

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

**IN THE MATTER OF THE *COMPANIES' CREDITORS
ARRANGEMENT ACT*, R.S.C. 1985, c. C-36, AS AMENDED**

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF URBANCORP (WOODBINE) INC.
AND URBANCORP (BRIDLEPATH) INC., THE
TOWNHOUSES OF HOGG'S HOLLOW INC., KING
TOWNS INC., NEWTOWNS AT KINGTOWNS INC. AND
DEAJA PARTNER (BAY) INC. (COLLECTIVELY, THE
"APPLICANTS")**

**AND IN THE MATTER OF TCC/URBANCORP (BAY)
LIMITED PARTNERSHIP**

MOTION RECORD OF TERRA FIRMA CAPITAL CORPORATION

May 8, 2017

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(BRIDLEPATH) INC. ET AL.

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(UPDATED OCTOBER 25, 2016)

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**IN THE MATTER OF THE *COMPANIES' CREDITORS
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**AND IN THE MATTER OF TCC/URBANCORP (BAY)
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TAB A

Court File No.: CV-16-11549-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
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**AND IN THE MATTER OF TCC/URBANCORP (BAY)
LIMITED PARTNERSHIP**

NOTICE OF MOTION

THE MOVING PARTY, Terra Firma Capital Corporation ("**TFCC**"), will make a motion to a judge presiding over the Commercial List on a date and time to be fixed by the Commercial List at 330 University Avenue, Toronto Ontario.

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

THE MOTION IS FOR AN ORDER:

- (a) setting aside the disallowance of the proof of claim that TFCC received from KSV Kofman Inc. ("**KSV**" or the "**Monitor**"), in its capacity as monitor of Urbancorp (Woodbine) Inc. ("**Woodbine**") dated December 14, 2016 in relation to the second mortgage registered as instrument YR2411107 (the "**Woodbine Second Mortgage**") and allowing the claim against Woodbine in full;
- (b) setting aside the disallowance of the proof of claim that TFCC received from KSV, in its capacity as monitor of Urbancorp (Bridlepath) Inc. ("**Bridlepath**") dated December 14, 2016 in relation to the second mortgage registered as instrument AT4107508 (the "**Bridlepath Second Mortgage**") and allowing the claim against Bridlepath in full;

- (c) setting aside the disallowance of the proof of claim that TFCC received from KSV in its capacity as monitor of TCC/Urbancorp (Bay) Limited Partnership ("**Bay LP**") dated December 14, 2016 in relation to the General Security Agreement (the "**Bay LP GSA**") and Guarantee and Postponement of Claim (the "**Bay LP Guarantee**") provided by Bay LP to TFCC and allowing the claim against Bay LP in full;
- (d) confirming the validity and enforceability of the Woodbine Second Mortgage, the Bridlepath Second Mortgage, the Bay LP GSA and the Bay LP Guarantee;
- (e) directing KSV as monitor of Woodbine, Bridlepath and Bay LP to make an immediate distribution of all amounts owing to TFCC in respect of the Woodbine Second Mortgage, the Bridlepath Second Mortgage, the Bay LP GSA and the Bay LP Guarantee; and
- (f) for such further and other relief as this Honourable Court may deem just.

THE GROUNDS FOR THE MOTION ARE:

Background- The Original Loan and the New Loan

1. Pursuant to the terms of a letter of interest dated December 22, 2015 and a separate letter agreement dated December 22, 2015, TFCC agreed to provide Urbancorp Holdco Inc. ("**UHI**") with a portfolio loan in the amount of \$12,000,000 (the "**Original Loan**"). The parties executed the necessary security for the Original Loan and funds were held on deposit pending satisfaction of the terms and conditions of the Original Loan. The security for this loan included the Woodbine Second Mortgage, the Bridlepath Second Mortgage, the Bay LP Guarantee and the Bay LP GSA.
2. However, in or around early February 2016, Alan Saskin ("**Saskin**"), advised that the Original Loan did not meet UHI's requirements. As a result, the Original Loan was cancelled and the funds were returned to TFCC without payment of loan fee

or interest.

3. Notwithstanding that the Original Loan was cancelled, discussions continued between TFCC and Saskin in respect of obtaining financing on amended terms and conditions and as a result, the security registered in respect of the Original Loan was not discharged. These discussions concluded with an offer of financing by TFCC to UHI pursuant to the terms of a letter of interest dated March 6, 2016 (the "**New Loan**").
4. Pursuant to the terms of the New Loan, TFCC agreed to loan UHI \$10,000,000.00. As contemplated by the terms of the New Loan, the net funds from the New Loan were paid on closing to the Canada Revenue Agency (the "**CRA**") to pay outstanding HST in respect of assets owned by a wholly owned subsidiary of Urbancorp Inc., which is a wholly owned subsidiary of UHI.

The Ownership Structure and The Security Provided In Respect of The New Loan

5. UHI is the borrower in respect of the New Loan.
6. Saskin is the owner of all common shares of UHI. Bay LP is the owner of all Class D shares in UHI.
7. The General Partner of Bay LP is Deaja Partner (Bay) Inc. ("**Deaja**"). Deaja is owned by Saskin. The Limited Partners of Bay LP are Saskin and Vestaco Investments Inc., which is owned by Doreen Saskin, Saskin's spouse.
8. Bay LP was also the beneficial owner of the lands bearing PIN Nos 03046-0219 (LT), 03046-0217(LT), 03046-0215 (LT) and 03046-0213 (LT) (collectively the

"**Woodbine Property**") and PIN No. 10126-1010 (LT) (the "**Bridlepath Property**").

9. Woodbine and Bridlepath were bare trustees that held the Woodbine Property and the Bridlepath Property in trust for Bay LP.
10. As a term of the New Loan, Bay LP provided the Woodbine Second Mortgage, the Bridlepath Second Mortgage, the Bay LP GSA and the Bay LP Guarantee as security for the New Loan.

The Monitor's Disallowance Of The Claims Made By TFCC In Respect Of The New Loan

11. Following the sale of the Woodbine Property and the Bridlepath Property, the Monitor delivered its Seventh Report dated September 29, 2016. In this report, the Monitor advised that the Woodbine Second Mortgage and the Bridlepath Second Mortgage would not be paid out at the same time as the first mortgages as they remained subject to further review by the Monitor.
12. The Monitor delivered its Eighth Report dated October 6, 2016 (the "**Eighth Report**"). The purpose of this report was to provide the details of the Monitor's review of the Woodbine Second Mortgage and the Bridlepath Second Mortgage. In this report, the Monitor referred to the security opinion provided by Davies Ward Philip & Vineberg LLP dated October 5, 2016 (the "**Davies' Opinion**") that stated the above mortgages could be held to be void as transfers at undervalue under the *Bankruptcy and Insolvency Act*, fraudulent conveyances under the *Fraudulent Conveyances Act (Ontario)* or fraudulent preferences under the *Assignment and Preferences Act (Ontario)*.

13. The Davies' Opinion was predicated on the expressed assumption that Saskin was the sole shareholder of UHI. This assumption was incorrect. At the time of the Original Loan transaction, Harris Sheaffer LLP, counsel for UHI, confirmed to counsel for TFCC, that Bay LP was also a shareholder of UHI.
14. On December 14, 2016, the Monitor delivered to TFCC Notices of Revision or Disallowance in respect of the claims made by TFCC against Woodbine, Bridlepath and Bay LP. The Monitor has advised TFCC that the basis of these disallowances are the concerns set out in the Eighth Report, namely that Bay LP and its bare trustees, Woodbine and Bridlepath, did not receive consideration as part of the New Loan transaction.
15. TFCC delivered Notices of Dispute of Revision or Disallowance in respect of its claims made against Woodbine, Bridlepath and Bay LP on December 21, 2016.

There Is No Basis To Disallow The Claims Made By TFCC In Respect Of The New Loan

16. Bay LP received consideration in respect of the New Loan, as it was a shareholder of the borrower, UHI.
17. In the alternative, Woodbine, Bridlepath and Bay LP did not need to receive any consideration as part of the New Loan transaction. The Woodbine Second Mortgage, the Bridlepath Second Mortgage, the Bay LP Guarantee and the Bay LP GSA are valid and enforceable security as consideration flowed from TFCC to UHI.
18. The granting of the Woodbine Second Mortgage, the Bridlepath Second Mortgage, the Bay LP Guarantee and the Bay LP GSA was not:

- (a) a transfer at undervalue as Bay LP was not insolvent at the time of transaction nor was it rendered insolvent by it. Further, Bay LP did not intend to defraud, defeat or delay any other creditor when it granted the Woodbine Second Mortgage, the Bridlepath Second Mortgage, the Bay LP Guarantee and the Bay LP GSA as part of the New Loan;
- (b) a fraudulent conveyance made by Bay LP with the intent to defeat, hinder, delay or defraud creditors. The New Loan and the granting of the above described security was conveyed in respect of good consideration and in good faith; and
- (c) a fraudulent preference as the New Loan and the granting of the above described security was made in respect of an actual advance of money for valuable consideration.

19. Such further and other grounds as the lawyers may advise.

THE FOLLOWING DOCUMENTARY EVIDENCE will be used at the hearing of the motion:

- 1. The Affidavit of Glenn Watchorn sworn May 8, 2017; and
- 2. Such further and other evidence as the lawyers may advise and this Honourable Court may permit.

May 8, 2017

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TO: **THE SERVICE LIST**

IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. Court File No.: CV-16-11549-00CL
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TOWNS INC. AND DEAJA PARTNER (BAY) INC. (COLLECTIVELY, THE "APPLICANTS")
AND IN THE MATTER OF TCC/URBANCORP (BAY) LIMITED
PARTNERSHIP

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
PROCEEDING COMMENCED AT TORONTO

NOTICE OF MOTION

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TAB B

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

**IN THE MATTER OF THE COMPANIES' CREDITORS
ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED**

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DEAJA PARTNER (BAY) INC. (COLLECTIVELY, THE
"APPLICANTS")**

**AND IN THE MATTER OF TCC/URBANCORP (BAY)
LIMITED PARTNERSHIP**

AFFIDAVIT OF GLENN WATCHORN

I, **GLENN WATCHORN**, of the City of Toronto, in the Province of Ontario **MAKE
OATH AND SAY:**

1. I am the president and chief executive officer of Terra Firma Capital Corporation ("TFCC"). I was involved in the negotiations of the transactions that are the subject matter of the herein motion and as such, I have knowledge of the matters contained in this affidavit. Where any portion of this affidavit is made on information and belief, I have stated the source of that information and I believe it to be true.

2. TFCC is a boutique publically traded real estate finance company that provides customized debt and equity solutions to the real estate industry. TFCC has provided financing to various Urbancorp entities and is a secured creditor of Urbancorp (Woodbine) Inc. ("**Woodbine**"), Urbancorp (Bridlepath) Inc. ("**Bridlepath**") and TCC/Urbancorp (Bay) Limited

Partnership ("**Bay LP**").

3. I make this affidavit in support of TFCC's motion to set aside the disallowance of claims made by KSV Kofman Inc. ("**KSV**" or the "**Monitor**"), in its capacity as monitor of Woodbine, Bridlepath and Bay LP in the herein proceedings, in respect of the following security:

- (a) the second mortgage that was registered as instrument YR2411107 (the "**Woodbine Second Mortgage**") against lands bearing PIN Nos 03046-0219 (LT), 03046-0217(LT), 03046-0215 (LT) and 03046-0213 (LT) (collectively the "**Woodbine Property**");
- (b) the second mortgage registered as instrument AT4107508 (the "**Bridlepath Second Mortgage**") against the land PIN No. 10126-1010 (LT) (the "**Bridlepath Property**");
- (c) the General Security Agreement (the "**Bay LP GSA**") provided by Bay LP to TFCC; and
- (d) the Guarantee and Postponement of Claim (the "**Bay LP Guarantee**") provided by Bay LP to TFCC.

A copy of the Woodbine Second Mortgage is attached as **Exhibit "1"**. A copy of the Bridlepath Second Mortgage is attached as **Exhibit "2"**. A copy of the Bay LP GSA is attached as **Exhibit "3"**. A copy of the Bay LP Guarantee is attached as **Exhibit "4"**.

Background - The Original Loan and the New Loan

4. Pursuant to a letter of interest dated December 22, 2015 (the "**December LOI**") and a letter agreement dated December 22, 2015 (the "**December Letter Agreement**"), TFCC agreed to provide Urbancorp Holdco Inc. ("**UHI**") with a portfolio loan in the amount of \$12,000,000 (the "**Original Loan**"). The parties executed the necessary security for the Original Loan and funds were held on deposit pending satisfaction of the terms and conditions of the Original Loan. The security for this loan included the Woodbine Second Mortgage, the Bridlepath Second

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Mortgage, the Bay LP Guarantee and the Bay LP GSA. A copy of the December LOI is attached as **Exhibit "5"**. A copy of the December Letter Agreement is attached as **Exhibit "6"**.

5. However, in or around early February 2016, the principal of UHI, Alan Saskin ("**Saskin**"), advised TFCC that the Original Loan did not meet UHI's requirements. As a result, the Original Loan was cancelled and the funds were returned to TFCC without payment of the loan fee or interest. Attached as **Exhibit "7"** is a letter dated February 5, 2016 from me to Saskin confirming the status of the Original Loan.

6. Notwithstanding that the Original Loan was cancelled, discussions continued between TFCC and Saskin in respect of obtaining financing on amended terms and conditions. As a result, the security that was registered in respect of the Original Loan was not discharged. These discussions concluded in an offer of financing by TFCC to UHI pursuant to the terms of a letter of interest dated March 6, 2016 (the "**New Loan**"). A copy of the letter of interest dated March 6, 2016 is attached as **Exhibit "8"**.

7. Pursuant to the terms of the New Loan, TFCC agreed to loan UHI \$10,000,000.00. As contemplated by the terms of the New Loan, the net funds were advanced to the lawyers who represented the Urbancorp entities on the Original Loan and the New Loan, Harris Sheaffer LLP ("**Harris Sheaffer LLP**"). Harris Sheaffer in turn paid these funds on closing to the Canada Revenue Agency (the "**CRA**") to pay outstanding HST in respect of assets owned by a wholly owned subsidiary of Urbancorp Inc., which is a wholly owned subsidiary of UHI. A copy of the signed Direction from UHI to Harris Sheaffer dated March 8, 2016 in respect of this transaction is attached as **Exhibit "H"**. Copies of the deposited cheques to the Receiver General of Canada in respect of this transaction dated March 9, 2016 and March 10, 2016 are attached as **Exhibit "9"**. A copy of the statutory declaration of Alan Saskin that confirms the corporate structure

Urbancorp Inc. is attached as **Exhibit "10"**.

The Ownership Structure and The Security Provided In Respect of The New Loan

8. UHI is the borrower in respect of the New Loan.

9. At the time of the Original Loan, the ownership structure of UHI and Bay LP was confirmed by Harris Sheaffer LLP by way of letter to counsel for TFCC dated December 18, 2015 (the "**Ownership Confirmation Letter**"). The Ownership Confirmation Letter is attached as **Exhibit "11"**.

10. The Ownership Confirmation Letter confirmed that:

- (a) Saskin is the owner of all common shares of UHI;
- (b) Bay LP is the owner of all Class D shares in UHI; and
- (c) the General Partner of Bay LP is Deaja Partner (Bay) Inc. ("**Deaja**"). Deaja is owned by Saskin. The Limited Partners of Bay LP are Saskin and Vestaco Investments Inc., which is owned by Doreen Saskin, Saskin's spouse.

11. Bay LP was also the beneficial owner of the Woodbine Property and the Bridlepath Property. Woodbine and Bridlepath were bare trustees that held the Woodbine Property and the Bridlepath Property in trust for Bay LP pursuant to the Declaration of Trust for Woodbine dated January 30, 2014 and the Declaration of Trust for Bridlepath dated March 20, 2014. A copy of the Woodbine Trust Declaration is attached as **Exhibit "12"**. A copy of the Bridlepath Trust Declaration is attached as **Exhibit "13"**.

12. As a term of the New Loan, Bay LP provided the Woodbine Second Mortgage, the Bridlepath Second Mortgage, the Bay LP GSA and the Bay LP Guarantee as security for the New Loan. This security was acknowledged in the Acknowledgement Re: Existing Security (the

"Security Acknowledgement") wherein, UHI, Bay LP, Woodbine, Bridlepath, Saskin, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Webster Family Trust, Urbancorp Management Inc., Urbancorp Toronto Management Inc., Urbancorp (Valermo) Inc. and TCC/Urbancorp (Stadium Road) Limited Partnership acknowledged that certain security given in respect of the Original Loan would stand as security for the New Loan. A copy of the Security Acknowledgement is attached as **Exhibit "14"**.

13. As part of the New Loan transaction:

- (a) Harris Sheaffer LLP delivered security opinions to TFCC in respect of, *inter alia*, UHI, Woodbine, Bridlepath and Bay LP;
- (b) UHI, Woodbine, Bridlepath and Bay LP delivered officer's certificates to TFCC; and
- (c) UHI, Woodbine, Bridlepath and Bay LP delivered certified resolutions in respect of the authorization of the New Loan.

14. These opinions, officer's certificates and certified resolutions confirmed *inter alia*:

- (a) the validity and enforceability of the security granted by various UHI, Woodbine, Bridlepath and Bay LP;
- (b) the ownership structure of UHI and Bay LP; and
- (c) the authorization for the New Loan.

Copies of the security opinion, officer's certificate and certified resolution provided in respect of UHI are attached as **Exhibits "15", "16" and "17"**. Copies of the security opinion, officer's certificate and certified resolution provided in respect of Woodbine are attached as Exhibits **"18", "19" and "20"**. Copies of the security opinion, officer's certificate and certified resolution provided in respect of Bridlepath are attached as **Exhibits "21", "22" and "23"**. A copy of the

security opinion provided in respect of Bay LP and the officer's certificate and certified resolution provided in respect of Deaja are attached as **Exhibits "24", "25" and "26"**.

The Monitor's Inquiries Into The Validity Of The Security Of The New Loan

15. By letter dated July 14, 2016, the lawyers for KSV wrote to TFCC's lawyers and advised that they were in the process of preparing an opinion in respect of the validity and enforceability of the New Loan's security and had questions in respect of the consideration provided to Woodbine, Bridlepath and Bay LP in respect of the New Loan. A copy of this letter is attached as **Exhibit "27"**.

16. By letter dated August 10, 2016, the lawyers for TFCC responded to the KSV's inquiry. A copy of this letter is attached as **Exhibit "28"**.

17. By letter dated August 15, 2016, the lawyers for TFCC followed up on their earlier letter and provided further information in respect of the ownership structure of UHI, Woodbine, Bridlepath and Bay LP and enclosed the letter dated February 5, 2016 that is attached as **Exhibit "7"** above. A copy of this letter is attached as **Exhibit "29"**.

The Monitor's Disallowance Of The Claims Made By TFCC In Respect Of The New Loan

18. Following the sale of the Woodbine Property and the Bridlepath Property, the Monitor delivered its Seventh Report dated September 29, 2016. In this report, the Monitor advised that the Woodbine Second Mortgage and the Bridlepath Second Mortgage would not be paid out at the same time as the first mortgages as they remained subject to further review by the Monitor. A copy of the Monitor's Seventh Report is attached as **Exhibit "30"**.

19. The Monitor delivered its Eighth Report dated October 6, 2016 (the "**Eighth Report**"). The purpose of this report was to provide the details of the Monitor's review of the Woodbine Second Mortgage and the Bridlepath Second Mortgage. In this report, the Monitor referred to the security opinion provided by Davies Ward Philip & Vineberg LLP dated October 5, 2016 (the "**Davies' Opinion**") that stated the above mortgages could be held to be void as transfers at undervalue under the *Bankruptcy and Insolvency Act*, fraudulent conveyances under the *Fraudulent Conveyances Act (Ontario)* or fraudulent preferences under the *Assignment and Preferences Act (Ontario)*. A copy of the Monitor's Eighth Report is attached as **Exhibit "31"**. The Davies' Opinion is attached as Appendix "A" to the Monitor's Eighth Report.

20. The Davies' Opinion appears to be predicated on the assumption that Saskin was the sole shareholder of UHI. Based on the information provided to TFCC by Harris Sheaffer LLP, I believe that this assumption is incorrect as Bay LP is also a shareholder of UHI.

21. On December 14, 2016, the Monitor delivered to TFCC Notices of Revision or Disallowance in respect of the claims made by TFCC against Woodbine, Bridlepath and Bay LP. The Monitor has advised counsel for TFCC that the basis of these disallowances are the concerns set out in the Eighth Report, namely that Woodbine, Bridlepath and Bay LP did not receive consideration as part of the New Loan transaction. A copy of the Notice of Revision or Disallowance for Woodbine is attached as **Exhibit "32"**. A copy of the Notice of Revision or Disallowance for Bridlepath is attached as **Exhibit "33"**. A copy of the Notice of Revision or Disallowance for Bay LP is attached as **Exhibit "34"**.

22. TFCC delivered Notices of Dispute of Revision or Disallowance in respect of its claims made against Woodbine, Bridlepath and Bay LP on December 21, 2016. A copy of the Notice of Dispute of Revision or Disallowance for Woodbine is attached as **Exhibit "35"**. A copy of the

Notice of Dispute of Revision or Disallowance for Bridlepath is attached as **Exhibit "36"**. A copy of the Notice of Dispute of Revision or Disallowance for Bay LP is attached as **Exhibit "37"**.

23. At all material times, TFCC understood that the New Loan was for a legitimate business purpose and was duly authorized as set out in the various security opinions and certified resolutions. The New Loan and the granting of the above described security was conveyed in good faith and in respect of an advance of funds for valuable consideration

24. I make this Affidavit in support of the within motion and for no improper purpose.

SWORN BEFORE ME at the Toronto, in the Province of Ontario on the 8th day of May, 2017



Commissioner for Taking Affidavits
(or as may be)

KEUN TAE KIM

}

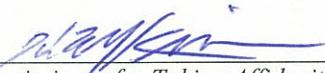


GLENN WATCHORN

**Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.**

TAB 1

THIS IS **EXHIBIT " 1"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

**Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.**

LRO # 65 Charge/Mortgage

Received as YR2411107 on 2015 12 31 at 13:28

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 9

Properties

<i>PIN</i>	03046 - 0219 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 14 CON 3 MARKHAM, PT 2 65R31684 , MARKHAM ; T/W R680957 .		
<i>Address</i>	9100 WOODBINE AVENUE MARKHAM		
<i>PIN</i>	03046 - 0217 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 1 PL 3604 MARKHAM , PT 3 65R31684 ; MARKHAM .		
<i>Address</i>	9084 WOODBINE AVENUE MARKHAM		
<i>PIN</i>	03046 - 0215 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LTS 14 & 15, CON 3 MARKHAM, PT 1 65R31684 ; MARKHAM .		
<i>Address</i>	9110 WOODBINE AVENUE MARKHAM		
<i>PIN</i>	03046 - 0213 LT	<i>Interest/Estate</i>	Fee Simple
<i>Description</i>	PT LT 1 PL 3604 MARKHAM & PT LT 14 CON 3 MARKHAM, PT 4 65R31684 ; MARKHAM .		
<i>Address</i>	9064 WOODBINE AVENUE 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.

<i>Name</i>	URBANCORP (WOODBINE) INC.
<i>Address for Service</i>	120 Lynn Williams Street, Suite 2A, Toronto, ON M6K 3N6

I, Alan Saskin, President, have the authority to bind the corporation.
This document is not authorized under Power of Attorney by this party.

Chargee(s)*Capacity**Share*

<i>Name</i>	TERRA FIRMA CAPITAL CORPORATION
<i>Address for Service</i>	22 St. Clair Avenue East, Suite 200, Toronto, Ontario M4T 2S3

Provisions

<i>Principal</i>	\$12,000,000.00	<i>Currency</i>	CDN
<i>Calculation Period</i>	See Schedule		
<i>Balance Due Date</i>	2018/12/31		
<i>Interest Rate</i>	See Schedule		
<i>Payments</i>			
<i>Interest Adjustment Date</i>	2015 12 31		
<i>Payment Date</i>	Last day of each and every month		
<i>First Payment Date</i>	2016 01 31		
<i>Last Payment Date</i>	2018 12 31		
<i>Standard Charge Terms</i>	201117		
<i>Insurance Amount</i>	full insurable value		
<i>Guarantor</i>	Alan Saskin		

Additional Provisions

See Schedules

Signed By

Norman Winter

801-1 St. Clair Av. East
Toronto
M4T 2V7acting for Chargor Signed 2015 12 31
(s)

LRO # 65 Charge/Mortgage

Received as YR2411107 on 2015 12 31 at 13:28

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 9

Signed By

Tel 416-964-0325

Fax 416-964-2494

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

Submitted By

NORMAN WINTER

801-1 St. Clair Av. East
Toronto
M4T 2V7

2015 12 31

Tel 416-964-0325

Fax 416-964-2494

Fees/Taxes/Payment

Statutory Registration Fee \$62.85

Total Paid \$62.85

File Number

Chargee Client File Number : 9000.15.02

SCHEDULE

ADDITIONAL PROVISIONS

The Chargee has provided a loan to Urbancorp Holdco Inc. (the "Borrower") which loan is guaranteed by the Chargor, and the Charge is given as security for the loan and guarantee.

PAYMENT PROVISIONS

PROVIDED that the Charge is to be void upon payment to the Chargee at its office in Toronto, Ontario, or at such other place as the Chargee may from time to time designate of the sum of TWELVE MILLION DOLLARS (\$12,000,000.00) of lawful money of Canada with interest thereon at the rate of sixteen (16%) percent per annum, as hereinafter set out, or as otherwise provided for by the terms of this Charge as follows:

The Principal Amount of TWELVE MILLION (\$12,000,000.00) shall become due and payable on the 31st day of December, 2018, subject to the mandatory payments of principal as hereinafter set forth.

Interest shall be paid at the rate of eight (8%) percent per annum, calculated and compounded monthly, not in advance as well after as before maturity and both before and after default and judgment, on such portion of the Principal as remains from time to time outstanding. Such payments of interest shall be made on the last day of each month, in arrears, commencing on January 31, 2016. If requested by the Chargee, interest payments shall be made, by way of pre-authorized debit from the Chargor's or an affiliated entity's account.

In addition to the foregoing interest and payments thereof, interest shall accrue at the rate of (8%) percent per annum, calculated and compounded monthly, not in advance as well after as before maturity and both before and after default and judgment, on such portion of the Principal as remains from time to time outstanding. Interest accruing hereunder shall be capitalized on the last day of each month during the term herein, and such capitalized interest (the "Capitalized Interest") shall bear interest at the rate of sixteen (16%) percent and shall be further capitalized as hereinbefore provided. The Capitalized Interest shall become due and payable on the 31st day of December, 2018, subject to the mandatory payments of Capitalized Interest as hereinafter set forth.

Upon Distributions, as hereinafter defined, from the Borrower or any of Urbancorp Inc. and Urbancorp Investco Inc. (collectively the "Subsidiaries"), the Chargor shall pay the Distributions to the Lender at the time of payment of the Distributions. As used herein, "Distributions" shall mean all distributions or payments from the Borrower and/or the Subsidiaries to the Borrower or any of its affiliated entities on account of management fees, dividends or any other distribution or payment. Payments received on account of the Distributions shall be applied firstly to interest due, then to Capitalized Interest and thereafter to principal.

Upon the sale of a portion of the Lands, the Chargor shall pay the Net Closing Proceeds, as hereinafter defined, to the Lender at the time of closing of the sale of such portions of the Lands. Payments received shall be applied firstly to interest due, then to Capitalized and then to principal. At such time as seventy-five (75%) percent of the Principal Amount and Capitalized Interest has been repaid, the Chargor shall pay to the Lender a proportionate amount of the Principal Amount and Capitalized Interest from the Net Closing Proceeds, at the closing of a sale of a portion of the Lands, in accordance with Section 1 of this Schedule.

AND it is agreed that in case of default shall be made in payment of any amount to become due for payment of interest hereunder, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity or demand, shall bear interest at the aforesaid interest rate, and all such interest and compound interest shall be a charge upon the Lands.

STANDARD CHARGE TERMS

Paragraphs 30 and 61 of the Standard Charge Terms #201117 are hereby deleted.

1. PARTIAL DISCHARGES

- 2 -

As used herein, "Net Closing Proceeds" shall mean the gross sales price of the portion of the Lands being sold (inclusive of unit, parking and locker as the case may be), reduced by the Harmonized Sales Tax, purchaser's deposits utilized in the Project, and reasonable closing costs, plus closing adjustment revenue as per the applicable purchase and sale agreement with the purchaser, and reduced by any mandatory required payments to prior chargees of the Lands.

Until such time as seventy-five (75%) percent of the Principal Amount and Capitalized Interest has been repaid, the Chargee agrees to provide partial discharges upon the sale of a portion of the Lands subject to the Chargee's standard discharge fee and upon payment by the Chargor of 100% of the Net Closing Proceeds from the sale of such portion of the Lands.

At such time as seventy-five (75%) percent of the Principal Amount and Capitalized Interest has been repaid, the Chargee agrees to provide partial discharges upon a sale of a portion of the Lands subject to the Chargee's standard discharge fee, on a per lot ("Lot") basis for registered plans of subdivision and on a per unit ("Unit") basis for registered plans of condominium(s) as follows:

Number of Lot(s)/Unit(s) to be discharged

	X	25% of original principal amount, plus Capitalized Interest then outstanding
Total number of Lot(s)/Unit(s) within specific plan of subdivision or condominium plans relating to such Lots/Units which are then owned by the Chargor		

or, at the option of the Lender on the following basis:

Linear foot frontage of the Lot to be discharged

	X	25% of original principal amount, plus Capitalized Interest then outstanding
Total number of linear foot frontage of all lots on which can be constructed a residential dwelling within the plan of subdivision which are then owned by the Chargor		

For the purposes of this calculation, the linear foot frontage for any corner lots shall be calculated at the frontage setback requirements for said lot, less the increased side yard setback required due to such lot being a corner lot.

2. ADDITIONAL EVENTS OF DEFAULT

Without limiting any of the provisions of this Charge, each of the following events shall be considered events of default hereunder upon the happening of which the whole of the principal sum outstanding and all interest accruing thereon shall, at the Chargee's option, immediately become due and payable without notice or demand:

- (a) In the opinion of the Chargee, there is a change in effective control of the Chargor or of any Covenantor without the written approval of the Chargee.
- (b) Another encumbrancer takes possession of all or any part of the Lands or a distress or execution or other similar process is brought against the Lands or any such part.
- (c) All or any substantial part of the Lands is expropriated.
- (d) The Chargor or any of its affiliates or related persons or entities are in default under the terms of any loan agreements or any security granted thereunder to the Lender whatsoever.
- (e) The Chargor shall be in breach of or default under any charge or default any charge or other security registered on title to the Lands in priority to this Charge.

3. REMEDIES ON DEFAULT

In the event of any default under this Charge, the Chargee may (but shall have no obligation to), from time to time and in any order, separately or in combination, and after giving the minimum notice, if any, required by applicable law and obtaining court approval where necessary, enforce any one or more of the following remedies:

- i. sue the Chargor and/or any other party liable for all or any part of the indebtedness secured by this Charge;
- ii. distrain for arrears of all or any part of the indebtedness secured by this Charge;
- iii. take judicial proceedings to foreclose the Chargor's and/or any other Person's interest in all or any part of the Lands or any lease, to take possession of it and/or to sell, lease or otherwise deal with it;
- iv. enter on and take possession of all or any part of the Lands;
- v. sell and/or lease all or any part of the Lands or sell the unexpired term of years demised by any lease;
- vi. assign any lease and sell the last day of the term granted by the lease and/or remove the Chargor or any other person from being a trustee of the last day of the term of any lease and appoint a new trustee or trustees in its place;
- vii. appoint in writing a receiver (which term as used herein includes a receiver and manager) of all or any part of the Lands and the rents and other income thereof and from time to time remove any receiver and appoint another in its place, or in the alternative appoint a property manager;
- viii. exercise in respect of each insurance policy, insurance trust agreement, lease, rent and benefit assigned to the Chargee the remedies exercisable by the Chargee in respect of all or any part of the Lands; and
- ix. exercise any other rights or remedies which the Chargee may have, whether pursuant to the charge, at law, in equity, by contract or otherwise.

4. RENEWAL OR EXTENSION OF TIME: ATTENTION SUBSEQUENT INTEREST

WITHOUT prejudice to any rights of the Chargee against the Chargor or any Covenantor, at the option of the Chargee, the term of this Charge may be renewed or extended for two successive twelve (12) month periods after the maturity date with or without an increase in the aforesaid interest rate, notwithstanding that there may be subsequent encumbrances; and it shall not be necessary to register any such agreement in order to retain priority of this Charge so altered over any instrument registered subsequent to this Charge; provided that the foregoing shall not convey any right of renewal upon the Chargor. If the Chargee chooses to exercise this option, it may do so by delivering written notice to the Chargor at any time prior to the maturity date. While the Chargee may request the Chargor to acknowledge the extension, the Chargor's failure to do so shall not invalidate the extension.

NO renewal or extension of the term of this Charge given by the Chargee to the Chargor, or anyone claiming under it, or any other dealing by the Chargee with the owner of the equity of redemption of said lands shall in any way affect or prejudice the rights of the Chargee against the Chargor or any Person liable for the payment of the monies hereby secured, and this Charge may be further extended or renewed by an agreement in writing at maturity for any term with or without an increased rate of interest, or may be amended from time to time as to any of its terms, including, without limitation, an increase of interest rate or principal amount, notwithstanding that there may be subsequent encumbrances, and it shall not be necessary to register any such agreement in order to retain priority for this Charge so altered over any instrument registered subsequent to this Charge.

PROVIDED that nothing contained in this paragraph shall confer any right of renewal upon the Chargor.

PROVIDED further that the terms of this Charge may be amended or extended from time to time by mutual agreement between the then current owner of the Lands and the Chargee and the Chargor hereby further covenants and agrees that, notwithstanding that the Chargor may have disposed of his interest in the lands hereby secured, the Chargor and Covenantors will remain liable as a principal debtor and not as a surety for the observance of all of the terms and provisions herein and will in all matters pertaining to this Charge well and truly do, observe, fulfil and keep

all and singular the covenants, provisos, conditions, agreements and stipulations in this Charge or any amendment or extension thereof, notwithstanding the giving of time for the payment of the Charge or the varying of the terms of the payment thereof or the rate of interest thereon or any other indulgence by the Chargee to the Chargor.

THE CHARGOR covenants and agrees with the Chargee that no agreement for renewal hereof or for extension of the time for payment of any monies payable hereunder shall result from or be implied from any payment or payments of any kind whatsoever made by the Chargor to the Chargee after the expiration of the original term of this Charge or of any subsequent term granted by the Chargee or agreed to in writing between the Chargor and the Chargee, and that no renewal hereof or extension of the time for payment of any monies hereunder shall result from, or be implied from, any other act, matter or thing, save only by the extension granted by the Chargee hereunder, or by the express agreement in writing between the then current owner of the Lands and the Chargee.

5. COSTS AND EXPENSES

The Chargor covenants and agrees that it will immediately pay to the Chargee all amounts the Chargee is permitted to pay under the Charge and all reasonable costs, expenses and damages of, relating to or resulting from inspecting, protecting, repairing, completing, insuring, taking and keeping possession of and managing all or any part of the Lands, preparing it for sale or lease, selling or leasing it, renewing any leasehold interest, collecting any part of the indebtedness secured by this Charge, the exercise of any of the rights of a Receiver appointed pursuant to the Charge, such Receiver's fees and expenses, agents' costs and expenses, legal fees and expenses on a full indemnity basis, the use, occupation or operation of the Lands, the breach of any of the Chargor's representations, warranties or agreements herein, and any other costs and expenses of exercising or protecting the Chargee's rights (hereunder or otherwise) or all or any part of the Lands. Without limiting the Chargee's right to interest provided for herein, it is expressly agreed that the Chargor shall pay interest at the interest rate provided for herein on such amounts, costs and expenses (and on all other costs and expenses payable by the Chargor pursuant to the charge) from the date they are paid by the Chargee until they have been repaid by the Chargor, which interest shall be paid, calculated and compounded as provided for herein.

6. DELAY, RELEASES, PARTIAL DISCHARGES, WAIVERS AND AMENDMENTS

The Chargee may release others from any liability to pay all or any part of the indebtedness secured by this Charge without releasing the Chargor. The Chargee may release its interest under the Charge in all or any part of the Lands or any lease (or any other collateral) whether or not the Chargee receives any value and shall be accountable to the Chargor only for monies which the Chargee actually receives. If the Chargee releases its interest in part of the Lands or any lease, the remainder of the Lands and each other lease shall continue to secure the indebtedness hereunder and the Chargor's obligations under the Charge will continue unchanged. The Chargee may grant extensions of time or other indulgences, take and give up securities, accept compositions and proposals, grant releases and discharges and otherwise deal with the Chargor and other persons (including, without limitation, any person to whom all or any part of the Lands is transferred) and with any securities as the Chargee may see fit without affecting any of the Chargee's rights or remedies (herein or otherwise) or the Chargor's liability under the Charge (including without limitation the Chargor's liability to pay the indebtedness secured hereby).

The Chargee may delay enforcing any of its rights under the Charge or any other document under the Charge or any such document without affecting the Chargee's rights in respect of any other existing breach or any subsequent breach of the same or a different nature. No such waiver shall be effective unless made in writing and signed by an officer of the Chargee. No sale or other dealing with all or any part of the Lands or any lease, and no amendment of the Charge or any other security, agreement or other instrument or relating to the indebtedness secured hereby, will in any way affect the obligation of the Chargor or any other person to pay the indebtedness secured hereby.

7. REPRESENTATIONS, WARRANTIES AND AGREEMENTS RESPECTING THE PROPERTY

- a. The Chargor represents, warrants and agrees with the Chargee that:
 - i. there are no limitations affecting title to the Chargor's interest in the Lands, except any the Chargor has reported to the Chargee in writing or as shown on the registered title to the Lands;

- 5 -

- ii. the Chargor shall sign any document and take any further action at the Chargor's expense as the Chargee may think necessary in order to carry out the intention of the Charge;
- b. If the Chargor fails at any time for a period of ten (10) consecutive days to diligently carry on any improvement required by the Chargee on any part of the Lands, or if the Chargor without the written consent of the Chargee departs from the plans and specifications approved by the Chargee with respect thereto or from all applicable governmental building standards or the generally accepted standards of construction in the locality of the Lands, or if any of the events of default as defined herein has occurred and is continuing, the Chargee from time to time may enter on the Lands and have exclusive possession of all materials, plant and equipment thereon, free of interference from or by the Chargor, and complete the improvement either according to such plans and specifications or according to such other plans, specifications or design as the Chargee in its absolute discretion shall determine. The Chargor shall immediately pay the Chargee all costs and expenses incurred by it in connection with any of the foregoing.
- c. Any entry which may be made by the Chargee pursuant to any provision of the Charge may be made by any of the Chargee's agents, employees and/or contractors.

8. IMPROVEMENTS; DEMOLITION

- a. In these standard charge terms, the term "Improvement" has the meaning given to it in the Construction Lien Act, as amended or replaced from time to time, and includes any alteration, addition or repair to, and any construction, erection, remodelling, rebuilding or installation on or of, any part of the property and the demolition or removal of any building or part of any building on the Lands.
- b. The Chargor covenants and agrees that no Improvement to or on the Lands will be commenced or made by the Chargor or any other person unless the Chargor first provides a copy of all proposed plans, blueprints, contracts and specifications to the Chargee and obtains the Chargee's written consent thereto. The improvement shall form part of the Lands, but, nevertheless, it is expressly agreed that this Charge is not and shall not be a building mortgage as defined under the Construction Lien Act.

9. NON-MERGER

Notwithstanding the registration of this Charge and any other security documentation as contemplated, and notwithstanding any advance made thereunder, all terms and provisions of the Commitment, and any amendments thereto, shall remain in full force and effect, and shall not merge prior to repayment in full of all funds advanced pursuant to such loan, and the discharge and release of all security documentation thereunder. Where there is any discrepancy or conflict between the terms of the Commitment Letter and this Charge and any of the security documents, or any discrepancy as between any of the security given thereunder, the Lender shall have the right to determine which terms shall prevail. If there is any discrepancy or conflict between the terms this Charge and the Standard Charge Terms, the terms of this Charge shall prevail.

10. INTERPRETATION

All references herein to the "Chargor", the "Covenantor", "Borrower" or the "Chargee" shall be deemed to mean the Chargor, its successors and assigns, the Covenantor, its successors and assigns, the Borrower, its successors and assigns, and the Chargee, its successors and assigns, as the case may be, and all covenants, liabilities and obligations entered into or imposed hereunder upon the Chargor, the Covenantor, the Borrower and the Chargee shall be equally binding upon their successors and assigns, as the case may be. It is understood and agreed that in construing this clause, the words "Chargor", "Covenantor", "Borrower" and "Chargee" and the personal pronoun "he" or "his" relating thereto and used therewith shall be read and construed as "Chargor" or "Chargors", "Covenantor" or "Covenantors", "Borrower" or "Borrowers", "Chargee" or "Chargees", and "his", "her", "it", "its", or "their" respectively as the number and gender of the party or parties referred to in each case require, and the verb used in relation therewith shall be construed as agreeing with the said word or pronoun so substituted.

All covenants shall be deemed joint and several, unless the context otherwise provides.

11. SHORT FORM OF MORTGAGES ACT

IF ANY of the forms of words contained herein are substantially in the form of words contained in Column One of Schedule B of the Short Form of Mortgages Act, R.S.O. 1980, c. 474 and distinguished by a number therein, this Charge shall be deemed to include and shall have the same effect as if it contained the form of words in Column Two of Schedule B of the said Act distinguished by the same number, and this Charge shall be interpreted as if the Short Form of Mortgages Act were still in force and effect.

12. BONUS ON DEFAULT

THE CHARGOR covenants with the Chargee that in the event of non-payment of the said interest, Capitalized Interest or principal monies at the time above provided, the Chargor shall not require the Chargee to accept payment of the said principal monies without first giving three (3) months' previous notice, in writing, or paying a bonus equal to three (3) months' interest in advance on the said principal monies.

13. GUARANTEE CLAUSE

IN CONSIDERATION of the Chargee making the loan hereby secured, the Covenantors for themselves, their heirs, executors, administrators, successors and assigns, (a) agree to be jointly and severally liable with the Chargor as principal debtors and not as sureties for the due payment of all monies payable under the Charge at the times and in the manner provided; (b) unconditionally guarantee full performance and discharge of the Chargor's obligations pursuant to the provisions of the Charge at the times and in the manner provided; (c) agree to indemnify and save harmless the Chargee against and from all losses, damages, costs and expenses which the Chargee may sustain, incur, or be or become liable for by reason of: i) the failure for any reason whatsoever of the Chargor to pay the monies expressed to be payable pursuant to the provisions of this Charge; ii) the failure for any reason whatsoever of the Chargor to do and perform any other act, matter or thing pursuant to the provisions of this Charge; iii) any act, action or proceeding of or by the Chargee for or in connection with the recovery of the said monies or the obtaining of performance by the Chargor of any other act, matter or thing pursuant to the provisions of this Charge, (d) agree that the Chargee shall not be obliged to proceed against the Chargor or to enforce or exhaust any security before proceeding to enforce its obligations herein set out and that enforcement of such obligations may take place before, after or contemporaneously with the enforcement of any debt or obligation of the Chargor or the enforcement of any security for any such debt or obligation of the Chargor, (e) agree that the Chargee may at any time and from time to time and without notice to the Covenantors or any comment, concurrence or consent by the Covenantors, grant time, renewals, extensions, indulgences, releases, and discharges to, take securities (which would include other guarantees) from and give the same up to, abstain from taking securities from or from perfecting securities of, and otherwise deal with the Chargor and others and all securities including without limitation the giving of time for payment of the Charge, the varying (whether by increase or decrease) of terms of payment of the Charge or the rate of interest on the Charge, or varying any other terms of the Charge, as the Chargee may see fit, and no such thing done by the Chargee nor any carelessness or neglect by the Chargee in asserting its rights nor the loss by operation of law of any right of the Chargee against the Chargor shall in any way release or diminish the Covenantors' liability hereunder, so long as any monies expressed by this Charge to be payable remain unpaid or the Chargee has not been reimbursed for all such losses, damages, costs, charges and expenses as aforesaid, (f) no invalidity, irregularity or unenforceability of all or any part of the Chargor's obligations or of any security provided to secure the Chargor's obligations shall affect, impair or be a defence to this guarantee; and (g) this is a contract of continuing guarantee and the obligations of the Covenantors shall be continuing obligations and a fresh cause of action and shall be deemed to arise in respect of each such default on the part of the Chargor.

Without limiting the generality of the foregoing, it is expressly understood and agreed by the Covenantors that this guarantee shall bind the Covenantors and each of them notwithstanding the giving of time for payment of this Charge or the varying (whether by increase or decrease) of the terms of payment thereof or the rate of interest herein provided for or the giving of a release or partial release of covenant not to sue any of the Chargors or Covenantors or the entry into of any renewal agreement, extension agreement or mortgage amending agreement or any other agreement having the effect of modifying any of the terms of payment or any other matter contained in this Charge whatsoever.

14. PREPAYMENT

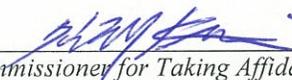
The Chargor shall have the privilege to prepay the whole of the principal sum at any time together with accrued interest at any time or times without notice or bonus provided that the Chargor pays to the Lender, in addition to the Principal, all outstanding interest, fees and other sums, due hereunder or under any of the other security executed and delivered to the Lender in connection with this Charge and provided further that the Chargor gives the Lender at least 30 days prior written notice.

15. MAXIMUM INTEREST RATE

Notwithstanding anything contained herein to the contrary, the Borrower and Chargor will not be obliged to make any payment of interest or other amounts payable to the Lender hereunder in excess of the amount or rate that would be permitted by applicable laws or would result in the receipt by the Lender of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)). If the making of any payment by the Borrower or Chargor would result in a payment being made that is in excess of such amount or rate, the Lender will determine the payment or payments that are to be reduced or refunded, as the case may be, so that such result does not occur.

TAB 2

THIS IS **EXHIBIT " 2"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

**Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.**

LRO # 80 Charge/Mortgage

Received as AT4107508 on 2015 12 31 at 13:25

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 1 of 9

Properties

PIN 10126 - 1010 LT *Interest/Estate* Fee Simple
Description PART OF LOT 8 CONCESSION 2 EYS (N YORK), DESIGNATED AS PARTS 1 & 2 ON
 PLAN 66R24078; CITY OF TORONTO
Address 2425 AND 2427 BAYVIEW AVENUE
 TORONTO

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 URBANCORP (BRIDLEPATH) INC.
Address for Service 120 Lynn Williams Street, Suite 2A,
 Toronto, ON M6K 3P6

I, Alan Saskin, President, have the authority to bind the corporation.
 This document is not authorized under Power of Attorney by this party.

Chargee(s)*Capacity**Share*

Name TERRA FIRMA CAPITAL CORPORATION
Address for Service 22 St. Clair Avenue East, Suite 200,
 Toronto, Ontario M4T 2S3

Provisions

Principal \$12,000,000.00 *Currency* CDN
Calculation Period See Schedule
Balance Due Date 2018/12/31
Interest Rate See Schedule
Payments
Interest Adjustment Date 2015 12 31
Payment Date Last day of each and every month
First Payment Date 2016 01 31
Last Payment Date 2018 12 31
Standard Charge Terms 201117
Insurance Amount full insurable value
Guarantor Alan Saskin

Additional Provisions

See Schedules

Signed By

Norman Winter 801-1 St. Clair Av. East acting for Chargor Signed 2015 12 31
 Toronto (s)
 M4T 2V7

Tel 416-964-0325

Fax 416-964-2494

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

Submitted By

NORMAN WINTER 801-1 St. Clair Av. East 2015 12 31
 Toronto
 M4T 2V7

Tel 416-964-0325

Fax 416-964-2494

LRO # 80 Charge/Mortgage

Received as AT4107508 on 2015 12 31 at 13:25

The applicant(s) hereby applies to the Land Registrar.

yyyy mm dd Page 2 of 9

Fees/Taxes/Payment

Statutory Registration Fee	\$62.85
Total Paid	\$62.85

File Number

Chargee Client File Number : 9000.15.02

SCHEDULE

ADDITIONAL PROVISIONS

The Chargee has provided a loan to Urbancorp Holdco Inc. (the "Borrower") which loan is guaranteed by the Chargor, and the Charge is given as security for the loan and guarantee.

PAYMENT PROVISIONS

PROVIDED that the Charge is to be void upon payment to the Chargee at its office in Toronto, Ontario, or at such other place as the Chargee may from time to time designate of the sum of TWELVE MILLION DOLLARS (\$12,000,000.00) of lawful money of Canada with interest thereon at the rate of sixteen (16%) percent per annum, as hereinafter set out, or as otherwise provided for by the terms of this Charge as follows:

The Principal Amount of TWELVE MILLION (\$12,000,000.00) shall become due and payable on the 31st day of December, 2018, subject to the mandatory payments of principal as hereinafter set forth.

Interest shall be paid at the rate of eight (8%) percent per annum, calculated and compounded monthly, not in advance as well after as before maturity and both before and after default and judgment, on such portion of the Principal as remains from time to time outstanding. Such payments of interest shall be made on the last day of each month, in arrears, commencing on January 31, 2016. If requested by the Chargee, interest payments shall be made, by way of pre-authorized debit from the Chargor's or an affiliated entity's account.

In addition to the foregoing interest and payments thereof, interest shall accrue at the rate of (8%) percent per annum, calculated and compounded monthly, not in advance as well after as before maturity and both before and after default and judgment, on such portion of the Principal as remains from time to time outstanding. Interest accruing hereunder shall be capitalized on the last day of each month during the term herein, and such capitalized interest (the "Capitalized Interest") shall bear interest at the rate of sixteen (16%) percent and shall be further capitalized as hereinbefore provided. The Capitalized Interest shall become due and payable on the 31st day of December, 2018, subject to the mandatory payments of Capitalized Interest as hereinafter set forth.

Upon Distributions, as hereinafter defined, from the Borrower or any of Urbancorp Inc. and Urbancorp Investco Inc. (collectively the "Subsidiaries"), the Chargor shall pay the Distributions to the Lender at the time of payment of the Distributions. As used herein, "Distributions" shall mean all distributions or payments from the Borrower and/or the Subsidiaries to the Borrower or any of its affiliated entities on account of management fees, dividends or any other distribution or payment. Payments received on account of the Distributions shall be applied firstly to interest due, then to Capitalized Interest and thereafter to principal.

Upon the sale of a portion of the Lands, the Chargor shall pay the Net Closing Proceeds, as hereinafter defined, to the Lender at the time of closing of the sale of such portions of the Lands. Payments received shall be applied firstly to interest due, then to Capitalized and then to principal. At such time as seventy-five (75%) percent of the Principal Amount and Capitalized Interest has been repaid, the Chargor shall pay to the Lender a proportionate amount of the Principal Amount and Capitalized Interest from the Net Closing Proceeds, at the closing of a sale of a portion of the Lands, in accordance with Section 1 of this Schedule.

AND it is agreed that in case of default shall be made in payment of any amount to become due for payment of interest hereunder, compound interest shall be payable and the sum in arrears for interest from time to time, as well after as before maturity or demand, shall bear interest at the aforesaid interest rate, and all such interest and compound interest shall be a charge upon the Lands.

STANDARD CHARGE TERMS

Paragraphs 30 and 61 of the Standard Charge Terms #201117 are hereby deleted.

1. PARTIAL DISCHARGES

- 2 -

As used herein, "Net Closing Proceeds" shall mean the gross sales price of the portion of the Lands being sold (inclusive of unit, parking and locker as the case may be), reduced by the Harmonized Sales Tax, purchaser's deposits utilized in the Project, and reasonable closing costs, plus closing adjustment revenue as per the applicable purchase and sale agreement with the purchaser, and reduced by any mandatory required payments to prior chargees of the Lands.

Until such time as seventy-five (75%) percent of the Principal Amount and Capitalized Interest has been repaid, the Chargee agrees to provide partial discharges upon the sale of a portion of the Lands subject to the Chargee's standard discharge fee and upon payment by the Chargor of 100% of the Net Closing Proceeds from the sale of such portion of the Lands.

At such time as seventy-five (75%) percent of the Principal Amount and Capitalized Interest has been repaid, the Chargee agrees to provide partial discharges upon a sale of a portion of the Lands subject to the Chargee's standard discharge fee, on a per lot ("Lot") basis for registered plans of subdivision and on a per unit ("Unit") basis for registered plans of condominium(s) as follows:

Number of Lot(s)/Unit(s) to be discharged

_____	X	25% of original principal amount, plus Capitalized Interest then outstanding
Total number of Lot(s)/Unit(s) within specific plan of subdivision or condominium plans relating to such Lots/Units which are then owned by the Chargor		

or, at the option of the Lender on the following basis:

Linear foot frontage of the Lot to be discharged

_____	X	25% of original principal amount, plus Capitalized Interest then outstanding
Total number of linear foot frontage of all lots on which can be constructed a residential dwelling within the plan of subdivision which are then owned by the Chargor		

For the purposes of this calculation, the linear foot frontage for any corner lots shall be calculated at the frontage setback requirements for said lot, less the increased side yard setback required due to such lot being a corner lot.

2. ADDITIONAL EVENTS OF DEFAULT

Without limiting any of the provisions of this Charge, each of the following events shall be considered events of default hereunder upon the happening of which the whole of the principal sum outstanding and all interest accruing thereon shall, at the Chargee's option, immediately become due and payable without notice or demand:

- (a) In the opinion of the Chargee, there is a change in effective control of the Chargor or of any Covenantor without the written approval of the Chargee.
- (b) Another encumbrancer takes possession of all or any part of the Lands or a distress or execution or other similar process is brought against the Lands or any such part.
- (c) All or any substantial part of the Lands is expropriated.
- (d) The Chargor or any of its affiliates or related persons or entities are in default under the terms of any loan agreements or any security granted thereunder to the Lender whatsoever.
- (e) The Chargor shall be in breach of or default under any charge or default any charge or other security registered on title to the Lands in priority to this Charge.

3. REMEDIES ON DEFAULT

- 3 -

In the event of any default under this Charge, the Chargee may (but shall have no obligation to), from time to time and in any order, separately or in combination, and after giving the minimum notice, if any, required by applicable law and obtaining court approval where necessary, enforce any one or more of the following remedies:

- i. sue the Chargor and/or any other party liable for all or any part of the indebtedness secured by this Charge;
- ii. distrain for arrears of all or any part of the indebtedness secured by this Charge;
- iii. take judicial proceedings to foreclose the Chargor's and/or any other Person's interest in all or any part of the Lands or any lease, to take possession of it and/or to sell, lease or otherwise deal with it;
- iv. enter on and take possession of all or any part of the Lands;
- v. sell and/or lease all or any part of the Lands or sell the unexpired term of years demised by any lease;
- vi. assign any lease and sell the last day of the term granted by the lease and/or remove the Chargor or any other person from being a trustee of the last day of the term of any lease and appoint a new trustee or trustees in its place;
- vii. appoint in writing a receiver (which term as used herein includes a receiver and manager) of all or any part of the Lands and the rents and other income thereof and from time to time remove any receiver and appoint another in its place, or in the alternative appoint a property manager;
- viii. exercise in respect of each insurance policy, insurance trust agreement, lease, rent and benefit assigned to the Chargee the remedies exercisable by the Chargee in respect of all or any part of the Lands; and
- ix. exercise any other rights or remedies which the Chargee may have, whether pursuant to the charge, at law, in equity, by contract or otherwise.

