



**Fourth Report to Court of
KSV Kofman Inc. as Proposal
Trustee of 2301132 Ontario Inc. and
2309840 Ontario Inc.**

December 7, 2018

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COURT FILE NO.: 31-2413442

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
(IN BANKRUPTCY AND INSOLVENCY)

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF
2301132 ONTARIO INC. AND 2309840 ONTARIO INC.,
OF THE CITY OF PORT PERRY, IN THE PROVINCE OF ONTARIO

FOURTH REPORT OF KSV KOFMAN INC. AS PROPOSAL TRUSTEE OF
2301132 ONTARIO INC. AND 2309840 ONTARIO INC.

DECEMBER 7, 2018

1.0 Introduction

1. This report (the "Report") is filed by KSV Kofman Inc. ("KSV") in its capacity as proposal trustee ("Proposal Trustee") in connection with Notices of Intention to Make a Proposal ("NOI") filed by 2301132 Ontario Inc. ("2301") and 2309840 Ontario Inc. ("2309", and together with 2301, the "Companies") on August 24, 2018 pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended ("BIA").
2. On September 20, 2018, the Ontario Superior Court of Justice (Commercial List) (the "Court") issued an order, *inter alia*, administratively consolidating the Companies' NOI proceedings and granting an administrative charge in the amount of \$450,000.
3. The principal asset owned by 2301 is real property municipally described as 13764 Highway 7, Georgetown ("13764") and 8 Lindsay Court, Georgetown ("8 Lindsay", and together with 13764, the "2301 Properties").
4. The principal asset owned by 2309 is real property municipally described as 13758 Highway 7, Georgetown ("13758"), 10 Lindsay Court, Georgetown ("10 Lindsay") and 22 and 24 Dayfoot Drive, Georgetown ("Dayfoot", and together with 13758 and 10 Lindsay, the "2309 Properties").
5. 8/10 Lindsay and 13758/13764 are four of five properties that comprise one development site (the "Owned Assembly Properties"). The fifth property (the "Purchase Option Property") is owned by a third party, Credit Temple Corporation ("Credit Temple"). (Together, the Owned Assembly Properties and the Purchase Option Property are referred to as the "Assembly". The Owned Assembly Properties and Dayfoot are collectively referred to as the "Real Property".)

6. 2491324 Ontario Inc. (“2491”), a corporation that is an affiliate of the Companies but is not subject to these NOI proceedings, has entered into an Agreement of Purchase and Sale with Credit Temple to acquire the Purchase Option Property for \$4.2 million (the “Temple APS”), with a closing date to occur within 90 days of site plan approval of the Assembly (the “Purchase Option”). 2491 is controlled by Brian Tilley, the individual who controls the Companies. The Temple APS requires that the owner of the Purchase Option own all the Real Property.
7. On October 15, 2018, the Court issued an order (the “SISP Order”) approving a Sale and Investment Solicitation Process (the “SISP”). The principal purpose of the Companies’ restructuring proceedings is to create a stabilized environment to allow the Companies to enter into a transaction for the Real Property. A copy of the SISP Order is attached as Appendix “A”.
8. In accordance with the terms of the SISP Order, E. Manson Investments Limited (“EMIL”) and the Companies, with the assistance and oversight of the Proposal Trustee, entered into an Agreement of Purchase and Sale (the “Stalking Horse APS”) pursuant to which EMIL agreed to act as a stalking horse bidder in the SISP (the “Stalking Horse Bidder”) for the Real Property and agreed to purchase the Real Property.
9. The current deadline for each of the Companies to file a proposal with the Official Receiver is December 21, 2018.
10. A summary of the first ranking mortgagees registered against each property (“First Mortgagees”) is provided in the table below (the “First Mortgages”).

First Mortgagee	Mortgage Collateral	Original Mortgage Amount (\$) ¹
HarbourEdge Mortgage Investment Corporation	13764 Hwy 7 and Dayfoot	1,925,000
Home Trust Company	13758 Hwy 7	412,000
2413349 Ontario Inc. and Derek Martin	8 Lindsay	350,000
Stasis Group Inc. and 2561388 Ontario Inc.	10 Lindsay	2,697,655

11. In addition to the First Mortgages, the Real Property has the following subsequent ranking mortgages:
 - a) JYR Real Capital Mortgage Investment Corporation (“JYR”) has a mortgage over all of the Real Property in the amount of approximately \$2,368,000. JYR’s mortgage ranks immediately subordinate to the First Mortgages;
 - b) Building & Development Mortgages Canada Inc. (“BDMC”) has mortgages in the aggregate amount of approximately \$14,000,000 over all of the Real Property. The BDMC mortgages rank immediately subordinate to the JYR mortgage on each property; and

¹ Before interest and fees, which continue to accrue.

- c) Certain other mortgages rank subordinate to the BDMC mortgage on each of the properties.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide background information about the NOI proceedings;
 - b) summarize the results of the SISP;
 - c) summarize a sale transaction (the “Transaction”) with JYR and Leaping Loft Ltd. (collectively, the “Purchaser”) for the Purchased Assets (as described below) pursuant to an Agreement of Purchase and Sale dated November 28, 2018 between the Companies and the Purchaser (the “APS”);
 - d) recommend that the Proposal Trustee pay, immediately following closing, the Break Fee and Expense Reimbursement due to the Stalking Horse Bidder under the terms of the Stalking Horse APS;
 - e) discuss the Companies’ request for an extension of the time to file a proposal with the Official Receiver from December 21, 2018 to February 4, 2019;
 - f) report on the Companies’ unconsolidated weekly cash flow projections for the period December 22, 2018 to February 4, 2019 (“Cash Flow Forecasts”);
 - g) summarize the Proposal Trustee’s activities since its Third Report to Court dated October 29, 2018 (“Third Report”);
 - h) recommend that the Court make an order, *inter alia*:
 - i) approving the APS and the Transaction;
 - ii) authorizing and directing the Companies to complete the Transaction to convey to the Purchaser the Purchased Assets, and vesting the Purchased Assets in the Vesting Entities (as defined in the APS) on closing, free and clear of claims and encumbrances other than the Permitted Encumbrances (as defined in the APS), upon execution and delivery of a certificate issued by the Proposal Trustee confirming completion of the Transaction; and
 - iii) granting the Companies’ request for an extension of the time to file a proposal with the Official Receiver from December 21, 2018 to February 4, 2019.

1.2 Court Materials

1. The Court materials filed in these proceedings are available on the Proposal Trustee’s website at <http://ksvadvisory.com/insolvency-cases/2301132-ontario-inc-and-2309840-ontario-inc/>.

2.0 SISP

2.1 Overview

1. The SISP Order, *inter alia*:
 - a) authorized and directed the the Companies, with the assistance and oversight of the Proposal Trustee, to enter into the Stalking Horse APS for the purpose of conducting the SISP; and
 - b) authorized the Proposal Trustee to retain Colliers Macaulay Nicolls Inc. (“Colliers”) as the listing agent for the Real Property.
2. A summary of the SISP conducted for the Real Property is as follows:

Pre-marketing Phase

- a) In connection with the SISP Order, the Proposal Trustee and Colliers assembled information concerning the Real Property to be made available to interested parties in a virtual data room;
- b) Colliers and the Proposal Trustee prepared:
 - an investment summary detailing the acquisition opportunity for the Real Property (the “Investment Summary”);
 - a confidentiality agreement (“CA”);
 - a virtual data room, which contained, *inter alia*, a summary of the Companies' development plans and a copy of the Stalking Horse APS; and
 - a Confidential Information Memorandum (“CIM”), which included a summary of the Real Property and details concerning the SISP.

Marketing

- a) On October 15, 2018, Colliers sent the investment summary to over 500 builders and investors in the Greater Toronto Area;
- b) The CA was attached to the Investment Summary. Interested parties were required to sign the CA to obtain a copy of the CIM and to access the data room;
- c) Colliers met with and discussed the opportunity with over 50 developers and builders;
- d) Colliers placed “For Sale” signage on the Real Property; and
- e) The opportunity was advertised on Colliers' website. Further details of Colliers' marketing efforts are provided on a summary it prepared, which is attached as Appendix “B”.

Bid Deadline

- a) The SISP contemplated a bid deadline on or around the end of the sixth week of the SISP. In consultation with Colliers, the Proposal Trustee set November 28, 2018 as the bid date (the “Bid Deadline”); and
- b) In order to facilitate comparison of the offers submitted, all interested parties were encouraged to submit their offers in the form of the Stalking Horse APS provided in the data room, and to blackline any changes made to that agreement.

2.2 SISP Results²

1. A summary of the results of the SISP is as follows:
 - a) 24 parties executed the CA, were provided a copy of the CIM and given access to the data room;
 - b) the only Qualifying Bid (in addition to the Stalking Horse APS) was submitted by the Purchaser;
 - c) pursuant to the SISP Procedures, the Proposal Trustee invited the two Qualified Bidders (being the Stalking Horse Bidder and the Purchaser) to participate in an Auction, which was to be held on December 5, 2018; and
 - d) the Stalking Horse Bidder advised on December 4, 2018 that it did not wish to participate in the Auction and accordingly, the Proposal Trustee declared the Purchaser the Successful Bidder at that time.

2.3 Transaction³

1. A copy of the APS is attached as Appendix “D”.
2. A summary of the Transaction is as follows:
 - a) **Purchaser:** JYR and Leaping Loft Ltd.⁴
 - b) **Purchased Assets:**
 - (i) the Real Property (Assembly and Dayfoot);
 - (ii) all prepaid expenses and all deposits with any Person, public utility or Governmental Authority relating to the Real Property;
 - (iii) the Plans;

² Capitalized terms in this section have the meaning provided to them in the Bidding Procedures and Auction Procedures unless otherwise defined herein. The Bidding Procedures and Auction Procedures are attached as Appendix “C”.

³ Capitalized terms in this section have the meaning provided to them in the APS unless otherwise defined herein.

⁴ The Purchased Assets will be vested in 266389 Ontario Inc., 2665926 Ontario Inc., and 2661426 Ontario Inc.

- (iv) the Contracts;
 - (v) the Permits, to the extent transferable; and
 - (vi) all intellectual property, if any, owned by the Companies with respect to the projects to be developed on the Real Property.
- c) **Purchase Price:** \$7 million, plus all applicable taxes; however, the Purchaser indicated that it was prepared to bid up to the full amount of the JYR debt at the Auction.
- d) **Deposit:** \$700,000.
- e) **Excluded Assets:** the right, title and interest of the Companies in any of their assets, other than the Purchased Assets, including: (i) books and records that do not exclusively or primarily relate to the Purchased Assets; and (ii) tax refunds relating to the period prior to the Closing Date.
- f) **Representations and Warranties:** consistent with the standard terms of an insolvency transaction, i.e. on an “as is, where is” basis, with limited representations and warranties.
- g) **Closing:** first business day which is five business days after receipt of Sale Approval Order.
- h) **Material Conditions:**
- (i) the purchase price is to be allocated to each of the Real Properties so that each of the First Mortgages is repaid in full;
 - (ii) the assignment of the Temple APS to the Purchaser or a party related to the Purchaser;
 - (iii) there shall be no order issued by a Governmental Authority against either the Companies or the Purchaser involving the Purchased Assets that prevents completion of the Transaction;
 - (iv) there shall be no new work orders or similar orders and no new Encumbrances registered on title to the Real Property or affecting title to the Real Property arising or registered after the Acceptance Date which cannot be foreclosed pursuant to the Sale Approval Order;
 - (v) there shall be no new environmental issue that causes a material adverse effect on the Real Property nor any other material adverse change to the condition or operation of the Assembly; and
 - (vi) the Court shall have issued the Bidding Procedures Order and the Sale Approval Order and those orders shall not have been amended or dismissed at the time of Closing.

i) **Termination:**

(i) The APS can be terminated:

- upon mutual written agreement of the Companies and the Purchaser;
- if any of the conditions in favour of the Purchaser or the Companies are not waived or satisfied; or
- if prior to closing: (a) the Purchased Assets are substantially damaged or destroyed⁵; or b) all or a material part of the Real Property is expropriated by a Governmental Authority.

2.4 Consultation with BDMC

1. During these NOI proceedings, the Proposal Trustee provided periodic updates to FAAN Mortgage Administrators Inc. ("FAAN") concerning the SISP. FAAN has been appointed by the Court as the trustee to administer BDMC's syndicated mortgage loans. Based on discussions with FAAN's representatives, the Proposal Trustee understands that FAAN took steps to facilitate or identify potential transactions for the Real Property.

2.5 SISP Recommendation

1. For the following reasons, the Proposal Trustee recommends that the Court issue an order approving the Transaction:
 - a) the SISP was conducted in accordance with the terms of the SISP Order;
 - b) the Transaction provides for the greatest recovery available in the circumstances;
 - c) a large and reputable realtor, Colliers, was retained to assist to conduct the SISP;
 - d) the market was canvassed using several strategies commonly used to sell real property, including direct solicitation of investors and developers by Colliers and by placing signage on the Real Property. Colliers undertook a thorough marketing of the Real Property;
 - e) Colliers is of the view that the Transaction is the best available in the circumstances;
 - f) subordinate ranking creditors were aware of the process and participated in it. In this regard, JYR is part of the Successful Bidder and the Proposal Trustee has communicated with FAAN regarding the status of the SISP.

⁵ Substantial damage is deemed to have occurred if the loss or damage to the Purchased Assets exceeds 15% of the Purchase Price.

3.0 Distribution of Proceeds

1. Bennett Jones LLP (“Bennett Jones”), the Proposal Trustee’s counsel, provided the Proposal Trustee with an opinion on the security held by each of the Companies’ mortgagees, including the First Mortgagees and JYR. The opinion, dated November 23, 2018, sets out that, subject to the standard assumptions, qualifications and limitations contained therein, each of the Companies’ mortgagees, including each of the First Mortgagees and JYR, hold valid and perfected security interests in the Companies’ Real Property as set out in its respective security documents. A copy of the opinion can be made available to the Court on its request.
2. The terms of the SISP require full repayment of the First Mortgages upon closing of the Transaction. Section 4.4(a) of the APS provides that the Purchaser will pay the First Mortgages directly.
3. As required pursuant to the terms of the SISP, the Proposal Trustee intends to pay the Bid Protections to the Stalking Horse Bidder immediately following closing of the Transaction.
4. The Proposal Trustee notes that there are two executions filed against 2301 for an aggregate amount of \$703,688.54 on account of judgements, costs and related fees. The Proposal Trustee understands that neither of the writs has been completed being executed by payment, and as such, the Proposal Trustee’s view is that the writs do not rank in priority to the mortgages.

4.0 Cash Flow Forecast

1. Pursuant to the provisions of the BIA, each of the Companies is required to prepare a cash flow forecast in the context of the Companies’ request for an extension of the time to file a proposal with the Official Receiver. Each of the Companies’ main asset is the Real Property. There are no projected receipts or disbursements for each of the Companies during the projection period, being December 22, 2018 to February 4, 2019 (the “Period”). The cash proceeds from the closing of the Transaction have not been reflected in the Cash Flow Forecast. The proceeds will be used to fund the costs of these proceedings⁶, pay the Bid Protections and repay the First Mortgagees. Any surplus funds from the Transaction will be distributed to the Companies’ creditors in accordance with priorities. The Cash Flow Forecast for each of the Companies, together with Management’s Reports on the Cash-Flow Statements as required by Section 50.4(2)(c) of the BIA, are provided in Appendix “E”.
2. Based on the Proposal Trustee’s review of the Cash Flow Forecasts, there are no material assumptions which seem unreasonable in the circumstances. The Proposal Trustee’s Report on the Cash Flow Statement for each of the Companies as required by Section 50.4(2)(b) of the BIA is attached as Appendix “F”.

⁶ Because of the Companies’ illiquidity, the professionals involved in these proceedings agreed to defer substantially all of their fees until closing on the basis that they would be paid from the Transaction proceeds.

5.0 Companies' Request for an Extension

1. The Companies are seeking an extension of the time to file a proposal with the Official Receiver to February 4, 2019.
2. The Proposal Trustee supports the Companies' request for the following reasons:
 - a) the Companies are acting in good faith and with due diligence;
 - b) it will allow the Proposal Trustee and the Companies time to complete the Transaction and deal with sundry matters related thereto;
 - c) the Companies would likely be able to make a viable proposal if the extension is granted;
 - d) no creditor would be materially prejudiced if the extension is granted; and
 - e) as at the date of this Report, the Proposal Trustee is not aware of any party opposed to an extension.

6.0 Summary of the Proposal Trustee's Activities

1. The Proposal Trustee's activities since the Third Report have included:
 - a) corresponding regularly with Mr. Tilley, the principal of the Companies, regarding various matters in these proceedings;
 - b) preparing statutory cash flow forecasts, Management's Reports on the Cash Flow Statements and the Proposal Trustee's Reports on the Cash Flow Statements;
 - c) compiling and updating the Companies' creditors lists;
 - d) corresponding with Mr. Tilley and Colliers regarding the SISP;
 - e) corresponding with FAAN regarding the SISP;
 - f) carrying out the SISP;
 - g) drafting reports to Court;
 - h) attending at Court as required;
 - i) corresponding with DLA Piper Canada LLP, the Companies' legal counsel, and Bennett Jones, regarding various matters in these proceedings;
 - j) corresponding with mortgagees;
 - k) preparing for the Auction and corresponding with the Qualified Bidders regarding same;

- l) posting materials filed with the Court on the Proposal Trustee's website established for these proceedings; and
- m) maintaining the service list.

7.0 Conclusion and Recommendation

1. Based on the foregoing, the Proposal Trustee respectfully recommends that this Honourable Court make an order granting the relief detailed in Section 1.1(1)(h) of this Report.

* * *

All of which is respectfully submitted,



**KSV KOFMAN INC.
SOLELY IN ITS CAPACITY AS TRUSTEE UNDER THE
NOTICES OF INTENTION TO MAKE A PROPOSAL OF
2301132 ONTARIO INC. AND 2309840 ONTARIO INC.
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
(IN BANKRUPTCY AND INSOLVENCY)



THE HONOURABLE MR.)

MONDAY, THE 15th DAY OF

JUSTICE MCEWEN)

OCTOBER, 2018

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c. B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A
PROPOSAL OF 2301132 ONTARIO INC. AND 2309840 ONTARIO INC.,
OF THE CITY OF PORT PERRY, IN THE PROVINCE OF ONTARIO

ORDER

THIS MOTION, made by 2301132 Ontario Inc. (“**2301132**”) and 2309840 Ontario Inc. (“**2309840**”, and together with 2301132, the “**Companies**”), pursuant to Sections 50.4(9) and 64.2(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), for an order, *inter alia*, approving a “stalking horse” sale and refinancing solicitation process (the “**SISP**”) in respect of the Companies and approving a stalking horse agreement of purchase and sale (the “**Stalking Horse APS**”) between the Companies and E. Manson Investments Limited, (“**EMIL**”) for the purposes of the SISP, was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Companies, the second report of KSV Kofman Inc., in its capacity as proposal trustee of each of the Companies (the “**Proposal Trustee**”), dated October 5, 2018 (the “**Second Report**”) and the appendices thereto, and on hearing the submissions of counsel for the Companies, counsel for the Proposal Trustee, counsel for EMIL and those other parties listed on the counsel slip, no one else appearing for any other person

although duly served as appears from the Affidavit of Service of Danny M. Nunes sworn October 10, 2018, filed.

SERVICE

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

APPROVAL OF STALKING HORSE SISP

2. **THIS COURT ORDERS** that the SISP, as described in Section 5 of the Second Report, be and is hereby approved.

3. **THIS COURT ORDERS** that the Bidding Procedures Set out in Schedule "A" to the Stalking Horse APS and the break fee and expense reimbursement set out in Section 14.2 of the Stalking Horse APS are each hereby approved and that the Stalking Horse APS is hereby approved solely for the purposes of standing as the Stalking Horse Bid in the SISP, provided that if EMIL is the successful bidder under the SISP, implementation of the transaction contemplated by the Stalking Horse APS will be subject to the Court's approval upon further motion by the Companies.

4. **THIS COURT ORDERS** that the Proposal Trustee be and is hereby authorized and directed to enter into the Multiple Listing Services Agreement in respect of the Real Property (as defined in the Second Report) with Colliers Macauley Nicolls Inc. as listing agent (the "**Listing Agreement**").

5. **THIS COURT ORDERS** that the Companies and the Proposal Trustee be and are hereby authorized and directed to perform their obligations under and in accordance with the SISP, including under the terms of the Listing Agreement, and take such further steps as they consider necessary or desirable in carrying out the SISP and any steps taken by the Companies and/or the Proposal Trustee in connection with the SISP prior to the date hereof, as described in the Second Report, be and are hereby approved and ratified.

6. **THIS COURT ORDERS** that the Companies and the Proposal Trustee shall have no personal or corporate liability in connection with the SISP.

BREAK FEE CHARGE

7. **THIS COURT ORDERS** that EMIL shall be entitled to the benefit of and is hereby granted a charge (the “**Break Fee Charge**”) on the current and future assets, undertakings and properties of the Companies of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”), which charge shall not exceed the amount of \$225,000, as security for payment of the break fee and expense reimbursement provided for under Section 14.2 of the Stalking Horse APS. The Break Fee Charge shall have the priority set out in paragraphs 8 and 9 hereof.

8. **THIS COURT ORDERS** that the filing, registration or perfection of the Break Fee Charge shall not be required, and that the Break Fee Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the Break Fee Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

9. **THIS COURT ORDERS** that the Break Fee Charge shall rank subordinate to the real property mortgages granted by the Companies to and registered in favour of Home Trust Company (Instrument No. HR923507), 2413349 Ontario Inc. and Derek Martin (Instrument No. HR985367), Harbouredge Mortgage Investment Corporation (Instrument No. HR1071229) (the “**Priority Charges**”) and the administration charge granted pursuant to the Order of the Honourable Mr. Justice Wilton-Siegel dated September 20, 2018 (the “**Administration Charge**”). With the exception of the Priority Charges and the Administration Charge, the Break Fee Charge shall rank in priority as against all other valid perfected security interests, trusts, liens, charges and encumbrances, including the real property mortgage granted by 2301132 in favour of Stasis Group Inc. and 2561388 Ontario Inc. (Instrument No. HR1384990), claims of secured creditors, statutory or otherwise, granted by each of the Companies or to which each of the Companies is subject (together, the “**Encumbrances**”) as of the date of this Order.

10. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by further order of this Court, the Companies shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, the Break Fee Charge.

11. **THIS COURT ORDERS** that the Break Fee Charge shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Break Fee Charge (the “**Chargees**”) thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to the BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (together, the “**Agreements**”) which binds the Companies, and notwithstanding any provision to the contrary in any Agreement:

- (a) the creation of the Break Fee Charge shall not create or be deemed to constitute a breach by the Companies of any Agreement to which either of them is a party;
- (b) none of the Chargees shall have any liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the creation of the Break Fee Charge; and
- (c) the payments made by the Companies pursuant to this Order, and the granting of the Break Fee Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct or other challengeable or voidable transactions under any applicable law.

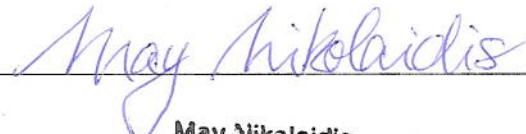
12. **THIS COURT ORDERS** that the Break Fee Charge created by this Order over leases of real property in Canada shall only be an Break Fee Charge in the Companies’ interest in such real property leases.

GENERAL

13. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or the United States, to give effect to this Order and to assist the Companies, the Proposal Trustee and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Companies and to the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Proposal Trustee in any foreign proceeding, or to assist the Companies and the Proposal Trustee and their respective agents in carrying out the terms of this Order.

14. **THIS COURT ORDERS** that each of the Companies and the Proposal Trustee shall be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.

15. **THIS COURT ORDERS** that Confidential Appendix 1 to the Second Report shall be sealed and remain confidential pending further order of this Court.



May Nikolaidis
Registrar, Superior Court of Justice

ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:
OCT 16 2018

PER / PAR: 

IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985, c. B-3, AS AMENDED

AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF 2301132 ONTARIO INC. and 2309840 ONTARIO INC., OF THE CITY OF PORT PERRY, IN THE PROVINCE OF ONTARIO

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY

PROCEEDINGS COMMENCED AT TORONTO

ORDER

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**Lawyers for 2309840 Ontario Inc. and 2301132 Ontario
Inc.**

Appendix “B”



8.52 acres



2.31 acres



Georgetown Marketing Summary

November 28, 2018

Marketing Program Summary

Marketing launch: Monday October 15, 2018 (HTML)
Tuesday October 16, 2018 (MLS)

HTML Email Blasts Sent:

- #1 – Monday October 15, 2018
- #2 – Thursday October 25, 2018
- #3 – Monday November 5, 2018
- #4 – Thursday November 22, 2018

Globe and Mail Ad:

Thursday October 18, 2018
Tuesday October 23, 2018

Colliers Website:

<http://www.collierscanada.com/en/25969>



Marketing Program Reach



Distribution database:

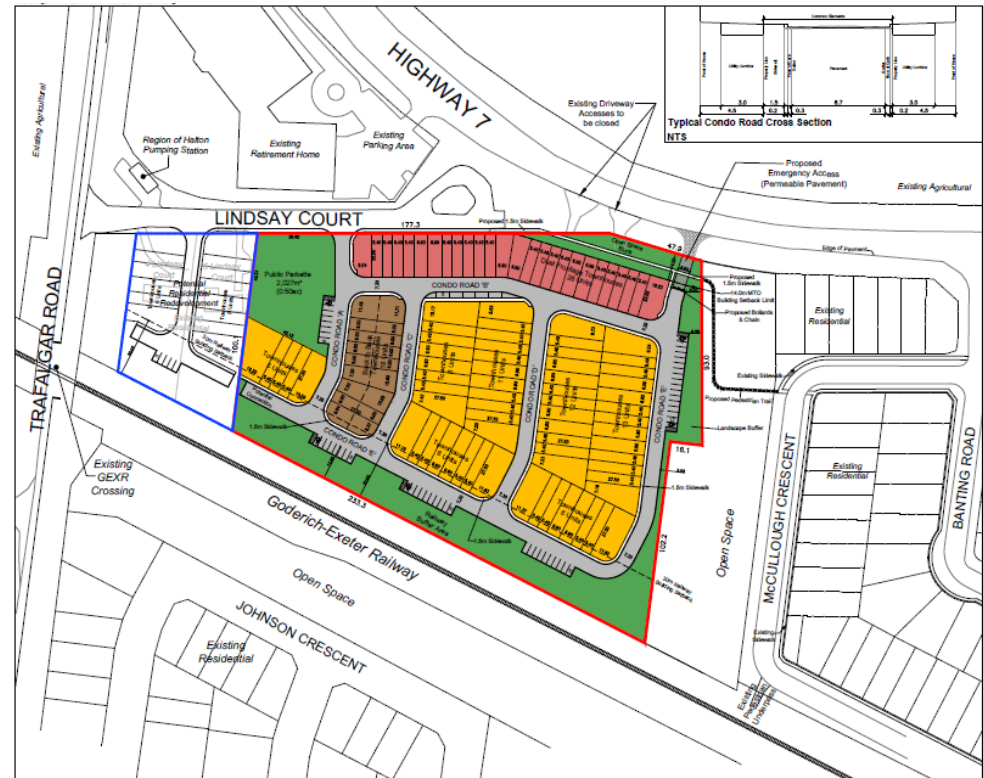
828 recipients

Number of CAs signed:

24

Executed CAs received from:

- 1204373 Ontario Limited
- Amico Affiliates
- Branthaven Development Corp.
- Brent Presswood Realtor
- Cachet Developments
- Fernbrook Homes
- Gilbert Boland
- Invidiata Holdings
- Jim Cooper
- JYR Real Capital Mortgage Investment Corporation
- MacPherson Builders Limited
- Mario Cortellucci
- Melrose Investments
- Mikmada Homes
- National Homes
- Orion Realty Corporation
- Projectcore Inc.



- Quadcam Development Group Inc.
- Quatro Holdings
- Royalpark Homes
- Spectrum Realty
- State Building Group
- Summit View Homes
- The Acorn Development Corporation
- Transmetro Limited
- TSC Law Professional Corporation

Accelerating success.



Infill Residential Development

HALTON HILLS, ONTARIO

- 8.52 acre parcel OMB approved for 109 townhomes
- 2.31 acres designated medium/high density residential within Georgetown GO Station Secondary Plan
- Court-ordered process
- Purchase and refinancing offers will be considered
- Transactions must include all properties

collierscanada.com/25969

Ryan Thomson*
+1 416.620.2817
Ryan.Thomson@colliers.com



HTML Email



10.83 ACRE DEVELOPMENT OPPORTUNITY



8, 10 & 12 LINDSAY COURT, 13758 & 13764 HIGHWAY 7 AND
22-24 DAYFOOT DRIVE, HALTON HILLS, ON



- [DOWNLOAD CONFIDENTIALITY AGREEMENT](#)
- [8.517 ACRE SITE PLAN AND AERIAL](#)
- [2.313 ACRE SITE AERIAL](#)

For more information about this offering please contact:



Ryan Thomson »
Vice President, Sales Representative

T: +1 416 620 2817

Ryan.Thomson@colliers.com



Two Parcels:
8.517 acres
(Lindsay Court)
2.313 acres
(Dayfoot Drive)



Lindsay: 8.517 acre parcel
OMB approved for 109 units
Dayfoot: 2.313 acre parcel
designated medium/high density
residential with Georgetown GO
Station Secondary Plan



Surrounding Views
of Neighbourhood
and Green Space



Short Distance to
Georgetown
GO Station



Proximity to
Retail Amenities

Colliers Macaulay Nicolls Inc. has been retained in connection with the disposition and/or refinancing of the properties totaling approximately 10.83 acres located at 8, 10 & 12 Lindsay Court, 13758 & 13764 Highway 7 and 22-24 Dayfoot Drive, Halton Hills.

To receive additional information on this offering, we ask interested parties to sign and return the Confidentiality Agreement linked below to ramona.dsouza@colliers.com.

RYAN THOMSON

Vice President

Sales Representative

ryan.thomson@colliers.com

+1 416 620 2817



Appendix “C”

Schedule A

IN THE MATTER OF THE NOTICES OF INTENTION TO MAKE A PROPOSAL OF 2309840 ONTARIO INC. and 2301132 ONTARIO INC. (the "Debtor Companies") under the *BANKRUPTCY AND INSOLVENCY ACT*, R. S. C. 1985 c B-3 as amended. (the "BIA")

Bidding Procedures

Set forth below are the bidding procedures (the "**Bidding Procedures**") to be employed with respect to the sale (the "**Sale**") or Refinancing (a "**Refinancing**") of the real property owned by the Debtor Companies known municipally as 8 Lindsay Court, 10 Lindsay Court, 13758 Highway 7, 13764 Highway 7 (the "**Owned Assembly Lands**") and 22 and 24 Dayfoot Drive (the "**Dayfoot Lands**") and together with the Owned Assembly Lands, the "**Real Property**") all in the city of Halton Hills, Ontario, together with associated, plans, approvals, studies, etc. (collectively, the "**Debtors' Assets**") by the Debtor Companies pursuant to a court approved solicitation process in the matter of the Notices of Intention to make a Proposal of the Debtor Companies under the BIA.

On October __, 2018, the Court issued an order (the "**Bidding Procedures Order**") approving and accepting for the purpose of conducting a "stalking horse" solicitation process (the "**Stalking Horse Process**") in accordance with these Bidding Procedures that certain asset purchase agreement dated October __, 2018 (the "**Stalking Horse Bid**") between the Debtor Companies and Rescom Group (the "**Stalking Horse Bidder**"), including, without limitation, the payment of a break fee and expense reimbursement (the "**Break Fee and Expense Reimbursement**") by the Debtor Companies to the Stalking Horse Bidder in accordance with the provisions of the Stalking Horse Bid, and approving these Bidding Procedures. All amounts specified herein are in Canadian dollars.

Subject to Court availability, within ten (10) business days following the Auction (defined below) the Debtor Companies shall bring a motion (the "**Approval Motion**") seeking the granting of an order by the Court either authorizing the Debtor Companies to proceed with a Refinancing or authorizing and approving the Sale of the Debtors' Assets to the Qualified Bidder making the Successful Bid (each as defined below) (the "**Successful Bidder**") (such order, as approved, the "**Approval Order**").

Assets to Be Sold or Refinanced En Bloc

The Debtor Companies are offering for Sale or Refinancing all of the Debtor Companies' right, title and interest in and to all of the Real Property comprising the Debtors' Assets en bloc and only a bid for all the Debtors' Assets, in whole and not in part can be eligible to be a Qualified Bid (as defined below). KSV Kofman Inc. in its capacity as Trustee under the Notices of Intention to Make a Proposal of the Debtor Companies (the "**Trustee**") will be responsible for conducting the solicitation process and Auction (if any) on behalf of the Debtor Companies.

The Bidding Process

The Trustee has retained Colliers Macaulay Nicolls Inc. (the “**Realtor**”) to act as listing agent for the Debtors’ Assets. The Bidding Procedures Order approved the appointment of the Realtor and the process described by the Trustee’s Second Report to Court dated October 9, 2018 (the “**Bidding Process**”), which is set out below. The Trustee shall have the right to adopt such other rules for the Bidding Process (including rules that may depart from those set forth herein) that in its reasonable business judgment will better promote the goals of the Bidding Process, including to accommodate a refinancing of the Debtors’ Assets, *provided, however*, that the adoption of any rule that materially deviates from these Bidding Procedures shall require the consent of the Option Holder and the Stalking Horse Bidder.

Participation Requirements

“**Qualified Bidder**” is; (i) a bidder who submits a Sale bid in substantially the same form as the Stalking Horse Bid, for a Purchase Price of at least \$6,975,000 and includes the Required Bid Terms and Materials (as defined below), or (ii) a bidder submitting a Refinancing proposal in an amount of not less than \$6,975,000, as determined by the Proposal Trustee in its sole discretion, that includes all material business terms, and includes Required Bid Terms and Materials (as defined below) other than (iv) below. Any bid meeting these criteria that is received by the Realtor before the Bid Deadline is a qualified bid (“**Qualified Bid**”).

Bid Deadline

A Qualified Bidder that desires to make a bid shall deliver written copies of its bid and the Required Bid Terms and Materials to the Realtor not later than 5:00 p.m. (prevailing Eastern time) on November 28, 2018 (the “**Bid Deadline**”).

Bid Requirements

All bids (other than the Stalking Horse Bid) must include, unless such requirement is waived by the Trustee, the following (collectively, the “**Required Bid Terms and Materials**”):

- (i) Subject to the “Credit Bidding” provisions below, a base cash purchase price or transaction value equal to or greater than \$6,975,000, being the Stalking Horse Bid (\$6,700,000) plus the break fee (\$175,000), expense reimbursement (\$50,000) and \$50,000 bid increment (the “**Base Purchase Price**”);
- (ii) A provision stating that the bidder’s offer is irrevocably open for acceptance until the Debtors’ Assets have been sold pursuant to the closing of the sale approved by the Court;
- (iii) A provision stating that the bidder’s offer requires that all first mortgages on the parcels comprising the Real Property are to be paid in full from the transaction proceeds concurrent on closing of the transaction, or that any first mortgage being assumed in lieu of cash is being done with the prior written consent of the relevant mortgagee (a copy of which consent shall be provided with the bid) (a “**Consented Assumption**”);
- (iv) In the case of a proposed Sale transaction, an executed copy of a proposed purchase agreement and a redline of the bidder’s proposed purchase agreement reflecting variations from the Stalking Horse Bid (the “**Marked Agreement**”);

- (v) In the case of a Refinancing transaction, a duly authorized and executed term sheet describing the detailed terms and conditions of the proposed transaction (which must include repayment in full or Consented Assumptions of each of the First Mortgages) including details regarding the proposed equity and debt structure of the Debtor Companies following completion of the proposed transaction and the aggregate amount of equity and debt investment (including the sources of such capital, the underlying assumptions regarding the pro forma capital structure, as well as anticipated tranches of debt, debt service fees, interest and amortization) to be made in the Debtor Companies, and the debt, equity or other instruments or securities, if any, proposed to be allocated to creditors of the Debtor Companies;
- (vi) A cash deposit in the amount of not less than \$700,000 in the form of a wire transfer, certified cheque or such other form acceptable to the Trustee (the “**Bid Deposit**”), which shall be held in the trust account of the Trustee’s solicitors (the “**Escrow Account**”). Funds shall be disbursed from the Escrow Account only as follows: (i) if the Qualified Bidder is the Successful Bidder, its Bid Deposit will be applied without interest to the purchase price payable by it under its bid on the closing thereof; and (ii) if the Qualified Bidder is not the Successful Bidder, then its Bid Deposit shall be returned without interest to it forthwith following the expiration of its offer (which in the case of the Back-Up Bidder shall be following closing of the sale to the Successful Bidder).
- (vii) An executed copy of a proposed Assignment and Assumption of Purchase Agreement in respect of the 12 Lindsay Court Agreement of Purchase and Sale, by 2491324 Ontario Inc. (the “**Option Holder**”) on substantially the same terms entered into by the Stalking Horse Bidder (including assignment consideration of \$300,000 payable to the Option Holder thereunder), save and except the name of the Assignee (the “**Option Agreement**”), or amended in a manner acceptable to the Option Holder. In the case of a Refinancing proposal the assignee shall be determined in consultation with the Proposal Trustee and the Debtor Companies.

A Sale or Refinancing bid received from a Qualified Bidder that includes all of the Required Bid Terms and Materials and is received by the Bid Deadline is a “**Qualified Bid**”. The Trustee reserves the right to determine the value of any Qualified Bid, and which Qualified Bid constitutes the best offer (the “**Lead Bid**”). Details of the Lead Bid will be provided by the Trustee to all Qualified Bidders after the Bid Deadline and no later than 5:00p.m. (Eastern Time) two Business Days before the date scheduled for the Auction.

Notwithstanding the bid requirements detailed above, the Stalking Horse Bid shall be deemed to be a Qualified Bid.

Credit Bidding

Any mortgagee having a valid mortgage over all of the Real Property, may, alone or in concert with other mortgagees having a mortgage over all of the Real Property, credit bid the indebtedness owed to them by the Debtor Companies in connection with the making of a Qualified Bid (or in the conduct of the Auction) and may assume any first mortgage over any individual parcel or parcels comprising the Real Property by way of Consented Assumption,

provided that the bid includes a minimum cash payment of \$4.0 million as part of the Base Purchase Price.

“As Is, Where Is, With All Faults”

The Sale or Refinancing of the Debtors’ Assets shall be on an “as is, where is” and “with all faults” basis and without representations, warranties, or guarantees, express, implied or statutory, written or oral, of any kind, nature, or description by the Trustee or the Debtor Companies or their agents, representatives, partners or employees, or any of the other parties participating in the sales process pursuant to these Bid Procedures, except as may otherwise be provided in a definitive purchase agreement with the Debtor Companies. By submitting a bid, each Qualified Bidder shall be deemed to acknowledge and represent that it has had an opportunity to conduct any and all due diligence regarding the Debtors’ Assets prior to making its bid, that it has relied solely upon its own independent review, investigation and/or inspection of any documents and/or the Debtors’ Assets in making its bid, and that it did not rely upon any written or oral statements, representations, warranties, or guarantees, express, implied, statutory or otherwise, regarding the Debtors’ Assets, the financial performance of the Debtors’ Assets or the physical condition or location of the Debtors’ Assets, or the completeness of any information provided in connection therewith or the Auction, except as expressly stated in these Bidding Procedures or as set forth in a definitive purchase agreement with the Debtor Companies.

Free of Any and All Liens

Except as otherwise provided in the Stalking Horse Bid or another Successful Bidder’s purchase agreement, including any Consented Assumptions, and subject to any permitted encumbrances therein, all of the Debtor Companies’ right, title and interest in and to the Debtors’ Assets shall be sold free and clear of all liens and encumbrances pursuant to the Sale Approval Order except for Permitted Encumbrances (as defined in the Stalking Horse Bid).

The Sale and Auction Process

If one or more Qualified Bids (other than that submitted by the Stalking Horse Bidder) have been received by the Trustee on or before the Bid Deadline, the Trustee shall advise all Qualified Bidders of the Lead Bid and invite all Qualified Bidders (including the Stalking Horse Bidder) to attend the Auction to be conducted by the Trustee in accordance with the **Auction Procedures** attached hereto as Appendix 1.

If no Qualified Bid is submitted by the Bid Deadline, then the Stalking Horse Bid shall be the Successful Bid, and the Stalking Horse Bidder shall be the Successful Bidder.

Trustee To Determine Highest and/or Best Bid: The Trustee shall determine, in its reasonable business judgment, which Qualified Bid is the Lead Bid and which bid after each round of offers is the then-prevailing highest and/or best bid. In making such determination, the Trustee may consider, without limitation: (i) the amount and nature of the consideration; (ii) the proposed assumption of liabilities, if any, and the related implied impact on recoveries for creditors; (iii) the ability of the Qualified Bidder in question to close the proposed transaction; (iv) the proposed closing date and the likelihood, extent and impact of any potential delays in closing; (v) any purchase price adjustment; (vi) the net economic effect of any changes made to the Stalking Horse Bid; and (vii) such other considerations as the Trustee deems relevant in its

reasonable business judgment. At the end of each round of offers, the Trustee shall advise the Qualified Bidders of the material terms of the then highest and/or best bid, and the basis for calculating the total consideration offered in such offer. If at the end of any round of bidding a Qualified Bidder has elected not to submit a further bid meeting the criteria set out herein (including the Minimum Bid Increment), then such Qualified Bidder shall not be entitled to continue to participate in the next round of offers or in any subsequent round.

If only one Qualified Bid is submitted after a round of offers then that Qualified Bid shall be the Successful Bidder. The next highest offer, as determined by the Trustee (the "**Back-up Bid**"), shall be required to keep its offer open and available for acceptance until the closing of the Court Approved Refinancing or Sale of the Debtors' Assets to the Successful Bidder.

Highest versus Best Offer

In determining the Lead Bid, the highest and/or best Sale or Refinancing offer during each round of offers, and the Successful Bid, the Trustee is not required to select the offer with the highest purchase price or refinancing amount and may, exercising its reasonable business judgment, select another offer on the basis that it is the best offer even though not the highest purchase price. Without limiting the foregoing, the Trustee may give such weight to the non-monetary considerations as it determines, exercising its reasonable business judgment, is appropriate and reasonable, including those considerations described above under "Trustee To Determine Highest and/or Best Bid".

Break Fee and Expense Reimbursement

To provide an incentive and to compensate the Stalking Horse Bidder for performing the substantial due diligence and incurring the expenses necessary in entering into the Stalking Horse Bid with the knowledge and risk that arises from participating in the sale and subsequent bidding process, the Debtor Companies have agreed to pay the Stalking Horse Bidder, under the conditions outlined herein and in the Stalking Horse Bid, the Break Fee in the amount of \$175,000 and an Expense Reimbursement on account of its reasonable and documented out of pocket fees and expenses, up to a maximum of \$50,000 inclusive of HST, in the event that the Stalking Horse Bidder is not the Successful Bidder.

The Break Fee and Expense Reimbursement were material inducements for, and a condition of, the Stalking Horse Bidder's entry into the Stalking Horse Bid. The Break Fee and Expense Reimbursement, if payable in accordance with the Stalking Horse Bid, shall be paid in accordance with the Stalking Horse Bid and the Bidding Procedures Order.

