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract

Date: 27-April-15

S/N	Description	Amount	Draw #12	% of Draw#12	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00	0	0.00%	2,029,626	100.00%
1.2	Pre-Construction	\$ 11,492,594.00	0	0.00%	11,492,594	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00	100,000	4.24%	2,317,529	98.20%
1.4	Other Administration Costs	\$ 8,624,119.00	0	0.00%	8,624,119	100.00%
	<b>Sub-total 1. Soft Cost</b>	<b>\$ 24,506,252.00</b>	<b>100,000</b>	<b>0.41%</b>	<b>24,463,867</b>	<b>99.83%</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00	0	0.00%	1,338,750	97.66%
2.2	Materials Procurement	\$ 1,549,309.00	0	0.00%	1,523,042	98.30%
	<b>Sub-total 2. Procurement</b>	<b>\$ 2,920,189.00</b>	<b>0</b>	<b>0.00%</b>	<b>2,861,792</b>	<b>98.00%</b>
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	352,932	11.77%	2,507,016	83.58%
3.2	Site Work	\$ 1,096,811.00	0	0.00%	1,092,551	99.61%
3.3	Concrete & Pre-cast	\$ 8,837,937.00	25,000	0.28%	8,795,277	99.52%
3.4	Masonry	\$ 219,881.00	5,000	2.27%	207,030	94.16%
3.5	Metals	\$ 258,593.00	50,000	19.34%	215,745	83.43%
3.6	Carpentry	\$ 428,400.00	85,000	19.84%	231,574	54.06%
3.7	Thermal & Moisture	\$ 1,367,583.00	250,968	18.35%	1,028,266	75.19%
3.8	Doors & Windows	\$ 1,630,062.00	128,525	7.88%	1,619,249	99.34%
3.9	Finishes	\$ 2,613,240.00	50,000	1.91%	2,514,180	96.21%
3.10	Specialities	\$ 84,218.00	0	0.00%	0	0.00%
3.11	Equipment	\$ 47,124.00	5,000	10.61%	42,500	90.19%
3.12	Conveying Systems - Elevators	\$ 728,280.00	42,700	5.86%	366,866	50.37%
3.13	Mechanical	\$ 3,851,316.00	340,770	8.85%	3,787,873	98.35%
3.14	Electrical	\$ 1,409,972.00	10,000	0.71%	1,405,086	99.65%
3.15	Miscellaneous Costs	\$ 866,848.00		0.00%	866,848	100.00%
3.16	Construction Contingency	\$ 1,713,600.00	154,105	8.99%	1,174,280	68.53%
3.17	Project Management	\$ 5,800,000.00	0	0.00%	5,800,000	100.00%
	<b>Sub-total 3. Construction</b>	<b>\$ 33,953,559.00</b>	<b>1,500,000</b>	<b>4.42%</b>	<b>31,654,341</b>	<b>93.23%</b>
	<b>Total</b>	<b>\$ 61,380,000.00</b>	<b>1,600,000</b>	<b>2.61%</b>	<b>58,980,000</b>	<b>96.09%</b>

2/X



MELLOUL-BLAMEY BUILDING CORPORATION

## PROGRESS REPORT #12 – April 2015

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001





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**Project Status:**

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**1. Design, Pre-Construction and other Administrations:**

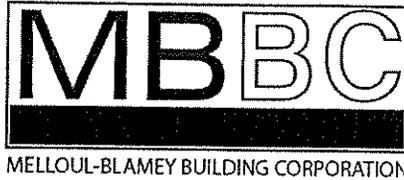
a. All design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, as well as Interior Design for Amenity area as well as finishes selection.

**2. Furniture, Fixture & Equipment :**

Furniture, Fixtures & Equipment as well as other materials Sourcing started, including appliances, Furniture for suites and common area as well as tools, equipment and various materials for site purpose. A number of products were ordered. The delivery of shipment in progress.

**3. Construction:**

- a. Site Services 95% complete
- b. Mechanical and Electrical Rough-in on typical floors ongoing.
- c. Shop drawings submissions and review process ongoing.
- d. Windows installation: Windows installation completed as far as possible until hoist is taken down.
- e. Topping completed up to 18th Floor.
- f. Drywall framing completed up to 20th Floor.
- g. Drywall Board and Taping – Up to 15<sup>th</sup> Floors where possible.
- h. Painting: Frames and ceiling completed up to 17<sup>th</sup> Floor. Priming up to Level 13. Final finishing coats for 4<sup>th</sup> to 9<sup>th</sup> complete. Stairwells and miscellaneous areas ongoing. Touchup at lower floor started.
- i. Roofing : Upper roof complete and lower roof in progress.
- j. Roof Anchors installation complete. Button installation scheduled to start in May where permitting.
- k. Caulking, fireproofing, firestopping ongoing.
- l. Communications rough-in for typical suites ongoing. Current up to 17<sup>th</sup> floor.
- m. Ceramic tiles installation: Up to 9th floor complete.
- n. Laminate flooring installation: Up to 8<sup>th</sup> Floor complete.
- o. Kitchen millwork: Up to 9<sup>th</sup> Floor complete.
- p. Garbage Chute installation in progress.



- q. Delta Elevator: Elevator frames installation complete. Aim to have (2) construction elevators ready for use in May.
- r. Exterior cladding system: Blueskin installation in progress.

**4. Site Safety:**

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.
- e. Regular site safety inspections are ongoing.

**5. Inspections / Testing:**

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

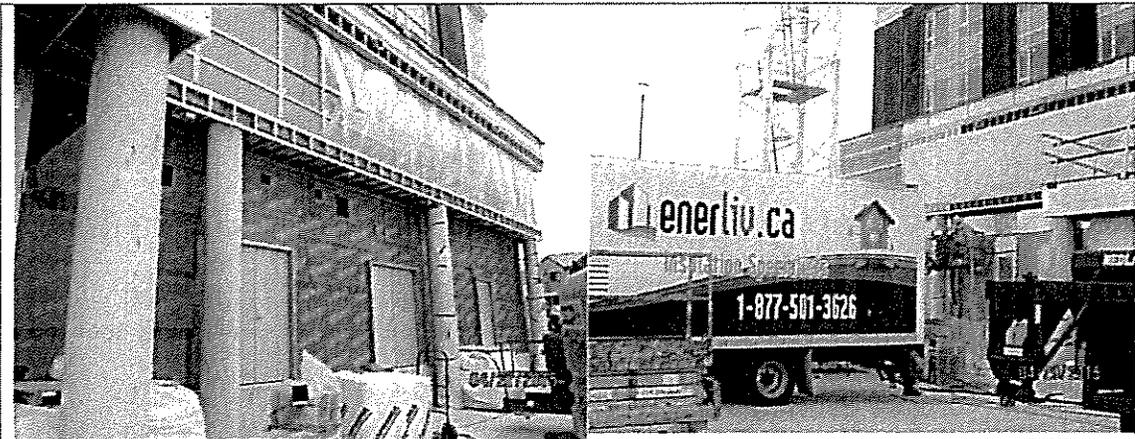
**6. Key Milestone Dates**

1st cast-in-place pour:	01-Apr-14
Pre-cast to start	18-Aug-14
Pre-Cast complete	19-Dec-14
Structural / Enclosure complete	6-Mar-15
Exterior work to complete	30-Jun-15
Substantial completion	31-Jul -15
Owner F.F.E by	25-Aug-15



MELLOUL-BLAMEY BUILDING CORPORATION

7. Progress Photos



Blueskin Installed behind Cement Panel

Spraying Insulation along Soffit Area



Prepping for Cement Panel on South Elevation



Roofing Lower Roof on West Elevation

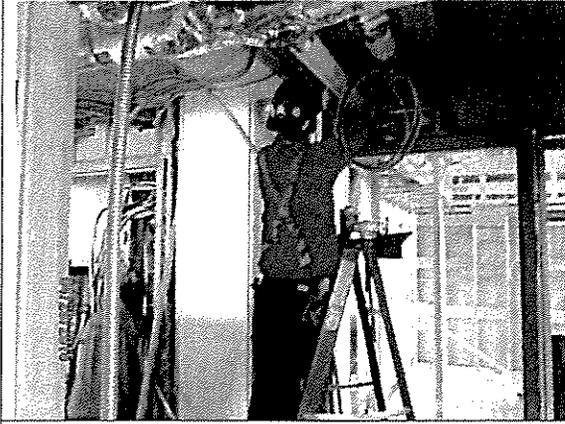


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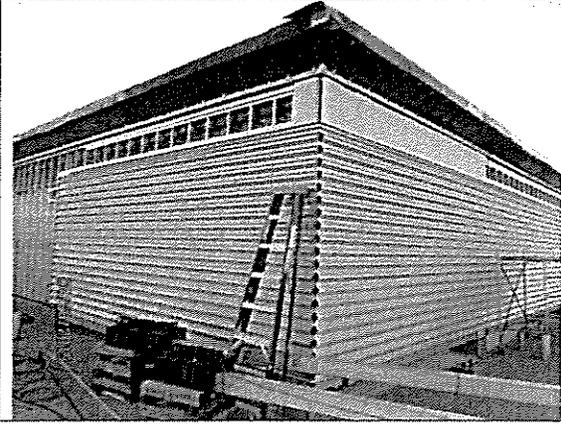
<p>Door &amp; Hardware Installer on 8/F</p>	<p>Kitchen Backsplash Loaded onto 9/F</p>
	
<p>Installing Tiles for a 10/F Suite Entrance</p>	<p>Sanding around Bedroom Door Frame</p>
	
<p>Taping at 15/F Living Room</p>	<p>Framing a Bedroom Bulkhead</p>



MELLOUL-BLAMEY BUILDING CORPORATION



Installing Sprinkler Head at Corridor

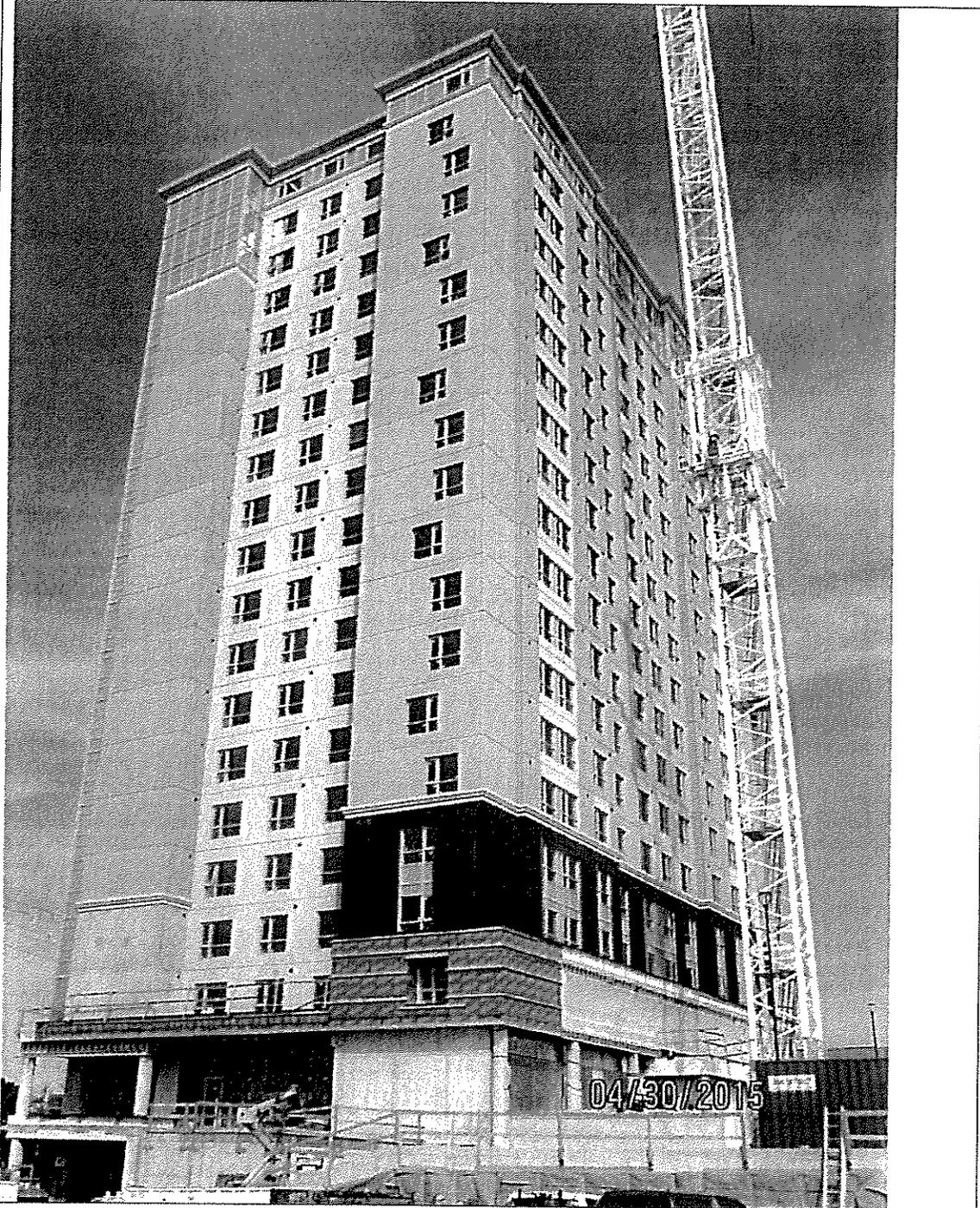


Install Metal Siding at Penthouse Mech Rm





MELLOUL-BLAMEY BUILDING CORPORATION



SouthEast Elevation

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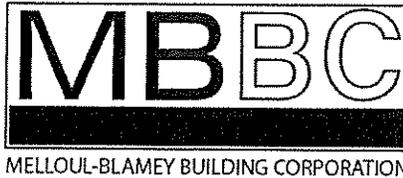


MELLOUL-BLAMEY BUILDING CORPORATION



NorthWest Elevation

~ END ~



## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I , WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #12 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

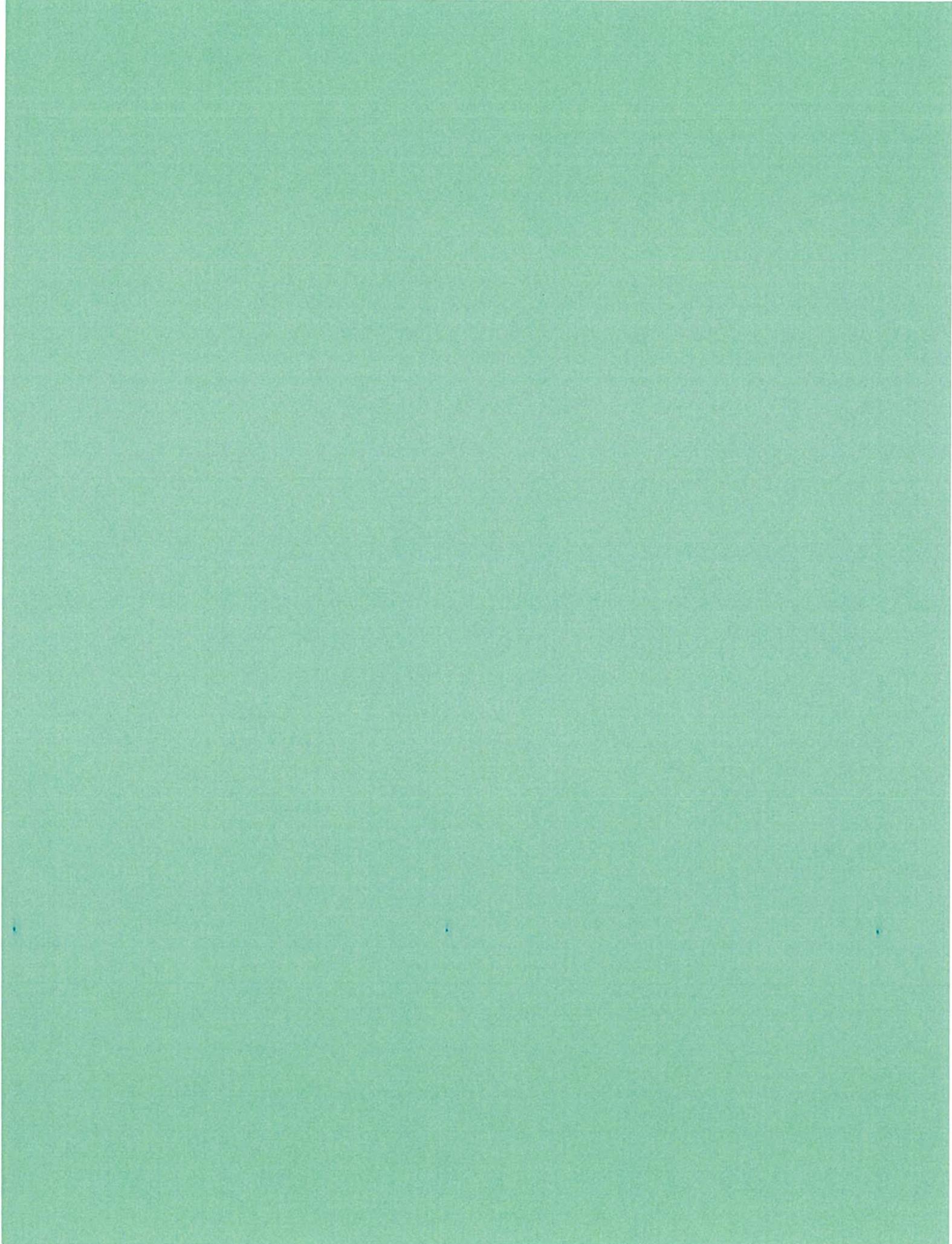
1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW AMOUNTS TO DATE (INCL. DRAW#8)	<u>\$58,980,000.00</u>
3. PAYMENT RECEIVED	<u>\$57,380,000.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 1,600,000.00</u>

SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION

Jennifer Xu

Director

DATE: April 30, 2015





MELLOUL-BLAMEY BUILDING CORPORATION

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,**

**WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: May 27, 2015

Document No.: CED-MBBC-PSRP-2015-015

To: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#13	400,000.00
<b>TOTAL (IN WORDS): Four hundred thousand US dollars</b>	<b>TOTAL: 400,000.00</b>

A handwritten signature in black ink, appearing to read 'Jennifer Xu', is written over a horizontal line.

Jennifer Xu

President



MELLOUL-BLAMEY BUILDING CORPORATION

## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I , WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #13 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW AMOUNTS TO DATE (INCL. DRAW#8)	<u>\$59,380,000.00</u>
3. PAYMENT RECEIVED	<u>\$57,380,000.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 400,000.00</u>

SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION

A handwritten signature in black ink, appearing to read 'Jennifer Xu', is written over a horizontal line.

Jennifer Xu

Director

DATE: May 27, 2015



## Draw #13( May 2015) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract

Date: 27-May-15

S/N	Description	Amount	Draw #13	% of Draw#13	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00	0	0.00%	2,029,626	100.00%
1.2	Pre-Construction	\$ 11,492,594.00	0	0.00%	11,492,594	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00	0	0.00%	2,317,529	98.20%
1.4	Other Administration Costs	\$ 8,624,119.00	0	0.00%	8,624,119	100.00%
	Sub-total 1. Soft Cost	\$ 24,506,252.00	0	0.00%	24,463,867	99.83%
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00	0	0.00%	1,338,750	97.66%
2.2	Materials Procurement	\$ 1,549,309.00	0	0.00%	1,523,042	98.30%
	Sub-total 2. Procurement	\$ 2,920,189.00	0	0.00%	2,861,792	98.00%
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	285,000	9.50%	2,792,016	93.08%
3.2	Site Work	\$ 1,096,811.00		0.00%	1,092,551	99.61%
3.3	Concrete & Pre-cast	\$ 8,837,937.00		0.00%	8,795,277	99.52%
3.4	Masonry	\$ 219,881.00	12,851	5.84%	219,881	100.00%
3.5	Metals	\$ 258,593.00	25,800	9.98%	241,545	93.41%
3.6	Carpentry	\$ 428,400.00	56,000	13.07%	287,574	67.13%
3.7	Thermal & Moisture	\$ 1,367,583.00		0.00%	1,028,266	75.19%
3.8	Doors & Windows	\$ 1,630,062.00		0.00%	1,619,249	99.34%
3.9	Finishes	\$ 2,613,240.00		0.00%	2,514,180	96.21%
3.10	Specialities	\$ 84,218.00		0.00%	0	0.00%
3.11	Equipment	\$ 47,124.00		0.00%	42,500	90.19%
3.12	Conveying Systems - Elevators	\$ 728,280.00	20,349	2.79%	387,215	53.17%
3.13	Mechanical	\$ 3,851,316.00		0.00%	3,787,873	98.35%
3.14	Electrical	\$ 1,409,972.00		0.00%	1,405,086	99.65%
3.15	Miscellaneous Costs	\$ 866,848.00		0.00%	866,848	100.00%
3.16	Construction Contingency	\$ 1,713,600.00		0.00%	1,174,280	68.53%
3.17	Project Management	\$ 5,800,000.00		0.00%	5,800,000	100.00%
	Sub-total 3. Construction	\$ 33,953,559.00	400,000	1.18%	32,054,341	94.41%
	Total	\$ 61,380,000.00	400,000	0.65%	59,380,000	96.74%

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MELLOUL-BLAMEY BUILDING CORPORATION

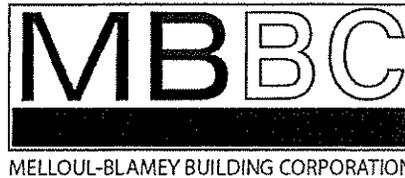
## PROGRESS REPORT #13 – May 2015

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001



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**Project Status:**

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**1. Design, Pre-Construction and other Administrations:**

- a. All design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, as well as Interior Design for Amenity area as well as finishes selection.

**2. Furniture, Fixture & Equipment :**

Furniture, Fixtures & Equipment as well as other materials Sourcing started, including appliances, Furniture for suites and common area as well as tools, equipment and various materials for site purpose. A number of products were ordered. The delivery of shipment in progress.

**3. Construction:**

- a. Site Services 95% complete
- b. Mechanical and Electrical Rough-in on typical floors complete.
- c. Shop drawings submissions and review process ongoing.
- d. Windows installation: Windows installation completed as far as possible until hoist is taken down.
- e. Topping completed.
- f. Drywall framing completed, except some bedrooms which hoists are. Main and 3<sup>rd</sup> Floor Amenity areas framing on going.
- g. Drywall Board and Taping -- Up to 19<sup>th</sup> Floors where possible.
- h. Painting: Frames and ceiling completed up to 20<sup>th</sup> Floor. Priming up to Level 16. Final finishing coats for up to 13<sup>th</sup> floor complete. Stairwells and miscellaneous areas ongoing. Touchup at lower floor started.
- i. Roofing : Upper roof complete and lower roof completed, except hoist areas.
- j. Roof Anchors installation complete. Button installation started.
- k. Caulking, fireproofing, firestopping ongoing.
- l. Exterior pre-cast walls painting started.
- m. Communications rough-in for typical suites ongoing. Current up to 20<sup>th</sup> floor.
- n. Ceramic tiles installation: Up to 15<sup>th</sup> floor complete.
- o. Laminate flooring installation: Up to 10<sup>th</sup> Floor complete.
- p. Kitchen millwork: Up to 13<sup>th</sup> Floor complete.
- q. Garbage Chute installation in progress.



- r. Delta Elevator: Elevator frames installation complete. Aim to have (2) construction elevators ready for use 1<sup>st</sup> week in June.
- s. Exterior cladding system: Blueskin installation complete and ready for exterior panels installation.

**4. Site Safety:**

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.
- e. Regular site safety inspections are ongoing.

**5. Inspections / Testing:**

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

**6. Key Milestone Dates**

1st cast-in-place pour:	01-Apr-14
Pre-cast to start	18-Aug-14
Pre-Cast complete	19-Dec-14
Structural / Enclosure complete	6-Mar-15
Exterior work to complete	30-Jun-15
Substantial completion	31-Jul -15
Owner F.F.E by	25-Aug-15



MELLOUL-BLAMEY BUILDING CORPORATION

7. Progress Photos



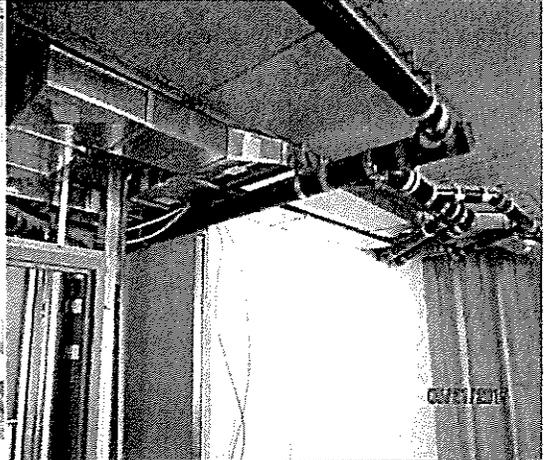
Installing Rain Screen System at North Elevation



Installing Window System at Main Entrance



Framing at 3<sup>rd</sup> Floor Party Room

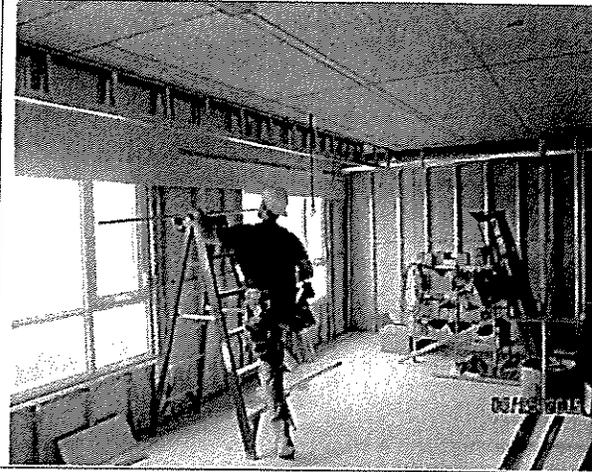


Mechanical Ductwork & Piping at Conference Centre

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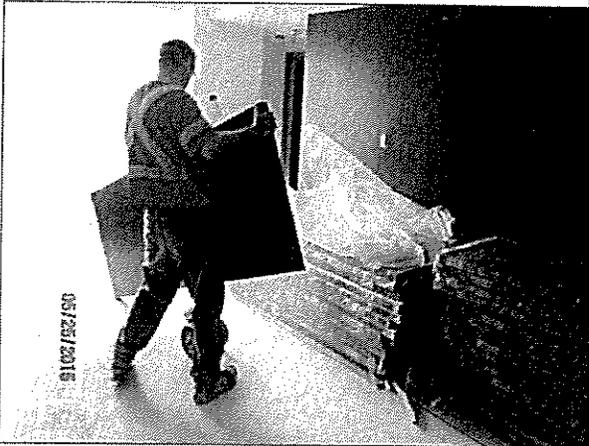
MELLOUL-BLAMEY BUILDING CORPORATION



Drywalling on Party Room Perimeter Wall



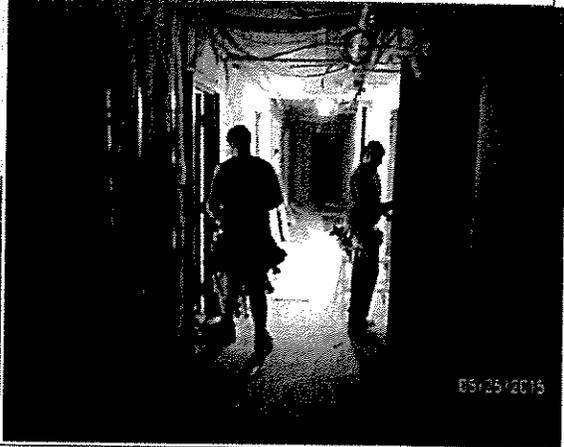
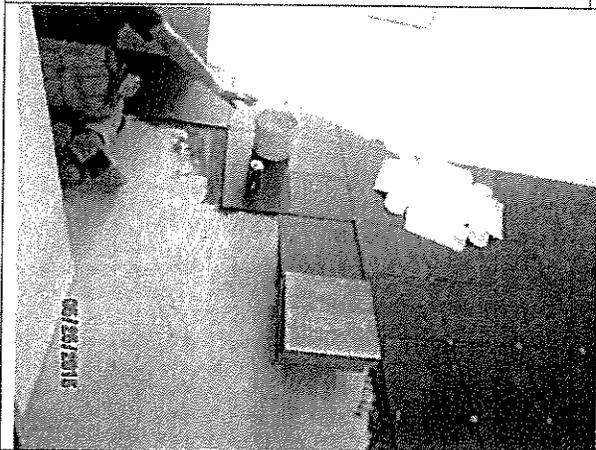
Electrician Installing Light Fixture



Moving Bedroom Door to Destinated Location



Laminate Flooring at 10/F Bedrooms





MELLOUL-BLAMEY BUILDING CORPORATION

<p>Living Room Tile on 14/F</p>  <p>A black and white photograph showing a construction worker in a living room on the 14th floor. The worker is kneeling on a large, dark rectangular tile that is being cut. The room has curtains and a doorway in the background. A date stamp '06/25/2015' is visible in the bottom right corner of the photo.</p>	<p>Installing Drywall at 7/F Corridor</p>  <p>A black and white photograph of a corridor on the 7th floor where drywall is being installed. The ceiling and walls are under construction, with visible studs and drywall panels. A date stamp '06/21/2015' is visible in the bottom right corner of the photo.</p>
<p>Cutting Kitchen Backsplash to Size</p>	<p>Monoglass Sound Insulation at 20/F Ceiling</p>



SouthEast Elevation



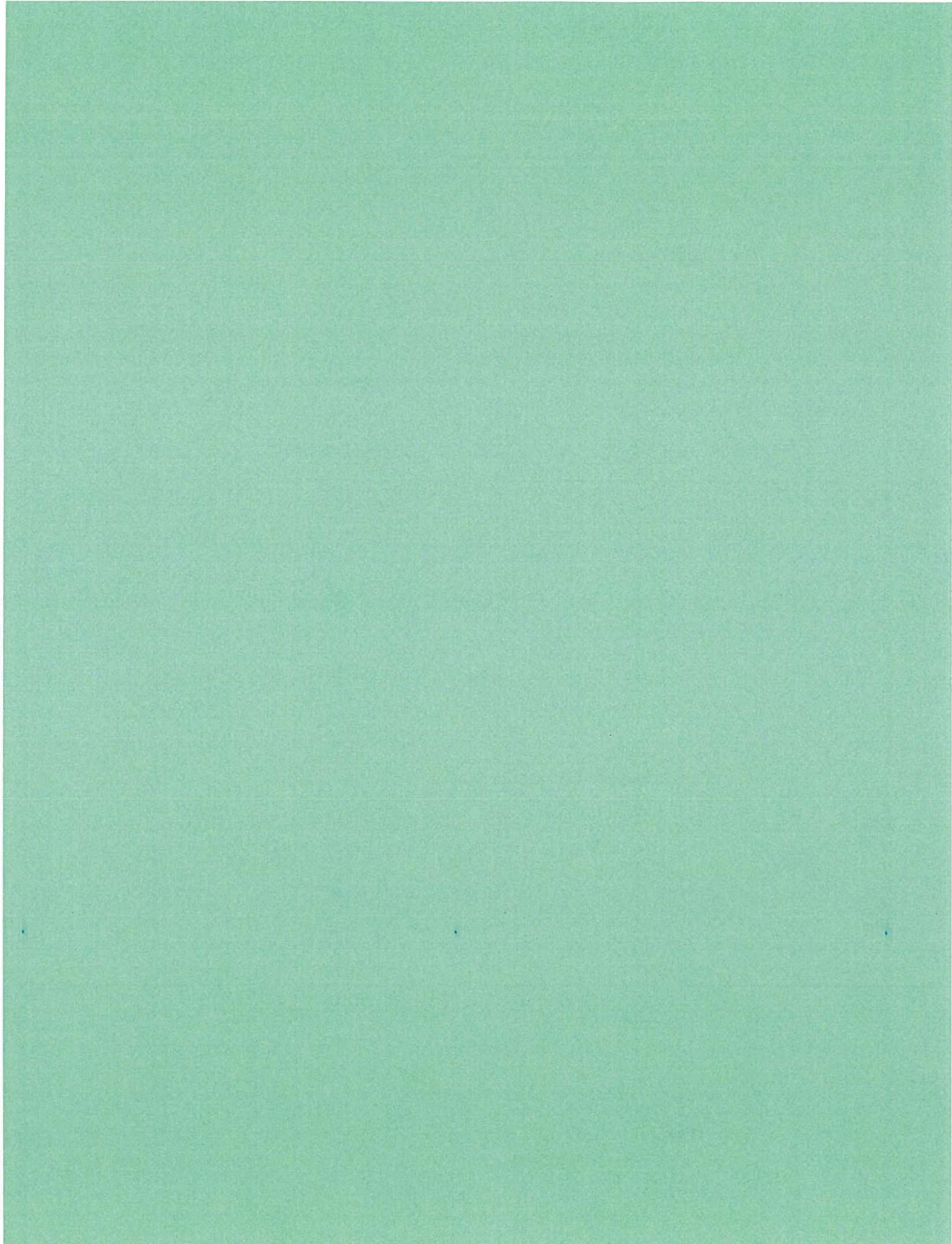
MELLOUL-BLAMEY BUILDING CORPORATION



NorthWest Elevation

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MELLOUL-BLAMEY BUILDING CORPORATION

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: June 25, 2015

Document No.: CED-MBBC-PSRP-2015-016

To: China Everbest Development International Limited

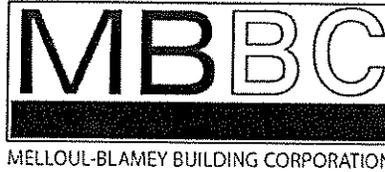
Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#14	400,000.00
<b>TOTAL (IN WORDS): Four hundred thousand US dollars</b>	<b>TOTAL: 400,000.00</b>

*Jennifer Xu*

\_\_\_\_\_  
Jennifer Xu

President



## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #14 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW AMOUNTS TO DATE (INCL. DRAW#8)	<u>\$59,780,000.00</u>
3. PAYMENT RECEIVED	<u>\$59,380,000.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 400,000.00</u>

SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION

\_\_\_\_\_  
Jennifer Xu

Director

DATE: June 25, 2015

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



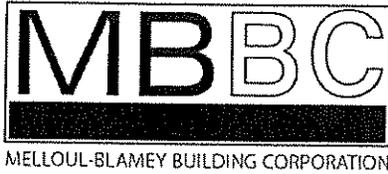
## Draw #14( June 2015) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract

Date: 25-June-15

S/N	Description	Amount	Draw #14	% of Draw#14	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00	0	0.00%	2,029,626	100.00%
1.2	Pre-Construction	\$ 11,492,594.00	0	0.00%	11,492,594	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00	0	0.00%	2,317,529	98.20%
1.4	Other Administration Costs	\$ 8,624,119.00	0	0.00%	8,624,119	100.00%
	<b>Sub-total 1. Soft Cost</b>	<b>\$ 24,506,252.00</b>	<b>0</b>	<b>0.00%</b>	<b>24,463,867</b>	<b>99.83%</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00	20,000	0.99%	1,358,750	99.12%
2.2	Materials Procurement	\$ 1,549,309.00	20,000	0.99%	1,543,042	99.60%
	<b>Sub-total 2. Procurement</b>	<b>\$ 2,920,189.00</b>	<b>40,000</b>	<b>1.97%</b>	<b>2,901,792</b>	<b>99.37%</b>
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	30,000	1.48%	2,822,016	94.08%
3.2	Site Work	\$ 1,096,811.00		0.00%	1,092,551	99.61%
3.3	Concrete & Pre-cast	\$ 8,837,937.00		0.00%	8,795,277	99.52%
3.4	Masonry	\$ 219,881.00		0.00%	219,881	100.00%
3.5	Metals	\$ 258,593.00	10,000	0.49%	251,545	97.27%
3.6	Carpentry	\$ 428,400.00	90,000	4.43%	377,574	88.14%
3.7	Thermal & Moisture	\$ 1,367,583.00	40,000	1.97%	1,068,266	78.11%
3.8	Doors & Windows	\$ 1,630,062.00		0.00%	1,619,249	99.34%
3.9	Finishes	\$ 2,613,240.00		0.00%	2,514,180	96.21%
3.10	Specialities	\$ 84,218.00		0.00%	0	0.00%
3.11	Equipment	\$ 47,124.00		0.00%	42,500	90.19%
3.12	Conveying Systems - Elevators	\$ 728,280.00	190,000	9.36%	577,215	79.26%
3.13	Mechanical	\$ 3,851,316.00		0.00%	3,787,873	98.35%
3.14	Electrical	\$ 1,409,972.00		0.00%	1,405,086	99.65%
3.15	Miscellaneous Costs	\$ 866,848.00		0.00%	866,848	100.00%
3.16	Construction Contingency	\$ 1,713,600.00		0.00%	1,174,280	68.53%
3.17	Project Management	\$ 5,800,000.00		0.00%	5,800,000	100.00%
	<b>Sub-total 3. Construction</b>	<b>\$ 33,953,559.00</b>	<b>360,000</b>	<b>17.74%</b>	<b>32,414,341</b>	<b>95.47%</b>
	<b>Total</b>	<b>\$ 61,380,000.00</b>	<b>400,000</b>	<b>19.71%</b>	<b>59,780,000</b>	<b>97.39%</b>



## PROGRESS REPORT #14 – June 2015

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001



700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



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**Project Status:**

---

**1. Design, Pre-Construction and other Administrations:**

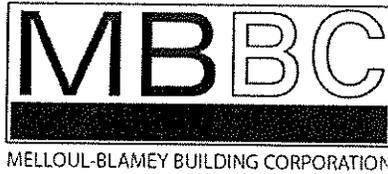
- a. All design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, as well as Interior Design for Amenity area as well as finishes selection.

