



**Second Supplement to the Sixth Report
to Court of KSV Kofman Inc. as CCAA
Monitor of Urbancorp (Woodbine) Inc.,
Urbancorp (Bridlepath) Inc., The
Townhouses of Hogg's Hollow Inc., King
Towns Inc., Newtowns at Kingtowns Inc.,
Deaja Partner (Bay) Inc., and
TCC/Urbancorp (Bay) Limited
Partnership**

April 24, 2017

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COURT FILE NO.: CV-16-11549-00CL

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 (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

SECOND SUPPLEMENT TO THE SIXTH REPORT OF KSV KOFMAN INC. AS
CCAA MONITOR

APRIL 24, 2017

1.0 Introduction

1. This report (the "Second Supplemental Report") supplements the Sixth Report of the Monitor dated March 21, 2017 filed in the Bay Entities' CCAA proceedings. The Monitor's First Supplement to the Sixth Report is dated April 4, 2017 (the "First Supplemental Report").
2. Defined terms in this Second Supplemental Report have the meanings provided to them in the Sixth Report, unless otherwise defined herein.
3. This Second Supplemental Report is subject to the restrictions in the Sixth Report.

1.1 Purpose of this Second Supplemental Report

1. Since the date of the Sixth Report and the First Supplemental Report, the Monitor has obtained additional accounting information regarding the Intercompany Account of Bay LP with UTMI. This Second Supplemental Report discusses this accounting information, as well as other information with respect to the Foreign Representative Motion.

2.0 Supplementary Information

2.1 Intercompany Account

1. In paragraphs 1 and 2 of Section 3 of the Sixth Report, the Monitor stated that the Intercompany Account reflected a balance of \$527,655 owed by UTMI to Bay LP as at December 31, 2015. The Sixth Report states that the foregoing amount was net of the management fee that was owed to UTMI by Bay LP pursuant to the Original Fee Agreement and the Amended Fee Agreement.
2. The Accountants have provided the Monitor with the December 31, 2016 Bay LP Trial Balance and the 2016 Bay LP Year End Adjusting Journal Entries schedule. A copy of the December 31, 2016 Bay LP Trial Balance and the 2016 Bay LP Year End Adjusting Journal Entries schedule are attached as Appendices “A” and “B”, respectively.
3. The Accountants have also provided the Monitor with the 2015 Bay LP Trial Balance and the 2015 Bay LP Year End Adjusting Journal Entries schedule, which are attached as Appendices “C” and “D”, respectively. The 2015 Bay LP Trial Balance was the basis for Bay LP’s 2015 T5013¹ tax information that Bay LP filed with the Canada Revenue Agency. The date of the certification of the 2015 Bay LP T5013 is “2016-03-30”. Included in the 2015 Bay LP T5013 is Schedule 100, which summarizes Bay LP’s assets, liabilities and partners’ capital. A copy of Schedule 100 is attached as Appendix “E”. As can be seen on Appendix “E”, there is no liability listed that would support an indebtedness in respect of the Substituted Promissory Notes.
4. The December 31, 2016 Bay LP Trial Balance reflects a balance of \$727,655 owing by UTMI to Bay LP. The December 31, 2015 Bay LP Trial Balance reflects a balance of \$527,655 owing by UTMI to Bay LP, which is the same amount reflected in the Sixth Report. Neither the 2016 Bay LP Trial Balance nor the 2015 Bay LP Trial Balance reflects amounts owing to either UCI or Realtyco in connection with the Substituted Promissory Notes.

2.2 April 17, 2017 Affidavit

1. On April 17, 2017, Dentons Canada LP (“Dentons”) filed an affidavit of Elizabeth Brooks (“Affidavit”) of the same date in connection with this matter. The Affidavit contained a letter from Dentons dated April 6, 2017 to Jeremy Cole, Executive Vice President of the Accountants, wherein Dentons posed sixteen (16) questions (“Questions”) to the Accountants, and a letter dated April 10, 2017 from the Accountants to Dentons, wherein the Accountants provided answers (“Answers”) to the Questions.
2. The Monitor has reviewed the Questions and Answers. In table format, the Monitor has provided comments (“Comments”) to the Questions and Answers, where it believes they are warranted. A copy of the table with the Questions, Answers and Comments is attached as Appendix “F”.

¹ The T5013 is a partnership tax form required to be filed by partnerships with the Canada Revenue Agency. The T5013 includes details of the partnership’s income (loss), assets, liabilities and allocation of income (loss) among the partners.

2.3 Income Allocation

1. In paragraph 2 of Section 2.2 of the Sixth Report, the Monitor outlines the ownership of Bay LP as being:
 - Deaja (General Partner) – .01%
 - Alan Saskin (Limited Partner) – 79.99%
 - Vestaco, as nominee for Doreen Saskin (Limited Partner) – 20.00%
2. In paragraph 3 of Section 2 of the First Supplemental Report, the Monitor stated that, on May 15, 2008, an agreement among Deaja, Vestaco and Alan Saskin provided Vestaco with a priority return (“Priority Return”) of \$7 million plus interest at 7%, compounded annually.
3. The Accountants provided the Monitor with a schedule (“Taxable Income Schedule”) which summarizes Bay LP’s taxable income (loss) for the years from 2008 to 2016, inclusive. The Tax Schedule also presents the allocation of the taxable income among Bay LP’s partners for the years 2008 to 2015 and the proposed allocation for 2016. The Monitor is reviewing the taxable income allocation among the Bay LP partners with the Accountants. A copy of the Taxable Income Schedule is attached as Appendix “G”.
4. The Monitor has been advised by the Accountants that in December 2016, Vestaco assigned its interest in Bay LP to DS (Bay) Holdings. The Monitor has requested and is awaiting documentation relating to this assignment.