Acceptance of Qualified Bids

The sale of the Debtors' Assets to any Successful Bidder by the Debtor Companies is expressly conditional upon the approval of the Successful Bid by the Court at the hearing of the Sale Approval Motion. The presentation of the Successful Bid to the Court for approval does not obligate the Debtor Companies to close the transaction contemplated by such Successful Bid unless and until the Court approves the Successful Bid. The Debtor Companies will be deemed to have accepted a bid only when the bid has been approved by the Court at the hearing on the Sale Approval Motion.

Sale Approval Motion Hearing

The Sale Approval Motion shall, subject to court availability, be made returnable on or before December 14 , 2018. The Trustee, in the exercise of its business judgement, reserves its right to the extent consistent with the Stalking Horse Bid to change the date of the hearing of Sale Approval Motion in order to achieve the maximum value for the Debtors' Assets.

Miscellaneous

The solicitation process and these Bidding Procedures are solely for the benefit of the Debtor Companies and nothing contained in the Bidding Procedures Order or these Bidding Procedures shall create any rights in any other person (including, without limitation, any bidder or Qualified Bidder, and any rights as third party beneficiaries or otherwise) other than the rights expressly granted to a Successful Bidder under the Bidding Procedures Order. The bid protections incorporated in these Bidding Procedures are solely for the benefit of the Stalking Horse Bidder.

Except as provided in the Bidding Procedures Order and Bidding Procedures, the Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of the Bidding Procedures Order, the Stalking Horse Process and the Bidding Procedure.

APPENDIX I

AUCTION PROCEDURES

Auction

- 1 If the Trustee determines to conduct an Auction pursuant to the Stalking Horse Bid Procedures, the Trustee will notify the Qualified Bidders who made a Qualified Bid that the Auction will be held at the offices of Bennett Jones LLP at 10:00 a.m. (Eastern Time) on date that is determined by the Trustee, provided that that is not later than seven Business Days after the Bid Deadline, or such other place and time as the Trustee may advise. Capitalized terms used but not defined have the meaning given to them in the Stalking Horse Bid Procedures. The Auction shall be conducted in accordance with the following procedures:
 - (a) Participation At The Auction. Only a Qualified Bidder is eligible to participate in the Auction. The Trustee shall provide all Qualified Bidders with the amount of the Leading Bid by 5:00pm (Eastern Time) two Business Days before the date scheduled for the Auction. Each Qualified Bidder must inform the Trustee whether it intends to participate in the Auction no later than 12:00 p.m. (Eastern Time) on the Business Day prior to the Auction. Only the authorized representatives of each of the Qualified Bidders, the Trustee, the Debtor Companies and their respective counsel and other advisors shall be permitted to attend the Auction.

- (b) Bidding at the Auction. Bidding at the Auction shall be conducted in rounds. The Leading Bid shall constitute the "**Opening Bid**" for the first round and the highest Overbid (as defined below) at the end of each round shall constitute the "**Opening Bid**" for the following round. In each round, a Qualified Bidder may submit no more than one Overbid. Any Qualified Bidder who bids in a round (including the Qualified Bidder that submitted the Opening Bid for such round) shall be entitled to participate in the next round of bidding at the Auction.

- (c) Amendment of bid structures during Auction. Qualified Bidders eligible to participate in the Auction, including without limitation the Stalking Horse Bidder, may, when making a bid in a round of bidding, amend the structure of its previous bid from a Sale bid to a Refinancing bid, or from a Refinancing bid to a Sale bid, subject at all times to continued compliance with the Overbid requirements and all other Auction Procedures.

- (d) Trustee Shall Conduct The Auction. The Trustee and its advisors shall direct and preside over the Auction. At the start of each round of the Auction, the Trustee shall provide the terms of the Opening Bid to all participating Qualified Bidders at the Auction. The determination of which Qualified Bid constitutes the Opening Bid for each round shall take into account any factors that the Trustee reasonably deems relevant to the value of the Qualified Bid, including, among other things, the following:
 - (i) the amount and nature of the consideration;
 - (ii) the proposed assumption of any liabilities and the related implied impact on recoveries for creditors;
 - (iii) the Trustee's assessment of the certainty of the Qualified Bidder to close the proposed transaction on or before the Outside Date;
 - (iv) the likelihood, extent and impact of any potential delays in closing;
 - (v) the net economic effect of any changes from the Opening Bid of the previous round, and
 - (vi) such other considerations as the Trustee deems relevant in its reasonable business judgment (collectively, the "**Bid Assessment Criteria**").All Bids made after the Opening Bid shall be Overbids, and shall be made and received on an open basis, and all material terms of the highest and best Overbid shall be fully disclosed to all other Qualified Bidders that are participating in the Auction. The Trustee shall maintain a record of the Opening Bid and all Overbids made and announced at the Auction.

- (e) Terms of Overbids. An "**Overbid**" is any Bid made at the Auction subsequent to the Trustee's announcement of the Opening Bid. To submit an Overbid, in any round of the Auction, a Qualified Bidder must comply with the following conditions:
 - (i) *Minimum Overbid Increment:* Any Overbid shall be made in minimum increments of \$50,000 above the Opening Bid, or such increments as the Trustee may determine in order to facilitate the Auction (the "**Minimum Overbid Increment**"). The amount of

the cash purchase price consideration or value of any Overbid shall not be less than the cash purchase price consideration or value of the Opening Bid, plus the Minimum Overbid Increment(s) at that time, plus any additional Minimum Overbid Increments.

- (ii) *The Bid Requirements same as for Qualified Bids:* Except as modified herein, an Overbid must comply with the Bid Requirements, provided, however, that the Bid Deadline shall not apply. Any Overbid made by a Qualified Bidder must provide that it remains irrevocable and binding on the Qualified Bidder and open for acceptance as a Back-Up Bid until the closing of the Successful Bid.
- (iii) *Announcing Overbids:* At the end of each round of bidding, the Trustee shall announce the identity of the Qualified Bidder and the material terms of the then highest and/or best Overbid, including the nature of the transaction, the assets proposed to be acquired and the obligations proposed to be assumed, the basis for calculating the total consideration offered in such Overbid based on, among other things, the Bid Assessment Criteria.
- (iv) *Consideration of Overbids:* The Trustee reserves the right to make one or more adjournments in the Auction to, among other things: (A) allow individual Qualified Bidders to consider how they wish to proceed; (B) consider and determine the current highest and/or best Overbid at any given time during the Auction; and, (D) give Qualified Bidders the opportunity to provide the Trustee with such additional evidence as it, may require, that the Qualified Bidder has obtained all required internal corporate approvals, has sufficient internal resources, or has received sufficient non-contingent debt and/or equity funding commitments, to consummate the proposed transaction at the prevailing Overbid amount. The Trustee may have clarifying discussions with a Qualified Bidder, and the Trustee may allow a Qualified Bidder to make technical clarifying changes to its Overbid following such discussions.
- (v) *Failure to Bid:* If at the end of any round of bidding a Qualified Bidder (other than the Qualified Bidder that submitted the then highest and/or best Overbid or Opening Bid, as applicable) fails to submit an Overbid, then such Qualified Bidder shall not be entitled to continue to participate in the next round of the Auction.
- (f) Additional Procedures. The Trustee may adopt rules for the Auction at or prior to the Auction that will better promote the goals of the Auction, including rules pertaining to the structure of the Auction, the order of bidding provided they are not inconsistent with any of the provisions of

the Stalking Horse Bid Procedures and provided further that no such rules may change the requirement that all material terms of the then highest and/or best Overbid at the end of each round of bidding will be fully disclosed to all other Qualified Bidders.

- (g) Closing the Auction. The Auction shall be closed after the Trustee has (i) reviewed the final Overbid of each Qualified Bidder on the basis of financial and contractual terms and the factors relevant to the sale process, including those factors affecting the speed and certainty of consummating the proposed sale, and (ii) identified the Successful Bid and the Back-Up Bid and advised the Qualified Bidders participating in the Auction of such determination

- (h) Finalizing Documentation. Promptly following a Bid of a Qualified Bidder being declared the Successful Bid or the Back-Up Bid, the Qualified Bidder shall execute and deliver such revised and updated definitive transaction agreements as may be required to reflect and evidence the Successful Bid or Back-Up Bid.

Appendix “D”

AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made this 28th day of November, 2018.

BETWEEN:

2309840 ONTARIO INC. and 2301132 ONTARIO INC.

(in such capacity, the "Vendors")

- and -

JYR REAL CAPITAL MORTGAGE INVESTMENT CORPORATION and LEAPING LOFT LTD.

(collectively, the "Purchaser")

RECITALS

- A. **WHEREAS** on August 24, 2018 each of the Vendors filed a Notice of Intention to Make a Proposal ("NOI") pursuant to section 50.4(9) of the *Bankruptcy and Insolvency Act* (the "BIA") naming KSV Kofman Inc. as Trustee under the NOI (the "Trustee");
- B. **AND WHEREAS** pursuant to the Bidding Procedures Order (as defined herein), the Ontario Superior Court of Justice (in Bankruptcy and Insolvency) (the "Court") authorized the sale process to be conducted by the Trustee with respect to the Purchased Assets (as defined herein) in accordance with the Bidding Procedures (as defined herein);
- C. **AND WHEREAS** the Purchaser's bid was selected by the Trustee as the Successful Bid (as defined herein) for the Purchased Assets in accordance with the Bidding Procedures;

NOW THEREFORE, in consideration of the promises, mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are each hereby acknowledged by the Parties (as defined hereafter), the Parties agree as follows:

ARTICLE 1 **DEFINED TERMS**

1.1 Definitions

In this Agreement:

"**8 Lindsay Court**" means the real property known municipally as 8 Lindsay Court, Georgetown, Ontario and having the legal description Part Lot 20, Concession 8 Esquesing, as in instrument no. 111485; Halton Hills/Esquesing;

"10 Lindsay Court" means the real property known municipally as 10 Lindsay Court, Georgetown, Ontario and having the legal description Part Lot 20, Concession 8 Esquesing, as in instrument no. 686906; Halton Hills/Esquesing;

"13758 Hwy. 7" means the real property known municipally as 13758 Hwy. 7, Georgetown, Ontario and having the legal description Part Lot 20, Concession 8 Esquesing, as in instrument no. 807363; Halton Hills/Esquesing;

"13764 Hwy. 7" means the real property known municipally as 13764 Hwy. 7, Georgetown, Ontario and having the legal description Consolidation of Various Properties: Part Lot 20, Concession 8 Esquesing, Part 1, 20R7368 and as in instrument no. 391973; Halton Hills;

"2301132 Ontario Properties" means 8 Lindsay Court and 13764 Hwy.7;

"2309840 Ontario Properties" means collectively, 10 Lindsay Court, 13758 Hwy.7 and the Dayfoot Lands;

"2413349 Ontario Inc. Mortgage" means the mortgage in the principal amount of approximately \$350,000 registered against 8 Lindsay Court assigned by Home Trust to 2413349 Ontario Inc. on or about July 17, 2018;

"Acceptance Date" means the date that this Agreement is executed by the Vendors pursuant to the Sale Approval Order and delivered to all Parties hereunder;

"Administration Charge" means the Court ordered charge pursuant to section 64.2(1) of the BIA securing the fees and disbursements of the Trustee, the Trustee's solicitors and the Vendors' solicitors in respect of the BIA Proceedings, including without limitation the Transaction.

"Agreement" means this agreement of purchase and sale, including all schedules and all amendments or restatements, as permitted, and references to **"article"**, **"section"** or **"schedule"** mean the specified article, section of, or schedule to this Agreement and the expressions "hereof", "herein", "hereto", "hereunder", "hereby" and similar expressions refer to this Agreement and not to any particular section or other portion of this Agreement;

"Applicable Law" means, with respect to any Person, property, transaction, event or other matter, all applicable laws, statutes, regulations, rules, by-laws, ordinances, protocols, regulatory policies, codes, guidelines, official directives, orders, rulings, judgments and decrees of any Governmental Authority;

"Assembly Lands" means collectively 8 Lindsay Court, 10 Lindsay Court, 13758 Hwy. 7 and 13764 Hwy. 7;

"BIA Proceedings" means the NOI proceedings of the Vendors under the BIA;

"Bid Deadline" has the meaning ascribed to it in the Bidding Procedures, being 5:00pm (prevailing Eastern time) on November 28, 2018;

"Bidding Procedures" means the bidding procedures approved by the Bidding Procedures Order;

"Bidding Procedures Order" means the Order of Mr Justice McEwen dated October 15, 2018 made in the BIA proceedings;

"Bid Protections" means the break fee in the amount of \$175,000 and expense reimbursement up to the amount of \$50,000 in favour of E. Manson Investments Limited ("**EMIL**") approved by the Bidding Procedures Order;

"Books and Records" means the files, documents, instruments, surveys, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise) pertaining to the Purchased Assets in the possession or control of the Vendors; provided, however, that "Books and Records" shall not include any bank or accounting records;

"Break Fee Charge" means the Court ordered charge in favour of EMIL established in the Bidding Procedures Order to secure the Bid Protections.

"Business Day" means a day on which banks are open for business in Ontario but does not include a Saturday, Sunday or statutory holiday in the Province of Ontario;

"Claims" means any and all claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, indictments, prosecutions or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including solicitor and client costs and disbursements, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing, related to the Vendors or the Real Property, and "**Claim**" means any one of them;

"Closing" means the successful completion of the Transaction;

"Closing Certificate" means the certificate referred to in the Sale Approval Order which, when delivered to the Purchaser, has the effect of invoking the foreclosure and vesting out provisions contained in the Sale Approval Order;

"Closing Date" means the first Business Day which is Five (5) Business Days after receipt of the Sale Approval Order;

"Closing Time" means 4:00 p.m. on the Closing Date or such other time as agreed in writing by the Parties;

"Contracts" means all of the contracts, licences, leases, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements and engagements to which a Vendor is a party and which relate to the Purchased Assets;

"Court" has the meaning set out in the recitals hereof;

"Dayfoot Lands" means the lands known municipally as 22 and 24 Dayfoot Drive in the Town of Georgetown in the Regional Municipality of Halton and having the legal description Part Lot 19, Concession 9 Esquesing, as in instrument no. 837455; Town of Halton Hills and Part Lot 17, Plan

341; Part Lot 19, Concession 9 Esquesing, Parts 1 & 2 20R8477; Part Lot 17 Plan 341, Part 1 20R2842; Town of Halton Hills;

"**Deposit**" has the meaning given in Section 4.3 herein;

"**Encumbrances**" means all liens, executions, charges, security interests (whether contractual, statutory or otherwise), pledges, leases, offers to lease, title retention agreements, mortgages, restrictions on use, development or similar agreements, easements, rights-of-way, title defects, options or adverse claims or encumbrances of any kind or character whatsoever;

"**ETA**" means the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended;

"**Execution Date**" means the date of execution of this Agreement by all parties;

"**Excluded Assets**" means the Vendors' right, title and interest in and to any asset of the Vendors other than the Purchased Assets, which Excluded Assets include the following:

- (a) original tax records and books and records pertaining thereto, minute books, corporate seals, taxpayer and other identification numbers and other documents relating to the organization, maintenance and existence of the Vendors that do not relate exclusively or primarily to any of the Purchased Assets; and
- (b) the benefit of any refundable Taxes payable or paid by the Vendors in respect of the Purchased Assets and applicable to the period prior to the Closing Date net of any amounts withheld by any taxing authority, and any claim or right of the Vendors to any refund, rebate, or credit of Taxes for the period prior to the Closing Date.

"**Excluded Liabilities**" has the meaning given in Section 3.3 herein;

"**Full Assembly**" means the Assembly Lands and the Option Property;

"**First Mortgages**" means collectively, the Home Trust Mortgage, the 2413349 Ontario Inc. Mortgage, the HarbourEdge Mortgage and the Stasis Mortgage;

"**Governmental Authority**" means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities: (a) having or purporting to have jurisdiction on behalf of any nation, province, republic, territory, state or other geographic or political subdivision thereof; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy, regulatory or taxing authority or power, and "**Governmental Authority**" means any one of them;

"**HarbourEdge Mortgage**", means the mortgage in the principal amount of approximately \$1,925,000 registered against 13764 Hwy. 7 and the Dayfoot Property;

"Home Trust Mortgage", means the mortgage in the principal amount of approximately \$385,000 registered against 13758 Hwy. 7;

"HST" means harmonized sales tax imposed under Part IX of the ETA;

"ITA" means the *Income Tax Act*, R.S.C. 1985, c.1, as amended;

"JYR Mortgage" means the mortgage in favour of JYR Real Capital Mortgage Investment Corporation, Liang Xu (now assigned to JYR Real Capital Mortgage Investment Corporation) and Leaping Loft Ltd. in the principal amount of approximately \$2,200,000.00 registered against each of the Assembly Lands and each of the Dayfoot Lands, pursuant to which the total indebtedness due and owing, as at November 27, 2018, is \$2,915,347.72, with interest and costs continuing to accrue;

"Lands" means Assembly Lands and the Dayfoot Lands, all as more particularly described in Schedules "B1", "B2", "B3", "B4", "B5" and "B6" hereto, including all rights and benefits appurtenant thereto;

"LRO" means the Land Registration Office for the Land Titles Division of Halton (#20);

"Notice" has the meaning given in Section 17.3 herein;

"Option Agreement" means the agreement of purchase and sale in respect of the Option Property between Credit Temple Corporation as vendor and the Option Holder as purchaser dated June 12, 2018;

"Option Assignment" means the assignment by the Option Holder of the Option Agreement to the Purchaser concurrent with, and as a condition of, Closing herein;

"Option Holder" means 2491324 Ontario Inc.;

"Option Property" means the real property known municipally as 12 Lindsay Court, Georgetown, Ontario and having the legal description Part Lot 20, Concession 8 Esquesing, as in instrument no. 316778; Halton Hills/Esquesing;

"Parties" means the Vendors and the Purchaser;

"Permits" means all the authorizations, registrations, permits, certificates of approval, approvals, consents, commitments, rights or privileges issued, granted or required by any Governmental Authority in respect of the Real Property;

"Permitted Encumbrances" means all those Encumbrances described in Schedule "D1", "D2", "D3", "D4", "D5" and "D6" hereto;

"Person" means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted;

"Plans" means all plans, designs and specification in connection with the Real Property which are in the possession or control of the Vendors (it being acknowledged that the Vendors are under no obligation to incur additional expense to obtain such plans, designs and specifications);

"Purchase Price" has the meaning set out in Section 4.1 herein;

"Purchased Assets" means all of the Vendors' right, title and interest in and to the following:

- (a) the full benefit of all prepaid expenses and all deposits with any Person, public utility or Governmental Authority relating to the Real Property;
- (b) the Real Property;
- (c) the Plans;
- (d) the Contracts;
- (e) the Permits, but only to the extent transferable to the Purchaser or the Purchaser's permitted assignees; and
- (f) all intellectual property, if any, owned by the Vendors with respect to the development to be completed on the Lands,

provided, however, that the Purchased Assets shall not include the Excluded Assets or the Excluded Liabilities;

"Real Property" means the Lands, together with all buildings, improvements and structures thereon, as well as all plans, designs and specifications in connection therewith;

"Rights" has the meaning given in Section 3.1(d) herein, but only has such meaning in such Section;

"Sale Approval Order" means an order of the Court substantially similar to the draft order attached hereto as Schedule "E" or as otherwise, in form and substance satisfactory to the Vendors, the Trustee and the Purchaser acting reasonably, (i) approving this Agreement and the transactions contemplated by this Agreement, (ii) authorizing and directing the Vendors to complete the Transaction to convey to the Purchaser the Purchased Assets, and (iii) vesting the Purchased Assets in the Purchaser on closing, free and clear of all Claims and Encumbrances, including, without limitation, those Claims and Encumbrances, listed in Schedule "C1", "C2", "C3", "C4", "C5" and "C6" hereto, other than Permitted Encumbrances;

"Stasis Mortgage" means the mortgage in the principal amount of approximately \$2,697,655 registered against 10 Lindsay Court;

"Successful Bid" has the meaning set out in the Bidding Procedures;

"Taxes" means all taxes, HST, land transfer taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, harmonized, value added,

capital, capital gains, alternative, net worth, transfer, profits, withholding, excise, real property and personal property taxes, and any related interest, fines and penalties, imposed by any Governmental Authority, and whether disputed or not;

"**Transaction**" means the transaction of purchase and sale of the Purchased Assets as contemplated by this Agreement;

"**Transaction Costs**" means the Realtor Commission (as defined in the Bidding Procedures), the professional fees and disbursements secured by the Administration Charge, and the Bid Protections secured by the Break Fee Charge;

"**Vendors**" has the meaning set out in the recitals hereof and "**Vendor**" means either of them; and

"**Vesting Entities**" means, collectively, 2663829 Ontario Inc., 2665926 Ontario Inc. and 2661426 Ontario Inc.

