



ksv advisory inc.

**Third Report of  
KSV Restructuring Inc.  
as Receiver and Manager of  
Southview Gardens BT LTD., Southview  
Gardens Limited Partnership, and Southview  
Gardens Properties Ltd.**

November 20, 2023

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COURT FILE NO: VLC-S-S-231065

IN THE SUPREME COURT OF BRITISH COLUMBIA

PEAKHILL CAPITAL INC.

APPLICANT

- AND -

SOUTHVIEW GARDENS LIMITED PARTNERSHIP, 1441898 B.C. LTD.,  
SOUTHVIEW GARDENS PROPERTIES LTD., AND OTHERS

RESPONDENTS

THIRD REPORT OF  
KSV RESTRUCTURING INC.  
AS RECEIVER

NOVEMBER 20, 2023

## 1.0 Introduction

1. This report ("Report") is filed by KSV Restructuring Inc. ("KSV") in its capacity as receiver and manager (the "Receiver") of all the assets, undertakings and business of Southview Gardens BT LTD. (the "Nominee")<sup>1</sup>, Southview Gardens Limited Partnership (the "LP") and Southview Gardens Properties Ltd. (the "GP" and together with the Nominee and the LP, the "Debtors") as they relate to the land legally described as Lot 14, District Lot 334, Plan 13993, PID 007-982-160 (municipally known as 3240 East 58th Avenue, Vancouver, British Columbia) and the buildings thereon (the "Real Property"), together with the Real Property itself, and including the proceeds thereof.
2. Pursuant to an application made by Peakhill Capital Inc. ("Peakhill"), the Supreme Court of British Columbia (the "Court") made an Order on February 16, 2023 appointing KSV as the Receiver (the "[Receivership Order](#)").
3. The principal purpose of the receivership proceedings was to conduct a Court-supervised sale process for the Real Property that maximized value for the Debtors' stakeholders, including Peakhill, Cenyard Pacific Developments Inc. ("Cenyard") and Woodbourne Canada IV GP ULC, WB Canada Partners IV (INT) MF CORP. and WB Canada Partners IV MF, LLC ("Woodbourne"), collectively being the Debtors' principal secured creditors (the "Secured Lenders").
4. On March 23, 2023, the Court made an Order (the "[Sale Process Approval Order](#)"), among other things, approving a sale process for the Real Property (the "Sale Process").

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<sup>1</sup> The shares of the Nominee were acquired by the Purchaser (as defined below) as part of the Transaction.

5. On August 25, 2023, the Court made two Orders – an approval and reverse vesting Order (the “[RVO](#)”) and an approval and vesting Order (the “[Primary AVO](#)”), among other things, approving the sale of the Purchased Assets, as defined in the Receiver’s second report to Court dated June 29, 2023 (the “Second Report”), to Cenyard Investments Ltd.<sup>2</sup> (the “Purchaser”) pursuant to an Agreement of Purchase and Sale dated June 14, 2023 between the Receiver and the Purchaser (the “Primary APS”), which was subsequently amended pursuant to an amending agreement dated July 13, 2023 (the “Transaction”). More details regarding the Transaction are provided in Section 4 of this Report.
6. Additional information about the receivership is provided on the Receiver’s website at: <https://www.ksvadvisory.com/experience/case/southviewgardens> (the “Website”).

## 1.1 Purposes of this Report

1. The purposes of this Report are to:
  - a) provide background information about the Debtors and these proceedings;
  - b) provide an update regarding the completion of the Transaction;
  - c) set out the Receiver’s recommendation regarding a final distribution to Cenyard;
  - d) provide an overview of the Receiver’s activities since the date of the Second Report;
  - e) discuss certain final receivership matters to be completed;
  - f) recommend that the Receiver be discharged of its duties and obligations under the Receivership Order upon filing a certificate with the Court confirming that all outstanding receivership matters have been completed (the “Discharge Certificate”); and
  - g) recommend that the Court issue an order:
    - authorizing the Receiver to distribute the remaining funds in the Receiver’s possession to Cenyard following payment of all costs of the receivership proceedings;
    - approving this Report and the Receiver’s activities detailed herein;
    - approving the fees and disbursements of the Receiver and its legal counsel, Cassels Brock & Blackwell LLP (“Cassels”);
    - approving an accrual of \$200,000 (the “Fee Accrual”) to cover the fees of the Receiver and Cassels incurred or expected to be incurred until the filing of the Discharge Certificate (excluding disbursements and HST);

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<sup>2</sup> The Primary APS was assigned by Cenyard Southview Gardens Ltd. to the Purchaser.

- discharging the Receiver upon the filing of the Discharge Certificate; and
- releasing the Receiver, upon the Receiver's discharge, 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 as Receiver, save and except for its gross negligence or wilful misconduct.

## 1.2 Currency

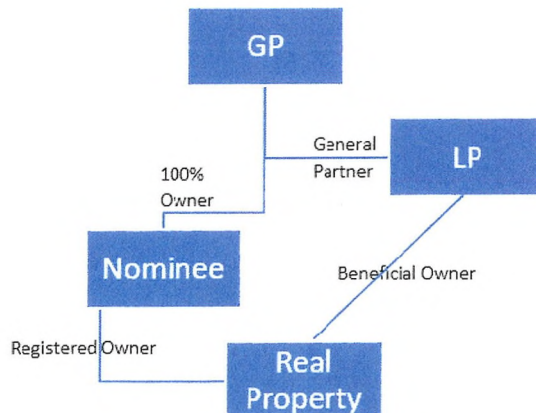
1. All currency references in this Report are to Canadian dollars, unless otherwise noted.

