

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

MARSHALLZEHR GROUP INC.

Applicant

- and -

2557386 ONTARIO INC. and 2363823 ONTARIO INC. o/a MARIMAN HOMES

Respondents

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

MOTION RECORD OF THE RECEIVER, KSV RESTRUCTURING INC.
(returnable October 1, 2024)

September 23, 2024

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TO: THE SERVICE LIST

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(as at September 20, 2024)**

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2557386 ONTARIO INC. and 2363823 ONTARIO INC. o/a MARIMAN HOMES

Respondents

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

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TAB 1

**ONTARIO
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B E T W E E N :

MARSHALLZEHR GROUP INC.

Applicant

– and –

2557386 ONTARIO INC. AND 2363823 ONTARIO INC. o/a MARIMAN HOMES

Respondents

IN THE MATTER OF AN APPLICATION UNDER THE *BANKRUPTCY AND INSOLVENCY ACT*, RSC 1985, c B-3, s 243(1), AS AMENDED AND *THE COURTS OF JUSTICE ACT*, RSO 1990, c C. 43, s 101, AS AMENDED

NOTICE OF MOTION

(Returnable October 1, 2024)

(Approval of Sale Agreement, Fee Approval and Discharge)

KSV RESTRUCTURING INC. (“**KSV**”), in its capacity as receiver (the “**Receiver**”) of the assets, undertakings, and properties of 2557386 Ontario Inc. (“**2557**”) and 2363823 Ontario Inc. o/a Mariman Homes (“**Mariman**”, and together with 2557, the “**Companies**”) acquired for, or used in relation to a business carried on by the Companies, will make a motion to a judge presiding over the Commercial List (the “**Court**”) on October 1, 2024, at 10:00 PM, or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard:

- ☐ in writing under subrule 37.12.1 (1) because it is on consent, unopposed or made without notice;
- ☐ in writing as an opposed motion under subrule 37.12.1 (4);
- ☐ In person;

☐ By telephone conference;

☒ By video conference.

With Video conference details to be uploaded to Case Centre.

THE MOTION IS FOR:

1. an Approval and Vesting Order (“**AVO**”), substantially in the form appended at Tab 3 of the Receiver’s Motion Record, that, *inter alia*:
 - a) approves a recommended sale (the “**Transaction**”) by the Receiver to 1000961999 Ontario Inc. (the “**Nominee**”) and Sunray Estates Limited Partnership, by its general partner, Sunray Estates GP Inc. (the “**LP**”, and together with the Nominee, the “**Purchaser**”), an affiliate of the Applicant, MarshallZehr Group Inc. (“**MZ**”), for the York Property (as defined below) pursuant to an agreement of purchase and sale dated August 6, 2024 (the “**APS**”); and
 - b) vests in favour of the Purchaser all of the Companies’ right, title, and interest in the York Property as described in the APS (the “**York Property**”); and
 - c) declaring that the existing pre-construction agreements of purchase and sale related to the York Property (the “**Pre-construction APSs**”) are terminated, or directing the Receiver to repudiate such agreements, following closing of the Transaction;
2. a Distribution and Discharge Order (the “**Discharge Order**”), substantially in the form appended at Tab 4 of the Receiver’s Motion Record, that, *inter alia*:
 - a) abridges the time for service of this motion and declares that the motion is properly returnable before the Court;

- b) approves the actions and activities of the Receiver, as set out in the Third Report of the Receiver dated September 23, 2024 (the “**Third Report**”), including the Receiver’s Statement of Receipts and Disbursements for the as of September 19, 2024, provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval;
- c) approves the fees and disbursements of the Receiver and of Chaitons LLP (“**Chaitons**”), the Receiver’s Counsel, and of the Receiver’s independent legal counsel, Reconstruct LLP (“**Reconstruct**”), including the estimates to completion, as set out in the Third Report;
- d) authorizes and directs the Receiver to make the following distributions as described in the Third Report:
 - (i) a distribution to VanRooyen Earthmoving Ltd. (“**VRE**”) of \$171,909, representing the construction holdback, pursuant to its claim for lien as registered on the York Property title (“**Lien Claim**”); and
 - (ii) a distribution of any remaining funds, in quantum and timing at the Receiver’s discretion, to MZ in partial satisfaction of its secured claim against the Companies;
- e) approves the discharge of the Receiver upon the filing of the Discharge Certificate in the form substantially as set out as in the Discharge Order (the “**Discharge Certificate**”), confirming that the remaining receivership tasks described in the Third Report have been completed by the Receiver; and

- f) releases and discharges KSV from any and all liability that it now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of KSV while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part; and
3. such further and other relief as this Honourable Court deems just.

THE GROUNDS FOR THIS MOTION ARE:

Overview of the Companies and the Receivership

4. Pursuant to an application by the Purchaser under section 243(1) of the *Bankruptcy and Insolvency Act*, RSC 1985, c B-3, as amended, ("**BIA**") and section 101 of the *Courts of Justice Act*, RSO 1990, c C.43, as amended ("**CJA**"), the Receiver was appointed pursuant to an order dated January 16, 2024 (the "**Appointment Order**").
5. 2557 is a single purpose entity that owns the York Property, whereas Mariman operated as a custom home builder. Mike Bettiol is the sole officer and director of each of the Companies.
6. The Companies were developing certain properties for residential homes and had received approximately \$10m in deposits from homebuyers; 2557 had intended to build 66 detached custom estate homes on the York Property.
7. As set out in previous proceedings in this matter and in the Receiver's First Report, MZ had granted the Companies a mortgage in the principal amount of \$35 million, which was registered on the York Property title (the "**MZ Mortgage**"). MZ sought the Appointment Order to enforce its mortgage.

Sale Process

8. Pursuant to an Order dated March 27, 2024 (the “**Sale Process Order**”), the Court approved a sale process for the York Property, including the retention of Colliers Macaulay Nicolls Inc. (“**Colliers**”) as listing agent (the “**Sale Process**”).
9. Colliers marketed the York Property for sale in accordance with the Sale Process Order as follows:
 - a) It prepared an offering summary (the “**Offering Summary**”) and distributed it on April 4, 2024 to an extensive list of over 3,000 prospective purchasers, including local and national builders, developers and investors;
 - b) The York Property’s sale details were also listed on the Multiple Listing Service;
 - c) Colliers also directly contacted parties that it believed would be interested in the York Property;
 - d) It prepared a virtual data room (the “**VDR**”), with information provided to the Receiver by Mr. Bettiol, MZ, and representatives of the Companies. The VDR also included a template form of asset purchase agreement;
 - e) Colliers set May 17, 2024 as the date after which bids would be considered, rather than a bid deadline as based on market feedback. While 11 interested parties signed confidentiality agreements and were given access to the VDR, no offers were received from arm’s length parties; and,
 - f) Following the submission deadline, Colliers prepared a marketing report regarding its listing of the York Property (the “**Marketing Report**”).

10. The Marketing Report indicates that the highest value suggested by an interested party for the York Property was \$11 million; however, that party did not submit an offer.
11. The Receiver and Colliers provided regular updates to MZ on the sale process. During that time, MZ began discussions with Sunray Group, a builder and developer in North York, Ontario, for an APS to develop the York Project.

APS and Transaction details

12. The APS comprises the following Transaction terms:
 - a) the Purchaser will put forward a credit bid of \$16.5 million to purchase all of the Companies' right, title and interest in the York Property, including certain contracts and permits;
 - b) The purchase price is \$16.5 million, payable (all capitalized terms defined in the APS): by i) the Estimated Fees and all amounts secured by the Receiver's charge; ii) Priority Payables, without duplication; and iii) Receiver's borrowings; with the balance payable by assumption of the Secured Debt equal to the Purchase Price less the sum of the amounts set out in i), ii) and iii). The purchase price is to be adjusted on closing for adjustments standard for a real estate transaction, including property taxes;
 - c) The Nominee is to become the registered owner of the Lands solely as a nominal title holder for the LP, as beneficial owner, and not for itself.
 - d) All Pre-construction APSs will be terminated.
 - e) Following the granting of the AVO, the Purchaser will complete the APS within 15 days.

AVO Approval

13. The Receiver recommends that the Court approve the above Transaction as detailed in the APS.
14. The Sale Process undertaken by the Receiver was commercially reasonable and conducted in accordance with the terms of the Sale Process Order and as set out in the First Report of the Receiver.
15. Colliers has extensive experience selling commercial properties in and around the Haldimand area and widely canvassed the market for prospective purchasers for over four months.
16. The Transaction represents the best and only offer for the York Property, and will maximize recoveries for the York Property in the circumstances. The Receiver does not believe that further time spent marketing the property will result in a superior transaction.
17. The Sale Process expressly contemplated that MZ (or its affiliates) would have the right to credit bid the debt owing to it at the conclusion of the Sale Process if the offers received were not sufficient to repay its mortgage in full. MZ has advised that it is not prepared to continue to fund a further Sale Process.
18. The Transaction is unconditional except for Court approval. The Receiver is of the view that the Transaction is fair and reasonable and is in the best interests of the Companies' stakeholders.

Lien Holdback

19. On October 13, 2023, VRE registered a claim for lien against the title of the York Property in the amount of \$ 1,709,901.54 for amounts outstanding regarding construction grading

at the York Property. On October 30, 2023, it commenced a proceeding in respect of the Lien Claim.

20. Upon Reconstruct's analysis of the VRE Statement of Claim, contracts and invoices issued for work performed at the York Property, Reconstruct advised the Receiver that, in its view, the VRE claim has priority to the MZ Mortgage, to the extent of any deficiency in the holdbacks required to be retained under the Ontario *Construction Act*, s 78.
21. The Receiver believes it is appropriate to have an amount of \$171,909.00 disbursed to the lien claimant from the funds in the estate.

Other Properties not to be dealt with by the Receiver

22. As set out in the Third Report, the Companies own three other properties subject to mortgage claims, being the Moore's Property, Hunter Estates and Mariman Estates (the "**Other Properties**"). The Receiver recommends that it be discharged and that these Other Properties be removed from the Receivership proceeding as the Receiver has received requests for the mortgagees to exercise their enforcement rights separately. There is no indication that there would be equity from the Other Properties beyond the amounts owed to the mortgagees, and the Receiver does not have funding to continue its mandate in respect of the Other Properties.

Approval of the Third Report of the Receiver

23. The Third Report extensively describes the Receiver's actions and activities since the granting of the Sale Process Order. All actions and activities of the Receiver have been undertaken in accordance with the Appointment Order and in the best interests of the Companies' estate.

24. The Receiver respectfully requests that this Court approve its activities, actions, and conduct, all as described in the Third Report.

Substantial Completion of the Receiver's Duties

25. Given the completion of the Sale Process, the Receiver has completed its duties as set out in the Appointment Order and subsequent orders of the Court, save and except for the following (the "**Remaining Activities**");

- a) closing of the Transaction, if approved by the Court;
- b) payment of the Lien Holdback to VRE;
- c) payment of the outstanding fees and disbursements of the Receiver and its counsel (the "**Remaining Fees and Disbursements**");
- d) the filing of any outstanding HST returns and pursuing potential recovery of any unclaimed HST input tax credits resulting from these receivership proceedings;
- e) payment of any distribution to MZ; and
- f) other administrative matters incidental to these proceedings such as filing the Receiver's final statutory report pursuant to section 246(3) of the BIA.

Proposed Distributions

26. The Receiver seeks authorization and direction from the Court to make the following distributions from the funds currently in the estate or that may subsequently accrue to the estate:
- a) payment of the Lien Holdback to VRE as described in the Third Report; and

- b) a distribution of any remaining funds, in quantum and timing at the discretion of the Receiver, to MZ in partial satisfaction of its secured claim against the Companies.
27. The Receiver's proposed distributions comply with the priority of charges and security interests in respect of the Companies' Property.
28. Based on the net proceeds from the realization of the Property, there are not sufficient funds to repay the entirety of the Purchaser's Debt. Therefore, it is not anticipated that MZ will be paid in full, nor that any creditors ranking below MZ will receive any repayments.

Approval of Fees and Disbursements

29. The Appointment Order provides, among other things, that:
- a) the Receiver and its legal counsel shall pass its accounts from time to time and for this purpose the accounts of the Receiver and its legal counsel are referred to a Judge of the Court; and
 - b) prior to 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 normal 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.
30. The Receiver requests the Court's approval of its fees and those of its legal counsel.

Discharge of the Receiver

31. Following the filing of the Discharge Certificate with the Court, confirming that the Receiver has completed its Remaining Activities, the Receiver should be discharged.
32. Once the Receiver has completed the Remaining Activities, as provided in the Third Report, it will have completed its mandate to maximize value for the Companies' stakeholders in the .
33. The Receiver respectfully submits that following the filing of the Discharge Certificate with the Court, the Receiver should be discharged and released.

Other Grounds

34. The *Rules of Civil Procedure*, RSO 1990, Reg 194, as amended, including rr 1.04(1), 1.05, 2.01, 2.03, 3.02, 37 and 39.
35. *BIA*, s 243.
36. The inherent and equitable jurisdiction of this Honourable Court.
37. Such further and other grounds as counsel may advise and this Honourable Court may permit.

THE FOLLOWING DOCUMENTARY EVIDENCE WILL BE USED ON THE HEARING OF THE MOTION:

38. The Third Report of the Receiver dated September 23, 2024;
39. Such further and other evidence as counsel may advise and this Honourable Court may permit.

September 23, 2024

RECONSTRUCT LLP

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TO: THE SERVICE LIST (as at September 20, 2024)

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MARSHALLZEHR GROUP INC.

and

**2557386 ONTARIO INC. and 2363823 ONTARIO
INC. O/A MARIMAN HOMES**

Applicant

Respondents

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

Proceedings commenced at Toronto

NOTICE OF MOTION
(Returnable October 1, 2024)
(Approval of Sale Agreements, Fee Approval and
Discharge)

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TAB 2



**Third Report of
KSV Restructuring Inc.
as Receiver of 2557386 Ontario Inc. and
2363823 Ontario Inc. o/a Mariman Homes**

September 23, 2024

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COURT FILE NO.: CV-23-00699432-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

MARSHALLZEHR GROUP INC.

APPLICANT

- AND -

2557386 ONTARIO INC. AND 2363823 ONTARIO INC.
O/A MARIMAN HOMES

RESPONDENT

THIRD REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER

SEPTEMBER 23, 2024

1.0 Introduction

1. This report ("Report") is filed by KSV Restructuring Inc. ("KSV") in its capacity as receiver (the "Receiver") of the assets, undertakings, and properties of 2557386 Ontario Inc. ("2557") and 2363823 Ontario Inc. o/a Mariman Homes ("Mariman", and together with 2557, the "Companies") acquired for, or used in relation to a business carried on by, the Companies.
2. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on January 16, 2024 (the "Receivership Order"), KSV was appointed Receiver. A copy of the Receivership Order is provided as Appendix "A". The application to appoint the Receiver was brought by MarshallZehr Group Inc. ("MarshallZehr"), the senior secured lender of 2557.
3. 2557 is the registered owner of approximately 70 acres of land in Haldimand, Ontario (the "York Property").
4. Mariman is the registered owner of several properties, as more fully discussed below, including real property with a house under construction located at 2051 Vickery Drive, Oakville, Ontario (the "Vickery Property") which the Receiver has now sold with the approval of the Court.
5. As security for its loan to 2557, MarshallZehr received, among other things, a mortgage against the York Property and a guarantee from Mariman secured by a general security agreement against Mariman's personal property.
6. The purpose of this receivership proceeding is to take control over and realize on the Companies' assets under Court supervision for the benefit of all stakeholders.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) update the Court on the status of this receivership proceeding and the properties owned by the Companies;
 - b) summarize the results of the sale process for the York Property;
 - c) summarize a recommended sale (the “Transaction”) by the Receiver to 1000961999 Ontario Inc. (the “Nominee”) and Sunray Estates Limited Partnership, by its general partner, Sunray Estates GP Inc. (the “LP”, and together with the Nominee, the “Purchaser”), an affiliate of MarshallZehr, for the York Property pursuant to an agreement of purchase and sale dated August 6, 2024 (the “APS”);
 - d) provide the Receiver’s views on the relative priority of MarshallZehr’s mortgage and the construction lien registered by VanRooyen Earthmoving Ltd. (“VanRooyen”) against the York Property;
 - e) update the Court on the completion of the sale of the Vickery Property;
 - f) summarize the Receiver’s activities since its Second Report to Court dated July 16, 2024 (the “Second Report”);
 - g) summarize the fees of the Receiver, Chaitons LLP (“Chaitons”), the Receiver’s counsel, and Reconstruct LLP (“Reconstruct”), the Receiver’s independent counsel, as set out in Section 7;
 - h) recommend that this Court issue the following Orders:
 - i. an Approval and Vesting Order (the “AVO”):
 - approving the APS and authorizing the Receiver to complete the Transaction;
 - vesting the Property (as defined in the AVO) in the Purchaser, free and clear of all liens, claims and encumbrances, including any claims of existing pre-construction purchasers upon execution and delivery of a certificate by the Receiver confirming completion of the Transaction;
 - declaring that the existing pre-construction agreements of purchase and sale related to the York Property (the “Pre-construction APSs”) are terminated, or directing the Receiver to repudiate such agreements, following closing of the Transaction;

- ii. a Discharge Order (the “Discharge Order”):
 - approving a distribution of \$171,909 to VanRooyen, representing the 10% holdback of the amount of its lien registered on title to the York Property;
 - approving this Report and the Receiver’s activities, as set out in this Report;
 - approving the fees of the Receiver, Chaitons and Reconstruct plus an accrual of \$100,000 (plus disbursements and HST) up to the Receiver’s discharge (the “Fee Accrual”); and
 - assuming the AVO is issued and the Transaction closes, discharging the Receiver upon the filing of a certificate confirming that it has completed the remaining matters for administration of the estates of the Companies as described below.

1.2 Currency

1. All currency references in this Report are to Canadian dollars.

1.3 Restrictions

1. In preparing this Report, the Receiver has relied upon information, including financial information, provided by the Companies and MarshallZehr and discussions with the Companies and MarshallZehr. The Receiver has not audited, reviewed or otherwise verified the accuracy or completeness of the information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
2. The Receiver expresses no opinion or other form of assurance with respect to the financial information presented in this Report or relied upon by the Receiver in preparing this Report. Any party wishing to place reliance on the Companies’ financial information should perform its own diligence.

2.0 Background

1. The Receiver understands that 2557 is a single purpose entity that owns the York Property whereas Mariman has operated as a custom home builder.
2. Mike Bettiol is the sole officer and director of each of the Companies.
3. The Receiver understands from Mr. Bettiol that the Companies were developing several properties, as discussed further in this Report and previous reports to the Court, and that deposits were paid by home buyers in connection with the development properties. Mr. Bettiol has provided limited information to the Receiver regarding the development properties including, among other things, the treatment and use of these deposits.

4. As of the date of the Receivership Order, the Companies had under \$4,000 in their bank accounts. Accordingly, all funding for the Receiver's fees and expenses has been provided by MarshallZehr pursuant to a Receiver's certificate.
5. Additional background information regarding this proceeding and the reasons that MarshallZehr sought the appointment of the Receiver are provided in the affidavit of Cecil Hayes, President of MarshallZehr, sworn on January 16, 2024 (the "Hayes Affidavit") and the Receiver's First Report to Court dated March 20, 2024 (the "First Report"). A copy of the First Report, without appendices, is provided as Appendix "B". The Hayes Affidavit and other Court materials filed in this proceeding are available on the Receiver's website at: <https://www.ksvadvisory.com/experience/case/grand-York-estates>.

3.0 York Property

1. The Receiver understands that 2557 acquired the York Property in 2021 to build 66 detached custom estate homes for a project known as "Grand York Estates", of which 54 lots are subject to agreements of purchase and sale that pre-date the Receiver's appointment (the "York Project").
2. As described in the Receiver's previous reports to this Court, Mr. Bettiol advised the Receiver that the deposits of approximately \$10 million provided by the purchasers of these lots (the "York Purchasers") were spent prior to commencement of this proceeding.
3. The Receiver notified the York Purchasers of this proceeding shortly after it was commenced and, as discussed below, also advised them that the Transaction does not provide for an assumption of their sale agreements.

3.1 Registrations on Title

1. The York Property is subject to the following charges/instruments registered against title (excluding the super-priority Court-ordered charges granted by the Receivership Order):
 - a) a first-ranking charge in favour of MarshallZehr in the principal amount of \$35 million (the "MZ Mortgage"); and
 - b) a construction lien in favour of VanRooyen in respect of the supply of topsoil and grading services, in the amount of approximately \$1.7 million.
2. A copy of the parcel search for the York Property is attached as Appendix "C".
3. Reconstruct¹ provided an opinion that, subject to the standard assumptions and qualifications contained therein, the real property security granted by 2557 to MarshallZehr, including the MZ Mortgage, is valid and enforceable².

¹ Chaitons represented MarshallZehr when it applied for the appointment of a Receiver. Accordingly, the Receiver retained Reconstruct as independent counsel to provide an opinion on MarshallZehr's security and to act for the Receiver in connection with the proposed Transaction.

² A copy of this opinion can be provided to the Court on request.

4. Reconstruct also reviewed the Statement of Claim filed by VanRooyen, the contract between VanRooyen and the Companies and the invoices issued by VanRooyen. Reconstruct concluded that, pursuant to section 78 of the *Construction Act* (Ontario), Vanrooyen has priority over the MZ Mortgage to the extent of any deficiency in the holdbacks required to be retained by the owner under the *Construction Act* (Ontario).
5. On July 31, 2024, Reconstruct sent an email to counsel for MarshallZehr and VanRooyen where it provided a copy of its draft priorities opinion on the lien and MarshallZehr's mortgage. A copy of this email is provided as Appendix "D".
6. The Receiver and Reconstruct have been advised by counsel for VanRooyen that it may not object to the priorities recommendation or the proposed Transaction but if so will want banking records in the Receiver's possession that may assist in asserting claims for breach of trust under the *Construction Act* against principals of the Companies, for which the Receiver has no objection on direction by the Court. The Receiver and Reconstruct have been advised by MarshallZehr that it is prepared not to object to the priorities recommendation if that fully resolves the priorities issues involving VanRooyen, but otherwise reserves its position on both the priorities and proposed distribution of holdback funds to VanRooyen.

3.2 Sale Process

1. Pursuant to an Order dated March 27, 2024 (the "Sale Process Order"), the Court approved a sale process for the York Property, including the retention of Colliers Macaulay Nicolls Inc. ("Colliers") as listing agent (the "Sale Process"). A copy of the Sale Process Order is provided as Appendix "E"
2. The York Property was marketed for sale by Colliers in accordance with the Sale Process Order. Colliers prepared an offering summary (the "Offering Summary"), a copy of which is provided as Appendix "F". Colliers distributed the Offering Summary on April 4, 2024 to an extensive list of over 3,000 prospective purchasers, including local and national builders, developers and investors.
3. The acquisition opportunity was also listed on the Multiple Listing Service. Colliers also directly contacted parties that it believed would be interested in the opportunity.
4. Attached to the Offering Summary was the form of confidentiality agreement ("CA") that interested parties were required to sign to access a virtual data room (the "VDR"). The VDR included information provided to the Receiver by Mr. Bettiol, MarshallZehr, and representatives of the Companies. The VDR also included a form of asset purchase agreement (a "Template APS").
5. The Receiver recommended that prospective purchasers submit offers in the form of the Template APS, together with a blacklined version of their offer. The form of Template APS allowed the prospective purchasers the opportunity to either assume or exclude existing agreements of purchase and sale.
6. Based on market feedback, Colliers set May 17, 2024 as the date after which bids would be considered rather than a bid deadline. While 11 interested parties signed confidentiality agreements and were given access to the VDR, no offers from arm's length parties have been submitted since the sale process commenced, nor is Colliers aware of any written offers being prepared.

7. Colliers' marketing report regarding its listing of the York Property is provided as Appendix "G". As reflected in Colliers' report, the highest value suggested by an interested party for the York Property was \$11 million; however, that party did not submit an offer.
8. The Receiver and Colliers provided regular updates to MarshallZehr on the sale process. During that time, MarshallZehr began discussions with Sunray Group, a builder and developer in North York, Ontario, to develop the York Project. Those discussions led to the APS and the Transaction, which is described below.

3.3 The Transaction

1. A summary of the APS is as follows³:
 - a) Purchaser: an affiliate of MarshallZehr.
 - b) Property: All of the Receiver's and the Companies' right, title and interest in the York Property and certain contracts and permits specified in the APS.
 - c) Purchase price: \$16.5 million, payable as: i) the Estimated Fees and all amounts secured by the Receiver's Charge; ii) Priority Payables⁴, without duplication; and iii) Receiver's Borrowings; with the balance payable by assumption of the Secured Debt equal to the Purchase Price less the sum of the amounts set out in i), ii) and iii). The purchase price is to be adjusted on closing for adjustments standard for a real estate transaction, including property taxes.
 - d) Deposit: As the APS is a credit bid, no deposit is applicable.
 - a) Title: The Nominee is to become the registered owner of the Lands solely as a nominal title holder for the LP, as beneficial owner, and not for itself.
 - b) Pre-construction APSs: The APS provides that these are not being assumed by the Purchaser. Pursuant to a letter dated September 23, 2024 (the "September 23rd Letter"), the Receiver advised the York Purchasers that it would be seeking Court approval of the Transaction and authorization to repudiate the Pre-construction APSs following closing of the Transaction. A copy of the September 23rd Letter is provided as Appendix "H".
 - c) Closing date: Contemplated to be the first Business Day that is fifteen days after the date that the Court grants the York AVO.
 - d) Material condition: the Receiver shall have obtained the AVO and there shall not be any notice of appeal with respect to the AVO, or any notice of any application, motion or proceedings seeking to set aside or vary the AVO or to enjoin, restrict or prohibit the transaction contemplated by the APS, that in each case has not been finally dismissed by a court of competent jurisdiction or abandoned by the moving party.
2. A copy of the APS is attached as Appendix "I".

³ Capitalized terms not otherwise defined are defined in the APS.

⁴ This includes amounts payable to Colliers as set out in Section 3.5 of this Report.

3.4 Recommendation

1. The Receiver recommends that the Court approve the Transaction for the following reasons:
 - a) in the Receiver's view, the sale process undertaken by the Receiver was commercially reasonable and conducted in accordance with the terms of the Sale Process Order and as set out in the First Report;
 - b) Colliers has extensive experience selling commercial properties in and around the Haldimand area and widely canvassed the market for prospective purchasers for over four months;
 - c) the Receiver and Colliers are of the view the Transaction is the best available in the circumstances;
 - d) the APS maximizes recoveries for this property in the circumstances;
 - e) the Sale Process expressly contemplated that MarshallZehr would have the right to credit bid the debt owing to it at the conclusion of the sale process if the offers received were not sufficient to repay its mortgage in full;
 - f) the Receiver does not believe that further time spent marketing the York Property will result in a superior transaction;
 - g) MarshallZehr has advised that it is not prepared to continue to fund a further sale process; and
 - h) the Transaction is unconditional except for Court approval.

3.5 Proposed Distributions on the York Project

1. Provided that neither VanRooyen nor MarshallZehr raise any issues with the Receiver's assessment of VanRooyen's lien claim priority, upon closing the Transaction, the Receiver recommends that it be authorized and directed to make a distribution of \$171,909 from the Transaction sale proceeds to VanRooyen, representing the 10% holdback amount owing by 2557 which ranks in priority to MarshallZehr. The Receiver will apply the remaining cash balance of the Purchase Price to the fees and costs incurred to date, the Fee Accrual and estimated future expenses.
2. The Receiver is not aware of any other secured creditors or any other claims that rank, or may rank, in priority to the claims of MarshallZehr and VanRooyen, other than:
 - a) property taxes, which will be satisfied on closing of the Transaction;
 - b) a commission of \$200,000 plus HST payable to Colliers pursuant to its listing agreement; and
 - c) the Receiver's Charge.

4.0 Vickery Property

1. As referenced above, the Vickery Property is a residential lot which includes a house under construction, located at 2051 Vickery Drive, Oakville. Construction of the house was partially completed as of the date of the Receivership Order as the exterior was nearly finished and the interior was at the drywall stage.
2. Pursuant to an Order made on July 22, 2024, the Court approved a sale by the Receiver to Arshed Omer Bhatti and Aimen Iqbal (the “Vickery Purchaser”). The transaction closed on July 30, 2024. Prior to closing, the Receiver terminated the previous sale agreement between Mr. Bhatti and Mariman that was executed before the Receiver was appointed (the “Prior Vickery APS”).
3. In the evening of July 30, 2024, counsel for the Vickery Purchaser advised the Receiver of “water damage and the formation of mould” located at the Vickery Property. The Receiver responded that the water damage pre-dated its appointment as Receiver as the building envelope was never sealed. Correspondence between the Vickery Purchaser’s counsel and the Receiver’s counsel in this regard is provided as Appendix “J”. The Receiver has not heard from the Purchaser since this correspondence.
4. On August 7, 2024, a representative of Jim Pauls Real Estate Ltd. (“Pauls”), the listing agent in the Prior Vickery APS, contacted Chaitons regarding the payment of commissions associated with the Prior Vickery APS. Chaitons advised Pauls that the agreement had been terminated and that any claim would be unsecured. Correspondence in this regard is provided as Appendix “K”.

5.0 Mariman Properties

1. At the time that the Receiver was appointed, MarshallZehr and the Receiver were aware that Mariman owned a vacant lot located at 178 Moore's Road, Haldimand, Ontario (the “Moore's Property”). The Moore's Property is subject to a first-ranking charge in favour of Morris Wright Mortgage Company Ltd. (“Morris Wright”) in the principal amount of \$1.5 million. As described in greater detail below, there does not appear to be any equity in this property beyond the first mortgage.
2. As discussed in the First Report, following its appointment, the Receiver learned from:
 - i) Morris Wright that Mariman also owned the Vickery Property; and ii) Home Construction Regulatory Authority (“HCRA”), the regulator of new home builders and vendors in Ontario, that Mariman wholly or partially owned the following development projects and properties in Ontario:
 - a) raw land consisting of 12 lots collectively developed and marketed under the name of “Hunter Estates” and municipally known as 38-46, 48, 53 and 55 Augustus Street, Scotland (collectively, “Hunter Estates”).

- b) raw land consisting of a minimum of 46 lots collectively developed and marketed under the name of “Mariman Estates” located in Pelham, including 39 full lots intended for residential dwellings (“Mariman Estates”). Prior to the date of the Receivership Order, 19 of the Mariman Estates lots were owned by Mariman, with the remaining lots owned by three different Ontario numbered companies, all of which were related to Mariman. On the date of the Receivership Order, the Mariman lots that had been registered to Mariman were transferred by Mariman to 2753904 Ontario Inc., a related company, for nominal consideration of \$2.
- 3. Similar to York Estates, Mariman pre-sold residential homes at both the Hunter Estates and Mariman Estates developments and received deposits for such sales which it did not hold in trust.
- 4. As set out in the sections below:
 - a) Chaitons has reviewed the senior mortgages registered on title to these properties and concluded that they are valid;
 - b) A number of mortgagees have requested that they be permitted to take steps to enforce their security through power of sale proceedings; and
 - c) Colliers has advised the Receiver that there is unlikely to be any equity available to Mariman beyond the registered mortgages.
- 5. Based on the above, and as the Receiver is without funding, the Receiver has not taken steps to monetize these properties, nor has it taken steps to deal with the individual pre-sale agreements other than to direct the purchasers associated with these agreements to Tarion and the mortgagees on title to the respective properties.

5.1 Moore’s Property

- 1. A copy of the parcel search for the Moore’s Property dated August 16, 2024 is provided as Appendix “L”. The search discloses that this property was acquired by Mariman on November 4, 2022 for \$800,000. On the same date, Morris Wright registered a mortgage in the principal amount of \$1.5 million against the Moore’s Property.
- 2. Chaitons was provided by Morris Wright with its loan and security documents, together with evidence that a principal amount of \$725,000 was advanced under its mortgage on November 4, 2022.
- 3. Chaitons provided an opinion that, subject to the standard assumptions and qualifications contained therein, Morris Wright has a validly registered secured mortgage against the Moore’s Property.
- 4. A mortgage statement provided by Morris Wright discloses that, as at October 1, 2024, the amount owing to Morris Wright under its mortgage is \$880,247. A copy of the mortgage statement is provided as Appendix “M”.
- 5. The Receiver discussed the Moore’s Property with Colliers who advised that, based on comparable property transactions and current listings, there is likely little to no equity in the property beyond the amount owing to Morris Wright.

6. Morris Wright advised the Receiver that it intends to sell this property under power of sale and requested that this property be excluded from this receivership proceeding.

5.2 Hunter Estates

1. As described above, Hunter Estates consists of 12 lots. A sample parcel search for the Hunter Estates dated September 13, 2024 is provided as Appendix "N". The Receiver is advised by Chaitons that the parcel searches for the balance of the Hunter Estates lots appear to be substantially similar.
2. The sample parcel search for the Hunter Estates discloses that the lots were purchased by Mariman in December 2014 for \$710,000.
3. The following is a summary of charges/mortgages against each of the Hunter Estates lots:

Creditor Name	Date of Registration	Instrument Number	Principal Amount	Postponements
2441026 Ontario Inc. ("244 Ont")	December 16, 2014	BC267839	\$1,300,000	Postponed to the 249 Charge (as defined below) in BC313338 and BC325589 Postponed to the OTC Charge (as defined below) in BC325586
244 Ont	December 16, 2014	BC267840	\$1,900,000	Postponed to the 249 Charge (as defined below) in BC313338 and BC325589 Postponed to the OTC Charge (as defined below) in BC325586
2496582 Ontario Inc.	March 28, 2017	BC313337	\$4,313,267 (the "249 Charge")	This charge was originally in the principal amount of \$7,000,000, decreased to \$4,313,267 in BC337788 Postponed to the OTC Charge in BC325588

Olympia Trust Company ("Olympia Trust")	September 29, 2017	BC325584	\$2,686,733 (the "OTC Charge")	This charge was originally in the principal amount of \$2,133,000, but was increased to \$2,686,733 via BC337784
The Corporation of the County of Brant	June 21, 2024	Certificate	\$2,980	

4. Following the Receiver's appointment, counsel for the Receiver was advised by counsel for Olympia Trust that the OTC Charge was in default and that on April 25, 2023, Olympia Trust listed Hunter Estates with CBRE Limited ("CBRE") for a listing price of \$5.8 million. CBRE advised the Receiver that no offers were accepted for this property.
5. On July 9, 2024, counsel for the Receiver received correspondence from counsel for 249 Ont. advising that the 249 Charge is in default, that Notices of Sale were issued in 2022 and that 249 Ont. would like to have this property excluded from the receivership proceeding to allow it to sell Hunter Estates under its power of sale. The Receiver was advised by counsel for Olympia Trust that it is prepared to allow 249 Ont. to sell Hunter Estates under power of sale.
6. Chaitons was provided by counsel for Olympia Trust with its loan and security documents. Chaitons provided an opinion that, subject to the standard assumptions and qualifications contained therein, Olympia Trust has a validly registered mortgage against Hunter Estates.
7. A copy of Olympia Trust's discharge statement that discloses that, as at October 1, 2024, Mariman will be indebted to Olympia Trust under the OTC Charge in the amount of approximately \$1.9 million is provided as Appendix "O".
8. Chaitons was also provided by counsel for 249 Ont. with its loan and security documents.
9. Chaitons provided an opinion that, subject to the standard assumptions and qualifications contained therein, 249 Ont. has a validly registered mortgage against Hunter Estates.
10. A copy of 249 Ont.'s discharge statement that discloses that, as at July 31, 2022, Mariman continues to be indebted to 249 Ont. Inc. under the 249 Charge in the amount of approximately \$6.3 million is provided as Appendix "P". The Receiver is advised by counsel for 249 Ont. that there have been no payments under the 249 Mortgage since July 2022 when it issued its Notices of Sale and the amount owing continues to accrue with interest.

11. Based on the listing price of the Hunter Property (\$5.8 million, which did not result in any acceptable offers despite CBRE's market canvass), it does not appear that there will be equity in this property sufficient to pay out the first and the second mortgages. Accordingly, the Receiver did not request that counsel perform a security review of the third or fourth mortgage.

5.3 Mariman Estates

1. As described in the First Report, on the date of the Receiver's appointment, Mariman transferred ownership of 19 out of 39 Mariman Estates lots to a related party, without the Receiver's knowledge or consent.
2. Sample parcel searches for 4 of the 19 Mariman Estate lots that previously listed Mariman as the registered owner (the "Mariman Lots") are provided as Appendix "Q". All of the sample searches appear substantially similar.
3. The parcel searches disclose that prior to the transfer of the Mariman Lots, all of the Mariman Estates lots were subject to two mortgages: a first mortgage in the principal amount of \$5.5 million (the "268 Mortgage") in favour of 2689918 Ontario Inc. ("268 Ont."), and a second mortgage (vendor take-back) in the principal amount of \$2.72 million in favour of a number of individuals with the last names Montemurro and Baxter.
4. The parcel searches also disclose that on May 24, 2024, a new mortgage was registered against Mariman Estates lots by Paul Dishke in the principal amount of \$1.725 million. The Receiver understands that Mr. Dishke was Mariman's real estate agent.
5. Chaitons was provided by counsel for 268 Ont. with its loan and security documents. Pursuant to a letter dated July 29, 2024, a copy of which is provided as Appendix "R", the Receiver was advised that, as at July 29, 2024, approximately \$4.4 million was owing to 268 Ont. under its loan.
6. Chaitons provided an opinion that, subject to the standard assumptions and qualifications contained therein, 268 Ont. has a validly registered mortgage against the Mariman Lots.
7. The Receiver asked Colliers to provide an estimate of value for the Mariman Estates property. The Receiver is advised by Colliers that the value of the Mariman Estates property is likely below the amount owing to 268 Ont. and therefore there is no equity for the holders of the subsequent charge holders.
8. The Receiver does not have the funds to proceed with a claim to set aside the transfer of the Mariman Lots and, in light of the estimated value of this property compared to the balance owing to 268 Ont. under its mortgage, it does not appear that there would be any benefit to the estate in the Receiver pursuing that litigation.

6.0 Receiver's Activities

1. The Receiver's activities since the date of the Second Report have included, among other things, the following:
 - a) corresponding with Colliers regarding the York Property;
 - b) corresponding regularly with MarshallZehr regarding all aspects of this mandate;
 - c) corresponding with VanRooyen, its legal counsel and MarshallZehr regarding the construction lien claim;
 - d) corresponding with various counsel for certain existing home purchasers in each of the developments described above;
 - e) completing the sale of the Vickery Property;
 - f) together with its legal counsel, negotiating the APS for the Transaction;
 - g) corresponding with HCRA regarding, among other things, its cancellation of Mariman's builders license;
 - h) dealing with the Companies' insurance broker regarding the Companies' insurance policies;
 - i) responding to inquiries from the Companies' creditors, including home buyers for each of the developments;
 - j) preparing statements of receipts and disbursements, a copy of which as at September 19, 2024 is provided as Appendix "S"; and
 - k) preparing this Report.

7.0 Professional Fees

1. The fees of the Receiver and Chaitons from July 1, 2024 to August 31, 2024 total \$41,740 and \$31,340, respectively, excluding disbursements and HST. The fees of Reconstruct from commencement of this proceeding to August 31, 2024 total \$15,066, excluding disbursements and HST. Fee affidavits and accompanying invoices for the Receiver, Chaitons and Reconstruct are provided as Appendices "T", "U" and "V", respectively.
2. The activities of the Receiver are detailed in the Receiver's invoices, in this Report and in the Second Report.
3. The average hourly rate for the Receiver, Chaitons and Reconstruct for the referenced billing period was \$607, \$553 and \$717, respectively.
4. The Receiver is of the view that the hourly rates of Chaitons and Reconstruct are consistent with the rates charged by other law firms practising in the area of restructuring and insolvency in the Toronto market, and that their fees are reasonable and appropriate in the circumstances.