2.4 Factum of Foreign Representative

1. In the context of this motion, Dentons filed a Factum of the Foreign Representative (“FR Factum”) dated April 18, 2017.
2. In paragraph 27 of the FR Factum, reference is made to UCI’s interim pro forma consolidated financial statements as at June 30, 2015 (“June 30, 2015 Pro Forma Statements”) and as at September 30, 2015 (“September 30, 2015 Pro Forma Statements”) (collectively the “Pro Forma Statements”). The June 30, 2015 Pro Forma Statements and the September 30, 2015 Pro Forma Statements also contain December 31, 2014 comparative results. The statements of financial position of the June 30, 2015 Pro Forma Statements and the September 30, 2015 Pro Forma Statements are attached as Appendices “H” and “I”, respectively.
3. Paragraph 27 of the FR Factum states that the Pro Forma Statements reflect an \$8 million current asset from “related parties”.
4. The Monitor has reviewed the Pro Forma Statements and notes the following:
 - the Information relating to June 30, 2015 and September 30, 2015 is “Unaudited” and the information relating to December 31, 2014 is “Audited”.
 - as at December 31, 2014, the Pro Forma Statements reflects no amount owing from “Related parties”; and

- UCI was incorporated on June 19, 2015, being subsequent to the date on which the financial position of UCI was audited. Additionally, the majority of the assets contained in the Pro Forma Statements were acquired by UCI in December, 2015. Accordingly, it is unclear to the Monitor which entity's results are reflected in the Pro Forma Statements.

3.0 Conclusion

1. The Monitor's conclusions and recommendations set out in the Sixth Report remain unchanged.

* * *

All of which is respectfully submitted,



KSV KOFMAN INC.

**IN ITS CAPACITY AS COURT-APPOINTED MONITOR OF
URBANCORP (WOODBINE) INC., URBANCORP (BRIDLEPATH) INC., THE TOWNHOUSES
OF HOGG'S HOLLOW INC., KING TOWNS INC., NEWTOWNS AT KINGTOWNS INC.,
DEAJA PARTNER (BAY) INC. AND TCC/URBANCORP (BAY) LIMITED PARTNERSHIP
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”

TCC/Urbancorp (Bay) Limited Partnership

Year End: December 31, 2016

Trial Balance

Account	Prelim	Adj's	Reclass	Rep	Annotation	Rep 12/15 %Chg
1055 Bank Account - General	126,471.48	0.00	0.00	126,471.48		50,115.92 152
A Cash	126,471.48	0.00	0.00	126,471.48		50,115.92 152
1200 Accounts Receivable	109.00	0.00	0.00	109.00		109.00 0
2330.01 HST - ITC	97,454.92	(1,705.04)	0.00	95,749.88		97,454.92 (2)
2330.02 OHST - ITC	155,927.87	0.00	0.00	155,927.87		155,927.87 (2)
2340.01 HST Remittance	(253,382.79)	0.00	0.00	(253,382.79)		(253,382.79) 0
C Accounts Receivable	109.00	(1,705.04)	0.00	(1,596.04)		109.00 (1564)
MNP 30 Investment in Urbancorp Inc.	0.00	0.00	0.00	0.00		12,142,912.25 (100)
1105.23 Investment in Hoggs Hollow Inc.-Project	273,321.92	(193,321.92)	0.00	80,000.00		273,321.92 (71)
1105.34 Investment in 944 & 952 Queen Street	31,423.95	0.00	0.00	31,423.95		31,423.95 0
1105.43 Investment in Woodbine	(131,418.28)	4,504,140.96	0.00	4,372,722.68		(131,418.28)(3427)
1105.44 Investment in Bridlepath	(851,026.99)	7,879,913.91	0.00	7,028,886.92		(851,026.99) (926)
1105.49 Investment in King Towns	(237,668.56)	0.00	0.00	(237,668.56)		(237,668.56) 0
1105.50 Investment in Newtowns	135,611.97	(135,611.97)	0.00	0.00		135,611.97 (100)
1105.51 Investment in Mallow	0.10	0.00	0.00	0.10		0.10 0
1105.58 Investment in Holdco Inc.	5,295,383.89	0.00	0.00	5,295,383.89		0.00 0
G Investments	4,515,628.00	12,055,120.98	0.00	16,570,748.98		11,363,156.36 46
2100 Accounts Payable	(58.50)	0.00	0.00	(58.50)		(289,874.83) (100)
2120 Account Payable - Control	(17,030.00)	(8,000.00)	0.00	(25,030.00)		(150,679.76) (83)
BB Accounts Payable	(17,088.50)	(8,000.00)	0.00	(25,088.50)		(440,554.59) (94)
2401.29 Loan Payable - A. Saskin	(516,780.97)	0.00	0.00	(516,780.97)		(516,780.97) 0
2500.32 I/C - TCC/Urbancorp (Stadium Road) LP	(8,339.26)	0.00	0.00	(8,339.26)		(8,339.26) 0
2500.33 I/C - TCC/Urbancorp (Bay/Stadium) LP	3,382,516.28	0.00	0.00	3,382,516.28		3,382,516.28 0
2500.40 I/C - Urbancorp Toronto Mgt 2	727,654.50	0.00	0.00	727,654.50		527,654.50 38
2500.60 I/C - Urbancorp 60 St. Clair Ave.	(2,148.99)	0.00	0.00	(2,148.99)		0.00 0
2500.72 I/C - Downsview	0.00	0.00	0.00	0.00		(4,196,324.36) (100)
2500.75 I/C - 55 Howie Urbancorp (Riverdale)	110,000.00	0.00	0.00	110,000.00		110,000.00 0
2500.80 I/C - Downsview Park Homes Inc.	10,000.00	0.00	0.00	10,000.00		10,000.00 0
2500.83 I/C - Urbancorp Partner (King South) Inc	(307.12)	0.00	0.00	(307.12)		0.00 0
2500.86 I/C - Urbancorp (952 Queen West) Inc.	(141,694.44)	0.00	0.00	(141,694.44)		(17,469.09) 711
2500.94 I/C - Urbancorp (St. Clair Village)	(95,857.06)	0.00	0.00	(95,857.06)		4,727.61 (2128)
2500.95 I/C - Urbancorp (Lawrence) Inc.	(124,139.03)	0.00	0.00	(124,139.03)		5,131.79 (2519)
2500.96 I/C - King Residential Inc.	406.95	0.00	0.00	406.95		406.95 0
2500.97 I/C - Urbancorp (Woodbine) Inc.	(20,815.72)	0.00	0.00	(20,815.72)		0.00 0
2500.98 I/C - Urbancorp (Bridlepath) Inc.	(24,817.31)	0.00	0.00	(24,817.31)		0.00 0
2500.99 I/C - Urbancorp (Mallow) Inc.	(93,142.73)	0.00	0.00	(93,142.73)		16,460.80 (666)
2500.100 I/C - Urbancorp (Patricia) Inc.	(49,755.99)	0.00	0.00	(49,755.99)		3,011.75 (1752)
2500.107 I/C - Urbancorp Inc.	(133,649.76)	0.00	0.00	(133,649.76)		0.00 0
2500.47A I/C - Westside Curve	1,363.12	0.00	0.00	1,363.12		1,363.12 0
EE Related Party Balances & Transactions	3,020,492.47	0.00	0.00	3,020,492.47		(677,640.88) (546)
2401.30 Loan Payable - First Capital Realty Inc.	0.00	0.00	0.00	0.00		(2,651,204.00) (100)
FF Deferred Income & Other Liabilities	0.00	0.00	0.00	0.00		(2,651,204.00) (100)
3600 Retained Earnings	11,193,020.61	0.00	0.00	11,193,020.61		0.00 0
3701.12 Capital A/C-Alan Saskin	(17,161,736.68)	0.00	0.00	(17,161,736.68)		(17,161,736.68) 0
3701.13 Capital A/C-Vestaco Investments Inc.	(1,673,453.00)	0.00	0.00	(1,673,453.00)		(1,673,453.00) 0
3701.14 Capital A/C-Deaja Partner (Bay) Inc.	(1,812.74)	0.00	0.00	(1,812.74)		(1,812.74) 0
TT Share Capital, Retained Earnings & Equity	(7,643,981.81)	0.00	0.00	(7,643,981.81)		(18,837,002.42) (59)
4325 Investment Income/Loss - 952 Queen	0.00	0.00	0.00	0.00		1,511,266.67 (100)
4333 Investment income/loss - King South	0.00	0.00	0.00	0.00		641,514.42 (100)
4340 Interest Income - Bank	0.00	0.00	0.00	0.00		(0.14) (100)
MNP1 Investment income/loss - Downsview Park	0.00	0.00	0.00	0.00		614,403.14 (100)
MNP2 Investment income/loss - Mallow	0.00	0.00	0.00	0.00		12,126.44 (100)
MNP3 Investment income/loss - 60 St. Clair Inc.	0.00	0.00	0.00	0.00		435,767.57 (100)
MNP4 Investment income/loss - King Residential	0.00	0.00	0.00	0.00		(8,112.27) (100)

