

October 24, 2016 (the “**Seventh Report**”), and vesting the right, title and interest of 60 St. Clair in and to the Chattels, the Assumed Contracts and the Property (as those terms are defined in the Sale Agreement, and which for greater certainty include the lands described in Schedule “**B**” hereto, the “**Lands**”) (collectively, the “**Purchased Assets**”), in 840 St. Clair Avenue West GP Ltd., for and on behalf of 840 St. Clair Avenue West Limited Partnership (the “**Purchaser**”), was heard this day at 330 University Avenue, Toronto, Ontario.

as
general
partner
NAP

ON READING the Seventh Report and on hearing the submissions of counsel for 60 St. Clair, the Monitor, counsel for the Monitor, and those other parties listed on the counsel slip, no one else appearing for any other person although duly served as appears from the affidavit of service of Danny M. Nunes sworn November 2, 2016, filed.

1. **THIS COURT ORDERS** that the time for service of 60 St. Clair’s Notice of Motion and Motion Record in respect of this motion be and it is hereby abridged and that the motion is properly returnable today and that the service of the Notice of Motion and Motion Record herein as effected by 60 St. Clair is hereby validated in all respects and this Court hereby dispenses with further service thereof.

2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Monitor on behalf of 60 St. Clair is hereby authorized and approved, with such minor amendments as the Monitor may deem necessary. The Monitor, on behalf of 60 St. Clair, is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.

3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Monitor’s certificate to the Purchaser substantially in the form attached as Schedule “**C**” hereto (the “**Monitor’s Certificate**”), all of 60 St. Clair’s right, title and interest in and to the Purchased Assets (the “**60 St. Clair Interest**”) shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the

“**Claims**”) including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Newbould dated May 18, 2016, as amended (the “**Initial Order**”) including the Administration Charge, the Directors’ Charge, Intercompany Lender’s Charge and the Interim Lender’s Charge (each as defined in the Initial Order) and any other charge created in these CCAA proceedings, (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule “**D**” hereto (all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule “**E**” hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the 60 St Clair Interest.

4. **THIS COURT ORDERS AND DECLARES** that, upon the electronic transfer referred to in section 6.1(a) of the Sale Agreement being receipted for registration on title to the Lands, the following contracts and agreements shall be thereupon terminated: (i) the Co-Owners’ Agreement between 60 St Clair and Hendrick (in that capacity, the “**Co-Owners**”) dated December 12, 2011 (the “**Co-Owners Agreement**”); (ii) the Main & Main Management Services Agreement referred to in section 5.9 of the Co-Owners Agreement; and (iii) the proposed agreements and arrangements between the Co-Owners referred to in sections 5.8, 5.10 and 5.11 of the Co-Owners Agreement including without limitation the development, marketing and sales management agreement made as of December 12, 2011 among 60 St. Clair, Hendrick and Urbancorp Toronto Management Inc. and the construction management agreement made as of December 12, 2011 among 60 St. Clair, Hendrick and Urbancorp Toronto Management Inc.; and (iv) the credit agreement made as of December 12, 2011 among 60 St. Clair and Hendrick and all related security and loan documentation including, without limitation the (A) acknowledgment, direction and beneficial charge from 60 St. Clair to Hendrick and 840 St. Clair West Inc. (the “**Nominee**”) dated December 9, 2011; (B) charge/mortgage of land granted by the Nominee to Hendrick and registered against the Lands as Instrument No. AT2894777; (C) general security agreement made as of December 9, 2011 from 60 St. Clair to Hendrick; (D) general security agreement made as of December 9, 2011 from the Nominee to Hendrick; (E) share pledge agreement from Alan Saskin to Hendrick made as of December 9, 2011; (F) share pledge agreement from 60 St. Clair to Hendrick made as of December 9, 2011; (G) Assignment of Agreement made as of December 9,

2011 from 60 St. Clair to Hendrick; and (H) Assignment of Agreement made as of December 9, 2011 from the Nominee to Hendrick.

5. **THIS COURT ORDERS** that the Monitor is authorized to deliver to the Purchaser, on behalf of 60 St. Clair, the Direction re: Distribution of Proceeds attached as Schedule “F” to the Sale Agreement (the “**Direction**”) and the delivery of same by the Monitor is hereby approved.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims against 60 St Clair and/or the 60 St Clair Interest, the Net Urbancorp Proceeds (as that term is defined in the Direction) less the sum of \$14,861.61 on account of the fees of Harris, Sheaffer LLP, shall stand in the place and stead of the 60 St Clair Interest, and that from and after the delivery of the Monitor’s Certificate all Claims and Encumbrances and any other claims or interests of any person or entity as against 60 St. Clair or the 60 St Clair Interest, including without limitation, any creditor or bondholder, shall attach to the Net Urbancorp Proceeds with the same priority as they had with respect to the 60 St Clair Interest immediately prior to the sale, as if the 60 St Clair Interest had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale and no person or entity shall have any recourse to the Purchaser or the Purchased Assets.