4. RENEWAL OR EXTENSION OF TIME: ATTENTION SUBSEQUENT INTEREST

WITHOUT prejudice to any rights of the Chargee against the Chargor or any Covenantor, at the option of the Chargee, the term of this Charge may be renewed or extended for two successive twelve (12) month periods after the maturity date with or without an increase in the aforesaid interest rate, notwithstanding that there may be subsequent encumbrances; and it shall not be necessary to register any such agreement in order to retain priority of this Charge so altered over any instrument registered subsequent to this Charge; provided that the foregoing shall not convey any right of renewal upon the Chargor. If the Chargee chooses to exercise this option, it may do so by delivering written notice to the Chargor at any time prior to the maturity date. While the Chargee may request the Chargor to acknowledge the extension, the Chargor's failure to do so shall not invalidate the extension.

NO renewal or extension of the term of this Charge given by the Chargee to the Chargor, or anyone claiming under it, or any other dealing by the Chargee with the owner of the equity of redemption of said lands shall in any way affect or prejudice the rights of the Chargee against the Chargor or any Person liable for the payment of the monies hereby secured, and this Charge may be further extended or renewed by an agreement in writing at maturity for any term with or without an increased rate of interest, or may be amended from time to time as to any of its terms, including, without limitation, an increase of interest rate or principal amount, notwithstanding that there may be subsequent encumbrances, and it shall not be necessary to register any such agreement in order to retain priority for this Charge so altered over any instrument registered subsequent to this Charge.

PROVIDED that nothing contained in this paragraph shall confer any right of renewal upon the Chargor.

PROVIDED further that the terms of this Charge may be amended or extended from time to time by mutual agreement between the then current owner of the Lands and the Chargee and the Chargor hereby further covenants and agrees that, notwithstanding that the Chargor may have disposed of his interest in the lands hereby secured, the Chargor and Covenantors will remain liable as a principal debtor and not as a surety for the observance of all of the terms and provisions herein and will in all matters pertaining to this Charge well and truly do, observe, fulfill and keep

all and singular the covenants, provisos, conditions, agreements and stipulations in this Charge or any amendment or extension thereof, notwithstanding the giving of time for the payment of the Charge or the varying of the terms of the payment thereof or the rate of interest thereon or any other indulgence by the Chargee to the Chargor.

THE CHARGOR covenants and agrees with the Chargee that no agreement for renewal hereof or for extension of the time for payment of any monies payable hereunder shall result from or be implied from any payment or payments of any kind whatsoever made by the Chargor to the Chargee after the expiration of the original term of this Charge or of any subsequent term granted by the Chargee or agreed to in writing between the Chargor and the Chargee, and that no renewal hereof or extension of the time for payment of any monies hereunder shall result from, or be implied from, any other act, matter or thing, save only by the extension granted by the Chargee hereunder, or by the express agreement in writing between the then current owner of the Lands and the Chargee.

5. COSTS AND EXPENSES

The Chargor covenants and agrees that it will immediately pay to the Chargee all amounts the Chargee is permitted to pay under the Charge and all reasonable costs, expenses and damages of, relating to or resulting from inspecting, protecting, repairing, completing, insuring, taking and keeping possession of and managing all or any part of the Lands, preparing it for sale or lease, selling or leasing it, renewing any leasehold interest, collecting any part of the indebtedness secured by this Charge, the exercise of any of the rights of a Receiver appointed pursuant to the Charge, such Receiver's fees and expenses, agents' costs and expenses, legal fees and expenses on a full indemnity basis, the use, occupation or operation of the Lands, the breach of any of the Chargor's representations, warranties or agreements herein, and any other costs and expenses of exercising or protecting the Chargee's rights (hereunder or otherwise) or all or any part of the Lands. Without limiting the Chargee's right to interest provided for herein, it is expressly agreed that the Chargor shall pay interest at the interest rate provided for herein on such amounts, costs and expenses (and on all other costs and expenses payable by the Chargor pursuant to the charge) from the date they are paid by the Chargee until they have been repaid by the Chargor, which interest shall be paid, calculated and compounded as provided for herein.

6. DELAY, RELEASES, PARTIAL DISCHARGES, WAIVERS AND AMENDMENTS

The Chargee may release others from any liability to pay all or any part of the indebtedness secured by this Charge without releasing the Chargor. The Chargee may release its interest under the Charge in all or any part of the Lands or any lease (or any other collateral) whether or not the Chargee receives any value and shall be accountable to the Chargor only for monies which the Chargee actually receives. If the Chargee releases its interest in part of the Lands or any lease, the remainder of the Lands and each other lease shall continue to secure the indebtedness hereunder and the Chargor's obligations under the Charge will continue unchanged. The Chargee may grant extensions of time or other indulgences, take and give up securities, accept compositions and proposals, grant releases and discharges and otherwise deal with the Chargor and other persons (including, without limitation, any person to whom all or any part of the Lands is transferred) and with any securities as the Chargee may see fit without affecting any of the Chargee's rights or remedies (herein or otherwise) or the Chargor's liability under the Charge (including without limitation the Chargor's liability to pay the indebtedness secured hereby).

The Chargee may delay enforcing any of its rights under the Charge or any other document under the Charge or any such document without affecting the Chargee's rights in respect of any other existing breach or any subsequent breach of the same or a different nature. No such waiver shall be effective unless made in writing and signed by an officer of the Chargee. No sale or other dealing with all or any part of the Lands or any lease, and no amendment of the Charge or any other security, agreement or other instrument or relating to the indebtedness secured hereby, will in any way affect the obligation of the Chargor or any other person to pay the indebtedness secured hereby.

7. REPRESENTATIONS, WARRANTIES AND AGREEMENTS RESPECTING THE PROPERTY

- a. The Chargor represents, warrants and agrees with the Chargee that:
 - i. there are no limitations affecting title to the Chargor's interest in the Lands, except any the Chargor has reported to the Chargee in writing or as shown on the registered title to the Lands;

- 5 -

- ii. the Chargor shall sign any document and take any further action at the Chargor's expense as the Chargee may think necessary in order to carry out the intention of the Charge;
- b. If the Chargor fails at any time for a period of ten (10) consecutive days to diligently carry on any improvement required by the Chargee on any part of the Lands, or if the Chargor without the written consent of the Chargee departs from the plans and specifications approved by the Chargee with respect thereto or from all applicable governmental building standards or the generally accepted standards of construction in the locality of the Lands, or if any of the events of default as defined herein has occurred and is continuing, the Chargee from time to time may enter on the Lands and have exclusive possession of all materials, plant and equipment thereon, free of interference from or by the Chargor, and complete the improvement either according to such plans and specifications or according to such other plans, specifications or design as the Chargee in its absolute discretion shall determine. The Chargor shall immediately pay the Chargee all costs and expenses incurred by it in connection with any of the foregoing.
- c. Any entry which may be made by the Chargee pursuant to any provision of the Charge may be made by any of the Chargee's agents, employees and/or contractors.

8. IMPROVEMENTS; DEMOLITION

- a. In these standard charge terms, the term "Improvement" has the meaning given to it in the Construction Lien Act, as amended or replaced from time to time, and includes any alteration, addition or repair to, and any construction, erection, remodelling, rebuilding or installation on or of, any part of the property and the demolition or removal of any building or part of any building on the Lands.
- b. The Chargor covenants and agrees that no Improvement to or on the Lands will be commenced or made by the Chargor or any other person unless the Chargor first provides a copy of all proposed plans, blueprints, contracts and specifications to the Chargee and obtains the Chargee's written consent thereto. The improvement shall form part of the Lands, but, nevertheless, it is expressly agreed that this Charge is not and shall not be a building mortgage as defined under the Construction Lien Act.

9. NON-MERGER

Notwithstanding the registration of this Charge and any other security documentation as contemplated, and notwithstanding any advance made thereunder, all terms and provisions of the Commitment, and any amendments thereto, shall remain in full force and effect, and shall not merge prior to repayment in full of all funds advanced pursuant to such loan, and the discharge and release of all security documentation thereunder. Where there is any discrepancy or conflict between the terms of the Commitment Letter and this Charge and any of the security documents, or any discrepancy as between any of the security given thereunder, the Lender shall have the right to determine which terms shall prevail. If there is any discrepancy or conflict between the terms this Charge and the Standard Charge Terms, the terms of this Charge shall prevail.

10. INTERPRETATION

All references herein to the "Chargor", the "Covenantor", "Borrower" or the "Chargee" shall be deemed to mean the Chargor, its successors and assigns, the Covenantor, its successors and assigns, the Borrower, its successors and assigns, and the Chargee, its successors and assigns, as the case may be, and all covenants, liabilities and obligations entered into or imposed hereunder upon the Chargor, the Covenantor, the Borrower and the Chargee shall be equally binding upon their successors and assigns, as the case may be. It is understood and agreed that in construing this clause, the words "Chargor", "Covenantor", "Borrower" and "Chargee" and the personal pronoun "he" or "his" relating thereto and used therewith shall be read and construed as "Chargor" or "Chargors", "Covenantor" or "Covenantors", "Borrower" or "Borrowers", "Chargee" or "Chargees", and "his", "her", "it", "its", or "their" respectively as the number and gender of the party or parties referred to in each case require, and the verb used in relation therewith shall be construed as agreeing with the said word or pronoun so substituted.

All covenants shall be deemed joint and several, unless the context otherwise provides.

11. SHORT FORM OF MORTGAGES ACT

- 6 -

IF ANY of the forms of words contained herein are substantially in the form of words contained in Column One of Schedule B of the Short Form of Mortgages Act, R.S.O. 1980, c. 474 and distinguished by a number therein, this Charge shall be deemed to include and shall have the same effect as if it contained the form of words in Column Two of Schedule B of the said Act distinguished by the same number, and this Charge shall be interpreted as if the Short Form of Mortgages Act were still in force and effect.

12. BONUS ON DEFAULT

THE CHARGOR covenants with the Chargee that in the event of non-payment of the said interest, Capitalized Interest or principal monies at the time above provided, the Chargor shall not require the Chargee to accept payment of the said principal monies without first giving three (3) months' previous notice, in writing, or paying a bonus equal to three (3) months' interest in advance on the said principal monies.

13. GUARANTEE CLAUSE

IN CONSIDERATION of the Chargee making the loan hereby secured, the Covenantors for themselves, their heirs, executors, administrators, successors and assigns, (a) agree to be jointly and severally liable with the Chargor as principal debtors and not as sureties for the due payment of all monies payable under the Charge at the times and in the manner provided; (b) unconditionally guarantee full performance and discharge of the Chargor's obligations pursuant to the provisions of the Charge at the times and in the manner provided; (c) agree to indemnify and save harmless the Chargee against and from all losses, damages, costs and expenses which the Chargee may sustain, incur, or be or become liable for by reason of: i) the failure for any reason whatsoever of the Chargor to pay the monies expressed to be payable pursuant to the provisions of this Charge; ii) the failure for any reason whatsoever of the Chargor to do and perform any other act, matter or thing pursuant to the provisions of this Charge; iii) any act, action or proceeding of or by the Chargee for or in connection with the recovery of the said monies or the obtaining of performance by the Chargor of any other act, matter or thing pursuant to the provisions of this Charge, (d) agree that the Chargee shall not be obliged to proceed against the Chargor or to enforce or exhaust any security before proceeding to enforce its obligations herein set out and that enforcement of such obligations may take place before, after or contemporaneously with the enforcement of any debt or obligation of the Chargor or the enforcement of any security for any such debt or obligation of the Chargor, (e) agree that the Chargee may at any time and from time to time and without notice to the Covenantors or any comment, concurrence or consent by the Covenantors, grant time, renewals, extensions, indulgences, releases, and discharges to, take securities (which would include other guarantees) from and give the same up to, abstain from taking securities from or from perfecting securities of, and otherwise deal with the Chargor and others and all securities including without limitation the giving of time for payment of the Charge, the varying (whether by increase or decrease) of terms of payment of the Charge or the rate of interest on the Charge, or varying any other terms of the Charge, as the Chargee may see fit, and no such thing done by the Chargee nor any carelessness or neglect by the Chargee in asserting its rights nor the loss by operation of law of any right of the Chargee against the Chargor shall in any way release or diminish the Covenantors' liability hereunder, so long as any monies expressed by this Charge to be payable remain unpaid or the Chargee has not been reimbursed for all such losses, damages, costs, charges and expenses as aforesaid, (f) no invalidity, irregularity or unenforceability of all or any part of the Chargor's obligations or of any security provided to secure the Chargor's obligations shall affect, impair or be a defence to this guarantee; and (g) this is a contract of continuing guarantee and the obligations of the Covenantors shall be continuing obligations and a fresh cause of action and shall be deemed to arise in respect of each such default on the part of the Chargor.

Without limiting the generality of the foregoing, it is expressly understood and agreed by the Covenantors that this guarantee shall bind the Covenantors and each of them notwithstanding the giving of time for payment of this Charge or the varying (whether by increase or decrease) of the terms of payment thereof or the rate of interest herein provided for or the giving of a release or partial release of covenant not to sue any of the Chargors or Covenantors or the entry into of any renewal agreement, extension agreement or mortgage amending agreement or any other agreement having the effect of modifying any of the terms of payment or any other matter contained in this Charge whatsoever.

14. PREPAYMENT

The Chargor shall have the privilege to prepay the whole of the principal sum at any time together with accrued interest at any time or times without notice or bonus provided that the Chargor pays to the Lender, in addition to the Principal, all outstanding interest, fees and other sums, due hereunder or under any of the other security executed and delivered to the Lender in connection with this Charge and provided further that the Chargor gives the Lender at least 30 days prior written notice.

15. MAXIMUM INTEREST RATE

Notwithstanding anything contained herein to the contrary, the Borrower and Chargor will not be obliged to make any payment of interest or other amounts payable to the Lender hereunder in excess of the amount or rate that would be permitted by applicable laws or would result in the receipt by the Lender of interest at a criminal rate (as such terms are construed under the *Criminal Code* (Canada)). If the making of any payment by the Borrower or Chargor would result in a payment being made that is in excess of such amount or rate, the Lender will determine the payment or payments that are to be reduced or refunded, as the case may be, so that such result does not occur.

TAB 4

THIS IS **EXHIBIT " 3"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

**Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.**

**GENERAL SECURITY AGREEMENT
(Guarantors)**

THIS SECURITY AGREEMENT is made as of the _____ day of December, 2015.

**ARTICLE 1
SECURITY INTEREST**

1.1 SECURITY INTEREST

TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership, Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust (collectively the "Debtor"), as continuing security for the repayment and the performance of each of the Obligations (as defined herein) of the Debtor to Terra Firma Capital Corporation (the "Secured Party"), grants to the Secured Party a continuing, specific and fixed security interest in all of the Debtor's property, assets, rights and undertaking of every nature and kind which are either (i) shares of Urbancorp Holdco Inc. (the "Shares") pledged to the Secured Party in accordance with the terms of the Commitment (as defined herein) and the terms of a share pledge agreement by and among the Debtor and the Secured Party (the "Share Pledge Agreement"), or (ii) now or at any time and from time to time, situate on or in any way relating to and required for the operation of the real and immoveable property known as (a) PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham; (b) PIN No. 10126 1010 (LT), Toronto; (c) PIN No. 21298 0448 (LT), 21298 0450 (LT), 76249 0430 (LT) and 76249 0429 (LT), Toronto; and (d) PIN 07586-0258(LT), Toronto (and more particularly described in Schedule "A" hereto (collectively the "Real Property") including, without limiting the generality of the foregoing, to the extent in any way relating to the Shares or to the extent situate on or in any way relating to and required for the operation of the Real Property:

- (a) **Accounts:** All debts, accounts, claims, monies and choses in action which now are or which may at any time hereafter be due or owing to or owned by the Debtor or in which the Debtor now or hereafter has any other interest, and also all investment property, securities, bills, notes and other documents now held or owned or which may be hereafter taken, held or owned by the Debtor in respect of the said debts, accounts, claims, monies and choses in action or any part thereof (collectively, the "Accounts");
- (b) **Books and Records:** All of the Debtor's deeds, documents, writings, papers, books of account and other books relating to or being records of debts, Chattel Paper, Documents of Title or by which such are or may hereafter be secured, evidenced, acknowledged or made payable (collectively, the "Books and Records");
- (c) **Chattel Paper:** All chattel paper in which the Debtor now or hereafter has an interest and any part thereof (the "Chattel Paper");
- (d) **Documents of Title:** All documents of title, whether negotiable or non-negotiable, including, without limitation, all warehouse receipts and bills of lading, in which the Debtor now or hereafter has an interest and any part thereof (collectively, the "Documents of Title");
- (e) **Equipment:** All goods in which the Debtor now or hereafter has an interest other than Inventory or consumer goods and any part thereof, including, without limitation, all apparatus, fixtures, plant, machinery, tools and furniture (collectively, the "Equipment");
- (f) **Instruments:** All instruments of credit, advices of credit and all other instruments in which the Debtor now or hereafter has an interest and any part thereof (collectively, the "Instruments");
- (g) **Intangibles:** All intangible property of whatever kind in which the Debtor now or hereafter has an interest, including, without limitation, all of the Debtor's choses in action, contractual rights, agreements, licences, permits, goodwill, patents, trade marks, industrial designs, copyrights and other industrial or intellectual property (collectively, the "Intangibles");
- (h) **Inventory:** All inventory of whatever kind in which the Debtor now or hereafter has an interest, including, without limitation, all goods, merchandise, raw materials, goods in process, finished goods and other tangible personal property now or

hereafter held for sale, lease, resale or exchange or furnished or to be furnished under contracts for service or that are used or consumed in the business of the Debtor and any part thereof (collectively, the "Inventory");

- (i) **Money:** All money in which the Debtor now or hereafter has an interest and any part thereof (the "Money"); and
- (j) **Proceeds:** All proceeds and personal property in any form derived directly or indirectly from any dealing with the Collateral (as defined herein) or any part thereof and any payment that indemnifies or compensates for such property lost, damaged or destroyed, and proceeds of Proceeds and any part thereof (collectively, the "Proceeds").

1.2 FIXED NATURE OF SECURITY INTERESTS

Notwithstanding the Debtor's right to deal with the Inventory in the ordinary course of business as provided herein, the Security Interests (as defined herein) created hereby shall operate as a fixed and specific charge of all of the Collateral presently existing and, with respect to all future Collateral, shall operate as a fixed and specific charge of such future Collateral which shall attach as of the moment the Debtor acquires any rights therein. The Security Interests created hereby are not intended as and shall not be interpreted or construed as a floating charge.

1.3 ATTACHMENT

The Debtor acknowledges that value has been given. The Security Interests are intended to attach, as to all of the Collateral in which the Debtor has an interest, forthwith when the Debtor executes this Security Agreement, and, as to all Collateral in which the Debtor acquires an interest after the execution of this Security Agreement, when the Debtor acquires such interest.

1.4 LEASES

The last day of any term reserved by any lease, oral or written, or any agreement therefor, now held or hereafter acquired by the Debtor as lessee is hereby excepted out of the Security Interests. Upon the occurrence of a Default and while such Default is continuing, the Debtor shall assign and dispose of the same in such manner as the Secured Party may from time to time direct in writing. Upon any sale, assignment, sublease or other disposition of such lease or agreement to lease, the Secured Party shall, for the purpose of vesting the aforesaid residue of any such term in any purchaser, assignee, sublessee or such other acquirer of the lease, agreement to lease or any interest therein, be entitled by deed or other written instrument to assign to such other person the aforesaid residue of any such term in place of the Debtor and to vest same freed and discharged from any obligation whatsoever respecting the same.

1.5 EXCEPTION FOR CONTRACTUAL RIGHTS

The Security Interests granted hereby do not and will not extend to, and the Collateral will not include, any agreement, right, franchise, licence or permit (the "contractual rights") to which the Debtor is a party or of which the Debtor has the benefit, to the extent that the grant of security hereby would constitute a breach of the terms of or permit any person to terminate the contractual rights, but the Debtor agrees that it will assign such contractual rights to the Secured Party forthwith upon obtaining the consent of the other party thereto. The Debtor agrees that it will, upon the request of the Secured Party, use all commercially reasonable efforts to obtain any consent required to permit any contractual rights to be subject to the Security Interests granted hereby.

1.6 DEALING WITH COLLATERAL BY THE DEBTOR

Until a Default occurs, the Debtor may deal with the Collateral other than the Shares in accordance with the terms of the Commitment and Charge (as hereinafter defined) or other security provided with on or with respect to the Real Property, and with the Shares in accordance with the terms of the Share Pledge Agreement.

1.7 ENTIRE AGREEMENT

This Security Agreement has been entered into pursuant to the provisions of the Commitment and is subject to all the terms and conditions thereof and, if there is any conflict or inconsistency between the provisions of this Security Agreement and the provisions of the Commitment, the rights and obligations of the parties will be governed by the provisions of the Commitment.

ARTICLE 2 DEFINITIONS

2.1 COLLATERAL

The property, assets, rights and undertaking charged hereunder, including all of such Accounts, Chattel Paper, Documents of Title, Books and Records, Equipment, Intangibles, Instruments, Inventory, Money and Proceeds together with all increases, additions and accessions thereto and all substitutions or any replacements thereof are, unless otherwise specified, herein referred to as the "Collateral".

2.2 COMMITMENT

The letter of intent made, *inter alia*, by the Debtor and Urbancorp Holdco Inc. (the "Obligors"), as amended or supplemented from time to time and accepted by Terra Firma MA Ltd., as assigned to the Secured Party, is herein referred to as the "Commitment".

2.3 SECURITY INTEREST

The security interests granted pursuant to this Security Agreement are herein referred to as the "Security Interests".

2.4 CHARGE

"Charge" means the charge of PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham given by Urbancorp (Woodbine) Inc.; PIN No. 10126-1010 given by Urbancorp (Bridlepath) Inc., the beneficial charge of PIN Nos. 21298-0448 (LT), 21298-0450 (LT), 76249-0430 (LT) and 76249-0429 (LT), Toronto given by TCC/Urbancorp (Bay/Stadium) Limited Partnership, and/or the assignment of proceeds with respect to PIN No. 07586-0258(LT), Toronto, given by Urbancorp (Valermo) Inc. to and in favour of the Secured Party securing the principal sum of \$12,000,000.00, together with interest thereon as therein set out, as the same may be amended from time to time.

2.5 DEFINED TERMS

The terms "account", "chattel paper", "documents of title", "equipment", "goods", "instrument", "intangible", "inventory", "money", and "proceeds" shall have the meanings ascribed to such terms in the *Personal Property Security Act* (Ontario) as it may be amended, restated or succeeded by successor legislation of comparable effect.

ARTICLE 3 OBLIGATIONS SECURED

3.1 OBLIGATIONS SECURED

The Collateral constitutes and will constitute continuing security for the following obligations (the "Obligations") of the Obligors to the Secured Party:

- (a) **Indebtedness:** The prompt payment, as and when due and payable, of all amounts now or hereafter owing by the Obligors, and/or any of them, to the Secured Party, including by way of guarantee or indemnity, whether now existing or hereafter incurred, matured or unmatured, direct, indirect or contingent, including any extensions and renewals thereof, in any way relating to or arising pursuant to the terms of the Commitment and the Loan Documents (as defined in the Commitment); and
- (b) **Performance of Agreements:** The strict performance and observance by the Obligors and/or any of them of all agreements, warranties, representations, covenants and conditions of the Obligors made pursuant to this Security Agreement, the Commitment and the Loan Documents.

ARTICLE 4 DEBTOR'S REPRESENTATIONS, WARRANTIES AND COVENANTS

4.1 DEBTOR'S REPRESENTATIONS AND WARRANTIES

The Debtor hereby, represents and warrants to and for the benefit of the Secured Party that:

- (a) **Places of Business of Debtor:** The following are the Debtor's places of business pertaining to the Real Property (the "Places of Business"):

the Debtor's chief executive office:

120 Lynn Williams Street, Suite 2A,
Toronto, ON M6K 3N6

- (b) **Insurance:** The Collateral is insured in accordance with the terms of the Commitment.

4.2 DEBTOR'S COVENANTS

Unless compliance with the following covenants is waived by the Secured Party in writing or unless non-compliance with any such covenants is otherwise consented to by the Secured Party by written agreement with the Debtor, and subject as may otherwise be permitted or provided under the Commitment, the Debtor covenants and agrees that:

- (a) **Notification to Secured Party of Claims and Liens:** The Debtor shall promptly notify the Secured Party of any claim, lien, charge, security interest or other encumbrance made or asserted against any of the Collateral and the Debtor shall, at its own expense, defend the Collateral against any and all such claims, liens, charges, security interests or other encumbrances.
- (b) **No Accessions or Fixtures:** The Debtor shall prevent the Collateral from becoming an accession to any property other than the Collateral or from becoming a fixture unless the Security Interests rank prior to the interests of all other persons in the Real Property;
- (c) **Disposition of Collateral:** The Debtor will not assign, sell, lease or otherwise dispose of the Collateral or any interest therein except for:
- (i) Collateral in the ordinary course of business on customary trade terms; and
 - (ii) Equipment which has become worn out, damaged or otherwise unsuitable for its purpose, on condition that the Debtor substitute for such Equipment property of equal value free from all other encumbrances. Such substituted property shall become part of the Collateral as soon as the Debtor acquires any interest in it;
- (d) **Change of Places of Business, Collateral and Name:** The Debtor shall not change its Places of Business, the location(s) of any of the Collateral or the records in respect thereof or change its name without giving to the Secured Party within fifteen (15) days thereafter written notice of the change of location or of the new name, as applicable;
- (e) **Risk and Insurance:** The Debtor shall bear the sole risk of any loss, damage, destruction or confiscation of or to the Collateral during the Debtor's possession hereunder or otherwise after default hereunder. The Debtor shall insure the Collateral pursuant to and in accordance with the Commitment; and
- (f) **Proceeds in Trust:** After the occurrence of a Default hereunder and while such Default is continuing, the Debtor shall and shall be deemed to hold all Proceeds in trust, separate and apart from other Money, Instruments or property, for the benefit of the Secured Party until all amounts owing by the Debtor to the Secured Party have been paid in full.

ARTICLE 5 COLLECTION OF ACCOUNTS

5.1 COLLECTION OF ACCOUNT

The Secured Party may, after the occurrence of a Default hereunder and while such Default is continuing, notify and direct any account debtor to the Debtor (an "Account Debtor") to make all payments whatever to the Secured Party. The Secured Party may hold all amounts acquired from any Account Debtor and any Proceeds as part of the Collateral. Any payments received by the Debtor after the occurrence of a Default hereunder and while such Default is continuing and whether before or after notification to any Account Debtor, shall be held by the Debtor in trust for the Secured Party in the same medium in which received, shall not be commingled with any assets of

the Debtor and shall be turned over to the Secured Party not later than the next business day following the day of their receipt.

ARTICLE 6
APPOINTMENT OF ATTORNEY

6.1 APPOINTMENT OF ATTORNEY

After the occurrence of a Default hereunder and while such Default is continuing, the Debtor hereby constitutes and appoints the Secured Party, or any receiver appointed hereunder, the true and lawful attorney of the Debtor irrevocably with full power of substitution to do, make and execute all such assignments, documents, acts, matters or things with the right to use the name of the Debtor whenever and wherever it may be deemed necessary or expedient. The Debtor hereby declares that the irrevocable power of attorney granted hereby, being coupled with an interest, is given for valuable consideration.

ARTICLE 7
DEFAULT

7.1 DEFAULT

The Debtor shall be in default ("Default") under this Security Agreement upon the occurrence of a default under the Commitment or an Event of Default (as defined in the Charge, and such default and/or Event of Default, in this Agreement an "Event of Default") under the Charge or the Commitment at any time or times prior to the Secured Party cancelling and discharging the Security Interests herein created.

7.2 SECURITY ENFORCEABLE

The fact that this Security Agreement provides for Default and rights of acceleration shall not derogate from the demand nature of any Obligation payable on demand.

7.3 WAIVER NOT TO AFFECT SUBSEQUENT BREACH

The Secured Party may waive default or any breach by the Debtor of the provisions contained in this Security Agreement. No waiver shall extend to a subsequent breach or default, whether or not the same as or similar to the breach or default waived and no act or omission of the Secured Party shall extend to or be taken in any manner whatsoever to affect any subsequent breach or default of the Debtor or the rights of the Secured Party resulting therefrom. Any such waiver must be in writing and signed by the Secured Party to be effective.

ARTICLE 8
SECURED PARTY'S REMEDIES ON DEFAULT

8.1 INDEBTEDNESS DUE AND RIGHTS AND REMEDIES

Upon the occurrence of an Event of Default, but subject to the provisions of the Commitment and at the sole option of the Secured Party, all of the Obligations shall become immediately due and payable without notice to the Debtor and the Secured Party may, at its option, proceed to enforce payment and performance of same and to exercise any or all of the rights and remedies contained herein, including, without limitation, the signification and collection of the Debtor's Accounts, or otherwise afforded by law, in equity or otherwise. The Secured Party shall have the right to enforce one or more remedies successively or concurrently in accordance with applicable law and the Secured Party expressly retains all rights and remedies not inconsistent with the provisions herein including all the rights it may have under the Act and, without restricting the generality of the foregoing, the Secured Party may upon such Event of Default and subject to compliance with applicable law:

- (a) **Appointment of Receiver:** appoint by instrument in writing a receiver (which term shall include a receiver and manager) of all or any part of the Collateral and remove or replace such receiver from time to time or may institute proceedings in any court of competent jurisdiction for the appointment of a receiver. Any such receiver appointed by the Secured Party so far as concerns responsibility for its acts shall be deemed the agent of the Debtor and not of the Secured Party. Where the Secured Party is referred to in this Article 8, the reference includes, where the context permits, any receiver so appointed and the officers, employees, servants or agents of such receiver;

- (b) **Enter and Repossess:** immediately and without notice enter the Debtor's premises and repossess, disable or remove the Collateral;
- (c) **Retain the Collateral:** retain and administer the Collateral in the Secured Party's sole and unfettered discretion, which the Debtor hereby acknowledges is commercially reasonable;
- (d) **Dispose of the Collateral:** dispose of any Collateral by public auction, private tender or private contract with or without notice, advertising or any other formality, all of which are hereby waived by the Debtor to the extent permitted by law. The Secured Party may, at its discretion, to the extent permitted by law, establish the terms of such disposition, including, without limitation, terms and conditions as to credit, upset, reserve bid or price. All payments made pursuant to such dispositions shall be credited against the Obligations only as they are actually received. The Secured Party may, to the extent permitted by law, enter into, rescind or vary any contract for the disposition of any Collateral and may dispose of any Collateral again without being answerable for any loss occasioned thereby. Any such disposition may take place whether or not the Secured Party has taken possession of the Collateral;
- (e) **Acceptance:** foreclose upon the Collateral in satisfaction of the Obligations;
- (f) **Carry on Business:** carry on or concur in the carrying on of all or any part of the business of the Debtor pertaining to the Real Property and the Collateral and may, in any event, to the exclusion of all others, including the Debtor's, use any of the personal property (which shall include fixtures) of the Debtor pertaining to the Real Property and the Collateral for such time and such purposes as the Secured Party sees fit. The Secured Party shall not be liable to the Debtor for any neglect in so doing or in respect of any rent, costs, charges, depreciation or damages in connection therewith;
- (g) **Payment of Encumbrances:** pay any encumbrance, lien, claim or charge that may exist or be threatened against the Collateral. In any such case, the amounts so paid together with costs, charges and expenses incurred in connection therewith shall be added to the Obligations secured by this Security Agreement;
- (h) **Payment of Deficiency:** subject to the provisions of the Commitment, if the proceeds of realization are insufficient to pay all monetary Obligations, the Debtor shall forthwith pay or cause to be paid to the Secured Party any deficiency and the Secured Party may sue the Debtor to collect the amount of such deficiency; and
- (i) **Dealing with Collateral:** subject to applicable law, seize, collect, realize, borrow money on the security of, release to third parties, sell (by way of public or private sale), lease or otherwise deal with the Collateral in such manner, upon such terms and conditions, at such time or times and place or places and for such consideration as may seem to the Secured Party advisable and without notice to the Debtor. The Secured Party may charge on its own behalf and pay to others sums for reasonable expenses incurred and for reasonable services rendered (expressly including reasonable legal services, consulting, receivers' and accounting fees) in or in connection with seizing, collecting, realizing, borrowing on the security of, selling or obtaining payment of the Collateral and may add such sums to the Obligations secured by this Security Agreement.

8.2 ASSEMBLE THE COLLATERAL

Upon the occurrence of a Default hereunder, to assist the Secured Party in the implementation of such rights and remedies the Debtor will, at its own risk and expense and at the Secured Party's request, assemble and prepare for removal such items of the Collateral as are selected by the Secured Party as shall, in the Secured Party's sole judgment, have a value sufficient to cover all the Obligations.

8.3 SECURED PARTY NOT LIABLE FOR FAILURE TO EXERCISE REMEDIES

The Secured Party shall not be liable or accountable for any failure to exercise its remedies, take possession of, seize, collect, realize, sell, lease or otherwise dispose of or obtain payment for the Collateral and shall not be bound to institute proceedings for such purposes or for the purpose of preserving any rights, remedies or powers of the Secured Party, the Debtor or any other person in respect of same.

8.4 ALLOCATION OF PROCEEDS

All monies collected or received by the Secured Party in respect of the Collateral may be held by the Secured Party and may be applied on account of such parts of the Obligations at the sole discretion of the Secured Party.

8.5 EXTENSION OF TIME ETC.

The Secured Party may grant extensions of time and other indulgences, take and give up securities, accept compositions, grant releases and discharges, release the Collateral to third parties and otherwise deal with the Debtor's guarantors or sureties and others and with the Collateral and other security as the Secured Party may see fit without prejudice to the liability of the Debtor to the Secured Party, or the Secured Party's rights, remedies and powers under this Security Agreement.

8.6 FORBEARANCE IS NOT WAIVER

No extension of time, forbearance, indulgence or other accommodation now, heretofore or hereafter given by the Secured Party to the Debtor shall operate as a waiver, alteration or amendment of the rights of the Secured Party or otherwise preclude the Secured Party from enforcing such rights.

8.7 EFFECT OF APPOINTMENT OF RECEIVER

As soon as the Secured Party takes possession of any Collateral or appoints a receiver, all powers, functions, rights and privileges of the directors and officers of the Debtor with respect to the Collateral shall cease, unless specifically continued by the written consent of the Secured Party or the receiver.

8.8 INDEMNITY

The Debtor shall indemnify and save the Secured Party harmless from any and all costs, expenses, liabilities and damages which may be incurred by the Secured Party:

- (i) in connection with the Collateral;
- (ii) as a result of the occurrence of an Event of Default; and
- (iii) subject to Section 8.9, the enforcement of its rights hereunder.

8.9 LIMITATION OF LIABILITY

The Secured Party shall not be liable by reason of any entry into or taking possession of any of the Collateral hereby charged or intended so to be or any part thereof, to account as mortgagee in possession or for anything except actual receipts or be liable for any loss on realization or any act or omission for which a secured party in possession might be liable.

The Debtor hereby releases and discharges the Secured Party and any receiver appointed by the Secured Party from every claim of every nature, whether sounding in damages or not, which may arise or be caused to the Debtor or any person claiming through or under the Debtor by reason or as a result of anything done by the Secured Party or any successor or assign claiming through or under the Secured Party or the receiver appointed by the Secured Party under the provisions of this Security Agreement unless such claim be the result of wilful act, negligence or dishonesty.

ARTICLE 9 MISCELLANEOUS

9.1 COSTS

The Debtor shall reimburse the Secured Party on demand for all interest, reasonable commissions, reasonable costs of realization and other reasonable costs and expenses (including reasonable legal fees and expenses on a full indemnity basis) incurred by the Secured Party or any receiver in connection with the enforcement of this Security Agreement, including, without limitation, those arising in connection with the realization, disposition of, retention, protection or collection of any Collateral and the protection or enforcement of the rights, remedies and powers of the Secured Party or any receiver and those incurred for perpetual registration of any financing statement registered in connection with the Security Interests. All amounts for which the Debtor is required hereunder to reimburse the Secured Party or any receiver shall, from the date of disbursement until the date the Secured Party or the receiver receives reimbursement, be deemed advanced to the

Debtor by the Secured Party, shall be deemed to be Obligations and shall bear interest at the highest rate per annum charged by the Secured Party on any of the other Obligations.

9.2 AMENDMENT OF AGREEMENT

Any modification of this Security Agreement shall not be binding unless in writing and signed by the Secured Party and the Debtor.

9.3 SEVERABILITY

Any provision of this Security Agreement prohibited by law or otherwise ineffective shall be ineffective only to the extent of such prohibition or ineffectiveness and shall be severable without invalidating or otherwise affecting the remaining provisions hereof.

9.4 NO OBLIGATION TO MAKE ADVANCES

Nothing herein shall obligate the Secured Party to make any advance or loan or further advance or extend credit to the Obligors.

9.5 SECURITY IN ADDITION AND NOT IN SUBSTITUTION, REMEDIES CUMULATIVE

The rights, remedies and powers conferred by this Security Agreement are in addition to, and not in substitution for, any other rights, remedies or powers the Secured Party may have under this Security Agreement, the Commitment, any other agreement entered into pursuant to the Commitment, at law, in equity or by or under the Act or any other statute. The Secured Party may proceed by way of any action, suit or other proceeding at law or in equity and no right, remedy or power of the Secured Party shall be exclusive of or dependent on any other. The Secured Party may exercise any of its rights, remedies or powers separately or in combination and at any time.

9.6 SECURITY INTERESTS EFFECTIVE IMMEDIATELY

Neither the execution of, nor any filing with respect to, this Security Agreement shall bind the Secured Party to grant any credit to the Obligors, but the Security Interests shall take effect forthwith upon the execution of this Security Agreement by the Debtor.

9.7 STATUTORY WAIVERS

To the fullest extent permitted by law, the Debtor waives all of its rights, benefits and protections given by the provisions of any existing or future statute which imposes limitations upon the powers, rights or remedies of a secured party or upon the methods of realization of security, including any seize or sue or anti-deficiency statute or any similar provisions of any other statute.

9.8 PROVISIONS REASONABLE

The Debtor acknowledges that the provisions of this Security Agreement and, in particular, those respecting rights, remedies and powers of the Secured Party and any receiver against the Debtor, its business and any Collateral upon an Event of Default, are commercially reasonable and not manifestly unreasonable.

9.9 FURTHER ASSURANCES

The Debtor shall at all times, do, execute, acknowledge and deliver or cause to be done, executed, acknowledged or delivered all such further acts, deeds, transfers, assignments, security agreements and assurances as the Secured Party may reasonably require in order to give effect to the provisions hereof and for the better granting, transferring, assigning, charging, setting over, assuring, confirming or perfecting the Security Interests and the priority accorded to them by law or under this Security Agreement.

9.10 NOTICES

Any notice, demand, request, consent, agreement or approval (a "Notice") which may or is required to be given pursuant to this Security Agreement shall be in writing and shall be sufficiently given or made if delivered personally upon the party for whom it is intended, or transmitted by facsimile transmission, or (except in the case of an actual or pending disruption of postal service) mailed by registered mail, and in the case of:

The Debtor, addressed as follows:

120 Lynn Williams Street, Suite 2A,

- 9 -

Toronto, ON M6K 3N6

Attention: Alan Saskin – President

Facsimile Number:

The Secured Party, addressed as follows:

22 St. Clair Avenue East, Suite 200,
Toronto, Ontario M4T 2S3

Attention: Carolyn Montgomery

Facsimile Number: (416) 792-4711

with a copy to:

Law Offices of Norman H. Winter
801-1 St. Clair Avenue East
Toronto, ON M4T 2V7

Attention: Norman Winter

Facsimile Number: (416) 964-2494

Any such Notice, (i) if delivered personally, shall be deemed to be delivered on the date of delivery thereof, (ii) if transmitted by facsimile transmission prior to 4:00 p.m. on any Business Day shall be deemed to have been delivered on the date of transmission and if delivered by facsimile transmission after 4:00 p.m. on any Business Day shall be deemed to have been delivered on the next following Business Day or (iii) if mailed as aforesaid, the fourth (4th) Business Day following the date of mailing. For the purposes hereof, personal delivery, including delivery by way of a courier service, shall be made by delivery to an officer, director or responsible employee of the party for whom it is intended at its address set out above. If on the date of mailing or on or before such fourth (4th) Business Day thereafter there is a general interruption in the operation of postal service in Canada, Notices shall be delivered personally or by facsimile transmission. Each party may, from time to time, change its address or stipulate an address different from the address set out above by giving Notice thereof to each other party in the manner provided in this Section 9.10. For purposes hereof, "Business Day" means a day, excluding Saturday and Sunday, on which banks are open for commercial business in Ontario.

9.11 DISCHARGE

Upon payment and performance by the Obligors of the Obligations secured hereby the Secured Party shall upon request in writing by the Debtor deliver up this Security Agreement to the Debtor and shall at the expense of the Debtor cancel and discharge the Security Interests and execute and deliver to the Debtor such documents as shall be requisite to discharge the Security Interests hereby constituted.

9.12 HEADINGS

All headings and titles in this Security Agreement are for reference only and are not to be used in the interpretation of the terms hereof.

9.13 BINDING EFFECT

This Security Agreement shall be binding on the Debtor and its successors, heirs, administrators, executors and permitted assigns and shall enure to the benefit of the Secured Party and its successors and permitted assigns.

9.14 APPLICABLE LAW

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

9.15 DELIVERY OF COPY

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

9.16 PARAMOUNTCY

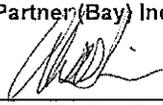
In the event of a conflict between the terms of this Security Agreement and the Commitment, the terms of the Commitment shall prevail.

[The remainder of this page left intentionally blank -- signature page follows]

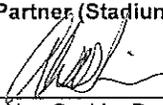
- 11 -

IN WITNESS WHEREOF the Debtor has executed this Security Agreement as of the date first written above.

**TCC/URBANCORP (BAY) LIMITED
PARTNERSHIP By its General Partner
Deaja Partner (Bay) Inc.**

Per: 
Alan Saskin—President
I have authority to bind the Corporation

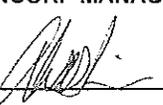
**TCC/URBANCORP (BAY/STADIUM) LIMITED
PARTNERSHIP By its General Partner
Deaja Partner (Stadium) Inc.**

Per: 
Alan Saskin—President
I have authority to bind the Corporation

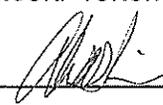
**TCC/URBANCORP (STADIUM ROAD) LIMITED
PARTNERSHIP By its General Partner
Urbancorp Master Partner (Stadium Road) Inc.**

Per: 
Alan Saskin—President
I have authority to bind the Corporation

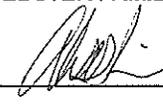
URBANCORP MANAGEMENT INC.

Per: 
Name: _____
Title: _____
I have authority to bind the Corporation

URBANCORP TORONTO MANAGEMENT INC.

Per: 
Name: _____
Title: _____
I have authority to bind the Corporation

THE WEBSTER FAMILY TRUST

Per: 
Name: _____
Title: _____
I have authority to bind the Trust

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SCHEDULE "A"

LEGAL DESCRIPTION OF THE REAL PROPERTY

9100 Woodbine Avenue, Markham, Ontario

PIN 03046-0219 (LT)

PT LT 14 CON 3 MARKHAM, PT 2 65R31684 , MARKHAM ; T/W R680957

9084 Woodbine Avenue, Markham, Ontario

PIN 03046-0217 (LT)

PT LT 1 PL 3604 MARKHAM , PT 3 65R31684 ; MARKHAM

9110 Woodbine Avenue, Markham, Ontario

PIN 03046-0215 (LT)

PT LTS 14 & 15, CON 3 MARKHAM, PT 1 65R31684 ; MARKHAM

9064 and 9074 Woodbine Avenue, Markham, Ontario

PIN 03046-0213 (LT)

PT LT 1 PL 3604 MARKHAM & PT LT 14 CON 3 MARKHAM, PT 4 65R31684 ; MARKHAM

2427 and 2425 Bayview Avenue, Toronto, Ontario

PIN 10126-1010 (LT)

PART OF LOT 8 CONCESSION 2 EYS (N YORK), DESIGNATED AS PARTS 1 & 2 ON PLAN 66R24078; CITY OF TORONTO

EPIC

PIN 21298-0448 (LT)

PART OF THE ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PART 1 ON PLAN 66R26215; TORONTO; CITY OF TORONTO;; TOGETHER WITH AN EASEMENT OVER PART OF THE ORDNANCE RESERVE AND PART OF ABELL STREET, CLOSED BY BY-LAW 6321, INSTRUMENT NO. OD33202, ON PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 3,4,5 & 6 ON PLAN 66R23469 UNTIL DEDICATED AS PUBLIC HIGHWAY AS IN AT1707704; TOGETHER WITH AN EASEMENT OVER PART OF ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 1 TO 5, 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; TOGETHER WITH AN EASEMENT OVER PART OF ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 1 TO 5, 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 5 ON PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 25,26 & 53 ON PLAN 66R25068 AS IN AT2497743; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 5 ON PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 34 & 35 ON PLAN 66R25068 AS IN AT2498220; SUBJECT TO AN EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF ROGERS CABLE COMMUNICATIONS INC. AS IN AT1784893; SUBJECT TO AN EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF GREATER TORONTO TRANSIT AUTHORITY AND CANADIAN NATIONAL RAILWAY COMPANY AS IN AT1929991; SUBJECT TO AN EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF PART OF ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 1 TO 5 & 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; SUBJECT TO AN EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF PART OF ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 1 TO 5 & 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3073995; TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3505198

PIN 21298-0450 (LT)

INCLUSIVE, ON PLAN 66R-23505; SUBJECT TO RIGHT OF WAY AS IN CT430478 AND WF27767 PARTIAL RELEASE AS TO PTS 5 AND 9 PL 66R-23505 AS IN AT2198438,

AT2198441, AT2221543 AND PARTIAL RELEASE AS TO PARTS 4, 7 & 8 ON PLAN 66R17071 AS IN AT3522908, PARTIAL RELEASE AS IN AT3760103 & AT3760109 & AT3760128 & AT3760138 AT3760148 AT3760167 AT3760311, WF27767 PARTIAL RELEASE AS TO PARTS 7 & 8 ON PLAN 66R17071 AS IN AT4047674; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 1 TO 7 PL 66R-23505 AS IN AT2106267; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 1 TO 5 ON PL 66R-23505 AS IN AT2303473; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 1, 2, 3, 4 AND 5 ON PL 66R-23505 AS IN AT2329585; SUBJECT TO AN EASEMENT OVER PT BLOCK 5 PL ORDNANCE RESERVE DESIGNATED AS PTS 25, 26 AND 53 ON PL 66R25068 IN FAVOUR OF PTS 6, 21 TO 24, 27, 30, 32, 33, 36 TO 39, 41, 43 TO 52, 54 TO 56 PL 66R25068 AND PTS 1 TO 5, 7 TO 20 ON PL 66R25068 AS IN AT2497743; TOGETHER WITH AN EASEMENT OVER PTS 23 AND 24 ON PL 66R-25068 AS IN AT2498075; TOGETHER WITH AN EASEMENT OVER PTS 6, 23, 24, 32, 33, 36 AND 37 ON PL 66R25068 AS IN AT2498248; S/T AN EASEMENT OVER PTS 25 AND 26 ON PL 66R25068 IN FAVOUR OF PTS 28, 29, 31, 40 AND 42 ON PL 66R-25068 AS IN AT2736147; S/T AND T/W EASEMENT AS SET OUT IN AT3073995, CITY OF TORONTO; TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3505198; SUBJECT TO AN EASEMENT AS IN AT3695579; CITY OF TORONTO

PIN 76249-0429 (LT)

UNIT 54, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2249 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3073995; CITY OF TORONTO

PIN 76249-0430 (LT)

UNIT 55, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2249 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3073995; CITY OF TORONTO

VALERMO

PIN 07586-0258 (LT)

PART OF LOT 8, CON 2 COLONEL SMITH'S TRACT, PT LOTS 85, 86, 87, 88, 89 AND 90 ON PLN 2449, DESIGNATED AS PARTS 1 & 2 PLAN 66R-27359; SUBJECT TO AN EASEMENT OVER PART OF LOT 8 CONCESSION 2 COLONEL SMITH'S TRACT DESIGNATED AS PART 2 ON PLAN 66R-27359 IN FAVOUR OF THE CITY OF TORONTO AS IN EB421053; CITY OF TORONTO

TAB 4

THIS IS **EXHIBIT " 4"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

GUARANTEE AND POSTPONEMENT OF CLAIM

TO: TERRA FIRMA CAPITAL CORPORATION

WHEREAS TERRA FIRMA CAPITAL CORPORATION (hereinafter called the "Lender") has advanced funds or is about to advance funds to Urbancorp Holdco Inc. (hereinafter called the "Borrower") and in consideration of your intention to advance the said funds to the Borrower, and other good and valuable consideration and the sum of Two (\$2.00) Dollars, the receipt and sufficiency of which are hereby acknowledged, each of the undersigned, (each hereinafter called a "Guarantor") hereby declares, covenants and agrees as follows:

1. In this Guarantee and Postponement of Claim the following words shall have the meaning as indicated opposite such words:

(a) "Credit" - means financial accommodation of any kind whatsoever.

(b) "Indebtedness" - means in its broadest sense all obligations of the Borrower to the Lender, alone or with others heretofore or hereafter incurred, whether voluntarily or involuntarily, whether due or not due, whether absolute, inchoate, contingent, liquidated or unliquidated together with interest on each and every such obligation, including, without limitation, as set out in or provided pursuant to a Letter of Intent dated December 22, 2015, as amended or supplemented from time to time.

2. Notwithstanding anything herein to the contrary, each Guarantor's guarantee hereunder shall be limited as set out on Schedule "A" attached hereto.

3. Without further authorization from or notice to the Guarantor, you may grant Credit and advance funds to the Borrower from time to time, either before or after revocation hereof, and in such manner, upon such terms and for such times as you deem best, and with or without notice to the Guarantor you may alter, compromise, accelerate, extend or change the time or manner for the payment by the Borrower or by any person or persons liable to you of any Indebtedness hereby guaranteed, increase or reduce the rate of interest thereon, release or reduce the rate of interest thereon, release or add one or more Guarantor or endorsers, accept additional or substituted security, or release or subordinate any security. No exercise or nonexercise by you or any right hereby given you, no failure by you to record, complete or otherwise perfect any securities given by the Borrower or the Guarantor or any person, firm or corporation, no dealing by you with the Borrower or the Guarantor or any person, firm or corporation, no dealing by you with the Borrower or any guarantor or endorser and no change, impairment or suspension of any right or remedy you may have against any person or persons shall in any way affect any of the Guarantor's obligations hereunder or any security furnished by the Guarantor or give the Guarantor any recourse against you.

4. Each Guarantor, guarantees unconditionally and promises to pay to you or your order each item of Indebtedness hereby guaranteed, interest thereon, and all costs, charges and expenses which may be incurred by you in respect of any Indebtedness of the Borrower hereby guaranteed or in enforcing this Guarantee against the Guarantor and, promises to perform each guaranteed obligation when due.

5. This shall be a continuing guarantee and shall cover and secure any ultimate balance owing to you, but you shall not be obliged to take any action or exhaust your recourse against the Borrower, any other Guarantor, any other person, firm or corporation, or any securities you may hold at any time nor to value such securities before requiring or being entitled to payment from the Guarantor of all Indebtedness hereby guaranteed. Provided always, that this Guarantee shall not be determined or affected or your rights thereunder prejudiced by the discontinuance of this Guarantee as to one or more other Guarantor or by the death or loss or diminution of capacity or cessation of corporate existence, as the case may be, of the Borrower, or by the death or loss or diminution of capacity or cessation of corporate existence, as the case may be, of any other Guarantor.

6. Upon this Guarantee bearing the signature of any Guarantor coming into your hands or the hands of any officer, agent or employee thereof the same shall be deemed to be finally executed and delivered by the Guarantor and shall not be subject to or affected by any promise or condition affecting or limiting the Guarantor's liability except as set forth herein, and no statement, representation, agreement or promise on the part of any officer, employee or agent of the Lender, unless contained herein, forms any part of this contract or has induced the making thereof or shall be deemed in any way to affect any Guarantor's liability hereunder.

7. No alteration or waiver of this Guarantee or any of its terms, provisions or conditions shall

be binding on you unless made in writing over the signature of your duly authorized officers in that regard.

8. Until all Indebtedness hereby guaranteed has been paid in full the Guarantor shall not have any right of subrogation unless expressly given to the Guarantor in writing by one of your duly authorized officers in that regard.

9. You shall be at liberty (without in any way prejudicing or affecting your rights hereunder) to appropriate any payment made or moneys received to any portion of the Indebtedness hereby guaranteed whether then due or to become due, and from time to time to revoke or alter any such appropriation, all as you shall from time to time in your controlled discretion see fit.

10. No change in the name, objects, share capital, business, membership, directorate powers, organization or management of the Borrower shall in any way affect the obligations of the Guarantor, either with respect to transactions occurring before or after any such change, it being understood that where the Borrower is a partnership or corporation this Guarantee is to extend to the person or persons or corporation for the time being and from time to time carrying on the business now carried on by the Borrower notwithstanding any change or changes in the name or membership of the Borrower's firm, or in the name of such corporate Borrower, and notwithstanding any reorganization of such corporate Borrower, or its amalgamation with another or others or the sale or disposal of its business in whole or in part to another or others.

11. Where the Borrower is a corporation or partnership or an entity, you shall not be concerned to see or inquire into the powers of the Borrower or its directors, partners or agents acting or purporting to act on its behalf, and Credit in fact obtained from you in the professed exercise of such powers shall be deemed to form part of the Indebtedness hereby guaranteed even though the borrowing or obtaining of such Credit was irregularly, fraudulently, defectively or informally effected, or in excess or the powers of the Borrower or of the directors, partners or agents thereof. Each Guarantor warrants and represents that he is fully authorized by law to execute this Guarantee of Credit to be granted to the Borrower.

12. The statement in writing of any of your authorized officers from time to time of the Indebtedness of the Borrower to you and covered by this Guarantee shall be received as prima facie evidence in the absence of manifest error as against the Guarantor that such amount is at such time so due and payable to you and is covered hereby.

13. All indebtedness, present and future, of the Borrower to any Guarantor is hereby assigned to you and postponed to the present and future Indebtedness of the Borrower to you and all moneys received from the Borrower or for his account by the Guarantor shall be received in trust for you, and forthwith upon receipt, paid over to you until the Borrower's Indebtedness to you is fully paid and satisfied, all without prejudice to you and without in any way limiting or lessening the liability of the undersigned to you under this Guarantee. If the Borrower is a partnership of which any Guarantor is a member, the Guarantor will not without the prior written consent of one of your duly authorized officers withdraw any capital of the Guarantor invested with the Borrower.

14. Upon the bankruptcy or winding up or other distribution of assets of the Borrower or any surety or guarantor of any Indebtedness of the Borrower to you, your rights shall not be affected or impaired by your omission to prove your claim and you may prove such claim as you see fit and may refrain from proving any claim, and in your discretion you may value as you see fit or refrain from valuing any security or securities held by you without in any way releasing, reducing or otherwise affecting any Guarantor's liability to you and until all Indebtedness of the Borrower to you has been fully paid to you, you shall have the right to include in your claim the amount of all sums paid by any Guarantor to you under this Guarantee and to prove and rank for such sums paid by the Guarantor and to receive the full amount of all dividends in respect thereto being hereby assigned and transferred to you. The Guarantor shall not be released from liability if recovery from the Borrower, any other Guarantor or any other person becomes barred by any Statute of Limitations or is otherwise prevented.