Prepared by	Detail review	Supervisory	Peer review
EG 29/03/2017	MC 19/03/2017		

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TCC/Urbancorp (Bay) Limited Partnership
Year End: December 31, 2016
Trial Balance

Account	Prelim	Adj's	Reclass	Rep	Annotation	Rep 12/15 %Chg
MNP 5 Investment income/loss - Lawrence	0.00	0.00	0.00	0.00		372,819.06 (100)
MNP 9 Investment income/loss - St. Clair Village	0.00	0.00	0.00	0.00		983,506.54 (100)
MNP10 Investment income/loss - Patricia	0.00	(4,504,140.96)	0.00	(4,504,140.96)		139,458.41 (3330)
MNP11 Investment income/loss- Bridlepath	0.00	(7,879,913.91)	0.00	(7,879,913.91)		0.00 0
4325.1 Investment Income/Loss - Hoggs Hollow	0.00	193,321.92	0.00	193,321.92		(4,084.04)(4834)
4325.2 Investment Income/Loss - King Towns	0.00	0.00	0.00	0.00		(99,799.90) (100)
4325.3 Investment income/loss - New Towns	0.00	135,611.97	0.00	135,611.97		3,717.46 3548
4325.4 Investment Income/Loss - High Res.	0.00	0.00	0.00	0.00		(1,013,976.45) (100)
4325.5 Investment Income/Loss - Fuzion/Kings Club	0.00	0.00	0.00	0.00		8,400,219.61 (100)
MNP 10 Investment income/loss Woodbine	0.00	0.00	0.00	0.00		146.47 (100)
20 Revenue	0.00	(12,055,120.98)	0.00	(12,055,120.98)		11,988,972.99 (201)
3000 Write down of AR	0.00	0.00	0.00	0.00		2,200,033.76 (100)
5605 Accounting/Audit Fee	0.00	8,000.00	0.00	8,000.00		3,937.50 103
5615 Bank Charges	(1,630.64)	1,705.04	0.00	74.40		76.36 (3)
5850 Management fees	0.00	0.00	0.00	0.00		(3,000,000.00) (100)
40 Expenses	(1,630.64)	9,705.04	0.00	8,074.40		(795,952.38) (101)
	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>		<u>0.00</u> <u>0</u>
Net Income (Loss)	1,630.64			12,047,046.58		(11,193,020.61) (208)

Approved by Alan Saskin

Prepared by	Detail review	Supervisory	Peer review
EG 29/03/2017	MC 19/03/2017		

Appendix “B”

TCC/Urbancorp (Bay) Limited Partnership

Year End: December 31, 2016

Adjusting Journal Entries

Date: 01/01/2016 To 31/12/2016

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
1	31/12/2016	Investment income/loss - Patricia	MNP10				4,504,140.96		
1	31/12/2016	Investment income/loss- Bridlepath	MNP11				7,879,913.91		
1	31/12/2016	Investment in Woodbine	1105.43			4,504,140.96			
1	31/12/2016	Investment in Bridlepath	1105.44			7,879,913.91			
		To pick up income from the bare trustees							
2	31/12/2016	Bank Charges	5615			1,705.04			
2	31/12/2016	HST - ITC	2330.01				1,705.04		
		TO adjsut HST credit to the proper account							
3	31/12/2016	Account Payable - Control	2120				8,000.00		
3	31/12/2016	Accounting/Audit Fee	5605			8,000.00			
		To accrue accounting fee							
4	31/12/2016	Investment Income/Loss - Hoggs Hollow	4325.1			193,321.92			
4	31/12/2016	Investment income/loss - New Towns	4325.3			135,611.97			
4	31/12/2016	Investment in Hoggs Hollow Inc.-Project	1105.23				193,321.92		
4	31/12/2016	Investment in Newtowns	1105.50				135,611.97		
		To write off the investment							
						12,722,693.80	12,722,693.80		
			Net Income (Loss)			12,047,046.58			