**2. Furniture, Fixture & Equipment :**

Furniture, Fixtures & Equipment as well as other materials Sourcing started, including appliances, Furniture for suites and common area as well as tools, equipment and various materials for site purpose. A number of products were ordered. The delivery of shipment in progress.

**3. Construction:**

- a. Site Services 95% complete
- b. Windows installation: All windows are installed, except Amenity and retail level areas.
- c. Drywall framing completed, except some bedrooms which hoists are. Main and 3<sup>rd</sup> Floor Amenity areas framing on going.
- d. Drywall Board and Taping –20<sup>th</sup> floor where possible
- e. Painting: Frames and ceiling completed up to 20<sup>th</sup> Floor. Priming up to Level 19. Final finishing coats for up to 16<sup>th</sup> floor complete. Stairwells and miscellaneous areas ongoing. Touchup at lower floor started.
- f. Roofing : Upper roof complete and lower roof completed, except hoist areas.
- g. Roof Anchors installation complete. Button installation started.
- h. Caulking, fireproofing, firestopping ongoing.
- i. Exterior pre-cast walls painting ongoing
- j. Communications rough-in for typical suites complete. Amenity areas in progress.
- k. Ceramic tiles installation: Up to 17<sup>th</sup> floor complete.
- l. Laminate flooring installation: Up to 15<sup>th</sup> Floor complete.
- m. Kitchen millwork: Up to 16<sup>th</sup> Floor complete.
- n. Delta Elevator: 2 elevators turned over to construction use.
- o. Exterior cladding system: Blueskin installation complete and ready for exterior panels installation.



- p. Exterior hoist removed.
- q. Tower Crane removal completed on June 24, 2015.

**4. Site Safety:**

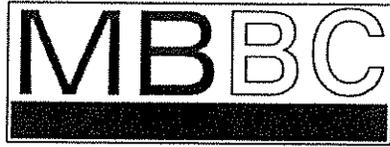
- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.
- e. Regular site safety inspections are ongoing.

**5. Inspections / Testing:**

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

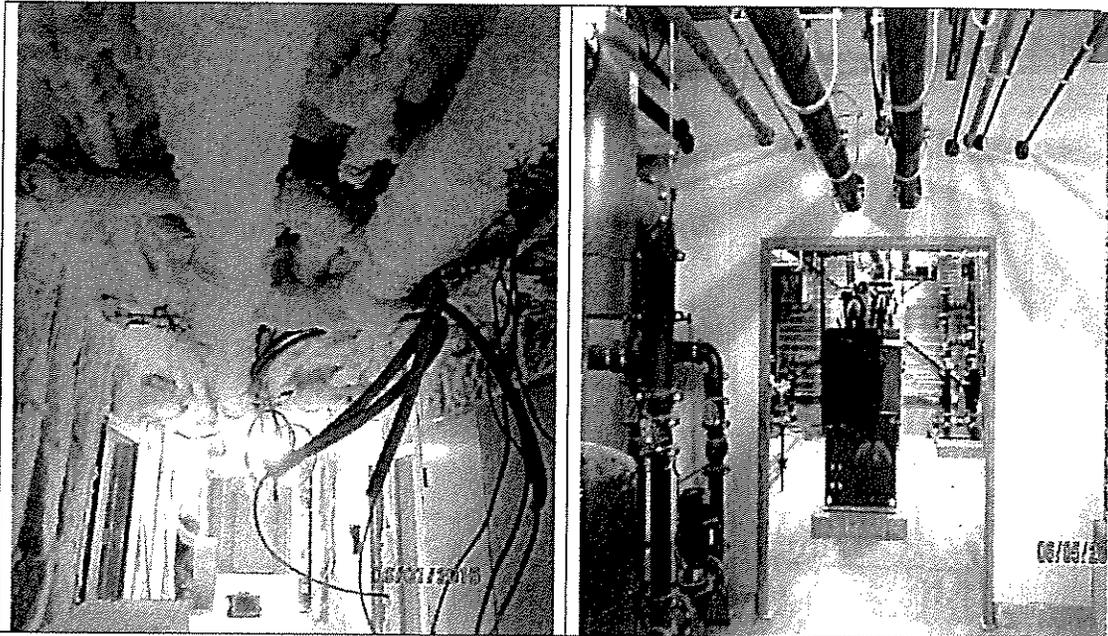
**6. Key Milestone Dates**

1st cast-in-place pour:	01-Apr-14
Pre-cast to start	18-Aug-14
Pre-Cast complete	19-Dec-14
Structural / Enclosure complete	6-Mar-15
Exterior work to complete	30-Jun-15
Substantial completion	31-Jul -15
Owner F.F.E by	25-Aug-15



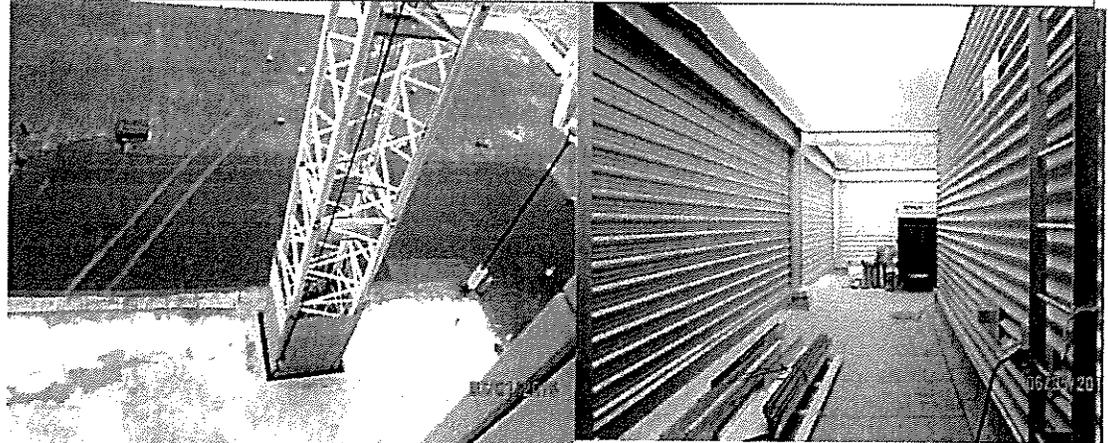
MELLOUL-BLAMEY BUILDING CORPORATION

### 7. Progress Photos



Sound proofing on 20<sup>th</sup> Floor

Penthouse Mechanical Room

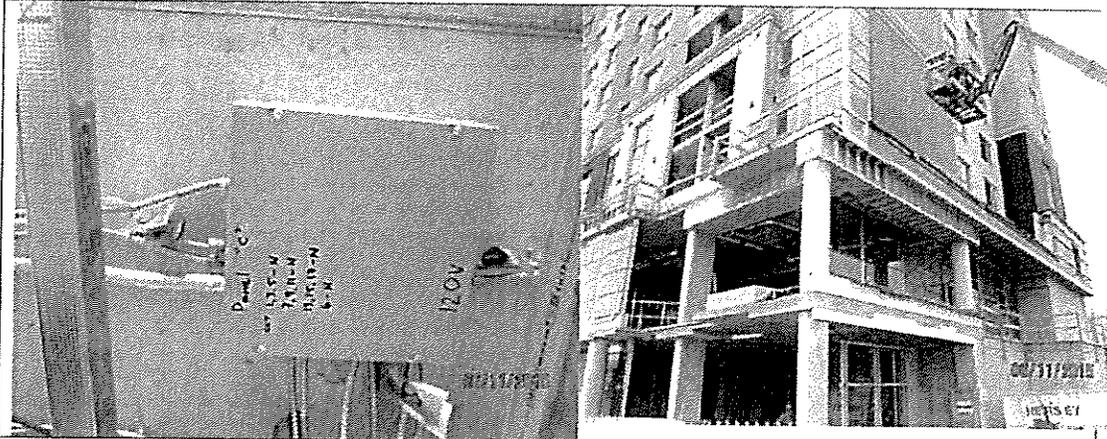


Waterproofing membrane installation in progress

Roof top screens

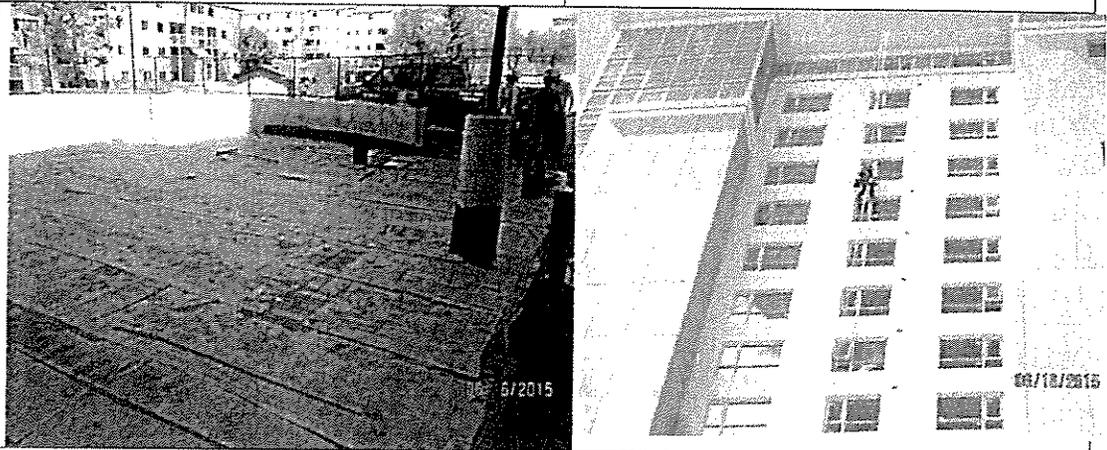


MELLOUL-BLAMEY BUILDING CORPORATION



Electrical rough-in

Exterior panels airshields installation

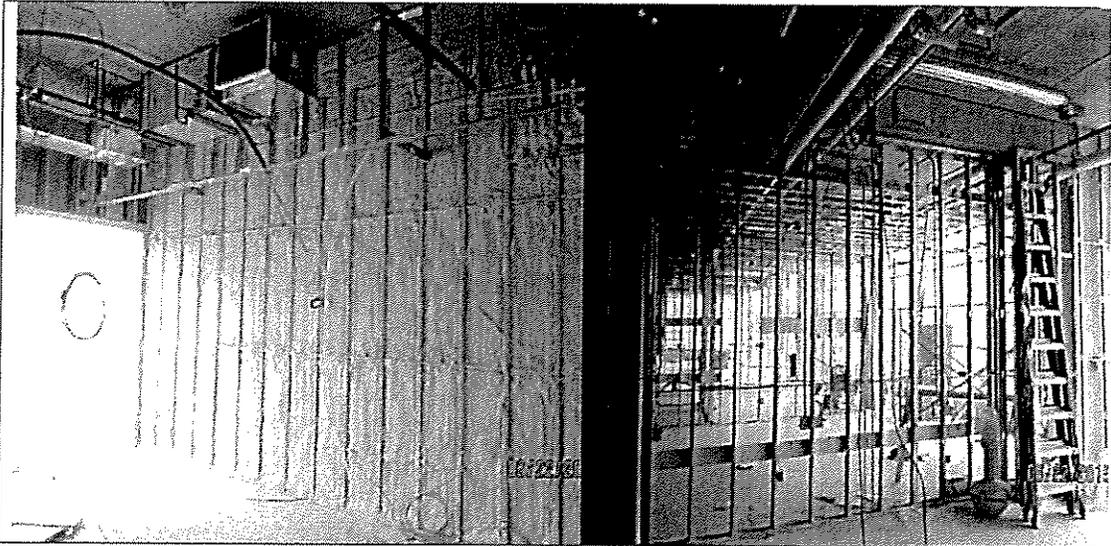


Parking deck waterproofing membrane installation complete ready for gravels

Exterior caulking in progress

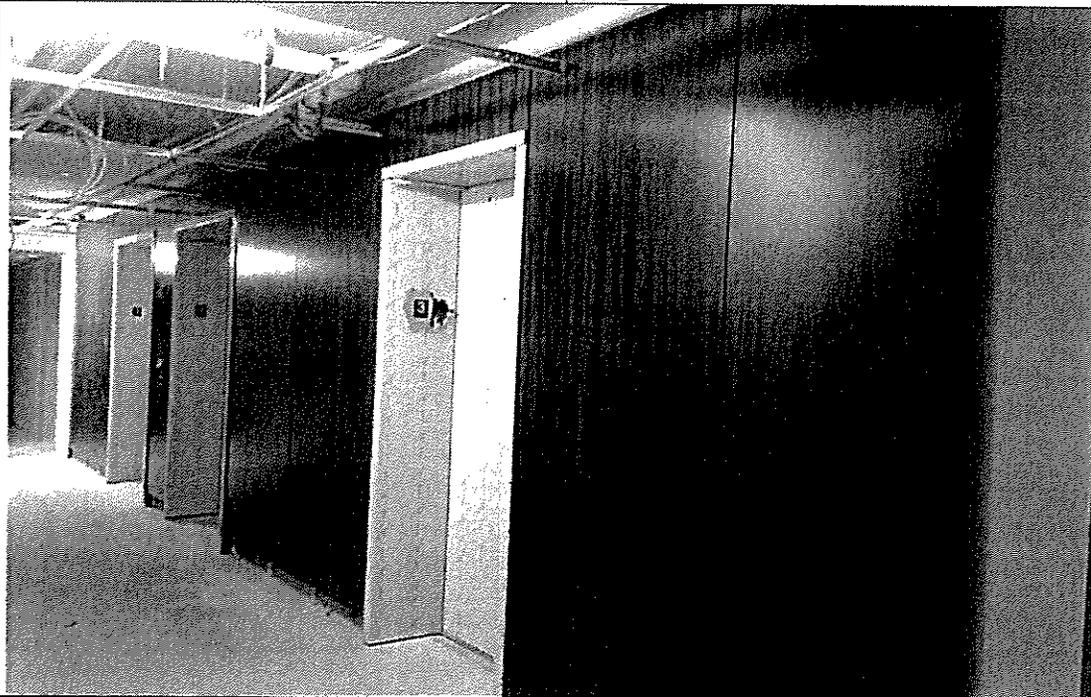


MELLOUL-BLAMEY BUILDING CORPORATION



Spray foam insulation at Main Floor

Main floor, Amenity area rough-in work in progress



Elevator Wall Panels



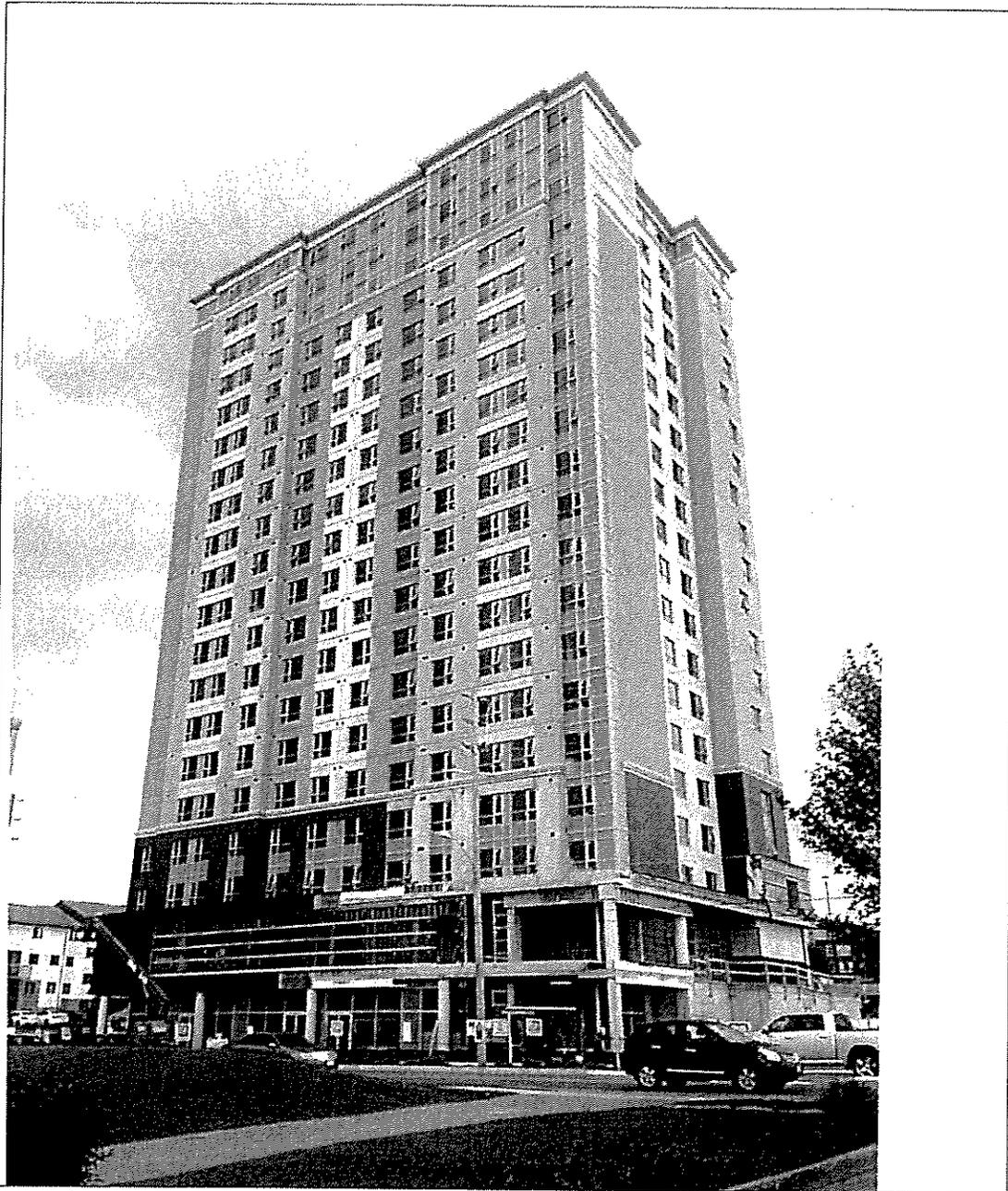
MELLOUL-BLAMEY BUILDING CORPORATION



Tower Crane being taken down



MELLOUL-BLAMEY BUILDING CORPORATION

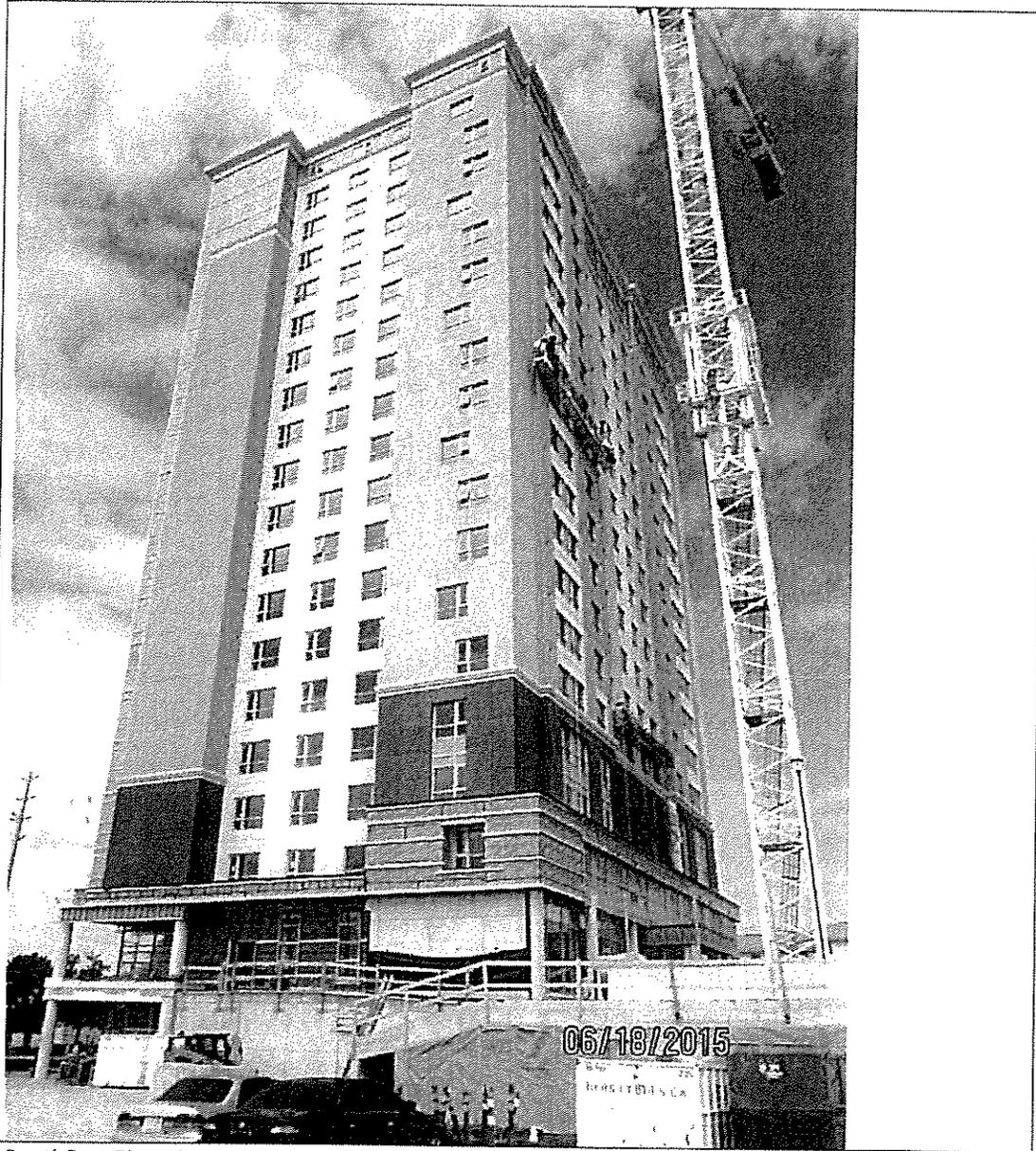


West / Street Elevation

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426

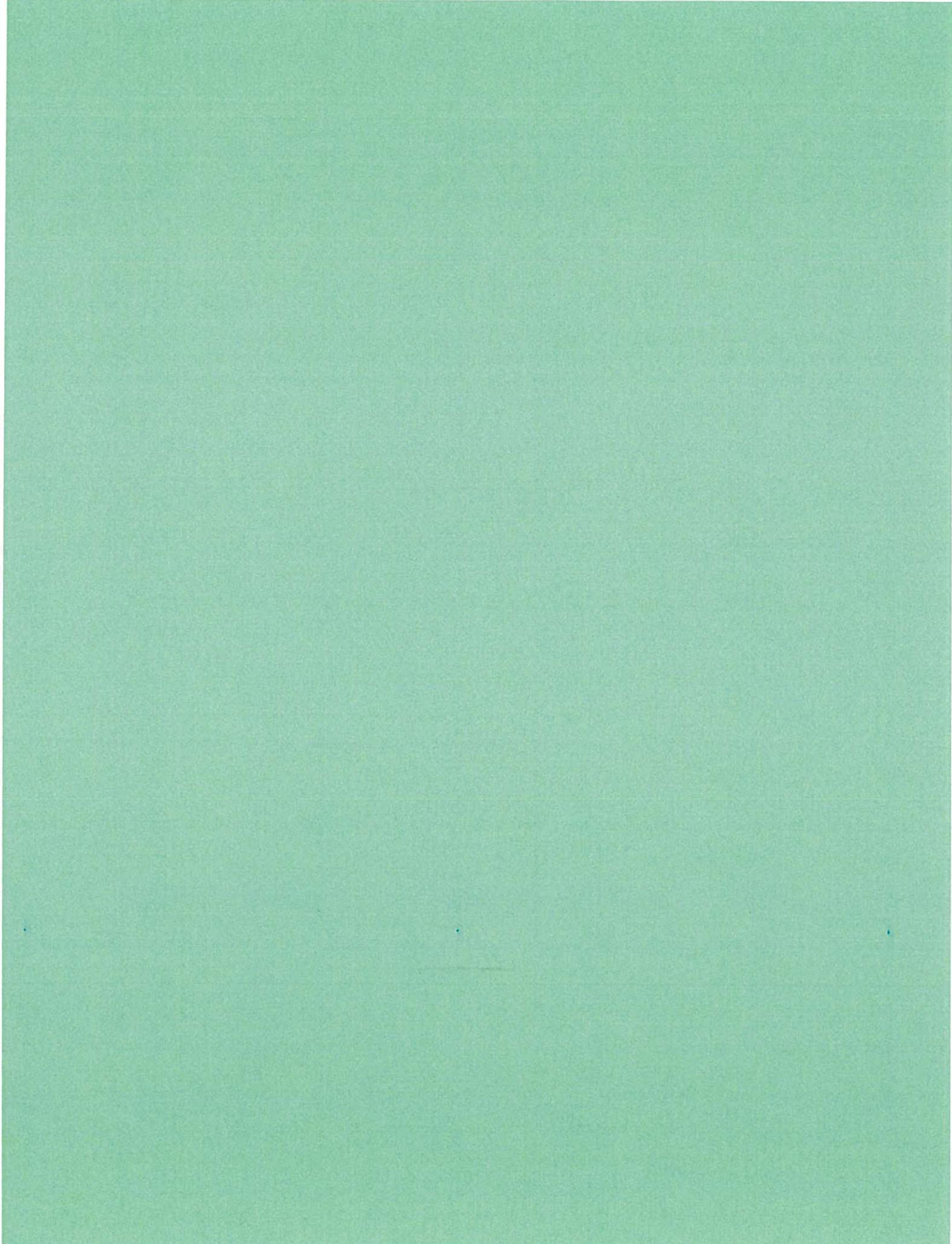


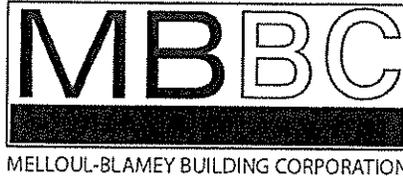
MELLOUL-BLAMEY BUILDING CORPORATION



SouthEast Elevation

~ END ~





**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: July 27, 2015

Document No.: CED-MBBC-PSRP-2015-017

To: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#15	400,000.00
<b>TOTAL (IN WORDS): Four hundred thousand US dollars</b>	<b>TOTAL: 400,000.00</b>

\_\_\_\_\_  
Jennifer Xu

President



## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I , WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #15 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW AMOUNTS TO DATE (INCL. DRAW#8)	<u>\$60,180,000.00</u>
3. PAYMENT RECEIVED	<u>\$59,780,000.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 400,000.00</u>

SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION

\_\_\_\_\_  
Jennifer Xu

Director

DATE: July 27, 2015



## Draw #15( July 2015) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract

Date: 27-July-15

S/N	Description	Amount	Draw #15	% of Draw#15	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00	0	0.00%	2,029,626	100.00%
1.2	Pre-Construction	\$ 11,492,594.00	0	0.00%	11,492,594	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00	0	0.00%	2,317,529	98.20%
1.4	Other Administration Costs	\$ 8,624,119.00	0	0.00%	8,624,119	100.00%
	Sub-total 1. Soft Cost	\$ 24,506,252.00	0	0.00%	24,463,867	99.83%
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00		0.00%	1,358,750	99.12%
2.2	Materials Procurement	\$ 1,549,309.00		0.00%	1,543,042	99.60%
	Sub-total 2. Procurement	\$ 2,920,189.00	0	0.00%	2,901,792	99.37%
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	10,000	0.49%	2,832,016	94.41%
3.2	Site Work	\$ 1,096,811.00		0.00%	1,092,551	99.61%
3.3	Concrete & Pre-cast	\$ 8,837,937.00		0.00%	8,795,277	99.52%
3.4	Masonry	\$ 219,881.00		0.00%	219,881	100.00%
3.5	Metals	\$ 258,593.00	5,000	0.25%	256,545	99.21%
3.6	Carpentry	\$ 428,400.00	50,000	2.46%	427,574	99.81%
3.7	Thermal & Moisture	\$ 1,367,583.00	250,000	12.32%	1,318,266	96.39%
3.8	Doors & Windows	\$ 1,630,062.00		0.00%	1,619,249	99.34%
3.9	Finishes	\$ 2,613,240.00		0.00%	2,514,180	96.21%
3.10	Specialities	\$ 84,218.00		0.00%	0	0.00%
3.11	Equipment	\$ 47,124.00		0.00%	42,500	90.19%
3.12	Conveying Systems - Elevators	\$ 728,280.00		0.00%	577,215	79.26%
3.13	Mechanical	\$ 3,851,316.00		0.00%	3,787,873	98.35%
3.14	Electrical	\$ 1,409,972.00		0.00%	1,405,086	99.65%
3.15	Miscellaneous Costs	\$ 866,848.00		0.00%	866,848	100.00%
3.16	Construction Contingency	\$ 1,713,600.00	85,000	4.19%	1,259,280	73.49%
3.17	Project Management	\$ 5,800,000.00		0.00%	5,800,000	100.00%
	Sub-total 3. Construction	\$ 33,953,559.00	\$ 400,000.00	19.71%	32,814,341	96.64%
	Total	\$ 61,380,000.00	400,000	19.71%	60,180,000	98.04%



MELLOUL-BLAMEY BUILDING CORPORATION

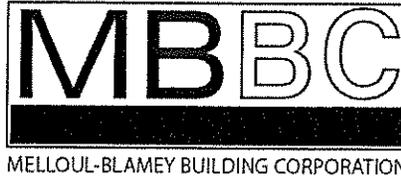
## PROGRESS REPORT #15 – July 2015

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001



700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



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**Project Status:**

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**1. Design, Pre-Construction and other Administrations:**

a. All design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, as well as Interior Design for Amenity area as well as finishes selection.

**2. Furniture, Fixture & Equipment :**

Furniture, Fixtures & Equipment as well as other materials Sourcing started, including appliances, Furniture for suites and common area as well as tools, equipment and various materials for site purpose. A number of products were ordered. The delivery of shipment in progress.

**3. Construction:**

- a. Site Services 98% complete
- b. Windows installation: All windows are installed, except Amenity and retail level areas.
- c. Drywall Board and Taping –Amenity Areas ongoing .
- d. Painting: Frames and ceiling completed. Priming up to Level 19. Final finishing coats complete up to 19<sup>th</sup> Floor. Stairwells and miscellaneous areas ongoing. Finishing / Touchup up to 13<sup>th</sup> Floor.
- e. Roofing : Upper roof complete and lower roof completed, except hoist areas. Flashing to complete.
- f. Roof Anchors installation complete. Button installation completed, except hoist areas.
- g. Caulking, fireproofing, firestopping ongoing.
- h. Exterior pre-cast walls complete
- i. Communications terminations typical suites ongoing. Amenity areas rough-in completed. Final activation 3<sup>rd</sup> week of August.
- j. Ceramic tiles installation: All suites are complete. Corridor tiles ongoing.
- k. Laminate flooring installation: All suites are complete.
- l. Kitchen millwork: complete, except miscellaneous items.
- m. Delta Elevator: 2 elevators turned over to construction use.
- n. Exterior cladding system: Exterior panels installation in progress.



**4. Site Safety:**

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.
- e. Regular site safety inspections are ongoing.

