



**First Report of
KSV Restructuring Inc.
as Receiver and Manager of certain
Property of Elderwood Holdings Inc.**

April 23, 2025

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COURT FILE NO: CV-25-00734688-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

TREZ CAPITAL LIMITED PARTNERSHIP AND TCC MORTGAGE HOLDINGS INC.

APPLICANTS

- AND -

ELDERWOOD HOLDINGS INC., ELDERWOOD TOWNHOMES INC., ELDERWOOD
TOWNHOMES II INC. AND 2633501 ONTARIO INC.

RESPONDENTS

FIRST REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER AND MANAGER

APRIL 23, 2025

1.0 Introduction

1. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) made on February 27, 2025 (the “**Receivership Order**”), KSV Restructuring Inc. (“**KSV**”) was appointed receiver and manager (the “**Receiver**”), without security, over the real property legally described in Schedule “A” of the Receivership Order (the “**Real Property**”), in all of the undertakings of Elderwood Holdings Inc. (the “**Company**”) and in all of the Company’s present and after-acquired personal property relating to the Real Property (collectively, the “**Property**”). A copy of the Receivership Order is attached as Appendix “A”.
2. The application to appoint KSV as Receiver was made by Trez Capital Limited Partnership (“**Trez**”) and TCC Mortgage Holdings Inc. (“**TCC**” and together with Trez, the “**Applicants**”), which are the only known creditors with security registered against the Real Property, as more fully described below.
3. The principal purpose of the receivership proceedings is to conduct a Court-supervised sale process for the Real Property that maximizes value for all of the Company’s stakeholders.
4. This report (“**Report**”) is filed by KSV in its capacity as Receiver.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide background information about the Company, the Real Property and these proceedings;
 - b) summarize the proposed terms of a sale process for the Real Property (the “**Sale Process**”), including the retention of Jones Lang Lasalle Real Estate Services, Inc. (the “**Listing Brokerage**”) to act as listing agent;
 - c) provide an overview of the Receiver’s activities since the commencement of these proceedings; and
 - d) recommend the Court issue an order:
 - approving the Sale Process;
 - authorizing the Receiver to engage the Listing Brokerage pursuant to the terms of the listing agreement between the Receiver and the Listing Brokerage (the “**Listing Agreement**”); and
 - approving this Report and the Receiver’s activities detailed herein.

1.2 Currency

1. All currency references in this Report are to Canadian dollars, unless otherwise noted.

1.3 Restrictions

1. In preparing this Report, the Receiver has relied upon discussions with and information, including financial information, provided by the Company’s representatives, Trez, Bousfields Inc. (“**Bousfields**”), the Company’s urban planner, and Socan Property Management Inc. (“**Socan**”), the property manager of the Real Property (the “**Information**”).
2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that complies with Canadian Auditing Standards (“**CAS**”) pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance as contemplated under the CAS in respect of the Information. Any party wishing to place reliance on the Information should perform its own diligence and the Receiver accepts no responsibility for any reliance placed on the Information in this Report by any party.
3. Additional background information regarding the Company and the reasons for the appointment of the Receiver are provided in the affidavit of Aaron Previte sworn January 27, 2025 (the “**Previte Affidavit**”). Copies of the Court materials filed in these proceedings are available on the Receiver’s case website at: <https://www.ksvadvisory.com/experience/case/elderwoodholdings>.

2.0 Background

1. The Receiver understands that the Company's principal asset is the Real Property. The Real Property is a multi-family residential site on approximately 23,000 square feet of land with development potential. It contains three low-rise apartment buildings totaling approximately 10,900 square feet of rentable area and consisting of 13 rental units. The Real Property is fully tenanted.
2. The Real Property is managed by Socan, which is responsible for the day-to-day operations of the Real Property, including collecting rent, tenant communications, arranging for ongoing repairs and maintenance and paying expenses. The Receiver has been in frequent contact with Socan to date. Socan collects rent from the tenants on a monthly basis and remits the net rent, after deducting operating expenses, to the Receiver.
3. The Company intended to rezone the Real Property for the construction of a four-storey residential apartment building containing 45 residential units and in 2019 obtained approval of a zoning by-law amendment and an official plan amendment from the Ontario Land Tribunal (formerly known as the Land Planning Appeal Tribunal). The conditions to the approval remain outstanding as at the date of this Report.
4. In recent years, the Company was attempting to pursue greater density by obtaining approval of a six-storey development with 62 residential units; however, no applications or approvals have been obtained in connection with this revised proposal to date.

3.0 Creditors

3.1 Secured Creditors

1. Pursuant to the terms of a commitment letter dated August 9, 2021, Trez advanced the Company \$9,300,000 (the "**Loan**") which was secured by a mortgage charge registered on title to the Real Property on November 4, 2021 in the name of Computershare Trust Company of Canada ("**Computershare**"), Trez's nominee.
2. As general and continuing security for the payment of the Loan, Computershare was also granted security in the form of, *inter alia*:
 - a) a general security agreement (which was registered under the *Personal Property Security Act (Ontario)* on November 3, 2021);
 - b) a general assignment of rents;
 - c) a general assignment of contracts; and
 - d) an assignment and pledge of interest reserve account.
3. The Loan is guaranteed by 2633501 Ontario Inc., Emil Toma and Allen Toma pursuant to a guarantee agreement dated November 4, 2021 (collectively, the "**Loan Documents**").

4. On December 6, 2024, Computershare, as assignor, and TCC, as assignee, entered into an assignment and assumption agreement wherein Computershare assigned their right, title and interest in the Loan Documents to TCC.
5. The Real Property is subject to a first-ranking charge in favour of TCC. As of March 20, 2025, TCC is the only party with a registered charge against the Real Property.
6. Additionally, based on the search results conducted against the Company in the Ontario Personal Property Security Registration System, TCC is the only creditor with a registered security interest.
7. As of January 7, 2025, the Company owed approximately \$10,300,000 to TCC under the Loan. Interest and costs continue to accrue.
8. The Receiver intends to obtain an independent legal opinion on the validity and enforceability of TCC's security in due course.

3.2 Unsecured Creditors

1. Based on the Company's books and records, there is approximately \$350,000 owing to unsecured creditors.

4.0 Sale Process

4.1 Request for Proposals from Realtors

1. Following the Receiver's appointment, the Receiver solicited proposals from three realtors to act as the listing agent for the Real Property. The Receiver considers all three to be well-positioned to effectively market the Real Property to prospective purchasers.
2. The Receiver requested that each realtor provide certain information in its proposal, including each firm's experience and knowledge of the Toronto market, a marketing plan for the Real Property, the indicative range of values for the Real Property and the realtor's proposed commission structure. A copy of the request for proposals sent to the realtors is attached as Appendix "B".
3. In consultation with Trez, the Receiver selected the Listing Brokerage to list the Real Property. This decision was based on, among other things, the Listing Brokerage's experience marketing deals of a similar size located in Toronto, the expertise of its team, the commission structure and knowledge of the Real Property.
4. The Receiver recommends that the Court authorize the Receiver to retain the Listing Brokerage as the listing agent for the Real Property for the following reasons:
 - a) Trez, the Company's sole secured creditor, supports the retention of the Listing Brokerage;
 - b) the Listing Brokerage's team for this mandate is based out of its Toronto offices, has significant experience selling residential development properties in the Toronto area and has access to a national platform;

- c) KSV has previously retained the same Listing Brokerage team for similar mandates and the Listing Brokerage team achieved strong results; and
 - d) the Listing Brokerage's proposed commission rate (3.25%) is reasonable based on KSV's experience selling real estate and is acceptable to Trez.
5. A copy of the Listing Agreement is attached as Appendix "C".

4.2 Sale Process

1. The recommended Sale Process is summarized in the table below. All dates reflected below will commence running from the date that the Receiver launches the Sale Process.
2. The timeline set out below will commence on the date the Receiver initiates the Sale Process. The Receiver, in consultation with Trez, will have sole discretion regarding the timing of the launch, which will be based on a cost-benefit analysis of whether to pursue certain development approvals from governmental authorities prior to commencement. The Receiver is currently evaluating, together with Trez and the listing broker, whether obtaining such approvals in advance would eliminate a key milestone for a potential purchaser and thereby enhance the overall value of the property. If the Receiver does not commence the Sale Process within three months of obtaining Court approval, it will return to Court to seek fresh approval of the proposed process.

