

**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**

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**MOTION RECORD**  
**(Returnable September 15, 2016)**

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# TAB 1



**ONTARIO  
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CLAIR INC., HIGH RES. INC., BRIDGE ON KING INC.  
(Collectively the "Applicants") AND THE AFFILIATED  
ENTITIES LISTED IN SCHEDULE "A" HERETO**

**NOTICE OF MOTION**

**THE APPLICANTS** will make a motion before a Judge of the Ontario Superior Court of Justice, Commercial List (the "**Court**"), on September 15, 2016 at 10:00 am, or as soon after that time as the motion can be heard, at 330 University Avenue, Toronto, Ontario.

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

**THE MOTION IS FOR** Orders substantially in the forms attached at Tabs 3 A, B, C, D E and F of the Motion Record, *inter alia*:

1. abridging the time for service of the Notice of Motion and the Motion Record, if necessary, and declaring that this motion is properly returnable on September 15, 2016, and dispensing with further service thereof;
2. approving the agreement of purchase and sale entered into by Urbancorp (Lawrence) Inc. ("**UC Lawrence**") and Fernbrook Homes Limited, In Trust ("**Fernbrook**") dated August

- 16, 2016 (the "**Lawrence Sale Agreement**") and the transaction contemplated therein pursuant to which Fernbrook has agreed to purchase all of UC Lawrence's right, title and interest in and to the Purchased Assets (as defined in the Lawrence Sale Agreement, the "**Lawrence Purchased Assets**") and vesting the Lawrence Purchased Assets in Fernbrook Homes (Lawrence) Limited free and clear of any and all security interests, encumbrances, estates, rights and claims;
3. approving the agreement of purchase and sale entered into by Urbancorp (Mallow) Inc. ("**UC Mallow**") and School Sites Acquisition Corp. ("**School Sites**") dated August 16, 2016 (the "**Mallow Sale Agreement**") and the transaction contemplated therein pursuant to which School Sites has agreed to purchase all of UC Mallow's right, title and interest in and to the Purchased Assets (as defined in the Mallow Sale Agreement the "**Mallow Purchased Assets**") and vesting the Mallow Purchased Assets in School Sites free and clear of any and all security interests, encumbrances, estates, rights and claims;
  4. approving the agreement of purchase and sale entered into by Urbancorp (Patricia) Inc. ("**UC Patricia**") and School Sites dated August 23, 2016 (the "**Patricia Sale Agreement**") and the transaction contemplated therein pursuant to which School Sites has agreed to purchase all of UC Patricia's right, title and interest in and to the Purchased Assets (as defined in the Patricia Sale Agreement the "**Patricia Purchased Assets**") and vesting the Patricia Purchased Assets in School Sites free and clear of any and all security interests, encumbrances, estates, rights and claims;
  5. approving the agreement of purchase and sale entered into by Urbancorp (St. Clair Village) Inc. ("**UC St. Clair**") and Frontdoor Developments Inc. ("**Frontdoor**" and together with Fernbrook Homes (Lawrence) Limited and School Sites, the "**Purchasers**") dated August 23, 2016 (the "**St. Clair Sale Agreement**" and together with the Lawrence Sale Agreement, the Mallow Sale Agreement and the Patricia Sale Agreement, the "**Sale Agreements**") and the transaction (the transactions in the Lawrence Sale Agreement, Mallow Sale Agreement, Patricia Sale Agreement and St. Clair Sale Agreement collectively referred to hereinafter as the "**Transactions**") contemplated therein pursuant

to which Frontdoor has agreed to purchase all of UC St. Clair's right, title and interest in and to the Purchased Assets (as defined in the St. Clair Sale Agreement the "**St. Clair Purchased Assets**") and vesting the St. Clair Purchased Assets in Frontdoor free and clear of any and all security interests, encumbrances, estates, rights and claims;

6. authorizing UC Lawrence, UC Mallow, UC Patricia and UC St. Clair to complete the Transactions, including executing any additional documents as may be necessary or desirable for the completion of the Transactions;
7. approving a Claims Process and Claims Procedure Order described in section 4.0 of the Fifth Report;
8. approving the Fifth Report of KSV Kofman Inc. in its capacity as Court-appointed Monitor ("**KSV**" or the "**Monitor**"), dated September 8, 2016 and the activities described therein (the "**Fifth Report**");
9. approving the fees and disbursements of the Monitor, its counsel, Davies Ward Phillips & Vineberg LLP, up to July 31, 2016;
10. sealing the confidential appendices to the Fifth Report until further Order of the Court; and
11. such other and further relief as counsel may request and this Court deems just.

**AND FURTHER TAKE NOTICE** that the grounds to be argued in support of this motion are as follows, namely:

1. capitalized terms not otherwise defined herein have the meaning given to them in the Initial Order (as defined herein) or the Fifth Report;
2. on April 21, 2016, the Urbancorp NOI Entities each filed a Notice of Intention to Make a Proposal pursuant to section 50.4(1) of the *Bankruptcy and Insolvency Act* (Canada) and

KSV was appointed as the Proposal Trustee in each of the NOI proceedings;

3. the Urbancorp CCAA Entities (which include the Urbancorp NOI Entities) were granted protection from their creditors under the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") pursuant to the Initial Order of the Court dated May 18, 2016 (the "**Initial Order**");
4. pursuant to the Initial Order, KSV was appointed to act as the Monitor in these CCAA proceedings;
5. all of the Urbancorp CCAA Entities, other than Urbancorp Toronto Management Inc., ("**UTMI**") are involved in the management and development of real estate projects across the greater Toronto area which are in various stages of development and construction;
6. the Urbancorp CCAA Entities other than UTMI have no employees or assets other than the real estate projects in which they hold an interest;
7. pursuant to the Order of the Honourable Mr. Justice Newbould dated June 30, 2016, the Court approved a sales process (the "**Sales Process**"), as set out in the Monitor's Second Report dated June 24, 2016, including the engagement of Colliers Macaulay Nicolls Ontario Inc. ("**Colliers**") as listing agent, to assist the Monitor with the preparation and implementation of the Sales Process;
8. commencing at the end of June 2016, Colliers, in consultation with the Monitor, developed and commenced a marketing process to solicit interest from prospective purchasers for all or any of the Properties, including the properties subject to the Sale Agreements;
9. as detailed in the Monitor's Third Report dated August 23, 2016 (the "**Third Report**"), the Properties were listed for sale on July 4, 2016 and approximately 140 parties signed confidentiality agreements and were provided access to an online data room and a Confidential Information Memorandum containing information regarding the Properties.

Interested parties conducted tours of the Properties and performed other diligence;

10. pursuant to the terms of the Sales Process, prospective purchasers were required to submit offers, by way of a purchase and sale agreement, on or before August 16, 2016 (the “**Offer Deadline**”);
11. forty-six (46) offers were received for the UC Lawrence, UC Mallow, UC Patricia and UC St. Clair properties by the Offer Deadline, as follows:
  - (i) six (6) offers were received for the Lawrence property;
  - (ii) ten (10) offers were received for the Mallow property;
  - (iii) fourteen (14) offers were received for the Patricia property; and
  - (iv) sixteen (16) offers were received for the St. Clair property;
12. a summary of the offers was attached as Confidential Appendix “1” to the Third Report and was sealed pursuant to the Order of the Honourable Mr. Justice Newbould dated August 29, 2016;
13. after reviewing the offers received, and after discussions with certain Purchasers, the Monitor determined that the offers submitted by the Purchasers were superior to the other offers submitted and accepted the Purchasers’ offers;
14. if the Transactions are completed, it is expected that the sale proceeds derived therefrom will be sufficient to satisfy all mortgages and registered liens, known vendor claims, home buyer deposits and intercompany loans related to the respective subject properties, subject to the results of the claims process to be commenced by the Monitor in the near term;
15. Confidential Appendix “1” to the Fifth Report contains copies of the Sale Agreements and/or Transaction Summaries and, as such, its release, and the commercially sensitive information set out therein, could prejudice the stakeholders of UC Lawrence, UC Mallow, UC Patricia and UC St. Clair particularly if any of the Transactions were to fail

to close;

16. Given the likelihood of material distributions being made to the creditors from the proceeds of sale of the Transactions, the Monitor is of the view that this is an appropriate time in these CCAA proceedings to commence a claims process substantially in the form set out in the draft Claims Procedure Order;
17. The Monitor has complied with all Orders of this Court and its activities to date have assisted this Court and the Applicants in implementing their restructuring;
18. The fees and disbursements of the Monitor and its counsel are reasonable under the circumstances at rates that are consistent with those of other Toronto accounting and law firms providing insolvency and restructuring services;
19. Section 11 of the CCAA and the inherent and equitable jurisdiction of this Court;
20. Rules 1.04, 2.03, 3.02 and 37 of the *Rules of Civil Procedure* (Ontario), as amended; and
21. such further and other grounds as counsel may advise and this Court may permit.

**THE FOLLOWING DOCUMENTARY EVIDENCE** will be filed and used in support of this motion, namely:

- a) this Notice of Motion;
- b) the Fifth Report and the confidential Appendices thereto; and
- c) such further and other material as counsel may advise and this Court may permit.

DATE: September 8, 2016

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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

**NOTICE OF MOTION  
(Returnable September 15, 2016)**

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# TAB 2



**Fifth 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**

September 8, 2016

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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

FIFTH REPORT OF KSV KOFMAN INC.

SEPTEMBER 8, 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 and UTMI 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" and each an "Urbancorp CCAA Entity") were granted protection under the *Companies' Creditors Arrangement Act* (the "CCAA") and KSV was appointed monitor (the "Monitor").
3. On June 30, 2016, the Court made an order (the "Sale Process Order") approving, *inter alia*, a sale process ("Sale Process") for the Properties (as defined below).

4. On August 29, 2016, the Court issued an order extending the stay of proceedings for the Urbancorp CCAA Entities to November 25, 2016.
5. The principal purpose of the restructuring proceedings is to create a stabilized environment to allow the Urbancorp CCAA Entities the opportunity to consider their restructuring options, including selling some or all of their properties through a Court-supervised sale process.
6. This report ("Report") is filed by KSV in its capacity as Monitor.

### **1.1 Purposes of this Report**

1. The purposes of this Report are to:
  - a) summarize the results of the Sale Process;
  - b) summarize the transactions (collectively, the "Transactions") for the sale of the Properties;
  - c) detail a process (the "Claims Process") to solicit, determine and adjudicate claims against the Urbancorp CCAA Entities and any of the Urbancorp CCAA Entities' current and former directors and officers (the "Directors and Officers");
  - d) summarize and seek approval of the fees and expenses of the Monitor and its counsel, Davies Ward Philips & Vineberg LLP ("Davies"), from May 18, 2016, the commencement of the CCAA proceedings, to July 31, 2016; and
  - e) recommend that the Court issue orders:
    - i. approving the Transactions;
    - ii. vesting title in and to the purchased assets in the purchasers free and clear of all liens, claims and encumbrances, other than permitted encumbrances;
    - iii. sealing the confidential appendices;
    - iv. approving the Claims Process and authorizing the Monitor and the Urbancorp CCAA Entities to carry out same; and
    - v. approving the fees and disbursements of the Monitor and Davies.

### **1.2 Currency**

1. Unless otherwise noted, all currency references in this Report are to Canadian dollars.

### 1.3 Restrictions

1. In preparing this Report, the Monitor has relied upon unaudited financial information of the Urbancorp CCAA Entities, the books and records of the Urbancorp CCAA Entities and discussions with representatives of the Urbancorp CCAA Entities, including their lawyers and accountants. The Monitor has not performed an audit or other verification of such information. The financial information discussed herein is preliminary and remains subject to further review. The Monitor expresses no opinion or other form of assurance with respect to the financial information presented in this Report.

### 2.0 Background

1. The Urbancorp CCAA Entities, together with several affiliates, comprise the Urbancorp Group (collectively, the "Urbancorp Group"). The Urbancorp Group's background is summarized in the First Report of the Monitor dated June 9, 2016. A copy of the First Report is provided in Appendix "A", without appendices.
2. The table below provides a summary of the properties (collectively, the "Properties" and each a "Property") that are owned by the Companies (collectively, the "Property Companies"), excluding the Property owned by Downsview.

Company	Address of Property	Date Purchased
St. Clair	19 Innes Avenue, 177 Caledonia Road, Toronto	August 1, 2013
Patricia	425 Patricia Avenue, Toronto	August 27, 2014
Lawrence	1780 Lawrence Avenue West, Toronto	August 29, 2013
Mallow	15 Mallow Road, Toronto	August 28, 2014

3. Urbancorp Cumberland 1 LP ("Cumberland") appears to be the beneficial owner of the Properties and the sole direct or indirect shareholder of each of the Urbancorp CCAA Entities other than UTMI, Downsview, Urbancorp Power Holdings Inc. (including its shareholdings of Vestaco Holdings Inc., Vestaco Investments Inc., 228 Queens Quay Inc.), Urbancorp Residential Inc., Urbancorp Realtyco Inc., and Urbancorp Cumberland 1 GP Inc. (collectively, the "Non-Cumberland Entities").

### 2.1 Urbancorp Inc.

1. Urbancorp Inc. ("UC Inc."), the parent company of the Urbancorp CCAA Entities,<sup>1</sup> was incorporated on June 19, 2015 for the purpose of raising capital in the public markets in Israel. Pursuant to a deed of trust dated December 7, 2015, UC Inc. made a public offering of debentures (the "IPO") in Israel for NIS 180,583,000 (approximately \$64 million based on the exchange rate at the time of the IPO) (the "Bonds").
2. On April 25, 2016, the District Court in Tel Aviv Yafo granted Guy Gissin (the "Foreign Representative") certain powers, authority and responsibilities over UC Inc. (the "Israeli Proceedings"). The Israeli Proceedings have been recognized by the Court as foreign main proceedings and KSV is the Information Officer in those proceedings.



3. The Monitor has led the Sale Process, which was conducted in accordance with the Sale Process Order. The Monitor has kept the Foreign Representative apprised of the status of the Sale Process from its outset, including the process for and the selection of a realtor, the number of offers received and how it intended to deal with the offers. The Foreign Representative has consented to each of the Monitor's steps throughout the Sale Process, including the terms of the Sale Process Order and the offers accepted by the Monitor.

## 3.0 Sale Process

### 3.1 Background

1. The Sale Process Order (attached as Appendix "B") approved the retention of Colliers Macaulay Nicolls Ontario Inc. ("Colliers") as the listing agent for the Properties.
2. A summary of the Sale Process is as follows:

#### Pre-marketing Phase

- a) Immediately following the making of the Sale Process Order, the Monitor and Colliers assembled information to be used by interested parties for diligence purposes;
- b) Colliers and/or the Monitor worked together to prepare:
  - a teaser detailing the acquisition opportunities (the "Teaser");
  - a confidentiality agreement (the "CA");
  - a data room, which contained, *inter alia*, environmental reports on the Properties and a summary of the zoning status of each of the Properties (as well as additional data requested by interested parties throughout the Sale Process);
  - a suggested form of asset purchase agreement, a copy of which was made available in the data room; and
  - a Confidential Information Memorandum (the "CIM"), which included a summary of the Properties and details concerning the Sale Process, including the basis on which interested parties were recommended to submit an offer.

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<sup>1</sup> Other than UTMI.

### **Marketing Phase**

- a) On July 4, 2016, Colliers sent the Teaser to approximately 950 parties, including builders and developers in the Greater Toronto Area (the "GTA"), as well as parties that had contacted the Monitor, Colliers and representatives of the Urbancorp CCAA Entities prior to the commencement of the Sale Process;
- b) The CA was attached to the Teaser. Interested parties were required to sign the CA in order to obtain a copy of the CIM and access to the data room;
- c) On July 11, 2016, the listing was posted on the Toronto Real Estate Board's The Multiple Listing Services (the "MLS");
- d) The Properties were advertised on July 12, 2016 and August 9, 2016 in the national edition of the *Globe and Mail* newspaper;
- e) In order to facilitate the comparison of offers received, the Monitor suggested that prospective purchasers submit their offers in the form of the agreement of purchase and sale it made available in the data room, and to blackline any changes that were made to the agreement; and
- f) The deadline to submit offers was August 16, 2016 at 5:00 p.m. (Toronto time) (the "Initial Offer Deadline").

### **3.2 Sale Process Results**

1. A summary of the Sale Process results is as follows:
  - a) Colliers received hundreds of enquiries from buyers and brokers regarding the Properties;
  - b) 138 parties executed the CA, and were provided access to the data room and a copy of the CIM. Interested parties spent considerable time performing diligence, including conducting property tours, speaking to City of Toronto staff regarding zoning matters and reviewing reports prepared by the Companies' consultants; and
  - c) 46 offers, from 27 separate groups, were received for the Properties, as follows:
    - i. sixteen (16) offers were received for St. Clair;
    - ii. six (6) offers were received for Lawrence;
    - iii. ten (10) offers were received for Mallow; and
    - iv. fourteen (14) offers were received for Patricia.
2. Following the Initial Offer Deadline, the Monitor accepted offers for the Lawrence and Mallow properties, subject to approval of the Court.

3. The Monitor invited the four parties with the best offers on the St. Clair Property and the five parties with the best offers on the Patricia Property to participate in a second round of bidding. Second round bids were due on August 23, 2016 at 5:00 p.m. (Toronto time) (the "Second Round Deadline"). Of the nine parties that were invited to participate in the second round, eight parties resubmitted offers and one party<sup>2</sup> left their original offer open for acceptance.
4. On August 24, 2016, the Monitor accepted offers for the St. Clair and Patricia properties, subject to Court approval.
5. Deposits have been paid by successful bidders and the deposits are being held in trust by the Monitor. All deposits that were made by unsuccessful bidders have been returned.
6. A summary of the offers received in each round of bidding is provided in Confidential Appendix "1" (the "Offer Summary").
7. All of the leading offers received (including the Transactions) require that title be vested in the purchaser free of all obligations, other than the permitted encumbrances, including the agreements of purchase and sale entered into between the Property Companies and home buyers<sup>3</sup>.
8. The Monitor is proposing to seal the purchase price for each of the Transactions. Accordingly, a summary of each proposed Transaction (without the purchase price) is provided in Appendices "C" through "F" (the "Transaction Summary").
9. An unredacted Transaction Summary for each Transaction, together with each unredacted purchase agreement, is provided in Confidential Appendices "2a" through "2d".

### 3.3 Confidential Appendices

1. The Monitor recommends that the Offer Summary, each unredacted Transaction Summary and each unredacted purchase agreement be filed with the Court on a confidential basis and be sealed. If these documents are not sealed, the information contained therein could negatively impact realizations in the event that the Transactions do not close for any reason.
2. The Monitor has not provided the Offer Summary to any party, including the principal of the Urbancorp CCAA Entities. The only party that has been provided with a copy of the accepted offers is Atrium Mortgage Investment Corporation ("Atrium"). Atrium is the mortgagee on the properties owned by Mallow and Patricia and is also the debtor-in-possession lender to St. Clair and Lawrence. Atrium has confirmed that it keep this information confidential.

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<sup>2</sup> On the St. Clair Property.

<sup>3</sup> A few of the offers received in the Sale Process did not specifically address how the APS were to be addressed. In those offers, the sum of the offer plus the deposits was less than the value of the Transaction. Colliers also advised the Monitor that none of the prospective purchasers indicated a willingness to assume the APS.

3. The local real estate industry is small and there are widespread rumors about the offers submitted. Should buyers become aware of the actual bids made by various parties in the Sale Process, the Monitor is concerned that buyers may attempt to renegotiate or withdraw their offers.
4. The Monitor is not aware of any party that will be prejudiced if the information is sealed. To the contrary, keeping this information confidential is in the interest of maximizing recoveries for all stakeholders.

### 3.4 Recommendation

1. For the following reasons, the Monitor recommends that the Court issue an order approving the Transactions and vesting clean title to the purchased assets in the purchasers:
  - a) the Sale Process was conducted on a basis consistent with the Sale Process Order;
  - b) the value of each of the Transactions represents the highest and best offers received for each of the respective Properties;
  - c) Colliers undertook an extensive marketing campaign for the Properties, using several marketing techniques, including direct solicitation of prospective purchasers, national newspaper advertisements and listing the property on MLS. Colliers also introduced this opportunity to international real estate contacts who it believed have an interest in residential development in the GTA;
  - d) Colliers is familiar with the residential real estate market and is of the view that the Transactions are the best available in these circumstances; and
  - e) Atrium has consented to the Transactions.

## 4.0 Claims Process<sup>4</sup>

1. The following section provides an overview of the Claims Process. **All interested parties are strongly encouraged to read the proposed Claims Procedure Order as full details of the Claims Process are provided therein. The information contained in this section is provided in summary format only. A copy of the proposed Claims Procedure Order is provided in Appendix "G".**
2. In order to be able to make distributions to creditors on a timely basis, the Monitor intends to commence the Claims Process forthwith. The Claims Process is in respect of all claims against the Urbancorp CCAA Entities and their respective Directors and Officers.

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<sup>4</sup> Capitalized terms used but not defined in this section have the meaning ascribed to them in the Claims Procedure Order.

3. The Claims Process will address Pre-Filing Claims, Restructuring Period Claims and D&O Claims, each as defined in the Claims Procedure Order.
4. The Claims Process will not solicit claims secured by any of the Court-ordered charges in the CCAA proceedings or set out in sections 5.1(2) and 19(2) of the CCAA.

#### 4.1 Home Buyer Claims

1. As evidenced by these CCAA Proceedings, the Property Companies did not and do not have the ability to perform their respective obligations under the agreements of purchase and sale entered into between the Property Companies and home buyers. Furthermore, each of the Transactions require that title be vested in the purchaser free and clear of all obligations, including the agreements of purchase and sale entered into between the Property Companies and home buyers. Accordingly, the Property Companies cannot perform such agreements and no party has agreed to assume them. Therefore, each home buyer will have a Restructuring Period Claim arising from the failure to perform such agreements.
2. In order to simplify the administration of the Claims Process, Home Buyers will not be required to file proofs of claim with respect to such claims. Rather, the Monitor will prepare Home Buyer Claim Notices based on the amount of their deposit and will provide these to each Home Buyer. Home Buyers can accept the claim as determined by the Monitor or dispute the amount of the claim, by completing a Home Buyer Objection Notice and sending it to the Monitor before the Restructuring Period Claims Bar Date, unless otherwise ordered by the Court.
3. If the Monitor does not receive a Home Buyer Objection Notice before the Restructuring Period Claims Bar Date, then the Home Buyer's Restructuring Period Claim will be deemed to have been accepted as set out in the Home Buyer Claim Notice.