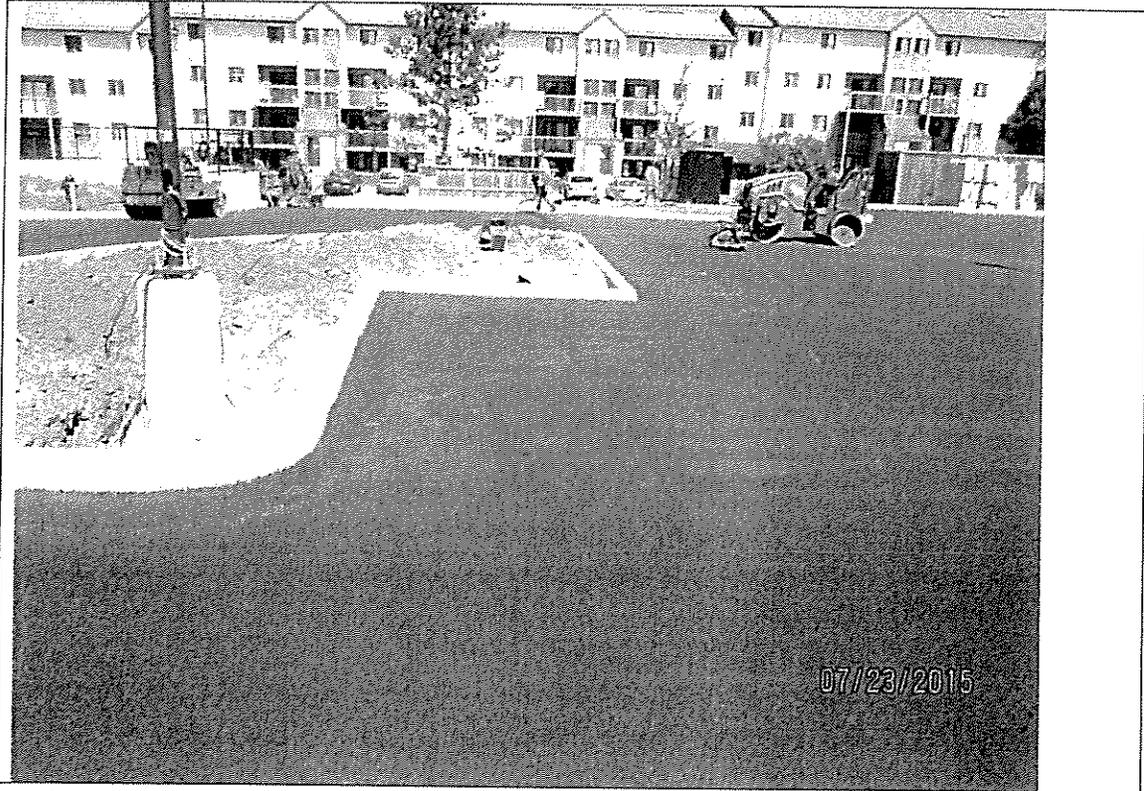
**5. Inspections / Testing:**

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

**6. Key Milestone Dates**

1st cast-in-place pour:	01-Apr-14
Pre-cast to start	18-Aug-14
Pre-Cast complete	19-Dec-14
Structural / Enclosure complete	6-Mar-15
Exterior work to complete	15-Aug-15
Substantial completion	31-Jul -15
Owner F.F.E by	25-Aug-15

7. Progress Photos



Parking Deck Asphalt



MELLOUL-BLAMEY BUILDING CORPORATION

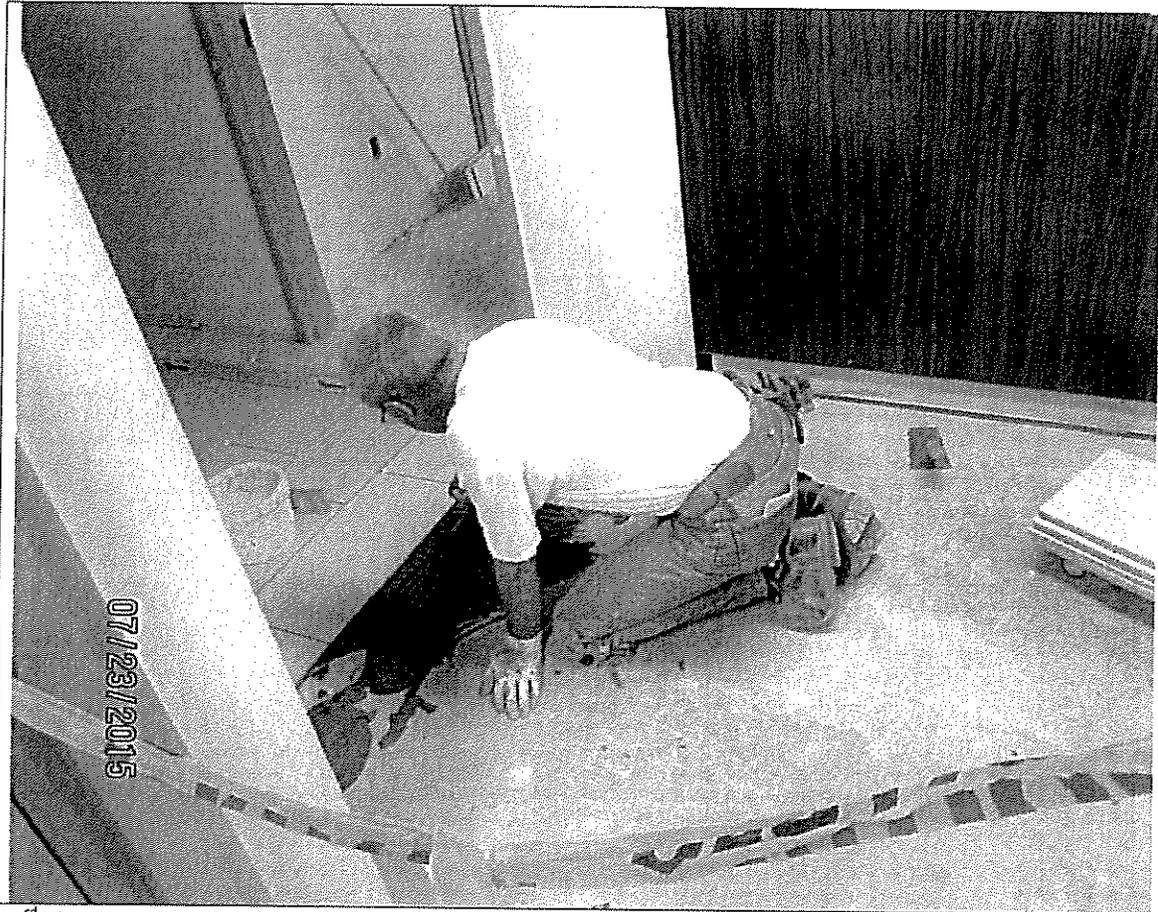


Exterior panels installation in progress

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



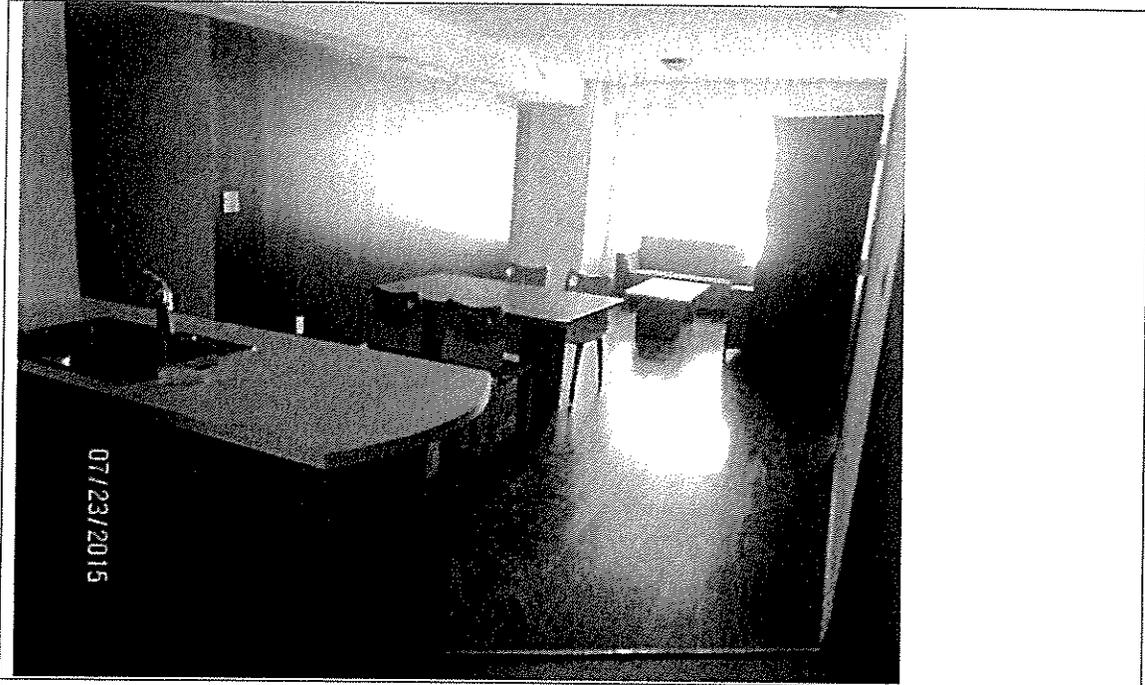
MELLOUL-BLAMEY BUILDING CORPORATION



3<sup>rd</sup> Floor Corridor tiles installation



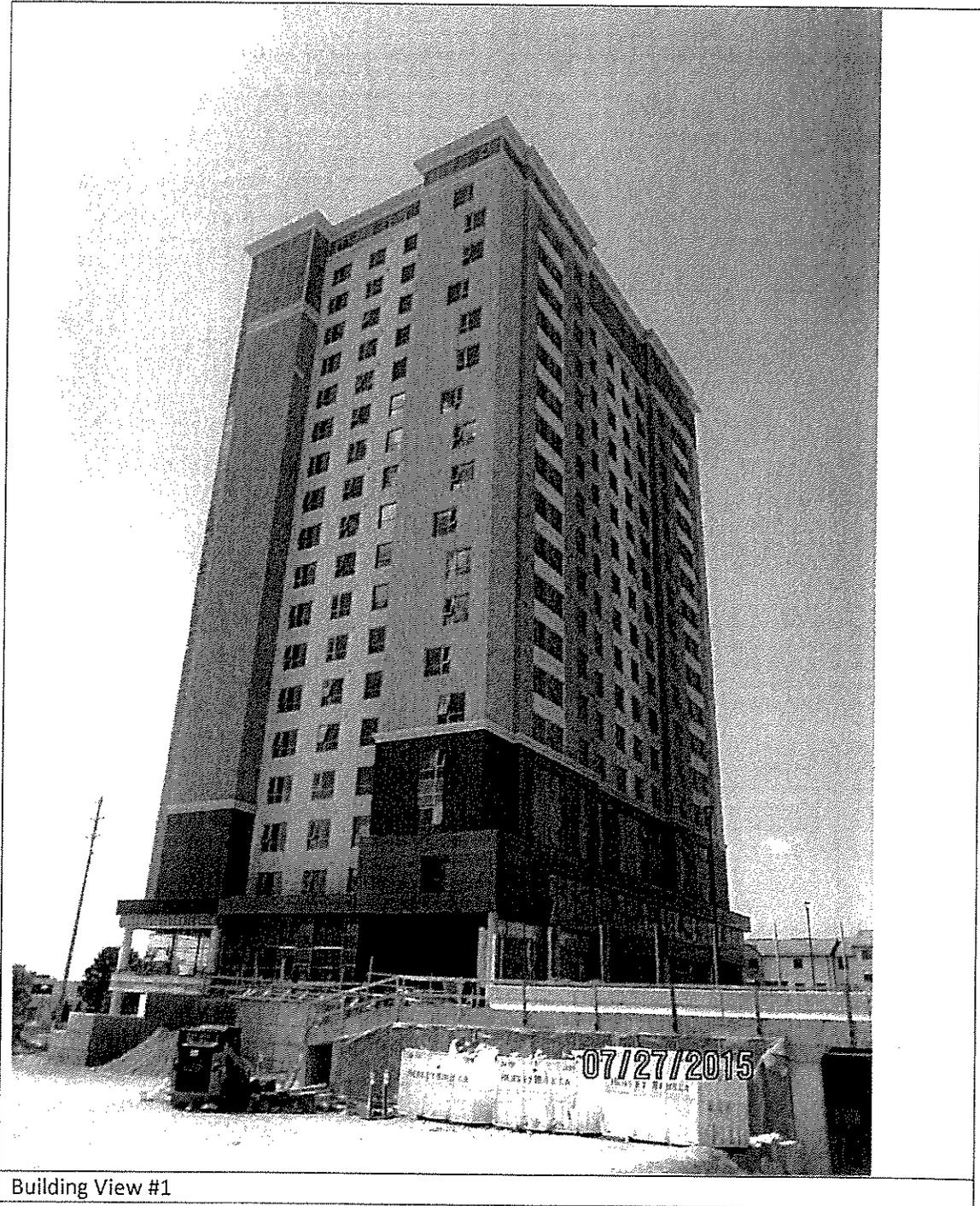
MELLOUL-BLAMEY BUILDING CORPORATION



Typical suite Living Room furniture setup



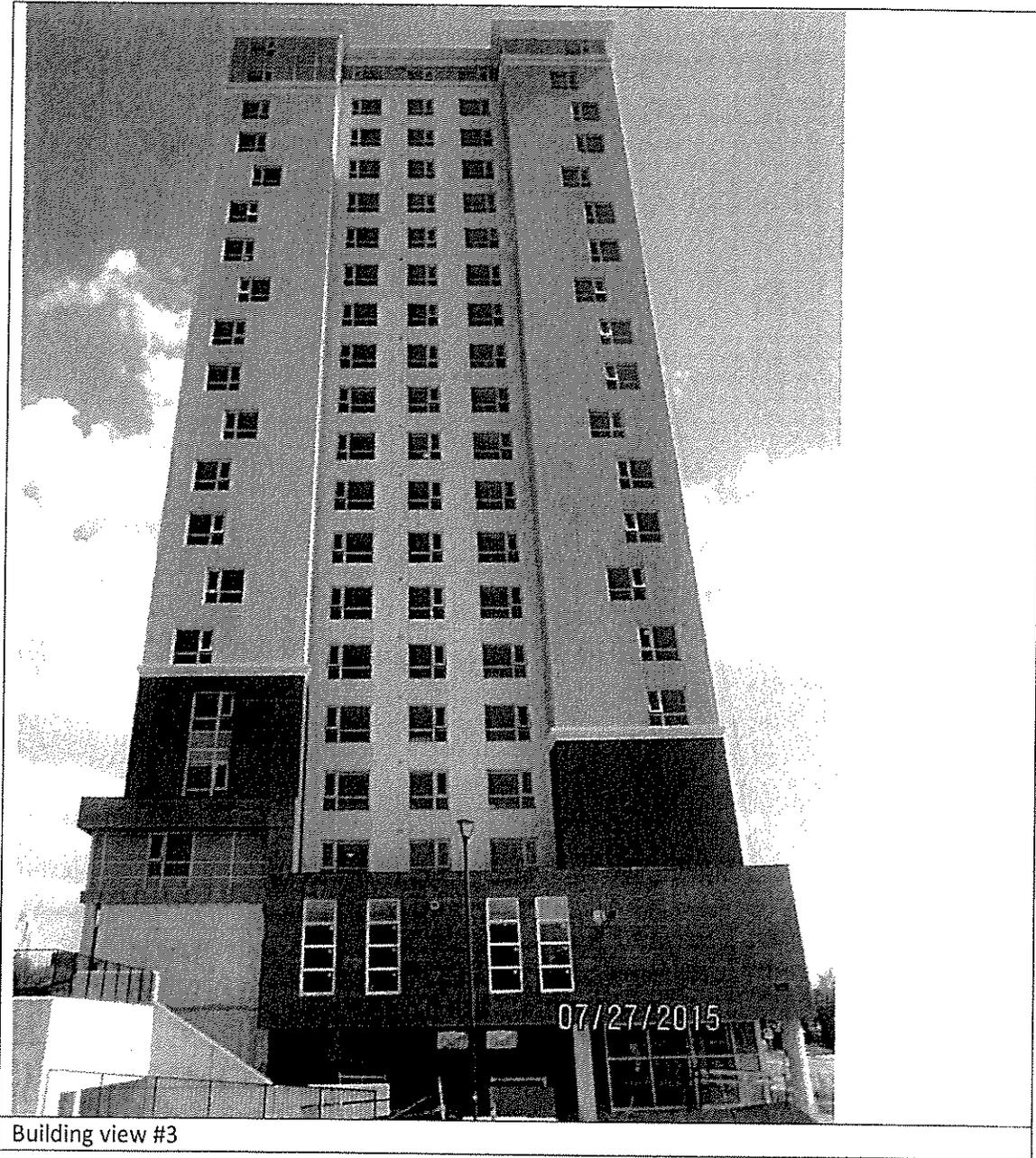
Corridor ceiling work in progress



Building View #1

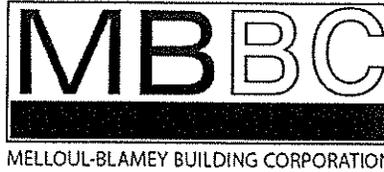


Building view #2



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**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: August 31, 2015

Document No.: CED-MBBC-PSRP-2015-017

To: China Everbest Development International Limited

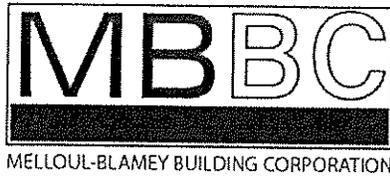
Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#16	400,000.00
<b>TOTAL (IN WORDS): Four hundred thousand US dollars</b>	<b>TOTAL: 400,000.00</b>

A handwritten signature in black ink, appearing to read 'Jennifer Xu', is located above the printed name.

Jennifer Xu

President



## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I , WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #16 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW AMOUNTS TO DATE (INCL. DRAW#16)	<u>\$60,580,000.00</u>
3. PAYMENT RECEIVED	<u>\$60,180,000.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 400,000.00</u>

SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION

\_\_\_\_\_  
Jennifer Xu

Director

DATE: August 31, 2015

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



## Draw #16( August 2015) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract

Date: 31-August-15

S/N	Description	Amount	Draw #16	% of Draw#16	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00	0	0.00%	2,029,626	100.00%
1.2	Pre-Construction	\$ 11,492,594.00	0	0.00%	11,492,594	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00	42,385	1.80%	2,359,914	100.00%
1.4	Other Administration Costs	\$ 8,624,119.00	0	0.00%	8,624,119	100.00%
	<b>Sub-total 1. Soft Cost</b>	<b>\$ 24,506,252.00</b>	<b>42,385</b>	<b>0.17%</b>	<b>24,506,252</b>	<b>100.00%</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00	12,130	0.88%	1,370,880	100.00%
2.2	Materials Procurement	\$ 1,549,309.00	6,267	0.40%	1,549,309	100.00%
	<b>Sub-total 2. Procurement</b>	<b>\$ 2,920,189.00</b>	<b>18,397</b>	<b>0.63%</b>	<b>2,920,189</b>	<b>100.00%</b>
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	100,000	3.33%	2,932,016	97.74%
3.2	Site Work	\$ 1,096,811.00		0.00%	1,092,551	99.61%
3.3	Concrete & Pre-cast	\$ 8,837,937.00		0.00%	8,795,277	99.52%
3.4	Masonry	\$ 219,881.00		0.00%	219,881	100.00%
3.5	Metals	\$ 258,593.00		0.00%	256,545	99.21%
3.6	Carpentry	\$ 428,400.00		0.00%	427,574	99.81%
3.7	Thermal & Moisture	\$ 1,367,583.00	49,317	3.61%	1,367,583	100.00%
3.8	Doors & Windows	\$ 1,630,062.00	10,813	0.66%	1,630,062	100.00%
3.9	Finishes	\$ 2,613,240.00		0.00%	2,514,180	96.21%
3.10	Specialities	\$ 84,218.00		0.00%	0	0.00%
3.11	Equipment	\$ 47,124.00	4,624	9.81%	47,124	100.00%
3.12	Conveying Systems - Elevators	\$ 728,280.00	151,065	20.74%	728,280	100.00%
3.13	Mechanical	\$ 3,851,316.00	20,000	0.52%	3,807,873	98.87%
3.14	Electrical	\$ 1,409,972.00	3,399	0.24%	1,408,485	99.89%
3.15	Miscellaneous Costs	\$ 866,848.00		0.00%	866,848	100.00%
3.16	Construction Contingency	\$ 1,713,600.00		0.00%	1,259,280	73.49%
3.17	Project Management	\$ 5,800,000.00		0.00%	5,800,000	100.00%
	<b>Sub-total 3. Construction</b>	<b>\$ 33,953,559.00</b>	<b>339,218</b>	<b>1.00%</b>	<b>33,153,559</b>	<b>97.64%</b>
	<b>Total</b>	<b>\$ 61,380,000.00</b>	<b>400,000</b>	<b>0.65%</b>	<b>60,580,000</b>	<b>98.70%</b>



MELLOUL-BLAMEY BUILDING CORPORATION

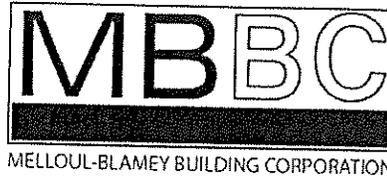
## PROGRESS REPORT #16 – August 2015

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001



700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



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**Project Status:**

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**1. Design, Pre-Construction and other Administrations:**

All design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, as well as Interior Design for Amenity area as well as finishes selection.

**2. Furniture, Fixture & Equipment :**

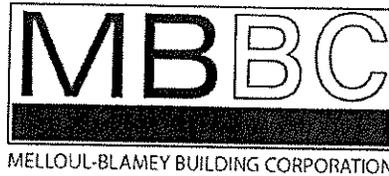
All Furniture, Fixtures & Equipment installation completed

**3. Construction:**

- a. Painting: Stairwells and miscellaneous areas and deficiencies ongoing.
- b. Roofing : Complete
- c. Communications activation complete
- d. Ceramic tiles installation: All typical suites and corridors are complete. Amenity Floor wall tiles to complete around elevator and mailbox.
- e. Delta Elevator: TSSA approved and ready for use.
- f. Exterior cladding system: All areas complete, except aluminum aiming for installation of 2<sup>nd</sup> week of Sep.
- g. Fire alarm verification : passed
- h. ESA Inspection : Passed
- i. City Inspection: Passed

**4. Site Safety:**

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to



- visiting site.
- e. Regular site safety inspections are ongoing.

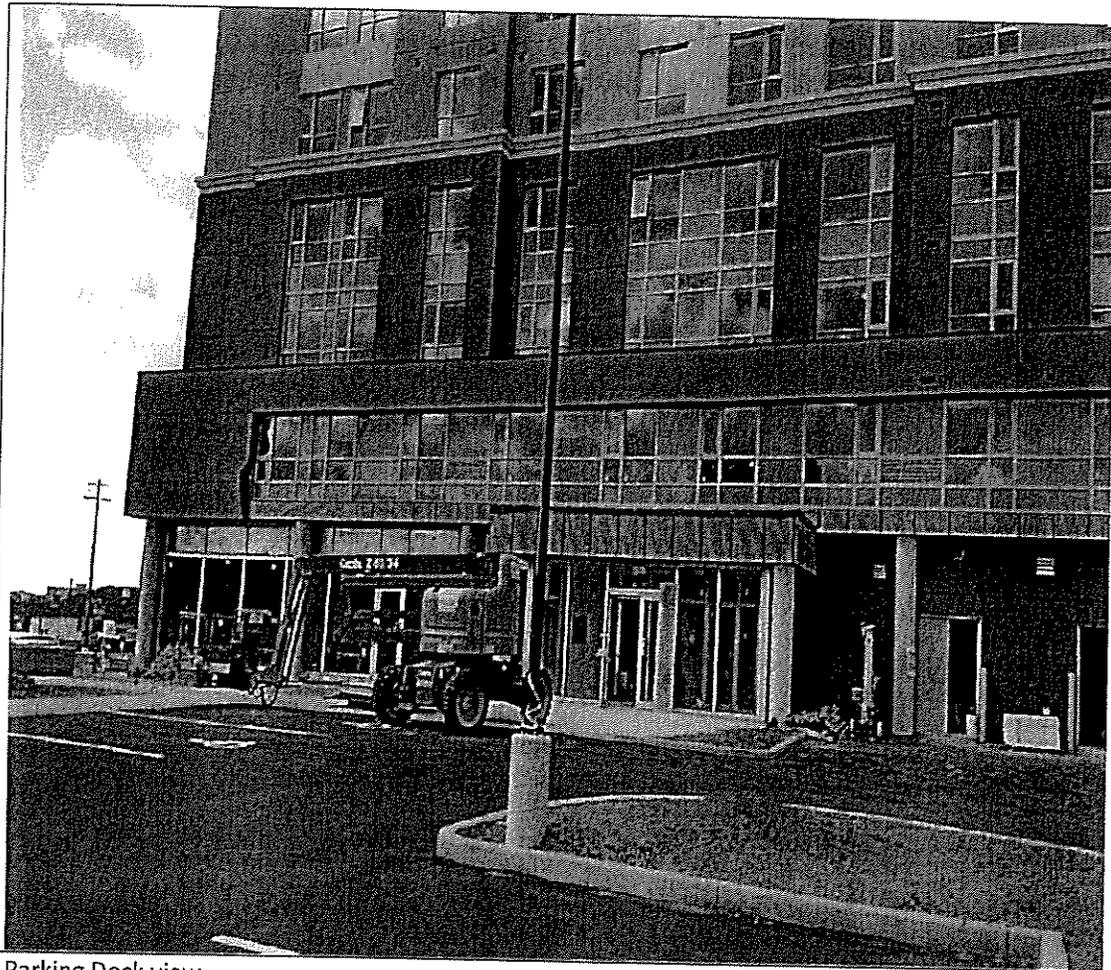
**5. Inspections / Testing:**

- a. IBI Services / Site Conditions inspections performed as required.
- b. City of Waterloo inspections performed as required.
- c. CVD perform geotechnical, rebar inspections, concrete testing, etc. ongoing as required.
- d. EXP envelope related inspections ongoing as required.

**6. Key Milestone Dates**

1st cast-in-place pour:	01-Apr-14
Pre-cast to start	18-Aug-14
Pre-Cast complete	19-Dec-14
Structural / Enclosure complete	6-Mar-15
Exterior work to complete	15-Aug-15
Substantial completion	31-Aug-15
Owner F.F.E by	31-Aug-15

