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**To: Home buyers (“Home Buyers”) of the Stateview Homes (On the Mark) Inc. (“On the Mark”)**

**Re: Update on the On the Mark Project**

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. is the receiver and manager (the “Receiver”) of the property, assets and undertakings of On the Mark, including the real property of On the Mark listed on Appendix “B” to the Receivership Order (the “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>.

The purpose of this notice is advise Home Buyers that, on July 12, 2023, the Receiver filed a motion (the “Receiver’s Motion”) that will be heard by the Court on July 19, 2023 at 12:00 pm ET seeking an order, among other things, approving (i) a stalking horse purchase agreement dated June 30, 2023 for the sale of the On the Mark project and related assets (the “Stalking Horse Purchase Agreement”) and (ii) a sale process to be conducted by the Receiver to determine if there is an alternative transaction that is superior to the transaction provided for in the Stalking Horse Purchase Agreement (the “Sale Process”).

A copy of the Receiver’s Motion, including the Receiver’s Second Report dated July 12, 2023, is available on the Receiver’s case website at the following link: [Receiver’s Motion dated July 12, 2023](#). The Receiver strongly encourages Home Buyers to review the Receiver’s Motion and, if necessary, seek their own legal advice with respect to the Receiver’s Motion.

Of particular note for Home Buyers, if the Stalking Horse Purchase Agreement is selected as the successful bid in the Sale Process, between the date of Closing and the date that is three weeks thereafter (the “Optional Purchase Date”), the Purchaser shall offer each of the 30 Homebuyers whose agreements of purchase and sale are listed under Schedule “F” of the Stalking Horse Purchase Agreement (the “Optional Purchase Agreements”), the right to execute an amended Optional Purchase Agreement, which amended Optional Purchase Agreement shall be substantially in the form of the existing Optional Purchase Agreement between On the Mark and the Home Buyer except that it shall provide for: (i) a \$100,000 increase to the purchase price payable thereunder, (ii) confirmation that there are no other agreements or obligations as between such party and the Purchaser other than as set out in the amended Optional Purchase Agreement, (iii) an acknowledgment that the Purchaser may use alternative suppliers to complete construction of the applicable unit, and (iv) confirmation that no commissions, agent fees, broker fees or similar expenses will be due in connection with the sale.

The Purchaser will then assume and honour any such amended Optional Purchase Agreements that are agreed to and executed by the Home Buyer prior to the Optional Purchase Date. For greater certainty, only Home Buyers that choose to execute an amended Optional Purchase Agreement prior to the Optional Purchase Date will have their agreements of purchase and sale assumed by the Purchaser.

Pursuant to the proposed Sale Process, any other bid for the On the Mark Project and assets must, among other things, provide for treatment of the Home Buyer purchase agreements that, in the opinion of the Receiver, is no less favourable than the treatment of the Home Buyer purchase agreements under the Stalking Horse Purchase Agreement.

Subject to approval by the Court, the Receiver expects to complete the Sale Process in mid-August and thereafter seek Court approval of the successful bid.

Yours truly,

*KSV Restructuring Inc.*

**KSV RESTRUCTURING INC.  
SOLELY IN ITS CAPACITY AS COURT-APPOINTED RECEIVER AND MANAGER OF  
THE STATEVIEW GROUP OF COMPANIES  
AND NOT IN ITS PERSONAL CAPACITY**