#### 4.2 Claims Bar Date

1. Other than for claims set out in any Home Buyer Claim Notice, all creditors making Pre-Filing Claims or D&O Claims will be required to file claims with the Monitor by October 21, 2016 by 5:00 p.m. (Toronto Time) (the "Claims Bar Date").
2. Other than for claims set out in any Home Buyer Claim Notice, all creditors making Restructuring Period Claims will be required to file claims with the Monitor by the later of:
  - a) the Claims Bar Date; and
  - b) 30 days after the date on which the Monitor sends a Claim Package with respect to a Restructuring Period Claim (the "Restructuring Period Claims Bar Date").
3. Any Claimant that does not file a claim by the Claims Bar Date or Restructuring Claims Bar Date, as applicable, will, *inter alia*: (i) be prohibited from enforcing any such claim; (ii) not be permitted to vote at any Meeting; and (iii) not participate in any distributions under a Plan or otherwise.

4. The Monitor believes the Claims Bar Date and the Restructuring Claims Bar Date are reasonable in that they provide sufficient time for Claimants to evaluate and submit any claim that they may have against the Urbancorp CCAA Entities and Directors and Officers.

#### 4.3 Notice

1. In order to notify creditors about the Claims Process, the Monitor will:
  - a) by no later than 5:00 p.m. on September 22, 2016, send a Claims Package to: (i) all known Claimants (including Home Buyers) at their last known address as evidenced by the books and records of the Urbancorp CCAA Entities; and (ii) each party on the service list or that has requested a Claims Package;
  - b) by no later than September 22, 2016, cause the Notice to Claimants to be published on at least two (2) business days in the national edition of *The Globe and Mail*;
  - c) by no later than 5:00 p.m. on September 19, 2016, post the Claims Package and Notice to Claimants on the Monitor's website at: <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/>; and
  - d) provide a Claims Package to any Claimant that requests documents or information relating to the Claims Process prior to the Claims Bar Date or if any of the Urbancorp CCAA Entities or the Monitor becomes aware of further Claims, the Monitor will provide such Claimant a Claims Package.

#### 4.4 Adjudication of Claims

1. The Monitor will review all Proofs of Claim received on or before the Claims Bar Date and Restructuring Period Claims Bar Date, and will accept, revise or reject each claim.
2. With respect to D&O Proofs of Claim, the Monitor will, in consultation with the Urbancorp CCAA Entities and the Directors and Officers named in respect of such D&O Claim, accept, revise or reject such claim. If a decision is made to revise or reject a Claim, the Monitor will send a Notice of Revision or Disallowance to the Claimant by November 11, 2016.
3. Any Claimant who intends to dispute a Notice of Revision or Disallowance must, within 21 days after the date on which the Claimant is deemed to have received such Notice of Revision or Disallowance or such other date as may be agreed to by the Monitor in writing, deliver a Notice of Dispute of Revision or Disallowance to the Monitor.
4. In the event a dispute raised in a Notice of Dispute of Revision or Disallowance is not settled within a time period or in a manner satisfactory to the Monitor, the Monitor shall refer the dispute raised in the Notice of Dispute of Revision or Disallowance to a Claims Officer or the Court for adjudication, at the Monitor's election. The Claims Officer has not yet been identified and will be subject to Court approval.

5. Any Claimant that is sent a Notice of Revision or Disallowance and does not file a Notice of Dispute of Revision or Disallowance within the prescribed time period, will be deemed to have accepted the amount and determination as set out in the Notice of Revision or Disallowance and such Claimant will have no further right to dispute same.
6. If the Monitor elects to refer a disputed Claim to a Claims Officer, the Claims Officer will determine the validity and amount of the disputed Claim. The Claims Officer shall have the discretion to determine by whom and to what extent the costs of any hearing before a Claims Officer shall be paid.

#### **4.5 Determination of Intercompany Claims**

1. As discussed above, Cumberland is the sole shareholder and also appears to be the beneficial owner of all of the assets of the Urbancorp CCAA Entities except for those of the Non-Cumberland Entities. As such, all of the assets and liabilities of the Urbancorp CCAA Entities (except for the Non-Cumberland Entities) can effectively be consolidated within Cumberland. Accordingly, the Monitor will only determine the amounts owing by each Urbancorp CCAA Entity which is not a Non-Cumberland Entity (the "Cumberland Entities") to the Non-Cumberland Entities (and vice versa) as any transactions between such entities will need to be satisfied (i.e. they do not consolidate in Cumberland).
2. In order to address the transactions between the Cumberland Entities and the Non-Cumberland Entities, the Monitor intends to serve and file the Monitor's Inter-CCAA Entity Claims Report. To the extent determinable, this report will include:
  - a) the amount of the claim;
  - b) whether cash or services were provided by the creditor entity to the debtor entity; and
  - c) a description of the transaction.
3. The Monitor's Inter-CCAA Entity Claims Report shall be completed by October 27, 2016, unless otherwise ordered by this Court on application by the Monitor.
4. After the service of the Inter-CCAA Entity Claims Report, any Claimant may file objections relating to the report. Such objections shall be served no later than November 15, 2016 and will be returnable at the same time as the Monitor's motion seeking approval of the Monitor's Inter-CCAA Entity Claims Report.

#### **4.6 Claims by Other Urbancorp Group Entities**

1. **Any entity in the Urbancorp Group which is not an Urbancorp CCAA Entity is to be subject to the same process for filing and determining its Claim as any other non-Home Buyer arm's length creditor.**

## 5.0 Professional Fees

1. The fees and disbursements of the Monitor and Davies from May 18, 2016, the commencement of the CCAA proceedings, to July 31, 2016, are summarized below.

Firm	(\$)		
	Fees	Disbursements	Total
KSV	450,810.75	2,748.66	453,559.41
Davies	257,818.00	5,316.30	263,134.30
Total	708,628.75	8,064.96	716,693.71

2. Detailed invoices are provided in appendices to the affidavits filed by representatives of KSV and Davies which are provided in Appendices "H" and "I".
3. The average hourly rates for the Monitor and Davies for the referenced billing period were \$504 and \$851, respectively.
4. The Monitor is of the view that the hourly rates charged by Davies are consistent with the rates charged by law firms practicing in the area of restructuring and insolvency in the downtown Toronto market, and that the fees charged are reasonable and appropriate in the circumstances.

## 6.0 Correspondence with Home Buyers

1. On September 6, 2016, a home buyer on the Lawrence property wrote to the Monitor asking that the Monitor forward a letter to His Honour. A copy of the letter is attached as Appendix "J". A copy of the Monitor's response to the home buyer is attached as Appendix "K".

## 7.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that the Court make an order granting the relief detailed in Section 1.1 (e) of this Report.

\* \* \*

All of which is respectfully submitted,



**KSV KOFMAN INC.  
IN ITS CAPACITY AS CCAA MONITOR OF  
THE URBANCORP CCAA ENTITIES  
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"



**First 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**

June 9, 2016

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## **Appendix**

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	Request for Proposals from Brokers.....B
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	Solicitation Letter.....E
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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

JUNE 9, 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 (the "NOI Proceedings"). (Collectively, St. Clair, Patricia, Mallow, Downsview and Lawrence are referred to as the "NOI Entities" and the NOI Entities and UTMI are referred to as the "Companies".)
2. KSV Kofman Inc. ("KSV") was appointed as the Proposal Trustee in the NOI Proceedings.
3. Pursuant to an Order made by the Ontario Superior Court of Justice (Commercial List) ("Court") dated May 18, 2016 ("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 monitor (the "Monitor").
4. This report (the "Report") is filed by KSV in its capacity as Monitor.

5. The Initial Order:
  - a) granted a stay of proceedings for the Urbancorp CCAA Entities to June 17, 2016;
  - b) approved an interim credit facility (the "Interim Credit Facility") in the amount of \$1.9 million between Urbancorp Partner (King South) Inc. ("King South"), as lender, and the Urbancorp CCAA Entities, as borrowers, and authorized the Monitor to cause any Urbancorp CCAA Entity with available cash to loan that cash to another Urbancorp CCAA Entity, as required (an "Approved Intercompany Advance");
  - c) authorized the Monitor to solicit proposals for interim financing to replace or augment the Interim Credit Facility (the "DIP Solicitation Process");
  - d) approved a protocol (the "Protocol") between the Monitor and Guy Gissin, functionary of Urbancorp Inc. (the "Functionary"), as appointed by the Israeli District Court in Tel Aviv-Yafo (the "Tel Aviv Court");
  - e) provided the Monitor with enhanced authority in the CCAA proceedings, including control of the cash management system, operational decision making and the direction of the restructuring process generally; and
  - f) granted the Administration Charge, the Intercompany Lender's Charge, the Interim Lender's Charge and the Director's Charge, all as defined in the Initial Order.
6. The principal purpose of the CCAA proceedings is to create a stabilized environment to allow the Urbancorp CCAA Entities the opportunity to consider their restructuring options, including development opportunities and/or selling some or all of their properties through a Court approved process.

## **1.1 Purposes of this Report**

1. The purposes of this Report are to:
  - a) provide background information about the Urbancorp CCAA Entities and these proceedings;
  - b) provide the Court with an update on:
    - i. Urbancorp Inc.'s proceedings in Israel (the "Israeli Proceedings"), which have been recognized as a foreign main proceeding by the Court under Part IV of the CCAA (the "Part IV Proceedings");

- ii. the Urbancorp CCAA Entities' restructuring, including the status of development opportunities and a sale process to be finalized shortly by the Monitor; and
  - iii. the DIP Solicitation Process;
- c) report on the Urbancorp CCAA Entities' cash flow projection for the period June 4, 2016 to September 2, 2016 ("Cash-Flow Statement");
  - d) summarize the terms of a debtor-in-possession facility (the "DHI Facility") in the amount of \$8 million between Mattamy (Downsview) Limited ("Mattamy"), as lender, and Downsview, as borrower, as well as a charge (the "DHI Facility Charge") in favour of Mattamy over Downsview's assets, properties and undertakings to secure repayment of the amounts borrowed by Downsview under the DHI Facility;
  - e) provide an overview of the Monitor's activities since the commencement of the CCAA proceedings; and
  - f) recommend that the Court make an Order:
    - i. granting the Urbancorp CCAA Entities' request for an extension of its stay of proceedings from June 17, 2016 to September 2, 2016;
    - ii. approving the DHI Facility and the DHI Facility Charge; and
    - iii. approving this Report and the activities of the Monitor as set out in this Report.

## **1.2 Currency**

- 1. Unless otherwise noted, all currency references in this Report are to Canadian dollars.

## **1.3 Restrictions**

- 1. In preparing this Report, the Monitor has relied upon unaudited financial information of the Urbancorp CCAA Entities, the books and records of the Urbancorp CCAA Entities and discussions with representatives of the Urbancorp CCAA Entities, including their lawyers and accountants. The Monitor has not performed an audit or other verification of such information. The financial information discussed herein is preliminary and remains subject to further review. The Monitor expresses no opinion or other form of assurance with respect to the financial information presented in this Report.

2. An examination of the Urbancorp CCAA Entities' Cash Flow-Statement as outlined in the Chartered Professional Accountant Canada Handbook has not been performed. Future oriented financial information relied upon in this Report is based on the Urbancorp CCAA Entities' assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. The Monitor expresses no opinion or form of assurance on whether the Cash-Flow Statement will be achieved.

## 2.0 Background

1. The Urbancorp CCAA Entities, together with several affiliates, comprise the Urbancorp Group (collectively, the "Group"). The business of the Group commenced in 1991. The Group primarily engages in the development, construction and sale of residential properties in the Greater Toronto Area. The Group also owns rental properties and geothermal assets<sup>1</sup>. A condensed organization chart for the Group is provided in Appendix "A".
2. The ultimate shareholders of the Group are Alan Saskin and members of his family.
3. At the commencement of the CCAA proceedings, the Urbancorp CCAA Entities had several projects in various stages of development and construction. The projects require significant capital in order to be completed. The Urbancorp CCAA Entities are in need of funding. They will be unable to generate positive cash flow until the projects are advanced.
4. UTMI provides back-office support for the Group, including human resources and accounting. As at June 6, 2016, UTMI employed approximately 13 individuals; it is the sole employer in the Group. UTMI provides services to the Urbancorp CCAA Entities and to other entities in the Group, including: (i) Edge Residential Inc., Edge on Triangle Park Inc. and Bosvest Inc. which are subject to the NOI proceedings in which The Fuller Landau Group Inc. ("Fuller Landau") is the Proposal Trustee; and (ii) Urbancorp (Leslieville) Developments Inc., Urbancorp (Riverdale) Developments Inc. and Urbancorp (The Beach) Developments Inc. which are subject to receivership proceedings in which Alvarez & Marsal Canada Inc. ("A&M") has been appointed receiver. UTMI's workforce is not unionized and it does not maintain a pension plan.

### 2.1 Israeli Proceedings

1. Urbancorp Inc. was incorporated on June 19, 2015 for the purpose of raising capital in the public markets in Israel.

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<sup>1</sup> Geothermal assets use "green technology" to provide heating and cooling to residential developments.



2. Pursuant to a deed of trust dated December 7, 2015, Urbancorp Inc. made a public offering of debentures (the "IPO") in Israel for NIS 180,583,000 (approximately C\$64 million based on the exchange rate at the time of the IPO) (the "Bonds"). The Bonds traded on the Tel Aviv Stock Exchange (the "TASE"). Urbancorp Inc. is alleged to have defaulted on the Bonds and trading in the Bonds has been suspended by the TASE.
3. The majority of the proceeds from the Bonds were used to provide loans to the NOI Entities so that the NOI Entities could in turn repay their loan obligations owing at the time. The loan agreements between Urbancorp Inc. and the NOI Entities set out that these advances are unsecured and can only be paid from surplus cash flow after all other creditors are paid in full. The maturity date of the Bonds is December 31, 2019, at which time they must be repaid.
4. Pursuant to the Recognition Order issued in the Part IV Proceedings:
  - a) Mr. Gissin was appointed as the foreign representative of Urbancorp Inc.;
  - b) the Israeli Proceedings were recognized as a "foreign main proceeding";
  - c) a decision by the Tel Aviv Court granting the Functionary certain powers, authority and responsibilities over Urbancorp Inc. was recognized by the Court; and
  - d) KSV was appointed as the Information Officer;
5. Pursuant to the Initial Order, the Court approved the Protocol between the Monitor and the Functionary. The Protocol addresses, *inter alia*, the sharing of information between the Functionary and the Monitor, the manner in which the Functionary is to have input in the CCAA restructuring process and that KSV would be the Information Officer in the Part IV Proceedings.
6. Further background concerning the Group and the Israeli Proceedings was provided in the affidavit of Alan Saskin, the sole director and officer of each of the Companies, sworn May 13, 2016 (the "Saskin Affidavit") and the First Report of KSV as Proposal Trustee dated May 13, 2016 (the "Proposal Trustee Report"). The Saskin Affidavit, the Proposal Trustee Report and other publically available materials filed in the insolvency proceedings are available on KSV's website at: <http://www.ksvadvisory.com/insolvency-cases-2/urbancorp/>.

### 3.0 Update on the Israeli Proceedings

1. Since the commencement of the CCAA proceedings, the Monitor has been in regular contact with the Functionary and its Canadian counsel, Goodmans LLP, to provide updates and consult with the Functionary on major issues in the Urbancorp CCAA Entities' restructuring process.

2. On May 10, 2016, the Functionary made an application to the Tel Aviv Court to, *inter alia*, authorize the Functionary to enter into the Protocol. On May 11, 2016, the Tel Aviv Court made an Order authorizing the Functionary to enter into the Protocol. On May 22, 2016, the Tel Aviv Court made an order extending the appointment of the Functionary to September 22, 2016.
3. The Functionary shortly intends to seek an Order of this Court calling for claims by Canadian creditors against Urbancorp Inc. and establishing a bar date for same. The Monitor expects that the Functionary will seek an order of this Court approving a claims process, including the form of claims' notice that is to be published. The Monitor and the Functionary have been in discussions in this regard.

## **4.0 Restructuring Process**

### **4.1 Development Proposal**

1. Prior to the commencement of the restructuring proceedings, the Group was engaged in discussions with a real estate developer regarding a development proposal for the properties owned by the NOI Entities, other than the property owned by Downsview (the "Properties").
2. On May 12, 2016, the Monitor received a letter of intent from the developer. The Monitor engaged in negotiations with the developer and considered making the development proposal a stalking horse offer in a realization process. A stalking horse process is often beneficial to maintain stakeholder support, such as employees, customers and vendors during a sale process, so that goodwill is preserved. As the main asset of the NOI Entities is raw land, the Monitor concluded that a stalking horse is of limited benefit, if any, at this stage of the sale process<sup>2</sup>. Accordingly discussions with the developer were discontinued during the week of May 27, 2016.

### **4.2 Broker Solicitation Process**

1. In early June, the Monitor requested proposals from realtors to act as its listing agent for the Properties. Proposals are due on June 13, 2016.
2. Upon selection of one or more successful proposals, the Monitor and the realtor(s) will develop a realization process to be approved by the Court. The Monitor expects Court approval to be sought prior to the end of June, 2016. A copy of the package sent to the realtors is provided in Appendix "B".
3. Each of the realtors has a national or significant practice and has experience selling real estate similar to the Properties.
4. In selecting a realtor, the Monitor will also consider unsolicited proposals it receives.

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<sup>2</sup> The Monitor contemplates that the sale process for which it intends to seek Court approval will provide the option, but not the obligation, to have the best offer or offers to be a stalking horse in an auction.

## 5.0 Cash Flow

1. The Cash-Flow Statement and related assumptions for the period June 4, 2016 to September 2, 2016 (the "Period"), together with Management's Report on the Cash-Flow Statement, are provided in Appendix "C".
2. The Urbancorp CCAA Entities' principal assets are undeveloped real estate, which do not presently generate positive cash flow. The most immediate cash requirement is \$8 million required to fund an equity injection by Downsvio to DHI under the DHI Facility (discussed in Section 7 below). The remaining expenses in the Cash-Flow Statement include payroll, general and administrative expenses and professional fees.
3. As of the date of this Report, the Urbancorp CCAA Entities have a cash balance of approximately \$2.1 million. The Urbancorp CCAA Entities' cash balance is projected to be fully utilized by July 15, 2016. Accordingly, a debtor-in-possession facility (a "DIP Facility") will be required at that time.
4. The Monitor is of the view that the material assumptions in the Cash-Flow Statement are reasonable. The Monitor's report on the Projection is provided in Appendix "D".

## 6.0 DIP Financing Process

1. The Initial Order authorized the Monitor to conduct the DIP Solicitation Process.
2. The Monitor is seeking a DIP Facility in the amount of \$10 million. The DIP Facility is to be secured by unencumbered raw land owned by Lawrence and St. Clair (the "Collateral"). Estimates of value recently received by the Monitor indicate that the value of the Collateral exceeds the anticipated amount of the DIP Facility.
3. It is contemplated that the proceeds from the DIP Facility will be used to fund operating costs and professional fees incurred by the Urbancorp CCAA Entities during the restructuring process. It may also be used to repay amounts that have been loaned among the Urbancorp CCAA Entities since the commencement of the NOI proceedings under the Intercompany Lender's Charge and the Interim Lender's Charge.
4. Between June 6 and 8, 2016, the Monitor sent a letter to several parties detailing the DIP opportunity (the "Solicitation Letter").<sup>3</sup> Attached to the Solicitation Letter was: (i) a confidentiality agreement (the "CA"); and (ii) a form of term sheet to be used by interested parties to submit their bids. A copy of the Solicitation Letter is attached as Appendix "E". Interested parties who sign CAs will be provided access to an online data room. The data room contains information concerning the Collateral, including environmental reports, zoning studies and appraisals.

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<sup>3</sup> The majority of the Solicitation Letters were sent on June 6, 2016. Additional letters were sent on June 7 and 8, 2016 to parties who expressed an interest on these dates.

5. The following criteria, among others, will be considered in respect of DIP proposals:
  - a) term;
  - b) interest rate and fees; and
  - c) conditions.
6. The terms of the selected DIP proposal will be subject to Court approval.

## **7.0 Downsview**

1. Downsview Homes Inc. ("DHI") owns land located at 2995 Keele Street in Toronto, which is being developed into condominiums and low-rise residences (the "Downsview Project"). Construction is in process. When completed, the Downsview Project will consist of 1,136 residential units.
2. The shares of DHI are owned as follows: Downsview (51%) and Mattamy (49%).
3. Prior to the commencement of the CCAA proceedings, Mattamy made advances to DHI on behalf of Downsview. Downsview also has obligations to Mattamy under a co-ownership agreement ("Agreement"). Downsview has pledged its shares in DHI to Mattamy as security for the advances and for Downsview's obligations under the Agreement.
4. Pursuant to a term sheet dated May 25, 2015 (the "bcIMC Term Sheet"), bcIMC Construction Fund Corporation ("bcIMC") provides construction financing for the Downsview Project. A condition of the bcIMC Term Sheet is that Mattamy and Downsview inject equity into DHI; approximately \$8 million is required to be advanced by Downsview.
5. Downsview does not have the cash to fund its portion of the required equity. If the equity injection is not made, bcIMC may discontinue funding the Downsview Project. Mattamy has agreed to loan Downsview the funds it requires to fund the equity contribution.
6. Downsview has no material assets other than the shares of DHI which are subject to transfer restrictions and co-ownership obligations.

## **7.1 DHI Facility<sup>4</sup>**

1. The terms of the DHI Facility are set out in a term sheet (the "DHI Term Sheet"). A copy of the DHI Term Sheet is attached as Appendix "F". The significant terms of the DHI Facility are below.
  - a) Amount: \$8 million;

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<sup>4</sup> Terms not defined in this section have the meaning provided to them in the DHI Term Sheet.