ARTICLE 2
SCHEDULES

2.1 Schedules

The following schedules attached hereto are incorporated in and form part of this Agreement:

<u>Schedule</u>	<u>Description</u>
Schedule "A"	[INTENTIONALLY DELETED]
Schedules "B1-B6"	Legal Description of the Real Property
Schedules "C1-C6"	Claims and Encumbrances to be Expunged and Discharged
Schedules "D1-D6"	Permitted Encumbrances
Schedule "E"	Form of Sale Approval Order

ARTICLE 3
AGREEMENT TO PURCHASE

3.1 Purchase and Sale of Purchased Assets

- (a) Relying on the representations and warranties herein, the Vendors hereby agree to sell, assign, convey and transfer to the Purchaser, and the Purchaser hereby agrees to purchase, all right, title and interest of the Vendors in and to the Purchased Assets free and clear of all Encumbrances, other than the Permitted Encumbrances.
- (b) Subject to the Closing, the Vendors hereby remise, release and forever discharge to, and in favour of, the Purchaser, all of their rights, claims and demands whatsoever in the Purchased Assets.
- (c) Upon Closing, and as provided in the Sale Approval Order, the Purchased Assets shall vest as follows:

- (i) 8 Lindsay Court and 13764 Hwy. 7, together with the benefit of all prepaid expenses and deposits with any Person, public utility or Government Authority relating such properties, all Plans relating to such properties, all Contracts relating to such properties, all Permits (but only to the extent transferrable) relating to such properties, all intellectual property (if any) owned by the Vendors with respect to the development to be completed on the Lands, and all other rights, title or interest in and to any asset, undertaking or property of the Vendors relating to such properties, shall vest in 2663829 Ontario Inc.;
 - (ii) 10 Lindsay Court and 13758 Hwy. 7, together with the benefit of all prepaid expenses and deposits with any Person, public utility or Government Authority relating such properties, all Plans relating to such properties, all Contracts relating to such properties, all Permits (but only to the extent transferrable) relating to such properties, all intellectual property (if any) owned by the Vendors with respect to the development to be completed on the Lands, and all other rights, title or interest in and to any asset, undertaking or property of the Vendors relating to such properties, shall vest in 2665926 Ontario Inc.;
 - (iii) the Dayfoot Lands, together with the benefit of all prepaid expenses and deposits with any Person, public utility or Government Authority relating such properties, all Plans relating to the Dayfoot Lands, all Contracts relating to the Dayfoot Lands, all Permits (but only to the extent transferrable) the Dayfoot Lands, all intellectual property (if any) owned by the Vendors with respect to the development to be completed on the Lands, and all other rights, title or interest in and to any asset, undertaking or property of the Vendors relating to the Dayfoot Lands, shall vest in 2661426 Ontario Inc.; and
 - (iv) any Purchased Assets or parts thereof not included in the foregoing, shall vest in 2663829 Ontario Inc.
- (d) This Agreement or any document delivered in connection with this Agreement shall not constitute an assignment of any rights, benefits or remedies (in this Section 3.1(d), collectively, the "**Rights**") under any Permits that form part of the Purchased Assets and which are not assignable by the Vendors to the Purchaser without the required consent of the other party or parties thereto (collectively, the "**Third Party**"). To the extent any such consent is required and not obtained by the Vendors prior to the Closing Date, then, to the extent permitted by Applicable Law:
- (i) the Vendors will, at the request, direction and cost of the Purchaser, acting reasonably, assist the Purchaser, in a timely manner and using commercially reasonable efforts, in applying for and obtaining all consents or approvals required under the Permits in a form satisfactory to the Vendors and the Purchaser, acting reasonably;

- (ii) the Vendors will only deal with or make use of such Rights in accordance with the directions of the Purchaser;
- (iii) at the Purchaser's cost, the Vendors will use its commercially reasonable efforts to take such actions and do such things as may be reasonably and lawfully designed to provide the benefits of the Permits to the Purchaser, including holding those Permits in trust for the benefit of the Purchaser or acting as agent for the Purchaser pending such assignment; and
- (iv) in the event that the Vendors receive funds with respect to those Permits, the Vendors will promptly pay over to the Purchaser all such funds collected by the Vendors, net of any outstanding costs directly related to the assignment in respect of such Permits.

The provisions of this Section 3.1 shall not merge but shall survive the completion of the Transaction. Notwithstanding the forgoing, the parties hereto hereby acknowledge and agree that the covenants of the Vendors contained in this Section 3.1 shall terminate upon the bankruptcy of the Vendors.

3.2 Excluded Assets

Notwithstanding anything else in this Agreement, the Purchased Assets shall not include the Excluded Assets.

3.3 Excluded Liabilities

The Purchaser is not assuming, and shall not be deemed to have assumed any liabilities, obligations or commitments of the Vendors or of any other Person, whether known or unknown, fixed or contingent or otherwise, including any debts, obligations, sureties, positive or negative covenants or other liabilities directly or indirectly arising out of or resulting from the conduct or operation of the Business or the Vendors' ownership or interest therein, whether pursuant to this Agreement or as a result of the Transaction (collectively, the "**Excluded Liabilities**"). For greater certainty, the Excluded Liabilities shall include, but not be limited to, the following:

- (a) except as otherwise agreed in this Agreement, all Taxes payable by the Vendors arising with respect to any period prior to the Closing Date and all Taxes payable relating to any matters or assets other than the Purchased Assets arising with respect to the period from and after the Closing Date;
- (b) any liability, obligation or commitment resulting from an Encumbrance that is not a Permitted Encumbrance;
- (c) any liability, obligation or commitment associated with any of the Excluded Assets; and
- (d) any liability, obligation or commitment in respect to Claims arising from or in relation to any facts, circumstances, events or occurrences existing or arising prior to the Closing Date.

ARTICLE 4
PURCHASE PRICE AND SATISFACTION OF PURCHASE PRICE

4.1 Purchase Price

Subject to any increase pursuant to section 4.2 hereof, the purchase price for the Purchased Assets shall be Seven Million Dollars (\$7,000,000) (the "**Purchase Price**"), plus all applicable Taxes payable in respect of the Transaction.

4.2 Option to Increase Purchase Price

Provided the Purchaser's bid is ultimately selected by the Trustee as the Successful Bid in accordance with the Bidding Procedures, the Purchaser shall have the option – at the Purchaser's sole discretion and on notice to the Vendors and Trustee no later than two (2) days prior to the Closing Date – to increase the Purchase Price by providing further credit to the Vendors against the Vendors' obligations under the JYR Mortgage up to but not exceeding the entirety of the Vendors' obligations under the JYR Mortgage. In the event the Purchaser exercises its option under this Section 4.2, no increase to the Deposit (as defined below) shall be required.

4.3 Deposit

Prior to the Bid Deadline, the Purchaser shall deliver by certified cheque or bank draft payable to the Trustee's Solicitors, in trust, a deposit by wire or certified cheque of Seven Hundred Thousand Dollars (\$700,000) (the "**Deposit**"), which Deposit shall be held by the Trustee in accordance with the provisions of this Agreement and the Bidding Procedures pending completion or other termination of this Agreement. If this Agreement is the Successful Bid, the Deposit shall be credited against payment of the Purchase Price, as provided in Section 4.4. If this Agreement is not the Successful Bid, the Trustee shall refund the Deposit, without interest, to the Purchaser in accordance with the Bidding Procedures. If this Agreement is terminated other than pursuant to Section 16.2(b), the Trustee shall refund the Deposit, without interest, to the Purchaser forthwith upon the termination of this Agreement. If this Agreement is terminated by the Vendors pursuant to Section 16.2(b) because the conditions set out in Section 8.1(a) or 8.1(b) not being satisfied or waived, the Purchaser shall forfeit the Deposit.

4.4 Satisfaction of Purchase Price

The Purchaser's offer requires all First Mortgages to be paid in full from the transaction proceeds. Accordingly, the Purchaser shall indefeasibly pay and satisfy the Purchase Price as follows:

- (a) Payment in full by wire transfer or certified cheque on Closing of each of the First Mortgages directly to the applicable mortgagees;
- (b) the Deposit shall be applied against the Purchase Price; and
- (c) the balance of the Purchase Price, subject to adjustments contained in this Agreement, shall be satisfied by way of a combination of the following:

- (i) payment by way of wire or certified cheque on Closing by the Purchaser to the Trustee's Solicitor or as the Trustee's Solicitor may otherwise direct in writing in such amount as may be required to ensure that Transaction Costs can be satisfied through the cash component of the Purchase Price, including the Deposit, provided that the payment contemplated by this Section 4.4(c)(i) shall not to exceed Three Hundred Thousand Dollars (\$300,000) or such other amount the Purchaser may agree to; and/or
- (ii) the Purchaser providing a credit to the Vendors in an amount equal to such balance against the Vendors' obligations under the JYR Mortgage.

4.5 Allocation of Purchase Price

The Trustee shall allocate the cash portion of the Purchase Price remaining after payment of the Transaction Costs among the Purchased Assets in consultation with the second mortgagee on each of the Lands.

4.6 Adjustment of Purchase Price

- (a) The Purchase Price shall be adjusted as of the Closing Time for any realty taxes and local improvement rates and charges (including interest thereon), utilities and any other items which are usually adjusted in purchase transactions involving assets similar to the Purchased Assets in the context of a court approved sale under the BIA. The Vendors shall prepare a statement of adjustments and deliver same with all supporting documentation to the Purchaser for its approval no later than five (5) Business Days prior to the Closing Date. If the amount of any adjustments required to be made pursuant to this Agreement cannot be reasonably determined as of the Closing Date, an estimate shall be agreed upon by the Parties as of the Closing Date based upon the best information available to the Parties at such time, each Party acting reasonably, and such estimate shall serve as a final determination. Notwithstanding any other term in this Agreement, in no event shall the Purchaser be responsible for any charges, fees, Taxes, costs or other adjustments in any way relating to the period prior to the Closing Date or relating to the Excluded Liabilities or to any matters or assets other than the Purchased Assets for the period from and after the Closing Date.
- (b) Other than as provided for in this Section 4.6, there shall be no adjustments to the Purchase Price.

ARTICLE 5 **TAXES**

5.1 Taxes

In addition to the Purchase Price, the Purchaser shall be responsible for all federal and provincial sales taxes, land transfer tax, goods and services, HST and other similar taxes and duties and all registration fees payable upon or in connection with the conveyance or transfer of the Purchased

Assets to the Purchaser. If the sale of the Purchased Assets is subject to HST, then such tax shall be in addition to the Purchase Price. The Vendor will not collect HST if the Purchaser provides to the Vendor a warranty that it is registered under the ETA, together with a copy of the required ETA registration at least five (5) Business Days prior to Closing, a warranty that the Purchaser shall self-assess and remit the HST payable and file the prescribed form. The foregoing warranties shall not merge but shall survive the completion of the Transaction.

ARTICLE 6 **AUTHORIZATIONS**

6.1 Authorizations

Upon request, the Vendors shall provide the Purchaser with authorizations executed by the Vendors and addressed to the appropriate municipal building department, zoning department and fire department and to any other Governmental Authority, authorizing the release of any and all information on file in respect of the Purchased Assets, but such authorization shall not authorize any inspections by any Governmental Authority.

ARTICLE 7 **CLOSING ARRANGEMENTS**

7.1 Closing

Closing shall take place at the Closing Time at the offices of the Vendors' lawyers located in Toronto, or at such other time or at such other place as the Parties may agree in writing.

7.2 Tender

Any tender of documents or money under this Agreement may be made upon the Parties or their respective lawyers, and money shall be tendered by wire transfer of immediately available funds to the account specified by the receiving Party.

7.3 Vendors' Closing Deliverables

The Vendors covenant to execute, where applicable, and deliver the following to the Purchaser at Closing or on such other date as expressly provided herein:

- (a) a copy of the issued Sale Approval Order with confirmation that same has been submitted for recording at the LRO;
- (b) a statement of adjustments prepared in accordance with Section 4.6 hereof, to be delivered not less than five (5) Business Days prior to Closing;
- (c) to the extent applicable, an assignment and assumption agreement with respect to all Permits and to the extent not assignable, an agreement that the Vendors will hold same in trust for the Purchaser in accordance with the provisions of Section 3.1(d);

- (d) a certificate signed by a senior officer of each Vendor confirming that the Vendor is not a non-resident of Canada within the meaning of section 116 of the ITA;
- (e) a certificate from the Vendors, dated as of the Closing Date, certifying:
 - (i) that, except as disclosed in the certificate, the Vendors have not been served with any notice of appeal with respect to the Sale Approval Order, or any notice of any application, motion or proceedings seeking to set aside or vary the Sale Approval Order or to enjoin, restrict or prohibit the Transaction; and
 - (ii) that all representations, warranties and covenants of the Vendors contained in this Agreement are true as of the Closing Time, with the same effect as though made on and as of the Closing Time;
- (f) an acknowledgement, dated as of the Closing Date, that each of the conditions in Section 8.1 hereof have been fulfilled, performed or waived as of the Closing Time; and
- (g) such further documentation relating to the completion of the Transaction as shall be otherwise referred to herein or required by the Purchaser, acting reasonably, or by Applicable Law or any Governmental Authority.

7.4 Purchaser's Closing Deliverables

The Purchaser covenants to execute, where applicable, and deliver the following to the Vendors or, as applicable to the Trustee at Closing or on such other date as expressly provided herein:

- (a) the indefeasible payment and satisfaction in full of the Purchase Price according to Section 4.4 hereof;
- (b) an assignment and assumption agreement with respect to all Permits pertaining to the Real Property (to the extent assignable) and to the extent not assignable, an agreement that the Vendors will hold same in trust for the Purchaser in accordance with the provisions of Section 3.1(d);
- (c) a certificate from the Purchaser, dated as of the Closing Date, certifying that all representations, warranties and covenants of the Purchaser contained in Article 10 are true as of the Closing Time, with the same effect as though made on and as of the Closing Time;
- (d) if necessary, payment or evidence of payment of HST applicable to the Purchased Assets or, if applicable, appropriate tax exemption certificates with respect to HST in accordance with Article 5 hereof;
- (e) if desired, a direction directing the Vendors to convey title to any of the Purchased Assets to an entity other than the Purchaser; and

- (f) such further documentation relating to the completion of the Transaction as shall be otherwise referred to herein or required by the Vendors, acting reasonably, or by Applicable Law or any Governmental Authority.

7.5 Trustee's Certificate

Upon receipt of written confirmation from the Purchaser that all of the conditions contained in Section 8.3 have been satisfied or waived by the Purchaser, and upon satisfaction or waiver by the Vendors of all of the conditions contained in Section 8.1, the Trustee shall forthwith deliver to the Purchaser the Closing Certificate.

ARTICLE 8 CONDITIONS PRECEDENT TO CLOSING

8.1 Conditions in Favour of the Vendors

The obligation of the Vendors to complete the Transaction is subject and conditional to the satisfaction of the following conditions on or before the Closing Date:

- (a) all the representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects on the Closing Date;
- (b) all the covenants of the Purchaser contained in Article 10 to be performed on or before the Closing Date shall have been duly performed by the Purchaser;
- (c) there shall be no order issued by a Governmental Authority against either of the Parties, or involving any of the Purchased Assets enjoining, preventing or restraining the completion of the Transaction;
- (d) this Agreement shall be the Successful Bid; and
- (e) the Court shall have issued the Sale Approval Order, and the operation and effect of the Sale Approval Order shall not have been stayed, amended, modified, reversed or dismissed at the Time of Closing.

8.2 Conditions in Favour of Vendors Not Fulfilled

If any of the conditions contained in Section 8.1 hereof is not fulfilled on or prior to the Closing Date and such non-fulfillment is not directly or indirectly as a result of any action or omission of the Vendors, then the Vendors, with the approval of the Trustee, and without limiting any rights or remedies available to it at law or in equity, may:

- (a) terminate this Agreement by notice to the Purchaser, in which event the Vendors shall be released from their obligations under this Agreement to complete the Transaction; or
- (b) waive compliance with any such condition without prejudice to the right of termination in respect of the non-fulfillment of any other condition.

8.3 Conditions in Favour of the Purchaser

The obligation of the Purchaser to complete the Transaction is subject and conditional to the satisfaction of the following conditions on or before the Closing Date, which conditions are inserted for the sole benefit of the Purchaser and may be waived in whole or in part at the Purchaser's sole option:

- (a) all the representations and warranties of the Vendors contained in this Agreement shall be true and correct in all material respects on the Closing Date;
- (b) all the covenants of the Vendors under this Agreement to be performed on or before the Closing Date shall have been duly performed by the Vendors;
- (c) there shall be no order issued by a Governmental Authority against either of the Parties, or involving any of the Purchased Assets enjoining, preventing or restraining the completion of the Transaction;
- (d) from the Acceptance Date to Closing, there shall have been no new work orders, deficiency notices, notices of violation or non-compliance or similar orders, and no new Encumbrances registered on title to the Lands or matters affecting the title to the Lands arising or registered after the Acceptance Date, in each case which are not otherwise foreclosed and vested out pursuant to the Sale Approval Order;
- (e) this Agreement shall be the Successful Bid; and
- (f) the Court shall have issued the Sale Approval Order, and the operation and effect of the Sale Approval Order shall not have been stayed, amended, modified, reversed or dismissed at the Time of Closing.

8.4 Conditions in Favour of Purchaser Not Fulfilled

If any of the conditions contained in Section 8.3 hereof is not fulfilled on or prior to the Closing Date and such non-fulfillment is not directly or indirectly as a result of any action or omission of the Purchaser, then the Purchaser may, in its sole discretion and without limiting its rights or remedies available at law or in equity:

- (a) terminate this Agreement by notice to the Vendors, in which event the Purchaser and the Vendors shall be released from their obligations under this Agreement to complete the Transaction and the Deposit shall be immediately returned to the Purchaser without deduction; or
- (b) waive compliance with any such condition without prejudice to the right of termination in respect of the non-fulfillment of any other condition.

8.5 Option Property Condition in Favour of the Purchaser and the Vendors

The obligation of the Purchaser and the Vendors to complete the Transaction is subject to and conditional upon the Option Holder's execution and delivery to the Purchaser of the Option

Assignment duly acknowledged by Credit Temple Corporation by or before the Closing Date, which condition may be waived in whole or in part by written agreement of the Vendors and the Purchaser prior to Closing.

ARTICLE 9
REPRESENTATIONS & WARRANTIES OF THE VENDORS

The Vendors represent and warrant to the Purchaser as follows, with the knowledge and expectation that the Purchaser is placing complete reliance thereon and, but for such representations and warranties, the Purchaser would not have entered into this Agreement:

- (a) subject to obtaining the Sale Approval Order, the Vendors have all necessary power and authority to enter into this Agreement and to carry out their obligations hereunder. This Agreement is a valid and binding obligation of the Vendors enforceable in accordance with its terms; and
- (b) the Vendors are not non-residents of Canada for the purposes of the ITA.

ARTICLE 10
REPRESENTATIONS & WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the Vendors as follows, with the knowledge and expectation that the Vendors are placing complete reliance thereon and, but for such representations and warranties, the Vendors would not have entered into this Agreement:

- (a) the Purchaser is a corporation duly formed and validly subsisting under the laws of the Province of Ontario;
- (b) the Purchaser has all necessary corporate power and authority to enter into this Agreement and to carry out its obligations hereunder. Neither the execution of this Agreement nor the performance by the Purchaser of the Transaction will violate the Purchaser's constating documents, any agreement to which the Purchaser is bound, any judgment or order of a court of competent jurisdiction or any Governmental Authority, or any Applicable Law. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary corporate action on the part of the Purchaser. This Agreement is a valid and binding obligation of the Purchaser enforceable in accordance with its terms;
- (c) the Purchaser is or will be a registrant under Part IX of the ETA on the Closing Date; and
- (d) the Purchaser has not committed an act of bankruptcy, is not insolvent, has not proposed a compromise or arrangement to its creditors generally, has not had any application for a bankruptcy order filed against it, has not taken any proceeding and no proceeding has been taken to have a receiver appointed over any of its assets,

has not had an encumbrancer take possession of any of its property and has not had any execution or distress become enforceable or levied against any of its property.

ARTICLE 11 **COVENANTS**

11.1 Mutual Covenants

Each of the Vendors and the Purchaser hereby covenants and agrees that, from the date hereof until Closing, each shall take all such actions as are necessary to have the Transaction approved in the Sale Approval Order on substantially the same terms and conditions as are contained in this Agreement, and to take all commercially reasonable actions as are within its power to control, and to use its commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with each of the conditions set forth in Article 8 hereof.

11.2 Vendors Covenants

The Vendors hereby covenant and agree that, from the date hereof until Closing, they shall use commercially reasonable efforts to provide to the Purchaser all necessary information in respect of the Vendors and the Purchased Assets reasonably required to complete the applicable tax elections in accordance with Article 5 hereof and to execute all necessary forms related thereto.

ARTICLE 12 **POSSESSION AND ACCESS PRIOR TO CLOSING**

12.1 Possession of Purchased Assets

The Vendors shall remain in possession of the Purchased Assets until the Closing Time, at which time the Purchaser shall take possession of the Purchased Assets where situated. In no event shall the Purchased Assets be sold, assigned, conveyed or transferred to the Purchaser until all the conditions set out in this Agreement and the Sale Approval Order have been satisfied or waived and the Purchaser has satisfied or the Vendors, with the consent of the Trustee, have waived all the delivery requirements outlined in Section 8.1 hereof.

12.2 Risk

- (a) The Purchased Assets shall be and remain at the risk of the Vendors until Closing and at the risk of the Purchaser from and after Closing.
- (b) If, prior to the Closing Date, all or a material part of either the Assembly Lands or the Option Property is expropriated or a notice of expropriation or intent to expropriate all or a material part of either the Assembly Lands or the Option Property is issued by any Governmental Authority, the Vendors shall immediately advise the Purchaser thereof by Notice in writing. The Purchaser shall, by Notice in writing given within three (3) Business Days after the Purchaser receives Notice in writing from the Vendors of such expropriation, elect to either: (i) complete the Transaction contemplated herein in accordance with the terms hereof without

reduction of the Purchase Price, and all compensation for expropriation of any Assembly Lands shall be payable to the Purchaser and all right, title and interest of the Vendors to such amounts, if any, shall be assigned to the Purchaser on a without recourse basis; or (ii) terminate this Agreement and not complete the Transaction, in which case all rights and obligations of the Vendors and the Purchaser (except for those obligations which are expressly stated to survive the termination of this Agreement) shall terminate, and the Deposit shall be returned to the Purchaser forthwith.