Sale Process		
Milestone	Description of Activities	Timeline
Phase 1 – Underwriting		
Due diligence	➤ Listing Brokerage to review all available documents (financial, legal and environmental reports) concerning the Real Property.	As soon as possible after commencing the Sale Process.
Finalize marketing materials	➤ Listing Brokerage and the Receiver to: <ul style="list-style-type: none">○ prepare a marketing brochure;○ populate a virtual data room;○ prepare a confidentiality agreement (“CA”); and○ prepare a Confidential Information Memorandum (“CIM”).	
Consulting Reports	➤ The Receiver may arrange for updated and/or new consulting reports to facilitate due diligence by interested parties. These will be made available in the data rooms.	
Prospect Identification	➤ Listing Brokerage will qualify and prioritize prospects; and ➤ Listing Brokerage will also have pre-marketing discussions with targeted prospects.	
Phase 2 – Marketing and Offer Solicitation		
Stage 1	➤ Mass market introduction, including: <ul style="list-style-type: none">○ sending marketing materials, including the marketing brochure, to Listing Brokerage’s client base, including specifically targeted prospects;	Anticipated to be approximately 30 – 45 days.

Sale Process		
Milestone	Description of Activities	Timeline
	<ul style="list-style-type: none"> ○ publishing the acquisition opportunity in such journals, publications and online as the realtor and the Receiver believe appropriate to maximize interest in this opportunity; ○ posting “for sale” signs on the Real Property; ○ engaging in direct canvassing of most likely prospects and tailoring the pitch to each of these candidates based on the Listing Brokerage’s knowledge of these parties; ○ posting the acquisition opportunity on MLS on an unpriced basis; and ○ meeting with prospective bidders to explain the potential of each site. <ul style="list-style-type: none"> ➤ Listing Brokerage to provide detailed information to qualified prospects that sign the CA, including the CIM and access to the data room; ➤ Listing Brokerage and the Receiver to facilitate diligence by interested parties; ➤ The Receiver and legal counsel will prepare a vendor’s form of purchase and sale agreement (“PSA”) which will be made available in the data room; and ➤ Receiver may arrange for certain updated and/or new consulting reports to facilitate due diligence. These will also be made available in the virtual data room, where applicable. 	
Stage 2 – Bid Deadline	<ul style="list-style-type: none"> ➤ Any person who wishes to submit a bid must submit a bid that complies with the following criteria (any bid that so complies, a “Qualified Bid”, and the offeror thereof, a “Qualified Bidder”): <ul style="list-style-type: none"> • The bid is submitted before the Bid Deadline; • Prospective purchasers will be required to submit offers in the form of the PSA, with any changes to the PSA blacklined (collectively, the “Bid Criteria”). ➤ The Receiver may, if it deems appropriate or desirable in the circumstances amend the Bid Criteria. 	The Receiver will set a bid deadline, in consultation with the Listing Brokerage and Trez, to be no earlier than 30 days after commencing the marketing process (the “Bid Deadline”).
<i>Phase 3 – Offer Review and Negotiations</i>		
Short-listing of offers and selection of Successful Bid.	<ul style="list-style-type: none"> ➤ Short listing of bidders. ➤ Further bidding - bidders may be asked to improve their offers. The Receiver may invite parties to participate in as many rounds of bidding as is required to maximize the consideration and minimize closing risk. The Receiver may also seek to clarify terms of the offers submitted and to negotiate such terms. 	Two weeks from the Bid Deadline.

Sale Process		
Milestone	Description of Activities	Timeline
	<ul style="list-style-type: none"> ➤ The Receiver will be at liberty to consult with Trez regarding the offers received, subject to any confidentiality requirements that the Receiver believes appropriate. ➤ 2nd round bids and further bidding - prospective purchasers may be asked to re-submit PSAs on one or more occasions. ➤ Select the highest or otherwise best bid (the “Successful Bid” and the bidder of making such bid, the “Successful Bidder”) and finalize definitive documents. The Receiver will select the Successful Bidder(s), having regards to, among other things: <ul style="list-style-type: none"> ○ total consideration (cash and assumed liabilities); ○ form of consideration being offered; ○ third-party approvals required, if any; ○ conditions, if any, and time required to satisfy or waive same; and ○ such other factors affecting the speed and certainty of closing and the value of the offers as the Receiver considers relevant. ➤ Back up bidders will be kept “warm” in order to have options in case selected bidder does not close. 	
<i>Phase 4 – Closing</i>		
Sale Approval Motion	<ul style="list-style-type: none"> ➤ Upon execution of definitive transaction documents, the Receiver will seek Court approval of the successful offer, on not less than 7 calendar days’ notice to the service list and registered secured creditors. 	15 to 30 days from the date that the Successful Bidder confirms all conditions have been satisfied or waived
Closing	<ul style="list-style-type: none"> ➤ Following Court approval 	ASAP
Supervision of the Sale Process	<ul style="list-style-type: none"> ➤ Other than as specifically set forth in a definitive agreement between the Seller and a Successful Bidder, the Sale Process does not, and will not be interpreted to, create any contractual or other legal relationship among the Seller, Successful Bidder or any other party. 	

2. Additional aspects of the Sale Process include:

- a) the Receiver may be required to commission environmental studies and/or other reports prior to closing. Court approval of the Sale Process shall authorize the Receiver to take any and all steps necessary to commission such studies/reports, including requiring the tenants to cooperate with the Receiver and provide reasonable access to their Property to the consultants retained for such purposes;
- b) the Real Property will be marketed on an “as is, where is” basis;

- c) to the extent permitted by law, all of the right, title and interest of the Company in the Real Property will be sold free and clear of all pledges, liens, security interests, encumbrances and claims, pursuant to an approval and vesting order to be sought by the Receiver;
- d) if the Receiver believes, in its sole discretion, that it will assist to maximize recoveries, the Receiver will have the right to: (i) waive strict compliance with the terms of the Sale Process, including any of the deadlines in the table above; and (ii) modify and adopt such other procedures that will better promote the sale of the Real Property or increase the aggregate recoveries for stakeholders;
- e) Trez shall be entitled to credit bid its debt to acquire the Real Property, subject to the Receiver confirming the validity and enforceability of the security granted to Trez through its nominee, TCC. In the event of a credit bid, the Brokerage's commission will be reduced to a flat fee of \$75,000 + HST;
- f) any material modifications to, or the termination of, the Sale Process shall require Court approval; however, the Receiver shall have the discretion to adjust any timeline in the Sale Process to the extent it believes it to be appropriate to maximize value;
- g) the Receiver, in consultation with Trez, will have the right to reject any and all offers, including the highest dollar value offer(s); and
- h) any transaction will be subject to Court approval.

4.3 Sale Process Recommendation

1. The Receiver recommends that the Court grant an order approving the Sale Process and retention of the Listing Brokerage for the following reasons:
 - a) the Sale Process is commercially reasonable and appropriate at this time as it is a fair, open and transparent process intended to canvass the market broadly on an orderly basis to secure the highest and best price;
 - b) the Sale Process follows procedures commonly used for selling real estate development projects, including those utilized by KSV in other Court-supervised real property receiverships;
 - c) the Sale Process provides the Receiver with the timelines, procedures and flexibility that it believes are necessary to maximize the value of the Real Property;
 - d) the Listing Brokerage has the skills and experience to effectively market the Real Property;

- e) the duration of the Sale Process will be sufficient to allow interested parties to perform diligence and to submit an offer on or before the Bid Deadline and the marketing process is subject to the Receiver's right to extend or amend timelines, as appropriate and based on market feedback and discussions with the Listing Brokerage; and
- f) Trez supports the Sale Process and the engagement of the Listing Brokerage.