- b) Maturity date: the earliest of (i) December 31, 2018; (ii) the date upon which all conditions precedent to a plan under the CCAA have been satisfied; (iii) the date on which Downsview has sufficient funds to repay the DHI Facility in full; and (iv) such earlier date upon which repayment is required due to the occurrence of an Event of Default;
- c) Interest rate: 15% per annum, payable on maturity;
- d) DHI Facility Charge: all obligations of Downsview under the DHI Facility are to be secured by a first-ranking Court ordered charge over all present and after acquired property, assets and undertakings of Downsview, subject only to the UDDI Administration Charge;
- e) Right of First Refusal ("ROFR"): provides Mattamy with 15 days to match the terms of any take-out financing for the DHI Facility;
- f) Conditions:
  - i. entry of the DHI Facility Approval Order by June 15, 2016;
  - ii. Alan Saskin to resign as an officer and director of DHI;
  - iii. bcIMC continues to fund DHI; and
  - iv. the absence of an Event of Default.
- g) Events of default:
  - i. termination of the CCAA proceedings or the CCAA stay of proceedings;
  - ii. an Order modifying the DHI Financing Charge or the Interim Financing Charge, which adversely impacts the rights of Mattamy;
  - iii. an Order modifying the Interim Financing Approval Order or DHI Financing Approval Order without the consent of Mattamy, in a manner which adversely impacts the rights of Mattamy;
  - iv. failure of Downsview to pay any amounts owing to Mattamy when due;
  - v. if Downsview, or an affiliate of Downsview or any director and/or officer of Downsview, takes any actions with respect to Downsview's business or assets which have a material adverse effect on Mattamy or any assets subject to the DHI Facility Charge;
  - vi. any material breach of a Court Order; and
  - vii. breaches of covenants in the DHI Term Sheet or the bcIMC Term Sheet, which are not remedied for a period of five days.

## 7.2 Monitor's Recommendation

1. The Monitor considered the following factors when considering the terms of the DHI Facility, as well those set out in Section 11.2 of the CCAA:
  - a) Downsvieview is without cash to fund the equity injection. Mattamy has advised that it may consider enforcing its security on the shares of DHI if Downsvieview does not contribute its portion of the required equity. Without the equity injection from Downsvieview and Mattamy, bclMC may not fund its loan to the project, which could put the Downsvieview Project at risk. The Downsvieview Project appears to be a valuable asset. Making the equity injection allows the project to continue without risk to Downsvieview's interest;
  - b) At this time, Mattamy is the only party with sufficient understanding of the Downsvieview Project and DHI to be able to advance funds prior to the deadline for the equity injection, particularly since the only security to support such funding are Downsvieview's shares in DHI, which are already pledged to Mattamy.
  - c) The Monitor is able to repay the DHI Facility at any time, without penalty;
  - d) The DHI Term Sheet is the result of negotiations among the Monitor, Downsvieview and Mattamy. The Monitor understands that Mattamy is not willing to provide the interim financing other than on the terms and conditions of the DHI Term Sheet;
  - e) The interest rate on the DIP Facility is consistent with market, particularly given the complexities of the Downsvieview project. It is also consistent with the interest rates for advances made on behalf of a defaulting party under the Agreement; and
  - f) The only meaningful security for the DHI Facility are the shares of DHI which are currently pledged to Mattamy to secure obligations owing under the Agreement. The Monitor has considered the ROFR and does not consider this condition to be a practical or material impediment to receiving alternative financing offers which may prove to be more advantageous than the DHI Facility. The Monitor and Downsvieview have no current plans to seek alternative financing, in these circumstances;
2. Based on the foregoing, the Monitor believes that the terms of the DIP Term Sheet are reasonable in the circumstances.

## 8.0 Request for an Extension

1. The Urbancorp CCAA Entities are seeking an extension of the stay of proceedings from June 17, 2016 to September 2, 2016. The Monitor supports the Urbancorp CCAA Entities' request for an extension of the stay of proceedings for the following reasons:
  - a) the Urbancorp CCAA Entities are acting in good faith and with due diligence;
  - b) no creditor will be materially prejudiced if the extension is granted;
  - c) it will allow the Urbancorp CCAA Entities the opportunity to continue the realization process for the Properties;
  - d) it will allow the Monitor to address a myriad of other issues affecting the Urbancorp CCAA Entities; and
  - e) as of the date of this Report, neither the Urbancorp CCAA Entities nor the Monitor is aware of any party opposed to an extension.

## 9.0 Overview of the Monitor's Activities

1. The Monitor's activities since the commencement of the proceedings have included:
  - a) carrying out the Monitor's duties and responsibilities in accordance with the Initial Order;
  - b) corresponding with Davies Ward Phillips & Vineberg LLP, counsel to the Monitor, and Borden Ladner Gervais LLP, counsel to the Urbancorp CCAA Entities, concerning all matters in the CCAA proceedings;
  - c) attending on a near daily basis at the Urbancorp CCAA Entities' head office;
  - d) corresponding regularly with purchasers of residential units regarding the status of their deposits and their projects;
  - e) preparing and arranging for an advertisement in *The Globe and Mail* as required under the CCAA;
  - f) preparing and e-filing with the Office of the Superintendent of Bankruptcy Form 1 and Form 2, as required by the CCAA;
  - g) considering a letter of intent provided by a national home builder in respect of the Properties;
  - h) reviewing the Urbancorp CCAA Entities' daily bank activity;
  - i) reviewing information regarding the Group's geothermal assets;
  - j) making a digital backup of the Group's books and records;

- k) considering UTMI's costs, as well as the allocation of those costs between the Urbancorp CCAA Entities and entities not included in the CCAA proceedings;
- l) corresponding with Fuller Landau and A&M regarding their insolvency proceedings;
- m) corresponding with Harris Schaeffer LLP, the Group's corporate lawyers, to obtain information concerning the background of the Urbancorp CCAA Entities;
- n) corresponding with MNP LLP, the Group's accountants;
- o) considering and advancing a sale process, including compiling a list of prospective purchasers and assembling an electronic data room;
- p) corresponding frequently with interested purchasers and lenders;
- q) convening meetings with UTMI's employees to apprise them of developments in the restructuring process;
- r) reviewing information provided by the Urbancorp CCAA Entities in connection with the Properties, including:
  - i. purchase and sale agreements;
  - ii. site plan details;
  - iii. environmental reports and development reports;
  - iv. schedules summarizing deposits received from home buyers;
  - v. property surveys; and
  - vi. appraisals.
- s) corresponding extensively with key stakeholders in these proceedings, including secured lenders and their respective legal counsel;
- t) preparing the DIP Solicitation Process materials;
- u) compiling information in a data room in respect of the DIP Solicitation Process;
- v) corresponding with the Urbancorp CCAA Entities' insurance broker to add the Monitor as a loss payee and named insured on the insurance policies;
- w) preparing a Request for Proposals in connection with the process to solicit proposals from realtors;
- x) paying expenses incurred in the CCAA proceedings;
- y) corresponding regularly with the Functionary and its Canadian counsel;



- z) corresponding regularly with Mattamy and its counsel;
- aa) negotiating the DHI Facility;
- bb) changing the signatories on the Urbancorp CCAA Entities' bank accounts to representatives of the Monitor, as required pursuant to the Initial Order;
- cc) mailing a notice to the Urbancorp CCAA Entities' creditors, as required pursuant to the CCAA;
- dd) reviewing the Projection and the underlying assumptions;
- ee) preparing Management's Reports on Cash Flow Statement;
- ff) preparing the Monitor's Reports on Cash Flow Statement;
- gg) preparing an e-mail to the Service List, as required pursuant to the Commercial List E-Service Protocol;
- hh) corresponding with UTMI's employee benefits provider to arrange for the continuation of benefits during the CCAA proceedings;
- ii) corresponding with Bennett Jones LLP, Mr. Saskin's counsel, regarding various matters in these proceedings;
- jj) corresponding with prospective purchasers of the Urbancorp CCAA Entities' properties;
- kk) responding to enquiries from creditors, including the various secured creditors of the Urbancorp CCAA Entities;
- ll) corresponding with representatives of Scotiabank, a lender to Kings Club Development Inc. ("Kings Club");
- mm) reviewing information concerning Urbancorp New Kings Inc.'s ("UNKI") investment in Kings Club;
- nn) corresponding with legal counsel for representatives of First Capital Realty Inc., UNKI's partner in the Kings Club development;
- oo) posting materials filed with the Court to the Monitor's website for these proceedings;
- pp) maintaining the service list; and
- qq) drafting this Report.

## 10.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that this Honourable Court make an order granting the relief detailed in Section 1.1 (f) of this Report.

\* \* \*

All of which is respectfully submitted,



**KSV KOFMAN INC.  
IN ITS CAPACITY AS CCAA MONITOR OF  
THE URBANCORP CCAA ENTITIES  
AND NOT IN ITS PERSONAL CAPACITY**

## Appendix “B”

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

THE HONOURABLE MR. ) THURSDAY, THE 30<sup>TH</sup>  
)  
JUSTICE NEWBOULD ) DAY OF JUNE, 2016

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

ORDER

THIS MOTION, made by KSV Kofman Inc. ("**KSV**"), in its capacity as the court-appointed monitor (the "**Monitor**") of the Applicants and the affiliated entities listed in Schedule "A" hereto (collectively, the "**Urbancorp CCAA Entities**"), for an order, among other things:

- a) approving the Sale Process (as defined below), including the engagement of Colliers Macaulay Nicolls (Ontario) Inc. International Inc. ("**Colliers**") as listing agent under the Sale Process;
- b) approving the DIP Facility (as defined below); and
- c) sealing the Realtor Summary and the DIP Summary (each as defined in the Second Report of the Monitor dated June 24, 2016 (the "**Second Report**")) pending further Order of this Court,

was heard this day at the Courthouse located at 330 University Avenue, Toronto, Ontario.

ON READING the Motion Record of the Monitor, including the Second Report, and the Supplement to the Second Report dated June 29, 2016 (the "**Supplemental Report**"), each filed,

AND UPON HEARING the submissions of counsel for the Monitor, counsel for the Urbancorp CCAA Entities and those other parties present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of Dina Milivojevic sworn June 24, 2016, and the affidavit of Robin Schwill sworn June 29, 2016, each filed:

### **SERVICE AND DEFINITIONS**

1. **THIS COURT ORDERS** that the time and manner of service of the Notice of Motion, the Motion Record, including the Second Report, and the Supplemental Report are hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that capitalized terms used herein and not otherwise defined shall have the meaning given to them in the Second Report or the Initial Order dated May 18, 2016 (the "**Initial Order**").

### **APPROVAL OF REPORTS AND ACTIVITIES**

3. **THIS COURT ORDERS** that the Second Report and the Supplemental Report and the activities of the Monitor as set out therein be and are hereby approved.

### **ENGAGEMENT OF LISTING AGENT**

4. **THIS COURT ORDERS** that the Monitor on behalf of the Urbancorp CCAA Entities and Colliers are authorized to execute and to carry out and perform their respective obligations under the Listing Agreement dated June 23, 2016 between Urbancorp (Patricia) Inc., Urbancorp (Mallow) Inc., Urbancorp (St. Clair Village) Inc., and Urbancorp (Lawrence) Inc., as sellers (collectively, the "**Sellers**"), Colliers, as listing agent (the "**Listing Agent**") and the Monitor, attached as Appendix "C" to the Second Report (the "**Listing Agreement**") (including payment of the amounts due to be paid to the Listing Agent pursuant to the terms of the Listing Agreement).

5. **THIS COURT ORDERS** that all claims of the Listing Agent pursuant to the Listing Agreement are not claims that may be compromised pursuant to any plan of compromise or arrangement ("**Plan**") filed by the Urbancorp CCAA Entities under the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended ("**CCAA**"), any proposal ("**Proposal**") made by any of the Urbancorp CCAA Entities under the *Bankruptcy or Insolvency Act*, R.S.C. 1985, c. B-3, as amended ("**BIA**"), or any other restructuring or proceeding, and that no such Plan, Proposal, restructuring or proceeding shall be approved that does not provide for the payment of all amounts due to the Listing Agent pursuant to the terms of the Listing Agreement.

#### **APPROVAL OF SALE PROCESS**

6. **THIS COURT ORDERS AND DECLARES** that the sale process (the "**Sale Process**"), as described in Section 3 of the Second Report, be and is hereby approved.
7. **THIS COURT ORDERS** that the Monitor on behalf of the Urbancorp CCAA Entities and the Listing Agent be and are hereby authorized and directed to perform their obligations under and in accordance with the Sale Process, including under the terms of the Listing Agreement, and take such further steps as they consider necessary or desirable in carrying out the Sale Process and any steps taken by the the Monitor and the Listing Agent in connection with the Sale Process prior to the date hereof, as described in the Second Report, be and are hereby approved and ratified.
8. **THIS COURT ORDERS** that the Urbancorp CCAA Entities, the Listing Agent and the Monitor shall have no personal or corporate liability in connection with the Sale Process.

#### **APPROVAL OF DIP FACILITY AND DIP CHARGE**

9. **THIS COURT ORDERS** that the Monitor on behalf of Urbancorp (St. Clair Village) Inc. and Urbancorp (Lawrence) Inc. (collectively, the "**Borrowers**") is hereby authorized and empowered to obtain and borrow under a debtor-in-possession credit facility (the "**DIP Facility**") from Atrium Mortgage Investment Corporation (the "**DIP Lender**"), provided that borrowings under the DIP Facility shall not exceed \$10 million unless permitted by further Order of this Court.
10. **THIS COURT ORDERS** that the DIP Facility shall be on the terms and subject to the conditions set forth in the Commitment Letter (the "**Commitment Letter**") dated June

24, 2016 between the DIP Lender and the Monitor, in its capacity as the Monitor of the Borrowers, attached as Appendix "E" to the Second Report.

11. **THIS COURT ORDERS** that the Borrowers are hereby authorized and empowered to execute and deliver such credit agreements, mortgages, charges, hypothecs and security documents, guarantees and other definitive documents (collectively, the "**Definitive Documents**") as are contemplated by the Commitment Letter or as may be reasonably required by the DIP Lender pursuant to the terms thereof, and the Borrowers are hereby authorized and directed to pay and perform all of their indebtedness, interest, fees, liabilities and obligations to the DIP Lender under and pursuant to the Commitment Letter and the Definitive Documents as and when the same become due and are to be performed, notwithstanding any other provision of this Order.
12. **THIS COURT ORDERS** that the DIP Lender shall be entitled to the benefit of and is hereby granted a charge (the "**DIP Lender's Charge**") over any real property of which either of the Borrowers is the registered owner or any proceeds thereof and any receivables owing to the Borrowers or either one of them by any of the Urbancorp CCAA Entities in connection with intercompany advances made from funds borrowed under the DIP Facility and all other assets of the Borrowers (collectively, the "**Collateral**"). The DIP Lender's Charge shall have the priority set out in paragraphs 15 and 17 hereof.
13. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order or the Initial Order:
  - (a) the DIP Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the DIP Lender's Charge or any of the Definitive Documents;
  - (b) upon the occurrence of an event of default under the Definitive Documents or the DIP Lender's Charge, the DIP Lender, upon three days' notice to the Borrowers and the Monitor, may exercise any and all of its rights and remedies against the Borrowers or the Collateral under or pursuant to the Commitment Letter, Definitive Documents and the DIP Lender's Charge, including without limitation, to cease making advances to the Borrowers and set off and/or consolidate any amounts owing by the DIP Lender to the Borrowers against the obligations of the Borrowers to the DIP Lender under the Commitment Letter, the Definitive Documents or the DIP Lender's Charge, to make demand, accelerate payment

and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a bankruptcy order against the Borrowers and for the appointment of a trustee in bankruptcy of the Borrowers; and

- (c) the foregoing rights and remedies of the DIP Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Borrowers or the Collateral.

14. **THIS COURT ORDERS AND DECLARES** that the DIP Lender shall be treated as unaffected in any plan of arrangement or compromise filed by the Urbancorp CCAA Parties under the CCAA, or any proposal filed by the Urbancorp CCAA Parties or any of them under the BIA, with respect to any advances made under the Definitive Documents.

#### **VALIDITY AND PRIORITY OF CHARGES**

15. **THIS COURT ORDERS** that notwithstanding paragraphs 43 and 45 of the Initial Order, the priority of the DIP Lender's Charge as against the Collateral shall be as follows:

First – Administration Charge to the maximum amount of \$750,000;

Second – DIP Lender's Charge to a maximum amount of \$12,500,000; and

Third – the Charges (other than the Administration Charge) in the priority set out in paragraphs 43 and 45 of the Initial Order.

16. **THIS COURT ORDERS** that the filing, registration or perfection of the DIP Lender's Charge shall not be required, and that the DIP Lender's Charge shall be valid and enforceable for all purposes, including as against any right, title or interest filed, registered, recorded or perfected subsequent to the DIP Lender's Charge coming into existence, notwithstanding any such failure to file, register, record or perfect.

17. **THIS COURT ORDERS** that the DIP Lender's Charge shall rank in priority to all other security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise (the "**Encumbrances**"), including, but not limited to, the Charges, but shall rank directly behind the Administration Charge and, for greater certainty, the DIP Lender's Charge shall have priority over any interest of any buyers who paid deposits on homes to be built by either of the Borrowers.



18. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by this Court, the Borrowers shall not grant any Encumbrances over any Collateral that rank in priority to, *pari passu* with, or subordinate to, the DIP Lender's Charge, unless the Borrowers also obtain the prior written consent of the Monitor and the DIP Lender, or further Order of this Court.
  
19. **THIS COURT ORDERS** that the Commitment Letter, the Definitive Documents and the DIP Lender's Charge shall not be rendered invalid or unenforceable and the rights and remedies of the DIP Lender thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; or (e) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an "**Agreement**") which binds either of the Borrowers, and notwithstanding any provision to the contrary in any Agreement:
  - (a) neither the creation of the DIP Charge nor the execution, delivery, perfection, registration or performance of the Commitment Letter or the Definitive Documents shall create or be deemed to constitute a breach by either of the Borrowers of any Agreement to which it is a party;
  - (b) the DIP Lender shall have no liability to any person whatsoever as a result of any breach of any Agreement caused by or resulting from the Borrowers entering into the Commitment Letter, the creation of the DIP Charge, or the execution, delivery or performance of the Definitive Documents; and
  - (c) the payments made by the Borrowers pursuant to this Order, the Commitment Letter or the Definitive Documents, and the granting of the DIP Charge, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

**SEALING ORDER**

20. **THIS COURT ORDERS** that the Realtor Summary and the DIP Summary, which are attached as Confidential Appendix "1" and Confidential Appendix "2" to the Second Report, respectively, be sealed, kept confidential and not form part of the public record pending further Order of this Court.

**GENERAL**

21. **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 the Urbancorp CCAA Entities, the Monitor 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 the Urbancorp CCAA Entities and the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the Urbancorp CCAA Entities, the Monitor and their respective agents in carrying out the terms of this Order.
22. **THIS COURT ORDERS** that the Urbancorp CCAA Entities and the Monitor 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, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.



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

JUN 30 2016

PER / PAR: 

**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.

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

ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST

PROCEEDING COMMENCED AT  
TORONTO

ORDER

Davies Ward Phillips & Vineberg LLP  
155 Wellington Street West  
Toronto, ON M5V 3J7

Robin Schwill (LSUC #384521)  
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Dina Miliivojevic (LSUC #64521U)  
dmiliivojevic@dwpv.com  
Tel: 416.863.0900  
Fax: 416.863.0871

Lawyers for the Monitor  
KSV Kofman Inc.

## Appendix “C”

**Urbancorp (Lawrence) Inc.**

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**Address of Property:** 1780 Lawrence Avenue, Toronto (the "Lawrence Property")

**Purchaser:** Fernbrook Homes Limited, in trust

**Purchased Assets:** the Lawrence Property

**Purchase Price:** Sealed. The purchase price is to be adjusted for property taxes and other adjustments on closing and is to be satisfied in cash on closing.

**Deposit:** 10% of the purchase price. Being held in trust by the Monitor.

**Representation and Warranties:** consistent with the terms of a standard insolvency transaction, i.e. on an "as is, where is" basis, with limited representations and warranties.

**Excluded Assets:** all leases, licenses agreement or contracts affecting the Lawrence Property and any agreements of purchase and sale entered into by Lawrence with respect to the Lawrence Property or any dwellings or structures to be constructed on the Lawrence Property.

**Closing Date:** 15 days after the date which the Court grants the Sale Approval and Vesting Order (or earlier after the Court grants the Approval and Vesting Order if agreed to by the parties).

**Material Conditions:**

- **Covenants:** all of the terms, covenants and conditions of the agreement will have been complied with or performed in all material respects;
- **Sale Approval and Vesting Order:** (i) on or before September 17, 2016, the Court shall have issued the Sale Approval and Vesting Order; and (ii) on closing, the Sale Approval and Vesting Order shall not have been stayed, varied in any material respect, set aside or appealed;
- **No Action or Proceeding:** No legal or regulatory action or proceeding shall be pending or threatened by any governmental organization that prevents the completion of the transaction;
- **Injunctions:** there shall be in effect no injunction against closing the transaction entered by a court of competent jurisdiction; and
- **No Material Damage:** no material damage by fire or other hazard to the whole or any material part of the Lawrence Property shall have occurred prior to closing.

**Urbancorp (St. Clair Village) Inc.**

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**Address of Property:** 177 Caledonia Road, Toronto (the "St. Clair Property")

**Purchaser:** Frontdoor Developments Inc.

**Purchased Assets:** (i) the St. Clair Property; and (ii) any chattels owned by St. Clair located at or used solely in connection with the maintenance, repair, operation and development of the St. Clair Property.

**Purchase Price:** Sealed. The purchase price is to be adjusted for property taxes and other adjustments on closing and is to be satisfied in cash on closing.

**Deposit:** 10% of the purchase price. Being held in trust by the Monitor.

**Representation and Warranties:** consistent with the terms of a standard insolvency transaction, i.e. on an "as is, where is" basis, with limited representations and warranties.

**Excluded Assets:** purchase and sale agreements entered into with house purchasers related to the St. Clair property.

**Closing date:** first business day that is 15 days after the date which the Court grants the Sale Approval and Vesting Order, provided that if there is an appeal of the Sale and Approval Vesting Order, St. Clair may extend the closing date by five business days from the date the appeal is dismissed, set aside or denied. In no event, should the closing date be extended beyond 60 days after the date of which the Court granted the Sale Approval and Vesting Order.

**Material Conditions:**

- **Covenants:** all of the terms, covenants and conditions of the agreement will have been complied with or performed in all material respects;
- **Sale Approval and Vesting Order:** (i) on or before September 23, 2016, the Court shall have issued the Sale Approval and Vesting Order; and (ii) on closing, the Sale Approval and Vesting Order shall not have been stayed, varied in any material respect, set aside or appealed;
- **No Action or Proceeding:** no legal or regulatory action or proceeding shall be pending or threatened by any governmental organization that prevents the completion of the transaction;
- **Injunctions:** there shall be in effect no injunction against closing the transaction entered by a court of competent jurisdiction; and
- **No Material Damage:** no material damage by fire or other hazard to the whole or any material part of the St. Clair Property will have occurred prior to closing.