ARTICLE 13
AS IS, WHERE IS

13.1 Condition of the Purchased Assets

The Purchaser acknowledges that the Vendors are selling and the Purchaser is purchasing the Purchased Assets on an "*as is, where is*" and "*without recourse*" basis as the Purchased Assets shall exist on the Closing Date, including, without limitation, whatever defects, conditions, impediments, hazardous materials or deficiencies exist on the Closing Date, whether patent or latent. The Purchaser further acknowledges and agrees that it has entered into this Agreement on the basis that the Vendors have not guaranteed or will guarantee title to or marketability, use or quality of the Purchased Assets, that the Purchaser will conduct such inspections of the condition and title to the Purchased Assets as it deems appropriate and will satisfy itself with regard to these matters. No representation, warranty or condition is expressed or can be implied as to title, encumbrance, description, fitness for purpose, environmental compliance, merchantability, condition or quality, or in respect of any other matter or thing whatsoever concerning the Purchased Assets, or the right of the Vendors to sell, assign, convey or transfer same, save and except as expressly provided in this Agreement. The description of the Purchased Assets contained in this Agreement is for the purpose of identification only and no representation, warranty or condition has or will be given concerning the accuracy of such description.

ARTICLE 14
[INTENTIONALLY DELETED]

ARTICLE 15
POST-CLOSING MATTERS

15.1 Books and Records

The Purchaser shall keep and maintain the Books and Records for a period of Two (2) years from the Closing Date, or for any longer period as may be required by Applicable Law or Governmental Authority or as requested by the Vendors or the Vendors' trustee in bankruptcy (the "**Retention Period**"). Upon reasonable advance notice, during such Two (2) year period after the Closing Date, the Purchaser will grant the Vendors and, in the event the Vendors are adjudged bankrupt, any trustee of the estate of the Vendors and their respective representatives, reasonable access during normal business hours to use and copy the Books and Records at the sole cost of the

Vendors or bankruptcy trustee of the estate of the Vendors, as the case may be, and at no cost to the Purchaser. After the Retention Period, the Purchaser shall give the Vendors or bankruptcy trustee of the estate of the Vendors 30 days' prior written notice of its intent to destroy the Books and Records. The parties agree that the covenants of the Purchaser in this Section 15.1 shall survive the closing of the Transaction.

ARTICLE 16

IRREVOCABILITY AND TERMINATION

16.1 Irrevocability Date

This Agreement is executed first by the Purchaser and is open for acceptance by the Vendors, and irrevocable by the Purchaser, until the first business day following completion of a transaction for sale of the Purchased Assets approved by the Court.

16.2 Termination of this Agreement

This Agreement may be validly terminated:

- (a) upon the mutual written agreement of the Parties;
- (b) pursuant to Section 8.2 hereof by the Vendors;
- (c) by the Purchaser or the Vendors, in the event the condition set forth in Section 8.5 hereof is not satisfied;
- (d) pursuant to Section (e) hereof by the Purchaser; or
- (e) pursuant to Section 12.2 hereof.

16.3 Remedies for Breach of Agreement

If this Agreement is terminated as a result of any breach of a representation, warranty, covenant or obligation of the Vendors, the Purchaser shall be entitled to the return of the Deposit without deduction, which shall be returned to the Purchaser forthwith, and this shall be the Purchaser's sole right and remedy pursuant to this Agreement or at law as a result of the Vendors' breach. If this Agreement is terminated as a result of a breach of a representation, warranty, covenant or obligation of the Purchaser, the Deposit shall be forfeited to the Vendors as liquidated damages and not as a penalty, which Deposit the Parties agree is a genuine estimate of the liquidated damages that the Vendors would suffer in such circumstances, and this shall be the Vendors' sole right and remedy pursuant to this Agreement or at law as a result of the Purchaser's breach.

16.4 Termination If No Breach of Agreement

If this Agreement is terminated other than as a result of a breach of a representation, warranty, covenant or obligation of a Party, then the parties hereto shall be released from all obligations and liabilities hereunder, other than their obligations under Article 6, and the Deposit shall be forthwith returned to the Purchaser without deduction.

ARTICLE 17
GENERAL CONTRACT PROVISIONS

17.1 Further Assurances

From time to time after Closing, each of the Parties shall execute and deliver such further documents and instruments and do such further acts and things as may be required or useful to carry out the intent and purpose of this Agreement and which are not inconsistent with the terms hereof, including, at the Purchaser's request and expense, the Vendors shall execute and deliver such additional conveyances, transfers and other assurances as may, in the opinion of the Parties or their counsel, acting reasonably, be reasonably required to effectually carry out the intent of this Agreement and transfer the Purchased Assets to the Purchaser.

17.2 Survival Following Completion

Notwithstanding any other provision of this Agreement, Article 9, Article 10, Section 16.3 and Section 16.4 shall survive the termination of this Agreement and the completion of the Transaction, provided, however, that upon the bankruptcy of the Vendors, the Parties' respective obligations by reason of this Agreement shall end completely and they shall have no further or continuing obligations by reason thereof.

17.3 Notice

All notices, requests, demands, waivers, consents, agreements, approvals, communications or other writings required or permitted to be given hereunder or for the purposes hereof (each, a "Notice") shall be in writing and be sufficiently given if personally delivered, sent by prepaid registered mail or transmitted by email, addressed to the Party to whom it is given, as follows:

- (a) to the Vendors:

c/o DLA Piper (Canada) LLP
100 King Street West, Suite 6000
Toronto, ON M5X 1E2

Attention: Edmond Lamek
Tel: (416) 365-3444
Email: edmond.lamek@dlapiper.com

- (b) to the Purchaser:

c/o Loopstra Nixon LLP
135 Queen's Plate Drive – Suite 600
Toronto, ON M9W 6V7

Attention: R. Graham Phoenix
Tel: (416) 748.4776
Email: gphoenix@loonix.com

or such other address of which Notice has been given. Any Notice mailed as aforesaid will be deemed to have been given and received on the third (3rd) Business Day following the date of its mailing. Any Notice personally delivered will be deemed to have been given and received on the day it is personally delivered, provided that if such day is not a Business Day, the Notice will be deemed to have been given and received on the Business Day next following such day. Any Notice transmitted by email will be deemed given and received on the first (1st) Business Day after its transmission.

If a Notice is mailed and regular mail service is interrupted by strike or other irregularity on or before the fourth (4th) Business Day after the mailing thereof, such Notice will be deemed to have not been received unless otherwise personally delivered or transmitted by email.

17.4 Waiver

No Party will be deemed or taken to have waived any provision of this Agreement unless such waiver is in writing and such waiver will be limited to the circumstance set forth in such written waiver.

17.5 Consent

Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit or the requirement for such consent is not required pursuant to the terms of the Sale Approval Order, then, unless otherwise specified, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

17.6 Governing Law

This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The Parties irrevocably attorn to the jurisdiction of the courts of the Province of Ontario. The Parties consent to the exclusive jurisdiction and venue of the Court for the resolution of any disputes among them, regardless of whether or not such disputes arose under this Agreement.

17.7 Entire Agreement

This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements and understandings between the Parties. There are not and will not be any verbal statements, representations, warranties, undertakings or agreements between the Parties. This Agreement may not be amended or modified in any respect except by written instrument signed by the Parties. The recitals herein are true and accurate, both in substance and in fact.

17.8 Time of the Essence

Time will be of the essence, provided that if the Parties establish a new time for the performance of an obligation, time will again be of the essence of the new time established.

17.9 Time Periods

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

17.10 Assignment

This Agreement will enure to the benefit of and be binding on the Parties and their respective heirs, executors, legal and personal administrators, successors and permitted assigns. The Purchaser may not assign this Agreement without the Trustee's prior written approval. Notwithstanding the foregoing, up until five Business Days before the hearing of motion for the Sale Approval Order, the Purchaser shall have the right to direct that title to the Lands be taken in the name of another person, entity, joint venture, partnership or corporation (presently in existence or to be incorporated) that is an affiliate of the Purchaser, provided that the Purchaser shall not be released from any and all obligations and liabilities hereunder until after the Closing of the transaction. The forgoing right may only be exercised once by the Purchaser. Any other requested direction of title shall require the Trustee's prior written approval, which approval shall be in the Trustee's sole, absolute and unfettered discretion.

17.11 Expenses

Except as otherwise set out in this Agreement, all costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such costs and expenses.

17.12 Severability

If any portion of this Agreement is prohibited in whole or in part in any jurisdiction, such portion shall, as to such jurisdiction, be ineffective to the extent of such prohibition without invalidating the remaining portions of this Agreement and shall, as to such jurisdiction, be deemed to be severed from this Agreement to the extent of such prohibition.

17.13 No Strict Construction

The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

17.14 Cumulative Remedies

Unless otherwise expressly stated in this Agreement, no remedy conferred upon or reserved to one or both of the Parties is intended to be exclusive of any other remedy, but each remedy shall be cumulative and in addition to every other remedy conferred upon or reserved hereunder, whether such remedy shall be existing or hereafter existing, and whether such remedy shall become available under common law, equity or statute.

17.15 Currency

All references to dollar amounts contained in this Agreement shall be deemed to refer to lawful currency of Canada.

17.16 No Third Party Beneficiaries

This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns. No other person or entity shall be regarded as a third party beneficiary of this Agreement.

17.17 Number and Gender

Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders. Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation".

17.18 Counterparts

This Agreement may be executed in counterparts and by facsimile or PDF, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

[Executions on separate page.]

IN WITNESS WHEREOF the parties have duly executed this Agreement as of the date first above written.

2301132 ONTARIO INC.

Per: _____

Name: Brian Tilley

Title: President

2309840 ONTARIO INC.

Per: _____

Name: Brian Tilley

Title: President

**JYR REAL CAPITAL MORTGAGE
INVESTMENT CORPORATION**

Per: _____

Name: *LEKONG CHAN*

Title: Authorized Signing Officer



LEAPING LOFT LTD.

Per: _____

Name: *Wuxin Yao*

Title: Authorized Signing Officer



SCHEDULE "B1"

LEGAL DESCRIPTION OF REAL PROPERTY

PART LOT 20, CONCESSION 8 ESQUESING, AS IN INSTRUMENT NO. 111485; HALTON HILLS/ESQUESING, BEING ALL OF PIN 250035-0005 (LT)

Municipally described as: 8 Lindsay Court, Georgetown, Ontario

SCHEDULE "B2"

LEGAL DESCRIPTION OF REAL PROPERTY

PART LOT 20, CONCESSION 8 ESQUESING, AS IN INSTRUMENT NO. 686906; HALTON HILLS/ESQUESING, BEING ALL OF PIN 250035-0006 (LT)

Municipally described as: 10 Lindsay Court, Georgetown, Ontario

SCHEDULE "B3"

LEGAL DESCRIPTION OF REAL PROPERTY

PART LOT 20, CONCESSION 8 ESQUESING, AS IN INSTRUMENT NO. 807363; HALTON HILLS/ESQUESING, BEING ALL OF PIN 250035-0008 (LT)

Municipally described as: 13758 Highway 7, Georgetown, Ontario

SCHEDULE "B4"

LEGAL DESCRIPTION OF REAL PROPERTY

CONSOLIDATION OF VARIOUS PROPERTIES: PART LOT 20, CONCESSION 8
ESQUESING, PART 1, 20R7368 AND AS IN INSTRUMENT NO. 391973; HALTON HILLS,
BEING ALL OF PIN 250035-0272 (LT)

Municipally described as: 13764 Highway 7, Georgetown, Ontario

SCHEDULE "B5"

LEGAL DESCRIPTION OF REAL PROPERTY

PART LOT 19, CONCESSION 9 ESQUESING, AS IN INSTRUMENT NO. 837455; TOWN OF HALTON HILLS, BEING ALL OF PIN 25039-0465 (LT)

Municipally described as: 22 Dayfoot Drive, Georgetown, Ontario

SCHEDULE "B6"

LEGAL DESCRIPTION OF REAL PROPERTY

PART LOT 17, PLAN 341; PART LOT 19, CONCESSION 9 ESQUESING, PARTS 1 & 2 AS IN INSTRUMENT NO. 20R8477; PART LOT 17, PLAN 341, PART 1 AS IN INSTRUMENT NO. 20R2842; TOWN OF HALTON HILLS, BEING ALL OF PIN 25039-0185 (LT)

Municipally described as: 24 Dayfoot Drive, Georgetown, Ontario

SCHEDULE "C1"

**INSTRUMENTS/ENCUMBRANCES TO BE DELETED
FROM PIN 25035-0005 (LT)**

1. Instrument No. HR985367 registered 2011/12/23 being a Charge in favour of Home Trust Company;
2. Instrument No. HR1077542 registered 2013/01/22 being a Charge in favour of Derek Sorrenti;
3. Instrument No. HR1077554 registered 2013/01/22 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
4. Instrument No. HR1080390 registered 2013/02/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
5. Instrument No. HR1084273 registered 2013/02/28 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
6. Instrument No. HR1091133 registered 2013/04/02 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
7. Instrument No. HR1103585 registered 2013/05/30 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
8. Instrument No. HR1103659 registered 2013/05/30 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
9. Instrument No. HR1154301 registered 2013/12/16 being a Notice in favour of the Derek Sorrenti and Olympia Trust Company;
10. Instrument No. HR1154398 registered 2013/12/16 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
11. Instrument No. HR1158774 registered 2014/01/14 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
12. Instrument No. HR1163007 registered 2014/02/03 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
13. Instrument No. HR1164749 registered 2014/02/13 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
14. Instrument No. HR1169883 registered 2014/03/17 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
15. Instrument No. HR1174819 registered 2014/04/14 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
16. Instrument No. HR1177780 registered 2014/04/29 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;

17. Instrument No. HR1192493 registered 2014/06/27 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
18. Instrument No. HR1208704 registered 2014/08/27 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
19. Instrument No. HR1211249 registered 2014/09/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
20. Instrument No. HR1212577 registered 2014/09/11 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
21. Instrument No. HR1223688 registered 2014/10/29 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
22. Instrument No. HR1224153 registered 2014/10/30 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
23. Instrument No. HR1224406 registered 2014/10/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
24. Instrument No. HR1241411 registered 2015/01/15 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
25. Instrument No. HR1255254 registered 2015/03/25 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
26. Instrument No. HR1271200 registered 2015/06/04 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
27. Instrument No. HR1280481 registered 2015/07/09 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
28. Instrument No. HR1287375 registered 2015/07/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
29. Instrument No. HR1330352 registered 2016/01/19 being a Charge in favour of Centro Mortgage Inc.;
30. Instrument No. HR1330357 registered 2016/01/19 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
31. Instrument No. HR1332414 registered 2016/01/27 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
32. Instrument No. HR1339335 registered 2016/02/26 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
33. Instrument No. HR1347052 registered 2016/04/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
34. Instrument No. HR1362983 registered 2016/06/07 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
35. Instrument No. HR1370750 registered 2016/07/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

36. Instrument No. HR1373318 registered 2016/07/12 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
37. Instrument No. HR1389471 registered 2016/09/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
38. Instrument No. HR1391261 registered 2016/09/08 being a Transfer of Charge in favour of in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
39. Instrument No. HR1400743 registered 2016/10/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
40. Instrument No. HR1407583 registered 2016/11/03 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
41. Instrument No. HR1418030 registered 2016/12/14 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
42. Instrument No. HR1422709 registered 2017/01/06 being a being a Notice in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
43. Instrument No. HR1423523 registered 2017/01/11 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
44. Instrument No. HR1424377 registered 2017/01/13 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
45. Instrument No. HR1430681 registered 2017/02/07 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
46. Instrument No. HR1435135 registered 2017/02/27 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
47. Instrument No. HR1441600 registered 2017/03/23 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
48. Instrument No. HR1447439 registered 2017/04/19 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
49. Instrument No. HR1451684 registered 2017/05/03 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
50. Instrument No. HR1460232 registered 2017/06/05 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
51. Instrument No. HR1462808 registered 2017/06/14 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
52. Instrument No. HR1465025 registered 2017/06/21 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
53. Instrument No. HR1473710 registered 2017/07/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

54. Instrument No. HR1480945 registered 2017/08/15 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
55. Instrument No. HR1494814 registered 2017/10/04 being a Charge in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
56. Instrument No. HR1494815 registered 2017/10/04 being an Assignment in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
57. Instrument No. HR1513969 registered 2017/12/20 being a Charge in favour of Building & Development Mortgages Canada Inc.;
58. Instrument No. HR1513970 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
59. Instrument No. HR1513971 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
60. Instrument No. HR1513981 registered 2017/12/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
61. Instrument No. HR1516316 registered 2018/01/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
62. Instrument No. HR1517505 registered 2018/01/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
63. Instrument No. HR1520739 registered 2018/01/25 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
64. Instrument No. HR1522156 registered 2018/01/31 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
65. Instrument No. HR1556834 registered 2018/07/17 being a Transfer of Charge in favour of 2413349 Ontario Inc.

SCHEDULE "C2"

**INSTRUMENTS/ENCUMBRANCES TO BE DELETED
FROM PIN 25035-0006 (LT)**

1. Instrument No. 856508 registered 1996/11/06 being an Agreement;
2. Instrument No. HR1384990 registered 2016/08/18 being a Charge in favour of 903287 Ontario Limited;
3. Instrument No. HR1434674 registered 2017/02/23 being a Transfer of Charge in favour of Stasis Group Inc. and 2561388 Ontario Inc.;
4. Instrument No. HR1448595 registered 2017/04/21 being a Notice in favour of 2309840 Ontario Inc.;
5. Instrument No. HR1471381 registered 2017/07/12 being a Charge in favour of Brian Tilley;
6. Instrument No. HR1494814 registered 2017/10/04 being a Charge in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
7. Instrument No. HR1494815 registered 2017/10/04 being an Assignment in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
8. Instrument No. HR1494820 registered 2017/10/04 being a Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
9. Instrument No. HR1513969 registered 2017/12/20 being a Charge in favour of Building & Development Mortgages Canada Inc.;
10. Instrument No. HR1513972 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
11. Instrument No. HR1513981 registered 2017/12/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
12. Instrument No. HR1517505 registered 2018/01/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
13. Instrument No. HR1520739 registered 2018/01/25 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
14. Instrument No. HR1522156 registered 2018/01/31 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada.

SCHEDULE "C3"

**INSTRUMENTS/ENCUMBRANCES TO BE DELETED
FROM PIN 25035-0008 (LT)**

1. Instrument No. HR923507 registered 2011/04/28 being a Charge in favour of Home Trust Company;
2. Instrument No. HR1077542 registered 2013/01/22 being a Charge in favour of Derek Sorrenti;
3. Instrument No. HR1077554 registered 2013/01/22 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
4. Instrument No. HR1078260 registered 2013/01/25 being a Notice in favour of Brian Tilley
5. Instrument No. HR1080390 registered 2013/02/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
6. Instrument No. HR1084273 registered 2013/02/28 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
7. Instrument No. HR1091133 registered 2013/04/02 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
8. Instrument No. HR1103585 registered 2013/05/30 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
9. Instrument No. HR1103659 registered 2013/05/30 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
10. Instrument No. HR1154301 registered 2013/12/16 being a Notice in favour of the Derek Sorrenti and Olympia Trust Company;
11. Instrument No. HR1154398 registered 2013/12/16 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
12. Instrument No. HR1158774 registered 2014/01/14 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
13. Instrument No. HR1163007 registered 2014/02/03 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
14. Instrument No. HR1164749 registered 2014/02/13 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
15. Instrument No. HR1169883 registered 2014/03/17 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
16. Instrument No. HR1174819 registered 2014/04/14 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
17. Instrument No. HR1177780 registered 2014/04/29 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;

18. Instrument No. HR1192493 registered 2014/06/27 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
19. Instrument No. HR1208704 registered 2014/08/27 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
20. Instrument No. HR1211249 registered 2014/09/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
21. Instrument No. HR1212577 registered 2014/09/11 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
22. Instrument No. HR1223688 registered 2014/10/29 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
23. Instrument No. HR1224153 registered 2014/10/30 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
24. Instrument No. HR1224406 registered 2014/10/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
25. Instrument No. HR1241411 registered 2015/01/15 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
26. Instrument No. HR1255254 registered 2015/03/25 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
27. Instrument No. HR1271200 registered 2015/06/04 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
28. Instrument No. HR1280481 registered 2015/07/09 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
29. Instrument No. HR1287375 registered 2015/07/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
30. Instrument No. HR1330352 registered 2016/01/19 being a Charge in favour of Centro Mortgage Inc.;
31. Instrument No. HR1330357 registered 2016/01/19 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
32. Instrument No. HR1332414 registered 2016/01/27 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
33. Instrument No. HR1339335 registered 2016/02/26 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
34. Instrument No. HR1347052 registered 2016/04/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
35. Instrument No. HR1362983 registered 2016/06/07 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
36. Instrument No. HR1370750 registered 2016/07/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

37. Instrument No. HR1373318 registered 2016/07/12 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
38. Instrument No. HR1389471 registered 2016/09/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
39. Instrument No. HR1391261 registered 2016/09/08 being a Transfer of Charge in favour of in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
40. Instrument No. HR1400743 registered 2016/10/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
41. Instrument No. HR1407583 registered 2016/11/03 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
42. Instrument No. HR1418030 registered 2016/12/14 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
43. Instrument No. HR1422709 registered 2017/01/06 being a being a Notice in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
44. Instrument No. HR1423523 registered 2017/01/11 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
45. Instrument No. HR1424377 registered 2017/01/13 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
46. Instrument No. HR1430681 registered 2017/02/07 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
47. Instrument No. HR1435135 registered 2017/02/27 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
48. Instrument No. HR1441600 registered 2017/03/23 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
49. Instrument No. HR1447439 registered 2017/04/19 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
50. Instrument No. HR1451684 registered 2017/05/03 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
51. Instrument No. HR1460232 registered 2017/06/05 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
52. Instrument No. HR1462808 registered 2017/06/14 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
53. Instrument No. HR1465025 registered 2017/06/21 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
54. Instrument No. HR1473710 registered 2017/07/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

55. Instrument No. HR1480945 registered 2017/08/15 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
56. Instrument No. HR1494814 registered 2017/10/04 being a Charge in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
57. Instrument No. HR1494815 registered 2017/10/04 being an Assignment in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
58. Instrument No. HR1494818 registered 2017/10/04 being a Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
59. Instrument No. HR1494819 registered 2017/10/04 being a Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
60. Instrument No. HR1494821 registered 2017/10/04 being Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
61. Instrument No. HR1513969 registered 2017/12/20 being a Charge in favour of Building & Development Mortgages Canada Inc.;
62. Instrument No. HR1513970 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
63. Instrument No. HR1513971 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
64. Instrument No. HR1513981 registered 2017/12/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
65. Instrument No. HR1516316 registered 2018/01/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
66. Instrument No. HR1517505 registered 2018/01/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
67. Instrument No. HR1520739 registered 2018/01/25 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
68. Instrument No. HR1522156 registered 2018/01/31 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada.

