

**Supplement to Fourth Report to Court of
KSV Restructuring Inc.
as Receiver and Manager of
2067166 Ontario Inc., 2265132 Ontario Inc.,
Ashcroft Homes – La Promenade Inc.,
2195186 Ontario Inc., 1384274 Ontario Inc.
and 1019883 Ontario Inc.**

July 31, 2025

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COURT FILE NO.: CV- 24-00098058-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

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

AND IN THE MATTER OF THE APPOINTMENT OF A RECEIVER OVER THE PROPERTY,
ASSETS AND UNDERTAKING OF 2067166 ONTARIO INC., 2265132 ONTARIO INC.,
ASHCROFT HOMES – LA PROMENADE INC., 2195186 ONTARIO INC.,
1384274 ONTARIO INC. AND 1019883 ONTARIO INC.

SUPPLEMENT TO FOURTH REPORT OF KSV RESTRUCTURING INC.
AS RECEIVER AND MANAGER

JULY 31, 2025

1.0 Introduction

1. This report (the “**Supplemental Report**”) supplements the Fourth Report to the Court dated July 23, 2025 (the “**Fourth Report**”).
2. Unless otherwise defined herein, capitalized terms have the meanings provided to them in the Fourth Report.
3. This Supplemental Report is subject to the restrictions in the Fourth Report.

1.1 Purposes of this Supplemental Report

1. The purposes of this Supplemental Report are to:
 - a) update the Court on the Receiver’s activities related to the Residential Tenants and the Commercial Tenant;
 - b) summarize certain revisions to the proposed Settlement (the “**Revised Settlement**”); and
 - c) recommend the Court issue the revised Ancillary Order which: a) approves the Revised Settlement; and b) increases the Receiver’s borrowing limit pursuant to paragraph 31 of the Receivership Order regarding Envie I, from \$500,000 to \$950,000 and with the priorities set out in the draft revised Ancillary Order, in order to effect the Revised Settlement.

2.0 Residential Tenants

1. On July 23, 2025, the Residential Tenants were served by email with the Receiver's motion record and a separate email from Blaney with a brief summary of the relief being sought. A copy of the email from Blaney is provided as **Appendix "A"**.
2. The Receiver, Varsity and Blaney have responded to numerous inquiries from Residential Tenants since the motion record was served regarding, among other things, health and safety issues, the proposed Settlement and the requirement for vacant possession as a condition of the Transaction. Varsity has maintained a daily log of the inquiries from Residential Tenants which it has shared with the Receiver and Blaney.
3. The Receiver understands that Residential Tenants have also met amongst themselves to discuss the relief being sought, their Residential Leases, relocation options and their rights pursuant to, among other statutes, the *Residential Tenancies Act*, 2006, S.O. 2006, c. 17 (the "**RTA**"). A sample Residential Lease is provided as **Appendix "B"**.
4. In order to further assist the Residential Tenants to understand the background to this motion and respond to the concerns they have raised, the Receiver, Varsity and Blaney held an in-person townhall meeting at the Building for the Residential Tenants on July 30, 2025 (the "**Townhall**"). Blaney will provide the Court with an update of any developments following the Townhall at the hearing of this motion.

3.0 Commercial Tenant

1. The Commercial Tenant was also served with the motion record and corresponded with Blaney following its review. The Commercial Tenant expressed concerns regarding, among other things, its ability to operate during the Mould Remediation and the financial implications to its business, including its requirement to pay rent during that period.
2. The Receiver understands that the Commercial Tenant and the Purchaser have discussed, at least on a preliminary basis, the issues raised by the Commercial Tenant and are exploring solutions to deal with them, assuming the Transaction is completed.

4.0 Revised Settlement

1. The Receiver has discussed with Peoples, ACM and the Purchaser the feedback it received from the Residential Tenants and concerns they raised with Varsity.
2. Based on those discussions, the Revised Settlement was developed which, among other terms: a) increases the payment to three months' rent, rather than two months' rent, to Residential Tenants who voluntarily terminate their Lease by August 15, 2025. Such payment is consistent with the compensation set out in the RTA; and b) provides the Residential Tenants with an opportunity to enter into a new lease at the Building upon completion of the Mould Remediation at their current rent, as further detailed in the Revised Settlement. The Revised Settlement is conditional on the AVO and Ancillary Order being granted.

3. A copy of the Revised Settlement, both clean and blacklined to the version included with the Fourth Report, is provided as **Appendix "C"**. The Receiver will be distributing the Revised Settlement to the Residential Tenants contemporaneously with the service of this Supplemental Report.
4. For the reasons set out in the Fourth Report, the Receiver recommends that the Court approve the Revised Settlement.
5. In order to fund the payments contemplated in the Revised Settlement, the Receiver further recommends that its borrowing limit be increased to \$950,000, as will be set out in an amended Ancillary Order.

5.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court grant the relief set out in Section 1.1(1)(c) of this Supplemental Report.

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS RECEIVER AND MANAGER OF
2067166 ONTARIO INC., 2265132 ONTARIO INC.,
ASHCROFT HOMES – LA PROMENADE INC., 1384274 ONTARIO INC.,
2195186 ONTARIO INC. AND 1019883 ONTARIO INC.
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”

Kelly Vickers

From: Chad Kopach
Sent: Wednesday, July 23, 2025 6:58 PM
To: Chad Kopach
Cc: 'Envie@KEILTY.com'
Subject: Envie Little Italy Receivership (101 Champagne Ave. S., Ottawa) - Motions Returnable July 31, 2025 @ 2:00 pm (Sale of Envie Little Italy and related Tenant matters)
Attachments: July 2025 Notice and Draft Settlement Agreement.pdf; Motion Record of KSV Restructuring Inc. Vol 1 of 2 - 23-Jul-2025.pdf

Good afternoon,

We are counsel to the Receiver in the above-noted matter. This email is further to the attached notice sent to you earlier today (the **"Tenant Notice"**) by Varsity, the property manager for 101 Champagne Avenue South in Ottawa (the **"Envie I Property"**). You are receiving this communication as you are, or intend to be, a residential tenant at the Envie I Property.

The Receiver has scheduled a motion returnable on July 31, 2025 seeking, among other things, Court approval for the sale of the Envie I Property. The motion will take place via Zoom. A copy of Volume 1 of 2 of the Receiver's motion record is attached, and is served on you in accordance with the Order of Justice Mew dated February 24, 2025. Volume 2 contains confidential appendices that are the subject of a sealing order request, and is not being served.

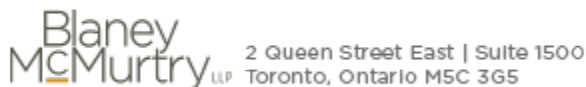
As set out in the motion material, the proposed purchaser intends to take steps to remediate the mould issues at the Envie I Property, and for health and safety reasons the building must be vacated so that work can commence after closing, currently scheduled for September 1, 2025.

In that regard, the Receiver is seeking court approval to enter into settlement agreements with each of the tenants, the terms of which were set out in the Tenant Notice, and include payment to each tenant of an amount equal to two months' rent, in exchange for the tenant vacating the Envie I Property by August 31, 2025, and voluntarily terminating their lease. The attached Tenant Notice and Receiver's Fourth Report in the attached motion record set out the basis for, and the benefits of, this offer.

The Receiver will also be asking the Court to provide vacant possession of Envie 1 by August 31, 2025, if necessary.

If you wish to discuss this matter, please contact Varsity at Envie@KEILTY.com, or 343-353-7432. The regular office hours are 9:00 am to 4:00 pm.

A further email will be sent to you once the Zoom coordinates have been established by the Court.