7. Progress Photos



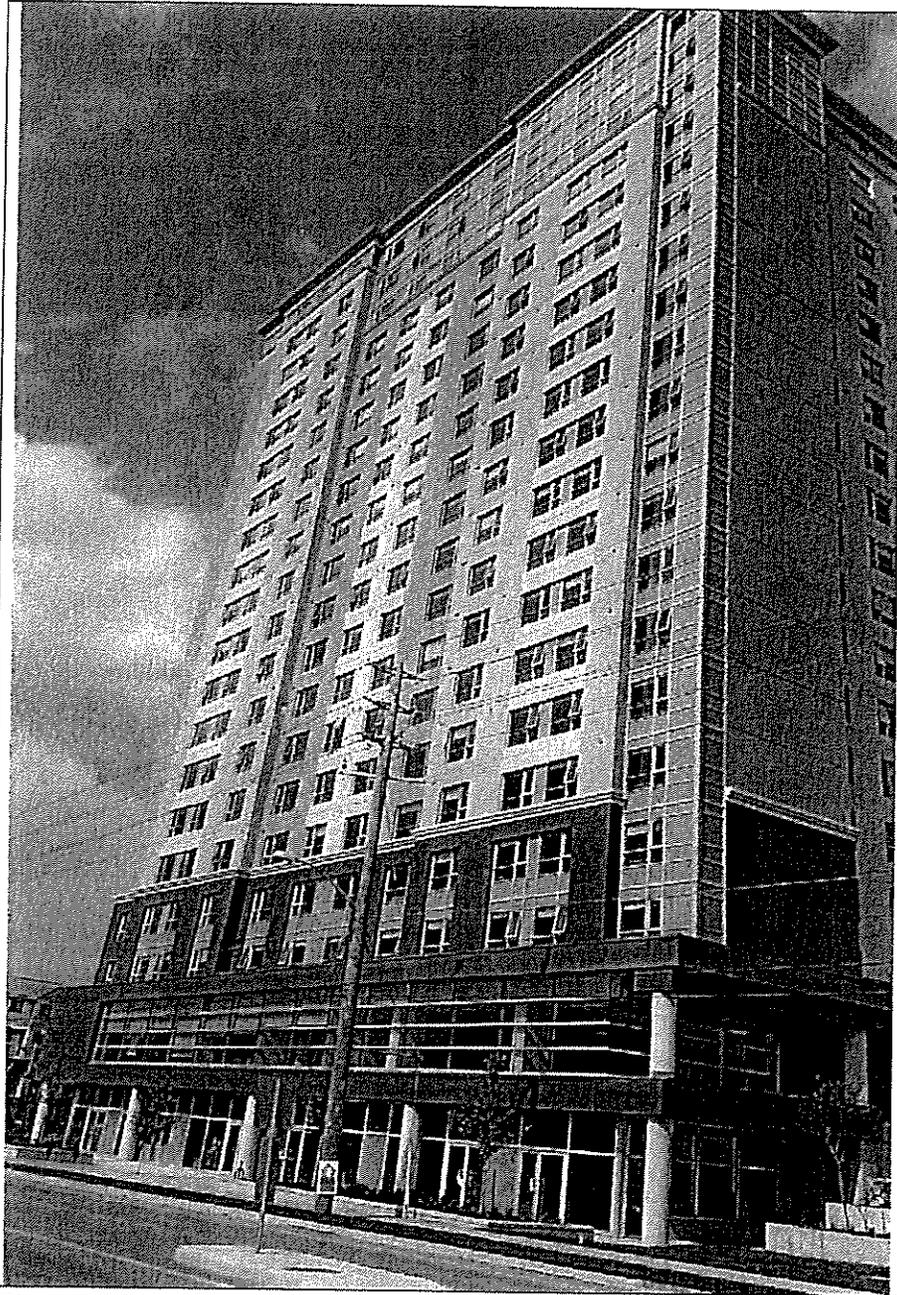
Parking Deck view



Temp Parking Lot Pavement in progress



MELLOUL-BLAMEY BUILDING CORPORATION

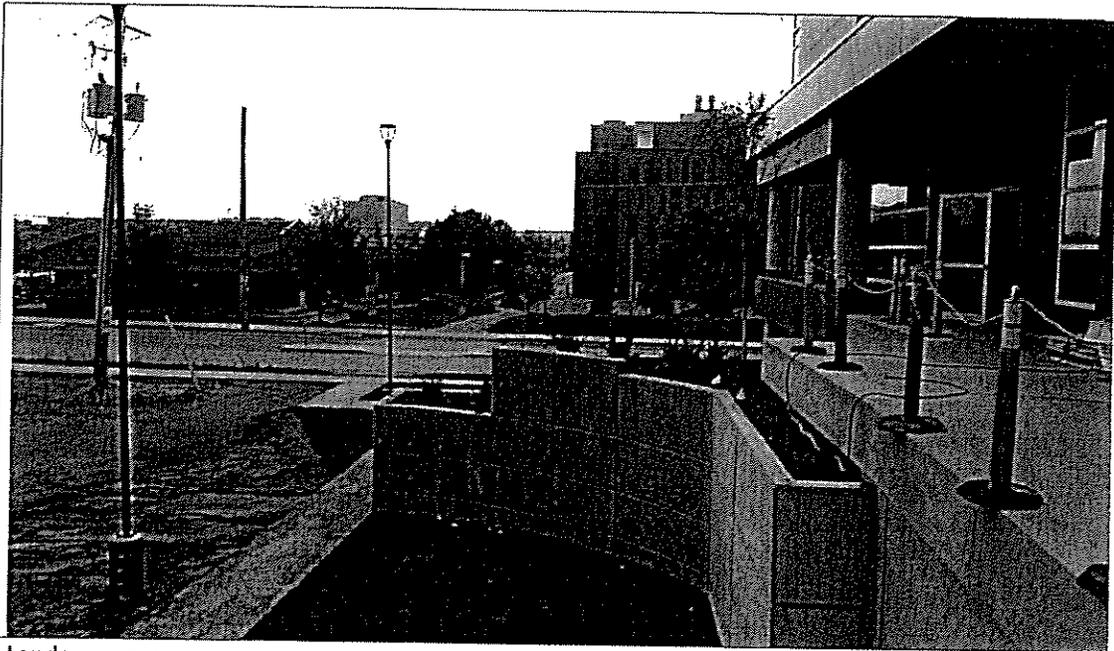


Streetview

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



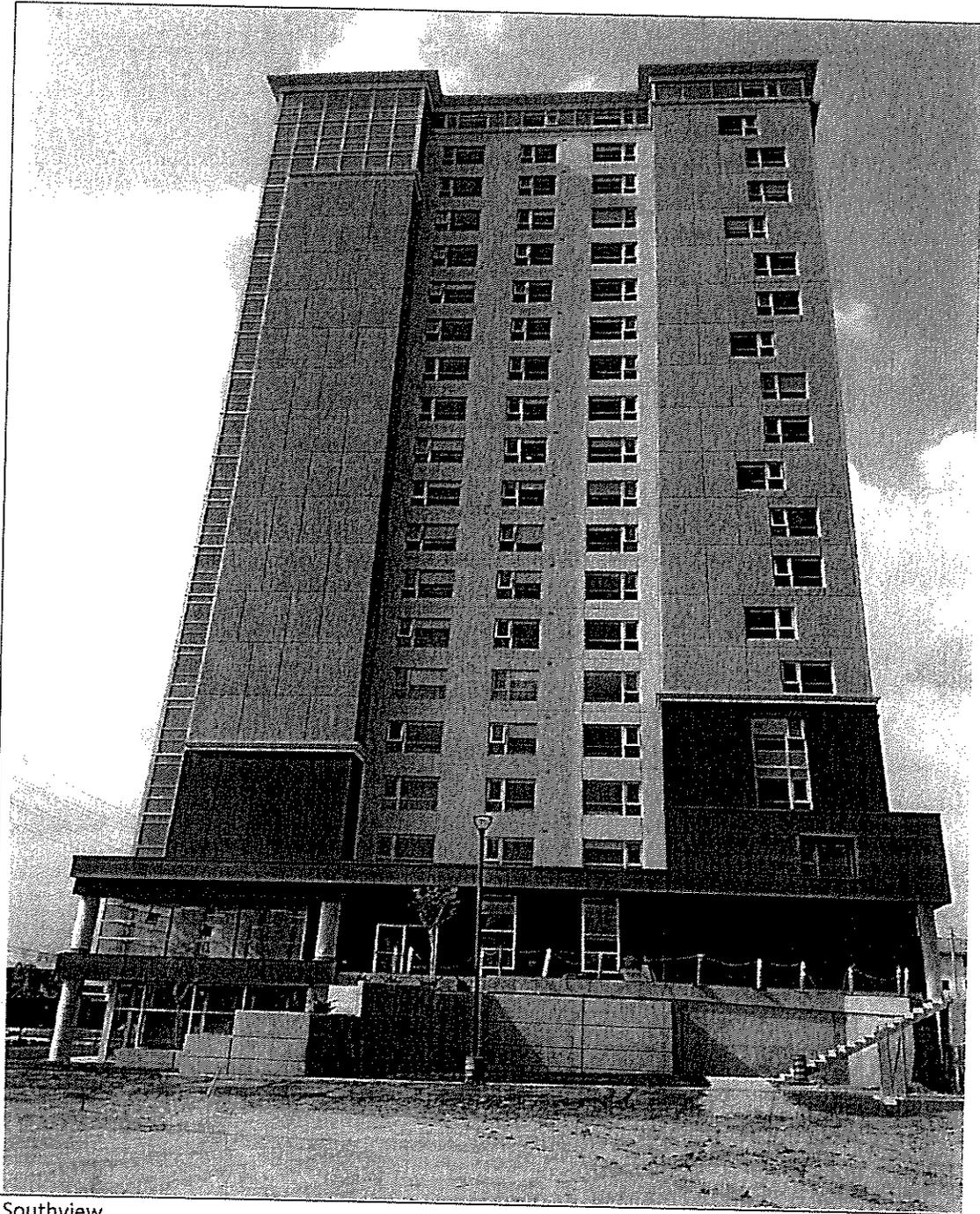
MELLOUL-BLAMEY BUILDING CORPORATION



Landscape area



MELLOUL-BLAMEY BUILDING CORPORATION

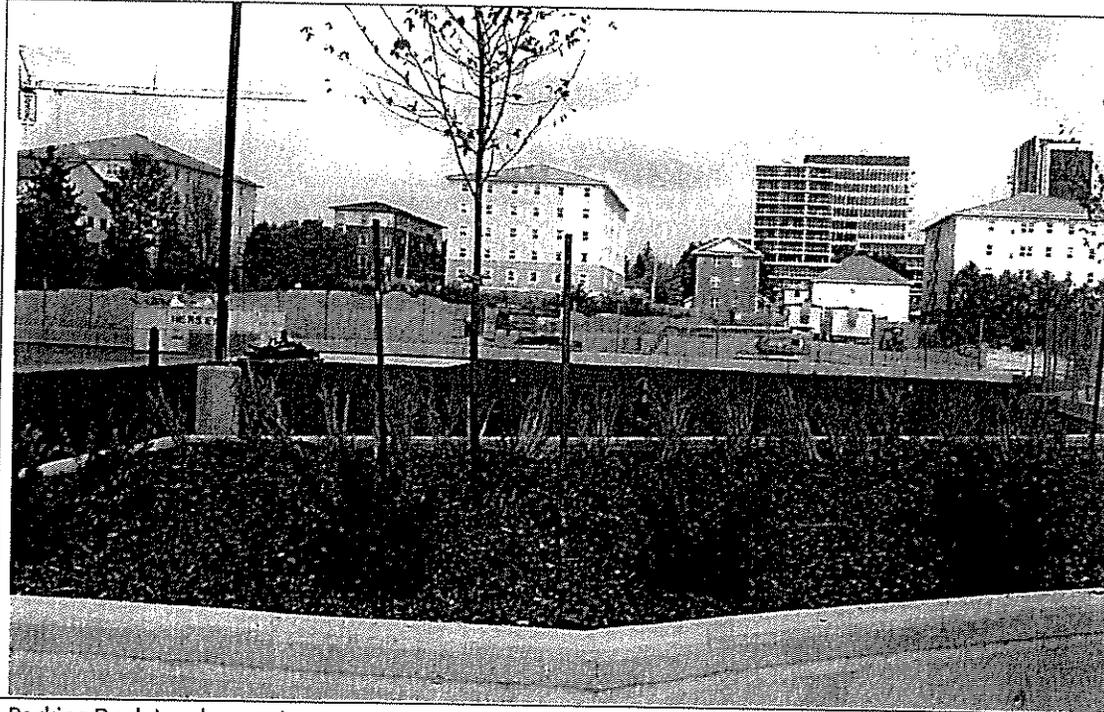


Southview

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



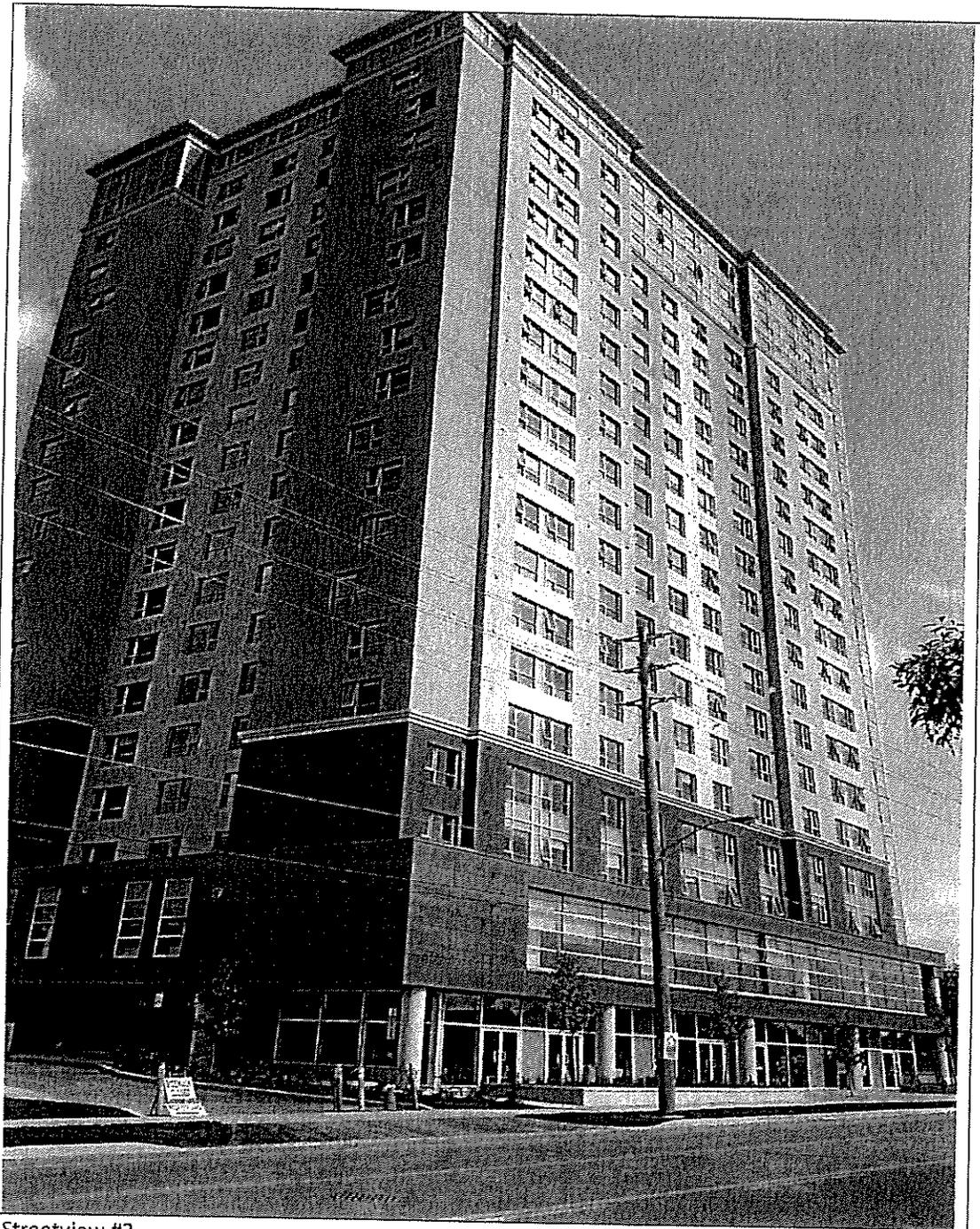
MELLOUL-BLAMEY BUILDING CORPORATION



Parking Deck Landscape Area



MELLOUL-BLAMEY BUILDING CORPORATION



Streetview #2

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



MELLOUL-BLAMEY BUILDING CORPORATION



Main Building Entrance

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



MELLOUL-BLAMEY BUILDING CORPORATION

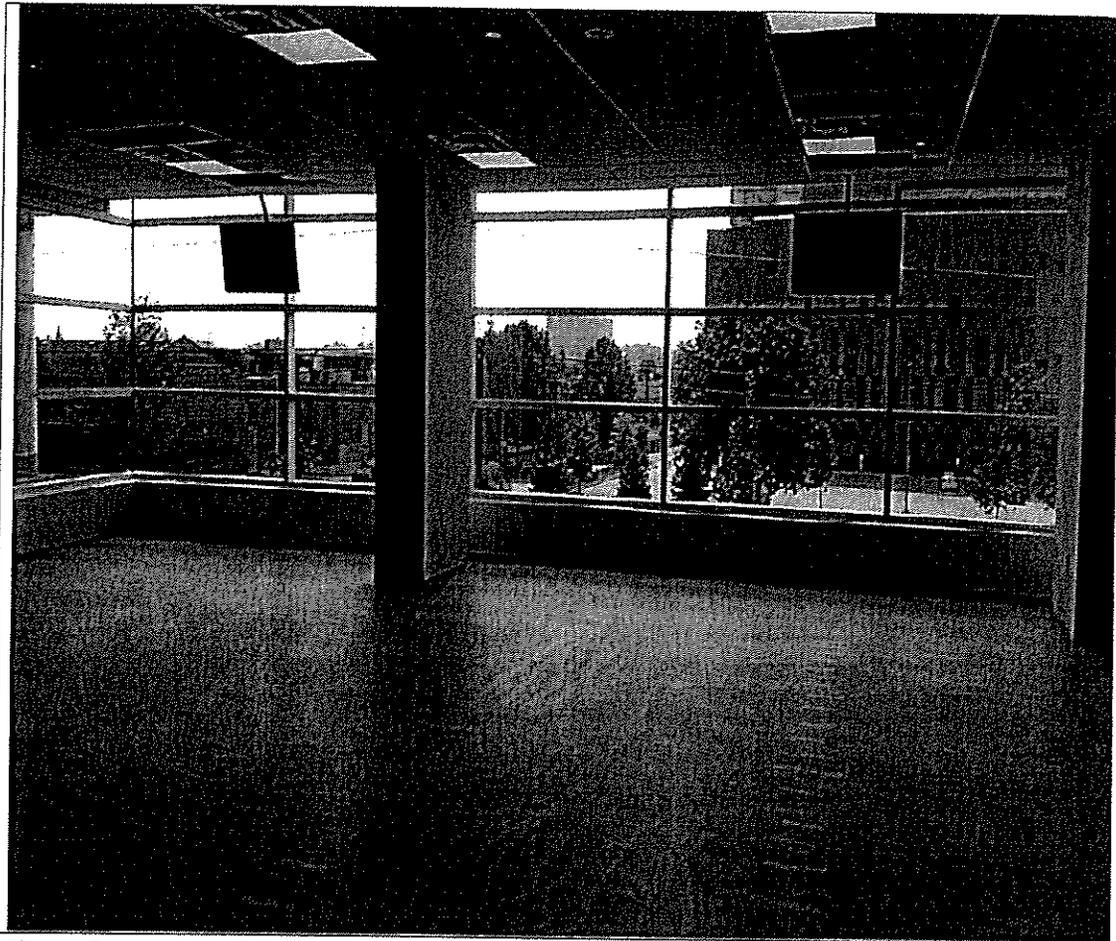


Podium view

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



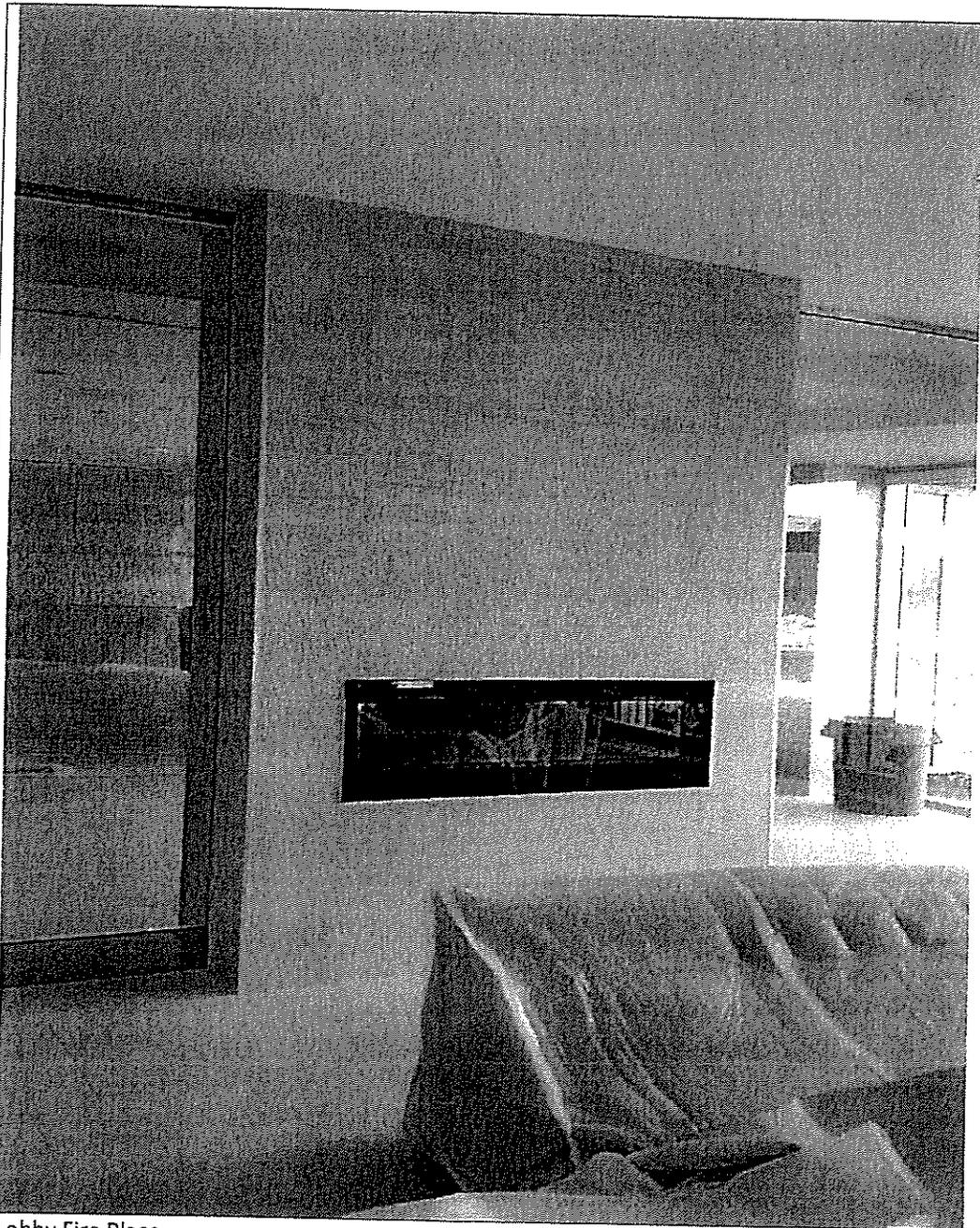
MELLOUL-BLAMEY BUILDING CORPORATION



Fitness Room



MELLOUL-BLAMEY BUILDING CORPORATION



Lobby Fire Place

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



MELLOUL-BLAMEY BUILDING CORPORATION

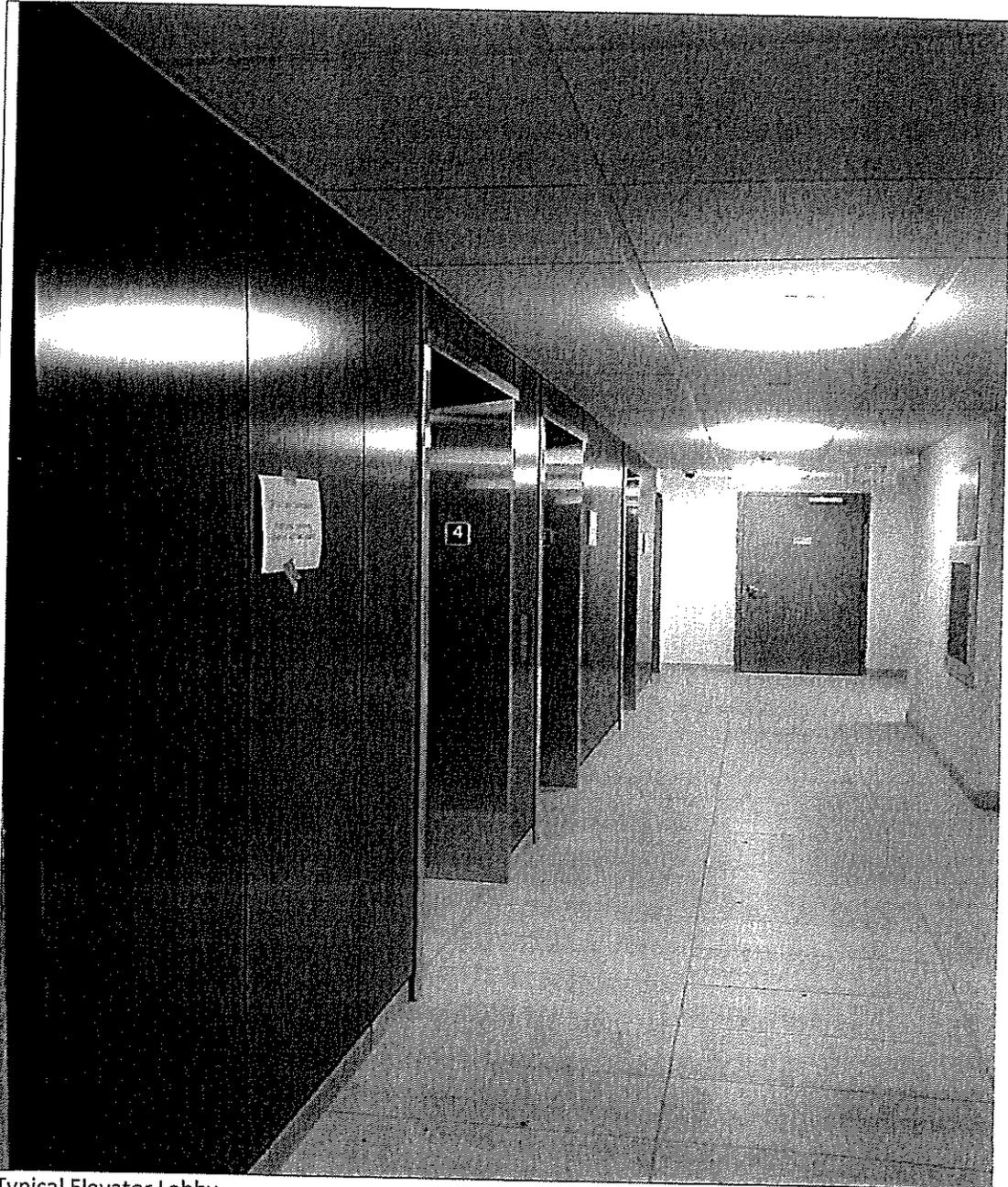


Conference Room

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



MELLOUL-BLAMEY BUILDING CORPORATION



Typical Elevator Lobby

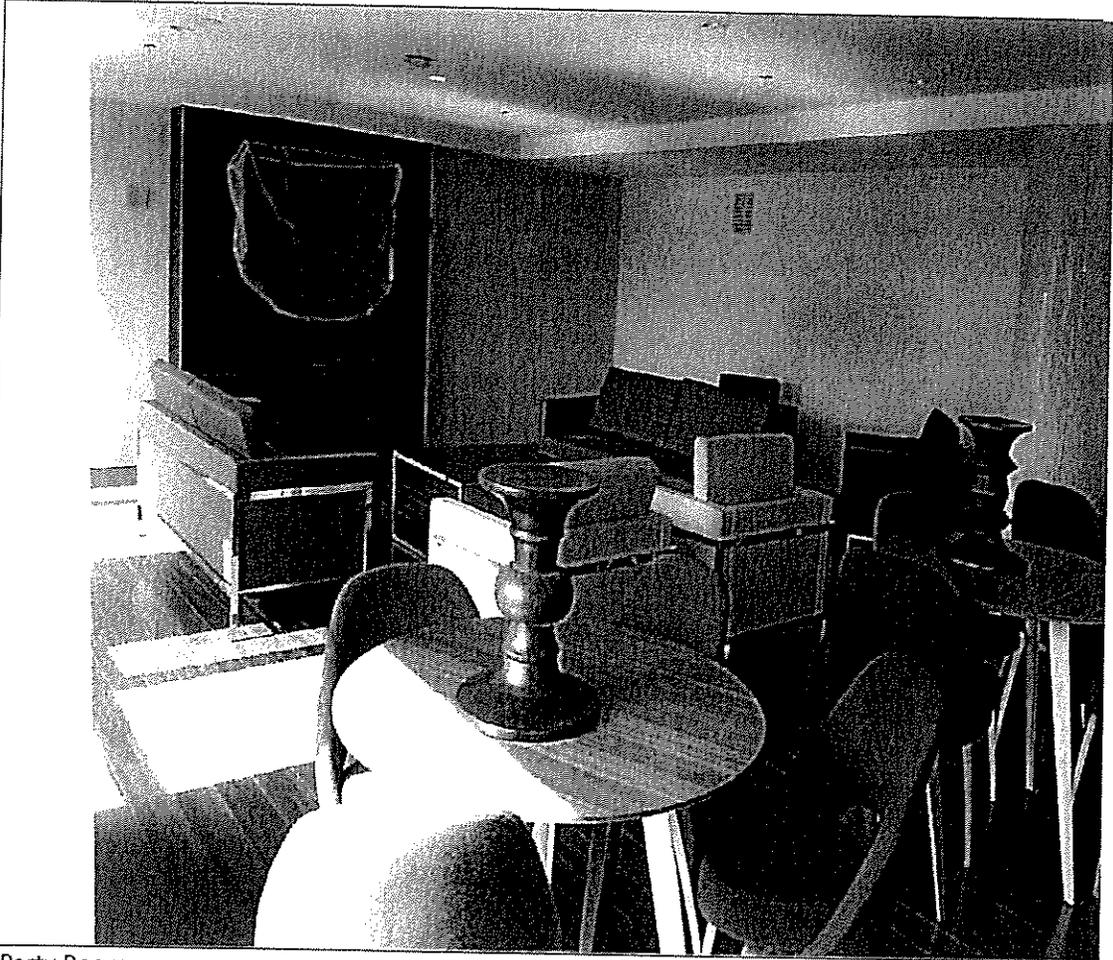
700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



MELLOUL-BLAMEY BUILDING CORPORATION

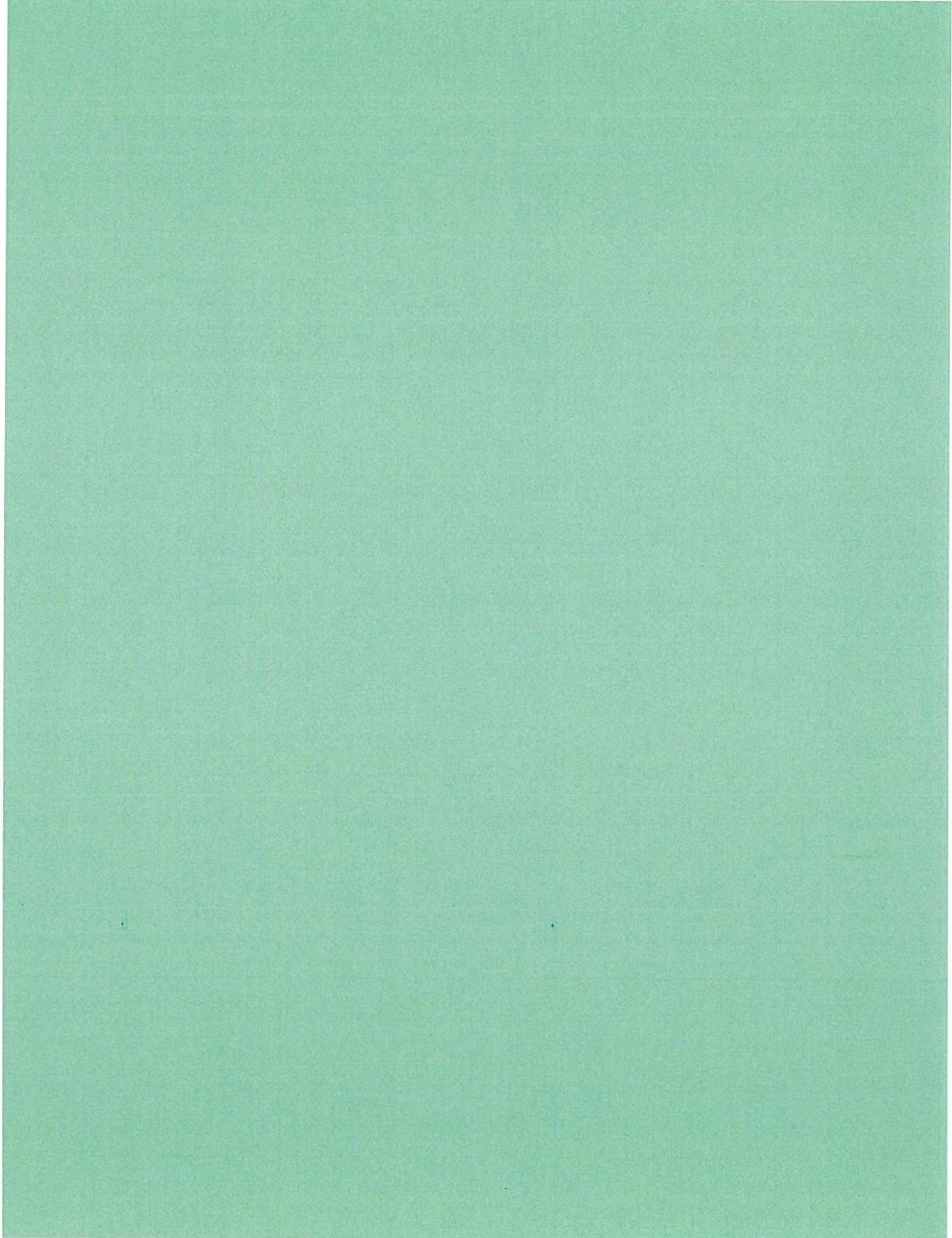


Games Room



Party Room

~ END ~





MELLOUL-BLAMEY BUILDING CORPORATION

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA  
PROFORMA INVOICE**

Date: September 30, 2015

Document No.: CED-MBBC-PSRP-2015-018

To: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

DESCRIPTION	AMOUNT (USD)
DRAW No.#17	800,000.00
<b>TOTAL (IN WORDS): Eight hundred thousand US dollars</b>	<b>TOTAL: 800,000.00</b>

*Jennifer Xu*

\_\_\_\_\_  
Jennifer Xu

President



## SUBCONTRACTOR APPLICATION FOR PAYMENT

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I , WATERLOO, CANADA

TO: China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

FROM: Melloul-Blamey Building Corporation

Address: 700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada

RE: Application for Draw No. #17 to Contract No. CED/MBBC/2014-001 and Payment Schedule

### STATEMENT OF SUBCONTRACTOR STATUS

1. CONTRACT AMOUNT	<u>\$61,380,000.00</u>
2. DRAW AMOUNTS TO DATE (INCL. DRAW#17)	<u>\$61,380,000.00</u>
3. PAYMENT RECEIVED	<u>\$60,580,000.00</u>
4. AMOUNT OF THIS APPLICATION	<u>\$ 800,000.00</u>

SUBCONTRACTOR: MELLOUL BLAMEY BUILDING CORPORATION

\_\_\_\_\_  
Jennifer Xu

Director

DATE: Sep.30 , 2015

700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



## Draw #17 ( September 2015) Application ( Breakdown)

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract

Date: 29-September-15

S/N	Description	Amount	Draw #17	% of Draw#14	Cost To Date	%
1	Soft Cost					
1.1	Design & Engineering	\$ 2,029,625.00	0		2,029,626	100.00%
1.2	Pre-Construction	\$ 11,492,594.00	0	0.00%	11,492,594	100.00%
1.3	Legal administration & Site Model Suite	\$ 2,359,914.00	0	0.00%	2,359,914	100.00%
1.4	Other Administration Costs	\$ 8,624,119.00	0	0.00%	8,624,119	100.00%
	<b>Sub-total 1. Soft Cost</b>	<b>\$ 24,506,252.00</b>	<b>0</b>	<b>0.00%</b>	<b>24,506,252</b>	<b>100.00%</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	\$ 1,370,880.00		0.00%	1,370,880	100.00%
2.2	Materials Procurement	\$ 1,549,309.00		0.00%	1,549,309	100.00%
	<b>Sub-total 2. Procurement</b>	<b>\$ 2,920,189.00</b>	<b>0</b>	<b>0.00%</b>	<b>2,920,189</b>	<b>100.00%</b>
3	Construction					
3.1	General Conditions	\$ 2,999,694.00	67,678	3.33%	2,999,694	100.00%
3.2	Site Work	\$ 1,096,811.00	4,260	0.21%	1,096,811	100.00%
3.3	Concrete & Pre-cast	\$ 8,837,937.00	42,660	2.10%	8,837,937	100.00%
3.4	Masonry	\$ 219,881.00		0.00%	219,881	100.00%
3.5	Metals	\$ 258,593.00	2,048	0.10%	258,593	100.00%
3.6	Carpentry	\$ 428,400.00	826	0.04%	428,400	100.00%
3.7	Thermal & Moisture	\$ 1,367,583.00		0.00%	1,367,583	100.00%
3.8	Doors & Windows	\$ 1,630,062.00		0.00%	1,630,062	100.00%
3.9	Finishes	\$ 2,613,240.00	99,060	4.88%	2,613,240	100.00%
3.10	Specialities	\$ 84,218.00	84,218	4.15%	84,218	100.00%
3.11	Equipment	\$ 47,124.00		0.00%	47,124	100.00%
3.12	Conveying Systems - Elevators	\$ 728,280.00		0.00%	728,280	100.00%
3.13	Mechanical	\$ 3,851,316.00	43,443	2.14%	3,851,316	100.00%
3.14	Electrical	\$ 1,409,972.00	1,487	0.07%	1,409,972	100.00%
3.15	Miscellaneous Costs	\$ 866,848.00		0.00%	866,848	100.00%
3.16	Construction Contingency	\$ 1,713,600.00	454,320	22.38%	1,713,600	100.00%
3.17	Project Management	\$ 5,800,000.00		0.00%	5,800,000	100.00%
	<b>Sub-total 3. Construction</b>	<b>\$ 33,953,559.00</b>	<b>800,000</b>	<b>39.42%</b>	<b>33,953,559</b>	<b>100.00%</b>
	<b>Total</b>	<b>\$ 61,380,000.00</b>	<b>800,000</b>	<b>39.42%</b>	<b>61,380,000</b>	<b>100.00%</b>



MELLOUL-BLAMEY BUILDING CORPORATION

## PROGRESS REPORT #17 – September 2015

NAME OF PROJECT: PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

Contract No. CED/MBBC/2014-001



700 Rupert Street, Unit A Waterloo Ontario N2V 2B5 Canada | 226-647-1426



---

**Project Status:**

---

**1. Design, Pre-Construction and other Administrations:**

All design work has been completed. That includes Architectural, Structural, Mechanical, Electrical, Landscaping, Site Services, envelope, traffic, wind, geotechnical, as well as Interior Design for Amenity area as well as finishes selection.

**2. Furniture, Fixture & Equipment :**

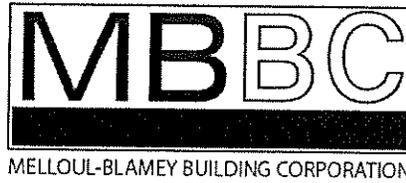
All Furniture, Fixtures & Equipment installation completed

**3. Construction:**

- a. Painting: Stairwells and miscellaneous areas and deficiencies ongoing.
- b. Roofing : Complete
- c. Communications activation complete
- d. Ceramic tiles installation: All typical suites and corridors are complete. Amenity Floor wall tiles to complete around elevator and mailbox.
- e. Delta Elevator: TSSA approved and ready for use.
- f. Exterior cladding system: All areas complete
- g. Fire alarm verification : passed
- h. ESA Inspection : Passed
- i. City Inspection: Passed

**4. Site Safety:**

- a. All workers are required to complete safety orientations prior to commencing any work.
- b. All visitors are to report to site office to sign-in and complete a visitor orientation upon Arrival to site.
- c. Hard hat, safety boots and high visibility vests are required at all times.
- d. All MBBC and associated members must complete WHIMS, Fall Arrest prior to visiting site.



**5. Inspections / Testing:**

- a. IBI Services / Site Conditions inspections complete.
- b. City of Waterloo inspections complete.
- c. CVD perform geotechnical, rebar inspections, concrete testing complete
- d. EXP envelope related inspections complete.

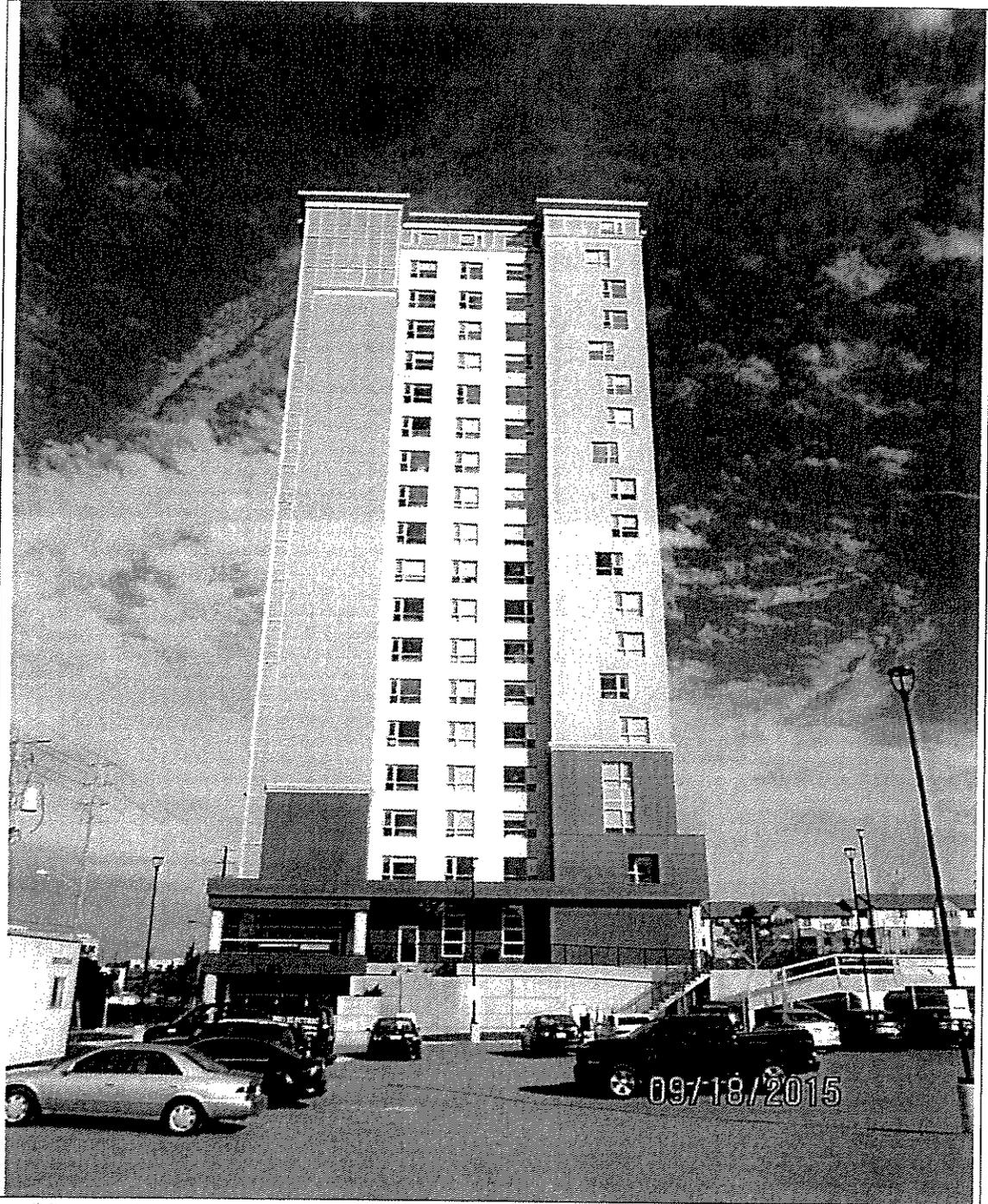
**6. Key Milestone Dates**

1st cast-in-place pour:	01-Apr-14
Pre-cast to start	18-Aug-14
Pre-Cast complete	19-Dec-14
Structural / Enclosure complete	6-Mar-15
Exterior work to complete	15-Aug-15
Move-in	1-Sep-15
Owner F.F.E by	31-Aug-15