## 1.3 Restrictions

1. In preparing this Report, the Receiver has relied upon information, including financial information, provided by i) the Debtors and certain of their affiliates; ii) Bentall Kennedy (Canada) Limited Partnership ("Bentall"), the property manager of the Real Property; and iii) discussions with the Secured Lenders (collectively, the "Information").
2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that complies with Canadian Auditing Standards ("CAS") pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance as contemplated under the CAS in respect of the Information. Any party wishing to place reliance on the Information is required to perform its own diligence.

## 2.0 Background

1. The following provides a summary of the Debtors and the Real Property prior to the closing of the Transaction.
2. The Debtors' principal asset was the Real Property. The Nominee is the registered owner of the Real Property, the LP was the beneficial owner of the Real Property and the GP owned 100% of the common shares of the Nominee and is the general partner of the LP. The corporate chart for the Debtors is included below.



3. The Real Property is approximately 6.58 acres and is located within the Champlain Heights neighborhood of Vancouver, British Columbia. The Debtors operated an 18-building, 140-unit rental property comprising a series of two and three story residential rental townhouse and apartment units totaling approximately 141,000 square feet. The Real Property is known as "Southview Gardens".
4. Prior to closing of the Transaction, the Real Property was managed by Bentall, which was responsible for the day-to-day operations of the Real Property, including collecting rent, corresponding with tenants, arranging for ongoing repairs and maintenance and paying expenses.

### 3.0 Creditors

#### 3.1 Secured Creditors

1. There were three secured creditors, being the Secured Lenders, registered on title to the Real Property. The table below provides the amounts owing to the Secured Lenders, together with the priority of the loans. Interest, fees and costs continue to accrue.

Secured Creditor	Priority	Amount Owing
Peakhill	1 <sup>st</sup>	\$54,999,431.72, as at September 29, 2023
Cenyard	2 <sup>nd</sup>	\$22,323,985, as at approximately March 8, 2023
Woodbourne	3 <sup>rd</sup>	\$8,436,810, as at February 24, 2023

2. As noted in the Second Report, Cassels provided the Receiver with opinions that, subject to the standard assumptions and qualifications contained therein, the real property security granted by the Debtors to Peakhill and Cenyard is valid and enforceable<sup>3</sup>. Cassels did not perform a security review on the security granted by the Debtors to Woodbourne as the Transaction did not result in any recovery to Woodbourne.

### 4.0 Completion of the Transaction

1. The details and reasons for the Purchaser's two-tiered offer structure and details regarding the Primary APS and the alternate agreement of purchase and sale (the "Alternative APS") were summarized in the Second Report and are not repeated herein. A copy of the Second Report is available on the Website [here](#).
2. On July 13, 2023, the Court granted an Order (the "[Alternative Approval and Vesting Order](#)") approving the Alternative APS subject only to the Court's approval of the Primary APS. The Province of British Columbia ("BC") did not contest the approval of the Alternative APS but opposed the approval of the Primary APS on the basis that the Primary APS would eliminate the requirement for the Purchaser to pay property transfer tax ("PTT") to BC.

<sup>3</sup> Copies of these opinions can be provided to the Court on request.

3. The Court approved the Primary APS and the Transaction, issuing "[Reasons for Judgment](#)" dated August 25, 2023.
4. On September 1, 2023, BC filed a notice of appeal (the "Appeal") with the Court of Appeal for British Columbia (the "Court of Appeal") in respect of the approval of the Primary APS and the granting of the RVO. As a result of the filing of the Appeal, there was an automatic stay imposed on the completion of the Transaction contemplated by the Primary APS, pursuant to Section 195 of the *Bankruptcy and Insolvency Act* ("BIA").
5. In order to allow the Transaction to complete by the Outside Date (as defined in the Primary APS), the Purchaser sought and the Court of Appeal granted a consent Order (the "Court of Appeal Order") pursuant to which the stay imposed by section 195 of the BIA was lifted, on the basis that, among other things, the amount of PTT payable under the Alternate APS (being \$3,342,100) (the "Disputed Amount") be paid into trust with the Purchaser's solicitors, the Disputed Amount be paid to the successful party based on the outcome of the Appeal, and the Transaction (once closed) would stand and will not be reversed, regardless of the outcome of the Appeal.
6. Therefore, the Appeal, and the result thereof, does not impact these receivership proceedings and is solely an issue between the Purchaser and BC. Accordingly, this is not a gating item to the Receiver seeking its discharge.
7. The Transaction closed on September 29, 2023. Pursuant to the Court's [Order](#) dated August 4, 2023, the Receiver made a final distribution to Peakhill in full satisfaction of its debt on September 29, 2023, which Peakhill confirmed was received on October 3, 2023.