SCHEDULE "C4"

**INSTRUMENTS/ENCUMBRANCES TO BE DELETED
FROM PIN 25035-0272 (LT)**

1. Instrument No. HR1071229 registered 2012/12/14 being a Charge in favour of Harbouredge Mortgage Investment Corporation;
2. Instrument No. HR1071238 registered 2012/12/14 being an Assignment in favour of Harbouredge Mortgage Investment Corporation;
3. Instrument No. HR1077542 registered 2013/01/22 being a Charge in favour of Derek Sorrenti;
4. Instrument No. HR1077554 registered 2013/01/22 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
5. Instrument No. HR1080390 registered 2013/02/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
6. Instrument No. HR1084273 registered 2013/02/28 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
7. Instrument No. HR1091133 registered 2013/04/02 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
8. Instrument No. HR1103585 registered 2013/05/30 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
9. Instrument No. HR1103659 registered 2013/05/30 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
10. Instrument No. HR1154301 registered 2013/12/16 being a Notice in favour of the Derek Sorrenti and Olympia Trust Company;
11. Instrument No. HR1154398 registered 2013/12/16 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
12. Instrument No. HR1158774 registered 2014/01/14 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
13. Instrument No. HR1163007 registered 2014/02/03 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
14. Instrument No. HR1164749 registered 2014/02/13 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
15. Instrument No. HR1169883 registered 2014/03/17 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
16. Instrument No. HR1174819 registered 2014/04/14 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;

17. Instrument No. HR1177780 registered 2014/04/29 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
18. Instrument No. HR1192493 registered 2014/06/27 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
19. Instrument No. HR1208704 registered 2014/08/27 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
20. Instrument No. HR1211249 registered 2014/09/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
21. Instrument No. HR1212577 registered 2014/09/11 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
22. Instrument No. HR1223688 registered 2014/10/29 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
23. Instrument No. HR1224153 registered 2014/10/30 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
24. Instrument No. HR1224406 registered 2014/10/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
25. Instrument No. HR1241411 registered 2015/01/15 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
26. Instrument No. HR1255254 registered 2015/03/25 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
27. Instrument No. HR1271200 registered 2015/06/04 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
28. Instrument No. HR1280481 registered 2015/07/09 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
29. Instrument No. HR1287375 registered 2015/07/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
30. Instrument No. HR1330352 registered 2016/01/19 being a Charge in favour of Centro Mortgage Inc.;
31. Instrument No. HR1330357 registered 2016/01/19 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
32. Instrument No. HR1332414 registered 2016/01/27 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
33. Instrument No. HR1339335 registered 2016/02/26 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
34. Instrument No. HR1347052 registered 2016/04/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
35. Instrument No. HR1362983 registered 2016/06/07 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

36. Instrument No. HR1370750 registered 2016/07/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
37. Instrument No. HR1373318 registered 2016/07/12 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
38. Instrument No. HR1389471 registered 2016/09/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
39. Instrument No. HR1391261 registered 2016/09/08 being a Transfer of Charge in favour of in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
40. Instrument No. HR1400743 registered 2016/10/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
41. Instrument No. HR1407583 registered 2016/11/03 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
42. Instrument No. HR1418030 registered 2016/12/14 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
43. Instrument No. HR1422709 registered 2017/01/06 being a being a Notice in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
44. Instrument No. HR1423523 registered 2017/01/11 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
45. Instrument No. HR1424377 registered 2017/01/13 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
46. Instrument No. HR1430681 registered 2017/02/07 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
47. Instrument No. HR1435135 registered 2017/02/27 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
48. Instrument No. HR1441600 registered 2017/03/23 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
49. Instrument No. HR1447439 registered 2017/04/19 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
50. Instrument No. HR1451684 registered 2017/05/03 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
51. Instrument No. HR1460232 registered 2017/06/05 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
52. Instrument No. HR1462808 registered 2017/06/14 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
53. Instrument No. HR1465025 registered 2017/06/21 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

54. Instrument No. HR1473710 registered 2017/07/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
55. Instrument No. HR1480945 registered 2017/08/15 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
56. Instrument No. HR1494814 registered 2017/10/04 being a Charge in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
57. Instrument No. HR1494815 registered 2017/10/04 being an Assignment in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
58. Instrument No. HR1494818 registered 2017/10/04 being a Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
59. Instrument No. HR1494821 registered 2017/10/04 being Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
60. Instrument No. HR1513969 registered 2017/12/20 being a Charge in favour of Building & Development Mortgages Canada Inc.;
61. Instrument No. HR1513970 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
62. Instrument No. HR1513971 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
63. Instrument No. HR1513981 registered 2017/12/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
64. Instrument No. HR1516316 registered 2018/01/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
65. Instrument No. HR1517505 registered 2018/01/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
66. Instrument No. HR1520739 registered 2018/01/25 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
67. Instrument No. HR1522156 registered 2018/01/31 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada.

SCHEDULE "C5"

**INSTRUMENTS/ENCUMBRANCES TO BE DELETED
FROM PIN 25039-0465 (LT)**

1. Instrument No. HR1071229 registered 2012/12/14 being a Charge in favour of Harbouredge Mortgage Investment Corporation;
2. Instrument No. HR1071238 registered 2012/12/14 being an Assignment in favour of Harbouredge Mortgage Investment Corporation;
3. Instrument No. HR1077542 registered 2013/01/22 being a Charge in favour of Derek Sorrenti;
4. Instrument No. HR1077554 registered 2013/01/22 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
5. Instrument No. HR1080390 registered 2013/02/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
6. Instrument No. HR1084273 registered 2013/02/28 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
7. Instrument No. HR1091133 registered 2013/04/02 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
8. Instrument No. HR1103585 registered 2013/05/30 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
9. Instrument No. HR1103659 registered 2013/05/30 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
10. Instrument No. HR1154301 registered 2013/12/16 being a Notice in favour of the Derek Sorrenti and Olympia Trust Company;
11. Instrument No. HR1154398 registered 2013/12/16 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
12. Instrument No. HR1158774 registered 2014/01/14 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
13. Instrument No. HR1163007 registered 2014/02/03 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
14. Instrument No. HR1164749 registered 2014/02/13 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
15. Instrument No. HR1169883 registered 2014/03/17 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
16. Instrument No. HR1174819 registered 2014/04/14 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;

17. Instrument No. HR1177780 registered 2014/04/29 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
18. Instrument No. HR1192493 registered 2014/06/27 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
19. Instrument No. HR1208704 registered 2014/08/27 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
20. Instrument No. HR1211249 registered 2014/09/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
21. Instrument No. HR1212577 registered 2014/09/11 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
22. Instrument No. HR1223688 registered 2014/10/29 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
23. Instrument No. HR1224153 registered 2014/10/30 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
24. Instrument No. HR1224406 registered 2014/10/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
25. Instrument No. HR1241411 registered 2015/01/15 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
26. Instrument No. HR1255254 registered 2015/03/25 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
27. Instrument No. HR1271200 registered 2015/06/04 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
28. Instrument No. HR1280481 registered 2015/07/09 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
29. Instrument No. HR1287375 registered 2015/07/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
30. Instrument No. HR1330352 registered 2016/01/19 being a Charge in favour of Centro Mortgage Inc.;
31. Instrument No. HR1330357 registered 2016/01/19 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
32. Instrument No. HR1332414 registered 2016/01/27 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
33. Instrument No. HR1339335 registered 2016/02/26 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
34. Instrument No. HR1347052 registered 2016/04/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
35. Instrument No. HR1362983 registered 2016/06/07 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

36. Instrument No. HR1370750 registered 2016/07/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
37. Instrument No. HR1373318 registered 2016/07/12 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
38. Instrument No. HR1389471 registered 2016/09/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
39. Instrument No. HR1391261 registered 2016/09/08 being a Transfer of Charge in favour of in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
40. Instrument No. HR1400743 registered 2016/10/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
41. Instrument No. HR1407583 registered 2016/11/03 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
42. Instrument No. HR1418030 registered 2016/12/14 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
43. Instrument No. HR1422709 registered 2017/01/06 being a being a Notice in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
44. Instrument No. HR1423523 registered 2017/01/11 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
45. Instrument No. HR1424377 registered 2017/01/13 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
46. Instrument No. HR1430681 registered 2017/02/07 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
47. Instrument No. HR1435135 registered 2017/02/27 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
48. Instrument No. HR1441600 registered 2017/03/23 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
49. Instrument No. HR1447439 registered 2017/04/19 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
50. Instrument No. HR1451684 registered 2017/05/03 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
51. Instrument No. HR1460232 registered 2017/06/05 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
52. Instrument No. HR1462808 registered 2017/06/14 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
53. Instrument No. HR1465025 registered 2017/06/21 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

54. Instrument No. HR1473710 registered 2017/07/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
55. Instrument No. HR1480945 registered 2017/08/15 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
56. Instrument No. HR1494814 registered 2017/10/04 being a Charge in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
57. Instrument No. HR1494815 registered 2017/10/04 being an Assignment in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
58. Instrument No. HR1494818 registered 2017/10/04 being a Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
59. Instrument No. HR1494821 registered 2017/10/04 being Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
60. Instrument No. HR1513969 registered 2017/12/20 being a Charge in favour of Building & Development Mortgages Canada Inc.;
61. Instrument No. HR1513970 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
62. Instrument No. HR1513971 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
63. Instrument No. HR1513981 registered 2017/12/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
64. Instrument No. HR1516316 registered 2018/01/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
65. Instrument No. HR1517505 registered 2018/01/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
66. Instrument No. HR1520739 registered 2018/01/25 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
67. Instrument No. HR1522156 registered 2018/01/31 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada.

SCHEDULE "C6"

**INSTRUMENTS/ENCUMBRANCES TO BE DELETED
FROM PIN 25039-0185 (LT)**

1. Instrument No. HR1071229 registered 2012/12/14 being a Charge in favour of Harbouredge Mortgage Investment Corporation;
2. Instrument No. HR1071238 registered 2012/12/14 being an Assignment in favour of Harbouredge Mortgage Investment Corporation;
3. Instrument No. HR1077542 registered 2013/01/22 being a Charge in favour of Derek Sorrenti;
4. Instrument No. HR1077554 registered 2013/01/22 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
5. Instrument No. HR1080390 registered 2013/02/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
6. Instrument No. HR1084273 registered 2013/02/28 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
7. Instrument No. HR1091133 registered 2013/04/02 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
8. Instrument No. HR1103585 registered 2013/05/30 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
9. Instrument No. HR1103659 registered 2013/05/30 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
10. Instrument No. HR1154301 registered 2013/12/16 being a Notice in favour of the Derek Sorrenti and Olympia Trust Company;
11. Instrument No. HR1154398 registered 2013/12/16 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
12. Instrument No. HR1158774 registered 2014/01/14 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
13. Instrument No. HR1163007 registered 2014/02/03 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
14. Instrument No. HR1164749 registered 2014/02/13 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
15. Instrument No. HR1169883 registered 2014/03/17 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
16. Instrument No. HR1174819 registered 2014/04/14 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;

17. Instrument No. HR1177780 registered 2014/04/29 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
18. Instrument No. HR1192493 registered 2014/06/27 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
19. Instrument No. HR1208704 registered 2014/08/27 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
20. Instrument No. HR1211249 registered 2014/09/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
21. Instrument No. HR1212577 registered 2014/09/11 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
22. Instrument No. HR1223688 registered 2014/10/29 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
23. Instrument No. HR1224153 registered 2014/10/30 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
24. Instrument No. HR1224406 registered 2014/10/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
25. Instrument No. HR1241411 registered 2015/01/15 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
26. Instrument No. HR1255254 registered 2015/03/25 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
27. Instrument No. HR1271200 registered 2015/06/04 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
28. Instrument No. HR1280481 registered 2015/07/09 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
29. Instrument No. HR1287375 registered 2015/07/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
30. Instrument No. HR1330352 registered 2016/01/19 being a Charge in favour of Centro Mortgage Inc.;
31. Instrument No. HR1330357 registered 2016/01/19 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
32. Instrument No. HR1332414 registered 2016/01/27 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
33. Instrument No. HR1339335 registered 2016/02/26 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
34. Instrument No. HR1347052 registered 2016/04/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
35. Instrument No. HR1362983 registered 2016/06/07 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

36. Instrument No. HR1370750 registered 2016/07/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
37. Instrument No. HR1373318 registered 2016/07/12 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
38. Instrument No. HR1389471 registered 2016/09/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
39. Instrument No. HR1391261 registered 2016/09/08 being a Transfer of Charge in favour of in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
40. Instrument No. HR1400743 registered 2016/10/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
41. Instrument No. HR1407583 registered 2016/11/03 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
42. Instrument No. HR1418030 registered 2016/12/14 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
43. Instrument No. HR1422709 registered 2017/01/06 being a being a Notice in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
44. Instrument No. HR1423523 registered 2017/01/11 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
45. Instrument No. HR1424377 registered 2017/01/13 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
46. Instrument No. HR1430681 registered 2017/02/07 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
47. Instrument No. HR1435135 registered 2017/02/27 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
48. Instrument No. HR1494818 registered 2017/10/04 being a Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
49. Instrument No. HR1494819 registered 2017/10/04 being a Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
50. Instrument No. HR1494821 registered 2017/10/04 being Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
51. Instrument No. HR1513969 registered 2017/12/20 being a Charge in favour of Building & Development Mortgages Canada Inc.;
52. Instrument No. HR1513970 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
53. Instrument No. HR1513971 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;

54. Instrument No. HR1513981 registered 2017/12/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
55. Instrument No. HR1516316 registered 2018/01/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
56. Instrument No. HR1517505 registered 2018/01/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
57. Instrument No. HR1520739 registered 2018/01/25 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
58. Instrument No. HR1522156 registered 2018/01/31 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada.
59. Instrument No. HR1441600 registered 2017/03/23 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
60. Instrument No. HR1447439 registered 2017/04/19 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
61. Instrument No. HR1451684 registered 2017/05/03 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
62. Instrument No. HR1460232 registered 2017/06/05 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
63. Instrument No. HR1462808 registered 2017/06/14 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
64. Instrument No. HR1465025 registered 2017/06/21 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
65. Instrument No. HR1473710 registered 2017/07/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
66. Instrument No. HR1480945 registered 2017/08/15 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
67. Instrument No. HR1494814 registered 2017/10/04 being a Charge in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu, and Leaping Loft Ltd.;
68. Instrument No. HR1494815 registered 2017/10/04 being a No Assgn Rent Gen in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu, and Leaping Loft Ltd.

SCHEDULE "D1"

**PERMITTED INSTRUMENTS/ENCUMBRANCES TO REMAIN
ON PIN 25035-0005 (LT)**

1. Instrument No. 251421 registered 1968/07/17 being a Bylaw;
2. Instrument No. HR978176 registered 2011/11/24 being a APL of Surv-Land in favour of Evelyn Allen;
3. Instrument No. HR978231 registered 2011/11/24 being a Transfer in favour of 2301132 Ontario Inc.

SCHEDULE "D2"

**PERMITTED INSTRUMENTS/ENCUMBRANCES TO REMAIN
ON PIN 25035-0006 (LT)**

1. Instrument No. 251421 registered 1968/07/17 being a Bylaw;
2. Instrument No. HR1448578 registered 2017/04/21 being a Transfer in favour of 2309840 Ontario Inc.

SCHEDULE "D3"

**PERMITTED INSTRUMENTS/ENCUMBRANCES TO REMAIN
ON PIN 25035-0008 (LT)**

1. Instrument No. 251421 registered 1968/07/17 being a Bylaw;
2. Instrument No. HR1077398 registered 2013/01/21 being a Transfer in favour of 2309840 Ontario Inc.

SCHEDULE "D4"

**PERMITTED INSTRUMENTS/ENCUMBRANCES TO REMAIN
ON PIN 25035-0272 (LT)**

1. Instrument No. 251421 registered 1968/07/17 being a Bylaw;
2. Instrument No. 20R7368 registered 1986/01/17 being a Plan Reference;
3. Instrument No. 20R14446 registered 2001/12/17 being a Plan Reference;
4. Instrument No. HR557167 registered 2007/04/04 being an APL Consolidate;
5. Instrument No. HR1050603 registered 2012/09/14 being a Transfer in favour of 2301132 Ontario Inc.

SCHEDULE "D5"

**PERMITTED INSTRUMENTS/ENCUMBRANCES TO REMAIN
ON PIN 25039-0465 (LT)**

1. Instrument No. HR1071054 registered 2012/12/14 being a Transfer in favour of 2309840 Ontario Inc.

SCHEDULE "D6"

**PERMITTED INSTRUMENTS/ENCUMBRANCES TO REMAIN
ON PIN 25039-0185 (LT)**

1. Instrument No. 20R2842 registered 1976/10/22 being a Plan Reference;
2. Instrument No. 20R8477 registered 1988/01/07 being a Plan Reference;
3. Instrument No. HR1071054 registered 2012/12/14 being a Transfer in favour of 2309840 Ontario Inc.

SCHEDULE "E"
FORM OF APPROVAL AND VESTING ORDER

[see attached]

Court File No./Estate File No. 31-2413442
Court File No./Estate File No. 31-2413445

**ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]
(IN BANKRUPTCY AND INSOLVENCY)**

THE HONOURABLE) WEEKDAY, THE #
)
JUSTICE) DAY OF MONTH, 20YR
)

B E T W E E N:

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c. B-3, AS AMENDED**

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE
A PROPOSAL OF 2301132 ONTARIO INC., OF THE CITY OF PORT PERRY, IN THE
PROVINCE OF ONTARIO**

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE
A PROPOSAL OF 2309840 ONTARIO INC., OF THE CITY OF PORT PERRY, IN THE
PROVINCE OF ONTARIO**

APPROVAL AND VESTING ORDER

THIS MOTION, made 2301132 Ontario Inc. and 2309840 Ontario Inc. (together, the "Companies") for an order approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale (the "Sale Agreement") between the Companies and JYR Real Capital Mortgage Investment Corporation and Leaping Loft Ltd. (collectively, the "Purchaser") dated [DATE] and appended to the Report of the KSV Kofman Inc. in its capacity as proposal trustee (the "Proposal Trustee") dated [DATE] (the "Report"), and vesting in those entities set out herein, as directed by the Purchaser and set out in the Sale Agreement, the Companies' right, title and interest in and to the assets described in the Sale Agreement (the "Purchased Assets"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the motion record of the Companies, the Report and on hearing the submissions of counsel for the Companies, the Proposal Trustee, [NAMES OF OTHER PARTIES APPEARING], no one appearing for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn [DATE] filed:

1. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved, and the execution of the Sale Agreement by the Companies is hereby authorized and approved, with such minor amendments as the Companies may deem necessary. The Companies and Proposal Trustee are hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser and the vesting of the Purchased Assets in the Vesting Entities (as defined below).

2. THIS COURT ORDERS AND DECLARES that upon the delivery of a Proposal Trustee's certificate to the Purchaser substantially in the form attached as Schedule A hereto (the "Proposal Trustee's Certificate"), all of the Companies' right, title and interest in and to the Purchased Assets described in the Sale Agreement shall vest in 2663829 Ontario Inc., 2665926 Ontario Inc. and 2661426 Ontario Inc. (collectively, the "Vesting Entities") as follows:

- (a) those Purchased Assets comprising the assets listed on Schedule B-1 hereto (the "Lot 1 Assets") shall vest absolutely in 2663829 Ontario Inc., free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "Claims") including, without limiting the generality of the foregoing: ((i) any encumbrances or charges created by the Order of the Honourable Justice Wilton-Siegel dated September 20, 2018; (ii) any encumbrances or charges created by the Order of the Honourable Justice McEwen dated October 15, 2018; (iii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iv) those Claims listed on Schedule B-2 hereto (all of which are collectively referred

to as the "Lot 1 Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule B-3) and, for greater certainty, this Court orders that all of the Lot 1 Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets;

- (b) those Purchased Assets comprising the assets listed on Schedule C-1 hereto (the "Lot 2 Assets") shall vest absolutely in 2665926 Ontario Inc., free and clear of and from any and all Claims including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Wilton-Siegel dated September 20, 2018; (ii) any encumbrances or charges created by the Order of the Honourable Justice McEwen dated October 15, 2018; (iii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iv) those Claims listed on Schedule C-1 hereto (all of which are collectively referred to as the "Lot 2 Encumbrances", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule C-3) and, for greater certainty, this Court orders that all of the Lot 2 Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets; and
- (c) those Purchased Assets comprising the assets listed on Schedule D-1 hereto (the "Lot 3 Assets") shall vest absolutely in 2661426 Ontario Inc., free and clear of and from any and all Claims including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Wilton-Siegel dated September 20, 2018; (ii) any encumbrances or charges created by the Order of the Honourable Justice McEwen dated October 15, 2018; (iii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iv) those Claims listed on Schedule D-2 hereto (all of which are collectively referred to as the "Lot 3 Encumbrances"; and together with the Lot 1 Encumbrances and the Lot 2 Encumbrances, the "Encumbrances", which term shall not include the permitted encumbrances,

easements and restrictive covenants listed on Schedule D-3) and, for greater certainty, this Court orders that all of the Lot 3 Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

3. THIS COURT ORDERS that upon the registration in the Land Registry Office for the Land Titles Division of Halton (#20) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter:

- (a) 2663829 Ontario Inc. as the owner of the subject real property identified in Schedule B-1 hereto (the "Lot 1 Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Lot 1 Real Property all of the Claims listed in Schedule C hereto;
- (b) 2665926 Ontario Inc. as the owner of the subject real property identified in Schedule C-1 hereto (the "Lot 2 Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Lot 2 Real Property all of the Claims listed in Schedule G hereto; and
- (c) 2661426 Ontario Inc. as the owner of the subject real property identified in Schedule D-1 hereto (the "Lot 3 Real Property"; and, together with the Lot 1 Real Property and Lot 2 Real Property, the "Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Lot 3 Real Property all of the Claims listed in Schedule J hereto

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

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

6. THIS COURT ORDERS that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act (Canada)* in respect of the Companies and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Companies;

the vesting of the Purchased Assets in the Vesting Entities pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Companies and shall not be void or voidable by creditors of the Companies, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act (Canada)* or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

7. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Companies and the Proposal Trustee and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Proposal Trustee, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Companies and the Proposal Trustee and its agents in carrying out the terms of this Order.