15. Each Guarantor will file all claims against the Borrower in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of the Borrower to the Guarantor and will assign to you all of the Guarantor's rights thereunder. If the Guarantor does not file any such claim, you, as attorney in fact of the Guarantor, are hereby authorized to do so in the name of the Guarantor or in your discretion to assign the claim to and cause proof of claim to be filed in the name of your nominee. In all such cases, whether in administration, bankruptcy, or otherwise, the person or persons authorized to pay such claim shall pay to you the full amount payable on the claim in the proceeding before making any payment to the Guarantor, and to the full extent necessary for that purpose any Guarantor hereby assigns to you all the Guarantor's right to any payments or distributions to which the Guarantor otherwise would be entitled. If the amount so paid is greater than the guaranteed obligations then outstanding, you will pay the amount of the excess to the party entitled thereto.

16. All your rights, powers and remedies hereunder and under any other agreement now or at any time hereafter in force between you and the Guarantor shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to you by law and, without restricting the generality of the foregoing, if you hold one or more guarantees executed by any Guarantor relating to Credit extended to the Borrower by you, the amount of the Guarantor's liability imposed by such other guarantee or guarantees shall be added to the amount of the Guarantor's liability imposed by the provisions hereof and the resulting total shall be the amount of the Guarantor's liability.

17. Each Guarantor shall pay to you on demand (in addition to all debts and liabilities of the Borrower hereby guaranteed) all costs, charges and expenses (including without limitation, lawyer's fees as between solicitor and client) incurred by you for the preparation, execution and perfection and enforcement of this Guarantee and of any securities collateral thereto, together with interest calculated from the date of payment by you of each such costs, charges and expenses until payment by the Guarantor hereunder.

18. In case of default you may maintain an action upon this Guarantee whether or not the Borrower is joined therein or separate action is brought against the Borrower or judgment obtained against him. Your rights are cumulative and shall not be exhausted by the exercise of any of your rights hereunder or otherwise against any Guarantor or by any number of successive actions until and unless all Indebtedness hereby guaranteed has been paid and each of the Guarantor's obligations hereunder has been fully performed.

19. If any provision of this Guarantee is determined in any proceeding by a Court of Jurisdiction to be invalid or to be wholly or partially enforceable, the provision shall, for the purposes of such a proceeding, be severed from this Guarantee at the Lender's option and shall be treated as not forming a part hereof and all the remaining provisions of this Guarantee shall remain in full force and shall be unaffected thereby.

20. Any notice or demand which you may wish to give may be served on any Guarantor either personally or on his legal personal representative or in the case of a corporation on an officer of the corporation, or by sending the same by registered mail in an envelope addressed to the last known place of address of the person to be served as it appears on your records, and the notice so sent shall be deemed to be served on the second business day following that on which it is mailed.

21. This Guarantee shall be construed in accordance with the laws of the Province of Ontario and in any action thereon the Guarantor shall be estopped from denying the same; any judgment recovered in the Courts of such Province against any Guarantor or his executors, administrators, legal personal representatives, successors and/or assigns shall be binding on him and them.

22. Any word herein contained importing the singular number shall include the plural and any word importing the masculine gender shall include the feminine gender and any word importing a person shall include a corporation, partnership, firm and any entity.

23. In the event of your making a demand upon the undersigned or any or all of the undersigned upon this Guarantee each of the undersigned shall be held and bound to you directly as principal debtor in respect of the payment of the amounts hereby guaranteed and if there be more than one undersigned then liability hereunder shall be joint and several.

24. This Guarantee and agreement on the part of each Guarantor shall extend to and enure to your benefit and the benefit of your successors and assigns and shall be binding on the Guarantor and his executors, administrators, legal person representatives, successors and assigns.

IN WITNESS WHEREOF each Guarantor has hereto caused the execution of this Guarantee this _____ day of December, 2015.

**TCC/URBANCORP (BAY) LIMITED
PARTNERSHIP By its General Partner
Deaja Partner (Bay) Inc.**

Per: 
Alan Saskin—President

I have authority to bind the Corporation

TCC/URBANCORP (BAY/STADIUM) LIMITED
PARTNERSHIP By its General Partner
Deaja Partner (Stadium) Inc.

Per: 
Alan Saskin-President
I have authority to bind the Corporation

TCC/URBANCORP (STADIUM ROAD) LIMITED
PARTNERSHIP By its General Partner
Urbancorp Master Partner (Stadium Road) Inc.

Per: 
Alan Saskin-President
I have authority to bind the Corporation

URBANCORP MANAGEMENT INC.

Per: 
Name:
Title:
I have authority to bind the Corporation

URBANCORP TORONTO MANAGEMENT INC.

Per: 
Name:
Title:
I have authority to bind the Corporation

THE WEBSTER FAMILY TRUST

Per: 
Name:
Title:
I have authority to bind the Trust

SCHEDULE "A"

LIMITATION ON GUARANTEE

GUARANTOR:	GUARANTEE LIMITED TO:
TCC/URBANCORP (BAY) LIMITED PARTNERSHIP	<p>100 Class D Special Shares of Urbancorp Holdco Inc.</p> <p>Beneficial interest in 9100 Woodbine Avenue, 9084 Woodbine Avenue, 9110 Woodbine Avenue and 9064 and 9074 Woodbine Avenue, in the Town of Markham, York Region, being PIN Nos. 03046-0219(LT), 03046-0217(LT), 03046-0215(LT) and 03046-0213(LT)</p> <p>Beneficial interest in 2427 and 2425 Bayview Avenue, in the City of Toronto, being PIN No. 10126-1010(LT)</p>
TCC/URBANCORP (BAY/STADIUM) LIMITED PARTNERSHIP	<p>100 Class E Special Shares of Urbancorp Holdco Inc.</p> <p>Beneficial interest in property located in the City of Toronto and being PIN Nos. 21298-0448(LT), 21298-0450(LT), 76249-0429(LT) and 76249-0430(LT)</p>
TCC/URBANCORP (STADIUM ROAD) LIMITED PARTNERSHIP	Beneficial interest in 300 Valermo Drive, Toronto, being PIN No. 07586-0258(LT)
URBANCORP MANAGEMENT INC.	100 Class A Special Shares of Urbancorp Holdco Inc.
URBANCORP TORONTO MANAGEMENT INC.	100 Class B Special Shares of Urbancorp Holdco Inc.
THE WEBSTER FAMILY TRUST	100 Class C Special Shares of Urbancorp Holdco Inc.

TAB 5

THIS IS **EXHIBIT " 5"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.



December 22, 2015

Urbancorp Holdco. Inc.
 120 Lynn Williams Street Suite 2A,
 Toronto, ON M6K 3N6

Attention: Mr. Alan Saskin

RE: Portfolio Loan

Dear Mr. Saskin;

The following are the terms and conditions under which TFCC will provide Urbancorp Holdco Inc. ("Urbancorp") a portfolio loan and advisory services. This Letter of Interest is for discussion purposes only and is not to be construed as a Commitment by the Lender to fund, implied or otherwise. Accordingly, these terms and conditions may be broadened in the future documentation process to include typical lending terms.

Borrower	Urbancorp Holdco Inc. ("Borrower"), a private entity 100% owned by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay) Limited Partnership and TCC/Urbancorp (Bay/Stadium) Limited Partnership (collectively the "Shareholders"). At closing, Borrower will have the assets and liabilities listed in Schedule A
Loan Amount	\$12 million
Rate	16% p.a.
Term	36 months with two 12-month extensions
Fee	2% (1% per extension) to be paid as follows: a. \$100,000 upon signing of this LOI; and b. The balance to be paid at Closing or deducted from the Loan Amount
Use of Funds	To provide Borrower with funds to enhance the equity capital of

1 | Page

Security	Urbancorp Inc. ("Inc."), a wholly owned subsidiary of the Borrower that has completed a \$64 million bond offering in Tel Aviv.
	<ul style="list-style-type: none"> • Mortgage registration on and related security with respect to the Woodbine and Bridlepath projects, as listed on the attached Schedule B, and an assignment of proceeds from the Valermo project (collectively the "Secured Projects") to be granted by the Borrower's affiliates, as noted on said Schedule "B", which security will include cross default provisions; and • Joint and several guarantees of the Shareholders other than Alan Saskin limited to their shares of Holdco and their beneficial interests in the Secured Projects; and • Unlimited personal guarantee of Alan Saskin; and • Pledge of shares of the Shareholders, representing 100% of the issued and outstanding shares of the Borrower; and • Such other and further security as reasonably required by the Lender's legal counsel.
Security on Epic Project	At such time as a plan of condominium has been registered on the Epic Project and the existing indebtedness with Royal Bank of Canada ("RBC") is sufficiently paid out so as to allow a discharge of RBC's security registered on the retail units of the condominium, registration of a first charge against the retail condominium units to be created in the Epic Project in the amount of \$12,000,000.00 in favour of the Lender.
Interest Payments	8% p.a. to be paid monthly. The balance of the interest due shall accrue, and shall be capitalized on a monthly basis, and such accrued interest shall be paid when funds become available from the sale of any portion or all of the Secured Projects or from 100% of profit distributions from Urbancorp, Inc. or any of its subsidiaries, but in all events no later than on maturity. TFCC shall have the right to offer Borrower the option to accrue the 8% p.a. that is to be paid monthly as set out above.
Principal Payments	100% of Net Sale Proceeds (as hereinafter defined) of any portion or all of the Secured Projects, and 100% of profit distributions from Urbancorp, Inc. or any of its subsidiaries, following payment of accrued interest as set out above, will be used to repay 75% of the Loan Amount. Once 75% of the Loan Amount and accrued interest has been repaid, the Borrower will repay the remaining principal plus accrued interest from available funds as aforesaid, as discharges are required on a per lot or unit basis, proportionate to the number of lots/units unit remaining under the ownership of the charger at such time as 75% of the Loan Amount and accrued interest has been repaid, and the balance upon maturity. For purposes hereof, Net Sale Proceeds shall mean shall mean the gross sales price of the portion of the Lands being sold (inclusive of unit, parking and

locker as the case may be), reduced by the Harmonized Sales Tax, purchaser's deposits utilized in the Project, and reasonable closing costs, plus closing adjustment revenue as per the applicable purchase and sale agreement with the purchaser, and reduced by any mandatory required payments to prior chargees of the Lands.

Prepayment	The Loan may be prepaid at any time subject to 30-day prior written notice. Required payments may be made at any time.
TFCC Expenses	Urbancorp will be responsible for TFCC's reasonable costs and expenses in connection with closing and monitoring the Loan during the term of the Loan. Said costs and expenses will be paid by Borrower upon demand.
Prefunding Conditions	As a pre-condition to the funding of this Loan, Urbancorp will: <ol style="list-style-type: none"> 1. Be in good standing on all of its loans and obligations to Lender; 2. Repay the loans listed in Schedule C including outstanding interest and fees; 3. All security in place to the full and complete satisfaction of Lender and its counsel acting reasonably; and 4. Receipt of such other information and documentation that the Lender may reasonably require
Covenants	Borrower and any of its subsidiaries will be restricted from taking on any new indebtedness (other than existing debentures which may be increased) or withdrawing any funds or otherwise paying shareholders without the prior written consent of Lender. Lender acknowledges that new debt is required for development and construction and that Mattamy has discretion to finance Downsview and Valermo.
Legal Representation	Borrower will obtain legal advice that the transaction described herein is permitted under the terms of all other loans in its portfolio.
Legal Opinions	As a precondition to funding of this Loan, Urbancorp will provide an opinion given by the solicitors of Urbancorp and the Guarantors as the due execution in accordance with corporate authorization and validity of the security documents and their enforceability in accordance with their terms, subject to usual qualifiers and without any opinion on compliance with agreements other than the security documents.
Right of First Offer	TFCC will continue to have the right of first offer to provide financings to the Urbancorp entities.
General Conditions	All reasonable costs incurred by Lender including legal, insurance consultant, as well as other costs which may be identified as time progresses shall be the responsibility of the Borrower and paid upon closing. Costs related to future expenses will be payable immediately on demand.

TFCC will have the right to assign its rights under this Loan.

If you wish to proceed with a formal application for approval on the foregoing terms and conditions, kindly acknowledge so by executing and returning a copy of this Letter, along with a cheque in the amount of \$100,000 by December 24, 2015. Failing which, this letter shall be deemed null and void.

Yours truly,

Terra Firma MA Ltd.

Carolyn Montgomery

Vice President & Principal Broker

WE HEREBY AGREE to the above terms and conditions. We also authorize the Lender to obtain credit information on the borrower and guarantors from sources they deem necessary.

ACCEPTANCE

Accepted on the terms and conditions herein provided this ____ day of _____ 2015

URBANCORP HOLDCO INC.

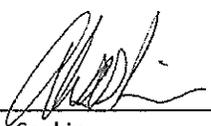
Per:  _____

Alan Saskin—President

I have authority to bind the Corporation

GUARANTORS:

Witness:



Alan Saskin

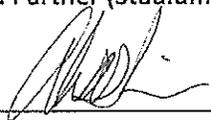
**TCC/URBANCORP (BAY) LIMITED PARTNERSHIP By its
General Partner
Deaja Partner (Bay) Inc.**

Per:  _____

Alan Saskin—President

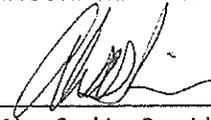
I have authority to bind the Corporation

TCC/URBANCORP (BAY/STADIUM) LIMITED PARTNERSHIP
By its General Partner
Deaja Partner (Stadium) Inc.

Per: 
Alan Saskin—President

I have authority to bind the Corporation

URBANCORP MANAGEMENT INC.

Per: 
Alan Saskin—President

I have authority to bind the Corporation

URBANCORP TORONTO MANAGEMENT INC.

Per: 
Alan Saskin—President

I have authority to bind the Corporation

THE WEBSTER FAMILY TRUST

Per: 
Name:
Title:

I have authority to bind the Trust

SCHEDULE A

Assets and Liabilities of Urbancorp Holdco Inc.

ASSETS:

_____ shares of Urbancorp Inc., being all of the issued and outstanding shares of Urbancorp Inc.

LIABILITIES:

SCHEDULE "B"

PROPERTY	REGISTERED OWNER	BENEFICIAL OWNER	GUARANTORS
<p>9100 Woodbine Avenue, Markham, Ontario</p> <p>PIN 03046-0219 (LT)</p> <p>PT LT 14 CON 3 MARKHAM, PT 2 65R31684 , MARKHAM ; T/W R680957</p> <p>9084 Woodbine Avenue, Markham, Ontario</p> <p>PIN 03046-0217 (LT)</p> <p>PT LT 1 PL 3604 MARKHAM , PT 3 65R31684 ; MARKHAM</p> <p>9110 Woodbine Avenue, Markham, Ontario</p> <p>PIN 03046-0215 (LT)</p> <p>PT LTS 14 & 15, CON 3 MARKHAM, PT 1 65R31684 ; MARKHAM</p> <p>9064 and 9074 Woodbine Avenue, Markham, Ontario</p> <p>PIN 03046-0213 (LT)</p> <p>PT LT 1 PL 3604 MARKHAM & PT LT 14 CON 3 MARKHAM, PT 4 65R31684 ; MARKHAM</p>	<p>Urbancorp (Woodbine) Inc.</p>	<p>TCC/Urbancorp (Bay) Limited Partnership</p>	<p>Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Investco Inc., Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust</p>
<p>2427 and 2425 Bayview Avenue, Toronto, Ontario</p> <p>PIN 10126-1010 (LT)</p> <p>PART OF LOT 8 CONCESSION 2 EYS (N YORK), DESIGNATED AS PARTS 1 & 2 ON PLAN 66R24078; CITY OF TORONTO</p>	<p>Urbancorp (Bridlepath) Inc.</p>	<p>TCC/Urbancorp (Bay) Limited Partnership</p>	<p>Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Investco Inc., Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust</p>

PROPERTY	REGISTERED OWNER	BENEFICIAL OWNER	GUARANTORS
<p>300 Valermo Drive, Toronto PIN 07586-0258 (LT)</p> <p>PART OF LOT 8, CON 2 COLONEL SMITH'S TRACT, PT LOTS 85, 86, 87, 88, 89 AND 90 ON PLN 2449, DESIGNATED AS PARTS 1 & 2 PLAN 66R-27359; SUBJECT TO AN EASEMENT OVER PART OF LOT 8 CONCESSION 2 COLONEL SMITH'S TRACT DESIGNATED AS PART 2 ON PLAN 66R-27359 IN FAVOUR OF THE CITY OF TORONTO AS IN EB421053; CITY OF TORONTO</p>	<p>Valermo Homes Inc. (Urbancorp's portion held by Urbancorp (Valermo Inc.))</p>	<p>TCC/Urbancorp (Stadium Road) Limited Partnership Assignment of Proceeds</p>	<p>Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Investco Inc., Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust</p>
<p>EPIC PIN 21298-0448 (LT)</p> <p>PART OF THE ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PART 1 ON PLAN 66R26215; TORONTO; CITY OF TORONTO;; TOGETHER WITH AN EASEMENT OVER PART OF THE ORDNANCE RESERVE AND PART OF ABELL STREET, CLOSED BY BY-LAW 6321, INSTRUMENT NO. OD33202, ON PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 3,4,5 & 6 ON PLAN 66R23469 UNTIL DEDICATED AS PUBLIC HIGHWAY AS IN AT1707704; TOGETHER WITH AN EASEMENT OVER PART OF ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 1 TO 5, 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; TOGETHER WITH AN EASEMENT OVER PART OF ORDNANCE RESERVE, PLAN ORDNANCE RESERVE</p>	<p>Epic On Triangle Park Inc. (Urbancorp's interest in Epic is Held by King West Village South Limited)</p>	<p>TCC/Urbancorp (Bay/Stadium) Limited Partnership</p>	<p>Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Investco Inc., Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust</p>

<p>DESIGNATED AS PARTS 1 TO 5, 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 5 ON PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 25,26 & 53 ON PLAN 66R25068 AS IN AT2497743; TOGETHER WITH AN EASEMENT OVER PART OF BLOCK 5 ON PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 34 & 35 ON PLAN 66R25068 AS IN AT2498220; SUBJECT TO AN EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF ROGERS CABLE COMMUNICATIONS INC. AS IN AT1784893; SUBJECT TO AN EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF GREATER TORONTO TRANSIT AUTHORITY AND CANADIAN NATIONAL RAILWAY COMPANY AS IN AT1929991; SUBJECT TO AN EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF PART OF ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 1 TO 5 & 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; SUBJECT TO AN EASEMENT OVER PART 1 ON PLAN 66R26515 IN FAVOUR OF PART OF ORDNANCE RESERVE, PLAN ORDNANCE RESERVE DESIGNATED AS PARTS 1 TO 5 & 7 TO 20 ON PLAN 66R25068 AS IN AT2497742; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3073995; TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3505198</p>			
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PROPERTY	REGISTERED OWNER	BENEFICIAL OWNER	GUARANTORS
<p>EPIC continued PIN 21298-0450 (LT)</p> <p>INCLUSIVE, ON PLAN 66R-23505; SUBJECT TO RIGHT OF WAY AS IN CT430478 AND WF27767 PARTIAL RELEASE AS TO PTS 5 AND 9 PL 66R-23505 AS IN AT2198438, AT2198441, AT2221543 AND PARTIAL RELEASE AS TO PARTS 4, 7 & 8 ON PLAN 66R17071 AS IN AT3522908, PARTIAL RELEASE AS IN AT3760103 & AT3760109 & AT3760128 & AT3760138 AT3760148 AT3760167 AT3760311, WF27767 PARTIAL RELEASE AS TO PARTS 7 & 8 ON PLAN 66R17071 AS IN AT4047674; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 1 TO 7 PL 66R-23505 AS IN AT2106267; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 1 TO 5 ON PL 66R-23505 AS IN AT2303473; SUBJECT TO AN EASEMENT IN GROSS OVER PTS 1, 2, 3, 4 AND 5 ON PL 66R-23505 AS IN AT2329585; SUBJECT TO AN EASEMENT OVER PT BLOCK 5 PL ORDNANCE RESERVE DESIGNATED AS PTS 25, 26 AND 53 ON PL 66R25068 IN FAVOUR OF PTS 6, 21 TO 24, 27, 30, 32, 33, 36 TO 39, 41, 43 TO 52, 54 TO 56 PL 66R25068 AND PTS 1 TO 5, 7 TO 20 ON PL 66R25068 AS IN AT2497743; TOGETHER WITH AN EASEMENT OVER PTS 23 AND 24 ON PL 66R-25068 AS IN AT2498075; TOGETHER WITH AN EASEMENT OVER PTS 6, 23, 24, 32, 33, 36 AND 37 ON PL 66R25068 AS IN AT2498248; S/T AN EASEMENT OVER PTS 25 AND 26 ON PL 66R25068 IN FAVOUR OF PTS 28, 29, 31, 40 AND 42 ON PL 66R-25068 AS IN AT2736147; S/T AND T/W</p>	<p>Epic On Triangle Park Inc. (Urbancorp's interest in Epic is Held by King West Village South Limited)</p>	<p>TCC/Urbancorp (Bay/Stadium) Limited Partnership</p>	

<p>EASEMENT AS SET OUT IN AT3073995, CITY OF TORONTO; TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3505198; SUBJECT TO AN EASEMENT AS IN AT3695579; CITY OF TORONTO</p> <p>PIN 76249-0429 (LT)</p> <p>UNIT 54, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2249 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3073995; CITY OF TORONTO</p> <p>PIN 76249-0430 (LT)</p> <p>UNIT 55, LEVEL A, TORONTO STANDARD CONDOMINIUM PLAN NO. 2249 AND ITS APPURTENANT INTEREST; SUBJECT TO AND TOGETHER WITH EASEMENTS AS SET OUT IN SCHEDULE A AS IN AT3073995; CITY OF TORONTO</p>			
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Schedule "C"

Loans to be Repaid:

- 1) Lawrence Avenue
- 2) Caledonia/Innes
- 3) Patricia
- 4) Mallow

TAB 6

THIS IS **EXHIBIT " 6"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

Urbancorp Holdco Inc.

December 22, 2015

Carolyn Montgomery
Terra Firma MA Ltd.
#200-22 St. Clair East,
Toronto ON
M4T 2S3

Dear Mrs. Montgomery,

The following are additional terms and conditions which Alan Saskin as sole voting shareholder of Urbancorp Holdco Inc. ("Urbancorp") will ensure that Urbancorp, Urbancorp Inc. ("Inc.") and Urbancorp Investco Inc. ("Investco") performs in addition to the terms in the proposed \$12 million equity loan (the "Loan") from Terra Firma Capital Corporation ("TFCC") to Urbancorp set out in a LOI dated the same date hereof (the "Loan Commitment"). Urbancorp's sole assets are all the issued and outstanding shares of Inc. and Investco is a wholly owned subsidiary of Inc.

If there is any discrepancy between this letter and the Loan Commitment, this letter will supersede.

Urbancorp and Alan Saskin commit that Urbancorp and Inc. will do the following:

- 1) Urbancorp will contribute the \$12 million loan from TFCC or such other amount net of fees and/or expenses deducted from the Loan (the "Funds") as equity into Inc. Inc. will contribute the Funds as equity into Investco.
- 2) The Funds will be utilized to allow Investco to co-invest with TFCC in a TFCC syndicated loan or loans secured by property located in the Greater Toronto Area ("Co-investment Loan(s)") as hereinafter set out. TFCC will identify Co-Investment Loan(s) from time to time and Investco will enter into loan servicing agreements with TFCC with respect thereto. In the event of a default under a Co-Investment Loan and the Lender has taken over the project and the lands secured thereunder, Investco shall have the right of first offer to develop and manage the lands and the project and be compensated therefor on fair market terms. A segregated account will be established under the exclusive control of TFCC (the "Account"). To the extent a Co-Investment Loan(s) has not been identified at closing to utilize or fully utilize the Funds and/or Investco has not entered into loan servicing agreements with TFCC with respect thereto, the Funds or balance thereof will be placed in the Account. TFCC shall have the discretionary authority to invest the Funds from time to time as Co-Investment Loans. Investco will assign and pledge its interest in the Account as security for the Loan. In addition, immediately following the registration of the charge securing any Co-Investment Loan, Investco will assign its interest in the charge to TFCC as further security for the Loan and such assignment shall be registered on title to the property securing the Co-Investment Loan. Investco's share of the interest earned on the Co-Investment Loan(s) and any repayments of principal of a Co-Investment Loan will be paid into a segregated Co-Investment Loan Account to be established by TFCC in its name, and monies thereunder assigned and pledged as further security for the Loan.

Urbancorp Holdco Inc.

3) Security:

- a) Pledge of Inc. shares held by Urbancorp, being all of the issued and outstanding shares of Inc..
- b) Guarantee of the Loan by Investco and General Security Agreement from Investco..
- c) Assignment and Pledge of the Funds, Account and interest in the Co-Investment Loan Account as security for the Loan by Investco.
- d) Assignment of the Co-investment loans by Investco and all security related thereto.

4) Advisory: A senior executive of TFCC will be an advisor to the Inc. board and will be invited to all board meetings.

5) TFCC has earned an advisory fee on the success of the bond offering (the "Advisory Fee"). The amount is 1% of the net proceeds up to \$50mm and 0.5% for the net funds in excess of \$50mm. Net proceeds will be defined as net of underwriting fees, commissions, land transfer tax, first year interest and the reasonable expenses of the consultants involved. The Advisory Fee will be no less than \$540,000.00 which is inclusive of TFCC's expenses incurred to date in connection with the Bond Offering.

6) Cross default: All security given pursuant to the Loan Commitment and this letter will stand as collateral for all outstanding loans between the Borrower (including all its affiliates and related persons or entities) and Lender and its affiliates (the "Existing Loans"). Any default under any Existing Loans will be a default under the Loan Commitment which will entitle the Lender to exercise its remedies against Urbancorp, Investco and the guarantors and any other entities pursuant to the Loan Commitment, this letter and all security provided thereunder. As long as any Existing Loans remain outstanding, all security given pursuant to the Loan Commitment or this letter, other than the charges on the Secured Projects which have been fully and properly discharged in accordance with their respective terms, shall remain as security for the Existing Loans.

7) Distributions from Inc: TFCC will be entitled to: (i) \$100,000 per month of the monthly management fees collected from Inc. which will be applied first towards the Advisory Fee until it is fully paid and then towards interest on the Loan, principal of the Loan or other amounts owed to Lender from time to time; and (ii) any distribution of Profit from Inc. that is not applied to repay existing debentures (as same may be increased) or required to be paid to the dedicated debenture account pursuant to existing bond lender terms, to be applied for the same purpose.

Yours truly,



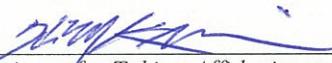
Alan Saskin
President



Guarantor: Alan Saskin

TAB 7

THIS IS **EXHIBIT " 7"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

February 5, 2016

By E-mail

Urbancorp. Holdco Inc.
120 Lynn Williams Street Suite 2A
Toronto, ON M6K 3N6

Attention: Mr. Alan Saskin

Re: Portfolio Loan

As you are aware, Terra Firma Capital Corporation ("TFCC") agreed to provide Urbancorp Holdco Inc. ("Urbancorp") with a portfolio loan for \$12 million upon the provision of the requisite security and the satisfaction of certain pre-funding conditions. The funds were placed, in escrow, into a jointly controlled account, in anticipation of satisfactory compliance with those pre-conditions. Despite repeated requests, Urbancorp and its affiliates failed to provide the requisite security and other documentation required in order to release the funds from escrow. TFCC was prepared to release the funds from escrow under alternate lending terms directly secured, however, those terms did not materialize and \$10 million of the funds initially delivered in escrow were wired back to TFCC last week.

We confirm that we have received your wire transfer today of the remaining \$1.7 million. In the event that the terms of funding are satisfied in the future and TFCC advances the portfolio loan in accordance with its terms, interest shall accrue on all sums due thereunder from the date of the initial escrow advance.

Yours very truly,

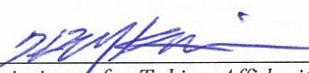
Terra Firma Capital Corporation



Glenn Watchorn
President and COO

TAB 8

THIS IS **EXHIBIT " 8"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.



March 6, 2016

Urbancorp Holdco Inc.
120 Lynn Williams Street Suite 2A,
Toronto, ON M6K 3N6

Attention: Mr. Alan Saskin

RE: Proposed Financing of 9064-9100 Woodbine Avenue, Markham, Ontario,
2425-2427 Bayview Avenue, Toronto, a 50% Interest in 300 Valermo Drive,
Toronto (collectively the "Secured Projects") and Pledge of Shares

Dear Mr. Saskin;

The following are the terms and conditions under which Terra Firma Capital Corporation ("TFCC" or the "Lender") will provide Urbancorp Holdco Inc. ("Holdco" or the "Borrower") a portfolio loan. This Letter of Intent is intended to be binding on the parties, subject to its terms, however the Borrower and the parties signing below acknowledge that the terms and conditions set out herein will be broadened in the security and other documentation process to include typical lending terms, further assurances to give full legal and proper effect to the terms herein and otherwise to satisfy the requirements of our legal counsel, including the Lender's Israeli legal counsel.

You have advised that the terms of a loan ("Original Loan") referenced in a term sheet from Terra Firma MA Ltd. dated December 22, 2015, as amended and supplemented (collectively, the "Term Sheet") did not satisfy your and your wholly owned subsidiary Urbancorp Inc.'s ("Inc.") requirements. You have therefore requested new terms for a loan that will satisfy the requirements of Inc. to its bond lender and that will allow Inc. to pay HST owing to the Canada Revenue Agency. Based on the foregoing, we are prepared to extend a loan of \$10,000,000.00 to you to replace the Original Loan on the amended terms set out below (which terms and conditions replace the terms and conditions of the Term Sheet), as follows:

Borrower	Urbancorp Holdco Inc., a private entity of which 100% of the voting shares are owned by Alan Saskin. At closing, Borrower will own 100% of all issued and outstanding shares of Urbancorp Inc.
Loan Amount	\$10 million
Rate	16% p.a.

A handwritten signature in black ink, appearing to be 'Alan Saskin', written over the signature line.

1 | Page

Terra Firma MA Ltd., #200-22 St Clair East, Toronto, ON
Tel: 416-792-4700 Broker Licence #12425 / Administrator Licence #12346

Term	24 months with one 12-month extension
Fee	2% for initial term (plus 1% if extension exercised) to be paid as follows: a. \$100,000 upon signing of this term sheet by the Borrower; and b. The balance to be paid at Closing or deducted from the Loan Amount
Use of Funds	To provide Borrower with funds to enhance the equity capital of Inc., a wholly owned subsidiary of the Borrower that has completed a \$64 million bond offering in Tel Aviv which funds are to be paid by Inc. on Closing by multiple directions to the Canada Revenue Agency ("CRA") to pay outstanding HST in respect of certain assets owned by a wholly owned subsidiary of Inc.
Security	<p>Security to include:</p> <ul style="list-style-type: none"> • Mortgage registration on Bridle Path and Woodbine properties, assignment of proceeds and transfer with respect to the Valermo property and interest and related security with respect to the Secured Projects to be granted by the Borrower's affiliates having registered and beneficial ownership of the Secured Projects, which security will and is deemed to include cross collateralization; • Subject to Lender's counsel advice, the existing security held by the Lender pursuant to the Term Sheet (excluding any security that may have been provided by Inc. or its subsidiary, including any pledge of shares in the Borrower or Inc. or Epic) will be used to satisfy the above-noted security requirements. In such event, the Borrower and all parties providing the above-noted security, and, if required by the Lender, any required third parties, shall execute an acknowledgement and confirmation that the aforesaid existing security shall stand as security for the loan to be made pursuant to this term sheet; • The outstanding security documents from the "Term Sheet" loan transaction, including, corporate and trust certificates and legal opinions, all in form required by the Lender's legal counsel, acting reasonably, but not security of Inc. or its subsidiaries or shares of the Borrower or Inc.; and • Joint and several guarantees Alan Saskin personally, TCC/Urbancorp (Bay/Stadium) LP, TCC/Urbancorp (Bay) LP, Urbancorp Management Inc. Webster Family Trust, Urbancorp Toronto Management Inc., Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc.,

TCC/Urbancorp (Stadium Road) LP and Urbancorp (Valermo) Inc. (collectively the "Guarantors");

- Negative pledge of the shareholders of the Borrower and the Borrower as sole shareholder of Inc., which will include a covenant not to transfer or pledge any of the shares of the Borrower or Inc.
- Acknowledgement, consent and/or Re-acknowledgement and estoppel from Mattamy (Valermo) Limited and Valermo Homes Inc. regarding the assignment of Urbancorp (Valermo) Inc.'s proceeds and Valermo Interest (as hereinafter defined) in the Valermo project, an option to purchase and a purchase transaction;
- Execution and delivery of an Agreement of Purchase and Sale, Transfer of the Valermo Interest (as hereinafter defined) and related transfer documents (including transfer of shares and resignations of the trustee corporation holding title to the Valermo property), to be held by the Lender to be utilized when and if it exercises its option to purchase the Valermo Interest.
- Certification and Acknowledgement re corporate structure; and
- Such other and further security as deemed reasonable by the Lender's legal counsel, provided that such additional security shall not include any assets of Inc., Inc.'s guarantee, anything that will cause Inc. to violate its obligations to its bond lender, or any assets of Leslieville or Epic.

Interest Payments	All interest on the within Loan will accrue for the first 3 months of the Loan; thereafter 8% p.a. to be paid monthly. The balance 8% p.a. shall accrue, and shall be capitalized on a monthly basis, and such accrued interest shall be paid from all proceeds from any portion or all of the Secured Projects and from 100% of all monies received in or by or otherwise payable to or from the Borrower and/or from any of the Secured Projects or the sale of any of the Secured Projects (collectively or individually the "Proceeds"), to be credited against interest owing and thereafter against principal owing when received by the Lender, but in all events no later than on maturity.
Principal Payments	100% of the Proceeds following payment of accrued interest as set out above, will be used to repay 100% of the Loan Amount.
Prepayment	The Loan may be prepaid at any time without notice.
Valermo Drive	Mattamy (Valermo) Limited ("Mattamy") will be given a one-time option, which may be exercised within 15 days after the within loan advance, to acquire Borrower's 50% interest in 300 Valermo Drive (the "Valermo

Interest") for no less than \$7mm net to the Lender (upon completion of said purchase transaction, the interest payable on said amount, if any, at the rate set out herein, for the period from March 15, 2016 to purchase closing shall be forgiven) (the "Option"), with closing to be no later than 15 days after exercise of such option. 100% of the proceeds of such sale will be paid to TFCC on account of outstanding interest or Principal under this Loan or for repayment of its purchase price of the Valermo Interest.

TFCC will have the right and option to be exercised from after closing of the within loan transaction until April 15, 2016 to acquire the Valermo Interest from Urbancorp (Valermo) Inc. (so long as Mattamy has not purchased the Valermo Interest as aforesaid) for \$7mm. 100% of the proceeds of such purchase by TFCC will be paid to TFCC on account of outstanding interest and/or Principal under this Loan.

TFCC Expenses

The Borrower will be responsible for all TFCC's costs and expenses in connection with this Loan, to a maximum amount of \$50,000.00. Said costs and expenses will be paid by Borrower upon closing or deducted from the Loan.

Acknowledgement Regarding Term Sheet

The Borrower will provide such Acknowledgements, releases and assurances regarding the non-completion and cancellation of the Term Sheet transaction, and the resulting return of funds to the Lender, in such form as required by the Lender, acting reasonably. The Lender acknowledges that the mortgages on Bridle Path and Woodbine may require the consent of the prior lenders, and registration of same without such consent may be a breach of the terms of such prior mortgages.

Prefunding Conditions

As a pre-condition to the funding of this Loan:

1. All security required by the Lender shall be in place to the full and complete satisfaction of Lender and its counsel acting reasonably; and
2. Receipt by the Lender of such other information and documentation that the Lender or its legal counsel may reasonably require.

Legal Representation

Borrower will obtain legal advice (including from its Israeli legal counsel, the Law Firm of Shimonov) that the transaction described herein is permitted under the terms of all other loans in its portfolio, including loans to Inc.

Legal Opinions

As a precondition to funding of this Loan, the Borrower will provide an opinion given by the solicitors for each of the Borrower and the Guarantors as to the enforceability and any other matter reasonably requested, all of the foregoing in form and content reasonably satisfactory to TFCC and its solicitors.

General Conditions

1. Concurrently with and it is a condition of this transaction that the Borrower is to obtain, either from Alan Saskin or other non-Inc. sources, \$2,250,000, which shall be advanced to Inc. concurrently with the Lender's advance of this loan, (to pay HST) to make up Inc.'s \$12mm equity requirement (the Saskin Contribution").
2. The Proceeds of this Loan and the Saskin Contribution will be directed by the Borrower, Inc. and other required parties to the CRA to pay part of Inc.'s HST obligation on the Edge condominium project.
3. Alan Saskin will cooperate and use reasonable commercial efforts to: (i) restructure the Leslieville Loan with CIBC and Craft; (ii) cause Plazacorp to repay TFCC its \$1.2 mm loan (plus accrued interest) on Urbancorp's share of the Epic project or register a security against the retail area of said project; and (iii) to provides such further assurances regarding the within loan transaction, its security and any future transactions arising therefrom, including, without limitation, the purchase of the Valermo Interest, as may be required by the Lender. This provision, as well as the entire Term Sheet, shall survive the closing of the Loan advance.
4. TFCC will have the right to assign some or all of its rights under this Loan, including its right to purchase the Valermo Interest (provided that the purchaser of the Valermo Interest must be approved by Mattamy).
5. The terms and provisions of this Term Sheet shall remain in full force and effect for the benefit of the Lender notwithstanding the completion of the loan advance, and shall not merge on completion of any of the transactions herein set out.

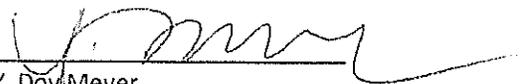
(Balance of page left blank.)



5 | Page

If you wish to proceed with the foregoing loan transaction, kindly acknowledge so by executing and returning a copy of this Letter, along with a cheque in the amount of \$100,000 by March 8, 2016 failing which, this letter shall be deemed null and void. Yours truly,

TERRA FIRMA CAPITAL CORPORATION



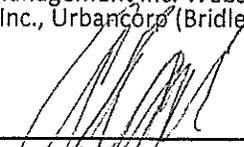
Y. Dov Meyer
C.E.O.

WE HEREBY AGREE to the above terms and conditions. We also authorize the Lender to obtain credit information on the borrower and guarantors from sources they deem necessary.

ACCEPTANCE

Accepted on the terms and conditions herein provided this ____ day of March 2016

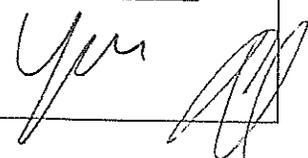
Urbancorp Holdco Inc., Alan Saskin personally, TCC/Urbancorp (Bay/Stadium) LP, TCC/Urbancorp (Bay) LP, Urbancorp Management Inc. Webster Family Trust, Urbancorp Toronto Management Inc., Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc., TCC/Urbancorp (Stadium Road) LP and Urbancorp (Valermo) Inc.


PER: _____
Alan Saskin, I have authority to bind each
of the corporations, limited partnerships and trust

Witness; 
Leanne Mejerowitz
Print Name:

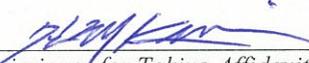


Alan Saskin



TAB 9

THIS IS **EXHIBIT " 9"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM
Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

DIRECTION

TO: HARRIS SHEAFFER LLP

RE: Terra Firma Capital loan to Urbancorp Holdco Inc. - \$10,000,000
re EDGE ON TRIANGLE PARK INC.
– Account Number BN826684268 RT0001

YOU ARE HEREBY AUTHORIZED AND DIRECTED to pay the FULL NET ADVANCE with respect to the above-noted transaction to RECEIVER GENERAL OF CANADA re EDGE ON TRIANGLE PARK INC. – Account Number BN826684268 RT0001.

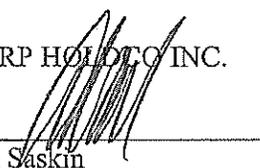
AND THIS SHALL BE your good and sufficient and irrevocable authority for so doing.

The parties hereto agree that this Direction may be transmitted by facsimile, email or such similar device and that the reproduction of signatures by facsimile, email or such similar device will be treated as binding as if an original.

DATED this 8th day of March, 2016.

URBANCORP HOLDCO INC.

Per: _____


Alan Saskin
President

I have the authority to bind the Corporation

TAB 10

THIS IS **EXHIBIT " 10"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

J. Barber

BSF Toronto Centre TSO
MAR 11 2016
Reçu/Received

Please deposit to Business Number

826684268 RT0001



136984

CERTIFIED
HARRIS, SHEAFFER LLP
BARRISTERS & SOLICITORS TRUST ACCOUNT
TORONTO, ONTARIO M2P 2B5
MAR 09 2016

TD CANADA TRUST
BEAVER CREEK COMMERCIAL BANKING CENTRE
220 COMMERCE VALLEY DR W UNIT 100
MARKHAM, ONTARIO L3T 0A8

136984

Canada Trust



Two Million Two Hundred Fifty Thousand ***** 00/100

TORONTO, ONTARIO M2P 2B5

9/Mar/2016 \$2,250,000.00

PAY Receiver General of Canada
TO THE ORDER OF

HARRIS, SHEAFFER LLP
BARRISTERS & SOLICITORS TRUST ACCOUNT

PER _____
PER _____

CERTIFIED CHEQUE
DO NOT DESTROY

⑈ 136984 ⑈ ⑆ 10852 ⑈ 004 ⑆ 9011500 ⑈ 0344642

J. Bailey

BSF Toronto Centre TSO
MAR 11 2016
Recu/Received

Please deposit to Business Number

826684268 RT0001

137023

HARRIS SHEAFFER LLP
BARRISTERS & SOLICITORS TRUST ACCOUNT
TORONTO, ONTARIO M2P 2B5

TD CANADA TRUST
BEAVER CREEK COMMERCIAL BANKING CENTRE
220 COMMERCE VALLEY DR W UNIT 100
MARKHAM, ONTARIO L3T 0A8

137023

MAR 10 2016

Canada Trust
Seven Hundred Fifty Thousand ***** 00/100

4841 Yonge Street
TORONTO, ONTARIO M2N 5X2
PAY Receiver General of Canada
TO THE ORDER OF

10/Mar/2016 \$9,750,000.00

HARRIS SHEAFFER LLP
BARRISTERS & SOLICITORS TRUST ACCOUNT

PER *[Signature]*

PER *[Signature]*

344642

CERTIFIED CHEQUE
DO NOT DESTROY

70 23" 10852004" 9011500"

TAB 11

THIS IS **EXHIBIT " 11"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.


Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM
Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

STATUTORY DECLARATION RE: CORPORATE STRUCTURE

PROVINCE OF ONTARIO

IN THE MATTER OF A LOAN
 between Terra Firma Capital Corporation, as Lender,
 and Urbancorp Holdco Inc. , as Borrower, pursuant
 to a Letter of Intent dated December 22, 2015,
 secured by: (a) Mortgage on PIN Nos. 03046-0219
 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-
 0213 (LT), Markham (collectively the "Woodbine
 Property"), to Urbancorp (Woodbine) Inc. (the
 "Woodbine Borrower"); (b) a Mortgage on PIN No.
 10126 1010 (LT) (the "Bayview Property"), to
 Urbancorp (Bridlepath) Inc. (the "Bayview
 Borrower"); and (c) Assignment of Proceeds from or
 in respect of PIN 07586 0258 (LT), Toronto (the
 "Valermo Property") from Urbancorp (Valermo) Inc.
 (the "Valermo Borrower"), (collectively the
 "Property") Guaranteed by Alan Saskin,
 TCC/Urbancorp (Bay) Limited Partnership,
 TCC/Urbancorp (Bay/Stadium) Limited Partnership,
 TCC/Urbancorp (Stadium Road) Limited
 Partnership, Urbancorp Investco Inc. and Urbancorp
 Management Inc., Urbancorp Toronto Management
 Inc. and The Webster Family Trust (the Loan")

TO WIT:

I, Alan Saskin, of the City of Toronto, in the Province of Ontario

DO SOLEMNLY DECLARE THAT:

1. I am the President of the Borrower in the above referenced Loan and have knowledge of the matters hereinafter declared.
2. The corporate structure set out on the attached charts are true and correct.

AND I make this solemn declaration conscientiously believing it to be true and knowing that it is of the same force and effect as if made under oath.

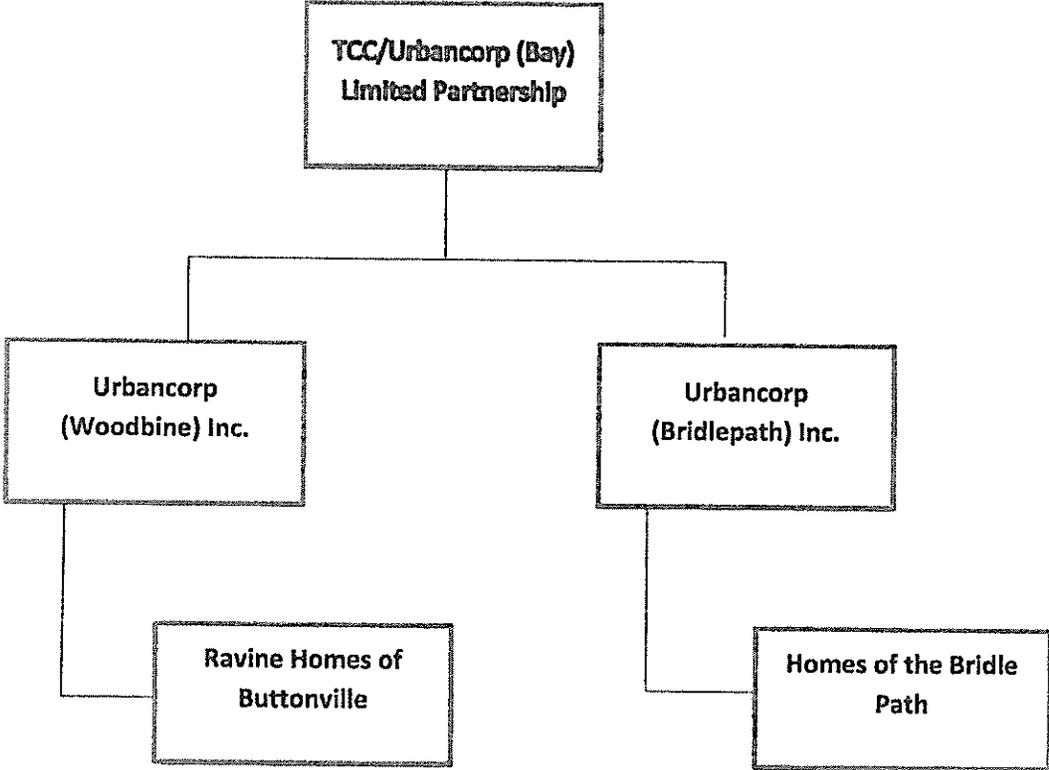
DECLARED BEFORE ME at the
 City of Toronto
 in the Province of Ontario ~~January~~ ^{January} 2016
 this 12th day of December, 2015.

A Commissioner, etc.

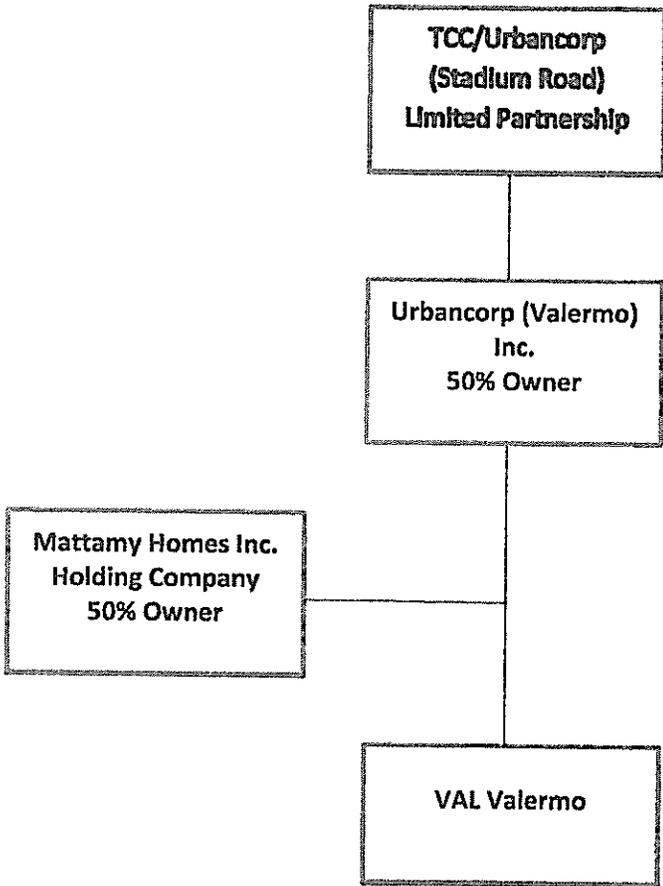


Alan Saskin

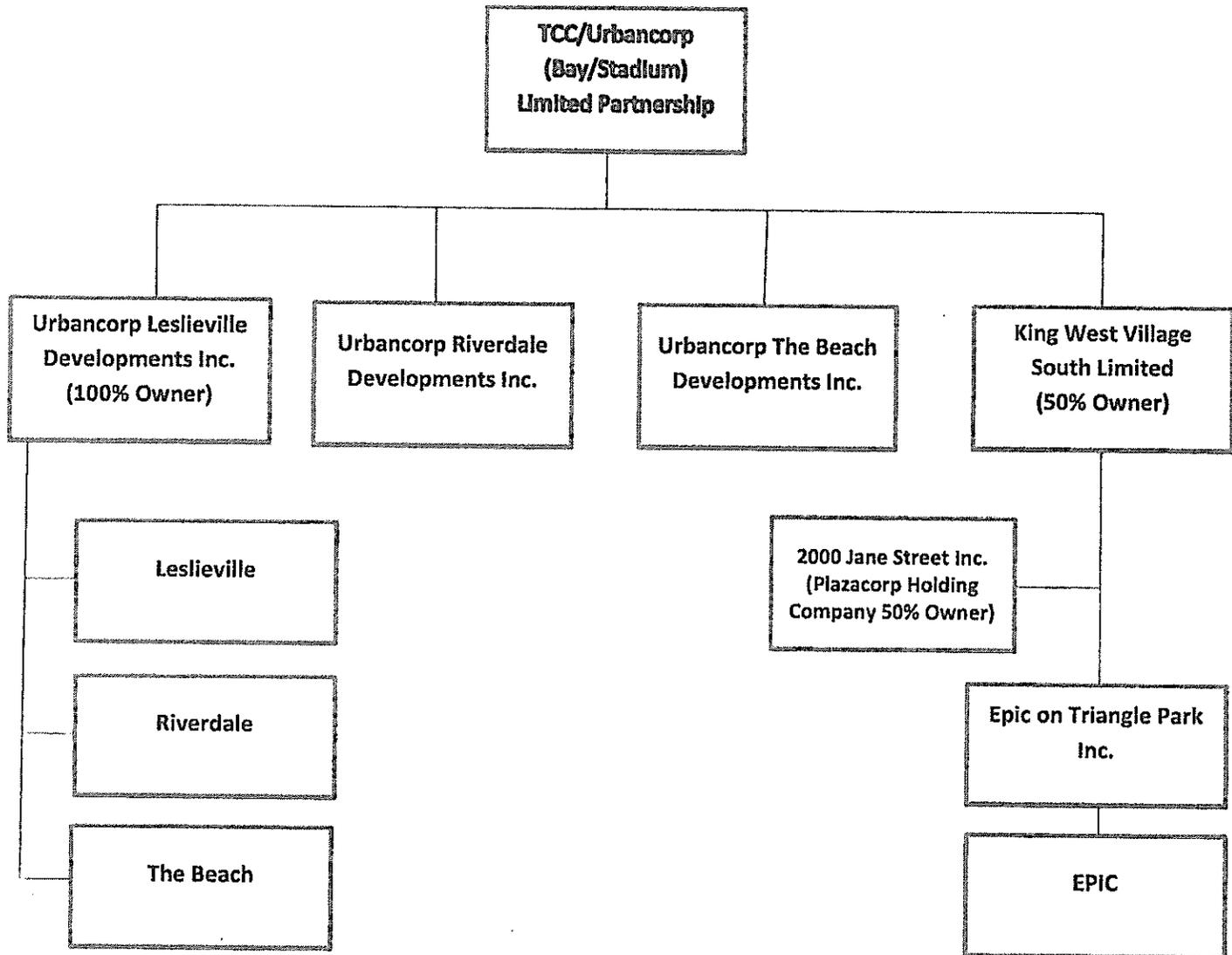
**TCC/Urbancorp (Bay) Limited Partnership
Corporate Structure**



**TCC/Urbancorp (Stadium Road) Limited Partnership
Corporate Structure**



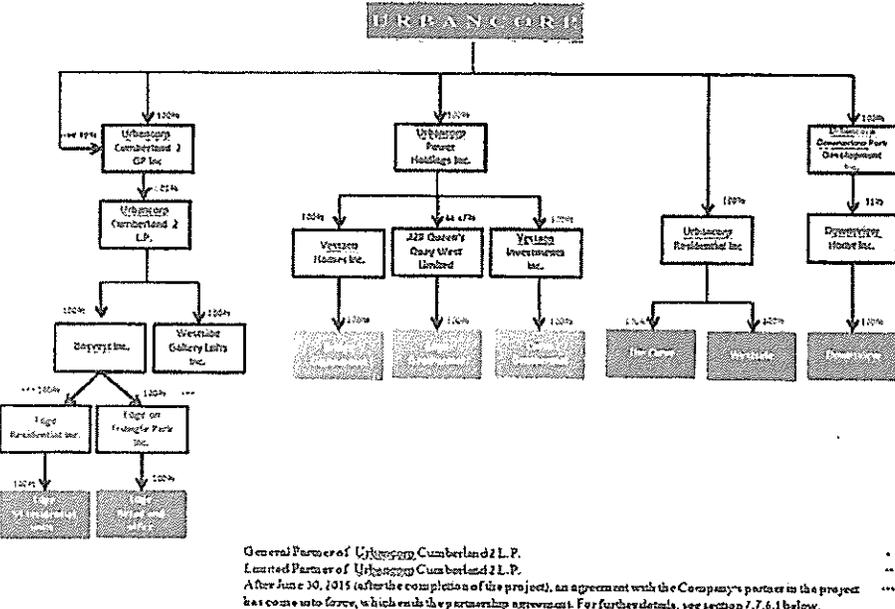
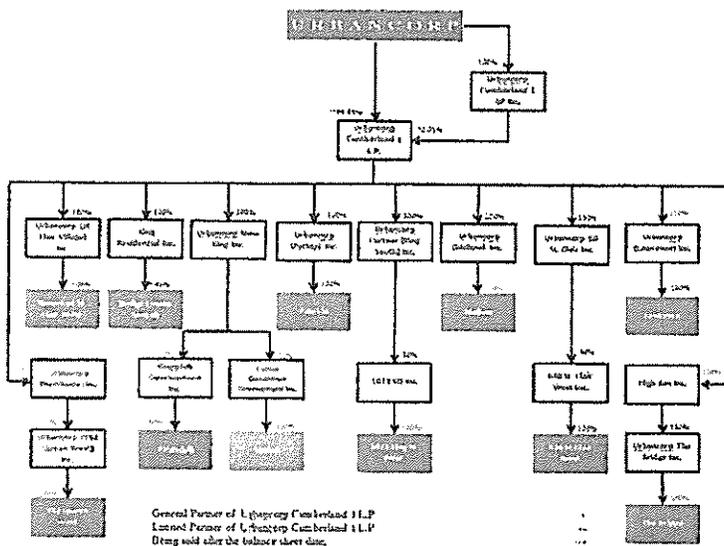
TCC/Urbancorp (Bay/Stadium) Limited Partnership
Corporate Structure



Nerissa

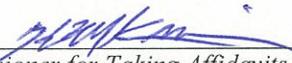
From: Barry Rotenberg <brotenberg@harris-sheaffer.com>
 Sent: Friday, December 18, 2015 11:52 AM
 To: Norman Winter
 Cc: Nerissa; Esther Berglas; Carolyn Montgomery (cmontgomery@tfcc.ca); Cheryl Moore; Manali Tasha Pradhan
 Subject: FW: Structure of \$12mm loan

Now everyone has one finally.