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**Urbancorp (Patricia) Inc.**

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**Address of Property:** 425 Patricia Avenue, Toronto (the "Patricia Property")

**Purchaser:** School Sites Acquisition Corp., an affiliate of Mattamy Homes

**Purchased Assets:** (i) the Patricia Property; and (ii) any chattels owned by Patricia located at or used solely in connection with the maintenance, repair, operation and development of the Patricia Property.

**Purchase Price:** Sealed. The purchase price is to be adjusted for property taxes and other adjustments on closing and is to be satisfied in cash on closing.

**Deposit:** 10% of the purchase price. Being held in trust by the Monitor.

**Representation and Warranties:** consistent with the terms of a standard insolvency transaction, i.e. on an "as is, where is" basis, with limited representations and warranties.

**Excluded Assets:** any agreement of purchase and sale, offer to purchase or other contract between any of the entities in the Urbancorp Group and any other person or entity, relating to the development of or construction upon the Patricia Property, or the purchase or sale of any right, title or interest in the Patricia Property, including the purchase of houses that were intended to be constructed on the Patricia Property.

**Closing Date:** the first business day following the 22nd day after the date which the Court grants the Sale Approval and Vesting Order (or earlier after the Court grants the Approval and Vesting Order if agreed to by the parties), provided that if there is an appeal or leave to appeal application in respect of the Sale and Approval Vesting Order is outstanding, the period will be extended by an additional 21 days.

**Material Conditions:**

- **Covenants:** all of the terms, covenants and conditions of the agreement will have been complied with or performed in all material respects;
- **Sale Approval and Vesting Order:** (i) on or before September 23, 2016, the Court shall have issued the Sale Approval and Vesting Order; and (ii) on closing, the Sale Approval and Vesting Order shall not have been stayed, varied in any material respect, set aside or appealed and no appeal or leave to appeal application shall be outstanding;
- **No Action or Proceeding:** no legal or regulatory action or proceeding shall be pending or threatened by any governmental organization that prevents the completion of the transaction;
- **Injunctions:** there shall be in effect no injunction against closing the transaction entered by a court of competent jurisdiction; and
- **No Material Damage:** no material damage by fire or other hazard to the whole or any material part of the Patricia Property shall have occurred prior to closing.



## Appendix “F”

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**Urbancorp (Mallow) Inc.**

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**Address of Property:** 15 Mallow Road, Toronto (the "Mallow Property")

**Purchaser:** School Sites Acquisition Corp., an affiliate of Mattamy Homes

**Purchased Assets:** (i) the Mallow Property; and (ii) any chattels owned by Mallow located at or used solely in connection with the maintenance, repair, operation and development of the Mallow Property.

**Purchase Price:** Sealed. The purchase price is to be adjusted for property taxes and other adjustments on closing and is to be satisfied in cash on closing.

**Deposit:** 10% of the purchase price. Being held in trust by the Monitor.

**Representation and Warranties:** consistent with the terms of a standard insolvency transaction, i.e. on an "as is, where is" basis, with limited representations and warranties.

**Excluded Assets:** any agreement of purchase and sale, offer to purchase or other contract between any of the entities in the Urbancorp Group and any other person or entity, relating to the development of or construction upon the Mallow Property, or the purchase or sale of any right, title or interest in the Mallow Property, including the purchase of houses that were intended to be constructed on the Mallow Property.

**Closing date:** the first business day following the 22nd day after the date which the Court grants the Sale Approval and Vesting Order (or earlier after the Court grants the Approval and Vesting Order if agreed to by the parties), provided that if there is an appeal or leave to appeal application in respect of the Sale and Approval Vesting Order is outstanding, the period will be extended by an additional 21 days.

**Material Conditions:**

- **Covenants:** all of the terms, covenants and conditions of the agreement will have been complied with or performed in all material respects;
- **Sale Approval and Vesting Order:** (i) on or before September 17, 2016, the Court shall have issued the Sale Approval and Vesting Order; and (ii) on closing, the Sale Approval and Vesting Order shall not have been stayed, varied in any material respect, set aside or appealed and no appeal or leave to appeal application shall be outstanding;
- **No Action or Proceeding:** no legal or regulatory action or proceeding shall be pending or threatened by any governmental organization that prevents the completion of the transaction;
- **Injunctions:** there shall be in effect no injunction against closing the transaction entered by a court of competent jurisdiction; and
- **No Material Damage:** no material damage by fire or other hazard to the whole or any material part of the Mallow Property shall have occurred prior to closing.

## Appendix “G”

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE                    )            THURSDAY, THE 15<sup>TH</sup>  
  )            DAY OF SEPTEMBER, 2016  
  )  
  )

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

**CLAIMS PROCEDURE ORDER**

**THIS MOTION**, made by KSV Kofman Inc., in its capacity as 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**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the "**CCAA**") for an order establishing a claims procedure for the identification and quantification of certain claims against (i) the CCAA Entities and (ii) the current and former directors and officers of the CCAA Entities, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Notice of Motion of the Monitor and the Fifth Report of the Monitor dated September 8, 2016 (the "**Fifth Report**"), and on hearing the submissions of respective counsel for the Monitor, the CCAA Entities and such other counsel as were present, no one else appearing although duly served as appears from the Affidavit of Service as filed:

## **SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

## **DEFINITIONS AND INTERPRETATION**

2. **THIS COURT ORDERS** that any capitalized term used and not defined herein shall have the meaning ascribed thereto in the Initial Order in these proceedings dated May 18, 2016, as amended, restated, supplemented and/or modified from time to time (the "**Initial Order**").

3. For the purposes of this Order the following terms shall have the following meanings:

- (a) "**Assessments**" means Claims of Her Majesty the Queen in Right of Canada or of any Province or Territory or Municipality or any other taxation authority in any Canadian or foreign jurisdiction, including, without limitation, amounts which may arise or have arisen under any notice of assessment, notice of objection, notice of reassessment, notice of appeal, audit, investigation, demand or similar request from any taxation authority;

- (b) "**Business Day**" means a day, other than a Saturday, Sunday or a statutory holiday, on which banks are generally open for business in Toronto, Ontario;
- (c) "**CCAA Proceedings**" means the CCAA proceedings commenced by the CCAA Entities in the Court under Court File No. CV-16-11389-00CL;
- (d) "**Claim**" means:
  - (i) any right or claim of any Person against any of the CCAA Entities, whether or not asserted, in connection with any indebtedness, liability or obligation of any kind whatsoever of any such CCAA Entities in existence on the Filing Date, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any Assessments and any right or ability of any Person to advance a claim for contribution or indemnity or otherwise against any of the CCAA Entities with respect to any matter, action, cause or chose in action, whether existing at present or commenced in the future, which indebtedness, liability or obligation is based in whole or in part on facts that existed prior to the Filing Date, including for greater certainty any claim against any of the CCAA Entities for

indemnification by any Director or Officer in respect of a D&O Claim (but excluding any such claim for indemnification that is covered by the Directors' Charge (as defined in the Initial Order)) (each, a "**Pre-Filing Claim**", and collectively, the "**Pre-Filing Claims**");

- (ii) any right or claim of any Person against any of the CCAA Entities in connection with any indebtedness, liability or obligation of any kind whatsoever owed by any such CCAA Entity to such Person arising out of the restructuring, disclaimer, resiliation, repudiation, rescinding, termination or breach by such CCAA Entity on or after the Filing Date of any contract, lease or other agreement whether written or oral (each, a "**Restructuring Period Claim**", and collectively, the "**Restructuring Period Claims**"); and
- (iii) any right or claim of any Person against one or more of the Directors and/or Officers howsoever arising, whether or not such right or claim is reduced to judgment, liquidated, unliquidated, fixed, contingent, matured, unmatured, disputed, undisputed, legal, equitable, secured, unsecured, perfected, unperfected, present, future, known, or unknown, by guarantee, surety or otherwise, and whether or not such right is executory or anticipatory in nature, including any Assessments and any right or ability of any Person to advance a claim for contribution, indemnity or otherwise against any of the Directors and/or Officers with respect to any matter, action, cause or chose in action, whether existing at present arising

or commenced in the future, for which any Director or Officer is alleged to be, by statute or otherwise by law or equity, liable to pay in his or her capacity as a Director or Officer (each a "**D&O Claim**", and collectively, the "**D&O Claims**"),

provided however that in any case "**Claim**" shall not include an Excluded Claim, but for greater certainty, shall include any Claim arising through subrogation against any CCAA Entity or Director or Officer;

- (e) "**Claimant**" means a Person asserting a Pre-Filing Claim or a Restructuring Period Claim (including in each case, for greater certainty, an Inter-CCAA Entity Claim) against the CCAA Entities, or any of them, and a Person asserting a D&O Claim against any of the Directors or Officers of any of the CCAA Entities;
- (f) "**Claims Bar Date**" means 5:00 p.m. on October 21, 2016;
- (g) "**Claims Officer**" means the individuals designated by the Court pursuant to paragraph 42 of this Order;
- (h) "**Claims Package**" means the document package which shall be disseminated by the Monitor to any potential Claimant in accordance with the terms of this Order and shall consist of a copy of this Order (without schedules) and such other materials as the Monitor, in consultation with the CCAA Entities, may consider appropriate;



- (i) **"Claims Process"** means the procedures outlined in this Order in connection with the assertion of Claims against the CCAA Entities and/or the Directors and Officers;
- (j) **"Court"** means the Ontario Superior Court of Justice (Commercial List);
- (k) **"Cumberland Entities"** means all of the CCAA Entities excluding the Non-Cumberland Entities;
- (l) **"D&O Claim Instruction Letter"** means the letter containing instructions for completing the D&O Proof of Claim form, substantially in the form attached as Schedule "B" hereto;
- (m) **"D&O Proof of Claim"** means the proof of claim referred to herein to be filed by Claimants in connection with any D&O Claim, substantially in the form attached hereto as Schedule "C" hereto, which shall include all supporting documentation in respect of such D&O Claim;
- (n) **"Director"** means anyone who is or was or may be deemed to be or have been, whether by statute, operation of law or otherwise, a director or *de facto* director of any of the CCAA Entities, in such capacity;
- (o) **"Excluded Claim"** means any:
  - (i) Claim secured by the Administration Charge, the Interim Lender's Charge, the Intercompany Lender's Charge, the Directors' Charge, the UDDI Administration Charge and DHI Facility Charge (as

defined in the order of this Court in these CCAA Proceedings dated June 15, 2016), and the DIP Lender's Charge (as defined in the order of this Court in these CCAA Proceedings dated June 30, 2016);

- (ii) Claim enumerated in sections 5.1(2) and 19(2) of the CCAA;
  
- (p) "**Filing Date**" means May 18, 2016;
  
- (q) "**Home Buyer**" means any Person who is a party to a Home Buyer Agreement which has been terminated, disclaimed, resiliated, repudiated, rescinded or fundamentally breached in the context of these CCAA Proceedings;
  
- (r) "**Home Buyer Agreement**" means any agreement of purchase and sale with a CCAA Entity for a portion of the lands owned by the relevant CCAA Entity on which was to be constructed a dwelling unit (such as a free-hold town home) as described and provided for in such agreement;
  
- (s) "**Home Buyer Claim Notice**" means the notice provided by the Monitor to Home Buyers setting out the Monitor's determination of the Home Buyer's Restructuring Period Claim arising as a result of the termination, disclaimer, resiliation, repudiation, rescinding or fundamental breach of the corresponding Home Buyer Agreement, which notice shall be substantially in the form attached as Schedule "D" hereto;

- (t) "**Home Buyer Objection Notice**" means the form substantially in the form attached as Schedule "E" hereto;
- (u) "**Inter-CCAA Entity Claim**" means any Claim of any CCAA Entity against any other CCAA Entity, but excluding any Claim pertaining to the Interim Lender's Charge or the Intercompany Lender's Charge;
- (v) "**Meetings**" and each a "**Meeting**" means a meeting of the creditors of the CCAA Entities called for the purpose of considering and voting in respect of a Plan;
- (w) "**Monitor's Website**" means <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/>;
- (x) "**Monitor's Inter-CCAA Entity Claims Report**" shall have the meaning set out in paragraph 39 herein;
- (y) "**Non-Cumberland Entities**" means Urbancorp Toronto Management Inc., Urbancorp Downsview Park Development Inc., Urbancorp Power Holdings Inc., Vestaco Holdings Inc., Vestaco Investments Inc., 228 Queens Quay Inc., Urbancorp Residential Inc., Urbancorp Realtyco Inc., and Urbancorp Cumberland 1 GP Inc.
- (z) "**Notice to Claimants**" means the notice for publication by the Monitor as described in paragraph 15 herein, substantially in the form attached as Schedule "F" hereto;

- (aa) "**Notice of Dispute of Revision or Disallowance**" means the form substantially in the form attached as Schedule "G" hereto;
- (bb) "**Notice of Revision or Disallowance**" means the form substantially in the form attached as Schedule "H" hereto;
- (cc) "**Officer**" means anyone who is or was or may be deemed to be or have been, whether by statute, operation of law or otherwise, an officer or *de facto* officer of any of the CCAA Entities, in such capacity;
- (dd) "**Order**" means this Claims Procedure Order;
- (ee) "**Person**" means any individual, firm, corporation, limited or unlimited liability company, general or limited partnership, association, trust (including a real estate investment trust), unincorporated organization, joint venture, government or any agency or instrumentality thereof or any other entity;
- (ff) "**Plan**" means any proposed plan of compromise or arrangement that may be filed in respect of any or all of the CCAA Entities pursuant to the CCAA as the same may be amended, supplemented or restated from time to time in accordance the terms thereof;
- (gg) "**Proof of Claim**" means the proof of claim referred to herein to be filed by Claimants in respect of Pre-Filing Claims and Restructuring Period Claims (excluding, in each case, an Inter-CCAA Entity Claim), substantially in the

form attached hereto as Schedule "I" hereto, which shall include all supporting documentation in respect of such Claim;

- (hh) "**Proof of Claim Instruction Letter**" means the letter containing instructions for completing the Proof of Claim form, substantially in the form attached as Schedule "J" hereto; and
- (ii) "**Restructuring Period Claims Bar Date**" means, in respect of a Restructuring Period Claim, the later of (i) thirty (30) days after the date on which the Monitor sends a Claims Package with respect to a Restructuring Period Claim or, where applicable, a Home Buyer Claim Notice and (ii) the Claims Bar Date.

4. **THIS COURT ORDERS** that all references as to time herein shall mean local time in Toronto, Ontario, Canada, and any reference to an event occurring on a Business Day shall mean prior to 5:00 p.m. on such Business Day unless otherwise indicated herein, and any reference to an event occurring on a day that is not a Business Day shall mean the next following day that is a Business Day.

5. **THIS COURT ORDERS** that all references to the word "including" shall mean "including without limitation", all references to the singular herein include the plural, the plural include the singular, and any gender includes all genders.

## **GENERAL PROVISIONS**

6. THIS COURT ORDERS that any Claim denominated in a foreign currency shall be converted to Canadian dollars at the Bank of Canada noon exchange rate in effect at the Filing Date.

7. **THIS COURT ORDERS** that notwithstanding any other provisions of this Order, the solicitation by the Monitor or the CCAA Entities of Proofs of Claim and D&O Proofs of Claim, the delivery to any Home Buyer of a Home Buyer Claim Notice, and the filing by any Claimant of any Proof of Claim or D&O Proof of Claim shall not, for that reason only, grant any person any standing in the CCAA Proceedings or rights under any Plan.

8. **THIS COURT ORDERS** that the Monitor is hereby authorized to use reasonable discretion as to the adequacy of compliance with respect to the manner in which any forms delivered hereunder are completed and executed and the time in which they are submitted, and may, where the Monitor is satisfied that a Claim has been adequately proven, waive strict compliance with the requirements of this Order, including in respect of the completion, execution and time of delivery of such forms.

9. **THIS COURT ORDERS** that amounts claimed in Assessments issued after the Filing Date shall be subject to this Order and there shall be no presumption of validity or deeming of the amount due in respect of the Claim set out in any Assessment where such Assessment was issued after the Filing Date.

## **MONITOR'S ROLE**

10. **THIS COURT ORDERS** that, in addition to its prescribed rights, duties, responsibilities and obligations under the CCAA, the Initial Order and any other orders of the Court in the CCAA Proceedings, the Monitor is hereby directed and empowered to implement the Claims Process set out herein, including completing and delivering Home Buyer Claim Notices and preparing the Monitor's Inter-CCAA Entity Claims Report, and to take such other actions and fulfill such other roles as are authorized by this Order or incidental thereto.

11. **THIS COURT ORDERS** that the Monitor (i) shall have all of the protections given to it by the CCAA, the Initial Order, any other orders of the Court in the CCAA Proceedings, and this Order, or as an officer of the Court, including the stay of proceedings in its favour; (ii) shall incur no liability or obligation as a result of the carrying out of the provisions of this Order, other than in respect of its gross negligence or wilful misconduct; (iii) shall be entitled to rely on the books and records of the CCAA Entities and any information provided by the CCAA Entities, all without independent investigation, provided that any Inter-CCAA Entity Claim is subject to independent investigation by the Monitor as provided in paragraph 39 herein; (iv) shall not be liable for any claims or damages resulting from any errors or omissions in such books, records or information, including in respect of the preparation and delivery of Home Buyer Claim Notices and the Inter-CCAA Entity Claims Report; and (v) may seek such assistance as may be reasonably required to carry out its duties and obligations pursuant to this Order.

12. **THIS COURT ORDERS** that the CCAA Entities and their current and former shareholders, Officers, Directors, employees, agents and representatives shall fully cooperate with the Monitor in the exercise of its powers and discharge of its duties and obligations under this Order.

#### **NOTICE TO CLAIMANTS**

13. **THIS COURT ORDERS** that as soon as practicable, but no later than 5:00 p.m. on September 22, 2016, the Monitor shall cause a Claims Package to be sent to:

- (a) Each party that appears on the Service List or has requested a Claims Package; and
- (b) All known Claimants (other than the CCAA Entities), as evidenced by the books and records of the CCAA Entities at their respective last known addressees as recorded in the CCAA Entities' books and records.

14. **THIS COURT ORDERS** that the Monitor shall cause the Notice to Claimants to be published for at least two (2) Business Days in The Globe and Mail (National Edition), by no later than 5:00 p.m. on September 22, 2016.

15. **THIS COURT ORDERS** that the Monitor shall cause the Notice to Claimants and the Claims Package to be posted to the Monitor's Website by no later than 5:00 p.m. on September 19, 2016.

16. **THIS COURT ORDERS** that to the extent any Claimant requests documents or information relating to the Claims Process prior to the Claims Bar Date or if the CCAA Entities or the Monitor become aware of any further Claims, the Monitor



shall forthwith send such Claimant a Claims Package, direct such Claimant to the documents posted on the Monitor's Website or otherwise respond to the request for documents or information as the Monitor may consider appropriate in the circumstances.

17. **THIS COURT ORDERS** that the Claims Process and the forms of Notice to Claimants, Home Buyer Claim Notice, Home Buyer Objection Notice, Proof of Claim Instruction Letter, D&O Claim Instruction Letter, Proof of Claim, D&O Proof of Claim, Notice of Revision or Disallowance and Notice of Dispute of Revision or Disallowance are hereby approved. Notwithstanding the foregoing, the Monitor may, from time to time, make minor non-substantive changes to the forms as the Monitor, in its sole discretion, may consider necessary or desirable.

18. **THIS COURT ORDERS** that the sending of the Claims Package to the Claimants and the publication of the Notice to Claimants, in accordance with this Order, and the completion of the other requirements of this Order, shall constitute good and sufficient service and delivery of notice of this Order, the Claims Bar Date and the Restructuring Period Claims Bar Date on all Persons who may be entitled to receive notice and who may wish to assert a Claim, and no other notice or service need be given or made and no other document or material need be sent to or served upon any Person in respect of this Order.

#### **HOME BUYER CLAIMS**

19. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, Home Buyers are not required to file a Proof of Claim for any Restructuring Period

Claim that they may have as a result of the termination, disclaimer, resiliation, repudiation, rescinding or fundamental breach of their Home Buyer Agreement in the context of these CCAA Proceedings. Any such claim shall be determined by the Monitor and set out in a Home Buyer Claim Notice which the Monitor shall send to the relevant Home Buyer.

20. **THIS COURT ORDERS** that a Home Buyer Claim Notice together with the form of Home Buyer Objection Notice shall be included in any Claims Package sent to a Home Buyer.

21. **THIS COURT ORDERS** that if a Home Buyer intends to object to his or her Restructuring Period Claim as determined by the Monitor and set out in the Home Buyer Claim Notice, then the Home Buyer must deliver a completed Home Buyer Objection Notice, together with the reasons for such objection, to the Monitor on or before the Restructuring Period Claims Bar Date, unless otherwise ordered by this Court.

22. **THIS COURT ORDERS** that if the Monitor does not receive a Home Buyer Objection Notice by the date required in paragraph 21 herein, then the Home Buyer's Restructuring Period Claim shall be deemed to have been accepted as set out in the relevant Home Buyer Claim Notice and such Home Buyer shall have no further right to dispute same.

23. **THIS COURT ORDERS** that, in the event that an objection raised in a Home Buyer Objection Notice is not settled within a time period or in a manner satisfactory to the Monitor, in consultation with the CCAA Entities, the Monitor shall refer

the objection raised in the Home Buyer Objection Notice to a Claims Officer or the Court for adjudication at the Monitor's election.

24. **THIS COURT ORDERS** that any Home Buyer who believes that he or she has any Claim in addition to the Restructuring Period Claim as set out in its Home Buyer Claim Notice, or has not received a Home Buyer Claim Notice, is required to file a Proof of Claim or D&O Proof of Claim, as applicable, in accordance with the terms of this Order.

#### **FILING OF PROOFS OF CLAIM**

##### **(A) Pre-Filing Claims**

25. **THIS COURT ORDERS** that any Claimant that intends to assert a Pre-Filing Claim or D&O Claim shall file a Proof of Claim or D&O Proof of Claim, as applicable, with the Monitor on or before the Claims Bar Date. For the avoidance of doubt, a Proof of Claim or D&O Proof of Claim, as applicable, must be filed by every Claimant in respect of every Pre-Filing Claim or D&O Claim, regardless of whether or not a legal proceeding in respect of such Pre-Filing Claim or D&O Claim has been previously commenced.