5.0 Overview of the Receiver's Activities

1. The Receiver's activities since the commencement of these proceedings have included, *inter alia*, the following:
 - reviewing Trez's receivership application materials and the Receivership Order;
 - corresponding on a regular basis with Trez and the Receiver's legal counsel, Reconstruct LLP, regarding all aspects of this mandate;
 - corresponding with Socan regarding operational issues, such as collecting rent from tenants and dealing with maintenance and repairs;
 - corresponding with the Company regarding its books and records and reviewing same, including the rent roll, leases, property tax information, utility bills, maintenance information, property insurance, environmental reports, drawings and plans, engineering reports and various documents related to the historical development application;
 - opening a receivership bank account;
 - corresponding with the Company's insurance broker regarding the existing insurance policy and obtaining additional coverage;
 - corresponding with the Company's utility companies to continue such services during the receivership;
 - preparing a request for proposals to select a realtor;
 - reviewing and summarizing the proposals submitted by the realtors, attending calls with each of the realtors and discussing the proposals with Trez;
 - reviewing and editing the draft Listing Agreement;
 - corresponding with Bousfields and Trez regarding the development potential concerning the Real Property;
 - drafting and sending to all known creditors the Notice and Statement of the Receiver pursuant to Sections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*;

- drafting this Report and reviewing all motion materials filed in connection with this motion; and
- dealing with other matters pertaining to the administration of this mandate.

6.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that the Court grant an order approving the relief set out in Section 1.1 1.d) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC., SOLELY IN ITS CAPACITY
AS COURT APPOINTED RECEIVER AND
MANAGER OF THE PROPERTY
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”



Court File No.: CV-25-00734688-00CL

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

THE HONOURABLE

)

THURSDAY, THE 27th

JUSTICE J. DIETRICH

)

DAY OF FEBRUARY, 2025

)

BETWEEN:

TREZ CAPITAL LIMITED PARTNERSHIP and TCC MORTGAGE HOLDINGS INC.

Applicants

- and -

**ELDERWOOD HOLDINGS INC., ELDERWOOD TOWNHOMES INC., ELDERWOOD
TOWNHOMES II INC. and 2633501 ONTARIO INC.**

Respondents

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

**ORDER
(Appointing Receiver)**

THIS APPLICATION made by Trez Capital Limited Partnership (the “**Lender**”) and TCC Mortgage Holdings Inc. (“**TCC**” and together with the Lender, the “**Applicants**” and each an “**Applicant**”) for an Order pursuant to subsection 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”) and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”) appointing KSV Restructuring Inc. (“**KSV**”) as receiver and manager (in such capacities, the “**Receiver**”) without security, of the real property legally described in Schedule “A” to this Order (the “**Real Property**”) and in the undertakings of Elderwood Holdings Inc. (“**EHI**”) and in all of EHI’s present and after acquired personal property

relating to the Real Property (collectively, the “**Personal Property**” and together with the Real Property, the “**Property**”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Aaron Previte sworn January 27, 2025 and the Exhibits thereto (the “**Previte Affidavit**”), the affidavit of Jamie Ernst sworn February 26, 2025 and the Exhibits thereto, on hearing the submissions of counsel for the Applicants and such other parties listed on the Participant Information Form, no one appearing for any other party although duly served as appears from the affidavit of service sworn and filed, and on reading the consent of KSV to act as the Receiver,

SERVICE AND DEFINITIONS

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

2. THIS COURT ORDERS that all terms not otherwise defined herein shall have the meaning ascribed to them in the Previte Affidavit.

APPOINTMENT

3. THIS COURT ORDERS that pursuant to subsection 243(1) of the BIA and section 101 of the CJA, KSV is hereby appointed Receiver, without security, of the Property.

RECEIVER’S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property, including, without limitation, the bank accounts of EHI related to the Property wherever located;

- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of the Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage, operate, and carry on the business of EHI, Elderwood Townhomes Inc. (“**ETI**”), Elderwood Townhomes II Inc. (“**ET2I**”) and 2633501 Ontario Inc. (“**2633 Ontario**” and together with EHI, ETI and ET2I, the “**Debtors**” and each a “**Debtor**”), or any of them, in connection with the Property, including the powers to enter into any agreements, complete any applications in connection with zoning or otherwise, or incur any obligations in the ordinary course of business in connection with the Property, cease to carry on all or any part of the business of the Debtors, or any of them, in connection with the Property or cease to perform or disclaim any contracts of any of the Debtors in respect of the Property;
- (d) to engage construction managers, project managers, contractors, subcontractors, trades, engineers, quantity surveyors, consultants, appraisers, agents, real estate brokers, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver’s powers and duties, including without limitation those conferred by this Order;
- (e) to undertake any construction or other work at the Property necessary to bring the Property into compliance with applicable laws and building codes;
- (f) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors, or any of them, in connection with the Property or any part or parts thereof;

- (g) to receive and collect all monies and accounts now owed or hereafter owing to any of the Debtors in connection with the Property (including, without limitation, any rent payments in respect of the Real Property) and to exercise all remedies of any of the Debtors in collecting such monies and accounts, including, without limitation, to enforce any security held by any of the Debtors in connection with the Property;
- (h) to settle, extend or compromise any indebtedness owing to any of the Debtors in connection with the Property, provided that the Receiver shall obtain the prior written consent of the Lender prior to settling or compromising any proceeding where the amount claimed is in excess of \$100,000;
- (i) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, including, without limitation, in respect of construction permits, zoning applications and any requirements related thereto, whether in the Receiver's name or in the name and on behalf of any of the Debtors, for any purpose pursuant to this Order;
- (j) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to any of the Debtors (as such proceedings relate to the Property or any portion thereof), the Property or the Receiver, and to settle or compromise any such proceedings, provided that the Receiver shall obtain the prior written consent of the Lender prior to settling or compromising any proceeding where the amount claimed is in excess of \$100,000. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (k) to undertake environmental or worker's health and safety assessments of the Property and the operations of the Debtors thereon;

- (l) with the prior written consent of the Lender, to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion, and with the Lender's consent, may deem appropriate;
- (m) to, with the prior written consent of the Lender, sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business:
 - (i) without the approval of this Court in respect of any transaction not exceeding \$250,000, provided that the aggregate consideration for all such transactions does not exceed \$1,000,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, R.S.O. 1990, c. P.10, as amended, or section 31 of the Ontario *Mortgages Act*, R.S.O. 1990, c. M.40, as amended, as the case may be, shall not be required;
- (n) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- (o) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (p) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;

- (q) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of any of the Debtors and to meet with and discuss with such governmental authority and execute any agreements required in connection with or as a result of such permits, licenses, approvals or permissions (but solely in its capacity as Receiver and not in its personal or corporate capacity);
- (r) to enter into agreements with any trustee in bankruptcy appointed in respect of any of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by any of the Debtors;
- (s) to exercise any shareholder, partnership, joint venture, contractual, statutory or other rights which any of the Debtors may have in connection with the Property; and
- (t) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations, including opening any mail or other correspondence addressed to any of the Debtors,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons, including each of the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

5. THIS COURT ORDERS that (i) each of the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel, direct and indirect shareholders or other equity holders, limited partners or general partners, and all other persons acting on their instructions or behalf, (iii) all construction managers, project managers, contractors, subcontractors, trades, engineers, quantity surveyors, consultants and service providers, and all other persons acting on their instructions or behalf, and (iv) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of

the foregoing, collectively, being “**Persons**” and each being a “**Person**”) shall forthwith advise the Receiver of the existence of any Property in such Person’s possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver’s request.

6. THIS COURT ORDERS that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, agreements, orders, corporate and accounting records, insurance policies, permits, licenses and any other papers, records, information and cloud-based data of any kind related to the business or affairs of any of the Debtors or the Property, and any computer programs, computer tapes, computer disks, cloud or other data storage media containing any such information (the foregoing, collectively, the “**Records**”) in that Person’s possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software, cloud and physical facilities relating thereto, provided however that nothing in this paragraph 6 or in paragraph 7 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

7. THIS COURT ORDERS that if any Records are stored or otherwise contained on a computer, in a cloud or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph 7, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer, cloud or other system and providing the Receiver with any and all access codes, account names, account numbers and account creating credentials that may be required to gain access to the information.