Chad Kopach
 Partner

ckopach@blaney.com

☎ 416-593-2985 | ☎ 416-594-5095

🌐 Blaney.com



This communication is intended only for the party to whom it is addressed, and may contain information which is privileged or confidential. Any other delivery, distribution, copying or disclosure is strictly prohibited and is not a waiver of privilege or confidentiality. If you have received this telecommunication in error, please notify the sender immediately by return electronic mail and destroy the message.

Appendix “B”

Note

This tenancy agreement (or lease) is required for tenancies entered into on **April 30, 2018 or later**. It does not apply to care homes, sites in mobile home parks and land lease communities, most social housing, certain other special tenancies or co-operative housing (see Part A of General Information).

Residential tenancies in Ontario are governed by the *Residential Tenancies Act, 2006*. This agreement cannot take away a right or responsibility under the *Residential Tenancies Act, 2006*.

Under the Ontario *Human Rights Code*, everyone has the right to equal treatment in housing without discrimination or harassment.

All sections of this agreement are mandatory and cannot be changed.

1. Parties to the Agreement**Residential Tenancy Agreement between:****Landlord(s)**

Landlord's Legal Name
2195186 Ontario Inc. (Envie Student)

Landlord's Legal Name

and Tenant(s)

Last Name [REDACTED]

First Name [REDACTED]

Last Name

First Name

Last Name

First Name

Last Name

First Name

Last Name

First Name

2. Rental Unit

The landlord will rent to the tenant the rental unit at:

Unit (e.g., unit 1 or basement unit)

[REDACTED]

Street Number

101

Street Name

Champagne Avenue South

City/Town

Ottawa

Province

Ontario

Postal Code

K1S 4P3

Number of vehicle parking spaces and description (e.g., indoor/outdoor, location)

The rental unit is a unit in a condominium.

☐ Yes ☒ No

If yes, the tenant agrees to comply with the condominium declaration, by-laws and rules, as provided by the landlord.

3. Contact Information

011

Address for Giving Notices or Documents to the Landlord

Unit Office	Street Number 101	Street Name Champagne Avenue South	PO Box
City/Town Ottawa		Province Ontario	Postal Code/ZIP Code K1S 4P3

Both the landlord and tenant agree to receive notices and documents by email, where allowed by the Landlord and Tenant Board's Rules of Practice.

☒ Yes ☐ No

If yes, provide email addresses: hassaan-h@hotmail.com
om.littleitaly@enviesuites.com

The landlord is providing phone and/or email contact information for emergencies or day-to-day communications:

☒ Yes ☐ No

If yes, provide information:
613-221-5916

Note:

See Part B and E in General Information

4. Term of Tenancy Agreement

This tenancy starts on: 2024/09/01 Date (yyyy/mm/dd)

This tenancy agreement is for: (select an option below and fill in details as needed)

☒ a fixed length of time ending on: 2025/08/26 Date (yyyy/mm/dd)

☐ a monthly tenancy

☐ other (such as daily, weekly, please specify):

Note:

The tenant does not have to move out at the end of the term. See Parts C and D in General Information.

5. Rent

012

a) Rent is to be paid on the FIRST (e.g., first, second, last) day of each (select one):

☒ Month

☐ Other (e.g., weekly)

b) The tenant will pay the following rent:

Base rent for the rental unit

Parking (if applicable)

Other services and utilities (specify if applicable):

Utilities (Hydro, Heat/AC, WiFi), Amenity Spaces &

Monthly Housekeeping of the common areas.

**Services are subjected to increase separate from the

Ontario Residential Tenancies Act**

Total Rent (Lawful Rent)

This is the lawful rent for the unit, subject to any rent increases allowed under the *Residential Tenancies Act, 2006*. For example, the landlord and tenant may agree to a seasonal rent increase for additional services of air conditioning or a block heater plug-in. This amount does not include any rent discounts (see Section 7 and Part G in General Information).

c) Rent is payable to:

2195186 Ontario Inc. (Envie Student)

d) Rent will be paid using the following methods:

RentCafe

Note:

The tenant cannot be required to pay rent by post-dated cheques or automatic payments, but can choose to do so.

e) If the first rental period (e.g., month) is a partial period, the tenant will pay a partial rent of \$ ⁰ on 2024/08/29. This partial rent covers the rental of the unit from 2024/08/29 to 2024/08/31.
Date (yyyy/mm/dd) Date (yyyy/mm/dd) Date (yyyy/mm/dd)

f) If the tenant's cheque is returned because of non-sufficient funds (NSF), the tenant will have to pay the landlord's administration charge of \$ 20.00 plus any NSF charges made by the landlord's bank.

Note:

The landlord's administration charge for an NSF cheque cannot be more than \$20.00

6. Services and Utilities

The following services are included in the lawful rent for the rental unit, as specified:

Gas ☒ Yes ☐ No

Air conditioning ☒ Yes ☐ No

Additional storage space ☐ Yes ☒ No

On-Site Laundry
Guest Parking
Other WiFi
Other
Other
Other
Other

☒ Yes
☐ No
☐ No Charge
☐ Pay Per use

☐ Yes
☒ No
☐ No Charge
☐ Pay Per use

☒ Yes
☐ No

☐ Yes
☐ No

☐ Yes
☐ No

☐ Yes
☐ No

☐ Yes
☐ No

Provide details about services or list any additional services if needed (if necessary add additional pages):

The following utilities are the responsibility of:

Electricity
Heat
Water

☒ Landlord
☐ Tenant

☒ Landlord
☐ Tenant

☒ Landlord
☐ Tenant

If the tenant is responsible for any utilities, provide details of the arrangement, e.g. tenant sets up account with and pays the utility provider, tenant pays a portion of the utility costs (if necessary add additional pages):

Note:
If the tenant will be responsible for paying for electricity measured by a meter or suite meter, the landlord must give the prospective tenant available information about the electricity usage in the rental unit over the last twelve months using the appropriate Landlord and Tenant Board form.

7. Rent Discounts

Select one:

☒ There is no rent discount.

or

☐ The lawful rent will be discounted as follows:

Note:
See Part G in General Information for what types of discounts are allowed.

8. Rent Deposit

Select one:

- ☐ A rent deposit is not required.
- or
- ☒ The tenant will pay a rent deposit of \$ [REDACTED]. This can only be applied to the rent for the last rental period of the tenancy.

Note:
This amount cannot be more than one month’s rent or the rent for one rental period (e.g., one week in a weekly tenancy), whichever is less. This cannot be used as a damage deposit. The landlord must pay the tenant interest on the rent deposit every year. See Part H in General Information.

9. Key Deposit

Select one:

- ☐ A key deposit is not required.
- or
- ☒ The tenant will pay a refundable key deposit of \$ 50.00 to cover the cost of replacing the keys, remote entry devices or cards if they are not returned to the landlord at the end of the tenancy.

If a refundable key deposit is required, provide description and number of keys, access cards and remote entry devices:

Note:
The key deposit cannot be more than the expected replacement cost. See Part H in General Information.

10. Smoking

015

Under provincial law, smoking is not allowed in any indoor common areas of the building. The tenant agrees to these additional rules on smoking:

Select one:

☐ None

or

☒ Smoking rules

Provide description of smoking rules (if necessary add additional pages):

No smoking is permitted whatsoever in the building, common areas, or anywhere in the rental unit. All smoking is prohibited (Cigarettes, Marijuana, Vape, or any other smoking related products).

Note:

In making and enforcing smoking rules, the landlord must follow the Ontario *Human Rights Code*. See Parts M and S in General Information.