#### 4.1 Statement of Adjustments Dispute

1. Pursuant to the terms of the Primary APS, the Receiver was required to deliver an interim statement of adjustments (the "Interim SOA") to the Purchaser prior to dosing and a final statement of adjustments (the "Final SOA") within 30 days following closing. Copies of the Interim SOA and Final SOA are attached as Appendix "A" and Appendix "B", respectively.
2. The Interim SOA provided for an adjusted purchase price of \$72,055,142, composed of a cash payment of \$55,338,416 (including a pre-funded deposit of \$7,200,000) and the balance being an assumption of a note owing to Cenyard by the Debtors. Under the terms of the Transaction, the cash payment was required to be in an amount sufficient to satisfy all amounts owing in priority to Cenyard's debt, including all amounts under the Receiver's Charge (as defined in the Receivership Order) and all amounts owing to Peakhill.
3. On October 30, 2023, the Receiver delivered the Final SOA to the Purchaser reflecting an additional \$64,991 to be paid by the Purchaser to the Receiver.

4. On November 10, 2023, the Purchaser delivered to the Receiver a Notice of Dispute of Final Statement of Adjustments (the "Dispute Notice"). A copy of the Dispute Notice is attached as Appendix "C".
5. Pursuant to the terms of the Primary APS, if the parties are unable to reach an agreement on the Final SOA, the proper adjustments will be determined by a third party selected by the Receiver.

## 5.0 Distribution to Cenyard

1. The Receiver has a balance of approximately \$400,000 in its bank account.
2. Cenyard has a balance of debt owing to it in excess of \$5.8 million. The Receiver is seeking the Court's authority to make a distribution to Cenyard of the remaining cash subject to retaining a holdback for the fees of the Receiver and its counsel and costs and other obligations related to these proceedings. As noted above, the Receiver has received a security opinion from Cassels regarding Cenyard's security.
3. Given the potential litigation costs, the Receiver does not intend to distribute any funds until the dispute over the Final SOA is resolved.

## 6.0 Receiver's Discharge

1. Prior to completing its administration, the Receiver intends to:
  - a) pay any outstanding professional fees, which have accrued but remain unpaid as at the date of this Report;
  - b) pay a final distribution to Cenyard;
  - c) prepare and file the Receiver's final report as required under Section 246 of the *Bankruptcy and Insolvency Act* ("BIA"); and
  - d) deal with any sundry issues not specified above, including to the extent necessary, the resolution of the dispute with respect to the Final SOA.
2. Once the Receiver has completed its activities, it intends to file the Discharge Certificate as its duties and responsibilities under the Receivership Order and other orders made in these proceedings will have been completed.

## 7.0 Overview of the Receiver's Activities

1. The Receiver's activities since the date of the Second Report have included, *inter alia*, the following:
  - corresponding with Cassels regarding all aspects of this mandate, including the Transaction and BC's opposition to and appeal of the approval of the Primary APS;



- reviewing all court materials filed by BC, the Purchaser and Cenyard regarding the approval and objection/appeal of the Transaction;
- providing updates regarding the Transaction to Peakhill and Woodbourne;
- reviewing correspondence between Cassels and Lawson Lundell LLP, the Purchaser's counsel;
- reviewing Peakhill's final payout statement and corresponding with Peakhill regarding same;
- reviewing certain loan documents between Peakhill and the Debtors and reviewing the Debtors' books and records with respect to same;
- preparing the Interim SOA and the Final SOA, and corresponding with Cassels and Bentall regarding same;
- reviewing all closing documents and corresponding with Cassels regarding same;
- corresponding extensively with Bentall regarding the management of the Real Property including with respect to maintenance and filling vacancies;
- reviewing and approving payments and corresponding with Bentall regarding same; reviewing Bentall's monthly reporting;
- drafting this Report and reviewing all application materials filed in connection with the Receiver's application; and
- dealing with other matters pertaining to the administration of this mandate.

## 8.0 Professional Fees

1. The fees and disbursements (excluding disbursements and HST) of the Receiver since the commencement of the proceedings to October 31, 2023 and those of Cassels for the same period, total \$249,086 and \$362,197.49, respectively.
2. Detailed invoices in respect of the fees and disbursements of the Receiver and Cassels for the referenced billing periods are provided in appendices to the affidavits filed by KSV and Cassels in the receivership proceedings.
3. The average hourly rates for KSV and Cassels for the referenced billing periods were \$581.70 and \$581.49, respectively.
4. The Receiver is requesting the Fee Accrual of \$200,000 to cover further fees and disbursements of the Receiver and Cassels incurred or to be incurred until the filing of the Discharge Certificate.

5. The Receiver is of the view that the hourly rates charged by Cassels are generally consistent with the rates charged by corporate law firms practicing in the area of insolvency in the Vancouver market and that the fees charged are reasonable and appropriate in the circumstances.
6. The Receiver is also of the view that the Fee Accrual is reasonable and appropriate in the circumstances as it provides for the estimated fees incurred or to be incurred by the Receiver and Cassels prior to the filing of the Discharge Certificate. To the extent there is any surplus remaining from the Fee Accrual following the filing of the Discharge Certificate, the Receiver will distribute those funds to Cenyard.