26. **THIS COURT ORDERS** that any Claimant (other than a CCAA Entity) that does not file a Proof of Claim or D&O Proof of Claim, as applicable, so that such Proof of Claim or D&O Proof of Claim, is received by the Monitor on or before the Claims Bar Date, or such later date as the Monitor may agree in writing or the Court may otherwise direct:

- (a) be and is hereby forever barred, estopped and enjoined from asserting or enforcing any such Pre-Filing Claim against any of the CCAA Entities or any D&O Claim relating to such Pre-Filing Claim and all such Pre-Filing Claims or D&O Claims shall be forever extinguished;
- (b) will not be permitted to vote at any Meeting on account of such Pre-Filing Claim(s) or D&O Claim(s) relating to the Pre-Filing Claim(s);
- (c) will not be entitled to receive further notice with respect to the Claims Process or these proceedings unless the Monitor and/or the CCAA Entities become aware that such Claimant has a Restructuring Period Claim or D&O Claim relating to the Restructuring Period Claim; and
- (d) will not be permitted to participate in any distribution under any Plan, if applicable, on account of such Pre-filing Claim(s) or D&O Claim(s).

27. **THIS COURT ORDERS** that the provisions of paragraphs 25 and 26 herein shall not apply to Inter-CCAA Entity Claims.

**(B) Restructuring Period Claims**

28. **THIS COURT ORDERS** that upon becoming aware of a circumstance giving rise to a Restructuring Period Claim, the Monitor shall send a Claims Package to the Claimant in respect of such Restructuring Period Claim in the manner provided for herein.

29. **THIS COURT ORDERS** that any Claimant that intends to assert a Restructuring Period Claim or D&O Claim relating to a Restructuring Period Claim shall file a Proof of Claim or D&O Proof of Claim, as applicable, with the Monitor on or before the Restructuring Period Claims Bar Date. For the avoidance of doubt, a Proof of Claim or D&O Proof of Claim must be filed by every Claimant in respect of every Restructuring Period Claim or D&O Claim relating to a Restructuring Period Claim, regardless of whether or not a legal proceeding in respect of such Restructuring Period Claim or D&O Claim has been previously commenced.

30. **THIS COURT ORDERS** that any Claimant that does not file a Proof of Claim or D&O Proof of Claim, as applicable, so that such Proof of Claim or D&O Proof of Claim is received by the Monitor on or before the Restructuring Period Claims Bar Date, or such later date as the Monitor may agree in writing or the Court may otherwise direct:

- (a) be and is hereby forever barred, estopped and enjoined from asserting or enforcing any such Restructuring Period Claim against any of the CCAA Entities or any D&O Claim relating to such Restructuring Period Claim and

all such Restructuring Period Claim or D&O Claims shall be forever extinguished;

- (b) will not be permitted to vote at any Meeting on account of such Restructuring Period Claim(s) or D&O Claim(s);
- (c) will not be entitled to receive further notice with respect to the Claims Process or these proceedings unless the Monitor and/or the CCAA Entities become aware that such Claimant has another Restructuring Period Claim or D&O Claim relating to such additional Restructuring Period Claim; and
- (d) will not be permitted to participate in any distribution under any Plan, if applicable, on account of such Restructuring Period Claim(s) or D&O Claim(s).

31. **THIS COURT ORDERS** that the provisions of paragraphs 28 through to and including 30 herein shall not apply to Inter-CCAA Entity Claims.

**ADJUDICATION OF CLAIMS (OTHER THAN INTER-CCAA ENTITY CLAIMS)**

32. **THIS COURT ORDERS** that, for greater certainty, the procedures outlined in paragraphs 33 to 38 herein shall not apply to the adjudication of Inter-CCAA Entity Claims.

33. **THIS COURT ORDERS** that the Monitor shall review all Proofs of Claim received on or before the Claims Bar Date or the Restructuring Period Claims Bar Date and shall accept, revise or reject each Claim. With respect to a D&O Claim set out in a

D&O Proof of Claim, the Monitor shall, in consultation with the CCAA Entities and the Directors and Officers named in respect of such D&O Claim as to the merits of such Claim(s), as applicable, accept, revise or reject such D&O Claim.

34. **THIS COURT ORDERS** that if the Monitor intends to revise or reject a Claim, the Monitor shall notify the Claimant who has delivered such Proof of Claim or D&O Proof of Claim, as applicable, that such Claim has been revised or rejected and the reasons therefor, by sending a Notice of Revision or Disallowance by no later than November 11, 2016, unless otherwise ordered by this Court on application by the Monitor.

35. **THIS COURT ORDERS** that if the Monitor does not send a Notice of Revision or Disallowance by the date required in paragraph 34 herein, then the Claim shall be deemed to have been accepted as set out in the relevant Proof of Claim or D&O Proof of Claim, as applicable.

36. **THIS COURT ORDERS** that any Claimant who intends to dispute a Notice of Revision or Disallowance hereof shall:

- (a) deliver a completed Notice of Dispute of Revision or Disallowance, along with the reasons for the dispute, to the Monitor by no later than twenty-one (21) days after the date on which the Claimant is deemed to receive the Notice of Revision or Disallowance, or such other date as may be agreed to by the Monitor in writing; and

- (b) in the event that a dispute raised in a Notice of Dispute of Revision or Disallowance is not settled within a time period or in a manner satisfactory to the Monitor, in consultation with the CCAA Entities, the Monitor shall refer the dispute raised in the Notice of Dispute of Revision or Disallowance to a Claims Officer or the Court for adjudication at its election.

37. **THIS COURT ORDERS** that where a Claimant that receives a Notice of Revision or Disallowance does not file a completed Notice of Dispute of Revision or Disallowance by the time set out in paragraph 36(a), such Claimant's Claim or D&O Claim relating to such Claim shall be deemed to be as set out in the Notice of Revision or Disallowance and such Claimant shall have no further right to dispute same.

38. **THIS COURT ORDERS** that the Monitor may refer any Claim to a Claims Officer or the Court for adjudication at its election by sending written notice to the Claimant at any time.

#### **ADJUDICATION OF INTER-CCAA ENTITY CLAIMS**

39. **THIS COURT ORDERS** that the Monitor shall prepare a report to be served on the Service List and filed with the Court detailing its review of all claims between the Non-Cumberland Entities and the Cumberland Entities and assessing in detail, with reasonably sufficient particulars and analysis, the validity and quantum of such transactions for the purpose of determining such Inter-CCAA Entity Claims (the "**Monitor's Inter-CCAA Entity Claims Report**"), subject to further review and adjustments in respect of claims that may be pursued by the Monitor in accordance with



section 36.1 of the CCAA. The Monitor's Inter-CCAA Entity Claims Report shall include: (i) the amount of the debt; (ii) whether cash or services were provided by the creditor CCAA Entity to the debtor CCAA Entity; and (iii) a description of the transaction. The Monitor's Inter-CCAA Entity Claims Report shall be served no later than October 27, 2016 together with a notice of motion seeking this Court's approval of same, unless otherwise ordered by this Court on application by the Monitor. The return date for this motion shall be no later than November 30, 2016. For greater certainty, nothing in the Monitor's Inter-CCAA Entity Claims Report shall bind the Court with respect to its determination of such Inter-CCAA Entity Claims as the Court sees fit, including without limitation, the validity or quantum of such Inter-CCAA Entity Claims.

40. **THIS COURT ORDERS** that, after the service of the Monitor's Inter-CCAA Entity Claims Report, any Claimant may serve and file a responding motion record and factum, which may include, but are not limited to, any argument asserted for the subordination of outstanding intercompany debts of any of the CCAA Entities, any relief regarding claimed priority rights, and the validity and quantum of Inter-CCAA Entity Claims and any claim relating to debt recharacterization. Such responding motion record shall be served no later than November 15, 2016 and be returnable at the same time as the Monitor's motion seeking approval of the Monitor's Inter-CCAA Entity Claims Report as set out in paragraph 39 herein.

#### **SET-OFF**

41. **THIS COURT ORDERS** that nothing in this Order affects the rights of any Person pursuant to section 21 of the CCAA.

## **CLAIMS OFFICERS**

42. **THIS COURT ORDERS** that, on application of the Monitor, a Claims Officers may be appointed by the Court.

43. **THIS COURT ORDERS** that the decision as to whether the disputed Claim should be adjudicated by the Court or a Claims Officer shall be in the sole discretion of the Monitor.

44. **THIS COURT ORDERS** that a Claims Officer shall determine the validity and amount of disputed Claims in accordance with this Order and to the extent necessary may determine whether any Claim or part thereof constitutes an Excluded Claim and shall provide written reasons. A Claims Officer shall determine all procedural matters which may arise in respect of his or her determination of these matters, including the manner in which any evidence may be adduced. A Claims Officer shall have the discretion to determine by whom and to what extent the costs of any hearing before a Claims Officer shall be paid.

45. **THIS COURT ORDERS** that the Monitor, the Claimant or the applicable CCAA Entity may, within ten (10) days of such party receiving notice of a Claims Officer's determination of the value of a Claimant's Claim, appeal such determination or any other matter determined by the Claims Officer in accordance with paragraph 44 or otherwise to the Court by filing a notice of appeal, and the appeal shall be initially returnable within ten (10) days of filing such notice of appeal.

46. **THIS COURT ORDERS** that if no party appeals the determination of value of a Claim by a Claims Officer within the time set out in paragraph 45, above, the decision of the Claims Officer in determining the value of the Claimant's Claim shall be final and binding upon the relevant CCAA Entity, the Monitor, and the Claimant, and there shall be no further right of appeal, review or recourse to the Court from the Claims Officer's final determination of a Claim.

47. **THIS COURT ORDERS** that the provisions of paragraphs 42 to 46 herein shall not apply to Inter-CCAA Entity Claims.

#### **NOTICE OF TRANSFEREES**

48. **THIS COURT ORDERS** that from the date of this Order until seven (7) days prior to the date fixed by the Court for any distribution in the CCAA Proceedings or any other proceeding, including a bankruptcy, to the extent required, leave is hereby granted to permit a Claimant to provide notice of assignment or transfer of a Claim to any third party to the Monitor.

49. **THIS COURT ORDERS** that subject to the terms of any subsequent Order of this Court, if, after the Filing Date, the holder of a Claim transfers or assigns the whole of such Claim to another Person, neither the Monitor nor the CCAA Entities shall be obligated to give notice to or otherwise deal with the transferee or assignee of such Claim in respect thereof unless and until actual notice of transfer or assignment, together with satisfactory evidence of such transfer or assignment, shall have been received and acknowledged by the Monitor in writing and thereafter such transferee or assignee shall, for the purposes hereof, constitute the "Claimant" in respect of such

Claim or D&O Claim. Any such transferee or assignee of a Claim shall be bound by any notices given or steps taken in respect of such Claim in accordance with this Order prior to receipt and acknowledgement by the Monitor of satisfactory evidence of such transfer or assignment. A transferee or assignee of a Claim takes the Claim subject to any rights of set-off to which the CCAA Entities may be entitled with respect to such Claim. For greater certainty, a transferee or assignee of a Claim is not entitled to set-off, apply, merge, consolidate or combine any Claims assigned or transferred to it against or on account or in reduction of any amounts owing by such Person to the CCAA Entities.

50. **THIS COURT ORDERS** that no transfer or assignment shall be effective for voting purposes at any Meeting unless sufficient notice and evidence of such transfer or assignment has been received by the Monitor no later than 5:00 p.m. on the date that is seven (7) days prior to the date fixed by the Court for any Meeting, failing which the original Claimant shall have all applicable rights as the "Claimant" with respect to such Claim as if no transfer or assignment of the Claim had occurred.

#### **SERVICE AND NOTICE**

51. **THIS COURT ORDERS** that the Monitor may, unless otherwise specified by this Order, serve and deliver or cause to be served and delivered the Claims Package, and any letters, notices or other documents, to the Claimants or any other interested Person by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery, facsimile transmission or email to such Persons at the physical or electronic address, as applicable, last shown on the books and records of the CCAA Entities or set out in such Claimant's Proof of Claim. Any such service and delivery

shall be deemed to have been received: (i) if sent by ordinary mail, on the third Business Day after mailing within Ontario, the fifth Business Day after mailing within Canada (other than within Ontario), and the tenth (10th) Business Day after mailing internationally; (ii) if sent by courier or personal delivery, on the next Business Day following dispatch; and (iii) if delivered by facsimile transmission or email by 5:00 p.m. on a Business Day, on such Business Day and if delivered after 5:00 p.m. or other than on a Business Day, on the following Business Day.

52. **THIS COURT ORDERS** that any notice or communication required to be provided or delivered by a Claimant to the Monitor under this Order shall be in writing in substantially the form, if any, provided for in this Order and will be sufficiently given only if delivered by prepaid ordinary mail, registered mail, courier, personal delivery, facsimile transmission or email addressed to:

KSV Kofman Inc.  
150 King Street West  
Suite 2308  
Toronto, ON M5H 1J9

Attention: Noah Goldstein  
Email: [ngoldstein@ksvadvisory.com](mailto:ngoldstein@ksvadvisory.com)  
Fax: 416.932.6266

53. **THIS COURT ORDERS** that if, during any period during which notices or other communications are being given pursuant to this Order, a postal strike or postal work stoppage of general application should occur, such notices or other communications sent by ordinary or registered mail and then not received shall not,

absent further Order of this Court, be effective and notices and other communications given hereunder during the course of any such postal strike or work stoppage of general application shall only be effective if given by courier, personal delivery, facsimile transmission or email in accordance with this Order.

#### **MISCELLANEOUS**

54. **THIS COURT ORDERS** that the Monitor may from time to time apply to this Court to extend the time for any action which the Monitor is required to take and for advice and directions concerning the discharge of its powers and duties under this Order or the interpretation or application of this Order.

55. **THIS COURT ORDERS** that nothing in this Order shall prejudice the rights and remedies of any Directors or Officers or other Persons under the Directors' Charge or any applicable insurance policy or prevent or bar any Person from seeking recourse against or payment from the CCAA Entities' insurance and any Director's or Officer's liability insurance policy or policies that exist to protect or indemnify the Directors or Officers or other Persons, whether such recourse or payment is sought directly by the Person asserting a Claim from the insurer or derivatively through the Director or Officer or any CCAA Entity; provided, however, that nothing in this Order shall create any rights in favour of such Person under any policies of insurance nor shall anything in this Order limit, remove, modify or alter any defence to such Claim available to the insurer pursuant to the provisions of any insurance policy or at law; and further provided that any Claim or portion thereof for which the Person receives payment directly from, or confirmation that she is covered by, the CCAA Entities' insurance or any Director's or

Officer's liability insurance or other liability insurance policy or policies that exist to protect or indemnify the Directors or Officers or other Persons shall not be recoverable as against a CCAA Entity or Director or Officer as applicable.

56.           **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative bodies, having jurisdiction in Canada, Israel or elsewhere to give effect to this Order and to assist the CCAA Entities, the Monitor 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 the CCAA Entities and to the Monitor, as an officer of this Court, as may be necessary or desirable to give effect to this Order, to grant representative status to the Monitor in any foreign proceeding, or to assist the CCAA Entities and the Monitor and their respective agents in carrying out the terms of this Order.

**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.



## SCHEDULE "B"

### CLAIMANT'S GUIDE TO COMPLETING THE D&O PROOF OF CLAIM FORM FOR CLAIMS AGAINST DIRECTORS AND/OR OFFICERS OF THE CCAA ENTITIES<sup>1</sup>

This Guide has been prepared to assist Claimants in filling out the D&O Proof of Claim form for claims against the Directors and/or Officers of the CCAA Entities. If you have any additional questions regarding completion of the D&O Proof of Claim, please consult the Monitor's website at <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/> or contact the Monitor, whose contact information is shown below.

The D&O Proof of Claim form is for Claimants asserting a claim against any Directors and/or Officers of the CCAA Entities, and NOT for claims against the CCAA Entities themselves. For claims against the CCAA Entities, please use the form titled "Proof of Claim Form for Claims Against the CCAA Entities", which is available on the Monitor's website at <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/>.

Additional copies of the D&O Proof of Claim form may be found at the Monitor's website address noted above.

Please note that this is a guide only, and that in the event of any inconsistency between the terms of this guide and the terms of the Claims Procedure Order made on September 15, 2016 (the "**Claims Procedure Order**"), the terms of the Claims Procedure Order will govern.

#### SECTION 1 – DEBTOR

1. The full name of all the CCAA Entities' Directors or Officers against whom the Claim is asserted must be listed.

#### SECTION 2(a) – ORIGINAL CLAIMANT

2. A separate D&O Proof of Claim must be filed by each legal entity or person asserting a claim against the CCAA Entities' Directors or Officers.
3. The Claimant shall include any and all D&O Claims it asserts against the CCAA Entities' Directors or Officers in a single D&O Proof of Claim.
4. The full legal name of the Claimant must be provided.
5. If the Claimant operates under a different name or names, please indicate this in a separate schedule in the supporting documentation.

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<sup>1</sup> 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., 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. (collectively, the "CCAA Entities").

6. If the claim has been assigned or transferred to another party, Section 2(b) must also be completed.
7. Unless the claim is assigned or transferred, all future correspondence, notices, etc. regarding the claim will be directed to the address and contact indicated in this section.

#### **SECTION 2(b) – ASSIGNEE**

8. If the Claimant has assigned or otherwise transferred its claim, then Section 2(b) must be completed.
9. The full legal name of the Assignee must be provided.
10. If the Assignee operates under a different name or names, please indicate this in a separate schedule in the supporting documentation.
11. If the Monitor in consultation with the CCAA Entities is satisfied that an assignment or transfer has occurred, all future correspondence, notices, etc. regarding the claim will be directed to the Assignee at the address and contact indicated in this section.

#### **SECTION 3 - AMOUNT OF CLAIM OF CLAIMANT AGAINST DEBTOR**

12. Indicate the amount the Director(s) and/or Officer(s) was/were and still is/are indebted to the Claimant in the Amount of Claim column.

#### **Currency**

13. The amount of the claim must be provided in the currency in which it arose.
14. Indicate the appropriate currency in the Currency column.
15. If the claim is denominated in multiple currencies, use a separate line to indicate the claim amount in each such currency. If there are insufficient lines to record these amounts, attach a separate schedule indicating the required information.
16. If necessary, currency will be converted in accordance with the Claims Procedure Order.

#### **SECTION 4 - DOCUMENTATION**

17. Attach to the D&O Proof of Claim form all particulars of the claim and supporting documentation, including amount and description of transaction(s) or agreement(s) or legal breach(es) giving rise to the claim.

#### **SECTION 5 - CERTIFICATION**

18. The person signing the D&O Proof of Claim should:
  - (a) be the Claimant or authorized representative of the Claimant.

- (b) have knowledge of all the circumstances connected with this claim.
  - (c) assert the claim against the Debtor(s) as set out in the D&O Proof of Claim and certify all supporting documentation is attached.
  - (d) have a witness to its certification.
19. By signing and submitting the D&O Proof of Claim, the Claimant is asserting the claim against the Debtor(s).

#### **SECTION 6 - FILING OF CLAIM**

20. **The D&O Proof of Claim must be received by the Monitor on or before 5:00 p.m. (Toronto time) on October 21, 2016 (the "Claims Bar Date") (or within thirty (30) days after the date on which the Monitor had sent you a Claims Package with respect to a Restructuring Period Claim) by **prepaid ordinary mail, registered mail, courier, personal delivery or electronic transmission at the following address:****

**KSV Kofman Inc.  
150 King Street West  
Suite 2308  
Toronto, ON M5H 1J9**

**Attention: Noah Goldstein  
Email: [ngoldstein@ksvadvisory.com](mailto:ngoldstein@ksvadvisory.com)  
Fax: 416.932.6266**

**Failure to file your D&O Proof of Claim so that it is actually received by the Monitor on or before 5:00 p.m., on the Claims Bar Date or Restructuring Period Claims Bar Date, as applicable, will result in your claim being barred and you will be prevented from making or enforcing a claim against the Directors and Officers of the CCAA Entities. In addition, you shall not be entitled to further notice in and shall not be entitled to participate as a creditor in the CCAA Entities' CCAA proceedings.**

**SCHEDULE "C"**

**PROOF OF CLAIM FORM FOR CLAIMS AGAINST  
DIRECTORS OR OFFICERS OF THE CCAA ENTITIES<sup>1</sup>  
(the "D&O Proof of Claim")**

This form is to be used only by Claimants asserting a claim against any Directors and/or, Officers of the CCAA Entities and NOT for claims against the CCAA Entities themselves. For claims against the CCAA Entities, please use the form titled "Proof of Claim Form for Claims Against the CCAA Entities", which is available on the Monitor's website at <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/>.

**1. Name of CCAA Entity Officer(s) and/or Director(s) (the "Debtor(s))":**

**Debtor(s):** \_\_\_\_\_

**(A) Original Claimant (the "Claimant")**

Legal Name of Claimant	_____	Name of Contact	_____
Address	_____	Title	_____
_____		Phone #	_____
_____		Fax #	_____
City _____	Prov /State _____	email	_____
Postal/Zip Code	_____		

**(B) Assignee, if claim has been assigned**

Legal Name of Assignee	_____	Name of Contact	_____
Address	_____	Phone #	_____
_____		Fax #	_____
City _____	Prov /State _____	email:	_____
Postal/Zip Code	_____		

<sup>1</sup> 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., 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. (collectively, the "CCAA Entities").

**2. Amount of Claim**

The Debtor(s) was/were and still is/are indebted to the Claimant as follows:

Name(s) of Director(s), and/or Officers	Currency	Amount of Claim	
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____

**3. Documentation**

Provide all particulars of the Claim and supporting documentation, including any claim assignment/transfer agreement or similar document, if applicable, and including amount and description of transaction(s) or agreement(s) or legal breach(es) giving rise to the Claim.

**4. Certification**

I hereby certify that:

1. I am the Claimant or authorized representative of the Claimant.
2. I have knowledge of all the circumstances connected with this Claim.
3. The Claimant asserts this Claim against the Debtor(s) as set out above.
4. Complete documentation in support of this Claim is attached.