11. Tenant's Insurance

Select one:

☐ There are no tenant insurance requirements.

or

☒ The tenant must have liability insurance at all times. If the landlord asks for proof of coverage, the tenant must provide it. It is up to the tenant to get contents insurance if they want it.

12. Changes to the Rental Unit

The tenant may install decorative items, such as pictures or window coverings. This is subject to any reasonable restrictions set out in the additional terms under Section 15.

The tenant cannot make other changes to the rental unit without the landlord's permission.

13. Maintenance and Repairs

The landlord must keep the rental unit and property in good repair and comply with all health, safety and maintenance standards.

The tenant must repair or pay for any undue damage to the rental unit or property caused by the wilful or negligent conduct of the tenant, the tenant's guest or another person who lives in the rental unit.

The tenant is responsible for ordinary cleanliness of the rental unit, except for any cleaning the landlord agreed to do.

Note:

See Part J in General Information.

14. Assignment and Subletting

The tenant may assign or sublet the rental unit to another person only with the consent of the landlord. The landlord cannot arbitrarily or unreasonably withhold consent to a sublet or potential assignee.

Note:**016**

There are additional rules if the tenant wants to assign or sublet the rental unit. See Part P in General Information.

15. Additional Terms

Landlords and tenants can agree to additional terms. Examples may include terms that:

- Require the landlord to make changes to the unit before the tenant moves in, and
- Provide rules for use of common spaces and/or amenities.

These additional terms should be written in plain language and clearly set out what the landlord or tenant must or must not do to comply with the term. If typed, the additional terms should be in a font size that is at least 10 points.

An additional term cannot take away a right or responsibility under the *Residential Tenancies Act, 2006*.

If a term conflicts with the *Residential Tenancies Act, 2006* or any other terms set out in this form, the term is void (not valid or legally binding) and it cannot be enforced. Some examples of void and unenforceable terms include those that:

- Do not allow pets (however, the landlord can require the tenant to comply with condominium rules, which may prohibit certain pets),
- Do not allow guests, roommates, any additional occupants,
- Require the tenant to pay deposits, fees or penalties that are not permitted under the *Residential Tenancies Act 2006* (e.g., damage or pet deposits, interest on rent arrears), and
- Require the tenant to pay for all or part of the repairs that are the responsibility of the landlord.

See General Information for more details.

The landlord and tenant may want to get legal advice before agreeing to any additional terms.

Select one:

☐ There are no additional terms.

or

☒ This tenancy agreement includes an attachment with additional terms that the landlord and tenant agreed to.

16. Changes to this Agreement

After this agreement is signed, it can be changed only if the landlord and tenant agree to the changes in writing.

Note:

The *Residential Tenancies Act, 2006* allows some rent increases and requires some rent reductions without agreement between the landlord and tenant. See Part I in General Information.

By signing this agreement, the landlord(s) and the tenant(s) agree to follow its terms.

Unless otherwise agreed in the additional terms under Section 15, if there is more than one tenant, each tenant is responsible for all tenant obligations under this agreement, including the full amount of rent.

Landlord(s):

Name Danielle Eves	Signature 	Date (yyyy/mm/dd) 08/16/2024
Name	Signature	Date (yyyy/mm/dd)

Tenant(s):

Name 	Signature 	Date (yyyy/mm/dd) 08/15/2024
Name	Signature	Date (yyyy/mm/dd)
Name	Signature	Date (yyyy/mm/dd)
Name	Signature	Date (yyyy/mm/dd)
Name	Signature	Date (yyyy/mm/dd)

Note:

All of the landlords and tenants listed on the first page in Section 1 (Parties to the Agreement) must sign here. The landlord must give a copy of this agreement to the tenant within 21 days after the tenant signs it.

This Appendix sets out basic information for landlords and tenants. It is not intended as legal advice, and it is not an official interpretation of the *Residential Tenancies Act, 2006* (the Act). Please refer to the Act for the specific rules.

The Landlord and Tenant Board also provides information about landlords' and tenants' rights and responsibilities under the Act.

Landlord and Tenant Board:

Toll free: 1-888-332-3234

Toronto area: 416-645-8080

TTY: Bell Relay Service at 1-800-268-9242

Website: www.sjto.ca/lrb

A. When to Use This Form

This form (standard form of lease) must be used for most residential tenancy agreements (leases).

This form should **not** be used for:

- care homes,
- sites in mobile home parks or land lease communities,
- social and supportive housing that is exempt from the rent increase guideline (see the regulation under the Act for specific exemptions),
- member units in co-operative housing, and
- any other accommodation that is exempt from the Act (see Section 5 of the Act).

B. Change of Landlord

A new landlord has the same rights and duties as the previous landlord. A new landlord must follow all the terms of this agreement unless the tenant and new landlord agree to other terms. A new landlord should provide the tenant with their legal name and address.

C. Renewing a Tenancy Agreement (Part V of the Act)

If the landlord and tenant agree that the tenancy will last for a specific period of time, this is called a fixed term tenancy. This is because both the start and end date are set out in the tenancy agreement.

The end of an agreement does not mean the tenant has to move out or sign a renewal or new agreement in order to stay. The rules of the agreement will still apply and the tenant still has the right to stay:

- as a monthly tenant, if the agreement was for a fixed term or monthly tenancy,
- as a weekly tenant, if the agreement was for a weekly tenancy, or
- as a daily tenant, if the agreement was for a daily tenancy.

The landlord and tenant can also agree to renew the agreement for another fixed term or enter into a new agreement. In any case, changes to the rent must follow the rules under the Act (see Part I below for further information).

D. Ending the Tenancy (Part V of the Act)

The landlord or tenant must follow the rules of the Act when ending a tenancy.

When the tenant can end the tenancy

The tenant may end a tenancy by giving the landlord proper notice using the appropriate Landlord and Tenant Board form. They must give:

- at least 60 days' notice if they have a monthly or fixed term tenancy, or
- at least 28 days' notice if they have a daily or weekly tenancy.

For a fixed term tenancy, the notice cannot be effective before the last day of the fixed term. For a monthly or weekly tenancy, the notice must be effective on the last day of a rental period (e.g. month or week).

In certain situations, a tenant who has experienced sexual or domestic violence can give 28 days' notice to end the tenancy at any time, even if the tenant has a fixed term agreement (e.g., one year agreement). They must use the notice form approved by the Landlord and Tenant Board.

When the landlord can end the tenancy

The landlord cannot evict the tenant unless the landlord follows the proper rules. In most cases, the landlord must give proper notice to end the tenancy using the right form. Forms are available on the Landlord and Tenant Board's website.

The landlord can only give the tenant notice to end the tenancy in certain situations. These situations are set out in the Act. A few examples include:

- tenant does not pay the full rent when it is due,
- tenant causes damage to the rental unit or building, and
- tenant substantially interferes with the reasonable enjoyment of other tenants or the landlord.

If the landlord gives a tenant notice to end the tenancy, the tenant does not have to move out.

If the tenant does not move out, the landlord must apply to the Landlord and Tenant Board in order to evict the tenant. The Landlord and Tenant Board will hold a hearing and decide if the tenancy should end. Both the landlord and the tenant can come to the hearing and explain their side to the Landlord and Tenant Board. If the Landlord and Tenant Board orders an eviction, the eviction order can only be enforced by the Sheriff (Court Enforcement Officer).

It is an offence for the landlord to evict a tenant without following this process. If convicted, the landlord could face a fine of up to \$25,000 (for an individual) or \$100,000 (for a corporation).

If the Landlord and Tenant agree to end the tenancy

The tenant and landlord can agree to end a tenancy at any time by using the proper Landlord and Tenant Board form. Some landlords may ask the tenant to sign this form when signing the agreement. In most cases, an agreement to end a tenancy signed at the beginning of the tenancy agreement is unenforceable and the tenant does not have to move out.