8.0 Conclusion and Recommendation

1. Following the completion of the Transaction, the Receiver's mandate with respect to the York Property will be completed.
2. As described above, there does not appear to be any equity in the Moore's Property, Hunter Estates and Mariman Estates beyond the amounts owing to the first or second mortgagees.
3. In connection with the Moore's Property and Hunter Estates, the mortgagees request that the Receiver be discharged to enable them to exercise their enforcement rights. In these circumstances, the Receiver is of the view that a discharge is appropriate.
4. The Receiver cannot take any actions with respect to the Mariman Lots without first taking steps to aside the transfer of these lots by Mariman to a related party. In light of the amount owing to the first mortgagee, the estimated value of this property and lack of funding, the Receiver recommends that this property be excluded from this receivership proceeding.
5. The Receiver is not aware of any assets owned by Mariman other than the Moore's Property, Hunter Estates and Mariman Estates. If these properties are excluded from this receivership proceeding, the Receiver's mandate will be completed. Accordingly, the Receiver seeks an order discharging it as Receiver over the Companies' property, assets and undertakings and an order releasing any claims against it, other than claims that arise by virtue of gross negligence.
6. The Receiver understands that Mariman's builders license has been revoked and that Mariman is a party to a number of agreements of purchase and sale in connection with Hunter Estates and Mariman Estates. The Receiver has not taken any steps to terminate the existing agreements of purchase and sale.
7. If the Court grants the discharge order, the Receiver will give notice to all purchasers of its discharge. Purchasers who have already been in touch with the Receiver and their counsel and have requested to be added to the service list were served with the Receiver's Notice of Motion and this Report.
8. Based on the foregoing, the Receiver respectfully recommends that the Court make an order granting the relief detailed in Section 1.1 (1)(h) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS RECEIVER OF
2557386 ONTARIO INC. AND 2363823 ONTARIO INC.
O/A MARIMAN HOMES
AND NOT IN ITS PERSONAL OR IN ANY OTHER CAPACITY**

Appendix “A”

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

THE HONOURABLE MR.)	WEDNESDAY, THE 16 TH
)	
JUSTICE OSBORNE)	DAY OF JANUARY, 2024

B E T W E E N:

MARSHALLZEHR GROUP INC.

Applicant

- and -

**2557386 ONTARIO INC. and 2363823 ONTARIO INC.
o/a MARIMAN HOMES**

Respondents

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 the Applicant for an Order pursuant to section 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. as receiver (the "**Receiver**") without security, of all of the assets, undertakings and properties of 2557386 Ontario Inc. and 2363823 Ontario Inc., o/a Mariman Homes (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, was heard this day via videoconference.

ON READING the affidavit of Cecil Hayes sworn May 15, 2023 and the Exhibits thereto, the affidavit of Cecil Hayes sworn January 16, 2024 and on reading the consent of KSV Restructuring Inc. to act as the Receiver and the consent of the Respondents to this Order,

APPOINTMENT

1. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, KSV Restructuring Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (the "**Property**"), including, without limitation, the real property described in **Schedule "A"** attached hereto.

RECEIVER'S POWERS

2. **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;
- (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 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 the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
- (d) to engage consultants, appraisers, agents, 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 purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Debtors or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting such monies, including, without limitation, to enforce any security held by the Debtors;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;

- (i) 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 the Debtors, the Property or the Receiver, and to settle or compromise any such proceedings. 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;
- (j) 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 may deem appropriate;
- (k) to 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 \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$500,000; 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*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;

- (l) 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;
- (m) 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;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) 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 the Debtors;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect 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 the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

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 (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

3. **THIS COURT ORDERS** that (i) the Debtors, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) 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.

4. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtors, and any computer programs, computer tapes, computer disks, 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 and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 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.

5. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer 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, 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 or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

6. **THIS COURT ORDERS** that the Receiver shall provide each of the relevant landlords with notice of the Receiver's intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Receiver's entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Receiver, or by further Order of this Court upon

application by the Receiver on at least two (2) days notice to such landlord and any such secured creditors.

NO PROCEEDINGS AGAINST THE RECEIVER

7. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), 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

8. **THIS COURT ORDERS** that no Proceeding against or in respect of the Debtors or the Property 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 the Debtors or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. **THIS COURT ORDERS** that 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 shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) exempt the Receiver or 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

10. **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 the Debtors, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

11. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtors or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Debtors 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 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 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

12. **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

13. **THIS COURT ORDERS** that all employees of the Debtors shall remain the employees of the Debtors until such time as the Receiver, on the 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 section 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 sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

14. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, 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 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

15. **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*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* 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

16. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out 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 sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. 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

17. **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, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

18. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its 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.

19. **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

20. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by 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 \$100,000 (or such greater amount 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, 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 sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

21. **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.

22. **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.

23. **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.

RETENTION OF COUNSEL

24. **THIS COURT ORDERS** that the Receiver may retain lawyers to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order. Such lawyers may include Chaitons LLP, lawyers for the Applicant herein, in respect of any matter where there is no conflict of interest. The Receiver shall, however, retain independent lawyers in respect of any legal advice or services where a conflict exists, or may exist.

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 www.ontariocourts.ca/scj/practice/practice-directions/toronto/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://www.ksvadvisory.com/experience/case/grand-York-estates>”.

26. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol 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 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 Applicant, 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 clause 3(c) of the *Electronic Commerce Protection Regulations*, Reg. 81000-2-175 (SOR/DORS).

GENERAL

28. **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.

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

30. **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.

31. **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.

32. **THIS COURT ORDERS** that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Applicant from the Debtors' estate with such priority and at such time as this Court may determine.

33. **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.

34. **THIS COURT ORDERS** that this order is effective from the date it is made, and it is enforceable without any need for entry and filing, provided that any party may nonetheless submit a formal order for original, signing, entry and filing, as the case may be.

SCHEDULE “A”

Property owned by 2557386 Ontario Inc.

Municipal Address: 30 Front Street, Haldimand, Ontario

PIN: 38148-0128 (LT)

Property Description: PART WARNER NELLES TRACT DESIGNATED AS PART 1, 18R-7058; SAVE & EXCEPT PART 1, 18R-7281; T/W EASEMENT OVER PART 2, 18R-7058 AS IN HC252899; TOWNSHIP OF SENECA; HALDIMAND COUNTY

Property owned by 2363823 Ontario Inc.

Municipal Address: 178 Moores Road, Haldimand, Ontario

PIN: 38147-0005 (LT)

Property Description: PT LT 19 CON 4 SE STONEY CREEK RD SENECA AS IN HC68736; HALDIMAND COUNTY

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver (the "**Receiver**") of the assets, undertakings and properties of 2557386 Ontario Inc. and 2363823 Ontario Inc. (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the ● day of May, 2023 (the "**Order**") made in an application having Court file number CV-23-00699432-00CL, 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*, 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.

DATED the ____ day of _____, 202__.

KSV RESTRUCTURING INC., solely in its capacity as Receiver of the Property, and not in its personal capacity

Per: _____

Name:

Title:

MARSHALLZEHR GROUP INC.
Applicant

-and-

2557386 ONTARIO INC., et al.
Respondents

Court File No. CV- 23-00699432-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT
TORONTO

ORDER
(Appointing Receiver)

CHAITONS LLP
5000 Yonge Street, 10th Floor
Toronto, Ontario M2N 7E9

Maya Poliak (54100A)
Tel: (416) 218-1161
E-mail: maya@chaitons.com

Lawyers for the Applicant

Appendix “B”



**First Report of
KSV Restructuring Inc.
as Receiver of 2557385 Ontario Inc. and
2363823 Ontario Inc. o/a Mariman Homes**

March 20, 2024

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COURT FILE NO.: CV-23-00699432-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

MARSHALLZEHR GROUP INC.

APPLICANT

- AND -

2557386 ONTARIO INC. AND 2363823 ONTARIO INC.
O/A MARIMAN HOMES

RESPONDENT

FIRST REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER

MARCH 20, 2024

1.0 Introduction

1. This report ("Report") is filed by KSV Restructuring Inc. ("KSV") in its capacity as receiver (the "Receiver") of the assets, undertakings, and properties of 2557386 Ontario Inc. ("2557") and 2363823 Ontario Inc. o/a Mariman Homes ("Mariman", and together with 2557, the "Companies") acquired for, or used in relation to a business carried on by the Companies.
2. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") made on January 16, 2024 (the "Receivership Order"), KSV was appointed Receiver. A copy of the Receivership Order is provided as Appendix "A". The application to appoint the Receiver was brought by Marshallzehr Group Inc. ("Marshallzehr") which was owed approximately \$15.1 million by the Companies as of April 4, 2023.
3. 2557 is the registered owner of approximately 70 acres of land in Haldimand, Ontario (the "York Property"). Mariman partially built a model home on one of the lots located on the York Property.
4. Mariman is the registered owner of several properties, as more fully discussed below, including the following:
 - a) a property, including a house under construction, located at 2051 Vickery Drive, Oakville, Ontario (the "Vickery Property"); and
 - b) a vacant lot located at 178 Moore's Road, Haldimand, Ontario (the "Moore's Property").

5. The purpose of this receivership proceeding to take control over and realize on the Companies' assets under Court supervision for the benefit of all stakeholders.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide information on the Companies;
 - b) summarize a process pursuant to which the York Property is to be marketed for sale by the Receiver (the "York Property Sale Process"), including the retention of Colliers Macaulay Nicolls Inc. ("Colliers") to act as listing agent;
 - c) summarize a process pursuant to which the Vickery Property is to be marketed for sale by the Receiver (the "Vickery Sale Process"), including the retention of ReMax Escarpment Golfi Realty Inc. ("ReMax Escarpment") to act as listing agent;
 - d) summarize the Receiver's activities since its appointment; and
 - e) recommend that the Court make an Order sealing the confidential appendix to this Report and approving:
 - the York Property Sale Process;
 - termination of the Vickery APS (as defined below);
 - the Vickery Sale Process; and
 - this Report and the Receiver's activities described 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 information, including financial information, provided by and discussions with the Companies and Marshallzehr. The Receiver has not audited, reviewed or otherwise verified the accuracy or completeness of the information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
2. The Receiver expresses no opinion or other form of assurance with respect to the financial information presented in this Report or relied upon by the Receiver in preparing this Report. Any party wishing to place reliance on the Companies' financial information should perform its own diligence.

2.0 Background

1. The Receiver understands that 2557 is a single purpose entity that owns the York Property whereas Mariman has operated as a custom home builder.
2. Mike Bettiol is the sole officer and director of each of the Companies ("Bettiol").

2.1 York Property

1. The Receiver understands that 2557 acquired the York Property in 2021 to build 66 detached custom estate homes for a project known as "Grand York Estates", of which 54 lots are subject to agreements of purchase and sale that pre-date the Receiver's appointment (the "York Project").
2. Bettiol advised the Receiver that the deposits of approximately \$10 million provided by the purchasers of these lots (the "York Purchasers") were spent prior to commencement of this proceeding. The Receiver has notified the York Purchasers of this proceeding but has not, to date, taken any action regarding their sale agreements.

2.2 Vickery Property

1. Morris Wright Mortgage Company Ltd. ("Morris Wright"), the first mortgagee on the Vickery Property, provided the Receiver with an agreement of purchase and sale dated February 3, 2021 (the "Vickery APS") with Arshed Omer Bhatti, as purchaser (the "Vickery Purchaser"), for a purchase price of \$2.85 million and deposits paid of \$500,000.
2. The Vickery APS provides for the completion of a 4,244 square foot two-storey home on the Vickery Property and a \$30,000 allowance to purchase appliances. Construction of the house is partially completed as the exterior is nearly finished and the interior is at the drywall stage.
3. The Receiver's understanding is that any deposit paid by the Vickery Purchaser was not held in trust and has since been spent.

2.3 Moore's Property

1. The Moore's Property is raw land. The first ranking mortgagee on this property, Morris Wright, does not presently wish to pursue a sale of this property.
2. The Receiver will review whether there is equity in this property beyond Morris Wright's interest and may seek relief at a later date in respect of this property.

2.4 Other Properties

1. On February 6, 2024, the Receiver was contacted by Home Construction Regulatory Authority ("HCRA") regarding its investigations of the Companies, Bettiol and certain related parties.

2. HCRA provided the Receiver with a copy of its letter to Mariman dated May 10, 2023 and Minutes of Settlement executed by HCRA and Mariman in December 2023, which among other things, referenced other development projects and properties wholly or partially owned by Mariman, including the following:
 - a) Hunter Estates – consists of 12 lots on raw land located in Scotland, Ontario. This property has been listed with CBRE Limited since April 25, 2023 under power of sale by Olympia Trust Company (“Olympia”), the first mortgagee, for \$5.8 million. The Receiver and its counsel discussed this project with counsel to Olympia and, particularly, whether Olympia intended to continue its power of sale proceeding (which would require that the stay of proceedings under the Receivership Order be lifted or waived) or have the Receiver facilitate the sale process. Olympia’s counsel advised the Receiver that it prefers to continue with the power of sale process; and
 - b) Mariman Estates – consists of a minimum of 46 lots of raw land located in Pelham, Ontario, including 39 full lots containing space for residential dwellings. 19 of the lots were owned by Mariman prior to the date of the Receivership Order, with the remaining lots owned by three different Ontario numbered companies. On the date of the Receivership Order, the lots that had been registered to Mariman were transferred to 2753904 Ontario Inc. for nominal consideration (\$2). The Receiver is investigating this matter and may seek relief at a later date in respect of this property.

2.5 Registrations on Title¹

1. The York Property is subject to the following charges/instruments registered against title:
 - a) a first-ranking charge in favour of MarshallZehr in the principal amount of \$35 million; and
 - b) a construction lien in favour of VanRooyen Earthmoving Ltd., in respect of the supply of topsoil and grading services, in the amount of approximately \$1.7 million.
2. The Vickery Property is subject to a first-ranking charge in favour of Morris Wright in the principal amount of \$3.4 million.
3. The Moore’s Property is subject to a first-ranking charge in favour of Morris Wright in the principal amount of \$1.5 million.
4. Hunter Estates is subject to the following charges/instruments registered against title:
 - a) a first-ranking mortgage in favour of Olympia in the principal amount of \$2.7 million;

¹ The Receiver has not yet obtained legal opinions regarding any of the registrations on title.

- b) three subsequent mortgages in the aggregate principal amount of approximately \$7.5 million.
- 5. Mariman Estates – All lots are subject to two mortgages - a first mortgage in the principal amount of \$5.5 million in favour of 2689918 Ontario Inc., and a second mortgage (vendor take-back) in the principal amount of \$2.72 million in favour of a number of individuals with the last names Montemurro and Baxter.

2.6 Other Creditors

- 1. According to *Personal Property Security Act* searches, Scotland Real Estate Venture Limited filed a registration against Mariman in the amount of \$1.75 million.
- 2. The Government of Canada is a creditor of Mariman in respect of a \$40,000 Canadian Emergency Business Account loan.
- 3. The Receiver understands that deposits were paid for purchases other than in respect of the York Property; the Receiver is seeking information from Bettiol regarding these deposits, including the parties who paid the deposits and the amounts paid.
- 4. The Receiver conducted litigation searches and identified several proceedings involving the Companies which may give rise to contingent creditor claims. The Receiver's counsel has corresponded with counsel representing the counterparties in those proceedings.

3.0 Sale Process – York Property

3.1 Request for Proposals from Realtors

- 1. Following its appointment, the Receiver solicited proposals from five realtors to act as listing agent to market and sell the York Property. KSV has previously worked with each of the prospective realtors, each of which has considerable experience selling residential development land.
- 2. The Receiver requested that each realtor provide background information regarding its experience, a marketing plan for the York Property, an estimate of the value of the York Property and its proposed commission structure.
- 3. Three realtors submitted proposals. The Receiver reviewed the proposals with MarshallZehr, the principal economic stakeholder, and selected Colliers to be the listing agent.
- 4. The Receiver recommends that the Court approve the Receiver retaining Colliers as listing agent for the York Property for the following reasons:
 - a) the Colliers team managing the mandate has experience selling residential sites, including in the Haldimand region;
 - b) KSV has previously retained the Colliers team that will be responsible for this mandate on other similar mandates where the Colliers team achieved strong results;

- c) Colliers's proposed commission rate (3%) is reasonable based on KSV's experience selling real estate. The commission rate is acceptable to MarshallZehr. In this regard, Colliers agreed to accept a flat fee of \$200,000 (plus HST) if there is a credit bid by MarshallZehr or if one of four parties introduced to this opportunity by MarshallZehr is the successful bidder; and
 - d) MarshallZehr, as the largest secured creditor, supports the retention of Colliers.
5. A copy of the listing agreement with Colliers is provided as Appendix "B".

3.2 Sale Process

1. The recommended York Property Sale Process is summarized in the table below. All dates reflected below will commence running from the date that the Court grants an order approving the York Property Sale Process.

Summary of Sales Process		
Milestone	Description of Activities	Timeline
Phase 1 – Underwriting		
Prepare marketing materials	<ul style="list-style-type: none">➤ Colliers and the Receiver to:<ul style="list-style-type: none">○ prepare a teaser and confidential information memorandum (“CIM”) for the York Project;○ populate virtual data room for the York Project; and○ prepare a confidentiality agreement (“CA”).	2 weeks
Prospect Identification	<ul style="list-style-type: none">➤ Colliers to:<ul style="list-style-type: none">○ develop master prospect list;○ prioritize prospects;○ have pre-marketing discussions with targeted prospects;○ engage in discussions with planners, consultants and municipalities; and○ consult with the Receiver regarding the above.	
Phase 2 – Marketing and Diligence		
Stage 1	<ul style="list-style-type: none">➤ Mass market introduction, including:<ul style="list-style-type: none">○ sending offering summary and marketing materials, including marketing brochure to each Colliers’s client base, including specifically targeted prospects;○ publishing the acquisition opportunity in such journals, publications and online as Colliers and the Receiver believe appropriate to maximize interest in this opportunity;○ posting “for sale” sign on the York Property, to the extent applicable;	3 weeks

Summary of Sales Process		
Milestone	Description of Activities	Timeline
	<ul style="list-style-type: none"> ○ engaging in direct canvassing of most likely prospects and tailoring the pitch to each of these candidates based on Colliers's knowledge of these parties; ○ posting the acquisition opportunity on MLS for the York Project on an unpriced basis, if requested by the Receiver; and ○ meeting with prospective bidders to discuss the York Project. <ul style="list-style-type: none"> ➤ Receiver and its legal counsel to prepare a vendor's form of Purchase and Sale Agreement (the "PSA") which will be made available to prospective purchasers in the virtual data room. ➤ Colliers to provide additional information to qualified prospects which execute the CA, including access to the data room and a copy of the CIM. ➤ Colliers and Receiver to facilitate diligence by interested parties. 	
Stage 2 – Bid Deadline	<ul style="list-style-type: none"> ➤ Prospective purchasers to submit offers in the form of the PSA, with any changes to the PSA blacklined. 	Estimated date is 3 weeks from the marketing launch. Subject to market response.
<i>Phase 3 – Offer Review and Negotiations</i>		
Short-listing of Offers and Selection of Successful Bids	<ul style="list-style-type: none"> ➤ Colliers to collect, summarize and provide to the Receiver commentary on initial bids. ➤ 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. ➤ The Receiver will be at liberty to consult with MarshallZehr regarding the offers received, subject to any confidentiality requirements that the Receiver believes appropriate. ➤ 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, including the value of any carried interest; ○ third-party approvals required, if any; 	2 weeks from offer bid deadline.

Summary of Sales Process		
Milestone	Description of Activities	Timeline
	<ul style="list-style-type: none"> o conditions, if any, and time required to satisfy or waive same; and o such other factors affecting the speed and certainty of closing and the value of the offers as the Receiver considers relevant. 	
Sale Approval Motion(s) and Closing(s)	➤ Upon execution of definitive transaction documents, the Receiver will seek Court approval of the successful offer(s), 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 selected bidder confirms all conditions have been satisfied or waived
Closings	➤ Following Court approval	ASAP

2. The York Property Sale Process will be subject to the following additional terms:
- a) the York Property will be marketed on an “as is, where is” basis;
 - b) the Receiver will be entitled to extend any deadlines in the York Property Sale Process by up to four weeks if it considers it appropriate or necessary in the circumstances;
 - c) the Receiver will have the right to reject any and all offers, including the highest dollar value offer(s);
 - d) any transaction will be subject to Court approval; and
 - e) Marshallzehr will have the right to credit bid the debt owing to it at the conclusion of the York Property Sale Process if the offers received are not sufficient to repay its mortgage in full.

3.3 Sale Process Recommendation

1. The Receiver recommends that the Court issue an order approving the York Property Sale Process for the following reasons:
 - a) the York Property Sale Process is a fair, open and transparent process intended to canvass the market broadly on an orderly basis in order to obtain the highest and best price;
 - b) the duration of the York Property Sale Process is sufficient to allow interested parties to perform diligence and to submit offers. The Receiver will also have the right to extend or amend timelines, as it considers necessary, to maximize value. Colliers believes that the duration of the York Property Sale Process is sufficient to fully canvass the market;

- c) the York Property Sale Process includes procedures commonly used to sell real estate development projects, including by KSV in other court-supervised real property sale processes; and
- d) there will be no delay commencing the York Property Sale Process as Colliers is currently preparing its marketing materials, working on its prospect list and, with the Receiver, updating its data room.

4.0 Sale Process – Vickery Property

4.1 Vickery Sale Process

1. Following its appointment, the Receiver discussed with Morris Wright the status of the Vickery Property. Morris Wright expressed an interest in the Receiver commencing a process to sell the Vickery Property, subject to Court approval.
2. As mentioned above, the Vickery APS was entered into in 2021 and construction of the house on the property is partially completed. The Receiver notified the Vickery Purchaser and RE/MAX Realty Specialists Inc., the Vickery Purchaser's real estate agent, that the Receiver intends to terminate the Vickery APS and to list the Vickery Property for sale as, among other things, the Receiver does not intend to complete construction (which is estimated to cost \$800,000 to \$1.4 million) and is not in a position to complete that transaction.
3. Based on its previous experience with ReMax Escarpment, Morris Wright recommended that ReMax Escarpment list the Vickery Property for sale. The Receiver discussed the Vickery Property with ReMax Escarpment, which has an office close to the Vickery Property, and received a listing proposal, including a summary of comparable transactions, from ReMax Escarpment. The listing proposal and related correspondence with ReMax Escarpment is provided as Confidential Appendix "1".
4. Based on its review of the proposal and discussions with the lead agent from ReMax Escarpment, the Receiver recommends that ReMax Escarpment be engaged as the brokerage for the Vickery Property and list it with a purchase price of \$2.5 million for the following reasons:
 - a) Morris Wright, as the first mortgagee, supports the retention of ReMax Escarpment;
 - b) the ReMax Escarpment listing team has several years of experience selling detached family homes in the Oakville region;
 - c) ReMax Escarpment will market the property extensively to its contact database and, among other things, take professional photos and videos, prepare a pre-listing teaser, develop a custom website with a virtual tour of the Vickery Property, conduct open houses and distribute print and direct mail flyers;
 - d) The proposed listing price is reasonable based on comparable transactions identified by ReMax Escarpment and adjusted to reflect the condition of the Vickery Property; and

- e) ReMax Escarpment's proposed commission structure is 5% of the sale price, with 2.5% being payable to a co-operating brokerage, if applicable. The commission structure is reasonable based on KSV's experience selling real estate. The commission rate is also acceptable to Morris Wright.
- 5. A copy of the listing agreement with ReMax Escarpment is provided as Appendix "C".
- 6. The Receiver, Morris Wright and the Vickery Purchaser are presently in discussions regarding the Vickery Property and the terms of a potential transaction. The Receiver will file a supplementary report should an agreement be reached before the return of this motion, which may avoid the need to list the Vickery Property for sale.
- 7. The Receiver's motion record will be served upon the Vickery Purchaser.

4.2 Confidentiality

- 1. ReMax Escarpment provided the Receiver with support for the proposed listing price. That support includes information which, if not sealed, could affect the amount that bidders would be prepared to offer for the Vickery Property. The Receiver proposes that the support from ReMax Escarpment be made publicly available following a closing for the Vickery Property.
- 2. No party will be prejudiced if the information is sealed at this time. Accordingly, the Receiver believes the proposed sealing order is appropriate in the circumstances.
- 3. The salutary effects of sealing such information from the public record greatly outweigh the deleterious effects of doing so in the circumstances. The Receiver is of the view that the sealing of the Confidential Appendices is consistent with the decision in *Sherman Estate v. Donovan*, 2021 SCC 25. Accordingly, the Receiver believes the proposed sealing of the confidential appendix is appropriate in the circumstances.

5.0 Receiver's activities

- 1. The Receiver's activities since its appointment have included, among other things, the following:
 - a) corresponding with the Companies to obtain, among other things, agreement and purchase of sale documents, insurance documents, historical bank statements and a topography survey of the York Property;
 - b) corresponding with Toronto-Dominion Bank to restrict the Companies' bank accounts to deposit only;
 - c) corresponding with realtors to request proposals for the York Property;
 - d) corresponding regularly with MarshallZehr regarding all aspects of this mandate;
 - e) corresponding and attending a call with AJ Clarke & Associates, the surveyor for the York Property;
 - f) preparing a letter to the Companies' insurance broker to add the Receiver as a named insured on the Companies' insurance policy;

- g) attending a tour of the York Property, Vickery Property and the Moore's Property;
- h) corresponding with HCRA regarding the Companies' projects;
- i) reviewing several property searches related to the Companies' properties;
- j) setting up a virtual data room;
- k) corresponding with Canada Revenue Agency regarding the Companies' HST accounts;
- l) arranging for a redirection of mail from the Companies' leased premises to the Receiver's office;
- m) reviewing and editing a listing agreement with Colliers in relation to the York Property;
- n) reviewing and editing a listing agreement with ReMax Escarpment in relation to the Vickery Property;
- o) responding to inquiries from the Companies' creditors; and
- p) preparing this Report.

6.0 Conclusion and Recommendation

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

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS RECEIVER OF
2557386 ONTARIO INC. AND 2363823 ONTARIO INC.
O/A MARIMAN HOMES
AND NOT IN ITS PERSONAL OR IN ANY OTHER CAPACITY**

Appendix “C”

PROPERTY DESCRIPTION: PART WARNER NELLES TRACT DESIGNATED AS PART 1, 18R-7058; SAVE & EXCEPT PART 1, 18R-7281; T/W EASEMENT OVER PART 2, 18R-7058 AS IN HC252899; TOWNSHIP OF SENECA; HALDIMAND COUNTY

PROPERTY REMARKS: "FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2013/06/06."

ESTATE/QUALIFIER: FEE SIMPLE
LT ABSOLUTE PLUS

RECENTLY: DIVISION FROM 38148-0126

PIN CREATION DATE: 2015/09/03

OWNERS' NAMES 2557386 ONTARIO INC.

CAPACITY SHARE
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT	INCLUDES ALL	DOCUMENT TYPES AND	DELETED INSTRUMENTS	SINCE 2015/09/03 **		
**SUBJECT TO	SUBSECTION 44(1)	OF THE LAND TITLES ACT,	EXCEPT PARAGRAPHS 3 AND 14	AND *		
**	PROVINCIAL SUCCESSION	DUTIES AND	EXCEPT PARAGRAPH 11	AND ESCHEATS OR FORFEITURE **		
**	TO THE CROWN	UP TO THE DATE OF REGISTRATION	WITH AN ABSOLUTE TITLE.	**		
NOTE: THE NO	DEALINGS INDICATOR	IS IN EFFECT ON THIS	PROPERTY			
HC286624	2005/06/01	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	GRAND YORK PROPERTIES LTD.	
CH1577	2007/01/17	TRANSFER REL&ABAND		*** DELETED AGAINST THIS PROPERTY *** GRAND YORK PROPERTIES LTD.	1712179 ONTARIO INC.	
	REMARKS: RE: HC222966;	PLANNING ACT	STATEMENT			
CH39273	2012/05/18	TRANSFER REL&ABAND		*** DELETED AGAINST THIS PROPERTY *** HOLT, BRENDA MAE	GRAND YORK PROPERTIES LTD.	
	REMARKS: HC222966.					
CH45516	2013/04/17	TRANSFER REL&ABAND		*** DELETED AGAINST THIS PROPERTY *** GRAND YORK PROPERTIES LTD.	LOPRIENO, GIUSEPPE LOPRIENO, MELANIE LEAH	
	REMARKS: HC222966.	PLANNING ACT	STATEMENTS.			
18R7058	2013/06/06	PLAN REFERENCE				C
CH46464	2013/06/06	APL ABSOLUTE TITLE		GRAND YORK PROPERTIES LTD.		C
CH53839	2014/07/11	CHARGE		*** DELETED AGAINST THIS PROPERTY *** GRAND YORK PROPERTIES LTD.	BINBROOK HOLDINGS LIMITED	
CH67015	2016/06/06	CHARGE		*** COMPLETELY DELETED *** GRAND YORK PROPERTIES LTD.	METRIC GROUP LIMITED	
CH67025	2016/06/07	DISCH OF CHARGE		*** COMPLETELY DELETED ***		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
CH72717	2017/02/16	CAU AGR PUR & SALE		BINBROOK HOLDINGS LIMITED		
		REMARKS: CH53839.		*** COMPLETELY DELETED ***		
				GRAND YORK PROPERTIES LTD.	2557386 ONTARIO INC.	
CH73581	2017/04/05	CHARGE		*** COMPLETELY DELETED ***		
		REMARKS: 60 DAYS FROM 2017/02/28		GRAND YORK PROPERTIES LTD.	POCRNIC REALTY ADVISORS INC.	
CH73620	2017/04/07	DISCH OF CHARGE		*** COMPLETELY DELETED ***		
		REMARKS: CH67015.		METRIC GROUP LIMITED		
CH74760	2017/05/30	RESTRICTIONS ORDER		*** COMPLETELY DELETED ***		
		REMARKS: RESTRICT AND RESTRAIN THE DEFENDANT, GRAND YORK PROPERTIES LTD. FROM CONVEYING, REGISTERING, CAUSING TO BE REGISTERED, ENCUMBERING OR OTHERWISE DEALING WITH THE PROPERTY IN ANYWAY FROM THE DATE UPON WHICH THIS ORDER IS REGISTERED UNTIL JUNE 1, 2017;		ONTARIO SUPERIOR COURT OF JUSTICE	2557386 ONTARIO INC.	
CH74857	2017/06/02	RESTRICTIONS ORDER		*** COMPLETELY DELETED ***		
		REMARKS: RESTRICT AND RESTRAIN THE DEFENDANT, GRAND YORK PROPERTIES LTD. FROM CONVEYING, REGISTERING, CAUSING TO BE REGISTERED, ENCUMBERING OR OTHERWISE DEALING WITH THE PROPERTY IN ANYWAY FROM THE DATE UPON WHICH THIS ORDER IS REGISTERED UNTIL JUNE 29, 2017;		ONTARIO SUPERIOR COURT OF JUSTICE	2557386 ONTARIO INC.	
CH75600	2017/06/29	RESTRICTIONS ORDER		*** COMPLETELY DELETED ***		
		REMARKS: SHALL ENJOIN, RESTRICT AND RESTRAIN THE DEFENDANT, GRAND YORK PROPERTIES LTD., FROM CONVEYING, REGISTERING, CAUSING TO BE REGISTERED, ENCUMBERING OR OTHERWISE DEALING WITH THE PROPERTY IN ANYWAY FROM THE DATE UPON WHICH THIS ORDER IS REGISTERED UNTIL AUGUST 3, 2017.		ONTARIO SUPERIOR COURT OF JUSTICE	2557386 ONTARIO INC.	
CH76638	2017/08/03	RESTRICTIONS ORDER		*** COMPLETELY DELETED ***		
		REMARKS: ENJOIN, RESTRICT AND RESTRAIN GRAND YORK PROPERTIES LTD., FROM CONVEYING, REGISTERING, CAUSING TO BE REGISTERED, ENCUMBERING OR OTHERWISE DEALING WITH THE PROPERTY IN ANYWAY FROM THE DATE UPON WHICH THIS ORDER IS REGISTERED UNTIL SEPTEMBER 28, 2017.		ONTARIO SUPERIOR COURT OF JUSTICE	2557386 ONTARIO INC.	
CH78114	2017/09/28	RESTRICTIONS ORDER		*** COMPLETELY DELETED ***		
				ONTARIO SUPERIOR COURT OF JUSTICE	2557386 ONTARIO INC.	
CH78871	2017/10/26	RESTRICTIONS ORDER		*** COMPLETELY DELETED ***		
		REMARKS: ENJOIN, RESTRICT AND RESTRAIN THE DEFENDANT, GRAND YORK PROPERTIES LTD., FROM CONVEYING, REGISTERING, CAUSING TO BE REGISTERED, ENCUMBERING OR OTHERWISE DEALING WITH THE PROPERTY IN ANYWAY FROM THE DATE UPON WHICH THIS ORDER IS REGISTERED UNTIL NOVEMBER 28, 2017		ONTARIO SUPERIOR COURT OF JUSTICE	2557386 ONTARIO INC.	
CH80317	2017/12/21	WITHDRAWAL CAUTION		*** COMPLETELY DELETED ***		
				2557386 ONTARIO INC.		

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
CH80318	2017/12/21	APL AMEND ORDER		*** COMPLETELY DELETED *** ONTARIO SUPERIOR COURT OF JUSTICE	2557386 ONTARIO INC.	C
CH86154	2018/09/21	CHARGE		*** COMPLETELY DELETED *** GRAND YORK PROPERTIES LTD.	902878 ONTARIO LIMITED	
CH86155	2018/09/21	DISCH OF CHARGE		*** COMPLETELY DELETED *** POCRNIC REALTY ADVISORS INC.		
CH87614	2018/11/21	LR'S ORDER		LAND REGISTRAR, HALDIMAND		
CH90500	2019/04/08	CHARGE		*** COMPLETELY DELETED *** GRAND YORK PROPERTIES LTD.	NORTHBANK FINANCIAL INC. MORRIS WRIGHT MORTGAGE COMPANY LTD.	
CH90513	2019/04/09	DISCH OF CHARGE		*** COMPLETELY DELETED *** 902878 ONTARIO LIMITED		
CH93250	2019/08/09	TRANSFER OF CHARGE		*** COMPLETELY DELETED *** NORTHBANK FINANCIAL INC.	E8 CAPITAL INC.	
CH95349	2019/11/01	TRANSFER OF CHARGE		*** COMPLETELY DELETED *** E8 CAPITAL INC.	E8 CAPITAL INC. MORRIS WRIGHT MORTGAGE COMPANY LTD.	
CH100375	2020/07/20	TRANSFER OF CHARGE		*** COMPLETELY DELETED *** E8 CAPITAL INC. MORRIS WRIGHT MORTGAGE COMPANY LTD.	MORRIS RIGHT MORTGAGE COMPANY LTD.	
CH105714	2021/02/19	TRANSFER	\$13,250,000	GRAND YORK PROPERTIES LTD.	2557386 ONTARIO INC.	
CH105715	2021/02/19	CHARGE		*** COMPLETELY DELETED *** 2557386 ONTARIO INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.	

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD		
CH105716	2021/02/19	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 2557386 ONTARIO INC.	FIRST SOURCE FINANCIAL MANAGEMENT INC.			
REMARKS: CH105715.								
CH105717	2021/02/19	CHARGE		*** COMPLETELY DELETED *** 2557386 ONTARIO INC.	GRAND YORK PROPERTIES LTD.			
CH105718	2021/02/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** MORRIS RIGHT MORTGAGE COMPANY LTD.				
REMARKS: CH90500.								
CH118769	2022/06/30	CHARGE	\$35,000,000	2557386 ONTARIO INC.	MARSHALLZEHR GROUP INC.	C		
CH118770	2022/06/30	NO ASSGN RENT GEN		2557386 ONTARIO INC.	MARSHALLZEHR GROUP INC.	C		
REMARKS: CH118769.								
CH118771	2022/06/30	RESTRICTION-LAND		2557386 ONTARIO INC.		C		
REMARKS: PROHIBITING ANY FURTHER CHARGE OF SUCH LANDS				WITHOUT THE CONSENT OF MARSHALLZEHR GROUP INC.				
CH118776	2022/06/30	DISCH OF CHARGE		*** COMPLETELY DELETED *** FIRST SOURCE FINANCIAL MANAGEMENT INC.				
REMARKS: CH105715.								
CH118803	2022/07/04	DISCH OF CHARGE		*** COMPLETELY DELETED *** GRAND YORK PROPERTIES LTD.				
REMARKS: CH105717.								
CH128011	2023/08/17	CONSTRUCTION LIEN		\$1,709,901	VANROOYEN EARTHMOVING LTD.			C
CH129550	2023/10/31	CERTIFICATE		VANROOYEN EARTHMOVING LTD.			C	
REMARKS: CH128011								
CH131051	2024/01/18	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)	KSV RESTRUCTURING INC.	C		
REMARKS: APPOINTS KSV RESTRUCTURING INC. AS RECEIVER								

Appendix “D”

Ben Luder

From: Mitch Vininsky
Sent: September 22, 2024 2:23 PM
To: R. Brendan Bissell
Cc: Ben Luder
Subject: FW: 2557386 Ontario Inc. o/a Mariman Homes
Attachments: Costs for draw.xlsx; 2022-06-30 York Estates MZGI 452 - Advance Statement - Signed v2.pdf; 2022-08-03_York_Estates_MZGI_452_-_Advance_Statement.pdf; 2022-04-28 - Geotechnical Investigation.pdf; 2023-10-30-Statement of Claim-Plaintiff-VanRooyen-Issued on 30-OCT-2023.pdf; lien priority opinion 1396-5386-5229.pdf

From: R. Brendan Bissell <bbissell@reconllp.com>
Sent: July 31, 2024 4:10 PM
To: Daniel J. MacKeigan <dan.mackeigan@siskinds.com>; Stephanie Adams <stephanie.adams@siskinds.com>; Heather Pearce <heather.pearce@siskinds.com>; Kathy Sheppard <kathy.sheppard@siskinds.com>; Maria Vera Carrillo <maria.veracarrillo@siskinds.com>; Maya Poliak (maya@chaitons.com) <maya@chaitons.com>
Cc: Mitch Vininsky <mvininsky@ksvadvisory.com>; Caitlin Fell <cfell@reconllp.com>
Subject: RE: 2557386 Ontario Inc. o/a Mariman Homes

All: I attach a draft of our priorities opinion to the Receiver as between the lien claimant and the MarshallZehr mortgage.

Please advise if you have any questions or comments on the opinion before it is finalized. If not, please then advise whether your client intends to contest the priorities issue, because that will inform how long will be required for the motion and when it can be heard.

In the interests of allowing a comprehensive review, I am attaching copies of the documents referred to in the opinion, with the exception of the Functional Service Report, which is too large to attach and is therefore downloadable at the following link:

Links expire 2024-08-31

2022-07-York Estates Functional Service Report w
Apps.pdf v1

[DOWNLOAD](#)

[VIEW](#)

Secured by NetDocuments®



R. Brendan Bissell
Partner
T | 416.613.0066
C | 416-992-4979
E | bbissell@reconllp.com

Reconstruct LLP | Restructuring and Litigation Lawyers
120 Adelaide Street West | Suite 2500 | Toronto ON M5H 1T1

From: Daniel J. MacKeigan <dan.mackeigan@siskinds.com>
Sent: Thursday, July 18, 2024 3:30 PM
To: R. Brendan Bissell <bbissell@reconllp.com>; Stephanie Adams <stephanie.adams@siskinds.com>; Heather Pearce <heather.pearce@siskinds.com>; Kathy Sheppard <kathy.sheppard@siskinds.com>
Cc: Maria Vera Carrillo <maria.veracarrillo@siskinds.com>; Mitch Vininsky <mvininsky@ksvadvisory.com>; Maya Poliak (maya@chaitons.com) <maya@chaitons.com>; Caitlin Fell <cfell@reconllp.com>
Subject: Re: 2557386 Ontario Inc. o/a Mariman Homes

Hi Brendan,

I will be on vacation from mid August until after Labour Day.

