

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

**ATRIUM MORTGAGE INVESTMENT CORPORATION and DORR
CAPITAL CORPORATION**

Plaintiffs

- and -

**STATEVIEW HOMES (NAO TOWNS II) INC., DINO TAURASI and
CARLO TAURASI**

Defendants

MOTION RECORD

April 26, 2023

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

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Tel: (416) 218-1141
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Laura Culleton (LSO No. 82428R)
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Lawyers for the Plaintiffs

TO: **SERVICE LIST**

SERVICE LIST
(April 26, 2023)

CHAITONS LLP

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

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Lawyer for Bergo Investment Limited, MCO Management Inc. and Tony Karamitsos**KSV RESTRUCTURING INC.**

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Toronto, ON M5J 2W4

Bobby Kofman

Email: bkofman@ksvadvisory.com

Noah Goldstein

Email: ngoldstein@ksvadvisory.com

Proposed Receiver

Email Service List

george@chaitons.com; laurac@chaitons.com; jennifer.stam@nortonrosefulbright.com ;
james.renihan@nortonrosefulbright.com ; aparley@litigate.com ; ghall@mccarthy.ca ;
aship@mccarthy.ca ; adobkin@mccarthy.ca ; mkaplan@foglers.com ;
bkofman@ksvadvisory.com ; ngoldstein@ksvadvisory.com

**ONTARIO
SUPERIOR COURT OF JUSTICE
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Defendants

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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

**ATRIUM MORTGAGE INVESTMENT CORPORATION and DORR
CAPITAL CORPORATION**

Plaintiffs

- and -

**STATEVIEW HOMES (NAO TOWNS II) INC., DINO TAURASI and
CARLO TAURASI**

Defendants

NOTICE OF MOTION

ATRIUM MORTGAGE INVESTMENT CORPORATION (“Atrium”) and DORR CAPITAL CORPORATION (“Dorr”, and together with Atrium, the “Lenders”), will make a motion to a judge presiding over the Commercial List on Friday, April 28, 2023, at 10:00 a.m., or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

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

- In writing under subrule 37.12.1 (1);
- In writing as an opposed motion under subrule 37.12.1 (4);
- In person
- By telephone conference
- By video conference

THE MOTION IS FOR AN ORDER:

1. if necessary, validating service of this Notice of Motion and the Motion Record in the manner effected, abridging the time for service thereof, and dispensing with service thereof on any party other than the parties served;
2. appointing KSV Restructuring Inc. (“**KSV**”) as receiver over all of the assets, undertakings and property of Stateview Homes (NAO Towns II) Inc. (“the “**Debtor**”), including the real property owned by the Debtor known municipally as 7810, 7822, 7834 and 7846 McCowan Rd., Markham, Ontario (“**Real Property**”), substantially in the form included in the Motion Record, and
3. such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:**The Parties**

1. Atrium Mortgage Investment Corporation is an investment and lending corporation with offices in Toronto, Ontario.
2. Dorr Capital Corporation is a private provider of commercial mortgage investments and commercial real estate financing with offices in Toronto, Ontario.
3. The Debtor is an Ontario corporation with its registered office address in Woodbridge, Ontario.

4. Carlo Taurasi (“**Carlo**”) is a director, officer and a shareholder of the Debtor, and Dino Taurasi (“**Dino**”) is a shareholder of the Debtor. They both personally guaranteed the debts of the Debtor to the Lenders.

Loan Agreement, Security and Guarantees

5. Pursuant to the terms of a commitment letter dated April 1, 2022, as amended by an amendment dated April 7, 2022 and a further amendment dated April 19, 2022, the Lenders advanced a secured loan to the Debtor in the principal amount of \$23,240,000 (the “**Loan**”).

6. The stated purpose of the Loan was to assist in the acquisition of the property municipally known as 7810, 7822, 7834 and 7846 McCowan Road, Markham, Ontario (the “**Real Property**”) and to fund transaction costs.

7. The Debtor sought to develop 44 traditional townhomes and 40 back-to-back townhomes on the Real Property.

8. In support of the Loan, the Lenders obtained, among other things, the following security:

- (a) a charge/mortgage in the amount of \$23,240,000 registered in first position against the Real Property on May 20, 2022 as Instrument YR3428362 (the “**Charge**”); and
- (b) a General Security Agreement dated April 19, 2022 (the “**GSA**”).

9. The Charge and the GSA provide for the appointment of a receiver over the Debtor’s assets upon default by the Debtor.

10. Pursuant to the Charge, the Debtor acknowledged that no financing subsequent to the Loan, including further mortgages, pledges or other encumbrances registered against title to the Real Property, shall be permitted without the prior written consent of the Lenders.

11. Pursuant to the Charge, it is an event of default if a material adverse change occurs relating to, among others, the Debtor or the Real Property.

Other Registered Creditors

12. Financing statements have been registered under the Ontario personal property registration system against the Debtor only by the following parties:

- (a) the Lenders on April 11, 2022; and
- (b) Bergo Investment Limited, MCO Management Inc., and Tony Karamitsos on January 4, 2023.

Defaults and Demands

13. The Debtor failed to make the monthly payment due under the Loan on April 1, 2023 in the amount of \$277,598.63.

14. The Lenders recently learned that on December 16, 2022, without the prior written consent of the Lenders, the Debtor granted mortgages against the Real Property to third parties without the prior written consent of the Lenders.

15. The Lenders also recently learned that The Toronto-Dominion Bank (“**TD Bank**”) commenced an action in or around March 24, 2022 against numerous “Stateview” entities,

including the Debtor, Carlo and Dino, in respect of an unauthorized overdraft in excess of \$37 million.

16. Pursuant to a Settlement Agreement dated March 31, 2023, the Debtor, Carlo and Dino (and other related parties) acknowledged and agreed that:

- (a) their accounts at TD Bank were used to perpetrate an extensive cheque kiting scheme, which resulted in TD Bank suffering losses that exceed \$37 million;
- (b) they are jointly and severally liable to TD Bank in the amount of \$37,134,091.23 plus interest and costs as a result of the foregoing conduct; and
- (c) the aforesaid obligation is a debt and liability arising out of fraud.

17. By letters dated April 12, 2023, the Lenders made formal written demand on the Debtor for repayment of the Loan and gave notice of their intention to enforce their security pursuant to section 244(1) of the BIA, and made demand upon the Guarantors pursuant to their Guarantee.

18. As of April 12, 2023, the indebtedness owing by the Debtors to the Lenders was \$24,449,396.98, not including legal and other professional costs.

Appointment of a Receiver

19. The Lenders have the right under their security to apply to the Court for the appointment of a receiver upon default by the Debtor, and the Debtor consented to such an appointment pursuant to the terms of the Charge and the GSA.

20. Given the Debtor's conduct as described above, the Lenders believe the appointment of a receiver is just and convenient, and is the most effective and appropriate manner to address the

realization of the Real Property and all related issues, including the distribution of sale proceeds to creditors.

Other Grounds

21. Section 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.
22. Rules 2.03, 3.02, 16.01, 16.08 and 37 of the *Rules of Civil Procedure* (Ontario).
23. Such further and other grounds as counsel may advise and this Honourable Court may permit.

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

1. The Affidavit of Brian Dorr sworn April 25, 2023; and
2. Such further and other material as counsel may advise and this Honourable Court may permit.

April 26, 2023

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

George Benchetrit (LSO No. 34163H)
Tel: (416) 218-1141
Email: george@chaitons.com

Laura Culleton (LSO No. 82428R)
Tel: (416) 218-1128
Email: laurac@chaitons.com

Lawyers for the Plaintiffs

ATRIUM MORTGAGE INVESTMENT CORPORATION et al. -and-
Plaintiffs

STATEVIEW HOMES (NAO TOWNS II) INC., et al.
Defendants

Court File No. CV-23-00698395-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

NOTICE OF MOTION

CHAITONS LLP

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Lawyers for the Plaintiffs

TAB 2

**ONTARIO
SUPERIOR COURT OF JUSTICE
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Plaintiffs

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**STATEVIEW HOMES (NAO TOWNS II) INC., DINO TAURASI and
CARLO TAURASI**

Defendants

AFFIDAVIT OF BRIAN DORR

I, BRIAN DORR, of the City of Toronto, in the Province of Ontario, **MAKE OATH
AND SAY:**

1. I am the President of the Plaintiff, Dorr Capital Corporation (“**Dorr**”). The facts set forth herein are within my personal knowledge or determined from the face of the documents attached hereto as exhibits or from information and advice provided to me by others. To the extent I have relied on the information and advice of others, I have identified the source of such information and verily believe that information and advice to be true.

2. This affidavit is sworn in support of the motion by Dorr and Atrium Mortgage Investment Corporation (“**Atrium**”, and collectively with Dorr, the “**Lenders**”) for an order appointing KSV Restructuring Inc. (“**KSV**”) as receiver of the assets, properties and undertaking of Stateview Homes (Nao Towns II) Inc. (the “**Debtor**”).

The Parties

3. Atrium is an investment and lending corporation with offices in Toronto, Ontario.

4. Dorr is a private provider of commercial mortgage investments and commercial real estate financing with offices in Toronto, Ontario.

5. The Debtor is an Ontario corporation with a registered office address at 410 Chrislea Road, 16, Woodbridge, Ontario. A copy of the corporation profile report for the Debtor current to April 14, 2023 is attached hereto as **Exhibit “A”**.

6. I understand from the Share Pledge Agreement described below that Carlo Taurasi (“**Carlo**”) is a director, officer and a 45% shareholder of the Debtor, and that Dino Taurasi (“**Dino**”) is a 45% shareholder of the Debtor. As set out below, Carlo and Dino personally guaranteed the debts of the Debtor to the Lenders.

The Loan

7. Pursuant to the terms of a commitment letter dated April 1, 2022, as amended by an amendment dated April 7, 2022 and a further amendment dated April 19, 2022, the Lenders advanced a secured loan to the Debtor in the principal amount of \$23,240,000 (the “**Loan**”). Copies of these documents (collectively, the “**Commitment Letter**”) are attached hereto as **Exhibit “B”**.

8. The stated purpose of the Loan was to assist in the acquisition of the property municipally known as 7810, 7822, 7834 and 7846 McCowan Road, Markham, Ontario (the “**Real Property**”) and to fund transaction costs. Attached hereto collectively as **Exhibit “C”** are copies of the parcel registers for the Real Property.

9. In support of the Loan, the Lenders obtained, among other things, the following security:
- (a) a charge/mortgage in the amount of \$23,240,000 registered in first position against the Real Property on May 20, 2022 as Instrument YR3428362 (the “**Charge**”). Copies of the Charge and the Additional Provisions thereto are attached collectively hereto as **Exhibit “D”**;
 - (b) a General Assignment of Rents dated April 19, 2022 registered on title to the Real Property on May 20, 2022 as Instrument No. YR3428363, a copy of which is attached hereto as **Exhibit “E”**;
 - (c) a General Security Agreement dated April 19, 2022 (the “**GSA**”), a copy of which is attached hereto as **Exhibit “F”**; and
 - (d) a pledge by Carlo, Dino and Daniel Ciccone of their shares in the Debtor pursuant to a Share Pledge Agreement dated April 19, 2022, a copy of which is attached hereto as **Exhibit “G”**.
10. The Charge and the GSA provide for the appointment of a receiver over the Debtor’s assets upon default by the Debtor.
11. Pursuant to the Charge, the Debtor acknowledged that no financing subsequent to the Loan, including further mortgages, pledges or encumbrances registered against title to the Real Property, shall be permitted without the prior written consent of the Lenders.
12. Pursuant to the Charge, it is an event of default if a material adverse change occurs relating to, among others, the Debtor or the Real Property.
13. The maturity date under the Loan is June 1, 2023.

14. In addition to the security described above, Dino and Carlo signed a Guarantee and Postponement of Claim on or about April 19, 2022 under which they agreed jointly and severally to repay all amounts owing under the Loan, as well as costs, legal costs and other expenses incurred by the Lenders as a result of any default by the Debtor under the Loan (the “**Guarantee**”). Attached hereto as **Exhibit “H”** is a true copy of the Guarantee.

Other Registered Creditors

15. Attached hereto as **Exhibit “I”** is a true copy of search results for the Debtor under the Ontario personal property registration system with currency to April 17, 2023, which indicate that financing statements have been registered against the Debtor under the *Personal Property Security Act* (Ontario) by the following parties:

- (a) the Lenders on April 11, 2022; and
- (b) Bergo Investment Limited, MCO Management Inc., and Tony Karamitsos on January 4, 2023.

Status of the Project

16. The Debtor initially sought to develop a total of 76 townhomes on the Real Property, and subsequently planned to increase the total number to 84 townhomes (the “**Project**”).

17. I understand from the Debtor that: (a) in 2021, the Debtor entered into agreements of purchase and sale (the “**APSs**”) with unit purchasers for 76 townhomes, at prices ranging between approximately \$980,000 and \$1,135,000 per unit; (b) deposits totaling over \$7,500,000 were collected by the Debtor under the APSs; and (c) in accordance with the terms of the APSs, those deposit monies are not being held in trust.

18. Construction has not commenced at the Real Property. To date, the Debtor has not secured construction financing for the Project.

Defaults and Demands

19. The Debtor failed to make the monthly payment due under the Loan on April 1, 2023 in the amount of \$277,598.63.

20. The Lenders recently learned that on December 16, 2022, without the prior written consent of the Lenders, the Debtor granted a mortgage against the Real Property in favour of Bergo Investment Limited, MCO Management Inc. and Tony Karamitsos as Instrument No. YR3509408. Attached hereto as **Exhibit “J”** is a copy of that mortgage.

21. The Lenders also recently learned that The Toronto-Dominion Bank (“**TD Bank**”) commenced an action in or around March 24, 2023 bearing court file no. CV-23-00696833-0000 against numerous “Stateview” entities, Carlo and Dino and others in respect of an unauthorized overdraft in excess of \$37 million (the “**TD Action**”).

22. Pursuant to a Settlement Agreement dated March 31, 2023 (the “**Settlement Agreement**”), a copy of which is attached hereto as **Exhibit “K”**, the Debtor, Carlo and Dino (and other related parties) acknowledged and agreed that:

- (a) their accounts at TD Bank were used to perpetrate an extensive cheque kiting scheme, which resulted in TD Bank suffering losses that exceed \$37 million;
- (b) they are jointly and severally liable to TD Bank in the amount of \$37,134,091.23 plus interest and costs as a result of the foregoing conduct; and
- (c) the aforesaid obligation is a debt and liability arising out of fraud.

23. TD Bank obtained a court order on April 4, 2023 providing relief to implement the Settlement Agreement (the “**Implementation Order**”). The Implementation Order, among other things, added the Debtor as a defendant to the TD Action, and authorized and directed certain defendants to make payments to TD Bank as described in the Settlement Agreement. A copy of the Implementation Order is attached hereto as **Exhibit “L”**.

24. On April 6, 2023, without the prior written consent of the Lenders, the Debtor granted a mortgage against the Real Property in favour of TD Bank as Instrument No. YR3539464. Attached hereto as **Exhibit “M”** is a copy of that mortgage.

25. As a result of the payment default and other events described above, by letter dated April 12, 2023, the Lenders made formal written demand on the Debtor for repayment of the Loan and gave notice of their intention to enforce their security pursuant to section 244(1) of the BIA. By letter dated April 12, 2023, the Lenders made demand pursuant to the Guarantee. These letters are attached hereto collectively as **Exhibit “N”**.

26. As of April 12, 2023, the indebtedness owing by the Debtor to the Lenders was \$24,449,396.98, calculated as described in the aforesaid demand letters.

27. On April 20, 2023, Dorr received notice from Northbridge General Insurance Corporation that the insurance for various Stateview companies and properties was being terminated for non-payment of premiums effective May 3, 2023. Attached hereto as **Exhibit “O”** is a copy of the aforesaid notice.

Appointment of Receiver

28. The Lenders have the right under their security to apply to the Court for the appointment of a receiver upon default by the Debtor, and the Debtor consented to such an appointment pursuant to the terms of the Charge and the GSA.

29. Given the Debtor’s conduct as described above, the Lenders believe the appointment of a receiver is just and convenient, and is the most effective and appropriate manner to address the realization of the Real Property and all related issues, including the distribution of sale proceeds to creditors.

SWORN BEFORE ME over videoconference on this 25 day of April, 2023. The affiant was located in the City of Toronto and the commissioner was located in the City of Toronto, each in the Province of Ontario. This affidavit was commissioned remotely in accordance O. Reg. 431/20, Administering Oath or Declaration Remotely



Laura Culleton

Commissioner for Taking Affidavits
(or as may be)

BRIAN DORR

**THIS IS EXHIBIT "A" TO
THE AFFIDAVIT OF BRIAN DORR
SWORN BEFORE ME THIS 25TH
DAY OF APRIL, 2023**



A Commissioner etc.



Profile Report

STATEVIEW HOMES (NAO TOWNS II) INC. as of April 14, 2023

Act	Business Corporations Act
Type	Ontario Business Corporation
Name	STATEVIEW HOMES (NAO TOWNS II) INC.
Ontario Corporation Number (OCN)	2810652
Governing Jurisdiction	Canada - Ontario
Status	Active
Date of Incorporation	January 25, 2021
Registered or Head Office Address	410 Chrislea Road, 16, Woodbridge, Ontario, Canada, L4L 8B5

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

This report sets out the most recent information filed on or after June 27, 1992 in respect of corporations and April 1, 1994 in respect of Business Names Act and Limited Partnerships Act filings and recorded in the electronic records maintained by the Ministry as of the date and time the report is generated, unless the report is generated for a previous date. If this report is generated for a previous date, the report sets out the most recent information filed and recorded in the electronic records maintained by the Ministry up to the "as of" date indicated on the report. Additional historical information may exist in paper or microfiche format.

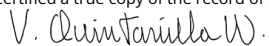
Active Director(s)

Minimum Number of Directors 1
Maximum Number of Directors 10

Name DANIEL CICCONE
Address for Service 410 Chrislea Road, 16, Woodbridge, Ontario, Canada, L4L
8B5
Resident Canadian Yes
Date Began January 25, 2021

Name CARLO TAURASI
Address for Service 410 Chrislea Road, 16, Woodbridge, Ontario, Canada, L4L
8B5
Resident Canadian Yes
Date Began January 25, 2021

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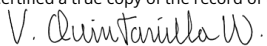
Active Officer(s)

Name DANIEL CICCONE
Position Secretary
Address for Service 410 Chrislea Road, 16, Woodbridge, Ontario, Canada, L4L 8B5
Date Began January 25, 2021

Name DANIEL CICCONE
Position Treasurer
Address for Service 410 Chrislea Road, 16, Woodbridge, Ontario, Canada, L4L 8B5
Date Began January 25, 2021

Name CARLO TAURASI
Position President
Address for Service 410 Chrislea Road, 16, Woodbridge, Ontario, Canada, L4L 8B5
Date Began January 25, 2021

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Corporate Name History

Name

STATEVIEW HOMES (NAO TOWNS II) INC.

Effective Date

January 25, 2021

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V. Quintanilla W.

Director/Registrar

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Active Business Names

This corporation does not have any active business names registered under the Business Names Act in Ontario.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

V. Quintanilla W.

Director/Registrar

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Expired or Cancelled Business Names

This corporation does not have any expired or cancelled business names registered under the Business Names Act in Ontario.

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V. Quintanilla W.

Director/Registrar

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Document List

Filing Name	Effective Date
CIA - Initial Return PAF: CARLO TAURASI - DIRECTOR	January 25, 2021
BCA - Articles of Incorporation	January 25, 2021

All "PAF" (person authorizing filing) information is displayed exactly as recorded in the Ontario Business Registry. Where PAF is not shown against a document, the information has not been recorded in the Ontario Business Registry.

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V. Quintanilla W.

Director/Registrar

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**THIS IS EXHIBIT "B" TO
THE AFFIDAVIT OF BRIAN DORR
SWORN BEFORE ME THIS 25TH
DAY OF APRIL, 2023**



A Commissioner etc.

Dorr Capital Corporation

41 Scarsdale Road, Unit 6

Toronto, ON M3B 2R2

www.dorrcapital.com



April 1, 2022

Stateview Homes (NAO Towns) Inc.

410 Chrislea Road, Unit 6

Woodbridge, ON L4L 8B5

Attention: Mr. Daniel Ciccone

Dear Sirs:

Re: First Mortgage Land Loan
NAO Phase 2 – 7810, 7822, 7834 and 7846 McCowan Road, Markham, ON
Loan No.: 21046

Dorr Capital Corporation is pleased to advise that we are prepared to offer the following loan facilities (the “**Loan**”) subject to the terms and conditions outlined below (hereinafter called the “**Commitment**”).

Borrower Name: Stateview Homes (NAO Towns) Inc. (the “**Borrower**”)

Lender: Dorr Capital Corporation or nominee (the “**Lender**”)

Servicer: Dorr Capital Corporation (“**DCC**”)

Guarantor(s): Joint and several guarantee by Dino Taurasi and Carlo Taurasi for the full amount of the Loan (collectively known as the “**Guarantor**” and/or “**Guarantors**”)

Loan Facility: \$23,240,000 First Mortgage Land Loan

Project Description: 7810, 7822, 7834 and 7846 McCowan Road, Markham, Ontario (the “**Property**”) A 5.27-acre site to be developed into 44 traditional townhomes and 40 back-to-back townhomes with GFA of 170,202



square feet. Forty-four (44) traditional townhomes are presold. (the “**Project**”)

Property Legal Description: TBD

Purpose: The Loan shall be utilized by the Borrower only for the following purposes: to assist in the land acquisition of the property, fund transaction costs and Interest Reserve.

Initial Funding: \$23,240,000 (the “**Initial Advance**”)

Interest Rate: The greater of TD Bank Prime Rate plus 6.30% or 9.00% per annum for the first 12 months of the term of the Loan (or the first 15 months of the term if the Borrower exercises its first option to extend the term of the Loan in accordance with the provisions hereof or the first 18 months of the term if the Borrower exercises its first and second options to extend the term of the Loan in accordance with the provisions hereof) and the greater of TD Bank Prime Rate plus 12.30% or 15.00% per annum for the last month of the term (as it may have been extended) (the “**Interest Rate**”)

Interest: Interest shall accrue and be calculated daily on the outstanding balance of the amounts of the Loan advanced from time to time at the Interest Rate and be compounded monthly, not in advance, and shall be payable monthly, interest only throughout the Term of the loan. The Borrower will be required to fund interest at the Interest Rate from its own resources, by way of pre-authorized debits to the Borrower’s Project account.

Interest Reserve: N/A, Interest to be paid by Borrower monthly.

Term: Repayable on demand by the Lender and in any event on the date that is 13 months after the first day of the month following the date of the first advance of funds under the Loan (the “**Maturity Date**”).

Optional extension: No earlier than 90 days prior to, but not less than 60 days prior to the Maturity Date, and subject to there having been no default by the Borrower or the Guarantor during the original term of the loan, two 3-month extensions may be granted at the Borrower's request under the same terms and conditions, subject to payment of the Extension Fee.

- Commitment Fees:** \$464,800 deemed earned upon acceptance of this Commitment (the “**Commitment Fee**”) with \$100,000 payable upon acceptance of this Commitment and \$364,800 payable upon funding of the Initial Advance. The Borrower acknowledges that this fee is a reasonable estimate of the Lender's costs incurred in sourcing, investigating, underwriting and preparing the Loan and holding monies available to fund the Loan and that these fees are still earned by the Lender and payable by the Borrower if the Loan is not advanced. In the event that the funding of the Loan is not completed for any reason other than the Lender’s default, the full Commitment Fee will be payable and retained as liquidated damages without prejudice to and in addition to any other remedy available to the Lender. If the Lender suffers losses, costs and damages in excess of the amount of the Commitment Fee, the Lender shall be entitled to seek compensation from the Borrower in addition to the Commitment Fee. The Borrower directs the Lender to deduct the amount of the Commitment Fee from the proceeds of the first advance of the Loan.
- Placement Fee:** \$174,300 deemed earned upon acceptance of this Commitment and payable upon funding.
- Administration Fee:** The Lender shall charge an administration fee (“**Administration Fee**”) of \$500 per advance throughout the term of the loan.
- Discharge Fee:** A discharge fee (“**Discharge Fee**”) of \$500 shall be deemed earned by the Lender and payable by the Borrower prior to the delivery of the final discharge for the Project.
- Extension Fee:** If an extension is granted by the Lender the following fees will apply.
- Extension Fee of 0.50% (per extension period) of the outstanding loan amount under the Loan Facility shall become due and payable upon the first day of the Extension period.
 - Placement Fee of 0.20% (per extension period) of the outstanding loan amounts under the Loan Facility shall become due and payable upon the first day of the Extension period.

- Regulatory Fees:** A maximum amount of **\$5,500 plus HST** for applicable regulatory fees.
- Other Fees:** Please refer to Schedule E for other applicable fees.
- Legal Fees:** For the account of the Borrower and the Borrower hereby irrevocably directs the Lender and the Lender's solicitors to deduct the same from the proceeds of the initial advance and any other advance of the Loan.
- Repayment:** Interest only, payable monthly in arrears from the Borrower's own resources. The Borrower agrees to make payments of interest when due by way of pre-authorized debits to the Borrower's Project account.
- Prepayment:** The Loan is closed for the first 12 months of the term and the Borrower has no right to prepay the Loan in whole or in part prior to the end of the twelfth month of the term. Thereafter, the Loan shall be open for prepayment upon 30 days prior written notice to the Lender.
- Security:** The Borrower, prior to any advance of funds, shall deliver the following security documents (collectively the "**Security**") which shall be in form, scope and substance satisfactory to the Lender and its legal counsel:
1. First Mortgage with a principal amount of \$23,240,000 granting a first fixed charge against the Project.
 2. An assignment of Rents and Leases registered against title to the Project.
 3. The guarantee of the Guarantors for the full amount of the Loan and all other costs, expenses and amounts owing hereunder or under the Security, together with an assignment and postponement of claims by the Guarantors and all shareholders of the Borrower relating to any claims against the Borrower and each other Guarantor. The Borrower and each of the Guarantors shall represent and warrant to the Lender the amount (if any) of any existing claims by any shareholders

of the Borrower and each Guarantor against the Borrower or any Guarantor.

4. General Security Agreement registered under the Personal Property Security Act of Ontario granting a first-ranking security interest in all personal property of the Borrower, including without limitation:
 - Accounts and Book Debts of the Borrower in respect of the Project.
 - Agreements of Purchase and Sale, together with an assignment thereof, inclusive of Purchasers' Deposits
 - All present and after acquired personal property of the Borrower in respect of Project.
 - Rights of the Borrower (a) under all building/development permits and the monies paid thereunder, (b) to all plans, specifications and drawings related to the Project, and (c) under all contracts and agreements relating to the Property and the Project, together with an assignment thereof.

5. The Lender shall have received an acceptable insurance binder, certificate or cover note, to be followed, within 30 days of the issuance of the binder or cover note, with a certified copy of a policy or policies of insurance, satisfactory to the Lender and to be assigned to the Lender, containing the requirements of Schedule "A" hereto and including evidence of a Comprehensive General Liability Insurance policy for the Project in an amount of not less than \$5,000,000 per occurrence. The Commercial General Liability Policy must reference the Property and DCC is to be added as an additional insured.

We will require the insurance policy(ies) to be reviewed by an Independent Insurance Consultant, at the Borrower's expense.

6. If registered title to the Property is held by a nominee or trustee, the beneficial owner or owners will execute a beneficial owners agreement, pursuant to which, among other things, it or they charge its or their beneficial interest or interests in the Property in favour of the Lender, authorizes

the nominee or trustee to execute all documentation as required pursuant to this Commitment (including, if such nominee or trustee is not the Borrower, a guarantee and postponement and assignment of claims), and agree to be bound thereby as if it or they executed the same itself or themselves.

7. The Lender's solicitors shall obtain Title Insurance, at the cost of the Borrower, on the mortgage and the Property.
8. Pledge of shares of the Borrower and Corporate Guarantors.
9. Subordination and Standstill Agreement satisfactory to the Lender. *(if applicable)*
10. Assignment of all condominium voting rights upon registration of the condominium corporation to be exercisable in the event of default. *(if applicable)*
11. Negative pledge by Borrower and Guarantors to not repay any shareholder loans, redeem shares, pay out dividends or increase compensation to principals of any of the Borrower or Guarantors until the Loan has been fully repaid.
12. Joint and several environmental warranty and indemnity agreement by the Borrower and Guarantors stated to survive repayment of the Loan.
13. A cost overrun and completion guarantee from the Borrower and Guarantors with respect to the Project. *(if applicable)*
14. Such other and further security and documentation as may be required by the Lender or its counsel to complete and perfect the Security.

The Security may be completed and registered in the name of Dorr Capital Corporation or its Nominee Notwithstanding such registration, day-to-day administration of the Loan shall be by:

Dorr Capital Corporation
41 Scarsdale Road, Unit 6
Toronto, Ontario
M3B 2R2

to which all correspondence, enquiries, principal and interest and other payments, and any other matters whatsoever with respect to the Loan should be directed.

Funding Conditions:

The obligation of the Lender to advance the Loan or any part thereof is subject to fulfillment by the Borrower of the following conditions, to the satisfaction of the Lender:

1. Title to the Property must be satisfactory to DCCI and DCC's solicitors, with no encumbrances other than Permitted Encumbrances and no work orders.
2. All Security documents must be executed and registered, the Lender's solicitors must provide a satisfactory report on registration of the Security. The Lender shall have received such off-title inquiry responses for the Property, including from the applicable Tax Department and the Building and Zoning Department, as it may require.
3. The Lender to receive satisfactory confirmation that the Borrower has \$6,129,300 of equity into the Project, which shall remain invested until such time as the Lender has been fully repaid all principal and interest.
4. Inspection of the Property by DCC and if required a meeting with the Borrower, all to the satisfaction of the Lender.
5. A soils test report by an acceptable professional engineer or such other similar report as is acceptable to the Lender, must be provided, demonstrating to the satisfaction of the Lender that the proposed construction and site improvements of the Project are feasible under existing soil conditions, together with evidence that the construction specifications for the Project provide for construction in compliance with such conditions and with the

recommendations, if any, which may be contained in such soils test report. Such report must be accompanied by the Form of Reliance Certificate (attached to this Commitment as Schedule "C") from the consultant to the Lender and shall confirm that the Lender and its assigns can rely upon such report for lending purposes.

6. The Borrower will obtain at its own expense an environmental audit, from a firm approved by the Lender, confirming that in their professional opinion there is no evidence that the site or any structures thereon are contaminated by any environmental hazards and recommending that no further action need be taken or will provide evidence of a remediation plan that will leave the site environmentally acceptable to the relevant Provincial and Federal Agencies and further evidence that said remediation plan is being performed, as budgeted for in the approved Budget, and has been formally approved by the Ontario Ministry of the Environment and Climate Change. Such environmental audit must be accompanied by the Form of Reliance Certificate (attached to this Commitment as Schedule "C") from the consultant to the Lender and shall confirm that the Lender and its assigns can rely upon such report for lending purposes.
7. All levies, impost fees, local improvement charges, property taxes and other charges affecting the Project due and payable shall have been paid to the date of the first advance of funds unless they are to be funded as part of the first advance.
8. The Borrower shall have provided the Lender with (a) a survey of the Project by an Ontario licensed land surveyor, indicating no encroachments, easements or rights of way, save those which the Lender may specifically accept and showing the relationship of the Property to public thoroughfares for access purposes and (b) all site plans, plans and specifications, applications to municipalities, building and servicing permits, and engineers reports, as applicable and as the Borrower may have in its possession or control relating to the Property or the Project.
9. The Lender shall have received from an approved appraiser a satisfactory appraisal of the Project confirming a fair market land

value of \$28,000,000 on an “as is where is” basis. Such appraisal report must be accompanied by the Form of Reliance Certificate (attached to this Commitment as Schedule “C”) from the appraiser to the Lender and shall confirm that the Lender and its assigns can rely upon such appraisal for lending purposes.

10. Satisfactory Planning Letter indicating current zoning of the Property, timeframe and likelihood of the Property achieving approval for development as indicated and sufficient allocation for municipal site services.
11. Receipt and satisfactory review of fully executed copies of the Agreement of Purchase and Sale with respect to the original acquisition of the Property (and any subsequent amendments or side letters related thereto) confirming a purchase price of \$28,000,000.
12. Receipt and satisfactory review by Lender and its cost consultant of the project budget/proforma confirming the Project budget.
13. Satisfactory confirmation of the Borrower’s rights to terminate the Agreement(s) of Purchase and Sale relating to 32 traditional townhomes previously forming part of the Project.
14. *Intentionally Deleted (Tarion Warranty Corporation enrolment)*
15. Receipt and satisfactory Anti-Money Laundering and Client Information inclusive of beneficial owners within the Project.
16. The Borrower and each Guarantor and beneficial owner authorize the Lender to make inquiries concerning its character, general reputation, personal characteristics, financial and credit data, including its respective directors, officers, shareholders, and principals, and to verify any information provided to the Lender hereunder, all for the purpose of underwriting and servicing the Loan.
17. Receipt and satisfactory review of a personal net worth and/or financial statement(s) from the Borrower and the Guarantors on DCC's standard form (attached to this Commitment as

Schedule "B"), duly signed and witnessed. In, addition the Lender is to receive satisfactory bank references and credit reports for the Borrower and Guarantors, both prior to the initial advance and at any, time thereafter, as required by the Lender, until the Loan is fully repaid.

- 16 This Commitment is conditional on the Lender receiving full approval by the Lender's investment committee.
- 18 Receipt and satisfactory review of any cost sharing agreements related to the subject Project, by the Lender and its legal counsel (if applicable).
- 19 A statutory declaration regarding the Borrower's compliance with the *Construction Lien Act* (Ontario).
- 20 The Borrower shall have provided a signed Mortgage Application in the form of Schedule "D".
- 21 Other conditions precedent deemed appropriate by the Lender for a project of this nature.

Other Conditions:

1. Loan disbursements shall take place only on title to the Project being acceptable to our solicitors and all matters in connection with the Security and other documentation deemed necessary or advisable by our solicitors being complied with by the Borrower and Guarantors and all Security and other instruments and agreements to evidence and secure the Loan are duly executed, with evidence of registration where applicable.
2. The Lender shall require a satisfactory opinion and report from its solicitors indicating, among other things, the validity, enforceability and priority of all Security and the state of title of the Project. The Lender shall be entitled to require the Borrower obtain a satisfactory title insurance policy at the Borrower's expense to replace any title opinion.
3. The Lender shall require evidence of corporate existence and authority, including without limitation certified copies of

articles, by-laws and authorizing resolutions of directors, a certificate of non-restriction and incumbency and a certificate of status, together with an opinion of the Borrower's counsel as to usual matters such as: corporate existence, powers and authority, absence of litigation, and execution, delivery and enforceability of all Security.

4. The Borrower shall establish a separate bank account for the Project at a financial institution acceptable to the Lender, through which all advances and disbursements shall be made in respect to the Project.
5. The Lender will require a satisfactory Letter of Transmittal regarding all professional reports including, without limiting, the environmental report. A Transmittal Letter is to be issued for each report, addressed to DCC and state that the report can be relied upon by the Lender, and its assigns, for mortgage financing purposes.
6. The representations and warranties of the Borrower and the Guarantors set out herein and in the Security must be true and correct and there shall be no Event of Default that shall have occurred and be continuing.

Closing Date:

April 15, 2022 or such other date as is agreed to by the lender and the Borrower. In any event if the initial advance of the Loan is not funded by April 30, 2022 by any reason other than Lender default, this Commitment, at the option of the Lender, shall be null and void and the Lender shall be released of any present or further obligations hereunder. Notwithstanding the foregoing, the Borrower and Guarantors shall remain liable for any outstanding fees and costs as set out herein.

Availability: Single advance in the amount of \$23,240,000 less fees and closing costs.

FIRST ADVANCE	
Loan Amount	\$ 23,240,000
Less:	
Commitment Fee	\$ (464,800)
Placement Fee	\$ (174,300)
Legals	\$ (50,000)
Net Advance	\$ 22,550,900

Financing Program:

USES					
	Total		Per Unit		%
Land Value	\$	28,000,000	\$	333,333	95.34%
Closing Costs		730,200		8,693	2.49%
Commitment Fees		639,100		7,608	2.18%
Total Cost	\$	29,369,300	\$	349,635	100.00%

SOURCES					
	Total		Per Unit		%
Land Loan	\$	23,240,000	\$	276,667	79.13%
Equity	\$	6,129,300	\$	72,968	20.87%
Total Source of Funds	\$	29,369,300	\$	349,635	100.00%

Representations and Warranties:

The Borrower and Guarantors represent and warrant the following to the Lender, each of which shall be true and correct for each advance hereunder:

- (i) If any of the Borrower and the Guarantors is a corporation, it is a corporation validly existing, duly organized and in good standing under the laws of its jurisdiction of incorporation and is in compliance with legal requirements applicable to doing business in such jurisdiction. The Borrower is not a “non-resident” within the meaning of the *Income Tax Act* (Canada). The Borrower and the Guarantors have the right to enter into this Commitment and to charge or pledge the Property and all other assets herein stipulated as security for the Loan and have the power and authority to execute and deliver this Commitment, the Security and all

other documents contemplated hereby and to perform and complete the transaction contemplated herein;

- (ii) The legal description of the Property is accurately set out above. The legal and beneficial owner of the Property is the Borrower. Title to the Property is good and marketable and free from all easements, rights-of-way, agreements, restrictions, mortgages, charges, liens, executions and other encumbrances, save and except for the Permitted Encumbrances. The Borrower and the Guarantors have not withheld any information of a material nature relating to the Property, the Borrower or the Guarantors;
- (iii) The execution and delivery by the Borrower and the Guarantors of this Commitment and the applicable Security and the performance of their respective obligations hereunder and thereunder do not and will not conflict with or result in a breach of any of the terms, conditions or provisions of their articles, charter documents, by-laws or any unanimous shareholder agreement, as applicable;
- (iv) The execution and delivery by the Borrower and the Guarantors of this Commitment and the applicable Security and the performance of their respective obligations hereunder and thereunder have been duly authorized or will, prior to funding, have been ratified by all necessary corporate action, and no authorization under any applicable law and no registration, qualification, approval, designation, declaration or filing with any government body, agency, or authority having jurisdiction over the Borrower or any of the Guarantors is or was necessary therefore, except as contemplated herein;
- (v) The Borrower possesses all consents, approvals, permits and authorizations under any applicable law and under any agreement to which it is a party or by which it is bound, which are necessary in connection with the operation of its business, the Project, and the performance of its obligations hereunder and under the Security. All such consents, approvals, permits and authorizations are in full force and effect and the Borrower is not in default in any respect

thereunder, which default would have a material adverse effect. No action exists, is pending or threatened which has as its object the revocation, amendment or qualification of any such consent or authorization and all applicable appeal periods in respect of such actions have expired. The Project and its development and construction are in compliance with all laws;

- (vi) The Borrower is not in default under any indenture, mortgage, deed of trust, agreement or other instrument to which it is a party or by which it or any of its property may be bound;
- (vii) Each of the Borrower and the Guarantors has filed all tax returns which is required to be filed by it and has paid or remitted when due all taxes, assessment and government charges imposed upon it except such tax, assessment or charge which is being contested in good faith and for which each of the Borrower or Guarantors, as the case may be, has made adequate reserves;
- (viii) With respect to the Property the Borrower has obtained and is in compliance with: (a) all terms and conditions of all authorizations which are required under any environmental law; and (b) all environmental laws. The Borrower does not generate hazardous materials or transport, treat or dispose of any hazardous materials nor is the Borrower aware of any underground storage tanks or surface contaminants located on the Property. The Borrower has never caused or permitted (A) a release of any contaminant from or on the Property or (B) any hazardous materials to be placed, held, located, or disposed of on or under the Property. No enforcement action, investigation or outstanding order from any official body in respect of any hazardous materials or release of contaminants is existing, threatened or pending with respect to the Borrower or the Property. No hazardous substances are used, stored, discharged or present on the Property, except in compliance with environmental laws;
- (ix) The Borrower has complied with and will, at all times during the term of the Loan, comply with the requirements

of the *Construction Lien Act* (Ontario) and the regulations pursuant thereto;

- (x) The Property complies in all material respects with all relevant by-laws relating to the use thereof and there are no work orders issued against the Property by any governmental body;
- (xi) All documents and information delivered by or on behalf of the Borrower and the Guarantors to the Lender is true and accurate and may be relied upon by the Lender in executing this Commitment and making the Loan;
- (xii) There are no existing or pending claims, suits, actions, proceedings, judgments or orders outstanding against the Borrower or any of the Guarantors or involving the Property;
- (xiii) All necessary municipal services are available to the lot line of the Project;
- (xiv) All financial information provided by the Borrower and Guarantors to the Lender, including but not limited to, financial information provided in respect of the values and other matters pertaining to the Property and financial statements for the Borrower and the Guarantors, is true and accurate and may be relied upon by the Lender in executing this Commitment and making the Loan and there has been no material adverse change in the Borrower's or either Guarantor's financial condition or operations since the date of such financial statements; and
- (xv) All property taxes, levies, assessments, penalties or other costs payable to a municipality or other local government in respect of the Property have been paid and no such amount is in arrears or is due and unpaid or will be paid on the Initial Advance.

Reporting Requirements:

The Borrower and/or Guarantor shall provide to the Lender:

1. Within 120 days of each fiscal year end during the term of the Loan, accountant prepared financial statements for the Borrower and each corporate Guarantor;

2. Updated financial statements and/or net worth statements annually for each personal Guarantor;
3. The Borrower and Guarantors agree to be fully responsible for remittance and payment of any and all HST collected by or due to any of them and submission of HST credits or claims, and will provide monthly accounting of same to the Lender if requested by the Lender; and
4. Such other financial and supporting information as the Lender may request acting reasonably.