There is more information on how to end a tenancy and reasons for eviction in the Act and in a brochure on the Landlord and Tenant Board website.

E. Giving Notices and Documents (Part XII of the Act)

The landlord and tenant have to deliver some official notices and other documents in writing. These notices and documents can be:

- hand delivered,
- left in a mail box or a place where mail is ordinarily delivered, or
- mailed (this will count as delivered five days after mailing).

There are also other ways to serve notices and documents. For more information, contact the Landlord and Tenant Board or see the Rules of Practice on its website.

F. Rent and Rent Receipts (Part VII of the Act)

Rent is the amount the tenant pays to the landlord to occupy the rental unit and receive services or facilities agreed to in this agreement.

The tenant must pay their rent on time. If they do not, the landlord can give them notice to end the tenancy.

If the tenant asks for a receipt for rent or any payment or deposit, the landlord must give them one for free. This also applies to a former tenant who asks for a receipt within 12 months after the end of their tenancy.

The landlord can offer the tenant a discount for paying rent on or before the date it is due. This discount can be up to two per cent of the lawful rent.

The landlord can also offer rent-free periods or discounts in one of three ways:

- Rent-free periods of up to three months within any 12-month period,
- A discount of up to one month's rent spread evenly over eight months, or
- A discount of up to two months' rent, with up to one month's rent spread evenly over the first seven months, and up to one month's rent discounted in one of the last five months.

These types of discounts must be agreed to in writing.

H. Deposits (Part VII of the Act)

The landlord can only collect a deposit for the last month's rent and a refundable key deposit. The tenant does not have to provide any other form of deposit, such as pet or damage deposits. If the tenant pays anything more, the tenant can apply to the Landlord and Tenant Board to get the money back.

Rent deposit (i.e. last month's rent): The landlord can require a rent deposit on or before the tenant enters into the tenancy agreement. The landlord must apply this money to the rent for the last period of the tenancy. The rent deposit must not be more than one month's rent or the rent for one rental period (e.g., one week in a weekly tenancy), whichever is less.

The landlord must pay the tenant interest on the rent deposit every year. If the rent increases after the tenant has paid a rent deposit, the landlord can require the tenant to top-up the rent deposit so that it is the same as the new rent. The landlord can use the interest on the rent deposit to top-up the rent deposit.

If the landlord is unable to let the tenant move into the rental unit, the landlord must return the deposit, unless the tenant agrees to rent a different unit.

Key deposit: If the landlord collects a deposit for key(s), remote entry devices or cards, the landlord must return the deposit when the tenant gives back their key(s) at the end of the tenancy.

The landlord can charge the tenant for additional keys that the tenant requests (for example, if the tenant wants an extra key or if the tenant has lost their key), but the charge cannot be more than actual cost of the keys. This is not a key deposit.

I. Rent Increases and Decreases (Part VII of the Act)

Most Ontario tenants are protected by rent controls that limit how much rent can increase year-over-year. The rent payable by tenants may also decrease in limited situations.

Guideline Rent Increases

Normally, the landlord can increase the rent only once every 12 months. The landlord must use the proper Landlord and Tenant Board form and give the tenant at least 90 days' notice before the rent increase is to take effect. The rent can be increased by no more than the rent increase guideline unless the Landlord and Tenant Board approves a rent increase above the guideline. The guideline for each year can be found on the Landlord and Tenant Board's website.

Rent Increases above the Guideline

The landlord can apply to the Landlord and Tenant Board for approval to raise the rent by more than the rent increase guideline. Affected tenants can oppose this application at the Landlord and Tenant Board.

This kind of rent increase is called an above-guideline rent increase. The Landlord and Tenant Board can allow this kind of rent increase if:

- the landlord's municipal taxes and charges have increased significantly,
- the landlord has done major repairs or renovations, or
- the costs of external security services (i.e. not performed by the landlord's employees) have increased, or external security services are being provided for the first time.

The landlord and tenant can also agree to an above-guideline rent increase, if the landlord agrees to renovate or ⁹²¹add a new service for the tenant. Certain rules apply.

Rent Reductions:

The landlord **must** reduce the rent if:

- the municipal property tax goes down by more than 2.49 per cent, or
- the rent was increased above the guideline to pay for repairs or renovations and the costs have been fully paid for (this only applies to tenants who were living in the unit when the above guideline rent increase happened).

The tenant can apply to the Landlord and Tenant Board to reduce their rent if:

- municipal property taxes or charges on the rental property go down,
- the landlord reduced or removed a service without reducing the rent, or
- the landlord did not keep a promise they made in an agreement for a rent increase above the guideline.

J. Maintenance and Repairs (Part III, IV, V and XIV of the Act)

The landlord must keep the rental unit and property in good repair and comply with all health, safety and maintenance standards. This includes the maintenance and repair of things that came with the unit, such as appliances, and of common areas, such as parking lots, elevators, and hallways.

The tenant must pay their rent, even if they have problems with the maintenance and repair of their unit or property. If the tenant is having a maintenance or repair problem, the tenant should let the landlord know. If needed, the tenant can apply to the Landlord and Tenant Board.

The tenant is responsible for any damage to the rental property caused by the tenant, the tenant's guest or another person who lives in the rental unit. This applies to any damage caused on purpose or by not being careful enough. This does not include damage that results from normal use of the rental unit over time ("wear and tear"). The landlord can apply to the Landlord and Tenant Board if the tenant has not repaired such damage.

The tenant is responsible for ordinary cleanliness of the rental unit, except for any cleaning the landlord agreed to do.

K. Vital Services (Part I and III of the Act)

"Vital services" include hot or cold water, fuel, electricity, gas and heat.

The landlord must ensure that a rental unit has heating equipment capable of maintaining a minimum temperature of 20° Celsius from September 1 to June 15. Some municipal by-laws may have stricter requirements.

The landlord cannot withhold or shut off the reasonable supply of a vital service, care service or food that the landlord must supply under the tenancy agreement. If a vital service is cut-off because the landlord failed to pay their bill, the landlord is considered to have withheld that service. However, if a vital service is cut-off or disconnected because the tenant failed to pay their own utility bill, the tenant cannot claim that the landlord withheld a vital service.

The landlord cannot deliberately interfere with the reasonable supply of any vital service, care service or food, whether or not the landlord is obligated to supply it under the tenancy agreement.

L. Harassment (Part III and IV of the Act)

It is against the law for the landlord (or anyone acting for the landlord, such as a superintendent or property manager) to harass the tenant, or for the tenant to harass the landlord. If the landlord or the tenant is experiencing harassment they can apply to the Landlord and Tenant Board.

M. Discrimination

If the landlord (or anyone acting for the landlord) discriminates against the tenant based on prohibited grounds of discrimination under the Ontario *Human Rights Code* (the *Code*), they may be violating the tenant's rights under the Code. The Landlord and Tenant Board may be able to consider discrimination if it relates to an application under the *Residential Tenancies Act*, 2006. In other situations, the tenant may have to take their case to the Human Rights Tribunal of Ontario.

The tenant is entitled to reasonable enjoyment of the rental unit (e.g. quiet enjoyment, reasonable privacy, freedom from unreasonable disturbance and exclusive use of the rental unit).

The landlord can enter the rental unit with 24 hours' written notice only for the following reasons:

- make repairs,
- inspect the unit to see if repairs are needed, if the inspection is reasonable,
- show the rental unit to a possible buyer, insurer or mortgage lender,
- let a real estate agent show the unit to a possible buyer,
- have a property inspection done before converting the residential building into a condominium, or
- for any reasonable purpose listed in the tenancy agreement.