7. Progress Photos



East Building View



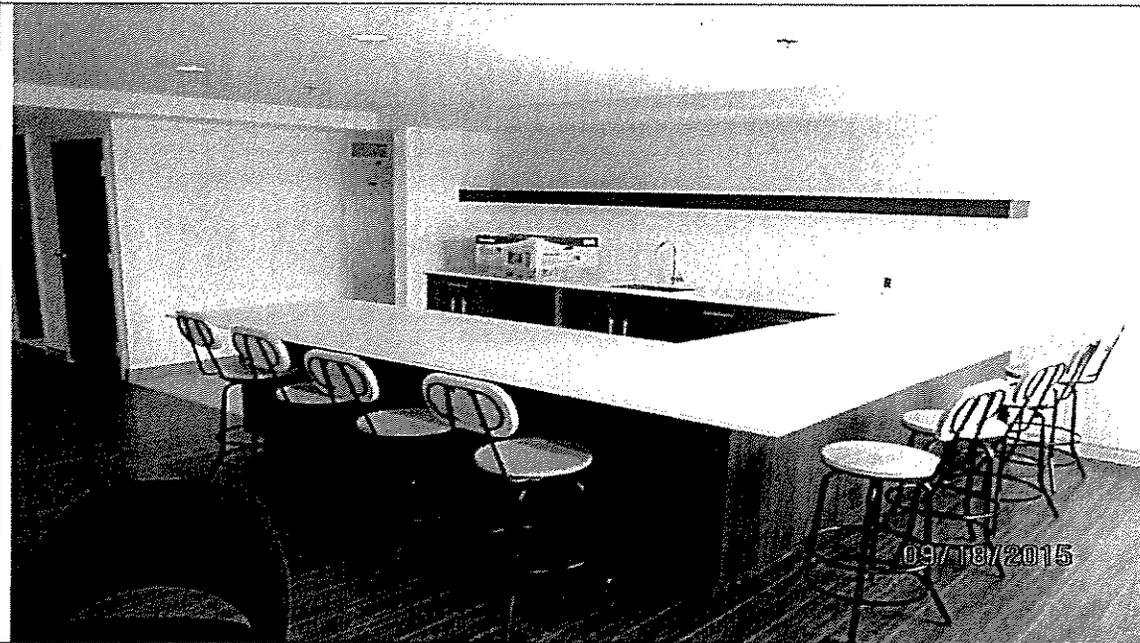
Building South View



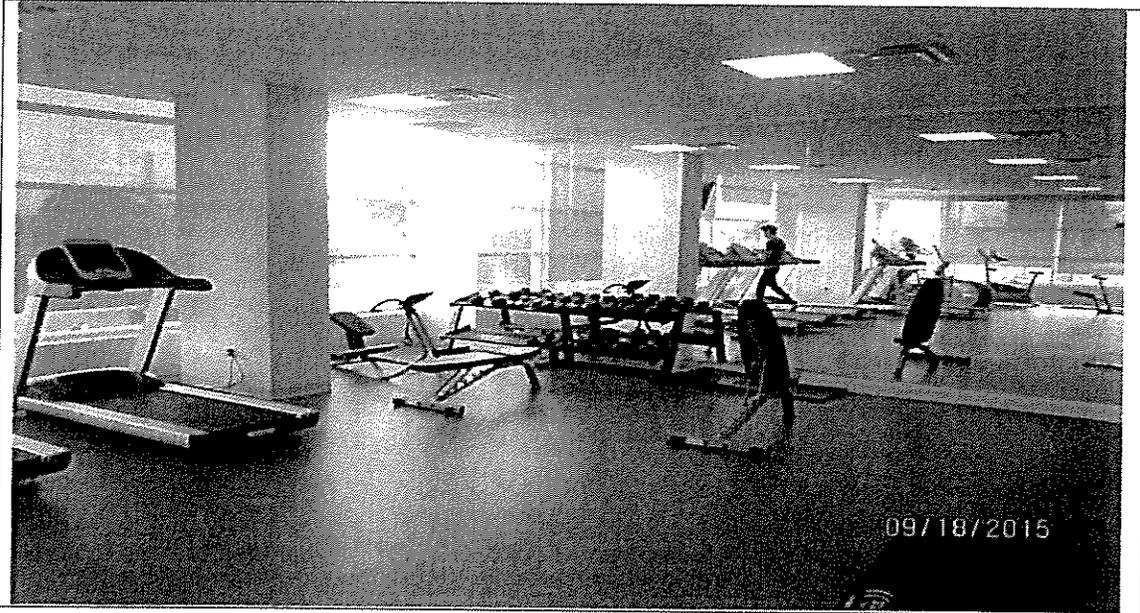
MELLOUL-BLAMEY BUILDING CORPORATION



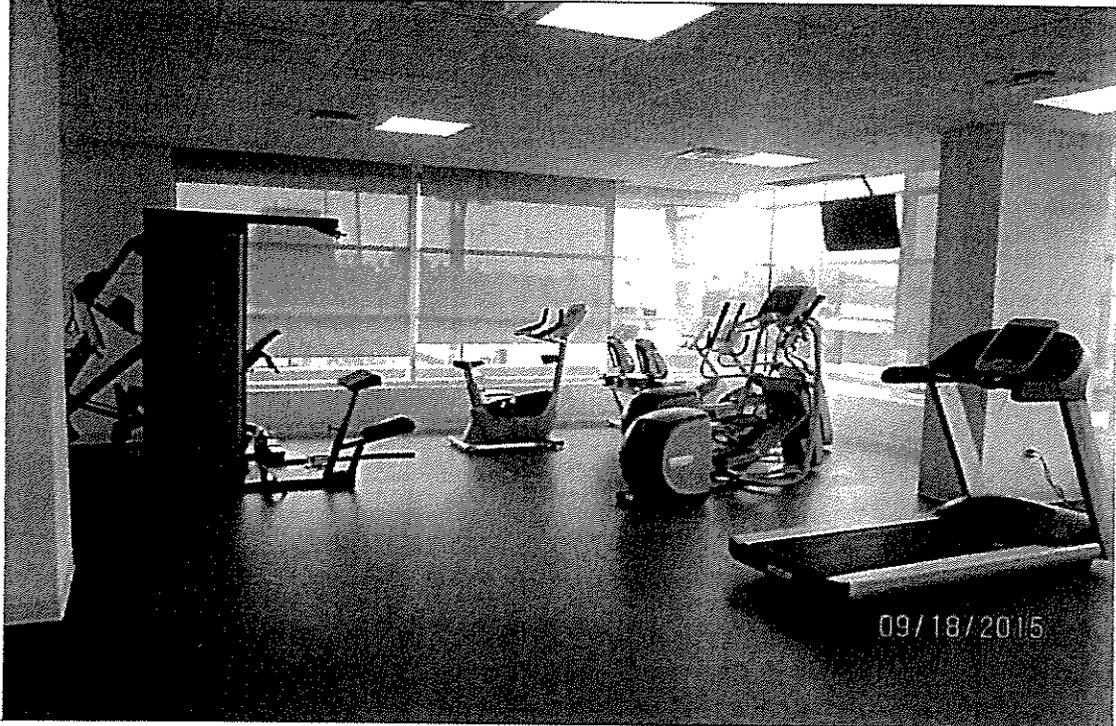
Party Room #1



Party Room #2



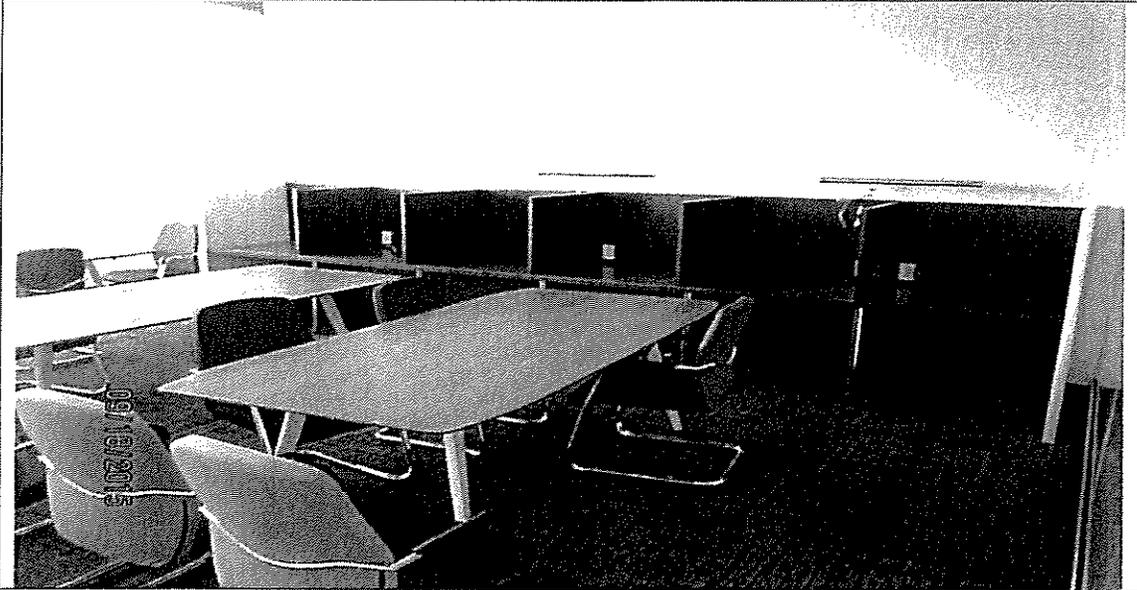
Fitness Room #1



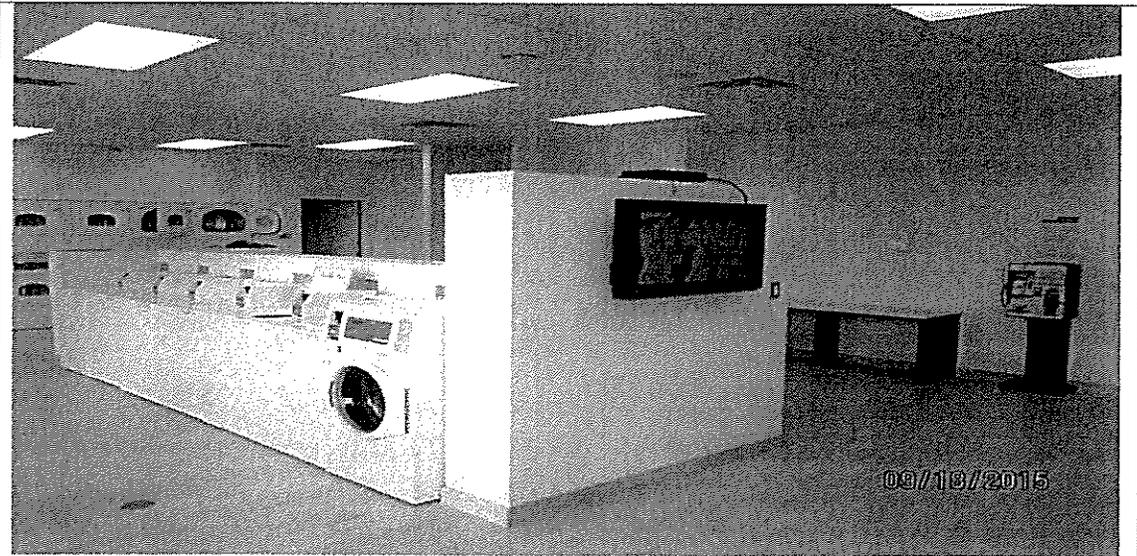
Fitness Room #2



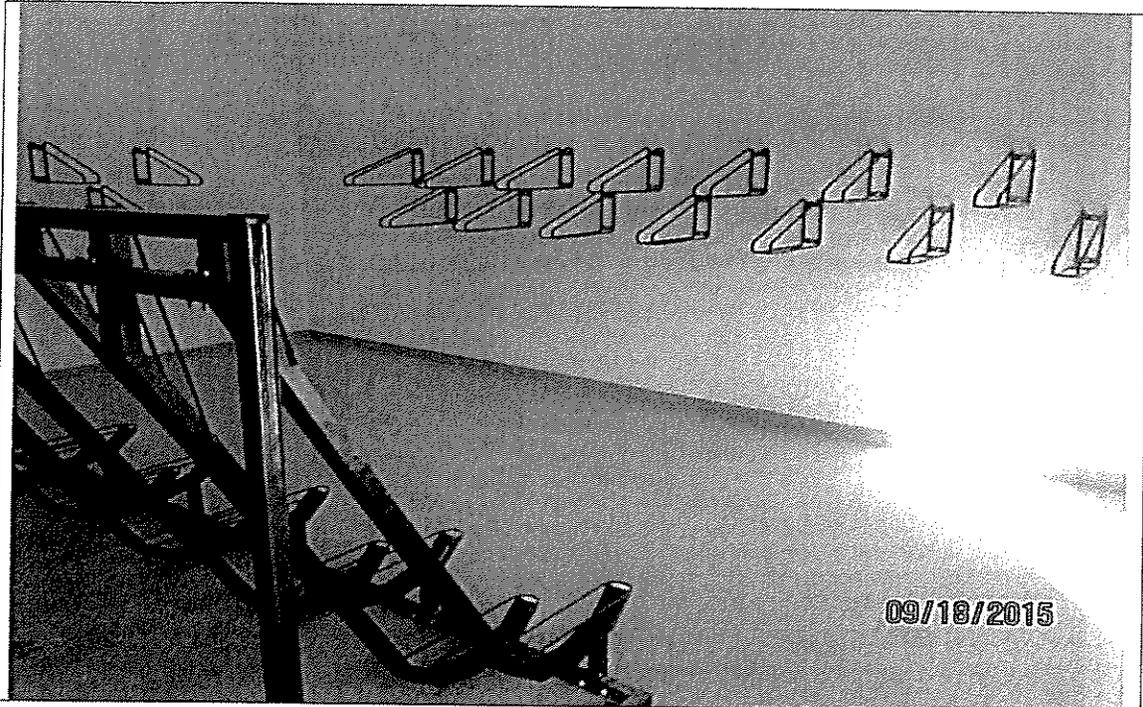
MELLOUL-BLAMEY BUILDING CORPORATION



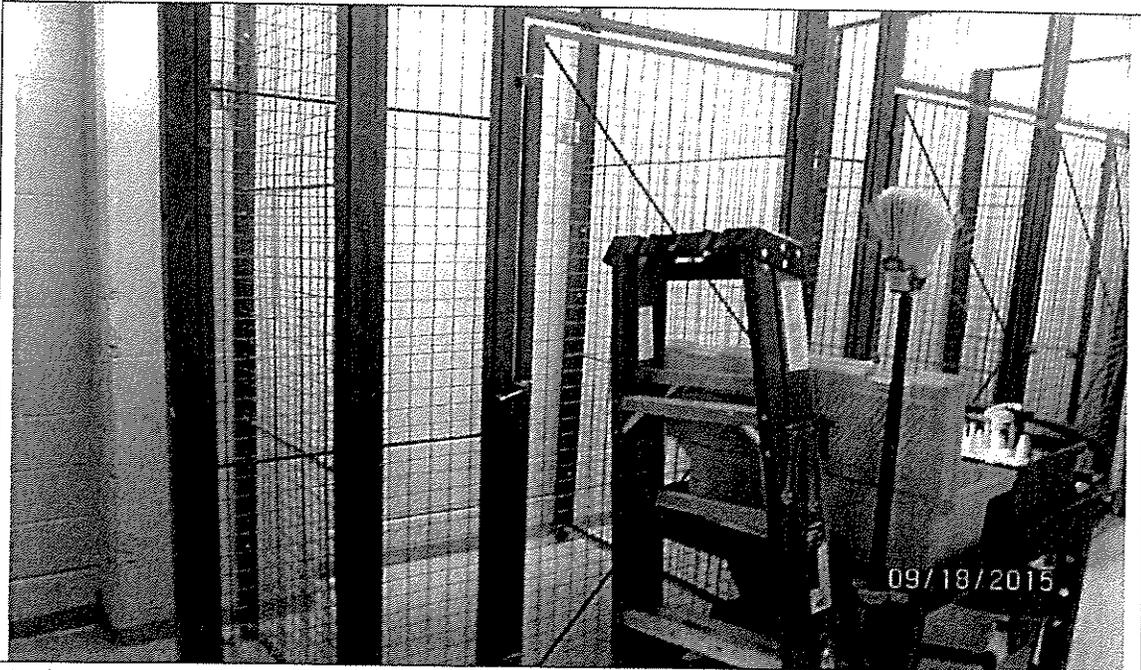
Group Study Area #1



Laundry Room



Indoor Bike Storage



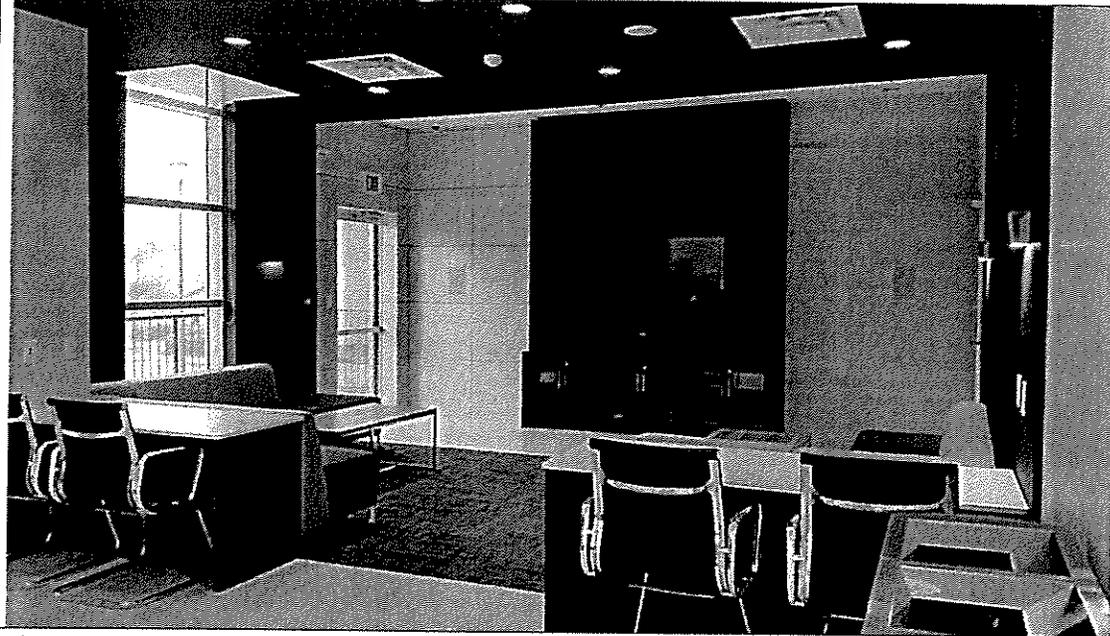
Locker Units



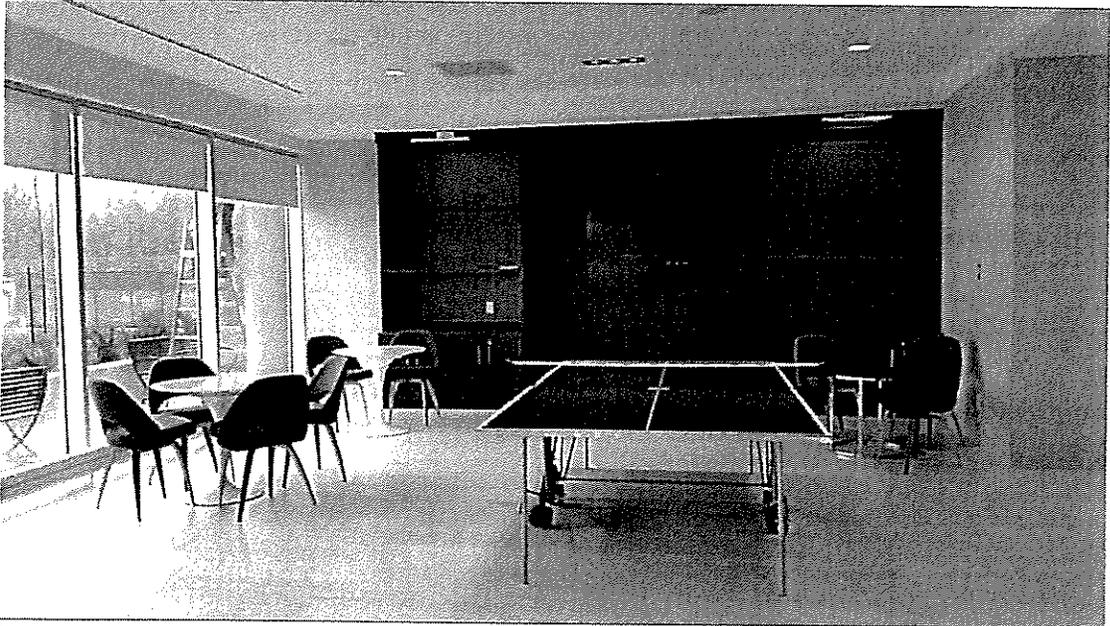
Main Lobby #1



Main Lobby #2



Theatre Area



Lounge Area



MELLOUL-BLAMEY BUILDING CORPORATION



ATM & Vending Machines



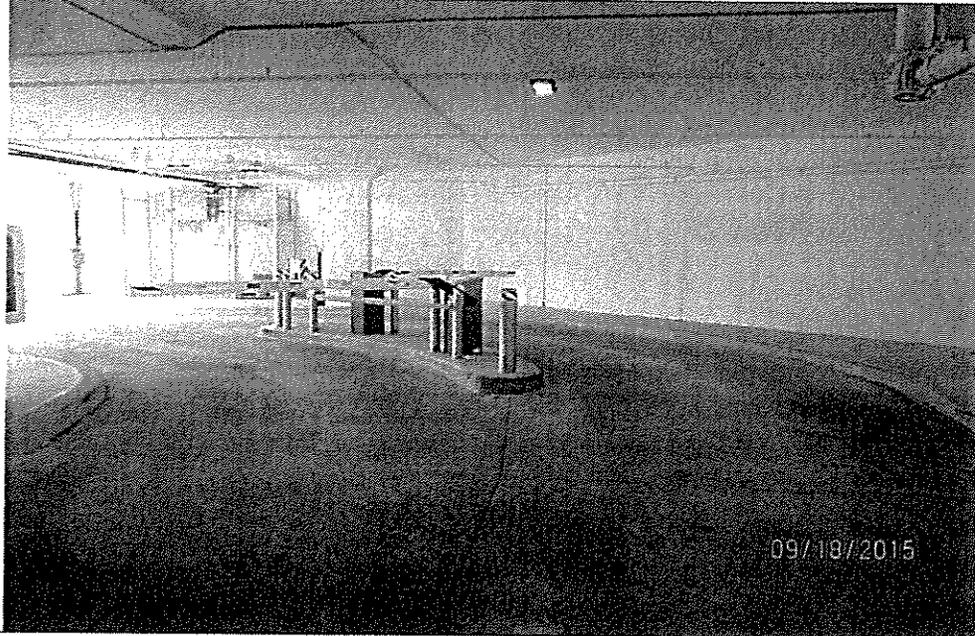
Temp Parking Lot



MELLOUL-BLAMEY BUILDING CORPORATION



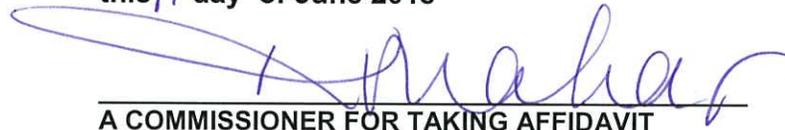
Upper Parking Deck – Surface Parking



Entrance /Exit Underground Parking with Security Gate

~ END ~

**This is Exhibit "KK" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this <sup>14<sup>th</sup></sup> day of June 2018**

A handwritten signature in blue ink, appearing to read "Mahar", is written over a horizontal line.

**A COMMISSIONER FOR TAKING AFFIDAVIT**



*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

---

Julia Zhang  
CEO

Date: May 30, 2014

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R 0M3

Ref. No.: PSRP-1405-02

Dear Ms. Zhang

**Submission of Progress Related Documents**

We hereby would like to submit the document that defined the working progress from the Commencement Date to the end of May 2014 for Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #1 (*Ref: PSRP-PR-2014-001*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2014-001*).
- C. Breakdown to the Progress Payment #1.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: May 30, 2014

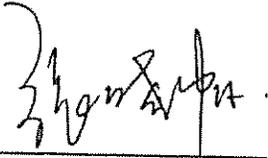
Invoice No.: PSRP-2014-001

Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

DESCRIPTION	AMOUNT (USD)
Progress Payment #1	33,030,000.00
TOTAL (IN WORDS): THIRTY THREE MILLION THIRTY THOUSAND U.S DOLLARS ONLY	TOTAL: 33,030,000.00

  
\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

  
\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest  
Development International Limited

## Breakdown to the Progress Payment #1

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

30-May-14

In U.S. Dollar

S/N	Description	Amount	Progress Payment #1	
1	Soft Cost			
1.1	Design & Engineering	2,029,625.00	76.33%	1,549,139.00
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00
1.3	Legal administration & Site Model Suite	2,359,914.00	43.37%	1,023,574.00
1.4	Other Administration Costs	8,624,119.00	86.45%	7,455,918.00
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>87.82%</b>	<b>21,521,225.00</b>
2	FF & E			
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	0.00%	
2.2	Materials Procurement	1,549,309.00	2.77%	42,992.00
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>1.47%</b>	<b>42,992.00</b>
3	Construction			
3.1	General Conditions	2,999,694.00	17.96%	538,887.00
3.2	Site Work	1,096,811.00	66.97%	734,489.00
3.3	Concrete & Pre-cast	8,837,937.00	20.04%	1,771,021.00
3.4	Masonry	219,881.00	0.00%	
3.5	Metals	258,593.00	0.00%	
3.6	Carpentry	428,400.00	1.01%	4,313.00
3.7	Thermal & Moisture	1,367,583.00	0.00%	
3.8	Doors & Windows	1,630,062.00	0.00%	
3.9	Finishes	2,613,240.00	0.00%	
3.10	Specialities	84,218.00	0.00%	
3.11	Equipment	47,124.00	0.00%	
3.12	Conveying Systems - Elevators	728,280.00	4.49%	32,666.00
3.13	Mechanical	3,851,316.00	2.52%	96,898.00
3.14	Electrical	1,409,972.00	6.06%	85,466.00
3.15	Miscellaneous Costs	866,848.00	26.99%	233,943.00
3.16	Construction Contingency	1,713,600.00	0.00%	
3.17	Project Management	5,861,900.00	51.18%	3,000,000.00
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>19.10%</b>	<b>6,497,683.00</b>
4	Financial Cost and Others			
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00
4.2	Interest	3,255,000.00	58.20%	1,894,257.00
4.3	Other Cost Related to Financing	2,800,000.00	21.63%	605,743.00
4.4	Offshore Management Fee	3,000,000.00	10.00%	300,000.00
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>44.27%</b>	<b>4,968,100.00</b>
5	Provisional Sum	7,635,000.00	0.00%	
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>	
	<b>Total</b>	<b>80,300,000.00</b>	<b>41.13%</b>	<b>33,030,000.00</b>





*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

---

Date: June 30, 2014

Julia Zhang  
CEO

Ref. No.: PSRP-1406-02

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R OM3

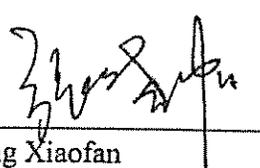
Dear Ms. Zhang

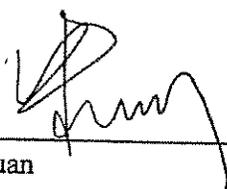
**Submission of Progress Related Documents**

We hereby would like to submit the document that defined the working progress for June 2014 of Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #2 (*Ref: PSRP-PR-2014-002*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2014-002*).
- C. Breakdown to the Progress Payment #2.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

  
\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

  
\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: June 30, 2014

Invoice No.: PSRP-2014-002

Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

DESCRIPTION	AMOUNT (USD)
Progress Payment #2	6,174,220.00
<b>TOTAL (IN WORDS): SIX MILLION ONE HUNDRED AND SEVENTY FOUR THOUSAND TWO HUNDRED AND TWENTY U.S DOLLARS ONLY</b>	<b>TOTAL: 6,174,220.00</b>

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest  
Development International Limited

## Breakdown to the Progress Payment #2

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

30-Jun-14

In U.S. Dollar

S/N	Description	Amount	Cost to Date		Progress Payment #2	
1	Soft Cost					
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,624.00	23.67%	480,485.00
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00	0.00%	
1.3	Legal administration & Site Model Suite	2,359,914.00	72.69%	1,715,494.00	29.32%	691,920.00
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00	13.55%	1,168,201.00
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>97.37%</b>	<b>23,861,831.00</b>	<b>9.55%</b>	<b>2,340,606.00</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	23.44%	321,300.00	23.44%	321,300.00
2.2	Materials Procurement	1,549,309.00	25.43%	393,992.00	22.66%	351,000.00
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>24.49%</b>	<b>715,292.00</b>	<b>23.02%</b>	<b>672,300.00</b>
3	Construction					
3.1	General Conditions	2,999,694.00	28.14%	844,239.00	10.18%	305,352.00
3.2	Site Work	1,096,811.00	85.20%	934,489.00	18.23%	200,000.00
3.3	Concrete & Pre-cast	8,837,937.00	28.85%	2,549,873.00	8.81%	778,852.00
3.4	Masonry	219,881.00	0.00%		0.00%	
3.5	Metals	258,593.00	5.80%	15,000.00	5.80%	15,000.00
3.6	Carpentry	428,400.00	1.01%	4,313.00	0.00%	
3.7	Thermal & Moisture	1,367,583.00	3.97%	54,322.00	3.97%	54,322.00
3.8	Doors & Windows	1,630,062.00	1.23%	20,000.00	1.23%	20,000.00
3.9	Finishes	2,613,240.00	0.00%		0.00%	
3.10	Specialities	84,218.00	0.00%		0.00%	
3.11	Equipment	47,124.00	0.00%		0.00%	
3.12	Conveying Systems - Elevators	728,280.00	9.91%	72,166.00	5.42%	39,500.00
3.13	Mechanical	3,851,316.00	9.48%	365,178.00	6.97%	268,280.00
3.14	Electrical	1,409,972.00	17.40%	245,266.00	11.33%	159,800.00
3.15	Miscellaneous Costs	866,848.00	44.34%	384,338.00	17.35%	150,395.00
3.16	Construction Contingency	1,713,600.00	0.80%	13,700.00	0.80%	13,700.00
3.17	Project Management	5,861,900.00	61.41%	3,600,000.00	10.24%	600,000.00
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>26.76%</b>	<b>9,102,884.00</b>	<b>7.66%</b>	<b>2,605,201.00</b>
4	Financial Cost and Others					
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00	0.00%	
4.2	Interest	3,255,000.00	66.99%	2,180,370.00	8.79%	286,113.00
4.3	Other Cost Related to Financing	2,800,000.00	27.71%	775,743.00	6.07%	170,000.00
4.4	Offshore Management Fee	3,000,000.00	13.33%	400,000.00	3.33%	100,000.00
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>49.22%</b>	<b>5,524,213.00</b>	<b>4.96%</b>	<b>556,113.00</b>
5	Provisional Sum	7,635,000.00	0.00%		0.00%	
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>		<b>0.00%</b>	
	<b>Total</b>	<b>80,300,000.00</b>	<b>48.82%</b>	<b>39,204,220.00</b>	<b>7.69%</b>	<b>6,174,220.00</b>





*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

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Julia Zhang  
CEO

Date: July 30, 2014

Ref. No.: PSRP-1407-01

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R OM3

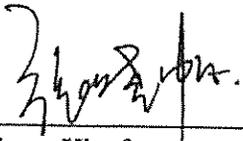
Dear Ms. Zhang

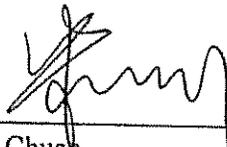
**Submission of Progress Related Documents**

We hereby would like to submit the document that defined the working progress for July 2014 of Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #3 (*Ref: PSRP-PR-2014-003*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2014-003*).
- C. Breakdown to the Progress Payment #3.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

  
\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

  
\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: July 30, 2014

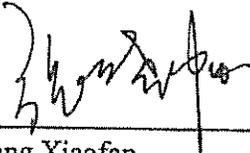
Invoice No.: PSRP-2014-003

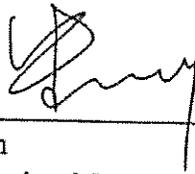
Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

DESCRIPTION	AMOUNT (USD)
Progress Payment #3	4,192,500.00
TOTAL (IN WORDS): FOUR MILLION ONE HUNDRED AND NINETY TWO THOUSAND FIVE HUNDRED U.S DOLLARS ONLY	TOTAL: 4,192,500.00

  
\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

  
\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest Development International Limited

## Breakdown to the Progress Payment #3

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

30-Jul-14

In U.S. Dollar

S/N	Description	Amount	Cost to Date	Progress Payment #3	
1	Soft Cost				
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,624.00	0.00%
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00	0.00%
1.3	Legal administration & Site Model Suite	2,359,914.00	84.85%	2,002,487.00	12.16%
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00	0.00%
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>98.54%</b>	<b>24,148,824.00</b>	<b>1.17%</b>
2	FF & E				
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	70.31%	963,900.00	46.88%
2.2	Materials Procurement	1,549,309.00	39.26%	608,192.00	13.83%
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>53.84%</b>	<b>1,572,092.00</b>	<b>29.34%</b>
3	Construction				
3.1	General Conditions	2,999,694.00	32.02%	960,372.00	3.87%
3.2	Site Work	1,096,811.00	95.14%	1,043,464.00	9.94%
3.3	Concrete & Pre-cast	8,837,937.00	36.82%	3,254,041.00	7.97%
3.4	Masonry	219,881.00	0.00%		0.00%
3.5	Metals	258,593.00	5.80%	15,000.00	0.00%
3.6	Carpentry	428,400.00	1.01%	4,313.00	0.00%
3.7	Thermal & Moisture	1,367,583.00	13.29%	181,722.00	9.32%
3.8	Doors & Windows	1,630,062.00	4.91%	80,000.00	3.68%
3.9	Finishes	2,613,240.00	0.00%		0.00%
3.10	Specialities	84,218.00	0.00%		0.00%
3.11	Equipment	47,124.00	0.00%		0.00%
3.12	Conveying Systems - Elevators	728,280.00	14.58%	106,166.00	4.67%
3.13	Mechanical	3,851,316.00	15.77%	607,190.00	6.28%
3.14	Electrical	1,409,972.00	25.45%	358,778.00	8.05%
3.15	Miscellaneous Costs	866,848.00	142.40%	1,234,388.00	98.06%
3.16	Construction Contingency	1,713,600.00	0.80%	13,700.00	0.00%
3.17	Project Management	5,861,900.00	63.46%	3,720,000.00	2.05%
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>34.04%</b>	<b>11,579,134.00</b>	<b>7.28%</b>
4	Financial Cost and Others				
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00	0.00%
4.2	Interest	3,255,000.00	72.85%	2,371,250.00	5.86%
4.3	Other Cost Related to Financing	2,800,000.00	37.76%	1,057,370.00	10.06%
4.4	Offshore Management Fee	3,000,000.00	16.67%	500,000.00	3.33%
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>54.32%</b>	<b>6,096,720.00</b>	<b>5.10%</b>
5	Provisional Sum	7,635,000.00	0.00%		0.00%
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>		<b>0.00%</b>
	<b>Total</b>	<b>80,300,000.00</b>	<b>54.04%</b>	<b>43,396,770.00</b>	<b>5.22%</b>





**The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited**

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Julia Zhang  
CEO

Date: August 29, 2014

Ref. No.: PSRP-1408-01

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R 0M3

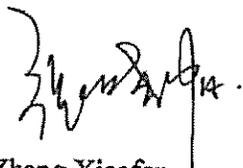
Dear Ms. Zhang

**Submission of Progress Related Documents**

We hereby would like to submit the document that defined the working progress for August 2014 of Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #4 (*Ref: PSRP-PR-2014-004*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2014-004*).
- C. Breakdown to the Progress Payment #4.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

  
Zhang Xiaofan  
Project Manager

  
Mi Chuan  
Deputy Project Manager



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: August 29, 2014

Invoice No.: PSRP-2014-004

Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

DESCRIPTION	AMOUNT (USD)
Progress Payment #4	1,300,800.00
<b>TOTAL (IN WORDS): ONE MILLION THREE HUNDRED THOUSAND EIGHT HUNDRED U.S DOLLARS ONLY</b>	<b>TOTAL: 1,300,800.00</b>

Zhang Xiaofan  
Project Manager

MiChuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest Development International Limited

## Breakdown to the Progress Payment #4

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

29-Aug-14

In U.S. Dollar

S/N	Description	Amount	Cost to Date		Progress Payment #4	
1	Soft Cost					
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,625.00	0.00%	1.00
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00	0.00%	
1.3	Legal administration & Site Model Suite	2,359,914.00	84.85%	2,002,487.00	0.00%	
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00	0.00%	
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>98.54%</b>	<b>24,148,825.00</b>	<b>0.00%</b>	<b>1.00</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	70.31%	963,900.00	0.00%	
2.2	Materials Procurement	1,549,309.00	39.26%	608,192.00	0.00%	
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>53.84%</b>	<b>1,572,092.00</b>	<b>0.00%</b>	<b>0.00</b>
3	Construction					
3.1	General Conditions	2,999,694.00	35.92%	1,077,354.00	3.90%	116,982.00
3.2	Site Work	1,096,811.00	95.73%	1,049,964.00	0.59%	6,500.00
3.3	Concrete & Pre-cast	8,837,937.00	47.88%	4,231,687.00	6.90%	610,156.00
3.4	Masonry	219,881.00	0.00%	0.00	0.00%	
3.5	Metals	258,593.00	5.80%	15,000.00	0.00%	
3.6	Carpentry	428,400.00	1.01%	4,313.00	0.00%	
3.7	Thermal & Moisture	1,367,583.00	13.97%	191,117.00	0.69%	9,395.00
3.8	Doors & Windows	1,630,062.00	4.91%	80,000.00	0.00%	
3.9	Finishes	2,613,240.00	0.00%	0.00	0.00%	
3.10	Specialities	84,218.00	0.00%	0.00	0.00%	
3.11	Equipment	47,124.00	0.00%	0.00	0.00%	
3.12	Conveying Systems - Elevators	728,280.00	14.58%	106,166.00	0.00%	
3.13	Mechanical	3,851,316.00	19.57%	753,560.00	3.80%	146,370.00
3.14	Electrical	1,409,972.00	32.19%	453,856.00	6.74%	95,078.00
3.15	Miscellaneous Costs	866,848.00	100.00%	866,848.00	0.00%	
3.16	Construction Contingency	1,713,600.00	1.71%	29,218.00	0.91%	15,518.00
3.17	Project Management	5,861,900.00	65.17%	3,820,000.00	1.71%	100,000.00
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>37.27%</b>	<b>12,679,083.00</b>	<b>3.23%</b>	<b>1,099,999.00</b>
4	Financial Cost and Others					
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00	0.00%	
4.2	Interest	3,255,000.00	74.45%	2,423,308.00	1.60%	52,058.00
4.3	Other Cost Related to Financing	2,800,000.00	38.79%	1,086,112.00	1.03%	28,742.00
4.4	Offshore Management Fee	3,000,000.00	20.67%	620,000.00	4.00%	120,000.00
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>56.11%</b>	<b>6,297,520.00</b>	<b>1.79%</b>	<b>200,800.00</b>
5	Provisional Sum	7,635,000.00	0.00%		0.00%	
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>		<b>0.00%</b>	
	<b>Total</b>	<b>80,300,000.00</b>	<b>55.66%</b>	<b>44,697,520.00</b>	<b>1.62%</b>	<b>1,300,800.00</b>

## Breakdown to the Progress Payment #3

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

30-Jul-14

In U.S. Dollar

S/N	Description	Amount	Cost to Date		Progress Payment #3	
1	Soft Cost					
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,624.00	0.00%	
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00	0.00%	
1.3	Legal administration & Site Model Suite	2,359,914.00	84.85%	2,002,487.00	12.16%	286,993.00
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00	0.00%	
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>98.54%</b>	<b>24,148,824.00</b>	<b>1.17%</b>	<b>286,993.00</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	70.31%	963,900.00	46.88%	642,600.00
2.2	Materials Procurement	1,549,309.00	39.26%	608,192.00	13.83%	214,200.00
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>53.84%</b>	<b>1,572,092.00</b>	<b>29.34%</b>	<b>856,800.00</b>
3	Construction					
3.1	General Conditions	2,999,694.00	32.02%	960,372.00	3.87%	116,133.00
3.2	Site Work	1,096,811.00	95.14%	1,043,464.00	9.94%	108,975.00
3.3	Concrete & Pre-cast	8,837,937.00	40.98%	3,621,531.00	12.13%	1,071,658.00
3.4	Masonry	219,881.00	0.00%		0.00%	
3.5	Metals	258,593.00	5.80%	15,000.00	0.00%	
3.6	Carpentry	428,400.00	1.01%	4,313.00	0.00%	
3.7	Thermal & Moisture	1,367,583.00	13.29%	181,722.00	9.32%	127,400.00
3.8	Doors & Windows	1,630,062.00	4.91%	80,000.00	3.68%	60,000.00
3.9	Finishes	2,613,240.00	0.00%		0.00%	
3.10	Specialities	84,218.00	0.00%		0.00%	
3.11	Equipment	47,124.00	0.00%		0.00%	
3.12	Conveying Systems - Elevators	728,280.00	14.58%	106,166.00	4.67%	34,000.00
3.13	Mechanical	3,851,316.00	15.77%	607,190.00	6.28%	242,012.00
3.14	Electrical	1,409,972.00	25.45%	358,778.00	8.05%	113,512.00
3.15	Miscellaneous Costs	866,848.00	100.01%	866,898.00	55.66%	482,510.00
3.16	Construction Contingency	1,713,600.00	0.80%	13,700.00	0.00%	
3.17	Project Management	5,861,900.00	63.46%	3,720,000.00	2.05%	120,000.00
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>34.04%</b>	<b>11,579,134.00</b>	<b>7.28%</b>	<b>2,476,200.00</b>
4	Financial Cost and Others					
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00	0.00%	
4.2	Interest	3,255,000.00	72.85%	2,371,250.00	5.86%	190,880.00
4.3	Other Cost Related to Financing	2,800,000.00	37.76%	1,057,370.00	10.06%	281,627.00
4.4	Offshore Management Fee	3,000,000.00	16.67%	500,000.00	3.33%	100,000.00
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>54.32%</b>	<b>6,096,720.00</b>	<b>5.10%</b>	<b>572,507.00</b>
5	Provisional Sum	7,635,000.00	0.00%		0.00%	
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>		<b>0.00%</b>	
	<b>Total</b>	<b>80,300,000.00</b>	<b>54.04%</b>	<b>43,396,770.00</b>	<b>5.22%</b>	<b>4,192,500.00</b>





*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

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Julia Zhang  
CEO

Date: Sept. 30, 2014

Ref. No.: PSRP-1409-01

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R OM3

Dear Ms. Zhang

**Submission of Progress Related Documents 5#**

We hereby would like to submit the document that defined the working progress for September 2014 of Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #5 (*Ref: PSRP-PR-2014-005*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2014-005*).
- C. Breakdown to the Progress Payment #5.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager



