

CITATION: Urbancorp Toronto Management Inc., 2021 ONSC 2772
COURT FILE NO.: CV-16-11389-00CL
DATE: 2021-04-13

SUPERIOR COURT OF JUSTICE - ONTARIO

**RE: 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**

BEFORE: Chief Justice G.B. Morawetz

COUNSEL: *Robin Schwill and Robert Nicholls*, for KSV Restructuring Inc., the Monitor and Receiver

Andrew Winton, for Doreen Saskin

Kenneth Kraft and Neil Rabinovitch, for Guy Gissin, the Israeli Functionary

Robert Drake and Mario Forte, for The Fuller Landau Group Inc.

Alan Saskin and Ted Saskin, in person, representing Aubergine Investments Ltd.

HEARD: April 13, 2021

ENDORSEMENT

[1] KSV Restructuring Inc. (“KSV”), in its capacity as the court-appointed monitor (the “Monitor”) of the Applicants and the affiliated entities listed on Schedule “A” (collectively, the “CCAA Entities”, and each individually a “CCAA Entity”) brought this motion for an order approving and directing the Monitor for and on behalf of 228 Queen’s Quay Ltd. (“228”), Vestaco Homes Inc. (“VHI”), Vestaco Investments Inc. (“VVI”) and Urbancorp New Kings Inc. (“UNKI”), to effect the distributions as recommended by the Monitor in its Forty-Fifth Report dated March 18, 2021 (the “Report”).

[2] There is currently approximately \$22 million available for distribution to stakeholders in these proceedings (the “Geothermal Proceeds”), mainly representing the proceeds from the Geothermal Transactions and the receivables from the Bridge, Edge, and Fuzion condominium corporations (collectively, with the Curve Condo Corporation, the “Condo Corporations”).

[3] The motion was heard today. Argument was not completed and will resume on a date to be set.

[4] However, two of the recommended distributions were not opposed.

[5] The first is in respect of VII - Curve. The background to the recommendation is set out in Section 4 of the Report. The Monitor recommends that the claim of Westside, an Urbancorp Group Entity and original owner of the Curve Geothermal Assets, be admitted in the amount of \$1,276,000 and the balance of its claim be disallowed.

[6] There is presently \$700,000 available to be distributed from VII – Curve. If Westside’s claim is admitted for \$1,276,000, Westside will receive a pro rata distribution of approximately \$688,000 and UCI will receive a pro rata distribution of approximately \$12,000.

[7] In view of the non-opposition to the recommendation, I am prepared to accept the recommendation of the Monitor and I approve and direct the requested distribution.

[8] The second is in respect of UNKI. The background to the recommendation is set out in Section 7 of the Report. UNKI is owned indirectly by UCI. As of the date of the Report, UCI continues to have significant obligations owing to it under the Debentures. On January 30, 2019, an Order was made authorizing the Monitor to distribute any surplus funds from the Cumberland Entities to UCI, as a sole shareholder of Cumberland. The monitor recommends a distribution of all funds available from the sale of the Fuzion Geothermal System (\$2,675,000) to UCI.

[9] In view of the non-opposition to the recommendation, I am prepared to accept the recommendation of the Monitor and I approve and direct the requested distribution.

[10] The balance of the requested relief is not addressed in this endorsement.



Chief Justice G. B. Morawetz

Date: April 13, 2021

SCHEDULE "A"

URBANCORP TORONTO MANAGEMENT INC.

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.