Kindly provide us with alternate dates that will work in September.

We look forward to receipt of your priority report.

Kind Regards,

Get [Outlook for iOS](#)

Daniel J. MacKeigan, Partner
E: dan.mackeigan@siskinds.com
P: 519.660.7852
F: 519.660.7853

275 Dundas Street, Unit 1, London, ON N6B 3L1

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Siskinds is situated within and operates within the ancestral beaver hunting grounds of the Algonquin, Haudenosaunee and Attawandaran peoples, the traditional and unceded lands of the Anishinaabe peoples of Walpole Island, Kettle Point, and the Thames, the settled peoples Haudenosaunee Confederacy at the Grand River and the Thames, and the Lenni Lenape Delaware peoples of Moraviantown and Muncney.

From: R. Brendan Bissell <bbissell@reconllp.com>
Sent: Thursday, July 18, 2024 3:21:00 PM
To: Daniel J. MacKeigan <dan.mackeigan@siskinds.com>; Stephanie Adams <stephanie.adams@siskinds.com>; Heather

Pearce <heather.pearce@siskinds.com>; Kathy Sheppard <kathy.sheppard@siskinds.com>

Cc: Maria Vera Carrillo <maria.veracarrillo@siskinds.com>; Mitch Vininsky <mvininsky@ksvadvisory.com>; Maya Poliak (maya@chaitons.com) <maya@chaitons.com>; Caitlin Fell <cfell@reconllp.com>

Subject: 2557386 Ontario Inc. o/a Mariman Homes

Good afternoon: Our firm is independent counsel to KSV Restructuring Inc. in its capacity as the court appointed receiver of this company.

As I think you know from Maya, there is likely to be an application to approve a sale to MarshallZehr as the ranking secured creditor. Part of that will be to address the appropriate priority for the claim for lien of your client, VanRooyen Earthmoving Ltd.

The Commercial List Office has said that August 21 is available for a 90 minute hearing (if it needs to go that long) for this motion. Could you please advise if your office is available that day? I believe that the method of hearing is likely to be Zoom.

We anticipate being able to provide what the Receiver views as the appropriate lien priority analysis shortly. In an ideal world, that will form the basis for an agreement among the parties and the hearing can then go unopposed (and therefore shorter), but in fairness to you I think that you will need to see the analysis before you can chime in on that. If things need to be argued, that can be pulled together in time for Aug. 21 as well, it seems

Regards,
Brendan



R. Brendan Bissell
Partner
T | 416.613.0066
C | 416-992-4979
E | bbissell@reconllp.com

Reconstruct LLP | Restructuring and Litigation Lawyers
120 Adelaide Street West | Suite 2500 | Toronto ON M5H 1T1

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July 31, 2024

SENT BY EMAIL: mvininsky@ksvadvisory.com

220 Bay Street, 13th Floor, PO Box 20,
Toronto, Ontario, M5J 2W4

Attention: Mitch Vininsky, Managing Director

Dear Mr. Vininsky,

RE: 2557386 Ontario Inc. o/a Mariman Homes (the “Debtor”)

In your capacity as the Court-appointed receiver of the Debtor, you have asked for our opinion on the priorities as between the mortgage held by MarshallZehr Group Inc. (the “**Mortgagee**”) and VanRooyen Earthmoving Ltd. (the “**Lien Claimant**”) in connection with lands subject to PIN 38148 - 0128LT¹ in Land Registry Office No. 18 (the “**Property**”).

Summary

While the advances made to the Debtor under the Mortgage seem to have principally been for capital and non-building purposes, it is unclear whether any of the advances made under the Mortgage were for purposes of construction.

That uncertainty does not affect the conclusion that can be reached, however, because the Mortgage was registered after the time that the first lienable work arose on the subdivision project at issue, which means that the Mortgage is subordinate to the claims of the Lien Claimant to the extent of any deficiency in the holdback that should have been kept, but was apparently not. If any portions of the Mortgage had been used to pay for construction, then those portions would also be subject to a similar subordination, which is why the uncertainty noted is not material.

The amount of the holdback that should have been maintained for the Lien Claimant is \$170,909.10 according to its pleadings in the action to enforce its lien claim.

Assuming that the lien claim was procedurally valid and established as to the amount owing, the following priorities apply as between the Lien Claimant and the Mortgagee:

- a) The Lien Claimant is entitled to the first \$170,909.10 from the proceeds of disposition of the Property in priority to the Mortgagee;

¹ Full legal description being: PART WARNER NELLES TRACT DESIGNATED AS PART 1, 18R-7058; SAVE & EXCEPT PART 1, 18R-7281; T/W EASEMENT OVER PART 2, 18R-7058 AS INHC252899; TOWNSHIP OF SENECA; HALDIMAND COUNTY.

RECON

R E C O N S T R U C T L L P

- b) The Mortgagee is entitled to the proceeds from the disposition of the Property to the extent of the amounts owing by the Debtor, inclusive of principal, interest and costs; and
- c) The Lien Claimant is thereafter entitled to the balance of the amounts owing under its claim for lien as a secured claim against the interest of the Debtor in the Property.

Discussion

Our opinion is based on the following facts, which we have derived from the documents provided by the Mortgagee and the Lien Claimant. We have assumed the authenticity and truth of the documents provided and that the facts derived from them are accordingly correct. Any variation in the applicable facts may affect the conclusions in this opinion.

Facts

1. The Mortgagee registered a mortgage against the Property on June 30, 2022 (the “Mortgage”).
2. The Mortgage was registered for a total amount of \$35,000,000. The purpose of the mortgage was both to repay existing mortgages and also to fund work in relation to a subdivision development at the Property.
3. The Mortgagee advanced funds in the amount of \$14,300,000 at the time of registration and a further \$491,500 on August 3, 2022.
4. The advance of \$14,300,000 was for purposes of paying out prior mortgages registered to (a) First Source Financial Management Inc. in the amount of \$ 8,209,380.30, and (b) Grand York Properties Ltd. in the amount of \$ 2,125,581.14. The balance of that advance was made up of mortgagee fees, broker fees, legal fees, an interest reserve and \$2,163,474.45 paid to counsel for the mortgagor.²
5. The advance of \$491,500 was for purposes of paying further costs arising from the June 30, 2022 mortgage financing and repayment of the prior mortgages.³ Further amounts requested by the Debtor for amounts owing to advisors and trades in connection with engineering reports and analysis and also tree services were not approved by the Mortgagee for payment at that time. The mortgagee planned to advance funds in respect of those further amounts in a later advance once the requisite conditions for advance had been met, but those conditions were never met and no further advance was made under the Mortgage after August 3, 2022.⁴

² See the Mortgagee's advance statement dated June 30, 2022.

³ See the Mortgagee's advance statement dated August 3, 2022.

⁴ See the Mortgagee's spreadsheet of “Costs for Draw”.

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6. The Lien Claimant entered into a contract with the Debtor on October 27, 2022 for site preparation and grading at the Property for a total price of \$1,906,175.42.⁵
7. The Lien Claimant provided materials and services to the Property between April 14, 2023 and June 26, 2023 in an amount totaling \$1,709,901.54, which were approved by a project administrator or certifier, and which were not paid by the Debtor.⁶
8. The Lien Claimant registered a claim for lien against the Property on August 17, 2023 and commenced an action in respect of its lien on October 30, 2023, which supported the registration of a certificate of action under the *Construction Act* (the “**Act**”) on October 31, 2023.⁷
9. The Receiver is unaware of any holdback that was maintained by the Debtor for the contract with the Lien Claimant.
10. The planned subdivision development at the Property was the subject of development work by A.J. Clarke and Associates Ltd., as surveyors, planners and engineers, and by Landtek Limited, as geotechnical engineers, before June 30, 2022.⁸

Analysis

The relative priority of a mortgage and a construction lien is governed by s. 78 of the Act. The starting point for any analysis is subs. 78(1) of that Act, which provides that a lien has priority over all mortgages (among other registrations), subject to the further subsections in s. 78. The analytical issue is therefore to identify whether any of the other subsections apply, because they do address a number of possible permutations.

Key among the analysis of how s. 78 applies to a priorities issue involving a mortgage are two questions: (1) was the purpose of the mortgage to finance an improvement within the meaning of that Act, and (2) was the mortgage registered before or after the time that the first lien arose in respect of the improvement.

Purpose of the Mortgage

The first of those questions is often referred to as whether the loan was a building mortgage. This is because subs. 78(2) of the Act makes any such mortgage subordinate to any deficiency in the holdback that should have been maintained.

⁵ See the Lien Claimant's Statement of Claim, para. 5.

⁶ See the Lien Claimant's Statement of Claim, paras. 6-11.

⁷ See the Lien Claimant's Statement of Claim, para. 15 and the Parcel Abstract for the Property.

⁸ See the Landtek Limited report dated April 28, 2022 and the Functional Service Report of A.J. Clarke and Associates Ltd. dated July, 2022, which therefore must have been in progress before the Mortgage was registered. The latter appears to have set the specifications for grading, which is what the Lien Claimant did.

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R E C O N S T R U C T L L P

The case law has held that a mortgage may have differing intents for differing advances within the same overall mortgage, such that some advances may qualify as a building mortgage, while others do not as they were capital advances instead. In such a case, the differing advances will result in different priorities under the Act.⁹

In this case, the Mortgage was clearly intended to fund both capital purposes, such as repayment of existing mortgages, and also construction. The Mortgagee advises that it did not intend to fund construction or development expenses in either of the advances actually made, and has provided its spreadsheet in connection with the second advance on Aug. 3, 2022 to demonstrate that such expenses were excluded from that draw and were deferred to a further draw (that did not end up occurring).

It is not 100% clear from the record, however, that no parts of the funding provided were not used for paying construction or development expenses. For example, \$2,163,474.45 of the initial advance under the Mortgage went to the law firm for the Debtor and it is not known how those funds were used. Similarly, it is not known whether any portions of the prior mortgages that were repaid under the Mortgage had been used to fund any construction or development work, which if so would impact the priority available to the Mortgage because the nature of the prior mortgage's advances will affect the priority of a mortgage that repays it.

It is therefore uncertain whether any portions of the advances made under the Mortgage were, or may have been, for purposes of financing an improvement. Given the conclusions about time of registration of the Mortgage in connection with the time that the first lien arose, as noted below, this uncertainty does not prevent a conclusion on the priority as between the Mortgagee and the Lien Claimant.

Timing of the Mortgage

The second of the key questions that arise under s. 78 of the Act, as noted above, is when the mortgage was registered in relation to when the first lien arose in respect of the improvement. This is because subs. 78(3) gives different priority to a mortgage before that time than subss. 78(5) and (6) do to a mortgage after that time.

In this case, the overall project, or what the Act refers to as the “improvement”, appears to pre-date the registration of the Mortgage. The work done by planners and engineers for the planned subdivision is part of the same overall project,¹⁰ as is the tree-clearing expense sought to be paid

⁹ See for example *Ontario Wealth Management Corporation v. Sica Masonry and General Contracting Ltd.*, [2014 ONCA 500 \(CanLII\)](#), citing *Royal Bank of Canada v. Lawton Developments Inc.* [1994 CanLII 7215](#) (ON SC), rev'd on other grounds [1996 CanLII 10246](#) (ON CA).

¹⁰ Note that the *Royal Bank of Canada v. Lawton Developments Inc.* case noted above held that earlier work done by architects and possibly engineers was not lienable due to subs. 3(4) of the *Construction Lien Act* as it then was. That subsection was subsequently repealed in 1997 with the result that those types of services are now lienable and do therefore represent a time when the “improvement” in question may have begun.

RECON

R E C O N S T R U C T L L P

in the Aug. 3, 2022 draw but which the Mortgagee did not permit at that time. The work done by the planners and engineers was before June 30, 2022. It is not clear when the work for tree clearing was done but it was before Aug. 3, 2022.

It therefore appears that the priority for the Mortgage, insofar as it was for purposes of capital advances and not for building purposes, is governed by ssubs. 78(5) and (6) of the Act. The former of those subsections provides that a mortgage that is registered after the first lien arose will be subordinate to any deficiency in the holdback that should have been maintained. The latter of those subsections provide two ways in which priority for such a mortgage can be further eroded based on advancing in the face of a lien or on notice of one, neither of which appears to apply here.

Deficiency in Holdback

Since the Debtor does not appear to have maintained any holdback fund for the contract with the Lien Claimant, the Mortgage loses priority to the extent of what should have been so held because that is then the deficiency referred to by s. 78(5) of the Act. To the extent that any part of the advances under the Mortgage were, or may have been, to fund construction on the project at the Property as noted above, then the same deficiency arises, which is why that uncertainty is not material to this opinion.

To quantify the deficiency, the amount of “progress” under the Lien Claimant’s contract needs to be established. Based on the Lien Claimant’s Statement of Claim, it performed work amounting to \$1,709,901.54 out of a total contract price of \$1,906,175.42. The progress under that contract was \$1,709,901, and the holdback that should have been maintained was therefore 10% under s. 22(1) of the Act, or \$170,909.10. Given that the Lien Claimant had a contract directly with the Debtor as the owner of the Property, the work done by any other trades on the project does not apply to the holdback that should have been held for the Lien Claimant, because any work by such other trades was not under the same contract.

Resulting priorities

Assuming that the lien claim was procedurally valid and established as to the amount owing, the following priorities apply as between the Lien Claimant and the Mortgagee:

- a) The Lien Claimant is entitled to the first \$170,909.10 from the proceeds of disposition of the Property in priority to the Mortgagee;
- b) The Mortgagee is entitled to the proceeds from the disposition of the Property to the extent of the amounts owing by the Debtor, inclusive of principal, interest and costs; and
- c) The Lien Claimant is thereafter entitled to the balance of the amounts owing under its claim for lien as a secured claim against the interest of the Debtor in the Property.

Draft



Yours truly,

RECONSTRUCT LLP

R. Brendan Bissell
BB/jm

Draft

Appendix “E”

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE

)

WEDNESDAY, THE 27TH

JUSTICE STEELE

)

DAY OF MARCH, 2024

)

BETWEEN:

MARSHALLZEHR GROUP INC.

Applicant

- and -

2557386 ONTARIO INC. and 2363823 ONTARIO INC. O/A MARIMAN HOMES

Respondents

**ORDER
(Sale Process Approval)**

THIS MOTION, made by KSV RESTRUCTURING INC. in its capacity as Court-appointed receiver, without security (in such capacities, the “**Receiver**”), over all assets, undertakings and properties the Respondents for an order, *inter alia*, approving a sale process (the “**Sale Process**”) for the real property owned by 2557386 Ontario Inc., located in Haldimand, Ontario (the “**Real Property**”), was heard this day via Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the First Report of the Receiver dated March 20, 2024 and on hearing the submissions of counsel for the Receiver, and such other counsel as are present and listed on the counsel slip,

SERVICE

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

APPROVAL OF SALE PROCESS

2. **THIS COURT ORDERS** that the Listing Agreement between the Receiver and Colliers Macaulay Nicolls Inc., for the sale of the Real Property substantially in the form attached as Appendix B to the First Report (the “**Listing Agreement**”) be and hereby is approved and the Receiver is authorized to engage Colliers as a listing agent for the sale of the Real Property on the terms set out in the Listing Agreement.


3. **THIS COURT ORDERS** that the Sale Process, as described in section 3.2 of the First Report, be and is hereby approved and the Receiver is hereby authorized to perform its obligations under and in accordance with the Sale Process and to take such further steps as it considers necessary or desirable in carrying out the Sale Process.

SEALING

4. **THIS COURT ORDERS** that the Confidential Appendix to the First Report is sealed pending the completion of the sale of the property municipally known as 2051 Vickery Drive, Oakville, Ontario or a further order of the Court.

APPROVAL OF ACTIVITIES

5. **THIS COURT ORDERS** that the First Report and the activities of the Receiver described therein be and hereby are approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

 Digitally signed
by Jana Steele
Date: 2024.03.27
13:20:12 -04'00'

Applicant

Respondents

Court File No. CV-23-00699432-00CL

	<p>ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)</p> <p>PROCEEDING COMMENCED AT TORONTO</p>
	<p>SALE PROCESS APPROVAL ORDER</p>
	<p>CHAITONS LLP 5000 Yonge Street, 10th Floor Toronto, Ontario M2N 7E9</p> <p>Maya Poliak (LSO #54100A) Tel: (416) 218-1161 E-mail: maya@chaitons.com</p> <p>Lawyers for KSV Restructuring Inc., in its capacity as Court-Appointed Receiver</p>

Appendix “F”

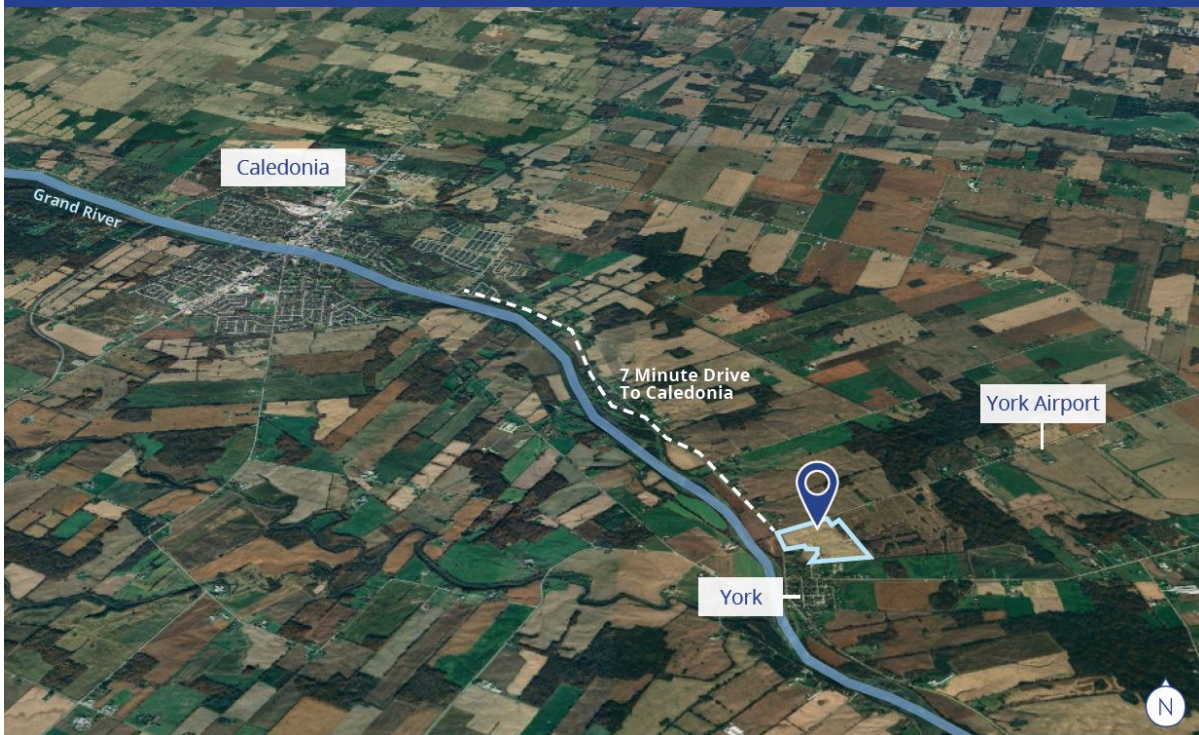
From: Steve Keyzer <steve.keyzer@colliers.com>
Sent: Thursday, July 11, 2024 4:30 PM
To: Plos, Stephanie
Subject: FOR SALE | 66 Single-Family Estate Lots Approved Available 18 minutes From Hamilton Airport



Approved Draft Plan of Subdivision for 66 Single-Family Lots

71 Acres of Approved Development Land Near Caledonia

30 Front Street North, Haldimand, Ontario



Details

For Sale

Land Area: 71.03 Acres
(3,094,352 SF)

Zoning: RH (Hamlet
Residential)

Property Features

- 71.03 acres of prime, vacant, shovel-ready land
- Approved draft plan of subdivision allowing for the development of 66 single-family estate lots
- Of the 66 lots, 54 are subject to an Agreement of Purchase and Sale that can be assumed by the potential Purchaser.
- Convenient proximity to Caledonia, being just a 9-minute drive away
- Variety of amenities in Caledonia, including shopping, dining, and recreational facilities

Description

Introducing 30 Front Street North, Haldimand (the "Property"), 71.03 acres of prime, shovel-ready land. The Property is nestled along the Grand River in the York community, conveniently located 9 minutes from Caledonia, ON as well as a 15 minute drive from Hamilton, ON Airport.

This opportunity is ideal for builders to pursue near-term construction with an approved draft plan of subdivision for 66 single-family estate lots ranging from 30 to 62 meters frontage. Each lot is designed to accommodate a stunning newly built single-family home, offering approximately one acre of land per buyer, presenting the perfect canvas to create an exclusive residential community in a picturesque setting.

To gain access to the online data room please complete the confidentiality agreement below:



Confidentiality Agreement



Site Plan



Investment Summary



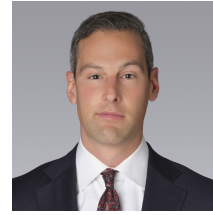
Steve Keyzer

Executive Vice President, Sales Representative

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T: +1 416 643 3770

Greater Toronto Area



Jeremiah Shamess

Executive Vice President, Sales Representative

Jeremiah.Shamess@colliers.com

T: +1 416 620 2814

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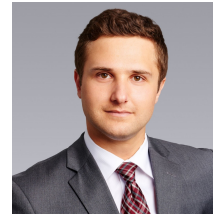
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Greater Toronto Area



Alex Holiff

Vice President, Sales Representative

Alex.Holiff@colliers.com

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Greater Toronto Area



Nous optimisons le potentiel des biens immobiliers et des actifs réels afin de favoriser la réussite de nos clients, de nos investisseurs et de nos collaborateurs.



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This email was sent by: Colliers Macaulay Nicolls Inc.

181 Bay Street, Suite 1400, Toronto, Ontario, M5J 2V1.

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To ensure delivery to your inbox (and not to your junk or bulk mail folders), add the sender to your address book.

If you do not wish to receive further emails from us, simply Unsubscribe using the link above.

Appendix “G”

July 12th, 2024

KSV Restructuring Inc.
c/o Mitch Vininsky
220 Bay Street, Suite 1300, Box 20,
Toronto, Ontario

Marketing Report – 30 Front Street North, Haldimand, Ontario (the “Property”)

Dear Mitch,

The Listing Team at Colliers Macaulay Nicolls Inc. (hereinafter “Colliers”) launched the Property on the Multiple Listing Service on April 2nd, 2024 and a marketing campaign for the Property on April 4th, 2024.

Throughout the listing process, e-mail ebasts with the Property’s marketing brochure and confidentiality agreement were sent out a total of eight separate times to the Listing Team’s distribution list of approximately 3,000 active and relevant email addresses. These blasts were always sent out at least one week apart from each other. The Listing Team also compiled a list of every local and regional developer in the Property’s region and connected with them either by phone or email to advise them of the unique opportunity.

Colliers received a total of 11 signed confidentiality agreements (“CAs”) from prospective purchasers, all of whom were given access to the electronic data room to review the opportunity in more detail.

During the 5th week of marketing, Colliers set a “Bid-not Before” date for May 17th, 2024. Colliers did not receive any written offer submissions on May 17th, or throughout the subsequent seven weeks of marketing and follow-ups with interested groups by the Listing Team.

Throughout the listing process, the market was extensively canvassed and the Property’s development opportunity was extensively investigated by prospective purchasers and the Listing Team, including corresponding with Haldimand County’s planning department. Most of the groups who signed CAs provided non-committal type of feedback throughout our engagement with them. Some groups had expressed an interest in offering, but ultimately changed their minds. One group expressed their interest at acquiring the Property for \$11,000,000 while the majority of the other groups provided feedback saying that the market cannot absorb this type of product right now, or the project was too large or the location of the Property was too remote to take on the risk of this development. No written offers to our knowledge are imminent at this point in time.

Please see Schedule A attached for further data and marketing materials.

In light of the market’s tepid response and the lack of any formal offers, our view is that the contemplated credit bid transaction from MarshallZehr and Sunray Group at MarshallZehr’s secured debt owing balance is a fair and good offer and the best option available given the circumstances.

We trust this market report is satisfactory. If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,

A stylized, handwritten signature in black ink, appearing to read "SK".

Steve Keyzer

A handwritten signature in black ink, appearing to read "Jer".

Jeremiah Shamess

A handwritten signature in black ink, appearing to read "Victor Cotic".

Victor Cotic

A handwritten signature in black ink, appearing to read "AH".

Alex Holiff

Schedule A

Tours:

No on-site tours were requested, as is typical with vacant development land.

Feedback from some Developers:

Empire Communities: showed strong initial interest but ultimately decided to not put forward a bid due to a lack of interest in the opportunity:

Typhoon Group: passed on opportunity as they believed it was too large, and too time consuming in relation to the profit they would make.

Mikmada Home: They believed a property of this size was out of their budget.

Dunsire Developments: initially advised they would be submitting an offer, and then that they would provide a valuation – they never did either, and eventually expressed they were no longer interested.

Sonoma Homes: passed on the opportunity – did not provide a reason

DeSozio Homes: Passed on the opportunity, did not provide a reason

Dawn Victoria Homes: passed on the opportunity – did not provide a reason

Micor Developments Inc.: Expressed interest in the property to either buy all cash for \$11,000,000 or partner with the secured creditor in a way that makes sense for both parties. No written offer was submitted despite several follow-up calls and emails.

Pratt Homes: As of last week considering the opportunity but advised pricing would likely be below \$10,000,000.

Latest Disposition report attached at the end of this document for greater detail and a list of all groups that signed the confidentiality agreement.

On the following pages please find:

1. A PDF version of the e-blast (marketing email)
2. The property brochure (offering summary)
3. The latest disposition report, which contains activity from the last 13 weeks.



Colliers

RECEIVERSHIP SALE

71 Acres of Approved Development Land Near Caledonia

30 Front Street North, Haldimand

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Victor.Cotic@colliers.com

Alex Holiff

Vice President,
Sales Representative
+1 647 620 5373
Alex.Holiff@colliers.com



Salient Facts

Address

**30 Front Street North,
Haldimand**

Legal Description

**PART WARNER NELLES TRACT
DESIGNATED AS PART 1, 18R-
7058; SAVE & EXCEPT PART
1, 18R-7281; T/W EASEMENT
OVER PART 2, 18R7058 AS
IN HC252899; TOWNSHIP OF
SENECA HALDIMAND COUNTY**

Site Area

3,094,352 SF (71 acres)

Current Use

**Farm property without any
buildings / structures**

Official Plan

Agricultural

Zoning

RH (Hamlet Residential)

Property Tax (2024)

\$386,000 +/-

Asking Price

Unpriced

collierscanada.com

The Opportunity

Introducing 30 Front Street North, Haldimand (the "Property"), 71.03 acres of prime, shovel-ready land. The Property is nestled along the Grand River in the York community, with convenient proximity to Caledonia being just a 9-minute drive away. This opportunity is ideal for developers looking for low-density land, as the Property has an approved draft plan of subdivision allowing for the development of 66 single-family estate lots. Of these 66 lots, 54 of them are subject to an Agreement of Purchase and Sale that can be assumed by the potential Purchaser. Each lot is designed to accommodate a stunning newly built single-family home, offering approximately one acre of land per buyer, presenting the perfect canvas to create an exclusive residential community in a picturesque setting.

Future residents of this community will enjoy convenient access to a variety of amenities in nearby Caledonia, including shopping, dining, and recreational facilities. This project has already been imagined as the *Grand York Estates*, and is awaiting a skilled developer to complete or re-invent this exceptional residential enclave along the banks of the Grand River.



Planning & Project Overview

The Property has an approved Draft Plan of Subdivision to permit 66 single-family estate lots. The Final Subdivision Approval and Servicing Agreement is subject to certain development conditions, including conveying a portion of the lands (10 acres) which have limited opportunity for development and can rather be programmed for recreational purposes.

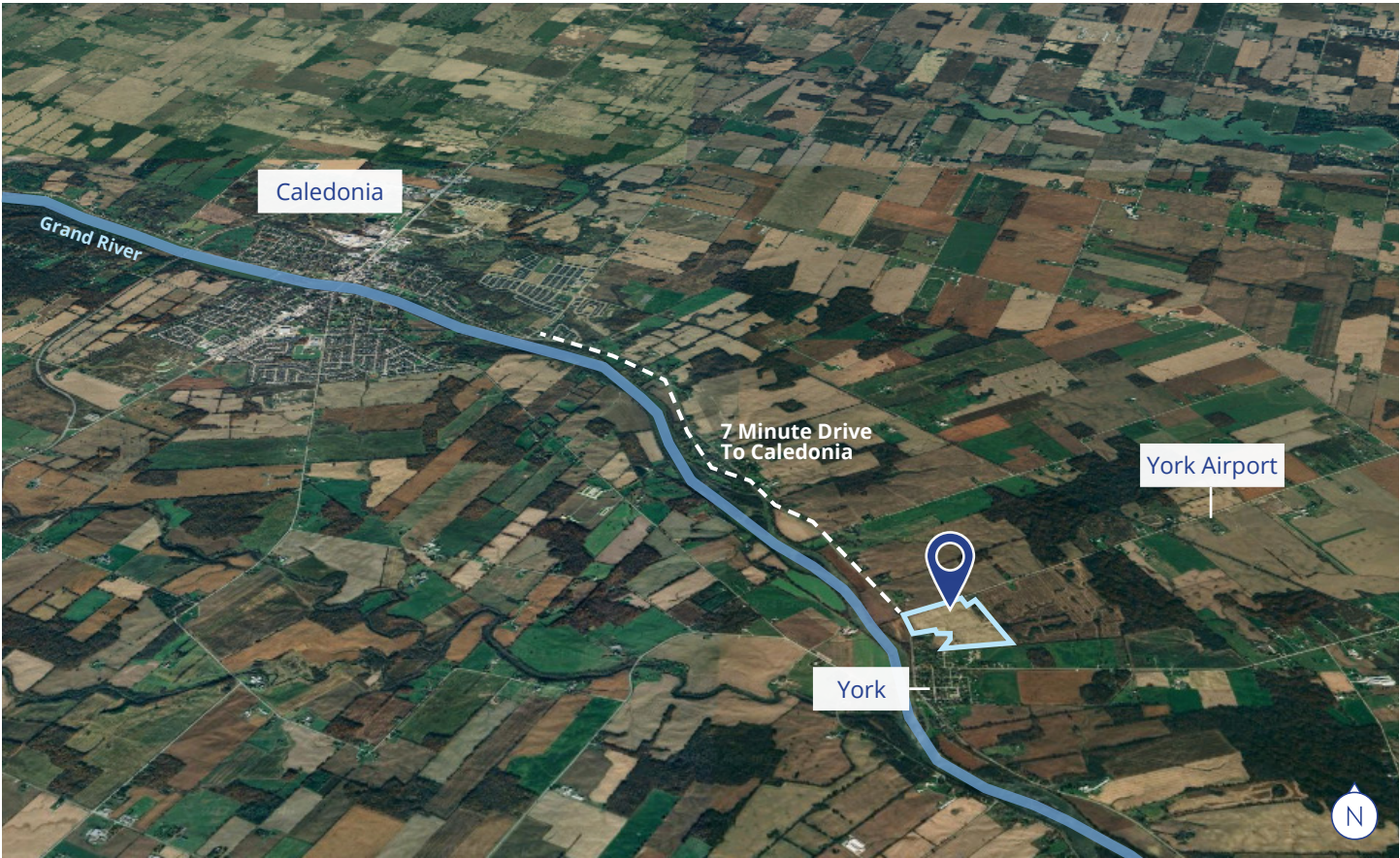
Area Overview

Haldimand

Located along the scenic shores of Lake Erie and the Grand River, Haldimand County is known for its picturesque landscapes, including farmland, forests, and waterfront areas. Transportation options in Haldimand County primarily consist of roadways, with major routes including Highway 3 and Highway 6 providing access to nearby cities such as Hamilton and Port Dover.

Caledonia

Being in close proximity to the Property and situated along the Grand River, Caledonia offers a blend of rural and urban amenities. It is known for its quaint downtown core, local festivals, and the surrounding nature. The town is served by local bus routes and provides a multitude of amenities servicing the Property, such as Zehrs, Food Basics, Mark's, Canadian Tire, Shoppers Drug Mart, LCBO, The Beer Store, Home Hardware and more.



Drive Times

Caledonia	7.1 km 7 Mins	LCBO	8.4 km 9 Mins	York Airport	3.9 km 4 Mins
Hamilton	24 km 22 Mins	Food Basics	8.4 km 9 Mins	Riverside Christian Montessori School	0.3 km 1 Min
Toronto	86 km 63 Mins	Canadian Tire	8.5 km 9 Mins		



Offering Process

KSV Restructuring Inc. solely in its capacity as court appointed receiver of 2557386 Ontario Inc. and 2363823 Ontario Inc. O/A Mariman Homes and not in its personal or corporate capacity and without personal or corporate liability (the "Vendor") has retained Colliers (the "Agent or Advisor") on an exclusive basis to offer for sale the Property located at 30 Front Street North, Haldimand, Ontario (the "Property"). The Vendor invites interested parties to submit an offer to purchase The Property via the Vendor's form of Agreement of Purchase and Sale (APS).

The Vendor may elect to negotiate with a single purchaser or select a short-list of purchasers based on the Vendor's sole discretion. Purchasers are encouraged to complete as much pre-offer due diligence on The Property as possible based on information provided.

Data Room Material

A data room has been set up for this transaction and prospective purchasers are strongly encouraged to access this data room in order to make their offers as unconditional as possible.

Colliers has made all data room material available via ShareFile. Access shall be restricted to those who have executed a confidentiality agreement.

Please sign and return a copy of the Confidentiality Agreement included in the button below.

Confidentiality Agreement

OR

Please print the confidentiality agreement, complete, sign and scan an email copy to the Advisor.

Offering Guidelines

An offer should outline the terms for the purchase of the property and should include, at a minimum, the following information and items:

1. Purchase price;
2. Name of the ultimate beneficial owners of the Purchaser, including their respective percentage interests;
3. Evidence of the Purchaser's financial ability to complete the transaction;
4. Confirmation that the property will be purchased on an "as is, where is" basis;
5. Terms and conditions of closing including a schedule of timing and events to complete the transaction; and
6. An address and email address for the delivery of notices to the Purchaser.

The Vendor reserves the right to remove the Property from the market and to alter the offering process described above and timing thereof, at its sole discretion.

Offers should be directed to:

Steve Keyzer: steve.keyzer@colliers.com

Jeremiah Shames: jeremiah.shames@colliers.com

Victor Cotic: victor.cotic@colliers.com

Alex Holiff: alex.holiff@colliers.com

Review of Offers

Offers to purchase will be evaluated based upon the net proceeds to the Vendor, the prospective Purchaser's ability to complete the transaction, the time lines and proposed closing conditions. The Vendor is not obligated to accept any offer and reserves the right to reject any or all offers received.

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30 Front Street North, Haldimand

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Disposition Progress Report

30 Front Street North
Haldimand, Ontario

July 5th, 2024

Prepared for:

**KSV Restructuring Inc. solely in its capacity as
court appointed receiver of 2557386 Ontario
Inc. and 2363823 Ontario Inc. O/A Mariman
Homes**

Prepared by:

Colliers
Steve Keyzer,
Jeremiah Shames
Victor Cotic &
Alex Holiff

Colliers
181 Bay Street, Suite
#1400 Toronto ON
M5J 2V1 Canada
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General Comments

Week 13

- No additional CAs signed this week.
 - Sunray officially passed.
 - Karen Hansen at Pratt homes is taking a look at the Opportunity but says pricing is likely lower than \$10,000,000.
 - MLS Listing agreement is expiring in the near future on July 14th, 2024.
-

Week 12

- *No additional CAs signed this week.*
 - *Spoke with Sunray group again, they are still not comfortable providing a valuation.*
 - *Micor Developments Inc. is looking at the Property in greater depth.*
-

Week 11

- *No additional CAs signed this week.*
 - *Sunray has said they are continuing to consider the Opportunity, not yet out.*
-

Week 10

- *No additional CAs signed this week.*
 - *Dunsire has advised they are no longer pursuing this Opportunity.*
-

Week 9

- *No additional CAs signed this week.*
 - *Dunsire to provide their valuation in the near future.*
 - *Sunray Group has gone silent over the last week.*
-

Week 8

- *No additional CAs signed this week.*
 - *The Listing Team continues to follow up with groups who showed interest in potentially offering, as well as reaching out to new groups regarding this Opportunity.*
 - *Sunray Group has continued to be active in the data room for the last few week, showing sustained interest.*
-

Week 7

- *No additional CAs signed this week.*
 - *The Listing Team is still speaking with and following up with groups who intended to offer on the site.*
 - *Positive market news: inflation is cooling down, and experts are predicting a potential interest rate cut in the next Bank of Canada announcement in June.*
-

Week 6

- *No additional CAs signed this week.*
 - *A 'bid-not before' date is today Friday May 17th, we anticipate a couple of offers to be sent to us next week.*
 - *In addition to the previously listed interested groups, Sunray Group has stated that they will likely be submitting an offer – still to be received. They are currently sourcing due diligence items.*
 - *The Listing Team has worked with the Colliers Research Team to source contact information for smaller estate lot builders in south-west Ontario. They have been made aware of this Opportunity, but no strong interest to come from these builders yet.*
-

Week 5

- *No additional CAs signed this week.*
 - *A 'bid-not before' date has been set for Friday May 17th, 2024. An e-blast communicating this has been sent out.*
 - *Dunsire Developments plans to submit an offer.*
 - *Sonoma Homes, DeSozio Homes, Dawn Victoria Homes and Empire Communities have also expressed interest in the Opportunity.*
 - *Mikmada Homes – passed, pricing to high.*
 - *Typhoon Group – passed, timeline to servicing and project too large for too little payout.*
-

Week 4

- *No additional CAs signed this week.*
 - *Vendor is working on an APS form, to be added to the data room once finalized.*
 - *Bid date proposed for Thursday May 23rd, 2024 – needs to be confirmed.*
 - *Empire continues to review and evaluate the opportunity, still to advise if they plan to offer.*
-

Week 3

- *1 additional CA signed this week.*
 - *Sunray Group has shown strong interest, inquiring into price guidelines and specific property specifications.*
 - *The Listing Agents will advise on a Bid Date directly via email.*
-

Week 2

- *5 additional CAs signed this week.*

- *Groups are currently reviewing the data room, and the listing team is still reaching out to new groups advising on this opportunity. The listing team will have a better understanding of market feedback next week, and will advise on a suggested bid date.*

Week 1

- *Property launched on Thursday April 4th, 2024 on MLS (Listing # X8201702)*
- *The first eblast was sent Friday April 5th, 2024.*
- *5 confidentiality agreements (CAs) have been signed in this first week.*

Milestone Dates

Marketing Tool	Date	Delivery Method	Status
Launch Date	April 4 th , 2024	Electronic	Complete
Email Marketing Blast	April 5 th , 2024	Electronic (weekly)	Complete/ Ongoing
Website Live Date	April 4 th , 2024	Electronic	Complete
Bid 'Not Before' Date	May 17 th , 2024	Electronic	Complete

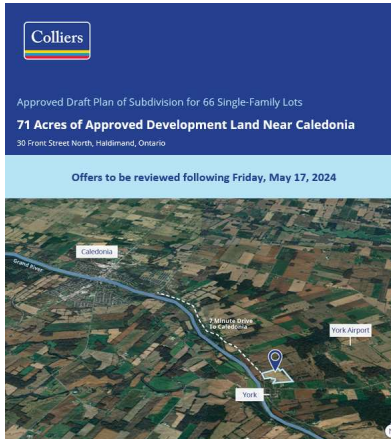
Confidentiality Agreement Tracking

Company Name	Executed Confidentiality Agreement
Week 13	
Week 12	
Week 11	
Week 10	
Week 9	
Week 8	
Week 7	
Week 6	
Week 5	
Week 4	
Week 3	
Sunray Group	✓
Week 2	
Eastar Development Group	✓
Mattamy Homes	✓
Medallion Corporation	✓
Micor Developments Inc.	✓
VanRooyen Earthmoving	✓
Week 1	
Centennial Construction and Contracting (Niagara)Inc	✓
Dunsire Homes Inc	✓

Company Name	Executed Confidentiality Agreement
Homefield Communities	✓
PAD Investments Ltd. (Empire Communities)	✓
Vista Hospitality Co.	✓
TOTAL NUMBER OF CA'S SIGNED	11

Marketing Activity

Email Blast



Details

For Sale

Land Area: 71.03 Acres
(3,094,352 SF)

Zoning: RH (Hamlet Residential)

Property Features

- 71.03 acres of prime, vacant, shovel-ready land
- Approved draft plan of subdivision allowing for the development of 66 single-family estate lots
- Of the 66 lots, 54 are subject to an Agreement of Purchase and Sale that can be assumed by the potential Purchaser.
- Convenient proximity to Caledonia, being just a 9-minute drive away
- Variety of amenities in Caledonia, including shopping, dining, and recreational facilities

Description

Introducing 30 Front Street North, Haldimand (the "Property"), 71.03 acres of prime, shovel-ready land. The Property is nestled along the Grand River in the York community, conveniently located 9 minutes from Caledonia, ON as well as a 15 minute drive from Hamilton, ON Airport.