## China Machinery Engineering Corporation

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

## China Everbest Development International Limited

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

# PHILLIP STUDENT RESIDENCE PROJECT PHASE I, WATERLOO, CANADA

## PROFORMA INVOICE

Date: Sept. 30, 2014

Invoice No.: PSRP-2014-005

Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

DESCRIPTION	AMOUNT (USD)
Progress Payment #5	2,040,000.00
<b>TOTAL (IN WORDS): TWO MILLION FORTY THOUSAND U.S DOLLARS ONLY</b>	<b>TOTAL: 2,040,000.00</b>

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest Development International Limited

## Breakdown to the Progress Payment #5

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

30-Sep-14

In U.S. Dollar

S/N	Description	Amount	Cost to Date		Progress Payment #5	
1	Soft Cost					
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,625.00		
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00		
1.3	Legal administration & Site Model Suite	2,359,914.00	84.85%	2,002,487.00		
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00		
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>98.54%</b>	<b>24,148,825.00</b>	<b>0.00%</b>	<b>0.00</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	70.31%	963,900.00		
2.2	Materials Procurement	1,549,309.00	39.26%	608,192.00		
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>53.84%</b>	<b>1,572,092.00</b>	<b>0.00%</b>	<b>0.00</b>
3	Construction					
3.1	General Conditions	2,999,694.00	40.81%	1,224,097.00	4.89%	146,743.00
3.2	Site Work	1,096,811.00	99.61%	1,092,551.00	3.88%	42,587.00
3.3	Concrete & Pre-cast	8,837,937.00	58.77%	5,193,760.00	10.89%	962,073.00
3.4	Masonry	219,881.00	9.28%	20,399.00	9.28%	20,399.00
3.5	Metals	258,593.00	7.77%	20,080.00	1.96%	5,080.00
3.6	Carpentry	428,400.00	10.86%	46,543.00	9.86%	42,230.00
3.7	Thermal & Moisture	1,367,583.00	15.12%	206,748.00	1.14%	15,631.00
3.8	Doors & Windows	1,630,062.00	4.91%	80,000.00	0.00%	
3.9	Finishes	2,613,240.00	0.00%	0.00	0.00%	
3.10	Specialities	84,218.00	0.00%	0.00	0.00%	
3.11	Equipment	47,124.00	0.00%	0.00	0.00%	
3.12	Conveying Systems - Elevators	728,280.00	14.58%	106,166.00	0.00%	
3.13	Mechanical	3,851,316.00	24.31%	936,408.00	4.75%	182,848.00
3.14	Electrical	1,409,972.00	38.03%	536,265.00	5.84%	82,409.00
3.15	Miscellaneous Costs	866,848.00	100.00%	866,848.00	0.00%	
3.16	Construction Contingency	1,713,600.00	1.71%	29,218.00	0.00%	
3.17	Project Management	5,861,900.00	67.73%	3,970,000.00	2.56%	150,000.00
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>42.13%</b>	<b>14,329,083.00</b>	<b>4.85%</b>	<b>1,650,000.00</b>
4	Financial Cost and Others					
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00	0.00%	
4.2	Interest	3,255,000.00	76.73%	2,497,677.00	2.28%	74,369.00
4.3	Other Cost Related to Financing	2,800,000.00	44.71%	1,251,743.00	5.92%	165,631.00
4.4	Offshore Management Fee	3,000,000.00	25.67%	770,000.00	5.00%	150,000.00
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>59.59%</b>	<b>6,687,520.00</b>	<b>3.47%</b>	<b>390,000.00</b>
5	Provisional Sum	7,635,000.00	0.00%		0.00%	
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>		<b>0.00%</b>	
	<b>Total</b>	<b>80,300,000.00</b>	<b>58.20%</b>	<b>46,737,520.00</b>	<b>2.54%</b>	<b>2,040,000.00</b>





*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

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Date: Oct. 27, 2014

Julia Zhang  
CEO

Ref. No.: PSRP-1410-01

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R 0M3

Dear Ms. Zhang

**Submission of Progress Related Documents 6#**

We hereby would like to submit the document that defined the working progress for October 2014 of Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #6 (*Ref: PSRP-PR-2014-006*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2014-006*).
- C. Breakdown to the Progress Payment #6.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: Oct. 27, 2014

Invoice No.: PSRP-2014-006

Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

DESCRIPTION	AMOUNT (USD)
Progress Payment #6	2,350,000.00
<b>TOTAL (IN WORDS): TWO MILLION THREE HUNDRED AND FIFTY THOUSAND U.S DOLLARS ONLY</b>	<b>TOTAL: 2,350,000.00</b>

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest Development International Limited

## Breakdown to the Progress Payment #6

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

27-Oct-14

S/N	Description	Amount	Cost to Date		Progress Payment #6	
1	Soft Cost					
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,625.00		
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00		
1.3	Legal administration & Site Model Suite	2,359,914.00	84.85%	2,002,487.00		
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00		
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>98.54%</b>	<b>24,148,825.00</b>	<b>0.00%</b>	<b>0.00</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	82.03%	1,124,550.00	11.72%	160,650.00
2.2	Materials Procurement	1,549,309.00	42.71%	661,742.00	3.46%	53,550.00
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>61.17%</b>	<b>1,786,292.00</b>	<b>7.34%</b>	<b>214,200.00</b>
3	Construction					
3.1	General Conditions	2,999,694.00	45.96%	1,378,597.00	5.15%	154,500.00
3.2	Site Work	1,096,811.00	99.61%	1,092,551.00		
3.3	Concrete & Pre-cast	8,837,937.00	71.78%	6,343,760.00	13.01%	1,150,000.00
3.4	Masonry	219,881.00	64.31%	141,399.00	55.03%	121,000.00
3.5	Metals	258,593.00	7.77%	20,080.00		
3.6	Carpentry	428,400.00	13.77%	58,996.00	2.91%	12,453.00
3.7	Thermal & Moisture	1,367,583.00	15.41%	210,698.00	0.29%	3,950.00
3.8	Doors & Windows	1,630,062.00	5.20%	84,800.00	0.29%	4,800.00
3.9	Finishes	2,613,240.00	1.20%	31,400.00	1.20%	31,400.00
3.10	Specialities	84,218.00	0.00%	0.00		
3.11	Equipment	47,124.00	0.00%	0.00		
3.12	Conveying Systems - Elevators	728,280.00	14.58%	106,166.00		
3.13	Mechanical	3,851,316.00	27.47%	1,058,148.00	3.16%	121,740.00
3.14	Electrical	1,409,972.00	44.77%	631,265.00	6.74%	95,000.00
3.15	Miscellaneous Costs	866,848.00	100.00%	866,848.00		
3.16	Construction Contingency	1,713,600.00	7.01%	120,175.00	5.31%	90,957.00
3.17	Project Management	5,861,900.00	69.77%	4,090,000.00	2.05%	120,000.00
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>47.73%</b>	<b>16,234,883.00</b>	<b>5.60%</b>	<b>1,905,800.00</b>
4	Financial Cost and Others					
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00	0.00%	
4.2	Interest	3,255,000.00	79.63%	2,591,878.00	2.89%	94,201.00
4.3	Other Cost Related to Financing	2,800,000.00	47.77%	1,337,542.00	3.06%	85,799.00
4.4	Offshore Management Fee	3,000,000.00	27.33%	820,000.00	1.67%	50,000.00
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>61.64%</b>	<b>6,917,520.00</b>	<b>2.05%</b>	<b>230,000.00</b>
5	Provisional Sum	7,635,000.00	0.00%		0.00%	
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>		<b>0.00%</b>	
	<b>Total</b>	<b>80,300,000.00</b>	<b>61.13%</b>	<b>49,087,520.00</b>	<b>2.93%</b>	<b>2,350,000.00</b>





*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

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Date: Nov. 28, 2014

Julia Zhang  
CEO

Ref. No.: PSRP-1411-01

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R 0M3

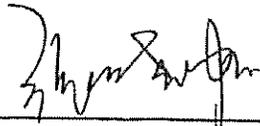
Dear Ms. Zhang

**Submission of Progress Related Documents 7#**

We hereby would like to submit the document that defined the working progress for November 2014 of Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #7 (*Ref: PSRP-PR-2014-007*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2014-007*).
- C. Breakdown to the Progress Payment #7.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

  
\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

  
\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: Nov. 28, 2014

Invoice No.: PSRP-2014-007

Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

DESCRIPTION	AMOUNT (USD)
Progress Payment #7	3,300,000.00
<b>TOTAL (IN WORDS): THREE MILLION THREE HUNDRED THOUSAND U.S DOLLARS ONLY</b>	<b>TOTAL: 3,300,000.00</b>

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest Development International Limited

## Breakdown to the Progress Payment #7

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

28-Nov-14

S/N	Description	Amount	Cost to Date		Progress Payment #7	
1	Soft Cost					
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,625.00		
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00		
1.3	Legal administration & Site Model Suite	2,359,914.00	85.49%	2,017,529.00	0.64%	15,042.00
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00		
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>98.60%</b>	<b>24,163,867.00</b>	<b>0.06%</b>	<b>15,042.00</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	97.66%	1,338,750.00	15.63%	214,200.00
2.2	Materials Procurement	1,549,309.00	76.36%	1,183,042.00	33.65%	521,300.00
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>86.36%</b>	<b>2,521,792.00</b>	<b>25.19%</b>	<b>735,500.00</b>
3	Construction					
3.1	General Conditions	2,999,694.00	47.53%	1,425,768.00	1.57%	47,171.00
3.2	Site Work	1,096,811.00	99.61%	1,092,551.00		
3.3	Concrete & Pre-cast	8,837,937.00	86.36%	7,632,484.00	14.58%	1,288,724.00
3.4	Masonry	219,881.00	70.00%	153,912.00	5.69%	12,513.00
3.5	Metals	258,593.00	9.73%	25,160.00	1.96%	5,080.00
3.6	Carpentry	428,400.00	13.84%	59,294.00	0.07%	298.00
3.7	Thermal & Moisture	1,367,583.00	17.55%	240,026.00	2.14%	29,328.00
3.8	Doors & Windows	1,630,062.00	26.87%	438,038.00	21.67%	353,238.00
3.9	Finishes	2,613,240.00	8.05%	210,450.00	6.85%	179,050.00
3.10	Specialities	84,218.00	0.00%	0.00		
3.11	Equipment	47,124.00	0.00%	0.00		
3.12	Conveying Systems - Elevators	728,280.00	14.58%	106,166.00		
3.13	Mechanical	3,851,316.00	34.37%	1,323,728.00	6.90%	265,580.00
3.14	Electrical	1,409,972.00	49.63%	699,741.00	4.86%	68,476.00
3.15	Miscellaneous Costs	866,848.00	100.00%	866,848.00		
3.16	Construction Contingency	1,713,600.00	7.01%	120,175.00		
3.17	Project Management	5,861,900.00	70.63%	4,140,000.00	0.85%	50,000.00
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>54.49%</b>	<b>18,534,341.00</b>	<b>6.76%</b>	<b>2,299,458.00</b>
4	Financial Cost and Others					
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00		
4.2	Interest	3,255,000.00	83.74%	2,725,742.00	4.11%	133,864.00
4.3	Other Cost Related to Financing	2,800,000.00	50.13%	1,403,678.00	2.36%	66,136.00
4.4	Offshore Management Fee	3,000,000.00	29.00%	870,000.00	1.67%	50,000.00
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>63.86%</b>	<b>7,167,520.00</b>	<b>2.23%</b>	<b>250,000.00</b>
5	Provisional Sum	7,635,000.00	0.00%		0.00%	
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>		<b>0.00%</b>	
	<b>Total</b>	<b>80,300,000.00</b>	<b>65.24%</b>	<b>52,387,520.00</b>	<b>4.11%</b>	<b>3,300,000.00</b>





*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

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Date: Dec. 29, 2014

Julia Zhang  
CEO

Ref. No.: PSRP-1412-01

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R OM3

Dear Ms. Zhang

**Submission of Progress Related Documents 8#**

We hereby would like to submit the document that defined the working progress for November 2014 of Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #8 (*Ref: PSRP-PR-2014-008*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2014-008*).
- C. Breakdown to the Progress Payment #8.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower 1 South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: Dec. 29, 2014

Invoice No.: PSRP-2014-008

Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

DESCRIPTION	AMOUNT (USD)
Progress Payment #8	2,800,000.00
<b>TOTAL (IN WORDS): TWO MILLION EIGHT HUNDRED THOUSAND U.S DOLLARS ONLY</b>	<b>TOTAL: 2,800,000.00</b>

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest  
Development International Limited

## Breakdown to the Progress Payment #8

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

29-Dec-14

S/N	Description	Amount	Cost to Date	Progress Payment #8		
1	Soft Cost					
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,625.00		
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00		
1.3	Legal administration & Site Model Suite	2,359,914.00	87.61%	2,067,529.00	2.12%	50,000.00
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00		
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>98.81%</b>	<b>24,213,867.00</b>	<b>0.20%</b>	<b>50,000.00</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	97.66%	1,338,750.00		
2.2	Materials Procurement	1,549,309.00	89.27%	1,383,042.00	12.91%	200,000.00
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>93.21%</b>	<b>2,721,792.00</b>	<b>6.85%</b>	<b>200,000.00</b>
3	Construction					
3.1	General Conditions	2,999,694.00	50.72%	1,521,326.00	3.19%	95,558.00
3.2	Site Work	1,096,811.00	99.61%	1,092,551.00		
3.3	Concrete & Pre-cast	8,837,937.00	97.79%	8,642,484.00	11.43%	1,010,000.00
3.4	Masonry	219,881.00	84.46%	185,712.00	14.46%	31,800.00
3.5	Metals	258,593.00	14.00%	36,205.00	4.27%	11,045.00
3.6	Carpentry	428,400.00	14.07%	60,294.00	0.23%	1,000.00
3.7	Thermal & Moisture	1,367,583.00	23.45%	320,757.00	5.90%	80,731.00
3.8	Doors & Windows	1,630,062.00	46.95%	765,330.00	20.08%	327,292.00
3.9	Finishes	2,613,240.00	13.15%	343,750.00	5.10%	133,300.00
3.10	Specialities	84,218.00	0.00%	0.00		
3.11	Equipment	47,124.00	0.00%	0.00		
3.12	Conveying Systems - Elevators	728,280.00	19.25%	140,166.00		34,000.00
3.13	Mechanical	3,851,316.00	41.95%	1,615,518.00	7.58%	291,790.00
3.14	Electrical	1,409,972.00	59.10%	833,225.00	9.47%	133,484.00
3.15	Miscellaneous Costs	866,848.00	100.00%	866,848.00		
3.16	Construction Contingency	1,713,600.00	12.85%	220,175.00	5.84%	100,000.00
3.17	Project Management	5,861,900.00	72.33%	4,240,000.00	1.71%	100,000.00
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>61.40%</b>	<b>20,884,341.00</b>	<b>6.91%</b>	<b>2,350,000.00</b>
4	Financial Cost and Others					
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00		
4.2	Interest	3,255,000.00	86.98%	2,831,098.00	3.24%	105,356.00
4.3	Other Cost Related to Financing	2,800,000.00	51.73%	1,448,322.00	1.59%	44,644.00
4.4	Offshore Management Fee	3,000,000.00	30.67%	920,000.00	1.67%	50,000.00
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>65.65%</b>	<b>7,367,520.00</b>	<b>1.78%</b>	<b>200,000.00</b>
5	Provisional Sum	7,635,000.00	0.00%			
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>			
	<b>Total</b>	<b>80,300,000.00</b>	<b>68.73%</b>	<b>55,187,520.00</b>	<b>3.49%</b>	<b>2,800,000.00</b>





*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

---

Julia Zhang  
CEO

Date: Jan. 29<sup>th</sup>, 2015

Ref. No.: PSRP-1501-01

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R 0M3

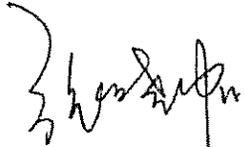
Dear Ms. Zhang

**Submission of Progress Related Documents 9#**

We hereby would like to submit the document that defined the working progress for January 2015 of Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #9 (*Ref: PSRP-PR-2015-009*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2015-009*).
- C. Breakdown to the Progress Payment #9.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

  
\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

  
\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager

## Breakdown to the Progress Payment #9

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

29-Jan-15

S/N	Description	Amount	Cost to Date		Progress Payment #9	
1	Soft Cost					
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,625.00		
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00		
1.3	Legal administration & Site Model Suite	2,359,914.00	87.61%	2,067,529.00		
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00		
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>98.81%</b>	<b>24,213,867.00</b>	<b>0.00%</b>	<b>0.00</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	97.66%	1,338,750.00		
2.2	Materials Procurement	1,549,309.00	90.56%	1,403,042.00	1.29%	20,000.00
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>93.89%</b>	<b>2,741,792.00</b>	<b>0.68%</b>	<b>20,000.00</b>
3	Construction					
3.1	General Conditions	2,999,694.00	56.96%	1,708,526.00	6.24%	187,200.00
3.2	Site Work	1,096,811.00	99.61%	1,092,551.00		
3.3	Concrete & Pre-cast	8,837,937.00	98.35%	8,692,484.00	0.57%	50,000.00
3.4	Masonry	219,881.00	89.01%	195,712.00	4.55%	10,000.00
3.5	Metals	258,593.00	14.98%	38,745.00	0.98%	2,540.00
3.6	Carpentry	428,400.00	24.63%	105,498.00	10.55%	45,204.00
3.7	Thermal & Moisture	1,367,583.00	27.61%	377,581.00	4.16%	56,824.00
3.8	Doors & Windows	1,630,062.00	55.79%	909,432.00	8.84%	144,102.00
3.9	Finishes	2,613,240.00	26.71%	697,880.00	13.55%	354,130.00
3.10	Specialities	84,218.00	0.00%	0.00		
3.11	Equipment	47,124.00	0.00%	0.00		
3.12	Conveying Systems - Elevators	728,280.00	19.25%	140,166.00		
3.13	Mechanical	3,851,316.00	59.60%	2,295,518.00	17.66%	680,000.00
3.14	Electrical	1,409,972.00	83.92%	1,183,225.00	24.82%	350,000.00
3.15	Miscellaneous Costs	866,848.00	100.00%	866,848.00		
3.16	Construction Contingency	1,713,600.00	18.68%	320,175.00	5.84%	100,000.00
3.17	Project Management	5,861,900.00	77.45%	4,540,000.00	5.12%	300,000.00
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>68.10%</b>	<b>23,164,341.00</b>	<b>6.70%</b>	<b>2,280,000.00</b>
4	Financial Cost and Others					
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00		
4.2	Interest	3,255,000.00	89.41%	2,910,425.00	2.44%	79,327.00
4.3	Other Cost Related to Financing	2,800,000.00	57.82%	1,618,995.00	6.10%	170,673.00
4.4	Offshore Management Fee	3,000,000.00	42.33%	1,270,000.00	11.67%	350,000.00
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>70.99%</b>	<b>7,967,520.00</b>	<b>5.35%</b>	<b>600,000.00</b>
5	Provisional Sum	7,635,000.00	0.00%			
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>			
	<b>Total</b>	<b>80,300,000.00</b>	<b>72.34%</b>	<b>58,087,520.00</b>	<b>3.61%</b>	<b>7,900,000.00</b>



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: Jan. 29, 2015

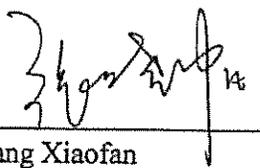
Invoice No.: PSRP-2015-009

Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

DESCRIPTION	AMOUNT (USD)
Progress Payment #9	2,900,000.00
<b>TOTAL (IN WORDS): TWO MILLION NINE HUNDRED THOUSAND U.S DOLLARS ONLY</b>	<b>TOTAL: 2,900,000.00</b>

  
\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

  
\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest Development International Limited





**The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited**

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Julia Zhang  
CEO

Date: Feb. 27<sup>th</sup>, 2015

Ref. No.: PSRP-1502-01

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R 0M3

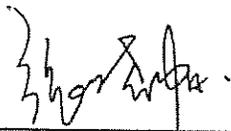
Dear Ms. Zhang

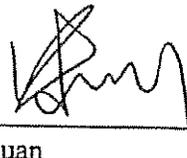
**Submission of Progress Related Documents 10#**

We hereby would like to submit the document that defined the working progress for February 2015 of Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #10 (*Ref: PSRP-PR-2015-010*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2015-010*).
- C. Breakdown to the Progress Payment #10.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

  
\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

  
\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: Feb. 27, 2015

Invoice No.: PSRP-2015-010

Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

DESCRIPTION	AMOUNT (USD)
Progress Payment #10	3,750,000.00
<b>TOTAL (IN WORDS): THREE MILLION SEVEN HUNDRED AND FIFTY THOUSAND U.S DOLLARS ONLY</b>	<b>TOTAL: 3,750,000.00</b>

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest Development International Limited

## Breakdown to the Progress Payment #10

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

27-Feb-15

S/N	Description	Amount	Cost to Date		Progress Payment #10	
1	Soft Cost					
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,625.00		
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00		
1.3	Legal administration & Site Model Suite	2,359,914.00	89.73%	2,117,529.00	2.12%	50,000.00
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00		
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>99.01%</b>	<b>24,263,867.00</b>	<b>0.20%</b>	<b>50,000.00</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	97.66%	1,338,750.00		
2.2	Materials Procurement	1,549,309.00	95.72%	1,483,042.00	5.16%	80,000.00
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>96.63%</b>	<b>2,821,792.00</b>	<b>2.74%</b>	<b>80,000.00</b>
3	Construction					
3.1	General Conditions	2,999,694.00	60.14%	1,804,084.00	3.19%	95,558.00
3.2	Site Work	1,096,811.00	99.61%	1,092,551.00	0.00%	
3.3	Concrete & Pre-cast	8,837,937.00	99.20%	8,767,272.00	0.85%	74,788.00
3.4	Masonry	219,881.00	89.01%	195,712.00	0.00%	
3.5	Metals	258,593.00	34.63%	89,545.00	19.64%	50,800.00
3.6	Carpentry	428,400.00	27.42%	117,456.00	2.79%	11,958.00
3.7	Thermal & Moisture	1,367,583.00	30.00%	410,331.00	2.39%	32,750.00
3.8	Doors & Windows	1,630,062.00	75.87%	1,236,724.00	20.08%	327,292.00
3.9	Finishes	2,613,240.00	84.11%	2,197,880.00	57.40%	1,500,000.00
3.10	Specialities	84,218.00	0.00%	0.00		
3.11	Equipment	47,124.00	0.00%	0.00		
3.12	Conveying Systems - Elevators	728,280.00	23.91%	174,166.00	4.67%	34,000.00
3.13	Mechanical	3,851,316.00	72.83%	2,804,888.00	13.23%	509,370.00
3.14	Electrical	1,409,972.00	93.39%	1,316,709.00	9.47%	133,484.00
3.15	Miscellaneous Costs	866,848.00	100.00%	866,848.00	0.00%	
3.16	Construction Contingency	1,713,600.00	24.52%	420,175.00	5.84%	100,000.00
3.17	Project Management	5,861,900.00	82.57%	4,840,000.00	5.12%	300,000.00
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>77.42%</b>	<b>26,334,341.00</b>	<b>9.32%</b>	<b>3,170,000.00</b>
4	Financial Cost and Others					
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00		
4.2	Interest	3,255,000.00	92.84%	3,021,978.00	3.43%	111,553.00
4.3	Other Cost Related to Financing	2,800,000.00	59.19%	1,657,442.00	1.37%	38,447.00
4.4	Offshore Management Fee	3,000,000.00	52.33%	1,570,000.00	10.00%	300,000.00
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>75.00%</b>	<b>8,417,520.00</b>	<b>4.01%</b>	<b>450,000.00</b>
5	Provisional Sum	7,635,000.00	0.00%			
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>			
	<b>Total</b>	<b>80,300,000.00</b>	<b>77.01%</b>	<b>61,937,570.00</b>	<b>4.69%</b>	<b>3,750,000.00</b>





*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

---

Julia Zhang  
CEO

Date: March. 30<sup>th</sup>, 2015

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R 0M3

Ref. No.: PSRP-1503-01

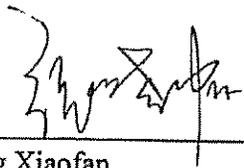
Dear Ms. Zhang

**Submission of Progress Related Documents 11#**

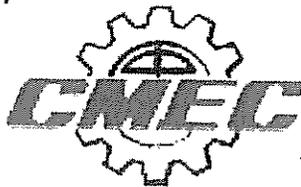
We hereby would like to submit the document that defined the working progress for March 2015 of Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #11 (*Ref: PSRP-PR-2015-011*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2015-011*).
- C. Breakdown to the Progress Payment #11.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

  
\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

  
\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: March 30<sup>th</sup>, 2015

Invoice No.: PSRP-2015-011

Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

DESCRIPTION	AMOUNT (USD)
Progress Payment #11	4,000,000.00
<b>TOTAL (IN WORDS): FOUR MILLION U.S DOLLARS ONLY</b>	<b>TOTAL: 4,000,000.00</b>

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest  
Development International Limited

## Breakdown to the Progress Payment #11

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

30-Mar-15

S/N	Description	Amount	Cost to Date		Progress Payment #11	
1	Soft Cost					
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,625.00		
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00		
1.3	Legal administration & Site Model Suite	2,359,914.00	93.97%	2,217,529.00	4.24%	100,000.00
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00		
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>99.42%</b>	<b>24,363,867.00</b>	<b>0.41%</b>	<b>100,000.00</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	97.66%	1,338,750.00		
2.2	Materials Procurement	1,549,309.00	98.30%	1,523,042.00	2.58%	40,000.00
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>98.00%</b>	<b>2,861,792.00</b>	<b>1.37%</b>	<b>40,000.00</b>
3	Construction					
3.1	General Conditions	2,999,694.00	71.81%	2,154,084.00	11.67%	350,000.00
3.2	Site Work	1,096,811.00	99.61%	1,092,551.00	0.00%	
3.3	Concrete & Pre-cast	8,837,937.00	99.23%	8,770,277.00	0.03%	3,005.00
3.4	Masonry	219,881.00	91.88%	202,030.00	2.87%	6,318.00
3.5	Metals	258,593.00	64.09%	165,745.00	29.47%	76,200.00
3.6	Carpentry	428,400.00	34.21%	146,574.00	6.80%	29,118.00
3.7	Thermal & Moisture	1,367,583.00	56.84%	777,298.00	26.83%	366,967.00
3.8	Doors & Windows	1,630,062.00	91.45%	1,490,724.00	15.58%	254,000.00
3.9	Finishes	2,613,240.00	94.30%	2,464,180.00	10.19%	266,300.00
3.10	Specialities	84,218.00	0.00%	0.00		
3.11	Equipment	47,124.00	79.58%	37,500.00		37,500.00
3.12	Conveying Systems - Elevators	728,280.00	44.51%	324,166.00	20.60%	150,000.00
3.13	Mechanical	3,851,316.00	89.50%	3,447,103.00	16.68%	642,215.00
3.14	Electrical	1,409,972.00	98.94%	1,395,086.00	5.56%	78,377.00
3.15	Miscellaneous Costs	866,848.00	100.00%	866,848.00		
3.16	Construction Contingency	1,713,600.00	59.53%	1,020,175.00	35.01%	600,000.00
3.17	Project Management	5,861,900.00	85.98%	5,040,000.00	3.41%	200,000.00
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>86.41%</b>	<b>29,394,341.00</b>	<b>9.00%</b>	<b>3,060,000.00</b>
4	Financial Cost and Others					
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00		
4.2	Interest	3,255,000.00	96.04%	3,126,094.00	3.20%	104,116.00
4.3	Other Cost Related to Financing	2,800,000.00	69.76%	1,953,326.00	10.57%	295,884.00
4.4	Offshore Management Fee	3,000,000.00	65.67%	1,970,000.00	13.33%	400,000.00
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>82.13%</b>	<b>9,217,520.00</b>	<b>7.13%</b>	<b>800,000.00</b>
5	Provisional Sum	7,635,000.00	0.00%			
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>			
	<b>Total</b>	<b>80,300,000.00</b>	<b>81.99%</b>	<b>65,837,520.00</b>	<b>4.98%</b>	<b>4,000,000.00</b>





*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

---

Julia Zhang  
CEO

Date: April. 30<sup>th</sup>, 2015

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R OM3

Ref. No.: PSRP-1504-01

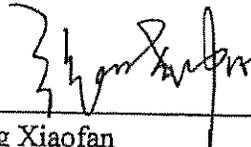
Dear Ms. Zhang

**Submission of Progress Related Documents 12#**

We hereby would like to submit the document that defined the working progress for April 2015 of Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #12 (*Ref: PSRP-PR-2015-012*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2015-012*).
- C. Breakdown to the Progress Payment #12.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

  
\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

  
\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: April 30<sup>th</sup>, 2015

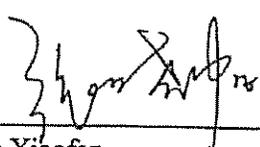
Invoice No.: PSRP-2015-012

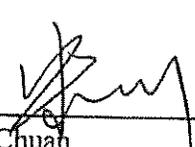
Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

DESCRIPTION	AMOUNT (USD)
Progress Payment #12	2,700,000.00
<b>TOTAL (IN WORDS): TWO MILLION SEVEN HUNDRED THOUSAND U.S DOLLARS ONLY</b>	<b>TOTAL: 2,700,000.00</b>

  
Zhang Xiaofan  
Project Manager

  
Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest  
Development International Limited

## Breakdown to the Progress Payment #12

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

30-Apr-15

S/N	Description	Amount	Cost to Date		Progress Payment #12	
1	Soft Cost					
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,625.00		
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00		
1.3	Legal administration & Site Model Suite	2,359,914.00	98.20%	2,317,529.00	4.24%	100,000.00
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00		
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>99.83%</b>	<b>24,463,867.00</b>	<b>0.41%</b>	<b>100,000.00</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	97.66%	1,338,750.00		
2.2	Materials Procurement	1,549,309.00	98.30%	1,523,042.00		
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>98.00%</b>	<b>2,861,792.00</b>	<b>0.00%</b>	<b>0.00</b>
3	Construction					
3.1	General Conditions	2,999,694.00	83.58%	2,507,016.00	11.77%	352,932.00
3.2	Site Work	1,096,811.00	99.61%	1,092,551.00		
3.3	Concrete & Pre-cast	8,837,937.00	99.52%	8,795,277.00	0.28%	25,000.00
3.4	Masonry	219,881.00	94.16%	207,030.00	2.27%	5,000.00
3.5	Metals	258,593.00	83.43%	215,745.00	19.34%	50,000.00
3.6	Carpentry	428,400.00	54.06%	231,574.00	19.84%	85,000.00
3.7	Thermal & Moisture	1,367,583.00	75.19%	1,028,266.00	18.35%	250,968.00
3.8	Doors & Windows	1,630,062.00	99.34%	1,619,249.00	7.88%	128,525.00
3.9	Finishes	2,613,240.00	96.21%	2,514,180.00	1.91%	50,000.00
3.10	Specialities	84,218.00	0.00%	0.00		
3.11	Equipment	47,124.00	90.19%	42,500.00	10.61%	5,000.00
3.12	Conveying Systems - Elevators	728,280.00	50.37%	366,866.00	5.86%	42,700.00
3.13	Mechanical	3,851,316.00	98.35%	3,787,873.00	8.85%	340,770.00
3.14	Electrical	1,409,972.00	99.65%	1,405,086.00	0.71%	10,000.00
3.15	Miscellaneous Costs	866,848.00	100.00%	866,848.00		
3.16	Construction Contingency	1,713,600.00	68.53%	1,174,280.00	8.99%	154,105.00
3.17	Project Management	5,861,900.00	89.39%	5,240,000.00	3.41%	200,000.00
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>91.41%</b>	<b>31,094,341.00</b>	<b>5.00%</b>	<b>1,700,000.00</b>
4	Financial Cost and Others					
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00		
4.2	Interest	3,255,000.00	97.63%	3,177,972.00	1.59%	51,878.00
4.3	Other Cost Related to Financing	2,800,000.00	82.19%	2,301,448.00	12.43%	348,122.00
4.4	Offshore Management Fee	3,000,000.00	82.33%	2,470,000.00	16.67%	500,000.00
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>90.15%</b>	<b>10,117,520.00</b>	<b>8.02%</b>	<b>900,000.00</b>
5	Provisional Sum	7,635,000.00	0.00%			
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>			
	<b>Total</b>	<b>80,300,000.00</b>	<b>85.35%</b>	<b>68,537,520.00</b>	<b>3.36%</b>	<b>2,700,000.00</b>





*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

---

Julia Zhang  
CEO

Date: May, 29<sup>th</sup>, 2015

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R OM3

Ref. No.: PSRP-1505-01

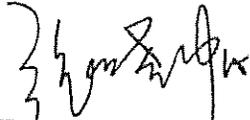
Dear Ms. Zhang

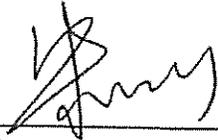
**Submission of Progress Related Documents 13#**

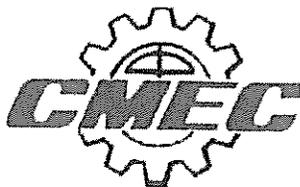
We hereby would like to submit the document that defined the working progress for May 2015 of Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #13 (*Ref: PSRP-PR-2015-013*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2015-013*).
- C. Breakdown to the Progress Payment #13.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

  
\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

  
\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: May 29<sup>th</sup>, 2015

Invoice No.: PSRP-2015-013

Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R 0M3

DESCRIPTION	AMOUNT (USD)
Progress Payment #13	900,000.00
<b>TOTAL (IN WORDS): NINE HUNDRED THOUSAND U.S DOLLARS ONLY</b>	<b>TOTAL: 900,000.00</b>

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest Development International Limited

**Breakdown to the Progress Payment #13**  
**PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA**  
 Contract No.: JD/CMEC/2013-001  
 29-May-15

S/N	Description	Amount	Cost to Date		Progress Payment #13	
1	Soft Cost					
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,625.00		
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00		
1.3	Legal administration & Site Model Suite	2,359,914.00	98.20%	2,317,529.00		
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00		
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>99.83%</b>	<b>24,463,867.00</b>	<b>0.00%</b>	<b>0.00</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	97.66%	1,338,750.00		
2.2	Materials Procurement	1,549,309.00	98.30%	1,523,042.00		
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>98.00%</b>	<b>2,861,792.00</b>	<b>0.00%</b>	<b>0.00</b>
3	Construction					
3.1	General Conditions	2,999,694.00	93.08%	2,792,016.00	9.50%	285,000.00
3.2	Site Work	1,096,811.00	99.61%	1,092,551.00		
3.3	Concrete & Pre-cast	8,837,937.00	99.52%	8,795,277.00		
3.4	Masonry	219,881.00	100.00%	219,881.00	5.84%	12,851.00
3.5	Metals	258,593.00	93.41%	241,545.00	9.98%	25,800.00
3.6	Carpentry	428,400.00	67.13%	287,574.00	13.07%	56,000.00
3.7	Thermal & Moisture	1,367,583.00	75.19%	1,028,266.00		
3.8	Doors & Windows	1,630,062.00	99.34%	1,619,249.00		
3.9	Finishes	2,613,240.00	96.21%	2,514,180.00		
3.10	Specialities	84,218.00	0.00%	0.00		
3.11	Equipment	47,124.00	90.19%	42,500.00		
3.12	Conveying Systems - Elevators	728,280.00	53.17%	387,215.00	2.79%	20,349.00
3.13	Mechanical	3,851,316.00	98.35%	3,787,873.00		
3.14	Electrical	1,409,972.00	99.65%	1,405,086.00		
3.15	Miscellaneous Costs	866,848.00	100.00%	866,848.00		
3.16	Construction Contingency	1,713,600.00	68.53%	1,174,280.00		
3.17	Project Management	5,861,900.00	92.80%	5,440,000.00	3.41%	200,000.00
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>93.18%</b>	<b>31,694,341.00</b>	<b>35.29%</b>	<b>600,000.00</b>
4	Financial Cost and Others					
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00	0.00%	
4.2	Interest	3,255,000.00	98.59%	3,209,108.00	0.96%	31,136.00
4.3	Other Cost Related to Financing	2,800,000.00	84.65%	2,370,312.00	2.46%	68,864.00
4.4	Offshore Management Fee	3,000,000.00	89.00%	2,670,000.00	6.67%	200,000.00
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>92.82%</b>	<b>10,417,520.00</b>	<b>33.33%</b>	<b>300,000.00</b>
5	Provisional Sum	7,635,000.00	0.00%			
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>			
	<b>Total</b>	<b>80,300,000.00</b>	<b>86.47%</b>	<b>69,437,520.00</b>	<b>33.33%</b>	<b>900,000.00</b>