No Transfer:

In the event of the Borrower selling, transferring or conveying the Property or any part thereof or its rights therein to a purchaser, transferee or grantee not approved by the Lender, in the sole and unfettered discretion of the Lender, all monies outstanding under the Loan, including without limitation all accrued and unpaid interest and any other amounts due under this Commitment or the Security, shall become due and payable. The voting control of the Borrower shall not change without the prior written consent of the Lender.

Permitted Encumbrances:

Other than the DCC Security, no other mortgages, pledges or encumbrances on the Property or on the shares of the Borrower shall be permitted, except with the prior written consent of the Lender.

Subsequent Financing:

No financing subsequent to the Loan shall be permitted, without the prior written consent of the Lender. The Borrower shall disclose to the Lender all existing or proposed financing related to the Project. The Borrower will provide evidence, satisfactory to the Lender, as to the source of the Borrower's required equity in the Project.

Assignment:

The Commitment and the Security may not be assigned, transferred or otherwise disposed of by the Borrower without the Lender's prior written consent. However, the Commitment and Security or any interest therein may be assigned or participated by the Lender (and its successors and assigns), in whole or in part, without the consent of the Borrower or the Guarantors. Except as hereinafter provided, the Borrower and Guarantors consent to the disclosure by the Lender to any such prospective assignee or participant of all

information and documents regarding the Loan, the Project, the Borrower, and the Guarantors within the possession or control of the Lender.

Sign:

DCC shall have the right to erect a sign on the Project, at its own expense, indicating it has provided financing on the Project during the period for which the financing or any portion thereof, remains outstanding. DCC may also refer to this Project in its advertising at any time after the first advance under the Loan.

Defaults:

In this Commitment and the Security, "Event of Default" means any of the following:

1. in the event of the Borrower failing to pay any amount when due hereunder;
2. in the event of the Borrower or any Guarantor being in breach of any covenant, condition or term of the Commitment or the Security;
3. if any representation made by the Borrower, the Guarantors or their agents, or any information provided by them is found to be materially untrue or incorrect;
4. if any of the Borrower or Guarantors commits an act of bankruptcy or becomes insolvent or bankrupt or has a receiver or receiver and manager appointed for it or over any of its material assets or if any creditor takes possession of any of its material assets or if any execution, distress or other like process is levied or enforced upon the Property or any part thereof or if any compromise or arrangement with creditors is made by any of them;
5. if any of the Borrower or Guarantors shall be deceased or be the subject of any bankruptcy, arrangement with creditors, proposal, amalgamation, reorganization, liquidation, winding-up, dissolution, receivership or material proceedings, material litigation or continuation under the laws of any other jurisdiction, including without limitation the *Bankruptcy and Insolvency Act* (Canada) and the *Companies' Creditors*

Arrangement Act (Canada), whether initiated or commenced by them or not;

6. in the event of any default by the Borrower or any guarantor under the First Mortgage or the loan commitment or other security documents related to the First Mortgage, or under any other mortgages or encumbrances registered against title to or otherwise affecting the Property or any part thereof;
7. in the event of the registration of any construction lien against title to the Property or any part thereof which is not discharged or vacated within a period of ten (10) days after the date of registration thereof;
8. in the event that the Property or any material part thereof is abandoned or there is any cessation of the business activities now being conducted thereupon by the Borrower or any beneficial owner thereof or any of their respective officers, agents, employees, tenants or invitees or any material part thereof;
9. if any Event of Default as defined in the Security occurs;
10. if in the sole opinion of the Lender, a material adverse change occurs relating to the Borrower, the Guarantor, the Property, the Project, or the risk associated with the Loan; and
11. if any default occurs under any loan made by the Lender or DCC to the Borrower or any of the Guarantors or any person controlled by any of the Guarantors.

Upon the occurrence of an Event of Default, the Lender, at its option, may (a) cease or delay further funding of the Loan; (b) declare the principal and interest on the Loan and any other amount due under the Commitment forthwith due and payable, whereupon the same shall be and become immediately due and payable in full, and make demand to the Borrower for immediate payment of the same, and (c) exercise any and/or all remedies available to it at law or in equity hereunder, under the Security or otherwise.

Management Fee: Lender or its agent will be entitled to a management fee based on 5% of the mortgage Principal at the time of default plus HST, which the amount is deemed not to be a penalty, in the event that the Lender or its agents or a receiver or receiver and manager (whether appointed by the Lender or by a court) takes possession of the Property as a result of the occurrence of an Event of Default.

Construction Liens: If a construction lien is filed or registered against title to the Property or if the Borrower, any Guarantor or Lender receives notice of any such lien, then, at the option of the Lender, and in addition to any other remedies it may have, the Lender shall not be required to make any further advance of the Loan until funds sufficient to satisfy such construction lien have been deposited with the Lender or until such time as such lien has been vacated, deleted or discharged.

Costs: All appraisal, engineering, inspection, title, survey, legal, insurance review and other customary underwriting, inspection, securing or enforcement expenses of the Lender, are for the account of and shall be paid by the Borrower and may at the Lender's option be deducted from an advance of the Loan and the Borrower hereby irrevocably directs and authorizes the Lender to pay such expenses and costs, together with any outstanding balance of the Commitment Fee, or any other amount due to the Lender, from and out of any advance of funds under this Loan, in the event the same have not been paid at the time thereof.

Waiver: No term or requirement of this Commitment may be waived or varied orally or by any course of conduct of the Borrower or anyone acting on its behalf or by any officer, employee or agent of the Lender. Any alteration or amendment to, or waiver of any provision of, this Commitment must be in writing and signed by a duly authorized officer of the Lender and accepted by the Borrower and Guarantors. The waiver by the Lender of any breach or default by the Borrower of any provisions contained herein shall not be construed as a waiver of any other or subsequent breach or default by the Borrower. In addition, any failure by the Lender to exercise any rights or remedies hereunder or under the Security shall not constitute a waiver thereof.

- Governing Law:** The Commitment and Loan shall be governed by and construed under laws of the Province of Ontario.
- Time:** Time is of the essence in this Commitment.
- Severance:** The Borrower and Guarantors agree that if any one or more of the provisions contained in this Commitment shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Lender, not affect any or all other provisions of this Commitment and this Commitment shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
- Joint and Several:** If the Borrower or the Guarantors are comprised of more than one person or corporation, the obligations hereunder shall be the joint and several obligations of each such person or corporation comprising the Borrower or Guarantors unless otherwise specifically stated herein.
- First Right:** The Lender shall have a right of first refusal to finance or arrange financing for any subsequent phases of the development, of which the Project forms a part, or any further development to be developed on the lands adjacent thereto and shall be given the first opportunity and a reasonable period of time, after delivery to the Lender of all reasonably requested information, to provide a commitment to fund such further development.
- Indemnity:** The Borrower and Guarantors, jointly and severally, shall indemnify and save harmless the Lender and its officers, agents, trustees, employees, contractors, licensees or invitees from and against any and all losses, damages, injuries, expenses, suits, actions, claims and demands of every nature whatsoever arising out of the provisions of this Commitment and the Security, any letters of credit or letters of guarantee issued, sale or lease of the Project and/or the use or occupation of the Project including, without limitation, those arising from the right to enter the Project from time to time and to carry out the various tests, inspections and other activities permitted by the Commitment and the Security. In addition to any liability imposed on the Borrower and Guarantors under any instrument evidencing or securing the Loan indebtedness, the Borrower and Guarantors shall be liable for any

and all of the Lender's costs, expenses, damages or liabilities, including, without limitation, all reasonable legal fees, directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge, disposal or presence on, under or about the Project of any hazardous or noxious substances. The representations, warranties, covenants and agreements of the Borrower and Guarantor set forth in this subparagraph:

- (i) Are separate and distinct obligations from the Borrower's and Guarantors' other obligations;
- (ii) Survive the payment and satisfaction of their other obligations and the discharge of the Security from time to time taken as security therefore;
- (iii) Are not discharged or satisfied by foreclosure of the charges created by any of the Security; and
- (iv) Shall continue in effect after any transfer of the land including, without limitation, transfers pursuant to foreclosure proceedings (whether judicial or non-judicial) or by any transfer in lieu of foreclosure.

Lender's Solicitors:

The Lender's solicitor shall be:

Harris Sheaffer LLP
Yonge Sheppard Centre
4881 Yonge Street, 8th Floor
Toronto Ontario M5C 3G5

Attention: Michael Baum

**Lender's Insurance
Consultant:**

The Lender's insurance consultant shall be:

Proincon Limited
287 Tache Avenue
Winnipeg, Manitoba
R2H 2A1

Attention: Wayne Fast

No Merger; Conflict:

The representations, warranties, covenants and obligations herein set out shall not merge or be extinguished by the execution or registration of the Security but shall survive until all obligations under this Commitment and the Security have been duly performed and the Loan, interest thereon and any other moneys payable to the Lender are repaid in full. In the event of any inconsistency or conflict between any of the provisions of the Commitment and any provision or provisions of the Security, the provisions of the Commitment will prevail.

Confidentiality:

The Borrower and Guarantors acknowledge and agree that the terms and conditions recited herein are confidential between themselves and the Lender, its solicitors, cost consultant, insurance consultant and Project monitor. The Borrower and Guarantors agree not to disclose the information contained herein to a third party, other than their lawyer, without the Lender's prior written consent.

Proceeds of Crime (Money Laundering) and Terrorist Financing Act:

Pursuant to the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (the "Act"), the Lender is required to ask for identification of the Borrower, the Additional Covenantors and any third party involved in the transaction, and for information with respect to the source of funds used in connection with the Borrower's equity in the Property. The Borrower and each Additional Covenantor hereby covenant and agree to provide, prior to funding, such identification and information as may be reasonably required to ensure the Lender's compliance with the Act.

Material Changes:

If at any time before the Closing Date there is or has been any material change, discrepancy or inaccuracy in any information, statements, representations or warranties made or furnished to the Lender by or on behalf of the Borrower or upon the occurrence of an Event of Default under this Commitment which cannot be or is not rectified or nullified by the Borrower to the Lender's satisfaction within ten (10) days after written notification thereof by the Lender to the Borrower or the Lender's due diligence investigations regarding the Act produces a materially adverse result, the Lender shall be entitled forthwith to withdraw and cancel its obligations

hereunder and to declare any funds which have been advanced, together with Interest and other amounts, to be forthwith due and repayable in full.

Further Assurances:

The Borrower and the Guarantors will execute all reasonable documentation required by DCC and its solicitors from time to time.

Timing of Payments:

Any payment to be made by the Borrower hereunder, including of principal or interest, shall be received by the Lender prior to 1:00 p.m. (Toronto time). Any payment received after that time shall be deemed to have been received on the next following banking day.

Privacy Act Consent:

By signing this Commitment, each of you, being the parties signing (including all mortgagors and all guarantors) agrees that the Lender is authorized and entitled to:

- a) Use your Personal Information (as hereinafter defined) to assess your ability to obtain your loan and to evaluate your ability to meet your financial obligations. This use includes disclosing and exchanging your Personal Information on an on-going basis with credit bureaus, credit reporting agencies and financial institutions or their agents, or to service providers, in order to determine and verify, on an on-going basis, your continuing eligibility for your loan and your continuing ability to meet your financial obligations. This use, disclosure and exchange of your Personal Information will continue as long as your loan is outstanding, and will help protect you from fraud and will also protect the integrity of the credit-granting system;
- b) If the security for your loan includes an insured mortgage, to disclose your Personal Information to the mortgage insurer and to exchange, on an on-going basis, your Personal Information with such mortgage insurer, for all purposes related to the provision of mortgage insurance; and;
- c) Use, disclose and exchange, on an on-going basis, all the personal information collected by us or delivered by you to us from time to time in connection with your loan and any information obtained by us from time to time pursuant to paragraphs (a) and (b) above (collectively your "**Personal Information**") to other organizations (including members of the Dorr Capital Corp) which may fund all or any part of your loan

and/or own all or any part of your loan and the security securing your loan from time to time and permit prospective investors in your loan to inspect your Personal Information

If you are in agreement with the foregoing terms and conditions, please indicate by signing and returning one (1) copy of this Commitment to the Lender's office by noon April 5, 2022 together with your cheque in the amount of \$100,000 representing a good faith non-refundable deposit that shall, on the initial advance of the Loan, be applied to the partial payment of the Commitment Fee. If the Loan is not advanced for any reason other than a Lender default, this good faith deposit will be applied against due diligence expenses of the Lender and fees owing hereunder and will not be refundable. If this letter is not returned to us, duly executed, with such good faith deposit by such date and time, this letter shall be deemed null and void.

Yours truly,

Dorr Capital Corporation



Brian Dorr – President, CEO

Borrower and Guarantors hereby accepts the terms and conditions of the above-mentioned Commitment, agree to be responsible for all fees and disbursements payable in accordance with provisions of this Commitment and authorize the credit checks contemplated herein.

Cont'd on next Page

ACCEPTANCE

I/WE HEREBY accept the terms and conditions as stated herein.

DATED AT _____, this _____ day of _____, 20__.

Stateview Homes (NAO Towns) Inc.

Per:
I have the authority to bind the corporation

Personal Guarantor:

[Witness]

Carlo Taurasi

[Witness]

Dino Taurasi

SCHEDULE "A":
INSURANCE REQUIREMENTS

1. GENERAL

- a. All insurance policies referred to herein shall be in form and with insurers reasonably acceptable to Lender and contain the original signatures of the insurers, not just the insurance broker or agent, unless otherwise agreed, and shall be delivered to the Lender within 30 days of issuance of the insurance cover note or binder.
- b. All policies shall be permitted to contain reasonable deductibles.
- c. The Insurance shall contain a Standard Mortgage Clause and show the lender as Mortgagee and Loss Payee and shall provide for sixty days (60) prior notice to Lender of any adverse material change or cancellation.
- d. If the Borrower fails to take out and keep in force such minimum insurance as is required hereunder, then Lender may, but shall not be obligated to, take out and keep in force such insurance at the immediate sole cost and expense of the Borrower plus costs incurred, or use other means at its disposal under the terms of the Mortgage.
- e. It is clearly understood and agreed that the Insurance Requirements contained herein are a minimum guide and, although must be adhered to throughout the life of the Mortgage, in no way represent an opinion as to the full scope of insurance cover a prudent Borrower would arrange to adequately protect its interest and the interest of Lender, and the Borrower must govern itself accordingly.

**SCHEDULE "B":
PERSONAL NET WORTH STATEMENT**

PERSONAL & EMPLOYMENT INFORMATION

First Name: _____ Last Name: _____ Telephone (home): _____ SIN (required): _____ Driver's License: _____ Are you currently a client of Dorr Capital Corporation? Current Address: _____ _____ _____	Spouse's Name: _____ Marital Status: _____ Telephone (work): _____ Date of Birth: _____ # of dependents: _____ Length of time at current address: _____ Employer's Name: _____ Address: _____ _____ Present Position: _____ Length of Service: _____ Annual Employment Income: \$ _____ Income from other sources (specify): \$ _____ Total Annual Income (state year of reference) \$ _____ Bank Reference: _____ Address: _____ _____
---	---

SUMMARY ~ FINANCIAL INFORMATION

	ASSETS	VALUE	LIABILITIES	Description	BALANCE OWING						
CASH, DEPOSITS & MARKETABLE SECURITIES	BANK/TRUST CR.UNION	\$	OUTSTANDING LOANS	Refer to section D	\$						
REAL ESTATE	Must agree with section "B"	\$	MARGIN ACCOUNTS	Refer to section A	\$						
EQUITY IN NON-ARMS LENGTH COMPANIES	Must agree with section C	\$	OUTSTANDING MORTGAGES	Refer to section D	\$						
INVESTMENTS (Specify)		\$	OTHER LIABILITIES (itemize)		\$						
OTHER ASSETS (itemize)			<table style="width:100%; border: none;"> <tr> <td style="width:70%;">TOTAL LIABILITIES</td> <td style="border: 1px solid black; width:10%; text-align: right;">\$</td> <td style="border: 1px solid black; width:20%;"></td> </tr> <tr> <td>NET WORTH</td> <td style="border: 1px solid black; text-align: right;">\$</td> <td style="border: 1px solid black;"></td> </tr> </table>			TOTAL LIABILITIES	\$		NET WORTH	\$	
TOTAL LIABILITIES	\$										
NET WORTH	\$										
TOTAL ASSETS		\$									

ASSETS

SECTION "A" ~ SECURITIES AND TAX SHELTERS

Description of Security and Quantity Held	Registered to/ To whom pledged	Market Value	Cost	Margin Accts Balance Owing	Annual Profit or Loss
1		\$		\$	\$
2		\$		\$	\$
3		\$		\$	\$
4		\$		\$	\$
TOTAL		\$		\$	\$

SECTION "B" ~ REAL ESTATE

Address and Description (Acreage, Home, Business)	Title in Name of	Date Purchased	Market Value	Purchase Price	% Owned
1			\$ -		___0%
2			\$ -		___0%
3			\$ -		___0%
4			\$ -		___0%
5			\$ -		___0%
6			\$ -		___0%
TOTAL			\$		

SECTION "C" ~ EQUITY IN NON ARMS-LENGTH COMPANIES

Name of Company	Nature of Business	Position / Relationship	Value of Equity Invested	% Ownership
1			\$	___0%
2			\$	___0%
3			\$	___0%
4			\$	___0%
5			\$	___0%
6			\$	___0%
NOTE: ATTACH FINANCIAL STATEMENTS			TOTAL	\$

LIABILITIES

SECTION "D" ~ SECURITY

Lender Name	Security	Amount	Terms & Rate	Outstanding Balance
1				\$
2				\$
3				\$
4				\$
5				\$
6				\$
TOTAL				\$

I warrant and confirm that the information given herein is true and I understand clearly that it is being used to determine my credit responsibility. You are authorized to obtain any information you require relative to this application from any sources to which you may apply and each such source is hereby authorized to provide you with such information. You are furthermore authorized to disclose any response to direct inquiries from any other lender or credit bureau, such information on my loaning account as you consider appropriate, and I hereby agree to indemnify you against and save you harmless from any and all claims in damages or otherwise arising from such disclosure on your part. You are also authorized to retain the application whether or not the relative mortgage is approved

Dated this _____ day of _____, _____

Signature (in ink)

**SCHEDULE "C":
RELIANCE CERTIFICATE**

TO: **Dorr Capital Corporation**, and such persons for whom they act as agent or trustee from time to time, and in each case, their respective successors and assigns

RE: **Commitment Letter** dated _____ prepared by **Dorr Capital Corporation** and addressed to [**name addresses of report**] (the "Report")

For good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby certifies, agrees and confirms that the addressees hereof, and their respective successors and assigns, shall be entitled to rely on the Report to the same extent and with such effect as if such Report were prepared for and addressed to them. Potential liability to the Lender arising from this report is limited to the amount of professional liability insurance maintained in a minimum amount of \$1 million.

DATED the __ day of _____, 2022.

By: _____
Name:
Title:

**SCHEDULE "D":
 MORTGAGE DISCLOSURE STATEMENT**

Mortgage Brokerages, Lenders and Administrators Act

This document must be provided to the borrower 2 business days prior to signing of any mortgage instruments, unless waived below.

Disclosure to Borrower

Cost of Borrowing Disclosure

Property to be mortgaged: 7810, 7822, 7834 and 7846 McCowan Road, Markham, Ontario

Details of Mortgage:

The principal amount of the mortgage **\$23,240,000** will be repayable monthly in arrears, interest only, paid on the 1st day of each month, starting one month after Interest Adjustment Date (IAD). The total amount of all payments over the **12**-month term will be **\$2,091,600**. The mortgage will be amortized over **n/a** years.

Interest:

The date on which interest begins to accrue is the first day of the month following the date of the first advance of funds under the Loan, if any grace period is given, the details are:

The annual interest rate is **9.00%**. Interest on the Loan shall be calculated daily, and compounded and payable monthly not in advance based on the number of days that the Loan is outstanding.

Where the annual interest rate may change, the method of determining the annual interest rate is: N/A

Fees and Costs Payable by Borrower:

	Comments	Value	Included in APR
Commitment Fee		\$464,800	Yes
Placement Fee		\$174,300	Yes
Legal Fees and Other Transactions		\$ 50,000	Yes
Total Costs:		\$689,100	

Total Cost of Borrowing:

Total Cost of Borrowing (including interest) to be paid over the term of the mortgage: **\$2,780,700** APR: **11.97%**

The APR is not the contract rate of the mortgage. It is the interest costs, plus the non-interest costs required to obtain the mortgage, expressed as a percentage of the average mortgage balance over the term of the mortgage.

Terms and Conditions:

Prepayment Privileges: [See commitment for detail](#)

Transferability: [See commitment for details](#)

Method of Payment: [See commitment for details](#)

Special Conditions: [See commitment for details](#)

Particulars / Penalties: [See commitment for details](#)

Mortgage Brokerages, Lenders and Administrators Act

This document must be provided to the borrower 2 business days prior to signing of any mortgage instruments, unless waived below.

Disclosure to Borrower

Conflict of Interest Disclosure:

Referral Fees to Brokerage and/or Broker/Agent:

Describe any direct or indirect interest that the Brokerage has or, as currently contemplated, may acquire in the transaction for which this disclosure statement is provided.



Mortgage

-

Commissions

The brokerage will receive a commission and receive a contingent commission from the Lender. Commissions are generally a fixed percentage of principle amounts of the mortgage being placed. Contingent commissions may be based on factors such as the volume of business placed with the Lender, or a certain percentage growth in the placement of business over a previous period, and may be paid in cash or some other form of compensation.



Other Compensation

The Lender involved in this transaction may provide the brokerage fees or incentives dependent on the interest rate and the term(s) accepted by the Borrower. The brokerage may retain the fees and incentives or may use them for the benefit of another of the brokerage's clients.

Information on Brokerage:


The Brokerage is representing the Lender in this transaction.

The Brokerage has acted for 38 lenders during the previous fiscal year.

Name and Address of Brokerage: Dorr Capital Licence #: 12099

Name of Authorized Person on behalf of Brokerage: Brian Dorr Licence #: M09002014

Date: April 1, 2022

Authorized Signature: 

Disclosure of Material Risks:

The brokerage has reviewed with the borrower the general risks associated with a mortgage commitment. These risks include: risk of falling into arrears, default and foreclosure, prepayment penalties, etc.

Acknowledgement

I / we acknowledge a receipt of a copy of this form, and corresponding Amortization Schedule and that I / we have reviewed the information.

Date: _____ Borrower: _____

Date: _____ Borrower: _____

I / we waive the 2 business days requirement for this disclosure:

Date: _____ Borrower: _____

Date: _____ Borrower: _____

SCHEDULE 'E'

Item	Estimated Fee Amount	Comments
<u>Deducted From Initial Advance:</u>		
Expense Recovery re: Credit & Back Ground checks	\$35 per credit report \$75 - \$150 (per guarantor)	<ul style="list-style-type: none"> To reimburse Lender for expenses incurred for credit bureaus and background checks
Valuation Verification (Altus)	\$250 Per Loan	<ul style="list-style-type: none"> Valuation Verification
Site Inspection	To be determined	<ul style="list-style-type: none"> To reimburse lender for all reasonable costs incurred as part of due diligence
Title Search (Teranet)	\$40 per PIN	<ul style="list-style-type: none"> To confirm title (as required)
Property Insurance Review	\$500 - \$1,500	<ul style="list-style-type: none"> Peer review insurance coverage by ProIncon
Regulator Fee	TBD	<ul style="list-style-type: none"> To reimburse Lender for expenses incurred in processing Loan with financial regulators, may vary
Environmental Site Assessment – Peer Review Report	\$500 - \$1,000 per Report	<ul style="list-style-type: none"> Peer review of subject property for hazardous materials and contaminants
Geotechnical Reports – Peer Review Report	\$500 - \$1,000 per Report	<ul style="list-style-type: none"> Peer review of subject property for site suitability
Cost Consultant Review	\$1,500 - \$2,500 per Report	<ul style="list-style-type: none"> Peer review of construction budget, work in place, and cost to complete
Planning Review	\$1,500 - \$3,000 per Report	<ul style="list-style-type: none"> Peer review of planned development
<u>Costs During Term of the Loan</u>		
Mortgage Statement	\$500 per Statement	<ul style="list-style-type: none"> For information purposes and audit verification
N.S.F. Cheque and/or Failed Debit under an EFT Plan	\$500 per occurrence	<ul style="list-style-type: none"> Borrower shall pay liquidated damages to cover the Lender's administrative costs
Insurance Coverage Change or Annual Review	\$500 per occurrence	<ul style="list-style-type: none"> Lapsed or cancelled insurance not reinstated or replaced by borrower. Lender shall have option to replace coverage without notice to borrower.
Subsequent Advance Review (Hard & Soft Costs)	\$500 - \$1,000	<ul style="list-style-type: none"> Deducted from the draw upon release of funds to the Borrower
Annual Review	\$1,500 per year	<ul style="list-style-type: none"> Confirmation of realty taxes, insurance coverage, and general project monitoring
Bank Processing Fee	\$500	<ul style="list-style-type: none"> On repayment of Loans over \$2 Million
Mortgage Discharge Statement	\$500 per statement	<ul style="list-style-type: none"> Pay off and discharge mortgage
Bank Wire Fee	TBD	<ul style="list-style-type: none"> As charged by the financial institution.
<u>Default Costs:</u>		
Default Letters	\$750 per occurrence	<ul style="list-style-type: none"> For each collection letter written whether in connection with one default or more
Default Administration	\$5,000 First Month; \$10,000 Each Month Thereafter	<ul style="list-style-type: none"> \$5,000 for 1st default that remains uncured for 14 days, \$10,000 for all subsequent defaults that remain uncured for 14 days.

Dorr Capital Corporation
41 Scarsdale Road, Unit 6
Toronto, ON M3B 2R2
www.dorrcapital.com



DELIVERED VIA EMAIL

April 7, 2022

Stateview Homes (NAO Towns II) Inc.
410 Chrislea Road, Unit 16
Woodbridge, ON L4L 8B5

Attention: Mr. Daniel Ciccone

Dear Sirs:

Re: First Mortgage Land Loan
NAO Phase 2 – 7810, 7822, 7834 and 7846 McCowan Road, Markham, ON
Loan No.: 21046

Reference is made to the commitment letter dated April 1, 2022 from Dorr Capital Corporation (“DCC”) to Stateview Homes (NAO Towns) Inc. (the “Original Commitment”). DCC is pleased to provide the following amendment (the “Amendment”) to the Original Commitment, subject to the terms and conditions outlined below. Together, this Amendment and the Original Commitment shall collectively be known as the “Commitment”, and references to the Commitment in the Original Commitment and in the Security (as defined in the Original Commitment) shall be deemed to be references to the Commitment as defined herein.

DELETE:

Stateview Homes (NAO Towns) Inc.

INSERT:

Stateview Homes (NAO Towns II) Inc.

If you are in agreement with the foregoing terms and conditions, please indicate by signing and returning one (1) copy of this Commitment Amendment to the Lender's office by noon on April 8, 2022 failing which this letter shall be deemed null and void.

Yours truly,

Dorr Capital Corporation



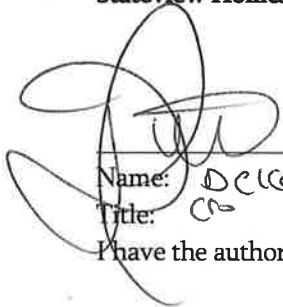
Brian Dorr – President and Principal Broker

ACCEPTANCE

Borrower and Guarantor hereby accept the terms and conditions of the Commitment, agree to be responsible for all fees and disbursements payable in accordance with provisions of this Commitment and authorize the credit checks contemplated herein.


DATED AT ~~WOODBRIDGE~~, this 7th day of April, 2022.

Stateview Homes (NAO Towns II) Inc.

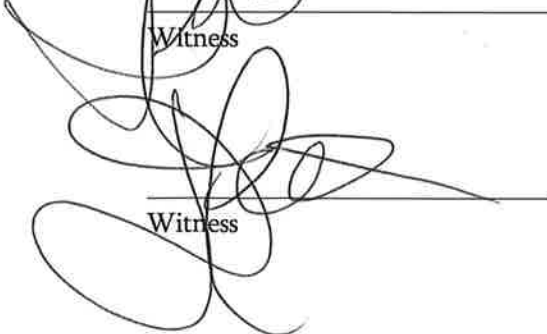


Name: D. DELEON
Title: CO
I have the authority to bind the corporation

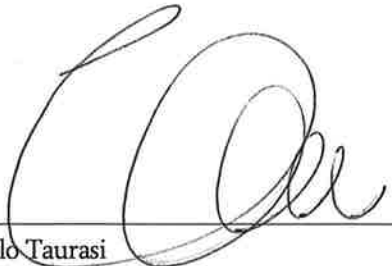
Guarantor(s)




Witness



Witness



Carlo Taurasi



Dino Taurasi

Dorr Capital Corporation
41 Scarsdale Road, Unit 6
Toronto, ON M3B 2R2
www.dorrcapital.com



DELIVERED VIA EMAIL

April 19, 2022

Stateview Homes (NAO Towns II) Inc.
410 Chrislea Road, Unit 16
Woodbridge, ON L4L 8B5

Attention: Mr. Daniel Ciccone

Dear Sirs:

Re: First Mortgage Land Loan
NAO Phase 2 – 7810, 7822, 7834 and 7846 McCowan Road, Markham, ON
Loan No.: 21046

Reference is made to the commitment letter dated April 1, 2022 from Dorr Capital Corporation (“DCC”) to Stateview Homes (NAO Towns) Inc. (the “Original Commitment”). DCC is pleased to provide the following amendment (the “Amendment”) to the Original Commitment, subject to the terms and conditions outlined below. Together, this Amendment and the Original Commitment and Amendment(s) dated April 7, 2022 shall collectively be known as the “Commitment”, and references to the Commitment in the Original Commitment and in the Security (as defined in the Original Commitment) shall be deemed to be references to the Commitment as defined herein.

DELETE:

Initial Funding: \$23,240,000 (the “Initial Advance”)

INSERT:

Initial Funding: \$20,040,000 (the “Initial Advance”)

Subsequent Funding: \$3,200,000 (the “Second Advance”)

INSERT:

Availability:

Initial Advance

Single advance in the amount of \$20,040,000 less closing costs.

Second Advance

Single advance in the amount of \$3,200,000 less closing costs.

INITIAL ADVANCE		SECOND ADVANCE	
Loan Amount	\$ 20,040,000	Loan Amount	\$ 3,200,000
Less:		Less:	
Commitment Fee	\$ (400,800)	Commitment Fee	\$ (64,000)
Placement Fee	\$ (174,300)	Placement Fee	\$ -
Legals	\$ (50,000)	Legals	\$ -
Net Advance	\$ 19,414,900	Net Advance	\$ 3,136,000

If you are in agreement with the foregoing terms and conditions, please indicate by signing and returning one (1) copy of this Commitment Amendment to the Lender's office by noon on April 19, 2022 failing which this letter shall be deemed null and void.

Yours truly,

Dorr Capital Corporation



Brian Dorr – President and Principal Broker

DELETE:

Interest Rate:

The greater of TD Bank Prime Rate plus 6.30% or 9.00% per annum for the first 12 months of the term of the Loan (or the first 15 months of the term if the Borrower exercises its first option to extend the term of the Loan in accordance with the provisions hereof or the first 18 months of the term if the Borrower exercises its first and second options to extend the term of the Loan in accordance with the provisions hereof) and the greater of TD Bank Prime Rate plus 12.30% or 15.00% per annum for the last month of the term (as it may have been extended) (the “**Interest Rate**”)

INSERT:

Interest Rate:

The greater of TD Bank Prime Rate plus 7.36% or 10.06% per annum for the first 12 months of the term of the Loan (or the first 15 months of the term if the Borrower exercises its first option to extend the term of the Loan in accordance with the provisions hereof or the first 18 months of the term if the Borrower exercises its first and second options to extend the term of the Loan in accordance with the provisions hereof) and the greater of TD Bank Prime Rate plus 12.30% or 15.00% per annum for the last month of the term (as it may have been extended) (the “**Interest Rate**”)

DELETE:

Availability:

Single advance in the amount of \$23,240,000 less fees and closing costs.

FIRST ADVANCE	
Loan Amount	\$ 23,240,000
Less:	
Commitment Fee	\$ (464,800)
Placement Fee	\$ (174,300)
Legals	\$ (50,000)
Net Advance	\$ 22,550,900

DELETE: Closing Date paragraph in its entirety

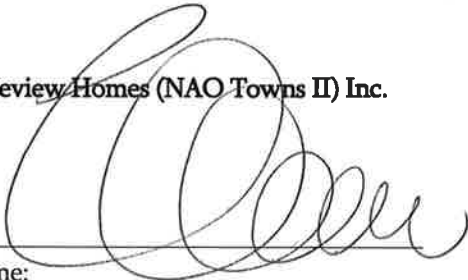
INSERT: Closing Date: May 18, 2022 or such earlier date as may be agreed on by the Lender and the Borrower, at which time the Initial Advance and the Second Advance will be advanced to complete the transaction, provided that the Initial Advance shall be advanced into the trust account of the Lender’s solicitor on April 19, 2022 and interest at the Interest Rate on that amount shall run from and after that date. In the event the Second Advance is not funded and the transaction does not close by May 25, 2022 by any reason other than Lender default, this Commitment at the option of the Lender shall be null and void and the Lender shall be released of any present or further obligations hereunder. Notwithstanding the foregoing, the Borrower and Guarantors shall remain liable for any outstanding fees and costs as set out herein, provided that in the event the lender is unable to provide the Second Advance by May 18, 2022, the Borrowers and Guarantors liability shall be limited to interest earned on the Initial Advance and the Lender’s solicitors fees herein.

ACCEPTANCE

Borrower and Guarantor hereby accept the terms and conditions of the Commitment, agree to be responsible for all fees and disbursements payable in accordance with provisions of this Commitment and authorize the credit checks contemplated herein.

DATED AT _____, this _____ day of _____, 2022.

Stateview Homes (NAO Towns II) Inc.



Name:


Title:

I have the authority to bind the corporation

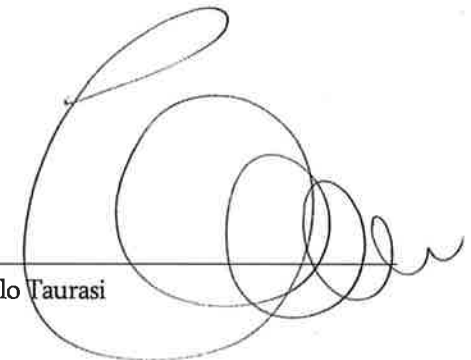
Guarantor(s)



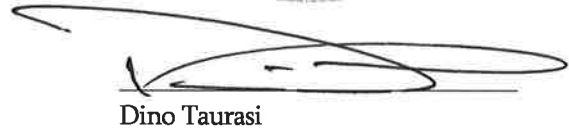
Witness



Witness



Carlo Taurasi



Dino Taurasi

**THIS IS EXHIBIT "C" TO
THE AFFIDAVIT OF BRIAN DORR
SWORN BEFORE ME THIS 25TH
DAY OF APRIL, 2023**



A Commissioner etc.

PROPERTY DESCRIPTION: PT LT 6, CON 6 , AS IN R640261 ; MARKHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

FIRST CONVERSION FROM BOOK

PIN CREATION DATE:

1996/10/03

OWNERS' NAMES

STATEVIEW HOMES (NAO TOWNS II) INC.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1996/10/03 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1996/10/03**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1996/10/02 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES *</p> <p>** AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** THE RIGHTS OF ANY PERSON WHO WOULD, BUT FOR THE LAND TITLES ACT, BE ENTITLED TO THE LAND OR ANY PART OF</p> <p>** IT THROUGH LENGTH OF ADVERSE POSSESSION, PRESCRIPTION, MISDESCRIPTION OR BOUNDARIES SETTLED BY</p> <p>** CONVENTION.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1996/10/03 **</p>						
MA97876	1977/03/31	DISCHARGE INTEREST		*** COMPLETELY DELETED ***		
REMARKS: (DELETED 2000/07/13 AT 12:17, B. LOURENCO, DLR)						
R536557	1990/03/06	CHARGE		*** COMPLETELY DELETED ***	PAVAN, ANTONIO PAVAN, MARIE	
R575768	1991/08/20	TRANSFER OF CHARGE		*** COMPLETELY DELETED ***	BANCA COMMERCIALE ITALIANA OF CANADA	
REMARKS: R536557						
R619833	1993/06/11	TRANSFER OF CHARGE		*** COMPLETELY DELETED ***	PAVAN, ANTONIO PAVAN, MARIA	

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<i>REMARKS: R536557</i>						
R640261	1994/05/26	QUIT CLAIM TRNSFR		*** COMPLETELY DELETED ***	PAVAN, ANTONIO PAVAN, MARIE	
LT1497941	2000/07/05	DISCH OF CHARGE		*** COMPLETELY DELETED *** PAVAN, ANTONIO PAVAN, MARIA		
<i>REMARKS: RE: R536557</i>						
LT1497942	2000/07/05	TRANSFER		*** COMPLETELY DELETED *** PAVAN, ANTONIO PAVAN, MARIE	EMER, RINALDO EMER, MARIA	
<i>REMARKS: PLANNING ACT STATEMENTS</i>						
LT1497943	2000/07/05	CHARGE		*** COMPLETELY DELETED *** EMER, RINALDO EMER, MARIA	PAVAN, ANTONIO PAVAN, MARIA	
LT1515510	2000/08/21	DISCH OF CHARGE		*** COMPLETELY DELETED *** PAVAN, ANTONIO PAVAN, MARIA		
<i>REMARKS: RE: LT1497943</i>						
YR686377	2005/08/18	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
<i>REMARKS: AERONAUTICS ACT AND THE PICKERING AIRPORT SITE ZONING REGULATIONS (SOR/10000-636)</i>						
YR1448180	2010/03/03	APL OF SURV-LAND		*** COMPLETELY DELETED *** EMER, RINALDO	EMER, MARIA	
YR2798863	2018/02/23	TRANSFER		*** COMPLETELY DELETED *** EMER, MARIA	10616389 CANADA LIMITED	
<i>REMARKS: PLANNING ACT STATEMENTS.</i>						
YR2798864	2018/02/23	CHARGE		*** COMPLETELY DELETED *** 10616389 CANADA LIMITED	EMER, MARIA	
YR2798865	2018/02/23	CHARGE		*** COMPLETELY DELETED *** 10616389 CANADA LIMITED	JYR REAL CAPITAL MORTGAGE INVESTMENT CORPORATION SUN, DARUI LI, RUIXIA	

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR2798866	2018/02/23	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 10616389 CANADA LIMITED	MI, JIAQIN JYR REAL CAPITAL MORTGAGE INVESTMENT CORPORATION SUN, DARUI LI, RUIXIA MI, JIAQIN	
		REMARKS: YR2798865				
YR2936833	2019/03/07	NOTICE		*** COMPLETELY DELETED *** COLE ENGINEERING GROUP LTD.		
YR2936834	2019/03/07	NOTICE		*** COMPLETELY DELETED *** WEST WING ENTERPRISES LTD.		
YR3043276	2019/12/05	CHARGE		*** COMPLETELY DELETED *** 10616389 CANADA LIMITED	IRON COVE PRIVATE LENDING INC. ROCK FINANCIAL GROUP INC. MARRA, ANIELLO AYYAR, RAMAN SOSCIA, CARLO SOSCIA, KAITLIN CURCIO, CONCETTA	
YR3043277	2019/12/05	POSTPONEMENT		*** COMPLETELY DELETED *** JYR REAL CAPITAL MORTGAGE INVESTMENT CORPORATION SUN, DARUI LI, RUIXIA MI, JIAQIN	IRON COVE PRIVATE LENDING INC. ROCK FINANCIAL GROUP INC. MARRA, ANIELLO AYYAR, RAMAN SOSCIA, CARLO SOSCIA, KAITLIN CURCIO, CONCETTA	
		REMARKS: YR2798865 TO YR3043276				
YR3043526	2019/12/06	TRANSFER OF CHARGE		*** COMPLETELY DELETED *** SUN, DARUI LI, RUIXIA MI, JIAQIN	JYR REAL CAPITAL MORTGAGE INVESTMENT CORPORATION	
		REMARKS: YR2798865.				
YR3044673	2019/12/10	DISCHARGE INTEREST		*** COMPLETELY DELETED *** COLE ENGINEERING GROUP LTD.		
		REMARKS: YR2936833.				