TAB 12

THIS IS **EXHIBIT " 12"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

**Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.**

HARRIS, SHEAFFER LLP

BARRISTERS & SOLICITORS

YONGE CORPORATE CENTRE
4100 YONGE STREET, SUITE 610, TORONTO ONTARIO M2P 2B5
TELEPHONE (416) 250-5800 / FACSIMILE (416) 250-5300

December 18, 2015

Direct Line: (416) 250-3699
E-mail: brotenberg@harris-sheaffer.com
Assistant: Cheryl Moore
Direct Line: (416) 250-3699
E-mail: cmoore@harris-sheaffer.com
File No.: 151465

DELIVERED BY EMAIL

Norman H. Winter
Barrister and Solicitor
1 St. Clair Avenue East
TORONTO, Ontario
M4T 2V7

Dear Sirs:

Re: Urbancorp Holdco Inc. loan from
Terra Firma Capital Corporation

Further to your letter of December 17th, 2015, we would advise as follows:

1. The legal description, municipal address and owner of the properties are as follows:

(a) Woodbine - Owner is Urbancorp (Woodbine) Inc.

9100 Woodbine Avenue, Markham
PIN 03046-0219 (LT)
Part Lot 14, Concession 3, Markham, Part 2, Plan 65R-31684, City of Markham
Roll No. 36 02 0 132 48705 00000 04

9084 Woodbine Avenue, Markham
PIN 03046-2017 (LT)
Part Lot 1, Plan 3604, Markham, City of Markham
Roll No. 36 020 132 48605 00000 05

9110 Woodbine Avenue, Markham
PIN 03046-0215 (LT)
Part Lots 14 and 15, Concession 3, Markham, Part 1, Plan 65R-31684, City of
Markham
Roll No. 36 020 132 48805 00000 05

9064 and 9074 Woodbine Avenue
PIN 03046-0213 (LT)

■
BARRY ROTENBERG

■
GARY H. HARRIS

■
ROBERT D. SHEAFFER

■
PHILIP J. DRAPER

■
MARK F. FREEDMAN
(1981-2009)

■
JEFFREY P. SILVER

■
STEPHEN M. KARR

■
MARTIN P. HOUSER

■
MARK L. KAROLY

■
GAVIN H. BIRER

■
MICHAEL J. BAUM

■
ROGER M. VINAYAGALINGAM

■
ARI M. KATZ

■
RAZVAN L. NICOLAE

■
MANALI T. PRADHAN

Part Lot 1, Plan 3604, Markham and Part Lot 14, Concession 3, Markham, Part 1,
Plan 65R-32684, City of Markham
Roll No. 36 020 132 47600 00000 08 – 9064 Woodbine
Roll No. 36 020 132 48400 00000 06 – 9074 Woodbine

- (b) Valermo – Urbancorp’s participant is Urbancorp (Valermo) Inc.
The owner of the Valermo Homes Inc.

300 Valermo Drive, Toronto
PIN 07586-0258 (LT)
Part Lot 8, Concession 2 Colonel Smith’s Tract, Part Lots 85, 86, 87, 88, 89 and
90, Plan 2449, designated as parts 1 and 2, Plan 66R-27359, City of Toronto
Roll No. 19 19 01 3 230 04300 0000 02
We attach a tax certificate dated December 4th, 2015 setting out there are no taxes
outstanding with respect to the property.

- (c) Bridlepath – Owner is Urbancorp (Bridlepath) Inc.

2427 and 2425 Bayview Avenue, Toronto
PIN 10126-1010 (LT)
Part Lot 8, Concession 2 EYS (North York), designated as Parts 1 and 2, Plan
66R-24078, City of Toronto

Roll No. 19 08 08 1 840 00100 0000 05 – 2427 Bayview
Roll No. 19 08 08 1 840 00200 0000 01 – 2425 Bayview

3. The beneficial owner of Woodbine and Bridlepath is TCC/Urbancorp (Bay) Limited Partnership.
The General Partner is Deaja Partner (Bay) Inc. The Limited Partners are Alan Saskin and Vestaco Investments Inc.
The shareholder of Deaja Partner (Bay) Inc. is Alan Saskin with 100 common shares.
The shareholder of Vestaco Investments Inc. is Doreen Saskin with 100 common shares.
The address for service is 120 Lynn Williams Street, Suite 2A.
Their ownership interest is 100%.

The beneficial owner of Urbancorp (Valermo) Inc.’s interest in Valermo is TCC/Urbancorp (Stadium Road) Limited Partnership.
The General Partner is Urbancorp Master Partner (Stadium Road) Inc. The Limited Partner is TCC/Urbancorp (Bay/Stadium) Limited Partnership.
The shareholder of Urbancorp Master Partner (Stadium Road) Inc. is Alan Saskin with 100 common shares.
The General Partner of TCC/Urbancorp (Bay Stadium) Limited Partnership is Deaja Partner (Stadium) Inc.
The shareholder of Deaja Partner (Stadium) Inc. is Alan Saskin with 100 common shares.

The address for service is the same as above.
Their ownership interest is 100% of Urbancorp's, 50% interest in Valermo.

4. We have forwarded to you previously a copy of the organizational chart.
5. Alan Saskin, President will be the signing officer for each of the Corporations.
6. Alan Saskin
Date of Birth: January 24, 1954
Attached please find a copy of Alan's drivers licence and passport.
7. Urbancorp Holdco Inc.

Director:	Alan Saskin		
Officer:	Alan Saskin	-	President, Secretary
Shareholders:	Alan Saskin	-	100,100 common
	Urbancorp Management Inc.	-	100 Class A Special Shares
	Urbancorp Toronto Management Inc.	-	100 Class B Special Shares
	The Webster Family Trust	-	100 Class C Special Shares
	TCC/Urbancorp (Bay) Limited Partnership	-	100 Class D Special Shares
	TCC/Urbancorp (Bay/Stadium) Limited Partnership	-	100 Class E Special Shares

Urbancorp (Woodbine) Inc.

Director:	Alan Saskin		
Officer:	Alan Saskin	-	President, Secretary
Shareholders:	Alan Saskin	-	100 common

Urbancorp (Valermo) Inc.

Director:	Alan Saskin		
Officer:	Alan Saskin	-	President, Secretary
Shareholders:	Alan Saskin	-	100 common

Urbancorp (Bridlepath) Inc.

Director:	Alan Saskin		
Officer:	Alan Saskin	-	President, Secretary
Shareholders:	Alan Saskin	-	100 common

8. We have requested insurance particulars from our client.

9. Epic on Triangle Park Inc.

Urbancorp's interest in Epic on Triangle Park is owned by King West Village South Limited. The Shareholder of King West Village South Limited is Alan Saskin with 100 common shares.

The officers and directors and shareholders of Epic on Triangle Park Inc. are:

Directors:	Alan Saskin	
Officers:	Alan Saskin	- President, Secretary
Shareholders:	King West Village South Limited	500 common
	200 Jane St. Inc.	500 common

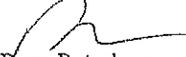
The officers and directors of King West Village South Limited are:

Directors:	Alan Saskin	
Officers:	Alan Saskin	- President Secretary

We enclose at this time trust agreements for Woodbine and Bridlepath.

Yours very truly,

HARRIS, SHEAFFER LLP



Barry Rotenberg
BR:cm
Enclosures

DECLARATION OF TRUST

WHEREAS URBANCORP (WOODBINE) INC. ("Woodbine") is about to become the registered owner of the property known municipally as 9064, 9074, 9084, 9100 and 9110 Woodbine Avenue, Markham and legally described as Part Lot 1, Plan 3604 Markham and Part Lot 14, Concession 3, Markham designated as Part 4, Plan 65R-31684, Part Lot 1, Plan 3604 Markham, designated as Part 3, Plan 65R-31684; Part Lot 14, Concession 3 Markham, designated as Part 2, Plan 65R-31684 and Part Lots 14 and 15, Concession 3 Markham, designated as Part 1, Plan 65R-31684, City of Markham (the "Lands");

AND WHEREAS Woodbine will become the owner of the Lands for and on behalf of TCC/Urbancorp (Bay) Limited Partnership (the "Beneficiary");

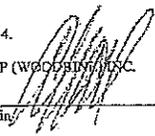
NOW THEREFORE WITNESSETH that in consideration of the payment of TWO (\$2.00) DOLLARS now paid to Woodbine by the Beneficiary, Woodbine does hereby declare for itself, its successors and assigns trust from and after the date hereof:

1. all obligations, including mortgage obligations, contracts, agreements, responsibilities, acts or omissions pertaining to the Lands during the time it will be vested in the name of Woodbine, will be performed or omitted to be performed by the Beneficiary;
2. the Lands and all monies which may be payable in respect of the Lands, whether by way of rents, dividends or capital distributions or otherwise howsoever and all the benefits pertaining to the Lands are or will be held by the undersigned, Woodbine, in trust for the Beneficiary;
3. Woodbine for itself, its successors and assigns, will convey, transfer and deal with or dispose of the Lands and any income or capital paid in respect thereof, and any other benefits howsoever appertaining thereto in accordance with the direction of the Beneficiary.

IN WITNESS WHEREOF Woodbine has hereto set its seal under its proper officer duly authorized in that behalf.

DATED at Toronto, this 30th day of January, 2014.

URBANCORP (WOODBINE) INC.

Per: 
Alan Saskin
President

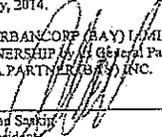
I have the authority to bind the Corporation

THE Beneficiary hereby agrees to the terms of the above-noted trust.

IN WITNESS WHEREOF the Beneficiary has hereunto set its hand and seal.

DATED at Toronto, this 30th day of January, 2014.

TCC/URBANCORP (BAY) LIMITED
PARTNERSHIP by its General Partner
DEAJA PARTNERS (BAY) INC.

Per: 
Alan Saskin
President

I have the authority to bind the Corporation



TAX CERTIFICATE

5100 Yonge Street, Toronto, ON M2N 5Y7
Tel: (416) 333-4829 Fax: (416) 693-3640

Page 1 of 1

(UNDER SECTION 352 OF THE MUNICIPAL ACT, 2001, S.O. 2001, C. 25 AND ASSESSMENT ROLL NUMBER SECTION 317 OF THE CITY OF TORONTO ACT, 2006, S.O. 2006, C. 11) 19-19-01-3-230-04300-0000-0 2

Issued to:

CASSELLS BROCK & BLACKWELL
Attention: ANDREW SALEM
40 KING ST W Suite 2100
TORONTO ON M5H 3C2

DESCRIPTION OF PROPERTY

300 VALERMO DR
ETOBICOKE CON 2 CST PT LOT 8
PLAN 2249 PT LOTS 85 TO 90
RP 66R26050 PARTS 2 AND 3

TAX SUMMARY

2015 Taxes 128,956.58

Your Ref. No.: 44303-8

Statement Showing Taxes as at: December 04, 2015

MESSAGES

OUTSTANDING TAXES

Year	Description	Taxes	Interest	Fees	Total	Related Roll Number
	Total:	.00	.00	.00	.00	

Important Notice: PLEASE ADVISE YOUR CLIENT OF TAXES NOT YET DUE FUTURE INSTALMENTS

Due Date	Amount Due	Description	Related Roll Number
Total:	0.00		

I hereby certify that the above statement shows all arrears of taxes (prior years) and unpaid current year's taxes against the above lands, and proceedings have not been commenced under the *Municipal Tax Sales Act, 1990* or the *Municipal Act, 2001, S.O. 2001, C.25*, as amended and the *City of Toronto Act 2006 S.O. 2006, C.11*, unless otherwise indicated below.

THIS CERTIFICATE IS ISSUED SUBJECT TO CHEQUES TENDERED IN PAYMENT OF TAXES BEING HONoured BY THE BANK.

FEE PAID 65.00 for each separate parcel

Treasurer, City of Toronto

Important Notes:

- This Certificate covers levied Tax Arrears or Current Taxes.
- There are a variety of services which may be added to the Collector's Roll and collected as Taxes. The most common are Water Services and Current Weedeating. For further information you should contact Collections (416) 395-0174 for Water arrears; and (416) 338-0338 for work orders arrears. For Building and Inspection Charges please call (416) 328-0333. For Fire Charges, please call Fire Services at (416) 339-6625.
- The amount of the levy does not include subsequent supplementary taxes that may be levied and added pursuant to Section 33 and 34 of the *Assessment Act, R.S.O. 1990*, as amended, nor does it include adjustments that may be made pursuant to Sections 357, 356 and 359 of the *Municipal Act, 2001, S.O. 2001, c.25*, as amended, Sections 323, 325 and 326 of the *City of Toronto Act, 2006, S.O. 2006, C. 11*, Section 40 of the *Assessment Act, R.S.O. as amended*, or any legislative amendments that provide for further adjustments. It is recommended that you contact the Municipal Property Assessment Corporation (MPAC) at 1-855-295-6722 to determine potential changes in assessment.
- This Certificate is exclusive of any Local Improvement charges that have not been added to the Collector's Roll at the date of this Certification. Additional information may be obtained by call (416) 395-6788.
- This certificate is subject to any apportionment which may be made pursuant to Section 358 of the *Municipal Act, 2001, S.O. 2001, c.25*, as amended or Section 322 of the *City of Toronto Act, 2006, S.O. 2006, C. 11*.
- This certificate is subject to any phase-in/capping rescission made pursuant to Section 318 of the *Municipal Act, 2001, S.O. 2001, c.25*, as amended or Section 282 of the *City of Toronto Act, 2006, S.O. 2006, C. 11*.
- An administrative fee will be added to the account when there is an ownership transfer. For more information please visit our website at www.toronto.ca/taxes/property_tax and click to our fees page for current charges.

Cut Here



CHANGE OF OWNERSHIP NOTICE

RCS-G16

Return to: City of Toronto
Revenue Services
PO Box 4300, STN A
Toronto ON M5W 3B5

Assessment Roll Number
19-19-01-3-230-04300-0000-0 2

Issued to:

CASSELLS BROCK & BLACKWELL
Attention: ANDREW SALEM
40 KING ST W Suite 2100
TORONTO ON M5H 3C2

Your Ref. No.: 44303-8

DESCRIPTION OF PROPERTY
300 VALERMO DR ETOBICOKE CON 2 CST PT LOT 8 PLAN 2249 PT LOTS 85 TO 90 RP 66R26050 PARTS 2 AND 3
MESSAGES

CHANGES	
Owner(s)	
Surname	Given Name
Surname	Given Name
Surname	Given Name
Mailing Address	
Postal Code	
Property Address	

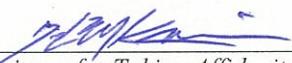
*** PLEASE RETURN THIS PART OF THE FORM AFTER THE DATE OF CLOSING - THANK YOU ***

Closing Date

Signature

TAB 13

THIS IS **EXHIBIT " 13"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



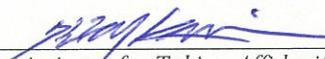
Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

TAB 14

THIS IS **EXHIBIT " 14"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

DECLARATION OF TRUST

WHEREAS URBANCORP (BRIDLEPATH) INC. ("Bridlepath") is about to become the registered owner of the property known municipally as 2425 and 2427 Bayview Avenue, Toronto and legally described as Part Lot 8, Concession 2 EYS, designated as Parts 1 and 3, Plan 66R-24078, City of Toronto (the "Lands");

AND WHEREAS Bridlepath will become the owner of the Lands for and on behalf of TCC/UrbanCorp (Day) Limited Partnership (the "Beneficiary");

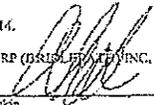
NOW THEREFORE WITNESSETH that in consideration of the payment of TWO (\$2.00) DOLLARS now paid to Bridlepath by the Beneficiary, Bridlepath does hereby declare for itself, its successors and assigns that from and after the date hereof

1. all obligations, including mortgage obligations, contracts, agreements, responsibilities, acts or omissions pertaining to the Lands during the time it will be vested in the name of Bridlepath, will be performed or omitted to be performed by the Beneficiary;
2. the Lands and all monies which may be payable in respect of the Lands, whether by way of rents, dividends or capital distributions or otherwise howsoever and all the benefits pertaining to the Lands and or will be held by the undersigned, Bridlepath, in trust for the Beneficiary;
3. Bridlepath for itself, its successors and assigns, will convey, transfer and deal with or dispose of the Lands and any income or capital paid in respect thereof, and any other benefits howsoever appertaining thereto in accordance with the direction of the Beneficiary.

IN WITNESS WHEREOF Bridlepath has hereto set its seal under its proper officer duly authorized in that behalf.

DATED at Toronto, this 20th day of March, 2014.

URBANCORP (BRIDLEPATH) INC.

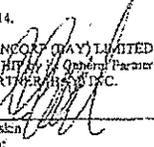
Per: 
Alan Saskin
President
I have the authority to bind the Corporation

THE Beneficiary hereby agrees to the terms of the above-noted trust.

IN WITNESS WHEREOF the Beneficiary has hereto set its hand and seal.

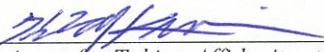
DATED at Toronto, this 20th day of March, 2014.

TCC/URBANCORP (DAY) LIMITED
PARTNERSHIP
DEAJA PARTNERSHIP INC.

Per: 
Alan Saskin
President
I have the authority to bind the Corporation

TAB 15

THIS IS **EXHIBIT " 15"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

**Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.**

ACKNOWLEDGEMENT RE EXISTING SECURITY

TO: TERRA FIRMA CAPITAL CORPORATION

AND TO: The Law Firm of Norman H. Winter, its solicitors herein

RE: TERRA FIRMA CAPITAL CORPORATION (the "Lender") – loan (the "Loan") to Urbancorp Holdco Inc. (the "Borrower"), pursuant to a Letter of Intent dated March 3, 2016, as amended or supplemented from time to time, secured by: (a) Mortgage on PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham (collectively the "Woodbine Property"), from Urbancorp (Woodbine) Inc. (the "Woodbine Borrower"); (b) a Mortgage on PIN No. 10126-1010 (LT) (the "Bayview Property"), from Urbancorp (Bridlepath) Inc. (the "Bayview Borrower"); (c) Assignment of Proceeds from or in respect of PIN 07586-0258 (LT), Toronto (the "Valermo Property") by way of Irrevocable Direction re Payment from Urbancorp (Valermo) Inc. and TCC/Urbancorp (Stadium Road) Limited Partnership (collectively the "Valermo Borrower"), Guaranteed by Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership, Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc., Urbancorp (Valermo) Inc., Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust (collectively the "Guarantors")

(the Woodbine Property, Bayview Property and Valermo Property are collectively referred to as the "Properties")

Loan

The undersigned hereby acknowledge and agree that all security, save as expressly excluded as set out below (the "Excluded Security") given in connection with a letter of intent dated December 22, 2015, between the Lender and the Borrower (the "Existing Commitment") including, without limitation, the security listed below, shall also stand as security with respect to the indebtedness of the Borrower with respect to a commitment letter dated March 6, 2016 between the Lender, the Borrower and the Guarantors (the "New Commitment").

1. Charge granted by Urbancorp (Bridlepath) Inc. to Terra Firma Capital Corporation with respect to the Bayview Property registered on December 31, 2015 as Instrument No. AT4107508 in the Land Titles Division for the City of Toronto, Land Registry Office #80;
2. Beneficial Owner Direction and Charge with respect to the Bayview Property;
3. Notice of Assignment of Rents- General granted by Urbancorp (Bridlepath) Inc. in favour of Terra Firma Capital Corporations with respect to the Bayview Property registered on December 31, 2015 as Instrument No. AT4107509 in the Land Titles Division for the City of Toronto, Land Registry Office #80;
4. Financing Statement Registration No. 20151231133318626574, being File No. 713015649 registered on December 31, 2015 against Urbancorp (Bridlepath) Inc. and TCC/Urbancorp (Bay) Limited Partnership as Debtors and Terra Firma Capital Corporation as Secured Party;
5. Charge granted by Urbancorp (Woodbine) Inc. to Terra Firma Capital Corporation with respect to the Woodbine Property registered on December 31, 2015 as Instrument No. YR2411107 in the Land Titles Division for the Region of York, Land Registry Office #65;
6. Beneficial Owner Direction and Charge with respect to the Woodbine Property;
7. Notice of Assignment of Rents- General granted by Urbancorp (Woodbine) Inc. in favour of Terra Firma Capital Corporations with respect to the Woodbine Property registered on December 31, 2015 as Instrument No. YR2411108 in the Land Titles Division for the Region of York, Land Registry Office #65;
8. Financing Statement Registration No. 20151231133318626573, being File No. 713015613 registered on December 31, 2015 against Urbancorp (Woodbine) Inc. and TCC/Urbancorp (Bay) Limited Partnership as Debtors and Terra Firma Capital Corporation as Secured Party;
9. Financing Statement Registration No. 20151231133318626572, being File No. 713015586 registered on December 31, 2015 against Urbancorp Holdco Inc. as Debtor and Terra Firma Capital Corporation as Secured Party;

10. Assignment of interest in the Valermo Property and in conjunction therewith, Financing Statement Registration No. 20151231133318626576, being File No. 713015667 registered on December 31, 2016 against Urbancorp (Valermo) Inc. and TCC/Urbancorp (Stadium Road) Limited Partnership as Debtors in favour of Terra Firma Capital Corporation as Secured Party;
11. Guarantee and Postponement of Claims granted by Alan Saskin, and a Limited Recourse Guarantee and Postponement of Claims granted by Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership, and in conjunction therewith, Financing Statement Registration No. 20151231133318626575, being File No. 713015658 registered on December 31, 2015 against Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership as Debtors and Terra Firma Capital Corporation as Secured Party;
12. Assignment and Postponement of Shareholder Loans with respect to Urbancorp Holdco Inc. granted by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership in favour of Terra Firma Capital Corporation; and
13. General Security Agreements granted by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership in favour of Terra Firma Capital Corporation, excluding any shares held by any such party in Urbancorp Holdco Inc.;

(collectively, the "Existing Security").

The Existing Security shall also be deemed to be amended such that all references to the Existing Commitment shall be deemed to be the New Commitment.

Notwithstanding the foregoing, the following Excluded Security shall be deemed to be excluded from the security given with respect to the New Commitment:

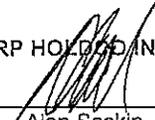
1. A Share Pledge Agreement granted by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership, and in conjunction therewith, Financing Statement Registration No. 20151231133318626575, being File No. 713015658 registered on December 31, 2015 against Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership as Debtors and Terra Firma Capital Corporation as Secured Party;
2. A Share Pledge Agreement granted by Urbancorp Holdco Inc. in favour of Terra Firma Capital Corporation;
3. A Co-Investment Loan Agreement by and between Urbancorp Investco Inc. and Terra Firma Capital Corporation;
4. A Blocked Account Agreement by and among Urbancorp Investco Inc., Terra Firma Capital Corporation and the Bank of Montreal;
5. A Guarantee and Postponement of Claim granted by Urbancorp Investco Inc. in favour of Terra Firma Capital Corporation;
6. Undertaking re: shortage granted by Urbancorp Holdco Inc., Urbancorp Inc. and Urbancorp Investco Inc. in favour of Terra Firma Capital Corporation;
7. General Security Agreement granted by Urbancorp Investco Inc. in favour of Terra Firma Capital Corporation;
8. Assignment and Postponement of Shareholder Loans granted by Urbancorp Holdco Inc. in favour of Terra Firma Capital Corporation;

- 9. Any shares in Urbancorp Holdco Inc. that may be charged by a General Security Agreements granted by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership in favour of Terra Firma Capital Corporation; and
- 9. all other security granted by Urbancorp Inc. and/or Urbancorp Investco Inc.
- 10. This Acknowledgement may be executed in counterparts and will be effective whether executed in original ink, by facsimile or in electronic PDF format.

DATED at Toronto this 8th day of March, 2016.

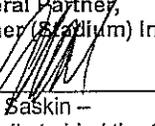
BORROWER:

URBANCORP HOLDCO INC.

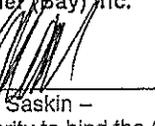
Per: 
 Alan Saskin – President
 I have authority to bind the Corporation

GUARANTORS:

TCC/URBANCORP (BAY/STADIUM)
 LIMITED PARTNERSHIP
 By its General Partner,
 Deaja Partner (Stadium) Inc.

Per: 
 Alan Saskin –
 I have authority to bind the Corporation

TCC/URBANCORP (BAY) LIMITED
 PARTNERSHIP
 By its General Partner,
 Deaja Partner (Bay) Inc.

Per: 
 Alan Saskin –
 I have authority to bind the Corporation

WEBSTER FAMILY TRUST

By: _____
 Name:
 Title: Trustee

By: 
 Name:
 Title: Trustee

We have authority to bind the Trust

URBANCORP MANAGEMENT INC.

Per: 
 Alan Saskin – President
 I have authority to bind the Corporation

URBANCORP TORONTO MANAGEMENT INC.

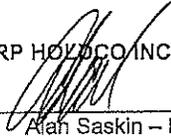
Per: 
 Alan Saskin – President

- 9. Any shares in Urbancorp Holdco Inc. that may be charged by a General Security Agreements granted by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership in favour of Terra Firma Capital Corporation; and
- 9. all other security granted by Urbancorp Inc. and/or Urbancorp Investco Inc.
- 10. This Acknowledgement may be executed in counterparts and will be effective whether executed in original ink, by facsimile or in electronic PDF format.

DATED at Toronto this 8th day of March, 2016.

BORROWER:

URBANCORP HOLDCO INC.

Per: 
 Alan Saskin – President
 I have authority to bind the Corporation

GUARANTORS:

TCC/URBANCORP (BAY/STADIUM)
 LIMITED PARTNERSHIP
 By its General Partner,
 Deaja Partner (Stadium) Inc.

Per: 
 Alan Saskin –
 I have authority to bind the Corporation

TCC/URBANCORP (BAY) LIMITED
 PARTNERSHIP
 By its General Partner,
 Deaja Partner (Bay) Inc.

Per: 
 Alan Saskin –
 I have authority to bind the Corporation

WEBSTER FAMILY TRUST

By: _____
 Name:
 Title: Trustee

By: 
 Name:
 Title: Trustee

We have authority to bind the Trust

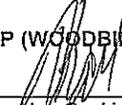
URBANCORP MANAGEMENT INC.

Per: 
 Alan Saskin – President
 I have authority to bind the Corporation

URBANCORP TORONTO MANAGEMENT INC.

Per: 
 Alan Saskin – President

URBANCORP (WOODBINE) INC.

Per: 
Alan Saskin – President
I have authority to bind the Corporation

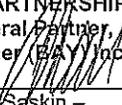
URBANCORP (BRIDLEPATH) INC.

Per: 
Alan Saskin – President
I have authority to bind the Corporation

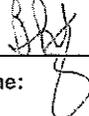
URBANCORP (VALERMO) INC.

Per: 
Alan Saskin – President
I have authority to bind the Corporation

TCC/URBANCORP (STADIUM ROAD)
LIMITED PARTNERSHIP
By its General Partner,
Deaja Partner (BAY) Inc.

Per: 
Alan Saskin –
I have authority to bind the Corporation

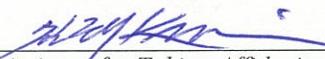
WITNESS:


Print Name:


Alan Saskin

TAB 16

THIS IS **EXHIBIT " 16"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

HARRIS, SHEAFFER LLP

BARRISTERS & SOLICITORS

YONGE CORPORATE CENTRE
4100 YONGE STREET, SUITE 610, TORONTO ONTARIO M2P 2B5
TELEPHONE (416) 250-5800 / FACSIMILE (416) 250-5300

March 9, 2016

Terra Firma Capital Corporation
22 St. Clair Avenue East, Suite 200
Toronto, Ontario M4T 2S3
Attention: Carolyn Montgomery

File No.: 151465

- and -

Law Offices of Norman H. Winter
801-1 St. Clair Avenue East
Toronto, ON M4T 2V7
Attention: Norman H. Winter

Dear Sir/Madam:

RE: TERRA FIRMA CAPITAL CORPORATION (the “**Lender**”) – loan (the “**Loan**”) to Urbancorp Holdco Inc. (the “**Borrower**”), pursuant to a Letter of Intent dated March 6, 2016, as amended or supplemented from time to time, secured by: (a) Mortgage on PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham (collectively the “**Woodbine Property**”), from Urbancorp (Woodbine) Inc. (the “**Woodbine Borrower**”); (b) a Mortgage on PIN No. 10126-1010 (LT) (the “**Bayview Property**”), from Urbancorp (Bridlepath) Inc. (the “**Bayview Borrower**”); and (c) Assignment of Proceeds and Pledge of Co-Ownership Interest from or in respect of PIN 07586-0258 (LT), Toronto (the “**Valermo Property**”) by way of Irrevocable Direction re Payment and Assignment of Interest from Urbancorp (Valermo) Inc. and TCC/Urbancorp (Stadium Road) Limited Partnership (collectively the “**Valermo Borrower**”), Guaranteed by Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust (collectively the “**Guarantors**”)

(the Woodbine Property, Bayview Property and Valermo Property are collectively referred to as the “**Properties**”)

We have acted as counsel to Urbancorp Holdco Inc.. (the “**Company**”) in connection with the loan to the Company (the “**Loan**”) from the above named lender secured by various security documents

■ BARRY ROTENBERG
 ■ GARY H. HARRIS
 ■ ROBERT D. SHEAFFER
 ■ PHILIP J. DRAPER
 ■ MARK F. FREEDMAN
 (1981-2009)
 ■ JEFFREY P. SILVER
 ■ STEPHEN M. KARR
■ MARTIN P. HOUSER
 ■ MARK L. KAROLY
 ■ GAVIN H. BIRER
 ■ MICHAEL J. BAUM
 ■ ROGER M. VINAYAGALINGAM
 ■ ARI M. KATZ
 ■ RAZVAN L. NICOLAE
 ■ MANALI T. PRADHAN

pursuant to a commitment letter issued by the Lender, dated March 6, 2016, as amended, renewed or restated from time to time, (the “**Commitment Letter**”).

In acting as such counsel, we have examined the following documents:

- (a) Commitment Letter;
- (b) Promissory Note;
- (c) Acknowledgement and Direction re Charges and Assignments of Rents registered against each of the Woodbine Property and Bayview Property;
- (d) Acknowledgment of Standard Charge Terms.
- (e) Affirmative Covenants;
- (f) Assignment of Deposits, Levies and Fees;
- (g) Assignment of Letters of Credit;
- (h) Assignment and Postponement of Shareholder Loans;
- (i) Authorization to Complete;
- (j) Cost Overrun and Completion Agreement;
- (k) Environmental Representation, Warranty and Indemnity;
- (l) Consent pursuant to *Personal Information Protection and Electronic Documentation Act* (Canada);
- (m) Negative Pledge Agreement;
- (n) Non-Merger Acknowledgment;

(hereinafter collectively referred to as the “**Security Documents**”).

For the purposes of the opinions expressed below, we have considered such questions of law as we have deemed necessary and have made such investigations and examined originals or copies, certified or otherwise identified to our satisfaction, of such certificates of public officials and such other certificates, documents and records as we have considered necessary or relevant and have relied, without independent verification or investigation, on all statements as to matters of fact contained in such documents, including:

1. The incorporating documents (including any amendments thereto) and by-laws of the Company;
2. The minute book, which contains the corporate records of the Company;
3. A resolution of the directors of the Company authorizing, inter alia, the execution and delivery by the Company of the Security Documents;
4. A certificate executed by an officer of the Company dated as of the 9th day of March, 2016 (the “**Officer’s Certificate**”);
5. A Certificate of Status for the Company dated as of the 9th day of March, 2016 (the “**Status Certificate**”), issued by the Ministry of Government Services (Ontario); and
6. The Security Documents.

ASSUMPTIONS AND RELIANCE

For the purposes of the opinions expressed below, we have, without independent investigation or inquiry, with respect to all documents and certificates examined by us:

- (a) assumed the genuineness of all signatures and the authenticity and completeness of, all documents reviewed by us and the conformity to the original documents of all documents submitted to us as true, certified, conformed, photostatic or telecopied copies thereof;
- (b) assumed the due authorization, execution and delivery of the Security Documents by all parties save and except the Company;
- (c) if not dated as of the date hereof, assumed that the Status Certificate and Officer’s Certificate continue to be accurate as of the date hereof;
- (d) assumed the completeness, truth and accuracy of all facts set forth in all records, certificates and other documents examined by us;
- (e) relied exclusively on the Officer’s Certificate with respect to the accuracy of the factual matters contained therein, without independent investigation or verification; and
- (f) not undertaken an examination of any public records, including civil litigation indices, in any jurisdiction wherein the Company conducts business save and except the Status Certificate, nor have we examined the financial books and records of the Company.

LAW

The opinions expressed herein are rendered solely with respect to the laws of the Province of Ontario and the federal laws of Canada applicable therein and in existence on the date hereof (collectively, the “Applicable Laws”) and no opinions are expressed herein with respect to the laws of any other jurisdiction.

OPINIONS

Based upon the foregoing examinations, statements and assumptions, and the qualifications referenced below, and believing and relying on them and the conclusions drawn therefrom, we are of the opinion that:

1. The Company is a corporation duly incorporated under the laws of the Province of Ontario and is a validly subsisting corporation with all necessary corporate power and capacity to own its properties and assets, to carry on its business and to perform the obligations on its part to be performed pursuant to all the Security Documents signed by it.
2. The Company has taken all necessary corporate or other action to authorize the execution and delivery of and performance of its obligations under the Security Documents executed by it. None of such execution, delivery or performance requires the consent or approval of any governmental authority or agency having jurisdiction over it or requires consent under any relevant Partnership Agreement, Articles of Incorporation, By-Laws, Unanimous Shareholders' Agreement or resolutions of the directors or shareholders or the provisions of any material agreement to which it is a party.
3. The Security Documents have been duly and validly executed and delivered by the Company and create valid and legally binding obligations of the Company enforceable against the Company in accordance with the terms thereof.

The provisions of paragraph 3 are subject to applicable bankruptcy, insolvency or similar laws affecting creditors' rights generally and the discretion that a court of competent jurisdiction may exercise in the granting of equitable remedies.

4. To our knowledge, there is not now in progress, pending or, to the undersigned's knowledge, threatened against the Company, any litigation, action, suit, investigation, claim, complaint or other proceeding, including appeals and applications for review, by or before any court of competent jurisdiction.
5. Based on our review of the Officer's Certificate, the only issued and outstanding shares of the Company are as shown below, which shares have been pledged in favour of the Lender; save and except for such pledge, the shares of the Company are not subject to any pledge, lien or encumbrance:

Name	Shareholdings
------	---------------

Alan Saskin	100,100 Common Shares (Voting)
TCC/Urbancorp (Bay) Limited Partnership	100 Class "D" Special Shares (Non-Voting)
TCC/Urbancorp (Bay/Stadium) Limited Partnership	100 Class "E" Special Shares (Non-Voting)
The Webster Family Trust	100 Class "C" Special Shares (Non-Voting)
Urbancorp Management Inc.	100 Class "A" Special Shares (Non-Voting)
Urbancorp Toronto Management Inc.	100 Class "B" Special Shares (Non-Voting)

QUALIFICATIONS

The opinions expressed above are subject to the following qualifications, limitations and restrictions:

1. The enforceability of the Security Documents is subject to any applicable bankruptcy, insolvency, reorganization, receivership, moratorium, arrangement, winding-up and other similar laws of general application affecting the enforcement of creditors' rights generally.
2. The enforceability of the Security Documents is subject to general equitable principles, including the fact that the availability of equitable remedies, such as injunctive relief and specific performance, is in the discretion of the court.
3. We have taken no steps to provide the notices or to obtain the acknowledgements prescribed in Part VII of the *Financial Administration Act* (Canada) relating to the assignment of federal Crown debts. An assignment of federal Crown debts (except debts under the *Income Tax Act* (Canada)) which does not comply with that Act is ineffective as between the assignor and the assignee and as against the Crown.
4. We express no opinion as to whether a security interest may be created in:
 - (a) property consisting of a receivable, licence, approval, privilege, franchise, permit, lease or agreement (collectively, "Special Property") to the extent that the terms of the Special Property or any applicable law prohibit its assignment or require, as a condition of its assignability, a consent, approval or other authorization or registration which has not been made or given; or
 - (b) permits, quotas or licences which are held by or issued to the Company.
5. We express no opinion as to any security interest created by the Security Documents with respect to any property of the Company that is transformed in such a way that it is not identifiable or traceable or any proceeds of property of the Company that are not identifiable or traceable.
6. We have not registered the Security Documents or notice thereof in any land registry office or under any land registry statutes even though the Security Documents may create a security

interest in the Company's real property or leases of real property or in property which is now or may hereafter become a fixture or a right to payment under a lease, mortgage or charge of real property.

7. We have not effected any registrations, including *inter alia*, under any of the following:
 - (a) the *Patent Act* (Canada), the *Trade-marks Act* (Canada), the *Industrial Designs Act* (Canada), the *Integrated Circuit Topography Act* (Canada), the *Copyright Act* (Canada) or the *Plant Breeders' Rights Act* (Canada),
 - (b) the *Canada Shipping Act*,
 - (c) the *Canada Transportation Act or the Railways Act* (Ontario),

and we express no opinion as to the creation or perfection of any security interest in any property or assets governed by any of those Acts or as to the perfection by registration under the PPSA of any security interest in any property or assets.

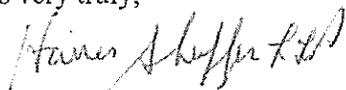
8. We express no opinion as to whether the Company has title to or any rights in any of the property in which the Security Documents purport to grant a security interest, mortgage, charge or other interest, nor as to the priority of any security interest, mortgage, charge or other interest created by the Security Documents. We express no opinion as to the title of any real property.
9. We express no opinion as to the enforceability of any provision of the Security Documents which purports to suspend, in the circumstances prescribed therein, the powers of the board of directors of the Company.
10. A receiver or receiver and manager appointed pursuant to the Security Documents may, for certain purposes, be treated as the agent of the Lender and not solely the agent of the Company notwithstanding any provision in such documents to the contrary.
11. We express no opinion as to any licences, permits, approvals or notices that may be required in connection with the enforcement of the Security Documents by the Lender or by a person on its behalf, whether such enforcement involves the operation of the business of the Company or a sale, transfer or disposition of its property and assets.
12. The Lender may be required to give the Company a reasonable time to repay following a demand for payment prior to taking any action to enforce its right of repayment or before exercising any of the rights and remedies expressed to be exercisable by the Lender in the Security Documents.

-
13. Pursuant to the provisions of Section 8 of the *Interest Act* (Canada), no fine, penalty or rate of interest may be exacted on any arrears of principal or interest secured by a mortgage on real property that has the effect of increasing the charge on the arrears beyond the rate of interest payable on principal money not in arrears.
 14. Interest on overdue payments at a rate greater than applicable to payments not overdue may be construed as a penalty and not enforceable.
 15. The provisions for the payment of interest and other amounts under the Security Documents may not be enforceable if those provisions provide for the receipt of interest by the Lender at a "criminal rate" within the meaning of Section 347 of the *Criminal Code* (Canada).
 16. Any certificate or determination provided for in the Security Documents may be subject to challenge in a court on the grounds of fraud, collusion, mistake on the face of the certificate, or mistake on the basis that the certificate differed in a material respect from the certificate contemplated in such provision, notwithstanding any provision stating such certificate or determination shall be treated as conclusive, final or binding.
 17. We express no opinion as to the enforceability of any provision of the Security Documents:
 - (a) which purports to waive all defences which might be available to, or constitute a discharge of the liability of, the Company;
 - (b) to the extent it purports to exculpate, or provide indemnity to, the Lender, its agents or any receiver, manager or receiver-manager appointed by it from liability in respect of acts or omissions which may be illegal, fraudulent or involve willful misconduct; or
 - (c) which states that amendments or waivers of or with respect to the Security Documents that are not in writing will not be effective.
 18. Provisions contained in the Security Documents which purport to sever from that document any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of that document may be enforced only in the discretion of a court.
 19. We express no opinion as to the enforceability of any provision of the Security Documents which requires the Company to pay, or to indemnify the Lender for, the costs and expenses of the Lender since those provisions may derogate from a court's discretion to determine by whom and to what extent those costs should be paid.
 20. A judgment of an Ontario court may only be awarded in Canadian currency.
 21. Any provision which is considered to offend public policy or to contravene laws of public order may not be enforceable.

The opinions expressed herein are provided solely for the benefit of the addressees and their successors and assigns as permitted by the Commitment in connection with the financing transaction referred to above.

This opinion is rendered solely in connection with the transaction to which the Security Documents relate, may not be quoted, in whole or in part, may not be relied upon by or disclosed to anyone else or otherwise referred to or used for any other purpose without our prior written consent.

Yours very truly,

Handwritten signature of Haines Sheffer LLP in cursive script.

Request ID: 018716521
Demande n° :
Transaction ID: 60487045
Transaction n° :
Category ID: CT
Catégorie :

Province of Ontario
Province de l'Ontario
Ministry of Government Services
Ministère des Services gouvernementaux

Date Report Produced: 2016/03/09
Document produit le :
Time Report Produced: 09:26:33
Imprimé à :

CERTIFICATE OF STATUS ATTESTATION DU STATUT JURIDIQUE

This is to certify that according to the records of the Ministry of Government Services

D'après les dossiers du Ministère des Services gouvernementaux, nous attestons que la société

URBANCORP HOLDCO INC.

Ontario Corporation Number

Numéro matricule de la société (Ontario)

0 0 2 4 7 2 9 8 6

is a corporation incorporated, amalgamated or continued under the laws of the Province of Ontario.

est une société constituée, prorogée ou née d'une fusion aux termes des lois de la Province de l'Ontario.

The corporation came into existence on

La société a été fondée le

JUNE 29 JUIN, 2015

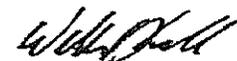
and has not been dissolved.

et n'est pas dissoute.

Dated

Fait le

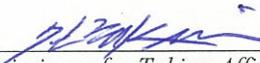
MARCH 09 MARS, 2016



Director
Directeur

TAB 17

THIS IS EXHIBIT " 17" REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

**Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.**

CERTIFICATE OF AN OFFICER
OF
URBANCORP HOLDCO INC. (the "Company")

To: Terra Firma Capital Corporation (the "Lender")

And to: Law Offices of Norman H. Winter

And to: Harris Sheaffer, LLP, the Company's solicitors

Re: TERRA FIRMA CAPITAL CORPORATION (the "Lender") – loan (the "Loan") to Urbancorp Holdco Inc. (the "Borrower"), pursuant to a Letter of Intent dated March 6, 2016, as amended or supplemented from time to time, secured by: (a) Mortgage on PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham (collectively the "Woodbine Property"), from Urbancorp (Woodbine) Inc. (the "Woodbine Borrower"); (b) a Mortgage on PIN No. 10126-1010 (LT) (the "Bayview Property"), from Urbancorp (Bridlepath) Inc. (the "Bayview Borrower"); and (c) Assignment of Proceeds from or in respect of PIN 07586-0258 (LT), Toronto (the "Valermo Property") by way of Irrevocable Direction re Payment from Urbancorp (Valermo) Inc. and TCC/Urbancorp (Stadium Road) Limited Partnership and pledge of interest (collectively the "Valermo Borrower"), Guaranteed by Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust (collectively the "Guarantors")

(the Woodbine Property, Bayview Property and Valermo Property are collectively referred to as the "Properties")

The undersigned ALAN SASKIN, as President of the Company, in such capacity and not in my personal capacity, hereby certifies for and on behalf of the Company, intending that the same may be relied upon by you without further inquiry, that:

1. I have made or caused to be made such examinations or investigations as are, in my opinion, necessary to make the statements of fact contained in this Certificate and I have furnished this Certificate with the intent that it may be relied on by the Lender as a basis for the Loan and it may be relied upon by the addressees which are solicitors and law firms in connection with their giving legal opinions to, among others, the Lender.
2. I have knowledge of the matters hereinafter certified.
3. Attached as Schedule "A" are true and complete copies of the constating documents of the Company issued by the Province of Ontario (collectively, the "Articles"). The Articles are in full force and effect at this date and have not been amended or

waived and neither the directors nor the shareholders of the Company have taken any proceedings or passed any resolutions to or consented to any amendments or variations to the Articles.

4. Attached as Schedule "B" is a true and complete copy of the borrowing by-law (the "By-Law") of the Company. The By-Law is in full force and effect, unamended at this date.
5. Attached as Schedule "C" is a true and complete copy of the resolution of the directors of the Company (the "Authorizing Resolution"), which has been duly and validly passed in accordance with the Articles, the By-law, other by-laws of the Company and applicable law, constituting authority for, *inter alia*, the Company borrowing the money as contemplated therein, entering into and performing its obligations under the documents to which it is a party, as contemplated by the terms of the Commitment Letter dated March 6, 2016 issued by the Lender to the Mortgagor, as may be amended or supplemented from time to time, including all such agreements, instruments and other documents and taking all actions in connection with the Loan and completing the Loan (collectively, the "Security Documents"). The Security Documents are the documents presented to and authorized, ratified and approved by the directors of the Company and referred to in the Authorizing Resolution. The Authorizing Resolution is the only resolution that the Board of Directors of the Company pertaining to the subject hereof that is in full force and effect, unamended at this date.
6. Each of the following persons are signing officers of the Company holding the position set out opposite his or her name below:

Name	Office(s)	Home Address
Alan Saskin	President, Secretary	155 Cumberland Street, Suite 1202 Toronto, Ontario M5R 1A2

7. Each of the following persons are all of the directors of the Company:

Name	Occupation	Home Address
Alan Saskin	Real Estate Developer	155 Cumberland Street, Suite 1202 Toronto, Ontario M5R 1A2

8. The authorized capital of the Company consists of 100 common shares, 100 Class A Special Shares, 100 Class B Special Shares, 100 Class C Special Shares, 100 Class D

Special Shares and 100 Class E Special Shares. The shareholders are as listed on Schedule "D" to this Certificate.

9. The authorization, execution, delivery and performance of the documents granted in connection with the Loan among the Company, the Lender and others do not and will not conflict with or constitute an event of default under the Articles, the By-Law or any other by-laws of the Company or under any other agreement binding on the Company.
10. The minute books and corporate records of the Company made available are the original minutes books and records of the Company and contain all of the Articles, the By-Law and other by-laws of the Company and any amendments thereto and, to my knowledge, all of the minutes, or copies thereof, of all proceedings of any respective shareholders and directors. To my knowledge, there have been no other meetings, resolutions or proceedings of the shareholders or directors of the Company not reflected in such minute books and records. To my knowledge, such minute books and records are true, correct and complete in all material respects.
11. All filings or remittances that are required under relevant information, taxation or naming legislation for the jurisdiction in which the Company is incorporated have been made by the Company.
12. The Lender is not an affiliate or associate of the Company and the Company is at arm's length to the Lender.
13. There are no provisions in the Company's Articles, the By-Law or other by-laws of the Company, to my knowledge, in any resolutions of the directors or shareholders, or in any shareholder agreement or other similar document relating to the Company that restrict, limit, or regulate in any way (a) the powers of the directors of the Company to borrow money upon the credit of the Company and to give a guarantee on behalf of the Company to secure performance of an obligation of any person, and to mortgage, hypothecate, pledge or otherwise create a security interest or charge in all or any of the property of the Company, now or hereafter acquired, as security for all or any money borrowed by the Company, or (b) the power, capacity or authority of the directors of the Company to delegate to a director or an officer, the exercise from time to time of any of the said powers for and in the name of the Company.
14. No authorization, consent, permit or approval of, or other action by or filing with, or notice to, any governmental agency or authority, regulatory body, court, tribunal or other similar entity having jurisdiction in the Province of Ontario is required in connection with the execution, delivery and performance by the Company of any of the Security Documents to which it is a party.
15. The Company is not insolvent and has not committed an act of bankruptcy and no proceedings have been taken by the Company or by any other person or are, to the knowledge of the undersigned, pending or contemplated with respect to:
 - (a) the bankruptcy, or

- (b) any proposal in bankruptcy, or
- (c) the appointment of any trustee, receiver, manager, liquidator or similar person, or
- (d) the amalgamation, consolidation, dissolution, liquidation or reorganization or sale of the assets or of the business out of the ordinary course of business,

of the Company or any of the property of the Company and there is no encumbrancer in possession of any of the property of the Company.

16. Neither the authorization, nor the execution, nor the delivery of the Security Documents, nor the fulfilment of the respective terms thereof, conflict or will conflict with, or result or will result in a breach or violation of (i) any law, ordinance, decree, regulation or any other enactment of the Province of Ontario or of Canada applicable therein; (ii) any of the terms, conditions or provisions of the constating documents incorporating the Company or the by-laws of the Company; or (iii) any order of any court or other authority of the Province of Ontario or of Canada or any contract, agreement, trust deed, debenture, hypothec, indenture, instrument or other document binding upon the Company or affecting any of the properties or assets of the Company.
17. There are no actions, suits, proceedings or investigations pending or threatened against the Company at law, or in equity, or before any federal, provincial, municipal or other governmental department, commission, board, bureau or agency, domestic or foreign, which might involve the possibility of any judgment, or which might adversely affect the business operations or financial condition of the Company, and there are no facts which might give rise to any such action, suit or proceedings.
18. The Company is not a party to nor bound by any contract or agreement which will materially adversely affect the Company's business, operations or financial condition of the Property, nor is the Company in any material respect in default nor has any event occurred which but for the affluxion of time or the giving of notice or both would constitute a default, under any material obligation of the Company or under any licenses and permit to own and/or operate material properties or assets of the Company or with respect to the Property.
19. The Company has paid, as and when they fall due, all statutory remittances including, but not limited to, Income Tax, Provincial Sales Tax, Goods and Services Tax, Harmonized Sales Taxes whether they relate to the operation of the Property or any other business or operations of the Company.
20. No steps or proceedings have been taken or are pending to amend, surrender or cancel the Articles or By-laws or to dissolve or wind-up the Company. The Company is in good standing under the laws of all jurisdictions in which it carries on business or has assets, to the extent that the nature of such business or assets under the laws of such jurisdictions requires registration or qualification.
21. The Company is not a not-for-profit organization.

22. The address of the Company's head office is 120 Lynn William Street, Suite 2A, Toronto, Ontario M6K 3N6.
23. I am aware that the Lender is relying upon this Officer's Certificate and the facts stated herein in making the Loan and I am further aware that the Lender has agreed to make the Loan based, in part, in reliance upon the truth and complete accuracy of all the foregoing.

Rest of page intentionally left blank. Signature page follows.

DATED this 9th day of March, 2016.

Alan Saskin

A handwritten signature in black ink, appearing to be 'AS', written over a horizontal line.

Holdco & Land Owners

SCHEDULE "A"
ARTICLES ATTACHED

Holdco & Land Owners

SCHEDULE "B"

BORROWING BY-LAW ATTACHED

Holdco & Land Owners

SCHEDULE "C"

CERTIFIED COPY OF BORROWING RESOLUTION

SCHEDULE "D"SHAREHOLDERS

The following are the shareholders of the Company:

<u>Name and Address</u>	<u>Class and Number of Shares</u>
Alan Saskin 155 Cumberland St. Suite 1202 Toronto, Ontario M5R 1A2	100 common shares Voting
Urbancorp Toronto Management Inc. 120 Lynn Williams Street, Suite 2A Toronto, Ontario M6K 3N6	100 Class A Special Shares Non-Voting
Urbancorp Toronto Management Inc. 120 Lynn Williams Street, Suite 2A Toronto, Ontario M6K 3N6	100 Class B Special Shares Non-Voting
The Webster Family Trust 120 Lynn Williams Street, Suite 2A Toronto, Ontario M6K 3N6	100 Class C Special Shares Non-Voting
TCC/Urbancorp (Bay) Limited Partnership 120 Lynn Williams Street, Suite 2A Toronto, Ontario M6K 3N6	100 Class D Special Shares Non-Voting
TCC/Urbancorp (Bay/Stadium) Limited Partnership 120 Lynn Williams Street, Suite 2A Toronto, Ontario M6K 3N6	100 Class E Special Shares Non-Voting

**SCHEDULE "E"
THIRD PARTY INFORMATION FORM**

INFORMATION ABOUT THE THIRD PARTY:

Individual (if applicable):

Full Name: ALAN SASKIN	
Address: 155 Cumberland Street, Suite 1202,	
City: Toronto	Province: Ontario
Country: Canada	Postal Code: M5R 1A2
Occupation: Real Estate Developer	Date of Birth: January 24, 1954

* Vague description such as "Business-for-Self", "self-employed", "consultant", "investor", "business owner", "businessman", "entrepreneur" or "Signing Officer" is not acceptable. The occupation must clearly reflect the nature of the work and the industry in which it is performed.

Corporation (if applicable):

Name of Business:	Nature of Business:
Incorporation Number and place of Issue:	
Address:	City:
Country:	Postal Code:

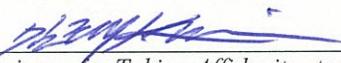
What is the relationship of the registered owner of the property on closing to the Third Party?

- Agent
- Borrower
- Employee
- Friend
- Relative
- Trustee
- Power of Attorney
- Other (specify) _____

Additional Comments (if any):

TAB 18

THIS IS **EXHIBIT " 18"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

Holdco

CERTIFIED RESOLUTION OF THE BOARD OF DIRECTORS
OF
URBANCORP HOLDCO INC. (the "Corporation")

WHEREAS Terra Firma Capital Corporation ("Lender") has established certain credit in favour of the Corporation for the purposes more particularly set out in the Commitment (as hereinafter defined) in connection with the loan more particularly described therein (the "Loan"), to be secured by (a) a mortgage on PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham; (b) a mortgage on PIN No. 10126-1010 (LT); (c) Assignment of Proceeds from or in respect of PIN 07586-0258 (LT), Toronto and Pledge of Interest (collectively the "Properties");

WHEREAS by By-Law No. 2, the directors of the Corporation was authorized from time to time to borrow money upon the credit of the Corporation, to issue, re-issue, sell or pledge securities of the Corporation, including bonds, debentures, notes or other evidences of indebtedness and to mortgage, hypothecate, pledge or otherwise create a security interest in all or any of the assets of the Corporation to secure such monies for such sums, on such terms and at such prices as they may deem expedient and as the directors may determine.

AND WHEREAS it is expedient and in the interest of the Corporation that the directors should exercise the authority conferred upon them by the said By-law;

NOW THEREFORE BE IT RESOLVED THAT:

1. The Corporation be and it is hereby authorized to borrow up to **TEN MILLION DOLLARS (\$10,000,000.00)** (Cdn.) from the "Lender" upon the terms and conditions contained in a certain letter of intent dated March 6, 2016 between Terra Firma Capital Corporation and the Corporation, as amended or supplemented from time to time (the "Commitment").
2. The Corporation be and it is hereby authorized to secure the aforesaid loan by granting:
 - (a) Guarantee of a charge/mortgage, to and in favour of the Lender, by way of a fixed and specific Charge in favour of the Lender on the Properties; and
 - (b) such other security as the Lenders may reasonably require in connection with the Loan.