This opportunity is ideal for builders to pursue near-term construction with an approved draft plan of subdivision for 66 single-family estate lots ranging from 30 to 62 meters frontage. Each lot is designed to accommodate a stunning newly built single-family home, offering approximately one acre of land per buyer, presenting the perfect canvas to create an exclusive residential community in a picturesque setting.

Offers To Be Reviewed Following: Friday, May 17th 2024

To gain access to the online data room please complete the confidentiality agreement below:



Confidentiality Agreement



Site Plan



Investment Summary



Steve Keyzer

Executive Vice President, Sales Representative

Steve.Keyzer@colliers.com

T: +1 416 620 3770

Greater Toronto Area



Jeremiah Shames

Executive Vice President, Sales Representative

Jeremiah.Shames@colliers.com

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Greater Toronto Area



Victor Cotic

Executive Vice President, Sales Representative

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Greater Toronto Area



Alex Holiff

Vice President, Sales Representative

Alex.Holiff@colliers.com

T: +1 416 620 5373

Greater Toronto Area

Marketing Activity

Website

About Us ▾ Insights & News ▾



Introducing 30 Front Street North, Haldimand (the "Property"), 71.03 acres of prime, shovel-ready land. The Property is nestled along the Grand River in the York community, with convenient proximity to Caledonia being just a 9-minute drive away. This opportunity is ideal for developers looking for low-density land, as the Property has an approved draft plan of subdivision allowing for the development of 66 single-family estate lots. Of these 66 lots, 54 of them are subject to an Agreement of Purchase and Sale that can be assumed by the potential Purchaser. Each lot is designed to accommodate a stunning newly built single-family home, offering approximately one acre of land per buyer, presenting the perfect canvas to create an exclusive residential community in a picturesque setting.

To gain access to the online data room please complete the confidentiality agreement below:

Confidentiality Agreement

Property Details

Property Status	Property Types
Vacant Land	Land Residential

Features

- 71.03 acres of prime, vacant, shovel-ready land
- Approved draft plan of subdivision allowing for the development of 66 single-family estate lots
- Of these 66 lots, 54 of them are subject to an Agreement of Purchase and Sale that can be assumed by the potential Purchaser
- Convenient proximity to Caledonia, being just a 9-minute drive away
- Variety of amenities in Caledonia, including shopping, dining, and recreational facilities

Sale Areas

Area	Size
71.03	Acres

Location

Open map



Can't find what you're looking for? Connect with us directly

CONTACT AN EXPERT TODAY

Get More Info

Learn more about this property listing by contacting one of our experts.



Steve Keyzer
Executive Vice President, Sales Representative
Toronto Downtown
Call Now

CONTACT EXPERT



Jeremiah Shames
Executive Vice President, Sales Representative | Private Capital Investment Group
Toronto Downtown
Call Now
Call Mobile

CONTACT EXPERT



Victor Cotic
Executive Vice President, Sales Representative | National Investment Services
Toronto West
Call Now
Call Mobile

CONTACT EXPERT



Alex Holiff
Vice President, Sales Representative
Toronto Downtown
Call Now
Call Mobile

CONTACT EXPERT

Marketing Activity

Electronic Marketing Statistics

GLOSSARY

Opens:

The recipient has opened the email. Each time a recipient opens the email it is worth 5 points.

Clicks:

The recipient has accessed the links in the email (Website/Confidentiality Agreement). Each time a recipient clicks a link it is worth 50 points.

Score:

The total sum of points between the number of opens and clicks.

RESULTS

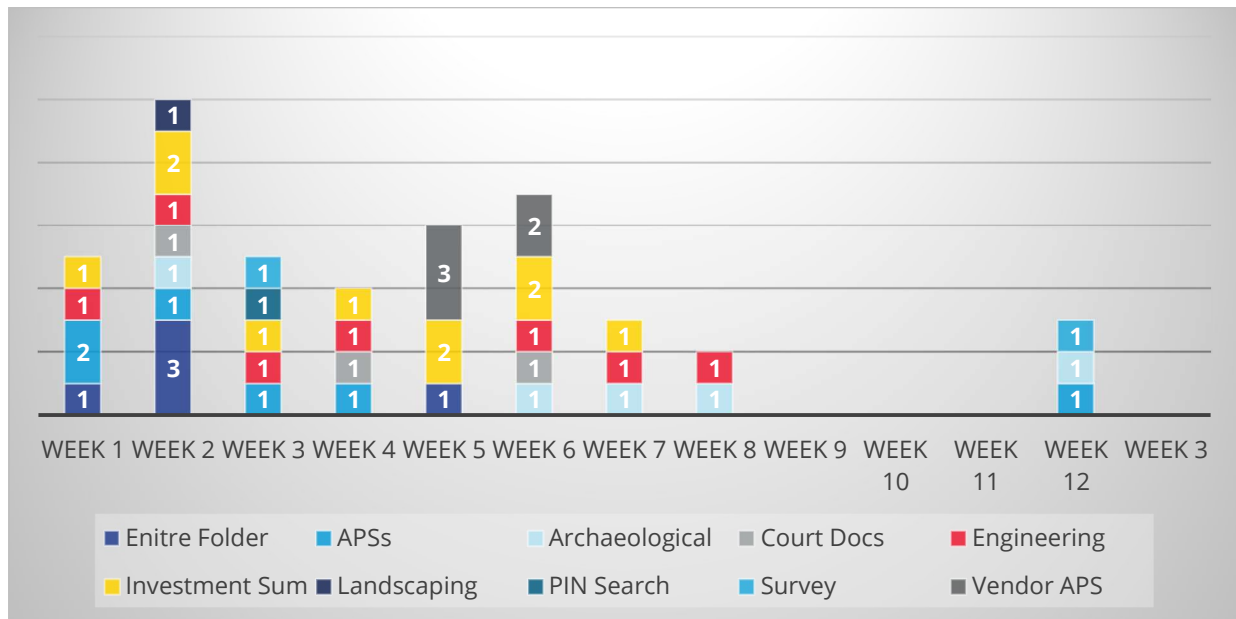
The E-blast was not sent out this week.

Company	Name	Opens	Clicks	Score
Rydan Financial	Stan Schwartz	12	0	60
Antec Appraisal Group	Kevin Antonides	8	1	50
First Capital Realty - HQ	Jeff Farbman	9	0	45
Nicola Institutional Realty Advisors	Adam Waltman	7	0	35
Tricon Lifestyle Rentals Investment LP	Kahn Scott	7	0	35
ACCO Group	Paul Buttinger	7	0	35
LaSalle Investment Management, Inc.	Jing Qiu	6	0	30
S D Investments Inc.	Steve Dhillon	4	1	30
Altree Developments	Yehuda Belzberg	6	0	30

Company	Name	Opens	Clicks	Score
Equiton Partners Inc.	Acquisitions Equition	5	0	25
GWL Realty Advisors Inc.	Craig Hatt	5	0	25
TerCot Group	David Cogliano	5	0	25
Deloitte Touche	Philip Reynolds	5	0	25
Dunsire Developments Incorporated	Shawn Keeper	5	0	25
REMI Realty Inc.	Weng Cau	5	0	25
Kingdom Development Inc.	Zoe Liu	5	0	25
Gitalis Real Estate Inc.	Abram Gitalis	4	0	20
MNP Debt	Akhil Kapoor	4	0	20
Sharno Group	Ari Soberano	4	0	20
Streamliner Properties Inc	Christopher McIntosh	4	0	20
Monterey Park Inc.	Ed Glina	2	1	20
MOD Developments Inc.	Marc Julien	4	0	20

Marketing Activity

Data Room Download Activity



Email Campaign Overview

Unique Opens*	Unopened
978	1,743

Email Campaign Links Clicked**

Investment Summary	Confidentiality Agreement	Site Plan
3	0	2

*Indicates the number of recipients on the distribution list who have opened the email.

**Indicates the number of times recipients have accessed the links to either the listing website or the confidentiality agreement included in the email.



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Appendix “H”



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September 23, 2024

To: Home buyers (“Home Buyers”) with 2557386 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes (together, the “Company”)

Re: Update #2 to Home Buyers of Grand York Estates

The purpose of this notice is to provide Home Buyers with an update regarding the Company’s project located in Haldimand, Ontario (the “**Grand York Estates**”) and the status of their pre-construction purchase agreements (the “**Purchase Agreements**”).

As previously advised, pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) dated January 17, 2024 (the “**Receivership Order**”), KSV Restructuring Inc. (“**KSV**”) was appointed receiver (the “**Receiver**”), of all of the assets, undertakings and properties of the Company acquired for, or used in relation to a business carried on by the Company.

The application to appoint the Receiver was made by MarshallZehr Group Inc. (“**MarshallZehr**”), the first mortgagee registered on title to the Grand York Estates property. A copy of the Receivership Order and other materials filed in the receivership proceedings can be found on the Receiver’s case website at <https://www.ksvadvisory.com/experience/case/grand-York-estates>.

Sale Process Update

Pursuant to an Order dated March 27, 2024, the Court approved a sale process for the Grand York Estates, including the retention of Colliers Macaulay Nicolls Inc. as listing agent.

For the reasons that will be set out in the Receiver’s third report to Court, the Receiver will be seeking Court approval on October 1, 2024 of an agreement of purchase and sale between the Receiver and an affiliate of MarshallZehr (the “**Purchaser**”) for the Grand York Estates and certain related assets (the “**Transaction**”).

Termination of Purchase Agreements

The Purchaser has advised the Receiver that it will not be assuming the Purchase Agreements. Accordingly, the Receiver is seeking on October 1, 2024 that the Court declare the Purchase Agreements terminated immediately following closing of the Transaction or that the Court direct the Receiver to repudiate the Purchase Agreements following closing of the Transaction.

Home Buyer Deposits and Tarion Warranty Corporation (“Tarion”)

Tarion provides, among other things, Home Buyers with deposit protection in the event that Purchase Agreements are terminated and the Home Buyer deposits are not recoverable through the receivership process. Home Buyers will be able to make claims against Tarion for the return of their deposits once the Purchase Agreements are declared terminated or repudiation notices are issued.

Information about Tarion and its deposit protection coverage is available on Tarion's website page: <https://www.tarion.com/homeowners/regular-claims-process>. If you have further questions regarding the process to seek a return of your deposit from Tarion, you can contact Tarion at 1-877-9-TARION (1-877-982-7466) or customerservice@tarion.com.

Yours truly,

A handwritten signature in blue ink that reads "KSV Restructuring Inc.".

**KSV RESTRUCTURING INC.
SOLELY IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
2557386 ONTARIO INC. AND 2363823 ONTARIO INC. O/A MARIMAN HOMES
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “I”

ASSET PURCHASE AGREEMENT

THIS AGREEMENT dated the 6th day of August, 2024.

BETWEEN:

KSV RESTRUCTURING INC., in its capacity as Court-appointed receiver of 2557386 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes, and not in its personal or corporate capacity and without personal or corporate liability (the "**Vendor**")

- and -

1000961999 ONTARIO INC. (the "**Nominee**") and **SUNRAY ESTATES LIMITED PARTNERSHIP**, by its general partner, **SUNRAY ESTATES GP INC.** (the "**LP**")
(collectively, the "**Purchaser**")

RECITALS:

- A. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated January 16, 2024 (the "**Receivership Order**"), the Vendor was appointed as receiver over all property, assets and undertakings of 2557386 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes (collectively, the "**Debtor**"), including, without limitation, the real property municipally known as 30 Front Street, Haldimand, Ontario and bearing the legal description described in **Schedule "B"** attached hereto;
- B. Pursuant to an Order of the Court dated March 27, 2024, the Receiver was authorized and directed to conduct a process for the sale of the Lands; and
- C. Subject to the Court issuing the Approval and Vesting Order, the Purchaser has agreed to purchase from the Vendor, and the Vendor has agreed to sell to the Purchaser, the right, title, and interest of the Debtor in and to the Purchased Assets on the terms and conditions set out herein. The Nominee shall become the registered owner of the Lands solely as a nominal title holder for the LP, as beneficial owner, and not for itself.

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

1. DEFINITIONS.

In this Agreement, including the Recitals, unless the context clearly indicates otherwise, the following terms shall have the following meanings:

- (a) "**Agreement**" means this asset purchase agreement, including the attached Schedules to this Agreement, as it or they may be amended or supplemented from time to time;
- (b) "**Applicable Laws**" means, with respect to any Person, property, transaction, event or other matter, all applicable laws, statutes, regulations, rules, ordinances, protocols, regulatory policies, codes, guidelines, official directives, orders, rulings, judgments and decrees of any Government Authority;

- (c) **"Application"** has the meaning ascribed to it in Subsection 13(a);
- (d) **"Approval and Vesting Order"** means an order made by the Court approving the Transaction, authorizing the Vendor to terminate the Existing Agreements of Purchase and Sale and vesting in the Purchaser all the right, title and interest of the Debtor in the Purchased Assets free and clear of all Encumbrances (except for Permitted Encumbrances), in form and substance satisfactory to the Vendor and the Purchaser, acting reasonably;
- (e) **"Assignment Order"** has the meaning ascribed to it in Section 10;
- (f) **"Assumed Contracts"** has the meaning ascribed to it in Section 9;
- (g) **"Assumed Liabilities"** has the meaning ascribed to it in Subsection 8(a);
- (h) **"Business Day"** means a day on which banks are open for business in the City of Toronto, but does not include a Saturday, Sunday, or statutory holiday recognized in the Province of Ontario;
- (i) **"Cash Collateral"** means all cash security deposited by or on behalf of the Debtor with Haldimand County and/or Taron or with a financial institution, as required by Haldimand County and/or Taron in connection with the development and construction of the Project;
- (j) **"Closing"** has the meaning ascribed to it in Section 12;
- (k) **"Closing Date"** has the meaning ascribed to it in Section 12;
- (l) **"Contracts"** means all contracts, agreements, leases and arrangements to which the Debtor is bound or affected in connection with the Purchased Assets and/or the Project;
- (m) **"Court"** has the meaning ascribed to it on page 1 above;
- (n) **"Debtor"** has the meaning ascribed to it on page 1 above;
- (o) **"Encumbrances"** means any and all security interests, mortgages, charges, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, leases, title retention agreements, reservations of ownership, demands, executions, levies, charges, Work Orders, rights of way, options or other rights to acquire any interest in any assets, or other financial or monetary claims, whether or not same have attached or been perfected, registered or filed and whether secured, unsecured or otherwise, and all contracts to create any of the foregoing, or encumbrances of any kind or character whatsoever, other than Permitted Encumbrances;
- (p) **"Environmental Laws"** means any and all applicable international, federal, provincial, municipal or local laws, by-laws, statutes, regulations, treaties, orders, judgments, decrees, ordinances, official directives and all authorizations relating to the environment, occupational health and safety, health protection or any Hazardous Materials;
- (q) **"Estimated Fees"** means the amount of One Hundred Thousand (\$100,000) Dollars estimated by the Receiver to be the aggregate fees, disbursements and expenses for the period from and after the Closing to the Receiver's discharge as Receiver under the Receivership Order;
- (r) **"ETA"** means the *Excise Tax Act* (Canada);
- (s) **"Excluded Assets"** has the meaning ascribed to it in Section 11;

- (t) **"Existing Agreements of Purchase and Sale"** means the existing agreements of purchase and sale entered into by the Debtor with respect to the purchase and sale of lots within the Project and listed on **Schedule "A"** attached hereto;
- (u) **"Government Authority"** means any Person, body, department, bureau, agency, board, tribunal, commission, branch or office of any federal, provincial or municipal governments having or claiming to have jurisdiction over part or all of the Purchased Assets, the Transaction and/or one or both of the Parties;
- (v) **"HST"** has the meaning ascribed to it in Section 27(a);
- (w) **"Hazardous Materials"** means any contaminants, pollutants, substances or materials that, when released to the natural environment, could cause, at some immediate or future time, harm or degradation to the natural environment or risk to human health, whether or not such contaminants, pollutants, substances or materials are or shall become prohibited, controlled or regulated by any Government Authority and any **"Contaminants"**, **"Dangerous Substances"**, **"Hazardous Materials"**, **"Hazardous Substances"**, **"Hazardous Wastes"**, **"Industrial Wastes"**, **"Liquid Wastes"**, **"Pollutants"** and **"Toxic Substances"**, all as defined in, referred to or contemplated in federal, provincial and/or municipal legislation, regulations, orders and/or ordinances relating to environmental, health and/or safety matters and, not to limit the generality of the foregoing, includes asbestos, urea formaldehyde foam insulation and mono or polychlorinated biphenyl wastes;
- (x) **"Indemnitees"** has the meaning ascribed to it in Subsection 19(a);
- (y) **"Lands"** means the lands and premises legally described in **Schedule "B"** attached hereto, including any structures and fixtures forming a part thereof;
- (z) **"Liabilities"** means any and all claims, actions, causes of action, suits, proceedings, applications, complaints, costs, expenses, charges, debts, liabilities, losses, damages, orders, judgments, demands, fines, penalties, and obligations of any nature of kind whatsoever, whether primary or secondary, direct or indirect, fixed, contingent, absolute or otherwise;
- (aa) **"LP"** has the meaning ascribed to it on page 1 above;
- (bb) **"MZG"** means MarshallZehr Group Inc.;
- (cc) **"MZG Mortgage"** means the charge/mortgage of land as further described in **Schedule "E"** attached hereto;
- (dd) **"Nominee"** has the meaning ascribed to it on page 1 above;
- (ee) **"Party"** means a party to this Agreement and any reference to a Party includes its successors and permitted assigns and **"Parties"** means collectively the Vendor and the Purchaser;
- (ff) **"Permits"** means all authorizations, registrations, permits, certificates of approval, approvals, consents, commitments, rights or privileges issued, granted or required by any Government Authority in respect of the Lands or the Project;
- (gg) **"Permitted Encumbrances"** means those Encumbrances listed in **Schedule "C"** attached hereto and without duplication those encumbrances, easements and restrictive covenants listed or to be listed on Schedule "D" to the Approval and Vesting Order;
- (hh) **"Person"** means an individual, a corporation, a partnership, a trust, an unincorporated organization, the government of a country or any political subdivision thereof, or any agency or

department of any such government, and the executors, administrators or other legal representatives of an individual in such capacity;

- (ii) **"Prepaid Expenses and Deposits"** means all prepayments, prepaid charges, deposits, security deposits, sums and fees in any way related to the Purchased Assets, but excluding the Cash Collateral;
- (jj) **"Priority Payables"** means any and all amounts which rank in priority to the MZG Mortgage at Closing, including without limitation, any construction liens to the extent of their priority over the MZG Mortgage pursuant to the provisions of the *Construction Act* (Ontario), but excluding amounts secured by the Receiver's Borrowings Charge and the Receiver's Charge;
- (kk) **"Project"** means the sixty-six (66) detached custom estate homes to have been developed and constructed by the Debtor on the Lands;
- (ll) **"Project Documents"** means all plans, designations, drawings, designs, agreements, specifications and draft plan of subdivision approvals (and any amendments, extensions, renewals and replacements which have been or may hereafter be made to any of them) in connection with the Project that are in the possession or control of the Vendor (it being acknowledged that the Vendor is under no obligation to incur additional expense to obtain such plans, designs and specifications), excluding the Existing Agreements of Purchase and Sale;
- (mm) **"Purchase Price"** has the meaning ascribed thereto in Section 4;
- (nn) **"Purchased Assets"** means all of the Debtor's right, title and interest in the following assets:
 - (i) the Assumed Contracts;
 - (ii) the Cash Collateral;
 - (iii) the Lands;
 - (iv) the Permits;
 - (v) the Prepaid Expenses and Deposits;
 - (vi) the Project Documents;
 - (vii) all tax refunds and other receivables of the Debtor; and
 - (viii) all Rights under or pursuant to all warranties, representations and guarantees, express, implied, or otherwise of or made by suppliers to the Debtor in connection with the Purchased Assets;and in each case, other than the Excluded Assets;
- (oo) **"Purchaser"** has the meaning ascribed to it on page 1 above;
- (pp) **"Purchaser's Solicitors"** means the firm of Mixa Law, 895 Don Mills Road, Tower 2, Suite 108, Toronto, ON M3C 1W3 (Attention: Joel Mixa), E-mail Joel@MixaLaw.com);
- (qq) **"Receiver"** means KSV Restructuring Inc. in its capacity as receiver of the Debtor appointed pursuant to the Receivership Order;
- (rr) **"Receiver's Borrowings"** means the amounts borrowed by the Receiver from MZG pursuant to the Receivership Order;

- (ss) **"Receiver's Borrowings Charge"** has the meaning set out in the Receivership Order;
- (tt) **"Receiver's Certificate"** means the certificate attached as a schedule to the Approval and Vesting Order confirming *inter alia* that the Receiver has received the Purchase Price and all conditions to Closing, if any, have been satisfied or waived by the Parties;
- (uu) **"Receiver's Charge"** has the meaning set out in the Receivership Order;
- (vv) **"Receivership Order"** has the meaning ascribed to it on page 1 above;
- (ww) **"Rights"** has the meaning ascribed to it in Section 10;
- (xx) **"Secured Debt"** means any and all amounts secured by the MZG Mortgage, including any and all principal, interest, fees and other amounts thereon;
- (yy) **"Statement of Adjustments"** has the meaning ascribed to it in Subsection 23(a)(iii);
- (zz) **"Transaction"** means the transaction contemplated by this Agreement;
- (aaa) **"Vendor"** has the meaning ascribed to it on page 1 above;
- (bbb) **"Vendor's Solicitors"** means the firm of Chaitons LLP, 5000 Yonge Street, 10th Floor, Toronto, Ontario (Attention: Mark Willis-O'Connor), E-mail: markw@chaitons.com); and
- (ccc) **"Work Orders"** means, collectively, all work orders issued by a Government Authority, notices of violation issued by a Government Authority, and other matters of non-compliance with zoning and other requirements of a Government Authority relating to the Lands and/or the Project.

2. SCHEDULES.

The following schedules are appended to this Agreement:

- Schedule "A" Existing Agreements of Purchase and Sale
- Schedule "B" The Lands
- Schedule "C" The Permitted Encumbrances
- Schedule "D" Assumed Contracts
- Schedule "E" MZG Mortgage

3. AGREEMENT TO PURCHASE AND SELL.

On the Closing Date, the Vendor shall sell the Purchased Assets and assign the Assumed Liabilities and the Purchaser shall purchase the Purchased Assets and assume the Assumed Liabilities, upon and subject to the terms of this Agreement.

4. PURCHASE PRICE.

The purchase price payable by the Purchaser to the Vendor for the Purchased Assets shall be the sum of Sixteen Million Five Hundred Thousand (\$16,500,000) Dollars (the **"Purchase Price"**).

5. SATISFACTION OF PURCHASE PRICE.

The Purchase Price shall be paid and satisfied as follows:

- (a) by payment to the Vendor, in trust, (or as it may otherwise direct) on Closing by way of a certified cheque, wire transfer or bank draft, of the aggregate amount as of the Closing Date of the:
 - (i) Estimated Fees and all amounts secured by the Receiver's Charge;
 - (ii) Priority Payables, without duplication; and
 - (iii) Receiver's Borrowings; and
- (b) by assumption of the portion of the Secured Debt equal to the Purchase Price less the sum of the amounts set out in Subsections 5(a)(i), (ii) and (iii) above.

The Vendor and the Purchaser acknowledge and agree that they shall each make their own allocations of the Purchase Price between the Purchased Assets for the purposes of the *Income Tax Act* (Canada) and the *Land Transfer Tax Act*, R.S.O. 1990, c. L.6 (Ontario) and any filings in accordance with the provisions thereof.

6. APPROVAL AND VESTING ORDER.

Within ten (10) Business Days following the execution of this Agreement by the Parties, the Vendor will seek an appointment with the Court for a motion to be heard within fifteen (15) days, or otherwise as soon as reasonably possible, to seek the Approval and Vesting Order. The Purchaser shall, at its sole cost and expense, promptly provide to the Vendor all such information and assistance as the Vendor may reasonably require to obtain the Approval and Vesting Order. In the event that the Court does not grant the Approval and Vesting Order, this Agreement shall be terminated and each Party acknowledges and agrees that it shall have no further rights or remedies against the other Party arising out of the termination of this Agreement.

7. CLOSING ADJUSTMENTS.

Adjustments shall be made, as of 12:01 a.m. on the Closing Date, for all operating costs, realty taxes, local improvement rates, municipal/provincial levies and charges, water and assessment rates, security deposits and interest thereon (if any), utilities, and any other items which are usually adjusted in purchase transactions involving assets similar to the Purchased Assets in the context of a receivership sale. The day of Closing shall be for the account of the Purchaser. Other than as provided for in this Section 7, there shall be no adjustments to the Purchase Price.

8. ASSUMED LIABILITIES.

- (a) On Closing, the Purchaser shall assume and be liable for the following Liabilities from and after Closing (collectively, the "**Assumed Liabilities**");
 - (i) the Permitted Encumbrances;
 - (ii) all Liabilities under the Assumed Contracts; and
 - (iii) all Liabilities arising from the Purchaser's ownership of the Purchased Assets after Closing.
- (b) The Purchaser is not assuming, and shall not be deemed to have assumed, any Liabilities of the Debtor other than the Assumed Liabilities, including without limitation any Liabilities arising or accruing from the ownership or use of the Purchased Assets prior to the Closing.

9. ASSUMED CONTRACTS.

The Purchaser shall assume on Closing any Contracts listed on **Schedule "D"** attached hereto (the **"Assumed Contracts"**). The Purchaser shall be responsible for any cure payment required to be made to the counterparties to the Assumed Contracts which are to be assigned to it, which payments shall not reduce and/or abate the Purchase Price.

10. ASSIGNMENT OF PURCHASED ASSETS.

To the extent that any of the Purchased Assets to be transferred to the Purchaser on the Closing, or any claim, right or benefit arising under or resulting from such Purchased Assets (collectively, the **"Rights"**) is not capable of being transferred without the approval, consent or waiver of any Person, this Agreement shall not constitute an agreement to transfer such Rights unless and until such approval, consent, waiver or order of the Court has been obtained (the **"Assignment Order"**). For greater clarity, in respect of any draft plan of subdivision approvals and subdivision agreements forming part of the Project Documents, the Vendor hereby covenants to take commercially reasonable steps prior to Closing to obtain such approval, consent or waiver from any applicable Government Authority as may be necessary or required in connection with the assignment and transfer of the Rights thereunder.

11. EXCLUDED ASSETS.

The Purchaser may, at its option and upon written notice to the Vendor not less than two (2) Business Days prior to the Closing Date, exclude any of the Purchased Assets from the Transaction (the **"Excluded Assets"**), whereupon such assets shall be deemed to form part of the Excluded Assets. In the event that the Purchaser exercises such option, there shall be no reduction and/or abatement to the Purchase Price as a result of such exclusion(s). Notwithstanding the foregoing in this Section 11 and for greater certainty, the Excluded Assets shall include the Existing Agreements of Purchase and Sale.

12. CLOSING DATE.

The Transaction shall be completed on the first Business Day that is fifteen (15) days following the date on which the Approval and Vesting Order is granted, or such other date as the Parties may agree in writing (the **"Closing Date"** or **"Closing"**). If, prior to the Closing, the Approval and Vesting Order (or any orders dismissing appeals thereof) shall have been appealed or a proceeding shall have been commenced to restrain or prevent the completion of the Transaction, then notwithstanding the foregoing and/or anything contained herein to the contrary, the Vendor shall have the option, exercisable by it, as it may determine in its sole and unfettered discretion, to extend the Closing Date by written notice thereof to the Purchaser to the date this is no later than fifteen (15) days immediately following the date that any such appeals and/or proceedings are dismissed.

13. CLOSING ARRANGEMENTS.

- (a) The delivery and exchange of the closing documents shall not occur contemporaneously with the registration of the application for vesting order (the **"Application"**) and other registerable documentation.
- (b) The Purchaser expressly acknowledges and agrees that the Vendor will not release the Receiver's Certificate confirming the effectiveness of the Approval and Vesting Order until the Purchase Price due on Closing is remitted to the Vendor or as it may direct.
- (c) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the Parties that an effective tender shall be deemed to have been made by the Vendor upon the Purchaser when the Vendor's Solicitors have:
 - (i) delivered all documents required to be delivered by the Vendor to the Purchaser pursuant to Section 13(b) in respect of the Receiver's Certificate, if applicable, and Section 23 in respect of all other such documents; and

- (ii) advised the Purchaser's Solicitors in writing that the Vendor is ready, willing and able to complete the Transaction in accordance with the terms and provisions of this Agreement,
 - without the necessity of personally attending upon the Purchaser or the Purchaser's Solicitors with the closing documents, and without any requirement to have an independent witness evidencing the foregoing.
- (d) Notwithstanding anything contained in this Agreement to the contrary, it is expressly understood and agreed by the Parties that an effective tender shall be deemed to have been made by the Purchaser upon the Vendor, when the Purchaser's Solicitors have:
 - (i) delivered the Purchase Price due at Closing and all the documents required to be delivered by the Purchaser to the Vendor pursuant to Section 24; and
 - (ii) advised the Vendor's Solicitors in writing that the Purchaser is ready, willing and able to complete the transaction in accordance with the terms and provisions of this Agreement,
 - without the necessity of personally attending upon the Vendor or the Vendor's Solicitors with the closing documents, and without any requirement to have an independent witness evidencing the foregoing.

14. PRE-CLOSING RISK.

The Purchased Assets are and shall remain at the Vendor's risk until Closing and the Vendor shall hold all insurance policies and the proceeds thereunder, in trust, for the Parties as their respective interests may appear pending Closing.

15. PURCHASER'S REPRESENTATIONS AND WARRANTIES.

- (a) The Purchaser represents and warrants to the Vendor that, as at the date hereof:
 - (i) it is a corporation duly incorporated, organized and validly subsisting under the laws of the Province of Ontario and has all requisite corporate power, authority and capacity to execute and deliver and to perform each of its obligations pursuant to this Agreement;
 - (ii) this Agreement has been duly executed and delivered by the Purchaser and constitutes a legal, valid and binding obligation of the Purchaser enforceable against the Purchaser in accordance with its terms;
 - (iii) it is or will on Closing be a registrant under Part IX of the ETA;
 - (iv) it has made adequate arrangements to have sufficient funds available to satisfy its obligation to pay the Purchase Price to the Vendor on Closing;
 - (v) it is not a non-resident within the meaning of the *Income Tax Act* (Canada); and
 - (vi) the representations and warranties of the Purchaser contained in this Section 15 or any other agreement, certificate or instrument delivered pursuant to this Agreement shall survive Closing.
- (b) The Purchaser shall promptly deliver to the Vendor written notice specifying the occurrence or likely occurrence of any event which may result in any of the Purchaser's representations and warranties contained in this Agreement not continuing to be true as at Closing.

16. VENDOR'S REPRESENTATIONS AND WARRANTIES.

- (a) The Vendor represents and warrants to the Purchaser that, as at the date hereof:
 - (i) it is a registrant under Part IX of the ETA;
 - (ii) it is not a non-resident within the meaning of the *Income Tax Act* (Canada); and
 - (iii) the Receivership Order is in full force and effect.
- (b) The Vendor shall promptly deliver to the Purchaser written notice specifying the occurrence or likely occurrence of any event which may result in any of the Vendor's representations and warranties contained in this Agreement not continuing to be true as at Closing.

17. "AS IS, WHERE IS".

The Purchaser acknowledges that the Vendor is selling the Purchased Assets on an "as is, where is" and "without recourse" basis. Other than as specifically indicated herein, the Vendor nor any of its directors, officers, employees, professional consultants or advisors, agents or representatives make or grant any representations, warranties, terms, conditions, understandings or collateral agreements, express or implied, statutory or otherwise, including, without limitation, under the *Sale of Goods Act* (Ontario), all of which are expressly waived by the Purchaser, with respect to title, encumbrances, outstanding liens, assignability, merchantability, condition, description, present or future uses, fitness for purpose or use, quality, quantity, cost, value or the validity, invalidity, or enforceability of any patent, copyright or trademark right, or as to any other matter whatsoever regarding the Purchased Assets or the Debtor. Without limiting the generality of the foregoing, the Purchaser acknowledges having conducted its own due diligence and investigations in respect of the environmental state of the Purchased Assets, the existence, nature, kind, state or identity of any Hazardous Materials on, under, or about the Purchased Assets, the existence, state, nature, kind, identity, extent and effect of any administrative order, control order, stop order, compliance order or any other orders, proceedings or actions under any Environmental Law, and the existence, nature, kind, state or identity, extent and effect of any liability to fulfill any obligation to compensate any third party for any costs incurred in connection with or damages suffered as a result of any discharge of any Hazardous Materials whether on, under or about the Purchased Assets or elsewhere. The Purchaser has relied entirely on its own judgment, inspection and investigation of the Purchased Assets, and further acknowledges that: at its own expense, it has inspected the Purchased Assets; and in entering into this Agreement and proceeding with and completing its purchase of the Purchased Assets pursuant hereto, it is satisfied with and has relied entirely on its own inspection, investigations and judgment.

18. ENCROACHMENTS.

The Purchaser agrees that the Vendor shall not be responsible for any matters relating to encroachments on or to the Purchased Assets, or encroachments onto adjoining lands, or to remove same, or for any matters relating to any Applicable Laws, including without limitation, zoning regulations or by-laws in existence now or in the future affecting any of the Purchased Assets.

19. INDEMNIFICATION AND RELEASE BY PURCHASER.

- (a) The Purchaser shall indemnify and save harmless the Vendor and its directors, officers, employees, shareholders, agents and representatives (collectively, the "**Indemnitees**") from and against any and all Liabilities incurred by or asserted against them arising out of or in connection with the Purchased Assets after the Closing Date, including without limitation any Liabilities relating to any Environmental Laws.
- (b) The Purchaser agrees to release and discharge the Vendor together with its directors, officers, employees, agents, and representatives from every Liability of any kind that the Purchaser may make, suffer, sustain or incur in regard to any Hazardous Materials relating to the Purchased

Assets. The Purchaser further agrees that the Purchaser will not, directly or indirectly, attempt to compel the Vendor to clean up or remove or pay for the cleanup or removal of any Hazardous Materials, remediate any condition or matter in, on, under or in the vicinity of the Purchased Assets, or seek an abatement in the Purchase Price or damages in connection with any Hazardous Materials.

- (c) The foregoing provisions shall not merge on Closing and shall remain in effect thereafter without limitation.

20. NON-REGISTRATION.

The Purchaser hereby covenants and agrees that it shall not register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, or any other document, instrument or court order or judgement providing evidence of this Agreement against title to the Lands. Should the Purchaser be in default of its obligations under this Section 20, the Vendor may (as agent and attorney of the Purchaser) cause the removal of such notice of this Agreement, caution, certificate of pending litigation or other document providing evidence of this Agreement or any assignment of this Agreement from the title to the Purchased Assets. The Purchaser irrevocably nominates, constitutes and appoints the Vendor as its agent and attorney in fact and in law to cause the removal of such notice of this Agreement, any caution, certificate of pending litigation or any other document or instrument whatsoever from title to the Purchased Assets. The Purchaser acknowledges and agrees that the Vendor may rely on the terms of this Section 20 as a full estoppel to any proceeding, suit, claim, motion or other action brought by the Purchaser in order to obtain and attempt to register against the title to the Lands any of the items set out in this Section 20.

21. VENDOR'S CLOSING CONDITIONS.

- (a) The Vendor shall not be obliged to complete the transaction contemplated hereunder unless, on or before the Closing Date, the following conditions shall have been satisfied, it being understood that the conditions are included for the exclusive benefit of the Vendor and may be waived in writing in whole or in part by the Vendor at any time:
 - (i) all the representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects on the Closing Date with the same force and effect as if such representations and warranties were made at such time, and a certificate of the Purchaser, dated as of the Closing Date, to that effect shall have been delivered to the Vendor, such certificate to be in a form and substance satisfactory to the Vendor, acting reasonably;
 - (ii) all of the terms, covenants and agreements set forth in this Agreement to be complied with or performed by the Purchaser on or before the Closing Date shall have been complied with or performed by the Purchaser;
 - (iii) no court order restraining or prohibiting the Closing shall have been made;
 - (iv) the Purchased Assets shall not have been removed from the Vendor's control;
 - (v) the Approval and Vesting Order shall have been issued and no appeals thereof shall be pending; and
 - (vi) the delivery of the documents referenced in Section 24 to the Vendor.

22. PURCHASER'S CLOSING CONDITIONS.

The Purchaser shall not be obliged to complete the transaction contemplated herein unless, on or before the Closing Date, the following conditions shall have been satisfied, it being understood that the conditions are included for the exclusive benefit of the Purchaser and may be waived in writing in whole or in part by the Purchaser at any time:

- (a) all the representations and warranties of the Vendor contained in this Agreement shall be true and correct in all material respects on the Closing Date with the same force and effect as if such representations and warranties were made at such time, and a certificate of the Vendor, dated as of the Closing Date, to that effect shall have been delivered to the Purchaser, such certificate to be in a form and substance satisfactory to the Purchaser, acting reasonably;
- (b) all of the terms, covenants and agreements set forth in this Agreement to be complied with or performed by the Vendor on or before the Closing Date shall have been complied with or performed by the Vendor;
- (c) no court order restraining or prohibiting the Closing shall have been made and no legal proceeding shall be pending which enjoins, restricts or prohibits the purchase and sale of the Purchased Assets contemplated hereby;
- (d) the Approval and Vesting Order shall have been issued and no appeals thereof shall be pending; and
- (e) the delivery of the documents referenced in Section 23 to the Purchaser.