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR3044688	2019/12/10	DISCHARGE INTEREST		*** COMPLETELY DELETED *** WEST WING ENTERPRISES LTD.		
	<i>REMARKS: YR2936834.</i>					
YR3213030	2021/02/23	CHARGE		*** COMPLETELY DELETED *** 10616389 CANADA LIMITED 9919805 CANADA INC.	FIRM CAPITAL MORTGAGE FUND INC.	
YR3213031	2021/02/23	NO ASSGN RENT GEN		*** COMPLETELY DELETED *** 10616389 CANADA LIMITED 9919805 CANADA INC.	FIRM CAPITAL MORTGAGE FUND INC.	
	<i>REMARKS: YR3213030.</i>					
YR3213032	2021/02/23	CHARGE		*** COMPLETELY DELETED *** 10616389 CANADA LIMITED	ROCK FINANCIAL GROUP INC. MARRA, ANIELLO SOSCIA, CARLO SOSCIA, KAITLIN CURCIO, CONCETTA	
YR3213034	2021/02/23	DISCH OF CHARGE		*** COMPLETELY DELETED *** EMER, MARIA		
	<i>REMARKS: YR2798864.</i>					
YR3213035	2021/02/23	DISCH OF CHARGE		*** COMPLETELY DELETED *** IRON COVE PRIVATE LENDING INC. ROCK FINANCIAL GROUP INC. MARRA, ANIELLO AYYAR, RAMAN SOSCIA, CARLO SOSCIA, KAITLIN CURCIO, CONCETTA		
	<i>REMARKS: YR3043276.</i>					
YR3213037	2021/02/23	DISCH OF CHARGE		*** COMPLETELY DELETED *** JYR REAL CAPITAL MORTGAGE INVESTMENT CORPORATION		
	<i>REMARKS: YR2798865.</i>					
YR3219432	2021/03/05	CAUTION-LAND		*** COMPLETELY DELETED *** 10616389 CANADA LIMITED	MAO, WENJIAN MAO, JINGWEI	
	<i>REMARKS: DELETED 2021/05/10-EXPIRED C CASEY</i>					

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR3428361	2022/05/20	TRANSFER <i>REMARKS: PLANNING ACT STATEMENTS.</i>	\$17,200,000	10616389 CANADA LIMITED	STATEVIEW HOMES (NAO TOWNS II) INC.	C
YR3428362	2022/05/20	CHARGE	\$23,240,000	STATEVIEW HOMES (NAO TOWNS II) INC.	DORR CAPITAL CORPORATION ATRIUM MORTGAGE INVESTMENT CORPORATION	C
YR3428363	2022/05/20	NO ASSGN RENT GEN <i>REMARKS: YR3428362.</i>		STATEVIEW HOMES (NAO TOWNS II) INC.	DORR CAPITAL CORPORATION ATRIUM MORTGAGE INVESTMENT CORPORATION	C
YR3428364	2022/05/20	DISCH OF CHARGE <i>REMARKS: YR3213030.</i>		*** COMPLETELY DELETED *** FIRM CAPITAL MORTGAGE FUND INC.		
YR3428365	2022/05/20	DISCH OF CHARGE <i>REMARKS: YR3213032.</i>		*** COMPLETELY DELETED *** ROCK FINANCIAL GROUP INC. MARRA, ANIELLO SOSCIA, CARLO SOSCIA, KAITLIN CURCIO, CONCETTA		
YR3435559	2022/06/06	CHARGE		*** COMPLETELY DELETED *** STATEVIEW HOMES (NAO TOWNS II) INC.	BERGO INVESTMENT LIMITED MCO MANAGEMENT INC.	
YR3465826	2022/08/16	DISCH OF CHARGE <i>REMARKS: YR3435559.</i>		*** COMPLETELY DELETED *** BERGO INVESTMENT LIMITED MCO MANAGEMENT INC.		
YR3465834	2022/08/16	CHARGE		*** COMPLETELY DELETED *** STATEVIEW HOMES (NAO TOWNS II) INC.	BERGO INVESTMENT LIMITED MCO MANAGEMENT INC. TONY KARAMITSOS	
YR3509408	2022/12/16	CHARGE	\$20,850,000	STATEVIEW HOMES (NAO TOWNS II) INC.	BERGO INVESTMENT LIMITED MCO MANAGEMENT INC. KARAMITSOS, TONY	C
YR3509602	2022/12/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** BERGO INVESTMENT LIMITED		

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LAND
 REGISTRY
 OFFICE #65

02962-0270 (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
YR3539464	2023/04/06	CHARGE	\$37,134,091	STATEVIEW HOMES (NAO TOWNS II) INC.	THE TORONTO-DOMINION BANK	
REMARKS: YR3465834.				MCO MANAGEMENT INC. TONY KARAMITSOS		

PROPERTY DESCRIPTION: PT LT 6, CON 6 , AS IN MA69140 ; MARKHAM

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
FIRST CONVERSION FROM BOOK

PIN CREATION DATE:
1996/10/03

OWNERS' NAMES
STATEVIEW HOMES (NAO TOWNS II) INC.

CAPACITY SHARE
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1996/10/03 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1996/10/03**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1996/10/02 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** 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.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1996/10/03 **</p>						
R661420	1995/07/06	TRANSFER		*** COMPLETELY DELETED ***	STRUK, DMYTRO STRUK, PETER BARIDA, CECILE S.	
LT1163066	1997/03/19	TRANSFER		*** COMPLETELY DELETED *** STRUK, DMYTRO STRUK, PETER BARIDA, CECILE S.	STRUK, PETER BARIDA, CECILE S.	
YR686377	2005/08/18	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
<p>REMARKS: AERONAUTICS ACT AND THE PICKERING AIRPORT SITE ZONING REGULATIONS (SOR/10000-636)</p>						
YR1825378	2012/05/22	TRANSFER		*** COMPLETELY DELETED ***		

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
				BARIDA, CECILE S. STRUK, PETER	WEYCLIFFE INTERNATIONAL DEVELOPMENT INC.	
YR3428360	2022/05/20	TRANSFER	\$12,300,000	WEYCLIFFE INTERNATIONAL DEVELOPMENT INC.	STATEVIEW HOMES (NAO TOWNS II) INC.	C
YR3428362	2022/05/20	CHARGE	\$23,240,000	STATEVIEW HOMES (NAO TOWNS II) INC.	DORR CAPITAL CORPORATION ATRIUM MORTGAGE INVESTMENT CORPORATION	C
YR3428363	2022/05/20	NO ASSGN RENT GEN		STATEVIEW HOMES (NAO TOWNS II) INC.	DORR CAPITAL CORPORATION ATRIUM MORTGAGE INVESTMENT CORPORATION	C
YR3435559	2022/06/06	CHARGE		*** COMPLETELY DELETED *** STATEVIEW HOMES (NAO TOWNS II) INC.	BERGO INVESTMENT LIMITED MCO MANAGEMENT INC.	
YR3465826	2022/08/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** BERGO INVESTMENT LIMITED MCO MANAGEMENT INC.		
YR3465834	2022/08/16	CHARGE		*** COMPLETELY DELETED *** STATEVIEW HOMES (NAO TOWNS II) INC.	BERGO INVESTMENT LIMITED MCO MANAGEMENT INC. TONY KARAMITSOS	
YR3509408	2022/12/16	CHARGE	\$20,850,000	STATEVIEW HOMES (NAO TOWNS II) INC.	BERGO INVESTMENT LIMITED MCO MANAGEMENT INC. KARAMITSOS, TONY	C
YR3509602	2022/12/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** BERGO INVESTMENT LIMITED MCO MANAGEMENT INC. TONY KARAMITSOS		
YR3539464	2023/04/06	CHARGE	\$37,134,091	STATEVIEW HOMES (NAO TOWNS II) INC.	THE TORONTO-DOMINION BANK	

PROPERTY DESCRIPTION: PT LT 6, CON 6 , PART 1, 2 , 65R17687

PROPERTY REMARKS:

ESTATE/QUALIFIER:

FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:

FIRST CONVERSION FROM BOOK

PIN CREATION DATE:

1996/10/03

OWNERS' NAMES

STATEVIEW HOMES (NAO TOWNS II) INC.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1996/10/03 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1996/10/03**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1996/10/02 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** 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.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1996/10/03 **</p>						
65R17687	1995/03/30	PLAN REFERENCE				C
R656934	1995/03/31	TRANSFER		*** COMPLETELY DELETED ***	LO, SIU-HUNG LO, WAI CHUN	
YR656559	2005/06/24	TRANSFER		*** COMPLETELY DELETED *** LO, SIU-HUNG LO, WAI CHUN	LO, WAI CHUN LO, BENJAMIN KWOK-SUN LO, KWOK KEI WALLACE	
YR686377	2005/08/18	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
REMARKS: AERONAUTICS ACT AND THE PICKERING AIRPORT SITE ZONING REGULATIONS (SOR/10000-636)						
YR1693947	2011/08/11	CHARGE		*** COMPLETELY DELETED ***		

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
YR1819726	2012/05/08	TRANSFER		LO, BENJAMIN KWOK-SUN LO, KWOK KEI WALLACE LO, WAI CHUN *** COMPLETELY DELETED *** LO, BENJAMIN KWOK-SUN LO, KWOK KEI WALLACE LO, WAI CHUN	THE TORONTO-DOMINION BANK WEYCLIFFE INTERNATIONAL DEVELOPMENT INC.	
				REMARKS: PLANNING ACT STATEMENTS		
YR1835342	2012/06/08	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE TORONTO-DOMINION BANK		
				REMARKS: YR1693947.		
YR3428360	2022/05/20	TRANSFER	\$12,300,000	WEYCLIFFE INTERNATIONAL DEVELOPMENT INC.	STATEVIEW HOMES (NAO TOWNS II) INC.	C
				REMARKS: PLANNING ACT STATEMENTS.		
YR3428362	2022/05/20	CHARGE	\$23,240,000	STATEVIEW HOMES (NAO TOWNS II) INC.	DORR CAPITAL CORPORATION ATRIUM MORTGAGE INVESTMENT CORPORATION	C
YR3428363	2022/05/20	NO ASSGN RENT GEN		STATEVIEW HOMES (NAO TOWNS II) INC.	DORR CAPITAL CORPORATION ATRIUM MORTGAGE INVESTMENT CORPORATION	C
				REMARKS: YR3428362.		
YR3435559	2022/06/06	CHARGE		*** COMPLETELY DELETED *** STATEVIEW HOMES (NAO TOWNS II) INC.	BERGO INVESTMENT LIMITED MCO MANAGEMENT INC.	
YR3465826	2022/08/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** BERGO INVESTMENT LIMITED MCO MANAGEMENT INC.		
				REMARKS: YR3435559.		
YR3465834	2022/08/16	CHARGE		*** COMPLETELY DELETED *** STATEVIEW HOMES (NAO TOWNS II) INC.	BERGO INVESTMENT LIMITED MCO MANAGEMENT INC. TONY KARAMITSOS	
YR3509408	2022/12/16	CHARGE	\$20,850,000	STATEVIEW HOMES (NAO TOWNS II) INC.	BERGO INVESTMENT LIMITED MCO MANAGEMENT INC. KARAMITSOS, TONY	C
YR3509602	2022/12/19	DISCH OF CHARGE		*** COMPLETELY DELETED ***		

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LAND
REGISTRY
OFFICE #65

02962-0272 (LT)

PAGE 3 OF 3
PREPARED FOR DCorrick1
ON 2023/04/11 AT 13:19:21

* 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
YR3539464	2023/04/06	CHARGE	\$37,134,091	STATEVIEW HOMES (NAO TOWNS II) INC.	THE TORONTO-DOMINION BANK	
				BERGO INVESTMENT LIMITED MCO MANAGEMENT INC. TONY KARAMITSOS		
				REMARKS: YR3465834.		

PROPERTY DESCRIPTION: PT LT 6, CON 6 , AS IN R491185; T/W MA54373

PROPERTY REMARKS:

ESTATE/QUALIFIER:
FEE SIMPLE
LT CONVERSION QUALIFIED

RECENTLY:
FIRST CONVERSION FROM BOOK

PIN CREATION DATE:
1996/10/03

OWNERS' NAMES
STATEVIEW HOMES (NAO TOWNS II) INC.

CAPACITY SHARE
ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/CHKD
<p>**EFFECTIVE 2000/07/29 THE NOTATION OF THE "BLOCK IMPLEMENTATION DATE" OF 1996/10/03 ON THIS PIN**</p> <p>**WAS REPLACED WITH THE "PIN CREATION DATE" OF 1996/10/03**</p> <p>** PRINTOUT INCLUDES ALL DOCUMENT TYPES AND DELETED INSTRUMENTS SINCE 1996/10/02 **</p> <p>**SUBJECT, ON FIRST REGISTRATION UNDER THE LAND TITLES ACT, TO:</p> <p>** SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPH 11, PARAGRAPH 14, PROVINCIAL SUCCESSION DUTIES * AND ESCHEATS OR FORFEITURE TO THE CROWN.</p> <p>** 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.</p> <p>** ANY LEASE TO WHICH THE SUBSECTION 70(2) OF THE REGISTRY ACT APPLIES.</p> <p>**DATE OF CONVERSION TO LAND TITLES: 1996/10/03 **</p>						
R491185	1988/12/01	TRANSFER		*** COMPLETELY DELETED ***	804536 ONTARIO INC.	
R491186	1988/12/01	CHARGE		*** COMPLETELY DELETED ***	NATIONAL TRUST COMPANY	
R655984	1995/03/10	NO SEC INTEREST		*** COMPLETELY DELETED ***		
LT1225892	1997/11/07	TRANSFER		*** COMPLETELY DELETED *** 804536 ONTARIO INC.	LO, SIU HUNG LO, WAI CHUN	
LT1226890	1997/11/13	DIS NOTICE SEC INT		*** COMPLETELY DELETED *** ULTRAMAR CANADA INC.		
REMARKS: R655984						

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
LT1278238	1998/06/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** NATIONAL TRUST COMPANY		
	<i>REMARKS: RE: R491186</i>					
YR642603	2005/05/26	TRANSFER		*** COMPLETELY DELETED *** LO, SIU HUNG LO, WAI CHUN	LOW, ROBERT KWOK-ON TANG, BONNIE PO-YEE	
YR651280	2005/06/14	CHARGE		*** COMPLETELY DELETED *** LOW, ROBERT KWOK-ON TANG, BONNIE PO-YEE	THE BANK OF NOVA SCOTIA	
YR686377	2005/08/18	NOTICE		HER MAJESTY THE QUEEN IN RIGHT OF CANADA AS REPRESENTED BY THE MINISTER OF TRANSPORT		C
	<i>REMARKS: AERONAUTICS ACT AND THE PICKERING AIRPORT SITE ZONING REGULATIONS (SOR/10000-636)</i>					
YR1819739	2012/05/08	TRANSFER		*** COMPLETELY DELETED *** LOW, ROBERT KWOK-ON TANG, BONNIE PO-YEE	WEYCLIFFE INTERNATIONAL DEVELOPMENT INC.	
	<i>REMARKS: PLANNING ACT STATEMENTS</i>					
YR1839509	2012/06/18	DISCH OF CHARGE		*** COMPLETELY DELETED *** THE BANK OF NOVA SCOTIA		
	<i>REMARKS: YR651280.</i>					
YR3428360	2022/05/20	TRANSFER	\$12,300,000	WEYCLIFFE INTERNATIONAL DEVELOPMENT INC.	STATEVIEW HOMES (NAO TOWNS II) INC.	C
	<i>REMARKS: PLANNING ACT STATEMENTS.</i>					
YR3428362	2022/05/20	CHARGE	\$23,240,000	STATEVIEW HOMES (NAO TOWNS II) INC.	DORR CAPITAL CORPORATION ATRIUM MORTGAGE INVESTMENT CORPORATION	C
YR3428363	2022/05/20	NO ASSGN RENT GEN		STATEVIEW HOMES (NAO TOWNS II) INC.	DORR CAPITAL CORPORATION ATRIUM MORTGAGE INVESTMENT CORPORATION	C
	<i>REMARKS: YR3428362.</i>					
YR3435559	2022/06/06	CHARGE		*** COMPLETELY DELETED *** STATEVIEW HOMES (NAO TOWNS II) INC.	BERGO INVESTMENT LIMITED MCO MANAGEMENT INC.	
YR3465826	2022/08/16	DISCH OF CHARGE		*** COMPLETELY DELETED *** BERGO INVESTMENT LIMITED MCO MANAGEMENT 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.

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
YR3465834	2022/08/16	CHARGE		*** COMPLETELY DELETED *** STATEVIEW HOMES (NAO TOWNS II) INC.	BERGO INVESTMENT LIMITED MCO MANAGEMENT INC. TONY KARAMITSOS	
YR3509408	2022/12/16	CHARGE	\$20,850,000	STATEVIEW HOMES (NAO TOWNS II) INC.	BERGO INVESTMENT LIMITED MCO MANAGEMENT INC. KARAMITSOS, TONY	C
YR3509602	2022/12/19	DISCH OF CHARGE		*** COMPLETELY DELETED *** BERGO INVESTMENT LIMITED MCO MANAGEMENT INC. TONY KARAMITSOS		
YR3539464	2023/04/06	CHARGE	\$37,134,091	STATEVIEW HOMES (NAO TOWNS II) INC.	THE TORONTO-DOMINION BANK	

**THIS IS EXHIBIT "D" TO
THE AFFIDAVIT OF BRIAN DORR
SWORN BEFORE ME THIS 25TH
DAY OF APRIL, 2023**



A Commissioner etc.

Properties

<i>PIN</i>	02962 - 0270 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 6, CON 6 , AS IN R640261 ; MARKHAM		
<i>Address</i>	7810 MCCOWAN ROAD MARKHAM		
<i>PIN</i>	02962 - 0271 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 6, CON 6 , AS IN MA69140 ; MARKHAM		
<i>Address</i>	7822 MCCOWAN ROAD MARKHAM		
<i>PIN</i>	02962 - 0272 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 6, CON 6 , PART 1, 2 , 65R17687; TOWN OF MARKHAM		
<i>Address</i>	7834 MCCOWAN RD MARKHAM		
<i>PIN</i>	02962 - 0273 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 6, CON 6 , AS IN R491185; T/W MA54373; TOWN OF MARKHAM		
<i>Address</i>	7846 MCCOWAN ROAD MARKHAM		

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name STATEVIEW HOMES (NAO TOWNS II) INC.
Address for Service 410 Chrislea Road, Unit 16
 Woodbridge, Ontario L4L 8B5

A person or persons with authority to bind the corporation has/have consented to the registration of this document.
 This document is not authorized under Power of Attorney by this party.

Chargee(s)*Capacity**Share*

<i>Name</i>	DORR CAPITAL CORPORATION
<i>Address for Service</i>	41 Scarsdale Road, Unit 6 Toronto, Ontario M3B 2R2 Loan No. 21046
<i>Name</i>	ATRIUM MORTGAGE INVESTMENT CORPORATION
<i>Address for Service</i>	20 Adelaide Street East, Suite 900 Toronto, Ontario M5C 2T6

Provisions

<i>Principal</i>	\$23,240,000.00	<i>Currency</i>	CDN
<i>Calculation Period</i>	See Schedule Attached		
<i>Balance Due Date</i>	ON DEMAND		
<i>Interest Rate</i>	See Schedule Attached		
<i>Payments</i>			
<i>Interest Adjustment Date</i>			
<i>Payment Date</i>	interest only, 1st day of each and every month throughout the term		
<i>First Payment Date</i>	2022 05 01		
<i>Last Payment Date</i>	2023 06 01		
<i>Standard Charge Terms</i>	200033		
<i>Insurance Amount</i>	Full insurable value		
<i>Guarantor</i>	DINO TAURASI AND CARLO TAURASI		

Additional Provisions

See Schedules

Signed By

Deborah Lynn Corrick	4881 Yonge Street, 8th Floor Toronto M2N 5X3	acting for Chargor(s)	Signed	2022 05 20
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Signed By

Tel 416-250-5800

Fax 416-250-5300

I have the authority to sign and register the document on behalf of the Chargor(s).

Submitted By

HARRIS, SHEAFFER LLP

4881 Yonge Street, 8th Floor
Toronto
M2N 5X3

2022 05 20

Tel 416-250-5800

Fax 416-250-5300

Fees/Taxes/Payment

Statutory Registration Fee \$66.30

Total Paid \$66.30

File Number

Chargor Client File Number : BDS-42375

Chargee Client File Number : MJB/DC 220323

ADDITIONAL PROVISIONS

Charge (the “**Charge**”) from **STATEVIEW HOMES (NAO TOWNS II) INC.** (the “**Chargor**”) to **DORR CAPITAL CORPORATION and ATRIUM MORTGAGE INVESTMENT CORPORATION** (collectively, the “**Chargee**”) and Dorr Capital Corporation as “**Servicer**” as guaranteed by **DINO TAURASI AND CARLO TAURASI** (collectively, the “**Guarantor**”).

For the purpose of this Charge/Mortgage, the term “**Property**” shall mean the Chargor’s lands which are the subject matter of the Charge

All capitalized terms used herein which are not otherwise defined herein, shall have the meanings ascribed thereto in the loan agreement entered into between the Servicer and Chargor dated April 1, 2022, as may be amended from time to time (the “**Commitment**”). All provisions of the Commitment are hereby incorporated into this Charge. Any default by the Chargor with regard to any provision of the Commitment shall constitute a default under this Charge.

1. **Interest Rate**

The loan facility as contemplated by the Commitment (the “**Loan**”) shall bear interest on monies advanced from time to time in accordance with the Commitment at a rate being the greater of The Toronto-Dominion Bank’s Prime Rate plus 7.36% or 10.06% per annum for the first twelve (12) months of the Loan and shall continue at such rate should the Borrower exercise its first option to extend the Term of the Loan and shall continue should the Borrower exercise its second option to extend the Term of the Loan and for the last month of the Term, whether extended or not, the Loan shall bear interest at a rate to be the greater of The Toronto-Dominion Bank’s Prime Rate plus 12.30% or 15.00% per annum, regardless as to the total length of the Term (the “**Interest Rate**”). The Interest Rate shall accrue and be calculated daily and compounded and payable monthly, interest only, throughout the Term, not in advance, based on the number of days the Loan is outstanding, payable from Chargor’s own resources by way of pre-authorized debits to the Chargor’s Project account, both before and after demand, default and/or judgment, on the first (1st) day of every month, following the initial advance of funds under the Charge (the “**Initial Advance**”) and each and every month thereafter for the full term of the Loan as detailed above and in the Commitment. In the event that any payment permitted or required to be made under this Charge, is made after 1:00 pm on any particular day, that payment is deemed to have been made on the Banking Day next following. Any late payment will be assessed a late payment charge of \$500.00 and late interest charges will be applied at the interest rate under the Loan.

2. **Payment Provisions**

The Charge shall become repayable on demand of the Chargee, and, in the absence of any such demand, shall become due and payable on the date that is thirteen (13) months (the “**Term**”) from the date of the Initial Advance, if same occurs on the first calendar day of a month, otherwise thirteen (13) months from the first calendar day of the month next following the date of the Initial Advance, subject to the extension provisions on the terms and conditions set out in the Commitment.

3. **Interest Reserve**

INTENTIONALLY DELETED

4. **Prepayment Privileges**

The Charge shall be closed for the first twelve (12) months of the Term. Thereafter, the Chargor shall have the right, upon thirty (30) days’ written notice to the Chargee, to prepay the Charge at any time or times, partially or in full, provided that: (a) no material Event of Default, as defined in the Commitment or any of the security documents delivered ancillary thereto (the “**Security**”), has occurred during the Term of the Charge which has not been cured, within a reasonable period of time, and provided such default or defaults cannot be reasonably categorized as a repeated pattern of non-payment; (b) the Chargee has received a minimum of twelve (12) months’ interest; and (c) the Chargee has received all applicable fees as set out in the Commitment together with all accrued and unpaid interest currently outstanding.

5. **Partial Discharges**

Partial discharges of this Charge may be obtained from time to time by the Chargor in accordance with the terms set out in the Commitment, provided the Chargee is satisfied, in its sole and unfettered discretion, that the terms and conditions applicable thereto, as set out in the Commitment have been met, including without limitation those pertaining to that portion of the Property which will remain subject to the Charge

(the “**Remainder Property**”). It is hereby further agreed that the consent to any partial discharge(s) obtained as aforesaid shall be subject to compliance with the provisions of the *Planning Act*, R.S.O. 1990, as amended and/or restated from time to time, and that the release of any part or parts of the Property, with or without any consideration therefor, shall not be construed as a release of the Chargor from any of the covenants herein contained, and no such release shall diminish or prejudice this Charge or such other Security as against the Remainder Property.

6. **Extensions**

The Chargee shall grant to the Chargor two (2) extensions of the Loan for a period of three (3) months each, at the option of the Chargor, provided that the Chargor exercises such options no earlier than ninety (90) days prior to, but not less than sixty (60) days prior to the end of the Term for the first extension (the “**First Extension**”), and no earlier than ninety (90) days prior to, but not less than sixty (60) days prior to the maturity date of the First Extension, as the case may be, under the condition, for each extension that:

- (i) The Chargor pay to the Chargee the Extension Fee at the time such written notice is given to the Chargee for each extension in accordance with the terms set out in the Commitment; and
- (ii) No Event of Default has occurred under the Loan which has not been cured, within a reasonable period of time, and provided such default or defaults cannot be reasonably categorized as a repeated pattern of non-payment; and
- (iii) Progress of the Project to be satisfactory to the Chargee in its sole and unfettered discretion.

The demand provision set out in Paragraph 2 shall survive any approved extension of the Term. In the event that the date by which each extension is to be fulfilled is not extended as aforesaid by the Chargor, the Loan shall become due and payable.

7. **Collateral Security**

This Charge is given as collateral security for payment and satisfaction to the Chargee of all indebtedness, obligations and liabilities of any kind, present or future, direct or indirect, absolute or contingent, joint or several, of the Chargor and the Guarantor to the Chargee, as evidenced by and set out in the Commitment, together with all expenses (including legal fees on a full indemnification basis) incurred by the Chargee, its receiver or agent, in the preparation, perfection and enforcement of security and other agreements held by the Chargee in respect of such indebtedness, obligations or liabilities and interest thereon (collectively, the “**Indebtedness**”).

8. **Chargee May Remedy Default**

If the Chargor should fail to perform any covenant or agreement of the Chargor hereunder, the Chargee may itself perform or cause to be performed such covenant or agreement and all expenses incurred or payments made by the Chargee in so doing, together with interest thereon at the rate set forth herein, shall be added to the indebtedness secured herein and shall be paid by the Chargor and be secured by this Charge together with all other indebtedness secured thereby, provided however that the foregoing shall not in any way be interpreted as an obligation of the Chargee.

9. **No Transfer**

The Chargor shall not sell, transfer or convey all or any part of the Property secured by this Charge or any of its rights therein to a purchaser, transferee or grantee not approved in advance by the Chargee, which approval shall be in the sole and unfettered discretion of the Chargee, failing which all monies outstanding under the Loan, including without limitation all accrued and unpaid interest and any other amounts due under this Commitment or the Security, shall become due and payable. The voting control of the Chargor shall not change without the prior written consent of the Chargee.

10. **Subsequent Encumbrances**

The Chargor acknowledges that no financing subsequent to the Loan, including further mortgages, pledges or encumbrances registered against title to the Property secured hereby, or as against the shares of the Chargor, shall be permitted without the prior written consent of the Chargee, or as otherwise contemplated by the Commitment, other than the Permitted Encumbrances, in which case the consent of the Lender shall not be unreasonably withheld provided that the Chargor shall: (i) disclose to the Lender all existing or proposed financing relating to the Project (as defined in the Commitment); and (ii) provide evidence, satisfactory in form and content, to the Lender in its sole discretion, as to the source of the Borrower’s required equity in the Project. Failure by the Chargor to obtain such consent under the terms of this paragraph, shall constitute an event of default under the Loan and the Security. It is acknowledged that the

Chargee shall require its form of subordination and standstill agreement, to be entered into as a precondition of any approval to a subsequent mortgagee(s).

11. **Default**

In addition to any other default provisions set out in this Charge, or in the Standard Charge Terms referred to herein, the monies hereby secured, together with interest thereon as aforesaid, shall become payable and the Security hereby constituted shall become enforceable immediately upon demand by the Chargee or the occurrence or happening of any of the following events (“**Event(s) of Default**”):

- (a) the Chargor makes default in the payment of the principal, interest or other monies hereby secured or any principal or interest payment and other monies owed by it to the Chargee whether secured by this Charge or not;
- (b) the Chargor or Guarantor makes material default in the observance or performance of any written covenant or undertaking heretofore or hereafter given by it to the Chargee, whether contained herein or in the Commitment Letter and pertaining to the assets or the financial condition of the Chargor and such default has not been cured within fifteen (15) days of written notice thereof being delivered to the Chargor;
- (c) if any statement, information (oral or written) or representation heretofore or hereafter made or given by or on behalf of the Chargor or the Guarantor to the Chargee and pertaining to the assets or the financial condition of the Chargor, and whether contained herein or not is false, inaccurate and/or misleading in any material respect;
- (d) if any of the Chargor or Guarantor shall be deceased or an order is made or an effective resolution passed for the winding-up, liquidation, amalgamation or reorganization of the Chargor, or a petition is filed for the winding up of the Chargor;
- (e) the Chargor or Guarantor becomes insolvent or makes a general assignment for the benefit of its creditors or otherwise acknowledges its insolvency; or the Chargor makes a bulk sale of its assets; or a bankruptcy petition or receiving order is filed or presented against the Chargor;
- (f) the Chargor fails, after being provided ten (10) days prior written notice, to pay all realty taxes payable in respect of the Property secured hereby. In this regard, the Chargor agrees to promptly pay all realty taxes as they fall due and to provide evidence of payment thereof to the Chargee;
- (g) any proceedings with respect to the Chargor are commenced under the *Companies' Creditors Arrangement Act* or the *Bankruptcy and Insolvency Act*;
- (h) any execution, sequestration, extent or any other process of any Court becomes enforceable against the Chargor or a distress or analogous process is levied upon the property and assets of the Chargor or any part thereof, which in the opinion of the Chargee is a substantial part, and remains unsatisfied for such period as would permit such property to be sold thereunder, less two (2) business days, provided that such process is not in good faith disputed and, in that event, if the Chargor shall desire to contest such process it shall give security to the Chargee which, in the absolute discretion of the Chargee, shall be deemed sufficient to pay in full the amount claimed in the event it shall be held to be a valid claim;
- (i) any default by the Chargor or Guarantor under any other mortgages or encumbrances registered against title to or otherwise affecting the Property or any part thereof;
- (j) the Property or any material part thereof is abandoned or there is any cessation of the business activities now being conducted thereupon by the Chargor or any of its respective officers, agents, employees, tenants or invitees or any material part thereof;
- (k) any Event of Default set out in the Security occurs;
- (l) if in the sole opinion of the Chargee, a material adverse change occurs relating to the Chargor, Guarantor, Property or Project or the risk associated with the Loan; and
- (m) if any default occurs under any loan made by the Chargee to the Chargor or the Guarantor or any person controlled by any the Guarantor.

12. **Construction Liens**

Provided also that upon the registration of any construction lien against title to the charged Property which is not discharged within a period of ten (10) days from the registration thereof, all monies hereby secured shall, at the option of the Chargee, forthwith become due and payable.

The Chargee may at its option, withhold from any advances for which the Chargor may have qualified, such holdbacks as the Chargee in its sole discretion, considers advisable to protect its position under the provisions of the *Construction Act, (Ontario)*, so as to secure its priority over any construction liens, until the Chargee is fully satisfied that all construction lien periods have expired and that there are no preserved or perfected liens outstanding. Nothing in this clause shall be construed to make the Chargee an "owner" or "payer" as defined under the *Construction Act, (Ontario)*, nor shall there be, or be deemed to be, any obligation by the Chargee to retain any holdback which may be required by the said legislation. Any holdback which may be required to be made by the owner or payer shall remain solely the Chargor's obligation. The Chargor hereby covenants and agrees to comply in all respects with the provisions of the *Construction Act, (Ontario)*.

13. **Additional Provisions**

It is further agreed by and between the parties to this Charge as follows:

- (a) That no part of any Indebtedness existing at the date of this Charge or incurred or arising thereafter, shall be deemed to be unsecured by this Charge.
- (b) That this Charge is and shall be a continuing collateral security to the Chargee for the amount of such Indebtedness and shall be deemed to be taken as security for the ultimate balance of such Indebtedness; and these presents shall not, nor shall anything in this Charge contained operate so as to create any merger or discharge of any debt owing to the Chargee or of any lien, bond, promissory note, bill of exchange or other security held by or which may hereafter be held by the Chargee from the Chargor or from any other person or persons and this Charge shall not in any way prejudicially affect any security held or which may hereafter be held by the Chargee for the Indebtedness or any part thereof, or the liability of any endorser or any other person or persons upon any such lien, bond, bill of exchange, promissory note or other security or contract or any renewal or renewals thereof held by the Chargee for or on account of the Indebtedness or any part or parts thereof, nor shall the remedies of the Chargee in respect thereof be prejudiced or delayed in any manner whatsoever by the taking of this Charge.
- (c) That any and all payments made in respect of the Indebtedness and interest and the monies or other proceeds realized from the sale of any securities held therefor including this Charge may be applied and reapplied notwithstanding any previous application on such part or parts of the Indebtedness or interest as the Chargee may see fit or may be held unappropriated in a separate collateral account for such time as the Chargee may see fit.
- (d) That the Chargee may grant time, renewals, further extensions, indulgences, releases and discharges to, may take securities and guarantees from and give the same and any and all existing securities and guarantees up to, may abstain from taking securities or guarantees from or from perfecting securities or guarantees of, may accept compositions from and may otherwise deal with the Chargor and all other persons, securities and guarantees as the Chargee may see fit without prejudicing the rights of the Chargee under this Charge.
- (e) That the taking of judgment in respect of the Indebtedness or any instrument or instruments now or hereafter representing or evidencing the Indebtedness or under any of the covenants herein or in any such instrument contained or implied shall not operate as a merger of the Indebtedness or such instrument, instruments or covenants nor affect the Chargee's right to interest at the rate and times herein provided nor affect nor prejudice any rights or remedies given to the Chargee by the terms of this Charge.
- (f) As further security for the payment of all monies owing hereunder, the Chargor does hereby assign to the Chargee all Leases now or hereafter existing and all rights and benefits of all guarantees and indemnities thereof and all rents which shall now or may hereafter become payable by reason of any lease, tenancy or tenancies, or use or occupation of the charged premises, or any part thereof or of any guarantees and indemnities thereof which assignment shall be in priority to all other liens, charges and assignments granted to other parties by the Chargor, and if the Chargor is in default in the observance or performance of any of the terms, covenants and conditions of this Charge, then the Chargee shall have the right, to take and receive Rents, issues and profits thereof.
- (g) The Chargor shall not act in any manner to increase any prior ranking security, as permitted pursuant to the Commitment, or permit registration of any additional security without the consent of the Chargee which may be withheld.
- (h) The Chargor represents and warrants that the Loan and Security constitute valid and legally binding obligations of the Chargor, enforceable in accordance with their terms.

- (i) The Chargor represents and warrants that there are no existing or threatened actions, proceedings or claims against or relating to the Property except as disclosed to and accepted by the Chargee in writing prior to the Loan advance. Upon becoming aware of any threatened or actual action, proceeding or claim against or relating to the Property or the Chargor, the Chargor shall promptly notify the Chargee of same and shall provide the Chargee with reasonable information concerning such action, proceeding or claim as the Chargee may require from time to time.
- (j) The Chargor covenants that it has a good and marketable title in fee simple to the Property.

14. **Standard Charge Terms**

The terms contained in this Schedule are in addition to the terms contained in the Standard Charge Terms filed as No. 200033 (the "**Standard Charge Terms**"), provided that Section 14 shall not apply where the Chargor enters into an agreement of purchase and sale with a purchaser of a residential unit to be constructed on the Property. In the event of any inconsistency or conflict between the terms contained in this Schedule and those contained in the Standard Charge Terms, the terms contained in this Schedule shall, to the extent of the inconsistency or conflict, prevail.

15. **Security Interest in Personal Property**

The Chargor covenants and agrees to execute and deliver to the Chargee, on demand, a security interest in all chattels, furnishings, equipment, appliances and all other personal property owned now or in the future by the Chargor and situate in or about the Property. The form and content of such security interest shall be acceptable to the Chargee. The Chargor agrees to pay all legal and other expenses incurred by the Chargee in connection with the preparation and registration of the security interest and any renewals thereof forthwith upon demand and such fees and expenses, together with interest thereon at the Interest Rate, shall be added to the Indebtedness and secured by this Charge.

16. **Acceleration**

In addition to the Chargee's other rights under this Charge, at law, in equity, or otherwise (including the right to require payment of the Indebtedness or any part thereof), the Indebtedness shall, at the option of the Chargee, become immediately due and payable in full upon the occurrence of an Event of Default.

17. **Appointment of Receiver**

It is declared and agreed that at any time and from time to time when there shall be default under the provisions of this charge, the Chargee may at such time and from time to time and with or without entering into possession of the Property appoint in writing a Receiver of the Property, or any part thereof, and of the rents and profits thereof and with or without security and may from time to time by similar writing remove any such Receiver and appoint another in its place and stead, and in making any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor. The Chargor hereby irrevocably agrees and consents to the appointment of such Receiver of the Chargee's choice and without limitation whether pursuant to this Charge, the *Charges Act (Ontario)*, the *Construction Act (Ontario)*, or the *Trustee Act (Ontario)* as the Chargee may at its sole option require. Without limitation, the purpose of such appointment shall be the orderly management, administration and/or sale of the Property or any part thereof and the Chargor hereby consents to a Court Order for the appointment of such Receiver, if the Chargee in its discretion chooses to obtain such order, and on such terms and for such purposes as the Chargee at its sole discretion may require, including, without limitation, the power to manage, charge, pledge, lease and/or sell the Property and/or to complete or partially complete any construction thereon and to receive advances of monies pursuant to any charges, pledges and/or loans entered into by the Receiver or the Chargor, and if required by the Chargee, in priority to any existing encumbrances affecting the Property, including without limitation, charges and construction lien claims.

Upon the appointment of any such Receiver from time to time the following provisions shall apply:

- (a) A Statutory Declaration made by the Chargee or by any authorized representative of the Chargee as to default under the provisions of this Charge shall be conclusive evidence thereof;
- (b) Every such Receiver shall be the irrevocable agent or attorney of the Chargor for the collection of all rents falling due in respect to the Property, or any part thereof, whether in respect of any tenancies created in priority to this Charge or subsequent thereto and with respect to all responsibility and liability for its acts and omissions;
- (c) The Chargee may from time to time fix the remuneration of every such Receiver which shall be a charge on the Property, and may be paid out of the income therefrom or the proceeds of sale thereof;
- (d) The appointment of every such Receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the Receiver in any respect and such appointment or anything which may

be done by any such Receiver or the removal of any such Receiver or the termination of any such receivership shall not have the effect of constituting the Chargee a chargee in possession in respect of the Property or any part thereof;

- (e) The Receiver shall have the power to rent any portion of the Property for such term and subject to such provisions as it may deem advisable or expedient and shall have the authority to execute any lease of the Property or any part thereof in the name and on behalf of the Chargor and the Chargor undertakes to ratify and confirm, and hereby ratifies and confirms whatever acts such Receiver may do on the Property;
- (f) In all instances, the Receiver shall be acting as the attorney or agent of the Chargor;
- (g) Every such Receiver shall have full power to complete any unfinished construction upon the Property;
- (h) Such Receiver shall have full power to manage, operate, amend, repair, alter or extend the Property or any part thereof in the name of the Chargor for the purposes of securing the payment of rental from the Property or any part thereof;
- (i) The Receiver shall have full power to assume control of, manage, operate and carry on the business of the Chargor being conducted at or upon the Property on the date of this Charge or at any time thereafter;
- (j) The Receiver shall have full power to do all acts and execute all documents which may be considered necessary or advisable in order to protect the Chargee's interest in the Property including, without limiting the generality of the foregoing, increasing, extending, renewing or amending all charges, Charges and other encumbrances which may be registered against the Property from time to time, whether or not any of the same are prior to the interest of the Chargee in the Property; sale of the Property; borrowing money on the Security of the Property; applying for and executing all documents in any way related to any re-zoning applications, severance of lands pursuant to the provisions of the Planning Act, as amended subdivision agreements and development agreements and agreements for the supply or maintenance of utilities or services to the Property including grants or lands or easements or rights of way necessary or incidental to any such agreements, executing all grants, documentation instruments and agreements related to compliance with the requirements of any competent governmental authority, whether pursuant to a written agreement or otherwise and applying for and executing all documents in any way related to registration of the Property as a condominium; completing any application for first registration pursuant to the provisions of the *Land Titles Act* (Ontario) or pursuant to the *Certification of Titles Act* (Ontario); and for all and every of the purposes aforesaid it does hereby give and grant unto the Receiver full and absolute power and authority to do and execute all acts, deeds, matters and things necessary to be done as aforesaid in and about the Property, and to commence, institute and prosecute all actions,
- (k) suits and other proceedings which may be necessary or expedient in and about the Property, as fully and effectually to all intents and purposes as it itself could do if personally present and acting therein;
- (l) Such Receiver shall not be liable to the Chargor to account for monies or damages other than cash received by it in respect of the Property or any part thereof and out of such cash so received every such Receiver shall pay in the following order:
 - (i) its remuneration;
 - (ii) all payments made or incurred by it in the exercise of its powers hereunder;
 - (iii) any payment of interest, principal and other money which may from time to time be or become charged upon the Property in priority to the monies owing hereunder and all taxes, insurance premiums and every other proper expenditure made or incurred by it in respect of the Property or any part thereof.

The Chargor hereby irrevocably appoints the Chargee as its attorney to execute such consent or consents and all such documents as may be required in the sole discretion of the Chargee and/or its solicitors so as to give effect to the foregoing provisions and the signature of such attorney shall be valid and binding on the Chargor and all parties dealing with the Chargor, the Chargee and/or the Receiver and/or with respect to the Property in the same manner as if such documentation was duly executed by the Chargor itself.

**THIS IS EXHIBIT "E" TO
THE AFFIDAVIT OF BRIAN DORR
SWORN BEFORE ME THIS 25TH
DAY OF APRIL, 2023**



A Commissioner etc.