Signature: _____	Witness: _____
Name: _____	(signature)
Title: _____	(print)

Dated at \_\_\_\_\_ this \_\_\_\_\_ day of \_\_\_\_\_, 2015

**5. Filing of Claim**

**This D&O Proof of Claim must be received by the Monitor on or before 5:00 p.m. (Toronto time) on October 21, 2016 (or within thirty (30) days after the date on which the Monitor had sent you a Claims Package with respect to a Restructuring Period Claim) **by prepaid ordinary mail, registered mail, courier, personal delivery or electronic transmission at the following address:****

**KSV Kofman Inc.  
150 King Street West  
Suite 2308  
Toronto, ON M5H 1J9**

**Attention:** Noah Goldstein  
**Email:** [ngoldstein@ksvadisory.com](mailto:ngoldstein@ksvadisory.com)  
**Fax:** 416.932.6266

For more information see <http://www.ksvadisory.com/insolvency-cases/urbancorp-group/>, or contact the Monitor  
by telephone (416.932.6207)

## SCHEDULE "D"

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### HOME BUYER CLAIM NOTICE

With respect to the CCAA Entities<sup>1</sup>

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YOU ARE RECEIVING THIS NOTICE PURSUANT TO THE CLAIMS PROCEDURE ORDER BECAUSE THE MONITOR HAS DETERMINED THAT YOU ARE A HOME BUYER WITH A RESTRUCTURING PERIOD CLAIM AS A RESULT OF THE TERMINATION, DISCLAIMER, RESILIATION, REPUDIATION, RESCINDING OR FUNDAMENTAL BREACH OF YOUR CORRESPONDING HOME BUYER AGREEMENT.

Capitalized terms used in this notice and not otherwise defined have the meaning given to them in the Order of the Ontario Superior Court of Justice (Commercial List) in the CCAA proceedings of the CCAA Entities dated September 15, 2016 (the "**Claims Procedure Order**"). A copy of the Claims Procedure Order can be found on the Monitor's website at: <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/>.

**Claim Reference Number:** ■

#### Contact Details

Name of Home Buyer (Claimant): ■

Address of Claimant: ■

E-mail: ■

Telephone Number: ■

Fax Number: ■

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<sup>1</sup> 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., 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. (collectively, the "CCAA Entities").

**Details of Allowed Restructuring  
Period Claim**

CCAA Entity with which Home Buyer ■  
has a Home Buyer Agreement:

Description of Home Buyer ■  
Agreement:

Pursuant to the Claims Procedure Order, the Monitor hereby gives you notice that it has determined your allowed Restructuring Period Claim as a result of the termination, disclaimer, rescission, repudiation, rescinding or fundamental breach of your corresponding Home Buyer Agreement in the context of these CCAA Proceedings. Subject to further dispute by you in accordance with the Claims Procedure Order, your Restructuring Period Claim will be as follows:

**Allowed Claim Amount:**

Deposit Amount \$■

Interest \$■

\_\_\_\_\_

Total Allowed Restructuring Period ■  
Claim Amount

Legal Nature of Claim: Unsecured

**SERVICE OF HOME BUYER OBJECTION NOTICES**

**If you intend to object to this Home Buyer Claim Notice, you must, no later than 5:00 p.m. (prevailing time in Toronto) on the day that is the later of the Claims Bar Date or 30 days after the date this Home Buyer Claim Notice is deemed to have been received by you (in accordance with paragraph 51 of the Claims Procedure Order), deliver a Home Buyer Objection Notice 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](mailto: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 Home Buyer Objection Notice 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 HOME BUYER OBJECTION NOTICE WITHIN THE PRESCRIBED TIME PERIOD, THIS HOME BUYER CLAIM NOTICE WILL BE BINDING UPON YOU.**

**DATED** this \_\_\_\_\_ day of \_\_\_\_\_, 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)

**PLEASE ALSO TAKE NOTICE** that if you believe that you have a Claim in addition to that set out in this Home Buyer Claim Notice, then you must follow the regular procedure for filing Proofs of Claim or D&O Proofs of Claim as set out in the Claims Procedure Order. Only Proofs of Claim and D&O Proofs of Claim actually received by the Monitor on or before 5:00 p.m. (Toronto time) on October 21, 2016 will be considered filed by the Claims Bar Date.

**SCHEDULE "E"**

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**HOME BUYER OBJECTION NOTICE**

**With respect to the CCAA Entities<sup>1</sup>**

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Claims Reference Number: \_\_\_\_\_

**1. Particulars of Claimant:**

Full Legal Name of Claimant (include trade name, if different)

\_\_\_\_\_

\_\_\_\_\_

(the "Claimant")

Full Mailing Address of the Claimant:

\_\_\_\_\_

\_\_\_\_\_

Other Contact Information of the Claimant:

Telephone Number:

Email Address:

Facsimile Number:

Attention (Contact Person):

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

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<sup>1</sup> 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., 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. (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. Objection to Home Buyer Claim Notice:**

The Claimant hereby disagrees with the value of its Claim, as set out in the Home Buyer Claim Notice and asserts its Claim as follows:

	<b>Currency</b>	<b>Amount allowed by Monitor: (Home Buyer Claim Notice)</b>	<b>Amount claimed by Claimant:<sup>2</sup></b>
A. Deposit		\$	\$
B. Interest		\$	\$
<b>E. Total Claim</b>		\$	\$

**4. Reasons for Objection to Home Buyer Claim Notice:**  
*(Please detail reasons below)*

<sup>2</sup> If necessary, currency will be converted in accordance with the Claims Procedure Order.

## SCHEDULE "F"

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### NOTICE TO CLAIMANTS WITH CLAIMS AGAINST THE CCAA ENTITIES

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**RE: NOTICE OF CLAIMS PROCESS FOR 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., 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. (COLLECTIVELY, THE "CCAA ENTITIES") PURSUANT TO THE *COMPANIES' CREDITORS ARRANGEMENT ACT* (the "CCAA")**

**PLEASE TAKE NOTICE** that on September 15, 2016, the Ontario Superior Court of Justice (Commercial List) issued an order (the "**Claims Procedure Order**") in the CCAA proceedings of the CCAA Entities (capitalized terms used in this notice and not otherwise defined have the meaning given to them in the Claims Procedure Order). A copy of the Claims Procedure Order can be found on the Monitor's website at: <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/>.

**ATTENTION HOME BUYERS.** Home Buyers with Claims arising as a result of the termination, disclaimer, resiliation, repudiation, rescinding or fundamental breach of their corresponding Home Buyer Agreement in the context of these CCAA Proceeding **DO NOT NEED TO FILE ANY PROOF OF CLAIM**. Rather, the Monitor will send you a Home Buyer Claim Notice reflecting its determination and acceptance of your Restructuring Period Claim. If you object to the amount of your Restructuring Period Claim as set out in the Home Buyer Claim Notice that you receive, then you are required to fill out and send to the Monitor a Home Buyer Objection Notice as set out in the Claims Procedure Order. If you believe that you have a Claim in addition to that set out in your Home Buyer Claim Notice, then you must follow the procedure set out below for all other creditors.

Other than for the Restructuring Period Claims of Home Buyers outlined above, the Claims Procedure Order requires that all Persons who assert a Claim against the CCAA Entities, whether unliquidated, contingent or otherwise, and all Persons who assert a claim against Directors and Officers of the CCAA Entities (as defined in the Claims Procedure Order, a "**D&O Claim**"), must file a Proof of Claim (with respect to Claims against the CCAA Entities) or D&O Proof of Claim (with respect to D&O Claims) with KSV Kofman Inc. (the "**Monitor**") **on or before 5:00**

**p.m. (Toronto time) on October 21, 2016 (the "Claims Bar Date")**, by sending the Proof of Claim or D&O Proof of Claim to the Monitor by prepaid ordinary mail, registered mail, courier, personal delivery or electronic transmission at the following address:

**KSV Kofman Inc.  
150 King Street West  
Suite 2308  
Toronto, ON M5H 1J9**

**Attention: Noah Goldstein  
Email: [ngoldstein@ksvadvisory.com](mailto:ngoldstein@ksvadvisory.com)  
Fax: 416.932.6266**

Pursuant to the Claims Procedure Order, Claims Packages, including the form of Proof of Claim and D&O Proof of Claim, will be sent to all known Claimants by mail, on or before September 22, 2016. Claimants may also obtain the Claims Procedure Order and a Claims Package from the Monitor's website at <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/>, or by contacting the Monitor by telephone (416.932.6207).

Other than for Restructuring Period Claims, only Proofs of Claim and D&O Proofs of Claim actually received by the Monitor on or before 5:00 p.m. (Toronto time) on October 21, 2016 will be considered filed by the Claims Bar Date. **It is your responsibility to ensure that the Monitor receives your Proof of Claim or D&O Proof of Claim by the Claims Bar Date.**

**CLAIMS AND D&O CLAIMS WHICH ARE NOT RECEIVED BY THE APPLICABLE CLAIMS BAR DATE WILL BE BARRED AND EXTINGUISHED FOREVER.**

DATED this ● day of ●, 2016.

**SCHEDULE "G"**

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**NOTICE OF DISPUTE OF NOTICE OF REVISION OR DISALLOWANCE**

**With respect to the CCAA Entities<sup>1</sup>**

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Claims Reference Number: \_\_\_\_\_

**1. Particulars of Claimant:**

Full Legal Name of Claimant (include trade name, if different)

\_\_\_\_\_

\_\_\_\_\_ (the "Claimant")

Full Mailing Address of the Claimant:

\_\_\_\_\_

\_\_\_\_\_

Other Contact Information of the Claimant:

Telephone Number:

Email Address: \_\_\_\_\_

Facsimile Number: \_\_\_\_\_

Attention (Contact Person): \_\_\_\_\_

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<sup>1</sup> 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., 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. (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: <sup>2</sup>
A. Unsecured		\$	\$
B. Secured		\$	\$
C. D&O Claim		\$	\$
<b>E. Total Claim</b>		\$	\$

**4. Reasons for Dispute of Revision or Disallowance of Claim:**  
*(Please detail reasons below)*

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<sup>2</sup> If necessary, currency will be converted in accordance with the Claims Procedure Order.

## SCHEDULE "H"

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### NOTICE OF REVISION OR DISALLOWANCE

**For Persons that have asserted Claims against the CCAA Entities<sup>1</sup>,  
D&O Claims against the Directors and/or Officers of the CCAA Entities**

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Claims Reference Number: \_\_\_\_\_ ● \_\_\_\_\_

TO: ● \_\_\_\_\_  
(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 September 15, 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		\$	\$
B. Secured Claim		\$	\$
C. D&O Claim		\$	\$
<b>E. Total Claim</b>		\$	\$

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<sup>1</sup> 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., 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. (collectively, the "CCAA Entities").



**Reasons for Revision or Disallowance:**



**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 \_\_\_\_\_ day of \_\_\_\_\_, 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)

**SCHEDULE "I"**

**PROOF OF CLAIM FORM FOR CLAIMS AGAINST  
THE CCAA ENTITIES<sup>1</sup>**

**1. Name of CCAA Entity or Entities (the "Debtor"):**

**Debtor:** \_\_\_\_\_

**2(a) Original Claimant (the "Claimant")**

Legal Name of Claimant	_____	Name of Contact	_____
Address	_____	Title	_____
_____		Phone #	_____
_____		Fax #	_____
City _____	Prov /State _____	email	_____
Postal/Zip Code	_____		

**2(b) Assignee, if claim has been assigned**

Legal Name of Assignee	_____	Name of Contact	_____
Address	_____	Phone #	_____
_____		Fax #	_____
City _____	Prov /State _____	email:	_____
Postal/Zip Code	_____		

<sup>1</sup> 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., 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. (collectively, the "CCAA Entities").

**3. Amount of Claim**

The Debtor was and still is indebted to the Claimant as follows:

Currency	Amount of Claim	Unsecured Claim	Secured Claim
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>
_____	_____	<input type="checkbox"/>	<input type="checkbox"/>

**4. Documentation**

Provide all particulars of the Claim and supporting documentation, including amount, and description of transaction(s) or agreement(s), or legal breach(es) giving rise to the Claim, including any claims assignment/transfer agreement or similar document, if applicable, and amount of invoices, particulars of all credits, discounts, etc. claimed, description of the security, if any, granted by the affected Debtor to the Claimant and estimated value of such security.

**5. Certification**

I hereby certify that:

1. I am the Claimant or authorized representative of the Claimant.
2. I have knowledge of all the circumstances connected with this Claim.
3. The Claimant asserts this Claim against the Debtor as set out above.
4. Complete documentation in support of this claim is attached.

Signature: _____	Witness: _____
Name: _____	(signature) _____
Title: _____	(print) _____
Dated at _____ this _____ day of _____, 2016	

**6. Filing of Claim**

This Proof of Claim **must be received by the Monitor on or before 5:00 p.m. (Toronto time) on October 21, 2016** (or within thirty (30) days after the date on which the Monitor had sent you a Claims Package with respect to a Restructuring Period Claim) **by prepaid ordinary mail, registered mail, courier, personal delivery or electronic transmission at the following address:**

**KSV Kofman Inc.  
150 King Street West  
Suite 2308  
Toronto, ON M5H 1J9**

**Attention:** Noah Goldstein  
**Email:** [ngoldstein@ksvadvisory.com](mailto:ngoldstein@ksvadvisory.com)  
**Fax:** 416.932.6266

For more information see <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/>, or contact the Monitor by telephone (416.932.6207)

## **SCHEDULE "J"**

### **CLAIMANT'S GUIDE TO COMPLETING THE PROOF OF CLAIM FORM FOR CLAIMS AGAINST THE CCAA ENTITIES<sup>1</sup>**

This Guide has been prepared to assist Claimants in filling out the Proof of Claim form for Claims against the CCAA Entities. If you have any additional questions regarding completion of the Proof of Claim, please consult the Monitor's website at <http://www.ksvadvisory.com/insolvency-cases/urbancorp-group/> or contact the Monitor, whose contact information is shown below.

Additional copies of the Proof of Claim may be found at the Monitor's website address noted above.

Please note that this is a guide only, and that in the event of any inconsistency between the terms of this guide and the terms of the Claims Procedure Order made on September 15, 2016 (the "**Claims Procedure Order**"), the terms of the Claims Procedure Order will govern.

#### **SECTION 1 – DEBTOR**

1. The full name of the CCAA Entity or Entities against which the Claim is asserted must be listed (see footnote 1 for complete list of CCAA Entities).

#### **SECTION 2(a) – ORIGINAL CLAIMANT**

2. A separate Proof of Claim must be filed by each legal entity or person asserting a claim against the CCAA Entities, or any of them.
3. The Claimant shall include any and all Claims it asserts against the CCAA Entities, or any of them, in a single Proof of Claim.
4. The full legal name of the Claimant must be provided.
5. If the Claimant operates under a different name or names, please indicate this in a separate schedule in the supporting documentation.
6. If the Claim has been assigned or transferred to another party, Section 2(b) must also be completed.
7. Unless the Claim is assigned or transferred, all future correspondence, notices, etc. regarding the Claim will be directed to the address and contact indicated in this section.

---

<sup>1</sup> 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., 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. (collectively, the "CCAA Entities").

**SECTION 2(b) – ASSIGNEE**

8. If the Claimant has assigned or otherwise transferred its Claim, then Section 2(b) must be completed.
9. The full legal name of the Assignee must be provided.
10. If the Assignee operates under a different name or names, please indicate this in a separate schedule in the supporting documentation.
11. If the Monitor in consultation with the CCAA Entities is satisfied that an assignment or transfer has occurred, all future correspondence, notices, etc. regarding the Claim will be directed to the Assignee at the address and contact indicated in this section.

**SECTION 3 - AMOUNT OF CLAIM OF CLAIMANT AGAINST DEBTOR**

12. Indicate the amount the CCAA Entity or Entities was and still is indebted to the Claimant in the Amount of Claim column.

**Currency**

13. The amount of the Claim must be provided in the currency in which it arose.
14. Indicate the appropriate currency in the Currency column.
15. If the Claim is denominated in multiple currencies, use a separate line to indicate the Claim amount in each such currency. If there are insufficient lines to record these amounts, attach a separate schedule indicating the required information.
16. If necessary, currency will be converted in accordance with the Claims Procedure Order.

**Unsecured Claim**

17. Check this box ONLY if the Claim recorded on that line is an unsecured claim.

**Secured Claim**

18. Check this box ONLY if the Claim recorded on that line is a secured claim.

**SECTION 4 - DOCUMENTATION**

19. Attach to the Proof of Claim form all particulars of the Claim and supporting documentation, including amount, and description of transaction(s) or agreement(s), or legal breach(es) giving rise to the Claim, including any claim assignment/transfer agreement or similar document, if applicable and amount of invoices, particulars of all credits, discounts, etc. claimed, description of the security, if any, granted by the affected CCAA Entity to the Claimant and estimated value of such security.

## SECTION 5 - CERTIFICATION

20. The person signing the Proof of Claim should:
- (a) be the Claimant or authorized representative of the Claimant.
  - (b) have knowledge of all the circumstances connected with this Claim.
  - (c) assert the Claim against the Debtor as set out in the Proof of Claim and certify all supporting documentation is attached.
  - (d) have a witness to its certification.
21. By signing and submitting the Proof of Claim, the Claimant is asserting the Claim against the CCAA Entity or Entities.

## SECTION 6 - FILING OF CLAIM

22. **The Proof of Claim must be received by the Monitor on or before 5:00 p.m. (Toronto time) on October 21, 2016 (the "Claims Bar Date") (or within thirty (30) days after the date on which the Monitor had sent you a Claims Package with respect to a Restructuring Period Claim) by prepaid ordinary mail, registered mail, courier, personal delivery or electronic transmission at the following address:**

**KSV Kofman Inc.  
150 King Street West  
Suite 2308  
Toronto, ON M5H 1J9**

**Attention: Noah Goldstein  
Email: [ngoldstein@ksvadvisory.com](mailto:ngoldstein@ksvadvisory.com)  
Fax: 416.932.6266**

**Failure to file your Proof of Claim so that it is actually received by the Monitor on or before 5:00 p.m., on the Claims Bar Date or Restructuring Period Claims Bar Date, as applicable, will result in your claim being barred and you will be prevented from making or enforcing a Claim against the CCAA Entities. In addition, you shall not be entitled to further notice in and shall not be entitled to participate as a creditor in the CCAA Entities' CCAA proceedings.**

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  
DEVELOPMENTS INC., URBANCORP (952 QUEEN WEST) INC., KING RESIDENTIAL INC., URBANCORP  
NEW KINGS INC., URBANCORP 60 ST. CLAIR INC., HIGH RES.INC., BRIDGE ON KING INC. (THE  
"APPLICANTS") AND THE AFFILIATED ENTITIES LISTED IN SCHEDULE "A" HERETO

Court File No. CV-16-11389-00CL

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

Proceeding commenced at Toronto

**CLAIMS PROCEDURE ORDER**

**DAVIES WARD PHILLIPS & VINEBERG LLP**  
155 WELLINGTON STREET WEST  
TORONTO, ON M5V 3J7

Robin B. Schwill (LSUC #384521)  
Tel: 416.863.5502  
Fax: 416.863.0871

Lawyers for the Monitor



## Appendix “H”

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

AFFIDAVIT OF ROBERT KOFMAN  
(sworn September 8, 2016)

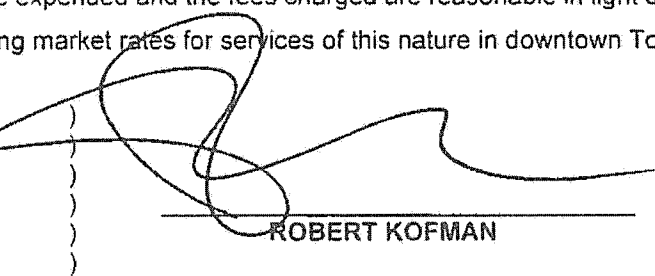
I, ROBERT KOFMAN, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY  
AS FOLLOWS:

1. I am a President of KSV Kofman Inc. ("KSV"), the Court-appointed monitor (the "Monitor") of the Applicants and the entities listed on Schedule "A" attached (collectively, the "Urbancorp CCAA Entities"), and as such I have knowledge of the matters deposed to herein.
2. Pursuant to an order of the Ontario Superior Court of Justice ("Court") made on May 18, 2016, the Urbancorp CCAA Entities were granted protection under the *Companies' Creditors Arrangement Act* (Canada) (the "CCAA") and KSV was appointed as the Monitor in these proceedings.
3. This Affidavit is sworn in support of a motion seeking, among other things, approval of the Monitor's fees and disbursements for the period May 18, 2016 to July 31, 2016 (the "Period").
4. The Monitor's invoices for the Period disclose in detail the period during which the services were rendered, the time expended by each person and their hourly rates, the total charges for the services rendered and disbursements incurred for the relevant time period. Copies of the Monitor's invoices are attached hereto as Exhibit "A" and the billing summary is attached hereto as Exhibit "B".

5. A total of 893.85 hours was spent by the Monitor in connection with this matter during the Period, giving rise to fees totalling \$450,810.75, excluding disbursements and HST, as summarized in Exhibit "B".
6. As reflected on Exhibit "B", the Monitor's average hourly rate for the Period was \$504.35.
7. I verily believe that the time expended and the fees charged are reasonable in light of the services performed and the prevailing market rates for services of this nature in downtown Toronto.

SWORN before me at the City of  
Toronto, in the Province of Ontario  
this 8<sup>th</sup> day of September, 2016

  
A commissioner, etc.

  
\_\_\_\_\_  
ROBERT KOFMAN

**Rajinder Kashyap, a Commissioner, etc.,  
Province of Ontario, for KSV Kofman Inc.,  
Trustee in Bankruptcy,  
Expires April 11, 2018.**

## 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.

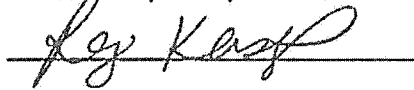
Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF ROBERT KOFMAN

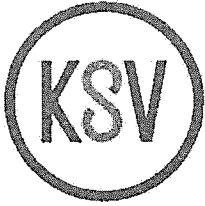
Sworn before me

this 8<sup>th</sup> day of September, 2016

A handwritten signature in cursive script, appearing to read "Raj Kashyap", is written over a solid horizontal line.