The written notice must include the reason for the entry and state the date and time (between 8 a.m. and 8 p.m.) that the landlord will enter the unit. With proper notice, the landlord can enter the unit when the tenant is not at home.

The landlord does not need to give a notice to enter:

- in case of emergency,
- if the tenant consents to entry,
- if the tenancy agreement requires the landlord to clean the unit, or
- if the tenancy is coming to an end and the landlord wants to show the unit to a potential new tenant – the landlord can only show the unit between 8:00 a.m. and 8:00 p.m. and must make a reasonable effort to let the tenant know when this will happen.

O. Locks (Part III and IV of the Act)

The landlord cannot change the locks of the rental unit unless the landlord gives the new keys to the tenant. The tenant cannot change the locks of the rental unit without the consent of the landlord.

P. Assign or Sublet (Part VI of the Act)

The tenant may assign or sublet the rental unit to another person only with the consent of the landlord. The landlord cannot arbitrarily or unreasonably withhold consent to a potential assignee or sublet of the rental unit.

1. **Assignment:** In an **assignment**, the tenant transfers their right to occupy the rental unit to someone else. The new person takes the place of the tenant, and the tenancy agreement stays the same.
2. **Sublet:** A **sublet** occurs when the tenant moves out of the rental unit, lets another person (the 'sub-tenant') live there until a specified date, and can return to live in the unit before the tenancy ends. The tenancy agreement and the landlord-tenant relationship do not change.

A tenant who sublets a rental unit cannot:

- charge a higher rent than the landlord does for the rental unit,
- collect any additional fees for subletting the rental unit, or
- charge the sub-tenant for additional goods or services.

Q. Guests (Part III of the Act)

The landlord cannot stop tenants from having guests, require the tenant to notify the landlord or get the landlord's permission before having guests. The landlord cannot charge extra fees or raise the rent due to guests in the rental unit. However, the tenant is responsible for the behaviour of their guests.

The landlord cannot prevent the tenant from having a roommate, as long as municipal by-laws on occupancy standards are respected.

A tenancy agreement cannot prohibit animals in the rental unit or in or around the residential building.

There are some cases where the landlord can apply to the Landlord and Tenant Board to evict a tenant who has a pet. These are some common examples:

- the pet makes too much noise, damages the unit or causes other tenants to have allergic reactions,
- the breed or species is inherently dangerous, or
- the rules of the condominium corporation do not allow pets.

S. Smoking (Part V of the Act)

The Act does not discuss smoking in a rental unit. The landlord and tenant can use Section 10 of this lease to agree to either allow or prohibit smoking in the unit, and/or on the landlord's property.

Even if the lease doesn't prohibit smoking, the landlord may apply to the Landlord and Tenant Board to end the tenancy if the smoking:

- substantially interferes with reasonable enjoyment of the landlord or other tenants,
- causes undue damage,
- impairs safety, or
- substantially interferes with another lawful right, privilege or interest of the landlord.

If the tenant believes that other people smoking in their building affects their health or safety, contravenes maintenance standards, or substantially interferes with their reasonable enjoyment of the rental unit, they should discuss it with their landlord before contacting the Landlord and Tenant Board.

T. Smoke and Carbon Monoxide Alarms

The landlord must provide the rental unit with working smoke alarms and, where applicable, carbon monoxide alarms. The landlord is responsible for keeping smoke and carbon monoxide alarms in working condition, which includes replacing the batteries. The tenant must not disconnect or tamper with any smoke or carbon monoxide alarm and must notify the landlord immediately of any alarms not working properly.

U. Resolving Disputes

The landlord and tenant are required to follow the law. If they have problems or disagreements, the landlord and tenant should first discuss the issue and attempt to resolve it themselves. If the landlord or tenant feels that the other is not obeying the law, they may contact the Landlord and Tenant Board for information about their rights and responsibilities, including whether they may apply to the Landlord and Tenant Board to resolve the dispute.

[Save Form](#)[Print Form](#)[Clear Form](#)

18. Additional Terms and Provisions:

PREMISES.

- a. **Description.** The “Premises” is defined as including each of the following:
- i. Your sole (if Bedroom is Private) or shared (if Bedroom is Shared) use of a Bedroom in an Suite in the Apartment Community. Your specific Building, Suite and Bedroom will be assigned to you by a Manager prior to your moving into the Suite;
 - ii. Together with the other residents of the Suite, your shared use of the Common Areas in the Suite and the Apartment Community (for purposes of this Lease, “Common Areas” are those areas within the Suite to which you have access without going into another Bedroom and, within the Apartment Community, those areas to which all residents have general access);
 - iii. Your sole (if Bedroom is Private) or shared (if Bedroom is Shared) use of your furniture within your Bedroom; and your shared use of all appliances and furniture within the Common Areas of the Suite;and
 - iv. Your shared use of the mail box assigned to you by Manager.

However, within seven (7) days after we provide written notice to you, we have the right to relocate you from one Bedroom in the Suite to another or even to another Suite in another Building within the Envie Community.

In the event we approve your request to relocate to another Suite within the Envie Community during the specified Lease Term or at the end of your lease term, the Landlord will charge you (and you agree to pay) a \$250 non- refundable Transfer Fee.

- b. **Tenancy.** A month-to-month tenant acknowledges that the move-out date will occur 4 days prior to the end of the month.
- c. **Occupants.** Only you can live in the Premises. You may not permit another person to live in the Premises or in the Suite. The Premises will be used only as a private residence and for no other purpose. While you cannot lease any part of your Premises to another person, you may be able to transfer your rights under this Lease to another person if we give our written consent but, the giving of our consent is at our sole discretion. Even if we agree to the transfer, you will still be liable for all of the Rent and other obligations under this Lease unless we specifically agree in writing to release you. Our consent to one or more transfers will not be a waiver of our rights of consent to any future transfer.

If the Suite consists of more than one bedroom, we have the right, when any bedroom within the Suite is unoccupied, to place a new resident in the unoccupied bedroom unless you and all other residents in the Suite agree to pay us, as part of your respective Rent, the rent due and other charges due for such unoccupied bedroom. You are not allowed to use any vacant room in your Suite for any purpose whatsoever unless you are paying rent for the room. If we discover that you are using a room in your Suite that should be vacant, we have the right to charge an amount equal to 30 days rent for use of that room plus the cost of refurbishment. If this situation is discovered and none of the residents of the Suite claim responsibility, then the charges will be divided evenly among the leaseholders of the Suite. Multiple violations will result in multiple charges both for illegal use of the room and for refurbishment of the room.

Resident agrees that he/she shall occupy the Premises in a lawful and orderly manner, so as not to disturb the quiet enjoyment of the Premises by neighboring tenants. Further, resident agrees to display common courtesy and polite behavior in all discussions with the Landlord and its staff.

The fact that you and your roommates may be in conflict with each other will not result in your being able to terminate this Lease.

- d. **Internet.** Resident acknowledges that if a network is provided that the network is a shared network. The Provider, Landlord, or Manager does not edit, censor, review or take responsibility for any information Resident or Resident’s guest may create, place on the Internet, or view. Resident may not use the shared network to engage in any criminal/illegal/unauthorized activity. Such violation constitutes a default by Resident under this lease. Resident shall not attempt to degrade the performance of the network or hamper the ability of others to use the network. Your use of the internet is at your sole risk and Manager and we are not responsible for your equipment, programs, or software. Manager is not responsible for outages due to natural causes or third party damages. Manager is not responsible for slow internet or other residents taking up significant bandwidth.
- e. **Housekeeping.** Once a month, there will be general housekeeping of the Suite’s Common Area as a service provided for the Resident by the Landlord. The Resident agrees to allow Envie Housekeepers access to the Suite on the day of the month that corresponds to their floor number. The Resident acknowledges they are responsible for the general day-to-day upkeep which includes dishes, sweeping, mopping, vacuuming, garbage removal etc. Envie Housekeepers have the right to refuse to clean the Suite’s Common Area if it is determined that the day-to-day upkeep has not been performed. Housekeeping will not return until the next scheduled visit the following month.