Properties

PIN 02962 - 0270 LT
Description PT LT 6, CON 6 , AS IN R640261 ; MARKHAM
Address 7810 MCCOWAN ROAD
 MARKHAM

PIN 02962 - 0271 LT
Description PT LT 6, CON 6 , AS IN MA69140 ; MARKHAM
Address 7822 MCCOWAN ROAD
 MARKHAM

PIN 02962 - 0272 LT
Description PT LT 6, CON 6 , PART 1, 2 , 65R17687; TOWN OF MARKHAM
Address 7834 MCCOWAN RD
 MARKHAM

PIN 02962 - 0273 LT
Description PT LT 6, CON 6 , AS IN R491185; T/W MA54373; TOWN OF MARKHAM
Address 7846 MCCOWAN ROAD
 MARKHAM

Applicant(s)

The assignor(s) hereby assigns their interest in the rents of the above described land. The notice is based on or affects a valid and existing estate, right, interest or equity in land.

Name STATEVIEW HOMES (NAO TOWNS II) INC.
Address for Service 410 Chrislea Road, Unit 16
 Woodbridge, Ontario L4L 8B5

A person or persons with authority to bind the corporation has/have consented to the registration of this document.

This document is not authorized under Power of Attorney by this party.

Party To(s)**Capacity****Share**

Name DORR CAPITAL CORPORATION
Address for Service 41 Scarsdale Road, Unit 6
 Toronto, Ontario M3B 2R2
 Loan No. 21046

Name ATRIUM MORTGAGE INVESTMENT CORPORATION
Address for Service 20 Adelaide Street East, Suite 900
 Toronto, Ontario M5C 2T6

Statements

The applicant applies for the entry of a notice of general assignment of rents.

This notice may be deleted by the Land Registrar when the registered instrument, YR3428362 registered on 2022/05/20 to which this notice relates is deleted

Schedule: See Schedules

Signed By

Deborah Lynn Corrick 4881 Yonge Street, 8th Floor acting for Signed 2022 05 20
 Toronto Applicant(s)
 M2N 5X3

Tel 416-250-5800

Fax 416-250-5300

I have the authority to sign and register the document on behalf of the Applicant(s).

Deborah Lynn Corrick 4881 Yonge Street, 8th Floor acting for Signed 2022 05 20
 Toronto Party To(s)
 M2N 5X3

Tel 416-250-5800

Fax 416-250-5300

I have the authority to sign and register the document on behalf of the Party To(s).

Submitted By

HARRIS, SHEAFFER LLP

4881 Yonge Street, 8th Floor
Toronto
M2N 5X3

2022 05 20

Tel 416-250-5800

Fax 416-250-5300

Fees/Taxes/Payment

Statutory Registration Fee \$66.30

Total Paid \$66.30

File Number

Party To Client File Number :

MJB/DC 220323

GENERAL ASSIGNMENT OF RENTS

THIS AGREEMENT made as of the 19th day of April, 2022.

B E T W E E N:

STATEVIEW HOMES (NAO TOWNS II) INC.
(hereinafter referred to as the “**Mortgagor**”)

OF THE FIRST PART

- and -

DORR CAPITAL CORPORATION and
ATRIUM MORTGAGE INVESTMENT CORPORATION
(hereinafter collectively referred to as the “**Mortgagee**”)

OF THE SECOND PART

WHEREAS:

- A: As collateral security to its obligations, the Mortgagor has granted to the Mortgagee a Charge/Mortgage of Land in the amount of TWENTY-THREE MILLION TWO HUNDRED AND FORTY THOUSAND (\$23,240,000.00) DOLLARS (the "Mortgage"), which Mortgage is registered in the Land Registry Office for York Region (No. 65) on those lands and premises owned by the Mortgagor as set out therein and as more particularly set out in Schedule “A” hereto (hereinafter referred to as the "Mortgaged Premises");
- B: As a condition precedent of making advances pursuant to the aforesaid mortgage loan, the Mortgagee has required an assignment to the Mortgagee; its heirs, executors, administrators, successors and assigns, as additional security for the observance and performance by the Mortgagor of its covenants and agreements contained in the Mortgage, all rents and other monies due or accruing due or at any time hereafter to become due and payable and all of the other rights of the Mortgagor under:
- (i) all present and future leases, agreements to lease and subleases of any part of the Mortgaged Premises and all tenancies, present or future licences affording any person a right to use or occupy any part of the Mortgaged Premises, in such case for the time being in effect, and all revisions, alterations, modifications, amendments, changes, extensions, renewals, replacements, or substitutions thereof or therefore which are now or may hereafter be affected or entered into (hereinafter collectively referred to as the "Leases");
 - (ii) all present and future (1) guarantees of any or all of the obligations of any tenant (which term means any person who now or hereafter is a party to a Lease for the time being in effect and has any right of use or occupancy of all or any part of the Mortgaged Premises under a Lease) under any Lease; (2) indemnities in respect of all or any of the obligations of any Tenant under any Leases and (3) arrangements with a similar person for any other person to take over all or part of the balance of the term of any tenant under any Lease, and all revisions, alterations, modifications, amendments, changes, extensions, renewals, replacements and substitutions thereof or therefore which may hereafter be effected or entered into (hereinafter collectively referred to as the "Guarantee of Leases).

NOW THEREFORE THIS AGREEMENT WITNESSETH that in consideration of the grant of the Mortgage as against the Mortgaged Premises and the sum of TEN (\$10.00) DOLLARS now paid by the Mortgagee to the Mortgagor, the receipt and sufficiency whereof is hereby acknowledged, the parties hereby agree as follows:

1. The recitals herein are true and correct and form a material part of this Agreement.
2. Subject to paragraph 3 hereof, the Mortgagor hereby assigns, transfers and sets over unto the Mortgagee, its heirs, executors, administrators, successors and assigns, (a) The Leases

and Guarantees of Leases; and (b) all rents and other monies now due or accruing due or at any time hereafter to become due and payable under each and every Lease and Guarantee of Leases, all other obligations of the other parties thereto and all benefits, advantages and powers to be derived therefrom; with full power and authority in each case to demand, sue for, recover, receive and give receipts for all rents and other moneys payable thereunder; to have and to hold unto the Mortgagee until all moneys owing and all obligations of the Mortgagor in respect of the Mortgage have been fully paid and fulfilled and after the Mortgage has been fully released and discharged this Agreement shall be void and of no further effect.

3. It is the intention of the parties hereto that this instrument shall be a present assignment provided that the Mortgagee shall not exercise any rights or remedies herein given to it until the Mortgagor is in default under any of the terms and provisions of the Mortgage or of this assignment. Until such default, the Mortgagor shall be permitted to collect, take, retain and use or permit the collection, taking, retention and use of the rents and revenues from the Mortgaged Premises. Default under this Agreement shall constitute default under the Mortgage.
4. At any time, whether or not the Mortgagor is in default hereunder and whether or not the Mortgagee has determined to enforce the security hereof, upon request by the Mortgagee, the Mortgagor will promptly deliver, to the extent that the same have not been previously delivered, to the Mortgagee a copy of any or all of the Leases and any Guarantees of Leases;
 - a. The Mortgagor covenants and agrees that all the obligations of the Lessor or Licensor under each of the Leases will be observed and performed except to the extent that such observance or performance may be waived by the obligees;
 - b. The Mortgagor covenants and agrees that it will, from time to time, on request by the Mortgagee, execute or join in the execution of and deliver to the Mortgagee any one or more of the following which shall be subject to this Agreement:
 - i. A Specific Assignment of all of the rights, title and interest of the Mortgagor as Lessor or Licensor in, to, under, or in respect of all rents and other moneys now due and payable under any one or more of the Leases and any Guarantees of Leases;
 - ii. A Specific Assignment of all the right, title and interest of the Mortgagor, as Lessor or Licensor in, to, under or in respect of any of the Leases, all rent or other moneys now due and payable or hereafter to become due and payable thereunder, all other obligations of the other parties thereunder and all the benefits, advantages and powers to be derived therefrom and each and every Guarantee of Lease, with full power and authority to demand, sue for, recover, receive and give receipts for all rents and other moneys payable thereunder and otherwise to enforce the rights of the Mortgagor thereunder in the name of the Mortgagor;
5. Whenever the Mortgagor has been in default under any of the terms or provisions of the Mortgage, the Mortgagee shall be entitled to enter into possession of the Mortgaged Premises and collect the rents and revenues thereof, distrain in the name of the Mortgagor for the same and appoint its agents to manage the Mortgaged Premises and pay such agents reasonable charges for their services and charge the same to the account of the Mortgagor; and that any agents so appointed by the Mortgagee shall have the authority and power:
 - a. to make any Lease or Leases of the Mortgaged Premises or of any part thereof at such rent and on such terms as the Mortgagee in its discretion may consider proper and to cancel or surrender existing Leases, to alter or amend the terms of existing Leases, to renew existing Leases, or to make concessions to Tenants as the Mortgagee in its discretion may consider proper;
 - b. to manage generally the Mortgaged Premises to the same extent as the Mortgagor could do; and

- i. to collect the rents and revenues and give good and sufficient receipts and discharges therefore, and in their discretion, distrain in the name of the Mortgagor for such rents and revenues;
 - ii. to pay all insurance premiums, taxes, necessary repairs, renovations and upkeep, carrying charges, rent or lease commissions, salary of any janitor or caretaker, cost of heating, and any and all payments due on the Mortgage to the Mortgagee;
 - iii. to accumulate the rents and revenues in such agent's hands in a reasonable amount to make provision for maturing payments of interest and principal on the Mortgage, and for the payments of taxes, insurance, heating, repairs, renovations and upkeep, costs and expenses of collection of rents and revenues, and other expenses or carrying charges connected with the Mortgaged Premises.
6. Where any discretionary powers hereunder are vested in the Mortgagee or its agents, the same may be exercised by any officer, investment manager or manager of the Mortgagee or its appointed agents, as the case may be.
7. Any entry upon the Mortgaged Premises under the terms of this Agreement shall not constitute the Mortgagee a "Mortgagee in Possession" in contemplation of law and the Mortgagee shall not become liable to account to the Mortgagor or credit the Mortgagor with any moneys on account of the Mortgage except those which shall come into its hands or into the hands of any agents appointed by its pursuant hereto; the Mortgagee shall not be liable for failure to collect rents or revenues and shall be under no obligation to take any action or proceeding or exercise any remedy for the collection or recovery of the said rents and revenues, or any part thereof, and then, subject to all deductions and payments made out of the rents and revenues received from the Mortgaged Premises as herein provided.
8. That whenever any and all default under the Mortgage has been cured, and all taxes and insurance on the Mortgaged Premises have been paid to date, and all moneys which the Mortgagee or its agents may have expended or become liable for in connection with the Mortgaged Premises have been fully repaid, then the Mortgagee, within one month after demand in writing, shall redeliver possession of the Mortgaged Premises to the Mortgagor and the Mortgagor shall resume collection of the rents or revenues on the Mortgaged Premises until further default has occurred as aforesaid, and shall thereupon also be permitted to receive any remaining balance of the rents and revenues realized from the Mortgaged Premises.
9. That the Mortgagor warrants that it has not, and covenants that it shall not, at any time during the existence of the Mortgage, assign, pledge or hypothecate any Lease or Leases now or hereafter existing in respect of the Mortgaged Premises or the rents and revenues due or to become due thereunder, or any part thereof, other than to the Mortgagee; and the Mortgagor shall not, at any time during the existence of the Mortgage, commit, either by act or omission, any breach of covenant on the part of the Lessor under any of the Leases to be observed and performed, terminate, accept a surrender of, or amend in any manner, any Lease or Leases now or hereafter existing in respect of the Mortgaged Premises, or receive or permit the payment of any rents or revenues by anticipation in respect thereof, except as provided in the Leases, without the consent in writing of the Mortgagee, which consent shall not be arbitrarily or unreasonably withheld.
10. That this assignment is taken by way of additional security only and neither the taking of this assignment nor anything done in pursuance hereof shall make the Mortgagee liable in any way, as landlord or otherwise, for the performance or any covenants, obligations or liabilities under the Leases or any of them.
11. The Mortgagor waives any rights of set-off against the Lessees.
12. The Mortgagor covenants and agrees with the Mortgagee:

- a. that the Leases shall remain in full force and effect irrespective of any merger of the interest of the Lessor and Lessee thereunder; and that it will not transfer or convey the fee title to the said premises to any of the Lessees without requiring such Lessees, in writing, to assume and agree to pay the debt secured hereby in accordance with the terms covenants and conditions of the mortgage hereinbefore described;
- b. that if the Leases provide for the abatement of rent during the repair of the demised premises by reason of fire or other casualty, the Mortgagor shall furnish rental insurance to the Mortgagee, the policies to be in an amount and form and written by such insurance companies as shall be satisfactory to the Mortgagee;
- c. except for such actions taken by a prudent landlord, not to terminate, modify or amend said Leases or any of the terms thereof, or grant any concessions in connection therewith, either orally or in writing, or to accept a surrender thereof without the written consent of the Mortgagee and that any attempted termination, modification or amendments of said Leases without such written consent shall be null and void;
- d. not to collect any of the rent, income and profits arising or accruing under said Leases in advance of the time when the same become due under the terms thereof, but in any event without the written consent of the Mortgagee, not more than thirty (30) days in advance;
- e. not to discount any future accruing rents;
- f. not to execute any other assignments of said Leases or any interest therein or any of the rents thereunder;
- g. to perform all of the Mortgagor's covenants and agreements as Lessor under the said Leases and not to suffer or permit to occur any release of liability of the Lessees, or any rights to the Lessees to withhold payment of rent; and to give prompt notices to the Mortgagee of any notice of default on the part of the Mortgagor with respect to the said Leases received from the Lessees thereunder, and to furnish the Mortgagee with complete copies of the said notices;
- h. that all offers to lease and Leases shall be bona fide, the terms of which are to be approved by the Mortgagee prior to execution, and shall be at rental rates and terms consistent with comparable space in the area of the lands and premises described herein;
- i. if so requested by the Mortgagee, to enforce the said Leases and all remedies available to the Mortgagor against the Lessees, in case of default under the said Leases by the Lessee;
- j. that none of the rights or remedies of the Mortgagee under the mortgage shall be delayed or in any way prejudiced by this assignment
- k. that notwithstanding any variation of the terms of the mortgage or any extension of time for payment thereunder, the Leases and benefits hereby assigned shall continue as additional security in accordance with the terms hereof;
- l. not to alter, modify or change the terms of any guarantees of any of the said Leases or cancel or terminate such guarantees without the prior written consent of the Mortgagee;
- m. not to consent to any assignment of the said Leases, or any subletting thereunder, whether or not in accordance with their terms, without the prior written consent of the Mortgagee;
- n. not to request, consent to, agree to or accept subordination of the said Leases to any mortgage or other encumbrance now or hereafter affecting the premises;

- o. not to exercise any right of election, whether specifically set forth in any such Leases or otherwise which would in any way diminish the tenant's liability or have the effect of shortening the stated term of the Lease; and
 - p. to pay the costs, charges and expenses of and incidental to the taking, preparation and filing of this Agreement or any notice hereof which may be required and of every renewal related thereto.
- 13. Upon any vesting of title to the properties secured under the Mortgage in the Mortgagee or other party by Court Order, operation of law, or otherwise and upon delivery of a deed or deeds pursuant to the Mortgagee's exercise of remedies under the Mortgage, all right, title and interest of the Mortgagor in and to the Leases shall by virtue of this instrument, thereupon vest in and become the absolute property of the party vested with such title or the grantee or grantees in such deed or deeds without any further act or assignment by the Mortgagor. The Mortgagor hereby irrevocably appoints the Mortgagee and its successors and assigns, as its agent and attorney in fact, to execute all instruments of assignment or further assurances in favour of such party vested with title or the grantee or grantees
- 14. In the exercise of the powers herein granted to the Mortgagee, no liability shall be asserted or enforced against the Mortgagee, all such liability being hereby expressly waived and released by the Mortgagor. The Mortgagee shall not be obligated to perform or discharge any obligation, duty or liability under the Leases, or under or by reason of this assignment, and the Mortgagor shall and does hereby agree to indemnify the Mortgagee for, and to save and hold it harmless of and from, any and all liability, loss or damage which it may or might incur under the Leases or under or by reason of this assignment and of and from any and all claims and demands whatsoever which may be asserted against it by reason of any obligations or undertakings on its part to perform or discharge any of the terms, covenants or agreements contained in the Leases. Should the Mortgagee incur any such liability, loss or damage under the Leases or under or by reason of this assignment, or in the defence of any such claims or demands, the amount thereof, including costs, expenses and reasonable attorney's fees, shall be secured hereby, and the Mortgagor shall reimburse the Mortgagee therefore immediately upon demand.
- 15. This assignment is intended to be additional to and not in substitution for or in derogation of any assignment of rents contained in the mortgage or in any other document.
- 16. That the rights or remedies given to the Mortgagee hereunder shall be cumulative of and not substituted for any rights or remedies to which the Mortgagee may be entitled under the Mortgage or at Law.
- 17. That the terms and conditions hereof shall be binding upon and enure to the benefit of the heirs, executors, administrators, successors and assigns of the parties hereof as the case may be.
- 18. A discharge of the Mortgage in favour of the Mortgagor shall operate as a reassignment of this Assignment of Rents.
- 19. PROVIDED that it is hereby agreed that in construing this Agreement the words "Mortgagor" or "Mortgagors" or "Mortgagee" or "Mortgagees", and "he", "she", "they" or "it", "his", "her", "their", or "its", respectively, as the number and gender of the parties referred to in each case require, and the number of the verb agreeing therewith shall be construed as agreeing with the said word or pronoun so substituted. And that all rights, advantages, privileges, immunities, powers and things hereby secured to the Mortgagor or Mortgagors, Mortgagee or Mortgagees, shall be equally secured to and exercisable by his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be. And that all covenants, liabilities and obligation entered into or imposed hereunder upon the Mortgagor or Mortgagors, Mortgagee or Mortgagees, shall be equally binding upon his, her, their or its heirs, executors, administrators and assigns, or successors and assigns, as the case may be, and that all such covenants and liabilities and obligations shall be joint and several.
- 20. This Agreement may be executed and delivered in counterparts, each of which, when so executed, shall be deemed to be an original and all of which taken together shall be

deemed to constitute one and the same document, and notwithstanding the actual date of execution of each counterpart, this document shall be conclusively deemed to bear the date noted on same. In addition, this document may be executed by any of the undersigned parties electronically, in accordance with the provisions of the Electronic Commerce Act, 2000, S.O. 2000, as amended. A photocopy or a scanned and e-mailed copy of this executed document (whether signed in wet-ink or electronically) may be relied upon and/or enforced to the same extent as if it were an original executed version.

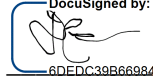
The Remainder of the Page shall remain Blank

[Signature Pages Follow]

IN WITNESS WHEREOF the Mortgagor has executed this Agreement under the hand of its authorized signing officers as of the date first written above.

STATEVIEW HOMES (NAO TOWNS II) INC.

DocuSigned by:



6DEDC39B6698478

Per: _____

Name: Daniel Ciccone

Title: Secretary & Treasurer

I have authority to bind the Corporation

SCHEDULE "A"

DESCRIPTION OF LANDS

PIN 02962-0270 – 7810 McCowan Road, Markham, Ontario
Part Lot 6, Concession 6, as in R640261, Markham

PIN 02962-0271 – 7822 McCowan Road, Markham, Ontario
Part Lot 6, Concession 6, as in MA69140, Markham

PIN 02962-0272 – 7834 McCowan Road, Markham, Ontario
Part Lot 6, Concession 6, designated as Parts 1 and 2, 65R17681, Markham

PIN 02962-0273 – 7846 McCowan Road, Markham, Ontario
Part Lot 6, Concession 6, as in R491185, T/W MA54373, Markham

**THIS IS EXHIBIT "F" TO
THE AFFIDAVIT OF BRIAN DORR
SWORN BEFORE ME THIS 25TH
DAY OF APRIL, 2023**



A Commissioner etc.

GENERAL SECURITY AGREEMENT

THIS AGREEMENT made as of the 19th day of April, 2022.

B E T W E E N:

STATEVIEW HOMES (NAO TOWNS II) INC.

(hereinafter referred to as the “**Debtor**”)

OF THE FIRST PART

- and -

**DORR CAPITAL CORPORATION and
ATRIUM MORTGAGE INVESTMENT CORPORATION**

(hereinafter collectively referred to as the “**Lender**”)

OF THE SECOND PART

WHEREAS the Debtor is now or may hereafter become indebted or otherwise liable to the Lender;

AND WHEREAS the Debtor has agreed to grant, as general and continuing security for the payment and performance of all its obligations to the Lender, the security interest and assignment, mortgage and charge granted herein;

NOW THEREFORE THIS AGREEMENT WITNESSES that in consideration of the premises, the Debtor hereby agrees with the Lender as follows:

1. SECURITY INTEREST

- a. For value received, the Debtor hereby grants to the Lender by way of mortgage, charge, assignment and transfer, a security interest (the "Security Interest") in the undertaking of the Debtor and in all Goods (including all parts, accessories, special tools, additions and accessions thereto), Chattel Paper, Documents of Title (whether negotiable or not), Instruments, Intangibles, and Securities now owned or hereafter owned or acquired by or on behalf of the Debtor (including such as may be returned to or repossessed by the Debtor) and in all proceeds and renewals thereof, accretions thereto and substitutions therefore (hereinafter collectively called "Collateral"), including without limitation, all of the following now owned or hereafter owned or acquired by or on behalf of the Debtor:
 - i. All chattels and machinery of every kind, including without limiting the generality of the foregoing, furniture, goods, room furnishings, kitchen equipment, dining room furnishings, beds, televisions, choses in action, refrigerators, stoves, maintenance equipment, machinery, tools, apparatus, recreational facilities and equipment, boats, vehicles, plant and fixtures now or hereafter owned by the Debtor including those situate at the location set out in Schedule “B”;
 - ii. All book accounts and book debts, rents and leases and generally all accounts, debts, dues, claims, choses in action, causes in action and demands of every nature and kind howsoever arising or secured including letters of credit and advices of credit, which are now due, owing or accruing or growing due to or owned by or which may hereafter become due, owing or accruing or growing due to or owned by the Debtor ("Debts");
 - iii. All deeds, documents, writings, papers, books of account and other books relating to or being records of Debts, Chattel Paper or Documents of Title or by which such are or may hereafter be secured, evidenced acknowledged or made payable;

- iv. All contractual rights and insurance claims and all goodwill, patents, trademarks, copyrights, and other industrial property; and
 - v. All monies other than trust monies lawfully belonging to others including all income, receipts and profits of any nature or kind whatsoever now or hereafter arising in connection with the property.
- b. The Security Interest granted hereby shall not extend or apply to and the Collateral shall not include the last day of the term of any lease or agreement therefore but upon the enforcement of the Security Interest the Debtor shall stand possessed of such term.
 - c. The terms "Goods", "Chattel paper", "Documents of Title", "Equipment", "Consumer Goods", "Instruments", "Intangibles", "Securities", "Proceeds", "Inventory", and "Accession" whenever used herein shall be interpreted pursuant to their respective meanings when used in the Personal Property Security Act, Ontario, as amended from time to time (herein referred to as the "PPSA"). Provided always that the term "Goods" when used herein shall not include "consumer goods" of the Debtor as that term is defined in the PPSA. Any reference herein to "Collateral" shall, unless the context otherwise requires, be deemed a reference to "Collateral or any part thereof". The term "Proceeds" whenever used herein and interpreted as above shall by way of example include trade-ins, equipment, cash, bank accounts, notes, chattel paper, goods, contract rights, accounts and any other personal property or obligation received when such collateral or proceeds are sold, exchanged, collected or otherwise disposed of.

2. INDEBTEDNESS SECURED

The Security Interest granted hereby secures payment and satisfaction of any and all obligations, indebtedness and liability of the Debtor to the Lender including without limitation, the obligations, indebtedness and liability of the Debtor to the Lender pursuant to a guarantee given by the Debtor to the Lender respecting a Charge/Mortgage given by the Debtor in favour of the Lender charging the lands described in Schedule "A" hereto and securing for principal the sum of TWENTY-THREE MILLION TWO HUNDRED AND FORTY THOUSAND (\$23,240,000.00) DOLLARS (hereinafter collectively called the "Indebtedness").

3. REPRESENTATIONS AND WARRANTIES OF DEBTOR

The Debtor represents and warrants and so long as this Security Agreement remains in effect shall be deemed to continuously represent and warrant that:

- a. The Collateral is genuine and owned by the Debtor free of all interests, mortgages, liens, claims, charges or other encumbrances (hereinafter collectively called "Encumbrances"), save for the Security Interest.
- b. Each Debt, Chattel Paper and Instrument constituting Collateral is enforceable in accordance with its terms against the party obligated to pay the same (the "Account Debtor"), and the amount represented by the Debtor to the Lender from time to time as owing by each Account Debtor or by all Account Debtors except for normal cash discounts where applicable, and no Account Debtor will have any defence, set off, claim or counterclaim against the Debtor which can be asserted against the Lender whether in any proceeding to enforce Collateral or otherwise; and
- c. The location specified in Schedule "B" as to business operations and records is accurate and complete and with respect to Goods constituting Collateral.

The Debtor does hereby irrevocably constitute and appoint the Lender its attorney in the premises to do and perform all acts, matters and things necessary to effectively transfer the

said licences, permits and authorities and to vest the same in the Lender or its nominees or assignees to all intents and purposes as the Debtor itself could do; it being agreed that this power of attorney is only exercisable on default by the Debtor. A statutory declaration that default has occurred hereunder, and that such default still continues, entitling the Lender to exercise its rights hereunder, shall be conclusive evidence of the Lender's rights to exercise the power of attorney hereby given.

4. COVENANTS OF THE DEBTOR

So long as this Security Agreement remains in effect the Debtor covenants and agrees:

- a. To defend the Collateral against the claims and demands of all other parties claiming the same or an interest therein: to keep the Collateral free from all Encumbrances, except for the Security Interest and not to sell, exchange, transfer, assign, lease, or otherwise dispose of Collateral or any interest therein without the prior written consent of the Lender; provided always that, until default the Debtor may, in the ordinary course of the Debtor's business, sell or lease Inventory and, subject to Clause 6 hereof, use monies available to the Debtor;
- b. To notify the Lender promptly of:
 - i. any change in the information contained herein or in the Schedules hereto relating to the Debtor, the Debtor's business or Collateral;
 - ii. the details of any significant acquisition of Collateral;
 - iii. the details of any claims or litigation affecting Collateral;
 - iv. any loss or damage to Collateral;
 - v. any default by any Account Debtor in payment or other performance of his obligations with respect to Collateral; and
 - vi. the return to or repossession by the Debtor of Collateral;
- c. To keep the Collateral in good order, condition and repair and not to use Collateral in violation of the provisions of this Security Agreement or any other agreement relating to Collateral or any policy insuring Collateral or any applicable statute, law, by-law, rule, regulation or ordinance;
- d. To do, execute, acknowledge and deliver such financing statements and further assignments, transfers, documents, acts, matters and things (including further schedules hereto) as may be reasonably requested by the Lender of or with respect to Collateral in order to give effect to these presents and to pay all costs for searches and filings in connection therewith;
- e. To pay all taxes, rates, levies, assessments and other charges of every nature which may be lawfully levied, assessed or imposed against or in respect of the Collateral as and when the same become due and payable;
- f. To insure the Collateral for such periods, in such amounts on such terms and against loss or damage by fire and such other risks as the Lender shall reasonably direct with loss payable to the Lender and the Debtor, as insureds, as their respective interest may appear, and to pay all premiums therefor;
- g. To prevent Collateral, save Inventory sold or leased as permitted hereby, from being or becoming an Accession to other property not covered by this Security Agreement;

- h. To carry on and conduct the business of the Debtor in a proper and efficient manner and so as to protect and preserve the Collateral and to keep, in accordance with generally accepted accounting principles, consistently applied, proper books of account for the Debtor's business as well as accurate and complete records concerning Collateral, and mark any and all such records and Collateral at the Lender's request so as to indicate the Security Interest;
- i. To deliver to the Lender from time to time promptly upon request:
 - i. any Documents of Title, Instruments, Securities and Chattel Paper constituting, representing or relating to Collateral;
 - ii. all books of account and all records, ledgers, reports, correspondence, schedules, documents, statements, lists and other writings relating to Collateral for the purpose of inspecting, auditing or copying the same;
 - iii. all financial statements prepared by or for the Debtor regarding the Debtor's business;
 - iv. all policies and certificates of insurance relating to Collateral; and
 - v. such information concerning Collateral, the Debtor and business and affairs as the Lender may reasonably request.

5. USE AND VERIFICATION OF COLLATERAL

Subject to compliance with the Debtor's covenants herein and Clause 6 hereof, the Debtor may, until default, possess, operate, use, enjoy and deal with Collateral in the ordinary course of the Debtor's business in any manner not inconsistent with the provisions hereof provided always that the Lender shall have the right at any time and from time to time to verify the existence and state of the Collateral in any manner the Lender may consider appropriate and the Debtor agrees to furnish all assistance and information and to perform all such act as the Lender may reasonably request in connection therewith and for such purpose to grant to the Lender or its agents access to all places where Collateral may be located including the premises described in Schedule "B".

6. COLLECTION OF DEBTS

Before or after default under this Security Agreement, the Lender may notify all or any Account Debtors of the Security Interest and may also direct such Account Debtors to make all payments on Collateral to the Lender. The Debtor acknowledges that any payments on or other proceeds of Collateral received by the Debtor from Account Debtors, whether before or after notification of this Security Interest to Account Debtors and whether before or after default under this Security Agreement shall be received and held by the Debtor in trust for the Lender and shall be turned over to the Lender upon request.

7. DISPOSITION OF MONIES

Subject to any applicable requirements of the PPSA, all monies collected or received by the Lender pursuant to or in exercise of any right it possesses with respect to Collateral shall be applied on account of Indebtedness in such manner as the Lender deems best or, at the option of the Lender, may be held unappropriated in a collateral account or released to the Debtor, all without prejudice to the liability of the Debtor or the rights of the Lender hereunder, and any surplus shall be accounted for as required by law.

8. EVENTS OF DEFAULT

The happening of any of the following events or conditions shall constitute default hereunder (hereinafter referred to as "default"):

- a. The non-payment when due, whether by acceleration or otherwise, of any principal or interest forming part of Indebtedness or the failure of the Debtor to observe or perform any obligation, covenant, term, provision, or condition contained in this Security Agreement or any other document or agreement between the Debtor and the Lender relating to the Indebtedness;
- b. The bankruptcy or insolvency of the Debtor; the filing against the Debtor of a petition in bankruptcy; the making of an authorized assignment for the benefit of creditors by the Debtor; the appointment of a receiver or trustee for the Debtor or for any assets of the Debtor or the institution by or against the Debtor of any other type of insolvency proceeding under the Bankruptcy Act or otherwise;
- c. Abandonment of the premises by the Debtor for a period in excess of eight (8) consecutive days and which the Debtor has not rectified within ten (10) days after delivery by the Lender to the Debtor of written notice of any abandonment.
- d. Any representation or warranty made by the Debtor herein or in any document or certificate provided at any time to the Lender in connection herewith shall prove to be incorrect or misleading in any material respect;
- e. The Debtor is in default under any other agreement with the Lender;
- f. The Debtor cease or threatens to cease to carry on the business currently being carried on by it or a substantial portion thereof or makes or agrees to make an assignment, disposition or conveyance, whether by way of sale or otherwise, of its assets in bulk;
- g. The Collateral or any part thereof is seized or otherwise attached by anyone pursuant to any legal process or other means, including distress, execution or any other step or proceeding with similar effect, and the same is not released, bonded, satisfied, discharged or vacated within the shorter of a period of 15 days and 10 days less than such period as would permit such property or any part thereof to be sold pursuant thereto; or
- h. The Secured Party believes in good faith that the prospect of payment or performance of any of the Obligations is impaired or that the Collateral is in danger of being lost, damaged or confiscated, or of being encumbered by the Debtor or seized or otherwise attached by anyone pursuant to any legal process.

9. REMEDIES

- a. Upon default, the Lender may appoint or reappoint by instrument in writing, any person or persons, whether an officer or officers or an employee or employees of the Lender or not, to be a receiver or receivers (hereinafter called a "Receiver", which term when used herein shall include a receiver and manager) of Collateral (including any interest, income or profits therefrom) and may remove any receiver so appointed and appoint another in his stead. Any such receiver shall, so far as concerns responsibility for his acts, be deemed the agent of the Debtor and not the Lender and the Lender shall not be any way responsible for any misconduct, negligence, or non-feasance on the part of any such Receiver, his servants, agents or employees. Subject to the provisions of the instruments appointing him, any such receiver shall have the power to take possession of Collateral to preserve Collateral or its value, to carry on or concur in carrying on all or any part of the business of the Debtor and to sell, lease or otherwise dispose of or concur in selling, leasing or otherwise

disposing of Collateral. To facilitate the foregoing powers, any such Receiver may, to the exclusion of all others, including the Debtor, enter upon, use and occupy all premises owned or occupied by the Debtor wherein Collateral may be situate, maintain Collateral upon such premises, borrow money on a secured or unsecured basis and use Collateral directly in carrying on the Debtor's business or otherwise, as such Receiver shall, in his discretion, determine. Except as may be otherwise directed by the Lender, all monies received from time to time by such Receiver in carrying out his appointment shall be received in trust for and paid over to the Lender. Every such Receiver may, in the discretion of the Lender, be vested with all or any of the rights and powers of the Lender.

- b. Upon default, the Lender may, either directly or indirectly or through its agents or nominees, exercise any or all of the powers and rights given to a Receiver by virtue of the foregoing sub-clause (a).
- c. The Lender may take possession of, collect, demand, sue on, enforce, recover and receive Collateral and give valid and binding receipts and discharges therefor and in respect thereof and, upon default, the Lender may sell, lease or otherwise dispose of Collateral in such manner, at such time or times and place or places, for such consideration and upon such terms and conditions as to the Lender may seem reasonable.
- d. In addition to those rights granted herein and in any other agreement now or hereafter in effect between the Debtor and the Lender and in addition to any other rights the Lender may have at law or in equity, the Lender shall have, both before and after default, all rights and remedies of a secured party under the PPSA Provided always, that the Lender shall not be liable or accountable for any failure to exercise its remedies, take possession of, collect, enforce, realize, sell, lease or otherwise dispose of Collateral or to institute any proceedings for such purposes. Furthermore, the Lender shall have no obligation to take any steps to preserve rights against prior parties to any Instrument or Chattel Paper whether Collateral or proceeds and whether or not in the Lender's possession and shall not be liable or accountable for failure to do so.
- e. The Debtor acknowledges that the Lender or any Receiver appointed by it may take possession of Collateral wherever it may be located and by any method permitted by law and the Debtor agrees upon request from the Lender or any such Receiver to assemble and deliver possession of Collateral at such place or places as directed.
- f. The Debtor agrees to pay all costs, charges and expenses incurred by the Lender or any Receiver appointed by it, whether directly or for services rendered (including reasonable solicitors and auditors costs and other legal expenses and Receiver remuneration), in operating the Debtor's accounts, in preparing or enforcing this Security Agreement, taking custody of, preserving, repairing, processing, preparing for disposition and disposing of Collateral and in enforcing or collecting Indebtedness and all such costs, charges and expenses, together with any monies owing as a result of any borrowing by the Lender or any Receiver appointed by it, as permitted hereby, shall be a first charge on the proceeds of realization, collection or disposition of Collateral and shall be secured hereby.
- g. The Lender will give the Debtor such notice, if any, of the date, time and place of any public sale or of the date after which any private disposition of Collateral is to be made, as may be required by the PPSA.

10. MISCELLANEOUS

- a. The Debtor hereby authorizes the Lender to file such financing statements and other documents and do such acts, matters and things (including completing and adding schedules hereto identifying Collateral or any permitted Encumbrances affecting

Collateral) as the Lender may deem appropriate to perfect and continue the Security Interest, to protect and preserve Collateral and to realize upon the Security Interest, and the Debtor hereby irrevocably constitutes and appoints the Lender the true and lawful attorney of the Debtor, with full power of substitution, to do any of the foregoing in the name of the Debtor whenever and wherever it may be deemed necessary or expedient.

- b. Upon the Debtor's failure to perform any of its duties hereunder, the Lender may, but shall not be obligated to perform any or all such duties, and the Debtor shall pay to the Lender, forthwith upon written demand therefore, an amount equal to the expense incurred by the Lender in so doing plus interest thereon from the date such expense is incurred until it is paid at the rate per annum set forth in the said mortgage.
- c. The Lender may grant extensions of time and other indulgences, take and give up security, accept compositions, compound, compromise, settle, grant releases and discharges and otherwise deal with the Debtor, sureties and others and with Collateral and other security as the Lender may see fit without prejudice to the liability of the Debtor or the Lender's right to hold and realize the Security Interest. Furthermore, the Lender may demand, collect and sue on Collateral in either the Debtor's or the Lender's name on any and all cheques, commercial paper, and any other Instrument pertaining to or constituting Collateral.
- d. No delay or omission by the Lender in exercising any right or remedy hereunder or with respect to any Indebtedness shall operate as a waiver thereof or of any other right or remedy, and no single or partial exercise thereof shall preclude any other or further exercise thereof or the exercise of any other right or remedy. Furthermore, the Lender may remedy any default by the Debtor hereunder or with respect to any Indebtedness in any reasonable manner without waiving the default remedied and without waiving any other prior or subsequent default by the Debtor. All rights and remedies of the Lender granted or recognized herein are cumulative and may be exercised at any time and from time to time independently or in combination.
- e. The Debtor waives protest of any Instrument constituting Collateral at any time held by the Lender on which the Debtor is in any way liable and, subject to Clause 9(g) hereof, notice of any other action taken by the Lender.
- f. This Security Agreement shall enure to the benefit of and be binding upon the parties hereto and their respective successors and assigns.
- g. Save for any schedules which may be added hereto pursuant to the provisions hereof, no modification, variation or amendment of any provision of this Security Agreement shall be made except by a written Agreement, executed by the parties hereto and no waiver of any provision hereof shall be effective unless in writing.
- h. Subject to the requirements of Clause 9(g) and 9(e) hereof, whenever either party hereto is required or entitled to notify or direct the other or to make a demand or request upon the other, such notice, direction, demand or request shall be in writing and shall be sufficiently given only if delivered to the party for whom it is intended at the principal address of such party herein set forth or as changed pursuant hereto or if sent by prepaid registered mail addressed to the party for which it is intended at the principal address of such party herein set forth or as changed pursuant hereto. Either party may notify the other pursuant hereto of any change in such party's principal address to be used for the purpose hereof.
- i. This Security Agreement and the security afforded hereby shall remain in full force and effect until all Indebtedness contracted for or created, shall be paid in full.

- j. The headings used in this Security Agreement are for convenience only and are not to be considered a part of this Security Agreement and do not in any way limit or amplify the terms and provisions of this Security Agreement.
- k. When the context so requires, the singular number shall be read as if the plural were expressed and the provisions hereof shall be read with all grammatical changes necessary dependent upon the person referred to being a male, female, firm or corporation.
- l. In the event any provisions of this Security Agreement, as amended from time to time, shall be deemed invalid or void, in whole or in part, by any Court of competent jurisdiction, the remaining terms and provisions of this Security Agreement shall remain in full force and effect.
- m. Nothing herein contained shall in any way obligate the Lender to grant, continue, renew, extend time for payment of or accept anything which constitutes or would constitute Indebtedness.
- n. The Security Interest created hereby is intended to attach when this Security Agreement is signed by the Debtor and delivered to the Lender.

11. PAYMENT OF COSTS

The Debtor shall pay to the Lender on demand all legal fees payable on a solicitor and his own client basis, costs and out-of-pocket expenses incurred by any of the Lender, its agents, officers and employees with respect to:

- a. The preparation of this Agreement, any renewals thereof and related security documents (the "Security Documents") and any other documents, and instruments required pursuant hereto or thereto and any costs associated with realization under this Agreement or the Security Documents;
- b. The Lender obtaining advice as to its rights and responsibilities under this Agreement or any of the instruments and documents comprising the Security Documents or relating thereto or in the event of exercise of any or all of its remedies hereunder or thereunder;
- c. The exercise of any or all of the rights, remedies and powers of the Lender under this Agreement of any of the instruments and documents comprising the Security Documents or relating thereto, or in defending or taking any measures to defend any action, claim, cause of action or in proceedings directly or indirectly relating to the provisions of any such instrument or document;
- d. Any or all of the taking of, recovering of possession of any assets or property of the Debtor, or any proceedings taken for the purpose of enforcing any rights or remedies provided in this Agreement or in any instrument or document comprising the Security Documents or relating hereto or any proceedings otherwise taken in relation to any assets or property of the Debtor or subject to the security given by the Debtor to the Lender, or any proceedings taken by reason of any non-payment or non-performance of the obligations of the Debtor hereunder; and
- e. Any appraisals, environmental reports, engineering reports, cost consultants reports, or any other reports obtained at any time by the Lender relating to the Collateral;

In the event the Debtor fails to pay any such legal fees, costs and expenses to the Lender forthwith upon demand by the Lender, then the amount of such unpaid legal fees, costs and expenses shall be added to the indebtedness secured hereunder and shall bear interest at the rate herein set forth.

12. COPY OF AGREEMENT

The Debtor hereby acknowledges receipt of a copy of this Security Agreement.

13. COUNTERPARTS

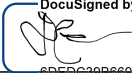
This Security Agreement may be executed and delivered in counterparts, each of which, when so executed, shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same document, and notwithstanding the actual date of execution of each counterpart, this document shall be conclusively deemed to bear the date noted on same. In addition, this document may be executed by any of the undersigned parties electronically, in accordance with the provisions of the Electronic Commerce Act, 2000, S.O. 2000, as amended. A photocopy or a scanned and e-mailed copy of this executed document (whether signed in wet-ink or electronically) may be relied upon and/or enforced to the same extent as if it were an original executed version.