*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

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Julia Zhang  
CEO

Date: June 30<sup>th</sup>, 2015

Ref. No.: PSRP-1506-01

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R OM3

Dear Ms. Zhang

**Submission of Progress Related Documents 14#**

We hereby would like to submit the document that defined the working progress for June 2015 of Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #14 (*Ref: PSRP-PR-2015-014*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2015-014*).
- C. Breakdown to the Progress Payment #14.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager

## Breakdown to the Progress Payment #14

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

30-Jun-15

S/N	Description	Amount	Cost to Date	Progress Payment #14	
1	Soft Cost				
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,625.00	
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00	
1.3	Legal administration & Site Model Suite	2,359,914.00	98.20%	2,317,529.00	
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00	
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>99.83%</b>	<b>24,463,867.00</b>	<b>0.00%</b>
					<b>0.00</b>
2	FF & E				
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	99.12%	1,358,750.00	1.46%
2.2	Materials Procurement	1,549,309.00	99.60%	1,543,042.00	1.29%
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>99.37%</b>	<b>2,901,792.00</b>	<b>1.37%</b>
					<b>40,000.00</b>
3	Construction				
3.1	General Conditions	2,999,694.00	94.08%	2,822,016.00	1.00%
3.2	Site Work	1,096,811.00	99.61%	1,092,551.00	
3.3	Concrete & Pre-cast	8,837,937.00	99.52%	8,795,277.00	
3.4	Masonry	219,881.00	100.00%	219,881.00	
3.5	Metals	258,593.00	97.27%	251,545.00	3.87%
3.6	Carpentry	428,400.00	88.14%	377,574.00	21.01%
3.7	Thermal & Moisture	1,367,583.00	78.11%	1,068,266.00	2.92%
3.8	Doors & Windows	1,630,062.00	99.34%	1,619,249.00	
3.9	Finishes	2,613,240.00	96.21%	2,514,180.00	
3.10	Specialities	84,218.00	0.00%	0.00	
3.11	Equipment	47,124.00	90.19%	42,500.00	
3.12	Conveying Systems - Elevators	728,280.00	79.26%	577,215.00	26.09%
3.13	Mechanical	3,851,316.00	98.35%	3,787,873.00	
3.14	Electrical	1,409,972.00	99.65%	1,405,086.00	
3.15	Miscellaneous Costs	866,848.00	100.00%	866,848.00	
3.16	Construction Contingency	1,713,600.00	68.53%	1,174,280.00	
3.17	Project Management	5,861,900.00	95.36%	5,590,000.00	2.56%
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>94.68%</b>	<b>32,204,341.00</b>	<b>1.50%</b>
					<b>510,000.00</b>
4	Financial Cost and Others				
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00	
4.2	Interest	3,255,000.00	98.93%	3,220,082.00	0.34%
4.3	Other Cost Related to Financing	2,800,000.00	87.83%	2,459,338.00	3.18%
4.4	Offshore Management Fee	3,000,000.00	94.00%	2,820,000.00	5.00%
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>95.05%</b>	<b>10,667,520.00</b>	<b>2.23%</b>
					<b>250,000.00</b>
5	Provisional Sum	7,635,000.00	0.00%		
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>		
	<b>Total</b>	<b>80,300,000.00</b>	<b>87.47%</b>	<b>70,237,520.00</b>	<b>1.00%</b>
					<b>800,000.00</b>





*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

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Julia Zhang  
CEO

Date: July 30<sup>th</sup>, 2015

Ref. No.: PSRP-1507-01

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R 0M3

Dear Ms. Zhang

**Submission of Progress Related Documents 15#**

We hereby would like to submit the document that defined the working progress for July 2015 of Phillip Street Student Residence Project Phase I (*Contract No.:* **JD/CMEC/2013-001**), the documents listed below:

- A. Monthly Progress Report #15 (*Ref: PSRP-PR-2015-015*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.:* **PSRP-2015-015**).
- C. Breakdown to the Progress Payment #15.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: July 30<sup>th</sup>, 2015

Invoice No.: PSRP-2015-015

Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

DESCRIPTION	AMOUNT (USD)
Progress Payment #15	600,000.00
<b>TOTAL (IN WORDS): SIX HUNDRED THOUSAND U.S DOLLARS ONLY</b>	<b>TOTAL: 600,000.00</b>

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest  
Development International Limited

## Breakdown to the Progress Payment #15

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

30-Jul-15

S/N	Description	Amount	Cost to Date		Progress Payment #15	
1	Soft Cost					
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,625.00		
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00		
1.3	Legal administration & Site Model Suite	2,359,914.00	98.20%	2,317,529.00		
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00		
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>99.83%</b>	<b>24,463,867.00</b>	<b>0.00%</b>	<b>0.00</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	99.12%	1,358,750.00		
2.2	Materials Procurement	1,549,309.00	99.60%	1,543,042.00		
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>99.37%</b>	<b>2,901,792.00</b>	<b>0.00%</b>	<b>0.00</b>
3	Construction					
3.1	General Conditions	2,999,694.00	94.41%	2,832,016.00	0.33%	10,000.00
3.2	Site Work	1,096,811.00	99.61%	1,092,551.00		
3.3	Concrete & Pre-cast	8,837,937.00	99.52%	8,795,277.00		
3.4	Masonry	219,881.00	100.00%	219,881.00		
3.5	Metals	258,593.00	99.21%	256,545.00	1.93%	5,000.00
3.6	Carpentry	428,400.00	99.81%	427,574.00	11.67%	50,000.00
3.7	Thermal & Moisture	1,367,583.00	96.39%	1,318,266.00	18.28%	250,000.00
3.8	Doors & Windows	1,630,062.00	99.34%	1,619,249.00		
3.9	Finishes	2,613,240.00	96.21%	2,514,180.00		
3.10	Specialities	84,218.00	0.00%	0.00		
3.11	Equipment	47,124.00	90.19%	42,500.00		
3.12	Conveying Systems - Elevators	728,280.00	79.26%	577,215.00		
3.13	Mechanical	3,851,316.00	98.35%	3,787,873.00		
3.14	Electrical	1,409,972.00	99.65%	1,405,086.00		
3.15	Miscellaneous Costs	866,848.00	100.00%	866,848.00		
3.16	Construction Contingency	1,713,600.00	73.49%	1,259,280.00	4.96%	85,000.00
3.17	Project Management	5,861,900.00	96.73%	5,670,000.00	1.36%	80,000.00
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>96.09%</b>	<b>32,684,341.00</b>	<b>1.41%</b>	<b>480,000.00</b>
4	Financial Cost and Others					
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00		
4.2	Interest	3,255,000.00	99.23%	3,230,059.00	0.31%	9,977.00
4.3	Other Cost Related to Financing	2,800,000.00	89.98%	2,519,361.00	2.14%	60,023.00
4.4	Offshore Management Fee	3,000,000.00	95.67%	2,870,000.00	1.67%	50,000.00
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>96.12%</b>	<b>10,787,520.00</b>	<b>1.07%</b>	<b>120,000.00</b>
5	Provisional Sum	7,635,000.00	0.00%			
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>			
	<b>Total</b>	<b>80,300,000.00</b>	<b>88.22%</b>	<b>70,837,520.00</b>	<b>0.75%</b>	<b>600,000.00</b>





*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

---

Julia Zhang  
CEO

Date: Aug.31<sup>st</sup>, 2015

Ref. No.: PSRP-1508-01

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R OM3

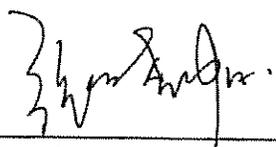
Dear Ms. Zhang

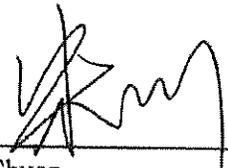
**Submission of Progress Related Documents 16#**

We hereby would like to submit the document that defined the working progress for August 2015 of Phillip Street Student Residence Project Phase I (*Contract No.:* *JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #16 (*Ref: PSRP-PR-2015-016*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.:* *PSRP-2015-016*).
- C. Breakdown to the Progress Payment #16.

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

  
\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

  
\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel. +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: Aug. 31<sup>st</sup>, 2015

Invoice No.: PSRP-2015-016

Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

DESCRIPTION	AMOUNT (USD)
Progress Payment #16	700,000.00
<b>TOTAL (IN WORDS): SEVEN HUNDRED THOUSAND U.S DOLLARS ONLY</b>	<b>TOTAL: 700,000.00</b>

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest  
Development International Limited

## Breakdown to the Progress Payment #16

PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA

Contract No.: JD/CMEC/2013-001

31-Aug-15

S/N	Description	Amount	Cost to Date		Progress Payment #16	
1	Soft Cost					
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,625.00		
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00		
1.3	Legal administration & Site Model Suite	2,359,914.00	100.00%	2,359,914.00	1.80%	42,385.00
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00		
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>100.00%</b>	<b>24,506,252.00</b>	<b>0.17%</b>	<b>42,385.00</b>
2	FF & E					
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	100.00%	1,370,880.00	0.88%	12,130.00
2.2	Materials Procurement	1,549,309.00	100.00%	1,549,309.00	0.40%	6,267.00
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>100.00%</b>	<b>2,920,189.00</b>	<b>0.63%</b>	<b>18,397.00</b>
3	Construction					
3.1	General Conditions	2,999,694.00	97.74%	2,932,016.00	3.33%	100,000.00
3.2	Site Work	1,096,811.00	99.61%	1,092,551.00		
3.3	Concrete & Pre-cast	8,837,937.00	99.52%	8,795,277.00		
3.4	Masonry	219,881.00	100.00%	219,881.00		
3.5	Metals	258,593.00	99.21%	256,545.00		
3.6	Carpentry	428,400.00	99.81%	427,574.00		
3.7	Thermal & Moisture	1,367,583.00	100.00%	1,367,583.00	3.61%	49,317.00
3.8	Doors & Windows	1,630,062.00	100.00%	1,630,062.00	0.66%	10,813.00
3.9	Finishes	2,613,240.00	96.21%	2,514,180.00		
3.10	Specialities	84,218.00	0.00%	0.00		
3.11	Equipment	47,124.00	100.00%	47,124.00	9.81%	4,624.00
3.12	Conveying Systems - Elevators	728,280.00	100.00%	728,280.00	20.74%	151,065.00
3.13	Mechanical	3,851,316.00	98.87%	3,807,873.00	0.52%	20,000.00
3.14	Electrical	1,409,972.00	99.89%	1,408,485.00	0.24%	3,399.00
3.15	Miscellaneous Costs	866,848.00	100.00%	866,848.00		
3.16	Construction Contingency	1,713,600.00	73.49%	1,259,280.00		
3.17	Project Management	5,861,900.00	98.43%	5,770,000.00	1.71%	100,000.00
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>97.38%</b>	<b>33,123,559.00</b>	<b>1.29%</b>	<b>439,218.00</b>
4	Financial Cost and Others					
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00		
4.2	Interest	3,255,000.00	99.51%	3,239,038.00	0.28%	8,979.00
4.3	Other Cost Related to Financing	2,800,000.00	95.01%	2,660,382.00	5.04%	141,021.00
4.4	Offshore Management Fee	3,000,000.00	97.33%	2,920,000.00	1.67%	50,000.00
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>97.90%</b>	<b>10,987,520.00</b>	<b>1.78%</b>	<b>200,000.00</b>
5	Provisional Sum	7,635,000.00	0.00%			
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>			
	<b>Total</b>	<b>80,300,000.00</b>	<b>89.09%</b>	<b>71,537,520.00</b>	<b>0.87%</b>	<b>700,000.00</b>





*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

---

Julia Zhang  
CEO

Date: Sep. 30<sup>th</sup>, 2015

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R 0M3

Ref. No.: PSRP-1509-01

Dear Ms. Zhang

**Submission of Progress Related Documents 17#**

We hereby would like to submit the document that defined the working progress for September 2015 of Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #17(*Ref: PSRP-PR-2015-017*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2015-017*).
- C. Breakdown to the Progress Payment #17.

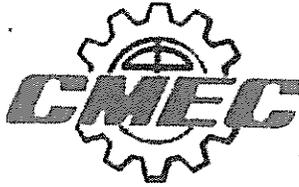
For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

\_\_\_\_\_  
Zhang Xiaofan  
Project Manager

\_\_\_\_\_  
Mi Chuan  
Deputy Project Manager

**Breakdown to the Progress Payment #17**  
**PHILLIP STUDENT RESIDENCE PROJECT PHASE I, IN WATERLOO, CANADA**  
 Contract No.: JD/CMEC/2013-001  
 30-Sep-15

S/N	Description	Amount	Cost to Date	Progress Payment #17	
1	Soft Cost				
1.1	Design & Engineering	2,029,625.00	100.00%	2,029,625.00	
1.2	Pre-Construction	11,492,594.00	100.00%	11,492,594.00	
1.3	Legal administration & Site Model Suite	2,359,914.00	100.00%	2,359,914.00	
1.4	Other Administration Costs	8,624,119.00	100.00%	8,624,119.00	
	<b>Sub-total 1. Soft Cost</b>	<b>24,506,252.00</b>	<b>100.00%</b>	<b>24,506,252.00</b>	<b>0.00%</b>
					<b>0.00</b>
2	FF & E				
2.1	Furniture, Fixtures & Equipment (FF&E)	1,370,880.00	100.00%	1,370,880.00	
2.2	Materials Procurement	1,549,309.00	100.00%	1,549,309.00	
	<b>Sub-total 2. Procurement</b>	<b>2,920,189.00</b>	<b>100.00%</b>	<b>2,920,189.00</b>	<b>0.00%</b>
					<b>0.00</b>
3	Construction				
3.1	General Conditions	2,999,694.00	100.00%	2,999,694.00	2.26%
3.2	Site Work	1,096,811.00	100.00%	1,096,811.00	0.39%
3.3	Concrete & Pre-cast	8,837,937.00	100.00%	8,837,937.00	0.48%
3.4	Masonry	219,881.00	100.00%	219,881.00	
3.5	Metals	258,593.00	100.00%	258,593.00	0.79%
3.6	Carpentry	428,400.00	100.00%	428,400.00	0.19%
3.7	Thermal & Moisture	1,367,583.00	100.00%	1,367,583.00	
3.8	Doors & Windows	1,630,062.00	100.00%	1,630,062.00	
3.9	Finishes	2,613,240.00	100.00%	2,613,240.00	3.79%
3.10	Specialities	84,218.00	100.00%	84,218.00	100.00%
3.11	Equipment	47,124.00	100.00%	47,124.00	
3.12	Conveying Systems - Elevators	728,280.00	100.00%	728,280.00	
3.13	Mechanical	3,851,316.00	100.00%	3,851,316.00	1.13%
3.14	Electrical	1,409,972.00	100.00%	1,409,972.00	0.11%
3.15	Miscellaneous Costs	866,848.00	100.00%	866,848.00	
3.16	Construction Contingency	1,713,600.00	100.00%	1,713,600.00	26.51%
3.17	Project Management	5,861,900.00	100.00%	5,861,900.00	1.57%
	<b>Sub-total 3. Construction</b>	<b>34,015,459.00</b>	<b>100.00%</b>	<b>34,015,459.00</b>	<b>2.62%</b>
					<b>891,900.00</b>
4	Financial Cost and Others				
4.1	Export Insurance Policy	2,168,100.00	100.00%	2,168,100.00	
4.2	Interest	3,255,000.00	100.00%	3,255,000.00	0.49%
4.3	Other Cost Related to Financing	2,800,000.00	100.00%	2,800,000.00	4.99%
4.4	Offshore Management Fee	3,000,000.00	100.00%	3,000,000.00	2.67%
	<b>Sub-total 4. Financial Cost</b>	<b>11,223,100.00</b>	<b>100.00%</b>	<b>11,223,100.00</b>	<b>2.10%</b>
					<b>235,580.00</b>
5	Provisional Sum	7,635,000.00	0.00%		
	<b>Sub-total 5. Provisional Sum</b>	<b>7,635,000.00</b>	<b>0.00%</b>		
	<b>Total</b>	<b>80,300,000.00</b>	<b>90.49%</b>	<b>72,665,000.00</b>	<b>1.40%</b>
					<b>1,127,480.00</b>



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: Sep. 30<sup>th</sup>, 2015

Invoice No.: PSRP-2015-017

Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

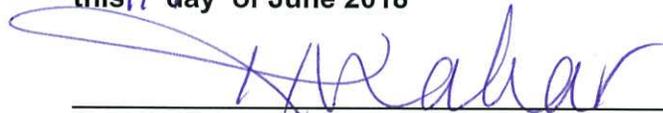
DESCRIPTION	AMOUNT (USD)
Progress Payment #17	1,127,480.00
<b>TOTAL (IN WORDS): ONE MILLION ONE HUNDRED AND TWENTY SEVEN THOUSAND FOUR HUNDRED AND EIGHTY U.S DOLLARS ONLY</b>	<b>TOTAL: 1,127,480.00</b>

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest  
Development International Limited

**This is Exhibit "LL" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this <sup>14<sup>th</sup></sup> day of June 2018**

A handwritten signature in blue ink, appearing to read "Wakar", written over a horizontal line.

**A COMMISSIONER FOR TAKING AFFIDAVIT**

FORM 6

CERTIFICATE OF SUBSTANTIAL PERFORMANCE OF THE CONTRACT  
UNDER SECTION 32 OF THE ACT

*Construction Lien Act*

City of Waterloo  
*(County/District or Regional Municipality/City or Borough of  
Municipality of Metropolitan Toronto in which premises are situate)*

256 Phillip Street, Waterloo Ontario  
*(Street address and city, town, etc. or, if there is no street address, the location of the premises)*

This is to certify that the contract for the following improvement:

Construction of 20 Storey Residential Tower and Linked Parking Garage  
*(short description of the improvement)*

to the above premise was substantially performed on: NOVEMBER 16, 2015  
*(date substantially performed)*

Date certificate signed: NOVEMBER 16, 2015 *Naheem Raza*  
*(Signature of payment certifier where there is one)*

*(Signature of owner and contractor, where there is no  
payment certifier)*

Name of owner: JD Developments Phillip Street Limited

Address for service: 3601 Highway 7 East Suite 610, Markham, Ontario L3R 0M4

Name of contractor: Melloul-Blamey Construction Inc.

Address for service: 700 Rupert Street, Waterloo, Ontario N2V 2H5

Name of payment certifier: McKnight Charron Limited Architects  
*(where applicable)*

Address: 40 Alliance BLVD. Unit 110 Barrie, Ontario L4M 5K3

*(Use A or B whichever is appropriate)*

A. Identification of premises for preservation of liens:

Lot 13 PT Lot 6 P158R 2778 Part 2  
*(where liens attach to premises, reference to lot and plan or instrument registration number)*

B. Office to which claim for lien must be given to preserve lien:

*(where liens do not attach to premises)*

# CERTIFICATE OF PUBLICATION

This is to certify that this official notice appeared in Daily Commercial News on  
**November 20, 2015**

**City of Waterloo  
258 Phillip Street, Waterloo,  
Ontario**

**This is to certify that the con-  
tract for the following  
Improvement: Construction of  
20 Storey Residential Tower  
and Linked Parking Garage**

**To the above premises was  
substantially performed on:  
November 16, 2015**

**Date Certificate Signed: Novem-  
ber 16, 2015**

**Name of Owner: JD Devel-  
opments Phillip Street Limited  
Address for Service: 3601 High-  
way 7 East, Suite 610, Mark-  
ham, ON L3R 0M4**

**Name of Contractor: Melloul-  
Blamey Construction Inc.  
Address for Service: 700 Rupert  
Street, Waterloo N2V 2B5**

**Name of Payment Certifier:  
McKnight Charron Limited  
Architects**

**Address: 40 Alliance BLVD. Unit  
110, Barrie, ON L4M 5K3**

**Identification of Premises for  
preservation of Liens: Lot 13  
PT Lot 6 PT58R 2778 Part 2**

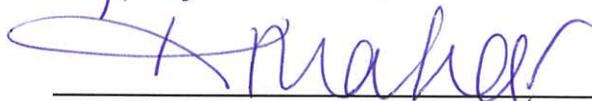
View your CSP online at [www.dailycommercialnews.com/csp](http://www.dailycommercialnews.com/csp)



3783 14th Avenue, 8th Floor  
Markham, ON L3R 3T7  
T: 905-752-5515 • F: 905-752-5460



**This is Exhibit "MM" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this <sup>11<sup>th</sup></sup> day of June 2018**

A handwritten signature in blue ink, appearing to read "A. Maher", written over a horizontal line.

**A COMMISSIONER FOR TAKING AFFIDAVIT**



*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

---

Date: 16<sup>th</sup> November, 2015

Julia Zhang  
CEO

Ref. No.: PSRP-1511-01

JD Development Phillip Street Limited  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R OM3

Dear Ms. Zhang

**Applying for Substantial Performance Certificate**

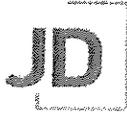
In agreement with the Conditions of Contract (*Contract No.: JD/CMEC/2013-001*) between JD Development Phillip Street Limited and The Consortium of China Machinery Engineering Corporation & China Everbest Development International Limited for construction of Phillip Street Student Residence Phase I in Waterloo, dated on 22<sup>nd</sup> January, 2013, we, as the Contractor has fulfilled its obligation and completed the construction works (including the internal construction and decoration) of the Building A (20-Storey Blair House) and relevant parking area on 16<sup>th</sup> November 2015. The warranty period and related works would be carried out in *One (1) year* that calculated from the issuance date of Substantial Performance Certificate.

Hereby we would apply for the above mentioned Substantial Performance Certificate, and please be kindly noticed and issue that periodical conclusion of the project.

Yours Faithfully,

Zhang Xiaofan  
Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest  
Development International Limited



**Certificate of Substantial Performance**

**for Phillip Student Residence Project Phase I in Waterloo, Canada**

*(Contract No.: JD/CMEC/2013-001)*

Waterloo

*(Country/District or Regional Municipality/City or Borough of Municipality of Metropolitan Toronto in which premises are situate)*

256 Phillip Street, Waterloo

*(Street address and city, town, etc. or if there is not street address, the location of the premises)*

This is to certify that the contract for the following improvement:

20-Storey Apartment – Phillip Street, Waterloo

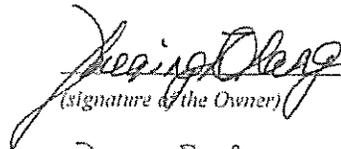
*(Short description of the improvement)*

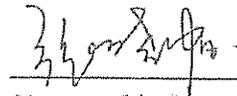
To the above premises was substantially performed on: November 16<sup>th</sup>, 2015

*(date substantially performed)*

Date certificate signed:

Jan. 31, 2016

  
*(signature of the Owner)*



*(signature of the Contractor)*

Name of the Owner: JD Development Phillip Street Limited

Address for service: 3601 Highway 7E #610, Markham, Ontario, Canada, L3R 0M3

Name of the Contractor: The Consortium of China Machinery Engineering Corporation & China Everbest Development International Limited

Address for service: No. 178 GuangAnMenWai St, Xicheng District Beijing, 100055, China

**This is Exhibit "NN" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this <sup>14<sup>th</sup></sup> day of June 2018**



---

**A COMMISSIONER FOR TAKING AFFIDAVIT**



中国机械设备工程股份有限公司  
China Machinery Engineering Corporation

No. 178 Guang anmenwai Street, Beijing 100055, China <http://www.cmec.com>  
Email [cmec@mail.cmec.com](mailto:cmec@mail.cmec.com) Tel. (86-10) 63451188 Fax: (86-10) 63261865

Date: April 21, 2016

Ref. No.: PSRP-1604-01

Julia Zhang  
CEO  
JD Development Phillip Street Limited  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R 0M3

Dear Ms. Zhang

THIS LETTER made as of the 21<sup>st</sup> April, 2016,

FROM

China Machinery Engineering Corporation (the "CMEC")

TO:

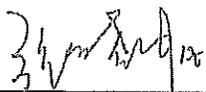
JD Development Phillip Street Ltd. (the "JD")

Based on the discussion at the meeting between CMEC and JD held in Beijing today, CMEC and JD agree to cooperate with each other on Phillip Student Residence Project located at 256 Phillip Street, Waterloo, Ontario. CMEC agrees with JD to discharge parcel C from CMEC's mortgage either before or after the Maturity Date, within seven business days, once the severance is approved by the City, after receiving the payment amount between US dollar seven million (US\$7,000,000.00) and the appraised value of the parcel C, subject to an agreement as to such amount between JD and CMEC before repayment happens, into the CMEC lawyer's trust account, according to the appraised value of the parcel C.

CMEC and JD agree to revise, finalize and execute the Amendment to the Mortgage and Charge in order to effect this agreement prior to the discharge of Parcel C.

We are looking forward to cooperating with you.

China Machinery Engineering Corporation

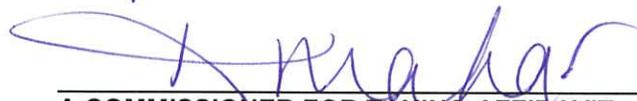
Per:   
Name: Zhang Xiaofan  
Title: Project Manager

Agreed April , 2016

JD Development Phillip Street Ltd.

Per:   
Name:  
Title:

**This is Exhibit "OO" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this <sup>14<sup>th</sup></sup> day of June 2018**

  
\_\_\_\_\_  
**A COMMISSIONER FOR TAKING AFFIDAVIT**



中國機械設備工程股份有限公司  
China Machinery Engineering Corporation

No. 176, Guangyuanerzhi Street, Beijing 100085, China <http://www.cmec.com>  
Email: [cmec@cmec.com](mailto:cmec@cmec.com) Tel: (86-10) 63451100 Fax: (86-10) 63281855

June 14, 2016

Ref No.: PSRP-16(06-01)

**BY E-MAIL**

JD Development Phillip Street Limited  
3601 Highway #7 East  
Suite 903  
Markham, Ontario L3R 0M3

Attention: Julia Zhang

Dear Sirs/Mesdames:

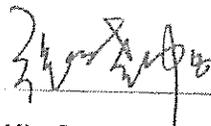
JD Development Phillip Street Limited mortgage to China Machinery Engineering Corporation made as of the 9th day of June, 2014, as amended to date (the "Mortgage")

With reference to the Mortgage, this letter constitutes notice of your default in payment of the principal amount and accrued interest owing on the Maturity Date in breach of the terms of Section 2.1. If such default is not cured within 15 days after the date hereof, an Event of Default will have occurred. We recognize that you have requested a six month extension of the Maturity Date but, nevertheless, upon the occurrence of an Event of Default which is continuing, in addition to any other rights available to us at law, we shall be entitled to carry out such rights and remedies as are provided for under the Mortgage and we reserve all of our rights and remedies in that respect.

Also, we have become aware that you have commenced construction on Parcel C. Section 10.3(e) of the Mortgage provides that such construction is not to be undertaken without CMEC approval, which approval was not obtained. We must go on record that that constitutes a breach of the terms of the Mortgage as well and that we reserve our rights in that regard.

Yours very truly,

China Machinery Engineering Corporation

per 

Zhang Xiaofan  
Assistant to General Manager

cc JD Development Group Corp.  
Fogler Rubinoff LLP  
Davies Ward Phillips & Vineberg LLP



中国机械进出口工程股份有限公司  
China Machinery Engineering Corporation

June 14, 2016

Ref No.: PSRP-1607-01

BY EMAIL

JD Development Phillip Street Limited  
3601 Highway 7 East  
Suite 610  
Markham, ON L3R 0M3

Attention: Julia Zhang

Dear Sirs/Madams:

JD Development Phillip Street Limited ("JD") mortgage to China Machinery Engineering Corporation ("CMEC") made as of the 9<sup>th</sup> day of June, 2014, as amended to date (the "Mortgage")

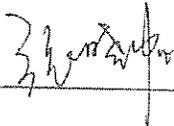
We reference the Mortgage and our June 14, 2016 letter to you providing notice to you of your default in paying the principal amount and accrued interest owing on the Maturity Date. In our letter we noted that, in accordance with the terms of the Mortgage, if such default was not cured within 15 days of the date of that letter, an Event of Default would occur.

We acknowledge that discussions are currently taking place between CMEC and JD as to a possible restructuring of the Mortgage loan transaction and, further to those discussions, we hereby rescind the notice of default constituted by our June 14, 2016 letter.

We are hopeful that our discussions will lead to an agreed to restructuring of the loan transaction. However, this rescission of our notice of default is without prejudice to our rights under the Mortgage, including our ongoing right to provide such a notice of default in the future.

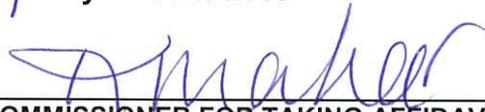
Yours very truly,

CHINA MACHINERY ENGINEERING CORPORATION

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

cc: JD Development Group Corp.  
Fogler Rubinoff LLP  
Davies Ward Phillips & Vineberg LLP

This is Exhibit "PP" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14<sup>th</sup> day of June 2018

A handwritten signature in blue ink, appearing to read "Amaker", written over a horizontal line.

A COMMISSIONER FOR TAKING AFFIDAVIT

#2



中国机械工业工程股份有限公司  
China Machinery Engineering Corporation

NOTICE OF DEFAULT

TO: JD Developments Phillips Street Limited ("JD")  
 3601 Highway 7 East  
 Suite 903  
 Markham, ON L3R 0M3  
 Attention: Yueqing (Julia) Zhang

AND TO: JD Development Group Corp. ("JD Group")  
 (at the same address)

FROM: China Machinery Engineering Corporation ("CMEC")

DATE: April 20<sup>th</sup>, 2017

RESPECTING: Loan Commitment between JD and CMEC dated June 9, 2014, as amended to date (the "Loan Commitment"), Mortgage from JD made as of the 9<sup>th</sup> day of June, 2014, as amended to date (the "Mortgage") and Guarantee and Postponement of Claim from JD Group dated the 9<sup>th</sup> day of June, 2014, as amended to date (the "Guarantee")

With reference to the Loan Commitment, the Mortgage and the Guarantee, CMEC hereby gives you notice as to the default by JD in payment by JD of the principal amount owing on the Maturity Due (as defined in the Mortgage), as well as the non-payment of interest accruing to date. In the event that such monetary default is not cured within 15 days from the date of this Notice, an Event of Default (as defined in the Mortgage) will have occurred and CMEC shall be entitled to proceed with the exercise of such remedies as are available to it under the Mortgage, under the Guarantee and otherwise generally at law, and CMEC reserves all of its rights and remedies in that respect.

CHINA MACHINERY  
ENGINEERING CORPORATION

By:   
Name: Zhang Xiaofan  
Title: Assistant General Manager

cc: Fogler Rubinoﬀ LLP  
Barristers and Solicitors  
ID Centre  
77 King Street West  
Suite 3000  
Toronto, ON M5V 1G8  
Attention: Richard Rotchlin

This is Exhibit "QQ" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this <sup>14<sup>th</sup></sup> day of June 2018

  
\_\_\_\_\_  
A COMMISSIONER FOR TAKING AFFIDAVIT



中国机械装备工程股份有限公司  
China Machinery Engineering Corporation

No. 173, Guang'anmenwai Street, Beijing 100055, China <http://www.cmec.com>  
Email: [cmec@cmec.com](mailto:cmec@cmec.com) Tel: (86-10) 63451188 Fax: (86-10) 63261585

June 1, 2017

Ref No.: PSRP-1706-01

BY EMAIL

JD Development Phillip Street Limited  
3601 Highway 7 East  
Suite 610  
Markham, ON L3R 0M3

Attention: Julia Zhang

RE: China Machinery Engineering Corporation first mortgage loan to JD  
Development Phillip Street Limited relating to 256 Phillip Street, Waterloo,  
Ontario

Dear Madam,

We have received the request for the payout statement from Fogler Rubinoff on your behalf. Considering that you did not provide a specific pay-out date, we are assuming that the mortgage loan will be paid-out on June 9, 2017. We wish to advise the following:

Principal balance as at Sept. 9, 2016 and at June 9, 2016:	US\$ 57,718,631.00
Interest to June 9, 2017 (US\$4,799.00/day):	US\$ 1,310,035.00
Mortgage statement fee:	US\$ 200.00
<b>Total outstanding as at June 9, 2017:</b>	<b><u>US\$ 59,028,866.00</u></b>

Note:

- 1) Per diem until 5:00 p.m. June 12, 2017 if not paid on June 9, 2017: US\$4,799.00
- 2) Per diem after 5:00 p.m. June 12, 2017 if not paid by 5:00 p.m. June 12, 2017: US\$4,908.00

Please kindly confirm with us the payment account before you make the payment.

This statement is effective until 5:00 p.m. June 30, 2017 (Beijing time) after which time it may no longer be relied upon.



中国机械进出口工程集团有限公司  
China Machinery Engineering Corporation

No. 27, Guojing 5th Street, Beihai, 100053, China    Fax: (86) 101 6345 1169  
Email: cme@china-cme.com    Tel: (86) 101 6345 1168    Fax: (86) 101 6345 1069

Yours very truly,

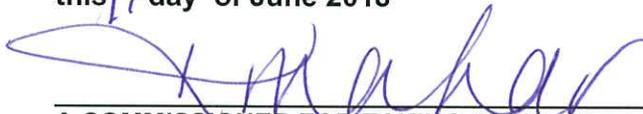
CHINA MACHINERY ENGINEERING CORPORATION

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

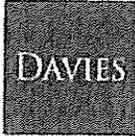
Zhang Xiaofan  
Assistant to General Manager

cc: Fogler Rubloff LLP  
Davies Ward Phillips & Vineberg LLP

**This is Exhibit "RR" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14<sup>th</sup> day of June 2018**

A handwritten signature in blue ink, appearing to read "Mahar", written over a horizontal line.

**A COMMISSIONER FOR TAKING AFFIDAVIT**



155 Wellington Street West  
Toronto ON M5V 3J7  
dwpv.com

November 6, 2017

James Doris  
T 416.367.6919  
F 416.863.0871  
jdoris@dwpv.com

File No. 256496

**BY COURIER AND EMAIL**

**JD Development Phillip Street Limited**  
3601 Highway 7 East, Suite 903  
Markham, ON L3R 0M3

**Attention: Julia Zhang and Maggie Liu**

- and -

**JD Development Group Corp.**  
3601 Highway 7 East, Suite 903  
Markham, ON L3R 0M3

**Attention: Julia Zhang and Maggie Liu**

Dear Mesdames:

**China Machinery Engineering Corporation**

On behalf of China Machinery Engineering Corporation, please find enclosed a Notice of Intention to Enforce Security delivered pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada).

Yours very truly,

A handwritten signature in cursive script, appearing to read "James Doris".

James Doris

JD/sr

Enclosure

cc Richard Rotchtin, *Fogler Rubinoff LLP*

**NOTICE OF INTENTION TO ENFORCE SECURITY**  
(Sections 244 of the *Bankruptcy and Insolvency Act* and 124 of its *Rules*)

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TO : **JD Development Phillip Street Limited**  
3601 Highway 7 East, Suite 903  
Markham, ON L3R 0M3

(the "**Debtor**"), an insolvent person

Take notice that:

1. China Machinery Engineering Corporation (the "**Secured Creditor**"), a secured creditor, intends to enforce its security on the Debtor's property described below:

all of the Debtor's right, title and interest in and to all of the Debtor's Inventory, Equipment, Receivables, Chattel Paper, Documents of Title, Securities, Instruments, Intangibles, and Proceeds of Collateral, as such terms are defined and described in the General Security Agreement granted by the Debtor to the Secured Creditor on June 9, 2014,

- and -

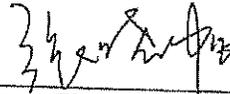
all of the Debtor's right, title and interest in and to the real property municipally known as 250, 252 and 256 Phillip Street, Waterloo, Ontario, legally described as PT LT 6 SUBDIVISION OF LT 13 GERMANY COMPANY TRACT, CITY OF WATERLOO being the units of Waterloo Standard Condominium Plan No. 614 and their appurtenant interests, being parcels having Property Identifier Numbers (P.I.N.s) 23614-0001 (LT) to 23614-0210 (LT) inclusive and being Parts 1, 2, 3, 4 on Plan 58R-19811 being the parcel having P.I.N. 22365-0226 (LT) and Parts 5 to 11 on Plan 58R-19811 being the parcel having P.I.N. 22365-0227 (LT) (the "**Waterloo Site**").

2. The securities that are to be enforced are in the following forms:
  - (a) General Security Agreement granted by the Debtor in favour of the Secured Creditor on June 9, 2014;
  - (b) Mortgage and Charge granted by the Debtor to the Secured Creditor dated June 9, 2014 in respect of the Waterloo Site registered on title to the Waterloo Site as Instrument No. WR820800;
  - (c) Amendment to Mortgage and Charge Agreement granted by the Debtor to the Secured Creditor dated May 27, 2015 and registered on title to the Waterloo Site as Instrument No. WR885069; and
  - (d) Amendment to Mortgage and Charge Agreement granted by the Debtor to the Secured Creditor dated June 6, 2016 and registered on title to the Waterloo Site as Instrument No. WR958443.