(the items in (a) through (b) above being hereinafter collectively referred to as the "Security").
3. The Security shall be in such form and shall contain such terms and provisions as may be required by the Lender and approved by the Authorized Signing Officer (as defined below) executing such Security. Execution and delivery of the Security by an Authorized Signing Officer shall be conclusive evidence of such approval and the Security so executed and delivered shall be a valid and binding obligation of, and shall be enforceable against, the Corporation.

- 2 -

4. The Security may be executed on behalf of the Corporation, under the corporate seal of the Corporation or otherwise, by any of the persons named below (each an “**Authorized Signing Officer**”), each of whom is a duly elected or appointed director and/or officer of the Corporation:

ALAN SASKIN

Notwithstanding any change in any of the persons holding such offices between the time of the actual signing and the delivery of the Security, and notwithstanding that the director or officer signing may not have held office at the date of the Security or at the date of execution or delivery thereof, the Security so signed shall be a valid and binding obligation of, and shall be enforceable against, the Corporation.

5. Any such Authorized Signing Officer is hereby authorized and directed for and on behalf of and in the name of the Corporation to do, sign and execute, under the corporate seal of the Corporation or otherwise, all such other agreements, documents, securities, notes, instruments, certificates, directions, powers of attorney (the “**Additional Documents**”) and things as in his opinion may be provided for under the Commitment or the Security, or which may be advisable, necessary, or useful, or which may be requested by the Lender, in connection with the foregoing resolutions or in connection with the execution, delivery or registration of, or the performance of any of the Corporation’s obligations under, any of the Security.

The undersigned officer of the Corporation hereby certifies that the foregoing is a true and correct copy of a resolution passed by the Board of Directors of the Corporation on March 9th, 2016 and that the said resolution remains in full force and effect, unamended as of the date hereof.

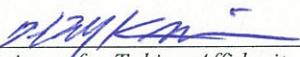
DATED this 9th day of March, 2016.



Alan Saskin – President, Secretary

TAB 19

THIS IS **EXHIBIT " 19"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

HARRIS, SHEAFFER LLP

BARRISTERS & SOLICITORS

YONGE CORPORATE CENTRE
4100 YONGE STREET, SUITE 610, TORONTO ONTARIO M2P 2B5
TELEPHONE (416) 250-5800 / FACSIMILE (416) 250-5300

March 9, 2016

Terra Firma Capital Corporation
22 St. Clair Avenue East, Suite 200
Toronto, Ontario M4T 2S3
Attention: Carolyn Montgomery

File No.: 151465

- and -

Law Offices of Norman H. Winter
801-1 St. Clair Avenue East
Toronto, ON M4T 2V7
Attention: Norman H. Winter

Dear Sir/Madam:

RE: TERRA FIRMA CAPITAL CORPORATION (the “**Lender**”) – loan (the “**Loan**”) to Urbancorp Holdco Inc. (the “**Borrower**”), pursuant to a Letter of Intent dated March 6, 2016, as amended or supplemented from time to time, secured by: (a) Mortgage on PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham (collectively the “**Woodbine Property**”), from Urbancorp (Woodbine) Inc. (the “**Woodbine Borrower**”); (b) a Mortgage on PIN No. 10126-1010 (LT) (the “**Bayview Property**”), from Urbancorp (Bridlepath) Inc. (the “**Bayview Borrower**”); and (c) Assignment of Proceeds and Pledge of Co-Ownership Interest from or in respect of PIN 07586-0258 (LT), Toronto (the “**Valermo Property**”) by way of Irrevocable Direction re Payment and Assignment of Interest from Urbancorp (Valermo) Inc. and TCC/Urbancorp (Stadium Road) Limited Partnership (collectively the “**Valermo Borrower**”), Guaranteed by Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust (collectively the “**Guarantors**”)

(the Woodbine Property, Bayview Property and Valermo Property are collectively referred to as the “**Properties**”)

We have acted as counsel to Urbancorp (Woodbine) Inc. (the “**Company**”) in connection with the loan to the Borrower from the above named lender (the “**Loan**”) secured by various security documents, pursuant to a commitment letter issued by the Lender, dated March 6, 2016, as amended, renewed or restated from time to time, (the “**Commitment Letter**”).

■ BARRY ROTENBERG
 ■ GARY H. HARRIS
 ■ ROBERT D. SHEAFFER
 ■ PHILIP J. DRAPER
 ■ MARK F. FREEDMAN
 (1981-2009)
 ■ JEFFREY P. SILVER
 ■ STEPHEN M. KARR
■ MARTIN P. HOUSER
 ■ MARK L. KAROLY
 ■ GAVIN H. BIRER
 ■ MICHAEL J. BAUM
 ■ ROGER M. VINAYAGALINGAM
 ■ ARI M. KATZ
 ■ RAZVAN L. NICOLAE
 ■ MANALI T. PRADHAN

In acting as such counsel, we have examined the following documents:

- (a) Commitment Letter;
- (b) Acknowledgment and Direction re Charge;
- (c) Acknowledgment of Standard Charge Terms;
- (d) PPSA Acknowledgment;
- (e) Assignment of Agreements of Purchase and Sale;
- (f) Assignment of Deposits, Levies and Fees;
- (g) Assignment of Letters of Credit;
- (h) Assignment of Plans, Agreements and Contracts;
- (i) Authorization to Complete;
- (j) Beneficial Owner Direction, Charge of Beneficial Interest and Acknowledgment Agreement;
- (k) Assignment of Insurance Proceeds;
- (l) Consent pursuant to *Personal Information Protection and Electronic Documentation Act* (Canada);
- (m) Cost Overrun and Completion Agreement;
- (n) Declaration under Construction Lien Act;
- (o) Environmental Representation, Warranty and Indemnity;
- (p) General Assignment of Leases and Rents; and
- (q) Non-Merger Acknowledgment;

(hereinafter collectively referred to as the “**Security Documents**”).

For the purposes of the opinions expressed below, we have considered such questions of law as we have deemed necessary and have made such investigations and examined originals or copies, certified or otherwise identified to our satisfaction, of such certificates of public officials and such other certificates, documents and records as we have considered necessary or relevant and have

relied, without independent verification or investigation, on all statements as to matters of fact contained in such documents, including:

1. The incorporating documents (including any amendments thereto) and by-laws of the Company;
2. The minute book, which contains the corporate records of the Company;
3. A resolution of the directors of the Company authorizing, inter alia, the execution and delivery by the Company of the Security Documents;
4. A certificate executed by an officer of the Company dated as of the 9th day of March, 2016 (the “**Officer’s Certificate**”);
5. A Certificate of Status for the Company dated as of the 9th day of March, 2016 (the “**Status Certificate**”), issued by the Ministry of Government Services (Ontario); and
6. The Security Documents.

ASSUMPTIONS AND RELIANCE

For the purposes of the opinions expressed below, we have, without independent investigation or inquiry, with respect to all documents and certificates examined by us:

- (a) assumed the genuineness of all signatures and the authenticity and completeness of, all documents reviewed by us and the conformity to the original documents of all documents submitted to us as true, certified, conformed, photostatic or telecopied copies thereof;
- (b) assumed the due authorization, execution and delivery of the Security Documents by all parties save and except the Company;
- (c) if not dated as of the date hereof, assumed that the Status Certificate and Officer’s Certificate continue to be accurate as of the date hereof;
- (d) assumed the completeness, truth and accuracy of all facts set forth in all records, certificates and other documents examined by us;
- (e) relied exclusively on the Officer’s Certificate with respect to the accuracy of the factual matters contained therein, without independent investigation or verification; and
- (f) not undertaken an examination of any public records, including civil litigation indices, in any jurisdiction wherein the Company conducts business save and except the Status Certificate, nor have we examined the financial books and records of the Company.

LAW

The opinions expressed herein are rendered solely with respect to the laws of the Province of Ontario and the federal laws of Canada applicable therein and in existence on the date hereof (collectively, the “**Applicable Laws**”) and no opinions are expressed herein with respect to the laws of any other jurisdiction.

OPINIONS

Based upon the foregoing examinations, statements and assumptions, and the qualifications referenced below, and believing and relying on them and the conclusions drawn therefrom, we are of the opinion that:

1. The Company is a corporation duly incorporated under the laws of the Province of Ontario and is a validly subsisting corporation with all necessary corporate power and capacity to own its properties and assets, to carry on its business and to perform the obligations on its part to be performed pursuant to all the Security Documents signed by it.
2. The Company has taken all necessary corporate or other action to authorize the execution and delivery of and performance of its obligations under the Security Documents executed by it. None of such execution, delivery or performance requires the consent or approval of any governmental authority or agency having jurisdiction over it or requires consent under any relevant Partnership Agreement, Articles of Incorporation, By-Laws, Unanimous Shareholders' Agreement or resolutions of the directors or shareholders or the provisions of any material agreement to which it is a party.
3. The Security Documents have been duly and validly executed and delivered by the Company and create valid and legally binding obligations of the Company enforceable against the Company in accordance with the terms thereof.

QUALIFICATIONS

The opinions expressed above are subject to the following qualifications, limitations and restrictions:

1. The enforceability of the Security Documents is subject to any applicable bankruptcy, insolvency, reorganization, receivership, moratorium, arrangement, winding-up and other similar laws of general application affecting the enforcement of creditors' rights generally.
2. The enforceability of the Security Documents is subject to general equitable principles, including the fact that the availability of equitable remedies, such as injunctive relief and specific performance, is in the discretion of the court.

-
3. We have taken no steps to provide the notices or to obtain the acknowledgements prescribed in Part VII of the *Financial Administration Act* (Canada) relating to the assignment of federal Crown debts. An assignment of federal Crown debts (except debts under the *Income Tax Act* (Canada)) which does not comply with that Act is ineffective as between the assignor and the assignee and as against the Crown.
 4. We express no opinion as to whether a security interest may be created in:
 - (a) property consisting of a receivable, licence, approval, privilege, franchise, permit, lease or agreement (collectively, “**Special Property**”) to the extent that the terms of the Special Property or any applicable law prohibit its assignment or require, as a condition of its assignability, a consent, approval or other authorization or registration which has not been made or given; or
 - (b) permits, quotas or licences which are held by or issued to the Company.
 5. We express no opinion as to any security interest created by the Security Documents with respect to any property of the Company that is transformed in such a way that it is not identifiable or traceable or any proceeds of property of the Company that are not identifiable or traceable.
 6. We have not registered the Security Documents or notice thereof in any land registry office or under any land registry statutes even though the Security Documents may create a security interest in the Company’s real property or leases of real property or in property which is now or may hereafter become a fixture or a right to payment under a lease, mortgage or charge of real property.
 7. We have not effected any registrations, including *inter alia*, under any of the following:
 - (a) the *Patent Act* (Canada), the *Trade-marks Act* (Canada), the *Industrial Designs Act* (Canada), the *Integrated Circuit Topography Act* (Canada), the *Copyright Act* (Canada) or the *Plant Breeders’ Rights Act* (Canada),
 - (b) the *Canada Shipping Act*,
 - (c) the *Canada Transportation Act* or the *Railways Act* (Ontario),

and we express no opinion as to the creation or perfection of any security interest in any property or assets governed by any of those Acts or as to the perfection by registration under the PPSA of any security interest in any property or assets.

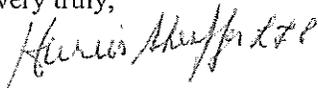
-
8. We express no opinion as to whether the Company has title to or any rights in any of the property in which the Security Documents purport to grant a security interest, mortgage, charge or other interest, nor as to the priority of any security interest, mortgage, charge or other interest created by the Security Documents. We express no opinion as to the title of any real property.
 9. We express no opinion as to the enforceability of any provision of the Security Documents which purports to suspend, in the circumstances prescribed therein, the powers of the board of directors of the Company.
 10. A receiver or receiver and manager appointed pursuant to the Security Documents may, for certain purposes, be treated as the agent of the Lender and not solely the agent of the Company notwithstanding any provision in such documents to the contrary.
 11. We express no opinion as to any licences, permits, approvals or notices that may be required in connection with the enforcement of the Security Documents by the Lender or by a person on its behalf, whether such enforcement involves the operation of the business of the Company or a sale, transfer or disposition of its property and assets.
 12. The Lender may be required to give the Company a reasonable time to repay following a demand for payment prior to taking any action to enforce its right of repayment or before exercising any of the rights and remedies expressed to be exercisable by the Lender in the Security Documents.
 13. Pursuant to the provisions of Section 8 of the *Interest Act (Canada)*, no fine, penalty or rate of interest may be exacted on any arrears of principal or interest secured by a mortgage on real property that has the effect of increasing the charge on the arrears beyond the rate of interest payable on principal money not in arrears.
 14. Interest on overdue payments at a rate greater than applicable to payments not overdue may be construed as a penalty and not enforceable.
 15. The provisions for the payment of interest and other amounts under the Security Documents may not be enforceable if those provisions provide for the receipt of interest by the Lender at a "criminal rate" within the meaning of Section 347 of the *Criminal Code (Canada)*.
 16. Any certificate or determination provided for in the Security Documents may be subject to challenge in a court on the grounds of fraud, collusion, mistake on the face of the certificate, or mistake on the basis that the certificate differed in a material respect from the certificate contemplated in such provision, notwithstanding any provision stating such certificate or determination shall be treated as conclusive, final or binding.
 17. We express no opinion as to the enforceability of any provision of the Security Documents:

-
- (a) which purports to waive all defences which might be available to, or constitute a discharge of the liability of, the Company;
 - (b) to the extent it purports to exculpate, or provide indemnity to, the Lender, its agents or any receiver, manager or receiver-manager appointed by it from liability in respect of acts or omissions which may be illegal, fraudulent or involve willful misconduct; or
 - (c) which states that amendments or waivers of or with respect to the Security Documents that are not in writing will not be effective.
18. Provisions contained in the Security Documents which purport to sever from that document any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of that document may be enforced only in the discretion of a court.
19. We express no opinion as to the enforceability of any provision of the Security Documents which requires the Company to pay, or to indemnify the Lender for, the costs and expenses of the Lender since those provisions may derogate from a court's discretion to determine by whom and to what extent those costs should be paid.
20. A judgment of an Ontario court may only be awarded in Canadian currency.
21. Any provision which is considered to offend public policy or to contravene laws of public order may not be enforceable.

The opinions expressed herein are provided solely for the benefit of the addressees and their successors and assigns as permitted by the Commitment in connection with the financing transaction referred to above.

This opinion is rendered solely in connection with the transaction to which the Security Documents relate, may not be used for any other purpose without our prior written consent.

Yours very truly,



Request ID: 018716700
 Demande n° :
 Transaction ID: 60487522
 Transaction n° :
 Category ID: CT
 Catégorie :

Province of Ontario
 Province de l'Ontario
 Ministry of Government Services
 Ministère des Services gouvernementaux

Date Report Produced: 2016/03/09
 Document produit le :
 Time Report Produced: 09:44:51
 Imprimé à :

CERTIFICATE OF STATUS ATTESTATION DU STATUT JURIDIQUE

This is to certify that according to the records of the Ministry of Government Services

D'après les dossiers du Ministère des Services gouvernementaux, nous attestons que la société

URBANCORP (WOODBINE) INC.

Ontario Corporation Number

Numéro matricule de la société (Ontario)

0 0 2 3 9 1 2 5 6

is a corporation incorporated, amalgamated or continued under the laws of the Province of Ontario.

est une société constituée, prorogée ou née d'une fusion aux termes des lois de la Province de l'Ontario.

The corporation came into existence on

La société a été fondée le

O C T O B E R 0 8 O C T O B R E , 2 0 1 3

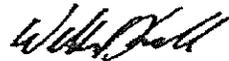
and has not been dissolved.

et n'est pas dissoute.

Dated

Fait le

M A R C H 0 9 M A R S , 2 0 1 6



Director
 Directeur

TAB 20

THIS IS **EXHIBIT " 20"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

CERTIFICATE OF AN OFFICER
OF
URBANCORP (WOODBINE) INC. (the "Company")

To: Terra Firma Capital Corporation (the "Lender")

And to: Law Offices of Norman H. Winter

And to: Harris Sheaffer, LLP, the Company's solicitors

Re: TERRA FIRMA CAPITAL CORPORATION (the "Lender") – loan (the "Loan") to Urbancorp Holdco Inc. (the "Borrower"), pursuant to a Letter of Intent dated March 6, 2015, as amended or supplemented from time to time, secured by: (a) Mortgage on PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham (collectively the "Woodbine Property"), from Urbancorp (Woodbine) Inc. (the "Woodbine Borrower"); (b) a Mortgage on PIN No. 10126-1010 (LT) (the "Bayview Property"), from Urbancorp (Bridlepath) Inc. (the "Bayview Borrower"); and (c) Assignment of Proceeds from or in respect of PIN 07586-0258 (LT), Toronto (the "Valermo Property") by way of Irrevocable Direction re Payment from Urbancorp (Valermo) Inc. and TCC/Urbancorp (Stadium Road) Limited Partnership and pledge of interest (collectively the "Valermo Borrower"), Guaranteed by Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust (collectively the "Guarantors")

(the Woodbine Property, Bayview Property and Valermo Property are collectively referred to as the "Properties")

The undersigned ALAN SASKIN, as President of the Company, in such capacity and not in my personal capacity, hereby certifies for and on behalf of the Company, intending that the same may be relied upon by you without further inquiry, that:

1. I have made or caused to be made such examinations or investigations as are, in my opinion, necessary to make the statements of fact contained in this Certificate and I have furnished this Certificate with the intent that it may be relied on by the Lender as a basis for the Loan and it may be relied upon by the addressees which are solicitors and law firms in connection with their giving legal opinions to, among others, the Lender.
2. I have knowledge of the matters hereinafter certified.
3. Attached as Schedule "A" are true and complete copies of the constating documents of the Company issued by the Province of Ontario (collectively, the "Articles"). The Articles are in full force and effect at this date and have not been amended or

waived and neither the directors nor the shareholders of the Company have taken any proceedings or passed any resolutions to or consented to any amendments or variations to the Articles.

4. Attached as Schedule "B" is a true and complete copy of the borrowing by-law (the "By-Law") of the Company. The By-Law is in full force and effect, unamended at this date.
5. Attached as Schedule "C" is a true and complete copy of the resolution of the directors of the Company (the "Authorizing Resolution"), which has been duly and validly passed in accordance with the Articles, the By-law, other by-laws of the Company and applicable law, constituting authority for, *inter alia*, the Company borrowing the money as contemplated therein, entering into and performing its obligations under the documents to which it is a party, as contemplated by the terms of the Commitment Letter dated March 6, 2016 issued by the Lender to the Mortgagor, as may be amended or supplemented from time to time, including all such agreements, instruments and other documents and taking all actions in connection with the Loan and completing the Loan (collectively, the "Security Documents"). The Security Documents are the documents presented to and authorized, ratified and approved by the directors of the Company and referred to in the Authorizing Resolution. The Authorizing Resolution is the only resolution that the Board of Directors of the Company pertaining to the subject hereof that is in full force and effect, unamended at this date.
6. Each of the following persons are signing officers of the Company holding the position set out opposite his or her name below:

Name	Office(s)	Home Address
Alan Saskin	President, Secretary	155 Cumberland Street, Suite 1202 Toronto, Ontario M5R 1A2

7. Each of the following persons are all of the directors of the Company:

Name	Occupation	Home Address
Alan Saskin	Real Estate Developer	155 Cumberland Street, Suite 1202 Toronto, Ontario M5R 1A2

8. The authorized capital of the Company consists of 100 common shares. The sole shareholder is Alan Saskin.

9. The authorization, execution, delivery and performance of the documents granted in connection with the Loan among the Company, the Lender and others do not and will not conflict with or constitute an event of default under the Articles, the By-Law or any other by-laws of the Company or under any other agreement binding on the Company.
10. The minute books and corporate records of the Company made available are the original minutes books and records of the Company and contain all of the Articles, the By-Law and other by-laws of the Company and any amendments thereto and, to my knowledge, all of the minutes, or copies thereof, of all proceedings of any respective shareholders and directors. To my knowledge, there have been no other meetings, resolutions or proceedings of the shareholders or directors of the Company not reflected in such minute books and records. To my knowledge, such minute books and records are true, correct and complete in all material respects.
11. All filings or remittances that are required under relevant information, taxation or naming legislation for the jurisdiction in which the Company is incorporated have been made by the Company.
12. The Lender is not an affiliate or associate of the Company and the Company is at arm's length to the Lender.
13. There are no provisions in the Company's Articles, the By-Law or other by-laws of the Company, to my knowledge, in any resolutions of the directors or shareholders, or in any shareholder agreement or other similar document relating to the Company that restrict, limit, or regulate in any way (a) the powers of the directors of the Company to borrow money upon the credit of the Company and to give a guarantee on behalf of the Company to secure performance of an obligation of any person, and to mortgage, hypothecate, pledge or otherwise create a security interest or charge in all or any of the property of the Company, now or hereafter acquired, as security for all or any money borrowed by the Company, or (b) the power, capacity or authority of the directors of the Company to delegate to a director or an officer, the exercise from time to time of any of the said powers for and in the name of the Company.
14. No authorization, consent, permit or approval of, or other action by or filing with, or notice to, any governmental agency or authority, regulatory body, court, tribunal or other similar entity having jurisdiction in the Province of Ontario is required in connection with the execution, delivery and performance by the Company of any of the Security Documents to which it is a party.
15. The Company is not insolvent and has not committed an act of bankruptcy and no proceedings have been taken by the Company or by any other person or are, to the knowledge of the undersigned, pending or contemplated with respect to:
 - (a) the bankruptcy, or
 - (b) any proposal in bankruptcy, or

- (c) the appointment of any trustee, receiver, manager, liquidator or similar person, or
- (d) the amalgamation, consolidation, dissolution, liquidation or reorganization or sale of the assets or of the business out of the ordinary course of business,

of the Company or any of the property of the Company and there is no encumbrancer in possession of any of the property of the Company.

16. Neither the authorization, nor the execution, nor the delivery of the Security Documents, nor the fulfilment of the respective terms thereof, conflict or will conflict with, or result or will result in a breach or violation of (i) any law, ordinance, decree, regulation or any other enactment of the Province of Ontario or of Canada applicable therein; (ii) any of the terms, conditions or provisions of the constating documents incorporating the Company or the by-laws of the Company; or (iii) any order of any court or other authority of the Province of Ontario or of Canada or any contract, agreement, trust deed, debenture, hypothec, indenture, instrument or other document binding upon the Company or affecting any of the properties or assets of the Company.
17. There are no actions, suits, proceedings or investigations pending or threatened against the Company at law, or in equity, or before any federal, provincial, municipal or other governmental department, commission, board, bureau or agency, domestic or foreign, which might involve the possibility of any judgment, or which might adversely affect the business operations or financial condition of the Company, and there are no facts which might give rise to any such action, suit or proceedings.
18. The Company is not a party to nor bound by any contract or agreement which will materially adversely affect the Company's business, operations or financial condition of the Property, nor is the Company in any material respect in default nor has any event occurred which but for the affluxion of time or the giving of notice or both would constitute a default, under any material obligation of the Company or under any licenses and permit to own and/or operate material properties or assets of the Company or with respect to the Property.
19. The Company has paid, as and when they fall due, all statutory remittances including, but not limited to, Income Tax, Provincial Sales Tax, Goods and Services Tax, Harmonized Sales Taxes whether they relate to the operation of the Property or any other business or operations of the Company.
20. No steps or proceedings have been taken or are pending to amend, surrender or cancel the Articles or By-laws or to dissolve or wind-up the Company. The Company is in good standing under the laws of all jurisdictions in which it carries on business or has assets, to the extent that the nature of such business or assets under the laws of such jurisdictions requires registration or qualification.
21. The Company is not a not-for-profit organization.

22. The address of the Company's head office is 120 Lynn Williams Street, Suite 2A, Toronto, Ontario M6K 3N6.
23. I am aware that the Lender is relying upon this Officer's Certificate and the facts stated herein in making the Loan and I am further aware that the Lender has agreed to make the Loan based, in part, in reliance upon the truth and complete accuracy of all the foregoing.

Rest of page intentionally left blank. Signature page follows.

DATED this 9th day of March, 2016.



Alan Saslan

Holdco & Land Owners

SCHEDULE "A"
ARTICLES ATTACHED

Holdco & Land Owners

SCHEDULE "B"

BORROWING BY-LAW ATTACHED

Holdco & Land Owners

SCHEDULE "C"

CERTIFIED COPY OF BORROWING RESOLUTION

Holdco & Land Owners

SCHEDULE "D"SHAREHOLDERS

The following are the shareholders of the Company:

<u>Name and Address</u>	<u>Class and Number of Shares</u>
Alan Saskin 155 Cumberland Street, Suite 1202, Toronto, Ontario M5R 1A2	100 common

SCHEDULE "E"
THIRD PARTY INFORMATION FORM

INFORMATION ABOUT THE THIRD PARTY:

Individual (if applicable):

Full Name: Alan Saskin	
Address: 155 Cumberland Street, Suite 1202,	
City: Toronto	Province: Ontario
Country: Canada	Postal Code: M5R 1A2
Occupation: Real Estate Developer	Date of Birth: January 24 th , 1954

¹ Vague description such as "Business-for-Self", "self-employed", "consultant", "investor", "business owner", "businessman", "entrepreneur" or "Signing Officer" is not acceptable. The occupation must clearly reflect the nature of the work and the industry in which it is performed.

Corporation (if applicable):

Name of Business:	Nature of Business:
Incorporation Number and place of Issue:	
Address:	City:
Country:	Postal Code:

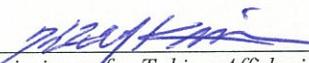
What is the relationship of the registered owner of the property on closing to the Third Party?

- Agent
- Borrower
- Employee
- Friend
- Relative
- Trustee
- Power of Attorney
- Other (specify) _____

Additional Comments (if any):

TAB 21

THIS IS **EXHIBIT " 21"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

Land Owners

CERTIFIED RESOLUTION OF THE BOARD OF DIRECTORS

OF

URBANCORP (WOODBINE) INC. (the "Corporation")

WHEREAS Terra Firma Capital Corporation ("Lender") has established certain credit in favour of Urbancorp Holdco Inc. (the "Borrower") for the purposes more particularly set out in the Commitment (as hereinafter defined) in connection with the loan more particularly described therein (the "Loan"), to be secured by (a) a mortgage on PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham; (the "Property");

WHEREAS by By-Law No. 2, the directors of the Corporation were authorized from time to time to borrow money upon the credit of the Corporation, to issue, re-issue, sell or pledge securities of the Corporation, including bonds, debentures, notes or other evidences of indebtedness and to mortgage, hypothecate, pledge or otherwise create a security interest in all or any of the assets of the Corporation to secure such monies for such sums, on such terms and at such prices as they may deem expedient and as the directors may determine.

AND WHEREAS it is expedient and in the interest of the Corporation that the directors should exercise the authority conferred upon them by the said By-law;

NOW THEREFORE BE IT RESOLVED THAT:

1. The Corporation be and it is hereby authorized to borrow up to **TEN MILLION DOLLARS (\$10,000,000.00)** (Cdn.) from the "**Lender**" upon the terms and conditions contained in a certain Letter of Intent dated March 6, 2016 between Terra Firma Capital Corporation and the Corporation, as amended or supplemented from time to time (the "**Commitment**").
2. The Corporation be and it is hereby authorized to secure the aforesaid loan by granting:
 - (a) a second charge/mortgage, to and in favour of the Lender, by way of a fixed and specific Charge in favour of the Lender on the Property;
 - (b) a general assignment of rents in favour of the Lender in respect of the Property;
 - (c) a general security agreement in favour of the Lender respecting all personal property of the Corporation located at or related to the Property; and
 - (d) such other security as the Lenders may reasonably require in connection with the Loan.

(the items in (a) through (d) above being hereinafter collectively referred to as the "**Security**").

- 2 -

3. The Security shall be in such form and shall contain such terms and provisions as may be required by the Lender and approved by the Authorized Signing Officer (as defined below) executing such Security. Execution and delivery of the Security by an Authorized Signing Officer shall be conclusive evidence of such approval and the Security so executed and delivered shall be a valid and binding obligation of, and shall be enforceable against, the Corporation.
4. The Security may be executed on behalf of the Corporation, under the corporate seal of the Corporation or otherwise, by any of the persons named below (each an "Authorized Signing Officer"), each of whom is a duly elected or appointed director and/or officer of the Corporation:

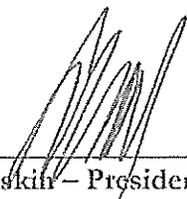
ALAN SASKIN

Notwithstanding any change in any of the persons holding such offices between the time of the actual signing and the delivery of the Security, and notwithstanding that the director or officer signing may not have held office at the date of the Security or at the date of execution or delivery thereof, the Security so signed shall be a valid and binding obligation of, and shall be enforceable against, the Corporation.

5. Any such Authorized Signing Officer is hereby authorized and directed for and on behalf of and in the name of the Corporation to do, sign and execute, under the corporate seal of the Corporation or otherwise, all such other agreements, documents, securities, notes, instruments, certificates, directions, powers of attorney (the "Additional Documents") and things as in his opinion may be provided for under the Commitment or the Security, or which may be advisable, necessary, or useful, or which may be requested by the Lender, in connection with the foregoing resolutions or in connection with the execution, delivery or registration of, or the performance of any of the Corporation's obligations under, any of the Security.

The undersigned officer of the Corporation hereby certifies that the foregoing is a true and correct copy of a resolution passed by the Board of Directors of the Corporation on March 9, 2016 and that the said resolution remains in full force and effect, unamended as of the date hereof.

DATED this 9th day of March, 2016.



Alan Saskin – President, Secretary

TAB 22

THIS IS **EXHIBIT " 22"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

HARRIS, SHEAFFER LLP

BARRISTERS & SOLICITORS

YONGE CORPORATE CENTRE
4100 YONGE STREET, SUITE 610, TORONTO ONTARIO M2P 2B5
TELEPHONE (416) 250-5800 / FACSIMILE (416) 250-5300

March 9, 2016

Terra Firma Capital Corporation
22 St. Clair Avenue East, Suite 200
Toronto, Ontario M4T 2S3
Attention: Carolyn Montgomery

File No.: 151465

- and -

Law Offices of Norman H. Winter
801-1 St. Clair Avenue East
Toronto, ON M4T 2V7
Attention: Norman H. Winter

Dear Sir/Madam:

RE: TERRA FIRMA CAPITAL CORPORATION (the “**Lender**”) – loan (the “**Loan**”) to Urbancorp Holdco Inc. (the “**Borrower**”), pursuant to a Letter of Intent dated March 6, 2016, as amended or supplemented from time to time, secured by: (a) Mortgage on PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham (collectively the “**Woodbine Property**”), from Urbancorp (Woodbine) Inc. (the “**Woodbine Borrower**”); (b) a Mortgage on PIN No. 10126-1010 (LT) (the “**Bayview Property**”), from Urbancorp (Bridlepath) Inc. (the “**Bayview Borrower**”); and (c) Assignment of Proceeds and Pledge of Co-Ownership Interest from or in respect of PIN 07586-0258 (LT), Toronto (the “**Valermo Property**”) by way of Irrevocable Direction re Payment and Assignment of Interest from Urbancorp (Valermo) Inc. and TCC/Urbancorp (Stadium Road) Limited Partnership (collectively the “**Valermo Borrower**”), Guaranteed by Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust (collectively the “**Guarantors**”)

(the Woodbine Property, Bayview Property and Valermo Property are collectively referred to as the “**Properties**”)

We have acted as counsel to Urbancorp (Bridlepath) Inc. (the “**Company**”) in connection with the loan to the Borrower from the above named lender (the “**Loan**”) secured by various security documents, pursuant to a commitment letter issued by the Lender, dated March 6, 2016, as amended, renewed or restated from time to time, (the “**Commitment Letter**”).

■ BARRY ROTENBERG	■ GARY H. HARRIS	■ ROBERT D. SHEAFFER	■ PHILIP J. DRAPER	■ MARK F. FREEDMAN (1981-2009)	■ JEFFREY P. SILVER	■ STEPHEN M. KARR
■ MARTIN P. HOUSER	■ MARK L. KAROLY	■ GAVIN H. BIRER	■ MICHAEL J. BAUM	■ ROGER M. VINAYAGALINGAM	■ ARI M. KATZ	■ RAZVAN L. NICOLAE MANALI T. PRADHAN

In acting as such counsel, we have examined the following documents:

- (a) Commitment Letter;
- (b) Acknowledgment and Direction re Charge;
- (c) Acknowledgment of Standard Charge Terms;
- (d) PPSA Acknowledgment;
- (e) Assignment of Agreements of Purchase and Sale;
- (f) Assignment of Deposits, Levies and Fees;
- (g) Assignment of Letters of Credit;
- (h) Assignment of Plans, Agreements and Contracts;
- (i) Authorization to Complete;
- (j) Beneficial Owner Direction, Charge of Beneficial Interest and Acknowledgment Agreement;
- (k) Assignment of Insurance Proceeds;
- (l) Consent pursuant to *Personal Information Protection and Electronic Documentation Act* (Canada);
- (m) Cost Overrun and Completion Agreement;
- (n) Declaration under Construction Lien Act;
- (o) Environmental Representation, Warranty and Indemnity;
- (p) General Assignment of Leases and Rents; and
- (q) Non-Merger Acknowledgment;

(hereinafter collectively referred to as the “**Security Documents**”).

For the purposes of the opinions expressed below, we have considered such questions of law as we have deemed necessary and have made such investigations and examined originals or copies, certified or otherwise identified to our satisfaction, of such certificates of public officials and such other certificates, documents and records as we have considered necessary or relevant and have relied, without independent verification or investigation, on all statements as to matters of fact contained in such documents, including:

1. The incorporating documents (including any amendments thereto) and by-laws of the Company;
2. The minute book, which contains the corporate records of the Company;
3. A resolution of the directors of the Company authorizing, inter alia, the execution and delivery by the Company of the Security Documents;
4. A certificate executed by an officer of the Company dated as of the 9th day of March, 2016 (the “**Officer’s Certificate**”);
5. A Certificate of Status for the Company dated as of the 9th day of March, 2016 (the “**Status Certificate**”), issued by the Ministry of Government Services (Ontario); and
6. The Security Documents.

ASSUMPTIONS AND RELIANCE

For the purposes of the opinions expressed below, we have, without independent investigation or inquiry, with respect to all documents and certificates examined by us:

- (a) assumed the genuineness of all signatures and the authenticity and completeness of, all documents reviewed by us and the conformity to the original documents of all documents submitted to us as true, certified, conformed, photostatic or telecopied copies thereof;
- (b) assumed the due authorization, execution and delivery of the Security Documents by all parties save and except the Company;
- (c) if not dated as of the date hereof, assumed that the Status Certificate and Officer’s Certificate continue to be accurate as of the date hereof;
- (d) assumed the completeness, truth and accuracy of all facts set forth in all records, certificates and other documents examined by us;
- (e) relied exclusively on the Officer’s Certificate with respect to the accuracy of the factual matters contained therein, without independent investigation or verification; and
- (f) not undertaken an examination of any public records, including civil litigation indices, in any jurisdiction wherein the Company conducts business save and except the Status Certificate, nor have we examined the financial books and records of the Company.

LAW

The opinions expressed herein are rendered solely with respect to the laws of the Province of Ontario and the federal laws of Canada applicable therein and in existence on the date hereof (collectively, the “Applicable Laws”) and no opinions are expressed herein with respect to the laws of any other jurisdiction.

OPINIONS

Based upon the foregoing examinations, statements and assumptions, and the qualifications referenced below, and believing and relying on them and the conclusions drawn therefrom, we are of the opinion that:

1. The Company is a corporation duly incorporated under the laws of the Province of Ontario and is a validly subsisting corporation with all necessary corporate power and capacity to own its properties and assets, to carry on its business and to perform the obligations on its part to be performed pursuant to all the Security Documents signed by it.
2. The Company has taken all necessary corporate or other action to authorize the execution and delivery of and performance of its obligations under the Security Documents executed by it. None of such execution, delivery or performance requires the consent or approval of any governmental authority or agency having jurisdiction over it or requires consent under any relevant Partnership Agreement, Articles of Incorporation, By-Laws, Unanimous Shareholders' Agreement or resolutions of the directors or shareholders or the provisions of any material agreement to which it is a party.
3. The Security Documents have been duly and validly executed and delivered by the Company and create valid and legally binding obligations of the Company enforceable against the Company in accordance with the terms thereof.

QUALIFICATIONS

The opinions expressed above are subject to the following qualifications, limitations and restrictions:

1. The enforceability of the Security Documents is subject to any applicable bankruptcy, insolvency, reorganization, receivership, moratorium, arrangement, winding-up and other similar laws of general application affecting the enforcement of creditors' rights generally.
2. The enforceability of the Security Documents is subject to general equitable principles, including the fact that the availability of equitable remedies, such as injunctive relief and specific performance, is in the discretion of the court.

-
3. We have taken no steps to provide the notices or to obtain the acknowledgements prescribed in Part VII of the *Financial Administration Act* (Canada) relating to the assignment of federal Crown debts. An assignment of federal Crown debts (except debts under the *Income Tax Act* (Canada)) which does not comply with that Act is ineffective as between the assignor and the assignee and as against the Crown.
 4. We express no opinion as to whether a security interest may be created in:
 - (a) property consisting of a receivable, licence, approval, privilege, franchise, permit, lease or agreement (collectively, "Special Property") to the extent that the terms of the Special Property or any applicable law prohibit its assignment or require, as a condition of its assignability, a consent, approval or other authorization or registration which has not been made or given; or
 - (b) permits, quotas or licences which are held by or issued to the Company.
 5. We express no opinion as to any security interest created by the Security Documents with respect to any property of the Company that is transformed in such a way that it is not identifiable or traceable or any proceeds of property of the Company that are not identifiable or traceable.
 6. We have not registered the Security Documents or notice thereof in any land registry office or under any land registry statutes even though the Security Documents may create a security interest in the Company's real property or leases of real property or in property which is now or may hereafter become a fixture or a right to payment under a lease, mortgage or charge of real property.
 7. We have not effected any registrations, including *inter alia*, under any of the following:
 - (a) the *Patent Act* (Canada), the *Trade-marks Act* (Canada), the *Industrial Designs Act* (Canada), the *Integrated Circuit Topography Act* (Canada), the *Copyright Act* (Canada) or the *Plant Breeders' Rights Act* (Canada),
 - (b) the *Canada Shipping Act*,
 - (c) the *Canada Transportation Act* or the *Railways Act* (Ontario),and we express no opinion as to the creation or perfection of any security interest in any property or assets governed by any of those Acts or as to the perfection by registration under the PPSA of any security interest in any property or assets.
 8. We express no opinion as to whether the Company has title to or any rights in any of the property in which the Security Documents purport to grant a security interest, mortgage, charge or other interest, nor as to the priority of any security interest, mortgage, charge or other interest created by the Security Documents. We express no opinion as to the title of any real property.

-
9. We express no opinion as to the enforceability of any provision of the Security Documents which purports to suspend, in the circumstances prescribed therein, the powers of the board of directors of the Company.
 10. A receiver or receiver and manager appointed pursuant to the Security Documents may, for certain purposes, be treated as the agent of the Lender and not solely the agent of the Company notwithstanding any provision in such documents to the contrary.
 11. We express no opinion as to any licences, permits, approvals or notices that may be required in connection with the enforcement of the Security Documents by the Lender or by a person on its behalf, whether such enforcement involves the operation of the business of the Company or a sale, transfer or disposition of its property and assets.
 12. The Lender may be required to give the Company a reasonable time to repay following a demand for payment prior to taking any action to enforce its right of repayment or before exercising any of the rights and remedies expressed to be exercisable by the Lender in the Security Documents.
 13. Pursuant to the provisions of Section 8 of the *Interest Act* (Canada), no fine, penalty or rate of interest may be exacted on any arrears of principal or interest secured by a mortgage on real property that has the effect of increasing the charge on the arrears beyond the rate of interest payable on principal money not in arrears.
 14. Interest on overdue payments at a rate greater than applicable to payments not overdue may be construed as a penalty and not enforceable.
 15. The provisions for the payment of interest and other amounts under the Security Documents may not be enforceable if those provisions provide for the receipt of interest by the Lender at a "criminal rate" within the meaning of Section 347 of the *Criminal Code* (Canada).
 16. Any certificate or determination provided for in the Security Documents may be subject to challenge in a court on the grounds of fraud, collusion, mistake on the face of the certificate, or mistake on the basis that the certificate differed in a material respect from the certificate contemplated in such provision, notwithstanding any provision stating such certificate or determination shall be treated as conclusive, final or binding.
 17. We express no opinion as to the enforceability of any provision of the Security Documents:
 - (a) which purports to waive all defences which might be available to, or constitute a discharge of the liability of, the Company;
 - (b) to the extent it purports to exculpate, or provide indemnity to, the Lender, its agents or any receiver, manager or receiver-manager appointed by it from liability in respect of acts or omissions which may be illegal, fraudulent or involve willful misconduct;
or

- (c) which states that amendments or waivers of or with respect to the Security Documents that are not in writing will not be effective.
18. Provisions contained in the Security Documents which purport to sever from that document any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of that document may be enforced only in the discretion of a court.
 19. We express no opinion as to the enforceability of any provision of the Security Documents which requires the Company to pay, or to indemnify the Lender for, the costs and expenses of the Lender since those provisions may derogate from a court's discretion to determine by whom and to what extent those costs should be paid.
 20. A judgment of an Ontario court may only be awarded in Canadian currency.
 21. Any provision which is considered to offend public policy or to contravene laws of public order may not be enforceable.

The opinions expressed herein are provided solely for the benefit of the addressees and their successors and assigns as permitted by the Commitment in connection with the financing transaction referred to above.

This opinion is rendered solely in connection with the transaction to which the Security Documents relate, may not be used for any other purpose without our prior written consent.

Yours very truly,



Request ID: 018716697
 Demande n° :
 Transaction ID: 60487511
 Transaction n° :
 Category ID: CT
 Catégorie :

Province of Ontario
 Province de l'Ontario
 Ministry of Government Services
 Ministère des Services gouvernementaux

Date Report Produced: 2016/03/09
 Document produit le :
 Time Report Produced: 09:44:24
 Imprimé à :

CERTIFICATE OF STATUS ATTESTATION DU STATUT JURIDIQUE

This is to certify that according to the records of the Ministry of Government Services

D'après les dossiers du Ministère des Services gouvernementaux, nous attestons que la société

URBANCORP (BRIDLEPATH) INC.

Ontario Corporation Number

Numéro matricule de la société (Ontario)

002407576

is a corporation incorporated, amalgamated or continued under the laws of the Province of Ontario.

est une société constituée, prorogée ou née d'une fusion aux termes des lois de la Province de l'Ontario.

The corporation came into existence on

La société a été fondée le

FEBRUARY 18 FÉVRIER, 2014

and has not been dissolved.

et n'est pas dissoute.

Dated

Fait le

MARCH 09 MARS, 2016



Director
 Directeur

TAB 23

THIS IS EXHIBIT " 23" REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

CERTIFICATE OF AN OFFICER
OF
URBANCORP (BRIDLEPATH) INC. (the "Company")

To: Terra Firma Capital Corporation (the "Lender")

And to: Law Offices of Norman H. Winter

And to: Harris Sheaffer, LLP, the Company's solicitors

Re: TERRA FIRMA CAPITAL CORPORATION (the "Lender") – loan (the "Loan") to Urbancorp Holdco Inc. (the "Borrower"), pursuant to a Letter of Intent dated March 6, 2016, as amended or supplemented from time to time, secured by: (a) Mortgage on PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham (collectively the "Woodbine Property"), from Urbancorp (Woodbine) Inc. (the "Woodbine Borrower"); (b) a Mortgage on PIN No. 10126-1010 (LT) (the "Bayview Property"), from Urbancorp (Bridlepath) Inc. (the "Bayview Borrower"); and (c) Assignment of Proceeds from or in respect of PIN 07586-0258 (LT), Toronto (the "Valermo Property") by way of Irrevocable Direction re Payment from Urbancorp (Valermo) Inc. and TCC/Urbancorp (Stadium Road) Limited Partnership and pledge of interest (collectively the "Valermo Borrower"), Guaranteed by Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust (collectively the "Guarantors")

(the Woodbine Property, Bayview Property and Valermo Property are collectively referred to as the "Properties")

The undersigned ALAN SASKIN, as President of the Company, in such capacity and not in my personal capacity, hereby certifies for and on behalf of the Company, intending that the same may be relied upon by you without further inquiry, that:

1. I have made or caused to be made such examinations or investigations as are, in my opinion, necessary to make the statements of fact contained in this Certificate and I have furnished this Certificate with the intent that it may be relied on by the Lender as a basis for the Loan and it may be relied upon by the addressees which are solicitors and law firms in connection with their giving legal opinions to, among others, the Lender.
2. I have knowledge of the matters hereinafter certified.
3. Attached as Schedule "A" are true and complete copies of the constating documents of the Company issued by the Province of Ontario (collectively, the "Articles"). The Articles are in full force and effect at this date and have not been amended or

waived and neither the directors nor the shareholders of the Company have taken any proceedings or passed any resolutions to or consented to any amendments or variations to the Articles.

4. Attached as Schedule "B" is a true and complete copy of the borrowing by-law (the "By-Law") of the Company. The By-Law is in full force and effect, unamended at this date.
5. Attached as Schedule "C" is a true and complete copy of the resolution of the directors of the Company (the "Authorizing Resolution"), which has been duly and validly passed in accordance with the Articles, the By-law, other by-laws of the Company and applicable law, constituting authority for, *inter alia*, the Company borrowing the money as contemplated therein, entering into and performing its obligations under the documents to which it is a party, as contemplated by the terms of the Commitment Letter dated March 6, 2016 issued by the Lender to the Mortgagor, as may be amended or supplemented from time to time, including all such agreements, instruments and other documents and taking all actions in connection with the Loan and completing the Loan (collectively, the "Security Documents"). The Security Documents are the documents presented to and authorized, ratified and approved by the directors of the Company and referred to in the Authorizing Resolution. The Authorizing Resolution is the only resolution that the Board of Directors of the Company pertaining to the subject hereof that is in full force and effect, unamended at this date.
6. Each of the following persons are signing officers of the Company holding the position set out opposite his or her name below:

Name	Office(s)	Home Address
Alan Saskin	President, Secretary	155 Cumberland Street, Suite 1202 Toronto, Ontario M5R 1A2

7. Each of the following persons are all of the directors of the Company:

Name	Occupation	Home Address
Alan Saskin	Real Estate Developer	155 Cumberland Street, Suite 1202 Toronto, Ontario M5R 1A2

8. The authorized capital of the Company consists of 100 common shares. The sole shareholder is Alan Saskin.

9. The authorization, execution, delivery and performance of the documents granted in connection with the Loan among the Company, the Lender and others do not and will not conflict with or constitute an event of default under the Articles, the By-Law or any other by-laws of the Company or under any other agreement binding on the Company.
10. The minute books and corporate records of the Company made available are the original minutes books and records of the Company and contain all of the Articles, the By-Law and other by-laws of the Company and any amendments thereto and, to my knowledge, all of the minutes, or copies thereof, of all proceedings of any respective shareholders and directors. To my knowledge, there have been no other meetings, resolutions or proceedings of the shareholders or directors of the Company not reflected in such minute books and records. To my knowledge, such minute books and records are true, correct and complete in all material respects.
11. All filings or remittances that are required under relevant information, taxation or naming legislation for the jurisdiction in which the Company is incorporated have been made by the Company.
12. The Lender is not an affiliate or associate of the Company and the Company is at arm's length to the Lender.
13. There are no provisions in the Company's Articles, the By-Law or other by-laws of the Company, to my knowledge, in any resolutions of the directors or shareholders, or in any shareholder agreement or other similar document relating to the Company that restrict, limit, or regulate in any way (a) the powers of the directors of the Company to borrow money upon the credit of the Company and to give a guarantee on behalf of the Company to secure performance of an obligation of any person, and to mortgage, hypothecate, pledge or otherwise create a security interest or charge in all or any of the property of the Company, now or hereafter acquired, as security for all or any money borrowed by the Company, or (b) the power, capacity or authority of the directors of the Company to delegate to a director or an officer, the exercise from time to time of any of the said powers for and in the name of the Company.
14. No authorization, consent, permit or approval of, or other action by or filing with, or notice to, any governmental agency or authority, regulatory body, court, tribunal or other similar entity having jurisdiction in the Province of Ontario is required in connection with the execution, delivery and performance by the Company of any of the Security Documents to which it is a party.
15. The Company is not insolvent and has not committed an act of bankruptcy and no proceedings have been taken by the Company or by any other person or are, to the knowledge of the undersigned, pending or contemplated with respect to:
 - (a) the bankruptcy, or
 - (b) any proposal in bankruptcy, or

- (c) the appointment of any trustee, receiver, manager, liquidator or similar person, or
- (d) the amalgamation, consolidation, dissolution, liquidation or reorganization or sale of the assets or of the business out of the ordinary course of business,

of the Company or any of the property of the Company and there is no encumbrancer in possession of any of the property of the Company.

16. Neither the authorization, nor the execution, nor the delivery of the Security Documents, nor the fulfilment of the respective terms thereof, conflict or will conflict with, or result or will result in a breach or violation of (i) any law, ordinance, decree, regulation or any other enactment of the Province of Ontario or of Canada applicable therein; (ii) any of the terms, conditions or provisions of the constating documents incorporating the Company or the by-laws of the Company; or (iii) any order of any court or other authority of the Province of Ontario or of Canada or any contract, agreement, trust deed, debenture, hypothec, indenture, instrument or other document binding upon the Company or affecting any of the properties or assets of the Company.
17. There are no actions, suits, proceedings or investigations pending or threatened against the Company at law, or in equity, or before any federal, provincial, municipal or other governmental department, commission, board, bureau or agency, domestic or foreign, which might involve the possibility of any judgment, or which might adversely affect the business operations or financial condition of the Company, and there are no facts which might give rise to any such action, suit or proceedings.
18. The Company is not a party to nor bound by any contract or agreement which will materially adversely affect the Company's business, operations or financial condition of the Property, nor is the Company in any material respect in default nor has any event occurred which but for the affluxion of time or the giving of notice or both would constitute a default, under any material obligation of the Company or under any licenses and permit to own and/or operate material properties or assets of the Company or with respect to the Property.
19. The Company has paid, as and when they fall due, all statutory remittances including, but not limited to, Income Tax, Provincial Sales Tax, Goods and Services Tax, Harmonized Sales Taxes whether they relate to the operation of the Property or any other business or operations of the Company.
20. No steps or proceedings have been taken or are pending to amend, surrender or cancel the Articles or By-laws or to dissolve or wind-up the Company. The Company is in good standing under the laws of all jurisdictions in which it carries on business or has assets, to the extent that the nature of such business or assets under the laws of such jurisdictions requires registration or qualification.
21. The Company is not a not-for-profit organization.

22. The address of the Company's head office is 120 Lynn Williams Street, Suite 2A, Toronto, Ontario M6K 3N6.
23. I am aware that the Lender is relying upon this Officer's Certificate and the facts stated herein in making the Loan and I am further aware that the Lender has agreed to make the Loan based, in part, in reliance upon the truth and complete accuracy of all the foregoing.

Rest of page intentionally left blank. Signature page follows.

DATED this 9th day of March, 2016.



Alan Saskin

Holdco & Land Owners

SCHEDULE "A"

ARTICLES ATTACHED

Holdco & Land Owners

SCHEDULE "B"

BORROWING BY-LAW ATTACHED

Holdco & Land Owners

SCHEDULE "C"

CERTIFIED COPY OF BORROWING RESOLUTION

Holdco & Land Owners

SCHEDULE "D"
SHAREHOLDERS

The following are the shareholders of the Company:

<u>Name and Address</u>	<u>Class and Number of Shares</u>
Alan Saskin 155 Cumberland Street, Suite 1202, Toronto, Ontario M5R 1A2	100 common

SCHEDULE "E"
THIRD PARTY INFORMATION FORM

INFORMATION ABOUT THE THIRD PARTY:

Individual (if applicable):

Full Name: Alan Saskin	
Address: 155 Cumberland Street, Suite 1202,	
City: Toronto	Province: Ontario
Country: Canada	Postal Code: M5R 1A2
Occupation: Real Estate Developer	Date of Birth: January 24 th , 1954

¹ Vague description such as "Business-for-Self", "self-employed", "consultant", "investor", "business owner", "businessman", "entrepreneur" or "Signing Officer" is **not acceptable**. The occupation must clearly reflect the nature of the work and the industry in which it is performed.

Corporation (if applicable):

Name of Business:	Nature of Business:
Incorporation Number and place of Issue:	
Address:	City:
Country:	Postal Code:

What is the relationship of the registered owner of the property on closing to the Third Party?

- Agent
- Borrower
- Employee
- Friend
- Relative
- Trustee
- Power of Attorney
- Other (specify) _____

Additional Comments (if any):

TAB 24

THIS IS EXHIBIT " 24" REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

- 2 -

executing such Security. Execution and delivery of the Security by an Authorized Signing Officer shall be conclusive evidence of such approval and the Security so executed and delivered shall be a valid and binding obligation of, and shall be enforceable against, the Corporation.

4. The Security may be executed on behalf of the Corporation, under the corporate seal of the Corporation or otherwise, by any of the persons named below (each an “**Authorized Signing Officer**”), each of whom is a duly elected or appointed director and/or officer of the Corporation:

ALAN SASKIN

Notwithstanding any change in any of the persons holding such offices between the time of the actual signing and the delivery of the Security, and notwithstanding that the director or officer signing may not have held office at the date of the Security or at the date of execution or delivery thereof, the Security so signed shall be a valid and binding obligation of, and shall be enforceable against, the Corporation.

5. Any such Authorized Signing Officer is hereby authorized and directed for and on behalf of and in the name of the Corporation to do, sign and execute, under the corporate seal of the Corporation or otherwise, all such other agreements, documents, securities, notes, instruments, certificates, directions, powers of attorney (the “**Additional Documents**”) and things as in his opinion may be provided for under the Commitment or the Security, or which may be advisable, necessary, or useful, or which may be requested by the Lender, in connection with the foregoing resolutions or in connection with the execution, delivery or registration of, or the performance of any of the Corporation’s obligations under, any of the Security.

The undersigned officer of the Corporation hereby certifies that the foregoing is a true and correct copy of a resolution passed by the Board of Directors of the Corporation on March 9th, 2016 and that the said resolution remains in full force and effect, unamended as of the date hereof.

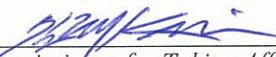
DATED this 9th day of March, 2016.