The Remainder of the Page shall remain Blank

[Signature Pages Follow]

IN WITNESS WHEREOF the Debtor has executed this Security Agreement under the hand of its authorized signing officers as of the date first written above.

STATEVIEW HOMES (NAO TOWNS II) INC.

DocuSigned by:

Per: _____
Name: Daniel Ciccone
Title: Secretary & Treasurer

I have authority to bind the Corporation

SCHEDULE "A"

PIN 02962-0270 – 7810 McCowan Road, Markham, Ontario
Part Lot 6, Concession 6, as in R640261, Markham

PIN 02962-0271 – 7822 McCowan Road, Markham, Ontario
Part Lot 6, Concession 6, as in MA69140, Markham

PIN 02962-0272 – 7834 McCowan Road, Markham, Ontario
Part Lot 6, Concession 6, designated as Parts 1 and 2, 65R17681, Markham

PIN 02962-0273 – 7846 McCowan Road, Markham, Ontario
Part Lot 6, Concession 6, as in R491185, T/W MA54373, Markham

SCHEDULE "B"

7810 McCowan Road, Markham, Ontario

7822 McCowan Road, Markham, Ontario

7834 McCowan Road, Markham, Ontario

7846 McCowan Road, Markham, Ontario

410 Chrislea Road, Unit 16, Woodbridge, Ontario L4L 8B5

**THIS IS EXHIBIT "G" TO
THE AFFIDAVIT OF BRIAN DORR
SWORN BEFORE ME THIS 25TH
DAY OF APRIL, 2023**



A Commissioner etc.

SHARE PLEDGE AGREEMENT

THIS AGREEMENT made as of the 19th day of April, 2022.

B E T W E E N:

**CARLO TAURASI
DINO TAURASI
DANIEL CICCONE**
(collectively hereinafter referred to as the “**Pledgor**”)

OF THE FIRST PART

- and -

**DORR CAPITAL CORPORATION and
ATRIUM MORTGAGE INVESTMENT CORPORATION**
(hereinafter referred to as the “**Lender**”)

OF THE SECOND PART

WHEREAS, pursuant to the terms of a commitment letter dated April 1, 2022, as amended from time to time (the “**Loan Agreement**”) made between the Lender and STATEVIEW HOMES (NAO TOWNS II) INC. (the “**Borrower**”), the Borrower agreed to borrow certain funds from the Lender on the security, *inter alia*, of all of the issued and outstanding shares of the Borrower owned, beneficially and of record, by the Pledgor (collectively, the “**Pledged Shares**”), all on the terms and conditions set out in the Loan Agreement.

NOW THEREFORE in consideration of the mutual covenants herein contained and for other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the parties agree as follows:

ARTICLE 1 - DEFINITIONS

1.1 Definitions

All expressions and definitions contained in this Agreement shall have the same meaning as the corresponding expressions and definitions contained in the *Personal Property Security Act*, (Ontario), unless specifically modified by this Agreement. In addition, the following words and expressions shall have the following meanings:

- (a) “**Act**” means the *Personal Property Security Act*, (Ontario) as amended or re-enacted from time to time;
- (b) “**Interest Rate**” means the annual rate of interest prescribed by the Loan Agreement;
- (c) “**Obligations**” means the obligations, indebtedness and liability of the Borrower referred to in Section 2.1;
- (d) “**Pledged Shares**” means all of the issued shares of the Borrower owned by the Pledgor;

- (e) "**Loan Agreement**" has that meaning given to it in the first recital hereto; and
- (f) "**Security Interest**" means the security interest referred to in Section 2.1.

ARTICLE 2 - THE SECURITY INTEREST

2.1 Grant of Security Interest

As security for the payment and satisfaction of any and all obligations, liability and indebtedness of the Borrower to the Lender under the Loan Agreement and this Agreement (such obligations, indebtedness and liability being hereinafter collectively called the "**Obligations**"), the Pledgor hereby grants to the Lender a continuing and specific security interest in and to the Pledged Shares and any proceeds thereof.

2.2 Attachment of Security Interest

The Pledgor hereby agrees that the Security Interest in the Pledged Shares shall attach upon the execution of this Agreement by the parties.

2.3 Delivery of Pledged Shares

The Pledgor agrees that it shall, upon the execution of this Agreement, deliver to the Lender share certificates representing the Pledged Shares, duly endorsed by the Pledgor for transfer to the Lender and, in addition, the Pledgor shall take such reasonable steps as may be necessary to cause the Pledged Shares to be transferred into the name of the Lender and to register the Lender in the appropriate books and registers of the Borrower as owner of the Pledged Shares.

2.4 Release of Pledged Shares

Upon the payment in full of the principal and interest owing by the Borrower to the Lender pursuant to the terms of the Loan Agreement, the Lender shall deliver to the Pledgor the share certificates for the Pledged Shares, released and discharged from the Security Interest.

ARTICLE 3 - REPRESENTATIONS AND WARRANTIES OF THE PLEDGOR

The Pledgor hereby represents and warrants to the Lender as follows:

3.1 Due Authorization

The execution and delivery of this Agreement by the Pledgor has been duly authorized by all necessary corporate action, and the Pledgor has all requisite power and authority to enter into this Agreement and to grant the Security Interest.

3.2 **Issued Capital**

The issued capital of the Borrower consists of 100 shares, issued as follows:

<u>Shareholder</u>	<u>Number and Class of Shares Owned</u>
Carlo Taurasi	45 Class A Common
Dino Taurasi	45 Class A Common
Daniel Ciccone	10 Class A Common

3.3 **Title**

The Pledgor owns the Pledged Shares with good and marketable title thereto, free of any claim, lien, security interest or encumbrance of any nature or kind and free of any rights or privileges capable of becoming claims, liens, security interests or encumbrances. The Pledgor is entitled to pledge the Pledged Shares to the Lender, free of any such claims, liens, encumbrances, rights and privileges. In addition, no person, firm or corporation has any agreement or option or any right capable of becoming an agreement for the purchase, subscription or issuance of any of the unissued shares in the capital of the Borrower.

ARTICLE 4- RIGHTS BEFORE DEFAULT

4.1 **To Vote Shares**

Until the Security Interest hereby granted becomes enforceable, the Lender shall cause the Pledged Shares to be represented at all meetings of shareholders of the Borrower by proxy in favour of the Pledgor or such persons as may be designated by the Pledgor; provided that the Pledgor covenants and agrees that such proxies will not be used to vote the Pledged Shares in any manner inconsistent with the terms and provisions of the Loan Agreement or this Agreement.

4.2 **Revocation of Proxy**

The Pledgor agrees that no proxy issued to the Pledgor or its order as provided in Section 4.1 shall be effective from and after the time that the Security Interest becomes enforceable, and, upon the Security Interest becoming enforceable, the Pledgor shall immediately surrender any such proxy to the Lender.

4.3 **To Receive Dividends**

The Lender agrees that so long as the Security Interest has not become enforceable, the Pledgor shall be entitled to receive all cash dividends or other distributions paid on the Pledged Shares.

ARTICLE 5 - EVENTS OF DEFAULT

5.1 **Default**

The Security Interest shall become enforceable upon the occurrence of any one or more of the following events:

- (a) **Default in Satisfying Obligations**: If the Borrower fails to observe or perform, in accordance with its terms, any of the Obligations and fails to cure such default within ten (10) days of receiving written notice from the Lender to cure such default;
- (b) **Default Under This Agreement**: If the Pledgor fails to observe or perform any of the covenants and obligations contained in this Agreement and such non-observance or non-performance has not been corrected within ten (10) days of receiving written notice from the Lender to cure such default;
- (c) **Breach of Representation or Warranty**: If any of the representations and warranties set out in Article 3 proves to be untrue in any material respect as at the date of execution of this Agreement by the Pledgor;
- (d) **Appointment of Receiver, etc.**: If any of the following events occur:
 - (i) a receiver or other custodian (interim or permanent) of the Pledged Shares or any part thereof is appointed by private instrument or by Court order;
 - (ii) if any execution, sequestration, extent or other process of any Court becomes enforceable against the Borrower, the Pledgor or the Pledged Shares or any part thereof; or
 - (iii) if distress or analogous process is made against the Pledged Shares or any part thereof;
- (e) **Sale of Assets**: If the Pledgor or the Borrower ceases to carry on its business, or makes or agrees to make any sale in bulk of its assets; or
- (f) **Enforceability of Other Mortgages and Charges**: If any mortgage, charge, lien, security interest or other encumbrance affecting any real or personal property of the Pledgor or the Borrower becomes enforceable.

Notwithstanding anything set out herein to the contrary, it is agreed that the Lender shall not enforce against the Security Interest in accordance with Section 5.1 to and until such time as it has first exhausted recourse against the Borrower in accordance with the security delivered pursuant Section 5.1(f) (the "Loan Security"), save and except in the event that all or any part of the Loan Security is deemed unenforceable, either as may be alleged by the Borrower or as may be declared by a court of competent jurisdiction. Nothing herein shall prohibit or disentitle the Lender from commencing enforcement proceedings contemporaneous with enforcement of the Loan Documents to establish its priority in any proceedings on account of the Security Interest.

ARTICLE 6 - REMEDIES UPON DEFAULT

6.1 Remedies

If the Security Interest becomes enforceable the provisions of Part V of the Act shall govern the rights, remedies and obligations of the parties in respect of the default in question, except as otherwise provided in this Article 6. Notwithstanding anything to the contrary contained in the Act or in any other agreement between the parties, upon the Security Interest becoming enforceable:

- (a) Acceleration: the Lender may, at its option, declare that the whole or any part of any indebtedness forming a part of the Obligations is immediately due and payable in full;
- (b) Sell the Pledged Shares: the Lender may, and it shall be deemed commercially reasonable for the Lender to, sell the Pledged Shares or any part thereof at any public or private sale, auction, tender or other disposition and the Lender shall have the right to purchase all or any part of the Pledged Shares at a public or private sale;
- (c) Expenses of Realization: the Lender may charge on behalf of the Lender and pay to others reasonable sums for expenses incurred and for services rendered (including legal fees on a solicitor and client basis and fees for receivers, managers, accountants and other professionals) in connection with the Lender's realizing upon the Pledged Shares or otherwise dealing with the Pledged Shares in accordance with the provisions of this Agreement or the Act and all such sums shall be payable to the Lender on demand and until paid shall bear interest at the Interest Rate;
- (d) Third Party Claims: the Lender may, if it deems necessary for the proper realization of all or any part of the Pledged Shares, pay any claim, lien, security interest or other encumbrance that may exist or be threatened against the Pledged Shares, in which event the amount so paid, together with all costs and expenses of the Lender incurred in connection therewith, shall be payable to the Lender on demand and until paid in full shall bear interest at the Interest Rate;
- (e) Failure to Realize: the Lender shall not be liable or accountable for any failure to realize or otherwise deal with the Pledged Shares or any part thereof and shall not be bound to institute proceedings for the purpose of preserving any rights of the Lender, the Pledgor or any other person in respect of the Pledged Shares;
- (f) Application of Proceeds: all monies received or collected by the Lender in respect of the Pledged Shares may be applied on account of such part of the Obligations as the Lender deems fit;
- (g) Foreclosure: at its option the Lender may retain all or part of the Pledged Shares in full satisfaction of the Obligations.

ARTICLE 7- GENERAL CONTRACT PROVISIONS

7.1 **Remedies Cumulative**

All remedies of the Lender at law and hereunder shall be cumulative and not in the alternative.

7.2 **Security in Addition**

The Security Interest is in addition to and not in substitution of any other security now or hereafter held by the Lender.

7.3 **Further Assurances**

The Borrower will from time to time, at the request of the Lender and at the expense of the Borrower, make and do all such acts and things and execute and deliver all such agreements, mortgages, deeds and other documents and assurances as be reasonably necessary or desirable to perfect and preserve the Security Interest.

7.4 **Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the Province of Ontario.

7.5 **Time of the Essence**

Time shall be of the essence of this Agreement.

7.6 **Counterparts**

This Agreement may be executed and delivered in counterparts, each of which, when so executed, shall be deemed to be an original and all of which taken together shall be deemed to constitute one and the same document, and notwithstanding the actual date of execution of each counterpart, this document shall be conclusively deemed to bear the date noted on same. In addition, this document may be executed by any of the undersigned parties electronically, in accordance with the provisions of the Electronic Commerce Act, 2000, S.O. 2000, as amended. A photocopy or a scanned and e-mailed copy of this executed document (whether signed in wet-ink or electronically) may be relied upon and/or enforced to the same extent as if it were an original executed version.

7.7 **Binding Effect**

This Agreement shall enure to the benefit of and be binding upon the Borrower and the Lender and their respective successors, assigns and legal representatives.

7.8 **Duplicate Copy**

The Borrower acknowledges receipt of an executed copy of this Agreement.

DATED as of the 19th day of April, 2022.

DocuSigned by:
Benjamin Singer
B6024DAA3079491...

Witness: Benjamin Singer

DocuSigned by:
Carlo Taurasi
30E01E733F9B420...

Carlo Taurasi

DocuSigned by:
Benjamin Singer
B6024DAA3079491...

Witness: Benjamin Singer

DocuSigned by:
Dino Taurasi
25F0D1A093894D3...

Dino Taurasi

DocuSigned by:
Benjamin Singer
B6024DAA3079491...

Witness: Benjamin Singer

DocuSigned by:
Daniel Ciccone
6DFDC39B6698478...

Daniel Ciccone

**THIS IS EXHIBIT "H" TO
THE AFFIDAVIT OF BRIAN DORR
SWORN BEFORE ME THIS 25TH
DAY OF APRIL, 2023**



A Commissioner etc.

GUARANTEE AND POSTPONEMENT OF CLAIM

WE, DINO TAURASI AND CARLO TAURASI (collectively, the “**Additional Covenantor**”), IN CONSIDERATION of the advance of such amount of the principal sum as may be advanced under the Charge (the “**Charge**”), a draft of which is annexed hereto for identification, to or to the order or account of **STATEVIEW HOMES (NAO TOWNS II) INC.** (such Chargor and its successors and assigns being together called the “**Chargor**”), HEREBY JOINTLY AND SEVERALLY FOR 100% OF THE LOAN WITH THE CHARGOR COVENANT AND AGREE WITH **DORR CAPITAL CORPORATION and ATRIUM MORTGAGE INVESTMENT CORPORATION**, collectively the Chargee named in the Charge and its successors and assigns, (such Chargee and its successors and assigns being together called the “**Chargee**”), that if default shall at any time be made by the Chargor in payment of any sum or sums of money whatsoever that shall be or become payable under the terms of the Charge, including any extension, amendment, restatement thereof, or in the observance or performance of any or all of the covenants in the Charge contained which, according to the terms thereof are to be paid and performed by the Chargor (the obligations of the Chargor to pay such sums and to observe and perform such covenants being sometimes hereinafter collectively called the “**Guaranteed Obligations**”):

The Additional Covenantor will, on demand, pay or cause to be paid to the Chargee the amount of the Guaranteed Obligations for which each becomes liable under the Charge by reason of:

- (i) non-payment of the said sums or any part thereof by the Chargor, and/or
- (ii) as a result of the non-performance of the said covenants of the Chargor or any of them

AND THE ADDITIONAL COVENANTOR FURTHER COVENANTS AND AGREES with the Chargee for the consideration aforesaid:

1. That no extension of time by the Chargee to the Chargor for the payment of the said sums of money or any of them or of any payments due or to become due under the Charge or for the performance of any of the said covenants, and no compounding or compromising with or granting to the Chargor of any indulgence by the Chargee (including the discharge of any security for payment of the said sums) shall affect our liability hereunder. Further, no transaction which may take place between the Chargee and the Chargor, and no act, omissions, neglect or default of the Chargee which might otherwise operate as a discharge, either partial or absolute, of the undersigned (whether or not the undersigned has been given notice of such transaction, act, omission, neglect or default and whether or not the undersigned has consented thereto) shall in any way discharge or otherwise affect our liability hereunder; neither shall this guarantee be discharged or otherwise howsoever affected by the bankruptcy, death or dissolution of the Chargor, the transfer or other disposition of the mortgaged lands by the Chargor nor the taking of any additional or collateral security or additional guarantees by the Chargee.
2. That any account settled or stated by or between the Chargee and the Chargor or admitted by or on behalf of the Chargor may be adduced by the Chargee and shall in that case be conclusive evidence against the undersigned that the balance or amount appearing therein is the sum of money due by the Chargor to the Chargee.
3. That the undersigned shall not at any time claim to be subrogated in any manner to the position of the Chargee and shall not claim the benefit of any security at any time held by the Chargee; provided, however, that in the event that the undersigned shall pay to the Chargee all of the principal monies, interest and other monies whatsoever remaining unpaid under or in respect of the Charge then the undersigned shall be entitled, on demand in writing given by the undersigned to the Chargee, to assignment of so much of the security for the loan secured by the Charge (if any) which remains in the Chargee’s possession at the time of receipt of the said payment in full.
4. That the obligation of the Additional Covenantor hereunder shall be direct and unconditional and independent of the enforcement of the obligations under the Charge against the Chargor, and a separate action or actions may be brought and maintained against the undersigned without the necessity of joining or previously proceeding against or exhausting any remedy against the Chargor or any security held by the Chargee; and (without limiting the generality of the foregoing) the Chargee shall not be required to take legal proceedings by way of sale or foreclosure against the lands secured by the Charge prior to commencing or completing legal proceedings to enforce this guarantee.
5. That the obligation of the Additional Covenantor hereunder shall be joint and several with that of the Chargor.
6. That if the Chargee shall obtain a judgment or judgments from a court of competent jurisdiction pursuant to a default by or other enforcement of this guarantee against the undersigned with respect to any of the covenants contained in this guarantee, then interest shall accrue, be calculated, and be

payable to the Chargee by the undersigned upon that judgment or judgments at the rate of interest per annum stipulated in the Charge, calculated from the date that the judgment is granted, and interest at the said rate shall be payable upon the said judgment until the judgment including such interest has been fully paid to the Chargee.

7. That the Additional Covenantor will pay to the Chargee, and indemnify and save harmless the Chargee from and against, the amount of any and all legal costs (including solicitor's fees and disbursements on a solicitor-and-his-own-client, full indemnity, basis) incurred by the Chargee in or in respect of the enforcement of this guarantee and will pay to the Chargee any and all other costs and expenses whatsoever incurred by the Chargee in or in respect of the enforcement of or recovery under this guarantee.
8. That the taking of any additional guarantee or guarantees by the Chargee shall not reduce the obligations of the Additional Covenantor hereunder and our obligations hereunder shall be joint and several with that of the Chargor and any other guarantor. Further, our liability of the Additional Covenantor hereunder shall not be diminished or affected in any way whatsoever where any person expected or believed by the undersigned to be or become an additional guarantor is not in fact an additional guarantor and does not for any reason whatsoever become an additional guarantor or having become an additional guarantor is released or not proceeded against by the Chargee. Further, the liability of the Additional Covenantor hereunder shall not be diminished or affected in any way whatsoever by any transaction whatsoever which may take place between the Chargee and any other guarantor including without limitation any act, omission, neglect or default of the Chargee which may vary or terminate in whole or in part the liability of such other guarantor. In addition, this guarantee shall remain in full force and effect and shall apply to any and all renewals and extensions of the term of the Charge and to any amendment of the Charge whether made by the Chargor or any subsequent owner of the mortgaged lands and whether or not we or any other guarantor shall approve of or consent to any such renewal or extension or amendment and whether or not the Additional Covenantor or any other guarantor shall have been notified of any such renewal or extension or amendment; and our guarantee shall apply to the Charge terms and conditions as renewed or extended or amended (including without limitation any increase or decrease in the rate of interest or in the amount of the monies secured by the Charge) whether or not the Additional Covenantor have received notice of or consented to those terms and conditions.
9. That without restricting the ability of the Chargee to make demand by notice in writing or verbally or otherwise howsoever, commencement of legal proceedings hereunder shall be sufficient demand for payment of any sums or performance of any obligations.
10. That the Chargee may pursue its remedies hereunder, under the said Charge and under any other security for the monies secured by the said Charge, concurrently or consecutively, and shall be entitled to all rights and remedies hereunder whether or not it shall have commenced or completed proceedings to enforce the said Charge or any other security; provided that any monies which are recovered by the Chargee under the said Charge or other security and which are properly applicable to the said sums, shall reduce the obligation of the undersigned hereunder pro tanto.
11. That this Guarantee is binding whether or not any other guarantors become or remain liable to guarantee any part of the Guaranteed Obligations.
12. That our liability and obligation of the Additional Covenantor hereunder shall be satisfied only by the satisfaction of the covenants and conditions in the said Charge contained by the Chargor to be performed, and herein contained to be performed by the Additional Covenantor.
13. That the Additional Covenantor will as principal obligor observe and perform any and all of the Guaranteed Obligations which are not, or cease to be, binding upon the Chargor.
14. That all debts and liabilities, present and future of the Chargor to the undersigned are hereby assigned to the Chargee and postponed to the monies secured by the Charge and all monies received by the undersigned in respect thereof shall be received in trust for the Chargee and forthwith upon receipt shall, at the option of the Chargee, be paid over to the Chargee, the whole without in any way lessening or limiting the liability of the undersigned herein and this assignment and postponement is independent of the covenants of the undersigned contained herein and shall remain in full force and effect until repayment in full to the Chargee of all of the Guaranteed Obligations, notwithstanding that the liability of the undersigned pursuant to the within Guarantee may have been discharged or terminated.
15. This Guarantee shall be binding upon the undersigned, our respective heirs, administrators, successors and assigns.

IN WITNESS WHEREOF, the Additional Covenantor, has executed this Guarantee and Postponement of Claim as of the 19th day of April, 2022.

DocuSigned by:
Benjamin Singer
B6024DAA3079491...

Witness: Benjamin Singer

DocuSigned by:
Dino Taurasi
25F0D1A093894D3...

Dino Taurasi

DocuSigned by:
Benjamin Singer
B6024DAA3079491...

Witness: Benjamin Singer

DocuSigned by:
Carlo Taurasi
30E01E733F9B420...

Carlo Taurasi

**THIS IS EXHIBIT "I" TO
THE AFFIDAVIT OF BRIAN DORR
SWORN BEFORE ME THIS 25TH
DAY OF APRIL, 2023**



A Commissioner etc.



PERSONAL PROPERTY SECURITY REGISTRATION
SYSTEM (ONTARIO) ENQUIRY RESULTS

Prepared for : Chaitons LLP (ADP) - Antoinette De Pinto
Reference : 76900
Docket : 76900
Search ID : 916759
Date Processed : 4/18/2023 3:53:22 PM
Report Type : PPSA Electronic Response
Search Conducted on : STATEVIEW HOMES (NAO TOWNS II) INC.
Search Type : Business Debtor

DISCLAIMER :

This report has been generated using data provided by the Personal Property Registration Branch, Ministry of Government Services, Government of Ontario. No liability is undertaken regarding its correctness, completeness, or the interpretation and use that are made of it.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

THIS IS TO CERTIFY THAT A SEARCH HAS BEEN MADE IN THE RECORDS OF THE
CENTRAL OFFICE OF THE PERSONAL PROPERTY SECURITY SYSTEM IN RESPECT
OF THE FOLLOWING:

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: STATEVIEW HOMES (NAO TOWNS II) INC.

FILE CURRENCY: April 17, 2023

RESPONSE CONTAINS: APPROXIMATELY 2 FAMILIES and 12 PAGES.

THE SEARCH RESULTS MAY INDICATE THAT THERE ARE SOME REGISTRATIONS
WHICH SET OUT A BUSINESS DEBTOR NAME WHICH IS SIMILAR TO THE NAME
IN WHICH YOUR ENQUIRY WAS MADE. IF YOU DETERMINE THAT THERE ARE
OTHER SIMILAR BUSINESS DEBTOR NAMES, YOU MAY REQUEST THAT
ADDITIONAL ENQUIRIES BE MADE AGAINST THOSE NAMES.

THE ABOVE REPORT HAS BEEN CREATED BASED ON THE DATA PROVIDED BY
THE PERSONAL PROPERTY REGISTRATION BRANCH, MINISTRY OF CONSUMER
AND BUSINESS SERVICES, GOVERNMENT OF ONTARIO. NO LIABILITY IS
UNDERTAKEN REGARDING ITS CORRECTNESS, COMPLETENESS, OR THE
INTERPRETATION AND USE THAT ARE MADE OF IT.

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: STATEVIEW HOMES (NAO TOWNS II) INC.

FILE CURRENCY: April 17, 2023

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 2 ENQUIRY PAGE : 1 OF 12

SEARCH : BD : STATEVIEW HOMES (NAO TOWNS II) INC.

00 FILE NUMBER : 781922025 EXPIRY DATE : 11APR 2027 STATUS :
01 CAUTION FILING : PAGE : 001 OF 4 MV SCHEDULE ATTACHED :
REG NUM : 20220411 1208 1590 6996 REG TYP: P PPSA REG PERIOD: 5
02 IND DOB : IND NAME:
03 BUS NAME: STATEVIEW HOMES (NAO TOWNS II) INC.
OCN :
04 ADDRESS : 410 CHRISLEA ROAD, UNIT 16
CITY : VAUGHAN PROV: ON POSTAL CODE: L4L 8B5
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
DORR CAPITAL CORPORATION
09 ADDRESS : 41 SCARSDALE ROAD, UNIT 6
CITY : TORONTO PROV: ON POSTAL CODE: M3B 2R2
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X X X
YEAR MAKE MODEL V.I.N.
11
12

GENERAL COLLATERAL DESCRIPTION

13 ALL PRESENT AND AFTER ACQUIRED PERSONAL PROPERTY USED IN CONNECTION
14 WITH, SITUATE AT OR ARISING FROM THE OWNERSHIP, DEVELOPMENT, USE OR
15 DISPOSITION OF THE LANDS MUNICIPALLY KNOWN AND DESCRIBED AS FIRSTLY
16 AGENT: HARRIS, SHEAFFER LLP MJB/DC 220323 LOAN #21046
17 ADDRESS : YONGE SHEPPARD CENTRE 4881 YONGE STREET,
CITY : TORONTO PROV: ON POSTAL CODE: M2N 5X3

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: STATEVIEW HOMES (NAO TOWNS II) INC.

FILE CURRENCY: April 17, 2023

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 2 ENQUIRY PAGE : 2 OF 12

SEARCH : BD : STATEVIEW HOMES (NAO TOWNS II) INC.

00 FILE NUMBER : 781922025 EXPIRY DATE : 11APR 2027 STATUS :
01 CAUTION FILING : PAGE : 002 OF 4 MV SCHEDULE ATTACHED :
REG NUM : 20220411 1208 1590 6996 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
ATRIUM MORTGAGE INVESTMENT CORPORATION
09 ADDRESS : 900 - 20 ADELAIDE STREET EAST
CITY : TORONTO PROV: ON POSTAL CODE: M5C 2T6
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12

GENERAL COLLATERAL DESCRIPTION

13 7810 MCCOWAN ROAD, MARKHAM, ONTARIO, BEING PART LOT 6, CONCESSION 6,
14 AS IN R640261, MARKHAM, PIN 02962-0270, AND SECONDLY 7822 MCCOWAN
15 ROAD, MARKHAM, ONTARIO, BEING PART LOT 6, CONCESSION 6, AS IN
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: STATEVIEW HOMES (NAO TOWNS II) INC.

FILE CURRENCY: April 17, 2023

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 2 ENQUIRY PAGE : 3 OF 12

SEARCH : BD : STATEVIEW HOMES (NAO TOWNS II) INC.

00 FILE NUMBER : 781922025 EXPIRY DATE : 11APR 2027 STATUS :
01 CAUTION FILING : PAGE : 003 OF 4 MV SCHEDULE ATTACHED :
REG NUM : 20220411 1208 1590 6996 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12

GENERAL COLLATERAL DESCRIPTION

13 MA69140, MARKHAM PIN 02962-0271, AND THIRDLY 7834 MCCOWAN ROAD,
14 MARKHAM, ONTARIO, BEING PART LOT 6, CONCESSION 6, DESIGNATED AS PARTS
15 1 AND 2, 65R17681, MARKHAM PIN 02962-0272, AND FOURTHLY 7846 MCCOWAN

16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: STATEVIEW HOMES (NAO TOWNS II) INC.

FILE CURRENCY: April 17, 2023

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 1 OF 2 ENQUIRY PAGE : 4 OF 12

SEARCH : BD : STATEVIEW HOMES (NAO TOWNS II) INC.

00 FILE NUMBER : 781922025 EXPIRY DATE : 11APR 2027 STATUS :
01 CAUTION FILING : PAGE : 004 OF 4 MV SCHEDULE ATTACHED :
REG NUM : 20220411 1208 1590 6996 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12

GENERAL COLLATERAL DESCRIPTION

13 ROAD, MARKHAM, ONTARIO, BEING PART LOT 6, CONCESSION 6, AS IN
14 R491185, T/W MA54373, MARKHAM PIN 02962-0273

15

16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

END OF FAMILY

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: STATEVIEW HOMES (NAO TOWNS II) INC.

FILE CURRENCY: April 17, 2023

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 2 ENQUIRY PAGE : 5 OF 12

SEARCH : BD : STATEVIEW HOMES (NAO TOWNS II) INC.

00 FILE NUMBER : 789730362 EXPIRY DATE : 04JAN 2028 STATUS :
01 CAUTION FILING : PAGE : 001 OF 8 MV SCHEDULE ATTACHED :
REG NUM : 20230104 1353 5064 7003 REG TYP: P PPSA REG PERIOD: 05
02 IND DOB : IND NAME:
03 BUS NAME: STATEVIEW HOMES (NAO TOWNS II) INC.
OCN :
04 ADDRESS : 410 CHRISLEA ROAD, UNIT 15 &16
CITY : VAUGHAN PROV: ON POSTAL CODE: L4L 8B5
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

BERGO INVESTMENT LIMITED

09 ADDRESS : 44 UPJOHN ROAD

CITY : TORONTO PROV: ON POSTAL CODE: M3B 2W1
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10 X X X X X X X
YEAR MAKE MODEL V.I.N.

11

12

GENERAL COLLATERAL DESCRIPTION

13 (1) SECOND RANKING GENERAL SECURITY AGREEMENT CREATING A SECURITY

14 INTEREST IN ALL PRESENT AND FUTURE ACQUIRED PERSONAL PROPERTY THE

15 DEBTORS INCLUDING ALL RIGHTS OF THE DEBTORS (A) UNDER ALL

16 AGENT: ESC CORPORATE SERVICES LTD.

17 ADDRESS : 445 KING STREET WEST, SUITE 400

CITY : TORONTO PROV: ON POSTAL CODE: M5V 1K4

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: STATEVIEW HOMES (NAO TOWNS II) INC.

FILE CURRENCY: April 17, 2023

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 2 ENQUIRY PAGE : 6 OF 12

SEARCH : BD : STATEVIEW HOMES (NAO TOWNS II) INC.

00 FILE NUMBER : 789730362 EXPIRY DATE : 04JAN 2028 STATUS :
01 CAUTION FILING : PAGE : 002 OF 8 MV SCHEDULE ATTACHED :
REG NUM : 20230104 1353 5064 7003 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :
MCO MANAGEMENT INC.
09 ADDRESS : 8920 WOODBINE AVE., SUITE 400
CITY : MARKHAM PROV: ON POSTAL CODE: L3R 9W9
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12

GENERAL COLLATERAL DESCRIPTION

13 BUILDING/DEVELOPMENT PERMITS AND THE MONIES PAID THEREUNDER (B) TO
14 ALL PLANS, SPECIFICATIONS, DRAWINGS, CONTRACTS AND AGREEMENTS
15 RELATING TO THE PROPERTIES LOCATED AT 7810, 7822, 7834 AND 7846
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: STATEVIEW HOMES (NAO TOWNS II) INC.

FILE CURRENCY: April 17, 2023

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 2 ENQUIRY PAGE : 7 OF 12

SEARCH : BD : STATEVIEW HOMES (NAO TOWNS II) INC.

00 FILE NUMBER : 789730362 EXPIRY DATE : 04JAN 2028 STATUS :
01 CAUTION FILING : PAGE : 003 OF 8 MV SCHEDULE ATTACHED :
REG NUM : 20230104 1353 5064 7003 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

TONY KARAMITSOS

09 ADDRESS : 44 UPJOHN ROAD

CITY : TORONTO PROV: ON POSTAL CODE: M3B 2W1
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12

GENERAL COLLATERAL DESCRIPTION

13 MCCOWAN ROAD, MARKHAM, ONTARIO, LEGALLY DESCRIBED AS (PIN#
14 02962-0270) (LT) PART LOT 6, CONCESSION 6, AS IN R640261 MARKHAM,
15 MUNICIPALLY KNOWN AS 7810 MCCOWAN ROAD, MARKHAM, ONTARIO (PIN#
16 AGENT:

17 ADDRESS :

CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: STATEVIEW HOMES (NAO TOWNS II) INC.

FILE CURRENCY: April 17, 2023

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 2 ENQUIRY PAGE : 8 OF 12

SEARCH : BD : STATEVIEW HOMES (NAO TOWNS II) INC.

00 FILE NUMBER : 789730362 EXPIRY DATE : 04JAN 2028 STATUS :
01 CAUTION FILING : PAGE : 004 OF 8 MV SCHEDULE ATTACHED :
REG NUM : 20230104 1353 5064 7003 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12

GENERAL COLLATERAL DESCRIPTION

13 02962-0271) (LT) PART LOT 6, CONCESSION 6, AS IN MA69140 MARKHAM,
14 MUNICIPALLY KNOWN AS 7822 MCCOWAN ROAD, MARKHAM, ONTARIO (PIN#
15 02962-0272) (LT) PART LOT 6, CONCESSION 6, PART 1 AND 2, 65R17687
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: STATEVIEW HOMES (NAO TOWNS II) INC.

FILE CURRENCY: April 17, 2023

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 2 ENQUIRY PAGE : 9 OF 12

SEARCH : BD : STATEVIEW HOMES (NAO TOWNS II) INC.

00 FILE NUMBER : 789730362 EXPIRY DATE : 04JAN 2028 STATUS :
01 CAUTION FILING : PAGE : 005 OF 8 MV SCHEDULE ATTACHED :
REG NUM : 20230104 1353 5064 7003 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12

GENERAL COLLATERAL DESCRIPTION

13 MARKHAM, MUNICIPALLY KNOWN AS 7834 MCCOWAN ROAD, MARKHAM, ONTARIO
14 AND (PIN# 02962-0273) (LT) PART LOT 6, CONCESSION 6, AS IN R491185
15 T/W MA54373 MARKHAM, MUNICIPALLY KNOWN AS 7846 MCCOWAN ROAD, MARKHAM
16 AGENT:
17 ADDRESS :
CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: STATEVIEW HOMES (NAO TOWNS II) INC.

FILE CURRENCY: April 17, 2023

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 2 ENQUIRY PAGE : 10 OF 12

SEARCH : BD : STATEVIEW HOMES (NAO TOWNS II) INC.

00 FILE NUMBER : 789730362 EXPIRY DATE : 04JAN 2028 STATUS :
01 CAUTION FILING : PAGE : 006 OF 8 MV SCHEDULE ATTACHED :
REG NUM : 20230104 1353 5064 7003 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12

GENERAL COLLATERAL DESCRIPTION

13 (COLLECTIVELY REFERRED TO AS THE "PROPERTIES" OR "PROJECTS") (2)
14 ASSIGNMENT OF BENEFITS BUT NOT DEBTORS OBLIGATIONS IN ALL MATERIAL
15 AGREEMENTS INCLUDING ALL PRESENT OR FUTURE PROFESSIONAL CONSTRUCTION,

16 AGENT:

17 ADDRESS :

CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: STATEVIEW HOMES (NAO TOWNS II) INC.

FILE CURRENCY: April 17, 2023

1C FINANCING STATEMENT / CLAIM FOR LIEN

FAMILY : 2 OF 2 ENQUIRY PAGE : 11 OF 12

SEARCH : BD : STATEVIEW HOMES (NAO TOWNS II) INC.

00 FILE NUMBER : 789730362 EXPIRY DATE : 04JAN 2028 STATUS :
01 CAUTION FILING : PAGE : 007 OF 8 MV SCHEDULE ATTACHED :
REG NUM : 20230104 1353 5064 7003 REG TYP: REG PERIOD:
02 IND DOB : IND NAME:
03 BUS NAME:
OCN :
04 ADDRESS :
CITY : PROV: POSTAL CODE:
05 IND DOB : IND NAME:
06 BUS NAME:
OCN :
07 ADDRESS :
CITY : PROV: POSTAL CODE:

08 SECURED PARTY/LIEN CLAIMANT :

09 ADDRESS :
CITY : PROV: POSTAL CODE:
CONS. MV DATE OF OR NO FIXED
GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12

GENERAL COLLATERAL DESCRIPTION

13 MANAGEMENT AND OTHER CONTRACTS, PLANS, SPECIFICATIONS, WORKING
14 DRAWINGS, BUDGETS FOR PROVISION OF MATERIALS AND EQUIPMENTS, AND
15 SERVICES TO THE PROPERTIES, AND (3) SECOND RANKING ASSIGNMENT OF ALL
16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

CONTINUED

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

MINISTRY OF CONSUMER AND BUSINESS SERVICES
PERSONAL PROPERTY SECURITY REGISTRATION SYSTEM
ENQUIRY RESPONSE

TYPE OF SEARCH: BUSINESS DEBTOR

CONDUCTED ON: STATEVIEW HOMES (NAO TOWNS II) INC.

FILE CURRENCY: April 17, 2023

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FAMILY : 2 OF 2 ENQUIRY PAGE : 12 OF 12

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GOODS INVTRY. EQUIP ACCTS OTHER INCL AMOUNT MATURITY MAT DATE
10
YEAR MAKE MODEL V.I.N.
11
12

GENERAL COLLATERAL DESCRIPTION

13 PRESENT AND FUTURE PURCHASE AGREEMENTS, PURCHASERS DEPOSITS RELATING
14 TO DEVELOPMENT WITH RESPECT TO THE PROPERTIES AND PROJECTS
15

16 AGENT:

17 ADDRESS :
CITY : PROV: POSTAL CODE:

LAST SCREEN

*** FOR FURTHER INFORMATION, CONTACT THE SECURED PARTY. ***

**THIS IS EXHIBIT "J" TO
THE AFFIDAVIT OF BRIAN DORR
SWORN BEFORE ME THIS 25TH
DAY OF APRIL, 2023**



A Commissioner etc.

Properties

<i>PIN</i>	02962 - 0270	LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 6, CON 6 , AS IN R640261 ; MARKHAM			
<i>Address</i>	7810 MC COWAN ROAD MARKHAM			
<i>PIN</i>	02962 - 0271	LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 6, CON 6 , AS IN MA69140 ; MARKHAM			
<i>Address</i>	7822 MCCOWAN ROAD MARKHAM			
<i>PIN</i>	02962 - 0272	LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 6, CON 6 , PART 1, 2 , 65R17687			
<i>Address</i>	7834 MC COWAN RD MARKHAM			
<i>PIN</i>	02962 - 0273	LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 6, CON 6 , AS IN R491185; T/W MA54373			
<i>Address</i>	7846 MCCOWAN ROAD MARKHAM			

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name STATEVIEW HOMES (NAO TOWNS II) INC.
Address for Service 410 Chrislea Road, Unit 16
 Woodbridge, ON L4L 8B5

A person or persons with authority to bind the corporation has/have consented to the registration of this document.
 This document is not authorized under Power of Attorney by this party.

Chargee(s)	Capacity	Share
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<i>Name</i>	BERGO INVESTMENT LIMITED	Tenants In Common	49.64% INTEREST
<i>Address for Service</i>	44 Upjohn Road Toronto, ON M3B 2W1		
<i>Name</i>	MCO MANAGEMENT INC.	Tenants In Common	23.74% INTEREST
<i>Address for Service</i>	8920 Woodbine Ave., Suite 400 Markham, ON L3R 9W9		
<i>Name</i>	KARAMITSOS, TONY	Tenants In Common	26.62% INTEREST
<i>Address for Service</i>	44 Upjohn Road Toronto, ON M3B 2W1		

Provisions

<i>Principal</i>	\$20,850,000.00	<i>Currency</i>	CDN
<i>Calculation Period</i>	Monthly, Not in Advance		
<i>Balance Due Date</i>	June 1st, 2024		
<i>Interest Rate</i>	15% Interest Only		
<i>Payments</i>	\$260,625.00		
<i>Interest Adjustment Date</i>	2023 01 01		
<i>Payment Date</i>	1st day of each and every month		
<i>First Payment Date</i>	2023 02 01		
<i>Last Payment Date</i>	2024 06 01		
<i>Standard Charge Terms</i>	200033		
<i>Insurance Amount</i>	Full insurable value		
<i>Guarantor</i>	Carlo Taurasi, Dino Taurasi, Daniel Ciccone		

Additional Provisions

See Schedules

Signed By

Ronald Aaron Fritz 44 Upjohn Rd acting for Signed 2022 12 16
Toronto Chargor(s)
M3B 2W1

Tel 416-587-3924

Fax 416-385-1718

I have the authority to sign and register the document on behalf of the Chargor(s).