7. **THIS COURT ORDERS AND DIRECTS** the Monitor to file with the Court a copy of the Monitor’s Certificate, forthwith after delivery thereof.

8. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of 60 St. Clair and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of 60 St. Clair;

the vesting of the 60 St Clair Interest in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of 60 St. Clair and shall not be void or voidable by creditors of 60 St. Clair, nor shall it constitute nor be deemed to be a fraudulent

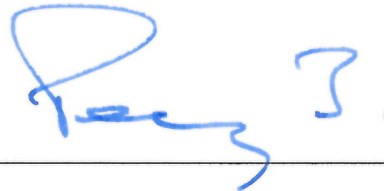
preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

9. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario).

10. **THIS COURT ORDERS** that the Confidential Appendices to the Seventh Report be kept confidential and under seal until further Order of this Court.

11. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, the United States or Israel to give effect to this Order and to assist 60 St. Clair, the Monitor, the Purchaser and their respective agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to 60 St. Clair, the Purchaser and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist 60 St. Clair, the Purchaser and the Monitor and their respective agents in carrying out the terms of this Order.

12. **THIS COURT ORDERS** that each of 60 St. Clair and the Monitor shall be at liberty and are hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order.



ENTERED AT / INSCRIT À TORONTO
ON / BOOK NO:
LE / DANS LE REGISTRE NO:

NOV 08 2016

PER / PAR: 

SCHEDULE "A"

List of Non Applicant Affiliates

Urbancorp Power Holdings Inc.

Vestaco Homes Inc.

Vestaco Investments Inc.

228 Queens 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.

SCHEDULE "B"

THE LANDS

**MUNICIPAL ADDRESS: 834, 836, 838 and 840 ST. CLAIR AVENUE WEST,
TORONTO, ONTARIO**

LEGAL DESCRIPTION OF THE LANDS: PIN 10471-0049 (LT)

PCL 32-1 SEC M427; LT 33 PL M427 TORONTO; LT 34 PL M427 TORONTO; LT 35 PL M427 TORONTO; PT LT 32 PL M427 TORONTO LYING TO THE W OF THE ELY 2 FT 6 INCHES OF SAID LT; PT LT 36 PL M427 TORONTO LYING TO THE E OF THE WLY 10 FT 3 ¼ INCHES OF SAID LT, T/W A ROW OVER AND ALONG THE NLY 14 FT 10 INCHES OF THE ELY 2 FT 6 INCHES OF LT 32 AND OVER AND ALONG THE NLY 14 FT 10 INCHES OF LT 31 AND 30 ON SAID PL BEING APPURTENANT TO ALL OF LT 33 AND THE ELY 9 FT 6 INCHES OF LT 34 AND ALL THAT PT OF LT 32 LYING TO THE W OF THE ELY 2 FT 6 INCHES OF SAID LT 32 ALL ON SAID PL; AND T/W A ROW FOR PERSONS, ANIMALS AND VEHICLES FOR ALL PURPOSES OVER AND ALONG A STRIP OF LAND DESCRIBED AS FOLLOWS: COMM AT A POINT IN THE NLY LIMIT OF LT 36, 10 FT 3 ¼ INCHES MEASURED ELY ALONG THE SAID NLY LIMIT FROM THE NW ANGLE OF LT 36; THENCE SLY PARALLEL WITH THE WLY LIMIT OF LT 36 14 FT 10 INCHES; THENCE WLY PARALLEL TO ST. CLAIR AV 39 FT AND 3 ¼ INCHES; THENCE NLY PARALELL WITH THE ELY LIMIT OF LT 37, ON SAID PL 59 FT AND 3 ½ INCHES MORE OR LESS TO THE SLY LIMIT OF BARRIE AV; THENCE N ELY ALONG THE S ELY LIMIT OF BARRIE AV AND FOLLOWING THE CURVE THEREOF TO A LINE DRAWN PARALLEL TO THE ELY LIMIT OF LT 37 DISTANT 9 FT WLY THEREFROM MEASURED ALONG THE PRODUCTION WLY OF THE NLY LIMIT OF LT 36; THENCE SLY ALONG THE SAID LINE 73 FT 7 ½ INCHES MORE OR LESS TO THE SAID PRODUCTION; THENCE ELY ALONG THE SAID PRODUCTION AND THE NLY LIMIT OF LT 36 19 FT 3 ¼ INCHES TO THE POB, BEING APPURTENANT TO ALL THAT PT OF LT 36 LYING TO THE E OF THE W 10 FT 3 ¼ INCHES OF SAID LT 36 ON PL M427 AND ALL OF LT 35 AND ALL THAT PT OF LT 34 LYING TO THE W OF THE ELY 9 FT 6 INCHES OF LT 34 ALL ON PL M427; TORONTO, CITY OF TORONTO; SUBJECT TO AN EASEMENT IN GROSS AS IN AT3856899

SCHEDULE "C"

FORM OF MONITOR'S CERTIFICATE

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**

**MONITOR'S CERTIFICATE
(Re: Urbancorp 60 St. Clair Inc.)**

RECITALS

A. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated May 18, 2016, KSV Kofman Inc. was appointed as the Applicants' monitor (the "**Monitor**").