Approved by Alan Saskin

Prepared by	Detail review	Supervisory	Peer review
EG 29/03/2017	MC 19/03/2017		

Appendix “C”

TCC/Urbancorp (Bay) Limited Partnership

Year End: December 31, 2015

Trial Balance

Account	Prelim	Adj's	Reclass	Rep	Annotation	Rep 12/14	%Chg
1055 Bank Account - General	50,115.92	0.00	0.00	50,115.92		353.30	14085
A Cash	50,115.92	0.00	0.00	50,115.92		353.30	14085
1200 Accounts Receivable	109.00	0.00	0.00	109.00		109.00	0
1215 Other Receivable	2,200,033.76	-2,200,033.76	0.00	0.00		2,200,033.76	-100
2330.01 HST - ITC	97,454.92	0.00	0.00	97,454.92		97,454.92	0
2330.02 OHST - ITC	155,927.87	0.00	0.00	155,927.87		155,927.87	0
2340.01 HST Remittance	-253,382.79	0.00	0.00	-253,382.79		-253,382.79	0
C Accounts Receivable	2,200,142.76	-2,200,033.76	0.00	109.00		2,200,142.76	-100
1601 FS - deficit	0.00	0.00	0.00	0.00		337,468.46	-100
1602 FS - deficient	0.00	0.00	0.00	0.00		-337,468.46	-100
1105.22 Investment in High Res Inc.-Project	2,706,803.55	-2,706,803.55	0.00	0.00		2,706,803.55	-100
1105.50 Investment in Newtowns	139,329.43	-3,717.46	0.00	135,611.97		139,329.43	-3
F Investment in King Towns/New Town/High Res	2,846,132.98	-2,710,521.01	0.00	135,611.97		2,846,132.98	-95
1105.23 Investment in Hoggs Hollow Inc.-Project	269,237.88	4,084.04	0.00	273,321.92		269,237.88	2
1105.49 Investment in King Towns	-337,468.46	99,799.90	0.00	-237,668.56		-337,468.46	-30
G Investments	-68,230.58	103,883.94	0.00	35,653.36		-68,230.58	-152
1105.34 Investment in 944 & 952 Queen Street	1,542,690.62	-1,511,266.67	0.00	31,423.95		923,004.18	-97
I Other Assets	1,542,690.62	-1,511,266.67	0.00	31,423.95		923,004.18	-97
MNP 30 Investment in Urbancorp Inc.	0.00	12,142,912.25	0.00	12,142,912.25		0.00	0
1105.35 Investment in Downsview	-3,342,306.15	3,342,306.15	0.00	0.00		-3,342,306.15	-100
1105.36 Investment in Urb Prt (King South) Inc.	-1,323,397.11	1,323,397.11	0.00	0.00		1,566,758.93	-100
1105.37 Investment in Urb 60 St. Clair Inc.	1,839,392.37	-1,839,392.37	0.00	0.00		2,393,936.74	-100
1105.41 Investment in St. Clair Village Inc.	1,537,039.93	-1,537,039.93	0.00	0.00		1,684,388.01	-100
1105.42 Investment in Lawrence	2,060,793.24	-2,060,793.24	0.00	0.00		2,071,932.41	-100
1105.48 Investment in Downsview - Mattamy	7,542,401.36	-7,542,401.36	0.00	0.00		3,346,077.00	-100
1105.51 Investment in Mallow	640,392.83	-640,392.73	0.00	0.10		674,050.29	-100
1105.52 Investment in Patricia	2,725,530.02	-2,725,530.02	0.00	0.00		2,749,753.90	-100
1105.31A Investment in Fuzion	1,982,004.91	-1,982,004.91	0.00	0.00		2,131,989.91	-100
1105.31B Investment in Fuzion - Cost Capitalizati	165,632.76	-165,632.76	0.00	0.00		165,632.76	-100
1105.31C Investment in Kings Club	5,100,888.00	-5,100,888.00	0.00	0.00		5,100,888.00	-100
1105.31D Investment in Kings Club - Cost Capitali	1,251,134.05	-1,251,134.05	0.00	0.00		986,013.61	-100
X Intangible Assets	20,179,506.21	-8,036,593.86	0.00	12,142,912.35		19,529,115.41	-38
2100 Accounts Payable	-289,874.83	0.00	0.00	-289,874.83		-58.50495413	
2120 Account Payable - Control	-150,679.76	0.00	0.00	-150,679.76		-150,679.76	0
2130 Accrued Liabilities	0.00	0.00	0.00	0.00		-8,000,000.00	-100
BB Accounts Payable	-440,554.59	0.00	0.00	-440,554.59		-8,150,738.26	-95
MNP7 Contra Due to related parties	0.00	0.00	0.00	0.00		-6,394,299.00	-100
MNP8 Contra Due from related parties	0.00	0.00	0.00	0.00		6,394,299.00	-100
2401.29 Loan Payable - A. Saskin	-516,780.97	0.00	0.00	-516,780.97		-516,780.97	0
2500.32 I/C - TCC/Urbancorp (Stadium Road) LP	-8,339.26	0.00	0.00	-8,339.26		0.00	0
2500.33 I/C - TCC/Urbancorp (Bay/Stadium) LP	3,413,011.37	-30,495.09	0.00	3,382,516.28		3,437,918.66	-2
2500.40 I/C - Urbancorp Toronto Mgt 2	-2,472,345.50	3,000,000.00	0.00	527,654.50		3,537,135.19	-85
2500.72 I/C - Downsview	-4,196,324.36	0.00	0.00	-4,196,324.36		0.00	0
2500.75 I/C - 55 Howie Urbancorp (Riverdale)	110,000.00	0.00	0.00	110,000.00		110,000.00	0
2500.80 I/C - Downsview Park Homes Inc.	10,000.00	0.00	0.00	10,000.00		10,000.00	0
2500.86 I/C - Urbancorp (952 Queen West) Inc.	-17,469.09	0.00	0.00	-17,469.09		4,121.11	-524
2500.94 I/C - Urbancorp (St. Clair Village)	4,727.61	0.00	0.00	4,727.61		-136,211.64	-103
2500.95 I/C - Urbancorp (Lawrence) Inc.	5,131.79	0.00	0.00	5,131.79		0.00	0
2500.96 I/C - King Residential Inc.	406.95	0.00	0.00	406.95		-56.50	-820
2500.97 I/C - Urbancorp (Woodbine) Inc.	-26,735.95	26,735.95	0.00	0.00		-14,435.06	-100
2500.98 I/C - Urbancorp (Bridlepath) Inc.	-71,309.27	71,309.27	0.00	0.00		-38,755.13	-100