Schedule A – Form of Proposal Trustee’s Certificate

Court File No./Estate File No. 31-2413442
Court File No./Estate File No. 31-2413445

**ONTARIO
SUPERIOR COURT OF JUSTICE
[COMMERCIAL LIST]
(IN BANKRUPTCY AND INSOLVENCY)**

THE HONOURABLE) WEEKDAY, THE #
)
JUSTICE) DAY OF MONTH, 20YR
)

B E T W E E N:

**IN THE MATTER OF THE *BANKRUPTCY AND INSOLVENCY ACT*,
R.S.C. 1985, c. B-3, AS AMENDED**

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE
A PROPOSAL OF 2301132 ONTARIO INC., OF THE CITY OF PORT PERRY, IN THE
PROVINCE OF ONTARIO**

**AND IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE
A PROPOSAL OF 2309840 ONTARIO INC., OF THE CITY OF PORT PERRY, IN THE
PROVINCE OF ONTARIO**

PROPOSAL TRUSTEE’S CERTIFICATE

RECITALS

A. 2301132 Ontario Inc. and 2309840 Ontario Inc. (together, the “Companies”) commenced these proceedings by filing a notice of intention to make a proposal under the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended, on or about August 25, 2018 (the “NOIs”).

B. KSV Kofman Inc. was named proposal trustee (the “Proposal Trustee”) under the NOIs.

C. Pursuant to an Order of the Court dated [DATE], the Court approved the agreement of purchase and sale made as of [DATE OF AGREEMENT] (the "Sale Agreement") between the Companies and JYR Real Capital Mortgage Investment Corporation, Liang Xu and Leaping Loft Ltd. (collectively, the "Purchaser") and provided for the vesting in the 2663829 Ontario Inc., 2665926 Ontario Inc. and 2661426 Ontario Inc. (collectively, the "Vesting Entities") of the Companies right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Proposal Trustee to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in section • of the Sale Agreement have been satisfied or waived by the Companies and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Proposal Trustee.

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

THE PROPOSAL TRUSTEE CERTIFIES the following:

1. The Purchaser has paid and the Companies have received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in section • of the Sale Agreement have been satisfied or waived by the Companies and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Proposal Trustee
4. This Certificate was delivered by the Proposal Trustee at _____ [TIME] on _____ [DATE].

**KSV KOFMAN INC., in its capacity as
Proposal Trustee under the NOIs, and not in
its personal capacity**

Per: _____
Name:
Title:

Schedule B-1 – Lot 1 Purchased Assets

1. PART LOT 20, CONCESSION 8 ESQUESING, AS IN INSTRUMENT NO. 111485; HALTON HILLS/ESQUESING, BEING ALL OF PIN 250035-0005 (LT)

Municipally described as: 8 Lindsay Court, Georgetown, Ontario

2. CONSOLIDATION OF VARIOUS PROPERTIES: PART LOT 20, CONCESSION 8 ESQUESING, PART 1, 20R7368 AND AS IN INSTRUMENT NO. 391973; HALTON HILLS, BEING ALL OF PIN 250035-0272 (LT)

Municipally described as: 13764 Highway 7, Georgetown, Ontario

Schedule B-2 – Claims to be deleted and expunged from title to Lot 1 Real Property

**INSTRUMENTS/ENCUMBRANCES TO BE DELETED
FROM PIN 25035-0005 (LT)**

1. Instrument No. HR985367 registered 2011/12/23 being a Charge in favour of Home Trust Company;
2. Instrument No. HR1077542 registered 2013/01/22 being a Charge in favour of Derek Sorrenti;
3. Instrument No. HR1077554 registered 2013/01/22 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
4. Instrument No. HR1080390 registered 2013/02/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
5. Instrument No. HR1084273 registered 2013/02/28 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
6. Instrument No. HR1091133 registered 2013/04/02 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
7. Instrument No. HR1103585 registered 2013/05/30 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
8. Instrument No. HR1103659 registered 2013/05/30 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
9. Instrument No. HR1154301 registered 2013/12/16 being a Notice in favour of the Derek Sorrenti and Olympia Trust Company;
10. Instrument No. HR1154398 registered 2013/12/16 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
11. Instrument No. HR1158774 registered 2014/01/14 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
12. Instrument No. HR1163007 registered 2014/02/03 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
13. Instrument No. HR1164749 registered 2014/02/13 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
14. Instrument No. HR1169883 registered 2014/03/17 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
15. Instrument No. HR1174819 registered 2014/04/14 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;

16. Instrument No. HR1177780 registered 2014/04/29 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
17. Instrument No. HR1192493 registered 2014/06/27 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
18. Instrument No. HR1208704 registered 2014/08/27 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
19. Instrument No. HR1211249 registered 2014/09/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
20. Instrument No. HR1212577 registered 2014/09/11 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
21. Instrument No. HR1223688 registered 2014/10/29 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
22. Instrument No. HR1224153 registered 2014/10/30 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
23. Instrument No. HR1224406 registered 2014/10/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
24. Instrument No. HR1241411 registered 2015/01/15 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
25. Instrument No. HR1255254 registered 2015/03/25 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
26. Instrument No. HR1271200 registered 2015/06/04 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
27. Instrument No. HR1280481 registered 2015/07/09 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
28. Instrument No. HR1287375 registered 2015/07/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
29. Instrument No. HR1330352 registered 2016/01/19 being a Charge in favour of Centro Mortgage Inc.;
30. Instrument No. HR1330357 registered 2016/01/19 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
31. Instrument No. HR1332414 registered 2016/01/27 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
32. Instrument No. HR1339335 registered 2016/02/26 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
33. Instrument No. HR1347052 registered 2016/04/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
34. Instrument No. HR1362983 registered 2016/06/07 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

35. Instrument No. HR1370750 registered 2016/07/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
36. Instrument No. HR1373318 registered 2016/07/12 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
37. Instrument No. HR1389471 registered 2016/09/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
38. Instrument No. HR1391261 registered 2016/09/08 being a Transfer of Charge in favour of in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
39. Instrument No. HR1400743 registered 2016/10/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
40. Instrument No. HR1407583 registered 2016/11/03 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
41. Instrument No. HR1418030 registered 2016/12/14 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
42. Instrument No. HR1422709 registered 2017/01/06 being a being a Notice in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
43. Instrument No. HR1423523 registered 2017/01/11 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
44. Instrument No. HR1424377 registered 2017/01/13 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
45. Instrument No. HR1430681 registered 2017/02/07 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
46. Instrument No. HR1435135 registered 2017/02/27 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
47. Instrument No. HR1441600 registered 2017/03/23 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
48. Instrument No. HR1447439 registered 2017/04/19 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
49. Instrument No. HR1451684 registered 2017/05/03 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
50. Instrument No. HR1460232 registered 2017/06/05 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
51. Instrument No. HR1462808 registered 2017/06/14 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
52. Instrument No. HR1465025 registered 2017/06/21 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
53. Instrument No. HR1473710 registered 2017/07/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

54. Instrument No. HR1480945 registered 2017/08/15 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
55. Instrument No. HR1494814 registered 2017/10/04 being a Charge in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
56. Instrument No. HR1494815 registered 2017/10/04 being an Assignment in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
57. Instrument No. HR1513969 registered 2017/12/20 being a Charge in favour of Building & Development Mortgages Canada Inc.;
58. Instrument No. HR1513970 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
59. Instrument No. HR1513971 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
60. Instrument No. HR1513981 registered 2017/12/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
61. Instrument No. HR1516316 registered 2018/01/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
62. Instrument No. HR1517505 registered 2018/01/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
63. Instrument No. HR1520739 registered 2018/01/25 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
64. Instrument No. HR1522156 registered 2018/01/31 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
65. Instrument No. HR1556834 registered 2018/07/17 being a Transfer of Charge in favour of 2413349 Ontario Inc.

**INSTRUMENTS/ENCUMBRANCES TO BE DELETED
FROM PIN 25035-0272 (LT)**

1. Instrument No. HR1071229 registered 2012/12/14 being a Charge in favour of Harbouredge Mortgage Investment Corporation;
2. Instrument No. HR1071238 registered 2012/12/14 being an Assignment in favour of Harbouredge Mortgage Investment Corporation;

3. Instrument No. HR1077542 registered 2013/01/22 being a Charge in favour of Derek Sorrenti;
4. Instrument No. HR1077554 registered 2013/01/22 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
5. Instrument No. HR1080390 registered 2013/02/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
6. Instrument No. HR1084273 registered 2013/02/28 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
7. Instrument No. HR1091133 registered 2013/04/02 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
8. Instrument No. HR1103585 registered 2013/05/30 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
9. Instrument No. HR1103659 registered 2013/05/30 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
10. Instrument No. HR1154301 registered 2013/12/16 being a Notice in favour of the Derek Sorrenti and Olympia Trust Company;
11. Instrument No. HR1154398 registered 2013/12/16 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
12. Instrument No. HR1158774 registered 2014/01/14 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
13. Instrument No. HR1163007 registered 2014/02/03 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
14. Instrument No. HR1164749 registered 2014/02/13 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
15. Instrument No. HR1169883 registered 2014/03/17 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
16. Instrument No. HR1174819 registered 2014/04/14 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
17. Instrument No. HR1177780 registered 2014/04/29 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
18. Instrument No. HR1192493 registered 2014/06/27 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
19. Instrument No. HR1208704 registered 2014/08/27 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
20. Instrument No. HR1211249 registered 2014/09/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
21. Instrument No. HR1212577 registered 2014/09/11 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;

22. Instrument No. HR1223688 registered 2014/10/29 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
23. Instrument No. HR1224153 registered 2014/10/30 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
24. Instrument No. HR1224406 registered 2014/10/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
25. Instrument No. HR1241411 registered 2015/01/15 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
26. Instrument No. HR1255254 registered 2015/03/25 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
27. Instrument No. HR1271200 registered 2015/06/04 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
28. Instrument No. HR1280481 registered 2015/07/09 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
29. Instrument No. HR1287375 registered 2015/07/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
30. Instrument No. HR1330352 registered 2016/01/19 being a Charge in favour of Centro Mortgage Inc.;
31. Instrument No. HR1330357 registered 2016/01/19 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
32. Instrument No. HR1332414 registered 2016/01/27 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
33. Instrument No. HR1339335 registered 2016/02/26 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
34. Instrument No. HR1347052 registered 2016/04/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
35. Instrument No. HR1362983 registered 2016/06/07 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
36. Instrument No. HR1370750 registered 2016/07/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
37. Instrument No. HR1373318 registered 2016/07/12 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
38. Instrument No. HR1389471 registered 2016/09/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
39. Instrument No. HR1391261 registered 2016/09/08 being a Transfer of Charge in favour of in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
40. Instrument No. HR1400743 registered 2016/10/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

41. Instrument No. HR1407583 registered 2016/11/03 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
42. Instrument No. HR1418030 registered 2016/12/14 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
43. Instrument No. HR1422709 registered 2017/01/06 being a being a Notice in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
44. Instrument No. HR1423523 registered 2017/01/11 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
45. Instrument No. HR1424377 registered 2017/01/13 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
46. Instrument No. HR1430681 registered 2017/02/07 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
47. Instrument No. HR1435135 registered 2017/02/27 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
48. Instrument No. HR1441600 registered 2017/03/23 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
49. Instrument No. HR1447439 registered 2017/04/19 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
50. Instrument No. HR1451684 registered 2017/05/03 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
51. Instrument No. HR1460232 registered 2017/06/05 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
52. Instrument No. HR1462808 registered 2017/06/14 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
53. Instrument No. HR1465025 registered 2017/06/21 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
54. Instrument No. HR1473710 registered 2017/07/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
55. Instrument No. HR1480945 registered 2017/08/15 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
56. Instrument No. HR1494814 registered 2017/10/04 being a Charge in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
57. Instrument No. HR1494815 registered 2017/10/04 being an Assignment in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
58. Instrument No. HR1494818 registered 2017/10/04 being a Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
59. Instrument No. HR1494821 registered 2017/10/04 being Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;

60. Instrument No. HR1513969 registered 2017/12/20 being a Charge in favour of Building & Development Mortgages Canada Inc.;
61. Instrument No. HR1513970 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
62. Instrument No. HR1513971 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
63. Instrument No. HR1513981 registered 2017/12/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
64. Instrument No. HR1516316 registered 2018/01/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
65. Instrument No. HR1517505 registered 2018/01/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
66. Instrument No. HR1520739 registered 2018/01/25 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
67. Instrument No. HR1522156 registered 2018/01/31 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada.

Schedule B-3 – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Lot 1 Real Property

(unaffected by the Vesting Order)

**PERMITTED INSTRUMENTS/ENCUMBRANCES TO REMAIN
ON PIN 25035-0005 (LT)**

1. Instrument No. 251421 registered 1968/07/17 being a Bylaw;
2. Instrument No. HR978176 registered 2011/11/24 being a APL of Surv-Land in favour of Evelyn Allen;
3. Instrument No. HR978231 registered 2011/11/24 being a Transfer in favour of 2301132 Ontario Inc.

**PERMITTED INSTRUMENTS/ENCUMBRANCES TO REMAIN
ON PIN 25035-0272 (LT)**

1. Instrument No. 251421 registered 1968/07/17 being a Bylaw;
2. Instrument No. 20R7368 registered 1986/01/17 being a Plan Reference;
3. Instrument No. 20R14446 registered 2001/12/17 being a Plan Reference;
4. Instrument No. HR557167 registered 2007/04/04 being an APL Consolidate;
5. Instrument No. HR1050603 registered 2012/09/14 being a Transfer in favour of 2301132 Ontario Inc.

Schedule C-1 – Lot 2 Purchased Assets

1. PART LOT 20, CONCESSION 8 ESQUESING, AS IN INSTRUMENT NO. 686906; HALTON HILLS/ESQUESING, BEING ALL OF PIN 250035-0006 (LT)

Municipally described as: 10 Lindsay Court, Georgetown, Ontario

2. PART LOT 20, CONCESSION 8 ESQUESING, AS IN INSTRUMENT NO. 807363; HALTON HILLS/ESQUESING, BEING ALL OF PIN 250035-0008 (LT)

Municipally described as: 13758 Highway 7, Georgetown, Ontario

Schedule C-2 – Claims to be deleted and expunged from title to Lot 2 Real Property

**INSTRUMENTS/ENCUMBRANCES TO BE DELETED
FROM PIN 25035-0006 (LT)**

1. Instrument No. 856508 registered 1996/11/06 being an Agreement;
2. Instrument No. HR1384990 registered 2016/08/18 being a Charge in favour of 903287 Ontario Limited;
3. Instrument No. HR1434674 registered 2017/02/23 being a Transfer of Charge in favour of Stasis Group Inc. and 2561388 Ontario Inc.;
4. Instrument No. HR1448595 registered 2017/04/21 being a Notice in favour of 2309840 Ontario Inc.;
5. Instrument No. HR1471381 registered 2017/07/12 being a Charge in favour of Brian Tilley;
6. Instrument No. HR1494814 registered 2017/10/04 being a Charge in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
7. Instrument No. HR1494815 registered 2017/10/04 being an Assignment in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
8. Instrument No. HR1494820 registered 2017/10/04 being a Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
9. Instrument No. HR1513969 registered 2017/12/20 being a Charge in favour of Building & Development Mortgages Canada Inc.;
10. Instrument No. HR1513972 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
11. Instrument No. HR1513981 registered 2017/12/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
12. Instrument No. HR1517505 registered 2018/01/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
13. Instrument No. HR1520739 registered 2018/01/25 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
14. Instrument No. HR1522156 registered 2018/01/31 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada.

**INSTRUMENTS/ENCUMBRANCES TO BE DELETED
FROM PIN 25035-0008 (LT)**

1. Instrument No. HR923507 registered 2011/04/28 being a Charge in favour of Home Trust Company;
2. Instrument No. HR1077542 registered 2013/01/22 being a Charge in favour of Derek Sorrenti;
3. Instrument No. HR1077554 registered 2013/01/22 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
4. Instrument No. HR1078260 registered 2013/01/25 being a Notice in favour of Brian Tilley
5. Instrument No. HR1080390 registered 2013/02/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
6. Instrument No. HR1084273 registered 2013/02/28 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
7. Instrument No. HR1091133 registered 2013/04/02 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
8. Instrument No. HR1103585 registered 2013/05/30 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
9. Instrument No. HR1103659 registered 2013/05/30 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
10. Instrument No. HR1154301 registered 2013/12/16 being a Notice in favour of the Derek Sorrenti and Olympia Trust Company;
11. Instrument No. HR1154398 registered 2013/12/16 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
12. Instrument No. HR1158774 registered 2014/01/14 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
13. Instrument No. HR1163007 registered 2014/02/03 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
14. Instrument No. HR1164749 registered 2014/02/13 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
15. Instrument No. HR1169883 registered 2014/03/17 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
16. Instrument No. HR1174819 registered 2014/04/14 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
17. Instrument No. HR1177780 registered 2014/04/29 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;

18. Instrument No. HR1192493 registered 2014/06/27 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
19. Instrument No. HR1208704 registered 2014/08/27 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
20. Instrument No. HR1211249 registered 2014/09/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
21. Instrument No. HR1212577 registered 2014/09/11 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
22. Instrument No. HR1223688 registered 2014/10/29 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
23. Instrument No. HR1224153 registered 2014/10/30 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
24. Instrument No. HR1224406 registered 2014/10/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
25. Instrument No. HR1241411 registered 2015/01/15 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
26. Instrument No. HR1255254 registered 2015/03/25 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
27. Instrument No. HR1271200 registered 2015/06/04 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
28. Instrument No. HR1280481 registered 2015/07/09 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
29. Instrument No. HR1287375 registered 2015/07/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
30. Instrument No. HR1330352 registered 2016/01/19 being a Charge in favour of Centro Mortgage Inc.;
31. Instrument No. HR1330357 registered 2016/01/19 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
32. Instrument No. HR1332414 registered 2016/01/27 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
33. Instrument No. HR1339335 registered 2016/02/26 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
34. Instrument No. HR1347052 registered 2016/04/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
35. Instrument No. HR1362983 registered 2016/06/07 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
36. Instrument No. HR1370750 registered 2016/07/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

37. Instrument No. HR1373318 registered 2016/07/12 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
38. Instrument No. HR1389471 registered 2016/09/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
39. Instrument No. HR1391261 registered 2016/09/08 being a Transfer of Charge in favour of in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
40. Instrument No. HR1400743 registered 2016/10/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
41. Instrument No. HR1407583 registered 2016/11/03 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
42. Instrument No. HR1418030 registered 2016/12/14 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
43. Instrument No. HR1422709 registered 2017/01/06 being a being a Notice in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
44. Instrument No. HR1423523 registered 2017/01/11 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
45. Instrument No. HR1424377 registered 2017/01/13 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
46. Instrument No. HR1430681 registered 2017/02/07 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
47. Instrument No. HR1435135 registered 2017/02/27 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
48. Instrument No. HR1441600 registered 2017/03/23 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
49. Instrument No. HR1447439 registered 2017/04/19 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
50. Instrument No. HR1451684 registered 2017/05/03 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
51. Instrument No. HR1460232 registered 2017/06/05 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
52. Instrument No. HR1462808 registered 2017/06/14 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
53. Instrument No. HR1465025 registered 2017/06/21 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
54. Instrument No. HR1473710 registered 2017/07/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
55. Instrument No. HR1480945 registered 2017/08/15 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

56. Instrument No. HR1494814 registered 2017/10/04 being a Charge in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
57. Instrument No. HR1494815 registered 2017/10/04 being an Assignment in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
58. Instrument No. HR1494818 registered 2017/10/04 being a Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
59. Instrument No. HR1494819 registered 2017/10/04 being a Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
60. Instrument No. HR1494821 registered 2017/10/04 being Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
61. Instrument No. HR1513969 registered 2017/12/20 being a Charge in favour of Building & Development Mortgages Canada Inc.;
62. Instrument No. HR1513970 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
63. Instrument No. HR1513971 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
64. Instrument No. HR1513981 registered 2017/12/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
65. Instrument No. HR1516316 registered 2018/01/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
66. Instrument No. HR1517505 registered 2018/01/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
67. Instrument No. HR1520739 registered 2018/01/25 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
68. Instrument No. HR1522156 registered 2018/01/31 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada.

**Schedule C-3 – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Lot 2 Real Property**

(unaffected by the Vesting Order)

**PERMITTED INSTRUMENTS/ENCUMBRANCES TO REMAIN
ON PIN 25035-0006 (LT)**

1. Instrument No. 251421 registered 1968/07/17 being a Bylaw;
2. Instrument No. HR1448578 registered 2017/04/21 being a Transfer in favour of 2309840 Ontario Inc.

**PERMITTED INSTRUMENTS/ENCUMBRANCES TO REMAIN
ON PIN 25035-0008 (LT)**

1. Instrument No. 251421 registered 1968/07/17 being a Bylaw;
2. Instrument No. HR1077398 registered 2013/01/21 being a Transfer in favour of 2309840 Ontario Inc.