## 9.0 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)(g) of this Report.

\* \* \*

All of which is respectfully submitted,

*KSV Restructuring Inc.*

**KSV RESTRUCTURING INC.,  
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF  
1441898 B.C. LTD.,  
SOUTHVIEW GARDENS LIMITED PARTNERSHIP AND  
SOUTHVIEW GARDENS PROPERTIES LTD.  
AND NOT IN ITS PERSONAL CAPACITY**

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## Appendix “A”

IN TERIM STATEMENT OF ADJUSTMENTS (SOUTHVIEW GARDENS)			
Draft Date - September 28, 2023			
<b>VENDOR:</b>	<b>KSV RESTRUCTURING INC.</b> , solely in its capacity as the Court-appointed receiver and manager of the applicable purchased assets, and not in its personal capacity or in any other capacity		
<b>PURCHASER:</b>	<b>Cenyard Investments Ltd.</b>		
Property:	3240, 3260 and 3280 East 58th Avenue, Vancouver, British Columbia, legally described as Lot 14, District Lot 334, Plan 13993, PID 007-982-160		
Closing Date/Adjusted as of:	September 29, 2023 (Based on adjustment date of September 28, 2023)		
	Note		
		Credit Purchaser	Credit Vendor
<b>Purchase Price</b>			\$72,000,000.00
<b>Deposit</b>			
Deposit			\$7,200,000.00
Interest accrued on Deposit			\$95,000.00
		\$7,295,000.00	
<b>Rent - 3.4(a)</b>			
September rent	1	\$234,616.00	
Vendor's share for 28 days		\$218,974.93	
Credit Purchaser		\$15,641.07	
<b>September 2023 Expenses - 3.4(a)</b>			
Total expenses (as per Schedule A)	1	\$37,279.99	
Vendor's share for 28 days		\$34,794.66	
Credit Vendor			\$2,485.33
<b>2023 Realty Taxes - 3.4(d)</b>			
Folio No. 814-300-82-0000			
PID No. 007-982-160			
2023 Final Total Taxes	2	\$184,352.64	
Vendor paid		\$184,352.64	
Vendor's share for 271 days		\$136,875.52	
Credit Vendor			\$47,477.12
<b>Prepaid Expenses - 3.4(a)</b>			
Prepaid Expenses	1	\$3,028.60	
Credit Vendor			\$3,028.60
<b>Accounts Receivable - 3.4(b)</b>			
Accounts Receivable	1	\$2,264.00	
Reduction to 95% pursuant to 3.4(b) of the APS		\$2,150.80	
Credit Vendor			\$2,150.80
<b>Security Deposits/Prepaid Rent - 3.4(d)</b>			
Tenant Security Deposits (including security deposit, pet deposit, prepaid rent)	1	\$114,898.50	
Interests accrued on Tenant Security Deposit		\$3,337.70	
Credit Purchaser		\$118,236.20	
<b>BALANCE DUE ON CLOSING</b>		<b>\$64,626,264.58</b>	
<b>TOTAL</b>		<b>\$72,055,141.85</b>	<b>\$72,055,141.85</b>
<b>E&amp;OE</b>			
<b>BALANCE DUE PAID BY</b>			
Cash on Closing Comprised of:			
Commissions	3	\$269,647.88	
Payout of First Ranking Mortgagee	4	\$55,068,768.00	
Deposit		-\$7,200,000.00	
Deposit interest	5	-\$95,000.00	
Cash		\$48,043,415.88	
Delivery of non-interest bearing promissory note by the Purchaser to the Receiver, as adjusted pursuant to 3.4(f) of the APS	6	\$16,582,848.70	
<b>TOTAL</b>		<b>\$64,626,264.58</b>	

Note 1: Based on information provided by Bentall on September 13, 2023.

Note 2: Property tax instalments for 2023 were paid in full.

Note 3: Payable to the Receiver's broker, being CBRE Limited based on a commission of 0.375% of the purchase price, plus GST.

Note 4: Based on the payout statement dated September 18, 2023 from Peakhill Capital Inc. based on a September 29 payout date.

Note 5: Represents actual interest through August 14, 2023 and estimated interest from that date to the estimated closing date.

Note 6: Represents the difference between the balance due on closing and the professional fees and first ranking mortgage.

**KSV RESTRUCTURING INC.**, solely in its capacity as the Receiver and not in its personal or corporate capacity

**CENYARD INVESTMENTS LTD.**

Per: \_\_\_\_\_  
Authorized Signatory

Per: \_\_\_\_\_  
Authorized Signatory

**Schedule A**

Due From Purchaser

Will be paid by Vendor for Step

CLOSING DATE	September 28, 2023
ADJUSTMENT DATE	September 28, 2023
Number of days annual / Number of days monthly	365 / 30.42
Purchases	271
Vendors	275

ID	Description	Account	Rate	Class	Code	Amount	Due Date	Payment Method	Balance
ID-001	Fire Protection Charge	2023-000-041-FS	0.2875	7040	13002	7020-0-020	09-20-23	Check	7825
ID-004	Landscape Charge	2023-000-010	0.2875	7040	12000	7020-0-030	09-20-23	Check	2100
ID-005	Plant Control Charge	2023-000-001	0.2875	7040	910	7020-0-030	09-20-23	Check	7,442.05
ID-006	Plant Control Charge	2023-000-041-B	0.2875	7040	25429	7020-0-010	09-20-23	Check	10935
Paid for month of September in advance									
ID-001	Resident Mgmt	2023-000-001	0.2875	7040	20200-PYLLR-04	7020-0-001	09-20-23	Check	25,302.00
ID-005	Management Fees	2023-000-011	0.2875	7040	2023-000-PY-000-010	7020-0-001	09-20-23	Check	53,273.50
ID-006	Plants/Plant Maintenance	2023-000-010	0.2875	7040	2023-000-010-010	7020-0-001	09-20-23	Check	210.32
									<b>2,488.11</b>