Prepared by	Detail review	Supervisory	Peer review
DL 15/03/2016			

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TCC/Urbancorp (Bay) Limited Partnership

Year End: December 31, 2015

Trial Balance

Account	Prelim	Adj's	Reclass	Rep	Annotation	Rep 12/14	%Chg
2500.99 I/C - Urbancorp (Mallow) Inc.	16,460.80	0.00	0.00	16,460.80		0.00	0
2500.100 I/C - Urbancorp (Patricia) Inc.	3,011.75	0.00	0.00	3,011.75		0.00	0
2500.47A I/C - Westside Curve	1,363.12	0.00	0.00	1,363.12		1,363.12	0
EE Related Party Balances & Transactions	-3,745,191.01	3,067,550.13	0.00	-677,640.88		6,394,298.78	-111
1105.43 Investment in Woodbine	-104,535.86	-26,882.42	0.00	-131,418.28		-424,196.85	-69
1105.44 Investment in Bridlepath	-810,212.81	-40,814.18	0.00	-851,026.99		-1,596,004.36	-47
1105.46 Investment in King Residential Inc.	-165,670.94	165,670.94	0.00	0.00		-165,670.94	-100
2401.30 Loan Payable - First Capital Realty Inc.	-2,651,204.00	0.00	0.00	-2,651,204.00		-2,651,204.00	0
FF Deferred Income & Other Liabilities	-3,731,623.61	97,974.34	0.00	-3,633,649.27		-4,837,076.15	-25
3600 Retained Earnings	7,692,530.26	-7,692,530.26	0.00	0.00		0.00	0
3701.12 Capital A/C-Alan Saskin	-18,700,242.68	1,538,506.00	0.00	-17,161,736.68		-18,700,242.68	-8
3701.13 Capital A/C-Vestaco Investments Inc.	-7,827,477.26	6,154,024.26	0.00	-1,673,453.00		-7,827,477.26	-79
3701.14 Capital A/C-Deaja Partner (Bay) Inc.	-1,812.74	0.00	0.00	-1,812.74		-1,812.74	0
TT Share Capital, Retained Earnings & Equity	-18,837,002.42	0.00	0.00	-18,837,002.42		-26,529,532.68	-29
4061 Height Restriction Incentive	0.00	0.00	0.00	0.00		889,080.00	-100
4325 Investment Income/Loss - 952 Queen	0.00	1,511,266.67	0.00	1,511,266.67	I. 1	1,105,432.59	37
4330 Interest Income	0.00	0.00	0.00	0.00		-1.01	-100
4333 Investment income/loss - King South	0.00	641,514.42	0.00	641,514.42	X. 4	0.00	0
4340 Interest Income - Bank	-0.14	0.00	0.00	-0.14		-3.62	-96
MNP1 Investment income/loss - Downsview Park	0.00	614,403.14	0.00	614,403.14	X. 25	115,286.46	433
MNP2 Investment income/loss - Mallow	0.00	12,126.44	0.00	12,126.44	X. 21	467,137.54	-97
MNP3 Investment income/loss - 60 St. Clair Inc.	0.00	435,767.57	0.00	435,767.57	X. 16	-55,515.41	-885
MNP4 Investment income/loss - King Residential	0.00	-8,112.27	0.00	-8,112.27	X. 17	152,046.41	-105
MNP 5 Investment income/loss - Lawrence	0.00	372,819.06	0.00	372,819.06	X. 18	0.00	0
MNP 9 Investment income/loss - St. Clair Village	0.00	983,506.54	0.00	983,506.54	X. 19	0.00	0
MNP10 Investment income/loss - Patricia	0.00	139,458.41	0.00	139,458.41	X. 22	0.00	0
4325.1 Investment Income/Loss - Hoggs Hollow	0.00	-4,084.04	0.00	-4,084.04		1,297.15	-415
4325.2 Investment Income/Loss - King Towns	0.00	-99,799.90	0.00	-99,799.90		533.46	-18808
4325.3 Investment income/loss - New Towns	0.00	3,717.46	0.00	3,717.46		242,261.73	-98
4325.4 Investment Income/Loss - High Res.	0.00	-1,013,976.45	0.00	-1,013,976.45		-2,817,050.26	-64
4325.5 Investment Income/Loss - Fuzion/Kings Club	0.00	8,400,219.61	0.00	8,400,219.61		-864,307.50	-1072
MNP 10 Investment income/loss Woodbine	0.00	146.47	0.00	146.47		0.00	0
20 Revenue	-0.14	11,988,973.13	0.00	11,988,972.99		-763,802.46	-1670
3000 Write down of AR	0.00	2,200,033.76	0.00	2,200,033.76		0.00	0
5605 Accounting/Audit Fee	3,937.50	0.00	0.00	3,937.50		4,987.50	-21
5615 Bank Charges	76.36	0.00	0.00	76.36		363.11	-79
5645 Legal Fee	0.00	0.00	0.00	0.00		144,024.68	-100
5670 Miscellaneous	0.00	0.00	0.00	0.00		10,118.82	-100
5671 Courier Expense	0.00	0.00	0.00	0.00		110.37	-100
5712 Interest and penalties	0.00	0.00	0.00	0.00		-271.76	-100
5850 Management fees	0.00	-3,000,000.00	0.00	-3,000,000.00		8,000,000.00	-138
5230.01 Interest Expense	0.00	0.00	0.00	0.00		297,000.00	-100
40 Expenses	4,013.86	-799,966.24	0.00	-795,952.38		8,456,332.72	-109
	0.00	0.00	0.00	0.00		0.00	0
Net Income (Loss)	-4,013.72			-11,193,020.61		-7,692,530.26	46

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Prepared by	Detail review	Supervisory	Peer review
DL 15/03/2016			

TCC/Urbancorp (Bay) Limited Partnership
Year End: December 31, 2015
Trial Balance

