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Investor Update #4

February 22, 2022

To: Investors in Go-To Glendale Avenue LP and Go-To Glendale Avenue Inc. (jointly, “Glendale”) and Aurora Road Limited Partnership and 2506039 Ontario Limited (jointly, “Aurora”)

Re: Go-To Developments Holdings Inc. and the companies listed on Appendix “A” (the “Companies”)

Pursuant to an application by the Ontario Securities Commission under sections 126 and 129 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended, the Ontario Superior Court of Justice (Commercial List) (the “Court”) made an order dated December 10, 2021 appointing KSV Restructuring Inc. as the receiver and manager (the “Receiver”) of the real property listed on Appendix “B” (the “Real Property”) and all the other assets, undertakings and properties of the Companies.

Information regarding these receivership proceedings is available on the Receiver’s case website in these proceedings: <https://www.ksvadvisory.com/experience/case/go-to>.

On February 9, 2022, the Court granted an order (the “Sale Process Order”, which can be found [here](#)) approving a sale process for the Real Property owned by the Companies (the “Sale Process”). The details of the Sale Process and the Receiver’s rationale for recommending that the Sale Process be commenced at this time are set-out in the Receiver’s second report to Court dated February 3, 2022 (the “Second Report”, which can be found [here](#)).

Prior to the granting of the Sale Process Order, on February 8, 2022, counsel for the Companies served a motion requesting that the Court direct the Receiver to accept: a) an offer (the “Glendale Offer”) in respect of the real property owned by Glendale (the “Glendale Real Property”); and b) an offer (the “Aurora Offer”, and with the Glendale Offer, the “Offers”) in respect of the real property owned by 2506039 Ontario Limited (the “Aurora Real Property”), as well as four parcels of real property adjacent to the Aurora Real Property owned by other parties (the “Other Owners”).

At the hearing on February 9, 2022, the Receiver advised the Court that it was prepared to consider the Offers on certain consent terms. These terms were set out in an endorsement which was then approved by the Court at the February 9th hearing (the “Endorsement”, which can be found [here](#)). Pursuant to the terms of the Endorsement, if the Receiver rejects either of the Offers, the related Real Property will be included in the Sale Process, which is scheduled to launch on February 28, 2022.

The status of the Offers is discussed below.

A. Aurora Offer

On February 16, 2022, the Receiver rejected the Aurora Offer as it was subject to a broad due diligence condition. The proposed purchaser advised that it could not satisfy this due diligence condition by the February 18, 2022 deadline set by the Court in the Endorsement. Additionally, the Aurora Offer was not acceptable to the Other Owners.

Accordingly, the Aurora Real Property will be included in the Sale Process and will be marketed for sale on the basis set out in the Second Report.

B. Glendale Offer

The Receiver has accepted the Glendale Offer, which was subject to two conditions by the Receiver (as discussed below) and Court approval. Although the Receiver has not conducted a sale process for the Glendale Real Property, the Receiver's decision to accept the Glendale Offer is based on the following:

- the purchase price is fair and reasonable based on:
 - estimates of value that were provided to the Receiver by four realtors that participated in its broker solicitation process, which process is detailed in the Second Report; and
 - it exceeds the value in an appraisal dated February 18, 2022 that was prepared for the Receiver by a reputable appraiser;
- the transaction is projected to close by April 29, 2022;
- it is not subject to any conditions by the purchaser, except for Court approval, which is a mutual condition of the purchaser and the Receiver; and
- according to Oscar Furtado, the Companies' principal, all Limited Partner investors (the "Glendale Investors") are supportive of the Glendale Offer.

In order to recommend the Glendale Offer for Court approval, the Receiver required that the following two conditions be satisfied by 5:00 p.m. on February 25, 2022 (the "Deadline"):

- written acknowledgements must be obtained from all Glendale Investors confirming their support of the sale by the Receiver of the Glendale Real Property pursuant to the Glendale Offer; and
- written acknowledgements must be obtained from all purchasers of condominium units in the Glendale project (the "Purchaser Acknowledgements" and together with the Investor Acknowledgements, the "Acknowledgements") that limit their potential and/or existing claims against Glendale to a return of their deposits.

The Receiver is aware that Oscar Furtado, the Companies' principal, was in contact with the Glendale Investors and purchasers to obtain the Acknowledgements. On February 21, 2022, Mr. Furtado advised that he had obtained all Acknowledgements.