Property Taxes Paid For Full Year

4644712



Property Tax Office  
PO Box 7747  
Vancouver BC V6B 4E1

**2023 PROPERTY TAX NOTICE**

Due Date: July 5, 2023



189528

Statement Date: May 16, 2023

5% PENALTY IF NOT PAID OR GRANT NOT CLAIMED BY JULY 5, 2023

153463

SOUTHVIEW GARDENS BY LTD  
C/O BENTALL KENNEDY (CANADA) LP  
1105-1 YGEE ST  
TORONTO ON M5L 0S6

FOLIO NUMBER	814-300-82-0000	ACCESS	556325
LEGAL DESCRIPTION			
LOT 14 PLANS V6013993 DISTRICT 1437 354 NEW WESTMINSTER			

CLASS	Property Value					2023 Land		Taxable Land w/ Landings	
	2021	2022	2021	2020	2019	GENERAL	STRUCTURE	GRTA	
Residential - Det	26,124,000	26,124,000	26,124,000	27,390,000	27,499,000	26,124,000	26,124,000	3,124,000	
Residential - 5+ Bldgs	38,807,000	37,800,000	37,700,000	42,510,000	50,410,000	38,807,000	38,807,000	38,807,000	
Total	64,931,000	63,924,000	63,824,000	69,900,000	77,909,000	64,931,000	64,931,000	64,931,000	
PROPERTY ADDRESS	52-0 58TH AVE E								
PID	007 352-1-00								
Levies from Other Tax Authorities									
Provincial School Tax - Residential	0.5419					59,814.10	59,814.10	59,814.10	59,814.10
Net Provincial School Tax - Land Link	7.2191					14,227.03	14,227.03	14,227.03	14,227.03
BC Assessment	0.0365					2,184.93	2,184.93	2,184.93	2,184.93
Regional District	0.0534					3,268.63	3,268.63	3,268.63	3,268.63
Municipal Finance Authority	0.0020					12.99	12.99	12.99	12.99
Net Levies from Other Tax Authorities						74,507.68	74,507.68	74,507.68	74,507.68
Levies from City of Vancouver									
General Levy	1.3221					106,245.96	106,245.96	106,245.96	106,245.96
Fire/Police/CDM	0.1800					7,180.00	7,180.00	7,180.00	7,180.00
Street Cleaning	0.0099					3,653.40	3,653.40	3,653.40	3,653.40
Net Levies from City of Vancouver						109,844.96	109,844.96	109,844.96	109,844.96
Total 2023 Taxes						184,352.64	184,352.64	184,352.64	184,352.64
Payments/Adjustments						-88,094.00	-88,094.00	-88,094.00	-88,094.00
TOTAL TAXES DUE						96,258.64	96,258.64	96,258.64	96,258.64

DO NOT PAY - Any balance remaining will be withdrawn on the due date.

Customer Copy

AMOUNT DUE JUL 5, 2023

A - NO GRANT	B - BASIC GRANT	C - ADD'L GRANT
\$96,258.64	\$96,258.64	\$96,258.64

Bank Remittance Advice

Bank Remittance Advice



**SUBMIT YOUR HOME OWNER GRANT DIRECTLY TO THE PROVINCE AT**

gov.bc.ca/homeownergrant

Jurisdiction Home Owner Grant Roll Number  
000 075-814-1-0-02-0000

2023 CITY OF VANCOUVER TAX NOTICE  
PO Box 7747 VANCOUVER BC V6B 4E1  
Due Date: July 5, 2023

A	B	C
No Grant	Grant: 0.50	Grant: 0.00
\$96,258.64	\$96,258.64	\$96,258.64

Amount Paid  
FOLIO 814-300-82-0000  
PID 007 352-1-00  
CIVIC 52-0 58TH AVE E  
OWNERS SOUTHVIEW GARDENS BY LTD  
C/O BENTALL KENNEDY (CANADA)



814-300-82-0000 0009625864 0009625864 0009625864

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## Appendix “B”