Account	Prelim	Adj's	Reclass	Rep	Annotation	Rep 12/14 %Chg
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Approved by Alan Saskin

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Prepared by	Detail review	Supervisory	Peer review
DL 15/03/2016			

Appendix “D”

TCC/Urbancorp (Bay) Limited Partnership
Year End: December 31, 2015
Adjusting Journal Entries
Date: 01/01/2015 To 31/12/2015

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
1	31/12/2015	Investment Income/Loss - Hoggs Hollow	4325.1				4,084.04		
1	31/12/2015	Investment Income/Loss - King Towns	4325.2				99,799.90		
1	31/12/2015	Investment income/loss - New Towns	4325.3			1,482.83			
1	31/12/2015	Investment income/loss - New Towns	4325.3			2,234.63			
1	31/12/2015	Investment income/loss Woodbine	MNP 10			146.47			
1	31/12/2015	Investment in Hoggs Hollow Inc.-Project	1105.23			4,084.04			
1	31/12/2015	Investment in Woodbine	1105.43				146.47		
1	31/12/2015	Investment in King Towns	1105.49			99,799.90			
1	31/12/2015	Investment in Newtowns	1105.50				3,717.46		
To record current year investment income/loss (nonbonco)									
2	31/12/2015	Other Receivable	1215				2,200,033.76		
2	31/12/2015	Write down of AR	3000			2,200,033.76			
Per discussion Jeremy, taking allowance for other receivable									
3	31/12/2015	Investment Income/Loss - 952 Queen	4325	I. 1		1,511,266.67			
3	31/12/2015	Investment in 944 & 952 Queen Street	1105.34	I. 1			1,511,266.67		
To record adjustments for 952 Queen									
4	31/12/2015	Investment in Woodbine	1105.43				26,735.95		
4	31/12/2015	I/C - Urbancorp (Woodbine) Inc.	2500.97			26,735.95			
To reclass I/C woodbine to capital									
5	31/12/2015	Investment in Bridlepath	1105.44			30,495.09			
5	31/12/2015	I/C - TCC/Urbancorp (Bay/Stadium) LP	2500.33				30,495.09		
To clear intercompany between Westside (Bay stadium LP) and Bridlepath									
6	31/12/2015	Investment income/loss - King Residential	MNP4				8,112.27		
6	31/12/2015	Investment in King Residential Inc.	1105.46			8,112.27			Factual
To record adjustment for King Res									
7	31/12/2015	Investment income/loss - 60 St. Clair Inc.	MNP3	X.16		347.00			
7	31/12/2015	Investment in Urb 60 St. Clair Inc.	1105.37	X.16			347.00		Factual
To record adjustment for 60 St. Clair									
8	31/12/2015	Investment Income/Loss - High Res.	4325.4	F. 1		1,310.46			
8	31/12/2015	Investment in High Res Inc.-Project	1105.22	F. 1			1,310.46		Factual
To record adjustment for High Res									
9	31/12/2015	Investment in Bridlepath	1105.44				71,309.27		
9	31/12/2015	I/C - Urbancorp (Bridlepath) Inc.	2500.98			71,309.27			
To clear intercompany of bridlepath into investment									
10	31/12/2015	Investment income/loss - Lawrence	MNP 5	X.18		372,819.06			
10	31/12/2015	Investment in Lawrence	1105.42	X.18			372,819.06		Factual
To record adjustment for Lawrence									
11	31/12/2015	Investment income/loss - St. Clair Village	MNP 9	X.19		983,506.54			
11	31/12/2015	Investment in St. Clair Village Inc.	1105.41	X.19			983,506.54		Factual
To record adjustment for St. Clair Village									
12	31/12/2015	Investment income/loss - Mallow	MNP2	X.21		12,126.44			
12	31/12/2015	Investment in Mallow	1105.51	X.21			12,126.44		Factual
To record adjustment for Mallow Inc									

TCC/Urbancorp (Bay) Limited Partnership
Year End: December 31, 2015
Adjusting Journal Entries
Date: 01/01/2015 To 31/12/2015

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement	
13	31/12/2015	Investment income/loss - Patricia	MNP10	X.22		139,458.41				
13	31/12/2015	Investment in Patricia	1105.52	X.22			139,458.41			
		To record adjustment for Patricia Inc								Factual
14	31/12/2015	Investment income/loss - Downsview Park	MNP1	X.25		614,403.14				
14	31/12/2015	Investment in Downsview	1105.35	X.25			614,403.14			
		To record adjustment for Downsview Park Development								Factual
15	31/12/2015	Investment Income/Loss - Fuzion/Kings Club	4325.5	X.23		7,734,791.32				
15	31/12/2015	Investment in Kings Club	1105.31C	X.23			7,734,791.32			
		To record adjustments for Kings Club								Factual
16	31/12/2015	Investment Income/Loss - Fuzion/Kings Club	4325.5			665,428.29				
16	31/12/2015	Investment in Fuzion	1105.31A				665,428.29			
		To record adjustments for Fuzion								Factual
17	31/12/2015	Investment income/loss - 60 St. Clair Inc.	MNP3			435,420.57				
17	31/12/2015	Investment in Urb 60 St. Clair Inc.	1105.37				435,420.57			
		To record adjustment for 836 St. Clair								Factual
18	31/12/2015	Investment Income/Loss - High Res.	4325.4				1,015,286.91			
18	31/12/2015	Investment in High Res Inc.-Project	1105.22			1,015,286.91				
		To record adjustment for Bridge								Factual
19	31/12/2015	Investment income/loss - King South	4333			641,514.42				
19	31/12/2015	Investment in Urb Prt (King South) Inc.	1105.36				641,514.42			
		To record adjustment for 1071 King								Factual
21	31/12/2015	Management fees	5850				3,000,000.00			
21	31/12/2015	I/C - Urbancorp Toronto Mgt 2	2500.40			3,000,000.00				
		To reverse PY management fees accrual, client posted reclassified entry to reclass accrued liabilities to IC - Urbancorp Toronto Mgt 2 account								Factual
22	31/12/2015	Retained Earnings	3600				7,692,530.26			
22	31/12/2015	Capital A/C-Alan Saskin	3701.12			1,538,506.00				
22	31/12/2015	Capital A/C-Vestaco Investments Inc.	3701.13			6,154,024.26				
		To reallocate retained earnings account to capital accounts based on PY client profile allocation								Factual
23	31/12/2015	Investment in Urbancorp Inc.	MNP 30			12,142,912.25				
23	31/12/2015	Investment in High Res Inc.-Project	1105.22				3,720,780.00			
23	31/12/2015	Investment in Downsview	1105.35			3,956,709.29				
23	31/12/2015	Investment in Urb Prt (King South) Inc.	1105.36			1,964,911.53				
23	31/12/2015	Investment in Urb 60 St. Clair Inc.	1105.37				1,403,624.80			
23	31/12/2015	Investment in St. Clair Village Inc.	1105.41				553,533.39			
23	31/12/2015	Investment in Lawrence	1105.42				1,687,974.18			
23	31/12/2015	Investment in King Residential Inc.	1105.46			157,558.67				
23	31/12/2015	Investment in Downsview - Mattamy	1105.48				7,542,401.36			
23	31/12/2015	Investment in Mallow	1105.51				628,266.29			
23	31/12/2015	Investment in Patricia	1105.52				2,586,071.61			
23	31/12/2015	Investment in Fuzion	1105.31A				1,316,576.62			
23	31/12/2015	Investment in Fuzion - Cost Capitalizati	1105.31B				165,632.76			
23	31/12/2015	Investment in Kings Club	1105.31C			2,633,903.32				
23	31/12/2015	Investment in Kings Club - Cost Capitali	1105.31D				1,251,134.05			
		Transfer of investments to Cumberland 1 LP								Factual
						48,120,638.76	48,120,638.76			
Net Income (Loss)			-11,193,020.61							