23. VENDOR'S CLOSING DELIVERIES.

- (a) The Vendor covenants to execute, where applicable, and deliver the following to the Purchaser at Closing or on such other date expressly provided herein:
 - (i) the Approval and Vesting Order;
 - (ii) the Receiver's Certificate;
 - (iii) a statement of adjustments prepared in accordance with Section 7 (the "**Statement of Adjustments**");
 - (iv) a general conveyance and assumption of liabilities with respect to Purchased Assets and the Assumed Liabilities;
 - (v) an assignment and assumption agreement with respect to the Debtor's right, title and interest in any Assumed Contracts;
 - (vi) any Assignment Order(s);
 - (vii) a certificate setting out that the Vendor is not a "non-resident" of Canada within the meaning and purpose of Section 116 of the *Income Tax Act* (Canada); and
 - (viii) a copy of the Project Documents.

24. PURCHASER'S CLOSING DELIVERIES.

The Purchaser covenants to execute, where applicable, and deliver the following to the Vendor at or prior to Closing:

- (a) the Purchase Price described in Section 5;
- (b) the Purchaser's certificate setting out that each of the Purchaser's representations and warranties contained in this Agreement are true as at Closing;
- (c) a general conveyance and assumption of liabilities with respect to Purchased Assets and the Assumed Liabilities;
- (d) an assignment and assumption agreement with respect to the Debtor's right, title and interest in any Assumed Contracts;
- (e) the Purchaser's certificate described in Subsection 27(b);
- (f) the indemnity provided for under Subsection 27(c);
- (g) a direction re title to confirm the name in which title to the Purchased Assets will be taken, provided that such direction must be provided to the Vendor no less than two (2) Business Days before the hearing date for the motion to obtain the Approval and Vesting Order;
- (h) the Vendor's Solicitors will prepare the application for vesting order in Teraview in accordance with the Purchaser's direction re title; and
- (i) any other documentation relative to the completion of this Agreement as may reasonably be required by the Vendor or its solicitors.

25. DOCUMENTATION PREPARATION AND REGISTRATION.

The Vendor shall prepare or cause to be prepared all documentation described in Sections 23 and 24 hereof and shall deliver draft documentation to the Purchaser not less than three (3) Business Days prior to Closing. Except as otherwise expressly provided in this Agreement, all such documentation shall be in form and substance satisfactory to the Vendor, acting reasonably. The Purchaser shall be responsible for and pay all registration costs incurred in connection with the Transaction. Except as otherwise expressly provided in this Agreement, each of the Vendor and the Purchaser shall be responsible for and pay all legal and other professional/consultant fees and disbursements incurred by it, directly or indirectly, in connection with this Agreement.

26. LAND TRANSFER TAXES.

The Purchaser shall pay all land transfer taxes (as required pursuant to the *Land Transfer Tax Act* (Ontario)) payable in connection with the transfer of the Purchased Assets pursuant to this Agreement.

27. HARMONIZED SALES TAX.

- (a) The Purchaser acknowledges and agrees that the transaction contemplated hereunder shall be subject to the goods and services tax and harmonized sales tax ("HST") levied pursuant to the ETA and that HST shall be in addition to and not included in the Purchase Price and shall be collected and remitted in accordance with the ETA.
- (b) If:
 - (i) the Vendor is a non-resident of Canada or the Vendor would be a non-resident of Canada but for Subsection 132(2) of the ETA; and/or
 - (ii) the Purchaser is a "prescribed recipient" under the ETA and/or is registered under the ETA,

then the Purchaser shall deliver, prior to Closing, its certificate in form prescribed by the ETA or, if no such form is prescribed, then in form satisfactory to the Vendor and the Vendor's Solicitors, certifying that the Purchaser shall be liable for, shall self-assess and shall remit to the appropriate Government Authority all HST payable in respect of the transaction contemplated hereunder. If Subsection (b)(i) hereof shall be applicable, then the Purchaser's certificate shall also include certification of the Purchaser's prescription and/or registration, as the case may be, and the Purchaser's HST registration number. If the Purchaser shall fail to deliver its certificate, then the Purchaser shall tender to the Vendor, at Closing, in addition to the Purchase Price otherwise due at Closing, an amount equal to the HST that the Vendor shall be obligated to collect and remit in connection with the said transaction.

- (c) The Purchaser shall indemnify and save harmless the Vendor, its directors, officers, employees, agents and representatives from all claims, liabilities, penalties, interest, costs and legal and other expenses incurred, directly or indirectly, in connection with the assessment of HST payable in respect of the transaction contemplated hereunder.

28. **PLANNING ACT (ONTARIO).**

This Agreement shall be effective to create an interest in the Purchased Assets for the Purchaser only if Part VI of the *Planning Act* (Ontario) is complied with prior to Closing or if a Court orders the completion of the Transaction notwithstanding what would otherwise be non-compliance with Part VI of the *Planning Act* (Ontario).

29. **NOTICE.**

Any notice given hereunder shall be in writing and delivered or communicated by e-mail to:

- (a) in the case of the Purchaser at:

Sunray Group
245 Yorkland Boulevard, Suite 200
Toronto, ON M2J 4W9
Attn: Ray Gupta
Email: ray.gupta@sunraygroup.ca

- (b) with a copy to the Purchaser's Solicitors;

- (c) and in the case of the Vendor at:

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

Attention: Mitch Vininsky
Email: mvininsky@ksadvisory.com

- (d) with a copy to the Vendor's Solicitors.

Such notice shall be deemed to have been delivered upon delivery or communicated upon transmission unless such notice is delivered or transmitted outside of usual business hours, in which event the notice shall be deemed to have been delivered or transmitted on the next Business Day. A Party may change its address and/or e-mail address by providing notice in accordance with this Section 29.

30. **WAIVER OF CONDITIONS.**

Except as otherwise provided in this Agreement, all conditions contained herein have been inserted for the benefit of either the Vendor or the Purchaser, as indicated, and are conditions of the obligations of such Party to complete the transaction contemplated hereunder at Closing and are not conditions precedent of this Agreement. Any one or more of the said conditions may be waived, in writing, in whole or in part, by the benefiting Party without prejudice to the benefiting Party's right of termination in the event of the non-fulfilment of any other condition, and, if so waived, this Agreement shall be read exclusive of the said condition or conditions so waived. For greater certainty, the closing of the Transaction by a Party shall be deemed to be a waiver by such Party of compliance with any condition inserted for its benefit and not satisfied at Closing.

31. SEVERABILITY.

If any provision contained in this Agreement or the application thereof to any Person or circumstance is, to any extent, invalid or unenforceable, the remainder of this Agreement and the application of such provision to such Person or circumstances other than those to whom it is held invalid or unenforceable, shall not be affected thereby and each provision contained in this Agreement shall be separately valid and enforceable to the fullest extent permitted by law.

32. DIVISION/HEADINGS.

The division of this Agreement into sections, subsections, paragraphs and subparagraphs and the insertion of headings or captions are for convenience of reference only and shall not affect the construction or interpretation of this Agreement or any part hereof.

33. ENTIRE AGREEMENT.

This Agreement and the Schedules attached hereto constitute the entire agreement between the Vendor and the Purchaser in respect of the Purchased Assets. Each of the Parties acknowledges that, except as contained in this Agreement, there is no representation, warranty, collateral agreement or condition (whether a direct or collateral condition or an express or implied condition) which induced it to enter into this Agreement. Each of the Parties agree that all provisions of this Agreement, and all provisions of any and all documents and security delivered in connection herewith, shall not merge and except where otherwise expressly stipulated herein, shall survive Closing.

34. CUMULATIVE REMEDIES.

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

35. INTERPRETATION.

This Agreement shall be read with all changes of gender and number as required by the context.

36. STATUTE AND SECTION REFERENCES.

Except as otherwise provided in this Agreement, references to any statute herein shall be deemed to be a reference to such statute and any and all regulations from time to time promulgated thereunder and to such statute and regulations as amended or re-enacted from time to time. Any reference herein to a specific section or sections, paragraph or subparagraphs and/or clause or clauses of any statute or regulations promulgated thereunder shall be deemed to include a reference to any corresponding provision of future law.

37. TIME OF ESSENCE.

Time shall in all respects be of the essence hereof provided that the time for the doing or completing of any matter referred to herein may be extended or abridged by an agreement, in writing, executed by the Vendor and the Purchaser or their respective solicitors who are hereby expressly appointed for that purpose.

38. CURRENCY AND PAYMENT OBLIGATIONS.

Except as otherwise provided in this Agreement, all dollar amounts referred to in this Agreement are stated in Canadian Dollars and any payment contemplated by this Agreement shall be made by certified cheque, bank draft or wire transfer.

39. TENDER.

Any tender of notices, documents and/or monies hereunder may be made upon the Vendor or the Purchaser or their respective solicitors. Monies may be tendered by wire transfer, a negotiable cheque certified or bank draft drawn on or issued by a Canadian chartered bank.

40. FURTHER ASSURANCES.

Except as otherwise expressed herein to the contrary, each Party shall, without receiving additional consideration therefor, co-operate with and take such additional actions as may be requested by the other Party, acting reasonably, in order to carry out the purpose and intent of this Agreement.

41. CONFIDENTIALITY.

The Purchaser agrees that all information and documents supplied by the Vendor or anyone on its behalf to the Purchaser or anyone on the Purchaser's behalf (including but not limited to information in the schedules hereto) shall, unless and until Closing occurs, be received and kept by the Purchaser and anyone acting on the Purchaser's behalf on a confidential basis and, without the Vendor's prior written consent shall not be disclosed to any Person. If for any reason Closing does not occur, all such documents shall forthwith be returned intact to the Vendor and no copies or details thereof shall be retained by the Purchaser or anyone acting on its behalf. The Purchaser and the Vendor further agree that unless and until the terms of this Agreement become public knowledge in connection with an application to the Court, the Purchaser shall keep such terms confidential and shall not disclose them to anyone except the Purchaser's solicitors, agents or lenders acting in connection herewith and then only on the basis that such Person also keeps such terms confidential as aforesaid.

42. NON-BUSINESS DAYS.

In the event that any date specified or any date contemplated in this Agreement shall fall upon a day other than a Business Day, then such date shall be deemed to be the next following Business Day.

43. GOVERNING LAWS.

This Agreement has been executed in the Province of Ontario and, for all purposes, shall be construed in accordance with and governed by the laws in effect within the Province of Ontario and the laws of Canada applicable therein.

44. ASSIGNMENT.

No Party may assign its rights or obligations under this Agreement without the prior written consent of the other Party. Notwithstanding the foregoing, the Purchaser shall have the right, until five (5) Business Days before the hearing date for the motion to obtain the Approval and Vesting Order, upon written notice to the Vendor's Solicitors, to assign, in whole or part, its rights to acquire the Purchased Assets herein to any Person, provided that such assignment shall not release the Purchaser from its obligations under this Agreement.

45. VENDOR'S CAPACITY.

It is acknowledged by the Purchaser that the Vendor is entering into this Agreement solely in its capacity as Court-Appointed Receiver of the Debtor and that the Vendor shall have no personal or corporate liability under or as a result of this Agreement. Any Liabilities against the Vendor shall be limited to and only enforceable against the property and assets then held by or available to it in its capacity as Receiver of the Debtor and shall not apply to its personal property and other assets held by it in any other capacity. The term "Vendor" as used in this Agreement shall have no inference or reference to the present registered owner of the Purchased Assets.

46. SUCCESSORS AND ASSIGNS.

This Agreement shall be binding upon and enure to the benefit of the Parties and their respective successors and permitted assigns.

47. COUNTERPARTS AND ELECTRONIC TRANSMISSION.

This Agreement may be executed in any number of original counterparts, with the same effect as if each of the Parties had signed the same document, and will become effective when one or more counterparts have been signed by both of the Parties and delivered to other. All counterparts will be construed together and evidence only one agreement, which, notwithstanding the dates of execution of any counterparts, will be deemed to be dated the first date set out above and accepted on the date of the last signature, and only one of which need be produced for any purpose.

48. IRREVOCABLE.

This Agreement shall be irrevocable by the Purchaser.

[remainder of this page intentionally left blank]

DATED as of the date first mentioned above.

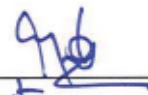
1000961999 ONTARIO INC.

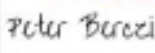
Per: 
Name: Peter Berczi
Title: Officer

Per: 
Name: Cecil Hayes
Title: Officer

I/We have authority to bind the Corporation.

**SUNRAY ESTATES LIMITED PARTNERSHIP,
by its general partner, SUNRAY ESTATES
GP INC.**

Per: 
Name: Ray Gupta
Title: President.

Per: 
Name: Peter Berczi
Title: Officer

I/We have authority to bind the Partnership.

The Vendor hereby accepts this Agreement and agrees with the Purchaser to complete the Transaction, subject to and in accordance with the provisions contained herein.

DATED at Toronto, Ontario this 7th day of August, 2024.

**KSV RESTRUCTURING INC., in its capacity as
Court-appointed receiver of 2557386 Ontario
Inc. and 2363823 Ontario Inc. o/a Mariman
Homes, and not in its personal or corporate
capacity and without personal or corporate
liability**

Per: 
Name: Mitch Vininsky
Title: Authorized Signing Officer

I have authority to bind the Corporation.

SCHEDULE "A"
EXISTING AGREEMENTS OF PURCHASE AND SALE

See attached.

YORK ESTATES

LOT #	FINAL PURCHASER
9	Mabee
10	Gray
11	Grecia
13	Nayyar
14	Pooni
15	Shah
16	Arora
17	Aestajada
18	Mand
19	Antony/Nedu
20	Philip
21	Prakash
22	Mathura
23	Kalsi/Ghuman
24	Ding
25	Xu
26	Xin
27	Fang
28	Thambipillai
30	Heal Touch
32	Liao
33	Phan
34	Yin
35	Yin
36	Bawa
37	Manocha
38	Pahuja
39	Jakhu
40	Bill Singh-406398
41	Bill Singh-406398
42	Kondola
43	Devine
44	Thomas
45	Mogridge
46	Sheppard
47	Thind/Pawan
48	Mukkaden/Ant
49	13856579 Ont
50	Omoigui
51	Camara
52	Skariah
53	Ribeiro
54	Richardson
55	Shi
56	Liu

57	Gavin
58	Cao
59	Antony/Peter
60	Crawford
61	Ronbeck
62	Periera
63	Egbele
64	Horvat
65	Akbar

SCHEDULE "B"
THE LANDS

The lands and premises municipally known as 30 Front Street, Haldimand, Ontario and legally described in PIN 38148-0128 (LT).

SCHEDULE "C"
THE PERMITTED ENCUMBRANCES

1. any registered reservations, restrictions, rights of way, easements or covenants that run with the Lands;
2. any registered agreements with a municipality or a supplier of utility service including, without limitation, electricity, water, sewage, gas, telephone or cable television or other telecommunication service;
3. all Applicable Laws, by-laws and regulations and all outstanding work orders, deficiency notices and notices of violation affecting the Lands;
4. any minor easements for the supply of utility service to the Lands or adjacent properties;
5. encroachments disclosed by any errors or omissions in existing surveys of the Lands or neighbouring properties and any title defect, encroachment or breach of a zoning or building by-laws or any other Applicable Law, by-laws or regulations which might be disclosed by a more up-to-date survey of the land and survey matters generally;
6. the exceptions and qualifications set forth in the *Land Titles Act* (Ontario);
7. the reservations contained in the original grant from the Crown;
8. liens for taxes if such taxes are not due and payable;
9. Plan 18R-7058, registered on June 6, 2013, being a reference plan;
10. Instrument No. CH46464, registered on June 6, 2013, being an application for absolute title; and
11. Instrument No. CH87614, registered on November 21, 2018, being a land registrar's order from the Haldimand Land Registry Office.

SCHEDULE "D"
ASSUMED CONTRACTS

None.

SCHEDULE "E"
MZG MORTGAGE

1. Instrument No. CH118769, registered on June 30, 2022, is a Charge/Mortgage of Land in the principal amount of \$35,000,000 in favour of MZG:
 - (i) Instrument No. CH118770, registered on June 30, 2022, is a Notice of Assignment of Rents.
 - (ii) Instrument No. CH118771, registered on June 30, 2022, is a Restriction-Land.

Appendix “J”

Ben Luder

From: Mark Willis-O'Connor <MarkW@chaitons.com>
Sent: July 31, 2024 3:17 PM
To: Sadaf Saljooki
Cc: Maya Poliak; Ben Luder; Cheryl Wilson; Mitch Vininsky; Ronald Flom; Jennifer Chandler
Subject: RE: URGENT - KSV s/t Bhatti/Iqbal - Vickery
Attachments: Purchaser's_As_Is_Where_Is_Acknowledgment_-_Vickery(11681528.1).pdf;
Purchaser's_Bring_Down_Certificate_-_Vickery(11682843.1).pdf

Hi Sadaf,

The purchasers executed the attached As-Is, Where-Is Acknowledgement and Bring-Down Certificate confirming their acknowledgement and agreement to the sale of the Real Property on an "as is, where is" basis as of closing.

In addition, the pre-closing insurance provision noted in your email does not apply.

Our client has advised that there was water damage when our client was appointed in January as the Receiver. The water damage is a result of the construction having been partially completed and the building envelope, including the windows, not being sealed. These issues existed at the time of such appointment and when the purchaser, Omer Arshed Bhatti, attended the Real Property in early June. The agent who attended the inspection specifically discussed the water damage, water penetration and mould issues with your client.

Pursuant to paragraphs 5 and 7 of Schedule "A" to the Purchase Agreement, respectively, the purchasers acknowledge that (i) they have relied entirely on their own judgment, inspection and investigation of the Real Property and any rights necessary to the access, use and enjoyment of, appurtenant or otherwise, the Real Property and (ii) that any fixtures, improvements and chattels (to the extent applicable) on the Real Property on the Closing Date are to be taken by them, at their own risk completely, without representation or warranty of any kind from the Seller as to the state of construction or repair of any such fixtures, improvements and ownership or state of chattels (to the extent applicable).

Accordingly, the purchasers' claim for compensation is denied.

Mark Willis-O'Connor | Partner*

*Denotes Professional Corporation

Chaitons LLP | T: 416.218.1160

From: Sadaf Saljooki <SaljookiS@SimpsonWigle.com>
Sent: Tuesday, July 30, 2024 5:56 PM
To: Mark Willis-O'Connor <MarkW@chaitons.com>
Cc: Maya Poliak <Maya@chaitons.com>; Ben Luder <bluder@ksvadvisory.com>; Cheryl Wilson <Cheryl@chaitons.com>; Mitch Vininsky <mvininsky@ksvadvisory.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler <JenniferCH@SimpsonWigle.com>

Subject: RE: URGENT - KSV s/t Bhatti/Iqbal - Vickery

Importance: High

CAUTION: [External]

Mark,

Our client has now obtained possession of the property and notes that there has been substantial damage to the property which was not disclosed by your office. There appears to have been significant water damage and the formation of mould, images of which are enclosed herein for your records. This is not acceptable. Our client seeks compensation for the mould treatment and replacement of the drywall. The APS was clear in that all buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller (see paragraph 14 of the APS). Under no circumstances does the delivery of this email or any offer therein waive any legal right or remedy our client has presently or in the future. We will await your urgent response.

Best,

Sadaf Saljooki
Lawyer

Phone: 905-639-1052 Ext. 366

Fax: 905-528-9008

E-mail: SaljookiS@SimpsonWigle.com

Website: <http://www.simpsonwigle.com>



From: Mark Willis-O'Connor <MarkW@chaitons.com>

Sent: Tuesday, July 30, 2024 4:57 PM

To: Philip Kuca <pkuca@gatestonelaw.com>; Sadaf Saljooki <SaljookiS@SimpsonWigle.com>; Mitch Vininsky <mvininsky@ksvadvisory.com>; Cheryl Wilson <Cheryl@chaitons.com>

Cc: Maya Poliak <Maya@chaitons.com>; Ben Luder <bluder@ksvadvisory.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler <JenniferCH@SimpsonWigle.com>

Subject: RE: KSV s/t Bhatti/Iqbal - Vickery

Thank you, everyone.

Mark Willis-O'Connor | Partner*

*Denotes Professional Corporation

Chaitons LLP | T: 416.218.1160

From: Philip Kuca <pkuca@gatestonelaw.com>

Sent: Tuesday, July 30, 2024 3:20 PM

To: Sadaf Saljooki <SaljookiS@SimpsonWigle.com>; Mitch Vininsky <mvininsky@ksvadvisory.com>; Cheryl Wilson <Cheryl@chaitons.com>

Cc: Maya Poliak <Maya@chaitons.com>; Ben Luder <bluder@ksvadvisory.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler <JenniferCH@SimpsonWigle.com>; Mark Willis-O'Connor <MarkW@chaitons.com>

Subject: RE: KSV s/t Bhatti/Iqbal - Vickery

CAUTION: [External]

Pleasure working with everyone as well.

Regards,



PHILIP ANTHONY KUCA (P.C.)
B.A. (Hons.), LL.B.
T 905 526 0736 F 905 521 2772
E pkuca@gatestonelaw.com W gatestonelaw.com
A 25 Main Street W., Suite 1702, Hamilton, ON L8P 1H1

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CONFIDENTIALITE: Ce message courriel (y compris les pieces jointes, le cas echeant) est confidentiel et destine uniquement a la personne ou a l'entite a qui il est adresse. Toute utilisation ou divulgation non permise est strictement interdite. L'obligation de confidentialite et de secret professionnel demeure malgre toute divulgation. Si vous avez recu le present courriel et ses annexes par erreur, veuillez nous en informer immediatement et le detruire. Nous vous remercions de votre collaboration. Le present message n'a pas ete crypte. Le cryptage est possible sur demande speciale.

From: Sadaf Saljooki <SaljookiS@SimpsonWigle.com>

Sent: July 30, 2024 3:13 PM

To: Mitch Vininsky <mvininsky@ksvadvisory.com>; Cheryl Wilson <Cheryl@chaitons.com>

Cc: Maya Poliak <Maya@chaitons.com>; Ben Luder <bluder@ksvadvisory.com>; Philip Kuca <pkuca@gatestonelaw.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler <JenniferCH@SimpsonWigle.com>; Mark Willis-O'Connor <MarkW@chaitons.com>

Subject: RE: KSV s/t Bhatti/Iqbal - Vickery

Registered vesting order enclosed. We will proceed to release lockbox to our client.

Pleasure working with you all.

Take care,

Sadaf Saljooki
Lawyer

Phone: 905-639-1052 Ext. 366

Fax: 905-528-9008

E-mail: SaljookiS@SimpsonWigle.com

Website: <http://www.simpsonwigle.com>



From: Mitch Vininsky <mvininsky@ksvadvisory.com>
Sent: Tuesday, July 30, 2024 1:48 PM
To: Cheryl Wilson <Cheryl@chaitons.com>; Sadaf Saljooki <SaljookiS@SimpsonWigle.com>
Cc: Maya Poliak <Maya@chaitons.com>; Ben Luder <bluder@ksvadvisory.com>; Philip Kuca <pkuca@gatestonelaw.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler <JenniferCH@SimpsonWigle.com>; Mark Willis-O'Connor <MarkW@chaitons.com>
Subject: RE: KSV s/t Bhatti/Iqbal - Vickery

Hallelujah!!!



Mitch Vininsky
Managing Director

T 416.932.6013
M 416.254.4912
W www.ksvadvisory.com

From: Cheryl Wilson <Cheryl@chaitons.com>
Sent: Tuesday, July 30, 2024 1:27 PM
To: Sadaf Saljooki <SaljookiS@SimpsonWigle.com>
Cc: Maya Poliak <Maya@chaitons.com>; Mitch Vininsky <mvininsky@ksvadvisory.com>; Ben Luder <bluder@ksvadvisory.com>; Philip Kuca <pkuca@gatestonelaw.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler <JenniferCH@SimpsonWigle.com>; Mark Willis-O'Connor <MarkW@chaitons.com>
Subject: RE: KSV s/t Bhatti/Iqbal - Vickery

Hi Sadaf,

We confirm receipt of the funds. In this regard, I attach the executed Receiver's Certificate and you may proceed to register the Application for Vesting Order.

Regards
Cheryl

Cheryl Wilson | Law Clerk
Chaitons LLP | T: 416.218.1773

From: Sadaf Saljooki <SaljookiS@SimpsonWigle.com>
Sent: Tuesday, July 30, 2024 12:33 PM

To: Cheryl Wilson <Cheryl@chaitons.com>
Cc: Maya Poliak <Maya@chaitons.com>; Mitch Vininsky <mvininsky@ksvadvisory.com>; Ben Luder <bluder@ksvadvisory.com>; Philip Kuca <pkuca@gatestonelaw.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler <JenniferCH@SimpsonWigle.com>; Mark Willis-O'Connor <MarkW@chaitons.com>
Subject: RE: KSV s/t Bhatti/Iqbal - Vickery

CAUTION: [External]

Thank you. Please see attached sent wire. Kindly provide lockbox code and receiver's certificate to be held in escrow in interim.

Best,

Sadaf Saljooki
Lawyer

Phone: 905-639-1052 Ext. 366
Fax: 905-528-9008
E-mail: SaljookiS@SimpsonWigle.com
Website: <http://www.simpsonwigle.com>



From: Cheryl Wilson <Cheryl@chaitons.com>
Sent: Tuesday, July 30, 2024 11:01 AM
To: Sadaf Saljooki <SaljookiS@SimpsonWigle.com>
Cc: Maya Poliak <Maya@chaitons.com>; Mitch Vininsky <mvininsky@ksvadvisory.com>; Ben Luder <bluder@ksvadvisory.com>; Philip Kuca <pkuca@gatestonelaw.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler <JenniferCH@SimpsonWigle.com>; Mark Willis-O'Connor <MarkW@chaitons.com>
Subject: RE: KSV s/t Bhatti/Iqbal - Vickery

Hi Sadaf,

Attached are the following executed Receiver documents to be held in escrow pending receipt by our office of the closing proceeds noted below:

1. Solicitor's Law Statement;
2. Receiver's Direction re Funds;
3. Receiver's Non-Residency Certificate;
4. Receiver's Bring-Down Certificate;
5. Receiver's Undertaking to Pay the HST; and
6. Solicitor's Undertaking to Pay Outstanding Tax Arrears.

Please arrange to wire the sum of \$283,692.93 to our trust account (our trust account details are attached) and forward a copy of the Agreement re Advance to us.

Once we are in receipt of the closing funds, we will forward the executed Receiver's Certificate which will allow you to register the Application for Vesting Order.

Regards
Cheryl

Cheryl Wilson | Law Clerk
Chaitons LLP | T: 416.218.1773

From: Sadaf Saljooki <SaljookiS@SimpsonWigle.com>
Sent: Tuesday, July 30, 2024 10:46 AM
To: Mark Willis-O'Connor <MarkW@chaitons.com>; Cheryl Wilson <Cheryl@chaitons.com>
Cc: Maya Poliak <Maya@chaitons.com>; Mitch Vininsky <mvininsky@ksvadvisory.com>; Ben Luder <bluder@ksvadvisory.com>; Philip Kuca <pkuca@gatestonelaw.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler <JenniferCH@SimpsonWigle.com>
Subject: RE: KSV s/t Bhatti/Iqbal - Vickery
Importance: High

CAUTION: [External]

Mark/Cheryl,

Please confirm all is set on your end and provide your closing package so we may commence the wire of funds to your office as soon as possible.

Best,

Sadaf Saljooki
Lawyer

Phone: 905-639-1052 Ext. 366
Fax: 905-528-9008
E-mail: SaljookiS@SimpsonWigle.com
Website: <http://www.simpsonwigle.com>



From: Mitch Vininsky <mvininsky@ksvadvisory.com>
Sent: Tuesday, July 30, 2024 9:14 AM
To: Sadaf Saljooki <SaljookiS@SimpsonWigle.com>; Mark Willis-O'Connor <MarkW@chaitons.com>; Cheryl Wilson <Cheryl@chaitons.com>
Cc: Maya Poliak <Maya@chaitons.com>; Ben Luder <bluder@ksvadvisory.com>; Philip Kuca <pkuca@gatestonelaw.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler

<JenniferCH@SimpsonWigle.com>

Subject: RE: KSV s/t Bhatti/Iqbal - Vickery

Got it. Thank you.



Mitch Vininsky
Managing Director

T 416.932.6013
M 416.254.4912
W www.ksvadvisory.com

From: Sadaf Saljooki <SaljookiS@SimpsonWigle.com>

Sent: Tuesday, July 30, 2024 9:13 AM

To: Mitch Vininsky <mvininsky@ksvadvisory.com>; Mark Willis-O'Connor <MarkW@chaitons.com>; Cheryl Wilson <Cheryl@chaitons.com>

Cc: Maya Poliak <Maya@chaitons.com>; Ben Luder <bluder@ksvadvisory.com>; Philip Kuca <pkuca@gatestonelaw.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler <JenniferCH@SimpsonWigle.com>

Subject: RE: KSV s/t Bhatti/Iqbal - Vickery

No, Mitch. We cannot do that. The vesting order gets registered on title as an “application for vesting order”. We simply completed the appropriate statements in the instrument to be registered on title.

Best,

Sadaf Saljooki
Lawyer

Phone: 905-639-1052 Ext. 366

Fax: 905-528-9008

E-mail: SaljookiS@SimpsonWigle.com

Website: <http://www.simpsonwigle.com>



SimpsonWigle
LAW LLP

From: Mitch Vininsky <mvininsky@ksvadvisory.com>

Sent: Tuesday, July 30, 2024 9:11 AM

To: Sadaf Saljooki <SaljookiS@SimpsonWigle.com>; Mark Willis-O'Connor <MarkW@chaitons.com>; Cheryl Wilson <Cheryl@chaitons.com>

Cc: Maya Poliak <Maya@chaitons.com>; Ben Luder <bluder@ksvadvisory.com>; Philip Kuca <pkuca@gatestonelaw.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler <JenniferCH@SimpsonWigle.com>

Subject: RE: KSV s/t Bhatti/Iqbal - Vickery

I’m confused. Did you change the vesting order itself? Only the judge can do that.

| Mitch Vininsky



Managing Director

T 416.932.6013
M 416.254.4912
W www.ksvadvisory.com

From: Sadaf Saljooki <SaljookiS@SimpsonWigle.com>

Sent: Tuesday, July 30, 2024 9:09 AM

To: Mitch Vininsky <mvininsky@ksvadvisory.com>; Mark Willis-O'Connor <MarkW@chaitons.com>; Cheryl Wilson <Cheryl@chaitons.com>

Cc: Maya Poliak <Maya@chaitons.com>; Ben Luder <bluder@ksvadvisory.com>; Philip Kuca <pkuca@gatestonelaw.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler <JenniferCH@SimpsonWigle.com>

Subject: RE: KSV s/t Bhatti/Iqbal - Vickery

Mitch,

We revised the application to register the vesting order on title by including a statement clarifying our client's name as stated by Mark previously. Further, we completed the LTT statements as we must do so for registration purposes. See attached emails.

Mark/Cheryl,

Please confirm on your end and provide your closing package so we may commence the wire of funds to your office.

Best,

Sadaf Saljooki
Lawyer

Phone: 905-639-1052 Ext. 366
Fax: 905-528-9008
E-mail: SaljookiS@SimpsonWigle.com
Website: <http://www.simpsonwigle.com>



From: Mitch Vininsky <mvininsky@ksvadvisory.com>

Sent: Tuesday, July 30, 2024 8:59 AM

To: Sadaf Saljooki <SaljookiS@SimpsonWigle.com>; Mark Willis-O'Connor <MarkW@chaitons.com>; Cheryl Wilson <Cheryl@chaitons.com>

Cc: Maya Poliak <Maya@chaitons.com>; Ben Luder <bluder@ksvadvisory.com>; Philip Kuca <pkuca@gatestonelaw.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler <JenniferCH@SimpsonWigle.com>

Subject: RE: KSV s/t Bhatti/Iqbal - Vickery

Sorry, what do you mean by the "updated vesting order"?



Mitch Vininsky
Managing Director

T 416.932.6013
M 416.254.4912
W www.ksvadvisory.com

From: Sadaf Saljooki <SaljookiS@SimpsonWigle.com>

Sent: Monday, July 29, 2024 7:57 PM

To: Mark Willis-O'Connor <MarkW@chaitons.com>; Cheryl Wilson <Cheryl@chaitons.com>

Cc: Maya Poliak <Maya@chaitons.com>; Mitch Vininsky <mvininsky@ksvadvisory.com>; Ben Luder <bluder@ksvadvisory.com>; Philip Kuca <pkuca@gatestonelaw.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler <JenniferCH@SimpsonWigle.com>

Subject: RE: KSV s/t Bhatti/Iqbal - Vickery

Mark/Cheryl,

Further enclosed is the updated vesting order, as per my prior email noting the update to Omer's name. Kindly confirm all is in order.

We will await your closing package and receiver's certificate.

Best,

Sadaf Saljooki
Lawyer

Phone: 905-639-1052 Ext. 366

Fax: 905-528-9008

E-mail: SaljookiS@SimpsonWigle.com

Website: <http://www.simpsonwigle.com>



SimpsonWigle
LAW LLP

From: Sadaf Saljooki

Sent: Monday, July 29, 2024 5:42 PM

To: Mark Willis-O'Connor <MarkW@chaitons.com>

Cc: Cheryl Wilson <Cheryl@chaitons.com>; Maya Poliak <Maya@chaitons.com>; Mitch Vininsky <mvininsky@ksvadvisory.com>; Ben Luder <bluder@ksvadvisory.com>; Philip Kuca <pkuca@gatestonelaw.com>; Ronald Flom <ronaldflom@gmail.com>; Jennifer Chandler <JenniferCH@SimpsonWigle.com>

Subject: RE: KSV s/t Bhatti/Iqbal - Vickery

Mark,

Please find enclosed executed documents to be held in escrow pending registration of the vesting order and receipt of the executed receiver's certificate. Kindly confirm all is in order, save and except for the funds to be wired to your office tomorrow.

Kindly provide your executed documents to be held in escrow as well.

Best,

Sadaf Saljooki
Lawyer

Phone: 905-639-1052 Ext. 366
Fax: 905-528-9008
E-mail: SaljookiS@SimpsonWigle.com
Website: <http://www.simpsonwigle.com>



From: Mark Willis-O'Connor <MarkW@chaitons.com>
Sent: Friday, July 26, 2024 9:21 AM
To: Sadaf Saljooki <SaljookiS@SimpsonWigle.com>
Cc: Cheryl Wilson <Cheryl@chaitons.com>; Maya Poliak <Maya@chaitons.com>; Mitch Vininsky <mvininsky@ksvadvisory.com>; Ben Luder <bluder@ksvadvisory.com>; Philip Kuca <pkuca@gatestonelaw.com>; Ronald Flom <ronaldflom@gmail.com>
Subject: KSV s/t Bhatti/Iqbal - Vickery

Hi Sadaf,

Please find attached draft copies of the following closing documents which remains subject to our client's comments. Please advise of any comments or questions.

1. Purchaser's As Is Where Is Acknowledgement.
2. Purchaser's Bring Down Certificate.
3. Purchaser's Certificate – Non-Canadians Act.
4. Purchaser's Direction re Title.
5. Purchaser's Statutory Declaration re One and Same re Omer Arshed Bhatti.
6. Vendor's Direction re Funds. **We will confirm the amounts to be entered and advise shortly
7. Vendor's Non-Residence Certificate.
8. Vendor's Undertaking to Pay HST.
9. Solicitor's Undertaking re Tax Arrears. **We will confirm the amount to be entered – we are seeking confirmation from the tax department of August's penalty amount since this will need to be added (it's unlikely funds will be received by the tax department before then)
10. Solicitor's Law Statement for Vesting Order.
11. Receiver's Certificate.
12. Application for Vesting Order. **Please confirm who we should message this to in Teraview. Please also prepare a law statement to address the purchaser's name issue and send to us for our review.
13. Statement of Adjustments. **To follow today



Mark Willis-O'Connor | Partner*

**Denotes Professional Corporation*

T: 416.218.1160 E: MarkW@chaitons.com

5000 Yonge St, 10th Floor, Toronto, ON, M2N 7E9

chaitons.com

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Please consider the environment before printing this email

Appendix “K”

Ben Luder

From: Mark Willis-O'Connor <MarkW@chaitons.com>
Sent: August 12, 2024 12:12 PM
To: Sarah Pauls
Cc: Maya Poliak; Cheryl Wilson; Jim Pauls
Subject: RE: Commission Payment for Property at 2051 Vickery Drive Oakville, ON L6L 2J2
Attachments: Mariman - Letter re Vickery Termination - final(11691537.1).pdf

Good Afternoon,

The Agreement of Purchase and Sale dated February 3, 2021 was terminated by the Receiver (see attached). Any claims arising from the termination of such Agreement constitute unsecured claims against Mariman Homes. The sale under the new Agreement of Purchase and Sale did not generate any proceeds beyond the amounts owing to the secured creditor/mortgagee.

Mark Willis-O'Connor | Partner*
*Denotes Professional Corporation
Chaitons LLP | T: 416.218.1160

From: Sarah Pauls <sarah@jimpaulsrealestate.com>
Sent: Wednesday, August 7, 2024 3:15 PM
To: Mark Willis-O'Connor <MarkW@chaitons.com>
Cc: Jim Pauls <jim@jimpaulsrealestate.com>
Subject: Commission Payment for Property at 2051 Vickery Drive Oakville, ON L6L 2J2

CAUTION: [External]

Hello Mark,

I am emailing to request the payment of the real estate commission that was agreed upon in the Agreement of Purchase and Sale dated February 3, 2021 for the property located at 2051 Vickery Drive, Oakville, ON L6L 2J2.

The property in question was sold by 2363823 Ontario Inc. in February 2021. However, subsequent to the sale but prior to closing, the sellers entered into receivership, with KSV Advisory appointed as the receivership company.

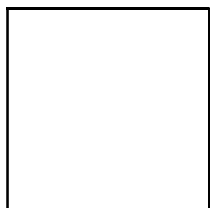
Despite these developments, the real estate agent/brokerage for the buyers and sellers are seeking the commission that was stipulated in the agreement.

Attached to this email is the invoice detailing the commission amount due. Kindly confirm receipt of this invoice.

Thank you for your prompt attention to this matter.

Many thanks, Sarah Pauls

--



Appendix “L”



PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND
REGISTRY
OFFICE #18

38147-0005 (LT)

PAGE 1 OF 2
PREPARED FOR DePinto1
ON 2024/08/16 AT 11:56:54

PROPERTY DESCRIPTION: PT LT 19 CON 4 SE STONEY CREEK RD SENECA AS IN HC68736; HALDIMAND COUNTY

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

FIRST CONVERSION FROM BOOK

PIN CREATION DATE:

2006/06/19

OWNERS' NAMES

2363823 ONTARIO INC.

<u>CAPACITY</u>	<u>SHARE</u>
-----------------	--------------

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT	INCLUDES ALL	DOCUMENT TYPES AND	DELETED INSTRUMENTS	SINCE 2006/06/16 **		
**SUBJECT,	ON FIRST REGISTRATION UNDER THE	LAND TITLES ACT, TO:				
**	SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES	*				
**	AND ESCHEATS OR FORFEITURE TO THE CROWN.					
**	THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF					
**	IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY					
**	CONVENTION.					
**	ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.					
**DATE OF CONVERSION TO	LAND TITLES: 2006/06/19 **					
HC68736	1968/04/05	TRANSFER		*** COMPLETELY DELETED ***	DI BENEDETTO, PELINO DI BENEDETTO, ARMIDA	
CH31234	2011/04/18	TRANSMISSION-LAND		*** COMPLETELY DELETED *** DI BENEDETTO, ARMIDA DI BENEDETTO, PELINO	CONZ, DANIELA VELENOSI, GABRIELLA DI BENEDETTO, LUIGI DI BENEDETTO, PELINO - ESTATE	
CH31494	2011/05/02	TRANS PERSONAL REP		*** COMPLETELY DELETED *** CONZ, DANIELA DI BENEDETTO, LUIGI VELENOSI, GABRIELLA	GOELLER, SHERRY	
	REMARKS: PLANNING ACT STATEMENTS					
CH121959	2022/11/04	TRANSFER	\$800,000	GOELLER, SHERRY	2363823 ONTARIO INC.	C
	REMARKS: PLANNING ACT STATEMENTS.					
CH121960	2022/11/04	CHARGE	\$1,500,000	2363823 ONTARIO INC.	MORRIS WRIGHT MORTGAGE COMPANY LTD.	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

38147-0005 (LT)

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
CH131052	2024/01/18	APL COURT ORDER		ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)	KSV RESTRUCTURING INC.	C
REMARKS: APPOINTS KSV RESTRUCTURING INC. AS RECEIVER.						