3. The total amount of indebtedness secured by the security, as at November 6, 2017, is US\$59,038,263 inclusive of capitalized interest up to June 11, 2017 but excluding other accrued interest, costs and other expenses owing under the terms of the June 9, 2014 Commitment Letter between the Secured Creditor and the Debtor (as amended), plus an additional secured amount of US\$10,890,000 excluding interest, costs and other expenses, owing under the terms of the construction contract between the Secured Creditor and the Debtor dated January 22, 2013 (No. JD/CMEC/2013-001, as amended).
4. The secured creditor will not have the right to enforce the security until after the expiry of the 10-day period after this notice is sent unless the insolvent person consents to an earlier enforcement.

Dated at Beijing, China this 6th day of November,  
2017

**CHINA MACHINERY ENGINEERING  
CORPORATION**

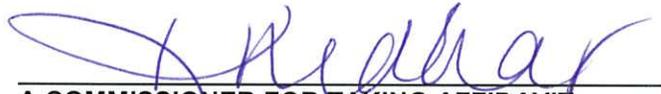


---

Name: Zhang Xiaofan  
Title: Project Manager

cc: Richard Rotchtin (*Fogler Rubinoff LLP*)

**This is Exhibit "SS" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this <sup>14<sup>th</sup></sup> day of June 2018**

  
A COMMISSIONER FOR TAKING AFFIDAVIT



中國機械設備工程股份有限公司  
China Machinery Engineering Corporation

No. 178, Guang anmenwai Street, Beijing 100055, China      http://www.cmec.com  
Email:cmec@mail.cmec.com      Tel: (86-10) 63451188      Fax: (86-10) 63261865

November 7, 2017

Ref No.: PSRP-1711-01

BY EMAIL

JD Development Phillip Street Limited  
3601 Highway 7 East  
Suite 610  
Markham, ON L3R 0M3

Attention: Julia Zhang

**RE: China Machinery Engineering Corporation loan to JD Development Phillip Street Limited relating to the Phillip Street Residence Project, Waterloo, Ontario (the "Property")**

Dear Madam,

We have received the request for the payout statement from Fogler Rubinoff LLP on your behalf on October 31, 2017 with respect to CMEC's loan to JD Development Phillip Street. Since you did not provide a specific pay-out date, we are assuming that the mortgage loan will be paid-out on November 10, 2017. We wish to advise the following:

**Mortgage Loan**

Principal balance as at June 11, 2017:	US\$	57,718,631.00
Capitalized interest to June 11, 2017 (US\$4,799.00/day):	US\$	1,319,632.00
Principal balance (including capitalized interest) as at June 12, 2017:	US\$	59,038,263.00
Interest to Nov. 10, 2017 (US\$4,908.00/day):	US\$	746,073.00
Mortgage statement fee (1st and 2nd):	US\$	400.00
Total	US\$	<u>59,784,736.00</u>

**Note:**

Per diem after 5:00 p.m. June 11, 2017 if not paid by  
5:00 p.m. November 10, 2017: US\$4,908.00



中國機械設備工程股份有限公司  
China Machinery Engineering Corporation

No. 178, Guang anmenwai Street, Beijing 100055, China [http: //www.cmec.com](http://www.cmec.com)  
Email:cmec@mail.cmec.com Tel: (86-10) 63451188 Fax: (86-10) 63261865

**EPC Construction Contract**

Please note that the amount of US\$10,890,000.00 plus interest, costs and other expenses owing under the Construction Contract (No. JD/CMEC/2013-001), is also secured by the mortgage on the Property.

This statement is effective until 5:00 p.m. November 10, 2017 (Beijing time) after which time it may no longer be relied upon.

Yours very truly,

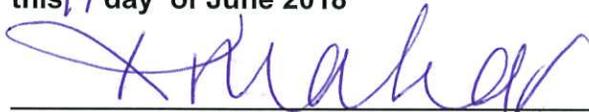
CHINA MACHINERY ENGINEERING CORPORATION

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

Zhang Xiaofan  
Project Manager

cc: Fogler Rubinoff LLP  
Davies Ward Phillips & Vineberg LLP

**This is Exhibit "TT" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this <sup>14<sup>th</sup></sup> day of June 2018**



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**A COMMISSIONER FOR TAKING AFFIDAVIT**

**Mahar, Kyla**

---

**From:** Maggie Liu <Maggie.Liu@jddevelopment.ca>  
**Sent:** Thursday, December 21, 2017 10:01 AM  
**To:** Mahar, Kyla; Azeff, Gregory; Vanderlaan, Toni  
**Cc:** Julia Zhang  
**Subject:** FW: Progress Related Documents 18#  
**Attachments:** 20171027 Cover\_letter\_#18.pdf; Progress\_Report\_#18.pdf; 160708proforma CMEC to JD-#18.pdf

Best Regards,

**Maggie Liu, CPA CGA**  
**Corporate Controller**



*3601 Highway 7 E, Suite 610  
Markham, ON L3R 0M3*

*Tel: 905-479-9898 ext 223  
Fax: 905-479-9890*

CONFIDENTIALITY: This e-mail message (including attachments, if any) is confidential and is intended only for the addressee. Any unauthorized use or disclosure is strictly prohibited. Disclosure of this e-mail to anyone other than the intended addressee does not constitute waiver of privilege.

**From:** zhangxf@mail.cmec.com [mailto:zhangxf@mail.cmec.com]  
**Sent:** Friday, October 27, 2017 2:30 PM  
**To:** Maggie Liu <Maggie.Liu@jddevelopment.ca>; Julia Zhang <Julia.Zhang@jddevelopment.ca>  
**Cc:** Mi Chuan <michuan@mail.cmec.com>  
**Subject:** Progress Related Documents 18#

Maggie and Julia,

As the construction loan was not paid on its maturity date, please find attached progress related documents.

Regards,  
Xiaofan



*The Consortium of China Machinery Engineering  
Corporation & China Everbest Development  
International Limited*

---

Date: Oct. 27<sup>th</sup>, 2017

Julia Zhang  
CEO

Ref. No.: PSRP-1710-01

**JD Development Phillip Street Limited**  
3601 Highway #7 East, suite 610,  
Markham, Ontario, Canada, L3R 0M3

Dear Ms. Zhang

**Progress Related Documents 18#**

As the construction loan was not paid on its maturity date, we attach the documents that related to the progress for Phillip Street Student Residence Project Phase I (*Contract No.: JD/CMEC/2013-001*), the documents listed below:

- A. Monthly Progress Report #18(*Ref: PSRP-PR-2016-018*) issued by the Consortium of CMEC (China Machinery Engineering Corporation) & CED (China Everbest Development International Limited).
- B. Proforma Invoice issued by the Consortium of CMEC and CED (*Invoice No.: PSRP-2016-018*).

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager



The Consortium of  
China Machinery Engineering Corporation &  
China Everbest Development International Limited

Ref. No.: PSRP-PR-2016-018

## Progress Report No.18



**Phillip Student Residence Project Phase I**

Contract No.: JD/CMEC/2013-001

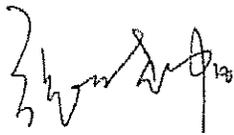
*[Handwritten signatures]*

**Summary:**

The Blair House (Building A) successfully completed the construction and relevant work in fall of 2015, and was commenced renting units in the building to students since September 2015. Refer to the Certificate of Substantial Performance signed by JD Development Phillip Street Limited on January 31, 2016 certifying that Substantial Performance occurred on November 16, 2015, and the warranty period in respect of the Work, being one year from the date of Substantial Performance of the Work, has expired.

Zhang Xiaofan

Mi Chuan

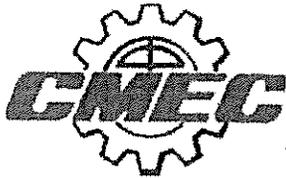


Project Manager



Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation &  
China Everbest Development International Limited



**China Machinery Engineering Corporation**

Address: No. 178 Guanganmenwai Street, Xicheng District, Beijing, China, 100055

Tel: +86 10 63451188 Fax: +86 10 63477491

**China Everbest Development International Limited**

Address: FLAT/RM 804, Tower I South Seas Centre 75 Mody Road, Hong Kong

Tel: +852 23116028 Fax: +852 35650839

**PHILLIP STUDENT RESIDENCE PROJECT PHASE I,  
WATERLOO, CANADA**

**PROFORMA INVOICE**

Date: July 8<sup>th</sup>, 2016

Invoice No.: PSRP-2016-018

Contract No.: JD/CMEC/2013-001

To: JD Development Phillip Street Limited

Address: 3601 Highway #7 East, suite 610, Markham, Ontario, Canada, L3R  
OM3

DESCRIPTION	AMOUNT (USD)
<b>Provisional Sum</b> (*Due to the late repayment)	7,635,000.00
<b>TOTAL (IN WORDS): SEVEN MILLION SIX HUNDRED THIRTY FIVE THOUSAND U.S DOLLARS ONLY</b>	<b>TOTAL: 7,635,000.00</b>

Zhang Xiaofan  
Project Manager

Mi Chuan  
Deputy Project Manager

For: The Consortium of China Machinery Engineering Corporation & China Everbest  
Development International Limited

**This is Exhibit "UU" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14<sup>th</sup> day of June 2018**

A handwritten signature in blue ink, appearing to read "Mahar", is written over a horizontal line.

**A COMMISSIONER FOR TAKING AFFIDAVIT**

## Stoica, Alina

---

**From:** Jennifer Xu <Jennifer.Xu@jddevelopment.ca>  
**Sent:** Thursday, January 16, 2014 7:31 PM  
**To:** Xiaofan Zhang (zhangxf@mail.cmec.com)  
**Cc:** Julia Zhang; hai.xuu@gmail.com; Jiantao Shi (shijt@mail.cmec.com); Maggie Liu  
**Subject:** Contract Lists and Breakdowns  
**Attachments:** Contract Summary - Jan.16, 2014.pdf

**Importance:** High

Hi, Xiaofan,

As discussed earlier, please find the attached file summarizing the breakdowns of the contracts.

In the nutshell,

Total contract between CED & MBBC: \$61,380,000 (principle of financing)  
Total contract between JD & CMEC + CED: \$72,665,000

For the total fee of \$11,285,000, we need split into 2 parts.

- Part I – Financing charge: \$5,285,000
- Part II – EPC (Design & Build – PJM): \$6,000,000

In the contract between CED & MBBC, within \$61,380,000, there is an amount of \$5,800,000 will be MBBC's management fee.

With this arrangement, we feel strongly it will lower the risks we will have taxes to minimum. And the party who is at most risks are MBCC, which we will look after it 100%.

Those are also in line with cash flow forecast which will form part of contract between CED and MBBC.

Hope this helps clarifies!

Thanks,

*Jennifer Xu*, PMP®, LEED® AP BD+C  
Project Director



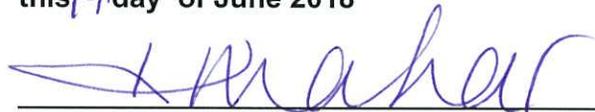
3601 Highway 7 E, Suite 610  
Markham, Ontario, L3R 0M3  
Tel: 905-479-9898 Ext: 229  
Fax: 905-479-9890  
**Cell: 647-824-5698**  
[Jennifer.xu@jddevelopment.ca](mailto:Jennifer.xu@jddevelopment.ca)

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## Contract Lists

	1 Master Contract	80,300,000
	Reduce Scope of Work	-7,635,000
		<u>72,665,000</u>
Financing Agreement	CMEC - Principle	61,380,000
	CMEC - Financing Charges	5,285,000
EPC - Design & Build	CED	6,000,000
		<u>72,665,000</u>
<b>a. Financing Agreement</b>		
	CMEC Beijing	
	JD Phillip	
	Loan value	61,380,000
	Repay	66,665,000
	<u>Total Financing Costs</u>	<u>5,285,000</u>
	i) Interest	3,116,900
	ii) SINOSURE	2,168,100 Paid
	Repayment on May 2016	64,496,900
<b>b. EPC - Design &amp; Build</b>		
	CMEC HK	
	JD Phillip	
	Management Fee	6,000,000
	Project Costs - Design, Construction, etc.	55,580,000
<b>2 Subcontract</b>		
	CED	61,380,000
	MBBC	
	<u>MBBC Fee</u>	<u>5,800,000</u>
	<u>Construction Costs</u>	<u>55,580,000</u>

**This is Exhibit "VV" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14<sup>th</sup> day of June 2018**

A handwritten signature in blue ink, appearing to read "Mahar", written over a horizontal line.

**A COMMISSIONER FOR TAKING AFFIDAVIT**

**Stoica, Alina**

---

**From:** Zhang Xiaofan <zhangxf@mail.cmec.com>  
**Sent:** Friday, November 20, 2015 7:56 AM  
**To:** Jennifer Xu  
**Cc:** Julia Zhang; Maggie Liu  
**Subject:** Re: Tower C  
**Attachments:** new option.docx

Hi Jen,

Thank you, I feel better today. Please see attached explanation for our new option for Building C.

BTW, how about the substantial certificate?

If anything, please feel free to contact.

Thank you so much!

Best regards,  
Xiaofan

---

**From:** Jennifer Xu  
**Date:** 2015-11-20 06:37  
**To:** Xiaofan Zhang (zhangxf@mail.cmec.com)  
**CC:** Julia Zhang; Maggie Liu  
**Subject:** Tower C  
Hi, Xiaofan,

Hope you are feeling better!

Just want to follow up with you to see when you will be able to send us the details about CMEC's offers on Tower C based on your recent discussions.

Thanks,

Jennifer Xu, PMP(r), LEED (r) AP BD+C  
Project Director

[cid:image001.png@01D122F0.F7DA0150]

3601 Highway 7 E, Suite 610  
Markham, Ontario, L3R 0M3  
Tel: 905-479-9898 Ext: 229  
Fax: 905-479-9890  
Cell: 647-824-5698  
Jennifer.xu@jddevelopment.ca<mailto:Jennifer.xu@jddevelopment.ca>

CONFIDENTIALITY: This e-mail message (including attachments, if any) is confidential and is intended only for the addressee. Any unauthorized use or disclosure is strictly prohibited. Disclosure of this e-mail to anyone other than the intended addressee does not constitute waiver of privilege.

Dear Jen,

For building C, we have following updates:

1. Due to the building A and C is overlapping, we can not get full insurance from SINOSURE before June 2016.
2. According to appraisal reports, we assume the current value of building A and rest empty lands are CA\$64 Million + CA\$10.5 Million\*3= CA\$95.5 Million, which is about US\$ 71.50 Million according current exchange rate.
3. According to our contract and mortgage for building A, the total payback amount in June 2016 will be US\$ 64.635 Million.

Based on above, we have following new option:

- 1) To avoid further currency risk, we suggest to change the phase II contract amount to Canadian Dollar;
- 2) CMEC can provide financing for construction part, which may around CA\$ 40-45 Million;
- 3) CMEC need to sign the subcontract with MB instead of MBBC;
- 4) CMEC cost will be : SINOSURE fees (3%), interest (maybe around 5% annually, need to be decided by bank), CMEC management fee (contingency, legal charges, other management around 6%);
- 5) The cash flow before payback date of Phase I should be reasonable and subject to review by CMEC;
- 6) If the payback to phase I is default or delay, CMEC will stop the payment for phase II project.

Please kindly understand that the above offer is mainly because of overlapping, another reason is appraisal value of building A is lower than the contract price of phase I project, which is CA\$ 64 Million against US\$ 72.65 Million (80.3 Million-7.65 Million).

**This is Exhibit "WW" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this <sup>14th</sup> day of June 2018**

A handwritten signature in blue ink, appearing to read "A. M. Baker", written over a horizontal line.

**A COMMISSIONER FOR TAKING AFFIDAVIT**

## Julia Zhang

---

**From:** Mi Chuan <michuan@mail.cmec.com>  
**Sent:** April-27-16 2:53 AM  
**To:** Maggie Liu  
**Cc:** Julia Zhang; zhangxf  
**Subject:** draft letter for deduction of Contract Price  
**Attachments:** Draft letter -JD to CMEC20160427.docx

Hi, Maggie,

Here we draft a letter for JD about the deduction of Contract Price for Building A instead of the MOU, please cross check if this is okay for you guys, and please let me know if you make some changes. Let's just make things easy since this letter is just for our accounting purpose, thou.

Thanks alot!

---

米川 Mi Chuan

China Machinery Engineering Corporation  
178 Guang An Men Wai Street,  
Xicheng District, Beijing, China

[michuan@mail.cmec.com](mailto:michuan@mail.cmec.com)  
(86)10-63451188/61756  
(86)13601250927

Date: 30<sup>th</sup> September, 2014

Ref. No.: JD/CMEC&CED-20140901

From:

JD Development Phillip Street Limited (the "JD")  
3601 Highway #7 East, Suite 610,  
Markham, Ontario, L3R OM3  
Canada

To:

The Consortium of China Machinery Engineering Corporation (the "CMEC") and China Everbest Development International Limited (the "CED")

China Machinery Engineering Corporation  
178 Guang An Men Wai Street,  
Xicheng District, Beijing, 100055  
P.R. China

China Everbest Development International  
Limited  
FLAT/RM 804, Tower I South Seas Centre  
75 Mody Road, Hong Kong

**RE: Contract Amount for Phillip Student Residence Project (Contract  
No.: JD/CMEC/2013-001)**

JD and the consortium of CMEC and CED (CMEC and the CED hereinafter jointly called the "Contractor") entered into a construction contract for the Phillip Student Residence Project Phase I in Waterloo, Canada (the Contract No. JD/CMEC/2013-001) on the 22<sup>nd</sup> day of January, 2013, as amended by agreements dated July 30, 2013, December 31, 2013 and January 22, 2014 (hereinafter referred as "the Contract").

The Contract Price under the Contract is Eighty Million, Three Hundred Thousand U.S. Dollars (USD 80,300,000). Considering the work scope and payment schedule changed, the balance of the Contract Price shall be reduced by Seven Million, Six Hundred and Thirty Five Thousand U.S. Dollars (USD 7,635,000). The remaining amount of the

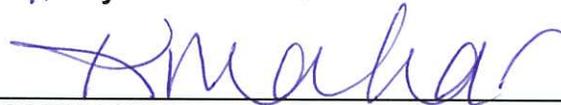
Contract Price, Sixty Four Million, Six Hundred and Thirty Five Thousand U.S. Dollars  
(USD 64,635,000), will be paid by us once together on the Maturity Date.

Sincerely,

---

Yueqing (Julia) Zhang  
CEO

**This is Exhibit "XX" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this <sup>14<sup>th</sup></sup> day of June 2018**

A handwritten signature in blue ink, appearing to read "Amahar", written over a horizontal line.

**A COMMISSIONER FOR TAKING AFFIDAVIT**

# Public View Terminals

Today is: Jun-01-2018



The following information is not available on the Public View Terminal:

- *Adoptions (FA) cases*
- *Young Offenders Act or Youth Criminal Justice Act (YOA & YCJA) cases*
- *Child and Family Services Act (CFSA) cases*
- Any case sealed, or partially sealed by order of the court
- Any case where a publication ban is mandatory and / or has been ordered by the court

If you wish information on the types of cases listed above, you must go to the public counter.

2 case(s) found.

Case Number (Case Title)	Surname/Business	Given Name
<u>CV180059153400CL</u> (CHINA MACHINERY ENGINEERING CORPORATION v. 2284649 ONTARIO INC et al)	KSV KOFMAN INC.	
CV180059153400CL	CHINA MACHINERY ENGINEERING CORPORATION	
CV180059153400CL	2284649 ONTARIO INC	
CV180059153400CL	2270613 LIMITED PARTNERSHIP	
CV180059153400CL	2270613 ONTARIO INC.	
<u>CV18005947730000</u> (CHINA MACHINERY ENGINEERING CORPORATION v. JD DEVELOPMENT GROUP CORP.)	CHINA MACHINERY ENGINEERING CORPORATION	
CV18005947730000	JD DEVELOPMENT GROUP CORP.	

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# Public View Terminals

Today is: Jun-01-2018



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## Case Information

Case Number:	CV180059153400CL	Status:	Active
Case Type:	CLBKA CL -- Bankruptcy and Insolvency Act NN	Amount:	0
Case Mgmt. Type:	NN No notice required	Trial Type:	NJ NON JURY
Case Opened Date:	Feb 05, 2018	Age in Days:	116
Judicial Official:		Date Seized:	
Originating Court:	48704 Toronto		

CHINA MACHINERY ENGINEERING CORPORATION v. 2284649 ONTARIO INC et al

## Party & Document Information

Surname/Business	Given Name	Type	Disposed Date	Lawyer
2270613 LIMITED PARTNERSHIP		RE		UNREPRESEN TED
2270613 ONTARIO INC.		RE		UNREPRESEN TED
2284649 ONTARIO INC		RE		UNREPRESEN TED
CHINA MACHINERY ENGINEERING CORPORATION		AP		JAMES WILLIAM E
KSV KOFMAN INC.		IN		UNREPRESEN TED

## Event Information

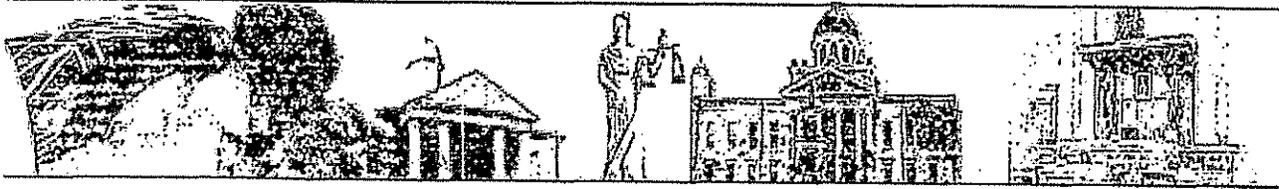
Date	Time	Event	Description
Oct 26, 2018	09:58 AM	9	Motion on notice
Oct 25, 2018	09:58 AM	8	Motion on notice
May 10, 2018	09:30 AM	7	CL-Hearing Commercial List
May 07, 2018	09:30 AM	6	CL-Hearing Commercial List
Sep 10, 2018	09:58 AM	5	Motion on notice
Apr 17, 2018	09:30 AM	4	CL-Hearing Commercial List
Jun 12, 2018	09:58 AM	3	Motion on notice
Apr 11, 2018	09:30 AM	2	CL-Hearing Commercial List
Feb 06, 2018	09:00 AM	1	Motion on notice

## Event Result Information

Doc Code :	Order	Event
May 07, 2018	OR- Order	
Feb 06, 2018	OR- Order	

# Public View Terminals

Today is: Jun-01-2018



Case Information      Party & Document Information      Event Information  
Event Result Information      Back to Search

## Party & Document Information (Case Number: CV180059153400CL)

Surname/Business	Given Name	Type	Disposed Date	Lawyer	View Document Info
2270613 LIMITED PARTNERSHIP		RE		UNREPRESENTED	<a href="#">Display Document</a>
2270613 ONTARIO INC.		RE		UNREPRESENTED	<a href="#">Display Document</a>
2284649 ONTARIO INC		RE		UNREPRESENTED	<a href="#">Display Document</a>
KSV KOFMAN INC.		IN		UNREPRESENTED	<a href="#">Display Document</a>
CHINA MACHINERY ENGINEERING CORPORATION		AP		JAMES WILLIAM E DORIS	<a href="#">Display Document</a>

<b>Document Filed by :</b>	<b>CHINA MACHINERY ENGINEERING CORPORATION</b>	
<b>Doc Code :</b>	<b>Description</b>	<b>Date</b>
NOAP	Notice of Application	Feb 05, 2018
APREC	Application Record	Feb 06, 2018

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# Public View Terminals

Today is: Jun-01-2018



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## Case Information

Case Number:	CV18005947730000	Status:	Active
Case Type:	CO Collection of liquidated debt	Amount:	60437550.00
Case Mgmt. Type:	CM Civil Mediated Timeline	Trial Type:	NJ NON JURY
Case Opened Date:	Mar 27, 2018	Age in Days:	66
Judicial Official:		Date Seized:	
Originating Court:	48704 Toronto		

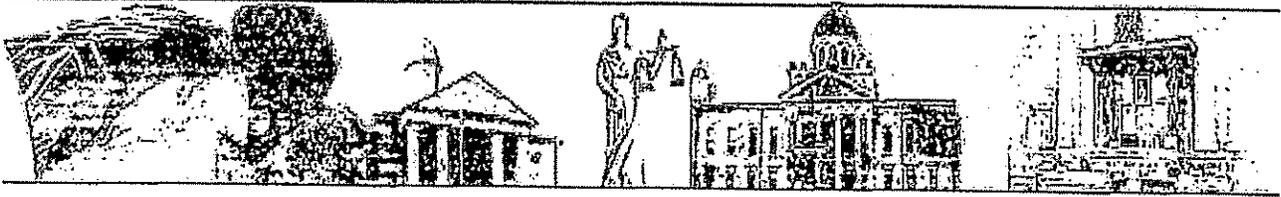
CHINA MACHINERY ENGINEERING CORPORATION v. JD DEVELOPMENT GROUP CORP.

## Party & Document Information

<u>Surname/Business</u>	<u>Given Name</u>	<u>Type</u>	<u>Disposed Date</u>	<u>Lawyer</u>
CHINA MACHINERY ENGINEERING CORPORATION		PL		JAMES WILLIAM E
JD DEVELOPMENT GROUP CORP.		DF		DORES GARDNER HODDER

# Public View Terminals

Today is: Jun-01-2018



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[Event Result Information](#)      [Back to Search](#)

## Party & Document Information (Case Number: CV18005947730000)

<b>Surname/Business</b>	<b>Given Name</b>	<b>Type</b>	<b>Disposed Date</b>	<b>Lawyer</b>	<b>View Document Info</b>
CHINA MACHINERY ENGINEERING CORPORATION		PL		JAMES WILLIAM E DORIS	<a href="#">Display Document</a>
JD DEVELOPMENT GROUP CORP.		DF		JAMES GARDNER HODDER	<a href="#">Display Document</a>

**Document Filed by :** CHINA MACHINERY ENGINEERING CORPORATION  
**Doc Code :** STC      **Description** Statement of Claim      **Date** Mar 27, 2018

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# Public View Terminals

Today is: Jun-01-2018



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[Event Result Information](#)    [Back to Search](#)

## Party & Document Information (Case Number: CV18005947730000)

Surname/Business	Given Name	Type	Disposed Date	Lawyer	View Document Info
CHINA MACHINERY ENGINEERING CORPORATION		PL		JAMES WILLIAM E DORIS	<a href="#">Display Document</a>
JD DEVELOPMENT GROUP CORP.		DF		JAMES GARDNER HODDER	<a href="#">Display Document</a>

**Document Filed by :** JD DEVELOPMENT GROUP CORP.  
**Doc Code :** NOID      **Description** Notice of Intent to Defend      **Date** Apr 18, 2018

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**Case Type:**

**Case Number:**

**Case Title:**

**Surname/Business Name:**

**Given Name:**

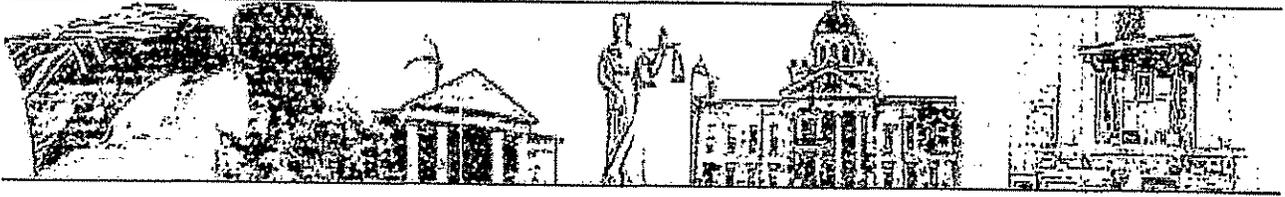
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Case Number:

Case Title:

Surname/Business Name:

Given Name:

## Public View Terminals

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## Public View Terminals

Today is: Jun-01-2018



Case Type:

Case Number:

Case Title:

Surname/Business Name:

Given Name:

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## Public View Terminals

Today is: Jun-01-2018



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This is Exhibit "YY" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this 14<sup>th</sup> day of June 2018

A handwritten signature in blue ink, appearing to read "Amakar", written over a horizontal line.

A COMMISSIONER FOR TAKING AFFIDAVIT



**DEVELOPMENT  
GROUP**

Date: 27<sup>th</sup> April, 2016

Ref. No.: JD/CMEC&CED-20160427

From:

JD Development Phillip Street Limited (the "JD")  
3601 Highway #7 East, Suite 610,  
Markham, Ontario, L3R 0M3  
Canada

To:

The Consortium of China Machinery Engineering Corporation (the "CMEC") and China Everbest Development International Limited (the "CED")

China Machinery Engineering Corporation  
178 Guang An Men Wai Street,  
Xicheng District, Beijing, 100055  
P.R. China

China Everbest Development International  
Limited  
FLAT/RM 804, Tower I South Seas Centre  
75 Mody Road, Hong Kong

**RE: Contract Amount for Phillip Student Residence Project (Contract  
No.: JD/CMEC/2013-001)**

JD and the consortium of CMEC and CED (CMEC and the CED hereinafter jointly called the "Contractor") entered into a construction contract for the Phillip Student Residence Project Phase I in Waterloo, Canada (the Contract No. JD/CMEC/2013-001) on the 22<sup>nd</sup> day of January, 2013, as amended by agreements dated July 30, 2013, December 31, 2013 and January 22, 2014 (hereinafter referred as "the Contract").

The Contract Price under the Contract is Eighty Million, Three Hundred Thousand U.S. Dollars (USD 80,300,000). Considering the work scope and payment schedule changed, the balance of the Contract Price shall be reduced by Seven Million, Six Hundred and Thirty Five Thousand U.S. Dollars (USD 7,635,000). We intend to pay the remaining



**DEVELOPMENT  
GROUP**

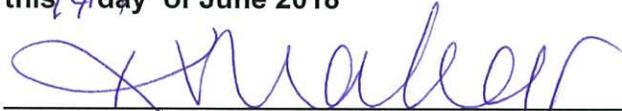
amount of the Contract Price, Sixty Four Million, Six Hundred and Thirty Five Thousand U.S. Dollars (USD 64,635,000) once together on Maturity Date. If any changes of the situation and/or plan, we will notify you.

Sincerely,



Yueqing (Julia) Zhang  
CEO

**This is Exhibit "ZZ" referred to in the affidavit  
of YUEQING ZHANG, SWORN BEFORE ME  
this <sup>14th</sup> day of June 2018**

A handwritten signature in blue ink, appearing to read "M. A. ...", written over a horizontal line.

**A COMMISSIONER FOR TAKING AFFIDAVIT**



中國機械設備工程股份有限公司  
China Machinery Engineering Corporation

No. 178, Guang anmenwai Street, Beijing 100055, China      <http://www.cmec.com>  
Email: cmec@mail.cmec.com      Tel: (86-10) 63451188      Fax: (86-10) 63261865

---

December 9, 2016

Ref No.: PSRP-1612-01

BY EMAIL

JD Development Phillip Street Limited  
3601 Highway 7 East  
Suite 610  
Markham, ON L3R 0M3

Attention: Julia Zhang

**RE: REPLY TO JD'S REPAYMENT PROPOSAL**

---

Dear Madam,

We have received your most recent proposal (November 23, 2016), provided to us by Fogler Rubinoff on your behalf. We have the following reply for discussion purposes only.

**A) Current Status of the Mortgage**

Your proposal letter requested information as to the amount currently owing under the Mortgage:

- The Maturity Date of the first mortgage loan was 11<sup>th</sup> June, 2016.
- The total outstanding principal on the Maturity Date was US\$61,380,000.
- The interest outstanding on the Maturity Date at the "Applicable Rate" of 2.9930% was US\$3,255,000.
- Interest accrued after the Maturity Date, up to September 9, 2016 was US\$483,631, for total interest owing on September 9, 2016 of US\$3,738,631.
- A partial payment of US\$7,400,000 (interest first, then principal) was made on the Mortgage on September 9, 2016 in the amount of US\$7,400,000, which constituted US\$3,738,631 as to interest and US\$3,661,369 as to principal.



中國機械設備工程股份有限公司  
China Machinery Engineering Corporation

No. 178, Guang anmenwai Street, Beijing 100055, China <http://www.cmec.com>  
Email: cmec@mail.cmec.com Tel: (86-10) 63451188 Fax: (86-10) 63261865

---

- Total principal amount owing after the partial prepayment on September 9, 2016 was US\$57,718,631.

**B) Repayment/Restructuring Options**

Based on CMEC's Proposal (Ref No.: PSRP-1608-01) dated August 8, 2016:

- 1) If the total amount of loan is to be fully repaid by the end of December, 2016, the new applicable rate would be 4.0916% per annum, effective and calculated from the existing Maturity Date of June 11, 2016 (the "Existing Maturity Date") and the interest and principal amount under this circumstance would be recalculated from the Existing Maturity Date and would be:
  - Interest accrued after the Existing Maturity Date, up to September 9, 2016 would be US\$661,151, for total interest owing on September 9, 2016 of US\$3,916,151.
  - The partial payment of US\$7,400,000 would constitute US\$3,916,151 as to interest and US\$3,483,849 as to principal.
  - Total principal amount owing after the partial prepayment on September 9, 2016 would be US\$57,896,151.
  - Interest accrual from September 9, 2016 to December 8, 2016 would be US\$592,220.
- 2) If the total amount of loan is to be fully repaid by the end of February 2017, the new applicable rate would be 4.9895% per annum, effective and calculated from the Existing Maturity date and the interest and principal amount under this circumstance would be recalculated from the Existing Maturity Date and would be:
  - Interest accrued after the Existing Maturity Date, up to September 9, 2016 would be US\$806,241, for total interest owing on September 9, 2016 of US\$4,061,241.
  - The partial payment of US\$7,400,000 would constitute US\$4,061,241 as to interest and US\$3,338,759 as to principal.
  - Total principal amount owing after the partial prepayment on September 9, 2016 would be US\$58,041,241.



中國機械設備工程股份有限公司  
China Machinery Engineering Corporation

No. 178, Guang anmenwai Street, Beijing 100055, China <http://www.cmec.com>  
Email: [cmec@mail.cmec.com](mailto:cmec@mail.cmec.com) Tel: (86-10) 63451188 Fax: (86-10) 63261865

- Interest accrual from September 9, 2016 to December 8, 2016 would be US\$723,992.

JD can choose one of the above two options, in which case:

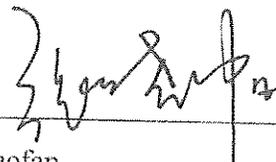
- JD would open a separate segregated account for Blair House rents, with CMEC to have a security agreement in respect of such account that would include a first ranking security interest on such account, registered under the PPSA;
- JD would pay interest monthly, on the first day of each month, with the interest accrued from the 9<sup>th</sup> day of September, 2016 to be paid on the first day of the month next following execution, delivery and registration of the repayment/restructuring documentation;
- Provided that JD continued to make the monthly interest payments, CMEC would provide the consent for the severance of Parcels D and B.

This letter is provided for discussion purpose only and is not to be construed as a commitment from CMEC nor as a waiver of CMEC's rights and remedies arising as a result of JD's default under its mortgage loan. CMEC reserves all of its rights and remedies under its mortgage loan and related security and at law.

Please reply to this letter in writing within 2 (two) weeks after receipt of it.

Yours very truly,

CHINA MACHINERY ENGINEERING CORPORATION

Per: 

Zhang Xiaofan  
Assistant to General Manager

cc: JD Development Group Corp.  
Fogler Rubinoff LLP  
Davies Ward Phillips & Vineberg LLP

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

Proceedings commenced at Toronto

**AFFIDAVIT OF YUEQING ZHANG  
(Sworn June 14, 2018)**

**MILLER THOMSON LLP**

40 King Street West  
Suite 5800  
Toronto, Ontario  
M5H 3S1, Canada

**Kyla Mahar LSO#: 44182G**

Tel: 416.597.4303 / Fax: 416.595.8695

**Gregory Azeff LSO#: 45324C**

Tel: 416.595.8695 / Fax: 416.595.2660

Lawyers for the Respondents, 2284649 Ontario Inc.,  
2270613 Limited Partnership and 2270613 Ontario Inc.

CHINA MACHINERY  
ENGINEERING CORPORATION

v. 2284649 ONTARIO INC., et. al.

Court File No.: CV-18-591534-00CL

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

Proceedings commenced at Toronto

**AFFIDAVIT OF YUEQING ZHANG  
(Sworn June 14, 2018)  
VOLUME 3 OF 3**

**MILLER THOMSON LLP**

40 King Street West  
Suite 5800  
Toronto, Ontario  
M5H 3S1, Canada

**Kyla Mahar LSO#: 44182G**

Tel: 416.597.4303 / Fax: 416.595.8695

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Tel: 416.595.8695 / Fax: 416.595.2660

Lawyers for the Respondents, 2284649 Ontario Inc.,  
2270613 Limited Partnership and 2270613 Ontario Inc.