

CITATION: Urbancorp Toronto Management Inc., 2022 ONSC 1942
COURT FILE NO.: CV-16-00011389-00CL
DATE: 2022-03-29

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: *Danny Nunes*, for the Applicants

Robin Schwill, for KSV Restructuring Inc., in its capacity as Monitor

Kenneth Kraft, for Guy Gissin, Foreign Representative of Urbancorp Inc.

HEARD: March 29, 2022

ENDORSEMENT

[1] The Urbancorp CCAA Entities bring this motion, which was not opposed, for (i) an extension of the Stay Period until July 29, 2022; (ii) approval of the Fifty-first Report of KSV Restructuring Inc. ("KSV"), in its capacity as monitor of the Urbancorp CCAA Entities (the "Monitor"); and (iii) approval of the fees and disbursements of the Monitor, the Monitor's counsel, Davies Ward Phillips and Vineberg LLP, and the Applicant's counsel, DLA Piper (Canada) LLP, for the periods referenced in the Fifty-first Report.

[2] Having reviewed the Fifty-first Report, I am satisfied that the Urbancorp CCAA Entities have been and continue to work in good faith and with due diligence such that the request to extend the Stay Period until July 29, 2022 is reasonable in the circumstances.

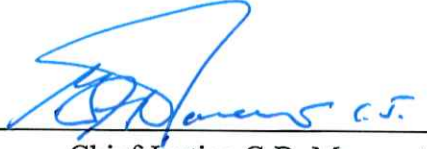
[3] There has been no adverse comment raised with respect to the Fifty-first Report of the Monitor and I am satisfied that it is appropriate to approve the Fifty-first Report and the Monitor's activities described therein. Counsel to the Foreign Representative raised an issue with respect to section 3.1.3 of the Report. This section deals with distributions. KSV, as Information Officer for Urbancorp Inc. ("UCI"), has requested full financial disclosure from the Foreign Representative regarding the administration of UCI's insolvency proceedings, but states that it has not been provided to KSV. Counsel to the Foreign Representative reported that KSV has been provided with the same information that has been disclosed in the court proceedings in Israel. In due course, the affected parties will have to address their differences. However, counsel to the Foreign Representative does not object to the request to approve the Fifty-first Report.

[4] No party raised any objections with respect to the request to approve the fees and disbursements of the Monitor and legal counsel. I am satisfied that the fees and disbursements are reasonable in the circumstances.

[5] Accordingly, the motion is granted and the order has been signed in the form presented.

[6] During the course of the hearing, I did provide certain observations to the parties with respect to the expectations of the court. These CCAA proceedings were commenced nearly 6 years ago. Certain issues remain to be resolved with respect to (i) a tax holdback in respect of taxes potentially payable by 228 Queens Quay West Limited; (ii) the status of the secured claim of Doreen Saskin in the bankruptcy of Urbancorp Management Inc.; (iii) the resolution of the management fee issue as between Downsvieview Homes Inc. and Mattamy (Downsvieview) Limited, which is scheduled to be arbitrated on June 2 and June 3, 2022; and (iv) the collection of additional consideration arising from the sale of 1780 Lawrence Avenue West, Toronto, ON.

[7] KSV has identified these outstanding issues and the steps required that have to be taken to conclude matters. The court expects significant progress to be made on these issues prior to the expiration of the Stay Period.



Chief Justice G.B. Morawetz

Date: March 29, 2022

SCHEDULE "A"

List of Non Applicant Affiliates

- 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.