Appendix “M”

MORRIS WRIGHT MORTGAGE COMPANY LTD

1 Markland St
Hamilton ON L8P 2J5
Email: mwmortgageco@gmail.com

Phone: 905-971-0444
Fax: 905-575-1962

July 10, 2024

Phil Kuca
Gatestone Law
25 Main St West
Suite 1702
Hamilton ON L8N 1G6

Dear Mike:

RE: \$1,500,000.00 First Mortgage
178 Moore's Road
Caledonia, ON
One registered building lot

Below is our mortgage statement as of July 10, 2024

Principal	\$725,000.00
Interest to September 30, 2024	133,497.39
Renewal February 2024	<u>21,750.00</u>
Total Due	\$880,247.39

Thank you,



Brett Wright
Morris Wright Mortgage Company

E & E.O.

Per Diem Rate of \$218.49

Appendix “N”

PROPERTY DESCRIPTION: LT 11, PL 1759 ; BURFORD

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

FIRST CONVERSION FROM BOOK

PIN CREATION DATE:

1998/01/26

OWNERS' NAMES

2363823 ONTARIO INC.

CAPACITY

SHARE

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
<div><div>**EFFECTIVE 2000/07/29</div><div>THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1998/01/26 ON THIS PIN**</div><div>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1998/01/26**</div><div>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1998/01/23 **</div><div>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</div><div>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *</div><div>** AND ESCHEATS OR FORFEITURE TO THE CROWN.</div><div>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF</div><div>** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY</div><div>** CONVENTION.</div><div>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</div><div>**DATE OF CONVERSION TO LAND TITLES: 1998/01/26 **</div></div>						
PL1759	1993/06/25	PLAN SUBDIVISION				C
REMARKS: A433378						
A436004	1993/08/26	AGR SUBDIVISION			THE CORPORATION OF THE TOWNSHIP OF BURFORD	C
A436417	1993/09/01	CHARGE		*** COMPLETELY DELETED ***	BANK OF MONTREAL	
LT35958	2002/06/24	CHARGE		*** COMPLETELY DELETED *** HUNTER LUMBER & BUILDING SUPPLIES LIMITED	HEMLOCK BUILDING CENTRES LIMITED	
BC27961	2003/12/02	DISCH OF CHARGE		*** COMPLETELY DELETED *** HEMLOCK BUILDING CENTRES LIMITED		
REMARKS: RE: LT35958						
BC47567	2004/10/15	CHARGE		*** COMPLETELY DELETED ***		

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
BC116476	2007/06/28	CHARGE		HUNTER LUMBER & BUILDING SUPPLIES LIMITED *** COMPLETELY DELETED *** HUNTER LUMBER & BUILDING SUPPLIES LIMITED	MONTAGU SMITH INVESTMENTS LIMITED BANK OF MONTREAL	
BC116489	2007/06/28	POSTPONEMENT		*** COMPLETELY DELETED *** MONTAGU SMITH INVESTMENTS LIMITED	BANK OF MONTREAL	
REMARKS: BC47567 & BC116476						
BC116492	2007/06/28	DISCH OF CHARGE		*** COMPLETELY DELETED *** BANK OF MONTREAL		
REMARKS: RE: A436417						
BC141216	2008/06/13	APL ANNEX REST COV		HUNTER LUMBER & BUILDING SUPPLIES LIMITED		C
BC202534	2011/05/03	CHARGE		*** COMPLETELY DELETED *** HUNTER LUMBER & BUILDING SUPPLIES LIMITED	TIM-BR-MARTS LTD.	
BC267829	2014/12/16	TRANS POWER SALE	\$710,000	TIM-BR-MARTS LTD.	2363823 ONTARIO INC.	C
REMARKS: BC202534.						
BC267832	2014/12/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** BANK OF MONTREAL		
REMARKS: BC116476.						
BC267833	2014/12/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** MONTAGU SMITH INVESTMENTS LIMITED		
REMARKS: BC47567.						
BC267839	2014/12/16	CHARGE	\$1,300,000	2363823 ONTARIO INC.	2441026 ONTARIO INC.	C
BC267840	2014/12/16	CHARGE	\$1,900,000	2363823 ONTARIO INC.	2441026 ONTARIO INC.	C
BC313337	2017/03/28	CHARGE	\$7,000,000	2363823 ONTARIO INC.	2496582 ONTARIO INC.	C
BC313338	2017/03/28	POSTPONEMENT		2441026 ONTARIO INC.	2496582 ONTARIO INC.	C
REMARKS: BC267839 TO BC313337						
BC313339	2017/03/28	POSTPONEMENT		2441026 ONTARIO INC.	2496582 ONTARIO INC.	C
REMARKS: BC267840 TO BC313337						
BC325584	2017/09/29	CHARGE	\$2,133,000	2363823 ONTARIO INC.	OLYMPIA TRUST COMPANY	C

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
BC325585	2017/09/29	NOTICE	\$2	2363823 ONTARIO INC.	2496582 ONTARIO INC.	C
REMARKS: AGREEMENT AMENDING CHARGE RE: BC313337						
BC325586	2017/09/29	POSTPONEMENT		2441026 ONTARIO INC.	OLYMPIA TRUST COMPANY	C
REMARKS: BC267839 TO BC325584						
BC325587	2017/09/29	POSTPONEMENT		2441026 ONTARIO INC.	OLYMPIA TRUST COMPANY	C
REMARKS: BC267840 TO BC325584						
BC325588	2017/09/29	POSTPONEMENT		2496582 ONTARIO INC.	OLYMPIA TRUST COMPANY	C
REMARKS: BC313337 TO BC325584						
BC334898	2018/03/12	CONSTRUCTION LIEN		*** COMPLETELY DELETED *** NETWORK UNDERGROUND UTILITIES INC.		
REMARKS: DOCUMENT DELETED ON MAY 22, 2018 BY M.GRAY PURSUANT TO BC337974 REGISTERED 2018/05/15						
BC336946	2018/04/25	CERTIFICATE		*** COMPLETELY DELETED *** NETWORK UNDERGROUND UTILITIES INC.		
REMARKS: BC334898						
BC337784	2018/05/10	NOTICE	\$2	OLYMPIA TRUST COMPANY	2363823 ONTARIO INC.	C
REMARKS: BC325584						
BC337785	2018/05/10	POSTPONEMENT		2496582 ONTARIO INC.	OLYMPIA TRUST COMPANY	C
REMARKS: BC313337 TO BC337784						
BC337786	2018/05/10	POSTPONEMENT		2441026 ONTARIO INC.	OLYMPIA TRUST COMPANY	C
REMARKS: BC267839 TO BC337784						
BC337787	2018/05/10	POSTPONEMENT		2441026 ONTARIO INC.	OLYMPIA TRUST COMPANY	C
REMARKS: BC267840 TO BC337784						
BC337788	2018/05/10	NOTICE	\$2	2363823 ONTARIO INC.	2496582 ONTARIO INC.	C
REMARKS: BC313337						
BC337974	2018/05/15	APL DEL CONST LIEN		*** COMPLETELY DELETED *** NETWORK UNDERGROUND UTILITIES INC.		
REMARKS: BC334898. BC336946						
BC397632	2021/03/02	CERTIFICATE		*** COMPLETELY DELETED *** THE CORPORATION OF THE COUNTY OF BRANT		
REMARKS: TAX ARREARS						

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
BC425085	2022/03/03	APL (GENERAL) REMARKS: SUBJECT TO A LIEN IN FAVOUR OF 2496582 ONTARIO TAX ARREARS CANCELLATION CERTIFICATE.		THE CORPORATION OF THE COUNTY OF BRANT INC., 163 JACKSON STREET WEST HAMILTON, ON L8P 0A8 AS IN REGISTRATION NUMBER BC397632 OF THE		C
BC468467	2024/02/07	APL COURT ORDER REMARKS: APPOINTS KSV RESTRUCTURING INC. AS RECEIVER.		ONTARIO SUPERIOR COURT OF JUSTICE (COMMERCIAL LIST)	KSV RESTRUCTURING INC.	C
BC475174	2024/06/21	CERTIFICATE REMARKS: TAX ARREARS	\$2,980	THE CORPORATION OF THE COUNTY OF BRANT		C

Appendix “O”

INFORMATION STATEMENT

RE: **Mortgage: Olympia Trust Company and 2363823 Ontario Inc.**

EFFECTIVE DATE: **October 1, 2024**

PROPERTY: **Scotland Development**

1) Principal Balance	\$2,686,733.00
2) Outstanding Interest 8% (Jan 1, 2019 – Dec 1, 2019)	\$ 214,938.64
3) Outstanding Interest 8% (Jan 1, 2020 – Dec 1, 2020)	\$ 214,938.64
4) Outstanding Interest 8% (Jan 1, 2021 – Dec 1, 2021)	\$ 214,938.64
5) Outstanding Interest 8% (Jan 1, 2022 – Dec 1, 2022)	\$ 214,938.64
6) Outstanding interest 8% (Dec 2, 2022 – Dec 8, 2022) (Principal Amount: \$2,686,733.00 @ 8% = \$588.87/day x 8 days)	\$ 4,122.09
7) Renewal Fee 2% Payable October 1, 2018	\$ 53,734.66
8) Renewal Fee 2% Payable October 1, 2019	\$ 53,734.66
9) Renewal Fee 2% Payable October 1, 2020	\$ 53,734.66
10) Renewal Fee 2% Payable October 1, 2021	\$ 53,734.66
11) Renewal Fee 2% Payable October 1, 2022	\$ 53,734.66
12) Appraisals (for purposes of enforcement)	\$ 12,317.00
13) Retainer paid to Centennial Law Group LLP (re. litigation)	\$ 5,000.00
14) Legal Fees (incl. HST + Disbursements) (Centennial Law Group LLP (G. Falletta) re. litigation)	\$ 20,877.50
15) Legal Fees (incl. HST + Disbursements) (Centennial Law Group LLP (P. Kuca) re. Enforcement Proceedings)	\$ 18,050.00
16) \$100,000.00 received fr. 2363823 Ontario Inc. on March.28.2022 (applied towards Appraisals, Retainer, Litigation & Enforcement) (Balance held in trust = \$43,755.50)	\$ (56,244.50)
BALANCE OUTSTANDING AS AT DECEMBER 8, 2022	\$3,819,282.95
17) Paydown - Dec 8, 2022	\$ (600,000.00)

18) Paydown – Dec 8, 2022 (from surplus held in trust fr. pymt received as per #16 above (Balance held in trust = \$33,558.50***)	\$ (10,197.00)
BALANCE OUTSTANDING AS AT DECEMBER 9, 2022	\$3,209,085.95
19) Outstanding Interest 8% (Dec 9, 2022 – Mar 2, 2023) (Principal Amount: \$2,686,733.00 @ 8% = \$588.87/day x 85 days)	\$ 50,053.95
20) Statement Fee (\$500.00 x 7)	\$ 3,500.00
21) Legal Fees - Centennial Law Group LLP re. ongoing enforcement, pending sales (lots 54 & 56), ongoing matters (as at March.2.2023) (incl. HST + Disbursements)	\$ 73,811.75
22) Legal Fees - Centennial Law Group LLP re. terminated sale of vacant lots (incl. HST + Disbursements)	\$ 7,674.48
23) Legal Fees - Centennial Law Group LLP re. litigation invoice (G. Falletta) (incl. HST + Disbursements)	\$ 11,187.00
24) Paydown - March 3, 2023 (sale of lot 56)	\$ (453,023.91)
25) Paydown (Balance held in trust = \$33,558.50 as per #18 above)	\$ (33,558.50)
BALANCE OUTSTANDING AS AT MARCH 3, 2022	\$2,868,730.72
26) Outstanding Interest 8% (Mar 3, 2023 – Mar 9, 2023) (Principal Amount: \$2,686,733.00 @ 8% = \$588.87/day x 7 days)	\$ 4,122.09
27) Statement Fee (\$500.00 – March 9, 2023)	\$ WAIVED
28) Paydown - March 9, 2023 (sale of lot 54)	\$ (585,849.94)
BALANCE OUTSTANDING AS AT MARCH 9, 2023	\$2,287,002.87
29) Outstanding Interest 8% (Mar 10, 2023 – May 30, 2023) (Principal Amount: \$2,287,502.87 @ 8% = \$501.26/day x 82 days)	\$ 41,103.32
30) Information Statement (as per Scarfone Hawkins LLP request - March 21, 2022)	\$ WAIVED
31) Statement Fee (\$500.00 – May 24, 2023)	\$ WAIVED
32) Legal Fees - Centennial Law Group LLP (incl. HST + Disbursements)	\$ 7,466.55
33) Paydown - May 30, 2023 (sale of lot 51)	\$ (434,705.01)

BALANCE OUTSTANDING AS AT: MAY 30, 2023 **\$1,900,867.73**

34) Outstanding Interest 8% (May 31, 2023 – July 12, 2023)
(Principal Amount: \$1,900,867.73 @ 8% = \$416.63/day x 43 days) \$ 17,915.09

35) Payment to CBRE Limited re. re. settled commission on transaction
with 2710884 Ontario Inc. – paid on July 12, 2023 \$ 113,000.00

36) Legal Fees - Centennial Law Group LLP (incl. HST + Disbursements) \$ 4,076.55

37) Paydown - June 5, 2023 (sale of lot 50) \$ (443,463.40)

BALANCE OUTSTANDING AS AT: JULY 12, 2023 **\$1,592,395.97**

38) Renewal Fee 2% Payable October 1, 2023 \$ 31,847.92

39) Renewal Fee 2% Payable October 1, 2024 \$ 31,847.92

40) Statement Fee (\$500.00 – April 11, 2024) \$ 500.00

41) Statement Fee (\$500.00 – October 1, 2024) \$ 500.00

42) Outstanding Interest 8% (July 13, 2023 – May 1, 2024)
(Principal Amount: \$1,592,395.97 @ 8% = \$349.02/day x 447 days) \$ 156,011.94

43) Outstanding Legal Fees – Gatestone Law (approximately) \$ 59,325.00

44) Outstanding Legal Fees (re. discharge) \$ TBD**

BALANCE OUTSTANDING AS AT: October 1, 2024 **\$1,872,428.75**

PER DIEM = \$349.02 (Principal Amount: \$1,592,395.97 @ 8%)

**NOTE: This statement is only valid for seven (7) banking days after the payout date.
Upon which a new statement will be required to be requested.**

Yours very truly,

Olympia Trust Company

Per.: 

Name: Frank Carobelli (as designated agent)

E. & O. E.

Appendix “P”

2363823 Ontario Inc. - 2496582 Ontario Inc.

Mortgage Statement

To July 31, 2022

Date	Opening Balance	Advances	Repayments	Ending Balance before interest	Interest Rate	Interest	Interest Penalty	Renewal Fees	Ending Balance	Daily Interest
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
28 March, 2017	-	100,000.00		100,000.00	0.67%	21.51			100,021.51	
29-31 March, 2017	100,021.51	1,980,000.00		2,080,021.51	0.67%	1,341.95			2,081,363.45	
April, 2017	2,081,363.45			2,081,363.45	0.67%	13,875.76			2,095,239.21	
1-10 May, 2017	2,095,239.21			2,095,239.21	0.67%	4,505.89			2,099,745.10	
11-28 May, 2017	2,099,745.10	200,000.00		2,299,745.10	0.67%	8,902.24			2,308,647.34	
29-31 May, 2017	2,308,647.34	100,000.00		2,408,647.34	0.67%	1,553.97			2,410,201.31	
June, 2017	2,410,201.31			2,410,201.31	0.67%	16,068.01			2,426,269.32	
July, 2017	2,426,269.32			2,426,269.32	0.67%	16,175.13			2,442,444.44	
1-17 August, 2017	2,442,444.44			2,442,444.44	0.67%	8,929.37			2,451,373.81	
18-27 August, 2017	2,451,373.81	300,000.00		2,751,373.81	0.67%	5,916.93			2,757,290.74	
28-31 August, 2017	2,757,290.74	150,000.00		2,907,290.74	0.67%	2,500.90			2,909,791.64	
1-28 September, 2017	2,909,791.64			2,909,791.64	0.67%	18,105.37			2,927,897.01	
29-30 September, 2017	2,927,897.01	650,000.00		3,577,897.01	0.67%	1,590.18			3,579,487.19	
1 October, 2017	3,579,487.19			3,579,487.19	0.67%	769.78			3,580,256.97	
2-31 October, 2017	3,580,256.97		1,800,000.00	1,780,256.97	0.67%	11,485.53			1,791,742.50	
1-21 November, 2017	1,791,742.50			1,791,742.50	0.67%	8,361.46			1,800,103.96	
22 November, 2017	1,800,103.96		400,000.00	1,400,103.96	0.67%	311.13			1,400,415.10	
23-30 November, 2017	1,400,415.10	200,000.00	400,000.00	1,200,415.10	0.67%	2,134.07			1,202,549.17	
1-19 December, 2017	1,202,549.17			1,202,549.17	0.67%	4,913.64			1,207,462.81	
20-21 December, 2017	1,207,462.81	150,000.00		1,357,462.81	0.67%	583.85			1,358,046.66	
22-31 December, 2017	1,358,046.66	300,000.00	200,000.00	1,458,046.66	0.67%	3,135.58			1,461,182.25	
January, 2018	1,461,182.25			1,461,182.25	0.67%	9,741.21			1,470,923.46	
February, 2018	1,470,923.46			1,470,923.46	0.67%	9,806.16			1,480,729.62	
March, 2018	1,480,729.62			1,480,729.62	0.67%	9,871.53			1,490,601.15	
April, 2018	1,490,601.15			1,490,601.15	0.67%	9,937.34	29,812.02	74,530.06	1,604,880.57	
May, 2018	1,604,880.57			1,604,880.57	1.00%	16,048.81			1,620,929.38	
June, 2018	1,620,929.38			1,620,929.38	1.00%	16,209.29			1,637,138.67	
1-5 July, 2018	1,637,138.67			1,637,138.67	1.00%	2,640.55			1,639,779.22	
6 July, 2018	1,639,779.22	500,000.00		2,139,779.22	1.00%	690.25			2,140,469.47	
7-31 July, 2018	2,140,469.47	250,000.00		2,390,469.47	1.00%	19,277.98			2,409,747.45	
August, 2018	2,409,747.45			2,409,747.45	1.00%	24,097.47			2,433,844.92	
September, 2018	2,433,844.92			2,433,844.92	1.00%	24,338.45			2,458,183.37	
October, 2018	2,458,183.37			2,458,183.37	1.00%	24,581.83			2,482,765.21	
1-11 November, 2018	2,482,765.21			2,482,765.21	1.00%	9,103.47			2,491,868.68	

2363823 Ontario Inc. - 2496582 Ontario Inc.

Mortgage Statement

To July 31, 2022

Date	Opening Balance	Advances	Repayments	Ending Balance before interest	Interest Rate	Interest	Interest Penalty	Renewal Fees	Ending Balance	Daily Interest
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
12-30 November, 2018	2,491,868.68	125,000.00		2,616,868.68	1.00%	16,573.50			2,633,442.18	
1-10 December, 2018	2,633,442.18			2,633,442.18	1.00%	8,494.97			2,641,937.16	
11 December, 2018	2,641,937.16		300,000.00	2,341,937.16	1.00%	755.46			2,342,692.62	
12-31 December, 2018	2,342,692.62	225,000.00		2,567,692.62	1.00%	16,565.76			2,584,258.38	
1-17 January, 2019	2,584,258.38			2,584,258.38	1.00%	14,171.74			2,598,430.12	
18-31 January, 2019	2,598,430.12	150,000.00		2,748,430.12	1.00%	12,412.27			2,760,842.38	
February, 2019	2,760,842.38			2,760,842.38	1.00%	27,608.42			2,788,450.81	
March, 2019	2,788,450.81			2,788,450.81	1.00%	27,884.51			2,816,335.31	
April, 2019	2,816,335.31			2,816,335.31	1.00%	28,163.35	84,490.06	140,816.77	3,069,805.49	
May, 2019	3,069,805.49			3,069,805.49	1.00%	30,698.05			3,100,503.55	
June, 2019	3,100,503.55			3,100,503.55	1.00%	31,005.04			3,131,508.58	
July, 2019	3,131,508.58			3,131,508.58	1.00%	31,315.09			3,162,823.67	
August, 2019	3,162,823.67			3,162,823.67	1.00%	31,628.24			3,194,451.91	
September, 2018	3,194,451.91			3,194,451.91	1.00%	31,944.52			3,226,396.42	
October, 2019	3,226,396.42			3,226,396.42	1.00%	32,263.96			3,258,660.39	
November, 2019	3,258,660.39			3,258,660.39	1.00%	32,586.60			3,291,246.99	
December, 2019	3,291,246.99			3,291,246.99	1.00%	32,912.47			3,324,159.46	
January, 2020	3,324,159.46			3,324,159.46	1.00%	33,241.59			3,357,401.06	
February, 2020	3,357,401.06			3,357,401.06	1.00%	33,574.01			3,390,975.07	
March, 2020	3,390,975.07			3,390,975.07	1.00%	33,909.75			3,424,884.82	
April, 2020	3,424,884.82			3,424,884.82	1.00%	34,248.85	102,746.54	171,244.24	3,733,124.45	
May, 2020	3,733,124.45			3,733,124.45	1.00%	37,331.24			3,770,455.70	
June, 2020	3,770,455.70			3,770,455.70	1.00%	37,704.56			3,808,160.25	
July, 2020	3,808,160.25			3,808,160.25	1.00%	38,081.60			3,846,241.86	
August, 2020	3,846,241.86			3,846,241.86	1.00%	38,462.42			3,884,704.27	
September, 2020	3,884,704.27			3,884,704.27	1.00%	38,847.04			3,923,551.32	
October, 2020	3,923,551.32			3,923,551.32	1.00%	39,235.51			3,962,786.83	
November, 2020	3,962,786.83			3,962,786.83	1.00%	39,627.87			4,002,414.70	
December, 2020	4,002,414.70			4,002,414.70	1.00%	40,024.15			4,042,438.85	
January, 2021	4,042,438.85			4,042,438.85	1.00%	40,424.39			4,082,863.23	
February, 2021	4,082,863.23			4,082,863.23	1.00%	40,828.63			4,123,691.87	
March, 2021	4,123,691.87			4,123,691.87	1.00%	41,236.92			4,164,928.79	
April, 2021	4,164,928.79			4,164,928.79	1.00%	41,649.29	124,947.86	208,246.44	4,539,772.38	
1-31 May, 2021	4,539,772.38			4,539,772.38	1.00%	43,933.28			4,583,705.66	

2363823 Ontario Inc. - 2496582 Ontario Inc.

Mortgage Statement

To July 31, 2022

Date	Opening Balance	Advances	Repayments	Ending Balance before interest	Interest Rate	Interest	Interest Penalty	Renewal Fees	Ending Balance	Daily Interest
	\$	\$	\$	\$	\$	\$	\$	\$	\$	\$
31 May, 2021	4,583,705.66	200,000.00		4,783,705.66	1.00%	1,543.13			4,785,248.79	
1-24 June, 2021	4,785,248.79			4,785,248.79	1.00%	38,281.99			4,823,530.78	
25-30 June, 2021	4,823,530.78	200,000.00		5,023,530.78	1.00%	10,047.06			5,033,577.84	
1-18 July, 2021	5,033,577.84			5,033,577.84	1.00%	29,227.23			5,062,805.07	
19-31 July, 2021	5,062,805.07		200,000.00	4,862,805.07	1.00%	20,392.41			4,883,197.47	
August, 2021	4,883,197.47			4,883,197.47	1.00%	48,831.97			4,932,029.45	
September, 2021	4,932,029.45			4,932,029.45	1.00%	49,320.29			4,981,349.74	
October, 2021	4,981,349.74			4,981,349.74	1.00%	49,813.50			5,031,163.24	
November, 2021	5,031,163.24			5,031,163.24	1.00%	50,311.63			5,081,474.87	
December, 2021	5,081,474.87			5,081,474.87	1.00%	50,814.75			5,132,289.62	
January, 2022	5,132,289.62			5,132,289.62	1.00%	51,322.90			5,183,612.52	
1-18 February, 2022	5,183,612.52			5,183,612.52	1.00%	33,323.22			5,216,935.74	
18-28 February, 2022	5,216,935.74	119,276.38		5,336,212.12	1.00%	19,057.90			5,355,270.02	
March, 2022	5,355,270.02			5,355,270.02	1.00%	53,552.70			5,408,822.72	
April, 2022	5,408,822.72	208,360.09		5,617,182.81	1.00%	56,171.83	168,515.48	270,441.14	6,112,311.26	
May, 2022	6,112,311.26			6,112,311.26	1.00%	61,123.11			6,173,434.37	
June, 2022	6,173,434.37			6,173,434.37	1.00%	61,734.34			6,235,168.72	
July, 2022	6,235,168.72	-	-	6,235,168.72	1.00%	62,351.69			6,297,520.40	\$ 2,011.34

Check	\$	-	\$ 6,107,636.47	\$ 3,300,000.00		\$ 2,114,093.32	\$	510,511.97	\$ 865,278.64	6,297,520.40
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Notes

[1] Mortgage details as per Charge/Mortgage registered as BC313337 and Schedule "B" thereto.

[2] Advances and Repayments details as provided by 2496582 Ontario Inc.

Appendix “Q”

PROPERTY DESCRIPTION: PART LOT 16 CONCESSION 14, DESIGNATED AS PART 10, PLAN 59R16241; TOWN OF PELHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 64399-0295

PIN CREATION DATE:

2019/07/24

OWNERS' NAMES

2753804 ONTARIO INC.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT	INCLUDES ALL	DOCUMENT TYPES AND	DELETED INSTRUMENTS	SINCE 2019/07/24 **		
**SUBJECT,	ON FIRST REGISTRATION	UNDER THE LAND TITLES ACT,	TO:			
**	SUBSECTION 44(1) OF THE LAND TITLES ACT,	EXCEPT PARAGRAPH 11,	PARAGRAPH 14,	PROVINCIAL SUCCESSION DUTIES	*	
**	AND ESCHEATS OR FORFEITURE TO THE CROWN.					
**	THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT,	BE ENTITLED TO THE LAND OR ANY PART OF				
**	IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY					
**	CONVENTION.					
**	ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.					
**DATE OF CONVERSION TO	LAND TITLES:	1998/12/21	**			
RO610237	1991/06/18	ORDER		MINISTER OF MUNICIPAL AFFAIRS		C
	REMARKS: RO585388 RO590138, RO578886	EXEMPTION RE: PLANNING ACT				
	CORRECTIONS: 'PARTY: MINISTER OF MUNICIPAL AFFAIRS'	ADDED ON 2002/01/29 BY NP.				
SN529149	2017/10/05	CHARGE		*** DELETED AGAINST THIS PROPERTY *** GROSS, HELEN MAUD	MONTEMURRO, CARLO	
59R16241	2018/08/09	PLAN REFERENCE				C
SN592666	2019/06/21	TRANS PERSONAL REP		*** DELETED AGAINST THIS PROPERTY *** GROSS, HELEN MAUD	BROWN, SUZANNE	
	REMARKS: PLANNING ACT STATEMENTS.					
SN636231	2020/07/27	TRANSFER		*** COMPLETELY DELETED *** BROWN, SUZANNE	MONTEMURRO, CARLO	
SN677297	2021/06/08	DISCH OF CHARGE		*** COMPLETELY DELETED *** MONTEMURRO, CARLO		
	REMARKS: SN529149.					

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
REGISTRY
OFFICE #59

64399-0305 (LT)

PAGE 2 OF 2
PREPARED FOR Lynda001
ON 2024/09/13 AT 16:43:55

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
SN681054	2021/06/30	TRANSFER		*** COMPLETELY DELETED *** MONTEMURRO, CARLO	2363823 ONTARIO INC.	
		REMARKS: PLANNING ACT STATEMENTS.				
SN681062	2021/06/30	CHARGE	\$5,500,000	2363823 ONTARIO INC.	2689918 ONTARIO INC.	C
SN681065	2021/06/30	CHARGE	\$2,720,000	2363823 ONTARIO INC. 2728689 ONTARIO INC. 2649134 ONTARIO INC. 2728692 ONTARIO INC.	MONTEMURRO, ANNA MONTEMURRO, CARLO BAXTER, STEVE BAXTER, BRETT JOSEPH MONTEMURRO-BAXTER, EMMY	C
SN791143	2024/01/17	TRANSFER	\$2	2363823 ONTARIO INC.	2753804 ONTARIO INC.	C
SN802547	2024/05/24	CHARGE	\$1,725,000	2753804 ONTARIO INC.	DISHKE, PAUL	C



PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND
REGISTRY
OFFICE #59

64399-0344 (LT)

PAGE 1 OF 2
PREPARED FOR Lynda001
ON 2024/09/16 AT 09:05:48

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PART LOT 16 CONCESSION 14 PELHAM PART 17 30R15249; TOWN OF PELHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

RE-ENTRY FROM 64399-0333

PIN CREATION DATE:

2021/10/18

OWNERS' NAMES

2753804 ONTARIO INC.

<u>CAPACITY</u>	<u>SHARE</u>
-----------------	--------------

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT / CHKD
** PRINTOUT	INCLUDES ALL	DOCUMENT TYPES AND	DELETED INSTRUMENTS	SINCE 2021/10/18 **		
**SUBJECT,	ON FIRST REGISTRATION UNDER THE	LAND TITLES ACT, TO:				
**	SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES	*				
**	AND ESCHEATS OR FORFEITURE TO THE CROWN.					
**	THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF					
**	IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY					
**	CONVENTION.					
**	ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.					
**DATE OF CONVERSION TO	LAND TITLES: 2021/10/18 **					
RO610237	1991/06/18	ORDER		MINISTER OF MUNICIPAL AFFAIRS		C
	REMARKS: RO585388 RO590138, RO578886 EXEMPTION RE: PLANNING ACT					
	CORRECTIONS: 'PARTY: MINISTER OF MUNICIPAL AFFAIRS' ADDED ON 2002/01/29 BY NP.					
RO825276	2017/10/05	CHARGE		*** DELETED AGAINST THIS PROPERTY *** GROSS, HELEN MAUD	MONTEMURRO, CARLO	
30R15245	2018/07/30	PLAN REFERENCE				C
30R15249	2018/08/09	PLAN REFERENCE				C
RO825772	2020/08/13	TRANSFER		*** DELETED AGAINST THIS PROPERTY *** BROWN, SUZANNE	MONTEMURRO, CARLO	
SN699616	2021/11/05	DISCH OF CHARGE		*** COMPLETELY DELETED *** MONTEMURRO, CARLO		
	REMARKS: RO825276.					
SN699658	2021/11/05	TRANSFER		*** COMPLETELY DELETED *** MONTEMURRO, CARLO	2363823 ONTARIO INC.	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.

NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
REMARKS: PLANNING ACT STATEMENTS.						
SN699667	2021/11/05	CHARGE	\$5,500,000	2363823 ONTARIO INC.	2689918 ONTARIO INC.	C
SN699668	2021/11/05	CHARGE	\$2,720,000	2363823 ONTARIO INC. 2728689 ONTARIO INC. 2728692 ONTARIO INC.	MONTEMURRO, ANNA MONTEMURRO, CARLO BAXTER, STEVE BAXTER, BRETT JOSEPH MONTEMURRO-BAXTER, EMMY	C
SN791143	2024/01/17	TRANSFER	\$2	2363823 ONTARIO INC.	2753804 ONTARIO INC.	C
SN802547	2024/05/24	CHARGE	\$1,725,000	2753804 ONTARIO INC.	DISHKE, PAUL	C

PROPERTY DESCRIPTION: PART LOT 17 CONCESSION 14, DESIGNATED AS PART 29, PLAN 59R16241; TOWN OF PELHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 64399-0295

PIN CREATION DATE:

2019/07/24

OWNERS' NAMES

2753804 ONTARIO INC.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2019/07/24 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 1998/12/21 **						
RO610237	1991/06/18	ORDER		MINISTER OF MUNICIPAL AFFAIRS		C
REMARKS: RO585388 RO590138, RO578886 EXEMPTION RE: PLANNING ACT						
CORRECTIONS: 'PARTY: MINISTER OF MUNICIPAL AFFAIRS' ADDED ON 2002/01/29 BY NP.						
SN529149	2017/10/05	CHARGE		*** DELETED AGAINST THIS PROPERTY *** GROSS, HELEN MAUD	MONTEMURRO, CARLO	
59R16241	2018/08/09	PLAN REFERENCE				C
SN592614	2019/06/21	TRANS PERSONAL REP		*** DELETED AGAINST THIS PROPERTY *** GROSS, HELEN MAUD	BROWN, ROBERT	
REMARKS: PLANNING ACT STATEMENTS.						
SN636239	2020/07/27	TRANSFER		*** COMPLETELY DELETED *** BROWN, ROBERT	MONTEMURRO, CARLO	
SN677297	2021/06/08	DISCH OF CHARGE		*** COMPLETELY DELETED *** MONTEMURRO, CARLO		
REMARKS: SN529149.						

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
REGISTRY
OFFICE #59

64399-0316 (LT)

PAGE 2 OF 2
PREPARED FOR Lynda001
ON 2024/09/23 AT 10:18:51

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
SN681054	2021/06/30	TRANSFER		*** COMPLETELY DELETED *** MONTEMURRO, CARLO	2363823 ONTARIO INC.	
		REMARKS: PLANNING ACT STATEMENTS.				
SN681062	2021/06/30	CHARGE	\$5,500,000	2363823 ONTARIO INC.	2689918 ONTARIO INC.	C
SN681065	2021/06/30	CHARGE	\$2,720,000	2363823 ONTARIO INC. 2728689 ONTARIO INC. 2649134 ONTARIO INC. 2728692 ONTARIO INC.	MONTEMURRO, ANNA MONTEMURRO, CARLO BAXTER, STEVE BAXTER, BRETT JOSEPH MONTEMURRO-BAXTER, EMMY	C
SN791143	2024/01/17	TRANSFER	\$2	2363823 ONTARIO INC.	2753804 ONTARIO INC.	C
SN802547	2024/05/24	CHARGE	\$1,725,000	2753804 ONTARIO INC.	DISHKE, PAUL	C

PROPERTY DESCRIPTION: PART LOT 17 CONCESSION 14, DESIGNATED AS PART 22, PLAN 59R16241; TOWN OF PELHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

DIVISION FROM 64399-0295

PIN CREATION DATE:

2019/07/24

OWNERS' NAMES

2753804 ONTARIO INC.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 2019/07/24 **						
**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:						
** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *						
** AND ESCHEATS OR FORFEITURE TO THE CROWN.						
** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF						
** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY						
** CONVENTION.						
** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.						
**DATE OF CONVERSION TO LAND TITLES: 1998/12/21 **						
RO578886	1990/03/09	TRANSFER		*** DELETED AGAINST THIS PROPERTY ***	GROSS, DOUGLAS FRANKLIN	C
CORRECTIONS: 'THIS INSTRUMENT' WAS DELETED FROM PROPERTY 64399-0201 IN ERROR AND WAS RE-INSTATED ON 2007/11/28 BY GAIL BUXTON.						
RO610237	1991/06/18	ORDER		MINISTER OF MUNICIPAL AFFAIRS		
REMARKS: RO585388 RO590138, RO578886 EXEMPTION RE: PLANNING ACT						
CORRECTIONS: 'PARTY: MINISTER OF MUNICIPAL AFFAIRS' ADDED ON 2002/01/29 BY NP.						
SN529148	2017/10/05	TRANSMISSION-LAND		*** DELETED AGAINST THIS PROPERTY *** GROSS, DOUGLAS FRANKLIN	GROSS, HELEN MAUD GROSS, DOUGLAS FRANKLIN -ESTATE	C
SN529149	2017/10/05	CHARGE		*** DELETED AGAINST THIS PROPERTY *** GROSS, HELEN MAUD	MONTEMURRO, CARLO	
59R16241	2018/08/09	PLAN REFERENCE				
SN636285	2020/07/27	TRANS PERSONAL REP		*** DELETED AGAINST THIS PROPERTY *** GROSS, HELEN MAUD	RODGERS, BARBARA	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

LAND
REGISTRY
OFFICE #59

64399-0310 (LT)

PAGE 2 OF 2
PREPARED FOR Lynda001
ON 2024/09/23 AT 10:19:30

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
		REMARKS: PLANNING ACT STATEMENTS.				
SN636823	2020/07/31	TRANSFER		*** COMPLETELY DELETED *** RODGERS, BARBARA	MONTEMURRO, ANNA	
SN677297	2021/06/08	DISCH OF CHARGE		*** COMPLETELY DELETED *** MONTEMURRO, CARLO		
		REMARKS: SN529149.				
SN681060	2021/06/30	TRANSFER		*** COMPLETELY DELETED *** MONTEMURRO, ANNA	2363823 ONTARIO INC.	
		REMARKS: PLANNING ACT STATEMENTS.				
SN681062	2021/06/30	CHARGE	\$5,500,000	2363823 ONTARIO INC.	2689918 ONTARIO INC.	C
SN681065	2021/06/30	CHARGE	\$2,720,000	2363823 ONTARIO INC. 2728689 ONTARIO INC. 2649134 ONTARIO INC. 2728692 ONTARIO INC.	MONTEMURRO, ANNA MONTEMURRO, CARLO BAXTER, STEVE BAXTER, BRETT JOSEPH MONTEMURRO-BAXTER, EMMY	C
SN791143	2024/01/17	TRANSFER	\$2	2363823 ONTARIO INC.	2753804 ONTARIO INC.	C
SN802547	2024/05/24	CHARGE	\$1,725,000	2753804 ONTARIO INC.	DISHKE, PAUL	C

Appendix “R”

WELLENREITER LLP

LAWYERS

280 PLAINS ROAD WEST
BURLINGTON, ONTARIO
CANADA L7T 1G4

Tel. 905-529-4520
Fax: 905-529-7943

RICHARD A. WELLENREITER, B.A. (Hons.) LL.B.*
WALTER R. WELLENREITER, B.A., LL.B., LL.M.*
MICHAEL N. RUBENSTEIN, B.A., LL.B.
SANDRA MAJIC, B.A. (Hons.), M.A., LL.B.



rwellenreiter@wellenreiterllp.ca
wwellenreiter@wellenreiterllp.ca
mrubenstein@wellenreiterllp.ca
smajic@wellenreiterllp.ca

July 29, 2024

Laura Culleton
Chaitons LLP
5000 Yonge Street, 10th Floor
Toronto, Ontario
M2N 7E9

Dear Ms. Culleton:

DELIVERED BY EMAIL

Email: laurac@chaitons.com
Operator: Cassidy Loewen
This document is confidential and privileged.
Disclosure to other than the named recipient
may result in breach of certain laws and
infringement of third-party rights. If you
receive this communication in error, contact
us immediately.