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS OR THE PROPERTY

9. THIS COURT ORDERS that no Proceeding against or in respect of any of the Debtors or the Property, other than the ongoing proceedings in respect of, among others, EHI and 2633 Ontario bearing Court File No.: CV-24-00733296-0000, shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of any of the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. THIS COURT ORDERS that, subject to the exception set forth in paragraph 9, all rights and remedies against the Debtors, the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any “eligible financial contract” as defined in the BIA, and further provided that nothing in this paragraph 10 shall: (i) empower the Receiver or any of the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or any of the Debtors from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. THIS COURT ORDERS that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by any of the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

12. THIS COURT ORDERS that all Persons having oral or written agreements with any of the Debtors or contractual, statutory or regulatory mandates for the supply of goods and/or services to the Debtors or in respect of the Property, construction and development projects, including without limitation, all computer software, communication and other data services, sub-contracts, trade suppliers, accounting services, centralized banking services, payroll services, insurance, transportation services, utility or other services to any of the Debtors, or in respect of the Property, construction and development projects, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Receiver, and that the Receiver shall be entitled to the continued use of any of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Receiver in accordance with normal payment practices of each of the Debtors or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

13. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post Receivership Accounts**") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. THIS COURT ORDERS that all employees of the Debtors shall remain the employees of the applicable Debtor until such time as the Receiver, on the applicable Debtors' behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-

related liabilities, including any successor employer liabilities as provided for in subsection 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under subsections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*, S.C. 2005, c. 47, s. 1, as amended (“**WEPPA**”).

PIPEDA

15. THIS COURT ORDERS that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, as amended, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a “**Sale**”). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to the Property purchased, in a manner which is in all material respects identical to the prior use of such information by each of the Debtors, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, 1999, S.C. 1999, c. 33, as amended, the *Ontario Environmental Protection Act*, R.S.O. 1990, c. E.19, as amended, the *Ontario Water Resources Act*, R.S.O. 1990, c. O.40, as amended, or the *Ontario Occupational Health and Safety Act*, R.S.O. 1990, c. O.1, as amended, and regulations

thereunder (the “**Environmental Legislation**”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver’s duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER’S LIABILITY

17. THIS COURT ORDERS that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under subsections 81.4(5) or 81.6(3) of the BIA or under WEPPA. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER’S ACCOUNTS

18. THIS COURT ORDERS that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the “**Receiver’s Charge**”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver’s Charge shall form a first charge on the Property in priority to all security interests, trusts (including, without limitation, deemed trusts), liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. THIS COURT ORDERS that the Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. THIS COURT ORDERS that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its

fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow from the Lender way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000 (or such greater amount that is acceptable to the Lender and as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the **“Receiver’s Borrowings Charge”**) as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts (including, without limitation, deemed trusts), liens, charges and encumbrances, statutory or otherwise, in favour of any Person but subordinate in priority to the Receiver’s Charge and the charges as set out in subsections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. THIS COURT ORDERS that neither the Receiver’s Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

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

24. THIS COURT ORDERS that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver’s Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver’s Certificates.

SERVICE AND NOTICE

25. THIS COURT ORDERS that the E-Service Guide of the Commercial List (the “**Guide**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at <https://www.ontariocourts.ca/scj/practice/regional-practice-directions/eservice-commercial/>) shall be valid and effective service. Subject to Rule 17.05, this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the *Rules of Civil Procedure*. Subject to Rule 3.01(d) of the *Rules of Civil Procedure* and paragraph 13 of the Guide, service of documents in accordance with the Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Guide with the following URL: <https://ksvadvisory.com/experience/case/elderwoodholdings>.

26. THIS COURT ORDERS that if the service or distribution of documents in accordance with the Guide is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to any of the Debtors’ creditors or other interested parties at their respective addresses as last shown on the records of the Debtors and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

27. THIS COURT ORDERS that the Applicants, the Receiver and their respective counsel are at liberty to serve or distribute this Order, any other materials and orders as may be reasonably required in these proceedings, including any notices, or other correspondence, by forwarding true copies thereof by electronic message to the Debtors’ creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of a legal or juridical obligation, and notice requirements within the meaning of subsection 3(c) of the *Electronic Commerce Protection Regulations* (SOR/2013-221).

SEALING

28. THIS COURT ORDERS that the Appraisal Report appended at Confidential Exhibit “1” to the Previte Affidavit shall be sealed, kept confidential and shall not form part of the public

record until the earlier of: (i) the closing of one or more transactions for all of the Real Property in these Receivership Proceedings; and (ii) further order of the Court.

GENERAL

29. THIS COURT ORDERS that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

30. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of any of the Debtors.

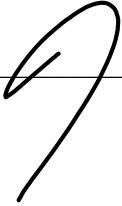
31. THIS COURT HEREBY REQUESTS the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals,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

32. THIS COURT ORDERS that the Receiver be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Receiver is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

33. THIS COURT ORDERS that the Applicants shall have their costs of this Application, up to and including entry and service of this Order, provided for by the terms of the Applicants' security or, if not so provided by the Applicants' security, then on a substantial indemnity basis to be paid by the Receiver from the net realizations from the Property with such priority and at such time as this Court may determine.

34. THIS COURT ORDERS that any interested party may apply to this Court to vary or amend this Order on not less than seven (7) days' notice to the Receiver and to any other party likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

35. THIS COURT ORDERS that this Order and all of its provisions are effective as of 12:01 a.m. Toronto Time on the date of this Order, and are enforceable without the need for entry and filing.



Schedule "A"

REAL PROPERTY

PIN 21178 – 0320 LT

PART LOT 27 ON PLN M347 DESIGNATED AS PARTS 1 AND 2 ON PLN 66R-24675.; SUBJECT TO AN EASEMENT OVER PART 2 ON PLN 66R-24675 IN FAVOUR OF PARTS 3, 4 AND 5 ON PLN 66R-24675 AS IN AT2395516; TOGETHER WITH AN EASEMENT OVER PART 3 ON PLN 66R-24675 AS IN AT2395516; CITY OF TORONTO

PIN 21178 – 0321 LT

LOT 26 AND PART OF LOTS 25 AND 27 ON PLN M347 DESIGNATED AS PARTS 3, 4 AND 5 ON PLN 66R-24675.; SUBJECT TO AN EASEMENT OVER PRT 5 ON PLN 66R-24675 IN FAVOUR OF PART 6 ON PLN 66R-24675 AS IN AT2395531; TOGETHER WITH AN EASEMENT OVER PART 2 ON PLN 66R-24675 AS IN AT2395516; SUBJECT TO AN EASEMENT OVER PART 3 ON PLN 66R-24675 IN FAVOUR OF PARTS 1 AND 2 ON PLN 66R-24675 AS IN AT2395516; CITY OF TORONTO

PIN 21178 – 0322 LT

LOT 24 AND PART OF LOT 25 ON PLN M-347 DESIGNATED AS PART 6 ON PLN 66R-24675; TOGETHER WITH AN EASEMENT OVER PART 5 ON PLN 66R-24675 AS IN AT2395531; CITY OF TORONTO

**SCHEDULE “B”
RECEIVER CERTIFICATE**

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver and manager (the “**Receiver**”) without security, of Property, appointed pursuant to the Order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated February 27, 2025 (the “**Order**”) made in an application having Court File Number CV-25-00734688-00CL, has received as such Receiver from the holder of this certificate (the “**Lender**”) the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

8. Capitalized terms that are not defined herein have the meanings ascribed thereto in the Order.

DATED the _____ day of _____, 2025.

KSV Restructuring Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name:

Title:

TREZ CAPITAL LIMITED PARTNERSHIP
and TCC MORTGAGE HOLDINGS INC.

and

ELDERWOOD HOLDINGS INC., ELDERWOOD TOWNHOMES INC.,
ELDERWOOD TOWNHOMES II INC. and 2633501 ONTARIO INC.