Submitted By

RONALD AARON FRITZ 44 Upjohn Rd 2022 12 16
Toronto
M3B 2W1

Tel 416-587-3924

Fax 416-385-1718

Fees/Taxes/Payment

Statutory Registration Fee \$69.00

Total Paid \$69.00

File Number

Chargee Client File Number : 22-1323

ADDITIONAL PROVISIONS

For the purpose of this Charge/Mortgage, the terms “Charge”, “Chargor” and “Chargee” shall also mean “Mortgage”, “Mortgagor”, and “Mortgagee”.

For the purposes of this Charge, the words contained herein importing the singular number include the plural and vice versa and words importing the masculine gender include the feminine and neutral genders.

COLLATERAL

This Charge is collateral to charges dated December 12, 2022, bearing the same terms and conditions and to be registered on the following properties:

The properties located on Townline Road and Bethesda Side Road, Stouffville, (collectively the “**ELM&CO**”), and legally described as: (legally described as (**PIN #03707-0188**) (LT) Part Lot 5, Concession 10 Whitchurch, Part 1, Plan 65R37148; Town of Whitchurch-Stouffville, Ontario. Payments under this Charge shall be deemed to payments under the latter Charge and full payment of this Charge shall cause the Chargee to issue a discharge under the latter Charges.

The properties located on Ardagh Road and Mapleton Avenue, Barrie, Ontario, legally described as: (**PIN# 58763-1764**) (LT) Block 76, Plan 51M1167; City of Barrie, Summerset Drive, Barrie, Ontario (hereinafter referred to as “**BEA Towns**”). Payments under this Charge shall be deemed to payments under the latter Charge and full payment of this Charge shall cause the Chargee to issue a discharge under the latter Charges.

FEES AND COSTS

The Chargor agrees to pay all legal and other expenses incurred by the Chargee in connection with the preparation and registration of this Charge and any security interests pursuant to the Personal Property Security Act (Ontario) and any renewals thereof forthwith upon demand and such fees and expenses, together with interest thereon at the interest rate charges hereunder, shall be added to the principal sum secured by the within charge if not paid.

PAYMENTS

ANY DISCHARGE of this charge shall be prepared by the Chargee at the Chargor’s expense within a reasonable time after repayment of the principal sum secured herein together with accrued interest thereon. All payments hereunder shall be made to the Chargee at:

Bergo Investment Limited
44 Upjohn Road
Toronto, ON M3B 2W1

MCO Management Inc.
8920 Woodbine Ave., Suite 403
Markham, ON L3R 9W9

Tony Karamitsos
44 Upjohn Road
Toronto, ON M3B 2W1

collectively the “Chargee”

or such other place as the Chargor is notified of from time to time. All payments received after 1:00 p.m. shall be deemed to have been received on the following business day.

The Chargor acknowledges and agrees that any payments made to discharge the said Charge to the Chargee’s solicitors or any other authorized agents of the Chargee shall not be deemed to constitute payment received by the Chargee until the same is received by the Chargee at its offices as set out above.

The Chargor will pay a fee of \$650.00 plus HST and the cost of registration to discharge the Charge.

FAMILY LAW ACT

This property is not a matrimonial home of any of **Carlo Taurasi, Dino Taurasi, Daniel Ciccone** and/or any other officers, directors or shareholders of the Chargor, nor will it be used as one.

PREPAYMENT PROVISIONS

OPEN. The Chargors, when not in default, shall have the privilege of prepaying the whole of the said principal sum hereby secured at any time or times, on any banking day upon payment to the Chargee of two (2) months’ interest as bonus or two month’s written notice.

PARTIAL DISCHARGE

The Chargors, when not in default, shall have the privilege of obtaining a partial discharge of the Charge as follows: (i) with respect to NAO Towns, upon payment of the sum of \$5,000,000.00 and providing one month’s notice or

interest as bonus; (ii) with respect to BEA Towns, upon payment of the sum of \$6,000,000.00 and providing one month's notice or interest as bonus; and (iii) with respect to ELM&CO, upon payment of the sum of \$9,850,000.00 and providing one month's notice or interest as bonus.

BREACH OF COVENANT

A breach of any covenant contained in this Charge shall constitute a default hereunder and at the option of the Chargee, it may avail itself of the remedies contained in this Charge or available at law.

INDEPENDENT LEGAL REPRESENTATION

The Chargor and Guarantors (collectively the "Parties") hereto acknowledge that they have full knowledge of the purpose and essence of this Charge transaction, and that they have been appropriately and independently legally represented in that regard. The Parties agree to provide to the Chargee a Certificate of Independent Legal Representation and when the same may be required, regarding their knowledge and understanding of this transaction.

NO IMPROVEMENT

The Chargor and/or Guarantors warrants that the purpose of this charge is not to finance an improvement on the herein described Property. An improvement means any alteration, addition or repair to any building on the herein described Property or any construction, erection or installation on the herein described Property.

POST-DATED CHEQUES

The Chargor shall provide a series of twelve (12) post-dated cheques to cover the monthly payments under the Charge and to deliver such cheques in care of the Chargee as directed prior to the advance of each advance of funds, and such cheques shall be drawn on a Canadian chartered bank in favour of the Chargee, in care of the Lender's lawyer. The Chargee may direct the Chargor to make such cheques payable to different persons or entities in amounts to be designated by the Chargee. Any default under this covenant shall be considered a default under the Charge. If the Charge is extended the Chargor and Guarantors are to provide post-dated cheques prior to any extension of the Charge and a fee of **two (2) %** of the balance outstanding as a further placement fee if the Charge is not paid on the maturity date stated herein.

SERVICE FEE

Any service fee owing by the Chargor and/or Guarantors to the Chargee which is not paid shall be added to the mortgage indebtedness and shall bear interest at the rate herein set forth.

Should the Chargee take any proceedings as provided for in the within Charge by reason of the Chargor's and/or Guarantors' default, the Chargee shall be entitled to add to the Charge account the Chargee's then current service fee in addition to all other fees, costs, claims or demands to which the Chargee is also entitled.

ADMINISTRATION FEES

The Chargee shall charge an administration fee, as determined and posted by the Chargee from time to time, for each occurrence of any of the following events: late payment, cheque dishonoured for any reason, failure to provide postdated cheques, request for a Mortgage Statement, discharge of Charge. Such administration fees will be added to the principal amount if not paid. Fee for payments not made or NSF is \$200.00 (plus HST) per occurrence. A charge of \$450.00 (plus HST) for a demand letter and \$500 for failure to deliver posted-dated cheques.

STATEMENT OF MORTGAGE BALANCE

The Chargee shall be paid a fee of \$550.00 (plus GST) for each request for a Statement of Mortgage.

ASSIGNMENT OF CHARGE

The Charge may not be assigned, transferred or otherwise disposed of by the Chargor without the Chargee's prior written consent. However, the Charge or any interest therein may be assigned or participated by the Chargee (and its successors and assigns), in whole or in part, without the consent of the Chargor. Except as hereinafter provided, the Chargor consents to the disclosure by the Chargee to any such prospective assignee or participant of all information and documents regarding the Charge and the Chargor within the possession or control of the Chargee. Chargor to be notified and Assignment not allowed if a conflicting party.

SUBSEQUENT ENCUMBRANCES

In the event of the Chargor and/or Guarantors further encumbering the property without the prior written consent of

the Chargee, such further encumbering shall constitute a default under this Charge and in such event all money owing under the herein Charge shall immediately become due and payable.

NON-TRANSFER

Paragraph 14 of Standard Charge Terms 200033 is hereby deleted.

In the event that the Chargor sells, conveys, transfers, assigns or exercises a power of appointment with respect to the property herein described to a purchaser, transferee or assignee or in the event of a change of shareholders of the Chargor which results in a change of control of the Chargor or in the event of a change in the beneficial ownership of the Property herein described the entire principal sum and interest hereby secured shall forthwith become due and payable.

ENVIRONMENTAL

The Chargee or agent of the Chargee may, at any time, before and after default, and for any purpose deemed necessary by the Chargee, enter upon the said Property to inspect the Property and buildings thereon. Without in any way limiting the generality of the foregoing, the Chargee (or its respective agents) may enter upon the said Property to conduct any environmental testing, site assessment, investigation or study deemed necessary by the Chargee, and the reasonable cost of such testing, assessment, investigation or study, as the case may be, with interest at the mortgage rate, shall be payable by the Chargor and/or Guarantors forthwith and shall be a charge upon the said Property. The exercise of any of the powers enumerated in this clause shall not deem the Chargee, or its respective agents to be in possession, management or control of the said Property and buildings.

The Chargee shall have the right to incur expense to comply or to verify the undersigned's compliance with lawful environmental requirements of any governmental body having jurisdiction. Such expense shall be repaid by the undersigned to the Chargee and shall be added to the principal amount secured under the executed security documentation referable to the above-noted loan transaction and shall be secured by the said security documentation.

In consideration of the advance of funds by the Chargee, the Chargor and the Guarantors hereby agree that, in addition to any liability imposed on the Chargor and/or Guarantors under any instrument evidencing or securing the loan indebtedness, the Chargor and Guarantors shall be jointly and severally liable for any and all of the costs, expenses, damages, or liabilities of the Chargee, its directors and officers (including, without limitation, all reasonable legal fees) directly or indirectly arising out of or attributable to the use, generation, storage, release, threatened release, discharge, disposal or presence on, under or about the Property of any hazardous or noxious substances and such liability shall survive foreclosure of the security for the loan and any other existing obligations of the Chargor and/or Guarantors to the Chargee in respect of the loan and any other exercise by the Chargee of any remedies available to it in the event of any default under the Charge.

The Chargor and/or Guarantors hereby represents and warrants that neither the Chargor and/or Guarantors/Consenting Spouse, nor, to its knowledge, any other person, has ever caused or permitted any Hazardous Material (as hereinafter defined) to be placed, held, located or disposed of on, under or at the Property and that its business and assets are operated in compliance with applicable laws intended to protect the environment (including, without limitation, laws respecting the discharge, emission, spill or disposal of any Hazardous Materials) and that no enforcement actions in respect thereof are threatened or pending and covenants to cause any person permitted by the Chargor and/or Guarantors to use or occupy the Property or any part thereof to continue to so operate.

The Chargor and/or Guarantors hereby warrants, represents and agrees to advise the Chargee of any activity on the Property which involves the use of hazardous waste or material, of any change in the use or occupation of the Property and of any matter which may increase the environmental liability of the Chargee.

The Chargor and/or Guarantors hereby indemnifies the Chargee, its officers, directors, employees, agents and its shareholders and agrees to hold each of them harmless from and against any and all losses, liabilities, damages, costs, expenses and claims of any and every kind whatsoever which at any time or from time to time may be paid, incurred or asserted against any of them for, with respect to, or as direct result of, the presence on or under, or the discharge, emission, spill or disposal from, the Property, onto any property or into the atmosphere, or any watercourse, body of water or wetland, of any Hazardous Material where it has been proven that the source of the Hazardous Material are the Property (including, without limitation: (i) the costs of defending any/or counter-claiming over against third parties in respect of any action or matter; and (ii) any cost, liability or damage arising out of a settlement of any action entered into by the Chargee; and the provisions of and undertakings and indemnification set out in this Section shall survive the satisfaction and release of the Security Documents and payment and satisfaction of the mortgage and liability of the Chargor and/or Guarantors to the Chargee. The indemnity contained herein in favour of the Chargee shall enure to the benefit of the Chargee's successors and any assignees of the Charge. For the purposes of this Section "Hazardous Material" means any contaminant or pollutant or any substance that when released in the natural environment is likely to cause at some immediate or future time,

material harm or degradation to the natural environment or material risk to human health and without restricting the generality of the foregoing, hazardous waste or dangerous goods as defined by applicable federal, provincial or municipal laws for the protection of the natural environment or human health.

The Chargor and Guarantors warrant, represent and undertakes to ameliorate any contamination required on the Property forthwith.

The indemnity contained herein shall survive the repayment of the mortgage and shall continue in full force and effect so long as the possibility of any such liability, claim or loss exists.

PAYMENT OF OTHER CHARGES AND PERFORMANCE OF OBLIGATIONS BY THE CHARGE

The Chargor and/or Guarantors covenants and agrees with the Chargee to pay all property taxes, public utility rates and charges as and when they become due, to keep all encumbrances and agreements in good standing, comply with all zoning by-laws, standards and work orders and not to permit the existence of any work orders, deficiency notices, letters of compliance or the registration of any liens of any nature or kind; the failure of the Chargor and/or Guarantors to comply with this covenant shall constitute an event of default hereunder and entitle the Chargee at its sole option to avail itself of the remedies available hereunder and at law including the right to accelerate the principal sum secured hereunder together with all accrued interest thereon plus costs.

In addition, at the Chargee's sole option, the Chargor and/or hereby agrees that the Chargee may satisfy any charge, lien, any matter raised in the previous paragraph or other encumbrance now or hereafter existing or to arise or be claimed upon the charged Property and the amount so paid together with all costs associated therewith shall be added to the principal sum hereby secured and bear interest at the rate of interest set forth herein and shall be payable forthwith by the Chargor and/or Guarantors to the Chargee and in the event of default of payment, the entire principal sum, accrued interest and costs, shall become payable at the option of the Chargee and the remedies hereby given and available at law may be exercised forthwith without notice. In the event of the Chargee satisfying any such charge or claim, it shall be entitled to all equities and securities of the person or persons so satisfied and it may retain any discharge, cessation of charge or assignment of charge unregistered until paid.

INSURANCE RENEWAL

The Chargee shall be entitled to its standard servicing fee for dealing with each cancellation, premium payment or other non-compliance with insurance requirements. In the event that the evidence of continuation of insurance as herein required has not been delivered to the Chargee, the Chargee shall be entitled to its standard servicing fee for each written inquiry which the Chargee shall make to the insurer pertaining to such renewal (or resulting from the Chargor's non-performance of the within covenant). In the event that the Chargee pursuant to the within provision arranges insurance coverage with respect to the said Property, the Chargee in addition to the aforesaid servicing fee shall be entitled to a further servicing fee for arranging the necessary insurance coverage.

ASSIGNMENT OF RENTS

To further secure the indebtedness secured hereunder, the Chargor hereby assigns and transfers unto the Chargee all rents, deposits, issues and profits now due and which may hereafter become due under or by virtue of any lease, unit purchase or development agreement, whether written or verbal or any letting of, or of any agreement for the use, occupancy or development of the Property and premises or any part thereof, which may have been heretofore or may be hereafter made or agreed to, or which may be granted, it being the intention of the parties to establish an absolute transfer and assignment of all such rents, deposits, issues and profits under such leases and/or agreements and all benefits to be derived thereunder unto the Chargee.

The Chargor further covenants and agrees to execute and deliver at the request of the Chargee all such further assurances and assignments with respect to any such tenancies, occupancy or development of the Property as the Chargee shall from time to time require, and shall do all other acts with respect to same as requested by the Chargee.

In the event that the Chargee collects any deposits or other payments due to the Chargor's default, the Chargee shall be entitled to receive from such moneys a management fee of ten percent (10 %) of all the gross receipts from such moneys, it being understood for greater certainty that the Chargor and Chargee have agreed that in the circumstances a management fee equal to ten percent (10 %) of gross receipts received by the Chargee in the collection of such rents is a just and equitable fee having regard to the circumstances.

Provided further that the Chargor will not perform any act or do anything or omit to do anything which will cause the default of any lease or agreement affecting the use or development of the buildings erected on the charged Property, unless consented to by the Chargee.

And the Chargor agrees that all leases, offers to lease and agreements to lease, and all offers and agreements to purchase or develop units of the Property shall be bona fide and shall be at rates and on terms consistent with

comparable space in the area of the Property and premises secured hereunder, and provided further that the Chargor shall obtain the consent of the Chargee prior to the execution of any such offers or agreements.

Any entry upon the Property under the terms of this Indenture shall not constitute the Chargee or Chargee in Possession in contemplation of law and that the Chargee shall not become liable to account to the Chargor or credit the Mortgagor with any moneys on account of the Charge except those which shall come into its hands or into the hands of any agents appointed by its pursuant hereto; the Chargee shall not be liable for failure to collect rents or revenues and shall be under no obligation to take any action or proceeding or exercise any remedy for the collection or recovery of the said rents and revenues, or any part thereof, and then, subject to all deductions and payments made out of the rents and revenues received from the Property as herein provided.

That this assignment is taken by way of additional security only and neither the taking of this assignment nor anything done in pursuance hereof shall make the Chargee liable in any way, as landlord or otherwise, for the performance or any covenants, obligations or liabilities under any leases, purchase or development agreements.

GUARANTORS PROVISIONS

Paragraph 24 of the Standard Charge Terms 200033 is expressly excluded from this Charge and the following provision is substituted therefor and forms part of this Charge.

In consideration of the Chargee advancing funds to the Chargor hereunder, **Daniel Ciccone, Carlo Taurasi and Dino Taurasi**, hereinafter referred to as the "Guarantors" do hereby absolutely and unconditionally covenant, agree and guarantee to and with the Chargee, joint and several, as principal debtor and not as surety, that all monies to be paid as herein set forth shall be paid as herein set forth and that all covenants, agreements and provisos of the Chargor shall be completely paid, fulfilled, observed and performed in accordance with the provisions of this Charge and that if the Chargor shall fail to pay or cause to be paid the amount as hereinbefore set out or fail to perform, observe or fulfill its covenants or agreements as herein set out, then the Guarantors shall pay or cause to be paid to the Chargee the payments as herein set forth, and that the Guarantors shall continue to remain liable on his guarantee, covenant and agreement notwithstanding:

- a) Any extension or extensions of time from time to time which may be given by the Chargee to the Chargor for payment, observance, performance or fulfillment of any liabilities, indebtedness, agreements or obligations hereby guaranteed and/or any renewal of this charge from time to time and the Guarantors hereby covenants and agrees with the Chargee that payment shall be made in accordance with such extension or extensions of time and that if payments are not made in accordance with such extension or extensions of time the Guarantors shall make or cause to be made the payments in accordance with such extension or extension of time.
- b) Any compounding or making of any compositions or arrangements respecting any liabilities, indebtedness, agreements or obligations, hereby guaranteed.
- c) Taking of any security or securities or releasing, discharging, abandoning, giving up, modifying, varying, exchanging, renewing, assigning, abstaining from perfecting or abstaining from taking advantage of any security now held or hereafter acquired or acquired by these presents in respect of any liabilities, indebtedness, agreements or obligations hereby guaranteed or of any part of same.
- d) Realization of any securities now or hereafter held by the Chargee.
- e) Granting any indulgence whatsoever to the Chargor to any other person, firm or corporation.
- f) Discharging the Chargor, or any other person, firm or corporation.
- g) Doing or omitting to do any other act, matter or thing whatsoever with relation to the liabilities, indebtedness, agreements and obligations hereby guaranteed or any security or securities now or hereafter held in respect thereof or of any part of same.

The Guarantors hereby waives and renounces any rights, benefits, immunities, privileges and advantages which he may have by reason of being Guarantors instead of principal debtor and acknowledges he is responsible for the debt as principal debtor and not as surety.

All indebtedness and liabilities present and future of the Chargor to the Guarantors are hereby assigned to the Chargee and postponed to the present and future indebtedness and liabilities of the Chargor to the Chargee including the repayment of all the monies secured by the within charge and all monies received from the Chargor or for his account by the Guarantors or his representatives or assigns in respect thereof shall be by him received in trust for the Chargee, and forthwith upon receipt paid over to the Chargee until the Chargor's indebtedness and liability to the Chargee is fully paid and satisfied all without prejudice to and without in any way limiting or lessening the liability of the Guarantors to the Chargee under this guarantee and this assignment and postponement is independent of the said guarantee and shall remain in full effect until repayment in full to the Chargee of the

monies secured by the charge notwithstanding that the liabilities of the Guarantors under the within guarantee may have been discharged or terminated, the undersigned acknowledges the assignment to the Chargee as set forth herein shall not impose upon the Chargee any obligation to do anything to realize on the assigned debts and claims or to ensure that those debts or claims do not become statute barred by the operation of law relating to limitation of actions or otherwise.

BANKRUPTCY AND INSOLVENCY

THE CHARGOR AND/OR GUARANTORS hereby waives and releases any right that they may have to receive from the Chargee notice of intention to enforce security pursuant to subsection 244(1) of the Bankruptcy and Insolvency Act (Canada). This waiver and release shall not be deemed or interpreted to be a prior consent to earlier enforcement of a security within the meaning of subsection 244(2.1) of the said Act.

THE CHARGOR AND GUARANTORS hereby acknowledges and agrees that the security held by the Chargee is not all or substantially all of the inventory, accounts receivable or other property of the Chargor and/or Guarantors acquired for or used in relation to any business carried on by the Chargor and/or Guarantors/Consenting Spouse. The Chargor and/Guarantors hereby further acknowledges and agrees that notwithstanding any act of the Chargee by way of appointment of any person or persons for the purposes of taking possession of the Property as agent on behalf of the Chargor and/or Guarantors or otherwise, or by taking possession of the Property itself pursuant to any rights that the Chargee may have with respect thereto, shall not constitute the Chargee or any such person, a receiver within the meaning of subsection 243(2) of the Bankruptcy and Insolvency Act (Canada), and that any and all requirements of Part XI of the said Act as it may pertain to obligations of receivers shall not be applicable to the Chargee with respect to the transaction pursuant to which this Charge has been given or enforcement of this Charge or any other security held by the Chargee. The Chargor and/or Guarantors hereby acknowledges and agrees that no action shall lie against the Chargee as a receiver and manager or otherwise for any loss or damage arising from non-compliance with any obligations of a receiver pursuant to the provisions of the Bankruptcy and Insolvency Act (Canada) whether or not the Chargee had reasonable grounds to believe that the Chargor and/or Guarantors was not insolvent.

AND THE CHARGOR AND GUARANTORS further acknowledges and agrees that any and all Costs as may be incurred from time to time by the Chargee in order to effect compliance or avoid any adverse ramifications of the Bankruptcy and Insolvency Act (Canada) shall be entirely for the account of the Chargor and/or Guarantors/Consenting Spouse. The Chargee shall be entitled to incur any such Costs, including any costs of its personnel in administering any requirements of the said Act and to add the same to the indebtedness owing pursuant hereto and the same shall be secured hereunder and under any and all security held by the Chargee for the indebtedness owing to the Chargee in the same manner and in the same priority as the principal secured hereunder.

POSSESSION UPON DEFAULT

Upon default in payment of principal or interest under this Charge or in performance of any of the terms and conditions hereof, the Chargee may enter into and take possession of the Property hereby charged, free of all manner of former conveyances, mortgages, charges or encumbrances.

DEFAULT

In this Charge, "Event of Default" means any of the following:

1. in the event of the Chargor and/or Guarantors failing to pay any amount when due hereunder or under the Charge;
2. in the event of the Chargor and/or Guarantors being in breach of any covenant, condition or term of the Charge;
3. if any representation made by the Chargor, Guarantors or their agents, or any information provided by them is found to be materially untrue or incorrect;
4. if any of the Chargor and/or Guarantors commits an act of bankruptcy or becomes insolvent or bankrupt or has a receiver or receiver and manager appointed for it or over any of its material assets or if any creditor takes possession of any of its material assets or if any execution, distress or other like process is levied or enforced upon the Property or any part thereof or if any compromise or arrangement with creditors is made by any of them;
5. in the event of any default by the Chargor under this Charge or other security documents related to the Charge, or under any other mortgages or encumbrances registered against title to or otherwise affecting the Property or any part thereof;
6. in the event of the registration of any construction lien against title to the Property or any part thereof which is not discharged or vacated within a period of ten (10) days after the date of registration thereof;

7. in the event that the Property or any material part thereof is abandoned;
8. if any Event of Default as set out herein or in any of the security occurs;
9. if in the sole opinion of the Chargee, a material adverse change occurs relating to the Chargor and/or Guarantors/Consenting Spouse, or the risk associated with the Charge; and

Upon the occurrence of an Event of Default, the Chargee, at its option, may (a) cease or delay further funding of the Charge; (b) declare the principal and interest on the Charge and any other amount due under the Commitment or Charge forthwith due and payable, whereupon the same shall be and become immediately due and payable in full, and make demand to the Chargor and/or Guarantors for immediate payment of the same, and (c) exercise any and/or all remedies available to it at law or in equity hereunder, under the Security or otherwise.

MANAGEMENT FEE

If the Chargee or its agent will be entitled to a management fee based on 10% of the Charge Principal at the time of default plus HST, which amount is deemed not to be a penalty, in the event that the Chargee or its agents or a receiver or receiver and manager (whether appointed by the Chargee or by a court) takes possession of the Property as a result of the occurrence of an Event of Default.

APPOINTMENT OF RECEIVER

AT ANY TIME after the security hereby constituted becomes enforceable, or the monies hereby secured shall have become payable, the Chargee may from time to time appoint by writing a Receiver of the Property, with or without Bond, and may from time to time remove the Receiver and appoint another in his stead, and any such Receiver appointed hereunder shall have the following powers:

- a) To take possession of the charged Property and to enter into and upon any Property, buildings and premises wheresoever and whatsoever and to do any act and take any proceedings in the name of the Chargor or otherwise as it shall deem necessary;
- b) To carry on or concur in carrying on the business of the Chargor, and to employ and discharge agents, workmen, accountants and others upon such terms and with such salaries, wages or remuneration as it shall think proper, and to repair and keep in repair the charged Property and to do all necessary acts and things for the carrying on of the business of the Chargor and the protection of the said charged Property of the Chargor;
- c) To sell or lease or concur in selling or leasing any or all of the charged Property, or any part thereof, and to carry any such sale or lease into effect by conveying in the name of or on behalf of the Chargor or otherwise; and any such sale may be made either at public auction or private sale as seen fit by the Receiver and any such sale may be made from time to time as to the whole or any part or parts of the charged Property; and he may make any stipulations as to title or conveyance or commencement of title or otherwise which he shall deem proper; and he may buy or rescind or vary any contracts for the sale of any part of the charged Property and may resell the same; and he may sell any of the same on such terms as to credit or part cash and part credit or otherwise as shall appear in his sole opinion to be most advantageous and at such prices as can reasonably be obtained therefor and in the event of a sale on credit neither he nor the Chargee shall be accountable for or charged with any monies until actually received;
- d) To make any arrangement or compromise which the Receiver may think expedient in the interest of the Chargee and to consent to any modification or change in or omission from the provisions of this charge and to exchange any part or parts of the charged Property for any other property suitable for the purposes of the Chargee and upon such terms as may seem expedient and either with or without payment or exchange of money or regard to the equality of the exchange or otherwise;
- e) To borrow money to carry on the business of the Chargor and to charge the whole or any part of the charged Property in such amounts as the Receiver may from time to time deem necessary and in so doing the Receiver may issue certificates that may be payable when the Receiver thinks expedient and shall bear interest as stated therein and the amounts from time to time payable under such certificates shall charge the charged Property in priority to this charge;
- f) To execute and prosecute all suits, proceedings and actions which the Receiver in his opinion considers necessary for the proper protection of the charged Property, to defend all suits, proceedings and actions against the Chargor or the Receiver, to appear in and conduct the prosecution and defense of any suit, proceeding or action then pending or thereafter instituted and to appeal any suit, proceeding or action;
- g) To execute and deliver to the purchaser of any part or parts of the charged Property, good and sufficient deeds for the same, the Receiver hereby being constituted the irrevocable attorney of the Chargor for the purpose of making such sale and executing such deed, and any such sale made as aforesaid shall be a perpetual bar both

in law and equity against the Chargor, and all other persons claiming the said property or any part or parcels thereof by, from through or under the Chargor, and the proceeds of any such sale shall be distributed in the manner hereinafter provided;

AND IT IS AGREED that no purchaser at any sale purporting to be made in pursuance of the aforesaid power or powers shall be bound or concerned to see or inquire whether any default has been made or continued, or whether any notice required hereunder has been given, or as to the necessity or expediency of the stipulations subject to which such sale shall have been made, or otherwise as to the propriety of such sale or regularity of its proceedings, or be affected by notice that no such default has been made or continues, or notice given as aforesaid, or that the sale is otherwise unnecessary, improper or irregular; and notwithstanding any impropriety or irregularity or notice thereof to such purchaser, the sale as regards such purchaser shall be deemed to be within the aforesaid power and be valid accordingly and the remedy (if any) of the Chargor, or of any party claiming by or under it, in respect of any impropriety or irregularity whatsoever in any such sale shall be in damages only.

The net profits of the business of the Chargor and the net proceeds of any sale of the charged Property or part thereof shall be applied by the Receiver subject to the claims of any creditors ranking in priority to this Charge:

- a) Firstly, in payment of all costs, charges and expenses of and incidental to the appointment of the Receiver and the exercise by him of all or any of the powers aforesaid including the reasonable remuneration of the Receiver and all amounts properly payable by him;
- b) Secondly, in payment of all costs, charges and expenses payable hereunder;
- c) Thirdly, in payment to the Chargee of the principal sum owing hereunder;
- d) Fourthly, in payment to the Chargee of all interest and arrears of interest and any other monies remaining unpaid hereunder; and
- e) Fifthly, any surplus shall be paid to the Chargor; provided that in the event that any party claims a charge against all or a portion of the surplus, the Receiver shall make such disposition of all or a portion of the surplus as the Receiver deems appropriate in the circumstances.

The Chargee shall not be liable to the Receiver for his remuneration costs, charges or expenses, and the Receiver shall not be liable for any loss howsoever arising unless the same shall be caused by his own gross negligence or willful default; and he shall, when so appointed, by notice in writing pursuant hereto, be deemed to be the agent of the Chargor and the Chargor shall be solely responsible for his acts and defaults and for his remuneration.

PAYMENT OF COSTS

The Chargor and/or Guarantors shall pay to the Chargee on demand all legal fees payable on a solicitor and his own client basis, costs and out-of-pocket expenses incurred by any of the Chargee, its agents, officers and employees with respect to:

- (a) the preparation of this Charge, any renewals thereof, any postponements thereof, and related security documents (the "Security Documents") and any other documents, agreements and instruments required pursuant hereto or thereto and any costs associated with realization under this Charge or the Security Documents;
- (b) the Chargee obtaining advice as to its rights and responsibilities under this Charge or any of the instruments and documents comprising the Security Documents or relating thereto or in the event of exercise of any or all of its remedies hereunder or thereunder;
- (c) the exercising of any or all of the rights, remedies and powers of the Chargee under this Charge or any of the instruments and documents comprising the Security Documents or relating thereto, or in defending or taking any measures to defend any action, claim, cause of action or in proceedings directly or indirectly relating to the provisions of any such instrument or document;
- (d) any or all of the taking of, recovering of possession of any assets or property of the Chargor, or any proceedings taken for the purpose of enforcing any rights or remedies provided in this Charge or in any instrument or document comprising the Security Documents or relating thereto, or any proceedings otherwise taken in relation to any assets or property of the Chargor and/or Guarantors or subject to the security given by the Chargor and/or Guarantors to the Chargee, or any proceedings taken by reason of any non-payment or non-performance of the obligations of the Chargor and/or Guarantors hereunder; and
- (e) any appraisals, environmental reports, engineering reports, cost consultants reports, or any other reports obtained at any time by the Chargee relating to the charged property.

In the event the Chargor and/or Guarantors fails to pay any such legal fees, costs and expenses to the Chargee forthwith upon demand by the Chargee, then the amount of such unpaid legal fees, costs and expenses shall be added to the mortgage indebtedness secured hereunder and shall bear interest at the rate herein set forth.

LIMIT ON RATE OF INTEREST

(a) Adjustment

If any provision of the Commitment, this Charge or any other security document would oblige the Chargor and/or Guarantors to make any payment of interest or other amount payable to the Chargee in an amount or calculated at a rate which would be prohibited by law or would result in a receipt by the Chargee of interest at a criminal rate (as such terms are construed under the Criminal Code (Canada)), then notwithstanding such provision, such amount or rate shall be deemed to have been adjusted with retroactive effect to the maximum amount or rate of interest, as the case may be, as would not be so prohibited by law or so result in receipt by the Chargee of interest at a criminal rate, such adjustment to be effected, to the extent necessary, as follows:

- (i) firstly, by reducing the amount or rate of interest required to be paid hereunder as applicable; and
- (ii) thereafter, by reducing and fees, commissions, premiums and other amounts which would constitute interest for purposes of Section 347 of the Criminal Code (Canada).

(b) Reimbursement

If, notwithstanding the provisions subsection (a) above, and after giving effect to all adjustments contemplated thereby, the Chargee shall have received an amount in excess of the maximum permitted by such subsection, then the Chargor shall be entitled, by notice in writing to the Chargee, to obtain reimbursement from the Chargee of an amount equal to such excess, and pending such reimbursement such amount shall be deemed to be an amount payable by the Chargee to the Chargor.

(c) Calculation

Any amount or rate of interest referred to in this Section shall be determined in accordance with generally accepted actuarial practices and principles as an effective annual rate of interest over the term of any revolving loan on the assumption that any charges, fees or expenses that fall within the meaning of "interest" (as defined in the Criminal Code (Canada)) shall, if they relate to a specific period of time be prorated over that period of time and otherwise be prorated over the period from the date of this Charge to the maturity date thereof and, in the event of dispute, a certificate of a Fellow of the Canadian Institute of Actuaries appointed by the Chargee shall be conclusive for the purposes of such determination.

SEVERABILITY

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

CONFLICT/AMBIGUITY

Where conflict or ambiguity exists or arises between any one or more of the provisions contained in this Schedule and any one or more of the provisions contained in the standard charge terms, the provisions contained in this Schedule shall, to the extent of such conflict or ambiguity, be deemed to govern and prevail.

**THIS IS EXHIBIT "K" TO
THE AFFIDAVIT OF BRIAN DORR
SWORN BEFORE ME THIS 25TH
DAY OF APRIL, 2023**



A Commissioner etc.

SETTLEMENT AGREEMENT

THIS SETTLEMENT AGREEMENT is made as of the 31st day of March, 2023

BETWEEN:

The Toronto-Dominion Bank
(“**TD Bank**”)

- AND -

Carlo Taurasi
Dino Taurasi
Luxview Fine Homes Corporation
StateView Construction Ltd.
StateView Homes (Ashburn Heights) Inc.
StateView Homes (Baldwin Heights) Inc.
StateView Homes (Bea Towns) Inc.
StateView Homes (Bonaventure) Inc.
StateView Homes (Edge Towns) Inc.
StateView Homes (Elia Collection) Inc.
StateView Homes (Elm&Co) Inc.
StateView Homes (Hampton Heights) Inc.
StateView Homes (High Crown Estates) Inc.
StateView Homes (Kings Landing Phase II) Inc.
StateView Homes (Kings Landing) Inc.
StateView Homes (Main & Co) Inc.
StateView Homes (Minu Towns) Inc.
StateView Homes (Nao Towns) Inc.
StateView Homes (Nao Towns II) Inc.
StateView Homes (On The Mark) Inc.
StateView Homes (Ooh Lala Towns) Inc.
StateView Homes (Queen's Court) Inc.
StateView Homes (Rialto Towns) Inc.
StateView Homes (Tesoro Collection) Inc.
StateView Homes (Ivory Oak Estates) Inc.
Taura Developments Inc.
Live Inspired Organization
Highview Building Corp Inc.
Northgate Fine Homes Inc.
TLSFD Taurasi Holdings Corp.

(collectively, “**Settling State View Parties**”)

Background:

1. The accounts at TD Bank of the corporate Settling State View Parties were used to perpetrate an extensive cheque kiting scheme against TD Bank, resulting in TD Bank suffering losses that exceed \$37 million.
2. TD Bank has commenced actions in the Superior Court of Justice (the “**Court**”) in Court File No.: CV-23-00696833-0000 and Court File No. CV-23-00697007-0000 (the “**Actions**”), seeking equitable and other relief to recover its losses, and relief under section 437 of the *Bank Act*, S.C. 1991, c. 46 and section 145 of the *Credit Unions and Caisses Populaires Act, 2020*, S.O. 2020, c. 36, Sched. 7.
3. TD Bank also intended to bring urgent motions before the Court for *Mareva* and *Norwich* orders in the Actions.
4. The Settling State View Parties and TD Bank (together, the “**Parties**”) desire to resolve the Actions on the basis of TD Bank being repaid all of its losses along with adequate security therefor, while at the same time preserving the Settling State View Parties’ operations and business, and have entered into this settlement agreement (“**Agreement**”) accordingly.

NOW THEREFORE in consideration of the mutual covenants contained herein, and other valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. The Settling State View Parties acknowledge and agree that:
 - a. they are jointly and severally liable to TD Bank in the amount:
 - i. \$37,134,091.23; plus
 - ii. all interest payable in accordance with section 5 of this Agreement; plus
 - iii. TD Bank’s costs of the Actions on a full indemnity scale as accrued until payment of all amounts required by this Agreement have been paid in full (collectively, the “**Obligation**”);
 - b. the Obligation is a debt and liability arising out of fraud, and as such is not dischargeable in bankruptcy pursuant to section 178(1)(d) of the *Bankruptcy and Insolvency Act* (Canada) or section 19 of the *Companies’ Creditors Arrangement Act* (Canada).
2. The Settling State View Parties agree that they shall repay the Obligation on the following payment schedule:
 - a. forthwith upon obtaining the order provided by section 4 of this Agreement, the sum of \$3,000,000.00;
 - b. on or before April 17, 2023, the sum of \$6,150,000.00;

- c. on or before May 1, 2023, the sum of \$6,150,000.00;
- d. on or before May 31, 2023, the sum of \$6,150,000.00;
- e. on or before June 15, 2023, the sum of \$6,150,000.00;
- f. on or before June 30, 2023, the sum of \$6,150,000.00; and
- g. on or before July 14, 2023, the balance of the Obligation.

Notwithstanding the foregoing payment schedule, the Settling State View Parties are at liberty, at any time, to pay additional amounts towards the Obligation and thereby reduce the Obligation and the interest accruing on the Obligation.

All payments will be applied by TD Bank to the outstanding indebtedness of the Settling State View Parties in the manner that TD Bank, in its sole and absolute discretion, determines. As and when the overdraft in each of the accounts of the Settling State View Parties is paid in full, TD Bank will close the account whose overdraft has been paid in full.

3. The Settling State View Parties shall pay to TD Bank an administration fee of \$150,000.00, in the aggregate, forthwith upon obtaining the order provided by section 4 of this Agreement.
4. The Settling State View Parties and TD Bank shall consent to an order in the action in Court File No.: CV-23-00696833-0000 in the form appended as **Schedule "A"**, and the Settling State View Parties will execute and deliver such consent upon execution of this Agreement.
5. From the date of execution of this Agreement onwards, interest on the Obligation will accrue at the rate of TD Bank's prime rate plus 5 per cent per annum and be payable in accordance with section 2e, subject to section 8. The rate of 21 per cent per annum will continue to accrue until the date of execution of the Settlement Agreement.
6. The Settling State View Parties will provide security for the full value of the Obligation as at the date of execution of this Agreement prior to the payment provided for in section 2(a) (the "**Security**") in the form of mortgages on the properties listed in **Schedule "B"** (with second ranking mortgages for those properties currently subject to one mortgage, and third ranking mortgages for those properties subject to two mortgages) in a form acceptable to TD Bank. The Security will be executed and delivered without delay and in any event within 5 days after the date of this Agreement.
7. The Settling State View Parties shall execute consents to judgment for the Accelerated Obligation (as that term is defined in section 8 below), in the form appended to this Agreement as **Schedule "C"**, to be held in escrow by McCarthy Tétrault LLP, lawyers for TD Bank, subject to section 8, and the Settling State View Parties will execute and deliver such consent upon execution of this Agreement.

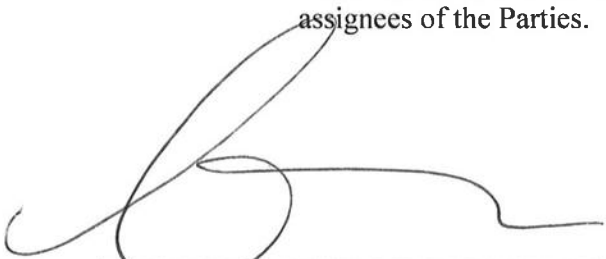
8. If the Settling State View Parties default in any of the payments required by section 2, or fail to perform any other covenant or obligation under this Agreement (including, without limitation, valid and sufficient Security pursuant to section 6), or if any of the Settling State View Parties become the subject of any insolvency proceeding (each, a “**Default**”), the full amount of the Obligation still outstanding as at the date of Default (the “**Accelerated Obligation**”) will become immediately payable by the Settling State View Parties, jointly and severally, and without any grace period for payment. Immediately upon any Default:
 - a. TD Bank will be at liberty to take enforcement steps in respect of the Security;
 - b. TD Bank will be at liberty to obtain a consent judgment in the Action against the Settling State View Parties for the amount of the Accelerated Obligation; and
 - c. TD Bank will be at liberty to seek any other applicable relief or recourse that is permitted by law.

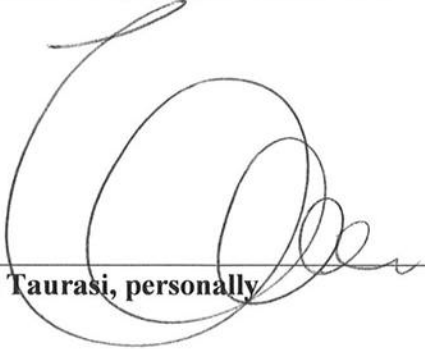
9. If the Settling State View Parties make all of the payments required by section 2 without Default:
 - a. TD Bank will discontinue the Actions on a without costs basis; and
 - b. TD Bank will cause its lawyers to return the consents to judgment to Settling State View Parties.