**Re: Our client: 2689918 Ontario Inc.
Mortgages received from 2363823 Ontario Inc., 2649134 Ontario Inc., 228689
Ontario Inc., 228692 Ontario Inc.
our file: Marshall Ehr Group Inc. v. 255386 Ontario, et al our File No. 85892**

Further to your letter of July 9, 2024, with regard to the above noted mortgagors and the following mortgages, the principal and interest owing to July 29, 2024 is \$4,366,297.73. Interest continues to accrue which along with applicable lender fees and lender legal costs will be payable in addition to this sum at the time of discharge.

1) 2689918 Ontario Inc. mortgage from 2363823 Ontario Inc.

Registered on June 30, 2021 as instrument number SN681062 over the following properties:

*PIN 63299-0297 LT
Description PART LOT 17 CONCESSION 14, DESIGNATED AS PART 2, PLAN 59R16241; TOWN OF PELHAM
Address Fonthill*

*PIN 64399-0299 LT
Description PART LOT 17 CONCESSION 14, DESIGNATED AS PART 4, PLAN 59R16241; TOWN OF PELHAM
Address FONTHILL*

*PIN 64399-0301 LT
Description PART LOT 17 CONCESSION 14, DESIGNATED AS PART 6, PLAN 59R16241; TOWN OF PELHAM
Address FONTHILL*

*PIN 64399-0303 LT
Description PART LOT 16 CONCESSION 14, DESIGNATED AS PART 8, PLAN 59R16241; TOWN OF PELHAM
Address FONTHILL*

	<i>PIN</i>	<i>64399-0305 LT</i>
	<i>Description</i>	<i>PART LOT 16 CONCESSION 14, DESIGNATED AS PART 10, PLAN 59R16241; TOWN OF PELHAM</i>
	<i>Address</i>	<i>FONTHILL</i>
	<i>PIN</i>	<i>64399-0307 LT</i>
	<i>Description</i>	<i>PART LOT 16 CONCESSION 14, DESIGNATED AS PART 12, PLAN 59R16241; TOWN OF PELHAM</i>
	<i>Address</i>	<i>FONTHILL</i>
	<i>PIN</i>	<i>64399-0310 LT</i>
	<i>Description</i>	<i>PART LOT 17 CONCESSION 14, DESIGNATED AS PART 22, PLAN 59R16241; TOWN OF PELHAM</i>
	<i>Address</i>	<i>FENWICK</i>
	<i>PIN</i>	<i>64399-0312 LT</i>
	<i>Description</i>	<i>PART LOT 17 CONCESSION 14, DESIGNATED AS PART 24, PLAN 59R16241; TOWN OF PELHAM</i>
	<i>Address</i>	<i>FONTHILL</i>
	<i>PIN</i>	<i>64399-0316 LT</i>
	<i>Description</i>	<i>PART LOT 17 CONCESSION 14, DESIGNATED AS PART 29, PLAN 59R16241; TOWN OF PELHAM</i>
	<i>Address</i>	<i>FONTHILL</i>
	<i>PIN</i>	<i>64399-0318 LT</i>
	<i>Description</i>	<i>PART LOT 17 CONCESSION 14, DESIGNATED AS PART 31, PLAN 59R16241; TOWN OF PELHAM</i>
	<i>Address</i>	<i>FENWICK</i>
<i>TOWN</i>	<i>PIN</i>	<i>64399-0325 LT</i>
	<i>Description</i>	<i>PART LOT 16 AND 17 CONCESSION 14 PART 35, 59R16241;</i>
		<i>OF PELHAM</i>
	<i>Address</i>	<i>FENWICK</i>
<i>PELHAM</i>	<i>PIN</i>	<i>64399-0328 LT</i>
	<i>Description</i>	<i>PART LOT 16 & 17 CON 14 PART 37, 59R16241; TOWN OF</i>
	<i>Address</i>	<i>FENWICK</i>

2) 2689918 Ontario Inc. mortgage from 2649134 Ontario Inc.

14 Registered June 30, 2021 as instrument number SN681064 over PART LOT 17 CON
PART 33, 59R16241; TOWN OF PELHAM, bearing PIN 64399-0327 (LT)

3) 2689918 Ontario Inc. mortgage from 2728689 Ontario Inc.

Registered June 30, 2021 as instrument number SN681063 over the following properties:

21,

PIN	64399-0249 LT
Description	PART LOT 17 CONCESSION 14 PELHAM, PART 46 PLAN 59R16241;
Address	TOWN OF PELHAM RIVER ROAD PELHAM FONTHILL
PIN	64399-0309 LT
Description	PART LOTS 16 AND 17 CONESSION 14, DESIGNATED AS PART
Address	PLAN 59R16241; TOWN OF PELHAM FENWICK
PIN	64399-0324 LT
Description	PART LOT 17 CONESSION 14, DESIGNATED AS PART 48, PLAN 59R16241; TOWN OF PELHAM
Address	FENWICK

4) 2689918 Ontario Inc. mortgage from 2728692 Ontario Inc.

Registered June 30, 2021 as instrument number SN681061 over the following properties:

7,

PIN	64399-0296 LT
Description	PART LOT 17 CONESSION 14, DESIGNATED AS PART 1, PLAN 59R16241; TOWN OF PELHAM
Address	FENWICK
PIN	64399-0298 LT
Description	PART LOT 17 CONCESSION 14, DESIGNATED AS PART 3, PLAN 59R16241; TOWN OF PELHAM
Address	FENWICK
PIN	64399-0300 LT
Description	PART LOT 17 CONESSION 14, DESIGNATED AS PART 5, PLAN 59R16241; TOWN OF PELHAM
Address	FENWICK
PIN	64399-0302 LT
Description	PART LOTS 16 AND 17 CONCESSION 14, DESIGNATED AS PART
Address	PLAN 59R16241; TOWN OF PELHAM FENWICK
PIN	64399-0304 LT
Description	PART LOT 16 CONCESSION 14, DESIGNATED AS PART 9, PLAN 59R16241; TOWN OF PELHAM


	<i>Address</i>	<i>FENWICK</i>
	<i>PIN</i>	<i>64399-0306 LT</i>
	<i>Description</i>	<i>PART LOT 16 CONCESSION 14, DESIGNATED AS PART 11, PLAN 59R16241; TOWN OF PELHAM</i>
	<i>Address</i>	<i>FENWICK</i>
	<i>PIN</i>	<i>64399-0308 LT</i>
	<i>Description</i>	<i>PART LOT 16 CONESSION 14, DESIGNATED AS PARTS 13 and 14, PLAN 59R16241; TOWN OF PELHAM</i>
	<i>Address</i>	<i>FENWICK</i>
	<i>PIN</i>	<i>64399-0311 LT</i>
	<i>Description</i>	<i>PART LOT 17 CONCESSION 14, DESIGNATED AS PART 23, PLAN 59R16241; TOWN OF PELHAM</i>
	<i>Address</i>	<i>FONTHILL</i>
	<i>PIN</i>	<i>64399-0313 LT</i>
	<i>Description</i>	<i>PART LOT 17 CONCESSION 14, DESIGNATED AS PART 25, PLAN 59R16241; TOWN OF PELHAM</i>
	<i>Address</i>	<i>FENWICK</i>
	<i>PIN</i>	<i>64399-0314 LT</i>
	<i>Description</i>	<i>PART LOT 17 CONESSION 14, DESIGNATED AS PART 26, PLAN 59R16241; TOWN OF PELHAM</i>
	<i>Address</i>	<i>FENWICK</i>
34,	<i>PIN</i>	<i>64399-0320 LT</i>
	<i>Description</i>	<i>PART LOTS 16 AND 17 CONCESSION 14, DESIGNATED AS PART</i>
		<i>PLAN 59R16241; TOWN OF PELHAM</i>
	<i>Address</i>	<i>FENWICK</i>
36,	<i>PIN</i>	<i>64399-0321 LT</i>
	<i>Description</i>	<i>PART LOTS 16 AND 17 CONCESSION 14, DESIGNATED AS PART</i>
		<i>PLAN 59R16241; TOWN OF PELHAM</i>
	<i>Address</i>	<i>FONTHILL</i>
	<i>PIN</i>	<i>64399-0326 LT</i>
	<i>Description</i>	<i>PART LOT 17 CONCESSION 14, DESIGNATED AS PART 30, 59R16241; TOWN OF PELHAM</i>
	<i>Address</i>	<i>FENWICK</i>
	<i>PIN</i>	<i>64399-0330 LT</i>
	<i>Description</i>	<i>PART LOT 17 CON 14 PART 32, 59R16241; TOWN OF PELHAM</i>
	<i>Address</i>	<i>FONTHILL</i>

Also, please find enclosed related closing documentation:

1. Statement of Advance re: Part 1 of 1st advance ☐

2. Confirmation of Wire to ☐rechi Carter re: Part 1 of 1st advance ☐
3. Statement of Advance re: Part 2 of 1st advance ☐
4. Confirmation of Deposit to ☐rechi Carter re: Part 2 of 1st advance ☐
5. Statement of Advance re: Mortgage Advance Agreement ☐
6. Confirmation of Wire to ☐rechi Carter re: Mortgage Advance Agreement ☐
7.
 - a. Charge bearing Instrument Number SN681062 ☐
 - b. Charge bearing Instrument Number SN681064 ☐
 - c. Charge bearing Instrument Number SN681063 ☐
 - d. Charge bearing Instrument Number SN681061 ☐
 - e. Charge bearing Instrument Number SN699667 ☐
 - f. Charge bearing Instrument Number SN699666 ☐
 - g. Charge bearing Instrument Number SN699663 ☐
 - h. Charge bearing Instrument Number SN699664 ☐
 - i. Charge bearing Instrument Number SN699665 ☐and
☐Charge bearing Instrument Number SN681061.
8. Mortgage Advance Agreement.

Thank you.

Yours very truly,
WELLENREITER LLP
Per: 
Richard A. Wellenreiter ☐

Encl./
RAW/cl
E.☐.O.E.

Appendix “S”

2557385 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes

Statement of Receipts and Disbursements

For the Period Ending September 19, 2024

(\$; unaudited)

Description	Amount
Receipts	
HST collected from sale of Vickery Property	282,750 *
Proceeds from sale of Vickery Property	117,651
Funding from MarshallZehr Group Inc.	100,000
Interest earned from funds on hand	1,893
	<u>502,294</u>
Disbursements	
Receiver fees and disbursements	69,152
Legal fees and disbursements	39,404
HST	16,076
Security	15,484
Insurance	14,325
Utilities	1,518
PST	1,353
Deemed trust claim - CRA	469
Misc expenses	212
	<u>157,993</u>
Balance	<u>344,302</u>

* HST of \$248K due to be remitted after September 30, 2024 (net of ITCs to be claimed).

Appendix “T”

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

**IN THE MATTER OF THE RECEIVERSHIP OF 2557385 ONTARIO INC. AND 2363823
ONTARIO INC. O/A MARIMAN HOMES**

B E T W E E N :

MARSHALLZEHR GROUP INC.

Applicant

- and -

2557385 ONTARIO INC. AND 2363823 ONTARIO INC. O/A MARIMAN HOMES

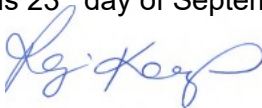
Respondent

**AFFIDAVIT OF MITCH VININSKY
(sworn September 23, 2024)**

I, **MITCH VININSKY**, of the City of Toronto, in the Province of Ontario, **MAKE OATH
AND SAY AS FOLLOWS:**

1. I am a Managing Director of KSV Restructuring Inc. ("KSV").
2. Pursuant to an order (the "**Receivership Order**") of the Ontario Superior Court of Justice (Commercial List) made on January 16, 2024, KSV was appointed as the receiver (in such capacity, the "**Receiver**"), without security, of all of the assets, undertakings and properties of 2557385 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes (collectively, the "**Debtors**") acquired for, or used in relation to a business carried on by the Debtors.
3. I have managed this mandate since the date of the Receivership Order. As such, I have knowledge of the matters to which I hereinafter depose.
4. The Receiver prepared invoices detailing its services rendered and disbursements incurred (the "**Invoices**") from July 1, 2024 to August 31, 2024 in the aggregate amount of \$41,740.75. Attached hereto and marked as **Exhibit "A"** to this Affidavit are copies of the Invoices.
5. Additionally, attached hereto as **Exhibit "B"** is a summary of the roles, hours and rates charged by members of the Receiver who have worked on this matter, and I hereby confirm that the list represents an accurate account of such information. The average hourly rate of the Receiver is \$606.70.
6. I consider the accounts to be fair and reasonable considering the circumstances connected with this matter.

7. This Affidavit is made in support of a motion to, *inter alia*, approve the attached accounts of the Receiver and the fees and disbursements detailed therein, and for no improper purpose whatsoever.

SWORN before me at the City of)
Toronto, in the Province of Ontario,)
this 23rd day of September, 2024)
)

Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires February 23, 2027



MITCH VININSKY

This is Exhibit "A" referred to in the
Affidavit of Mitch Vininsky sworn before
me, this 23rd day of September, 2024



.....
Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires February 23, 2027



Mitch Vininsky

ksv advisory inc.

220 Bay Street, Suite 1300

Toronto, Ontario, M5J 2W4

T +1 416 932 6013

F +1 416 932 6266

mvininsky@ksvadvisory.com

ksvadvisory.com

INVOICE

2557385 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes
c/o KSV Restructuring Inc.
220 Bay Street, Suite 1300
Toronto, ON M5J 2W4

August 13, 2024

Invoice No: 3844

HST #: 818808768RT0001

**Re: In the matter of the Receivership of 2557385 Ontario Inc. and 2363823 Ontario Inc.
(together, "Companies")**

For professional services rendered in July 2024 by KSV Restructuring Inc. in its capacity as receiver and manager of the Companies appointed pursuant to an Order of the Ontario Superior Court of Justice issued on January 17, 2024 (the "Receiver"), including:

Court Matters

- Reviewing and commenting on the following materials filed in connection with a motion heard on July 22, 2024 (the "July 22nd Motion") to, among other things, approve a transaction for the Vickery Property (the "Vickery Property Transaction"), including:
 - the Notice of Motion dated July 22, 2024; and
 - the draft Orders;
- Corresponding extensively with Chaitons regarding the motion materials for the July 22nd Motion, including a call on July 7, 2024;
- Preparing the Receiver's Second Report to Court (the "Second Report") dated July 16, 2024;
- Corresponding extensively with Chaitons regarding the Second Report;
- Attending in Court, virtually, on July 22, 2024;

General Matters

- Corresponding extensively with Chaitons LLP (“Chaitons”), legal counsel to the Receiver and MarshallZehr Group Inc. (“MarshallZehr”), the Companies’ senior secured lender, regarding all aspects of this mandate, as outlined in detail below;
- Corresponding extensively with MarshallZehr regarding the receivership and the Companies’ property located at 30 Front Street North, Haldimand (the “York Property”), including a call on July 2, 2024;
- Corresponding with Reconstruct LLP, the Receiver’s independent counsel, regarding the lien claim registered by VanRooyen Earthmoving Ltd. against the York Property;
- Corresponding regularly and speaking with Morris Wright Mortgage Company Ltd. (“Wright”) and its counsel regarding the Vickery Property, including calls on July 10 and 29, 2024;
- Corresponding with Chaitons and counsel to Wright regarding the Vickery Property Transaction;
- Corresponding with the purchaser and its counsel for the Vickery Property (the “Vickery Purchaser”);
- Corresponding with the Vickery Purchaser, its counsel and Chaitons regarding the closing of the Vickery Property Transaction;
- Corresponding with counsel to the Vickery Purchaser following closing of the transaction regarding a claim for water damage and corresponding with Chaitons regarding a response;
- Corresponding with AJ Clarke & Associates, the surveyor for the York Property;
- Corresponding with the Home Construction Regulatory Authority regarding Mariman’s builder license;
- Responding to numerous inquiries from creditors, home buyers and interested parties regarding the Companies;

Sale Process

- Corresponding with Colliers International Group Inc. (“Colliers”) regarding all aspects of the sale process for the York Property, including calls on July 10 and 28, 2024;
- Reviewing and discussing with Colliers its weekly sale process update reports dated July 5 and 12, 2024;
- Corresponding with MarshallZehr and Sunray Group regarding a proposed transaction for the York Property (the “York Property Transaction”);
- Reviewing and commenting on the Asset Purchase Agreement in respect of the York Property Transaction;

Home Buyer Matters

- Preparing a notice, in draft, for the home buyers in respect of the York Property Transaction;
- Corresponding with home buyers regarding the receivership proceedings, deposit insurance and the status of their purchase agreements;
- Attending calls and corresponding by email with numerous home buyers;

Other

- Maintaining the receivership case website;
- Convening internal meetings; and
- Dealing with all other matters not otherwise referred to herein.

Total fees and disbursements	\$	29,104.23
HST		<u>3,783.55</u>
Total due	\$	<u>32,887.78</u>

KSV Restructuring Inc.
2557385 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes

Time Summary

For the period ending July 31, 2024

Personnel	Rate (\$)	Hours	Amount (\$)
Mitch Vininsky	750	30.80	23,100.00
Ben Luder	450	11.00	4,950.00
Other staff and administration		4.90	1,042.75
Total fees		46.70	29,092.75
Add: Out of pocket disbursements			11.48
Total fees and disbursements			29,104.23



Mitch Vininsky

ksv advisory inc.

220 Bay Street, Suite 1300

Toronto, Ontario, M5J 2W4

T +1 416 932 6013

F +1 416 932 6266

mvininsky@ksvadvisory.com

ksvadvisory.com

INVOICE

2557385 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes
c/o KSV Restructuring Inc.
220 Bay Street, Suite 1300
Toronto, ON M5J 2W4

September 5, 2024

Invoice No: 3869

HST #: 818808768RT0001

**Re: In the matter of the Receivership of 2557385 Ontario Inc. and 2363823 Ontario Inc.
(together, “Companies”)**

For professional services rendered in August 2024 by KSV Restructuring Inc. in its capacity as receiver and manager of the Companies appointed pursuant to an Order of the Ontario Superior Court of Justice issued on January 17, 2024 (the “Receiver”), including:

General Matters

- Corresponding with Chaitons LLP (“Chaitons”), legal counsel to the Receiver and MarshallZehr Group Inc. (“MarshallZehr”), the Companies’ senior secured lender, regarding all aspects of this mandate, as outlined in detail below;
- Corresponding with MarshallZehr regarding the receivership and the Companies’ property located at 30 Front Street North, Haldimand (the “York Property”);
- Corresponding with Reconstruct LLP (“Reconstruct”), the Receiver’s independent counsel, regarding its review of a lien registered on title against the York Property, including a call on August 14, 2024;
- Reviewing correspondence between Reconstruct and counsel to the lien claimant regarding the Receiver’s view of the lien claimant’s priority;
- Corresponding with Chaitons regarding its review of security documents relating to other projects being developed by the Companies;
- Responding to numerous inquiries from creditors, home buyers and interested parties regarding the Companies;
- Preparing an Interim Report of the Receiver for the Companies pursuant to Subsection 246(2) of the *Bankruptcy and Insolvency Act*;

Sale Process

- Corresponding with MarshallZehr and Sunray Group regarding a transaction for the York Property (the “York Property Transaction”), including a call on August 7, 2024;
- Reviewing the Asset Purchase Agreement in respect of the York Property Transaction;

Home Buyer Matters

- Corresponding with home buyers regarding the receivership proceedings, deposit insurance and the status of their purchase agreements;
- Attending calls and corresponding by email with numerous home buyers;

Court Matters

- Preparing, in draft, the Receiver’s Third Report to Court (the “Report”);
- Corresponding with Chaitons and Reconstruct regarding the Report and scheduling of a hearing to, among other things, seek Court approval of the York Property Transaction;

Other

- Maintaining the receivership case website;
- Convening internal meetings; and
- Dealing with all other matters not otherwise referred to herein.

Total fees and disbursements	\$ 12,648.98
HST	<u>1,644.37</u>
Total due	<u><u>\$ 14,293.35</u></u>

KSV Restructuring Inc.
2557385 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes

Time Summary

For the period ending August 31, 2024

Personnel	Rate (\$)	Hours	Amount (\$)
Mitch Vininsky	750	12.10	9,075.00
Ben Luder	450	6.00	2,700.00
Other staff and administration		4.00	873.00
Total fees		22.10	12,648.00
Out-of-pocket disbursements (postage)			0.98
Total fees and disbursements			12,648.98

This is Exhibit "B" referred to in the
Affidavit of Mitch Vininsky sworn before
me, this 23rd day of September, 2024



.....
Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires February 23, 2027

2557385 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes
Schedule of Professionals' Time and Rates
For the Period from July 1, 2024 to August 31, 2024

Personnel	Title	Duties	Hours	Billing Rate (\$ per hour)	Amount (\$)
Mitch Vininsky	Managing Director	Overall responsibility	42.90	750	32,175.00
Ben Luder	Manager	All aspects of mandate	17.00	450	7,650.00
Other staff and administrative			8.90	175 - 250	1,915.75
Total fees			<u>68.80</u>		<u>41,740.75</u>
Out of pocket					12.46
Total					<u>41,753.21</u>
Total hours					68.80
Average hourly rate					\$ 606.70

Appendix “U”

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

B E T W E E N:

MARSHALLZEHR GROUP INC.

Applicant

- and -

**2557386 ONTARIO INC. and 2363823 ONTARIO INC.
o/a MARIMAN HOMES**

Respondents

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

AFFIDAVIT OF LAURA CULLETON
(sworn September 20, 2024)

I, LAURA CULLETON, of the City of Toronto, in the Province of Ontario **MAKE OATH AND SAY AS FOLLOWS:**

1. I am an associate with the law firm of Chaitons LLP (“**Chaitons**”), lawyers for KSV Restructuring Inc., as court-appointed receiver (the “**Receiver**”) of all the assets, undertakings and properties of each of the Respondents, and as such have knowledge of the matters to which I hereinafter depose.

2. Attached hereto and marked as **Exhibit “A”** are copies of the accounts issued by Chaitons to the Receiver for the time period commencing July 1, 2024 and ending August 31, 2024, totalling \$37,010.82 (comprised of fees of \$31,339.50, disbursements of \$1,506.67 and HST of \$4,164.65) with respect to this proceeding.

3. Attached hereto as **Exhibit “B”** is a summary of additional information with respect to the accounts referred to in paragraph 2 above, indicating all members of Chaitons who have worked

on this matter, their year of call to the bar, total time charged and hourly rates, and I hereby confirm that this list represents an accurate account of such information.

4. I confirm that the accounts described in paragraph 2 above accurately reflect the services provided by Chaitons in this matter and the fees and disbursements claimed by it from July 1, 2024 to August 31, 2024.

SWORN before me at the City of
Toronto, in the Province of Ontario
this 20th day of September, 2024



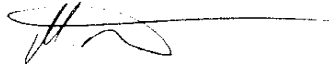
A Commissioner, etc.

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LAURA CULLETON

**THIS IS EXHIBIT "A" TO
THE AFFIDAVIT OF LAURA CULLETON
SWORN BEFORE ME THIS 20TH DAY OF
SEPTEMBER, 2024**



A Commissioner Etc.

INVOICE NUMBER: 300618

September 17, 2024

KSV RESTRUCTURING INC.
220 BAY STREET, SUITE 1300, BOX 20
TORONTO, ONTARIO, M5J2W4

Re: 2557386 ONTARIO INC. ET AL. (YORK ESTATES)
Our file: 007310-85892

FOR PROFESSIONAL SERVICES RENDERED on this matter up to and including September 30, 2024:

PROFESSIONAL FEES

SUBJECT TO HST	\$31,339.50	
SUB-TOTAL		\$31,339.50

DISBURSEMENTS

NON TAXABLE	\$810.39	
SUBJECT TO HST	\$696.28	
SUB-TOTAL		\$1,506.67
HST at 13.00%		\$4,164.65

GRAND TOTAL

\$37,010.82

Amount payable on the current invoice	\$37,010.82
Plus outstanding invoices on this matter	\$23,010.19
Amount Due	<u>\$60,021.01</u>
Trust Balance	

HST No R124110933

INVOICE NUMBER: 300618

E. & O.E. Payment due on receipt of the account. In Accordance with the Solicitor's Act, interest will be charged on any unpaid balance at the rate of 0.5% per annum commencing one month after delivery of this account.

PROFESSIONAL FEES:

May 9, 24	CW	To obtaining a tax certificate and forwarding to M. Willis-O'Connor and M. Poliak;
Jul 8, 24	LAC	Reviewing first report of the receiver; Reviewing e-mail correspondence from L Scanlon; Reviewing summary of charges and PINS from L Scanlon; Drafting letter to counsel for Olympia and Morris Wright; Reviewing instruments with other charges; E-mail correspondence to M Poliak.
Jul 9, 24	LAC	Drafting letters to chargors regarding validity of security; E-mail correspondence with M Poliak regarding same; Reviewing e-mail correspondence from A De Pinto to counsel for chargors; E-mail correspondence with P Kuca; Receipt and review of e-mail correspondence from M Poliak to M Vininsky and B Luder.
Jul 10, 24	MP	Call with P. Kuca regarding security of Morris and Olympia Trust on various Mariman owned property; email correspondence regarding same; prepare a security opinion Vickery;
Jul 11, 24	MP	Email correspondence regarding Moore property;
Jul 11, 24	MWO	To review correspondence and documents; to prepare draft Approval and Vesting Order re Grand York Estates;
Jul 12, 24	MP	Draft vesting order; office conferences with H. Chaiton and D. Afroz; calls with B. Bissell and MZ;
Jul 12, 24	MWO	To complete drafting Approval and Vesting Order for sale of Grand York Estates and deliver clean and blacklined copies for review; to revise and finalize draft Approval and Vesting Order for sale of Vickery property and deliver clean and blacklined copies for review; to follow up with client re comments on draft credit bid Asset Purchase Agreement;
Jul 15, 24	MP	Call with A. Slavens regarding Tarion claims and a form of Order; email correspondence regarding sale of property subject to MZ's second mortgage; email correspondence regarding Sunray comments on credit bid; security opinion on Vickery; review and draft orders; draft NOM; revise draft report; call and email correspondence with purchaser on Grand Estate; call with clients regarding same;

Jul 15, 24	MWO	To revise and finalize draft Approval and Vesting Order for Vickery property; to deliver clean and blacklined copies to client and purchaser's solicitor;
Jul 16, 24	MP	Finalize and serve motion materials; email correspondence regarding next steps; email correspondence regarding collateral mortgage discharge request;
Jul 18, 24	MP	Email correspondence regarding scheduling next motion;
Jul 19, 24	LAC	Receipt and review of e-mail correspondence from B Sinclair regarding mortgages registered by Baxters and Montemurros; E-mail correspondence with R Wellenreiter.
Jul 20, 24	LAC	E-mail correspondence to M Poliak regarding security review.
Jul 22, 24	MP	Prepared for and attended at the Court hearing to approve the Vickery APS; review responses from various mortgagees; email correspondence with L. Culleton regarding same;
Jul 22, 24	LAC	Receipt and review of e-mail correspondence from M Poliak; E-mail correspondence to A DePinto regarding charge; Drafting letter to P Dishke.
Jul 22, 24	MWO	To receive and review Approval and Vesting Order re Vickery property and deliver copy to purchaser's solicitor; to exchange correspondence re closing date and coordinate preparation for same;
Jul 23, 24	LAC	E-mail correspondence with L Efraim.
Jul 23, 24	MWO	To exchange correspondence re confirmation of closing date re Vickery sale; to review Agreement of Purchase and Sale and prepare list of closing documents;
Jul 23, 24	CW	To correspondence and telephone call with M. Willis-O'Connor to discuss the transaction and document preparation;
Jul 24, 24	MP	Call with L. Culleton regarding responses from various security holders;
Jul 24, 24	LAC	E-mail correspondence and telephone call with M Poliak regarding information and documents received from mortgagees to date.

Jul 24, 24	MWO	To exchange correspondence re receiver's cost estimates and other items requiring payment on closing re Vickery sale; to continue to review and revise list of closing documents; to begin preparing draft closing documents;
Jul 24, 24	CW	To start preparation of the statement of adjustments and to receiving figures for the cash amounts owing on closing; to preparation of closing folder file;
Jul 25, 24	MP	Draft termination letter to vickery purchaser; email correspondence with M. Willis-O'Connor regarding vickery vesting order;
Jul 25, 24	LAC	E-mail correspondence to M Luppino regarding advances; Reviewing letter regarding P Dishke charge.
Jul 25, 24	MWO	To review title documents and correspondence re Vickery sale; to consider issues re name change and Approval and Vesting Order; to review consideration agreement from lender's solicitor; to exchange correspondence with purchaser's solicitor and lender's solicitor; to prepare draft closing documents; to deliver copies to client and advise re outstanding issues;
Jul 25, 24	CW	To preparation of application for vesting order, receiver's certificate and law statement and forwarding to M. Willis-O'Connor for review; to telephone call with m. Willis-O'Connor to discuss cash amounts owing on closing;
Jul 26, 24	LSC	To various correspondence with A. De Pinto regarding various matters;
Jul 26, 24	LAC	Following up on information/documents requested from R Wellenreiter and L Efrain.
Jul 26, 24	LAC	E-mail correspondence with R Wellenreiter and C Loewen regarding delivery of information and documents.
Jul 26, 24	MWO	To complete revisions to closing documents; to respond to various comments and issues raised by purchaser's solicitor; to telephone calls and correspondence with utility provider re water arrears and related issues; to exchange correspondence with client and confirm costs required to be paid on closing;
Jul 27, 24	MP	Email correspondence regarding Vickery closing;

Jul 27, 24	MWO	To receive and respond to various comments and inquiries from purchaser's solicitor re Vickery sale; to exchange correspondence with client and confirm instructions;
Jul 28, 24	MWO	To receive and respond to correspondence from purchaser's solicitor re Vickery sale;
Jul 29, 24	LSC	To various correspondence with M. Bullied and J. Wu regarding return of excess trust funds;
Jul 29, 24	MWO	To exchange correspondence with lender's solicitor and coordinate receipt of Receiver's costs deficit amount re Vickery sale; to exchange correspondence re tax arrears and utility final readings and holdback issues; to draft Receiver's Undertaking re Utility Holdback; to receive and respond to various comments from purchaser's solicitor; to settle closing documents and coordinate execution of same;
Jul 30, 24	MP	Email correspondence with L. Culleton regarding correspondence with M. Bettiol;
Jul 30, 24	LAC	Receipt and review of e-mail correspondence from M Poliak regarding communications from M Bettiol to homebuyers; Drafting correspondence to M Bettiol legal counsel; E-mail correspondence with M Poliak regarding draft communication; E-mail correspondence to M Vininsky.
Jul 30, 24	MWO	To attend to closing matters and coordinate completion of same; to receive and review post-closing correspondence from purchaser's solicitor re allegations of substantial water damage;
Jul 31, 24	LAC	E-mail correspondence with M Vininsky; E-mail correspondence to R McGovern.
Jul 31, 24	MWO	To review correspondence from purchaser's solicitor re water damage and claim for compensation; to review case law and legal commentary; to prepare response and discuss revisions with client; to confirm instructions and deliver response; to coordinate post-closing payouts;
Aug 1, 24	MWO	To exchange correspondence with client; to receive instructions and review correspondence re draft plan approval issues;
Aug 2, 24	MP	Email correspondence with J. Vitulli;

Aug 2, 24	LAC	Receipt and review of e-mail correspondence from M Poliak to J Vitulli.
Aug 6, 24	LSC	To various correspondence with L. Marshall regarding outstanding accounts;
Aug 8, 24	MP	Email correspondence regarding Vickery commission;
Aug 12, 24	MP	Email correspondence regarding Vickery closing; email correspondence with M. Dudzic; review correspondence from a purchaser of another Bettiol project;
Aug 12, 24	MWO	To receive and review correspondence re remittance of HST, claim from realtor re commission and termination letter to purchaser's solicitor; to prepare and deliver correspondence and report to client;
Aug 14, 24	MP	Update call with L. Culleton;
Aug 14, 24	MP	Call with E. Solijon; email correspondence regarding same;
Aug 14, 24	LAC	Meeting with M Poliak regarding documents received from mortgagees and security review; Receipt and review of e-mail correspondence from M Poliak to J Vitulli; E-mail correspondence to L Efram.
Aug 15, 24	LAC	Receipt and review of e-mail correspondence from M Poliak to M Vininsky; Reviewing registration chart; Reviewing correspondence with P Kuca; E-mail correspondence to M Vininsky and B Luder; Receipt and review of e-mail correspondence between M Poliak, M Vininsky and B Wright; Drafting security opinion for Moores Road property.
Aug 16, 24	LAC	Revising Moores property security review.
Aug 19, 24	LAC	Receipt and review of e-mail correspondence from M Poliak to M Vininsky.
Aug 21, 24	HGC	Various emails; telephone call with M. Poliak;
Aug 21, 24	LAC	E-mail correspondence with P Kuca; Drafting security review letter regarding Abingdon Court property.
Aug 27, 24	MP	Email correspondence regarding security on other properties;
Sep 5, 24	LSC	To receipt and review of various correspondence from R. Miller regarding the priority of agreements of purchase and sale to mortgage;

Sep 6, 24	LSC	To reviewing assignment of agreements of purchase and sale and other security for termination provisions; to drafting memorandum regarding same; to various correspondence with R. Miller and M. Poliak regarding same;
Sep 6, 24	KH	To telephone call with L. Scanlon; To reviewing documents regarding subordination of agreements of purchase and sale;
Sep 16, 24	LSC	To receipt and review of instructions from R. Miller regarding the subordination of the agreements of purchase and sale to the MarshallZehr security; to drafting memorandum regarding same; to reviewing precedent file and correspondence; to reviewing title insurance policy and security;

TOTAL PROFESSIONAL FEES

HST at 13.00%

\$31,339.50

4,074.14

DISBURSEMENTS:
Subject to HST:

Internet Search Fee Taxable	\$209.35	
Teraview Charges Taxable	\$358.25	
Courier and Taxi Charges Taxable	\$31.88	
Postage Charges Taxable	\$82.32	
Photocopying Charges Taxable	\$3.00	
Registered Mail Taxable	\$11.48	
		\$696.28

Non-Taxable:

File Motion Record(s) Non-taxable	\$339.00	
Teraview Charges Non-taxable	\$163.30	
Government Disbursement Internet Search Non-tax.	\$208.09	
Bank Service Charges Non-taxable	\$100.00	
		\$810.39

TOTAL DISBURSEMENTS

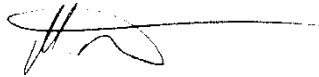
HST at 13.00%

\$1,506.67

90.52

GRAND TOTAL**\$37,010.82****CHAITONS LLP**

per:




Maya Poliak

LAWYERS' SUMMARY:

Lawyers and legal assistants involved	Hourly Rate	Hours Billed	Total Billed
HARVEY G. CHAITON	\$895.00	0.20	\$179.00
MAYA POLIAK	\$675.00	17.00	\$11,475.00
LIAM SCANLON	\$325.00	3.20	\$1,040.00
LAURA CULLETON	\$375.00	11.10	\$4,162.50
MARK WILLIS-O'CONNOR	\$590.00	22.70	\$13,393.00
KATHRYN HUGHES	\$475.00	0.50	\$237.50
CHERYL WILSON	\$275.00	3.10	\$852.50
Total:		57.80	\$31,339.50

**THIS IS EXHIBIT "B" TO
THE AFFIDAVIT OF LAURA CULLETON
SWORN BEFORE ME THIS 20TH DAY OF
SEPTEMBER, 2024**



A Commissioner Etc.

SUMMARY

Lawyer	Year of Call	Hours Billed	Hourly Rate	Amount Billed
Harvey Chaiton	1982	.20	\$895.00	\$179.00
George Benchetrit	1993	5.30	\$825.00	\$4,372.50
Maya Poliak	2007	59.20	\$675.00	\$39,960.00
Mark Willis-O-Connor	2013	46.90	\$590.00	\$27,671.00
Kathryn Hughes	2016	0.50	\$475.00	\$237.50
Laura Culleton	2021	11.10	\$375.00	\$4,162.50
Liam Scanlon	2022	13.40	\$325.00	\$4,355.00
David Im	Articling Student	11.80	\$250.00	\$2,950.00
Luca Imbrogno	Articling Student	3.00	\$250.00	\$750.00
Cheryl Wilson	Law Clerk	3.10	\$275.00	\$852.50
Total Hours and Amounts Billed		154.50		\$85,490.00
Average Hourly Rate			\$553.33	
Total Disbursements				\$3,359.37
Total Taxes (HST)				\$11,336.67
TOTAL				100,186.04

MARSHALLZEHR GROUP INC.
Applicant

- and -

2557386 ONTARIO INC., et al.
Respondents

Court File No. CV-00699432-00CL

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

PROCEEDING COMMENCED AT
TORONTO

**AFFIDAVIT OF LAURA CULLETON
(sworn September 18, 2024)**

CHAITONS LLP

5000 Yonge Street, 10th Floor
Toronto, Ontario M2N 7E9

Maya Poliak (54100A)

Tel: (416) 218-1161

E-mail: maya@chaitons.com

**Lawyers for KSV Restructuring Inc., in its capacity as
Court-Appointed Receiver**

Appendix “V”

Court File No. CV-22-00682959-00CL

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

IN THE MATTER OF SECTION 248 OF THE *BUSINESS CORPORATIONS ACT*, R.S.O. 1990, C. B. 16, AS AMENDED, AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O 1990 C. C.43, AS AMENDED

B E T W E E N:

MARSHALLZEHR GROUP INC.

Applicant

- and –

2557386 ONTARIO INC. and 2363823 ONTARIO INC. o/a MARIMAN HOMES

Respondents

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

AFFIDAVIT OF CHRISTEL PAUL
(sworn September 19, 2024)

I, Christel Paul, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am the Manager of Operations at the law firm Reconstruct LLP ("**Reconstruct**"), which acts for KSV Restructuring Inc., in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of 2557386 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes (collectively, the "**Debtors**") and, as such, I have knowledge of the matters deposed herein. Where I have relied on information from others, I state the source of such information and verily believe it to be true.

2. On January 16, 2024, the Receiver was appointed as receiver and manager over all of the assets, undertakings and property of the Debtors.

3. The Receiver retained Reconstruct LLP as its counsel to advise it with regards to matters related to its appointment and the performance of its duties and powers.

4. Reconstruct has prepared statements of account (the “**Accounts**”) in connection with its mandate as counsel to the Receiver detailing its fees and disbursements incurred for the period of March 25, 2024 to August 21, 2024 (the “**Billing Period**”). Attached hereto and marked as **Exhibit “A”** is a summary of Reconstruct’s Accounts. Also attached hereto and marked as **Exhibit “B”** are copies of the Accounts.

5. The Accounts are a fair and accurate description of the services provided, the disbursements incurred, and the amounts charged by Reconstruct. Reconstruct’s rates charged are the standard hourly rates of those individuals at the firm at the time they were incurred.


6. As detailed in the Accounts, the total amount being claimed for the work performed by Reconstruct during the Billing Period is \$17,762.64 (including fees of \$15,066, disbursements of \$571.28 and HST of \$2,032.85).

7. Attached hereto and marked as **Exhibit “C”** is a summary of the timekeepers whose services are reflected in the Accounts, including their title, hourly rate, and the fees and hours billed. Reconstruct incurred a total of 21 hours at an average hourly rate of \$717.43 (exclusive of applicable taxes).

8. I am advised by R. Brendan Bissell, a partner of Reconstruct with carriage of this matter, that the estimate of time and expenses for Reconstruct’s unbilled time and to complete its work on behalf of the Receiver is \$24,500 plus HST.