FINAL STATEMENT OF ADJUSTMENTS (SOUTHVIEW GARDENS)			
Date - October 30, 2023			
VENDOR:	KSV RESTRUCTURING INC., solely in its capacity as the Court-appointed receiver and manager of the applicable purchased assets, and not in its personal capacity or in any other capacity		
PURCHASER:	Cenyard Investments Ltd.		
Property:	3240, 3260 and 3280 East 58th Avenue, Vancouver, British Columbia, legally described as Lot 14, District Lot 334, Plan 13993, PID 007-982-160		
Closing Date/Adjusted as of:	September 29, 2023 (Based on adjustment date of September 28, 2023)		
	Note	Credit Purchaser	Credit Vendor
Purchase Price		\$72,000,000.00	\$72,000,000.00
Deposit		\$7,200,000.00	
Interest accrued on Deposit		\$108,718.35	
Rent - 3.4(a)		\$7,303,716.35	
September rent	1	\$232,884.00	
Vendor's share for 28 days		\$217,358.40	
Credit Purchaser		\$15,525.60	
September 2023 Expenses - 3.4(a)			
Total expenses (as per Schedule A)	1	\$38,555.70	
Vendor's share for 28 days		\$35,985.32	
Credit Vendor			\$2,570.38
2023 Realty Taxes - 3.4(d)			
Folio No. 814-300-82-0000			
PID No. 007-982-160			
2023 Final Total Taxes	2	\$184,352.64	
Vendor paid		\$184,352.64	
Vendor's share for 271 days		\$136,875.52	
Credit Vendor			\$47,477.12
Prepaid Expenses - 3.4(a)			
Prepaid Expenses	1	\$3,038.00	
Credit Vendor			\$3,038.00
Accounts Receivable - 3.4(b)			
Accounts Receivable	1	\$2,257.95	
Reduction to 65% pursuant to 3.4(b) of the APS		\$2,145.05	
Credit Vendor			\$2,145.05
Security Deposits/Prepaid Rent - 3.4(c)			
Tenant Security Deposits (including security deposit, pet deposit, prepaid rent)	1	\$114,127.50	
Interests accrued on Tenant Security Deposit		\$3,337.70	
Credit Purchaser		\$117,465.20	
<b>BALANCE DUE ON CLOSING</b>		<b>\$64,618,523.40</b>	
<b>TOTAL</b>		<b>\$72,055,230.55</b>	<b>\$72,055,230.55</b>
<b>E&amp;OE</b>			
<b>BALANCE DUE PAID BY</b>			
Cash on Closing Comprised of:			
Commissions	3	\$289,647.88	
Payout of First Ranking Mortgagee	4	\$55,098,768.00	
Woodbourne's legal fees (as per Schedule B)	5	\$73,707.12	
Deposit		-\$7,200,000.00	
Deposit interest	6	-\$108,718.35	
Cash		\$48,108,406.64	
Delivery of non-interest bearing promissory note by the Purchaser to the Receiver, as adjusted pursuant to 3.4(f) of the APS	7	\$16,510,116.76	
<b>TOTAL</b>		<b>\$64,618,523.40</b>	
<b>POST-CLOSE CASH ADJUSTMENT</b>			
Cash paid by purchaser's counsel on Sept 29, 2023 pursuant to the draft SOA		\$48,043,415.88	
Cash to be paid by purchaser's counsel pursuant to the post-closing SOA		\$48,108,406.64	
Additional Cash to be paid		\$84,990.78	

Note 1: Based on information provided by Bentall as of September 30, 2023.

Note 2: Property tax instalments for 2023 were paid in full.

Note 3: Payable to the Receiver's broker, CBRE Limited, based on a commission of 0.375% of the purchase price, plus GST.

Note 4: Represents the payment to Peakhill Capital Inc. on October 3, 2023.

Note 5: Represents Woodbourne's legal fees solely regarding its participation in the Peakhill mortgage, which fees were not included in the Peakhill payout statement. Does not include fees related to Woodbourne's third mortgage. See Schedule B.

Note 6: Represents interest through September 29, 2023.

Note 7: Represents the difference between the balance due on closing and the professional fees and first ranking mortgage.

KSV RESTRUCTURING INC., solely in its capacity as the Receiver and not in its personal or corporate capacity

CENYARD INVESTMENTS LTD.

Per: \_\_\_\_\_  
Authorized Signatory

Per: \_\_\_\_\_  
Authorized Signatory

Schedule A

Due from Purchaser

Will be paid by Vendor for Sep

CLOSING DATE	September 28, 2023		
ADJUSTMENT DATE	September 28, 2023		
Number of days(annual)		04	Purchaser
Number of days(month)		2	Purchaser
		271	Vendor

6015 005	Fire Prevention Contracts	v 0000211	Action Integrat2300004171	P-267972	1075	20455	12052	2023-05-20	09-2023	Check	cad	26 25					
		v 0000207	Elite Fire Prot2300004201	P-267773	1075	20455	12052	2023-05-20	09-2023	Check	cad	273 00	1 75				
6015 004	Landscaping Contracts	v 0000226	Pereda Con2300004201	P-267717	1075	20455	970	2023-05-10	09-2023	Check	cad	2,442 05	162 00	paid by receiver			
6015 006	Pest Control Contracts	v 0000105	Termink Car2300004161	P-267533	1075	20455	93420	2023-05-10	09-2023	Check	cad	101 90	7 33				
	Waste Solutions		September Invoice									1,275 71	55 05	paid by receiver			
Paid for month of September in advance																	
6100 001	Resident Manager	v 0000001	BenitaGreen2300002111	P-266807	10226	20455	105 PYRLR1	2023-09-01	09-2023	Check	cad	25,352 00	25,352 00	2023-09-01	Sep 1 & 15 & 29 Cost Recovery	1,726 13	paid by Benita
6200 005	Management Fees	v 0000002	BenitaGreen2300002111	P-266805	10225	20455	3MP-REBIDE	2023-09-01	09-2023	Check	cad	5,327 35	5,327 35	2023-09-01	Sep23 PMF Monthly Installment	555 16	paid by Benita
6400 006	Phone/Voicemail	v 0000001	BenitaGreen2300002121	P-266805	10226	20455	105 CR TEL1	2023-09-01	09-2023	Check	cad	209 22	209 22	2023-09-01	Sep 1 & 15 & 29 Cost Recovery	13 75	paid by Benita
												<b>32,555 78</b>	<b>3,976 33</b>				