Commissioner for taking Affidavits, etc

**Rajinder Kashyap, a Commissioner, etc.,  
Province of Ontario, for KSV Kofman Inc.,  
Trustee in Bankruptcy,  
Expires April 11, 2018.**



**ksv advisory inc.**  
150 King Street West, Suite 2308  
Toronto, Ontario, M5H 1J9  
T +1 416 932 6262  
F +1 416 932 6266

ksvadvisory.com

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**INVOICE**

The Urbancorp Group  
Suite 2A - 120 Lynn Williams Street  
Toronto, ON M6K 3P6

June 15, 2016

Invoice No: 305  
HST #: 818808768 RT0001

**Re: The entities listed on Schedule "A" attached (collectively, the "Companies")**

To professional services rendered from May 18, 2016 to May 27, 2016 by KSV Kofman Inc. in its capacity as Monitor ("Monitor") in the Companies' proceedings under the *Companies' Creditors Arrangement Act* ("CCAA"), including: preparing for and attending at court in respect of the Companies' application under the CCAA; reviewing the order made by the Ontario Superior Court of Justice (Commercial List) ("Court") in respect of the Company's application under the CCAA; preparing and sending notices to creditors as required under the CCAA; preparing and arranging for two advertisements to be published in the Globe and Mail as required under the CCAA; preparing and e-filing information about the Companies under Form 2 as required by the CCAA; attending daily at the Companies' head office; preparing and faxing letters of direction to the Companies' banks; corresponding with KRG Insurance Brokers, the Companies' insurance broker; corresponding extensively with Davies Ward Phillips & Vineberg LLP, the Monitor's counsel; dealing with employee matters, including convening an employee meeting; reviewing a letter of intent provided by a developer ("Developer") in respect of the Companies' projects and attending meetings with the Developer regarding same; reviewing the Companies' financial information; reviewing the Companies' daily bank activity; reviewing all of the Companies' disbursements and signing all cheques; drafting an internal memo regarding the Companies' geothermal assets; arranging and monitoring a digital backup of the Companies' books and records; reviewing the Companies' payroll and staffing levels; considering Urbancorp Toronto Management Inc.'s cost allocation between the Companies and other entities not included in the CCAA proceedings; attending regular update calls with management and legal counsel; dealing with employee matters; corresponding with Fuller Landau LLP, the Court appointed proposal trustee of Edge Residential Inc., Edge on Triangle Park Inc. and Bosvest Inc.; corresponding with Alvarez & Marsal Canada ULC, the Court appointed receiver of Urbancorp (Leslieville) Developments Inc., Urbancorp (Riverdale) Developments Inc. and Urbancorp (The Beach) Developments Inc.; responding to unsolicited calls from real estate agents, brokers, investors and prospective purchasers; responding to communications from creditors, including individuals who purchased homes on certain of the Companies' projects; corresponding with Guy Gissin, the Israeli Functionary Officer of Urbancorp Inc. appointed by order of the District Court in Tel Aviv-Yafo (the "Functionary") and Goodmans LLP, counsel to the Functionary; attending calls with Harris Schaeffer LLP, the Companies' real estate lawyers; considering and advancing a sale process, including compiling a list of prospective purchasers and assembling an electronic data room; considering and advancing a debtor-in-possession financing process, including preparing solicitation materials; and to all other meetings, calls and discussions not specifically referenced above.

Total fees per attached time summary	\$	78,228.85
HST		10,169.75
Total Due	\$	<u>88,398.60</u>

## Schedule "A"

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.  
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.

KSV Kofman Inc.  
The Urbancorp Group  
Time Summary  
For the period May 18, 2016 to May 27, 2016

<u>Personnel</u>	<u>Role</u>	<u>Rate (\$)</u>	<u>Hours</u>	<u>Amount (\$)</u>
Robert Kofman	Overall file management	695	28.50	19,807.50
Robert Harlang	Review of properties, financial information	600	7.00	4,200.00
Noah Goldstein	All aspects of mandate	450	57.50	25,875.00
Jonathan Joffe	Creditor issues	450	57.00	25,650.00
Other staff and administration			11.50	1,637.50
Total Fees			161.50	77,170.00
Total disbursements (travel, postage, courier services and photocopies)				1,058.85
Total				<u>78,228.85</u>





**ksv advisory inc.**  
150 King Street West, Suite 2308  
Toronto, Ontario, M5H 1J9  
T +1 416 932 6262  
F +1 416 932 6266

ksvadvisory.com

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## INVOICE

The Urbancorp Group  
Suite 2A - 120 Lynn Williams Street  
Toronto, ON M6K 3P6

July 14, 2016

Invoice No: 322  
HST #: 818808768 RT0001

**Re: The entities listed on Schedule "A" attached (collectively, the "Companies")**

To professional services rendered from May 28, 2016 to June 24, 2016 by KSV Kofman Inc. in its capacity as Monitor ("Monitor") in the Companies' proceedings under the *Companies' Creditors Arrangement Act* ("CCAA"), including:

### General

- Corresponding extensively with Alan Saskin, Ted Saskin, Davies Ward Phillips & Vineberg LLP ("Davies"), the Monitor's legal counsel, and Border Ladner Gervais LLP ("BLG"), the Companies' legal counsel, regarding all aspects of the Companies' CCAA proceedings;
- Attending regularly at the Companies' head office;
- Reviewing the Companies' daily bank activity;
- Reviewing the Companies' disbursements and signing all cheques;
- Reviewing the Companies' payroll;
- Reviewing the Company's staffing requirements, adjusting staff levels accordingly and dealing with employee matters generally;
- Considering cost saving initiatives;
- Maintaining the Service List as required pursuant to the Commercial List Protocol;
- Reviewing intercompany balances between Companies and meeting on May 30, 2016 with BLG regarding same;
- Corresponding with Guy Gissin, the Israeli Functionary Officer of Urbancorp Inc. appointed by order of the District Court in Tel Aviv-Yafo (the "Foreign Representative");
- Corresponding with Goodmans LLP, legal counsel to the Foreign Representative.

- Corresponding with A. Farber and Partners Inc., financial advisor to the Foreign Representative;
- Responding to and considering information requests made by the Foreign Representative;
- Corresponding with Harris Schaeffer LLP ("Harris Schaeffer"), the Companies' real estate lawyers regarding the Downsview development, the Companies' geothermal assets and trust funds being held by Harris Schaeffer;
- Corresponding with MNP LLP, the Companies' external accountants regarding the Companies' historical financial information and the geothermal assets;
- Corresponding with Fuller Landau LLP ("Fuller Landau"), the proposal trustee of Edge Residential Inc., Edge on Triangle Park Inc. and Bosvest Inc. in respect of information requests from Fuller Landau and the allocation of the Companies' payroll expenses;
- Corresponding on May 30 and 31, 2016 and June 3, 7 and 20, 2016 with Alvarez & Marsal Canada ULC ("A&M"), the Court appointed receiver of Urbancorp (Leslieville) Developments Inc., Urbancorp (Riverdale) Developments Inc. and Urbancorp (The Beach) Developments Inc. in respect of information requests from A&M and the allocation of the Companies' payroll expenses;
- Attending at the Companies' four school board properties located around the Greater Toronto Area ("School Board Properties");
- Reviewing and commenting on several drafts of court documents in connection with the Companies' motion to, *inter alia*, seek an extension of the stay of proceedings ("Stay Extension"), including a draft Court order;
- Preparing the Monitor's First Report to Court dated June 9, 2016 ("Monitor's First Report") in connection with the Stay Extension motion and a debtor-in-possession ("DIP") loan required by Downsview;
- Dealing with ongoing issues concerning the Downsview DIP, including board of director issues and various requirements of Mattamy Homes ("Mattamy");
- Attending at Court on June 15, 2016 in respect of the Stay Extension motion;
- Reviewing the Court order dated June 15, 2016 ("Extension Order") and the endorsement of Justice Newbould issued on the same date;
- Reviewing and commenting on several drafts of court documents in connection with the Companies' motion to, *inter alia*, approve a sale process, the retention of a listing agent, a DIP Facility and a DIP Charge, including a draft Court order;
- Preparing the Monitor's Second Report to Court dated June 24, 2016 in connection with the Sale Process motion and the DIP Facility motion;
- Receiving quotes for work required to be completed by Urbancorp (Mallow) Inc., pursuant to an agreement with the City of Toronto and corresponding with a City solicitor regarding same;

### Banking

- Corresponding with Canadian Imperial Bank of Commerce ("CIBC"), Toronto Dominion Bank ("TD") and Bank of Montreal to change the signing authorities for the Companies' bank accounts at each of the banks;
- Corresponding with CIBC, Gowling WLG (Canada) LLP, counsel to CIBC, and BLG, regarding the Companies' preauthorized withdrawals from tenants of the Companies' rental condos;
- Corresponding with TD regarding the continued servicing of the Companies' mortgages from TD during the CCAA proceedings;

### Geothermal Assets

- Corresponding with Davies and BLG in connection with the ownership of the Companies' geothermal assets;
- Reviewing documents related to the ownership of geothermal assets and corresponding with Davies, BLG and Fuller Landau regarding same;

### Cash Flow Projection

- Assisting the Company to prepare a cash flow projection for the period June 4, 2016 to September 2, 2016 ("Cash Flow Projection") included in the Monitors' First Report;
- Reviewing financial information upon which the Cash Flow Projection was based, including:
  - revenue assumptions; and
  - operating expense assumptions;
- Preparing Management's Report on Cash Flow Statement, filed with the Cash Flow Projection;
- Preparing the Monitor's Report on Cash-Flow Statement, filed with the Cash Flow Projection;
- Reviewing the Cash Flow Projection with representatives from Farber;

### Sale Process

- Corresponding with the Company's management, Davies and BLG regarding the sale process in respect of the School Board Properties (the "Sale Process");
- Responding to unsolicited calls from real estate agents, brokers and prospective purchasers;
- Compiling a list of prospective purchasers;
- Preparing a broker solicitation process to engage a listing agent;
- Reviewing proposals from realtors as part of the broker solicitation process and corresponding internally regarding same;
- Preparing a summary of the broker proposals and providing same to the Foreign Representative and the Companies' representatives;

- Discussing the broker proposals with the Foreign Representative;
- Corresponding with BLG and representatives of the Companies to select a realtor;
- Negotiating a listing agreement with the selected realtor ("Sales Agent");
- Attending a meeting on June 22, 2016 with the Sales Agent and representatives from the Company regarding data required for the Sale Process;
- Reviewing data for the data room;
- Corresponding with the Sales Agent regarding the Sale Process;
- Reviewing and approving the Sales Agent's marketing materials;

#### DIP Financing

- Compiling a list of prospective DIP lenders;
- Preparing solicitation letters to prospective lenders ("DIP Solicitation Letters") detailing the DIP opportunity;
- Preparing a draft term sheet in respect of the DIP financing solicitation process;
- Preparing a confidentiality agreement ("CA") for prospective lenders in respect of the DIP financing solicitation;
- Sending the DIP Solicitation Letters and CAs to prospective lenders between June 6 and June 8, 2016;
- Corresponding extensively with eleven prospective DIP lenders that signed a CA, including attending calls with many on a daily basis;
- Reviewing and summarizing offers received from prospective DIP lenders on June 17, 2016 and discussing same with the Companies, Davies and the Foreign Representative;
- Negotiating a DIP facility with Atrium Mortgage Investment Corporation ("AMIC");

#### Downsview DIP

- Corresponding extensively with Mattamy regarding DIP financing in respect of a joint venture project between Mattamy (Downsview) Inc. and the Companies ("Mattamy JV");
- Attending a call on June 2, 2016 with Mattamy, Davies and BLG to discuss the Downsview DIP;
- Corresponding with the Companies and Davies regarding the DIP financing required to continue financing the Mattamy JV;
- Negotiating a DIP financing arrangement with Mattamy in respect of the funds required by the Companies to continue financing the Mattamy JV;

**Urbancorp New Kings Inc. ("New King")**

- Corresponding with Alan and Ted Saskin regarding the Kingsclub development;
- Corresponding with representatives from First Capital Realty Inc. ("First Capital"), the Company's joint venture partner in the Kingsclub development, and their counsel, Torys LLP, regarding the status of the development;
- Considering the value of the Kingsclub development,
- Receiving updates on the status of the Kingsclub development;
- Meeting with First Capital's representatives on June 29, 2016 to discuss the Kingsclub development;

**60 St. Clair JV**

- Reviewing documents in respect of the Companies' interest in a joint venture with Main & Main located at 840 St. Clair Avenue West ("60 St. Clair JV");
- Reviewing financial information in respect of the 60 St. Clair JV including financial statements, purchaser deposit listings and details with respect to certain transactions;
- Corresponding with Harris Schaeffer regarding the purchaser deposit funds being held in trust by Harris Schaeffer,
- Reviewing an offer in respect of the Companies' interest in the 60 St. Clair JV from a prospective purchaser ("Prospective Purchaser");
- Corresponding with the Prospective Purchaser;
- Reviewing a draft agreement of purchase and sale in respect of the Companies' interest in the 60 St. Clair JV;

**Creditor Correspondence**

- Attending calls with purchasers of homes on certain of the Companies' projects;
- Corresponding with Terra Firma Capital Corporation and AMIC, secured creditors, to provide updates on the status of the proceedings;
- Corresponding with Dickinson Wright LLP, counsel to certain home purchasers;
- Reviewing and responding to notifications regarding liens placed on certain of the Companies' condominium units,
- Corresponding with EXP Services and WSP Global regarding the provision of services during the CCAA proceedings;
- Corresponding with Core One Mechanical Group Inc., a maintenance service provider to the Companies regarding continued supply of services during the CCAA proceedings;

- Corresponding with Bell Canada, the Companies' cell phone service provider, regarding the continued supply of services during the CCAA proceedings and an update on the status of the CCAA proceedings;
- Preparing a letter to Fine & Deo Barristers and Solicitors, counsel to Toronto Standard Condominium Corporation no. 2302, regarding a lien claim filed on 38 Joe Shuster Way;
- Corresponding with Constellation HomeBuilder Systems, the Companies' software license provider, regarding the continued supply of services during the CCAA proceedings and an update on the status of the CCAA proceedings;
- Corresponding with Toronto Hydro regarding the continued supply of electricity during the CCAA proceedings and an update on the status of the CCAA proceedings;
- Corresponding with KRG Insurance Brokers, the Companies' insurance brokers, regarding the Companies' insurance policy, the Companies' coverage needs and arranging for a twelve month extension to the policy; and
- Dealing with all other matters not otherwise referred to herein;

Total fees per attached time summary	\$	192,281.44
HST		<u>24,996.59</u>
Total Due	\$	<u>217,278.03</u>

**Schedule "A"**

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  
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.

KSV Kofman Inc.  
The Urbancorp Group  
**Time Summary**  
For the period May 28, 2016 to June 24, 2016

<b>Personnel</b>	<b>Role</b>	<b>Rate (\$)</b>	<b>Hours</b>	<b>Amount (\$)</b>
Robert Kofman	Overall file management	695	89.20	61,994.00
Robert Harlang	Review of properties, financial information	600	25.00	15,000.00
Noah Goldstein	All aspects of mandate	450	166.25	74,812.50
Jonathan Joffe	Cash flows, creditor issues	450	70.10	31,545.00
Andrew Edwards	DIP solicitation process	420	14.40	6,048.00
Other staff and administration			13.50	2,143.75
<b>Total Fees</b>			<b>378.45</b>	<b>191,543.25</b>
<b>Total disbursements</b>				<b>738.19</b>
<b>Total</b>			<b>378.45</b>	<b>192,281.44</b>





**ksv advisory inc.**  
150 King Street West, Suite 2308  
Toronto, Ontario, M5H 1J9  
T +1 416 932 6262  
F +1 416 932 6266  
  
ksvadvisory.com

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**INVOICE**

The Urbancorp Group  
Suite 2A - 120 Lynn Williams Street  
Toronto, ON M6K 3P6

July 26, 2016

Invoice No: 324  
HST #: 818808768 RT0001

**Re: The entities listed on Schedule "A" attached (collectively, the "Companies")**

To professional services rendered from June 25, 2016 to July 15, 2016 by KSV Kofman Inc. in its capacity as Monitor ("Monitor") in the Companies' proceedings under the *Companies' Creditors Arrangement Act* ("CCAA"), including:

**General**

- Corresponding extensively with Alan Saskin, Ted Saskin, Davies Ward Phillips & Vineberg LLP ("Davies"), the Monitor's legal counsel, and Borden Ladner Gervais LLP ("BLG"), the Companies' legal counsel, regarding the Companies' CCAA proceedings;
- Attending regularly at the Companies' head office, including on June 29, 2016 and July 5, 7, 8 and 12, 2016;
- Reviewing the Company's operating expenses, including payroll;
- Reviewing the Company's staffing requirements and addressing employee matters generally;
- Interviewing two candidates on July 3, 2016 to fill a role in the Companies' accounting department;
- Negotiating and finalizing an agreement with Clarity Recruitment in order to retain Karan Kala to assist with the Companies' accounting functions;
- Maintaining the Service List as required pursuant to the Commercial List E-Protocol;
- Reviewing the Companies' daily bank activity;
- Reviewing the Companies' disbursements and signing all cheques;
- Corresponding with Toronto Dominion Bank ("TD") regarding servicing mortgage obligations due to TD during the CCAA proceedings;

- Opening a bank account with Bank of Montreal in connection with the debtor-in-possession ("DIP") loan advanced by Atrium Mortgage Investment Corporation ("AMIC");
- Corresponding with Guy Gissin, the Israeli Functionary Officer of Urbancorp Inc. pursuant to an order of the District Court in Tel Aviv-Yafo (the "Foreign Representative");
- Corresponding with Goodmans LLP ("Goodmans"), Canadian legal counsel to the Foreign Representative;
- Corresponding with A. Farber and Partners Inc. ("Farber"), financial advisor to the Foreign Representative, including regarding an information request dated June 23, 2016 prepared by Farber and the Foreign Representative;
- Attending a call on June 27, 2016 with Farber to address questions concerning the Companies' projected cash flows;
- Reviewing the geothermal energy supply agreements in relation to the ownership of such assets;
- Reviewing and commenting on a draft engagement letter prepared by MNP LLP to provide its services during these proceedings;
- Preparing the Monitor's Supplement to the Second Report to Court dated June 29, 2016;
- Dealing with Dickinson Wright LLP, counsel to certain homebuyers, including reviewing materials it filed on June 29, 2016 in connection with a motion to be appointed as representative counsel to homebuyers;
- Preparing a Notice to Homebuyers dated June 29, 2016 and posting same on the Monitor's website;
- Attending at Court on June 30, 2016 in connection with motions to approve a sale process for four former school board properties owned by the Companies ("School Board Properties") and the DIP;
- Reviewing the Court order dated June 30, 2016 and the two endorsements of Justice Newbould issued on the same date;
- Corresponding on June 27, 28 and 30, 2016 with Fuller Landau LLP ("Fuller Landau"), the proposal trustee of Edge Residential Inc., Edge on Triangle Park Inc. and Bosvest Inc. ("Edge Entities") in respect of information requests from Fuller Landau, the allocation of the Companies' payroll expenses between the Companies and the Edge Entities and rent collected by the Companies on behalf of the Edge Entities;
- Corresponding regularly with Harris Schaeffer LLP ("Harris Schaeffer"), the Companies' real estate lawyers, regarding, *inter alia*, the Downsview development, the geothermal assets and home buyer deposits held by Harris Schaeffer;
- Corresponding on July 7, 2016 with Alvarez & Marsal Canada ULC ("A&M"), the Court appointed receiver of Urbancorp (Leslieville) Developments Inc., Urbancorp (Riverdale) Developments Inc. and Urbancorp (The Beach) Developments Inc. in respect of information requests made by A&M and the allocation of Urbancorp Toronto Management Inc.'s payroll expenses;
- Attending a meeting on July 12, 2016 with representatives of Davies, Goodmans, Farber and Gissin & Co., Advocates, the Foreign Representative's firm;

- Attending a conference call on July 12, 2016 with Bennett Jones LLP, counsel to Alan Saskin;
- Summarizing and reviewing financial information in respect of the condominium rental units owned by the Companies;
- Reviewing quotes and selecting a vendor to remediate a soil problem at Urbancorp (Mallow) Inc. ("Mallow"), pursuant to an agreement with the City of Toronto and dealing with a City solicitor regarding same;
- Corresponding with Michael Bros Excavating, a division of Royal Excavating & Grading Limited, the contractor engaged to complete the work on the Mallow property;
- Renewing the Companies' accounting software subscription;
- Reviewing a quote dated July 6, 2016 to complete remediation on the property owned by Urbancorp (St. Clair Village) Inc. and discussing same on July 6 and 7, 2016 with the Companies' management;
- Corresponding with Tert & Ross Ltd. to coordinate weekly inspections of the Companies' properties and to arrange for a fence to be installed at the Lawrence property;
- Preparing a summary of deposits made by homebuyers on each of the Companies' properties;
- Reviewing provisions of the purchase and sale agreements related to the sale of homes by the School Board Properties;
- Dealing with Aird & Berlis LLP, real estate counsel to the Companies on certain of the properties;

#### Sale Process

- Corresponding with Colliers Macaulay Nicolls Ontario Inc., a subsidiary of Colliers International Inc. ("Colliers"), the realtor engaged to sell the School Board Properties, the Companies' management, Davies and BLG regarding the sale process in respect of the School Board Properties (the "Sale Process");
- Responding to unsolicited calls from real estate agents, realtors and prospective purchasers in respect of the Sale Process;
- Reviewing information in a data room in connection with the Sale Process;
- Reviewing, commenting and approving Colliers' marketing materials, including an email teaser and confidential information memorandum ;
- Reviewing and approving a confidentiality agreement ("CA") prepared by Colliers;
- Reviewing and commenting on changes made to the CA by interested parties;
- Arranging for Sale Process marketing materials to be posted on Realtor.ca;

**DIP Financing**

- Negotiating and finalizing the DIP loan materials with AMIC;
- Executing the DIP documents;
- Arranging the Companies' first draw under the DIP facility;
- Reviewing the property taxes owing on the properties owned by Urbancorp (Lawrence) Inc. and Urbancorp (St. Clair Village) Inc., the collateral for the DIP loan;
- Arranging to add AMIC as a loss payee on the Companies' insurance policy;
- Extending the Companies' cash flow projections to the end of October, 2016 for the purpose of sizing the DIP;

**Downsview DIP**

- Corresponding with the Companies and Davies regarding a debtor-in-possession loan from Mattamy (Downsview) Inc., an affiliate of Mattamy Homes ("Mattamy"), to Urbancorp Downsview Park Development Inc. (the "Downsview DIP");
- Sizing the Downsview DIP;
- Reviewing closing documents in respect of the Downsview DIP;

**Urbancorp New Kings Inc. ("New King")**

- Corresponding with Alan and Ted Saskin regarding the Kingsclub development, which is 50% owned by New King, a subsidiary of Urbancorp Inc.;
- Corresponding with representatives from First Capital Realty Inc. ("First Capital"), the Company's joint venture partner in the New King development, and their counsel, Torys LLP, regarding the status of the development;
- Receiving updates on the status of the New King development;
- Meeting with First Capital's representatives on June 29, 2016 to discuss the New King development;