Alan Saskin – President, Secretary

TAB 25

THIS IS **EXHIBIT " 25"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

HARRIS, SHEAFFER LLP

BARRISTERS & SOLICITORS

YONGE CORPORATE CENTRE
4100 YONGE STREET, SUITE 610, TORONTO ONTARIO M2P 2B5
TELEPHONE (416) 250-5800 / FACSIMILE (416) 250-5300

March 9, 2016

Terra Firma Capital Corporation
22 St. Clair Avenue East, Suite 200
Toronto, Ontario M4T 2S3
Attention: Carolyn Montgomery

File No.: 151465

- and -

Law Offices of Norman H. Winter
801-1 St. Clair Avenue East
Toronto, ON M4T 2V7
Attention: Norman H. Winter

Dear Sir/Madam:

RE: TERRA FIRMA CAPITAL CORPORATION (the “**Lender**”) – loan (the “**Loan**”) to Urbancorp Holdco Inc. (the “**Borrower**”), pursuant to a Letter of Intent dated March 6, 2016, as amended or supplemented from time to time, secured by: (a) Mortgage on PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham (collectively the “**Woodbine Property**”), from Urbancorp (Woodbine) Inc. (the “**Woodbine Borrower**”); (b) a Mortgage on PIN No. 10126-1010 (LT) (the “**Bayview Property**”), from Urbancorp (Bridlepath) Inc. (the “**Bayview Borrower**”); and (c) Assignment of Proceeds and Pledge of Co-Ownership Interest from or in respect of PIN 07586-0258 (LT), Toronto (the “**Valermo Property**”) by way of Irrevocable Direction re Payment and Assignment of Interest from Urbancorp (Valermo) Inc. and TCC/Urbancorp (Stadium Road) Limited Partnership (collectively the “**Valermo Borrower**”), Guaranteed by Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust (collectively the “**Guarantors**”)

(the Woodbine Property, Bayview Property and Valermo Property are collectively referred to as the “**Properties**”)

We have acted as counsel to TCC/Urbancorp (Bay) Limited Partnership (the “**Limited Partnership**”) acting through its General Partner Deaja Partner (Bay) Inc. (the “**Company**”) in connection with the guarantee by the Limited Partnership of the loan by the Borrower from the above named Lender pursuant to a commitment letter issued by the Lender, dated March 6, 2016, as amended, renewed or restated from time to time, (the “**Commitment Letter**”).

■
BARRY ROTENBERG
■
GARY H. HARRIS
■
ROBERT D. SHEAFFER
■
PHILIP J. DRAPER
■
MARK F. FREEDMAN
(1981-2009)
■
JEFFREY P. SILVER
■
STEPHEN M. KARR

■
MARTIN P. HOUSER
■
MARK L. KAROLY
■
GAVIN H. BIRER
■
MICHAEL J. BAUM
■
ROGER M. VINAYAGALINGAM
■
ARI M. KATZ
■
RAZVAN L. NICOLAE
■
MANALI T. PRADHAN

In acting as such counsel, we have examined the following documents:

- (a) Commitment Letter;
- (b) Acknowledgment and Direction re Charge;
- (c) Acknowledgment of Standard Charge Terms;
- (d) PPSA Acknowledgment;
- (e) Assignment and Postponement of Shareholder Loans;
- (f) Authorization to Complete;
- (g) Acknowledgment re Existing Security;
- (h) Beneficial Owner Direction, Charge of Beneficial Interest and Acknowledgment Agreement;
- (i) Consent pursuant to *Personal Information Protection and Electronic Documentation Act* (Canada);
- (j) Environmental Representation, Warranty and Indemnity;
- (k) General Security Agreement;
- (l) Guarantee and Postponement of Claim (the “**Guarantee**”);
- (m) Negative Pledge Agreement; and
- (n) Non-Merger Acknowledgment;

(hereinafter collectively referred to as the “**Security Documents**”).

For the purposes of the opinions expressed below, we have considered such questions of law as we have deemed necessary and have made such investigations and examined originals or copies, certified or otherwise identified to our satisfaction, of such certificates of public officials and such other certificates, documents and records as we have considered necessary or relevant and have relied, without independent verification or investigation, on all statements as to matters of fact contained in such documents, including:

1. The incorporating documents (including any amendments thereto) and by-laws of the Company;
2. The minute book, which contains the corporate records of the Company;

3. The Limited Partnership Agreement entered into between Deaja Partner (Bay) Inc. (as general partner) and Vestaco Investments Inc. (as limited partner), dated the 13th day of April, 1999;
4. The Declaration (Form 3) under the *Limited Partnerships Act* renewing the Limited Partnership as of the 6th day of June, 2014;
5. A resolution of the directors of the Company authorizing, inter alia, the execution and delivery by the Company of the Security Documents;
6. A certificate executed by an officer of the Company dated as of the 9th day of March, 2016 (the “**Officer’s Certificate**”);
7. A Certificate of Status for the Company dated as of the 9th day of March, 2016 (the “**Status Certificate**”), issued by the Ministry of Government Services (Ontario);
8. The Security Documents.

ASSUMPTIONS AND RELIANCE

For the purposes of the opinions expressed below, we have, without independent investigation or inquiry, with respect to all documents and certificates examined by us:

- (a) assumed the genuineness of all signatures and the authenticity and completeness of, all documents reviewed by us and the conformity to the original documents of all documents submitted to us as true, certified, conformed, photostatic or telecopied copies thereof;
- (b) assumed the due authorization, execution and delivery of the Security Documents by all parties save and except the Company;
- (c) assumed that the Limited Partnership Agreement and any amendments thereto continue to be accurate as of the date hereof;
- (d) if not dated as of the date hereof, assumed that the Status Certificate and Officer’s Certificate continue to be accurate as of the date hereof;
- (e) assumed the completeness, truth and accuracy of all facts set forth in all records, certificates and other documents examined by us;
- (f) relied exclusively on the Officer’s Certificate with respect to the accuracy of the factual matters contained therein, without independent investigation or verification; and

- (g) not undertaken an examination of any public records, including civil litigation indices, in any jurisdiction wherein the Company conducts business save and except the Status Certificate, nor have we examined the financial books and records of the Company.

LAW

The opinions expressed herein are rendered solely with respect to the laws of the Province of Ontario and the federal laws of Canada applicable therein and in existence on the date hereof (collectively, the “Applicable Laws”) and no opinions are expressed herein with respect to the laws of any other jurisdiction.

OPINIONS

Based upon the foregoing examinations, statements and assumptions, and the qualifications referenced below, and believing and relying on them and the conclusions drawn therefrom, we are of the opinion that:

1. The Company is a corporation duly incorporated under the laws of the Province of Ontario and is a validly subsisting corporation with all necessary corporate power and capacity to own its properties and assets, to carry on its business and to perform the obligations on its part to be performed pursuant to all the Guarantee and Security Documents signed by it.
2. The Limited Partnership is valid and subsisting limited partnership created under the laws of the Province of Ontario.
3. The Limited Partnership has full right, power and authority to borrow money and to execute, deliver and perform the obligations contained in the above noted Guarantee and Security Documents.
4. The Limited Partnership and Company have taken all necessary corporate or other action to authorize the execution and delivery of and performance of its obligations under the Guarantee and Security Documents executed by them. None of such execution, delivery or performance requires the consent or approval of any governmental authority or agency having jurisdiction over it or requires consent under any relevant Partnership Agreement, Articles of Incorporation, By-Laws, Unanimous Shareholders' Agreement or resolutions of the directors or shareholders or the provisions of any material agreement to which it is a party (of which we have been provided a copy).
5. The Guarantee and Security Documents have been duly and validly executed and delivered by the Limited Partnership and create valid and legally binding obligations of the Limited Partnership enforceable against the Limited Partnership in accordance with the terms thereof.

QUALIFICATIONS

The opinions expressed above are subject to the following qualifications, limitations and restrictions:

1. The enforceability of the Security Documents is subject to any applicable bankruptcy, insolvency, reorganization, receivership, moratorium, arrangement, winding-up and other similar laws of general application affecting the enforcement of creditors' rights generally.
2. The enforceability of the Security Documents is subject to general equitable principles, including the fact that the availability of equitable remedies, such as injunctive relief and specific performance, is in the discretion of the court.
3. We have taken no steps to provide the notices or to obtain the acknowledgements prescribed in Part VII of the *Financial Administration Act* (Canada) relating to the assignment of federal Crown debts. An assignment of federal Crown debts (except debts under the *Income Tax Act* (Canada)) which does not comply with that Act is ineffective as between the assignor and the assignee and as against the Crown.
4. We express no opinion as to whether a security interest may be created in:
 - (a) property consisting of a receivable, licence, approval, privilege, franchise, permit, lease or agreement (collectively, "Special Property") to the extent that the terms of the Special Property or any applicable law prohibit its assignment or require, as a condition of its assignability, a consent, approval or other authorization or registration which has not been made or given; or
 - (b) permits, quotas or licences which are held by or issued to the Company.
5. We express no opinion as to any security interest created by the Security Documents with respect to any property of the Company that is transformed in such a way that it is not identifiable or traceable or any proceeds of property of the Company that are not identifiable or traceable.
6. We have not registered the Security Documents or notice thereof in any land registry office or under any land registry statutes even though the Security Documents may create a security interest in the Company's real property or leases of real property or in property which is now or may hereafter become a fixture or a right to payment under a lease, mortgage or charge of real property.
7. We have not effected any registrations, including *inter alia*, under any of the following:
 - (a) the *Patent Act* (Canada), the *Trade-marks Act* (Canada), the *Industrial Designs Act* (Canada), the *Integrated Circuit Topography Act* (Canada), the *Copyright Act* (Canada) or the *Plant Breeders' Rights Act* (Canada),
 - (b) the *Canada Shipping Act*,
 - (c) the *Canada Transportation Act* or the *Railways Act* (Ontario),

and we express no opinion as to the creation or perfection of any security interest in any property or assets governed by any of those Acts or as to the perfection by registration under the PPSA of any security interest in any property or assets.

8. We express no opinion as to whether the Company has title to or any rights in any of the property in which the Security Documents purport to grant a security interest, mortgage, charge or other interest, nor as to the priority of any security interest, mortgage, charge or other interest created by the Security Documents. We express no opinion as to the title of any real property.
9. We express no opinion as to the enforceability of any provision of the Security Documents which purports to suspend, in the circumstances prescribed therein, the powers of the board of directors of the Company.
10. A receiver or receiver and manager appointed pursuant to the Security Documents may, for certain purposes, be treated as the agent of the Bank and not solely the agent of the Company notwithstanding any provision in such documents to the contrary.
11. We express no opinion as to any licences, permits, approvals or notices that may be required in connection with the enforcement of the Security Documents by the Bank or by a person on its behalf, whether such enforcement involves the operation of the business of the Company or a sale, transfer or disposition of its property and assets.
12. The Bank may be required to give the Company a reasonable time to repay following a demand for payment prior to taking any action to enforce its right of repayment or before exercising any of the rights and remedies expressed to be exercisable by the Bank in the Security Documents.
13. Pursuant to the provisions of Section 8 of the *Interest Act* (Canada), no fine, penalty or rate of interest may be exacted on any arrears of principal or interest secured by a mortgage on real property that has the effect of increasing the charge on the arrears beyond the rate of interest payable on principal money not in arrears.
14. Interest on overdue payments at a rate greater than applicable to payments not overdue may be construed as a penalty and not enforceable.
15. The provisions for the payment of interest and other amounts under the Security Documents may not be enforceable if those provisions provide for the receipt of interest by the Bank at a "criminal rate" within the meaning of Section 347 of the *Criminal Code* (Canada).
16. Any certificate or determination provided for in the Security Documents may be subject to challenge in a court on the grounds of fraud, collusion, mistake on the face of the certificate, or mistake on the basis that the certificate differed in a material respect from the certificate

contemplated in such provision, notwithstanding any provision stating such certificate or determination shall be treated as conclusive, final or binding.

17. We express no opinion as to the enforceability of any provision of the Security Documents:
 - (a) which purports to waive all defences which might be available to, or constitute a discharge of the liability of, the Company;
 - (b) to the extent it purports to exculpate, or provide indemnity to, the Lender, its agents or any receiver, manager or receiver-manager appointed by it from liability in respect of acts or omissions which may be illegal, fraudulent or involve willful misconduct; or
 - (c) which states that amendments or waivers of or with respect to the Security Documents that are not in writing will not be effective.
18. Provisions contained in the Security Documents which purport to sever from that document any provision which is prohibited or unenforceable under applicable law without affecting the enforceability or validity of the remainder of that document may be enforced only in the discretion of a court.
19. We express no opinion as to the enforceability of any provision of the Security Documents which requires the Company to pay, or to indemnify the Bank for, the costs and expenses of the Bank since those provisions may derogate from a court's discretion to determine by whom and to what extent those costs should be paid.
20. A judgment of an Ontario court may only be awarded in Canadian currency.
21. Any provision which is considered to offend public policy or to contravene laws of public order may not be enforceable.

The opinions expressed herein are provided solely for the benefit of the addressees and their successors and assigns as permitted by the Commitment in connection with the financing transaction referred to above.

This opinion is rendered solely in connection with the transaction to which the Security Documents relate, may not be used for any other purpose without our prior written consent.

Yours very truly,



Request ID: 018716873
Demande n° :
Transaction ID: 60487983
Transaction n° :
Category ID: CT
Catégorie :

Province of Ontario
Province de l'Ontario
Ministry of Government Services
Ministère des Services gouvernementaux

Date Report Produced: 2016/03/09
Document produit le :
Time Report Produced: 10:02:53
Imprimé à :

CERTIFICATE OF STATUS ATTESTATION DU STATUT JURIDIQUE

This is to certify that according to the records of the Ministry of Government Services

D'après les dossiers du Ministère des Services gouvernementaux, nous attestons que la société

DEAJA PARTNER (BAY) INC.

Ontario Corporation Number

Numéro matricule de la société (Ontario)

001347808

is a corporation incorporated, amalgamated or continued under the laws of the Province of Ontario.

est une société constituée, prorogée ou née d'une fusion aux termes des lois de la Province de l'Ontario.

The corporation came into existence on

La société a été fondée le

MARCH 29 MARS, 1999

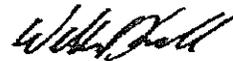
and has not been dissolved.

et n'est pas dissoute.

Dated

Fait le

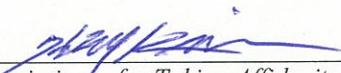
MARCH 09 MARS, 2016



Director
Directeur

TAB 26

THIS IS **EXHIBIT " 26"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

LP Guarantor

CERTIFICATE OF AN OFFICER
OF
DEAJA PARTNER (BAY) INC. (the "Company")

To: Terra Firma Capital Corporation (the "Lender")

And To: Law Offices of Norman H. Winter

And To: Harris Sheaffer, LLP, the Company's solicitors

Re: TERRA FIRMA CAPITAL CORPORATION (the "Lender") – loan (the "Loan") to Urbancorp Holdco Inc. (the "Borrower"), pursuant to a Letter of Intent dated March 6, 2016, as amended or supplemented from time to time, secured by: (a) Mortgage on PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham (collectively the "Woodbine Property"), from Urbancorp (Woodbine) Inc. (the "Woodbine Borrower"); (b) a Mortgage on PIN No. 10126-1010 (LT) (the "Bayview Property"), from Urbancorp (Bridlepath) Inc. (the "Bayview Borrower"); and (c) Assignment of Proceeds from or in respect of PIN 07586-0258 (LT), Toronto (the "Valermo Property") by way of Irrevocable Direction re Payment from Urbancorp (Valermo) Inc. and TCC/Urbancorp (Stadium Road) Limited Partnership and pledge of interest (collectively the "Valermo Borrower"), Guaranteed by Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust (collectively the "Guarantors")

(the Woodbine Property, Bayview Property and Valermo Property are collectively referred to as the "Properties")

The undersigned ALAN SASKIN, as President of the Company, in such capacity and not in my personal capacity, hereby certifies for and on behalf of the Company in its capacity as the General Partner of the TFCC/URBANCORP (BAY) LIMITED PARTNERSHIP (the "LP"), intending that the same may be relied upon by you without further inquiry, that:

1. I have made or caused to be made such examinations or investigations as are, in my opinion, necessary to make the statements of fact contained in this Certificate and I have furnished this Certificate with the intent that it may be relied on by the Lender as a basis for the Loan and it may be relied upon by the addressees which are solicitors and law firms in connection with their giving legal opinions to, among others, the Lender.
2. I have knowledge of the matters hereinafter certified.
3. Attached as Schedule "A" are true and complete copies of the constating documents of the Company issued by the Province of Ontario (collectively, the "Articles").

The Articles are in full force and effect at this date and have not been amended or waived and neither the directors nor the shareholders of the Company have taken any proceedings or passed any resolutions to or consented to any amendments or variations to the Articles.

4. Attached as Schedule "B" is a true and complete copy of the borrowing by-law (the "By-Law") of the Company. The By-Law is in full force and effect, unamended at this date.
5. Attached as Schedule "C" is a true and complete copy of the resolution of the directors of the Company (the "Authorizing Resolution"), which has been duly and validly passed in accordance with the Articles, the By-law, other by-laws of the Company and applicable law, constituting authority for, *inter alia*, the Company on behalf of the LP entering into and performing their obligations under the documents to which they are parties, as contemplated by the terms of the Letter of Intent dated March 6, 2016 issued by the Lender to the Borrower, as may be amended or supplemented from time to time, including all such agreements, instruments and other documents and taking all actions in connection with the Loan and completing the Loan (collectively, the "Security Documents"). The Security Documents are the documents presented to and authorized, ratified and approved by the directors of the Company and referred to in the Authorizing Resolution. The Authorizing Resolution is the only resolution that the Board of Directors of the Company pertaining to the subject hereof that is in full force and effect, unamended at this date.
6. Each of the following persons are signing officers of the Company holding the position set out opposite his or her name below:

Name	Office(s)	Home Address
Alan Saskin	President, Secretary	155 Cumberland Street, Suite 1202 Toronto, Ontario. M5R 1A2

7. Each of the following persons are all of the directors of the Company:

Name	Occupation	Home Address
Alan Saskin	Real Estate Developer	155 Cumberland Street, Suite 1202 Toronto, Ontario M5R 1A2

8. The authorization, execution, delivery and performance of the documents granted in connection with the Loan among the Company, the Lender and others do not and will not conflict with or constitute an event of default under the Articles, the By-Law

or any other by-laws of the Company or under any other agreement binding on the Company.

9. The minute books and corporate records of the Company and the LP made available are the original minutes books and records of the Company and the LP and contain all of the Articles, the By-Law and other by-laws of the Company and any amendments thereto and, to my knowledge, all of the minutes, or copies thereof, of all proceedings of any respective shareholders, unitholders and directors. To my knowledge, there have been no other meetings, resolutions or proceedings of the shareholders, unitholders or directors of the Company or the LP not reflected in such minute books and records. To my knowledge, such minute books and records are true, correct and complete in all material respects.
10. All filings or remittances that are required under relevant information, taxation or naming legislation for the jurisdiction in which the Company is incorporated and the LP is formed have been made by the Company.
11. The Lender is not an affiliate or associate of the Company or LP and the Company and LP are at arm's length to the Lender.
12. There are no provisions in the Company's Articles, the By-Law or other by-laws of the Company or the LP Agreement, to my knowledge, in any resolutions of the directors, shareholders or unitholders, or in any shareholder agreement or other similar document relating to the Company or the LP that restrict, limit, or regulate in any way (a) the powers of the directors of the Company or the LP to borrow money upon the credit of the Company or the LP to give a guarantee on behalf of the Company or the LP to secure performance of an obligation of any person, and to mortgage, hypothecate, pledge or otherwise create a security interest or charge in all or any of the property of the Company or the LP, now or hereafter acquired, as security for all or any money borrowed by the Company or the LP, or (b) the power, capacity or authority of the directors of the Company to delegate to a director or an officer, the exercise from time to time of any of the said powers for and in the name of the Company on its own behalf and on behalf of the LP.
13. No authorization, consent, permit or approval of, or other action by or filing with, or notice to, any governmental agency or authority, regulatory body, court, tribunal or other similar entity having jurisdiction in the Province of Ontario is required in connection with the execution, delivery and performance by the Company on its own behalf or on behalf of the LP of any of the Security Documents to which it is a party.
14. Each of the Company and LP is not insolvent and has not committed an act of bankruptcy and no proceedings have been taken by the Company, the LP or by any other person or are, to the knowledge of the undersigned, pending or contemplated with respect to:
 - (a) the bankruptcy, or

- (b) any proposal in bankruptcy, or
- (c) the appointment of any trustee, receiver, manager, liquidator or similar person, or
- (d) the amalgamation, consolidation, dissolution, liquidation or reorganization or sale of the assets or of the business out of the ordinary course of business,

of the Company, the LP or any of the property of the Company or LP and there is no encumbrancer in possession of any of the property of the Company or LP.

15. Neither the authorization, nor the execution, nor the delivery of the Security Documents, nor the fulfilment of the respective terms thereof, conflict or will conflict with, or result or will result in a breach or violation of (i) any law, ordinance, decree, regulation or any other enactment of the Province of Ontario or of Canada applicable therein; (ii) any of the terms, conditions or provisions of the constating documents incorporating the Company or the by-laws of the Company; or (iii) any order of any court or other authority of the Province of Ontario or of Canada or (iv) any contract, agreement, trust deed, debenture, hypothec, indenture, instrument or other document binding upon the Company or LP or affecting any of the properties or assets of the Company or LP.
16. No steps or proceedings have been taken or are pending to amend, surrender or cancel the Articles, By-laws or to dissolve or wind-up the Company or LP. The Company and LP are each in good standing under the laws of all jurisdictions in which it carries on business or has assets, to the extent that the nature of such business or assets under the laws of such jurisdictions requires registration or qualification.
17. The Company and LP are each not a not-for-profit organization.
18. The address of the Company's and the LP's head office is: 120 Lynn William Street, Suite 2A, Toronto, Ontario M6K 3N6.
19. I am aware that the Lender is relying upon this Officer's Certificate and the facts stated herein in making the Loan and I am further aware that the Lender has agreed to make the Loan based, in part, in reliance upon the truth and complete accuracy of all the foregoing.

Rest of page intentionally left blank. Signature page follows.

DATED this 9th day of March, 2016.

Alan Saskin

A handwritten signature in black ink, appearing to be 'AS', written over a horizontal line.

LP Guarantor

SCHEDULE "A"

ARTICLES

LP Guarantor

SCHEDULE "B"

BORROWING BY-LAW

LP Guarantor

SCHEDULE "C"

CERTIFIED COPY OF DIRECTORS RESOLUTION

LP Guarantor

SCHEDULE "D"

SHAREHOLDERS

The following are the individual shareholders of the Company:

The following are the shareholders of the Company:

<u>Name and Address</u>	<u>Class and Number of Shares</u>
Alan Saskin 155 Cumberland Street, Suite 1202 Toronto, Ontario M5R 1A2	100 common

LP Guarantor

SCHEDULE "E"

LIST OF INDIVIDUALS AND ENTITIES

Alan Saskin

SCHEDULE "F"

LIMITED PARTNERSHIP AGREEMENT

SCHEDULE "G"LIST OF INDIVIDUALS AND ENTITIES AND UNITHOLDERS OF LIMITED PARTNERSHIP

The following individuals are all the individuals, who directly or indirectly own or control at least 25% of the voting shares of the Limited Partnership:

<u>Name</u>	<u>Address</u>	<u>Occupation</u>	<u>Date of Birth</u>	<u>Limited Partnership Units (%)</u>
Alan Saskin	155 Cumberland Street, Suite 1202, Toronto, Ontario M5R 1A2	Real Estate Developer	January 24, 1954	

The following corporations are all the corporations who, directly or indirectly own or control at least 25% of the voting units of the Limited Partnership:

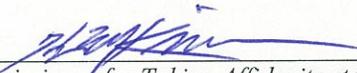
<u>Company Name</u>	<u>Jurisdiction of Incorporation</u>	<u>Incorporation Number</u>	<u>Limited Partnership Units (%)</u>
Vestaco Investments Inc.	Ontario	1347808	

M:\15\151463\Officers Certificate\Officers Cert Guarantor LP Denja Partner (Bay) Inc v2.doc

M:\15\151463\Officers Certificate\Officers Cert Guarantor LP Denja Partner (Bay) Inc v3.doc

TAB 27

THIS IS **EXHIBIT " 27"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

LP Guarantor

CERTIFIED RESOLUTION OF THE BOARD OF DIRECTORS

OF

DEAJA PARTNER (BAY) INC.
(the "Corporation")

WHEREAS Terra Firma Capital Corporation ("Lender") has established certain credit in favour of the Urbancorp Holdco Inc. (the "Borrower") for the purposes more particularly set out in the Commitment (as hereinafter defined) in connection with the loan more particularly described therein (the "Loan"), to be secured by (a) a mortgage on PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham; (b) a mortgage on PIN No. 10126-1010 (LT); (c) Assignment of Proceeds from or in respect of PIN 07586-0258 (LT), Toronto and Pledge of Interest (collectively the "Properties");

AND WHEREAS in connection with the Loan, the Corporation has agreed pursuant to the Commitment, to guarantee the obligations of the Borrower in the Commitment and to execute and deliver to the Lender the Security (as hereinafter defined) and it is permitted pursuant to By-Law No. 2 enacted by all of the directors of the Corporation on the 31st day of December, 2015 and confirmed by all the shareholders on the 31st day of December, 2015 to borrow money and provide guarantees.

AND WHEREAS the Corporation is the General Partner on behalf of the TCC/Urbancorp (Bay) Limited Partnership pursuant to a Partnership Agreement dated as of the 13th day of April, 1999 as amended;

NOW THEREFORE BE IT RESOLVED THAT:

1. The Company be and it is hereby authorized to guarantee the sum **TEN MILLION DOLLARS (\$10,000,000.00)** (Cdn.) in respect of the Loan being provided to the Borrower by the Lender upon the terms and conditions contained in a certain letter of intent dated March 9, 2016 between Terra Firma Capital Corporation and the Borrower, as amended or supplemented from time to time (the "Commitment").
2. The Corporation be and it is hereby authorized on its own behalf and on behalf of the TCC/Urbancorp (Bay) Limited Partnership, to secure the aforesaid loan by granting:
 - (a) a guarantee and postponement of claim, to and in favour of the Lender in a limited recourse basis; and
 - (b) any and all such documents as may be required by the Lender relating to completing the obligations of the Corporation as provided for in the Commitment;

(the items in (a) through (b) above being hereinafter collectively referred to as the "Security").
3. The Security shall be in such form and shall contain such terms and provisions as may be required by the Lender and approved by the Authorized Signing Officer (as defined below) executing such Security. Execution and delivery of the Security by an Authorized Signing Officer shall be conclusive evidence of such approval and the Security so executed and

- 2 -

delivered shall be a valid and binding obligation of, and shall be enforceable against, the Corporation.

4. The Security may be executed on behalf of the Corporation, on its own behalf and on behalf of TCC/Urbancorp (Bay) Limited Partnership, under the corporate seal of the Corporation or otherwise, by any of the persons named below (each an “**Authorized Signing Officer**”), each of whom is a duly elected or appointed director and/or officer of the Corporation:

ALAN SASKIN

Notwithstanding any change in any of the persons holding such offices between the time of the actual signing and the delivery of the Security, and notwithstanding that the director or officer signing may not have held office at the date of the Security or at the date of execution or delivery thereof, the Security so signed shall be a valid and binding obligation of, and shall be enforceable against, the Corporation.

5. Any such Authorized Signing Officer is hereby authorized and directed for and on behalf of and in the name of the Corporation to do, sign and execute, under the corporate seal of the Corporation or otherwise, all such other agreements, documents, securities, notes, instruments, certificates, directions, powers of attorney (the “**Additional Documents**”) and things as in his opinion may be provided for under the Commitment or the Security, or which may be advisable, necessary, or useful, or which may be requested by the Lender, in connection with the foregoing resolutions or in connection with the execution, delivery or registration of, or the performance of any of the Corporation’s obligations under, any of the Security.

The undersigned officer of the Corporation hereby certifies that the foregoing is a true and correct copy of a resolution passed by the Board of Directors of the Corporation on March 9th, 2016 and that the said resolution remains in full force and effect, unamended as of the date hereof.

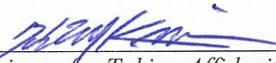
DATED this 9th day of March, 2016.



Alan Saskin – President, Secretary

TAB 28

THIS IS **EXHIBIT " 28"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.



155 Wellington Street West
 Toronto ON M5V 3J7
 dwpv.com

July 14, 2016

Robin B. Schwill
 T 416.863.5502
 F 416.863.0871
 rschwill@dwpv.com

File No. 256201

BY E-MAIL

Robins Appleby LLP
 120 Adelaide Street West
 Suite 2600
 Toronto, ON M5H 1T1

Attention: Mr. Dominique Michaud

Dear Mr. Michaud:

Mortgages/Charges by Urbancorp (Woodbine) Inc. ("Woodbine") and Urbancorp (Bridlepath) Inc. ("Bridlepath") in favour of Terra Firma Capital Corporation ("Terra Firma")

As you know, we are counsel to KSV Kofman Inc. in its capacity as proposal trustee of Woodbine and Bridlepath (the "**Proposal Trustee**"). In this regard, the Proposal Trustee is required to obtain from us an independent legal opinion regarding the validity and enforceability of the above-noted charges. We are writing to you as we are now preparing our opinion.

In conducting this review, we note that Terra Firma provided the relevant loan to Urbancorp Holdco Inc. ("**UHI**") (the "**Initial Loan**") and that Woodbine and Bridlepath granted their charges in respect of guarantees to Terra Firma of the Initial Loan. We also note that the beneficial owner of the Woodbine and Bridlepath properties is TCC/Urbancorp (Bay) Limited Partnership (the "**Beneficial Owner**") who also granted a mortgage/charge of its beneficial interest in these properties in favour of Terra Firma as security for its guarantee of the Initial Loan pursuant to a Guarantee and Postpone of Claim agreement.

Our information is that Woodbine and Bridlepath are each 100% owned by the Beneficial Owner and that the general partner of the Beneficial Owner is Alan Saskin, with the sole limited partner being Doreen Saskin. We also understand that UHI is the sole shareholder of Urbancorp Inc. Given this corporate structure, we have not been provided with any information which indicates what, if any, consideration was provided to Woodbine, Bridlepath or the Beneficial Owner in exchange for their guarantees of the Initial Loan and related charges.

Given the foregoing, we would be grateful for any information that you could provide to us which would evidence any such consideration.

Yours very truly,



Robin Schwill

RS/ae

cc: Bobby Kofman, *KSV Kofman Inc.*
Noah Goldstein, *KSV Kofman Inc.*

Jay Swartz

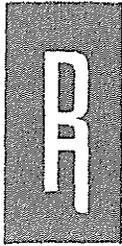
TAB 29

THIS IS **EXHIBIT " 29"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.



ROBINS APPLEBY
BARRISTERS + SOLICITORS

Delivered by: Email
File No.: 1600105

August 10, 2016

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Attention: Robin B. Schwill

Dear Mr. Schwill:

**Re: Mortgages/Charges by Urbancorp (Woodbine) Inc. (“Woodbine”) and
Urbancorp (Bridlepath) Inc. in favour of Terra Firma Capital Corporation
 (“Terra Firma”)**

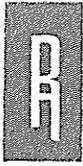
We refer to your letter of July 14, 2016 to Dominique Michaud and to your discussions with the undersigned.

You have asked what consideration was provided to Woodbine, Bridlepath or TCC/Urbancorp (Bay) Limited Partnership (“Urbancorp LLP”) in exchange for the guarantees and security that they granted to Terra Firma in support of the loan to Urbancorp Holdco Inc. (“UHI”).

Without acknowledging that we need to establish consideration to these parties (as distinct from a benefit to the borrower, UHI), we note that Woodbine and Bridlepath were bare trustees of these lands, and held them in trust for Urbancorp LLP pursuant to Declaration of Trust for Urbancorp (Woodbine) Inc. dated January 30, 2014 and Declaration of Trust for Urbancorp (Bridlepath) Inc. dated March 20, 2014, copies of which are enclosed.

As confirmed by counsel to Urbancorp [see letter attached] the general partner of Urbancorp LLP is Deaja Partner (Bay) Inc., which is in turn owned by Alan Saskin. The limited partners of Urbancorp LLP are Alan Saskin and Vestaco Investments Inc., which is in turn owned by Doreen Saskin, Alan Saskin’s spouse. Alan Saskin is the owner of all the common shares of UHI. Urbancorp LLP is also the owner of Class D Special Shares of UHI.

In summary, Urbancorp LLP received a benefit from this loan, as a corporation of which it was a shareholder was the recipient of the funds. Moreover, the loan constituted an obvious benefit to the owner of the common shares of UHI, Alan Saskin, who as noted was also one of the two limited partners of the Urbancorp LLP.



The case *XDG Ltd. v. General Electric Caoutak Canada Inc.* to which you referred in our discussions is not applicable as it was determined with reference to statutory provisions of the *Ontario Business Corporations Act* that were repealed in 2006.

The circumstances in which the loan was advanced are as follows.

In response to a request from Mr. Saskin, Terra Firma offered to provide mezzanine financing to UHI on the terms of a letter of intent dated December 22, 2015 ("**Original Commitment**"), a copy of which we understand that you have. The security for the financing included the guarantees and mortgages/charges referred to in your letter. The security and other transaction documents contemplated by the Original Commitment were executed and registered and, as noted in the attached letter dated February 5, 2016 from Terra Firma to UHI, funding of the loan, net of the loan fee, was advanced in escrow pending satisfaction of the terms and conditions set out therein.

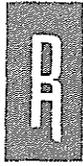
Mr. Saskin indicated that the financing as structured in the Original Commitment did not meet the requirements of UHI. As the conditions to advancing the loan under the Original Commitment were not satisfied, that transaction did not close. As a result Terra Firma cancelled the Original Commitment and the escrowed funds were returned to Terra Firma without payment of the loan fee or interest.

As the loan was cancelled (as evidenced by the contemporaneous documents), the funds were never in the exclusive control of the borrower, and therefore the return of the funds to Terra Firma did not, as you have characterized it, constitute a repayment. Even if a repayment was involved (a conclusion we dispute) we stress the fact that the amount actually returned, whether as repayment or as a result of the cancellation of the loan, did not include the full principal or any accrued interest. As such, Section 6(2) of the *Land Registration Reform Act* (Ontario) would not apply.

Discussions continued throughout between Terra Firma and Mr. Saskin with respect to obtaining financing on amended terms and conditions. As a result, the security that had been registered with respect to the Original Commitment was not discharged. These discussions concluded in an offer of financing by Terra Firma to UHI on the terms of a letter of intent dated March 6, 2016 ("**New Commitment**"), a copy of which is enclosed.

The second paragraph of the New Commitment states:

*"You have advised that the terms of a loan ("**Original Loan**") referenced in a term sheet from Terra Firma MA Ltd. dated December 22, 2015, as amended and supplemented (collectively, the "**Term Sheet**") did not satisfy your and your wholly owned subsidiary Urbancorp Inc.'s ("**Inc.**") requirements. You have therefore requested new terms for a loan that will satisfy the requirements of Inc. to its bond lenders that will allow Inc. to pay HST owing to the Canada Revenue Agency. Based on the foregoing, we are prepared to extend the loan of \$10,000,000.00 to replace the original loan on the amended terms set out below (which terms and conditions replace the terms and conditions of the term sheet), as follows:"*



ROBINS APPLEBY
BARRISTERS + SOLICITORS

- 3 -

The New Commitment contemplated that the financing would be secured by the security delivered in connection with the financing as originally structured. The New Commitment states in the second bullet under the heading Security on page 2:

"Subject to Lenders counsel's advice, the existing security held by the Lender pursuant to the Term Sheet (excluding any security that may have been provided by Inc. or its subsidiary, including any pledge of shares in the Borrower, Inc. or Epic) will be used to satisfy the above-noted security requirements. In such event, the Borrower and all parties providing the above-noted security, and if required by the Lender, any required third parties, shall execute an acknowledgement confirmation that the aforesaid existing security shall stand as security for the loan to be made pursuant to this term sheet;"

The acknowledgement re existing security contemplated above was executed and delivered. A copy is attached. The operative provision of the acknowledgement states:

"The undersigned hereby acknowledge and agree that all security, save as expressly excluded as set out below (the "Excluded Security") given in connection with a letter of intent dated December 22, 2015 between the Lender and the Borrower (the "Existing Commitment") including, without the condition security listed below shall also stand a security with respect to the indebtedness of the Borrower with respect to a commitment letter dated March 6, 2016 between the Lender, the Borrower and the Guarantors (the "New Commitment")."

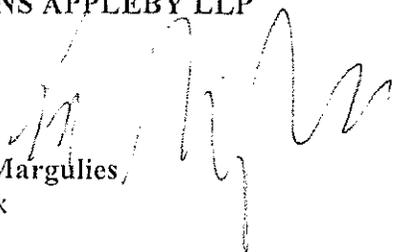
Terra Firma advanced \$10,000,000 to UHI under the New Commitment.

Please do not hesitate to contact me if you have any further questions or concerns.

Yours very truly,

ROBINS APPLEBY LLP

Per:


Leor Margulies,

LM:mk

Encls.

robappl3493142.1

DECLARATION OF TRUST

WHEREAS URBANCORP (WOODBINE) INC. ("Woodbine") is about to become the registered owner of the property known municipally as 8064, 9074, 9064, 9100 and 9110 Woodbine Avenue, Markham and legally described as Part Lot 1, Plan 5694 Markham and Part Lot 14, Concession 3, Markham designated as Part 4, Plan 65R-31654, Part Lot 1, Plan 3694 Markham, designated as Part 3, Plan 65R-51654; Part Lot 14, Concession 3 Markham, designated as Part 2, Plan 65R-31654 and Part Lots 14 and 15, Concession 3 Markham, designated as Part 1, Plan 65R-31654, City of Markham (the "Lands");

AND WHEREAS Woodbine will become the owner of the Lands for and on behalf of UCC/UrbanCorp (Ray) Limited Partnership (the "Beneficiary");

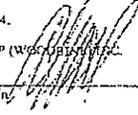
NOW THEREFORE WITNESSETH that in consideration of the payment of TWO (\$2.00) DOLLARS now paid to Woodbine by the Beneficiary, Woodbine does hereby declare for itself, its successors and assigns that from and after the date hereof:

1. all obligations, including mortgage obligations, contracts, agreements, responsibilities, acts or omissions pertaining to the Lands during the time it will be vested in the name of Woodbine, will be performed or omitted to be performed by the Beneficiary;
2. the Lands and all monies which may be payable in respect of the Lands, whether by way of rents, dividends or capital distributions or otherwise howsoever and all the benefits pertaining to the Lands are or will be held by the undersigned, Woodbine, in trust for the Beneficiary;
3. Woodbine for itself, its successors and assigns, will convey, vest, and deal with or dispose of the Lands and any income or capital paid in respect thereof, and any other benefits howsoever appertaining thereto in accordance with the direction of the Beneficiary.

IN WITNESS WHEREOF Woodbine has hereto set its seal under its proper officer duly authorized in that behalf.

DATED at Toronto, this 30th day of January, 2014.

URBANCORP (WOODBINE) INC.

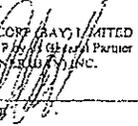
Per: 
Alan Siskin,
President
I have the authority to bind the Corporation

THE Beneficiary hereby agrees to the terms of the above-anted trust.

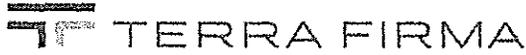
IN WITNESS WHEREOF the Beneficiary has hereunto set its hand and seal.

DATED at Toronto, this 30th day of January, 2014.

UCC/URBANCORP (RAY) LIMITED PARTNERSHIP
General Partner
DEANA PARTNERSHIP INC.

Per: 
Alan Siskin,
President
I have the authority to bind the Corporation

2014-01-30 10:00 AM



March 6, 2016

Urbancorp Holdco Inc.
120 Lynn Williams Street Suite 2A,
Toronto, ON M6K 3N6

Attention: Mr. Alan Saskin

RE: Proposed Financing of 9064-9100 Woodbine Avenue, Markham, Ontario,
2425-2427 Bayview Avenue, Toronto, a 50% Interest in 300 Valermo Drive,
Toronto (collectively the "Secured Projects") and Pledge of Shares

Dear Mr. Saskin;

The following are the terms and conditions under which Terra Firma Capital Corporation ("TFCC" or the "Lender") will provide Urbancorp Holdco Inc. ("Holdco" or the "Borrower") a portfolio loan. This Letter of Intent is intended to be binding on the parties, subject to its terms, however the Borrower and the parties signing below acknowledge that the terms and conditions set out herein will be broadened in the security and other documentation process to include typical lending terms, further assurances to give full legal and proper effect to the terms herein and otherwise to satisfy the requirements of our legal counsel, including the Lender's Israeli legal counsel.

You have advised that the terms of a loan ("Original Loan") referenced in a term sheet from Terra Firma MA Ltd. dated December 22, 2015, as amended and supplemented (collectively, the "Term Sheet") did not satisfy your and your wholly owned subsidiary Urbancorp Inc.'s ("Inc.") requirements. You have therefore requested new terms for a loan that will satisfy the requirements of Inc. to its bond lender and that will allow Inc. to pay HST owing to the Canada Revenue Agency. Based on the foregoing, we are prepared to extend a loan of \$10,000,000.00 to you to replace the Original Loan on the amended terms set out below (which terms and conditions replace the terms and conditions of the Term Sheet), as follows:

Borrower	Urbancorp Holdco Inc., a private entity of which 100% of the voting shares are owned by Alan Saskin. At closing, Borrower will own 100% of all issued and outstanding shares of Urbancorp Inc.
Loan Amount	\$10 million
Rate	16% p.a.

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Terra Firma MA Ltd., #200-22 St Clair East, Toronto, ON
Tel: 416-792-4700 Broker Licence #12425 / Administrator Licence #12346

Term	<p>24 months with one 12-month extension</p> <p>Fee 2% for initial term (plus 1% if extension exercised) to be paid as follows:</p> <p>a. \$100,000 upon signing of this term sheet by the Borrower; and</p> <p>b. The balance to be paid at Closing or deducted from the Loan Amount</p>
Use of Funds	<p>To provide Borrower with funds to enhance the equity capital of Inc., a wholly owned subsidiary of the Borrower that has completed a \$64 million bond offering in Tel Aviv which funds are to be paid by Inc. on Closing by multiple directions to the Canada Revenue Agency ("CRA") to pay outstanding HST in respect of certain assets owned by a wholly owned subsidiary of Inc.</p>
Security	<p>Security to include:</p> <ul style="list-style-type: none"> • Mortgage registration on Bridle Path and Woodbine properties, assignment of proceeds and transfer with respect to the Valermo property and interest and related security with respect to the Secured Projects to be granted by the Borrower's affiliates having registered and beneficial ownership of the Secured Projects, which security will and is deemed to include cross collateralization; • Subject to Lender's counsel advice, the existing security held by the Lender pursuant to the Term Sheet (excluding any security that may have been provided by Inc. or its subsidiary, including any pledge of shares in the Borrower or Inc. or Epic) will be used to satisfy the above-noted security requirements. In such event, the Borrower and all parties providing the above-noted security, and, if required by the Lender, any required third parties, shall execute an acknowledgement and confirmation that the aforesaid existing security shall stand as security for the loan to be made pursuant to this term sheet; • The outstanding security documents from the "Term Sheet" loan transaction, including, corporate and trust certificates and legal opinions, all in form required by the Lender's legal counsel, acting reasonably, but not security of Inc. or its subsidiaries or shares of the Borrower or Inc.; and • Joint and several guarantees Alan Saskin personally, TCC/Urbancorp (Bay/Stadium) LP, TCC/Urbancorp (Bay) LP, Urbancorp Management Inc. Webster Family Trust, Urbancorp Toronto Management Inc., Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc.,



TCC/Urbancorp (Stadium Road) LP and Urbancorp (Valermo) Inc. (collectively the "Guarantors");

- Negative pledge of the shareholders of the Borrower and the Borrower as sole shareholder of Inc., which will include a covenant not to transfer or pledge any of the shares of the Borrower or Inc.
- Acknowledgement, consent and/or Re-acknowledgement and estoppel from Mattamy (Valermo) Limited and Valermo Homes Inc. regarding the assignment of Urbancorp (Valermo) Inc.'s proceeds and Valermo Interest (as hereinafter defined) in the Valermo project, , an option to purchase and a purchase transaction;
- Execution and delivery of an Agreement of Purchase and Sale, Transfer of the Valermo Interest (as hereinafter defined) and related transfer documents (including transfer of shares and resignations of the trustee corporation holding title to the Valermo property), to be held by the Lender to be utilized when and if it exercises its option to purchase the Valermo Interest.
- Certification and Acknowledgement re corporate structure; and
- Such other and further security as deemed reasonable by the Lender's legal counsel, provided that such additional security shall not include any assets of Inc., Inc.'s guarantee, anything that will cause Inc. to violate its obligations to its bond lender, or any assets of Leslieville or Epic.

Interest Payments	All interest on the within Loan will accrue for the first 3 months of the Loan; thereafter 8% p.a. to be paid monthly. The balance 8% p.a. shall accrue, and shall be capitalized on a monthly basis, and such accrued interest shall be paid from all proceeds from any portion or all of the Secured Projects and from 100% of all monies received in or by or otherwise payable to or from the Borrower and/or from any of the Secured Projects or the sale of any of the Secured Projects (collectively or individually the "Proceeds"), to be credited against interest owing and thereafter against principal owing when received by the Lender, but in all events no later than on maturity.
Principal Payments	100% of the Proceeds following payment of accrued interest as set out above, will be used to repay 100% of the Loan Amount.
Prepayment	The Loan may be prepaid at any time without notice.
Valermo Drive	Mattamy (Valermo) Limited ("Mattamy") will be given a one-time option, which may be exercised within 15 days after the within loan advance, to acquire Borrower's 50% interest in 300 Valermo Drive (the "Valermo

interest") for no less than \$7mm net to the Lender (upon completion of said purchase transaction, the interest payable on said amount, if any, at the rate set out herein, for the period from March 15, 2016 to purchase closing shall be forgiven) (the "Option"), with closing to be no later than 15 days after exercise of such option. 100% of the proceeds of such sale will be paid to TFCC on account of outstanding interest or Principal under this Loan or for repayment of its purchase price of the Valermo Interest.

TFCC will have the right and option to be exercised from after closing of the within loan transaction until April 15, 2016 to acquire the Valermo Interest from Urbancorp (Valermo) Inc. (so long as Mattamy has not purchased the Valermo Interest as aforesaid) for \$7mm. 100% of the proceeds of such purchase by TFCC will be paid to TFCC on account of outstanding interest and/or Principal under this Loan.

TFCC Expenses	The Borrower will be responsible for all TFCC's costs and expenses in connection with this Loan, to a maximum amount of \$50,000.00. Said costs and expenses will be paid by Borrower upon closing or deducted from the Loan.
Acknowledgement Regarding Term Sheet	The Borrower will provide such Acknowledgements, releases and assurances regarding the non-completion and cancellation of the Term Sheet transaction, and the resulting return of funds to the Lender, in such form as required by the Lender, acting reasonably. The Lender acknowledges that the mortgages on Bridle Path and Woodbine may require the consent of the prior lenders, and registration of same without such consent may be a breach of the terms of such prior mortgages.
Prefunding Conditions	As a pre-condition to the funding of this Loan: <ol style="list-style-type: none"> 1. All security required by the Lender shall be in place to the full and complete satisfaction of Lender and its counsel acting reasonably; and 2. Receipt by the Lender of such other information and documentation that the Lender or its legal counsel may reasonably require.
Legal Representation	Borrower will obtain legal advice (including from its Israeli legal counsel, the Law Firm of Shimonov) that the transaction described herein is permitted under the terms of all other loans in its portfolio, including loans to Inc.
Legal Opinions	As a precondition to funding of this Loan, the Borrower will provide an opinion given by the solicitors for each of the Borrower and the Guarantors as to the enforceability and any other matter reasonably requested, all of the foregoing in form and content reasonably satisfactory to TFCC and its solicitors.

General Conditions

1. Concurrently with and it is a condition of this transaction that the Borrower is to obtain, either from Alan Saskin or other non-Inc. sources, \$2,250,000, which shall be advanced to Inc. concurrently with the Lender's advance of this loan, (to pay HST) to make up Inc.'s \$12mm equity requirement (the Saskin Contribution").
2. The Proceeds of this Loan and the Saskin Contribution will be directed by the Borrower, Inc. and other required parties to the CRA to pay part of Inc.'s HST obligation on the Edge condominium project.
3. Alan Saskin will cooperate and use reasonable commercial efforts to: (i) restructure the Leslieville Loan with CIBC and Craft; (ii) cause Plazacorp to repay TFCC its \$1.2 mm loan (plus accrued interest) on Urbancorp's share of the Epic project or register a security against the retail area of said project; and (iii) to provides such further assurances regarding the within loan transaction, its security and any future transactions arising therefrom, including, without limitation, the purchase of the Valermo Interest, as may be required by the Lender. This provision, as well as the entire Term Sheet, shall survive the closing of the Loan advance.
4. TFCC will have the right to assign some or all of its rights under this Loan, including its right to purchase the Valermo Interest (provided that the purchaser of the Valermo Interest must be approved by Mattamy).
5. The terms and provisions of this Term Sheet shall remain in full force and effect for the benefit of the Lender notwithstanding the completion of the loan advance, and shall not merge on completion of any of the transactions herein set out.

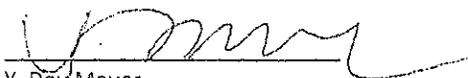
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If you wish to proceed with the foregoing loan transaction, kindly acknowledge so by executing and returning a copy of this Letter, along with a cheque in the amount of \$100,000 by March 8, 2016 failing which, this letter shall be deemed null and void. Yours truly,

TERRA FIRMA CAPITAL CORPORATION


Y. Dow Meyer
C.E.O.

WE HEREBY AGREE to the above terms and conditions. We also authorize the Lender to obtain credit information on the borrower and guarantors from sources they deem necessary.

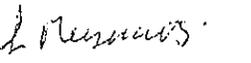
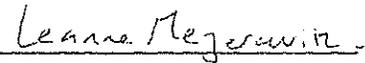
ACCEPTANCE

Accepted on the terms and conditions herein provided this ____ day of March 2016

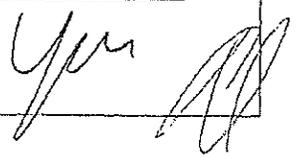
Urbancorp Holdco Inc., Alan Saskin personally, TCC/Urbancorp (Bay/Stadium) LP, TCC/Urbancorp (Bay) LP, Urbancorp Management Inc. Webster Family Trust, Urbancorp Toronto Management Inc., Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc., TCC/Urbancorp (Stadium Road) LP and Urbancorp (Valermo) Inc.

PER: 

Alan Saskin, I have authority to bind each of the corporations, limited partnerships and trust

Witness; 

Print Name:


Alan Saskin



- 1 -

ACKNOWLEDGEMENT RE EXISTING SECURITY

TO: TERRA FIRMA CAPITAL CORPORATION

AND TO: The Law Firm of Norman H. Winter, its solicitors herein

RE: TERRA FIRMA CAPITAL CORPORATION (the "Lender") – loan (the "Loan") to Urbancorp Holdco Inc. (the "Borrower"), pursuant to a Letter of Intent dated March 3, 2016, as amended or supplemented from time to time, secured by: (a) Mortgage on PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham (collectively the "Woodbine Property"), from Urbancorp (Woodbine) Inc. (the "Woodbine Borrower"); (b) a Mortgage on PIN No. 10126-1010 (LT) (the "Bayview Property"), from Urbancorp (Bridlepath) Inc. (the "Bayview Borrower"); (c) Assignment of Proceeds from or in respect of PIN 07586-0258 (LT), Toronto (the "Valermo Property") by way of Irrevocable Direction re Payment from Urbancorp (Valermo) Inc. and TCC/Urbancorp (Stadium Road) Limited Partnership (collectively the "Valermo Borrower"), Guaranteed by Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership, Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc., Urbancorp (Valermo) Inc., Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust (collectively the "Guarantors")

(the Woodbine Property, Bayview Property and Valermo Property are collectively referred to as the "Properties")

Loan

The undersigned hereby acknowledge and agree that all security, save as expressly excluded as set out below (the "Excluded Security") given in connection with a letter of intent dated December 22, 2015, between the Lender and the Borrower (the "Existing Commitment") including, without limitation, the security listed below, shall also stand as security with respect to the indebtedness of the Borrower with respect to a commitment letter dated March 6, 2016 between the Lender, the Borrower and the Guarantors (the "New Commitment").

1. Charge granted by Urbancorp (Bridlepath) Inc. to Terra Firma Capital Corporation with respect to the Bayview Property registered on December 31, 2015 as Instrument No. AT4107508 in the Land Titles Division for the City of Toronto, Land Registry Office #80;
2. Beneficial Owner Direction and Charge with respect to the Bayview Property;
3. Notice of Assignment of Rents- General granted by Urbancorp (Bridlepath) Inc. in favour of Terra Firma Capital Corporations with respect to the Bayview Property registered on December 31, 2015 as Instrument No. AT4107509 in the Land Titles Division for the City of Toronto, Land Registry Office #80;
4. Financing Statement Registration No. 20151231133318626574, being File No. 713015649 registered on December 31, 2015 against Urbancorp (Bridlepath) Inc. and TCC/Urbancorp (Bay) Limited Partnership as Debtors and Terra Firma Capital Corporation as Secured Party;
5. Charge granted by Urbancorp (Woodbine) Inc. to Terra Firma Capital Corporation with respect to the Woodbine Property registered on December 31, 2015 as Instrument No. YR2411107 in the Land Titles Division for the Region of York, Land Registry Office #85;
6. Beneficial Owner Direction and Charge with respect to the Woodbine Property;
7. Notice of Assignment of Rents- General granted by Urbancorp (Woodbine) Inc. in favour of Terra Firma Capital Corporations with respect to the Woodbine Property registered on December 31, 2015 as Instrument No. YR2411108 in the Land Titles Division for the Region of York, Land Registry Office #65;
8. Financing Statement Registration No. 20151231133318626573, being File No. 713015813 registered on December 31, 2015 against Urbancorp (Woodbine) Inc. and TCC/Urbancorp (Bay) Limited Partnership as Debtors and Terra Firma Capital Corporation as Secured Party;
9. Financing Statement Registration No. 20151231133318626572, being File No. 713015586 registered on December 31, 2015 against Urbancorp Holdco Inc. as Debtor and Terra Firma Capital Corporation as Secured Party;

- 2 -

10. Assignment of interest in the Valermo Property and in conjunction therewith, Financing Statement Registration No. 20151231133318626576, being File No. 713015667 registered on December 31, 2016 against Urbancorp (Valermo) Inc. and TCC/Urbancorp (Stadium Road) Limited Partnership as Debtors in favour of Terra Firma Capital Corporation as Secured Party;
11. Guarantee and Postponement of Claims granted by Alan Saskin, and a Limited Recourse Guarantee and Postponement of Claims granted by Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership, and in conjunction therewith, Financing Statement Registration No. 20151231133318626575, being File No. 713015658 registered on December 31, 2015 against Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership as Debtors and Terra Firma Capital Corporation as Secured Party;
12. Assignment and Postponement of Shareholder Loans with respect to Urbancorp Holdco Inc. granted by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership in favour of Terra Firma Capital Corporation; and
13. General Security Agreements granted by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership in favour of Terra Firma Capital Corporation, excluding any shares held by any such party in Urbancorp Holdco Inc.;

(collectively, the "Existing Security").

The Existing Security shall also be deemed to be amended such that all references to the Existing Commitment shall be deemed to be the New Commitment.