Property Taxes Paid for the Year

4,477.12



Property Tax Office  
PO Box 7777  
Vancouver BC V6B 8R1

2023 PROPERTY TAX NOTICE

Due Date: July 5, 2023



119524

Statement Issued May 16, 2023

5% PENALTY IF NOT PAID OR GRANT NOT CLAIMED BY JULY 5, 2023

153463

SOUTHVIEW GARDENS B/L/D  
C/O BENTALL KENNEDY (CANADA) LP  
1,00-1 YORK ST  
TORONTO ON M5S 0B6

FOLIO NUMBER 814-300-82-0000 ACCESS 8550225  
LEGAL DESCRIPTION  
LOT 14 PLAN VAP15593 DISTRICT LOT 334 NEW WESTMINSTER

CLASS	Property Value		Assessed				Taxable		Taxable Land & Building		
	2023	2022	2021	2020	2019	2023 Land	2023 General	SCHOOL	CVTA		
Residential	Land	25,210,000	26,124,000	25,124,000	24,499,000	23,499,000	26,124,000	26,124,000	26,240,000	26,240,000	
	Building	38,807,000	37,900,000	37,900,000	37,014,000	36,120,000	38,807,000	38,807,000	38,807,000	38,807,000	
	Total	64,017,000	64,024,000	63,024,000	61,513,000	59,619,000	64,931,000	64,931,000	65,047,000	65,047,000	
PROPERTY ADDRESS	3240 58TH AVE E		COLUMN A		COLUMN B		COLUMN C				
PID	007 882 160	CLASS	RATE	NO GRANT	BASIC GRANT	ADDITIONAL GRANT					
Levies from Other Tax Authorities											
	Provincial School Tax - Residential		0.8019	51,811.10	51,811.10	51,811.10					
	Net Provincial School Tax			54,814.10	54,814.10	54,814.10					
	Transit		0.2141	14,227.03	4,227.03	14,227.03					
	BC Assessment		0.0254	2,154.93	2,154.93	2,154.93					
	Regional Transit		0.0574	3,268.63	3,268.63	3,268.63					
	Municipal Finance Authority		0.0020	12.99	12.99	12.99					
Net Levies from Other Tax Authorities											
				74,207.68	74,207.68	74,207.68					
Levies from City of Vancouver											
	General Levy		1.6321	106,545.96	106,545.96	106,545.96					
	Pipeline (20mm)		719.0000	719.00	719.00	719.00					
	Street Cleaning		22.0000	1,080.00	1,080.00	1,080.00					
Net Levies from City of Vancouver											
				108,344.96	108,344.96	108,344.96					
Total 2023 Taxes											
				184,352.64	184,352.64	184,352.64					
Payments/Adjustments											
				-88,094.00	-88,094.00	-88,094.00					
TOTAL TAXES DUE											
				96,258.64	96,258.64	96,258.64					

DO NOT PAY - Any balance remaining will be withdrawn on the due date.

Customer Copy  
AMOUNT DUE JUL 5, 2023

A - NO GRANT	B - BASIC GRANT	C - ADD'L GRANT
\$96,258.64	\$96,258.64	\$96,258.64

KEEP THIS PORTION  
Bank Remittance Advice



SUBMIT YOUR HOME OWNER GRANT  
DIRECTLY TO THE PROVINCE AT  
gov.bc.ca/homeownergrant

Jurisdiction	Home Owner Grant Roll Number
200	025-214-300-82-0000

2023 CITY OF VANCOUVER TAX NOTICE  
40 Box 7777 VANCOUVER BC V6B 8R1  
Due Date: July 5, 2023

A	B	C
No Grant	Grant: 0.00	Grant: 0.00
\$96,258.64	\$96,258.64	\$96,258.64

Amount Paid

FOLIO 814-300-82-0000  
PID 007 882 160  
CIVIC 3240 58TH AVE E  
OWNERS SOUTHVIEW GARDENS B/L/D  
C/O BENTALL KENNEDY (CANAD)