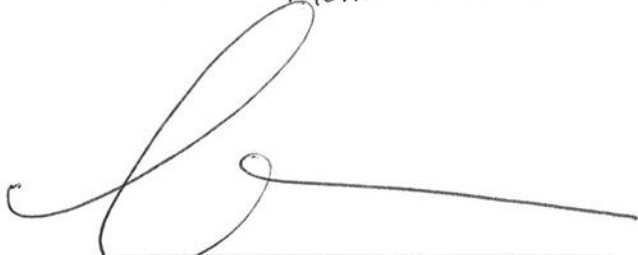
10. The Parties further agree that:
 - a. they have read this Agreement carefully, have understood it, and have signed it of their own free will and without any form of duress being exerted upon them by anyone;
 - b. they have executed this Agreement after obtaining independent legal advice in relation to the content and significance of this Agreement;
 - c. this Agreement may be executed in separate counterparts, and all such executed counterparts when taken together shall constitute a fully executed copy, whether such counterparts are delivered in hard-copy or by facsimile, email, or other electronic means;
 - d. this Agreement shall be governed by and interpreted exclusively according to the laws of Ontario;
 - e. they each attorn to the exclusive jurisdiction of the Court in respect of any dispute or matter relating in any way whatsoever to this Agreement;
 - f. if any provision or portion thereof of this Agreement should be held by any tribunal of competent jurisdiction to be invalid, void or unenforceable for any reason whatsoever, this Agreement shall be considered severable from such


provision or portion thereof, and such provision or portion thereof shall be deemed deleted from this Agreement and the remainder thereof shall be valid and binding upon the parties as if such provision or portion thereof was never included herein;

- g. this Agreement shall enure to the benefit of and be binding upon the respective directors, officers, employees, agents, subsidiaries, parents, affiliates, successors and assigns, representatives, executors, administrators, heirs, successors and assignees of the Parties.



_____)
Witness: _____)
Print Name: *Melissa Taurasi*


_____)
Carlo Taurasi, personally


_____)
Witness: _____)
Print Name: *Melissa Taurasi*


_____)
Dino Taurasi, personally

Luxview Fine Homes Corporation


_____)
Name: *CARLO TAURASI*
Title: *CEO*

I have the authority to bind Luxview Fine Homes Corporation

StateView Construction Ltd.



Name: CARLO TAURASI

Title: CEO

I have the authority to bind StateView Construction Ltd.

StateView Homes (Ashburn Heights) Inc.



Name: CARLO TAURASI

Title: CEO

I have the authority to bind StateView Homes (Ashburn Heights) Inc.

StateView Homes (Baldwin Heights) Inc.



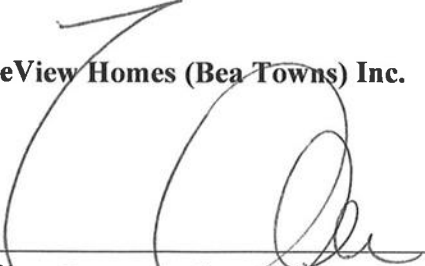
Name: CARLO TAURASI

Title: CEO

I have the authority to bind StateView Homes (Baldwin Heights) Inc.

StateView Homes (Bea Towns) Inc.

Name:



CARLO TAURASI

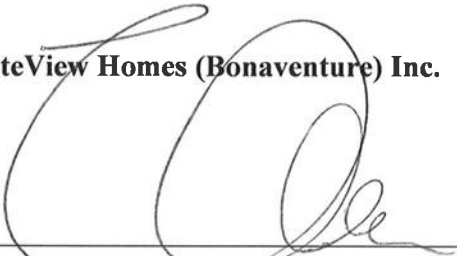
Title:

CEO

I have the authority to bind StateView Homes
(Bea Towns) Inc.

StateView Homes (Bonaventure) Inc.

Name:



CARLO TAURASI

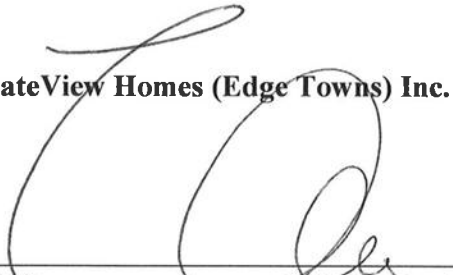
Title:

CEO

I have the authority to bind StateView Homes
(Bonaventure) Inc.

StateView Homes (Edge Towns) Inc.

Name:



CARLO TAURASI

Title:

CEO

I have the authority to bind StateView Homes
(Edge Towns) Inc.

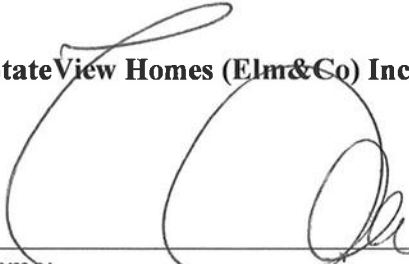
StateView Homes (Elia Collection) Inc.



Name: CARLO TAURASI
Title: CEO

I have the authority to bind StateView Homes (Elia Collection) Inc.

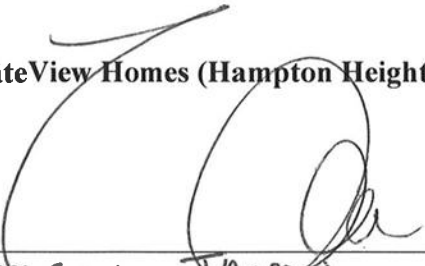
StateView Homes (Elm&Co) Inc.



Name: CARLO TAURASI
Title: CEO

I have the authority to bind StateView Homes (Elm&Co) Inc.

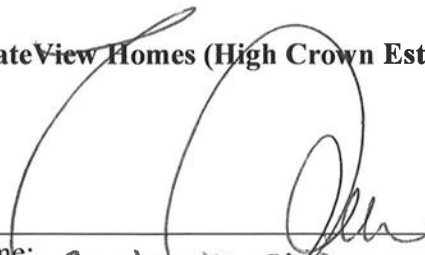
StateView Homes (Hampton Heights) Inc.



Name: CARLO TAURASI
Title: CEO

I have the authority to bind StateView Homes (Hampton Heights) Inc.

StateView Homes (High Crown Estates) Inc.



Name: CARLO TAORMINI
Title: CEO

I have the authority to bind StateView Homes
(High Crown Estates) Inc.


StateView Homes (Kings Landing Phase II) Inc.



Name: CARLO TAORMINI
Title: CEO

I have the authority to bind StateView Homes
(Kings Landing Phase II) Inc.

StateView Homes (Kings Landing) Inc.



Name: CARLO TAORMINI
Title: CEO

I have the authority to bind StateView Homes
(Kings Landing) Inc.

StateView Homes (Minu Towns) Inc.

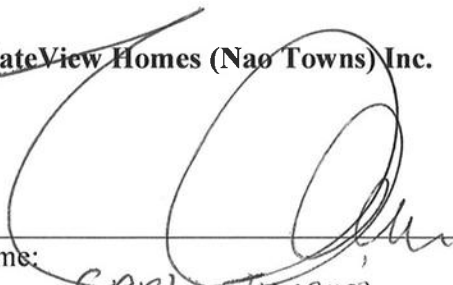


Name: CARLO TAURASI

Title: CEO

I have the authority to bind StateView Homes (Minu Towns) Inc.

StateView Homes (Nao Towns) Inc.

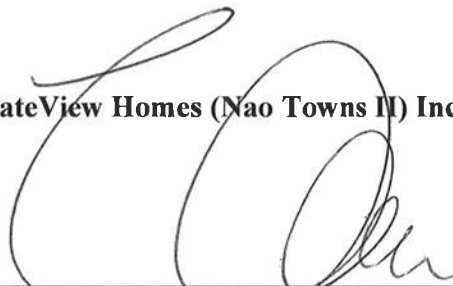


Name: CARLO TAURASI

Title: CEO

I have the authority to bind StateView Homes (Nao Towns) Inc.

StateView Homes (Nao Towns II) Inc.

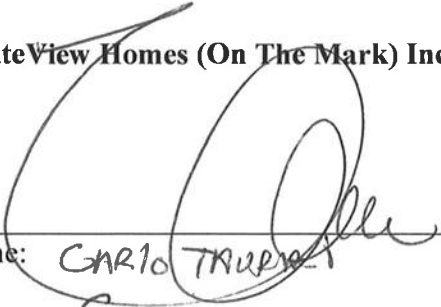


Name: CARLO TAURASI

Title: CEO

I have the authority to bind StateView Homes (Nao Towns II) Inc.

StateView Homes (On The Mark) Inc.

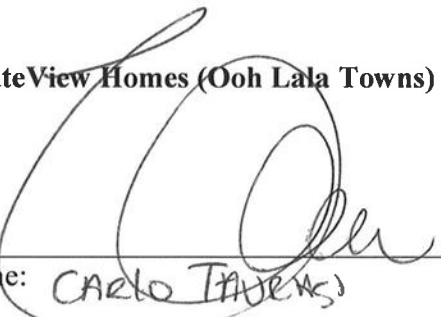


Name: CARLO TAVERNA

Title: CEO

I have the authority to bind StateView Homes (On The Mark) Inc.

StateView Homes (Ooh Lala Towns) Inc.




Name: CARLO TAVERNA

Title: CEO

I have the authority to bind StateView Homes (Ooh Lala Towns) Inc.

StateView Homes (Queen's Court) Inc.

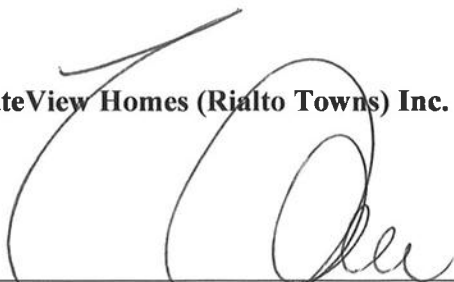


Name: CARLO TAVERNA

Title: CEO

I have the authority to bind StateView Homes (Queen's Court) Inc.

StateView Homes (Rialto Towns) Inc.



Name: CARLO TAURASI

Title: CEO

I have the authority to bind StateView Homes (Rialto Towns) Inc.

StateView Homes (Tesoro Collection) Inc.

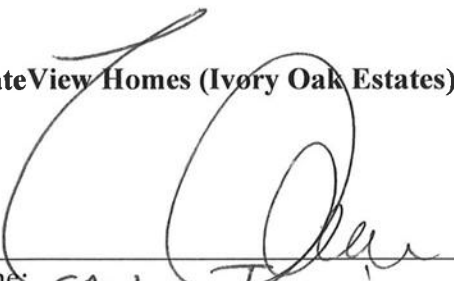


Name: CARLO TAURASI

Title: CEO

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StateView Homes (Ivory Oak Estates) Inc.



Name: CARLO TAURASI

Title: CEO

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Taura Developments Inc.



Name: CARLO TAURERI

Title: CEO

I have the authority to bind Taura Developments Inc.

Live Inspired Organization



Name: CARLO TAURERI

Title: CEO

I have the authority to bind Live Inspired Organization

Highview Building Corp Inc.



Name: CARLO TAURERI

Title: CEO

I have the authority to bind Highview Building Corp Inc.


Northgate Fine Homes Inc.



Name: CARLO TAURASI
Title: CEO

I have the authority to bind Northgate Fine Homes Inc.

TLSFD Taurasi Holdings Corp.



Name: CARLO TAURASI
Title: CEO

I have the authority to bind TLSFD Taurasi Holdings Corp.

The Toronto-Dominion Bank

Name:

Title:

I have the authority to bind The Toronto-Dominion Bank

Northgate Fine Homes Inc.

Name:

Title:

I have the authority to bind Northgate Fine
Homes Inc.

TLSFD Taurasi Holdings Corp.

Name:

Title:

I have the authority to bind TLSFD Taurasi
Holdings Corp.

The Toronto-Dominion Bank

Howard Cohen

Name: Howard Cohen

Title: Senior Vice President

I have the authority to bind The Toronto-
Dominion Bank

Schedule A – Draft Consent Order

Court File No.: CV-23-00696833-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE) , THE
)
)
JUSTICE) DAY OF , 2023

BETWEEN :

THE TORONTO-DOMINION BANK

Plaintiff

- and -

LUXVIEW FINE HOMES CORPORATION, STATEVIEW CONSTRUCTION LTD., STATEVIEW HOMES (ASHBURN HEIGHTS) INC., STATEVIEW HOMES (BALDWIN HEIGHTS) INC., STATEVIEW HOMES (BEA TOWNS) INC., STATEVIEW HOMES (BONAVENTURE) INC., STATEVIEW HOMES (EDGE TOWNS) INC., STATEVIEW HOMES (ELIA COLLECTION) INC., STATEVIEW HOMES (ELM&CO) INC., STATEVIEW HOMES (HAMPTON HEIGHTS) INC., STATEVIEW HOMES (HIGH CROWN ESTATES) INC., STATEVIEW HOMES (KINGS LANDING PHASE II) INC., STATEVIEW HOMES (KINGS LANDING) INC., STATEVIEW HOMES (MAIN & CO) INC., STATEVIEW HOMES (MINU TOWNS) INC., STATEVIEW HOMES (NAO TOWNS) INC., STATEVIEW HOMES (ON THE MARK) INC., STATEVIEW HOMES (OOH LALA TOWNS) INC., STATEVIEW HOMES (QUEEN'S COURT) INC., STATEVIEW HOMES (RIALTO TOWNS) INC., STATEVIEW HOMES (TESORO COLLECTION) INC, TAURA DEVELOPMENTS INC., LIVE INSPIRED ORGANIZATION, HIGHVIEW BUILDING CORP INC., NORTHGATE FINE HOMES INC., TLSFD TAURASI HOLDINGS CORP. CARLO TAURASI, DINO TAURASI, DANIEL CICCONE, ANTHONY TAURASI, EMILIO TAURASI, DENNIE TAURASI, MELISSA TAURASI, NELDA TAURASI, ABC INC., XYZ INC, AND ROYAL BANK OF CANADA

Defendants

ORDER
(implementing the Settlement Agreement dated March 31, 2023)

THIS MOTION, made by TD (defined in section 1 of this Order) for an order providing relief in order to implement the Settlement Agreement (defined in section 1 of this Order), was heard this day at 330 University Avenue, Toronto, Ontario.

ON CONSENT of TD and the State View Settling Defendants, and upon being advised that none of the other defendants oppose the relief granted in this order.

AND ON HEARING the submissions of the lawyers for TD and the lawyers for the State View Settling Defendants:

1. **THIS COURT ORDERS** that, for purposes of this Order:
 - (a) **“Added Defendants”** means StateView Homes (Nao Towns II) Inc. and StateView Homes (Ivory Oak Estates) Inc.;
 - (b) **“Information Officer”** has the meaning ascribed in para. 3 of this order;
 - (c) **“Settlement Agreement”** means the settlement agreement dated March 31, 2023 between the State View Settling Defendants and TD;
 - (d) **“State View Companies”** means all of the State View Settling Defendants except Carlo Taurasi and Dino Taurasi;
 - (e) **“State View Settling Defendants”** means all of the Defendants in this action (including the Added Defendants) with the exception of Daniel Ciccone, Anthony

Taurasi, Emilio Taurasi, Dennie Taurasi, Melissa Taurasi, Nelda Taurasi, ABC Inc., XYZ Inc., and Royal Bank of Canada; and

(f) “**TD**” means The Toronto-Dominion Bank.

2. **THIS COURT ORDERS** that the Added Defendants are added as defendants to this action.

3. **THIS COURT ORDERS** that the State View Settling Defendants are authorized and directed to make the payments to TD provided for in section 2 of the Settlement Agreement. Such payments shall be made from the lawyers for the State View Settling Defendants (RAR Litigation Lawyers in trust) to the lawyers for TD (McCarthy Tétrault LLP in trust).

4. **THIS COURT ORDERS** that BDO Canada Limited (“**BDO**”) is appointed as an officer of the Court to act as Information Officer in respect of the State View Companies, and that:

- (a) The State View Settling Defendants shall forthwith provide to the Information Officer with unrestricted access to all of the books, records and other financial information relating to the State View Companies.
- (b) The Information Officer shall gain an understanding of the State View Companies’ corporate structure, organization chart including directors and related parties and cash flow management/treasury functions.
- (c) The Information Officer shall gain an understanding of the State View Companies’ governance policies with regards to treasury functions (who can initiate wires, sign cheques) and other functional areas as required (confirmation of restricted access to certain individuals).

- (d) If and to the extent requested by TD or the State View Companies, the Information Officer shall monitor the business of the State View Companies and the transactions entered into by it, including, without limitation:
- (i) review, the historical, the source and application of funds received and disbursed by the State View Companies, and the deposit of funds into the bank accounts of the State View Companies;
 - (ii) monitor, on an ongoing basis, the source and application of funds received and disbursed by the State View Companies, and the deposit of funds into the bank accounts of the State View Companies;
 - (iii) monitor the activities of the State View Companies to ensure that appropriate cash management is being undertaken at all times; and
 - (iv) review the books and records and computer files, records, software and other systems as necessary.
- (e) The Information Officer shall report to TD and the State View Companies from time to time on the financial circumstances of the State View Companies including, without limitation, with respect to their assets, liabilities, cash flows, intercompany transfers, and payments to related parties or shareholders.
- (f) The Information Officer shall not take possession of any of the assets of the State View Companies, or manage any of the businesses or affairs of the State View Companies. The Information Officer shall not, by fulfilling its obligations under this

order, be deemed to have taken possession, occupation, management or control of any of the assets of the State View Companies.

- (g) The Information Office is at liberty to bring a motion to seek directions from the Court as required.

5. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to BDO herein, BDO shall incur no liability as a result of its appointment or the carrying out of the provisions of this order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this order shall derogate from the protections afforded to BDO as an officer of the Court.

6. **THIS COURT ORDERS** that the State View Settling Defendants shall pay the fees and expenses of the Information Officer.

7. **THIS COURT ORDERS** that, notwithstanding subsection 437(2) of the *Bank Act*, S.C. 1991, c. 46, Royal Bank of Canada may lift the restraint on deposit accounts belonging to the State View Settling Defendants, which were implemented pursuant to subsection 437(2) of the *Bank Act*, S.C. 1991, c. 46, by the commencement of this action. As the inclusion of this provision is a compromise sought by TD Bank and the State View Settling Defendants, Royal Bank of Canada shall not be responsible for monitoring the State View Settling Defendants' deposit accounts, nor any transactions by them made possible by the lifting of any restraint. This provision is without prejudice to the ability of TD Bank to bring a motion seeking to restrain deposit accounts belonging to the State View Settling Defendants, including under subsection 437(2) of the *Bank Act*, S.C. 1991, c. 46, if there is a Default (as that term is defined in the Settlement Agreement) by the State View Settling Defendants under the Settlement Agreement.

8. **THIS COURT ORDERS** that TD is at liberty to bring a motion to the Court for further relief, directions, assistance, clarifications and further orders, including orders in relation to any breach of this order.

The Toronto-Dominion Bank
Plaintiff

and
StateView Construction Ltd. et al
Defendants

Court File No.: CV-23-00696833-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

ORDER

McCarthy Tétrault LLP
Suite 5300, Toronto Dominion Bank Tower
Toronto ON M5K 1E6

Geoff R. Hall LS#: 347010
ghall@mccarthy.ca
Tel: 416-601-7856

Adam Ship LS#: 55973P
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Tel: 416-601-7731

Adam Dobkin LS#: 79395V
aobkin@mccarthy.ca
Tel: 416-601-7563

Lawyers for the Plaintiff

Schedule B – List of properties that will form the Security

1. 3 Windrose Valley Collingwood – PIN: 58253-0276 (LT) – Carlo Taurasi and Melissa Taurasi
2. 3-410 Chrislea Road Woodbridge – PIN: 29275-0003 (LT) – Taura Developments Inc.
3. 7-410 Chrislea Road Woodbridge – PIN: 29275-0007 (LT) - Taura Developments Inc.
4. 8-410 Chrislea Road Woodbridge – PIN: 29275-0008 (LT) - Taura Developments Inc.
5. 14-410 Chrislea Road Woodbridge – PIN: 29275-0014 (LT) - Taura Developments Inc.
6. 15-410 Chrislea Road Woodbridge – PIN: 29275-0015 (LT) - Taura Developments Inc.
7. 16-410 Chrislea Road Woodbridge – PIN: 29275-0016 (LT) - Taura Developments Inc.
8. 17-410 Chrislea Road Woodbridge – PIN: 29275-0017 (LT) - Taura Developments Inc.
9. 18-410 Chrislea Road Woodbridge – PIN: 29275-0018 (LT) - Taura Developments Inc.
10. 19-410 Chrislea Road Woodbridge – PIN: 29275-0019 (LT) - Taura Developments Inc.
11. 20-410 Chrislea Road Woodbridge – PIN: 29275-0020 (LT) - Taura Developments Inc.
12. 5 Eden Vale Drive King City – PIN: 03379-0223 (LT) – Carlo Taurasi
13. 7810 McCowan Road Markham – PIN: 02962-0270 (LT) – StateView Homes (Nao Towns II) Inc.
14. 7822 McCowan Road Markham – PIN: 02962-0271 (LT) – StateView Homes (Nao Towns II) Inc.
15. 7834 McCowan Road Markham – PIN: 02962-0272 (LT) – StateView Homes (Nao Towns II) Inc.

16. 7846 McCowan Road Markham – PIN: 02962-0273 (LT) – StateView Homes (Nao Towns II) Inc.
17. 16 Windrose Valley Collingwood – PIN: 58253-0280 (LT) – Dino Taurasi and Nelda Taurasi
18. 48 Puccini Richmond Hill – PIN: 03206-3971 (LT) – Dino Taurasi and Nelda Taurasi
19. 48A Puccini Richmond Hill – PIN: 03206-3971 (LT) – Carlo Taurasi and Melissa Taurasi
20. 80 Fairfield Drive King City – PIN: 03379-0249 (LT) – Dino Taurasi
21. 189 Summerset Barrie –PIN: 58763-1764 (LT) – StateView Homes (Bea Towns) Inc.
22. 3624 Ferretti Court Innisfil – PIN: 58085-0700 (LT) – High Point Holdings Corporation
23. 3808 Ferretti Court Innisfil – PIN: 58085-0646 (LT) - High Point Holdings (No. 2) Corporation
24. 12942 York Durham Line Whitchurch-Stouffville – PIN: 03707-0188 (LT) – StateView Homes (Elm&Co) Inc.
25. 301 Bradwick Vaughan – PIN: 03273-0069 (LT) – TLSFD Taurasi Holdings Corp.
26. 8 Bradwick Vaughan – PIN: 03274-0043 (LT) – TLSFD Taurasi Holdings Corp.
27. 6 Bradwick Vaughan – PIN: 03274-0044 (LT) – TLSFD Taurasi Holdings Corp.
28. 448 North Rivermede Vaughan – PIN: 03274-0132 (LT) – TLSFD Taurasi Holdings Corp.
29. 596 Oster Lane, Vaughan – PIN: 03275-0052 (LT) – TLSFD Taurasi Holdings Corp
30. 5 Eden Vale Drive, King City - PIN: 03379-0223 (LT) – Carlo Taurasi
31. 80 Fairfield Drive, King City – PIN: 03379-0249 (LT) – Dino Taurasi

Schedule C – Draft Consent Judgment

Court File No. CV-23-00696833-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

BETWEEN:

THE TORONTO-DOMINION BANK

Plaintiff

- and -

LUXVIEW FINE HOMES CORPORATION, STATEVIEW CONSTRUCTION LTD., STATEVIEW HOMES (ASHBURN HEIGHTS) INC., STATEVIEW HOMES (BALDWIN HEIGHTS) INC., STATEVIEW HOMES (BEA TOWNS) INC., STATEVIEW HOMES (BONAVENTURE) INC., STATEVIEW HOMES (EDGE TOWNS) INC., STATEVIEW HOMES (ELIA COLLECTION) INC., STATEVIEW HOMES (ELM&CO) INC., STATEVIEW HOMES (HAMPTON HEIGHTS) INC., STATEVIEW HOMES (HIGH CROWN ESTATES) INC., STATEVIEW HOMES (KINGS LANDING PHASE II) INC., STATEVIEW HOMES (KINGS LANDING) INC., STATEVIEW HOMES (MAIN & CO) INC., STATEVIEW HOMES (MINU TOWNS) INC., STATEVIEW HOMES (NAO TOWNS) INC., STATEVIEW HOMES (ON THE MARK) INC., STATEVIEW HOMES (OOH LALA TOWNS) INC., STATEVIEW HOMES (QUEEN'S COURT) INC., STATEVIEW HOMES (RIALTO TOWNS) INC., STATEVIEW HOMES (TESORO COLLECTION) INC, TAURA DEVELOPMENTS INC., LIVE INSPIRED ORGANIZATION, HIGHVIEW BUILDING CORP INC., NORTHGATE FINE HOMES INC., TLSFD TAURASI HOLDINGS CORP. CARLO TAURASI, DINO TAURASI, DANIEL CICCONE, ANTHONY TAURASI, EMILIO TAURASI, DENNIE TAURASI, MELISSA TAURASI, NELDA TAURASI, ABC INC., XYZ INC, AND ROYAL BANK OF CANADA

Defendants

CONSENT

THE PARTIES hereto, none being under a disability, by their respective lawyers, consent to the form and content of the draft Judgment attached as **Schedule “A”**.

Date:

McCarthy Tétrault LLP
Lawyers for the plaintiff

Date:

RAR Litigation

Lawyers for the defendants Luxview Fine Homes Corporation, StateView Construction Ltd., StateView Homes (Ashburn Heights) Inc., StateView Homes (Baldwin Heights) Inc., StateView Homes (Bea Towns) Inc., StateView Homes (Bonaventure) Inc., StateView Homes (Edge Towns) Inc., StateView Homes (Elia Collection) Inc., StateView Homes (Elm&Co) Inc., StateView Homes (Hampton Heights) Inc., StateView Homes (High Crown Estates) Inc., StateView Homes (Kings Landing Phase I) Inc., StateView Homes (Kings Landing) Inc., StateView Homes (Main & Co) Inc., StateView Homes (Minu Towns) Inc., StateView Homes (Nao Towns) Inc., StateView Homes (On The Mark) Inc., StateView Homes (Ooh Lala Towns) Inc., StateView Homes (Queen's Court) Inc., StateView Homes (Rialto Towns) Inc., StateView Homes (Tesoro Collection) Inc, Taura Developments Inc., Live Inspired Organization, Highview Building Corp Inc., Northgate Fine Homes Inc., TLSFD Taurasi Holdings Corp., Carlo Taurasi, Dino Taurasi, and the added defendants StateView Homes (Nao Towns II) Inc. and StateView Homes (Ivory Oak Estates) Inc.

SCHEDULE "A"

Court File No. CV-21-00002699-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE)
)
JUSTICE) DAY, THE
) DAY OF ,
)

BETWEEN:

THE TORONTO-DOMINION BANK

Plaintiff

- and -

LUXVIEW FINE HOMES CORPORATION, STATEVIEW CONSTRUCTION LTD., STATEVIEW HOMES (ASHBURN HEIGHTS) INC., STATEVIEW HOMES (BALDWIN HEIGHTS) INC., STATEVIEW HOMES (BEA TOWNS) INC., STATEVIEW HOMES (BONAVENTURE) INC., STATEVIEW HOMES (EDGE TOWNS) INC., STATEVIEW HOMES (ELIA COLLECTION) INC., STATEVIEW HOMES (ELM&CO) INC., STATEVIEW HOMES (HAMPTON HEIGHTS) INC., STATEVIEW HOMES (HIGH CROWN ESTATES) INC., STATEVIEW HOMES (KINGS LANDING PHASE II) INC., STATEVIEW HOMES (KINGS LANDING) INC., STATEVIEW HOMES (MAIN & CO) INC., STATEVIEW HOMES (MINU TOWNS) INC., STATEVIEW HOMES (NAO TOWNS) INC., STATEVIEW HOMES (ON THE MARK) INC., STATEVIEW HOMES (OOH LALA TOWNS) INC., STATEVIEW HOMES (QUEEN'S COURT) INC., STATEVIEW HOMES (RIALTO TOWNS) INC., STATEVIEW HOMES (TESORO COLLECTION) INC, TAURA DEVELOPMENTS INC., LIVE INSPIRED ORGANIZATION, HIGHVIEW BUILDING CORP INC., NORTHGATE FINE HOMES INC., TLSFD TAURASI HOLDINGS CORP., CARLO TAURASI, DINO TAURASI, DANIEL CICCONE, ANTHONY TAURASI, EMILIO TAURASI, DENNIE TAURASI, MELISSA TAURASI, NELDA TAURASI, ABC INC., XYZ INC, AND ROYAL BANK OF CANADA

Defendants

JUDGMENT

THIS MOTION, made by the Plaintiff The Toronto Dominion Bank ("TD") on consent, was read on this day at the Superior Court of Justice, 330 University Avenue, Toronto, Ontario.

ON READING the consent of (i) Luxview Fine Homes Corporation, StateView Construction Ltd., StateView Homes (Ashburn Heights) Inc., StateView Homes (Baldwin Heights) Inc., StateView Homes (Bea Towns) Inc., StateView Homes (Bonaventure) Inc.,

StateView Homes (Edge Towns) Inc., StateView Homes (Elia Collection) Inc., StateView Homes (Elm&Co) Inc., StateView Homes (Hampton Heights) Inc., StateView Homes (High Crown Estates) Inc., StateView Homes (Kings Landing Phase II) Inc., StateView Homes (Kings Landing) Inc., StateView Homes (Main & Co) Inc., StateView Homes (Minu Towns) Inc., StateView Homes (Nao Towns) Inc., StateView Homes (Nao Towns II) Inc., StateView Homes (On The Mark) Inc., StateView Homes (Ooh Lala Towns) Inc., StateView Homes (Queen's Court) Inc., StateView Homes (Rialto Towns) Inc., StateView Homes (Tesoro Collection) Inc., StateView Homes (Ivory Oak Estates) Inc., Taura Developments Inc., Live Inspired Organization, Highview Building Corp Inc., Northgate Fine Homes Inc., TLSFD Taurasi Holdings Corp., Carlo Taurasi, and Dino Taurasi; and (ii) TD, filed:

1. **THIS COURT ORDERS AND ADJUDGES** that Luxview Fine Homes Corporation, StateView Construction Ltd., StateView Homes (Ashburn Heights) Inc., StateView Homes (Baldwin Heights) Inc., StateView Homes (Bea Towns) Inc., StateView Homes (Bonaventure) Inc., StateView Homes (Edge Towns) Inc., StateView Homes (Elia Collection) Inc., StateView Homes (Elm&Co) Inc., StateView Homes (Hampton Heights) Inc., StateView Homes (High Crown Estates) Inc., StateView Homes (Kings Landing Phase II) Inc., StateView Homes (Kings Landing) Inc., StateView Homes (Main & Co) Inc., StateView Homes (Minu Towns) Inc., StateView Homes (Nao Towns) Inc., StateView Homes (Nao Towns II) Inc., StateView Homes (On The Mark) Inc., StateView Homes (Ooh Lala Towns) Inc., StateView Homes (Queen's Court) Inc., StateView Homes (Rialto Towns) Inc., StateView Homes (Tesoro Collection) Inc., StateView Homes (Ivory Oak Estates) Inc., Taura Developments Inc., Live Inspired Organization, Highview Building Corp Inc., Northgate Fine Homes Inc., TLSFD Taurasi Holdings Corp., Carlo Taurasi, and Dino Taurasi shall, jointly and severally, pay to TD the sum of **[McCarthy Tétrault LLP, as escrow agent, shall insert the amount of the Accelerated Obligation (as that term is defined in the Settlement Agreement dated ●, 2023) as at the date of Default (as that term is defined in the Settlement Agreement dated ●, 2023)]**.

THIS JUDGMENT BEARS INTEREST at the rate prescribed by the *Courts of Justice Act*, namely, at the rate of ___ per year commencing on _____.

SCHEDULE "A"

The Toronto-Dominion Bank
Plaintiff

State View Construction Ltd. et al
and
Defendants

Court File No.: CV-23-00696833-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

JUDGMENT

McCarthy Tétrault LLP
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Lawyers for the Plaintiff

The Toronto-Dominion Bank
Plaintiff and

StateView Construction Ltd. et al
Defendants

Court File No.: CV-23-00696833-0000

**ONTARIO
SUPERIOR COURT OF JUSTICE**

Proceeding commenced at Toronto

CONSENT

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Adam Dobkin LS#: 79395V

aobkin@mccarthy.ca
Tel: 416-601-7563

Lawyers for the Plaintiff

**THIS IS EXHIBIT "L" TO
THE AFFIDAVIT OF BRIAN DORR
SWORN BEFORE ME THIS 25TH
DAY OF APRIL, 2023**



A Commissioner etc.

**ONTARIO
SUPERIOR COURT OF JUSTICE**

THE HONOURABLE

JUSTICE **KOEHNEN**

)
)
)
)

WEDNESDAY, THE

4TH DAY OF APRIL, 2023

B E T W E E N :

THE TORONTO-DOMINION BANK

Plaintiff

- and -

LUXVIEW FINE HOMES CORPORATION, STATEVIEW CONSTRUCTION LTD., STATEVIEW HOMES (ASHBURN HEIGHTS) INC., STATEVIEW HOMES (BALDWIN HEIGHTS) INC., STATEVIEW HOMES (BEA TOWNS) INC., STATEVIEW HOMES (BONAVENTURE) INC., STATEVIEW HOMES (EDGE TOWNS) INC., STATEVIEW HOMES (ELIA COLLECTION) INC., STATEVIEW HOMES (ELM&CO) INC., STATEVIEW HOMES (HAMPTON HEIGHTS) INC., STATEVIEW HOMES (HIGH CROWN ESTATES) INC., STATEVIEW HOMES (KINGS LANDING PHASE II) INC., STATEVIEW HOMES (KINGS LANDING) INC., STATEVIEW HOMES (MAIN & CO) INC., STATEVIEW HOMES (MINU TOWNS) INC., STATEVIEW HOMES (NAO TOWNS) INC., STATEVIEW HOMES (ON THE MARK) INC., STATEVIEW HOMES (OOH LALA TOWNS) INC., STATEVIEW HOMES (QUEEN'S COURT) INC., STATEVIEW HOMES (RIALTO TOWNS) INC., STATEVIEW HOMES (TESORO COLLECTION) INC, TAURA DEVELOPMENTS INC., LIVE INSPIRED ORGANIZATION, HIGHVIEW BUILDING CORP INC., NORTHGATE FINE HOMES INC., TLSFD TAURASI HOLDINGS CORP. CARLO TAURASI, DINO TAURASI, DANIEL CICCONE, ANTHONY TAURASI, EMILIO TAURASI, DENNIE TAURASI, MELISSA TAURASI, NELDA TAURASI, ABC INC., XYZ INC, AND ROYAL BANK OF CANADA

Defendants

**ORDER
(implementing the Settlement Agreement dated March 31, 2023)**

THIS MOTION, made by TD (defined in section 1 of this Order) for an order providing relief in order to implement the Settlement Agreement (defined in section 1 of this Order), was heard this day at 330 University Avenue, Toronto, Ontario.

ON CONSENT of TD and the State View Settling Defendants, and upon being advised that none of the other defendants oppose the relief granted in this order.

AND ON HEARING the submissions of the lawyers for TD and the lawyers for the State View Settling Defendants:

1. **THIS COURT ORDERS** that, for purposes of this Order:

- (a) **“Added Defendants”** means StateView Homes (Nao Towns II) Inc. and StateView Homes (Ivory Oak Estates) Inc.;
- (b) **“Information Officer”** has the meaning ascribed in para. 3 of this order;
- (c) **“Settlement Agreement”** means the settlement agreement dated March 31, 2023 between the State View Settling Defendants and TD;
- (d) **“State View Companies”** means all of the State View Settling Defendants except Carlo Taurasi and Dino Taurasi;
- (e) **“State View Settling Defendants”** means all of the Defendants in this action (including the Added Defendants) with the exception of Daniel Ciccone, Anthony Taurasi, Emilio Taurasi, Dennie Taurasi, Melissa Taurasi, Nelda Taurasi, ABC Inc., XYZ Inc., and Royal Bank of Canada; and
- (f) **“TD”** means The Toronto-Dominion Bank.

2. **THIS COURT ORDERS** that the Added Defendants are added as defendants to this action.

3. **THIS COURT ORDERS** that the State View Settling Defendants are authorized and directed to make the payments to TD provided for in section 2 of the Settlement Agreement. Such payments shall be made from the lawyers for the State View Settling Defendants (RAR Litigation Lawyers in trust) to the lawyers for TD (McCarthy Tétrault LLP in trust).

4. **THIS COURT ORDERS** that BDO Canada Limited (“**BDO**”) is appointed as an officer of the Court to act as Information Officer in respect of the State View Companies, and that:

- (a) The State View Settling Defendants shall forthwith provide to the Information Officer with unrestricted access to all of the books, records and other financial information relating to the State View Companies.
- (b) The Information Officer shall gain an understanding of the State View Companies’ corporate structure, organization chart including directors and related parties and cash flow management/treasury functions.
- (c) The Information Officer shall gain an understanding of the State View Companies’ governance policies with regards to treasury functions (who can initiate wires, sign cheques) and other functional areas as required (confirmation of restricted access to certain individuals).
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- (i) review, the historical, the source and application of funds received and disbursed by the State View Companies, and the deposit of funds into the bank accounts of the State View Companies;
 - (ii) monitor, on an ongoing basis, the source and application of funds received and disbursed by the State View Companies, and the deposit of funds into the bank accounts of the State View Companies;
 - (iii) monitor the activities of the State View Companies to ensure that appropriate cash management is being undertaken at all times; and
 - (iv) review the books and records and computer files, records, software and other systems as necessary.
- (e) The Information Officer shall report to TD and the State View Companies from time to time on the financial circumstances of the State View Companies including, without limitation, with respect to their assets, liabilities, cash flows, intercompany transfers, and payments to related parties or shareholders.
- (f) The Information Officer shall not take possession of any of the assets of the State View Companies, or manage any of the businesses or affairs of the State View Companies. The Information Officer shall not, by fulfilling its obligations under this order, be deemed to have taken possession, occupation, management or control of any of the assets of the State View Companies.
- (g) The Information Office is at liberty to bring a motion to seek directions from the Court as required.

5. **THIS COURT ORDERS** that, in addition to the rights and protections afforded to BDO herein, BDO shall incur no liability as a result of its appointment or the carrying out of the provisions of this order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this order shall derogate from the protections afforded to BDO as an officer of the Court.

6. **THIS COURT ORDERS** that the State View Settling Defendants shall pay the fees and expenses of the Information Officer.

7. **THIS COURT ORDERS** that, notwithstanding subsection 437(2) of the *Bank Act*, S.C. 1991, c. 46, Royal Bank of Canada may lift the restraint on deposit accounts belonging to the State View Settling Defendants, which were implemented pursuant to subsection 437(2) of the *Bank Act*, S.C. 1991, c. 46, by the commencement of this action. As the inclusion of this provision is a compromise sought by TD Bank and the State View Settling Defendants, Royal Bank of Canada shall not be responsible for monitoring the State View Settling Defendants' deposit accounts, nor any transactions by them made possible by the lifting of any restraint. This provision is without prejudice to the ability of TD Bank to bring a motion seeking to restrain deposit accounts belonging to the State View Settling Defendants, including under subsection 437(2) of the *Bank Act*, S.C. 1991, c. 46, if there is a Default (as that term is defined in the Settlement Agreement) by the State View Settling Defendants under the Settlement Agreement.

8. **THIS COURT ORDERS** that TD is at liberty to bring a motion to the Court for further relief, directions, assistance, clarifications and further orders, including orders in relation to any breach of this order.

PLJ

The Toronto-Dominion Bank Stateview Construction Ltd. et al
Plaintiff and Defendants

Court File No.: CV-23-00696833-0000

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceeding commenced at Toronto

ORDER

McCarthy Tétrault LLP
Suite 5300, Toronto Dominion Bank Tower
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Lawyers for the Plaintiff

**THIS IS EXHIBIT "M" TO
THE AFFIDAVIT OF BRIAN DORR
SWORN BEFORE ME THIS 25TH
DAY OF APRIL, 2023**



A Commissioner etc.

Properties

<i>PIN</i>	02962 - 0270 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 6, CON 6 , AS IN R640261 ; MARKHAM		
<i>Address</i>	7810 MC COWAN ROAD MARKHAM		
<i>PIN</i>	02962 - 0271 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 6, CON 6 , AS IN MA69140 ; MARKHAM		
<i>Address</i>	7822 MCCOWAN ROAD MARKHAM		
<i>PIN</i>	02962 - 0272 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 6, CON 6 , PART 1, 2 , 65R17687		
<i>Address</i>	7834 MC COWAN RD MARKHAM		
<i>PIN</i>	02962 - 0273 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 6, CON 6 , AS IN R491185; T/W MA54373		
<i>Address</i>	7846 MCCOWAN ROAD MARKHAM		

Chargor(s)

The chargor(s) hereby charges the land to the chargee(s). The chargor(s) acknowledges the receipt of the charge and the standard charge terms, if any.

Name STATEVIEW HOMES (NAO TOWNS II) INC.
Address for Service 410 Chrislea Road
 Unit 16
 Woodbridge, Ontario
 L4L 8B5

A person or persons with authority to bind the corporation has/have consented to the registration of this document.
 This document is not authorized under Power of Attorney by this party.