Notwithstanding the foregoing, the following Excluded Security shall be deemed to be excluded from the security given with respect to the New Commitment:

1. A Share Pledge Agreement granted by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership, and in conjunction therewith, Financing Statement Registration No. 20151231133318626575, being File No. 713015658 registered on December 31, 2015 against Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership as Debtors and Terra Firma Capital Corporation as Secured Party;
2. A Share Pledge Agreement granted by Urbancorp Holdco Inc. in favour of Terra Firma Capital Corporation;
3. A Co-Investment Loan Agreement by and between Urbancorp Investco Inc. and Terra Firma Capital Corporation;
4. A Blocked Account Agreement by and among Urbancorp Investco Inc., Terra Firma Capital Corporation and the Bank of Montreal;
5. A Guarantee and Postponement of Claim granted by Urbancorp Investco Inc. in favour of Terra Firma Capital Corporation;
6. Undertaking re: shortage granted by Urbancorp Holdco Inc., Urbancorp Inc. and Urbancorp Investco Inc. in favour of Terra Firma Capital Corporation;
7. General Security Agreement granted by Urbancorp Investco Inc. in favour of Terra Firma Capital Corporation;
8. Assignment and Postponement of Shareholder Loans granted by Urbancorp Holdco Inc. in favour of Terra Firma Capital Corporation;

H000 18 07 Ack re Existing Security 030716.2.3d

9. Any shares in Urbancorp Holdco Inc. that may be charged by a General Security Agreements granted by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership in favour of Terra Firma Capital Corporation; and

9. all other security granted by Urbancorp Inc. and/or Urbancorp Investco Inc.

10. This Acknowledgement may be executed in counterparts and will be effective whether executed in original ink, by facsimile or in electronic PDF format.

DATED at Toronto this 8th day of March, 2016.

BORROWER:

URBANCORP HOLDCO INC.

Per: [Signature]
Alan Saskin – President
I have authority to bind the Corporation

GUARANTORS:

TCC/URBANCORP (BAY/STADIUM)
LIMITED PARTNERSHIP
By its General Partner,
Deaja Partner (Stadium) Inc.

Per: [Signature]
Alan Saskin –
I have authority to bind the Corporation

TCC/URBANCORP (BAY) LIMITED
PARTNERSHIP
By its General Partner,
Deaja Partner (Bay) Inc.

Per: [Signature]
Alan Saskin –
I have authority to bind the Corporation

WEBSTER FAMILY TRUST

By: [Signature]
Name:
Title: Trustee

By: [Signature]
Name:
Title: Trustee
We have authority to bind the Trust

URBANCORP MANAGEMENT INC.

Per: [Signature]
Alan Saskin – President
I have authority to bind the Corporation

URBANCORP TORONTO MANAGEMENT
INC.

Per: [Signature]
Alan Saskin – President

9. Any shares in Urbancorp Holdco Inc. that may be charged by a General Security Agreements granted by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership in favour of Terra Firma Capital Corporation; and

9. all other security granted by Urbancorp Inc. and/or Urbancorp Investco Inc.

10. This Acknowledgement may be executed in counterparts and will be effective whether executed in original ink, by facsimile or in electronic PDF format.

DATED at Toronto this 8th day of March, 2016.

BORROWER:

URBANCORP HOLDCO INC.

Per: [Signature]
Alan Saskin – President
I have authority to bind the Corporation

GUARANTORS:

TCC/URBANCORP (BAY/STADIUM)
LIMITED PARTNERSHIP
By its General Partner,
Deaja Partner (Stadium) Inc.

Per: [Signature]
Alan Saskin –
I have authority to bind the Corporation

TCC/URBANCORP (BAY) LIMITED
PARTNERSHIP
By its General Partner,
Deaja Partner (Bay) Inc.

Per: [Signature]
Alan Saskin –
I have authority to bind the Corporation

WEBSTER FAMILY TRUST

By: _____
Name:
Title: Trustee

By: [Signature]
Name:
Title: Trustee
We have authority to bind the Trust

URBANCORP MANAGEMENT INC.

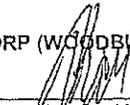
Per: [Signature]
Alan Saskin – President
I have authority to bind the Corporation

URBANCORP TORONTO MANAGEMENT
INC.

Per: [Signature]
Alan Saskin – President

- 4 -

URBANCORP (WOODBINE) INC.

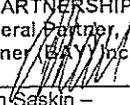
Per: 
Alan Saskin - President
I have authority to bind the Corporation

URBANCORP (BRIDLEPATH) INC.

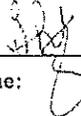
Per: 
Alan Saskin - President
I have authority to bind the Corporation

URBANCORP (VALERMO) INC.

Per: 
Alan Saskin - President
I have authority to bind the Corporation

TCC/URBANCORP (STADIUM ROAD)
LIMITED PARTNERSHIP
By its General Partner,
Deaja Partner (BAY) Inc.
Per: 
Alan Saskin -
I have authority to bind the Corporation

WITNESS:


Print Name:


Alan Saskin

TAB 30

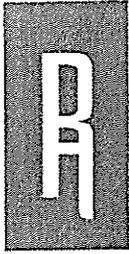
THIS IS **EXHIBIT " 30"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.



ROBINS APPLEBY
BARRISTERS + SOLICITORS

Delivered by: Email
File No.: 1600105

August 15, 2016

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Attention: Robin B. Schwill

Dear Mr. Schwill:

Re: Mortgages/Charges by Urbancorp (Woodbine) Inc. ("Woodbine") and
Urbancorp (Bridlepath) Inc. in favour of Terra Firma Capital Corporation
("Terra Firma")

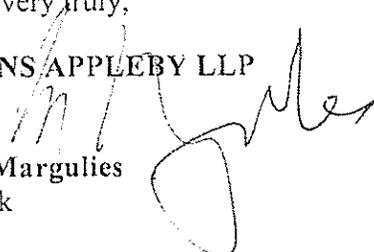
Further to our letter of August 10, 2016, we enclose herewith the following additional documents referred to in that letter:

1. confirmation letter from Harris, Sheaffer LLP letter to Norman H. Winter dated December 18, 2015; and
2. Letter from Terra Firma Capital Corporation to Urbancorp, Holdco Inc. dated Feb. 5, 2016.

If you have any further questions or concerns, we would be pleased to respond.

Yours very truly,

ROBINS APPLEBY LLP

Per: 

Leor Margulies

LM:mk

Encls.

c.c. Dov Meyer

John Porter

robapp\3493142.2

February 5, 2016

By E-mail

Urbancorp. Holdco Inc.
120 Lynn Williams Street Suite 2A
Toronto, ON M6K 3N6

Attention: Mr. Alan Saskin

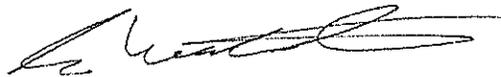
Re: Portfolio Loan

As you are aware, Terra Firma Capital Corporation ("TFCC") agreed to provide Urbancorp Holdco Inc. ("Urbancorp") with a portfolio loan for \$12 million upon the provision of the requisite security and the satisfaction of certain pre-funding conditions. The funds were placed, in escrow, into a jointly controlled account, in anticipation of satisfactory compliance with those pre-conditions. Despite repeated requests, Urbancorp and its affiliates failed to provide the requisite security and other documentation required in order to release the funds from escrow. TFCC was prepared to release the funds from escrow under alternate lending terms directly secured, however, those terms did not materialize and \$10 million of the funds initially delivered in escrow were wired back to TFCC last week.

We confirm that we have received your wire transfer today of the remaining \$1.7 million. In the event that the terms of funding are satisfied in the future and TFCC advances the portfolio loan in accordance with its terms, interest shall accrue on all sums due thereunder from the date of the initial escrow advance.

Yours very truly,

Terra Firma Capital Corporation



Glenn Watchorn
President and COO

HARRIS, SHEAFFER LLP

BARRISTERS & SOLICITORS

YONGE CORPORATE CENTRE
4100 YONGE STREET, SUITE 610, TORONTO ONTARIO M2P 2B5
TELEPHONE (416) 250-5800 / FACSIMILE (416) 250-5300

December 18, 2015

Direct Line: (416) 250-3699
E-mail: brotenberg@harris-sheaffer.com
Assistant: Cheryl Moore
Direct Line: (416) 250-3699
E-mail: cmoore@harris-sheaffer.com
File No.: 151465

DELIVERED BY EMAIL
Norman H. Winter
Barrister and Solicitor
1 St. Clair Avenue East
TORONTO, Ontario
M4T 2V7

Dear Sirs:

Re: Urbancorp Holdco Inc. loan from
Terra Firma Capital Corporation

Further to your letter of December 17th, 2015, we would advise as follows:

1. The legal description, municipal address and owner of the properties are as follows:

(a) Woodbine - Owner is Urbancorp (Woodbine) Inc.

9100 Woodbine Avenue, Markham
PIN 03046-0219 (LT)
Part Lot 14, Concession 3, Markham, Part 2, Plan 65R-31684, City of Markham
Roll No. 36 02 0 132 48705 00000 04

9084 Woodbine Avenue, Markham
PIN 03046-2017 (LT)
Part Lot 1, Plan 3604, Markham, City of Markham
Roll No. 36 020 132 48605 00000 05

9110 Woodbine Avenue, Markham
PIN 03046-0215 (LT)
Part Lots 14 and 15, Concession 3, Markham, Part 1, Plan 65R-31684, City of
Markham
Roll No. 36 020 132 48805 00000 05

9064 and 9074 Woodbine Avenue
PIN 03046-0213 (LT)

■
BARRY ROTTENBERG
■
GARY H. HARRIS
■
ROBERT D. SHEAFFER
■
PHILIP J. DRAFER
■
MARK F. FREEDMAN
(1981-2008)
■
JEFFREY P. SILVER
■
STEPHEN M. KARR

■
MARTIN P. HOUSER
■
MARK L. KARDLY
■
GAVIN H. BIRCH
■
MICHAEL J. BALDI
■
ROGER M. VINAYAGALINGAM
■
ARI M. KATZ
■
RAZWAN L. NICOLAE
■
MANJLI T. PRAHDAN

Part Lot 1, Plan 3604, Markham and Part Lot 14, Concession 3, Markham, Part 1,
Plan 65R-32684, City of Markham
Roll No. 36 020 132 47600 00000 08 – 9064 Woodbine
Roll No. 36 020 132 48400 00000 06 – 9074 Woodbine

- (b) Valermo – Urbancorp's participant is Urbancorp (Valermo) Inc.
The owner of the Valermo Homes Inc.

300 Valermo Drive, Toronto
PIN 07586-0258 (LT)
Part Lot 8, Concession 2 Colonel Smith's Tract, Part Lots 85, 86, 87, 88, 89 and
90, Plan 2449, designated as parts 1 and 2, Plan 66R-27359, City of Toronto
Roll No. 19 19 01 3 230 04300 0000 02
We attach a tax certificate dated December 4th, 2015 setting out there are no taxes
outstanding with respect to the property.

- (c) Bridlepath – Owner is Urbancorp (Bridlepath) Inc.

2427 and 2425 Bayview Avenue, Toronto
PIN 10126-1010 (LT)
Part Lot 8, Concession 2 EYS (North York), designated as Parts 1 and 2, Plan
66R-24078, City of Toronto

Roll No. 19 08 08 1 840 00100 0000 05 – 2427 Bayview
Roll No. 19 08 08 1 840 00200 0000 01 – 2425 Bayview

3. The beneficial owner of Woodbine and Bridlepath is TCC/Urbancorp (Bay) Limited Partnership.
The General Partner is Deaja Partner (Bay) Inc. The Limited Partners are Alan Saskin and Vestaco Investments Inc.
The shareholder of Deaja Partner (Bay) Inc. is Alan Saskin with 100 common shares.
The shareholder of Vestaco Investments Inc. is Doreen Saskin with 100 common shares.
The address for service is 120 Lynn Williams Street, Suite 2A.
Their ownership interest is 100%.

The beneficial owner of Urbancorp (Valermo) Inc.'s interest in Valermo is TCC/Urbancorp (Stadium Road) Limited Partnership.
The General Partner is Urbancorp Master Partner (Stadium Road) Inc. The Limited Partner is TCC/Urbancorp (Bay/Stadium) Limited Partnership.
The shareholder of Urbancorp Master Partner (Stadium Road) Inc. is Alan Saskin with 100 common shares.
The General Partner of TCC/Urbancorp (Bay Stadium) Limited Partnership is Deaja Partner (Stadium) Inc.
The shareholder of Deaja Partner (Stadium) Inc. is Alan Saskin with 100 common shares.

The address for service is the same as above.
Their ownership interest is 100% of Urbancorp's 50% interest in Valermo.

4. We have forwarded to you previously a copy of the organizational chart.
5. Alan Saskin, President will be the signing officer for each of the Corporations.
6. Alan Saskin
Date of Birth: January 24, 1954
Attached please find a copy of Alan's drivers licence and passport.
7. Urbancorp Holdco Inc.

Director:	Alan Saskin		
Officer:	Alan Saskin	-	President, Secretary
Shareholders:	Alan Saskin	-	100,100 common
	Urbancorp Management Inc.	-	100 Class A Special Shares
	Urbancorp Toronto Management Inc.	-	100 Class B Special Shares
	The Webster Family Trust	-	100 Class C Special Shares
	TCC/Urbancorp (Bay) Limited Partnership	-	100 Class D Special Shares
	TCC/Urbancorp (Bay/Stadium) Limited Partnership	-	100 Class E Special Shares

Urbancorp (Woodbine) Inc.

Director:	Alan Saskin		
Officer:	Alan Saskin	-	President, Secretary
Shareholders:	Alan Saskin	-	100 common

Urbancorp (Valermo) Inc.

Director:	Alan Saskin		
Officer:	Alan Saskin	-	President, Secretary
Shareholders:	Alan Saskin	-	100 common

Urbancorp (Bridlepath) Inc.

Director:	Alan Saskin		
Officer:	Alan Saskin	-	President, Secretary
Shareholders:	Alan Saskin	-	100 common

8. We have requested insurance particulars from our client.
9. Epic on Triangle Park Inc.

Urbancorp's interest in Epic on Triangle Park is owned by King West Village South Limited. The Shareholder of King West Village South Limited is Alan Saskin with 100 common shares.

The officers and directors and shareholders of Epic on Triangle Park Inc. are:

Directors:	Alan Saskin
Officers:	Alan Saskin - President, Secretary
Shareholders:	King West Village South Limited 500 common 200 Jane St. Inc. 500 common

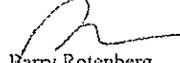
The officers and directors of King West Village South Limited are:

Directors:	Alan Saskin
Officers:	Alan Saskin - President Secretary

We enclose at this time trust agreements for Woodbine and Bridlepath.

Yours very truly,

HARRIS, SHEAFFER LLP



Barry Rotenberg
BR:cm
Enclosures

TAB 31

THIS IS **EXHIBIT " 31"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

**Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.**



**Seventh Report to Court of KSV Kofman
Inc. as Proposal
Trustee of Urbancorp (Woodbine) Inc.
and Urbancorp (Bridlepath) Inc.**

September 29, 2016

and

**Sixth Report to Court of KSV Kofman Inc.
as CCAA Monitor of Urbancorp Toronto
Management Inc., Urbancorp (St. Clair
Village) Inc., Urbancorp (Patricia) Inc.,
Urbancorp (Mallow) Inc., Urbancorp
(Lawrence) Inc., Urbancorp Downsview
Park Development Inc., Urbancorp (952
Queen West) Inc., King Residential Inc.,
Urbancorp 60 St. Clair Inc., High Res.
Inc., Bridge On King Inc. and the
Affiliated Entities Listed in Schedule "A"
Hereto**

Contents		Page
1.0	Introduction.....	2
1.1	Purposes of this Report.....	2
2.0	Background	3
3.0	Secured Creditors.....	3
4.0	Security Opinion	4
5.0	Proposed Distributions.....	5

Schedules		Tab
	Affiliated Entities	A



ESTATE NO.: 31-2114850
COURT FILE NO.: 31-2114850

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

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
URBANCORP (WOODBINE) INC. AND
URBANCORP (BRIDLEPATH) INC.

SEVENTH REPORT OF KSV KOFMAN INC. AS PROPOSAL TRUSTEE

SEPTEMBER 29, 2016

COURT FILE NO.: CV-16-11389-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

IN THE MATTER OF THE *COMPANIES' CREDITORS ARRANGEMENT ACT*,
R.S.C. 1985, c. C-36, AS AMENDED

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
URBANCORP TORONTO MANAGEMENT INC., URBANCORP (ST. CLAIR
VILLAGE) INC., URBANCORP (PATRICIA) INC., URBANCORP (MALLOW) INC.,
URBANCORP (LAWRENCE) INC., URBANCORP DOWNSVIEW PARK
DEVELOPMENT INC., URBANCORP (952 QUEEN WEST) INC., KING
RESIDENTIAL INC., URBANCORP 60 ST. CLAIR INC., HIGH RES. INC., BRIDGE
ON KING INC. (COLLECTIVELY, THE "APPLICANTS") AND THE AFFILIATED
ENTITIES LISTED IN SCHEDULE "A" HERETO

SIXTH REPORT OF KSV KOFMAN INC. AS CCAA MONITOR

SEPTEMBER 29, 2016

1.0 Introduction

1. On April 21, 2016, Urbancorp (St. Clair Village) Inc. ("St. Clair"), Urbancorp (Patricia) Inc. ("Patricia"), Urbancorp (Mallow) Inc. ("Mallow"), Urbancorp Downsview Park Development Inc. ("Downsview"), Urbancorp (Lawrence) Inc. ("Lawrence") and Urbancorp Toronto Management Inc. ("UTMI") each filed a Notice of Intention to Make a Proposal ("NOI") pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (collectively, St. Clair, Patricia, Mallow, Downsview, Lawrence are referred to as the "Companies"). KSV Kofman Inc. ("KSV") was appointed as the Proposal Trustee of each of the Companies.
2. Pursuant to an Order made by the Ontario Superior Court of Justice (Commercial List) (the "Court") dated May 18, 2016 (the "Initial Order"), the Applicants (which include the Companies) together with the entities listed on Schedule "A" attached (collectively, the "Urbancorp CCAA Entities") were granted protection under the *Companies' Creditors Arrangement Act* (the "CCAA") and KSV was appointed the monitor in those proceedings (the "Monitor").
3. On April 25, 2016, Urbancorp (Bridlepath) Inc. ("Bridlepath") and Urbancorp (Woodbine) Inc. ("Woodbine" and together with Bridlepath, the "NOI Entities") each filed NOIs. KSV is the Proposal Trustee of the NOI Entities.
4. The Court issued orders on June 30, 2016 approving sale processes to be carried out for the real property owned by St. Clair, Patricia, Lawrence, Mallow, Woodbine and Bridlepath (collectively, the "Properties" and each a "Property"). On September 15, 2016, the Court made orders, *inter alia*, approving the sale of the Properties (the "Transactions").
5. The Transactions are scheduled to close by October 14, 2016, with the first two transactions scheduled to close on September 30, 2016.
6. The secured lenders on the Properties are seeking immediate repayment of amounts owing to them on the Properties, including the first mortgagees and Atrium Mortgage Investment Corporation ("AMIC") in respect of a Court-approved debtor-in-possession loan ("DIP Loan") made against the Lawrence and St. Clair Properties.

1.1 Purposes of this Report

1. The purpose of this report ("Report") is to recommend that the Court issue an order or orders:
 - a) authorizing and empowering the Monitor to repay forthwith after closing, or as part of closing, the DIP Loan from the sale of either of the Lawrence and St. Clair Properties and the first mortgage obligations on the Patricia and Mallow Properties; and
 - b) authorizing and empowering the Proposal Trustee on behalf of the NOI Entities to repay forthwith after closing, or as part of closing, the first mortgage obligations of the NOI Entities.

2.0 Background

1. The table below provides the scheduled closing dates of the Transactions for each of the Properties.

Owner	Address of Property	Closing Date
Companies		
Lawrence	1780 Lawrence Avenue West, Toronto	September 30, 2016
St. Clair	19 Innes Avenue, 177 Caledonia Road, Toronto	October 7, 2016
Patricia	425 Patricia Avenue, Toronto	October 11, 2016
Mallow	15 Mallow Road, Toronto	October 11, 2016
NOI Entities		
Woodbine	9064-9110 Woodbine Avenue, Markham	September 30, 2016
Bridlepath	2425 and 2427 Bayview Avenue, Toronto	October 14, 2016

3.0 Secured Creditors

1. The table below summarizes the amounts owing under the first mortgages that are to be repaid on or immediately following closing, before additional interest and fees which continue to accrue.

Borrower	Mortgagee	Amount (\$)
Companies		
Patricia	Canadian Mortgage Servicing Corporation ("CMSC")	3,683,905 ¹
Mallow	Atrium Mortgage Investment Corporation ("AMIC") and Terra Firma Capital Corporation ("TFCC")	3,700,000 ²
		7,383,905
NOI Entities ³		
Woodbine	Laurentian Bank of Canada ("Laurentian") and TFCC ⁴	4,725,000 ⁵
Bridlepath	AMIC and TFCC	10,350,000 ⁶
		15,075,000
Total		22,458,905

¹ Based on Patricia's books and records.

² Based on Mallow's books and records.

³ A second mortgage owing to TFCC on both these properties is not being paid at this time as issues related to it remain subject to further review by the Proposal Trustee.

⁴ Laurentian is owed the first \$2.65 million of principal on this mortgage. TFCC is owed the balance.

⁵ Principal amount outstanding as at March 4, 2016.

⁶ Principal amount outstanding as at April 11, 2016.

2. AMIC has advanced \$3.2 million under the DIP Loan. This amount, plus accrued interest and fees, is to be paid from the proceeds of the Lawrence transaction as it is scheduled to close prior to the St. Clair transaction.⁷
3. The Transaction proceeds will be sufficient to repay in full the first mortgages and the DIP Loan.

4.0 Security Opinion

1. Davies Ward Phillips & Vineberg LLP, KSV's counsel, provided KSV with opinions on the validity and enforceability of the first mortgages.
2. The opinions provide that, subject to the standard assumptions and qualifications contained therein:
 - a) the Charge/Mortgage made by Woodbine, the registered owner of the Woodbine Property, in favour of Laurentian registered in the Land Registry Office for the Land Titles Division of York Region on January 30, 2014 as Instrument No. YR2090261 constitute a good and valid first charge over the Woodbine Property in favour of Laurentian;
 - b) the Charge/Mortgage made by Bridlepath, the registered owner of the Bridlepath Property, in favour of TFCC and AMIC registered in the Land Registry Office for the Land Titles Division of Toronto on March 20, 2014 as Instrument No. AT3541941 constitute a good and valid first charge over the Bridlepath Property in favour of TFCC and AMIC;
 - c) the Charge/Mortgage made by Mallow, the registered owner of the Mallow Property, in favour of TFCC and AMIC registered in the Land Registry Office for the Land Titles Division of Toronto on August 28, 2014 as Instrument No. AT3674624 constitute a good and valid first charge over the Mallow Property in favour of TFCC and AMIC; and
 - d) the Charge/Mortgage made by Patricia, the registered owner of the Patricia Property, in favour of CMSC registered in the Land Registry Office for the Land Titles Division of Toronto on March 23, 2016 as Instrument No. AT4173963 constitute a good and valid first charge over the Patricia Property in favour of CMSC.
3. Copies of the opinions will be made available to the Court should it wish to review them.

⁷ The DIP Loan was advanced to Lawrence and St. Clair. Monies were advanced from these entities to other Urbancorp CCAA Entities on a Court-ordered priority basis. The amounts loaned will be repaid to Lawrence and St. Clair by the Urbancorp CCAA Entities that received these monies, to the extent applicable.

5.0 Proposed Distributions

1. KSV is not aware of any claim that may rank in priority to the first mortgages and the DIP Loan. In any event, to the extent such claims exist, sufficient monies will continue to be held by KSV to satisfy those claims, whether in respect of the Companies or the NOI Entities. In this regard, outstanding property taxes are to be paid on closing of each Transaction and sufficient funds will be retained by KSV to fund the costs of these proceedings, including the Court-ordered charges.
2. Based on the foregoing, KSV respectfully recommends that the Court authorize the repayment of the first mortgages and the DIP Loan after the closing, or as part of the closing, of the relevant Transactions.

* * *

All of which is respectfully submitted,



**KSV KOFMAN INC. IN ITS CAPACITIES
AS PROPOSAL TRUSTEE AND CCAA MONITOR
AND NOT IN ITS PERSONAL CAPACITY**

Schedule "A"

- Urbancorp Power Holdings Inc.
- Vestaco Homes Inc.
- Vestaco Investments Inc.
- 228 Queen's Quay West Limited
- Urbancorp Cumberland 1 LP
- Urbancorp Cumberland 1 GP Inc.
- Urbancorp Partner (King South) Inc.
- Urbancorp (North Side) Inc.
- Urbancorp Residential Inc.
- Urbancorp Realtyco Inc.

TAB 32

THIS IS **EXHIBIT " 32"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law
Expires August 16, 2019.



**Eighth Report to Court of KSV Kofman
Inc. as Proposal
Trustee of Urbancorp (Woodbine) Inc.
and Urbancorp (Bridlepath) Inc.**

October 6, 2016

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ESTATE NO.: 31-2114850
 COURT FILE NO.: 31-2114850

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

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
 URBANCORP (WOODBINE) INC. AND
 URBANCORP (BRIDLEPATH) INC.

EIGHTH REPORT OF KSV KOFMAN INC. AS PROPOSAL TRUSTEE

OCTOBER 6, 2016

1.0 Introduction

1. On April 21, 2016, Urbancorp (St. Clair Village) Inc. ("St. Clair"), Urbancorp (Patricia) Inc. ("Patricia"), Urbancorp (Mallow) Inc. ("Mallow"), Urbancorp Downsview Park Development Inc. ("Downsview"), Urbancorp (Lawrence) Inc. ("Lawrence") and Urbancorp Toronto Management Inc. ("UTMI") each filed a Notice of Intention to Make a Proposal ("NOI") pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (collectively, St. Clair, Patricia, Mallow, Downsview, Lawrence are referred to as the "Companies"). KSV Kofman Inc. ("KSV") was appointed as the Proposal Trustee of each of the Companies.
2. Pursuant to an Order made by the Ontario Superior Court of Justice (Commercial List) (the "Court") dated May 18, 2016 (the "Initial Order"), the Applicants (which include the Companies) together with the entities listed on Schedule "A" attached (collectively, the "Urbancorp CCAA Entities") were granted protection under the *Companies' Creditors Arrangement Act* (the "CCAA") and KSV was appointed the monitor in those proceedings (the "Monitor").
3. On April 25, 2016, Urbancorp (Bridlepath) Inc. ("Bridlepath") and Urbancorp (Woodbine) Inc. ("Woodbine" and together with Bridlepath, the "NOI Entities") each filed NOIs. KSV is the Proposal Trustee of the NOI Entities.
4. On April 25, 2016, the District Court in Tel Aviv-Yafo (the "Israeli Court") issued a decision (the "April 25th Decision") appointing Guy Gissin as the functionary officer and foreign representative (the "Foreign Representative") of Urbancorp Inc. ("UC Inc.") and granted him certain powers, authorities and responsibilities over UC Inc., the ultimate parent of a number of the Urbancorp CCAA Entities.

5. On May 18, 2016, the Court also issued two orders under Part IV of the CCAA which: (a) recognized the Israeli Proceedings as a "foreign main proceeding"; (b) recognized Mr. Gissin as Foreign Representative of UC Inc.; and (c) appointed KSV as the Information Officer.
6. On June 30, 2016, the Court issued orders approving sale processes to be carried out for the real property owned by St. Clair, Patricia, Lawrence, Mallow, Woodbine and Bridlepath (collectively, the "Properties" and each a "Property"). On September 15, 2016, the Court made orders, *inter alia*, approving the sale of the Properties (the "Transactions").
7. The sale of the Woodbine Property closed on September 30, 2016 and the sale of the Bridlepath Property is scheduled to close on October 14, 2016.
8. On September 30, 2016, this Court issued an order authorizing and empowering the Proposal Trustee on behalf of the NOI Entities to repay forthwith after closing, or as part of closing, the first mortgage obligations of the NOI Entities.
9. In its Seventh Report to Court dated September 29, 2016, and in certain of its previous reports to this Court, the Proposal Trustee has noted that a second mortgage owing to Terra Firma Capital Corporation ("TFCC") on both the Woodbine and Bridlepath Properties remained subject to further review by the Proposal Trustee.

1.1 Purposes of this Report

1. The purpose of this report ("Report") is to provide the details of the Proposal Trustee's review of the second mortgage granted to TFCC on both the Woodbine and Bridlepath Properties (the "TFCC Second Mortgage").

2.0 Security Opinion

1. Davies Ward Phillips & Vineberg LLP ("Davies"), KSV's legal counsel in these proceedings, provided KSV with an opinion on the validity and enforceability of the TFCC Second Mortgage. A copy of this opinion is attached as Appendix "A" hereto.
2. In summary, the opinion provides that, subject to the assumptions and qualifications contained therein:
 - a) Subject to (c) below, the Charge/Mortgage made by Woodbine, the registered owner of the Woodbine Property, in favour of TFCC registered on December 31, 2015 as Instrument No. YR2411107 constituted a valid registered mortgage over the Woodbine Property in favour of TFCC; and
 - b) Subject to (c) below, the Charge/Mortgage made by Bridlepath, the registered owner of the Bridlepath Property, in favour of TFCC registered on December 31, 2015 as Instrument No. AT4107508 constituted a valid registered mortgage over the Bridlepath Property in favour of TFCC; however,

- c) the above Charges/Mortgages could be held to be void (i.e., not enforceable as against the Proposal Trustee or other creditors) as transfers at undervalue under the *Bankruptcy and Insolvency Act* (the "BIA"), fraudulent conveyances under the *Fraudulent Conveyances Act* (Ontario) (the "FCA") or fraudulent preferences under the *Assignment and Preferences Act* (Ontario) (the "APA").
3. In preparing its opinion, Davies made enquiries of counsel to TFCC and responses were provided. A copy of these communications is provided in Appendix "B" attached hereto:
- a) letter dated July 14, 2016 from Robin Schwill of Davies to Dominique Michaud of Robins Appleby LLP, counsel to TFCC;
 - b) e-mails dated July 21, 2016 from Leor Margulies of Robins Appleby LLP to Robin Schwill;
 - c) reply e-mail dated July 25, 2016 from Robin Schwill to Leor Margulies;
 - d) letter dated August 5, 2016 from Jay Swartz of Davies to Leor Margulies; and
 - e) letter dated August 10, 2016 from Leor Margulies to Robin Schwill.

3.0 Economic Interests in Outcome

1. TFCC has informed the Proposal Trustee that it wishes to have the issues regarding the enforceability of the TFCC Second Mortgage resolved as soon as possible and that it is not prepared to wait until the completion of a claims process for Woodbine and Bridlepath. TFCC is also not prepared to wait until it is certain that it cannot be fully repaid from its direct borrower, which appears to be Urbancorp Holdco Inc. In this regard, TFCC requested that the Proposal Trustee provide this Report so that it would have a context for bringing a motion to compel a payout on the TFCC Second Mortgage.
2. It is anticipated that the proceeds of realization from the sale of the Woodbine and Bridlepath Properties will be sufficient to pay out all of the creditors (secured and unsecured) of Woodbine and Bridlepath, respectively, including the TFCC Second Mortgage, subject to completing the claims process for these companies.
3. Accordingly, if the TFCC Second Mortgage together with the underlying guarantees are held to be void, the direct benefactors will be the limited and general partners of TCC Urbancorp/(Bay) Limited Partnership ("Bay LP") as the beneficial owner of the Woodbine and Bridlepath Properties and sole shareholder of Woodbine and Bridlepath. To date, the Proposal Trustee has not determined the limited and general partners with certainty. However, to the extent that distributions from Bay LP would be payable to Alan Saskin or to entities in which he has an interest, then Alan Saskin and his proposal trustee would have an interest in this matter as would the Foreign Representative to the extent that it or Urbancorp Inc. have claims against Mr. Saskin or Bay LP.

* * *

All of which is respectfully submitted,

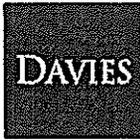
A handwritten signature in cursive script that reads "KSV Kofman Inc".

**KSV KOFMAN INC. IN ITS CAPACITIES
AS PROPOSAL TRUSTEE
AND NOT IN ITS PERSONAL CAPACITY**

Schedule "A"

Urbancorp (952 Queen West) Inc.
King Residential Inc.
Urbancorp 60 St. Clair Inc.
High Res. Inc.
Bridge on King Inc.
Urbancorp Power Holdings Inc.
Vestaco Homes Inc.
Vestaco Investments Inc.
228 Queen's Quay West Limited
Urbancorp Cumberland 1 LP
Urbancorp Cumberland 1 GP Inc.
Urbancorp Partner (King South) Inc.
Urbancorp (North Side) Inc.
Urbancorp Residential Inc.
Urbancorp Realtyco Inc.

Appendix “A”



155 Wellington Street West
 Toronto ON M5V 3J7
 dwpv.com

October 5, 2016

File No. 256201

KSV Kofman Inc.
 Suite 2308
 150 King Street West
 Toronto, ON M5H 1J9

Attention: Bobby Kofman/Robert Harlang/Noah Goldstein

Dear Sirs:

Urbancorp – Bridlepath and Woodbine Charges

As the proposal trustee of Urbancorp (Bridlepath) Inc. ("**Urbancorp Bridlepath**") and Urbancorp (Woodbine) Inc. ("**Urbancorp Woodbine**", and together with Urbancorp Bridlepath, the "**Urbancorp Owners**"), you have asked us for our opinion as to whether Terra Firma Capital Corporation (the "**Lender**") has valid charges over the Urbancorp Owners' interests in the Properties (as defined below) as security for the Subject Loan (as defined below).

I. Scope of Review

For the purposes of the opinions expressed below, we have only reviewed copies of the following documents (collectively, the "**Documents**"):

1. a letter of intent dated March 6, 2016 among the Lender, Urbancorp Holdco Inc. (the "**Borrower**"), TCC/Urbancorp (Bay) Limited Partnership (the "**Beneficial Owner**"), the Urbancorp Owners and others (the "**Letter of Intent**");
2. a Charge/Mortgage registered on December 31, 2015 as instrument no. AT4107508 (the "**Bridlepath Charge**") made by Urbancorp Bridlepath, as chargor, in favour of the Lender, as chargee, securing the principal amount of \$12,000,000, charging the lands and premises municipally known as 2425-2427 Bayview Avenue and more particularly described therein (the "**Bridlepath Property**");
3. a Charge/Mortgage registered on December 31, 2015 as instrument no. YR2411107 (the "**Woodbine Charge**" and together with the Bridlepath Charge, the "**Charges**") made by Urbancorp Woodbine, as chargor, in favour of the Lender, as chargee,

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securing the principal amount of \$12,000,000, charging the lands and premises municipally known as 9064-9100 Woodbine Avenue, Markham and more particularly described therein (the "**Woodbine Property**" and together with the Bridlepath Property, the "**Properties**");

4. a Beneficial Owner Direction, Charge of Beneficial Interest and Acknowledgement Agreement dated December 31, 2015 between the Lender, as lender, Urbancorp Bridlepath, as trustee, and the Beneficial Owner, as beneficial owner (the "**Bridlepath Direction**");
5. a Beneficial Owner Direction, Charge of Beneficial Interest and Acknowledgement Agreement dated December 31, 2015 between the Lender, as lender, Urbancorp Woodbine, as trustee, and the Beneficial Owner, as beneficial owner (the "**Woodbine Direction**" and, together with the Bridlepath Direction, the "**Beneficial Directions**");
6. a Guarantee and Postponement of Claim dated December 31, 2015 between, among others, the Lender, the Borrower and the Beneficial Owner (the "**Beneficial Owner Guarantee**"); and
7. an Acknowledgement re Existing Security dated March 8, 2016 addressed to the Lender from, among others, the Borrower, the Beneficial Owner and the Urbancorp Owners (the "**Acknowledgement re Existing Security**").

II. Assumptions

For the purposes of the opinions expressed below, we have assumed, without any independent verification or inquiry:

- (a) the genuineness of all signatures, the legal capacity of all individuals, the authenticity of all Documents submitted to us as originals and the conformity to authentic originals of all documents submitted to us as certified or photostatic copies or as facsimiles;
- (b) that, subject to our analysis below, each of the Documents has been duly authorized, executed and delivered by, and constitutes a legal, valid, binding and enforceable obligation of, each party thereto in accordance with its terms;
- (c) that none of the Documents has been amended, terminated or otherwise modified since its date of execution;

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- (d) that none of the security granted under any of the Documents has been assigned, released, discharged or otherwise impaired, either in whole or in part;
- (e) that the Initial Loan (defined below) was never advanced to the Borrower, in whole or in part;
- (f) that the Subject Loan (defined below) was advanced to the Borrower and has not been repaid in full;
- (g) that the Beneficial Owner holds, and has since prior to the granting of the Charges held, an undivided 100% beneficial interest in each of the Properties;
- (h) that each of the Urbancorp Owners holds, and has since prior to the granting of the Charges held, an undivided 100% registered interest in their respective Property as nominee and bare trustee for and on behalf of the Beneficial Owner;
- (i) that the Urbancorp Owners and Beneficial Owner did not receive any direct benefit or compensation in return for the granting of the Charges or from or pursuant to the Subject Loan;
- (j) that there are no other documents, agreements or instruments which are relevant to, or would have a material impact on, the transactions described in or contemplated by the Documents;
- (k) that the granting of the Charges did not contravene the subdivision control provisions of the *Planning Act*, R.S.O. 1990, c. P.13;
- (l) Urbancorp Woodbine and Urbancorp Bridlepath are each 100% owned by the Beneficial Owner and the sole general partner of the Beneficial Owner is Alan Saskin, with the sole limited partner being Doreen Saskin;¹
- (m) Alan Saskin is the sole shareholder of the Borrower and the Borrower is the sole shareholder of Urbancorp Inc.;² and

¹ Lender's counsel has informed us that their information at the time was that Alan Saskin was a limited partner (in addition to being the general partner or sole shareholder of the general partner) of the Beneficial Owner. A search conducted under the *Limited Partnerships Act* (Ontario) dated 2016/09/06 discloses the sole general partner of the Beneficial Owner as being DEAJA Partner (Bay) Inc.

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- (n) the Borrower, Urbancorp Owners and Beneficial Owner were dealing at arm's length with the Lender.

The opinions expressed below are limited to the laws of the Province of Ontario and the federal laws of Canada applicable in that province ("**Applicable Laws**").

III. Summary of Loans

Initial Loan

It is our understanding that pursuant to a commitment letter dated December 22, 2015 (the "**Initial Commitment Letter**"),³ the Lender agreed to make a loan (the "**Initial Loan**") to the Borrower. Based on our review of the Documents, we understand that the security documents for the Initial Loan included, *inter alia*:

- (a) the Bridlepath Charge, pursuant to which Urbancorp Bridlepath guaranteed the Initial Loan and granted a charge of the Bridlepath Property in favour of the Lender as security for such guarantee and the Initial Loan;
- (b) the Woodbine Charge, pursuant to which Urbancorp Woodbine guaranteed the Initial Loan and granted a charge of the Woodbine Property in favour of the Lender as security for such guarantee and the Initial Loan;
- (c) the Beneficial Owner Guarantee, pursuant to which the Beneficial Owner (and others) guaranteed the Borrower's obligations under the Initial Loan;⁴
- (d) the Bridlepath Direction, pursuant to which the Beneficial Owner authorized and directed Urbancorp Bridlepath to grant the Bridlepath Charge and granted a mortgage of its beneficial interest in the Bridlepath Property in favour of the Lender as security for the Initial Loan and the indebtedness under all security documents relating thereto; and
- (e) the Woodbine Direction, pursuant to which the Beneficial Owner authorized and directed Urbancorp Woodbine to grant the Woodbine Charge and granted a mortgage of its beneficial interest in the Woodbine Property in favour of the Lender as security for the Initial Loan and the indebtedness under all security documents relating thereto.

² Lender's counsel has informed us that their information at the time was that the Beneficial Owner was also a shareholder of the Borrower.

³ We have not been provided with a copy of the Initial Commitment Letter.

⁴ The Urbancorp Owners were not parties to the Beneficial Owner Guarantee.

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The security that was granted in respect of the Initial Loan is hereinafter referred to as the "Initial Security".

We have been advised that the conditions to advancing the Initial Loan were not satisfied and that, as a result, the Initial Loan was never advanced.

Subject Loan

On March 6, 2016, pursuant to the Letter of Intent, the Lender agreed to make another loan (the "Subject Loan") to the Borrower in the principal amount of \$10,000,000, which Subject Loan was to be secured by, *inter alia*, a mortgage of each of the Properties. It is our understanding that approximately \$4,750,000 of the Subject Loan remains outstanding.

However, rather than registering new mortgages of the Properties in respect of the Subject Loan, the parties agreed that, subject to Lender's counsel advice, the Initial Security (other than certain inapplicable security) would be used to satisfy certain of the security requirements under the Letter of Intent (including the requirement for a mortgage of each of the Properties).⁵ Accordingly,⁶ the Borrower, the Beneficial Owner, the Urbancorp Owners and others (excluding the Lender) executed the Acknowledgement re Existing Security pursuant to which such parties acknowledged and agreed that certain of the Initial Security (including the Charges and the Directions) "shall also stand as security with respect to the [Subject Loan]." The Acknowledgement re Existing Security also provided that "The [applicable Initial Security] shall also be deemed to be amended such that references to the [Initial Commitment Letter] shall be deemed to be the [Letter of Intent]."

IV. Qualifications, Limitations and Restrictions

The opinions expressed below are also subject to the following qualifications, limitations and restrictions:

- (a) no opinion is given as to the ranking or priority of the security interests granted pursuant to the Documents, including with respect to any subsequent charges or encumbrances registered on title to the Properties; and
- (b) no opinion is given with respect to any security interest in personal property, including any personal property security interests created pursuant to the Documents.

⁵ See page 2 of the Letter of Intent.

⁶ We are not aware of the Lender's counsel having advised against the proposed approach and have therefore assumed that they did not.

We note that certain of the Documents present potential issues and we have identified in the analysis below those issues which we consider to be relevant to our conclusions, together with our views thereon.

V. Opinions

Subject to the assumptions, qualifications and limitations contained herein and our analysis set out below, we are of the opinion that:

1. Subject to our opinion set out in paragraph 2 below, the Charges create valid registered mortgages over the Properties in favour of the Lender as security for the Subject Loan.
2. However, we note that the Charges could be held to be void (i.e., not enforceable as against the proposal trustee or other creditors) as transfers at undervalue under the *Bankruptcy and Insolvency Act* (the "BIA"), fraudulent conveyances under the *Fraudulent Conveyances Act* (Ontario) (the "FCA") or fraudulent preferences under the *Assignment and Preferences Act* (Ontario) (the "APA").

VI. Analysis

(a) Voidable Transactions

The fact that there may be sufficient consideration to support the enforceability of a contract as against the parties to the contract may not be sufficient to ensure the enforceability of the underlying transactions (here, the granting of security by the Urbancorp Owners and Beneficial Owner to the Lender) as against third parties, including a proposal trustee.⁷

(i) Preferences under the BIA

Pursuant to section 95 of the BIA, a charge on property made by an insolvent person in favour of a creditor who is dealing at arm's length with the insolvent person, with a view to giving that creditor a preference over another creditor is void as against the trustee if it is made during the period beginning on the day that is three months before the date of the initial bankruptcy event and ending on the date of the bankruptcy. Furthermore, if the charge has the effect of giving the creditor a preference, it is, in the absence of evidence to the contrary, presumed to have been made with a view to giving the creditor the preference, even if it was made under pressure, and evidence of pressure is not admissible to support the transaction.

⁷ Section 66(1) of the BIA states that all of the provisions of the BIA, except the consumer proposal provisions, in so far as they are applicable, apply, with such modifications as the circumstances require, to proposals made under Division I of the BIA.

The date of the initial bankrupt event for the Urbancorp Owners is the date on which they filed their respective notices of intention to make a proposal pursuant to the BIA, being April 25, 2016. We believe that the better view is that the security granted with respect to the guarantees of the Subject Loan was effected on March 8, 2016 being the date of the Acknowledgement re Existing Security (and not December 31, 2015 being the date of the Charges registered in respect of the Initial Loan which was never advanced). Accordingly, the grant of the security was within the relevant three month period for the Urbancorp Owners.⁸

However, a person must be a creditor at the time that the impugned charge was granted for there to be an actionable preference under section 95 of the BIA. The information we have suggests that the security was granted in respect of guarantees related to a new loan (the Subject Loan). Therefore, on these facts, a preference action pursuant to section 95 of the BIA is unlikely to be successful.

(ii) Transfers at Undervalue

Section 96(1) of the BIA provides that, on application by the trustee, a court may declare that a transfer at undervalue is void as against the trustee if the party was dealing at arm's length with the debtor and: (a) the transfer occurred during the period that begins on the day that is one year before the date of the initial bankruptcy event and that ends on the date of the bankruptcy; (b) the debtor was insolvent at the time of the transfer or was rendered insolvent by it; and (c) the debtor intended to defraud, defeat or delay a creditor. Section 96(2) of the BIA states that in making the application referred to in this section, the trustee shall state what, in the trustee's opinion, was the fair market value of the property or services and what, in the trustee's opinion, was the value of the actual consideration given or received by the debtor, and the values on which the court makes any finding under this section are, in the absence of evidence to the contrary, the values stated by the trustee.

The BIA defines a "transfer at undervalue" as a disposition of property or provision of services for which no consideration is received by the debtor or for which the consideration received by the debtor is conspicuously less than the fair market value of the consideration given by the debtor. There is case law which supports that the granting of a charge on one's property is a "disposition" for the purposes of the definition of transfer at undervalue.⁹ Based on our understanding and the assumptions stated herein, it appears that

⁸ While the Beneficial Owner, being a limited partnership, is not currently itself the subject of any proceeding under the BIA, in the overall context of these proceeding we are of the view that this is unlikely to be on any substantive consequence if such matters are litigated. This is especially the case given that the Urbancorp Owners and the Properties have to date been effectively treated and dealt with by the court as subject to the BIA proposal proceedings throughout.

⁹ See paragraphs 129 and 162 of the *City Peel Taxi v. Hanna* 2012 CarswellOnt 5416, 91 C.B.R. (5th) 1. While Justice D. M. Brown cast some doubt about this holding in his decision in *Montor Business Corp. (Trustee of) v. Goldfinger*, 2013 ONSC 6635, 2013 CarswellOnt 14983 (see

no consideration was "received by" either the Urbancorp Owners or Beneficial Owner in return for providing the guarantees and related security. As discussed above, the granting of the security occurred well within a year of the date of the initial bankruptcy event for the Urbancorp Owners.

Given the foregoing, if it can be shown that the Urbancorp Owners were insolvent at the time such security was granted, or were rendered insolvent by granting it, and that in granting such security they intended to defraud, defeat or delay a creditor, then the granting of such security may be declared void by the court. Fraudulent intent has been held to be a matter of fact to be determined in the circumstances of each case on the basis of the evidence as a whole.

Given the similarities of the facts in this case, as we understand them, to those in *XDG Ltd. v. 1099606 Ontario Ltd.*,¹⁰ we are of the view that a court could declare that the granting of the security by the Urbancorp Owners in favour of the Lender constituted transfers at undervalue which are void as against the proposal trustee. Those facts include the following: the Urbancorp Owners and Beneficial Owner made no independent income at the time and had existing and substantial debt in the form of likely claims from existing home buyers and other trade creditors; the security granted was in support of a related party; the grantors of the security received no consideration;¹¹ and the property charged was all of the property of the Urbancorp Owners.

(iii) Fraudulent Conveyance

For the purposes of the FCA, the term "conveyance" includes a charge or encumbrance by writing or otherwise. Section 2 of the FCA provides that every conveyance of real property or personal property made with intent to defeat, hinder, delay or defraud creditors or others of their just and lawful actions, suits, debts, accounts, damages, penalties or forfeitures are void as against such persons and their assigns. Section 3 of the FCA states that Section 2 of the FCA does not apply to an estate or interest in real property or personal

paragraph 318 therein), he did not overturn it given that the parties in that case were not challenging this point.

¹⁰ 2002 CarswellOnt 4535, 41 C.B.R. (4th) 294 (Ont. S.C.J.), upheld in all relevant parts by the Ontario Court of Appeal at 2004 CarswellOnt 1581, 1 C.B.R. (5th) 159. While this case dealt with fraudulent conveyances and preferences under the FCA and APA and did not deal with anything under the BIA, we are of the view that a very similar approach would be undertaken by the court in determining such similar issues under sections 95 and 96 of the BIA.

¹¹ In *XDG Ltd.*, Sam Rehani was the sole director, officer and shareholder of the guarantor and was also the controlling shareholder and president of the borrower. The Court found that no advance was made to the guarantor and that there was no evidence to suggest any advance to the borrower would enable the guarantor to continue its business and pay its debts in full. In the facts in that case, the Court simply stated that the guarantor received no consideration for the conveyance, let alone "good consideration".

- 9 -

property conveyed upon good consideration and in good faith to a person not having at the time of the conveyance notice or knowledge of the intent set forth in that section.

For the same reasons as outlined in Transfers at Undervalue, above, and in particular the holding in *XDG Ltd.*, we are of the view that a court could declare that the granting of the security by the Urbancorp Owners and Beneficial Owner in favour of the Lender is void as fraudulent conveyances under the FCA.

(iv) Assignment and Preferences Act

Section 4(1) of the APA provides that, subject to section 5 of the APA, every conveyance, assignment or transfer of any other property, real or personal, made by a person when insolvent or unable to pay the person's debts in full or when the person knows that he, she or it is on the eve of insolvency, with intent to defeat, hinder, delay or prejudice creditors, or any one or more of them, is void as against the creditor or creditors injured, delayed or prejudiced. Section 5(1) of the APA, in relevant part, provides that nothing in section 4 of the APA applies to any conveyance, assignment, transfer of any goods or property of any kind, that is made in good faith in consideration of a present actual payment in money, or by way of security for a present actual advance of money, or that is made in consideration of a present actual sale or delivery of goods or other property where the money paid or the goods or other property sold or delivered bear a fair and reasonable relative value to the consideration therefor.

Again, for the same reasons as outlined in Transfers at Undervalue, above, and in particular the holding in *XDG Ltd.*, we are of the view that a court could declare that the granting of the security by the Urbancorp Owners and Beneficial Owner in favour of the Lender is void as fraudulent preferences under the APA.

The opinions and analysis expressed above are provided solely for the benefit of the addressee and may not be used or relied on by any other person or for any other purpose.

Yours very truly,

Davies Ward Phillips & Vineberg LLP

Appendix “B”



155 Wellington Street West
 Toronto ON M5V 3J7
 dwpv.com

July 14, 2016

Robin B. Schwill
 T 416.863.5502
 F 416.863.0871
 rschwill@dwpv.com

File No. 256201

BY E-MAIL

Robins Appleby LLP
 120 Adelaide Street West
 Suite 2600
 Toronto, ON M5H 1T1

Attention: Mr. Dominique Michaud

Dear Mr. Michaud:

Mortgages/Charges by Urbancorp (Woodbine) Inc. ("Woodbine") and Urbancorp (Bridlepath) Inc. ("Bridlepath") in favour of Terra Firma Capital Corporation ("Terra Firma")

As you know, we are counsel to KSV Kofman Inc. in its capacity as proposal trustee of Woodbine and Bridlepath (the "**Proposal Trustee**"). In this regard, the Proposal Trustee is required to obtain from us an independent legal opinion regarding the validity and enforceability of the above-noted charges. We are writing to you as we are now preparing our opinion.

In conducting this review, we note that Terra Firma provided the relevant loan to Urbancorp Holdco Inc. ("**UHI**") (the "**Initial Loan**") and that Woodbine and Bridlepath granted their charges in respect of guarantees to Terra Firma of the Initial Loan. We also note that the beneficial owner of the Woodbine and Bridlepath properties is TCC/Urbancorp (Bay) Limited Partnership (the "**Beneficial Owner**") who also granted a mortgage/charge of its beneficial interest in these properties in favour of Terra Firma as security for its guarantee of the Initial Loan pursuant to a Guarantee and Postpone of Claim agreement.

Our information is that Woodbine and Bridlepath are each 100% owned by the Beneficial Owner and that the general partner of the Beneficial Owner is Alan Saskin, with the sole limited partner being Doreen Saskin. We also understand that UHI is the sole shareholder of Urbancorp Inc. Given this corporate structure, we have not been provided with any information which indicates what, if any, consideration was provided to Woodbine, Bridlepath or the Beneficial Owner in exchange for their guarantees of the Initial Loan and related charges.

Given the foregoing, we would be grateful for any information that you could provide to us which would evidence any such consideration.

Yours very truly,

A handwritten signature in black ink, appearing to read 'RS', with a stylized flourish extending to the right.

Robin Schwill

RS/ae

cc: Bobby Kofman, *KSV Kofman Inc.*
Noah Goldstein, *KSV Kofman Inc.*

Jay Swartz

Schwill, Robin

From: Leor Margulies <lmargulies@robapp.com>
Sent: July 21, 2016 7:33 PM
To: Leor Margulies; Schwill, Robin
Cc: 'Norman Winter (nw@nwinlaw.com)'; 'Jackie Storms'; 'Esther Berglas (eb@nwinlaw.com)'; Dominique Michaud
Subject: RE: Letter dated July 14, 2016 two Dominique Michaud to

Dear Robin,

Further to my email below, Norman Winter, counsel for Terra Firma who acted on the loan transaction, advises that he was advised by counsel for the borrower at the time the loan transaction was completed, that Alan Saskin was a limited partner (in addition to being the general partner or sole shareholder of the general partner) of the limited partnership comprising the beneficial owner of Woodbine and Bridlepath, and that the limited partnership itself was a shareholder of UHI .

We await receipt of your information you were going to provide to us.



Leor Margulies
 T. 416.360.3372
 E. lmargulies@robapp.com
ROBINS APPLEBY
 BARRISTERS + SOLICITORS

Follow Me On: 

From: Leor Margulies [<mailto:lmargulies@robapp.com>]
Sent: Thursday, July 21, 2016 12:44 PM
To: 'rschwill@dwpv.com'
Cc: 'Norman Winter (nw@nwinlaw.com)'; 'Jackie Storms'; 'Esther Berglas (eb@nwinlaw.com)'; Dominique Michaud
Subject: Letter dated July 14, 2016 two Dominique Michaud to

Dear Robin,

Further to our telephone conversation regarding the above noted request, I understand you be providing me with some statutory references in case law to enlighten me as to the basis of your question. Fresh consideration was advanced to the borrower by way of a \$10 million loan, in reliance upon the security provided by Woodbine and Bridlepath. Please provide me with case law that supports any proposition that in such an event, the subsequent insolvency or bankruptcy of the party providing the security can be attacked under circumstances where there is insufficient nexus between the borrower and the party providing the collateral security, such that the loan would be unsecured. If this is the case, it will certainly dramatically affect mortgage lending in Ontario and I am keen to learn of it.

In the interim, I am advised that Alan Saskin and Doreen Saskin, being the general partner and the limited partner of the beneficial owner of Woodbine and Bridlepath respectively, are also shareholders of UHI. I would suggest that this provides a very close nexus between all the parties, if consideration is material to your review.

Best regards.



Leor Margulies
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Schwill, Robin

From: Schwill, Robin
Sent: July 25, 2016 5:36 PM
To: 'Leor Margulies'
Cc: 'Norman Winter (nw@nwinlaw.com)'; 'Jackie Storms'; 'Esther Berglas (eb@nwinlaw.com)'; Dominique Michaud
Subject: RE: Letter dated July 14, 2016 two Dominique Michaud to
Attachments: XDG Limited v 1099606 Ontario Limited.PDF; City Peel Taxi v Hanna.pdf

Leor,

Further to our telephone conversations and your e-mails below, what follows is the information that I said I would provide to you.