By signing this agreement the tenant(s) agree to follow its terms.

Name		Signature		Date (yyyy/mm/dd)	08/15/2024
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19. Guarantor Agreement:

THIS GUARANTY AGREEMENT ("Guaranty") IS EXECUTED BY THE UNDERSIGNED GUARANTOR IN CONNECTION WITH THAT CERTAIN LEASE AGREEMENT (the "Lease") EXECUTED BY 9840508 CANADA INC., ("Landlord") and [REDACTED] ("Resident"), A COPY OF WHICH LEASE IS ATTACHED HERETO.

1. **UNCONDITIONAL GUARANTY.** In consideration of the execution by Landlord of the Lease, Guarantor absolutely, irrevocably and unconditionally guarantees full and complete payment and performance by Resident of all of the duties and obligations of Resident under the Lease and further covenants with the Landlord that if default shall at any time be made by the Resident in payment of Rent or other payments under the Lease or in the performance of any other duties or obligations of the Resident contained in the Lease, Guarantor will pay to the Landlord or Landlord's successors or assigns any delinquent Rent and any damages or other sums that may arise or be due to Landlord under the Lease as a result of any violation or default by the Resident, on receipt of written notice of such violation or default from Landlord or Landlord's successors or assigns. Releasing or assignment of the Lease by Resident with or without Guarantor's approval shall not affect Guarantor's liability under this Guaranty. Modifications or amendments to the Lease or extensions, renewals, or Suite reassignment of or during the Lease Term shall not affect Guarantor's liability under this Guaranty. Guarantor shall be liable for such modifications, amendments, or extensions.
2. **NOTICE TO GUARANTOR/WAIVER.** This Guaranty shall be a continuing and irrevocable guaranty. Guarantor waives notice of Guarantor's acceptance of this Guaranty and further waives demand, notice of default, protest or notice of protest of every kind, notice of any and all proceedings in connection with the Lease (including notice of Resident's default or violation under the Lease), diligence in collecting any sums due under the Lease or enforcing any of the obligations under the Lease, bringing of suit and diligence in taking any action with reference to the Lease or in handling or pursuing any of Landlord's rights under the Lease.
3. **DEATH OF GUARANTOR.** In the event of the death of an individual Guarantor, the obligation of such Guarantor under this Guaranty shall continue in full force and effect against Guarantor's estate as to all indebtedness and other obligations of Resident under the Lease. Landlord shall not be required to pursue any other remedies before invoking the benefits of this Guaranty. In particular, Landlord shall not be required to exhaust Landlord's remedies against Resident or other guarantors. Landlord may from time to time at Landlord's discretion and with or without valuable consideration, release Resident from all or part of Resident's obligations without affecting this Guaranty.
4. **ENFORCEMENT.** This Guaranty shall inure to the benefit of the transferee or subsequent owner of the Apartment Community. This Guaranty shall be binding upon the Guarantor and Guarantor's personal representatives, notwithstanding any change in status or organization of the Landlord or Resident or any relating by Resident. Suit may be brought against any single Guarantor or against all Guarantors without impairing the rights of Landlord, its successors or assigns, against other Guarantors. If Resident is in default or violation under the Lease and if it becomes necessary for Landlord to place this Guaranty in the hands of an attorney to enforce the rights and remedies of Landlord, Landlord may recover reasonable attorneys' fees from Guarantor, even if suit has not been filed. In any lawsuit to enforce the provisions of this Guaranty, the prevailing party shall be entitled to recover reasonable attorney's fees from the no prevailing party, including all out-of-pocket costs of litigation as set forth in the Lease. This Guaranty may be enforced against Guarantor without the necessity of recourse against Resident or any other party. The validity or enforceability of this Guaranty shall not be affected by the invalidity or unenforceability of the Lease or Resident's lack of sufficient legal capacity to enter into the Lease. Failure of Landlord to enforce the Lease or enforce Landlord's rights against the Resident shall not operate to release Guarantor from Guarantor's obligations under this Guaranty.
5. **MISCELLANEOUS.** Guarantor acknowledges that but for the execution of and delivery of this Guaranty, Landlord may not have entered into the Lease. The obligations of this Guaranty shall be performed in the same Province where the Resident's obligations are to be performed under the Lease. Guarantor acknowledges that Landlord has relied on all written information furnished by Guarantor to Landlord in connection with this Lease. No oral agreements or representations have been made in connection with this Guaranty. The obligations under this Guaranty are absolute, irrevocable and unconditional. Guarantor hereby submits and consents to personal jurisdiction of the courts in the Province and/or City in which the Premises are located. Defined terms used herein which are not otherwise defined herein shall have the meanings ascribed to them in the Lease. The absence of a copy of the Lease attached hereto shall not affect the validity or effectiveness of this Guaranty.

[REDACTED]



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Envie Sublet Policy

Prior to subletting their unit, all Tenants are required to obtain written consent from Envie (the "Landlord"). This consent must be obtained through completion of the **Envie Sublet Form** provided by Envie Management.

The form must include the following details:

- Subtenant's full name, valid government-issued ID, and contact information.
- Duration of the sublet, specifying both start and end dates. The sublet agreement must conclude before the termination of the Tenant's rental term or period.
- Reason for subletting.

Tenants who choose to sublet their rental unit must adhere to the following conditions:

- They are not permitted to charge a higher rent than the landlord does for the rental unit.
- No additional fees for subletting the rental unit are allowed to be collected.
- The sub-tenant cannot be charged for any additional goods or services.

Approval of the Envie Sublet Form by Envie Management indicates the Tenant's acknowledgment of continued responsibility for their lease agreement, monthly payments, and the condition of the rental unit throughout the subletting period."

I, _____ (Tenant Name), have read and acknowledge the Sublet Policy.

LITTLE ITALY

101 & 105 Champagne Ave,
Ottawa, ON K1S 4P3
613-221-5916

RIDEAU

256 Rideau St,
Ottawa, ON K1N 5Y3
613-688-5040

Appendix “C”

SETTLEMENT AGREEMENT
[TENANT NAME AND UNIT NUMBER]

THIS AGREEMENT made as of the ____ day of August, 2025

B E T W E E N:

[Tenant Name and Unit #]
 (hereinafter referred to as the “**Tenant**”)

-and-

KSV Restructuring Inc.
 in its capacity as Receiver and Manager of
 2195186 Ontario Inc.
 and not in its personal capacity
 (hereinafter referred to as the “**Receiver**”)

WHEREAS

1. The Tenant and 2195186 Ontario Inc. (the “**Landlord**”), the Receiver on behalf of the Landlord, or Varsity (defined below) on behalf of the Landlord, entered into a lease agreement dated [DATE] (the “**Residential Lease**”) for unit number [UNIT] (the “**Residential Unit**”) at the property municipally known as 101 Champagne Avenue South, Ottawa (the “**Building**”).
2. The monthly rent under the Residential Lease is \$[RENT AMOUT] (the “**Monthly Rent Payment**”).
3. The Landlord’s records reflect that the Tenant paid to the Landlord a security deposit in the amount of \$[DEPOSIT AMOUNT] (the “**Lease Deposit**”).
4. Pursuant to an Order of the Ontario Superior Court of Justice (the “**Court**”) in Ottawa Court File No. CV-24-00098058-0000 granted February 24, 2025 (the “**Receivership Order**”), the Receiver was appointed over the Landlord and the Building (among other things).