C. Conclusion

Based on the value of the Glendale Offer and the books and records of Glendale, it appears that the purchase price of the Glendale Offer is sufficient to pay in full all creditor claims against Glendale and the capital invested by the Glendale Investors in Glendale. The Receiver notes, however, that prior to any distributions being made to stakeholders of Glendale, the Receiver is obligated to conduct a claims process to identify and quantify all claims against Glendale (the "Claims Process"). The Receiver intends to seek approval of a Claims Process at its next motion in these proceedings. If claims against Glendale exceed those reflected on Glendale's books and records, it is possible that creditors may not be repaid in full or that the Glendale Investors may not have a full recovery of their invested capital. The Receiver will advise Glendale's stakeholders of the outcome of the Claims Process upon its completion.

As the Receiver has not marketed the Glendale Property for sale, the Receiver is unable to confirm that a superior offer would not be submitted for the Glendale Real Property in the Sale Process. However, as stated above, **it is the Receiver's opinion that the value of the Glendale Offer for the Glendale Real Property is fair and reasonable given the supporting valuation and appraisal evidence that it has received. Based on this evidence, the support of the Glendale Investors for the Glendale Offer and receipt of the Acknowledgements, the Receiver intends to recommend that the Court approve the Glendale Offer.**

Should you have any questions with respect to the above, please contact Jordan Wong at (416) 932-6025 or at jwong@ksvadvisory.com.

Yours truly,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
SOLELY IN ITS CAPACITY AS COURT-APPOINTED RECEIVER AND MANAGER OF
GO-TO DEVELOPMENTS HOLDINGS INC. AND THE ENTITIES LISTED ON APPENDIX "A"
AND NOT IN ITS PERSONAL CAPACITY**

Appendix "A"

1. Go-To Developments Holdings Inc.;
2. Furtado Holdings Inc.;
3. Go-To Developments Acquisitions Inc.;
4. Go-To Glendale Avenue Inc.;
5. Go-To Glendale Avenue LP;
6. Go-To Major Mackenzie South Block Inc.;
7. Go-To Major Mackenzie South Block LP;
8. Go-To Major Mackenzie South Block II Inc.;
9. Go-To Major Mackenzie South Block II LP;
10. Go-To Niagara Falls Chippawa Inc.;
11. Go-To Niagara Falls Chippawa LP;
12. Go-To Niagara Falls Eagle Valley Inc.;
13. Go-To Niagara Falls Eagle Valley LP;
14. Go-To Spadina Adelaide Square Inc.;
15. Go-To Spadina Adelaide Square LP;
16. Go-To Stoney Creek Elfrida Inc.;
17. Go-To Stoney Creek Elfrida LP;
18. Go-To St. Catharines Beard Inc.;
19. Go-To St. Catharines Beard LP;
20. Go-To Vaughan Islington Avenue Inc.;
21. Go-To Vaughan Islington Avenue LP;
22. Aurora Road Limited Partnership; and
23. 2506039 Ontario Limited.

Appendix “B”

1. 75 Oliver Lane, St. Catharines, ON PIN: 46415-0949;
2. 185 Major MacKenzie Drive East, Richmond Hill, ON PIN: 03139-0047;
3. 197 Major MacKenzie Drive East, Richmond Hill, ON PIN: 03139-0049;
4. 209 Major MacKenzie Drive East, Richmond Hill, ON PIN: 03139-0051;
5. 191 Major MacKenzie Drive East, Richmond Hill, ON PIN: 03139-0048;
6. 203 Major MacKenzie Drive East, Richmond Hill, ON PIN: 03139-0050;
7. 215 Major MacKenzie Drive East, Richmond Hill, ON PIN: 03139-0052;
8. 4210 Lyons Creek Road, Niagara Falls, ON PIN: 64258-0110;
9. 4248 Lyons Creek Road, Niagara Falls, ON PIN: 64258-0713;
10. 2334 St. Paul Avenue, Niagara Falls, ON PIN: 64269-0559;
11. 355 Adelaide Street West, Toronto, ON PIN: 21412-0150;
12. 46 Charlotte Street, Toronto, ON PIN: 21412-0151;
13. Highland Road, Hamilton, ON PIN: 17376-0025;
14. Upper Centennial Parkway, Hamilton, ON PIN: 17376-0111;
15. 19 Beard Place St., Catharines, ON PIN: 46265-0022;
16. 7386 Islington Avenue, Vaughan, ON PIN: 03222-0909; and
17. 4951 Aurora Road, Stouffville, ON PIN: 03691-0193.