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February 16, 2024

To: Home buyers ("**Home Buyers**") of Stateview Homes (NAO Towns II) Inc. ("**the Company**")

Re: **Update #5 to Home Buyers**

The purpose of this notice is to provide Home Buyers with an update regarding the status of the Company's project located at 7810, 7822, 7834, 7846, McCowan Road, Markham (the "**Real Property**").

As previously advised, pursuant to an order (the "**Receivership Order**") granted by the Ontario Superior Court of Justice (Commercial List) (the "**Court**") on May 2, 2023, KSV Restructuring Inc. was appointed the receiver and manager (the "**Receiver**") of, *inter alia*, the property, assets and undertakings of the companies listed on Appendix "B" to the Receivership Order (the "**Receivership Properties**"), including their real property. A copy of the Receivership Order and other materials filed in the receivership proceeding can be found on the Receiver's case website at <https://www.ksvadvisory.com/experience/case/stateview-homes>.

In a previous Notice to Home Buyers dated June 13, 2023, the Receiver advised Home Buyers that, on June 5, 2023, the Court issued an order (the "**Sale Process Order**") approving a sale process for each of the Receivership Properties (the "**Sale Process**").

### **Sale Process Results**

This notice advises that, on February 15, 2024, the Court approved an agreement of purchase and sale between the Receiver and 1000707996 Ontario Inc. (the "**Purchaser**") for the purchase by the Purchaser of the Real Property and certain assets related to the Real Property (the "**Transaction**"). The Transaction is expected to close on or about February 25, 2024 (the "**Closing Date**"). A copy of the Receiver's Motion Record recommending that the Court approve the Transaction can also be found on the case website ([link](#)).

### **Termination of Pre-Sale Purchase Agreements**

As set out in section 7.3 of the Receiver's Report to Court dated February 7, 2024 (the "**Seventh Report**"), the Purchaser has advised that it will not be assuming the Pre-Sale Purchase Agreements pursuant to which the Company agreed to sell residences to Home Buyers (the "**Pre-Sale Purchase Agreements**").

It is expected that, on or shortly prior to the Closing Date, the Receiver will issue a disclaimer and termination notice to each Home Buyer in respect of their Pre-Sale Purchase Agreement.

### **Home Buyer Deposits and Tarion Warranty Corporation ("**Tarion**")**

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

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

Yours very truly,

*KSV Restructuring Inc.*

**KSV RESTRUCTURING INC.  
SOLELY IN ITS CAPACITY AS COURT-APPOINTED RECEIVER AND MANAGER OF  
STATEVIEW HOMES (NAO TOWNS II) INC.  
AND NOT IN ITS PERSONAL CAPACITY**