5. As set out in the Fourth Report of the Receiver dated July 22, 2025, for health and safety reasons related to mould in the Building, to facilitate the remediation of the mould, and as part of a sale transaction for the Building pursuant to an agreement of purchase and sale entered into between the Receiver and HS Canada 101 Champagne, L.P. by its general partner, HS Canada 101 Champagne GP Inc. dated February 21, 2025, as amended (the “**Transaction**”), vacant possession of the Building is required before September 1, 2025.

6. Pursuant to Orders of the Court dated July 31, 2025 (the “**Approval and Ancillary Orders**”), among other things the Court approved the Transaction, ordered vacant possession of the Building by August 31, 2025, and authorized the Receiver to enter into a settlement agreement with the Building’s tenants on the terms below.

7. The Tenant and the Receiver have agreed to enter into this settlement agreement regarding the termination of the Residential Lease, vacating of the Residential Unit, and the Lease Deposit (the “**Settlement Agreement**”).

NOW THEREFORE, FOR VALUE RECEIVED the Tenant and the Receiver agree as follows:

1. The Tenant shall sign an N11 – Agreement to End the Tenancy in the form attached as **Schedule “A”**.

2. The Tenant shall sign a release (the “**Release**”) in favour of the Landlord, the Receiver, HS Canada 101 Champagne Property Inc., HS Canada 101 Champagne, L.P., HS Canada 101 Champagne GP Inc., Keilty Realty Management Inc. operating as Varsity (“**Varsity**”), Peoples

Trust Company, Computershare Trust Company of Canada, ACM CMF Services Ltd., ACM Commercial Mortgage Fund, ACM Advisors Ltd. and certain related persons (collectively, the “**Released Parties**”) in the form attached as **Schedule “B”** which includes, among other things, a release of all claims and rights the Tenant has pursuant to the *Residential Tenancies Act*, 2006, S.O. 2006, c.17 (the “**RTA**”), and a prohibition on commencing any claim against the Released Parties, including seeking any form of relief under the *RTA* or otherwise.

3. The Lease Deposit shall be applied to the Monthly Rent Payment due for August, 2025.

4. The Tenant shall vacate the Residential Unit on or before August 31, 2025. The Lease Deposit will be applied as of August 1, 2025, and will not be prorated in the event the Tenant vacates their Residential Unit prior to August 31, 2025. The Tenant shall have no further rights, including, without limitation, any right to occupy, right of return or right of first refusal, in respect of the Residential Unit.

5. When vacating the Residential Unit, the Tenant is authorized to remove the furniture in the unit even though these items are owned by the Landlord.

6. Subject to (i) the issuance of the Approval and Ancillary Orders by the Court and such Approval and Ancillary Orders being in full force and effect; (ii) the Tenant providing signed copies to the Receiver of this Settlement Agreement, an N11 – Agreement to End the Tenancy in the form attached as Schedule “A” and a Release in the form attached as Schedule “B”; and (iii) confirmation by Varsity that the Tenant has vacated its Residential Unit, the Receiver shall pay to the Tenant the sum of \$[PAYMENT], being an amount equal to three Monthly Rent Payments under the Residential Lease.

7. Subject to the closing of the Transaction, upon the mould remediation being completed and

the Building being available for re-leasing, the Tenant may elect to enter into a new lease for a residential unit at the Building on the terms described on **Schedule “C”** hereto. The Tenant agrees and acknowledges this opportunity is not a right of first refusal in accordance with section 53 of the *RTA*.

8. In addition to the Landlord and the Receiver, this Agreement and the Release may be relied upon and enforced by HS Canada 101 Champagne Property Inc., HS Canada 101 Champagne, L.P., HS Canada 101 Champagne GP Inc., Varsity, Peoples Trust Company, Computershare Trust Company of Canada, ACM CMF Services Ltd., ACM Commercial Mortgage Fund, ACM Advisors Ltd., or by any of them, including without limitation in any action or other proceeding before the Court or any other court or tribunal of competent jurisdiction and the Tenant acknowledges and agrees that each of them has provided good and sufficient consideration therefor.

9. The Tenant acknowledges having had a sufficient opportunity to review this Agreement and the Release and to obtain independent legal advice in respect thereof, and that the only consideration for this Agreement and the Release is as set forth herein and that no other promises or representations of any kind have been made to the Tenant to cause them to sign this Agreement or the Release.

DATED this day of August, 2025

KSV Restructuring Inc.

in its capacity as Receiver and Manager of
2195186 Ontario Inc.
and not in its personal capacity

Per: _____

Name:

Position:

*(I have authority to bind the
corporation)*

Witness

[TENANT NAME]

SCHEDULE “A”

Form of N11 – Agreement to End the Tenancy

(attached)

SCHEDULE “B”

Form of Release

(attached)

SCHEDULE “C”

1. Prior to the Building becoming available to lease to residential tenants following the mould remediation and other work necessary to permit lawful residential occupancy (the “**Occupancy Conditions**”), the Tenant will be given the opportunity to enter into a new lease (the “**New Lease**”) of a residential unit having a similar configuration (the “**Remediated Unit**”) at the same rent the Tenant was paying on the date of this Settlement Agreement and for a term of one (1) year commencing on such date following satisfaction of the Occupancy Conditions as is specified by the entity in whose name title to the Building will vest pursuant to the Approval and Vesting Order of the Court dated July 31, 2025 (the “**Purchaser**”).
2. The determination of when the Remediated Unit is available to lease to the Tenant, the location of such Remediated Unit within the Building and the location of the bedroom within such Remediated Unit to be occupied by the Tenant shall, in each case, be at the reasonable good faith discretion of the Purchaser. For greater certainty, the location of the Remediated Unit within the Building and the location of the bedroom to be occupied by the Tenant within such Remediated Unit may not be the same as the location of the bedroom presently being occupied by the Tenant.
3. The Tenant shall, at all times, keep the Purchaser up-to-date with respect to the Tenant’s address for receiving notice of the availability of the New Lease (the “**New Lease Notice**”) and the Purchaser shall, at all times, keep the Tenant up-to-date with respect to the Purchaser’s address for receiving changes to the Tenant’s address. The Tenant’s present address for receiving the New Lease Notice is: _____.
 _____ The Purchaser’s present address for receiving any changes to the Tenant’s address is: _____
 _____.
4. The New Lease Notice shall include a copy of the New Lease.
5. Within thirty (30) days of receipt by the Tenant of the New Lease Notice, the Tenant shall either sign and deliver the New Lease to the Purchaser together with the deposit set out therein or advise the Purchaser by notice in writing that the Tenant has elected not to accept the opportunity to enter into the New Lease (the “**Rejection Notice**”). If the Purchaser receives the Rejection Notice within such thirty (30) day period or does not receive a signed New Lease together with the deposit set out therein within such thirty (30) day period, the Purchaser shall have no further obligation to lease any unit in the Building to the Tenant and the Purchaser shall be free to lease the Remediated Unit to another tenant on terms that comply with law.