B. Pursuant to an Order of the Court dated November 8, 2016, the Court approved the agreement of purchase and sale made as of August 9, 2016m as amended (the "**Sale Agreement**") between Urbancorp 60 St. Clair Inc. ("**60 St. Clair**") and Hendrick and Main Developments Inc. ("**Hendrick**"), as vendors (the "**Vendors**"), Worsley Urban Partners Limited,

as purchaser, and Main and Main Inc., and provided for the vesting of the right, title and interest of 60 St Clair in and to the Purchased Assets (the “**60 St Clair Interest**”) in 840 St. Clair Avenue West GP Ltd., for and on behalf of 840 St. Clair Avenue West Limited Partnership (the “**Purchaser**”), which vesting is to be effective with respect to the 60 St Clair Interest upon the delivery by the Monitor to the Purchaser of a certificate confirming (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets; (ii) that the conditions to Closing as set out in Article 5 of the Sale Agreement have been satisfied or waived by the Vendors and the Purchaser; and (iii) the Transaction has been completed to the satisfaction of the Monitor.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE MONITOR CERTIFIES the following:

1. The Purchaser has paid the Purchase Price for the Purchased Assets to the Vendors’ Solicitor, as set out in the Sale Agreement.
2. The conditions to Closing as set out in Article 5 of the Sale Agreement have been satisfied or waived by the Vendors and the Purchaser.
3. The Transaction has been completed to the satisfaction of the Monitor.
4. This Certificate was delivered by the Monitor at _____ on ● _____, 2016.

KSV KOFMAN INC., in its capacity as CCAA
Monitor of the CCAA Entities and not in its
personal capacity

Per: _____
Name:
Title:

SCHEDULE "D"

ENCUMBRANCES TO BE DISCHARGED

Instrument No. AT2894777 registered on December 12, 2011 being a Charge in favour of Hendrick and Main Developments Inc., as chargee, in the principal amount of \$1,250,000.

SCHEDULE E
PERMITTED ENCUMBRANCES

A. SPECIFIC

PIN 10471-0049 (LT)

1. Instrument No. LT132989 registered June 27, 1919 being an Agreement with the Corporation of the City of Toronto.
2. 66BA1737 registered May 6, 1980 being a Boundaries Act Plan.
3. Instrument No. AT3856899 registered April 14, 2015.

B. GENERAL

1. Encumbrances for real property taxes (which term includes charges, rates and assessments) or charges for electricity, power, gas, water and other services and utilities in connection with the Property that have accrued but are not yet due and owing or, if due and owing, are adjusted for pursuant to Sections 3.3 or 3.4 of the Sale Agreement.
2. Encumbrances that have not been registered for construction in connection with the Property for amounts the payment of which is not yet due and owing.
3. Registered agreements with any Governmental Authorities or public utilities, including subdivision agreements, development agreements, engineering, grading or landscaping agreements and similar agreements.
4. Easements for the supply of utilities or telephone services to the Property and for drainage, storm or sanitary sewers, public utility lines, telephone lines, cable television lines or other services.

5. Registered easements or rights-of-way for the passage, ingress and egress of Persons and vehicles over parts of the Lands.
6. Registered restrictive covenants, private deed restrictions and other similar land use control agreements.
7. Facility cost sharing, servicing, parking, reciprocal and other similar agreements with neighbouring landowners and/or Governmental Authorities.
8. Any minor encroachments by any structure located on the Lands onto any adjoining lands and any minor encroachment by any structure located on adjoining lands onto the Property.
9. Minor title defects or irregularities that do not materially impair the use or operation of the Property.
10. Any minor title defects, irregularities, easements, encroachments, rights-of-way or other discrepancies in title or possession relating to the Property.
11. The provisions of applicable laws, including by-laws, regulations, airport zoning regulations, ordinances and similar instruments relating to development and zoning.
12. Any reservations, exceptions, limitations, provisos and conditions contained in the original Crown grant or patent.

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. (THE "APPLICANTS") AND THE AFFILIATED ENTITIES LISTED IN SCHEDULE "A" HERETO

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

APPROVAL AND VESTING ORDER
RE: URBANCORP 60 ST CLAIR INC.

WEIRFOULDS LLP
Barristers and Solicitors
The TD Bank Tower, Suite 4100
66 Wellington Street West
Toronto, ON M5K 1B7

Edmond F.B. Lamek (LSUC No. 33338U)
Tel.: 416.947.5042 Fax: 416.365.1876
Email: elamnek@weirfoulds.com

Danny M. Nunes (LSUC No. 53802D)
Tel.: 416.619.6293 Fax: 416.365.1876
Email: dnunes@weirfoulds.com

Lawyers for the Urbancorp CCAA Entities