Applicants

Respondents

Court File No.: CV-25-00734688-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced in Toronto

ORDER
(Appointing Receiver)

BENNETT JONES LLP

One First Canadian Place, Suite 3400
P.O. Box 130
Toronto, ON M5X 1A4

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Jamie Ernst (LSO#: 88724A)

Tel: (416) 777-7867

Email: ernstj@bennettjones.com

Lawyers for the Applicants

Appendix “B”



Roni Levit
ksv restructuring inc.
220 Bay Street, Suite 1300
Toronto, Ontario, M5J 2W4
T +1 416 932 6021
F +1 416 932 6266
rlevit@ksvadvisory.com
ksvadvisory.com

March 07, 2025

DELIVERED BY EMAIL - [REDACTED]

[REDACTED]

Attention: [REDACTED]

Dear Mr. [REDACTED]

Re: The real property located at 1677-1679 Bathurst St. and 73-75 Elderwood Dr., Toronto, Ontario (the "Real Property")

Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) dated February 27, 2025 (the "**Receivership Order**"), KSV Restructuring Inc. was appointed receiver and manager (the "**Receiver**") of the Real Property and in the undertakings of Elderwood Holdings Inc. ("**EHI**") and in all of EHI's present and after acquired personal property relating to the Real Property (collectively, the "**Property**").

A copy of the Receivership Order and all other materials filed in the receivership proceeding is available at <https://www.ksvadvisory.com/experience/case/elderwoodholdings>.

The Real Property is a multi-tenant site comprising three buildings used for residential purposes.

The principal purpose of the receivership proceedings is to solicit offers and complete a transaction for the Real Property. Accordingly, you are invited to submit a proposal to act as our agent in connection therewith. **Proposals must be submitted to the Receiver by 5:00 p.m. (EST) on March 14, 2025.**

Details concerning the process and the content to be included in your proposal are attached as Appendix "A". A confidentiality agreement is attached as Appendix "B".

Should you have any questions with respect to the above, please contact the undersigned at (416) 932-6021 or rlevit@ksvadvisory.com.

Yours very truly,

KSV RESTRUCTURING INC.
SOLELY IN ITS CAPACITY AS COURT-APPOINTED RECEIVER
AND MANAGER OF THE PROPERTY
AND NOT IN ITS PERSONAL CAPACITY

Roni Levit

Per: Roni Levit

Appendix “A”

Request for Proposals for REAL ESTATE BROKER SERVICES

Re: Elderwood Homes Inc. (the “Debtor”)

Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) dated February 27, 2025 (the “**Receivership Order**”), KSV Restructuring Inc. was appointed receiver and manager (the “**Receiver**”), of the real property located at 1677-1679 Bathurst St. and 73-75 Elderwood Dr., Toronto, Ontario (the “**Real Property**”) and in the undertakings of Elderwood Holdings Inc. (“**EHI**”) and in all of EHI’s present and after acquired personal property relating to the Real Property (collectively, the “**Property**”). The Receiver invites proposals to provide real estate broker services for the listing and sale of the Real Property.

Proposals must be submitted by email to Roni Levit, Manager, KSV Restructuring Inc., at rlevit@ksvadvisory.com.

A. Background

- The Receiver is now accepting proposals (“Proposals”) to act as listing agent to solicit offers for the Real Property. The Receiver may engage one or more realtors to market the Real Property.
- The terms of any sale process (the “Sale Process”) and the selection of a realtor(s) are subject to Court approval.
- Copies of all Court materials filed in these proceedings are available on the Receiver’s website at:

<https://www.ksvadvisory.com/experience/case/elderwoodholdings>
- Information related to the Real Property will be provided in a data room that has been established for this proceeding (the “Data Room”). Realtors can obtain access to the Data Room once they sign the confidentiality agreement provided in Appendix “B”.
- The Real Property is a multi-tenant site comprising three buildings used for residential purposes.

B. Proposal Submission Deadline

- Proposals are to be submitted to the Receiver by 5:00 p.m. (EST) on March [14], 2025.

C. Realtor’s Role

The realtor’s role will include, *inter alia*:

- developing a detailed marketing process, including recommended timelines for the Sale Process;
- establishing an estimated value for the Real Property;
- preparing all marketing materials, with input from the Receiver;
- advertising the Real Property at the agent's expense;
- obtaining and negotiating confidentiality agreements from interested parties;
- showing the Real Property to interested parties and working with the Receiver to maintain a data room to facilitate the Sale Process;
- qualifying interested parties from a financial perspective;
- assisting interested parties with their due diligence;
- assisting the Receiver to assess offers submitted;
- providing the Receiver with a report summarizing the Sale Process, to be relied upon by the Receiver to support the Receiver's recommended transaction; and
- assisting the Receiver to close a transaction.

D. Proposal Content

The Proposal must contain the following:

1. Work Plan: proposals shall include a detailed work plan.
2. Value Estimate: proposals shall provide an estimate of the value of the Real Property, together with supporting assumptions including a discussion concerning the highest and best use for the Real Property.
3. Firm Background and Staff Experience: proposals shall provide background information concerning their firm, including the experience of their staff who will be leading this assignment (including résumés for the lead agents).
4. Liability Insurance Certificate: a copy of your liability insurance certificate is to be included.
5. Compensation Structure: proposals shall detail the proposed compensation structure for the Real Property.
6. Conflict of Interest Statement: proposals shall certify the disclosure of any professional or personal financial interests that could be a possible conflict of interest. In addition, all arrangements to derive additional compensation shall also be disclosed and certified.

E. Proposal Consideration

The factors on which each Proposal will be considered include the following:

- the marketing plan;
- experience with selling similar real estate in the Toronto market;

- experience acting in Court-supervised situations;
- estimate of the value of the Real Property and the underlying assumptions;
- consideration of the development strategy for the Real Property, if applicable;
- professional qualifications of individuals leading the project;
- compensation structure; and
- other factors as determined by the Receiver at its sole discretion.

Note: please limit your proposal to no more than 20 pages.

* * *

For more information or questions, please contact Roni Levit at the email address noted above.

CONFIDENTIALITY AGREEMENT

KSV Restructuring Inc.
220 Bay Street, Suite 1300
Toronto, ON M5J 2W4

Email: rlevit@ksvadvisory.com
Attention: Roni Levit

To Whom It May Concern:

Re: The real property located at 1677-1679 Bathurst St. and 73-75 Elderwood Dr., Toronto, Ontario (the "Real Property")

WHEREAS this agreement (the "Confidentiality Agreement") is being executed between the Receiver and the Broker (terms as defined below), as entered into as of the date on the last page hereto, for the purpose of providing real estate brokerage services concerning the Real Property.

AND WHEREAS We/I as undersigned (hereinafter referred to as the "Broker") requests that KSV Restructuring Inc., in its capacity as receiver and manager (the "Receiver") of the Real Property appointed pursuant to an order of the Ontario Superior Court of Justice made on February 27, 2025, provide the Broker with certain confidential information relating to the Real Property.

NOW THEREFORE for good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged) and in consideration of the Receiver agreeing to provide the Broker with certain Information (as defined below), the Broker hereby undertakes and agrees as follows:

- a) To treat and maintain confidentially such information and any other information that the Receiver or any of its advisors furnish to the Broker, including information furnished before or after the date of this Confidentiality Agreement, whether provided orally, in writing or otherwise recorded or gathered, and regardless of whether specifically identified as "confidential", including any documents or copies (paper, electronic or otherwise) and communications thereof (collectively, the "Information").
- b) Not to use any of the Information for any purpose other than for the exclusive purpose of evaluating the possibility of submitting a listing proposal for the Real Property. The Broker agrees that the Information will not be used in any manner that is detrimental to the Company, the Property, and/or the Receiver in the performance of its appointment concerning the Property, and that such Information will be kept confidential by the Broker, its directors, officers, employees and representatives (collectively, the "Representatives").
- c) To only provide the Information to the Representatives who require the Information for the purposes described herein, who shall be informed by the Broker of the confidential nature of the Information and who agree to be bound by the provisions of this Confidentiality Agreement. On request, the Broker shall promptly notify the Receiver of the identity of each Representative to whom any Information has been delivered or disclosed. The Broker further agrees to be held responsible for any breach of this Confidentiality Agreement made by a Representative.
- d) To not supply or disclose any data, communications or documents included in the Information to any corporation, company, partnership or individual or any combination of one or more of the foregoing (any of which are hereby defined as a "Person") other than the Broker and its Representatives, unless the prior written consent of the Receiver has been obtained.
- e) The Broker and its Representatives will not, without the prior written consent of the Receiver, disclose to any Person that this solicitation is taking place nor disclose any of the terms, conditions or other facts with respect to any such possible transaction, including the status thereof.
- f) That at any time, upon the request of the Receiver, the Broker will promptly return or destroy, without any right of compensation or indemnity, all Information in its possession and will not retain any copies thereof or any notes relating thereto. The Broker will certify as to the return or

destruction of all Information and any related notes, and that no Person has a copy of the Information.