SETTLEMENT AGREEMENT
[TENANT NAME AND UNIT NUMBER]

THIS AGREEMENT made as of the ____ day of August, 2025

B E T W E E N:

[Tenant Name and Unit #]
 (hereinafter referred to as the “**Tenant**”)

-and-

KSV Restructuring Inc.
 in its capacity as Receiver and Manager of
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 (hereinafter referred to as the “**Receiver**”)

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2. The monthly rent under the Residential Lease is \$[RENT AMOUT] (the “**Monthly Rent Payment**”).
3. The Landlord’s records reflect that the Tenant paid to the Landlord a security deposit in the amount of \$[DEPOSIT AMOUNT] (the “**Lease Deposit**”).
4. Pursuant to an Order of the Ontario Superior Court of Justice (the “**Court**”) in Ottawa Court File No. CV-24-00098058-0000 granted February 24, 2025 (the “**Receivership Order**”), the Receiver was appointed over the Landlord and the Building (among other things).

5. As set out in the Fourth Report of the Receiver dated July 22, 2025, for health and safety reasons related to mould in the Building, to facilitate the remediation of the mould, and as part of a sale transaction for the Building pursuant to an agreement of purchase and sale entered into between the Receiver and HS Canada 101 Champagne, L.P. by its general partner, HS Canada 101 Champagne GP Inc. dated February 21, 2025, as amended (the “**Transaction**”), vacant possession of the Building is required before September 1, 2025.

6. Pursuant to ~~an Order~~Orders of the Court dated July 31, 2025 (the “**Approval Order and Ancillary Orders**”), among other things the Court approved the Transaction, ordered vacant possession of the Building by August 31, 2025, and authorized the Receiver to enter into a settlement agreement with the Building’s tenants on the terms below.

7. The Tenant and the Receiver have agreed to enter into ~~the following Settlement Agreement~~this settlement agreement regarding the termination of the Residential Lease, vacating of the Residential Unit, and the Lease Deposit (the “**Settlement Agreement**”).

NOW THEREFORE, FOR VALUE RECEIVED the Tenant and the Receiver agree as follows:

1. The Tenant shall sign an N11 – Agreement to End the Tenancy in the form attached as **Schedule “A”**.

2. The Tenant shall sign a release (the “**Release**”) in favour of the Landlord, the Receiver, HS Canada 101 Champagne Property Inc., HS Canada 101 Champagne, L.P., HS Canada 101 Champagne GP Inc., Keilty Realty Management Inc. operating as Varsity (“**Varsity**”), Peoples

Trust Company, Computershare Trust Company of Canada, ACM CMF Services Ltd., ACM Commercial Mortgage Fund, ACM Advisors Ltd. and certain related persons (collectively, the “**Released Parties**”) in the form attached as **Schedule “B”** which includes, among other things, a release of all claims and rights the Tenant has pursuant to the *Residential Tenancies Act*, 2006, S.O. 2006, c.17 (the “*RTA*”), and a prohibition on commencing any claim against the Released Parties, including seeking any form of relief under the *RTA* or otherwise.

3. The Lease Deposit shall be applied to the Monthly Rent Payment due for August, 2025.

4. The Tenant shall vacate the Residential Unit on or before August 31, 2025. The Lease Deposit will be applied as of August 1, 2025, and will not be prorated in the event the Tenant vacates their Residential Unit prior to August 31, 2025. The Tenant shall have no further rights, including, without limitation, any right to occupy, right of return or right of first refusal, in respect of the Residential Unit.

5. When vacating the Residential Unit, the Tenant is authorized to remove the furniture in the unit even though these items are owned by the Landlord.

6. ~~Upon~~ Subject to (i) the issuance of the Approval and Ancillary Orders by the Court and such Approval and Ancillary Orders being in full force and effect; (ii) the Tenant providing signed copies to the Receiver of this Settlement Agreement, an N11 – Agreement to End the Tenancy in the form attached as Schedule “A” and a Release in the form attached as Schedule “B”; and (iii) confirmation by Varsity that the Tenant has vacated its Residential Unit, the Receiver shall pay to the Tenant the sum of \$[PAYMENT], being an amount equal to ~~two~~ three Monthly Rent Payments under the Residential Lease.

7. Subject to the closing of the Transaction, upon the mould remediation being completed and the Building being available for re-leasing, the Tenant may elect to enter into a new lease for a residential unit at the Building on the terms described on **Schedule “C”** hereto. The Tenant agrees and acknowledges this opportunity is not a right of first refusal in accordance with section 53 of the *RTA*.

8. In addition to the Landlord and the Receiver, this Agreement and the Release may be relied upon and enforced by HS Canada 101 Champagne Property Inc., HS Canada 101 Champagne, L.P., HS Canada 101 Champagne GP Inc., Varsity, Peoples Trust Company, Computershare Trust Company of Canada, ACM CMF Services Ltd., ACM Commercial Mortgage Fund, ACM Advisors Ltd., or by any of them, including without limitation in any action or other proceeding before the Court or any other court or tribunal of competent jurisdiction and the Tenant acknowledges and agrees that each of them has provided good and sufficient consideration therefor.

9. ~~7.~~ The Tenant acknowledges having had a sufficient opportunity to review this Agreement and the Release and to obtain independent legal advice in respect thereof, and that the only consideration for this Agreement and the Release is as set forth herein and that no other promises

or representations of any kind have been made to the Tenant to cause them to sign this Agreement or the Release.

DATED this day of August, 2025

KSV Restructuring Inc.
in its capacity as Receiver and Manager of
2195186 Ontario Inc.
and not in its personal capacity

Per: _____

Name:

Position:

*(I have authority to bind the
corporation)*

Witness

[TENANT NAME]

SCHEDULE "A"

Form of N11 – Agreement to End the Tenancy

(attached)

|
|
|

SCHEDULE "B"

Form of Release

(attached)

SCHEDULE “C”

- Prior to the Building becoming available to lease to residential tenants following the mould remediation and other work necessary to permit lawful residential occupancy (the “**Occupancy Conditions**”), the Tenant will be given the opportunity to enter into a new lease (the “**New Lease**”) of a residential unit having a similar configuration (the “**Remediated Unit**”) at the same rent the Tenant was paying on the date of this Settlement Agreement and for a term of one (1) year commencing on such date following satisfaction of the Occupancy Conditions as is specified by the entity in whose name title to the Building will vest pursuant to the Approval and Vesting Order of the Court dated July 31, 2025 (the “**Purchaser**”).
- The determination of when the Remediated Unit is available to lease to the Tenant, the location of such Remediated Unit within the Building and the location of the bedroom within such Remediated Unit to be occupied by the Tenant shall, in each case, be at the reasonable good faith discretion of the Purchaser. For greater certainty, the location of the Remediated Unit within the Building and the location of the bedroom to be occupied by the Tenant within such Remediated Unit may not be the same as the location of the bedroom presently being occupied by the Tenant.
- The Tenant shall, at all times, keep the Purchaser up-to-date with respect to the Tenant’s address for receiving notice of the availability of the New Lease (the “**New Lease Notice**”) and the Purchaser shall, at all times, keep the Tenant up-to-date with respect to the Purchaser’s address for receiving changes to the Tenant’s address. The Tenant’s present address for receiving the New Lease Notice is:

_____.

_____. The Purchaser’s present address for receiving any changes to the Tenant’s address is:

_____.
- The New Lease Notice shall include a copy of the New Lease.
- Within thirty (30) days of receipt by the Tenant of the New Lease Notice, the Tenant shall either sign and deliver the New Lease to the Purchaser together with the deposit set out therein or advise the Purchaser by notice in writing that the Tenant has elected not to accept the opportunity to enter into the New Lease (the “**Rejection Notice**”). If the Purchaser receives the Rejection Notice within such thirty (30) day period or does not receive a signed New Lease together with the deposit set out therein within such thirty (30) day period, the Purchaser shall have no further obligation to lease any unit in the Building to the Tenant and the Purchaser shall be free to lease the Remediated Unit to another tenant on terms that comply with law.