Chargee(s)	Capacity	Share
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<i>Name</i>	THE TORONTO-DOMINION BANK
<i>Address for Service</i>	Midtown Commercial Banking Centre 2 St Clair Avenue East Toronto, Ontario M4T 2V4

Statements

Schedule: See Schedules

Provisions

<i>Principal</i>	\$37,134,091.23	<i>Currency</i>	CDN
<i>Calculation Period</i>			
<i>Balance Due Date</i>			
<i>Interest Rate</i>	Prime Rate + 5 % per annum		
<i>Payments</i>			
<i>Interest Adjustment Date</i>			
<i>Payment Date</i>			
<i>First Payment Date</i>			
<i>Last Payment Date</i>			
<i>Standard Charge Terms</i>	200033		
<i>Insurance Amount</i>	Full insurable value		
<i>Guarantor</i>			

Signed By

Nicolina Perrone	Box 48 Suite 5300, TD Bank Tower Toronto M5K 1E6	acting for Chargor(s)	Signed	2023 04 05
------------------	--	--------------------------	--------	------------

Signed By

Fax 416-868-0673

I have the authority to sign and register the document on behalf of the Chargor(s).

Submitted By

MCCARTHY TETRAULT LLP

Box 48 Suite 5300, TD Bank Tower
Toronto
M5K 1E6

2023 04 06

Tel 416-362-1812

Fax 416-868-0673

Fees/Taxes/Payment

Statutory Registration Fee \$69.00

Total Paid \$69.00

File Number

Chargee Client File Number : 089339-572451

This Charge is being granted to secure the obligations pursuant to a settlement agreement dated March 31, 2023 (the "**Settlement Agreement**") between, *inter alios*, the Chargor and the Chargee.

Receiver

It is hereby agreed that at any time and from time to time upon the occurrence of an event of default which is continuing, the Chargee may, with or without entry into possession of the charged premises or any part thereof, and whether before or after such entry into possession, appoint a receiver or manager, or receiver and manager (herein called the "**Receiver**") of the charged premises or any part thereof and of the rents and profits thereof or of only the rents and profits thereof, and with or without security, and may from time to time by similar writing remove any Receiver with or without appointing another in his stead and, in making any such appointment or removal, the Chargee shall be deemed to be acting as the agent or attorney for the Chargor. Upon the appointment of any Receiver or Receivers from time to time, the following provisions shall apply:

- (a) a statutory declaration of an officer of the Chargee as to the existence of an event of default shall be conclusive evidence thereof for the purposes of the appointment of a Receiver;
- (b) every Receiver shall be the agent or attorney of the Chargor (whose appointment as such shall be revocable only by the Chargee) for the collection of all rents and profits falling due and becoming payable in respect of the charged premises or any part thereof whether in respect of any tenancies created in priority to this Charge or subsequent thereto, or otherwise;
- (c) every Receiver may, in the discretion of the Chargee, be vested with all or any of the powers and discretions of the Chargee;
- (d) the rights and powers conferred herein in respect of the Receiver are supplemental to and not in substitution of any other rights and powers which the Chargee may have;
- (e) the Chargee may from time to time fix the remuneration for every Receiver, who shall be entitled to deduct the same out of revenue or sale proceeds of the charged premises;
- (f) every Receiver shall so far as concerns responsibility for its acts or omissions, be deemed the agent or attorney of the Chargor and in no event the agent of the Chargee;
- (g) the appointment of every Receiver by the Chargee shall not incur or create any liability on the part of the Chargee to the Receiver or to the Chargor or to any other Person in any respect, and such appointment or anything which may be done by any Receiver or the removal of any Receiver or the termination of any receivership shall not have the effect of constituting the Chargee a mortgagee-in-possession in respect of the charged premises or any part thereof;
- (h) every such Receiver shall from time to time have the power to lease any portion of the charged premises which may become vacant, for such term and subject to such provisions as it may deem advisable or expedient, subject to the restrictions on leasing contained in any existing leases or agreements to lease affecting any of the charged premises, and in so doing, every Receiver shall act as the attorney or agent of the Chargor and shall have authority to execute under seal any lease of any such premises in the name of and on behalf of the Chargor, and the Chargor agrees to ratify and confirm whatever any Receiver may do in the charged premises;
- (i) every Receiver may make such arrangements, at such time or times as it may deem necessary without the concurrence of any other persons, for the repairing, finishing, adding to, or putting in order of the charged premises, including without restricting the generality of the foregoing, completing the construction of any building or buildings, structures, services or improvements on the charged premises left in an unfinished state, and constructing or providing for leasehold improvements notwithstanding that the resulting cost may exceed the Principal Amount, and the Receiver shall have the right to register plans of subdivision and condominium declarations and descriptions in respect of the charged premises as

well as the right to take possession of and use or permit others to use all or any part of the Chargor's materials, supplies, plans, tools, equipment (including appliances on this charged premises) and property of every kind and description;

- (j) every Receiver shall have full power to manage, operate, amend, repair or alter the charged premises and the building and improvements thereon or any part thereof in the name of the Chargor for the purpose of obtaining rental and other income from the charged premises or any part thereof;
- (k) no Receiver shall be liable to the Chargor to account for monies other than monies actually received by it in respect of the charged premises and out of such monies so received from time to time every Receiver shall, in the following order, pay:
 - (i) its remuneration as aforesaid,
 - (ii) all obligations, costs and expenses made or incurred by it, including but not limited to, any expenditures in connection with the management, operation, amendment, repair, construction or alteration of the charged premises or any part thereof,
 - (iii) interest, principal and other monies which may, from time to time, be or become charged upon the charged premises in priority to this Charge, including all taxes,
 - (iv) to the Chargee, all Indebtedness, to be applied in such order as the Chargee in its discretion shall determine, and
 - (v) subject to subparagraph (iv) above, at the discretion of the Receiver, interest, principal and other monies which may from time to time constitute a charge or encumbrance on the charged premises subsequent in priority or subordinate to the interest of the Chargee under this Charge,

and every Receiver may in its discretion retain reasonable reserves to meet accruing amounts and anticipated payments in connection with any of the foregoing and further any surplus remaining in the hands of every Receiver, after payments made and such reasonable reserves retained as aforesaid, shall be payable to the Chargor;

- (l) the Chargee may at any time and from time to time terminate any receivership by notice in writing to the Chargor and to any Receiver; and
- (m) save as to monies payable to the Chargor pursuant to subparagraph (k) of this Section, the Chargor hereby releases and discharges the Chargee and every Receiver from every claim of every nature, whether sounding in damages for negligence or trespass or otherwise, which may arise or be caused to the Chargor or any Person claiming through or under it by reason of or as a result of anything done by the Chargee or any Receiver under the provisions of this Section, unless such claim be the direct and proximate result of bad faith or gross neglect.

**THIS IS EXHIBIT "N" TO
THE AFFIDAVIT OF BRIAN DORR
SWORN BEFORE ME THIS 25TH
DAY OF APRIL, 2023**



A Commissioner etc.

April 12, 2023

VIA EMAIL, REGISTERED MAIL AND REGULAR MAIL

STATEVIEW HOMES (NAO TOWNS II) INC.
410 Chrislea Road, Unit 16
Woodbridge, Ontario L4L 8B5

Attention: Dino Taurasi (dino@stateviewhomes.com) and Carlo Taurasi (carlo@stateviewhomes.com)

Re: Atrium Mortgage Investment Corporation and Dorr Capital Corporation (the "Lenders") - Loan to Stateview Homes (NAO Towns II) Inc. (the "Borrower") (the "Loan")

Dear Sirs,

We are lawyers for the Lenders.

The Borrower is in default under the Loan as a result of (among other things) the following circumstances:

- It failed to make the payment of \$277,598.63 due under the Loan on April 1, 2023.
- It granted mortgages against the property municipally known as 7810, 7822, 7834 and 7846 McCowan Road, Markham, Ontario (the "**Real Property**") to third parties without prior notice to or written consent of the Lenders.
- A material adverse change has occurred relating to the Borrower and the Guarantors (Dino Taurasi and Carlo Taurasi), being that, among other things, they have each acknowledged and agreed that:
 - their accounts (and the accounts of related parties) at The Toronto-Dominion Bank ("**TD Bank**") were used to perpetrate an extensive cheque kiting scheme against TD Bank, resulting in TD Bank suffering losses that exceed \$37 million;
 - they are jointly and severally liable to TD Bank in the amount \$37,134,091.23 plus interest and costs as a result of the foregoing conduct; and
 - the aforesaid obligation is a debt and liability arising out of fraud.

We understand from our clients that the following amounts are owing under the Loan as of April 12, 2023:

Principal	\$23,240,000.00
Interest due to March 31, 2023	\$277,598.63
Interest due to April 12, 2023	\$107,457.53
Early Repayment Fee	\$823,840.82
Discharge Fee	\$500.00
Total	\$24,449,396.98

On behalf of the Lenders, we hereby make formal demand for payment of \$24,449,396.98, together with accruing interest and any and all costs and expenses (including, without limitation, legal and other professional fees) incurred by the Lenders (collectively, the "**Indebtedness**"). Payment is required to be made immediately. Interest continues to accrue on the Indebtedness at the rates established under the terms of the Loan.

The Indebtedness is secured by, *inter alia*, a Charge/Mortgage granted in favour of the Lenders over the Real Property and a General Security Agreement covering all personal property now owned or hereafter owned or acquired by or on behalf of the Borrower.

If payment of the Indebtedness is not received immediately, the Lenders shall take whatever steps they consider necessary or appropriate to collect and recover the amounts owing to them, including, without limitation, steps to appoint an interim receiver, receiver or receiver and manager of the Borrower, in which case the Lenders will also be seeking all costs incurred in doing so.

On behalf of the Lenders, we enclose a Notice of Intention to Enforce Security delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act* (Canada) (the "**BIA Notice**").

The Lenders hereby reserve their rights to initiate proceedings within the ten (10) day period set out in the BIA Notice, if they determine that such proceedings are necessary or appropriate.

Yours truly,

CHAITONS LLP



George Benchetrit

PARTNER
GB/ac
Enc.

c. Atrium Mortgage Investment Corporation
Dorr Capital Corporation

NOTICE OF INTENTION TO ENFORCE SECURITY
(pursuant to Section 244(1) of the *Bankruptcy and Insolvency Act*)

TO: STATEVIEW HOMES (NAO TOWNS II) INC.
410 Chrislea Road, Unit 16
Woodbridge, Ontario L4L 8B5

Take notice that:

1. Atrium Mortgage Investment Corporation and Dorr Capital Corporation (collectively, “the **Creditors**”) intend to enforce their security on the assets, property and undertaking of Stateview Homes (Nao Towns II) Inc. (the “**Debtor**”), including, without limiting the generality of the foregoing, all the equipment, accounts, proceeds, books and records, inventory, leaseholds and all other personal property interests of the Debtor, and all present and after acquired personal property used in connection with, situate at or arising from the ownership, development, use or disposition of the property municipally known as 7810, 7822, 7834 and 7846 McCowan Road, Markham, Ontario (the “**Real Property**”).
2. The security that is to be enforced is in the form of, *inter alia*, the following instruments (the “**Security**”):
 - Charge/Mortgage registered against title to the Real Property
 - General Assignment of Rents
 - General Security Agreement
3. The total amount of indebtedness secured by the Security as at April 12, 2023 is \$24,449,396.98, plus accrued interest and costs.
4. The Creditors will not have the right to enforce the Security until after the expiry of the 10-day period following the sending of this notice, unless the insolvent person consents to an earlier enforcement.

DATED at Toronto this 12th day of April, 2023.

**Atrium Mortgage Investment Corporation and
Dorr Capital Corporation,
by their lawyers, Chaitons LLP**

Per:



George Benchetrit

Note: This Notice is given for precautionary purposes only and there is no acknowledgement that any person to whom this Notice is delivered is insolvent, or that the provisions of the *Bankruptcy and Insolvency Act* apply to the enforcement of this security.

April 12, 2023

VIA EMAIL, REGISTERED MAIL AND REGULAR MAIL

Dino Taurasi
48 Puccini Drive
Richmond Hill Canada L4E 2Y6

Carlo Taurasi
48A Puccini Drive
Richmond Hill Canada L4E 2Y6

Re: *Atrium Mortgage Investment Corporation and Dorr Capital Corporation (the "Lenders") - Loan to Stateview Homes (NAO Towns II) Inc. (the "Borrower") (the "Loan")*

Dear Sirs,

You jointly and severally guaranteed the obligations of the Borrower to the Lenders under the Loan pursuant to a Guarantee and Postponement of Claim dated April 19, 2022 (the "**Guarantee**").

The Lenders have demanded immediate repayment of the Loan by letter issued today (copy enclosed together with Notice of Intention to Enforce Security delivered pursuant to subsection 244(1) of the *Bankruptcy and Insolvency Act (Canada)*).

We understand from our clients that the following amounts are owing under the Loan as of April 12, 2023:

Principal	\$23,240,000.00
Interest due to March 31, 2023	\$277,598.63
Interest due to April 12, 2023	\$107,457.53
Early Repayment Fee	\$823,840.82
Discharge Fee	\$500.00
Total	\$24,449,396.98

On behalf of the Lenders, we hereby make formal demand on you for payment of the amounts listed above, together with accruing interest and any and all costs and expenses, including, without limitation, legal and other professional fees incurred by the Lenders (collectively, the "**Guaranteed Indebtedness**"). Payment is required to be made immediately. Interest continues to accrue on the Guaranteed Indebtedness at the rates established under the Loan, the Guarantee, and any other agreement, as applicable.

If payment of the Guaranteed Indebtedness is not received immediately, the Lenders shall take whatever steps they consider necessary or appropriate to collect and recover the amounts owing to them including, without limitation, the commencement of legal proceedings against you, in which case the Lenders will also be seeking all costs incurred in doing so.

Yours truly,

CHAITONS LLP



George Benchetrit

PARTNER
GB/ac
Enc

c. Atrium Mortgage Investment Corporation
Dorr Capital Corporation

**THIS IS EXHIBIT "O" TO
THE AFFIDAVIT OF BRIAN DORR
SWORN BEFORE ME THIS 25TH
DAY OF APRIL, 2023**



A Commissioner etc.

Northbridge General Insurance Corporation
105 Adelaide Street West
Toronto, Ontario M5H 1P9
Tel: (416) 350-4000
Fax: (416) 369-7164

REGISTERED LETTER OF TERMINATION

April 18, 2023

Broker: Masters Insurance Limited

Insured: Stateview Construction Ltd.
410 Chrislea Road, Unit #16
Woodbridge, ON, L4L8B5

Policy Number: CBC 0651149

As you have not paid the premium owing on this policy, we are providing you with notice of termination. Pursuant to conditions set forth in the above numbered policy, we hereby give you **15 days** notification of termination of this policy. The period mentioned begins the day after delivery of this letter at the post office to which it is addressed. This policy will be terminated, without further notice, at midnight on **May 3, 2023**.

Please note that, upon the termination of your policy, the earned premium due to the NORTHBRIDGE GENERAL INSURANCE CORPORATION from the commencement date to the effective date of termination will be **\$71,242**.

Please remit payment to: NORTHBRIDGE GENREAL INSURANCE CORPORATION, 105 Adelaide Street West Toronto, Ontario M5H 1P9, or your broker: Masters Insurance Limited, 7501 Keele Street, Suite 400, Vaughan, Ontario, Canada, L4K 1Y2.

Please contact your insurance representative if you have any questions.

Sincerely,

Grace Hu

Associate Underwriter

Ontario Region – Construction & Contracting

Northbridge Insurance

105 Adelaide Street West | Suite 700 | Toronto, ON | M5H 1P9

Email: grace.hu@nbfc.com

Phone: 416-350-4162

cc:

Broker: Masters Insurance

REGISTERED LETTER OF TERMINATION

April 18, 2023

Broker: Masters Insurance Limited

Insured: Stateview Construction Ltd.
410 Chrislea Road, Unit #16
Woodbridge, ON, L4L8B5

Policy Number: CBC 0651140

As you have not paid the premium owing on this policy, we are providing you with notice of termination. Pursuant to conditions set forth in the above numbered policy, we hereby give you **15 days** notification of termination of this policy. The period mentioned begins the day after delivery of this letter at the post office to which it is addressed. This policy will be terminated, without further notice, at midnight on **May 3, 2023**.

Please note that, upon the termination of your policy, the earned premium due to the NORTHBRIDGE GENERAL INSURANCE CORPORATION from the commencement date to the effective date of termination will be **\$350,456**.

Please remit payment to: NORTHBRIDGE GENREAL INSURANCE CORPORATION, 105 Adelaide Street West Toronto, Ontario M5H 1P9, or your broker: Masters Insurance Limited, 7501 Keele Street, Suite 400, Vaughan, Ontario, Canada, L4K 1Y2.

Please contact your insurance representative if you have any questions.

Sincerely,

Grace Hu

Associate Underwriter

Ontario Region – Construction & Contracting

Northbridge Insurance

105 Adelaide Street West | Suite 700 | Toronto, ON | M5H 1P9

Email: grace.hu@nbfc.com

Phone: 416-350-4162

cc:

Broker: Masters

ATRIUM MORTGAGE INVESTMENT CORPORATION et al.
Plaintiffs

-and-

STATEVIEW HOMES (NAO TOWNS II) INC., et al.

Defendants

Court File No. CV-23-00698395-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

AFFIDAVIT OF BRIAN DORR

CHAITONS LLP

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

George Benchetrit (LSO No. 34163H)

Tel: (416) 218-1141

Email: george@chaitons.com

Laura Culleton (LSO No. 82428R)

Tel: (416) 218-1128

Email: laurac@chaitons.com

Lawyers for the Plaintiffs

TAB 3

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

**ATRIUM MORTGAGE INVESTMENT CORPORATION and DORR
CAPITAL CORPORATION**

Plaintiffs

- and -

**STATEVIEW HOMES (NAO TOWNS II) INC., DINO TAURASI and
CARLO TAURASI**

Defendants

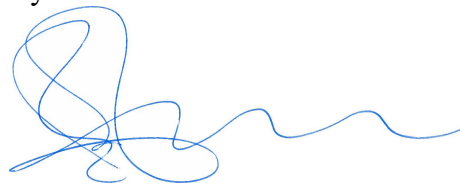
CONSENT

KSV Restructuring Inc. hereby consents to being appointed as receiver over the property, assets and undertakings of Stateview Homes (Nao Towns II) Inc.

Dated this 25th day of April, 2023

KSV RESTRUCTURING INC.

By:



Name: Bobby Kofman
President and Managing Director

I have authority to bind the corporation

ATRIUM MORTGAGE INVESTMENT CORPORATION et al.
Plaintiffs

-and-

STATEVIEW HOMES (NAO TOWNS II) INC., et al.

Defendants

Court File No. CV-23-00698395-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

CONSENT

CHAITONS LLP

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

George Benchetrit (LSO No. 34163H)

Tel: (416) 218-1141

Email: george@chaitons.com

Laura Culleton (LSO No. 82428R)

Tel: (416) 218-1128

Email: laurac@chaitons.com

Lawyers for the Plaintiffs

TAB 4



Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

**ATRIUM MORTGAGE INVESTMENT CORPORATION and DORR
CAPITAL CORPORATION**

Plaintiffs

and

**STATEVIEW HOMES (NAO TOWNS II) INC., DINO TAURASI and
CARLO TAURASI**

Defendants

STATEMENT OF CLAIM

TO THE DEFENDANTS:

A LEGAL PROCEEDING HAS BEEN COMMENCED AGAINST YOU by the Plaintiff.
The Claim made against you is set out in the following pages.

IF YOU WISH TO DEFEND THIS PROCEEDING, you or an Ontario lawyer acting for you must prepare a Statement of Defence in Form 18A prescribed by the *Rules of Civil Procedure*, serve it on the Plaintiff's lawyer or, where the Plaintiff does not have a lawyer, serve it on the Plaintiff, and file it, with proof of service, in this court office, WITHIN TWENTY DAYS after this Statement of Claim is served on you, if you are served in Ontario.

If you are served in another province or territory of Canada or in the United States of America, the period for serving and filing your Statement of Defence is forty days. If you are served outside Canada and the United States of America, the period is sixty days.

Instead of serving and filing a Statement of Defence, you may serve and file a Notice of Intent to Defend in Form 18B prescribed by the *Rules of Civil Procedure*. This will entitle you to ten more days within which to serve and file your Statement of Defence.

IF YOU FAIL TO DEFEND THIS PROCEEDING, JUDGMENT MAY BE GIVEN AGAINST YOU IN YOUR ABSENCE AND WITHOUT FURTHER NOTICE TO YOU. IF YOU WISH TO DEFEND THIS PROCEEDING BUT ARE UNABLE TO PAY LEGAL FEES, LEGAL AID MAY BE AVAILABLE TO YOU BY CONTACTING A LOCAL LEGAL AID OFFICE.

IF YOU PAY THE PLAINTIFF'S CLAIM, and \$750 for costs, within the time for serving and filing your Statement of Defence, you may move to have this proceeding dismissed by the Court. If you believe the amount claimed for costs is excessive, you may pay the Plaintiff's claim and \$400 for costs and have the costs assessed by the Court.

TAKE NOTICE: THIS ACTION WILL AUTOMATICALLY BE DISMISSED if it has not been set down for trial or terminated by any means within five years after the action was commenced unless otherwise ordered by the court.

Date April , 2023

Issued by _____

Local Registrar

Address of court office: 330 University Avenue, 7th Floor
Toronto ON M5G 1R7

TO: **Stateview Homes (Nao Towns II) Inc.**
410 Chrislea Rd., 16
Woodbridge, Ontario
L4L 8B5

AND TO: **Dino Taurasi**
48 Puccini Drive
Richmond Hill, Ontario
L4E 2Y6

AND TO: **Carlo Taurasi**
48A Puccini Drive
Richmond Hill, Ontario
L4E 2Y6

CLAIM

1. Atrium Mortgage Investment Corporation and Dorr Capital Corporation (collectively, the “**Lenders**”) claim as against the defendant Stateview Homes (Nao Towns II) Inc. (the “**Debtor**”):

- (a) an order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3 (the “**BIA**”), as amended, and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”), appointing KSV Restructuring Inc. (“**KSV**”) as receiver (in such capacity, the “**Receiver**”), without security, over all of the assets, undertakings and property of the Debtor, including the real property owned by the Debtor known municipally as 7810, 7822, 7834 and 7846 McCowan Road, Markham, Ontario and described legally in Schedule “A” hereto (“**Real Property**”), and all other property, assets and undertakings relating thereto; and
- (b) payment of the sum of \$24,449,396.98 under a loan by the Lenders to the Debtor, together with interest thereon from April 13, 2023 to the date of judgment at a rate of interest of the greater of the TD Bank Prime Rate plus 7.36% or 10.06% per annum for the first 12 months of the term of the Loan and the greater of the TD Bank Prime Rate plus 12.30% or 15.00% per annum thereafter.

2. The Lenders claim against the defendants Dino Taurasi (“**Dino**”) and Carlo Taurasi (“**Carlo**”):

- (a) payment of the sum of \$24,449,396.98 in respect of their joint and several personal guarantee of the debts of the Debtor owing to the Lenders, together with interest thereon from April 13, 2023 to the date of judgment at a rate of interest of the greater of the TD Bank Prime Rate plus 7.36% or 10.06% per annum for the first 12 months of the term of the Loan and the greater of the TD Bank Prime Rate plus 12.30% or 15.00% per annum thereafter.

3. The Lenders claim as against the defendants collectively:
 - (a) in the alternative to the interest claimed above, pre-judgment and post-judgment interest in accordance with sections 128 and 129 of the CJA;
 - (b) the costs of this proceeding on a full indemnity basis; and
 - (c) such further and other relief as this Honourable Court may deem just.

The Parties

4. Atrium Mortgage Investment Corporation is an investment and lending corporation with its registered office address in Toronto, Ontario.
5. Dorr Capital Corporation is a private provider of commercial mortgage investments and commercial real estate financing with its registered office address in Toronto, Ontario.
6. The Debtor is an Ontario corporation with its registered office address in Woodbridge, Ontario.
7. Carlo is listed as a director and President of the Debtor. Carlo and Dino are shareholders of the Debtor. As set out below, they jointly and severally guaranteed repayment of the debts of the Debtor to the Lenders.

Loan Agreement, Security and Guarantees

8. Pursuant to a commitment letter dated April 1, 2022, as amended by an amendment dated April 7, 2022 and a further amendment dated April 19, 2022 (collectively, the “**Commitment Letter**”), the Lenders advanced a secured loan to the Debtor in the principal amount of \$23,240,000 (the “**Loan**”).
9. In support of the Loan, the Debtor granted to the Lenders, among other things, the following security:
 - (a) a charge/mortgage in the amount of \$23,240,000 registered as a first charge/mortgage against the Real Property on May 20, 2022 as Instrument No. YR3428362 (the “**Charge**”);

- (b) a General Assignment of Rents dated April 19, 2022; and
- (c) a General Security Agreement dated April 19, 2022 (the “GSA”).

10. The Charge and the GSA provide for the appointment of a receiver over the Debtor’s assets upon default by the Debtor.

11. Pursuant to the Charge, the Debtor acknowledged that no financing subsequent to the Loan, including further mortgages, pledges or encumbrances registered against title to the Real Property, shall be permitted without the prior written consent of the Lenders.

12. Pursuant to the Charge, it is an event of default if a material adverse change occurs relating to, among others, the Debtor or the Real Property.

13. In addition to the security described above, Dino and Carlo signed a Guarantee and Postponement of Claim on or about April 19, 2022 pursuant to which they agreed jointly and severally to repay all amounts owing under the Loan, as well as costs, legal costs and other expenses incurred by the Lenders as a result of any default by the Debtor under the Loan (the “Guarantee”).

Default by the Debtor

14. The Debtor failed to make the required monthly interest payment due under the Loan on April 1, 2023 in the amount of \$277,598.63.

15. The Debtor granted mortgages against the Real Property to third parties without notice to or prior written consent of the Lenders.

16. A material adverse change has occurred relating to the Debtor and the Guarantors in that they have acknowledged and agreed in writing that:

- (a) their accounts, and the accounts of related parties, at the Toronto-Dominion Bank (“TD Bank”) were used to perpetrate an extensive cheque kiting scheme against TD Bank, which resulted in TD Bank suffering losses that exceed \$37 million;

- (b) they are jointly and severally liable to TD Bank in the amount of \$37,134,091.23 plus interest and costs as a result of the foregoing conduct; and
- (c) the aforesaid obligation is a debt and liability arising out of fraud.

17. As a result of the above defaults, by letter dated April 12, 2023, the Lenders made formal written demand on the Debtor for repayment of the Loan and gave notice of their intention to enforce their security pursuant to section 244(1) of the BIA.

18. By letter dated April 12, 2023, the Lenders made demand on the Guarantors pursuant to the Guarantee.

19. The Defendants have failed to repay the indebtedness owing to the Lenders.

20. As of April 12, 2023, the indebtedness owing by the Debtor to the Lenders was \$24,449,396.98, comprising principal in the amount of \$23,240,000, interest payments due March 31, 2023, in the amount of \$277,598.63, interest payments due to April 12, 2023, in the amount of \$107,457.53, early repayment fee, in the amount of \$823,840.82, and a discharge fee in the amount of \$500.00. This amount does not include legal and other professional costs.

21. The Lenders therefore plead that the Defendants are liable to them for the relief claimed herein.

Appointment of a Receiver

22. The Lenders seek the appointment of KSV as receiver over the assets of the Debtor.

23. The appointment of a receiver is provided for in the GSA and in the Charge.

24. The appointment of a receiver would be just and convenient under the circumstances.

25. The Lenders plead and rely upon section 243 of the BIA and section 101 of the CJA.

April 24, 2023

CHAITONS LLP

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Lawyers for the Plaintiffs

SCHEDULE “A”

Legal Description: PT LT 6, CON 6, AS IN R640261; MARKHAM

PIN: 02962 – 0270 LT

Municipal Address: 7810 MCCOWAN ROAD, MARKHAM, ONTARIO

Legal Description: PT LT 6, CON 6, AS IN MA69140; MARKHAM

PIN: 02962 – 0271 LT

Municipal Address: 7822 MCCOWAN ROAD, MARKHAM, ONTARIO

Legal Description: PT LT 6, CON 6, PART 1, 2, 65R17687

PIN: 02962 – 0272 LT

Municipal Address: 7834 MCCOWAN ROAD, MARKHAM, ONTARIO

Legal Description: PT LT 6, CON 6, AS IN R491185; T/W MA54373

PIN: 02962 – 0273 LT

Municipal Address: 7846 MCCOWAN ROAD, MARKHAM, ONTARIO

Electronically issued / Délivré par voie électronique : 24-Apr-2023
Toronto Superior Court of Justice / Cour supérieure de justice

**ALUMINUM MORTGAGE INVESTMENT CORPORATION et -and-
al.**
Plaintiffs

**Court File No./N° du dossier du greffe : CV-23-00698395-00CL
STATEVIEW HOMES (USA) TOWNSHIP INC., et al.**

Defendants

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

STATEMENT OF CLAIM

CHAITONS LLP

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Lawyers for the Plaintiffs

TAB 5

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

THE HONOURABLE) DAY, THE
JUSTICE) DAY OF , 2023

B E T W E E N:

**ATRIUM MORTGAGE INVESTMENT CORPORATION and DORR
CAPITAL CORPORATION**

Plaintiffs

- and -

**STATEVIEW HOMES (NAO TOWNS II) INC., DINO TAURASI and
CARLO TAURASI**

Defendants

**ORDER
(appointing Receiver)**

THIS MOTION, made by the Plaintiffs 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 Stateview Homes (Nao Towns II) Inc. (the “**Debtor**”) acquired for, or used in relation to a business carried on by the Debtor, was heard this day via videoconference.

ON READING the Affidavit of Brian Dorr sworn April 25, 2023 and the Exhibits thereto, and on hearing the submissions of counsel for the Plaintiffs, the Defendants, and the other parties listed on the Participant Information Sheet, no one else appearing for the parties listed on the service list although duly served as appears from the affidavits of service filed with the Court, and on reading the consent of KSV Restructuring Inc. to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service 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.

APPOINTMENT

2. **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 Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the “**Property**”), and including, without limitation, the real property municipally known as 7810, 7822, 7834 and 7846 McCowan Road, Markham, Ontario and described legally in **Schedule “A”** attached hereto.

RECEIVER’S POWERS

3. **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 Debtor, 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 Debtor;

- (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 Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (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 Debtor, 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 Debtor, 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 \$250,000, 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 Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor 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 Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtor, (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.

5. **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 Debtor, 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.

6. **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.

7. **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

8. **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 DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtor, 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 Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor 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 Debtor 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 Debtor's 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 Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's 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

15. **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 Debtor, and shall return all

other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, “**Possession**”) of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, 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

17. **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

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to

the Receiver shall be entitled to and are hereby granted a charge (the “**Receiver's Charge**”) on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, 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.

19. **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.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow 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 \$250,000 (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.

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

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

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

SERVICE AND NOTICE

25. **THIS COURT ORDERS** that the E-Service Guide of the Commercial List (the “**Guide**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Guide (which can be found on the Commercial List website at 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 “●”.

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 Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor 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 Debtor’s 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 Debtor.

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 motion, 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 Debtor's 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, notwithstanding Rule 59.05, this order is effective from the date it is made, and it is enforceable without any need for entry and filing. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or motion for leave to appeal is brought to an appellate court. Any party may nonetheless submit a formal order for original, signing, entry and filing, as the case may be, when the Court returns to regular operation.

SCHEDULE "A"

Legal Description: PT LT 6, CON 6, AS IN R640261; MARKHAM

PIN: 02962 – 0270 LT

Municipal Address: 7810 MCCOWAN ROAD, MARKHAM, ONTARIO

Legal Description: PT LT 6, CON 6, AS IN MA69140; MARKHAM

PIN: 02962 – 0271 LT

Municipal Address: 7822 MCCOWAN ROAD, MARKHAM, ONTARIO

Legal Description: PT LT 6, CON 6, PART 1, 2, 65R17687

PIN: 02962 – 0272 LT

Municipal Address: 7834 MCCOWAN ROAD, MARKHAM, ONTARIO

Legal Description: PT LT 6, CON 6, AS IN R491185; T/W MA54373

PIN: 02962 – 0273 LT

Municipal Address: 7846 MCCOWAN ROAD, MARKHAM, ONTARIO

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 Stateview Homes (Nao Towns II) Inc. (the "**Debtor**") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the th day of April, 2023 (the "**Order**") made in a motion having Court file number CV-23-00698395-00CL, 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:

ATRIUM MORTGAGE INVESTMENT CORPORATION et al. -and-

Plaintiffs

STATEVIEW HOMES (NAO TOWNS II) INC., et al.

Defendants

Court File No. CV-23-00698395-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

ORDER

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Lawyers for the Plaintiffs

TAB 6

Revised: January 21, 2014
~~s.243(1) BIA (National Receiver) and s. 101
CJA (Ontario) Receiver~~

Court File No. — CV-23-00698395-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

THE HONOURABLE) ~~WEEKDAY~~DAY, THE #
JUSTICE) DAY OF ~~MONTH~~ , ~~20YR~~2023

BETWEEN:

~~PLAINTIFF~~¹

~~Plaintiff~~

**ATRIUM MORTGAGE INVESTMENT CORPORATION and DORR
CAPITAL CORPORATION**

Plaintiffs

- and -

~~DEFENDANT~~

~~Defendant~~

STATEVIEW HOMES (NAO TOWNS II) INC., DINO TAURASI and

CARLO TAURASI

Defendants

ORDER
(appointing Receiver)

~~¹ The Model Order Subcommittee notes that a receivership proceeding may be commenced by action or by application. This model order is drafted on the basis that the receivership proceeding is commenced by way of an action.~~

THIS MOTION, made by the ~~Plaintiff~~²Plaintiffs 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 ~~[RECEIVER'S NAME]~~KSV Restructuring Inc. as receiver ~~[and manager] (in such capacities,~~ (the "Receiver") without security, of all of the assets, undertakings and properties of ~~[DEBTOR'S NAME]~~Stateview Homes (Nao Towns II) Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, was heard this day ~~at 330 University Avenue, Toronto, Ontario~~ via videoconference.

ON READING the ~~affidavit~~Affidavit of ~~[NAME]~~Brian Dorr sworn ~~[DATE]~~April 25, 2023 and the Exhibits thereto, and on hearing the submissions of counsel for ~~[NAMES]~~the Plaintiffs, the Defendants, and the other parties listed on the Participant Information Sheet, no one else appearing for ~~[NAME]~~the parties listed on the service list although duly served as appears from the ~~affidavit~~affidavits of service ~~of [NAME] sworn [DATE]~~of [NAME] sworn [DATE] filed with the Court, and on reading the consent of ~~[RECEIVER'S NAME]~~KSV Restructuring Inc. to act as the Receiver,

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record is hereby abridged and validated³ so that this motion is properly returnable today and hereby dispenses with further service thereof.

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, ~~[RECEIVER'S NAME]~~KSV Restructuring Inc. is hereby appointed Receiver, without security, of all of the assets, undertakings and properties of the Debtor acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (the "Property").

²~~Section 243(1) of the BIA provides that the Court may appoint a receiver "on application by a secured creditor".~~

³~~If service is effected in a manner other than as authorized by the Ontario Rules of Civil Procedure, an order validating irregular service is required pursuant to Rule 16.08 of the Rules of Civil Procedure and may be granted in appropriate circumstances.~~

and including, without limitation, the real property municipally known as 7810, 7822, 7834 and 7846 McCowan Road, Markham, Ontario and described legally in Schedule "A" attached hereto.

RECEIVER'S POWERS

3. **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 Debtor, 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 Debtor;
- (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 Debtor or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;

- (g) to settle, extend or compromise any indebtedness owing to the Debtor;
- (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 Debtor, 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 Debtor, the Property or the Receiver, and to settle or compromise any such proceedings.⁴ 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 \$250,000, 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*, ~~for~~ section 31 of the Ontario *Mortgages Act*, as the case

~~⁴ This model order does not include specific authority permitting the Receiver to either file an assignment in bankruptcy on behalf of the Debtor, or to consent to the making of a bankruptcy order against the Debtor. A bankruptcy may have the effect of altering the priorities among creditors, and therefore the specific authority of the Court should be sought if the Receiver wishes to take one of these steps.~~

may be,⁵ shall not be required, ~~and in each case the Ontario Bulk Sales Act shall not apply;~~

- (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 Debtor;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations²;

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 Debtor, and without interference from any other Person.

~~⁵ If the Receiver will be dealing with assets in other provinces, consider adding references to applicable statutes in other provinces. If this is done, those statutes must be reviewed to ensure that the Receiver is exempt from or can be exempted from such notice periods, and further that the Ontario Court has the jurisdiction to grant such an exemption.~~

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtor, (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.

5. **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 Debtor, 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.

6. **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.

7. **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

8. **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 DEBTOR OR THE PROPERTY

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

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Debtor, 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 Debtor to carry on any business

which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

12. **THIS COURT ORDERS** that all Persons having oral or written agreements with the Debtor 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 Debtor 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 Debtor's 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 Debtor or such other practices as may be agreed upon by the supplier or service provider and the Receiver, or as may be ordered by this Court.

RECEIVER TO HOLD FUNDS

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

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's 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

15. **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 Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, 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

17. **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

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless

otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "Receiver's Charge") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, 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.⁶

19. **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.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow 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 \$~~_____~~250,000 (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,

~~⁶Note that subsection 243(6) of the BIA provides that the Court may not make such an order "unless it is satisfied that the secured creditors who would be materially affected by the order were given reasonable notice and an opportunity to make representations".~~

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.

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

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

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

SERVICE AND NOTICE

25. **THIS COURT ORDERS** that the E-Service ~~Protocol~~Guide of the Commercial List (the "~~Protocol~~Guide") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the ~~Protocol~~Guide (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/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 2113 of the ~~Protocol~~Guide, service of documents in accordance with the ~~Protocol~~Guide will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the ~~Protocol~~Guide with the following URL ~~@~~"".

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 Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor 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 Debtor's 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. ~~27.~~ **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. ~~28.~~ **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

30. ~~29.~~ **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. ~~30.~~ **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. ~~31.~~ **THIS COURT ORDERS** that the ~~Plaintiff~~Applicant shall have its costs of this motion, up to and including entry and service of this Order, provided for by the terms of the ~~Plaintiff~~Applicant's security or, if not so provided by the ~~Plaintiff~~Applicant's security, then on a substantial indemnity basis to be paid by the ~~Receiver~~Applicant from the Debtor's estate with such priority and at such time as this Court may determine.

33. ~~32.~~ **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, notwithstanding Rule 59.05, this order is effective from the date it is made, and it is enforceable without any need for entry and filing. In accordance with Rules 77.07(6) and 1.04, no formal order need be entered and filed unless an appeal or motion for leave to appeal is brought to an appellate court. Any party may nonetheless submit a formal order for original, signing, entry and filing, as the case may be, when the Court returns to regular operation.

SCHEDULE "A"

Legal Description: PT LT 6, CON 6, AS IN R640261; MARKHAM

PIN: 02962 – 0270 LT

Municipal Address: 7810 MCCOWAN ROAD, MARKHAM, ONTARIO

Legal Description: PT LT 6, CON 6, AS IN MA69140; MARKHAM

PIN: 02962 – 0271 LT

Municipal Address: 7822 MCCOWAN ROAD, MARKHAM, ONTARIO

Legal Description: PT LT 6, CON 6, PART 1, 2, 65R17687

PIN: 02962 – 0272 LT

Municipal Address: 7834 MCCOWAN ROAD, MARKHAM, ONTARIO

Legal Description: PT LT 6, CON 6, AS IN R491185; T/W MA54373

PIN: 02962 – 0273 LT

Municipal Address: 7846 MCCOWAN ROAD, MARKHAM, ONTARIO

SCHEDULE "A" "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that ~~[RECEIVER'S NAME]~~ KSV Restructuring Inc., the receiver (the "Receiver") of the assets, undertakings and properties ~~[DEBTOR'S NAME]~~ of Stateview Homes (Nao Towns II) Inc. (the "Debtor") acquired for, or used in relation to a business carried on by the Debtor, including all proceeds thereof (collectively, the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___th day of April, 20 2023 (the "Order") made in ~~an action~~ a motion having Court file number CV-23-00698395-00CL, 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 _____, ~~20~~202.

~~[RECEIVER'S _____ NAME]~~KSV
RESTRUCTURING INC., solely in its
capacity as Receiver of the Property, and not in
its personal capacity

Per: _____
Name:
Title:

ATRIUM MORTGAGE INVESTMENT CORPORATION et al.

-and-

STATEVIEW HOMES (NAO TOWNS II) INC., et al.

Plaintiffs

Defendants

Court File No. CV-23-00698395-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

Proceeding commenced at Toronto

ORDER

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Lawyers for the Plaintiffs

Document comparison by Workshare Compare on Wednesday, April 26, 2023 1:37:42 PM

Input:	
Document 1 ID	file:///C:/Users/Antoinet/Desktop/receivership-order-EN.doc
Description	receivership-order-EN
Document 2 ID	iManage://chaitonsllp-mobility-ca.imatech.com/chaitonsdm/10713564/1
Description	#10713564v1<chaitonsllp-mobility-ca.imatech.com> - Atrium - Receivership Order
Rendering set	Standard

Legend:	
	<u>Insertion</u>
	Deletion
	Moved from
	<u>Moved to</u>
	Style change
	Format change
	Moved deletion
Inserted cell	
Deleted cell	
Moved cell	
Split/Merged cell	
Padding cell	

Statistics:

	Count
Insertions	165
Deletions	127
Moved from	0
Moved to	0
Style changes	0
Format changes	0
Total changes	292

ATRIUM MORTGAGE INVESTMENT CORPORATION et al. -and-
Plaintiffs

STATEVIEW HOMES (NAO TOWNS II) INC., et al.
Defendants

Court File No. CV-23-00698395-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

Proceeding commenced at Toronto

MOTION RECORD

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