- g) That in the event the Broker is required or requested by legal process to disclose any of the Information, the Broker will provide the Receiver with prompt written notice of such requirement or request so that the Receiver may take such actions as it considers appropriate.
- h) The Broker represents and warrants that it shall be responsible for any costs associated with its review of the Information. Any consultants, real estate agents/brokers, and/or advisors retained by the Broker shall be required to execute, and to be bound by, this Confidentiality Agreement. The Broker shall retain a copy of such executed Confidentiality Agreement and will provide it to the Receiver immediately following its request.
- i) The Broker acknowledges that the Receiver is acting strictly in its capacity as Receiver and that it shall have no liability for any action, omission, statement, misstatement, representation, or warranty made within the Information. The Broker further acknowledges that the Receiver makes no representations or warranties as to the accuracy or completeness of the Information and shall have no liability for any action, omission, statement, misstatement, representation, or warranty made by itself or its employees to the Broker and its Representatives, absent fraud or willful misconduct.
- j) The Broker shall indemnify the Receiver, any of its employees, and its counsel (the "Receiver's Representatives") against any loss, cost, damage, expense, legal fees or liability suffered or incurred by the Receiver or the Receiver's Representatives as a result of or in connection with any breach of this Confidentiality Agreement by the Broker or any of the Representatives to whom the Broker discloses Information.
- k) The Broker acknowledges and agrees that the execution and delivery of this Confidentiality Agreement and the delivery of the Information does not give rise to any legal obligation of the Receiver, whether in contract, in negligence or other tort, or by way of fiduciary duty or otherwise. Without limiting the generality of the foregoing, the Broker acknowledges and agrees that the Receiver is not and will not be under any obligation, express or implied, to provide or to continue to provide Information, to entertain any offers or proposals for the purchase of any property, or to complete a sale or other transaction with the Broker, unless and until a legally binding agreement is delivered and executed which expressly provides for such obligations. Furthermore, the Broker acknowledges and agrees that the Receiver has not and will not give any representations or warranties, either express or implied, concerning the accuracy or completeness of, or otherwise relating in any way to, the Information, and that the Receiver shall not incur any liability whatsoever to the Broker or any Representatives for any transaction entered into, or not entered into, or any other act, omission or decision made or taken, relying upon or in any way affected by, the Information.
- l) The Broker agrees that monetary damages would not be a sufficient remedy for any breach of this Confidentiality Agreement by the Broker and/or its Representatives and that any court having jurisdiction may enter a preliminary and/or permanent restraining order, injunction or order for specific performance in the event of an actual or threatened breach of any of the provisions of this Confidentiality Agreement, in addition to any other remedy available to the Receiver or the Company.
- m) The Broker agrees to observe all of the requirements of any applicable privacy legislation including, without limitation, the *Personal Information Protection and Electronic Documents Act* (Canada) with respect to personal information which may be contained in the Information.
- n) The Broker acknowledges and agrees that it has had an opportunity to obtain independent legal advice as to the terms and conditions of this Confidentiality Agreement and has either received same or expressly waived its right to do so.
- o) This Confidentiality Agreement shall be binding upon the parties hereto and their respective successors and permitted assigns. This Confidentiality Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. Each party hereto irrevocably submits to the exclusive jurisdiction of the Ontario Superior

Court of Justice (Commercial List) sitting in Toronto, Ontario, with respect to any matter arising hereunder or related hereto.

p) This Confidentiality Agreement shall enure to the benefit of the Receiver and its successors and assigns. Any party may deliver an executed copy of this Confidentiality Agreement by facsimile or email. This Confidentiality Agreement may be executed and delivered in any number of counterparts, each of which when executed and delivered is an original but all of which taken together constitute one and the same instrument.

q) This Confidentiality Agreement shall have a term of two (2) years from the date written below.

DATED at _____ this _____ day of _____, 2025

("Broker")

Corporate Name (Please Print)

By (Authorized Signing Officer's Signature)

(Officer's Name and Title)

(Broker's
Address)

(Telephone Number)

(Email Address)

Appendix “C”

Schedule A to OREA Listing Agreement - Commercial

This Listing Agreement (the “**Agreement**”) is entered into on ●, 2025 between Jones Lang Lasalle Real Estate Services, Inc. (the “**Listing Brokerage**”) and **KSV Restructuring Inc.** (the “**Seller**” or the “**Receiver**”) in its capacity as receiver and manager of the real property municipally known as 1677-1679 Bathurst St. and 73-75 Elderwood Dr., Toronto, Ontario (the “**Real Property**”) and in the undertakings of Elderwood Holdings Inc. (“**EHI**”), and in all of EHI’s present and after acquired personal property relating to the Real Property (collectively with the Real Property, the “**Property**”), pursuant to an order (the “**Receivership Order**”) of the Ontario Superior Court of Justice (the “**Court**”) issued on February 27, 2025, and without personal or corporate liability and solely in its capacity as receiver and manager under the Receivership Order. Similarly, the Listing Brokerage shall not be liable to the Seller (as Receiver) in any capacity beyond its explicitly stated obligations in this Agreement, whether in contract, tort or otherwise

To the extent of any inconsistency between this Agreement and the “OREA Listing Agreement – Commercial”, this Agreement shall govern. Notwithstanding anything contained in the OREA Listing Agreement – Commercial, each of the Listing Brokerage and the Seller acknowledges and agrees as follows:

Designated Agency:

1. The Listing Brokerage and Seller designate Matthew Picken, Jackson Safrata, Philip Traikos, and Fletcher Blakely (collectively, the “**Designated Agents**”) to act as the sole and designated agents of the Seller in respect of the Real Property. The Designated Agents will each be available and will devote the time required to undertake the assignment contemplated herein.
2. **Termination Rights.** The Seller may without penalty or cost to the Seller terminate the Agreement at any time, if the Designated Agents is in default hereunder or under any other agreement with the Seller. In addition, this Agreement shall automatically terminate if: (a) the Receivership Order is revoked, overturned on appeal, suspended or terminated; (b) the Seller is restricted in or enjoined from dealing with the Property by a court of competent jurisdiction; and/or (c) any of the mortgagees of the Property or any other future lenders are permitted by court order to enforce their rights and/or remedies against the Property.
3. **Price.** While it is the Seller’s intention to obtain the highest and best offer for the Property, the Designated Agents acknowledges and agrees that the Seller need not accept the highest offers and/or the best offers or any offer, and that acceptance by the Seller of any offer for the Property is subject at all times to the Seller’s approval in its sole and absolute discretion and as well as approval by the Court. No fee, commission or other compensation is payable to the Listing Brokerage in respect of the Property unless and until the sale of the Property has been completed and the purchase price consideration payable to the Seller has been paid in its entirety.
4. **Holdover Period Commission.** Any fee, commission or other compensation payable to the Listing Brokerage in connection with a holdover period, being three months from the termination of the Agreement (“**Holdover Period**”), shall: (a) only apply to those purchasers who were introduced to the Seller or to the Property by the Designated Agents during the Listing Period (as defined in Section 18) and who the Designated Agents had previously disclosed in writing to the Seller no later than three (3) days following the earlier of the expiration or termination of the Agreement; and (b) be reduced by any fee, commission and/or other compensation paid to another broker or agent for the sale of the Property as the new Listing Brokerage (the “**New Agent**”) on the basis of an agreement with the New Agent entered into with respect to the Holdover Period. If the Designated Agents had introduced up to a maximum of two (2) different prospective bona fide purchasers to the Seller during the Listing Period (each being a “**Serious Prospect**”) and said Serious Prospect had entered into material negotiations with the Seller to purchase the Property, but said material negotiations had not resulted in a binding agreement of purchase and sale, then to the extent that each of the Listing Brokerage and the Seller agree in writing to designate said prospective purchaser as a Serious Prospect prior to the expiration of the Listing Period, and so long as the Seller is not prohibited from doing so, and provided that the New Agent has agreed to forego its fee should a sale to a Serious Prospect be completed, the Listing Brokerage shall be entitled to its commission in connection with the transaction being completed with the Serious Prospect upon terms and conditions acceptable to the Seller in their sole and absolute discretion, which such transaction must be subject to Court approval and a binding and unconditional agreement of purchase and sale executed by each of the parties

thereto prior to the expiration of the Holdover Period. During the Holdover Period, the Listing Brokerage will not be entitled to any commission, payment or fee as the Seller's agent if the Designated Agents represents the purchaser.