TCC/Urbancorp (Bay) Limited Partnership
Year End: December 31, 2015
Adjusting Journal Entries
Date: 01/01/2015 To 31/12/2015

Number	Date	Name	Account No	Reference	Annotation	Debit	Credit	Recurrence	Misstatement
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Approved by Alan Saskin

Appendix “E”

SCHEDULE 100

GENERAL INDEX OF FINANCIAL INFORMATION – GIF

Form identifier 100

Partnership name	Partnership account number	Fiscal period end Year Month Day
TCC/Urbancorp (Bay) Limited Partnership	80673 2053 RZ0001	2015-12-31

Is this a NIL schedule? **999** Yes No

Assets – lines 1000 to 2599

1000 50,116.00	1060 109.00	1240 273,322.00
1599 323,547.00	2420 15,531,753.00	2589 15,531,753.00
2599 15,855,300.00		

Liabilities – lines 2600 to 3499

2620 440,556.00	2700 2,651,204.00	2860 4,204,664.00
2960 914,894.00	3139 8,211,318.00	3499 8,211,318.00

Partner's capital – lines 3540 to 3575

3545 -11,193,021.00	3550 -11,193,021.00	3551 1,813.00
3560 1,813.00	3561 18,835,190.00	3562 -11,193,021.00
3571 7,642,169.00	3575 7,643,982.00	3585 15,855,300.00

Line 3139 and 3499 is the sum of all liabilities lines.

Appendix “F”

Re: Urbancorp Inc. – CCAA Proceedings – 567672-1

Question	MNP Answers	KSV Comments
1. Can you briefly explain the purpose of UTMI?	Management of Company for the employees is the holder of any excess cash from the group and funds the cash needs of various projects	UTMI provides the majority of back office services for the group. Other entities within the group maintained cash balances from time-to-time.
2. Were there transactions between UTMI and other Urbancorp affiliated (<i>sic</i>) on a daily basis (in the periods preceding the creation of UCI and the subsequent corporate reorganization) that were considered to be in the ordinary course?	Yes	
3. If yes, were any of these transactions ever posted by the companies incorrectly or without understanding the tax planning implications?	Yes	
4. If so, what would MNP do at year end to correct these entries?	MNP would post adjusting entries at year-end	The records indicate that there was a MNP 2015 year end adjusting entry [recorded in the intercompany account] (\$3 million adjustment to reverse prior year accrual for management fee)
5. Can you advise whether there was a debt owed to TCC Bay at the time the \$8 million Promissory Note was issued?	Yes to my knowledge	
6. If your answer is yes, what was the source of the debt?	Management fees payable on sale of a partial interest in the Downsview contract to Mattamy	
7. Would you consider the \$8m transaction between UTMI and TCC Bay to be in the ordinary course?	Yes	While intercompany transactions, including management fee charges, appear to be in the ordinary course, KSV is unaware of a similar transaction, i.e. where a promissory note was issued in respect of management fees accrual or any other liability.
8. Why was this TCC Bay liability not posted to the general intercompany account between UTMI and TCC Bay?	To avoid the immediate triggering of HST	UTMI would have paid HST and TCC Bay would have been entitled to an equivalent ITC.
9. KSV has reviewed the internal general ledger accounts, prior to any year end adjusting entries, of UTMI and TCC Bay in deriving its position. Should KSV have relied on these internal general ledger accounts without the year end adjusting entries being completed?	No	KSV reviewed post-adjusting entry accounting information. No differences were noted.

10. Is it your opinion that the intercompany accounts between UTMI and TCC Bay were completely accurate?	No	
11. As the accountant to UTMI and TCC Bay, would MNP have posted year end adjusting entries for these companies if the intent had been to keep the \$8 million debt outstanding?	Yes	MNP's answer suggests that there was no intent to maintain the \$8 million obligation as no adjusting entry was booked.
12. If yes, can you please advise what entries you would have posted in regards to this \$8m liability owed by TCC Bay?	Unsure as did not prepare the financials.	Tax information was prepared by MNP for 2015 and 2016 (in draft). There is no indication of an \$8 million liability in the tax information for either year.
13. Can you advise how TCC Bay was to repay the \$8 million Promissory Note?	The proceeds from the sale of the Bayview and Woodbine projects.	KSV is unaware of any evidence to support MNP's answer. Additionally, prior to creation of UCI, Bay LP owned several projects in addition to Woodbine and Bayview. Revenue generated from any of these projects could have been used to repay the obligation, if one existed.
14. Why was the \$8 million split into two separate notes?	Tax purposes, to avoid a capital gain on the transfer of certain assets to UCI subsidiaries.	
15. Why do the replacement promissory notes bear interest when the original note did not provide for any interest?	I do not know	
16. Are you aware of anything that would cause the \$8 million to no longer be outstanding?	Not to my knowledge	The obligation was recorded in the intercompany account between UTMI and TCC Bay. The 2016 year-end balance reflected a liability owing from UTMI to Bay LP.