Schedule D-1 – Lot 3 Purchased Assets

1. PART LOT 19, CONCESSION 9 ESQUESING, AS IN INSTRUMENT NO. 837455; TOWN OF HALTON HILLS, BEING ALL OF PIN 25039-0465 (LT)

Municipally described as: 22 Dayfoot Drive, Georgetown, Ontario

2. PART LOT 17, PLAN 341; PART LOT 19, CONCESSION 9 ESQUESING, PARTS 1 & 2 AS IN INSTRUMENT NO. 20R8477; PART LOT 17, PLAN 341, PART 1 AS IN INSTRUMENT NO. 20R2842; TOWN OF HALTON HILLS, BEING ALL OF PIN 25039-0185 (LT)

Municipally described as: 24 Dayfoot Drive, Georgetown, Ontario

Schedule D-2 – Claims to be deleted and expunged from title to Lot 3 Real Property

**INSTRUMENTS/ENCUMBRANCES TO BE DELETED
FROM PIN 25039-0465 (LT)**

1. Instrument No. HR1071229 registered 2012/12/14 being a Charge in favour of Harbouredge Mortgage Investment Corporation;
2. Instrument No. HR1071238 registered 2012/12/14 being an Assignment in favour of Harbouredge Mortgage Investment Corporation;
3. Instrument No. HR1077542 registered 2013/01/22 being a Charge in favour of Derek Sorrenti;
4. Instrument No. HR1077554 registered 2013/01/22 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
5. Instrument No. HR1080390 registered 2013/02/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
6. Instrument No. HR1084273 registered 2013/02/28 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
7. Instrument No. HR1091133 registered 2013/04/02 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
8. Instrument No. HR1103585 registered 2013/05/30 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
9. Instrument No. HR1103659 registered 2013/05/30 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
10. Instrument No. HR1154301 registered 2013/12/16 being a Notice in favour of the Derek Sorrenti and Olympia Trust Company;
11. Instrument No. HR1154398 registered 2013/12/16 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
12. Instrument No. HR1158774 registered 2014/01/14 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
13. Instrument No. HR1163007 registered 2014/02/03 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
14. Instrument No. HR1164749 registered 2014/02/13 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
15. Instrument No. HR1169883 registered 2014/03/17 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
16. Instrument No. HR1174819 registered 2014/04/14 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;

17. Instrument No. HR1177780 registered 2014/04/29 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
18. Instrument No. HR1192493 registered 2014/06/27 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
19. Instrument No. HR1208704 registered 2014/08/27 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
20. Instrument No. HR1211249 registered 2014/09/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
21. Instrument No. HR1212577 registered 2014/09/11 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
22. Instrument No. HR1223688 registered 2014/10/29 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
23. Instrument No. HR1224153 registered 2014/10/30 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
24. Instrument No. HR1224406 registered 2014/10/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
25. Instrument No. HR1241411 registered 2015/01/15 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
26. Instrument No. HR1255254 registered 2015/03/25 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
27. Instrument No. HR1271200 registered 2015/06/04 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
28. Instrument No. HR1280481 registered 2015/07/09 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
29. Instrument No. HR1287375 registered 2015/07/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
30. Instrument No. HR1330352 registered 2016/01/19 being a Charge in favour of Centro Mortgage Inc.;
31. Instrument No. HR1330357 registered 2016/01/19 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
32. Instrument No. HR1332414 registered 2016/01/27 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
33. Instrument No. HR1339335 registered 2016/02/26 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
34. Instrument No. HR1347052 registered 2016/04/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
35. Instrument No. HR1362983 registered 2016/06/07 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

36. Instrument No. HR1370750 registered 2016/07/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
37. Instrument No. HR1373318 registered 2016/07/12 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
38. Instrument No. HR1389471 registered 2016/09/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
39. Instrument No. HR1391261 registered 2016/09/08 being a Transfer of Charge in favour of in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
40. Instrument No. HR1400743 registered 2016/10/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
41. Instrument No. HR1407583 registered 2016/11/03 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
42. Instrument No. HR1418030 registered 2016/12/14 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
43. Instrument No. HR1422709 registered 2017/01/06 being a being a Notice in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
44. Instrument No. HR1423523 registered 2017/01/11 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
45. Instrument No. HR1424377 registered 2017/01/13 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
46. Instrument No. HR1430681 registered 2017/02/07 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
47. Instrument No. HR1435135 registered 2017/02/27 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
48. Instrument No. HR1441600 registered 2017/03/23 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
49. Instrument No. HR1447439 registered 2017/04/19 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
50. Instrument No. HR1451684 registered 2017/05/03 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
51. Instrument No. HR1460232 registered 2017/06/05 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
52. Instrument No. HR1462808 registered 2017/06/14 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
53. Instrument No. HR1465025 registered 2017/06/21 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
54. Instrument No. HR1473710 registered 2017/07/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

55. Instrument No. HR1480945 registered 2017/08/15 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
56. Instrument No. HR1494814 registered 2017/10/04 being a Charge in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
57. Instrument No. HR1494815 registered 2017/10/04 being an Assignment in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
58. Instrument No. HR1494818 registered 2017/10/04 being a Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
59. Instrument No. HR1494821 registered 2017/10/04 being Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
60. Instrument No. HR1513969 registered 2017/12/20 being a Charge in favour of Building & Development Mortgages Canada Inc.;
61. Instrument No. HR1513970 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
62. Instrument No. HR1513971 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
63. Instrument No. HR1513981 registered 2017/12/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
64. Instrument No. HR1516316 registered 2018/01/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
65. Instrument No. HR1517505 registered 2018/01/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
66. Instrument No. HR1520739 registered 2018/01/25 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
67. Instrument No. HR1522156 registered 2018/01/31 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada.

**INSTRUMENTS/ENCUMBRANCES TO BE DELETED
FROM PIN 25039-0185 (LT)**

1. Instrument No. HR1071229 registered 2012/12/14 being a Charge in favour of Harbouredge Mortgage Investment Corporation;
2. Instrument No. HR1071238 registered 2012/12/14 being an Assignment in favour of Harbouredge Mortgage Investment Corporation;

3. Instrument No. HR1077542 registered 2013/01/22 being a Charge in favour of Derek Sorrenti;
4. Instrument No. HR1077554 registered 2013/01/22 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
5. Instrument No. HR1080390 registered 2013/02/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
6. Instrument No. HR1084273 registered 2013/02/28 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
7. Instrument No. HR1091133 registered 2013/04/02 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
8. Instrument No. HR1103585 registered 2013/05/30 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
9. Instrument No. HR1103659 registered 2013/05/30 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
10. Instrument No. HR1154301 registered 2013/12/16 being a Notice in favour of the Derek Sorrenti and Olympia Trust Company;
11. Instrument No. HR1154398 registered 2013/12/16 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
12. Instrument No. HR1158774 registered 2014/01/14 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
13. Instrument No. HR1163007 registered 2014/02/03 being a Transfer of Charge in favour of the Derek Sorrenti and Olympia Trust Company;
14. Instrument No. HR1164749 registered 2014/02/13 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
15. Instrument No. HR1169883 registered 2014/03/17 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
16. Instrument No. HR1174819 registered 2014/04/14 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
17. Instrument No. HR1177780 registered 2014/04/29 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
18. Instrument No. HR1192493 registered 2014/06/27 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
19. Instrument No. HR1208704 registered 2014/08/27 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
20. Instrument No. HR1211249 registered 2014/09/05 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
21. Instrument No. HR1212577 registered 2014/09/11 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;

22. Instrument No. HR1223688 registered 2014/10/29 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
23. Instrument No. HR1224153 registered 2014/10/30 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
24. Instrument No. HR1224406 registered 2014/10/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
25. Instrument No. HR1241411 registered 2015/01/15 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
26. Instrument No. HR1255254 registered 2015/03/25 being a Notice in favour of Derek Sorrenti and Olympia Trust Company;
27. Instrument No. HR1271200 registered 2015/06/04 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
28. Instrument No. HR1280481 registered 2015/07/09 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
29. Instrument No. HR1287375 registered 2015/07/31 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
30. Instrument No. HR1330352 registered 2016/01/19 being a Charge in favour of Centro Mortgage Inc.;
31. Instrument No. HR1330357 registered 2016/01/19 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
32. Instrument No. HR1332414 registered 2016/01/27 being a Transfer of Charge in favour of Centro Mortgage Inc. and Olympia Trust Company;
33. Instrument No. HR1339335 registered 2016/02/26 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
34. Instrument No. HR1347052 registered 2016/04/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
35. Instrument No. HR1362983 registered 2016/06/07 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
36. Instrument No. HR1370750 registered 2016/07/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
37. Instrument No. HR1373318 registered 2016/07/12 being a Transfer of Charge in favour of Derek Sorrenti and Olympia Trust Company;
38. Instrument No. HR1389471 registered 2016/09/01 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
39. Instrument No. HR1391261 registered 2016/09/08 being a Transfer of Charge in favour of in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
40. Instrument No. HR1400743 registered 2016/10/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;

41. Instrument No. HR1407583 registered 2016/11/03 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
42. Instrument No. HR1418030 registered 2016/12/14 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
43. Instrument No. HR1422709 registered 2017/01/06 being a being a Notice in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
44. Instrument No. HR1423523 registered 2017/01/11 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
45. Instrument No. HR1424377 registered 2017/01/13 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
46. Instrument No. HR1430681 registered 2017/02/07 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
47. Instrument No. HR1435135 registered 2017/02/27 being a being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company;
48. Instrument No. HR1494818 registered 2017/10/04 being a Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
49. Instrument No. HR1494819 registered 2017/10/04 being a Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
50. Instrument No. HR1494821 registered 2017/10/04 being Postponement in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu and Leaping Loft Ltd.;
51. Instrument No. HR1513969 registered 2017/12/20 being a Charge in favour of Building & Development Mortgages Canada Inc.;
52. Instrument No. HR1513970 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
53. Instrument No. HR1513971 registered 2017/12/20 being a Postponement in favour of Building & Development Mortgages Canada Inc.;
54. Instrument No. HR1513981 registered 2017/12/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
55. Instrument No. HR1516316 registered 2018/01/04 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
56. Instrument No. HR1517505 registered 2018/01/11 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;
57. Instrument No. HR1520739 registered 2018/01/25 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada;

58. Instrument No. HR1522156 registered 2018/01/31 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Computershare Trust Company of Canada.
59. Instrument No. HR1441600 registered 2017/03/23 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
60. Instrument No. HR1447439 registered 2017/04/19 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
61. Instrument No. HR1451684 registered 2017/05/03 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
62. Instrument No. HR1460232 registered 2017/06/05 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
63. Instrument No. HR1462808 registered 2017/06/14 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
64. Instrument No. HR1465025 registered 2017/06/21 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
65. Instrument No. HR1473710 registered 2017/07/20 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
66. Instrument No. HR1480945 registered 2017/08/15 being a Transfer of Charge in favour of Building & Development Mortgages Canada Inc. and Olympia Trust Company of Canada;
67. Instrument No. HR1494814 registered 2017/10/04 being a Charge in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu, and Leaping Loft Ltd.;
68. Instrument No. HR1494815 registered 2017/10/04 being a No Assgn Rent Gen in favour of JYR Real Capital Mortgage Investment Corp., Liang Xu, and Leaping Loft Ltd.

**Schedule D-3 – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Lot 3 Real Property**

(unaffected by the Vesting Order)

**PERMITTED INSTRUMENTS/ENCUMBRANCES TO REMAIN
ON PIN 25039-0465 (LT)**

1. Instrument No. HR1071054 registered 2012/12/14 being a Transfer in favour of 2309840 Ontario Inc.

**PERMITTED INSTRUMENTS/ENCUMBRANCES TO REMAIN
ON PIN 25039-0185 (LT)**

1. Instrument No. 20R2842 registered 1976/10/22 being a Plan Reference;
2. Instrument No. 20R8477 registered 1988/01/07 being a Plan Reference;
3. Instrument No. HR1071054 registered 2012/12/14 being a Transfer in favour of 2309840 Ontario Inc.

Appendix “E”

2301132 Ontario Inc.
Projected Statement of Cash Flow
 For the period December 22, 2018 to February 4, 2019
 (C\$; unaudited)

	Note	2 Days Ending		Week Ending				1 Day Ending	Total
		23-Dec-18	30-Dec-18	06-Jan-19	13-Jan-19	20-Jan-19	27-Jan-19	03-Feb-19	
1									
Total Receipts	2	-	-	-	-	-	-	-	-
Disbursements									
Mortgage payments	3	-	-	-	-	-	-	-	-
Property taxes	4	-	-	-	-	-	-	-	-
Insurance	5	-	-	-	-	-	-	-	-
Contingency		-	-	-	-	-	-	-	-
Total Operating Disbursements		-	-	-	-	-	-	-	-
Net Cash Flow before the Undemoted		-	-	-	-	-	-	-	-
Professional fees	6	-	-	-	-	-	-	-	-
Net Cash Flow		-	-	-	-	-	-	-	-
Opening Cash Balance	7	1,163	1,163	1,163	1,163	1,163	1,163	1,163	1,163
Closing Cash Balance		1,163	1,163	1,163	1,163	1,163	1,163	1,163	1,163

The above financial projections are based on management's assumptions detailed in Appendix "1-1".
 The note references correspond to the assumption numbers shown in Appendix "1-1".

The statement of projected cash-flow of 2301132 Ontario Inc. has been prepared in accordance with the provisions of the *Bankruptcy and Insolvency Act* and should be read in conjunction with the Trustee's Report on Cash-flow Statement.

2301132 ONTARIO INC.

KSV KOFMAN INC.
 IN ITS CAPACITY AS TRUSTEE UNDER THE
 NOTICE OF INTENTION TO MAKE A PROPOSAL
 AND NOT IN ITS PERSONAL CAPACITY

Per: Brian Tilley

Per: Robert Kofman

December 7, 2018
 Date

December 7, 2018
 Date

2301132 Ontario Inc.

Notes to Projected Statement of Cash Flow

For the period December 22, 2018 to February 4, 2019

(C\$; unaudited)

Purpose and General Assumptions

1. The purpose of the projection is to present a forecast of the cash-flow of 2301132 Ontario Inc. (the "Company") for the period December 22, 2018 to February 4, 2019 ("Period") in respect of its proposal proceedings under the Bankruptcy and Insolvency Act.

The projected cash-flow statement has been prepared based on hypothetical and most probable assumptions developed and prepared by the Company.

Hypothetical Assumptions

2. The cash proceeds from the closing of the sale transaction have not been reflected in the cash-flow statement. The proceeds will be used to fund the costs of these proceedings, pay bid protection fees to the stalking horse bidder and repay the first mortgagees of the Company's real properties (the "Properties").

Most Probable Assumptions

3. The cash-flow assumes that principal and interest on all secured obligations will accrue and not be paid by the Company during the NOI proceedings. Additionally, the first ranking mortgagees are to be repaid in full prior to closing.
4. Property taxes will be settled as an adjustment when the Properties are sold.
5. No insurance payments are due during the Period and as of the closing date, the Properties will be sold.
6. Professionals fees will be paid immediately following closing from the sale proceeds.
7. Represents the estimated opening cash balance in the Company's bank account as at December 22, 2018.

**Report on Cash Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the BIA)**

The management of 2301132 Ontario Inc. (the "Company") has developed the assumptions and prepared the attached statement of projected cash flow of the Company for the period ending February 4, 2019.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in Note 1, and the probable assumptions are suitably supported and consistent with the plans of the Company and provide a reasonable basis for the projection. All such assumptions are disclosed in Notes 1 to 7.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in Note 1, using a set of hypothetical and probable assumptions set out in Notes 2 to 7. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto, Ontario, this 7th day of December, 2018.

2301132 Ontario Inc.



Per: Brian Tilley

2309840 Ontario Inc.
Projected Statement of Cash Flow
 For the period December 22, 2018 to February 4, 2019
 (C\$, unaudited)

Note	2 Days Ending		Week Ending				1 Day Ending		Total
	23-Dec-18	30-Dec-18	06-Jan-19	13-Jan-19	20-Jan-19	27-Jan-19	03-Feb-19	04-Feb-19	
1									
Total Receipts	2	-	-	-	-	-	-	-	-
Disbursements									
Mortgage payments	3	-	-	-	-	-	-	-	-
Property taxes	4	-	-	-	-	-	-	-	-
Insurance	5	-	-	-	-	-	-	-	-
Contingency		-	-	-	-	-	-	-	-
Total Operating Disbursements		-	-	-	-	-	-	-	-
Net Cash Flow before the Undemoted		-	-	-	-	-	-	-	-
Professional fees	6	-	-	-	-	-	-	-	-
Net Cash Flow		-	-	-	-	-	-	-	-
Opening Cash Balance	7	-	-	-	-	-	-	-	-
Closing Cash Balance		-	-	-	-	-	-	-	-

The above financial projections are based on management's assumptions detailed in Appendix "1-1".
 The note references correspond to the assumption numbers shown in Appendix "1-1".

The statement of projected cash-flow of 2309840 Ontario Inc. has been prepared in accordance with the provisions of the *Bankruptcy and Insolvency Act* and should be read in conjunction with the Trustee's Report on Cash-flow Statement.

2309840 ONTARIO INC.

Per Brian Tilley

December 7, 2018
 Date

KS/ KOFMAN INC.
 IN ITS CAPACITY AS TRUSTEE UNDER THE
 NOTICE OF INTENTION TO MAKE A PROPOSAL
 AND NOT IN ITS PERSONAL CAPACITY

Per Robert Kofman

December 7, 2018
 Date

2309840 Ontario Inc.

Notes to Projected Statement of Cash Flow

For the period December 22, 2018 to February 4, 2019

(C\$; unaudited)

Purpose and General Assumptions

1. The purpose of the projection is to present a forecast of the cash-flow of 2309840 Ontario Inc. (the "Company") for the period December 22, 2018 to February 4, 2019 ("Period") in respect of its proposal proceedings under the Bankruptcy and Insolvency Act.

The projected cash-flow statement has been prepared based on hypothetical and most probable assumptions developed and prepared by the Company.

Hypothetical Assumptions

2. The cash proceeds from the closing of the sale transaction have not been reflected in the cash-flow statement. The proceeds will be used to fund the costs of these proceedings, pay bid protection fees to the stalking horse bidder and repay the first mortgagees of the Company's real properties (the "Properties").

Most Probable Assumptions

3. The cash-flow assumes that principal and interest on all secured obligations will accrue and not be paid by the Company during the NOI proceedings. Additionally, the first ranking mortgagees are to be repaid in full prior to closing.
4. Property taxes will be settled as an adjustment when the Properties are sold.
5. No insurance payments are due during the Period and as of the closing date, the Properties will be sold.
6. Professionals fees will be paid immediately following closing from the sale proceeds.
7. Represents the estimated opening cash balance in the Company's bank account as at December 22, 2018.

**Report on Cash Flow Statement by the Person Making the Proposal
(Paragraphs 50(6)(c) and 50.4(2)(c) of the BIA)**

The management of 2309840 Ontario Inc. (the "Company") has developed the assumptions and prepared the attached statement of projected cash flow of the Company for the period ending February 4, 2019.

The hypothetical assumptions are reasonable and consistent with the purpose of the projection described in Note 1, and the probable assumptions are suitably supported and consistent with the plans of the Company and provide a reasonable basis for the projection. All such assumptions are disclosed in Notes 1 to 7.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented, and the variations may be material.

The projection has been prepared solely for the purpose described in Note 1, using a set of hypothetical and probable assumptions set out in Notes 2 to 7. Consequently, readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto, Ontario, this 7th day of December, 2018.

2309840 Ontario Inc.



Per: Brian Tilley

Appendix “F”

**Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)**

The attached statement of projected cash-flow of 2301132 Ontario Inc., as of the 7th day of December, 2018, consisting of a weekly cash flow statement for the period December 22nd, 2018 to February 4th, 2019, has been prepared by the management of the insolvent person for the purpose described in Note 1, using the probable and hypothetical assumptions set out in Notes 2-7.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by the management and employees of the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

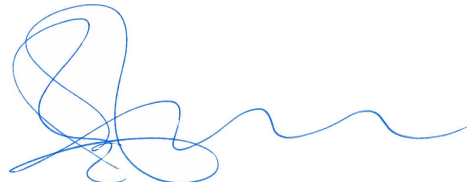
- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated this 7th day of December, 2018.

KSV KOFMAN INC.
TRUSTEE



Per: Robert Kofman

**Trustee's Report on Cash-flow Statement
(Paragraphs 50(6)(b) and 50.4(2)(b) of the Act)**

The attached statement of projected cash-flow of 2309840 Ontario Inc., as of the 7th day of December, 2018, consisting of a weekly cash flow statement for the period December 22nd, 2018 to February 4th, 2019, has been prepared by the management of the insolvent person for the purpose described in Note 1, using the probable and hypothetical assumptions set out in Notes 2-7.

Our review consisted of inquiries, analytical procedures and discussion related to information supplied to us by the management and employees of the insolvent person. Since hypothetical assumptions need not be supported, our procedures with respect to them were limited to evaluating whether they were consistent with the purpose of the projection. We have also reviewed the support provided by management for the probable assumptions and the preparation and presentation of the projection.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

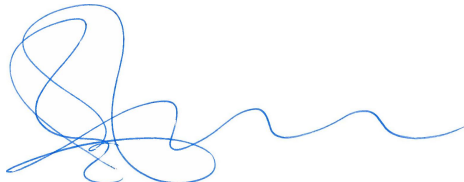
- (a) the hypothetical assumptions are not consistent with the purpose of the projection;
- (b) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the insolvent person or do not provide a reasonable basis for the projection, given the hypothetical assumptions; or
- (c) the projection does not reflect the probable and hypothetical assumptions.

Since the projection is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the projection will be achieved.

The projection has been prepared solely for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated this 7th day of December, 2018.

KSV KOFMAN INC.
TRUSTEE



Per: Robert Kofman