9. This affidavit is sworn in support of the Receiver’s motion for, *inter alia*, approval of the fees and disbursements of Reconstruct, and for no other or improper purpose.

SWORN BEFORE ME at the City of)
Toronto, in the Province of Ontario, on)
the 23rd day of September, 2024.)
)

Signed by:)
)
45EF9D3CF26E44F...)

A Commissioner for taking Affidavits.)
Jasmine Landau, LSO #74316K)

DocuSigned by:)
)
42BF8678EF6E4AB...)

CHRISTEL PAUL

THIS IS **EXHIBIT "A"** REFERRED TO IN THE
AFFIDAVIT OF CHRISTEL PAUL SWORN BEFORE ME,
THIS 23RD DAY OF SEPTEMBER 2024

Signed by:

Jasmine Landau

45EF9D3CF26E44F...

A COMMISSIONER FOR TAKING AFFIDAVITS
Jasmine Landau, LSO #74316K

Invoice No	Invoice Date	Invioce Period	Total Hours	Fees (\$)	Disbursements (\$)	HST (\$)	Invoice Total (\$)
496283	5/14/2024	03/25/2024-04/12/2024	5.5	\$ 3,277.50	\$ 538.85	\$ 496.13	\$ 4,312.48
	8/12/2024	07/05/2024-07/31/2024	13.1	\$ 9,928.50	\$ 32.43	\$ 1,294.92	\$ 11,348.36
	9/12/2024	08/07/2024-08/21/2024	2.4	\$ 1,860.00	\$ -	\$ 241.80	\$ 2,101.80
		TOTAL	21.00	\$ 15,066.00	\$ 571.28	\$ 2,032.85	\$ 17,762.64

THIS IS **EXHIBIT "B"** REFERRED TO IN THE
AFFIDAVIT OF CHRISTEL PAUL SWORN BEFORE ME,
THIS 23RD DAY OF SEPTEMBER 2024

Signed by:

Jasmine Landau

45EF9D3CF26E44F...

A COMMISSIONER FOR TAKING AFFIDAVITS
Jasmine Landau, LSO #74316K



INVOICE

Invoice # 496283
Date: 05/14/2024
Due On: 06/13/2024

120 Adelaide Street West, Suite 2500
Toronto, ON
M5H 1T1
T: 416.613.8280
F: 416.613.8290

KSV Restructuring Inc.
150 King Street West, Suite 2308
Toronto, Ontario
M5H 1J9

00393-KSV Restructuring Inc.

Independent Counsel to KSV as Receiver re: Mariman Homes

Services

Date	Description	Hours	Rate	Total	LP
03/25/2024	Draft security opinion regarding security interests of Marshall-Chehr against assets of 255 Inc. and 236 Inc. related review of loan and security documents and registration searches.	1.50	\$505.00	\$757.50	JT
03/26/2024	Finalize security opinion related review of loan and security documents and registration searches.	1.50	\$505.00	\$757.50	JT
04/08/2024	Finalize security opinion and email to M. Vininsky re: same.	0.40	\$705.00	\$282.00	CF
04/12/2024	Review and revisions to security opinion review mortgage charge and related documents.	2.10	\$705.00	\$1,480.50	CF
Quantity Subtotal					5.5
Services Subtotal					\$3,200.50

Expenses

Date	Type	Description	Quantity	Rate	Total	Total
03/21/2024	Expense	Centro Legal Searches: PPSA search on 2557386 Ontario Inc.	1.00	\$36.25	\$36.25	\$40.96
03/26/2024	Expense	Ecore Corp searches, PPSAs, Parcel Searches etc. PPSA Search:	1.00	\$44.22	\$44.22	\$49.97

2363823 Ontario Inc.						
03/26/2024	Expense	Ecore Corp searches, PPSAs, Parcel Searches etc. Land Search: 2557386 ONTARIO INC.	1.00	\$54.01	\$54.01	\$61.03
03/26/2024	Expense	Ecore Corp searches, PPSAs, Parcel Searches etc. Land Search: 2363823 ONTARIO INC	1.00	\$54.01	\$54.01	\$61.03
03/26/2024	Expense	Ecore Corp searches, PPSAs, Parcel Searches etc. Certificate of Status: 2557386 ONTARIO INC.	1.00	\$82.50	\$82.50	\$93.23
03/26/2024	Expense	Ecore Corp searches, PPSAs, Parcel Searches etc. Certificate of Status: 2363823 ONTARIO INC	1.00	\$82.50	\$82.50	\$93.23
03/26/2024	Expense	ONLAND Ontario Land Registry Access Land Search: PIN 38148-0128 LT	1.00	\$35.68	\$35.68	\$40.32
04/08/2024	Expense	Ecore Corp searches, PPSAs, Parcel Searches etc. Litigation and Writ of execution searches on 255 On Ltd and 236 On Ltd	1.00	\$149.68	\$149.68	\$169.14
Expenses Subtotal						\$538.85

Time Keeper	Hours	Rate	Total
Caitlin Fell	2.5	\$705.00	\$1,762.50
Joel Turgeon	3.0	\$505.00	\$1,515.00
Quantity Total			5.5
Subtotal			\$3,816.35
Tax (13.0%)			\$496.13
Total			\$4,312.48
Payment (08/21/2024)			-\$4,312.48
Balance Owing			\$0.00

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
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496622	09/11/2024	\$11,255.85	\$0.00	\$11,255.85
496802	10/12/2024	\$2,101.80	\$0.00	\$2,101.80

Interest On Other Invoices

Original Invoice	Due On	Amount Due	Payments Received	Balance Due
496622	10/12/2024	\$92.51	\$0.00	\$92.51

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
496283	06/13/2024	\$4,312.48	\$4,312.48	\$0.00

Outstanding Balance	\$13,450.16
Total Amount Outstanding	\$13,450.16

Please make all amounts payable to: Reconstruct LLP

Please pay within 30 days.

HST No.: 737783274 RT 0001

**INVOICE**

Invoice # 496622
 Date: 08/12/2024
 Due On: 09/11/2024

120 Adelaide Street West, Suite 2500
 Toronto, ON
 M5H 1T1
 T: 416.613.8280
 F: 416.613.8290

KSV Restructuring Inc.
 150 King Street West, Suite 2308
 Toronto, Ontario
 M5H 1J9

00393-KSV Restructuring Inc.**Independent Counsel to KSV as Receiver re: Mariman Homes****Services**

Date	Description	Hours	Rate	Total	LP
07/05/2024	Review and finalize security opinion□review e□ecution search reports□memo to C. Fell re: same.	0.70	\$505.00	\$353.50	JT
07/11/2024	Conference with C. Fell re: construction priority issue for review. Review of correspondence with and documents from lien claimant and from lender. Email to M. Poliak re: issues for review with the mortgage and timing of advances.	1.60	\$775.00	\$1,240.00	BB
07/11/2024	Emails re: fee approval and construction lien.	0.50	\$705.00	\$352.50	CF
07/12/2024	Telephone call with M. Poliak re: timing and nature of advances under the Marshall□ehr mortgage. Further Teams meeting with M. Poliak and S. Atkinson re: same. Emails with S. Atkinson re: draw back-ups and development reports available when Marshall□ehr first financed.	1.60	\$775.00	\$1,240.00	BB
07/15/2024	Emails with M. Poliak re: outstanding request for information from her client. Review of documents sent by S. Atkinson re: status of the project at the time of the mortgage registration. Telephone call with M. Vininsky re: timing issues in relation to the planned motion and the status of the intended credit bid.	0.80	\$775.00	\$620.00	BB
07/17/2024	Emails and telephone call with M. Poliak re: status of preparation of the credit bid purchase agreement and timing issues for Marshall□ehr.	0.40	\$775.00	\$310.00	BB
07/18/2024	Emails with M. Poliak and emails to and from D.	0.40	\$775.00	\$310.00	BB

	MacKeighan re: timing of motion to address the credit purchase agreement and lien priority issues.				
07/25/2024	Review of documents provided by the lien claimant and Marshall Leher in connection with timing and nature of advances and timing of work done on site. Review of issues for opinion.	2.20	\$775.00	\$1,705.00	BB
07/26/2024	Preparation of draft lien and mortgage priorities opinion. Email to M. Vininsky re: same.	3.80	\$775.00	\$2,945.00	BB
07/27/2024	Emails with M. Vininsky re: concerns of Marshall Leher on the disclosure of certain records.	0.20	\$775.00	\$155.00	BB
07/30/2024	Emails with M. Vininsky and B. Luder re: documents available to the Receiver about status and timing of the project.	0.40	\$775.00	\$310.00	BB
07/31/2024	Review of engineering documents sent by M. Vininsky and emails with him re: presence of the reports required for the opinion. Finalized the draft lien and mortgage priority opinion and email to the parties re: same.	0.50	\$775.00	\$387.50	BB
Quantity Subtotal				13.1	
Services Subtotal				\$9,928.50	

Expenses

Date	Type	Description	Quantity	Rate	Total	Total
07/05/2024	Expense	Centro Legal Searches: 23-0000111 writ details search.	1.00	\$32.43	\$32.43	\$36.65
Expenses Subtotal						\$32.43

Time Keeper	Hours	Rate	Total
Brendan Bissell	11.9	\$775.00	\$9,222.50
Caitlin Fell	0.5	\$705.00	\$352.50
Joel Turgeon	0.7	\$505.00	\$353.50
Subtotal			\$9,960.93

Interest

Type	Date	Description	Total
Interest	09/12/2024	Interest on overdue invoice #496622	\$92.51

Interest Subtotal	\$92.51
Quantity Total	13.1
Subtotal	\$9,960.93
Tax (13.0%)	\$1,294.92
Interest	\$92.51
Total	\$11,348.36

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
496802	10/12/2024	\$2,101.80	\$0.00	\$2,101.80

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
496622	09/11/2024	\$11,348.36	\$0.00	\$11,348.36
Outstanding Balance				\$13,450.16
Total Amount Outstanding				\$13,450.16

Please make all amounts payable to: Reconstruct LLP

Please pay within 30 days. 10.0% simple annual interest will be charged every 30 days.

HST No.: 737783274 RT 0001

Remittance Advice

Wire Transfer Information

Bank Name/Address: Royal Bank of Canada
Main Branch - Toronto
Royal Bank Plaza
200 Bay Street
Toronto, ON M5J 2J5

Account Number: 1570423
Transit Number: 00002
Bank Number: 003

Name/Account #: Reconstruct LLP

SWIFT: ROYCCAT2

Payment by e-transfer: accountspayable@reconllp.com

Payment by Credit Card: Please call 416.613.8280 to make a payment.

Please include the invoice number 496622 as an additional reference so we may accurately identify and apply your payment.
Please provide adequate payment to cover the wire fees assessed by your financial institution.



INVOICE

Invoice # 496802
Date: 09/12/2024
Due On: 10/12/2024

120 Adelaide Street West, Suite 2500
Toronto, ON
M5H 1T1
T: 416.613.8280
F: 416.613.8290

KSV Restructuring Inc.
150 King Street West, Suite 2308
Toronto, Ontario
M5H 1J9

00393-KSV Restructuring Inc.

Independent Counsel to KSV as Receiver re: Mariman Homes

Date	Description	Hours	Rate	Total	LP
08/07/2024	Emails with M. Poliak re: timing. Email to counsel for lien claimant and for the mortgagee re: approval and vesting order motion and booking same.	0.20	\$775.00	\$155.00	BB
08/15/2024	Telephone call with D. MacKeigan re: questions on handling of funds and deposits. Telephone call with M. Vininsky re: same. Email to D. MacKeigan re: knowledge of the Receiver re: same.	1.10	\$775.00	\$852.50	BB
08/19/2024	Emails with the Court and with M. Poliak re: scheduling of the motion for approval of the credit bid.	0.30	\$775.00	\$232.50	BB
08/21/2024	Emails and call with M. Poliak re: treatment of house deposits in 2017. Emails with A. Colautti re: same. Review of applicable agreement to purchase and email to M. Vininsky and B. Luder re: same and re: proposed method of proceeding as discussed with M. Poliak.	0.80	\$775.00	\$620.00	BB
Quantity Subtotal					2.4

Time Keeper	Hours	Rate	Total
Brendan Bissell	2.4	\$775.00	\$1,860.00
Quantity Total			2.4
Subtotal			\$1,860.00
Tax (13.0%)			\$241.80

Total \$2,101.80

Detailed Statement of Account

Other Invoices

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
496622	09/11/2024	\$11,255.85	\$0.00	\$11,255.85

Interest On Other Invoices

Original Invoice	Due On	Amount Due	Payments Received	Balance Due
496622	10/12/2024	\$92.51	\$0.00	\$92.51

Current Invoice

Invoice Number	Due On	Amount Due	Payments Received	Balance Due
496802	10/12/2024	\$2,101.80	\$0.00	\$2,101.80

Outstanding Balance \$13,450.16

Total Amount Outstanding \$13,450.16

Please make all amounts payable to: Reconstruct LLP

Please pay within 30 days. 10.0% simple annual interest will be charged every 30 days.

HST No.: 737783274 RT 0001

Remittance Advice

Wire Transfer Information

Bank Name/Address: Royal Bank of Canada
Main Branch - Toronto
Royal Bank Plaza
200 Bay Street
Toronto, ON M5J 2J5

Account Number: 1570423
Transit Number: 00002
Bank Number: 003

Name/Account #: Reconstruct LLP

SWIFT: ROYCCAT2

Payment by e-transfer: accountspayable@reconllp.com

Payment by Credit Card: Please call 416.613.8280 to make a payment.

Please include the invoice number 496802 as an additional reference so we may accurately identify and apply your payment.
Please provide adequate payment to cover the wire fees assessed by your financial institution.

THIS IS **EXHIBIT "C"** REFERRED TO IN THE
AFFIDAVIT OF CHRISTEL PAUL SWORN BEFORE ME,
THIS 23RD DAY OF SEPTEMBER 2024

Signed by:

Jasmine Landau

45EF9D3CF26E44F...

A COMMISSIONER FOR TAKING AFFIDAVITS
Jasmine Landau, LSO #74316K

Exhibit "C"
Reconstruct LLP – Timekeeper Summary

Timekeeper	Title	Rate	Hours	Fees	Discount to Fees	Total Fees Billed
Brendan Bissell	Partner	\$775	14.3	\$11,082.50	-	\$11,082.50
Caitlin Fell	Partner	\$705	3.0	\$2,115.00	-	\$2,115.00
Joel Turgeon	Senior Associate	\$505	3.7	\$1,868.50	-	\$1,868.50
TOTALS			21	\$15,066.00		\$15,066.00
Average Hourly Rate: \$717.43						

Court File No. 23-00699432-00CL

MARSHALLZEHR GROUP INC.

and

2557386 ONTARIO INC. and 2363823
ONTARIO INC. O/A MARIMAN HOMES

Applicants

Respondents

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
Proceedings commenced at Toronto

AFFIDAVIT OF CHRISTEL PAUL
(Sworn September 23, 2024)

RECONSTRUCT LLP
120 Adelaide Street West
Suite 2500
Toronto, ON M5H 1T1

R. Brendan Bissell LSO No. 40354V
bbissell@reconllp.com
Tel: 416.613.0066

Jasmine Landau LSO No. 74316K
jlandau@reconllp.com
Tel: 416.613.4880

Fax: 416.613.8290

Lawyers for KSV Restructuring Inc.

TAB 3

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

THE HONOURABLE MADAM)	TUESDAY, THE 1ST
)	
JUSTICE JESSICA KIMMEL)	DAY OF OCTOBER, 2024

B E T W E E N:

MARSHALLZEHR GROUP INC.

Applicant

- and -

2557386 ONTARIO INC. and 2363823 ONTARIO INC. o/a MARIMAN HOMES

Respondents

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

APPROVAL AND VESTING ORDER

THIS MOTION, made by KSV Restructuring Inc. in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of 2557386 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes (collectively, the "**Debtors**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and 1000961999 Ontario Inc. (the "**Nominee**") and Sunray Estates Limited Partnership, by its general partner, Sunray Estates GP Inc. (the "**LP**", and together with the Nominee, the "**Purchaser**") dated August 6, 2024 and appended to the Third Report of the Receiver dated September 23, 2024 (the "**Third Report**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the real property as described in the Sale Agreement (the "**Purchased Lands**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Third Report and on hearing the submissions of independent counsel for the Receiver, counsel for MarshallZehr Group Inc., and those other parties appearing on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Jasmine Landau sworn September 23, 2024 filed:

SERVICE

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

APPROVAL AND VESTING

2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Lands as described in **Schedule A** hereto to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule B** hereto (the "**Receiver's Certificate**"), all of the Debtor's rights, title and interests in and to the Purchased Lands described in the Sale Agreement as listed in **Schedule A** hereto shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing:

- (a) any encumbrances or charges created by the Order of the Honourable Justice Osborne dated January 16, 2024;
- (b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and

- (c) those Claims listed on **Schedule C** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule D**) and, for greater certainty, this Court orders that all Encumbrances affecting or relating to the Purchased Lands are hereby expunged and discharged as against the Purchased Lands.

4. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of Haldimand County (No. 18) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to:

- (a) enter the Purchaser as the owner of the subject real property identified in **Schedule A** hereto (the "**Real Property**") in fee simple;
- (b) delete and expunge from title to the Real Property all of the Claims listed in **Schedule C** hereto; and
- (c) register this Order on title to the Real Property.

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

6. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;

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

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

8. **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.

Schedule A – Purchased Lands Description

PIN 38148-0128 (LT) PART WARNER NELLES TRACT DESIGNATED AS PART 1, 18R-7058;
SAVE & EXCEPT PART 1, 18R-7281; T/W EASEMENT OVER PART 2, 18R-7058 AS IN
HC252899; TOWNSHIP OF SENECA; HALDIMAND COUNTY

Schedule B – Form of Receiver’s Certificate

Court File No. CV-23-00699432-00CL

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

B E T W E E N:

MARSHALLZEHR GROUP INC.

Applicant

- and -

2557386 ONTARIO INC. and 2363823 ONTARIO INC. o/a MARIMAN HOMES

Respondents

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

RECEIVER’S CERTIFICATE

RECITALS

A. Pursuant to an Order of the Honourable Justice Osborne of the Ontario Superior Court of Justice dated January 16, 2024, KSV Restructuring Inc. was appointed as the receiver (the "**Receiver**") of the undertaking, property and assets of 2557386 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes (the "**Debtors**").

B. Pursuant to an Order of the Court dated October 1, 2024 the Court approved the agreement of purchase and sale made as of August 6, 2024 (the "Sale Agreement") between the Receiver and 1000961999 Ontario Inc. (the "**Nominee**") and Sunray Estates Limited Partnership, by its general partner, Sunray Estates GP Inc. (the "**LP**", and together with the Nominee, the "**Purchaser**") and provided for the vesting in the Purchaser of the Debtor’s rights, title and interests in and to the Purchased Lands, which vesting is to be effective with respect to the Purchased Lands upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Lands; (ii)

that the conditions to Closing as set out in sections 21 and 22 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Lands payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in sections 21 and 22 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**KSV RESTRUCTURING INC., in its capacity
as Receiver of the undertaking, property and
assets of 2557386 Ontario Inc. and 2363823
Ontario Inc. o/a Mariman Homes, and not in
its personal capacity**

Per: _____
Name:
Title:

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

Registration Number	Date	Description
CH118769	2022/06/30	CHARGE
CH118770	2022/06/30	NO ASSGN RENT GEN
CH118771	2022/06/30	RESTRICTION-LAND
CH128011	2023/08/17	CONSTRUCTION LIEN
CH129550	2023/10/31	CERTIFICATE
CH131051	2024/01/18	APL COURT ORDER

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

(unaffected by the Vesting Order)

Registration Number	Date	Description
18R7058	2013/06/06	PLAN REFERENCE

MARSHALLZEHR GROUP INC.

and

**2557386 ONTARIO INC. and 2363823 ONTARIO
INC. O/A MARIMAN HOMES**

Applicant

Respondents

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

Proceedings commenced at Toronto

APPROVAL AND VESTING ORDER

RECONSTRUCT LLP

Richmond-Adelaide Centre
120 Adelaide Street West, Suite 2500
Toronto, ON M5H 1T1

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**Independent counsel for KSV
Restructuring Inc.**

TAB 4

Revised: January 21, 2014

Court File No. CV-23-00699432-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MADAM)
JUSTICE JESSICA KIMMEL)
WEEKDAY, THE #
TUESDAY, THE 1ST

DAY OF MONTH, 20YR OCTOBER, 2024

BETWEEN:

PLAINTIFF

Plaintiff

MARSHALLZEHR GROUP INC.

Applicant

- and -

DEFENDANT

Defendant

2557386 ONTARIO INC. and 2363823 ONTARIO INC. o/a MARIMAN HOMES

Respondents

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

APPROVAL AND VESTING ORDER

THIS MOTION, made by RECEIVER'S NAME KSV Restructuring Inc., in its capacity
as the Court-appointed receiver (the "Receiver") of the undertaking, property and assets of
DEBTOR the Debtor 2557386 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes

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(collectively, the "**Debtors**") for an order approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between the Receiver and ~~NAME OF PURCHASER~~ 1000961999 Ontario Inc., (the "**Nominee**") and Sunray Estates Limited Partnership, by its general partner, Sunray Estates GP Inc. (the "**LP**", and together with the Nominee, the "**Purchaser**"), dated ~~DATE~~ August 6, 2024, and appended to the Third Report of the Receiver dated ~~DATE~~ September 23, 2024, (the "**Third Report**"), and vesting in the Purchaser the Debtor's right, title and interest in and to the assets/real property as described in the Sale Agreement (the "**Purchased Assets/Lands**"), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Third Report and on hearing the submissions of independent counsel for the Receiver, ~~NAMES OF OTHER PARTIES APPEARING~~ counsel for MarshallZehr Group Inc., and those other parties appearing on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of ~~NAME~~ Jasmine Landau, sworn ~~DATE~~ September 23, 2024, filed¹;

SERVICE

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

APPROVAL AND VESTING

2. THIS COURT ORDERS AND DECLARES that the Transaction is hereby approved,² and the execution of the Sale Agreement by the Receiver³ is hereby authorized and approved,

¹ This model order assumes that the time for service does not need to be abridged. The motion seeking a vesting order should be served on all persons having an economic interest in the Purchased Assets, unless circumstances warrant a different approach. Counsel should consider attaching the affidavit of service to this Order.

² In some cases, notably where this Order may be relied upon for proceedings in the United States, a finding that the Transaction is commercially reasonable and in the best interests of the Debtor and its stakeholders may be necessary. Evidence should be filed to support such a finding, which finding may then be included in the Court's endorsement.

³ In some cases, the Debtor will be the vendor under the Sale Agreement, or otherwise actively involved in the Transaction. In those cases, care should be taken to ensure that this Order authorizes either or both of the Debtor and the Receiver to execute and deliver documents, and take other steps.

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with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased ~~Assets~~ Lands as described in Schedule A hereto to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule AB hereto (the "**Receiver's Certificate**"), all of the Debtor's ~~rights~~ rights, title and ~~interests~~ interests in and to the Purchased ~~Assets~~ Lands described in the Sale Agreement ~~and as~~ listed on ~~Schedule B~~ Schedule BA hereto⁴ shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**"⁵), including, without limiting the generality of the foregoing: ~~(i)~~

(a) any encumbrances or charges created by the Order of the Honourable Justice ~~NAME~~ Osborne, dated ~~DATE~~ January 16, 2024;

(b) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and ~~(iii)~~

~~2-(c)~~ (c) those Claims listed on Schedule C hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule D) and, for greater certainty, this Court orders that all ~~of the~~ Encumbrances affecting or

⁴ To allow this Order to be free-standing and not require reference to the Court record and/or the Sale Agreement, it may be preferable that the Purchased Assets be specifically described in a Schedule.

⁵ The ~~Claims~~ being vested out may, in some cases, include ownership claims, where ownership is disputed and the dispute is brought to the attention of the Court. Such ownership claims would, in that case, still continue as against the net proceeds from the sale of the claimed asset. Similarly, other rights, titles or interests could also be vested out, if the Court is advised what rights are being affected, and the appropriate persons are served. It is the Subcommittees' view that a non-specific vesting out of ~~rights, titles and interests~~ is vague and therefore undesirable.

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relating to the Purchased Assets/Lands are hereby expunged and discharged as against the Purchased Assets/Lands.

3.4. THIS COURT ORDERS that upon the registration in the Land Registry Office for the ~~Registry Division of [LOCATION] of a Transfer/Deed of Land in the form prescribed by the Land Registration Reform Act duly executed by the Receiver~~ Land Titles Division of ~~[LOCATION] Haldimand County (No. 18)~~ of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*⁶, ~~the Land Registrar is hereby directed to enter the Purchaser as the owner of the subject real property identified in Schedule B hereto (the "Real Property") in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto, the Land Registrar is hereby directed to:~~

- (a) enter the Purchaser as the owner of the subject real property identified in Schedule A hereto (the "Real Property") in fee simple;
- (b) delete and expunge from title to the Real Property all of the Claims listed in Schedule C hereto; and
- (c) register this Order on title to the Real Property.

4.5. THIS COURT ORDERS that for the purposes of determining the nature and priority of Claims, the net proceeds⁷ from the sale of the Purchased Assets/Lands shall stand in the place and stead of the Purchased Assets/Lands, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets/Lands with the same priority as they had with respect to the Purchased Assets/Lands immediately prior to the sale⁸, as if the Purchased Assets/Lands had not been sold

⁶ Elect the language appropriate to the land registry system [Registry vs. Land Titles]

⁷ The Report should identify the disposition costs and any other costs which should be paid from the gross sale proceeds, to arrive at [net proceeds]

⁸ This provision crystallizes the date as of which the Claims will be determined. If a sale occurs early in the insolvency process, or potentially secured claimants may not have had the time or the ability to register or perfect proper claims prior to the sale, this provision may not be appropriate, and should be amended to remove this crystallization concept.

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and remained in the possession or control of the person having that possession or control immediately prior to the sale.

5-6. THIS COURT ORDERS AND DIRECTS the Receiver to file with the Court a copy of the Receiver's Certificate, forthwith after delivery thereof.

~~6. THIS COURT ORDERS that, pursuant to clause 7.3 of the Canada Personal Information Protection and Electronic Documents Act, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to the Debtor's past and current employees, including personal information of those employees listed on Schedule "A" to the Sale Agreement. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by the Debtor.~~

7. THIS COURT ORDERS that, notwithstanding:

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

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

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~~8. THIS COURT ORDERS AND DECLARES that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).~~

~~9.8. 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.~~

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Schedule A – Purchased Lands Description

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PIN 38148-0128 (LT) PART WARNER NELLES TRACT DESIGNATED AS PART 1, 18R-7058:
SAVE & EXCEPT PART 1, 18R-7281; T/W EASEMENT OVER PART 2, 18R-7058 AS IN
HC252899; TOWNSHIP OF SENECA; HALDIMAND COUNTY

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Schedule B – Form of Receiver’s Certificate

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Court File No. CV-23-00699432-00CL

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

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PLAINTIFF

Plaintiff

MARSHALLZEHR GROUP INC.

Applicant

- and -

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DEFENDANT

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Defendant

2557386 ONTARIO INC. and 2363823 ONTARIO INC. o/a MARIMAN HOMES

Respondents

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

RECEIVER’S CERTIFICATE

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RECITALS

A. Pursuant to an Order of the Honourable NAME OF JUDGE Justice Osborne, of the Ontario Superior Court of Justice the Court, dated DATE OF ORDER, NAME OF RECEIVER January 16, 2024, KSV Restructuring Inc., was appointed as the receiver (the “Receiver”) of the undertaking, property and assets of DEBTOR (the “Debtor”)-2557386 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes (the “Debtors”).

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B. Pursuant to an Order of the Court dated ~~DATE~~ October 1, 2024, the Court approved the agreement of purchase and sale made as of ~~DATE OF AGREEMENT~~ August 6, 2024 (the "Sale Agreement") between the Receiver ~~Debtor~~ and ~~NAME OF PURCHASER and~~ 1000961999 Ontario Inc. (the "Nominee") and Sunray Estates Limited Partnership, by its general partner, Sunray Estates GP Inc., (the "LP", and together with the Nominee, the "Purchaser") and provided for the vesting in the Purchaser of the Debtor's ~~rights~~ rights, title and ~~interest~~ interests in and to the Purchased Assets/Lands, which vesting is to be effective with respect to the Purchased Assets/Lands upon the delivery by the Receiver to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets/Lands; (ii) that the conditions to Closing as set out in ~~section~~ sections 21 and 22 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Receiver.

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

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets/Lands, payable on the Closing Date pursuant to the Sale Agreement;
2. The conditions to Closing as set out in ~~section~~ sections 21 and 22 of the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

~~NAME OF RECEIVER~~ KSV
RESTRUCTURING INC., in its capacity as
Receiver of the undertaking, property and
assets of ~~DEBTOR~~ 2557386 Ontario Inc.
and 2363823 Ontario Inc. o/a Mariman
Homes, and not in its personal capacity

Per: _____

Name: _____

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Title:

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~~Revised: January 21, 2014~~

~~Schedule B—Purchased Assets~~

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

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<u>Registration Number</u>	<u>Date</u>	<u>Description</u>
<u>CH118769</u>	<u>2022/06/30</u>	<u>CHARGE</u>
<u>CH118770</u>	<u>2022/06/30</u>	<u>NO ASSGN RENT GEN</u>
<u>CH118771</u>	<u>2022/06/30</u>	<u>RESTRICTION-LAND</u>
<u>CH128011</u>	<u>2023/08/17</u>	<u>CONSTRUCTION LIEN</u>
<u>CH129550</u>	<u>2023/10/31</u>	<u>CERTIFICATE</u>
<u>CH131051</u>	<u>2024/01/18</u>	<u>APL COURT ORDER</u>

**Schedule D – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property**
(unaffected by the Vesting Order)

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<u>Registration Number</u>	<u>Date</u>	<u>Description</u>
<u>18R7058</u>	<u>2013/06/06</u>	<u>PLAN REFERENCE</u>

Court File No. 23-00699432-00CL

MARSHALLZEHR GROUP INC.

and

2557386 ONTARIO INC. and 2363823 ONTARIO
INC. O/A MARIMAN HOMES
Respondents

Applicant

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ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

APPROVAL AND VESTING ORDER

RECONSTRUCT LLP

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Independent counsel for KSV
Restructuring Inc.

TAB 5

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE MADAM)	TUESDAY, THE 1ST
)	
JUSTICE JESSICA KIMMEL)	DAY OF OCTOBER, 2024

B E T W E E N:

MARSHALLZEHR GROUP INC.

Applicant

- and -

2557386 ONTARIO INC. and 2363823 ONTARIO INC. o/a MARIMAN HOMES

Respondents

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

DISTRIBUTION AND DISCHARGE ORDER

THIS MOTION, made by KSV Restructuring Inc. ("**KSV**") in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of 2557386 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes (collectively, the "**Debtors**") for an order:

1. approving the activities of the Receiver as set out in the third report of the Receiver dated September 23, 2024 (the "**Third Report**");
2. approving the fees and disbursements of the Receiver and its counsel;

3. approving a distribution of to VanRooyen Earthmoving Ltd. ("**VRE**") of \$171,909 for its holdback claim, and a distribution of the remaining proceeds available in the estate of the Debtor to MarshallZehr Group Inc. ("**MZ**"); and
4. discharging KSV as Receiver of the undertaking, property and assets of the Debtors,

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Third Report, the affidavits of Mitch Vininsky, sworn September 23, 2024, of Laura Culleton, sworn September 20, 2024 and Christel Paul sworn September 23, 2024 (the "**Fee Affidavits**"), and

ON HEARING the submissions of independent counsel for the Receiver, MZ and such other parties as appear on the counsel slip, no one appearing for any other person on the service list, although properly served as appears from the affidavit of [NAME] sworn September 23, 2024 filed:

SERVICE

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

DISTRIBUTION

2. **THIS COURT ORDERS** that the Receiver be and hereby is authorized to pay:
 - a) \$171,909 of proceeds of the Transaction, as defined in the Approval and Vesting Order of today's date granted by this Court, to VRE; and

- b) a distribution in quantum and timing at the Receiver's discretion of the remaining proceeds available in the estate of the Debtor from the Transaction to MZ.

APPROVALS

3. **THIS COURT ORDERS** that the Third Report, and the actions, conduct and activities of the Receiver as set out therein, be and are hereby approved provided, however, that only the Receiver in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

4. **THIS COURT ORDERS** that the fees and disbursements of the Receiver and its counsel, as set out in the Report and the Fee Affidavits, be and are hereby approved.

5. **THIS COURT ORDERS** that upon payment of the amounts set out in paragraph 3 hereof and upon the Receiver filing a certificate certifying that it has completed the other activities described in the Report, the Receiver shall be discharged as Receiver of the undertaking, property and assets of the Debtors, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of KSV in its capacity as Receiver.

6. **THIS COURT ORDERS AND DECLARES** that KSV is hereby released and discharged from any and all liability that KSV now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of KSV while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, KSV is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have been raised, in the

within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.

GENERAL

7. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Time on the date of this Order.

MARSHALLZEHR GROUP INC.

and

**2557386 ONTARIO INC. and 2363823 ONTARIO
INC. O/A MARIMAN HOMES**

Applicant

Respondents

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

Proceedings commenced at Toronto

DISTRIBUTION AND DISCHARGE ORDER

RECONSTRUCT LLP

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**Independent counsel for KSV
Restructuring Inc.**

TAB 6

Court File No. CV-23-00699432-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

(COMMERCIAL LIST)

THE HONOURABLE MADAM) WEEKDAY, THE #
JUSTICE JESSICA KIMMEL) TUESDAY, THE 1ST
DAY OF MONTH, 20YR OCTOBER, 2024

BETWEEN:

PLAINTIFF

MARSHALLZEHR GROUP INC.

- and -

DEFENDANT

2557386 ONTARIO INC. and 2363823 ONTARIO INC. o/a MARIMAN HOMES

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

DISTRIBUTION AND DISCHARGE ORDER

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Plaintiff

Applicant

Defendant

Respondents

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THIS MOTION, made by ~~RECEIVER'S NAME~~ KSV Restructuring Inc. ("KSV") in its capacity as the Court-appointed receiver (the "**Receiver**") of the undertaking, property and assets of ~~DEBTOR~~ the ~~Debtor~~ 2557386 Ontario Inc. and 2363823 Ontario Inc. o/a Mariman Homes (collectively, the "**Debtors**") for an order:

1. approving the activities of the Receiver as set out in the third report of the Receiver dated ~~DATE~~ September 23, 2024 (the "**Third Report**");
2. approving the fees and disbursements of the Receiver and its counsel;
3. approving ~~the~~ distribution of to VanRooyen Earthmoving Ltd. ("VRE") of \$171,909 for its holdback claim, and a distribution of the remaining proceeds available in the estate of the Debtor ~~and~~ to MarshallZehr Group Inc. ("MZ"); and,
4. discharging ~~RECEIVER'S NAME~~ KSV as Receiver of the undertaking, property and assets of the ~~Debtor~~ and Debtors,

releasing ~~RECEIVER'S NAME~~ from any and all liability, as set out in paragraph 5 of this Order⁺;

was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Third Report, the affidavits of ~~the Receiver and its counsel as to fees~~ the Mitch Vininsky, sworn September 23, 2024, of Laura Culleton, sworn September 20, 2024 and Christel Paul sworn September 23, 2024 (the "**Fee Affidavits**"), and ~~on hearing~~

⁺ If this relief is being sought, stakeholders should be specifically advised, and given ample notice. See also Note 4, below.

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ON HEARING the submissions of independent counsel for the Receiver, MZ and such other parties as appear on the counsel for the Receivership, no one else appearing for any other person on the service list, although properly served as evidenced by appears from the Affidavit of NAME [NAME] sworn DATE September 23, 2024 filed².

SERVICE

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

DISTRIBUTION

2. THIS COURT ORDERS that the Receiver be and hereby is authorized to pay:

- a) \$171,909 of proceeds of the Transaction, as defined in the Approval and Vesting Order of today's date granted by this Court, to VRE; and
- b) a distribution in quantum and timing at the Receiver's discretion of the remaining proceeds available in the estate of the Debtor from the Transaction to MZ.

APPROVALS

1-3. THIS COURT ORDERS that the Third Report, and the actions, conduct and activities of the Receiver, as set out in the Report, therein, be and are hereby approved, provided, however, that only the Receiver in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

² This model order assumes that the time for service does not need to be abridged.

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~~2.4. THIS COURT ORDERS~~ that the fees and disbursements of the Receiver and its counsel, as set out in the Report and the Fee Affidavits, ~~be and~~ are hereby approved.

~~THIS COURT ORDERS that, after payment of the fees and disbursements herein approved, the Receiver shall pay the monies remaining in its hands to NAME OF PARTY³.~~

~~4.5. THIS COURT ORDERS~~ that upon payment of the amounts set out in paragraph 3 hereof and upon the Receiver filing a certificate certifying that it has completed the other activities described in the Report³, the Receiver shall be discharged as Receiver of the undertaking, property and assets of the ~~Debtor~~Debtors, provided however that notwithstanding its discharge herein (a) the Receiver shall remain Receiver for the performance of such incidental duties as may be required to complete the administration of the receivership herein, and (b) the Receiver shall continue to have the benefit of the provisions of all Orders made in this proceeding, including all approvals, protections and stays of proceedings in favour of ~~RECEIVERS NAME KSV~~ in its capacity as Receiver.

~~5.6. THIS COURT ORDERS AND DECLARES~~ that ~~RECEIVERS NAME KSV~~ is hereby released and discharged from any and all liability that ~~RECEIVERS NAME KSV~~ now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of ~~RECEIVERS NAME KSV~~ while acting in its capacity as Receiver herein, save and except for any gross negligence or wilful misconduct on the Receiver's part. Without limiting the generality of the foregoing, ~~RECEIVERS NAME KSV~~ is hereby forever released and discharged from any and all liability relating to matters that were raised, or which could have

³ This model order assumes that the material filed supports a distribution to a specific secured creditor or other party.

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been raised, in the within receivership proceedings, save and except for any gross negligence or wilful misconduct on the Receiver's part.⁴

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GENERAL

7. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Time on the date of this Order.

⁴The model order subcommittee was divided as to whether a general release might be appropriate. On the one hand, the Receiver has presumably reported its activities to the Court, and presumably the reported activities have been approved in prior Orders. Moreover, the Order that appointed the Receiver likely has protections in favour of the Receiver. These factors tend to indicate that a general release of the Receiver is not necessary. On the other hand, the Receiver has acted only in a representative capacity, as the Court's officer, so the Court may find that it is appropriate to insulate the Receiver from all liability, by way of a general release. Some members of the subcommittee felt that, absent a general release, Receivers might hold back funds and/or wish to conduct a claims bar process, which would unnecessarily add time and cost to the receivership. The general release language has been added to this form of model order as an option only, to be considered by the presiding Judge in each specific case. See also Note 1, above.

Revised: May 11, 2010

MARSHALLZEHR GROUP INC.
Applicant

and

2557386 ONTARIO INC. and 2363823 ONTARIO INC. O/A MARIMAN HOMES
Respondents

Court File No. 23-00699432-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceedings commenced at Toronto

DISTRIBUTION AND DISCHARGE ORDER

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Independent counsel for KSV
Restructuring Inc.

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MARSHALLZEHR GROUP INC.

2557386 ONTARIO INC. et al.
Respondents

Applicant

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

Proceedings commenced at Toronto

**MOTION RECORD OF THE RECEIVER,
KSV RESTRUCTURING INC.**
(returnable October 1, 2024)

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**Lawyers for the Receiver, KSV
Restructuring Inc.**