Appendix “G”

Years Partnership agreement	Taxable Income to allocate	Partners			
		Vestaco (Doreen) LP	Alan Saskin (LP)	Deaja (GP)	DS (Bay) Holdings
2008 Taxable income for the year	1,888,067.90		1,888,067.90		
2009 Taxable income for the year	(1,427,522.00)		(1,427,522.00)		
2010 Taxable income for the year	(397,346.00)		(397,346.00)		
2011 Taxable income for the year	(2,609,942.00)		(785,952.00)	(1,823,990.00)	
2012 Taxable income for the year	(7,298,879.50)			(7,298,879.50)	
2013 Taxable income for the year	13,563,466.06		4,440,596.27	9,122,869.79	
2014 Taxable income for the year	978,660.89		978,660.89		
2015 Taxable income for the year	(4,257,239.68)	-	(4,257,239.40)	-	-
2016 Taxable income for the year	12,865,489.37		309,669.58		12,555,819.79

Note 1

Note 1 - Calculation of Preferred Interest

Initial Contribution	15-May-08
Year end date	31-Dec-16
Number of days contribution was outstanding	3,152.00
Number of years contribution was outstanding	8.64
Value of \$7,000,000 at 7% compounded annually for 8.64 years	12,555,819.79

Appendix “H”

INTERIM PRO FORMA CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	June 30,		December 31,
	2015	2014	2014
	Unaudited		Audited
	CAD in thousands		
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	315	2,693	592
Restricted and earmarked deposits	2,048	3,939	3,901
Other accounts receivable	12,772	9,138	9,307
Trade receivables - condominium buyers	4,785	802	43,523
Customer deposits held in trust	8,199	5,694	7,160
Inventories of buildings for sale	111,938	125,352	107,133
Related parties	8,000	-	*) -
	<u>148,057</u>	<u>147,618</u>	<u>171,616</u>
NON-CURRENT ASSETS:			
Investment property under construction	59,911	42,119	50,802
Investment property	15,802	7,749	8,871
Real estate inventories	19,157	13,674	34,354
Property, plant and equipment	48,719	48,984	48,778
Long-term receivables	1,551	4,715	3,623
Goodwill	1,961	1,961	1,961
	<u>147,101</u>	<u>119,202</u>	<u>148,389</u>
	<u>295,158</u>	<u>266,820</u>	<u>320,005</u>
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Loans from financial corporations and others	137,153	124,512	174,020
Trade payables, contractors and service providers	29,258	26,505	30,231
Advances from condominium buyers	23,148	29,498	29,533
Other accounts payable	10,575	1,406	1,398
	<u>200,134</u>	<u>181,921</u>	<u>235,182</u>
NON-CURRENT LIABILITIES:			
Loans from financial corporations and others	3,615	2,547	2,523
Deferred tax liabilities	16,539	18,466	17,698
	<u>19,830</u>	<u>21,013</u>	<u>20,221</u>
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY:			
Owners' contributions, net	60,446	53,014	*) 55,092
Capital reserve for revaluation of property, plant and equipment net of tax	20,656	20,684	20,449
Accumulated deficit	(6,232)	(9,812)	(10,939)
Total equity	<u>74,870</u>	<u>63,886</u>	*) <u>64,602</u>
	<u>295,158</u>	<u>266,820</u>	<u>320,005</u>

*) Retroactive adjustment, see Note 3.

The accompanying notes are an integral part of the interim pro forma consolidated financial statements.

September 24, 2015

Date of approval of
the financial statements

Mr. Alan Saskin
CEO and Chairman

Mr. Philip Gales
Deputy CEO, Finance

Appendix “I”

**CONDENSED INTERIM PRO FORMA CONSOLIDATED
STATEMENTS OF FINANCIAL POSITION**

	September 30,		December 31,
	2015	2014	2014
	Unaudited		Audited
	CAD in thousands		
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	381	733	592
Restricted and earmarked deposits	2,326	3,541	3,901
Other accounts receivable	16,260	8,785	9,307
Trade receivables - condominium buyers	2,620	6,878	43,523
Customer deposits held in trust	8,554	6,282	7,160
Inventories of buildings for sale	96,954	159,911	107,133
Related parties	8,000	-	*) -
Assets held for sale	13,716	-	-
	<u>148,811</u>	<u>186,130</u>	<u>171,616</u>
NON-CURRENT ASSETS:			
Investment property under construction	62,110	45,529	50,802
Investment property	33,601	8,404	8,871
Real estate inventories	16,838	13,899	34,354
Property, plant and equipment	62,073	48,924	48,778
Long-term receivables	1,551	4,715	3,623
Goodwill	1,961	1,961	1,961
	<u>178,135</u>	<u>123,432</u>	<u>148,389</u>
	<u>326,946</u>	<u>309,562</u>	<u>320,005</u>
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Loans from financial corporations and others	147,023	165,996	174,020
Trade payables, contractors and service providers	47,688	23,728	30,231
Advances from condominium buyers	26,062	30,944	29,533
Other accounts payable	853	1,162	1,398
	<u>220,326</u>	<u>221,830</u>	<u>235,182</u>
NON-CURRENT LIABILITIES:			
Loans from financial corporations and others	3,599	2,535	2,523
Deferred tax liabilities	20,908	19,324	17,698
	<u>24,507</u>	<u>21,859</u>	<u>20,221</u>
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY:			
Owners' contributions, net	63,826	57,361	*) (55,092)
Capital reserve for revaluation of property, plant and equipment net of tax	22,069	20,564	20,449
Accumulated deficit	(5,082)	(12,052)	(10,939)
Total equity	<u>80,813</u>	<u>65,873</u>	<u>*) 64,602</u>
	<u>326,946</u>	<u>309,562</u>	<u>320,005</u>

*) Retroactive adjustment following change in pro forma assumptions.

November 29, 2015

Date of approval of
the financial statements

Mr. Alan Saskin
CEO and Chairman

Mr. Philip Gales
Deputy CEO, Finance