5. **Designated Agents Duties.** The Designated Agents covenants and agrees with the Seller to:

(a) pursuant to the Seller's instructions as outlined below, offer the Property for sale on an unpriced basis (save and except as described in (b) below with respect to the Multiple Listings Service ("**MLS**"));

(b) if instructed by the Seller, offer the Property for sale on MLS, for which the listed price shall be \$1.00, or as otherwise directed by the Seller, and the Commissions to Co-operating Brokerage shall be as listed on Schedule "A";

(c) unless otherwise agreed by the Seller, diligently market the Property for sale and use commercially reasonable efforts to sell the Property pursuant to the process set out in Schedule "B" attached hereto (the "**Sale Process**");

(d) co-operate with all licensed real estate brokers and agents in the sale of the Property (collectively the "**Cooperating Agents**" and each a "**Cooperating Agent**"), with any commissions or fees of such Cooperating Agents to be paid by the Seller as set out in Schedule "A";

(e) ensure that there is continuity in the assignment of individual staff members and partners to the work performed by the Listing Brokerage under the terms of this engagement.

(f) subject to the instructions of the Seller, to assist the Seller in negotiating binding agreements of purchase and sale subject to Court approval with those parties identified by the Seller. Only the Seller shall have authority to accept offers and the Designated Agents shall not have any authority whatsoever to enter into any sale, financing or other contract on behalf of the Seller and/or to otherwise bind the Seller in any manner whatsoever;

(g) continue to assist the Seller in connection with the sale of the Property and seeking Court approval after the execution of a binding agreement of purchase and sale with respect to the same until such sale has been successfully concluded; and

(h) unless the Seller's written consent is provided in advance, to act solely for the benefit of the Seller in connection with the marketing and sale of the Property and not to have any direct or indirect interest in any entity purchasing or proposing to purchase the Property and not to receive any payments or other benefits from said purchasers or potential purchasers.

Notwithstanding the foregoing, Seller expressly agrees that the Designated Agents are being retained solely to provide services contemplated above and not as a lawyer, legal advisor, tax advisor, lender, certified appraiser, surveyor, structural engineer, building inspector or other professional service provider.

6. **Commission Payable to the Listing Brokerage.** The Seller shall pay to the Listing Brokerage upon the successful completion of a sale of the Property, a commission payable in accordance with Schedule "A" attached hereto (the "**Listing Fee**"). The Seller acknowledges that payment of HST applies on all commissions payable. As it relates to the commission payable, a sale constitutes a Court approved sale of the Property, share transaction, exercise of first right to purchase, option or other form of sale or transfer of the rights of the Property. The Seller agrees to notify the Designated Agents of the successful completion or closing. The Seller hereby instructs its solicitors to distribute payment to the Listing Brokerage in the amount noted above directly out of the proceeds of sale in accordance with an accepted agreement of purchase and sale and to have same addressed as a closing cost to the transaction.

7. **Refinancing and Credit Bid Fees.** If anytime during the Listing Period (as defined in Section 20), the Court approves a credit bid by Trez Capital Limited Partnership ("**Trez**"), or a party related to Trez, for the purchase of the Real Property, the Listing Brokerage shall be entitled to a fee of \$75,000 (plus applicable taxes and actual disbursements) on closing of the transaction. For greater certainty, if any parties other than Trez, or a party related to Trez, are the successful purchaser, the commission payable will be as set out in Schedule "A".

8. **Acknowledgments.** The Listing Brokerage and Designated Agents acknowledges and agrees in favour of the Seller that: (a) the Property is to be marketed and sold on an "as is, where is" basis and, accordingly, any agreement of purchase and sale

shall provide an acknowledgment by such purchaser that the Property is being sold by the Seller on an "as is, where is" basis, and that no representations or warranties have been or will be made by the Seller or anyone acting on its behalf, to the Designated Agents or such purchaser as to the condition of the Property or any buildings located thereon; (b) the Seller may annex a schedule to the transfer/deed of land (or other registrable document with respect to the sale) expressly excluding any covenants deemed to be included pursuant to the Land Registration Reform Act of Ontario, other than one to the effect that the Seller has the right to convey the Property; (c) in lieu of a transfer/deed of land for the Property, the Seller will vest title to the Property by way of an approval and vesting order issued by the Court; and (d) the sale of the Property requires the prior approval of the Court in said Court's sole and absolute discretion.

9. **Advertisement Expenses, Third Party Consultants and Reporting.** All advertising and sales promotion shall be subject to the approval of the Seller and all such advertisement and promotional material shall be prepared, published and distributed by the Designated Agents and shall be at the expense of the Listing Brokerage/ Designated Agents. All third-party reports and legal service fees requested and/or approved by the Seller shall be at the expense of the Seller. The Designated Agents agrees to provide the Seller with detailed reporting regarding the status of the Sale Process, including weekly lists of its solicitation efforts, the parties interested in the opportunity, the status of their diligence and such other information as is reasonably requested by Seller to be kept apprised of all material developments in the Sale Process. The Designated Agents will participate in no less than one weekly update call with the Seller, in the Seller's discretion.
10. **Indemnity.** The Designated Agents confirms that it owes an obligation to the Seller and its officers, employees and agents (collectively, the "**Indemnified Parties**") to carry out its activities in a competent and professional manner acting reasonably and in good faith. As such, the Listing Brokerage hereby indemnifies the Indemnified Parties with respect to claims made by third parties against the Indemnified Parties (including without limitation reasonable legal fees) arising out of the negligence, willful misconduct or fraud by the Designated Agents.

The indemnity shall survive the expiration or termination of the Agreement.
11. **Confidentiality.** The Designated Agents shall treat and shall cause its agents to treat as confidential and shall not disclose, during or after the rendering of the services contracted herein, any confidential information, records or documents to which the Designated Agents becomes privy as a result of its performance of the Agreement and shall take all necessary steps to ensure the confidentiality of information in the Designated Agents possession or control except for disclosure that may be required for the reasonable performance by the Designated Agents of its responsibilities hereunder.
12. **Assignment.** This Agreement shall not be assigned in whole or in part by the Listing Brokerage without the prior written consent of the Seller which consent may be unreasonably and/or arbitrarily withheld and any assignment made without that consent is void and of no effect.
13. **Seller's Capacity.** Notwithstanding the foregoing or anything else contained herein or elsewhere, the Designated Agents acknowledges and agrees that approval of the Sale Process (including the retention of the Designated Agents e) and any transaction or transactions involving a sale of the Property require the prior approval of the Court in the Court's sole and absolute discretion.
14. **Warranty.** Subject to Section 13 above and the remainder of this Section 14, the Seller represents and warrants that upon approval by the Court the Seller will have the exclusive authority and power to execute this Agreement and to authorize the Designated Agents to offer the Property for sale. Notwithstanding the foregoing, the Designated Agents acknowledges and agrees that the Seller has only limited knowledge about the Property and cannot confirm any third-party interests or claims with respect to the Property such as rights of first refusal, options, easements, mortgages, encumbrances or other otherwise concerning the Property, which may affect the sale of the Property.
15. **Execution.** This Agreement and any other agreement delivered in connection therewith, and any amendments thereto, may be executed by electronic copy or such similar format and if so executed and transmitted, will be for all purposes as effective as if the parties had delivered an executed original of this Agreement, or such other agreement or amendment, as the case

may be, and shall be deemed to be made when the receiving party confirms this Agreement, or such agreement or amendment, as the case may be, to the requesting party by electronic copy or such similar format. This Agreement may be executed in several counterparts, and each of which so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and, notwithstanding their date of execution, shall be deemed to bear date as of the date first written above.