814-300-82-0000 00096258640 00096258640 00096258640



**Schedule B**

<b>Entity</b>	<b># Invoice Name</b>	<b>Invoice Number</b>	<b>Date</b>	<b>Supplier Name</b>	<b>Total</b>
WB CP IV MF LLC	7 DLA Piper - Inv #2189137 - Southview Gardens	2189137	26-Apr-23	DLA Piper (Canada) LLP	20,629.67
WCP IV (CA) LP	9 DLA Piper - Inv #2189138 - Southview Gardens	2189138	26-Apr-23	DLA Piper (Canada) LLP	21,393.26
WB CP IV (INT) MF Corp	11 DLA Piper - Inv #2189139 - Southview Gardens	2189139	26-Apr-23	DLA Piper (Canada) LLP	23,122.07
WB CP IV MF LLC	8 DLA Piper - Inv #2189140 - Southview Gardens	2189140	26-Apr-23	DLA Piper (Canada) LLP	824.71
WCP IV (CA) LP	10 DLA Piper - Inv #2189142 - Southview Gardens	2189142	26-Apr-23	DLA Piper (Canada) LLP	847.02
WB CP IV (INT) MF Corp	12 DLA Piper - Inv #2189143 - Southview Gardens	2189143	26-Apr-23	DLA Piper (Canada) LLP	915.47
WCP IV MF LLC	16 DLA Piper - Inv #2196851 - Southview Gardens	2196851	31-May-23	DLA Piper (Canada) LLP	414.14
WCP IV (CA), LP	18 DLA Piper - Inv #2196852 - Southview Gardens	2196852	31-May-23	DLA Piper (Canada) LLP	425.34
WCP IV (INT) MF Corp	17 DLA Piper - Inv #2196853 - Southview Gardens	2196853	31-May-23	DLA Piper (Canada) LLP	459.71
WCP IV MF LLC	30 DLA Piper - Inv #2208112 - Southview Gardens	2208112	11-Jul-23	DLA Piper (Canada) LLP	1,196.74
WCP IV (CA), LP	29 DLA Piper - Inv #2208113 - Southview Gardens	2208113	11-Jul-23	DLA Piper (Canada) LLP	1,229.10
WCP IV (INT) MF Corp	28 DLA Piper - Inv #2208114 - Southview Gardens	2208114	11-Jul-23	DLA Piper (Canada) LLP	1,328.41
WCP IV (CA) LP	A Bennett Jones - Inv #1509259 - Southview Gardens	1509259	17-Apr-23	Bennett Jones LLP	721.28
<b>Total</b>					<b>73,707.12</b>

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## Appendix “C”

## NOTICE OF DISPUTE OF FINAL STATEMENT OF ADJUSTMENTS

**TO:** KSV Restructuring Inc. (the “Receiver”)

**FROM:** Cenyard Investments Ltd. (the “Purchaser”)

**RE:** Agreement of Purchase and Sale dated June 14, 2023 between the Receiver, in its capacity as receiver and manager, and Cenyard Southview Gardens Ltd. (the “Assignor”), as purchaser, as amended by an Amendment to Agreement of Purchase and Sale dated July 13, 2023, and assigned by the Assignor to the Purchaser, and amended by a Second Amendment to Agreement of Purchase and Sale dated September 28, 2023 (collectively, the “Purchase Agreement”), regarding the sale of the lands and premises located at 3240, 3260 and 3280 East 58<sup>th</sup> Avenue, Vancouver, British Columbia and legally described as Parcel Identifier: 007-982-160, Lot 14 District Lot 334 Plan 13993 (the “Property”)

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**TAKE NOTICE THAT**, pursuant to Section 3.5(d) of the Purchase Agreement, the Purchaser disputes the enclosed Final Statement of Adjustments received on October 30, 2023 as follows:

1. **Woodbourne’s legal fees:** Legal fees incurred by Woodbourne Canada or any of its affiliates are not the Purchaser’s responsibility, whether representing fees incurred in its capacity as third-ranking mortgagee of the Property or in connection with its participation in the first-ranking mortgage in favour of Peakhill. Woodbourne is responsible for its own costs and expenses with respect to its investment in the Property, including legal fees. Accordingly, the adjustment in favour of the Vendor in the amount of \$73,707.12 should be reversed.
2. **Four days’ per diem interest:** Pursuant to Section 3.4(f) of the Purchase Agreement, the amount payable by the Purchaser under Section 3.1(a)(i) was to be adjusted at the Closing Date to an amount that would be sufficient to satisfy all priority charges in favour of the Receiver and the first-ranking mortgagee on title to the Property. But for the Receiver’s delay in satisfying its obligations to deliver signed closing documents on the closing date, the Purchaser would have delivered all net sale proceeds to the Receiver before the cut-off time of 2:00 Eastern time, and the additional four days’ per diem interest (totaling \$69,336.28) that was added to the Interim Statement of Adjustments would not have accrued. The Purchaser is not liable or responsible for the Receiver’s delays, and the amount of \$69,336.28 should be adjusted in favour of the Purchaser.
3. **September rent:** Please account for the discrepancy between the September rent roll provided at closing (in which the amount of September rent adjusted was \$234,616.00), and the one attached to the Final Statement of Adjustments (in which the amount of September rent proposed to be adjusted is \$232,884.00). If the discrepancy is attributable in whole or in part to the deductions from rent for Rocky Oquendo (Unit 80-120) and Orlando Pasion (Unit 40-030), please advise why deductions from rent were accepted.

4. **Prepaid expenses:** Regarding the adjustment for the September business licence fee, the calculation should be based on 2 days, not 3 days. The Vendor should be credited with \$65.33 for September (not \$98.00), resulting in a total Prepaid Expenses sum of \$3,005.33 for the Vendor (instead of \$3,038.00).

All capitalized terms used in this Notice not otherwise defined herein have the meanings given thereto in the Purchase Agreement.

If the Receiver and the Purchaser are unable to agree on the Final Statement of Adjustments, including with respect to the above-noted matters, within 10 days of the date of this Notice and the Final Statement of Adjustments is referred to an appraiser for resolution in accordance with Section 3.5(e) of the Purchase Agreement, then the Purchaser reserves the right to submit further and more detailed factual submissions and argument in support of its position.

Delivery of an executed copy of this Notice by electronic transmission will be as effective as personal delivery of an originally executed copy of this Notice.

***[Remainder of page left blank intentionally; signature page follows]***

**DATED** as of November 10, 2023

**CENYARD INVESTMENTS LTD.**

Per: \_\_\_\_\_  
Authorized Signatory