On the related party consideration point, for the purposes of the *Fraudulent Conveyances Act* (Ontario) and the *Assignment and Preferences Act* (Ontario), please see the *XDG Ltd. v. 1099606 Ontario Ltd.* case cited at 2002 CarswellOnt 4535, 41 C.B.R (4th) 294 (Ont. S.C.J.), upheld in all relevant parts by the Ontario Court of Appeal at 2004 CarswellOnt 1581, 1 C.B.R. (5th) 159. A copy of the trial level decision is attached. Where the grantor of the charge received no funds from the lender and no benefit from the borrower, the granting of the charge is not made for good consideration. Our view is that this case would be applied in similar fashion when considering sections 95 and 96 of the *Bankruptcy and Insolvency Act* (the "BIA"). These sections of the BIA apply in proposal proceedings pursuant to section 66(1) of the BIA.

As discussed, for the purposes of section 96 of the BIA, the BIA defines "transfer at undervalue" as "a disposition of property or provision of services for which no consideration is received by the debtor or for which the consideration received by the debtor is conspicuously less than the fair market value of the consideration given by the debtor". Please see paragraphs 129 and 162 of the *City Peel Taxi v. Hanna* case cited at 212 CarswellOnt 5416, 91 C.B.R. (5th) 1 for confirmation of the holding that the granting of a charge would be considered a "disposition of property" for the purposes of section 96 of the BIA. A copy of this decision is also attached for your convenience. Please also refer to section 96(2) of the BIA and the definition of "adequate valuable consideration" defined in section 97(2) of the BIA, which in relevant part means "consideration of fair and reasonable money value with relation to the known or reasonably to be anticipated benefits of the contract, dealing or transaction."

In light of the foregoing, we also note that the original charges in question were registered on December 31, 2015 in connection with an initial loan made pursuant to a commitment letter dated December 22, 2015 between Terra Firma Capital Corporation (the "Lender") and Urbancorp Holdco Inc. (the "Borrower") (the "Initial Loan"). We understand that the Initial Loan was repaid in January 2016 and that the current indebtedness is owing pursuant to a "binding letter of intent" dated March 6, 2016 between the Lender and Borrower, among others (the "Subject Loan"). Rather than registering new charges in connection with the guarantees of the Subject Loan, on March 8, 2016 the parties entered into an Acknowledgment re Existing Security agreement pursuant to which the parties acknowledged and agreed that the existing charges relating to the Initial Loan would stand as security for the Subject Loan. These facts raise two additional issues for us. First, it raises the issue of the ability of the Lender to rely on the existing charges to secure the guarantee obligations pertaining to the Subject Loan given section 6(2) of the *Land Registration Reform Act* and the fact that the Initial Loan was repaid. Having already been repaid, the existing charges were no longer effective and once a charge ceases to have effect, it cannot be reinstated. Second, even if one could say that the Acknowledgment re Existing Security agreement gives rise to an equitable mortgage over the subject lands, then the granting of such an equitable mortgage would have taken place on or after March 8, 2016 which is well within three months of the date of the initial bankruptcy event of April 25, 2016, being the date on which the BIA proposal proceedings were

commenced. This would clearly invoke the fraudulent preference provisions of the BIA and, in particular, the presumed preference and reverse onus provisions of section 95(2) of the BIA.

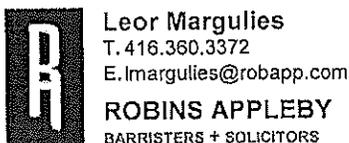
As you can see, given the foregoing I believe that we will have some difficulty providing a "clean" opinion to the proposal trustee as to the enforceability of the Lender's security against Woodbine and Bridlepath. Of course, if you have any additional information that you believe would be of assistance to us in addressing these issues please feel free to let me know.

From: Leor Margulies [mailto:lmargulies@robapp.com]
Sent: July 21, 2016 7:33 PM
To: Leor Margulies; Schwill, Robin
Cc: 'Norman Winter (nw@nwinlaw.com)'; 'Jackie Storms'; 'Esther Berglas (eb@nwinlaw.com)'; Dominique Michaud
Subject: RE: Letter dated July 14, 2016 two Dominique Michaud to

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We await receipt of your information you were going to provide to us.



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your question. Fresh consideration was advanced to the borrower by way of a \$10 million loan, in reliance upon the security provided by Woodbine and Bridlepath. Please provide me with case law that supports any proposition that in such an event, the subsequent insolvency or bankruptcy of the party providing the security can be attacked under circumstances where there is insufficient nexus between the borrower and the party providing the collateral security, such that the loan would be unsecured. If this is the case, it will certainly dramatically affect mortgage lending in Ontario and I am keen to learn of it.

In the interim, I am advised that Alan Saskin and Doreen Saskin, being the general partner and the limited partner of the beneficial owner of Woodbine and Bridlepath respectively, are also shareholders of UHI. I would suggest that this provides a very close nexus between all the parties, if consideration is material to your review.

Best regards.



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155 Wellington Street West
 Toronto ON M5V 3J7
 dwpv.com

August 5, 2016

Jay A. Swartz
 T 416.863.5520
 jswartz@dwpv.com

File No. 256201

BY EMAIL

Mr. Leor Margulies
 Robins Appleby LLP
 Suite 2600, 120 Adelaide Street West
 Toronto, ON M5H 1T1

Dear Mr. Margulies:

Terra Firma Collateral Mortgage on Woodbine and Bridlepath Properties

On July 25, 2016, Robin Schwill responded to your request for information relating to our concerns about the collateral mortgage held by Terra Firma on the Woodbine and Bridlepath Properties. To my knowledge, you have not responded to this email.

As you can see, we and the Proposal Trustee have substantive concerns regarding the validity and enforceability of the Terra Firma second mortgage in the context of an insolvency proceeding. This is a matter which must be resolved prior to any distribution of funds to creditors (other than the holders of the first mortgage) of the entities which own these properties. In the absence of an appropriate response resolving our concerns, we will feel it necessary to bring this matter before the Court. We would like to discuss the scheduling of such a proceeding with you.

Once you have consulted with your client, please give me a call and we can discuss an appropriate process.

Yours very truly,

Jay A. Swartz
 JAS/kcc

cc Dominique Michaud (*Robins Appleby LLP*)
 Robert Kofman (*KSY Kofman Inc.*)
 Noah Goldstein (*KSY Kofman Inc.*)
 Robin Schwill (*Davies Ward Phillips & Vineberg LLP*)



ROBINS APPLEBY
BARRISTERS + SOLICITORS

Delivered by: Email
File No.: 1600105

August 10, 2016

Davies Ward Phillips & Vineberg LLP
155 Wellington Street West
Toronto, ON M5V 3J7

Attention: Robin B. Schwill

Dear Mr. Schwill:

**Re: Mortgages/Charges by Urbancorp (Woodbine) Inc. ("Woodbine") and
Urbancorp (Bridlepath) Inc. in favour of Terra Firma Capital Corporation
("Terra Firma")**

We refer to your letter of July 14, 2016 to Dominique Michaud and to your discussions with the undersigned.

You have asked what consideration was provided to Woodbine, Bridlepath or TCC/Urbancorp (Bay) Limited Partnership ("Urbancorp LLP") in exchange for the guarantees and security that they granted to Terra Firma in support of the loan to Urbancorp Holdco Inc. ("UHI").

Without acknowledging that we need to establish consideration to these parties (as distinct from a benefit to the borrower, UHI), we note that Woodbine and Bridlepath were bare trustees of these lands, and held them in trust for Urbancorp LLP pursuant to Declaration of Trust for Urbancorp (Woodbine) Inc. dated January 30, 2014 and Declaration of Trust for Urbancorp (Bridlepath) Inc. dated March 20, 2014, copies of which are enclosed.

As confirmed by counsel to Urbancorp [see letter attached] the general partner of Urbancorp LLP is Deaja Partner (Bay) Inc., which is in turn owned by Alan Saskin. The limited partners of Urbancorp LLP are Alan Saskin and Vestaco Investments Inc., which is in turn owned by Doreen Saskin, Alan Saskin's spouse. Alan Saskin is the owner of all the common shares of UHI. Urbancorp LLP is also the owner of Class D Special Shares of UHI.

In summary, Urbancorp LLP received a benefit from this loan, as a corporation of which it was a shareholder was the recipient of the funds. Moreover, the loan constituted an obvious benefit to the owner of the common shares of UHI, Alan Saskin, who as noted was also one of the two limited partners of the Urbancorp LLP.



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- 2 -

The case *XDG Ltd. v. General Electric Caoutak Canada Inc.* to which you referred in our discussions is not applicable as it was determined with reference to statutory provisions of the *Ontario Business Corporations Act* that were repealed in 2006.

The circumstances in which the loan was advanced are as follows.

In response to a request from Mr. Saskin, Terra Firma offered to provide mezzanine financing to UHI on the terms of a letter of intent dated December 22, 2015 ("**Original Commitment**"), a copy of which we understand that you have. The security for the financing included the guarantees and mortgages/charges referred to in your letter. The security and other transaction documents contemplated by the Original Commitment were executed and registered and, as noted in the attached letter dated February 5, 2016 from Terra Firma to UHI, funding of the loan, net of the loan fee, was advanced in escrow pending satisfaction of the terms and conditions set out therein.

Mr. Saskin indicated that the financing as structured in the Original Commitment did not meet the requirements of UHI. As the conditions to advancing the loan under the Original Commitment were not satisfied, that transaction did not close. As a result Terra Firma cancelled the Original Commitment and the escrowed funds were returned to Terra Firma without payment of the loan fee or interest.

As the loan was cancelled (as evidenced by the contemporaneous documents), the funds were never in the exclusive control of the borrower, and therefore the return of the funds to Terra Firma did not, as you have characterized it, constitute a repayment. Even if a repayment was involved (a conclusion we dispute) we stress the fact that the amount actually returned, whether as repayment or as a result of the cancellation of the loan, did not include the full principal or any accrued interest. As such, Section 6(2) of the *Land Registration Reform Act* (Ontario) would not apply.

Discussions continued throughout between Terra Firma and Mr. Saskin with respect to obtaining financing on amended terms and conditions. As a result, the security that had been registered with respect to the Original Commitment was not discharged. These discussions concluded in an offer of financing by Terra Firma to UHI on the terms of a letter of intent dated March 6, 2016 ("**New Commitment**"), a copy of which is enclosed.

The second paragraph of the New Commitment states:

*"You have advised that the terms of a loan ("**Original Loan**") referenced in a term sheet from Terra Firma MA Ltd. dated December 22, 2015, as amended and supplemented (collectively, the "**Term Sheet**") did not satisfy your and your wholly owned subsidiary Urbancorp Inc.'s ("**Inc.**") requirements. You have therefore requested new terms for a loan that will satisfy the requirements of Inc. to its bond lenders that will allow Inc. to pay HST owing to the Canada Revenue Agency. Based on the foregoing, we are prepared to extend the loan of \$10,000,000.00 to replace the original loan on the amended terms set out below (which terms and conditions replace the terms and conditions of the term sheet), as follows:"*



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- 3 -

The New Commitment contemplated that the financing would be secured by the security delivered in connection with the financing as originally structured. The New Commitment states in the second bullet under the heading Security on page 2:

"Subject to Lenders counsel's advice, the existing security held by the Lender pursuant to the Term Sheet (excluding any security that may have been provided by Inc. or its subsidiary, including any pledge of shares in the Borrower, Inc. or Epic) will be used to satisfy the above-noted security requirements. In such event, the Borrower and all parties providing the above-noted security, and if required by the Lender, any required third parties, shall execute an acknowledgement confirmation that the aforesaid existing security shall stand as security for the loan to be made pursuant to this term sheet;"

The acknowledgement re existing security contemplated above was executed and delivered. A copy is attached. The operative provision of the acknowledgement states:

"The undersigned hereby acknowledge and agree that all security, save as expressly excluded as set out below (the "Excluded Security") given in connection with a letter of intent dated December 22, 2015 between the Lender and the Borrower (the "Existing Commitment") including, without the condition security listed below shall also stand a security with respect to the indebtedness of the Borrower with respect to a commitment letter dated March 6, 2016 between the Lender, the Borrower and the Guarantors (the "New Commitment")."

Terra Firma advanced \$10,000,000 to UHI under the New Commitment.

Please do not hesitate to contact me if you have any further questions or concerns.

Yours very truly,

ROBINS APPLEBY LLP

Per:

Leor Margulies

LM:mk

Encls.

robapp\3493142.1



March 6, 2016

Urbancorp Holdco Inc.
120 Lynn Williams Street Suite 2A,
Toronto, ON M6K 3N6

Attention: Mr. Alan Saskin

RE: Proposed Financing of 9064-9100 Woodbine Avenue, Markham, Ontario,
2425-2427 Bayview Avenue, Toronto, a 50% Interest in 300 Valermo Drive,
Toronto (collectively the "Secured Projects") and Pledge of Shares

Dear Mr. Saskin;

The following are the terms and conditions under which Terra Firma Capital Corporation ("TFCC" or the "Lender") will provide Urbancorp Holdco Inc. ("Holdco" or the "Borrower") a portfolio loan. This Letter of Intent is intended to be binding on the parties, subject to its terms, however the Borrower and the parties signing below acknowledge that the terms and conditions set out herein will be broadened in the security and other documentation process to include typical lending terms, further assurances to give full legal and proper effect to the terms herein and otherwise to satisfy the requirements of our legal counsel, including the Lender's Israeli legal counsel.

You have advised that the terms of a loan ("Original Loan") referenced in a term sheet from Terra Firma MA Ltd. dated December 22, 2015, as amended and supplemented (collectively, the "Term Sheet") did not satisfy your and your wholly owned subsidiary Urbancorp Inc.'s ("Inc.") requirements. You have therefore requested new terms for a loan that will satisfy the requirements of Inc. to its bond lender and that will allow Inc. to pay HST owing to the Canada Revenue Agency. Based on the foregoing, we are prepared to extend a loan of \$10,000,000.00 to you to replace the Original Loan on the amended terms set out below (which terms and conditions replace the terms and conditions of the Term Sheet), as follows:

Borrower	Urbancorp Holdco Inc., a private entity of which 100% of the voting shares are owned by Alan Saskin. At closing, Borrower will own 100% of all issued and outstanding shares of Urbancorp Inc.
Loan Amount	\$10 million
Rate	16% p.a.

1 | Page

Terra Firma MA Ltd., #200-22 St Clair East, Toronto, ON
Tel: 416-792-4700 Broker Licence #12425 / Administrator Licence #12346

V6

Term	<p>24 months with one 12-month extension</p> <p>Fee 2% for initial term (plus 1% if extension exercised) to be paid as follows:</p> <p>a. \$100,000 upon signing of this term sheet by the Borrower; and</p> <p>b. The balance to be paid at Closing or deducted from the Loan Amount</p>
Use of Funds	<p>To provide Borrower with funds to enhance the equity capital of Inc., a wholly owned subsidiary of the Borrower that has completed a \$64 million bond offering in Tel Aviv which funds are to be paid by Inc. on Closing by multiple directions to the Canada Revenue Agency ("CRA") to pay outstanding HST in respect of certain assets owned by a wholly owned subsidiary of Inc.</p>
Security	<p>Security to Include:</p> <ul style="list-style-type: none"> • Mortgage registration on Bridle Path and Woodbine properties, assignment of proceeds and transfer with respect to the Valermo property and interest and related security with respect to the Secured Projects to be granted by the Borrower's affiliates having registered and beneficial ownership of the Secured Projects, which security will and is deemed to include cross collateralization; • Subject to Lender's counsel advice, the existing security held by the Lender pursuant to the Term Sheet (excluding any security that may have been provided by Inc. or its subsidiary, including any pledge of shares in the Borrower or Inc. or Epic) will be used to satisfy the above-noted security requirements. In such event, the Borrower and all parties providing the above-noted security, and, if required by the Lender, any required third parties, shall execute an acknowledgement and confirmation that the aforesaid existing security shall stand as security for the loan to be made pursuant to this term sheet; • The outstanding security documents from the "Term Sheet" loan transaction, including, corporate and trust certificates and legal opinions, all in form required by the Lender's legal counsel, acting reasonably, but not security of Inc. or its subsidiaries or shares of the Borrower or Inc.; and • Joint and several guarantees Alan Saskin personally, TCC/Urbancorp (Bay/Stadium) LP, TCC/Urbancorp (Bay) LP, Urbancorp Management Inc. Webster Family Trust, Urbancorp Toronto Management Inc., Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc.,

TCC/Urbancorp (Stadium Road) LP and Urbancorp (Valermo) Inc. (collectively the "Guarantors");

- Negative pledge of the shareholders of the Borrower and the Borrower as sole shareholder of Inc., which will include a covenant not to transfer or pledge any of the shares of the Borrower or Inc.
- Acknowledgement, consent and/or Re-acknowledgement and estoppel from Mattamy (Valermo) Limited and Valermo Homes Inc. regarding the assignment of Urbancorp (Valermo) Inc.'s proceeds and Valermo Interest (as hereinafter defined) in the Valermo project, an option to purchase and a purchase transaction;
- Execution and delivery of an Agreement of Purchase and Sale, Transfer of the Valermo Interest (as hereinafter defined) and related transfer documents (including transfer of shares and resignations of the trustee corporation holding title to the Valermo property), to be held by the Lender to be utilized when and if it exercises its option to purchase the Valermo Interest.
- Certification and Acknowledgement re corporate structure; and
- Such other and further security as deemed reasonable by the Lender's legal counsel, provided that such additional security shall not include any assets of Inc., Inc.'s guarantee, anything that will cause Inc. to violate its obligations to its bond lender, or any assets of Leslieville or Epic.

Interest Payments All interest on the within Loan will accrue for the first 3 months of the Loan; thereafter 8% p.a. to be paid monthly. The balance 8% p.a. shall accrue, and shall be capitalized on a monthly basis, and such accrued interest shall be paid from all proceeds from any portion or all of the Secured Projects and from 100% of all monies received in or by or otherwise payable to or from the Borrower and/or from any of the Secured Projects or the sale of any of the Secured Projects (collectively or individually the "Proceeds"), to be credited against interest owing and thereafter against principal owing when received by the Lender, but in all events no later than on maturity.

Principal Payments 100% of the Proceeds following payment of accrued interest as set out above, will be used to repay 100% of the Loan Amount.

Prepayment The Loan may be prepaid at any time without notice.

Valermo Drive Mattamy (Valermo) Limited ("Mattamy") will be given a one-time option, which may be exercised within 15 days after the within loan advance, to acquire Borrower's 50% interest in 300 Valermo Drive (the "Valermo

Interest") for no less than \$7mm net to the Lender (upon completion of said purchase transaction, the Interest payable on said amount, if any, at the rate set out herein, for the period from March 15, 2016 to purchase closing shall be forgiven) (the "Option"), with closing to be no later than 15 days after exercise of such option. 100% of the proceeds of such sale will be paid to TFCC on account of outstanding interest or Principal under this Loan or for repayment of its purchase price of the Valermo Interest.

TFCC will have the right and option to be exercised from after closing of the within loan transaction until April 15, 2016 to acquire the Valermo Interest from Urbancorp (Valermo) Inc. (so long as Mattamy has not purchased the Valermo Interest as aforesaid) for \$7mm. 100% of the proceeds of such purchase by TFCC will be paid to TFCC on account of outstanding interest and/or Principal under this Loan.

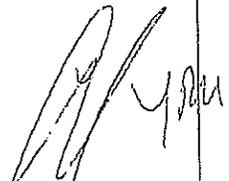
TFCC Expenses	The Borrower will be responsible for all TFCC's costs and expenses in connection with this Loan, to a maximum amount of \$50,000.00. Said costs and expenses will be paid by Borrower upon closing or deducted from the Loan.
Acknowledgement Regarding Term Sheet	The Borrower will provide such Acknowledgements, releases and assurances regarding the non-completion and cancellation of the Term Sheet transaction, and the resulting return of funds to the Lender, in such form as required by the Lender, acting reasonably. The Lender acknowledges that the mortgages on Bridle Path and Woodbine may require the consent of the prior lenders, and registration of same without such consent may be a breach of the terms of such prior mortgages.
Prefunding Conditions	As a pre-condition to the funding of this Loan: <ol style="list-style-type: none"> 1. All security required by the Lender shall be in place to the full and complete satisfaction of Lender and its counsel acting reasonably; and 2. Receipt by the Lender of such other information and documentation that the Lender or its legal counsel may reasonably require.
Legal Representation	Borrower will obtain legal advice (including from its Israeli legal counsel, the Law Firm of Shlmonov) that the transaction described herein is permitted under the terms of all other loans in its portfolio, including loans to Inc.
Legal Opinions	As a precondition to funding of this Loan, the Borrower will provide an opinion given by the solicitors for each of the Borrower and the Guarantors as to the enforceability and any other matter reasonably requested, all of the foregoing in form and content reasonably satisfactory to TFCC and its solicitors.



General Conditions

1. Concurrently with and it is a condition of this transaction that the Borrower is to obtain, either from Alan Saskin or other non-inc. sources, \$2,250,000, which shall be advanced to Inc. concurrently with the Lender's advance of this loan, (to pay HST) to make up Inc.'s \$12mm equity requirement (the Saskin Contribution").
2. The Proceeds of this Loan and the Saskin Contribution will be directed by the Borrower, Inc. and other required parties to the CRA to pay part of Inc.'s HST obligation on the Edge condominium project.
3. Alan Saskin will cooperate and use reasonable commercial efforts to: (i) restructure the Leslieville Loan with CIBC and Craft; (ii) cause Plazacorp to repay TFCC its \$1.2 mm loan (plus accrued interest) on Urbancorp's share of the Epic project or register a security against the retail area of said project; and (iii) to provides such further assurances regarding the within loan transaction, its security and any future transactions arising therefrom, including, without limitation, the purchase of the Valermo Interest, as may be required by the Lender. This provision, as well as the entire Term Sheet, shall survive the closing of the Loan advance.
4. TFCC will have the right to assign some or all of its rights under this Loan, including its right to purchase the Valermo Interest (provided that the purchaser of the Valermo Interest must be approved by Mattamy).
5. The terms and provisions of this Term Sheet shall remain in full force and effect for the benefit of the Lender notwithstanding the completion of the loan advance, and shall not merge on completion of any of the transactions herein set out.

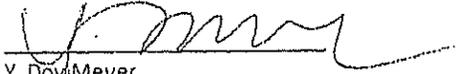
(Balance of page left blank.)



5 | Page

If you wish to proceed with the foregoing loan transaction, kindly acknowledge so by executing and returning a copy of this Letter, along with a cheque in the amount of \$100,000 by March 8, 2016 failing which, this letter shall be deemed null and void. Yours truly,

TERRA FIRMA CAPITAL CORPORATION

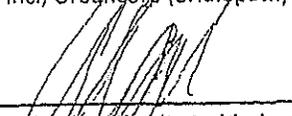

Y. Dov Meyer
C.E.O.

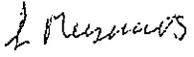
WE HEREBY AGREE to the above terms and conditions. We also authorize the Lender to obtain credit information on the borrower and guarantors from sources they deem necessary.

ACCEPTANCE

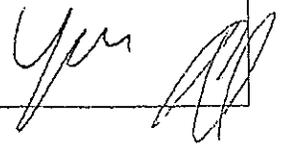
Accepted on the terms and conditions herein provided this ____ day of March 2016

Urbancorp Holdco Inc., Alan Saskin personally, TCC/Urbancorp (Bay/Stadium) LP, TCC/Urbancorp (Bay) LP, Urbancorp Management Inc. Webster Family Trust, Urbancorp Toronto Management Inc., Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc., TCC/Urbancorp (Stadium Road) LP and Urbancorp (Valermo) Inc.

PER: 
Alan Saskin, have authority to bind each of the corporations, limited partnerships and trust

Witness; 
Leanna Rejzewska
Print Name:


Alan Saskin



- 1 -

ACKNOWLEDGEMENT RE EXISTING SECURITY

TO: TERRA FIRMA CAPITAL CORPORATION

AND TO: The Law Firm of Norman H. Winter, its solicitors herein

RE: TERRA FIRMA CAPITAL CORPORATION (the "Lender") – loan (the "Loan") to Urbancorp Holdco Inc. (the "Borrower"), pursuant to a Letter of Intent dated March 3, 2016, as amended or supplemented from time to time, secured by: (a) Mortgage on PIN Nos. 03046-0219 (LT), 03046-0217 (LT), 03046-0215 (LT) and 03046-0213 (LT), Markham (collectively the "Woodbine Property"), from Urbancorp (Woodbine) Inc. (the "Woodbine Borrower"); (b) a Mortgage on PIN No. 10126-1010 (LT) (the "Bayview Property"), from Urbancorp (Bridlepath) Inc. (the "Bayview Borrower"); (c) Assignment of Proceeds from or in respect of PIN 07586-0258 (LT), Toronto (the "Valermo Property") by way of Irrevocable Direction re Payment from Urbancorp (Valermo) Inc. and TCC/Urbancorp (Stadium Road) Limited Partnership (collectively the "Valermo Borrower"), Guaranteed by Alan Saskin, TCC/Urbancorp (Bay) Limited Partnership, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership, Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc., Urbancorp (Valermo) Inc., Urbancorp Management Inc., Urbancorp Toronto Management Inc. and The Webster Family Trust (collectively the "Guarantors")

(the Woodbine Property, Bayview Property and Valermo Property are collectively referred to as the "Properties")

Loan

The undersigned hereby acknowledge and agree that all security, save as expressly excluded as set out below (the "Excluded Security") given in connection with a letter of intent dated December 22, 2015, between the Lender and the Borrower (the "Existing Commitment") including, without limitation, the security listed below, shall also stand as security with respect to the indebtedness of the Borrower with respect to a commitment letter dated March 6, 2016 between the Lender, the Borrower and the Guarantors (the "New Commitment").

1. Charge granted by Urbancorp (Bridlepath) Inc. to Terra Firma Capital Corporation with respect to the Bayview Property registered on December 31, 2015 as Instrument No. AT4107508 in the Land Titles Division for the City of Toronto, Land Registry Office #80;
2. Beneficial Owner Direction and Charge with respect to the Bayview Property;
3. Notice of Assignment of Rents- General granted by Urbancorp (Bridlepath) Inc. in favour of Terra Firma Capital Corporations with respect to the Bayview Property registered on December 31, 2015 as Instrument No. AT4107509 in the Land Titles Division for the City of Toronto, Land Registry Office #80;
4. Financing Statement Registration No. 20151231133318626574, being File No. 713015649 registered on December 31, 2015 against Urbancorp (Bridlepath) Inc. and TCC/Urbancorp (Bay) Limited Partnership as Debtors and Terra Firma Capital Corporation as Secured Party;
5. Charge granted by Urbancorp (Woodbine) Inc. to Terra Firma Capital Corporation with respect to the Woodbine Property registered on December 31, 2015 as Instrument No. YR2411107 in the Land Titles Division for the Region of York, Land Registry Office #65;
6. Beneficial Owner Direction and Charge with respect to the Woodbine Property;
7. Notice of Assignment of Rents- General granted by Urbancorp (Woodbine) Inc. in favour of Terra Firma Capital Corporations with respect to the Woodbine Property registered on December 31, 2015 as Instrument No. YR2411108 in the Land Titles Division for the Region of York, Land Registry Office #65;
8. Financing Statement Registration No. 20151231133318626573, being File No. 713015613 registered on December 31, 2015 against Urbancorp (Woodbine) Inc. and TCC/Urbancorp (Bay) Limited Partnership as Debtors and Terra Firma Capital Corporation as Secured Party;
9. Financing Statement Registration No. 20151231133318626572, being File No. 713015586 registered on December 31, 2015 against Urbancorp Holdco Inc. as Debtor and Terra Firma Capital Corporation as Secured Party;

9000.16.02 Ack re Existing Security 030715.2.3d

- 2 -

10. Assignment of interest in the Valermo Property and in conjunction therewith, Financing Statement Registration No. 20151231133318626576, being File No. 713015667 registered on December 31, 2016 against Urbancorp (Valermo) Inc. and TCC/Urbancorp (Stadium Road) Limited Partnership as Debtors in favour of Terra Firma Capital Corporation as Secured Party;
11. Guarantee and Postponement of Claims granted by Alan Saskin, and a Limited Recourse Guarantee and Postponement of Claims granted by Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership, and in conjunction therewith, Financing Statement Registration No. 20151231133318626575, being File No. 713015658 registered on December 31, 2015 against Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership as Debtors and Terra Firma Capital Corporation as Secured Party;
12. Assignment and Postponement of Shareholder Loans with respect to Urbancorp Holdco Inc. granted by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership in favour of Terra Firma Capital Corporation; and
13. General Security Agreements granted by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership in favour of Terra Firma Capital Corporation, excluding any shares held by any such party in Urbancorp Holdco Inc.;

(collectively, the "Existing Security").

The Existing Security shall also be deemed to be amended such that all references to the Existing Commitment shall be deemed to be the New Commitment.

Notwithstanding the foregoing, the following Excluded Security shall be deemed to be excluded from the security given with respect to the New Commitment:

1. A Share Pledge Agreement granted by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership, and in conjunction therewith, Financing Statement Registration No. 20151231133318626575, being File No. 713015658 registered on December 31, 2015 against Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership as Debtors and Terra Firma Capital Corporation as Secured Party;
2. A Share Pledge Agreement granted by Urbancorp Holdco Inc. in favour of Terra Firma Capital Corporation;
3. A Co-Investment Loan Agreement by and between Urbancorp Investco Inc. and Terra Firma Capital Corporation;
4. A Blocked Account Agreement by and among Urbancorp Investco Inc., Terra Firma Capital Corporation and the Bank of Montreal;
5. A Guarantee and Postponement of Claim granted by Urbancorp Investco Inc. in favour of Terra Firma Capital Corporation;
6. Undertaking re: shortage granted by Urbancorp Holdco Inc., Urbancorp Inc. and Urbancorp Investco Inc. in favour of Terra Firma Capital Corporation;
7. General Security Agreement granted by Urbancorp Investco Inc. in favour of Terra Firma Capital Corporation;
8. Assignment and Postponement of Shareholder Loans granted by Urbancorp Holdco Inc. in favour of Terra Firma Capital Corporation;

- 9. Any shares in Urbancorp Holdco Inc. that may be charged by a General Security Agreements granted by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership in favour of Terra Firma Capital Corporation; and
- 9. all other security granted by Urbancorp Inc. and/or Urbancorp Investco Inc.
- 10. This Acknowledgement may be executed in counterparts and will be effective whether executed in original ink, by facsimile or in electronic PDF format.

DATED at Toronto this 8th day of March, 2016.

BORROWER:

URBANCORP HOLDCO INC.

Per: [Signature]
 Alan Saskin – President
 I have authority to bind the Corporation

GUARANTORS:

TCC/URBANCORP (BAY/STADIUM)
 LIMITED PARTNERSHIP
 By its General Partner,
 Deaja Partner (Stadium) Inc.

Per: [Signature]
 Alan Saskin –
 I have authority to bind the Corporation

TCC/URBANCORP (BAY) LIMITED
 PARTNERSHIP
 By its General Partner,
 Deaja Partner (Bay) Inc.

Per: [Signature]
 Alan Saskin –
 I have authority to bind the Corporation

WEBSTER FAMILY TRUST

By: [Signature]
 Name:
 Title: Trustee

By: [Signature]
 Name:
 Title: Trustee
 We have authority to bind the Trust

URBANCORP MANAGEMENT INC.

Per: [Signature]
 Alan Saskin – President
 I have authority to bind the Corporation

URBANCORP TORONTO MANAGEMENT INC.

Per: [Signature]
 Alan Saskin – President

- 9. Any shares in Urbancorp Holdco Inc. that may be charged by a General Security Agreements granted by Alan Saskin, Urbancorp Management Inc., Urbancorp Toronto Management Inc., The Webster Family Trust, TCC/Urbancorp (Bay/Stadium) Limited Partnership, TCC/Urbancorp (Stadium Road) Limited Partnership and TCC/Urbancorp (Bay) Limited Partnership in favour of Terra Firma Capital Corporation; and
- 9. all other security granted by Urbancorp Inc. and/or Urbancorp Investco Inc.
- 10. This Acknowledgement may be executed in counterparts and will be effective whether executed in original ink, by facsimile or in electronic PDF format.

DATED at Toronto this 8th day of March, 2016.

BORROWER:

URBANCORP HOLDCO INC.
 Per: [Signature]
 Alan Saskin - President
 I have authority to bind the Corporation

GUARANTORS:

TCC/URBANCORP (BAY/STADIUM)
 LIMITED PARTNERSHIP
 By Its General Partner
 Deaja Partner (Stadium) Inc.
 Per: [Signature]
 Alan Saskin -
 I have authority to bind the Corporation

TCC/URBANCORP (BAY) LIMITED
 PARTNERSHIP
 By Its General Partner
 Deaja Partner (Bay) Inc.
 Per: [Signature]
 Alan Saskin -
 I have authority to bind the Corporation

WEBSTER FAMILY TRUST

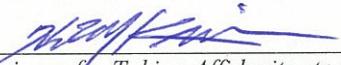
By: [Signature]
 Name:
 Title: Trustee
 By: [Signature]
 Name:
 Title: Trustee
 We have authority to bind the Trust

URBANCORP MANAGEMENT INC.
 Per: [Signature]
 Alan Saskin - President
 I have authority to bind the Corporation

URBANCORP TORONTO MANAGEMENT
 INC.
 Per: [Signature]
 Alan Saskin - President

TAB 33

THIS IS EXHIBIT " 33" REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

NOTICE OF REVISION OR DISALLOWANCE

**For Persons that have asserted Claims against the CCAA Entities¹,
D&O Claims against the Directors and/or Officers of the CCAA Entities**

Claims Reference Number: 21
 Claim against: Urbancorp (Woodbine)
 Inc.

TO: Terra Firma Capital Corporation
 (the "Claimant")

Defined terms not defined in this Notice of Revision or Disallowance have the meaning ascribed in the Order of the Ontario Superior Court of Justice (Commercial List) in the CCAA proceedings of the CCAA Entities dated October 18, 2016 (the "Claims Procedure Order").

Pursuant to the Claims Procedure Order, the Monitor hereby gives you notice that it has reviewed your Proof of Claim or D&O Proof of Claim and has revised or disallowed all or part of your purported Claim. Subject to further dispute by you in accordance with the Claims Procedure Order, your Claim will be as follows:

	Amount as submitted		Amount allowed by Monitor
	Currency		
A. Unsecured Claim	CAD	\$0.00	\$499,009.85
B. Secured Claim	CAD	\$6,512,874.95	\$0.00
C. D&O Claim			
E. Total Claim	CAD	\$6,512,874.95	\$499,009.85

¹ Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc., The Townhouses of Hogg's Hollow Inc., King Towns Inc., NewTown at King Towns Inc., DEAJA Partner (Bay) Inc. and TCC/Urbancorp (Bay) Limited Partnership (collectively, the "CCAA Entities").

- 2 -

Reasons for Revision or Disallowance:Bayview and Woodbine 2nd Mortgage

As set out in the Eighth Report of the Proposal Trustee, these Charges/Mortgages could be held to be void (i.e., not enforceable as against the Proposal Trustee or other creditors) as transfers at undervalue under the Bankruptcy and Insolvency Act (the "BIA"), fraudulent conveyances under the Fraudulent Conveyances Act (Ontario) (the "FCA") or fraudulent preferences under the Assignment and Preferences Act (Ontario) (the "APA").

We are aware that at least the Israeli Functionary has reserved its rights to challenge the validity and enforceability of these Charges/Mortgages and, therefore, cannot accept this claim at this time. Accordingly, it is disallowed in full subject to your right to dispute such disallowance.

Valermo Drive

This claim appears to rely on the Second Mortgages referred to above. As we understand that the validity and enforceability of the Second Mortgages is currently being contested and may be held to be void as outlined above, this claim also cannot be accepted at this time and, accordingly, is disallowed in full subject to your right to dispute such disallowance.

Additional Payment Agreement

This claim has been disallowed as a secured claim because the Additional Payment Agreement purports to be secured by the existing charge in favour of Laurentian Bank of Canada ("Laurentian") which cannot be effective without Laurentian's agreement (and Laurentian is not a party to the Additional Payment Agreement). Furthermore, the Additional Payment Agreement has been only registered by way of a "Notice" (as opposed to a "Charge").

SERVICE OF DISPUTE NOTICES

If you intend to dispute this Notice of Revision or Disallowance, you must, no later than 5:00 p.m. (prevailing time in Toronto) on the day that is twenty-one (21) Calendar Days after this Notice of Revision or Disallowance is deemed to have been received by you (in accordance with paragraph 36(a) of the Claims Procedure Order), deliver a Notice of Dispute of Revision or Disallowance to the Monitor by ordinary prepaid mail, registered mail, courier, personal delivery or electronic transmission to the address below.

**KSV Kofman Inc.
150 King Street West, Suite 2308
Toronto, ON M5H 1J9**

**Attention: Noah Goldstein
Email: ngoldstein@ksvadvisory.com
Fax: 416.932.6266**

- 3 -

In accordance with the Claims Procedure Order, notices shall be deemed to be received by the Monitor upon actual receipt thereof by the Monitor during normal business hours on a Business Day, or if delivered outside of normal business hours, on the next Business Day.

The form of Notice of Dispute of Revision or Disallowance is enclosed and can also be accessed on the Monitor's website at <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/>.

IF YOU FAIL TO FILE A NOTICE OF DISPUTE WITHIN THE PRESCRIBED TIME PERIOD, THIS NOTICE OF REVISION OR DISALLOWANCE WILL BE BINDING UPON YOU.

DATED this 14th day of December, 2016.

KSV KOFMAN INC., SOLELY IN ITS CAPACITY AS COURT-APPOINTED MONITOR OF THE CCAA ENTITIES, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

Per: _____

For more information see <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/>, or contact the Monitor by telephone (416.932.6207).

TAB 34

THIS IS **EXHIBIT " 34"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

NOTICE OF REVISION OR DISALLOWANCE

**For Persons that have asserted Claims against the CCAA Entities¹,
D&O Claims against the Directors and/or Officers of the CCAA Entities**

Claims Reference Number: 22
 Claim against: Urbancorp (Bridlepath)
 Inc.

TO: Terra Firma Capital Corporation
 (the "Claimant")

Defined terms not defined in this Notice of Revision or Disallowance have the meaning ascribed in the Order of the Ontario Superior Court of Justice (Commercial List) in the CCAA proceedings of the CCAA Entities dated October 18, 2016 (the "**Claims Procedure Order**").

Pursuant to the Claims Procedure Order, the Monitor hereby gives you notice that it has reviewed your Proof of Claim or D&O Proof of Claim and has revised or disallowed all or part of your purported Claim. Subject to further dispute by you in accordance with the Claims Procedure Order, your Claim will be as follows:

	Amount as submitted		Amount allowed by Monitor
	Currency		
A. Unsecured Claim	CAD	\$0.00	\$216,898.98
B. Secured Claim	CAD	\$6,230,764.08	\$0.00
C. D&O Claim			
E. Total Claim	CAD	\$6,230,764.08	\$216,898.98

¹ Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc., The Townhouses of Hogg's Hollow Inc., King Towns Inc., NewTown at King Towns Inc., DEAJA Partner (Bay) Inc. and TCC/Urbancorp (Bay) Limited Partnership (collectively, the "CCAA Entities").

- 2 -

Reasons for Revision or Disallowance:Bayview and Woodbine 2nd Mortgage

As set out in the Eighth Report of the Proposal Trustee, these Charges/Mortgages could be held to be void (i.e., not enforceable as against the Proposal Trustee or other creditors) as transfers at undervalue under the Bankruptcy and Insolvency Act (the "BIA"), fraudulent conveyances under the Fraudulent Conveyances Act (Ontario) (the "FCA") or fraudulent preferences under the Assignment and Preferences Act (Ontario) (the "APA").

We are aware that at least the Israeli Functionary has reserved its rights to challenge the validity and enforceability of these Charges/Mortgages and, therefore, cannot accept this claim at this time. Accordingly, it is disallowed in full subject to your right to dispute such disallowance.

Valermo Drive

This claim appears to rely on the Second Mortgages referred to above. As we understand that the validity and enforceability of the Second Mortgages is currently being contested and may be held to be void as outlined above, this claim also cannot be accepted at this time and, accordingly, is disallowed in full subject to your right to dispute such disallowance.

Additional Payment Agreement

This claim has been disallowed as a secured claim because the Additional Payment Agreement has not been registered on title as a Charge. Furthermore, the Additional Payment Agreement purports to be secured by the existing charge in favour of Terra Firma Capital Corporation and Atrium Mortgage Investment Corporation ("Atrium") (which is registered) but such charge cannot be effective without Atrium's agreement (and Atrium is not a party to the Additional Payment Agreement).

SERVICE OF DISPUTE NOTICES

If you intend to dispute this Notice of Revision or Disallowance, you must, no later than 5:00 p.m. (prevailing time in Toronto) on the day that is twenty-one (21) Calendar Days after this Notice of Revision or Disallowance is deemed to have been received by you (in accordance with paragraph 36(a) of the Claims Procedure Order), deliver a Notice of Dispute of Revision or Disallowance to the Monitor by ordinary prepaid mail, registered mail, courier, personal delivery or electronic transmission to the address below.

KSV Kofman Inc.
150 King Street West, Suite 2308
Toronto, ON M5H 1J9

Attention: Noah Goldstein
Email: ngoldstein@ksvadvisory.com
Fax: 416.932.6266

- 3 -

In accordance with the Claims Procedure Order, notices shall be deemed to be received by the Monitor upon actual receipt thereof by the Monitor during normal business hours on a Business Day, or if delivered outside of normal business hours, on the next Business Day.

The form of Notice of Dispute of Revision or Disallowance is enclosed and can also be accessed on the Monitor's website at <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/>.

IF YOU FAIL TO FILE A NOTICE OF DISPUTE WITHIN THE PRESCRIBED TIME PERIOD, THIS NOTICE OF REVISION OR DISALLOWANCE WILL BE BINDING UPON YOU.

DATED this 14th day of December, 2016.

KSV KOFMAN INC., SOLELY IN ITS CAPACITY AS COURT-APPOINTED MONITOR OF THE CCAA ENTITIES, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

Per: _____

For more information see <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/>, or contact the Monitor by telephone (416.932.6207).

TAB 35

THIS IS EXHIBIT " 35" REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public

KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

NOTICE OF REVISION OR DISALLOWANCE

**For Persons that have asserted Claims against the CCAA Entities¹,
D&O Claims against the Directors and/or Officers of the CCAA Entities**

Claims Reference Number:

23

Claim against: TCC/Urbancorp (Bay)
Limited Partnership

TO:

Terra Firma Capital Corporation
(the "Claimant")

Defined terms not defined in this Notice of Revision or Disallowance have the meaning ascribed in the Order of the Ontario Superior Court of Justice (Commercial List) in the CCAA proceedings of the CCAA Entities dated October 18, 2016 (the "**Claims Procedure Order**").

Pursuant to the Claims Procedure Order, the Monitor hereby gives you notice that it has reviewed your Proof of Claim or D&O Proof of Claim and has revised or disallowed all or part of your purported Claim. Subject to further dispute by you in accordance with the Claims Procedure Order, your Claim will be as follows:

	Amount as submitted		Amount allowed by Monitor
	Currency		
A. Unsecured Claim	CAD	\$0.00	\$0.00
B. Secured Claim	CAD	\$6,013,865.10	\$0.00
C. D&O Claim			
E. Total Claim	CAD	\$6,013,865.10	\$0.00

¹ Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc., The Townhouses of Hogg's Hollow Inc., King Towns Inc., NewTowns at King Towns Inc., DEAJA Partner (Bay) Inc. and TCC/Urbancorp (Bay) Limited Partnership (collectively, the "CCAA Entities").

- 2 -

Reasons for Revision or Disallowance:

This claim has been disallowed as no evidence has been provided to support an amount due from TCC/Urbancorp (Bay) Limited Partnership to Terra Firma Capital Corporation.

SERVICE OF DISPUTE NOTICES

If you intend to dispute this Notice of Revision or Disallowance, you must, no later than 5:00 p.m. (prevailing time in Toronto) on the day that is twenty-one (21) Calendar Days after this Notice of Revision or Disallowance is deemed to have been received by you (in accordance with paragraph 36(a) of the Claims Procedure Order), deliver a Notice of Dispute of Revision or Disallowance to the Monitor by ordinary prepaid mail, registered mail, courier, personal delivery or electronic transmission to the address below.

KSV Kofman Inc.
150 King Street West, Suite 2308
Toronto, ON M5H 1J9

Attention: Noah Goldstein
Email: ngoldstein@ksvadvisory.com
Fax: 416.932.6266

In accordance with the Claims Procedure Order, notices shall be deemed to be received by the Monitor upon actual receipt thereof by the Monitor during normal business hours on a Business Day, or if delivered outside of normal business hours, on the next Business Day.

The form of Notice of Dispute of Revision or Disallowance is enclosed and can also be accessed on the Monitor's website at <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/>.

IF YOU FAIL TO FILE A NOTICE OF DISPUTE WITHIN THE PRESCRIBED TIME PERIOD, THIS NOTICE OF REVISION OR DISALLOWANCE WILL BE BINDING UPON YOU.

DATED this 14th day of December, 2016.

KSV KOFMAN INC., SOLELY IN ITS CAPACITY AS COURT-APPOINTED MONITOR OF THE CCAA ENTITIES, AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY

Per: _____


For more information see <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/>, or contact the Monitor by telephone (416.932.6207).

TAB 36

THIS IS **EXHIBIT " 36"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

NOTICE OF DISPUTE OF NOTICE OF REVISION OR DISALLOWANCE
With respect to the CCAA Entities¹

Claims Reference Number: 21

**Claim Against Urbancorp
(Woodbine) Inc.**

1. Particulars of Claimant:

Full Legal Name of Claimant (include trade name, if different)

Terra Firma Capital Corporation ("TFCC")

(the "Claimant")

Full Mailing Address of the Claimant:

22 St. Clair Avenue East, Suite 200
Toronto, Ontario M4T 2S3

Other Contact Information of the Claimant:

Telephone Number: (416) 792-4703

Email Address: cmontgomery@tfcc.ca

Facsimile Number: 416-792-4711

Attention (Contact Person): Carolyn Montgomery

¹ Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc., The Townhouses of Hogg's Hollow Inc., King Towns Inc., NewTowns at King Towns Inc., DEAJA Partner (Bay) Inc. and TCC/Urbancorp (Bay) Limited Partnership (collectively, the "CCAA Entities").

2. Particulars of original Claimant from whom you acquired the Claim or D&O Claim, if applicable

Have you acquired this purported Claim by assignment?

Yes:

No:

If yes and if not already provided, attach documents evidencing assignment.

Full Legal Name of original Claimant(s): _____

3. Dispute of Revision or Disallowance of Claim:

The Claimant hereby disagrees with the value of its Claim, as set out in the Notice of Revision or Disallowance and asserts a Claim as follows:

	Currency	Amount allowed by Monitor: (Notice of Revision or Disallowance)	Amount claimed by Claimant: ²
A. Unsecured		\$ 499,009.85	\$0.00
B. Secured		\$0.00	\$6,512,874.95
C. D&O Claim			
E. Total Claim		\$499,009.85	\$6,512,874.95

4. Reasons for Dispute of Revision or Disallowance of Claim:

A breakdown of the reasons for the Dispute of Revision or Disallowance of Claim for each separate part of TFCC's claim is set out below. In accordance with the agreement with the Monitor, these reasons are being provided without prejudice to TFCC's right to amend these reasons and supplement these reasons with further evidence at a later date should it be necessary.

Bayview Woodbine – Second Mortgage

There is no basis to disallow this claim. The second mortgage is valid and enforceable. This issue may become the subject matter of a motion brought by TFCC to compel the

² If necessary, currency will be converted in accordance with the Claims Procedure Order.

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distribution of the second mortgage.

Valermo Drive

There is no basis to disallow this claim. The second mortgage is valid and enforceable.

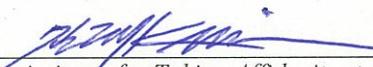
Additional Payment Agreement

There is no basis to disallow this claim. The amount owing under the Additional Payment Agreement was properly secured by the Laurentian Bank of Canada mortgage.

robapp\3675040.1

TAB 37

THIS IS **EXHIBIT " 37"** REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

NOTICE OF DISPUTE OF NOTICE OF REVISION OR DISALLOWANCE
With respect to the CCAA Entities¹

Claims Reference Number: 22

**Claim Against Urbancorp
(Bridlepath) Inc.**

1. Particulars of Claimant:

Full Legal Name of Claimant (include trade name, if different)

Terra Firma Capital Corporation ("TFCC")

(the "Claimant")

Full Mailing Address of the Claimant:

22 St. Clair Avenue East, Suite 200
Toronto, Ontario M4T 2S3

Other Contact Information of the Claimant:

Telephone Number: (416) 792-4703

Email Address: cmontgomery@tfcc.ca

Facsimile Number: 416-792-4711

Attention (Contact Person): Carolyn Montgomery

¹ Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc., The Townhouses of Hogg's Hollow Inc., King Towns Inc., NewTowns at King Towns Inc., DEAJA Partner (Bay) Inc. and TCC/Urbancorp (Bay) Limited Partnership (collectively, the "CCAA Entities").

2. Particulars of original Claimant from whom you acquired the Claim or D&O Claim, if applicable

Have you acquired this purported Claim by assignment?

Yes:

No: x

If yes and if not already provided, attach documents evidencing assignment.

Full Legal Name of original Claimant(s):

3. Dispute of Revision or Disallowance of Claim:

The Claimant hereby disagrees with the value of its Claim, as set out in the Notice of Revision or Disallowance and asserts a Claim as follows:

	Currency	Amount allowed by Monitor: (Notice of Revision or Disallowance)	Amount claimed by Claimant: ²
A. Unsecured		\$216,898.98	\$0.00
B. Secured		\$0.00	\$6,230,764.08
C. D&O Claim			
E. Total Claim		\$216,898.98	\$6,230,764.08

4. Reasons for Dispute of Revision or Disallowance of Claim:

A breakdown of the reasons for the Dispute of Revision or Disallowance of Claim for each separate part of TFCC's claim is set out below. In accordance with the agreement with the Monitor, these reasons are being provided without prejudice to TFCC's right to amend these reasons and supplement these reasons with further evidence at a later date should it be necessary.

Bayview Woodbine – Second Mortgage

There is no basis to disallow this claim. The second mortgage is valid and enforceable. This issue may become the subject matter of a motion brought by TFCC to compel the

² If necessary, currency will be converted in accordance with the Claims Procedure Order.

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distribution of the second mortgage.

Valermo Drive

There is no basis to disallow this claim. The second mortgage is valid and enforceable.

Additional Payment Agreement

There is no basis to disallow this claim. The amount owing under the Additional Payment Agreement was properly secured by the Atrium Mortgage Investment Corporation mortgage.

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TAB 38

THIS IS EXHIBIT " 38" REFERRED TO IN
THE AFFIDAVIT OF GLENN WATCHORN
SWORN BEFORE ME THIS 8th
DAY OF MAY, 2017.



Commissioner for Taking Affidavits etc./Notary Public
KEUN TAE KIM

Keun Tae Kim, a Commissioner, etc.,
Province of Ontario, while a Student-at-Law.
Expires August 16, 2019.

NOTICE OF DISPUTE OF NOTICE OF REVISION OR DISALLOWANCE

With respect to the CCAA Entities¹

Claims Reference Number: 23

TCC/ Urbancorp (Bay) Limited
Partnership

1. Particulars of Claimant:

Full Legal Name of Claimant (include trade name, if different)

Terra Firma Capital Corporation ("TFCC")

(the "Claimant")

Full Mailing Address of the Claimant:

22 St. Clair Avenue East, Suite 200
Toronto, Ontario M4T 2S3

Other Contact Information of the Claimant:

Telephone Number: (416) 792-4703

Email Address: cmontgomery@tfcc.ca

Facsimile Number: 416-792-4711

Attention (Contact Person): Carolyn Montgomery

¹ Urbancorp (Woodbine) Inc., Urbancorp (Bridlepath) Inc., The Townhouses of Hogg's Hollow Inc., King Towns Inc., NewTowns at King Towns Inc., DEAJA Partner (Bay) Inc. and TCC/Urbancorp (Bay) Limited Partnership (collectively, the "CCAA Entities").

2. Particulars of original Claimant from whom you acquired the Claim or D&O Claim, if applicable

Have you acquired this purported Claim by assignment?

Yes:

No: x

If yes and if not already provided, attach documents evidencing assignment.

Full Legal Name of original Claimant(s):

3. Dispute of Revision or Disallowance of Claim:

The Claimant hereby disagrees with the value of its Claim, as set out in the Notice of Revision or Disallowance and asserts a Claim as follows:

	Currency	Amount allowed by Monitor: (Notice of Revision or Disallowance)	Amount claimed by Claimant: ²
A. Unsecured		\$0.00	\$0.00
B. Secured		\$0.00	\$6,013,865.10
C. D&O Claim			
E. Total Claim		\$0.00	\$6,013,865.10

4. Reasons for Dispute of Revision or Disallowance of Claim:

A breakdown of the reasons for the Dispute of Revision or Disallowance of Claim for TFCC's claim is set out below. In accordance with the agreement with the Monitor, these reasons are being provided without prejudice to TFCC's right to amend these reasons and supplement these reasons with further evidence at a later date should it be necessary.

Evidence to Support Amount Due From TCC/ Urbancorp (Bay) Limited Partnership to TFCC

There is clear evidence to support the amount due from TCC/ Urbancorp (Bay) Limited

² If necessary, currency will be converted in accordance with the Claims Procedure Order.

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Partnership to TFCC. In addition to the documents provided as part of TFCC's Proof of Claim, please see the Guarantee and Postponement of Claim and the General Security Agreement that were provided by TCC/ Urbancorp (Bay) Limited Partnership to TFCC.

These documents were sent to the Monitor, Noah Goldstein, by TFCC's counsel, Dominique Michaud, by email dated December 16, 2016 at 10:20 am. We have attached these documents to this Notice Of Dispute Of Notice Of Revision Or Disallowance again for your review.

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IN THE MATTER OF THE COMPANIES' CREDITORS ARRANGEMENT ACT, R.S.C. 1985, c. C-36, AS AMENDED
Court File No.: CV-16-11549-00CL

AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
URBANCORP (WOODBINE) INC. AND URBANCORP (BRIDLEPATH) INC., THE
TOWNHOUSES OF HOGG'S HOLLOW INC., KING TOWNS INC., NEWTOWNS AT KING
TOWNS INC. AND DEAJA PARTNER (BAY) INC. (COLLECTIVELY, THE "APPLICANTS")
AND IN THE MATTER OF TCC/URBANCORP (BAY) LIMITED
PARTNERSHIP

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDING COMMENCED AT TORONTO

AFFIDAVIT OF GLENN WATCHORN

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Co-Counsel for Terra Firma Capital Corporation

36, AS AMENDED
AND IN THE MATTER OF A PLAN OF COMPROMISE OR ARRANGEMENT OF
URBANCORP (WOODBINE) INC. AND URBANCORP (BRIDLEPATH) INC., THE
TOWNHOUSES OF HOGG'S HOLLOW INC., KING TOWNS INC., NEWTOWNS AT KING
TOWNS INC. AND DEAJA PARTNER (BAY) INC. (COLLECTIVELY, THE "APPLICANTS")
AND IN THE MATTER OF TCC/URBANCORP (BAY) LIMITED
PARTNERSHIP

ONTARIO
**SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)**
PROCEEDING COMMENCED AT TORONTO

**MOTION RECORD OF TERRA FIRMA CAPITAL
CORPORATION**

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