16. **Jurisdiction.** This Agreement shall be governed and construed in accordance with the laws of the Province of Ontario. If any provision hereof is invalid or unenforceable in any jurisdiction where this Agreement is to be performed, such provision shall be deemed to be deleted and the remaining portions of this Agreement shall remain valid and binding on the parties hereto. Any disputes shall be heard in the City of Toronto.
17. **Finder's Fees.** The Seller does not consent to the Listing Brokerage/ Designated Agents or any Cooperating Agents (or their respective affiliates) receiving and retaining, in addition to the commission provided for or otherwise contemplated in this Agreement, a finder's fee for any financing of the Property.
18. **Verification of Information.** The Seller authorizes the Designated Agents to obtain any information from any regulatory authorities, governments, mortgagees or others affecting the Property and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. For greater certainty, none of the Listing Brokerage or the Designated Agents representatives may bind the Seller or execute any documentation on behalf of the Seller. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage.
19. **No Liability of Officers, Directors, etc.:** In the enforcement of their rights hereunder, the parties agree that neither of them shall seek or obtain a money judgment, or exercise any other right or remedy, against any of the officers, directors, shareholders, employees, agents or principals (disclosed or undisclosed) of the parties or any of their successors or assigns. Neither party shall be liable to the other for, and each party hereby waives any and all rights to claim against the other, any special, indirect, incidental, consequential, punitive or exemplary damages in connection with this Agreement, including, but not limited to, lost profits. Except for any breach of indemnification obligations outlined herein, in no event shall Listing Brokerage's and/or Designated Agent(s) liability to the Seller exceed One Million (\$1,000,000.00) Dollars. The terms and conditions set forth in this clause shall survive the expiration or termination of this Agreement.
20. **Listing Period.** The term of this Agreement shall begin upon acceptance of this Agreement (the "**Commencement Date**") and shall expire one minute before midnight on the sixth month anniversary of the Commencement Date or upon earlier termination as otherwise prescribed herein (the "**Listing Period**"). Notwithstanding any other provision in this Agreement, the Listing Brokerage shall not advertise the Property on MLS until the Seller provides expressed authority to do so and all marketing materials have been approved. The Listing Brokerage shall have five (5) days following said approval to post the Property on MLS.

**JONES LANG LASALLE REAL ESTATE
SERVICES, INC.**

BROKERAGE

Per:  _____
DocuSigned by:
Jackson Safrata
47844F78BAC6483

Jackson Safrata
Name:

Title: **Senior Vice President**

**KSV RESTRUCTURING INC. SOLELY IN ITS
CAPACITY AS COURT APPOINTED RECEIVER AND
MANAGER OF THE PROPERTY AND
NOT IN ITS PERSONAL OR OTHER CAPACITY**

Per:  _____
DocuSigned by:
KSV RESTRUCTURING INC.

Name: Noah Goldstein

Title: Managing Director

Schedule "A"

Sale of the Property: The Listing Fee is equal to 2.00% of the purchase price of the Property, plus applicable taxes, if solely completed by the Listing Team. If co-operating, the Listing Fee will be increased to 3.25%, with 1.50% being payable to the Cooperating Agent and 1.75% to the Listing Team, plus all applicable taxes.

Schedule “B”

Sale Process:

Sale Process		
Milestone	Description of Activities	Timeline
Phase 1 – Underwriting		
Due diligence	➤ Listing Brokerage to review all available documents (financial, legal and environmental reports) concerning the Real Property.	As soon as possible after commencing the Sale Process.
Finalize marketing materials	➤ Listing Brokerage and the Receiver to: <ul style="list-style-type: none">○ prepare a marketing brochure;○ populate an virtual data room;○ prepare a confidentiality agreement (“CA”); and○ prepare a Confidential Information Memorandum (“CIM”).	
Consulting Reports	➤ The Receiver may arrange for updated and/or new consulting reports to facilitate due diligence by interested parties. These will be made available in the data rooms.	
Prospect Identification	➤ Listing Brokerage will qualify and prioritize prospects; and ➤ Listing Brokerage will also have pre-marketing discussions with targeted prospects.	
Phase 2 – Marketing and Offer Solicitation		
Stage 1	➤ Mass market introduction, including: <ul style="list-style-type: none">○ sending marketing materials, including the marketing brochure, to Listing Brokerage’s client base, including specifically targeted prospects;○ publishing the acquisition opportunity in such journals, publications and online as the realtor and the Receiver believe appropriate to maximize interest in this opportunity;○ posting “for sale” signs on the Real Property;○ engaging in direct canvassing of most likely prospects and tailoring the pitch to each of these candidates based on the Listing Brokerage’s knowledge of these parties;○ posting the acquisition opportunity on MLS on an unpriced basis; and○ meeting with prospective bidders to explain the potential of each site. ➤ Listing Brokerage to provide detailed information to qualified prospects that sign the CA, including the CIM and access to the data room;	Anticipated to be approximately 30 – 45 days.
	➤ Listing Brokerage and the Receiver to facilitate diligence by interested parties;	
	➤ The Receiver and legal counsel will prepare a vendor’s form of purchase and sale agreement (“PSA”) which will be made available in the data room; and	
	➤ Receiver may arrange for certain updated and/or new consulting reports to facilitate due diligence. These will also be made available in the virtual data room, where applicable.	
Stage 2 – Bid Deadline	➤ Any person who wishes to submit a bid must submit a bid that compiles with the following criteria (any bid that so compiles, a “Qualified Bid”, and the offeror thereof, a “Qualified Bidder”):	The Receiver will set a bid deadline, in

Sale Process		
Milestone	Description of Activities	Timeline
	<ul style="list-style-type: none"> The bid is submitted before the Bid Deadline; Prospective purchasers will be required to submit offers in the form of the PSA, with any changes to the PSA blacklined (collectively, the “Bid Criteria”). <p>➤ The Receiver may, if it deems appropriate or desirable in the circumstances amend the Bid Criteria.</p>	consultation with the Listing Brokerage and Trez, to be no earlier than 30 days after commencing the marketing process (the “ Bid Deadline ”).
<i>Phase 3 – Offer Review and Negotiations</i>		
Short-listing of offers and selection of Successful Bid.	<p>➤ Short listing of bidders.</p> <p>➤ Further bidding - bidders may be asked to improve their offers. The Receiver may invite parties to participate in as many rounds of bidding as is required to maximize the consideration and minimize closing risk. The Receiver may also seek to clarify terms of the offers submitted and to negotiate such terms.</p> <p>➤ The Receiver will be at liberty to consult with the mortgagee regarding the offers received, subject to any confidentiality requirements that the Receiver believes appropriate.</p> <p>➤ 2nd round bids and further bidding - prospective purchasers may be asked to re-submit PSAs on one or more occasions.</p> <p>➤ Select the highest or otherwise best bid (the “Successful Bid” and the bidder of making such bid, the “Successful Bidder”) and finalize definitive documents. The Receiver will select the Successful Bidder(s), having regards to, among other things:</p> <ul style="list-style-type: none"> total consideration (cash and assumed liabilities); form of consideration being offered; third-party approvals required, if any; conditions, if any, and time required to satisfy or waive same; and such other factors affecting the speed and certainty of closing and the value of the offers as the Receiver considers relevant. <p>➤ Back up bidders will be kept “warm” in order to have options in case selected bidder does not close.</p>	Two weeks from the Bid Deadline.
<i>Phase 4 – Closing</i>		
Sale Approval Motion	<p>➤ Upon execution of definitive transaction documents, the Receiver will seek Court approval of the successful offer, on not less than 7 calendar days’ notice to the service list and registered secured creditors.</p>	15 to 30 days from the date that the Successful Bidder confirms all conditions have been

Sale Process		
Milestone	Description of Activities	Timeline
		satisfied or waived
Closing	➤ Following Court approval	ASAP
Supervision of the Sale Process	➤ Other than as specifically set forth in a definitive agreement between the Seller and a Successful Bidder, the Sale Process does not, and will not be interpreted to, create any contractual or other legal relationship among the Seller, Successful Bidder or any other party.	