**Urbancorp 60 St. Clair Inc.**

- Reviewing documents in respect of the Companies' interest in a joint venture with Main & Main located at 840 St. Clair Avenue West ("60 St. Clair");
- Corresponding on June 27, 2016 with Fasken Martineau DuMoulin LLP, counsel to Travellers Canada, the bonding company on 60 St. Clair;
- Corresponding with a prospective purchaser in respect of the Companies' interest in 60 St Clair;

- Reviewing a draft agreement of purchase and sale in respect of the Companies' interest in 60 St. Clair;
- Corresponding and communicating extensively with Davies, Harris Schaeffer and the Companies' management regarding this transaction;

**Creditor Correspondence**

- Speaking and emailing with home buyers on certain of the Companies' projects;
- Corresponding with Wyse Meter Solutions Inc. regarding the continued supply of electricity during the CCAA proceedings;
- Drafting letters to home buyers in response to their concerns;
- Corresponding with TACT Architecture Inc., the principal architect used by the Companies, to discuss its continued supply of services during the CCAA proceedings;
- Attending calls with vendors to discuss the continued supply of services during the CCAA proceedings, including EXP Services Inc., WSP Canada Inc. and Rogers Wireless;
- Corresponding with KRG Insurance Brokers, the Companies' insurance brokers, regarding the Companies' insurance policy, the Companies' coverage needs and arranging for a twelve month extension to the policy; and
- Dealing with all other matters not otherwise referred to herein;

Total fees per attached time summary	\$	109,386.84
HST		14,220.29
Total Due	\$	<u>123,607.13</u>

KSV Kofman Inc.  
The Urbancorp Group  
Time Summary  
For the period June 25, 2016 to July 15, 2016

Personnel	Role	Rate (\$)	Hours	Amount (\$)
Robert Kofman	Overall file management	695	54.00	37,530.00
Robert Harlang	Review of properties, financial information	600	8.00	4,800.00
Noah Goldstein	All aspects of mandate	450	60.50	27,225.00
Jonathan Joffe	Cash flows, creditor issues	450	79.30	35,685.00
Other staff and administration			11.75	3,520.00
Total Fees			213.55	108,760.00
Total disbursements				626.84
<b>Total</b>			<b>213.55</b>	<b>109,386.84</b>



**ksv advisory inc.**  
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Toronto, Ontario, M5H 1J9  
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ksvadvisory.com

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**INVOICE**

The Urbancorp Group  
Suite 2A - 120 Lynn Williams Street  
Toronto, ON M6K 3P6

August 8, 2016

Invoice No: 346  
HST #: 818808768 RT0001

**Re: The entities listed on Schedule "A" attached (collectively, the "Companies")**

To professional services rendered from July 16, 2016 to July 31, 2016 by KSV Kofman Inc. in its capacity as Monitor ("Monitor") in the Companies' proceedings under the *Companies' Creditors Arrangement Act* ("CCAA"), including:

**General**

- Corresponding extensively with Alan Saskin, Ted Saskin, Davies Ward Phillips & Vineberg LLP ("Davies"), the Monitor's legal counsel, and Border Ladner Gervais LLP ("BLG"), the Companies' legal counsel, regarding the Companies' CCAA proceedings;
- Attending at the Companies' head office on July 18, 27, 28 and 29, 2016;
- Reviewing the Company's operating expenses;
- Maintaining the Service List as required pursuant to the Commercial List E-Protocol;
- Reviewing the Companies' daily banking activity;
- Reviewing the Companies' disbursements and signing all cheques;
- Corresponding with Guy Gissin, the Israeli Functionary Officer of Urbancorp Inc. pursuant to an order of the District Court in Tel Aviv-Yafo (the "Foreign Representative");
- Reviewing a translation of the Foreign Representative's motion dated July 25, 2016;
- Corresponding with A. Farber and Partners Inc. ("Farber"), financial advisor to the Foreign Representative, including regarding an information request made by Farber on July 20, 2016;
- Dealing with ownership issues related to the geothermal energy assets;
- Reconciling the amounts owed to certain of the Companies in connection with the geothermal assets and corresponding with Berkow Cohen LLP, the Companies' legal counsel, regarding same;

- Corresponding on July 18 and 22, 2016 with Fuller Landau LLP, the proposal trustee of Edge Residential Inc., Edge on Triangle Park Inc. and Bosvest Inc. in respect of the allocation of the Companies' payroll expenses among the Companies;
- Corresponding regularly with Harris Schaeffer LLP ("Harris Schaeffer"), the Companies' real estate lawyers, regarding, *inter alia*, the geothermal assets, home buyer deposits held by Harris Schaeffer in respect of the 840 St. Clair transaction and other matters;
- Corresponding with WSP Inc., an engineering firm, regarding the remediation of soil at the property owned by Urbancorp (Mallow) Inc. ("Mallow"), pursuant to an agreement with the City of Toronto;
- Corresponding with the City of Toronto regarding the Mallow remediation, including attending several calls on July 27 and 28, 2016
- Corresponding with Michael Bros Excavating, the contractor engaged to complete a portion of the Mallow remediation;
- Corresponding with Toronto Hydro regarding the Mallow remediation and dealing with safety issues connected therewith;
- Reviewing quotes submitted by parties to lay sod on the Mallow property in connection with the Mallow remediation;
- Corresponding with Tert & Ross Ltd. regarding weekly inspections of the Companies' properties and to arrange for a fence to be installed at the property owned by Urbancorp (Lawrence) Inc. ("Lawrence");
- Dealing with Aird & Berlis LLP, real estate counsel to the Companies on certain of the properties, in connection with the zoning process for certain of those properties;
- Conducting a review of intercompany transactions between Urbancorp (St. Clair Village) Inc. (St. Clair), Lawrence, Mallow and Urbancorp (Patricia) Inc. (collectively, the "School Board Companies") and other entities in the Urbancorp Group;
- Responding to three letters from homebuyers mailed to Mr. Justice Newbould;
- Reviewing a letter from Goodmans dated July 22, 2016 regarding the assignment of certain receivables by Urbancorp Toronto Management Inc. and Urbancorp Management Inc. to Urbancorp Inc. and Urbancorp Realty Inc.;
- Reviewing and commenting on an amended *Notice to Homebuyers* dated August 2, 2016;
- Speaking with home buyers on certain of the Companies' projects;
- Corresponding with TACT Architecture Inc., an architect retained by the Companies, to discuss its continued supply of services during the CCAA proceedings, including attending calls on July 20 and 21, 2016;
- Attending a meeting on July 26, 2016 with Ted and Alan Saskin to discuss the Urbancorp Downsview development.
- Reviewing and commenting on a letter dated July 28, 2016 prepared by Davies to the Foreign Representative;



- Reviewing a supplementary motion record filed by Dickinson Wright LLP ("DW") on July 29, 2016 in respect of a motion to appoint it as representative counsel to homebuyers and corresponding with Davies and BLG regarding same;

#### Sale Process

- Corresponding regarding the sale process ("Sale Process") with Colliers Macaulay Nicolls Ontario Inc., a subsidiary of Colliers International Inc. ("Colliers"), the realtor engaged to sell the properties owned by the Urbancorp School Board Companies (the "School Board Properties"), the Companies' management, Davies and BLG;
- Reviewing weekly status updates from Colliers regarding the Sale Process;
- Responding to calls from real estate agents, realtors and prospective purchasers in respect of the Sale Process;
- Reviewing and commenting on changes made to confidentiality agreements by interested parties;
- Reviewing and commenting on a form purchase and sale agreement to be posted in the data room for interested parties to use when submitting offers in the Sale Process;
- Reviewing and commenting on a liability waiver to be signed by all interested parties that conduct a property site tour in connection with the Sale Process;
- Corresponding with EXP Inc., an engineering firm engaged by the Companies, to prepare a summary of the environmental status of the School Board Properties;

#### DIP Financing

- Corresponding and speaking with Atrium Mortgage Investment Corporation ("AMIC"), the lender of the debtor-in-possession facility ("DIP Facility");
- Reviewing the property taxes owing on the properties owned by Lawrence and St. Clair, the collateral for the DIP loan, and arranging payment of same;
- Paying the property taxes on July 19, 2016;
- Receiving a certificate from the City of Toronto confirming payment of the property taxes and providing same to AMIC;

#### Downsview DIP

- Corresponding with the Companies and Davies regarding a debtor-in-possession loan from Mattamy (Downsview) Inc., an affiliate of Mattamy Homes ("Mattamy"), to Urbancorp Downsview Park Development Inc. (the "Downsview DIP");
- Reviewing closing documents in respect of the Downsview DIP;
- Closing the Downsview DIP on July 21, 2016;

Urbancorp New Kings Inc. ("New King")

- Corresponding with Alan and Ted Saskin regarding the Kingsclub development, which is 50% owned by New King., a subsidiary of Urbancorp Inc.;
- Corresponding with representatives from First Capital, the Company's joint venture partner in the Kingsclub development, and their counsel, Torys LLP, regarding the status of the development, including attending a call on July 22, 2016;
- Receiving updates on the status of the Kingsclub development;
- Considering valuation issues in respect of the Kingsclub development;

Urbancorp 60 St. Clair Inc.

- Reviewing documents in respect of the Companies' interest in a joint venture with Main & Main located at 840 St. Clair Avenue West ("60 St. Clair");
- Corresponding with Fasken Martineau DuMoulin LLP, counsel to Travellers Canada, the bonding company on 60. St. Clair;
- Corresponding with Torys, counsel to Tarion Warranty Corporation, in respect of 60 St. Clair;
- Corresponding with a prospective purchaser in respect of the Companies' interest in 60 St Clair;
- Reviewing and commenting on a draft agreement of purchase and sale in respect of 60 St. Clair;
- Corresponding and communicating extensively with Davies, Harris Schaeffer and the Companies' management regarding this transaction;
- Dealing with all other matters not otherwise referred to herein;

Total fees and disbursements per attached time summary	\$	73,662.28
HST		<u>9,576.10</u>
Total Due	\$	<u>83,238.38</u>

## Schedule "A"

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.  
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.

KSV Kofman Inc.  
The Urbancorp Group  
Time Summary  
For the period July 16, 2016 to July 31, 2016

<u>Personnel</u>	<u>Role</u>	<u>Rate (\$)</u>	<u>Hours</u>	<u>Amount (\$)</u>
Robert Kofman	Overall file management	695	44.00	30,580.00
Robert Harlang	Review of properties, financial information	600	11.50	6,900.00
Noah Goldstein	All aspects of mandate	450	30.50	13,725.00
Jonathan Joffe	Cash flows, creditor issues	450	38.60	17,370.00
Other staff and administration			15.75	4,762.50
Total Fees			140.35	73,337.50
Total disbursements				324.78
Total			140.35	73,662.28

Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF ROBERT KOFMAN

Sworn before me

this 8<sup>th</sup> day of September, 2016

A handwritten signature in black ink, appearing to read "Rajinder Kashyap", is written over a horizontal line.

Commissioner for taking Affidavits, etc

**Rajinder Kashyap, a Commissioner, etc.,  
Province of Ontario, for KSV Kofman Inc.,  
Trustee in Bankruptcy.  
Expires April 11, 2018.**

Urbancorp Filing Entities Listed on Schedule "A"  
**Schedule of Professionals' Time and Rates re CCAA Proceedings**  
 For the Period from May 18, 2016 to July 31, 2016

Personnel	Title	Duties	Hours	Rate	Amount (\$)
Robert Kofman	Managing Director	Overall responsibility	215.70	695	149,911.50
Robert Harlang	Managing Director	Review of properties, financial information	51.50	600	30,900.00
Noah Goldstein	Sr. Manager	All aspects of mandate	314.75	450	141,637.50
Jonathan Joffe	Manager	Cash flows, creditor issues	245.00	450	110,250.00
Andrew Edwards	Manager	DIP Solicitation Process	14.40	420	6,048.00
Other staff and administrative	Various		52.50	100-420	12,063.75
Total fees					<u>450,810.75</u>
Total hours					893.85
Average hourly rate					\$ 504.35

Schedule "A"

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.  
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 "I"



**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 DEVELOPMENTS INC., URBANCORP (952 QUEEN WEST) INC., KING RESIDENTIAL INC., URBANCORP NEW KINGS INC., URBANCORP 60 ST. CLAIR INC., HIGH RES.INC., BRIDGE ON KING INC. (THE "APPLICANTS") AND THE AFFILIATED ENTITIES LISTED IN SCHEDULE "A" HERETO

**AFFIDAVIT OF  
JAY A. SWARTZ**

(sworn September 7, 2016)

I, Jay A. Swartz, of the City of Toronto, in the Province of Ontario,

**MAKE OATH AND SAY:**

1. I am a partner with Davies Ward Phillips & Vineberg LLP ("**Davies**"), solicitors for KSV Kofman Inc. in its capacity as the court-appointed CCAA monitor (the "**Monitor**") of Urbancorp Toronto Management Inc., Urbancorp (St. Clair Village) Inc., Urbancorp (Patricia) Inc., Urbancorp (Mallow) Inc., Urbancorp (Lawrence) Inc., Urbancorp Downsview Park Developments Inc., Urbancorp (952 Queen West) Inc., King Residential Inc., Urbancorp New Kings Inc., Urbancorp 60 St. Clair Inc., High Res. Inc., Bridge On King Inc. As such, I have knowledge of the matters deposed to herein.


This affidavit is sworn in support of a motion to be made in these proceedings seeking, among other things, approval of the fees and disbursements of Davies for the period from May 1, 2016 to July 31, 2016 (the "**Period**"). There may be additional time for this Period which has been accrued but not yet billed.

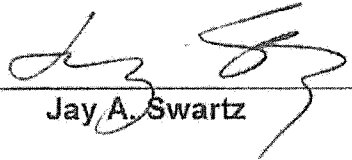
2. During the Period, Davies has provided services and incurred disbursements in the amounts of \$257,818.00 and \$5,316.30, respectively (each excluding harmonized sales tax ("**HST**")).

3. A billing summary of all invoices rendered by Davies during the Period is attached hereto as Exhibit "A". A summary of the hourly rates of each person who rendered services, the total time expended by such person and the aggregate blended rate of all professionals at Davies who rendered services on this matter is attached hereto as Exhibit "B". Copies of the actual invoices are attached hereto as Exhibit "C". The invoices disclose in detail: (i) the names of each person who rendered services on this matter during the Period; (ii) the dates on which the services were rendered; (iii) the time expended each day; and (iv) the total charges for each of the categories of services rendered during the Period.

4. I have reviewed the Davies invoices and believe that the time expended and the legal fees charged are reasonable in light of the services performed and the prevailing market rates for legal services of this nature in downtown Toronto.

SWORN BEFORE ME at the City of Toronto, in the Province of Ontario on September 7, 2016.

  
\_\_\_\_\_  
Commissioner for taking affidavits  
Natalie Renner

  
\_\_\_\_\_  
Jay A. Swartz

This is Exhibit "A"  
referred to in the Affidavit of  
Jay A. Swartz sworn before me  
this 7<sup>th</sup> day of September, 2016


  
\_\_\_\_\_  
Commissioner for Taking Affidavits  
Natalie Renner

EXHIBIT A

BILLING SUMMARY

<b>Invoice Date</b>	<b>Invoice Period</b>	<b>Fees</b>	<b>Disbursements</b>	<b>HST</b>	<b>Total</b>
June 8, 2016	May 18, 2016 – May 31, 2016	\$65,808.50	\$1,224.40	\$8,714.28	\$75,747.18
July 8, 2016	June 1, 2016 – June 30, 2016	\$135,136.50	\$1,558.59	\$17,747.35	\$154,442.44
August 17, 2016	July 1, 2016 to July 31, 2016	\$56,873.00	\$2,533.31	\$7,713.10	\$67,119.41
<b>TOTALS</b>		<b>\$257,818.00</b>	<b>\$5,316.30</b>	<b>\$34,174.73</b>	<b>\$297,309.03</b>

This is Exhibit "B"  
referred to in the Affidavit of  
Jay A. Swartz sworn before me  
this 7<sup>th</sup> day of September, 2016



---

Commissioner for Taking Affidavits


Natalie Renner

**EXHIBIT B**

**SUMMARY OF BILLING RATES AND HOURS EXPENDED**

<b>Individual</b>	<b>Rate (\$/hr)</b>	<b>Total Hours</b>	<b>Year of Call</b>
Donald C. Stanbury	\$795.00	0.20	Ontario, 1971
Jay A. Swartz	\$995.00	76.90	Ontario, 1975
Robin B. Schwill	\$935.00	147.90	Ontario, 1996
David Reiner	\$690.00	33.60	Ontario, 2008
Dina Milivojevic	\$505.00	26.30	Ontario, 2013
Samantha Henein	\$410.00	7.90	Ontario, 2015
Ruth Oseida	\$340.00	3.60	N/A (law clerk)
Cathy Lo Presti	\$340.00	1.90	N/A (law clerk)
Diane Pegoraro	\$285.00	2.50	N/A (student)
Samara Zaifman	\$285.00	2.00	N/A (student)
Blended Hourly Rate: \$851		Total Hours: 302.80	

This is Exhibit "C"  
referred to in the Affidavit of  
Jay A. Swartz sworn before me  
this 7<sup>th</sup> day of September, 2016

  
\_\_\_\_\_  
Commissioner for Taking Affidavits  
Natalie Renner





155 Wellington Street West  
Toronto ON M5V 3J7  
dwpv.com

August 17, 2016

Bill No. 567879

File No. 256201

KSV Kofman Inc.  
150 King Street West  
Suite 2308  
Toronto, ON M5H 1J9

ATTENTION: Robert Kofman

**URBANCORP**

Period: July 1, 2016 to July 31, 2016

FOR PROFESSIONAL SERVICES rendered during the above-noted period in connection with the above-noted matter as set out in the attached account summary.

OUR FEE	\$ 56,873.00
DISBURSEMENTS (TAXABLE)	2,458.59
DISBURSEMENTS (NON-TAXABLE)	74.72
SUBTOTAL	<u>59,406.31</u>
HST @ 13%	<u>7,713.10</u>
TOTAL	<u><u>\$ 67,119.41</u></u>

GST/HST No. R118882927

PER 

This replacement account also serves as a credit note in respect of our Bill No. 567120 previously issued to you on August 5, 2016, so that the total charges of \$137,620.12 in such previous bill, including HST of \$15,823.81, are hereby reversed.

DAVIES WARD PHILLIPS & VINEBERG LLP

In accordance with Section 33 of the *Solicitors Act* (Ontario), interest will be charged at the rate of 1.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.

Any disbursements incurred on your behalf and not charged to your account on the date of this statement will be billed later.

Payment can be wired as follows:

Canadian Dollars				US Dollars Pay by SWIFT MT 103			
BENEFICIARY BANK Canadian Imperial Bank of Commerce (CIBC) CIBC Main Branch, Commerce Court, Toronto, Ontario M5L 1G9				REMIT TO AGENT BANK - INTERMEDIARY BANK Wells Fargo Bank, N.A., 375 Park Avenue, New York, NY 4080			
BANK # 010	TRANSIT # 00002	ACCOUNT # 29-09219	CIBC SWIFT CODE CIBCCATT	BIC/SWIFT PNBPUS3N NYC	ABA/ROUTING # 026 005 092	CHIPS 0509	CIBC's CHIPS UID 015035
BANK ACCOUNT NAME Davies Ward Phillips & Vineberg LLP Canadian General Account				BENEFICIARY BANK Canadian Imperial Bank of Commerce (CIBC) CIBC Main Branch, Commerce Court, Toronto, Ontario M5L 1G9			
BANK # 010	TRANSIT # 00002	ACCOUNT # 02-10714	CIBC SWIFT CODE CIBCCATT	BANK ACCOUNT NAME Davies Ward Phillips & Vineberg LLP US General Account			
As wire fees may be charged by the source bank, it may be advisable to instruct your bank to debit your account for these additional charges.							

Please include file number as reference on transfer documents.

If you require further information, please contact David Neal, Collections Supervisor at 416.367.6950 or by e-mail at [DNeal@dwpv.com](mailto:DNeal@dwpv.com).

Please see important terms of client service, including file retention and disposal policy, on our website, <http://www.dwpv.com/ServiceTerms>.

**URBANCORP**

**TIME DETAIL**

<b>Date</b>	<b>Timekeeper</b>	<b>Description</b>	<b>Hours</b>
01/Jul/16	Samantha Henein	Researched law on guarantees for David Reiner.	2.30
04/Jul/16	Robin B Schwill	Reviewing confidentiality agreement for sales process; related e-mail exchanges regarding same; discussion with David Reiner regarding template purchase and sale agreement; Telephone call with Noah Goldstein regarding municipal requirements for fencing properties and related occupier liability issues; discussions with David Reiner regarding same.	3.50
04/Jul/16	David Reiner	Meeting with R. Schwill to discuss template purchase agreement for school properties; revising draft template and circulating to KSV.	1.50
05/Jul/16	Robin B Schwill	Reviewing Downsview Homes Inc. documents for bcIMC funding; e-mail exchanges regarding same; Telephone call with Noah Goldstein regarding same; Telephone call with counsel to Mattamy regarding same; e-mail exchanges regarding funding of Israeli Functionary's costs in Part IV proceedings.	2.90
06/Jul/16	Robin B Schwill	Telephone call with Noah Goldstein regarding Downsview DIP matters; e-mail exchanges regarding same; reviewing Downsview DIP Term Sheet; conference call with counsel to Mattamy regarding same; drafting Drawdown Request and related Receipts.	3.00
07/Jul/16	Jay A Swartz	Review correspondence; discuss Downsview DIP with R. Schwill; review emails; discussion with R. Schwill; review letter from house buyer forwarded by Justice Newbould.	0.90
07/Jul/16	Robin B Schwill	Drafting Receipts regarding Downsview DIP; Telephone call with counsel to Mattamy regarding same; e-mail exchanges regarding same; discussions with Jay Swartz regarding same.	0.40
07/Jul/16	David Reiner	Corresponding with N. Goldberg re: safety issues and municipal requirements; discussions with R. Schwill re: registration of DIP financing mortgage; reviewing and providing comments on Acknowledgement and Direction for registration of mortgage.	2.00
08/Jul/16	Jay A Swartz	Review and prepare response to home owner; email Justice Newbould.	0.40
08/Jul/16	Robin B Schwill	Reviewing New Kings construction loan advance documents.	0.20
11/Jul/16	Jay A Swartz	Review emails with proposed notice to homeowners; discussion R. Schwill.	0.40
11/Jul/16	Robin B Schwill	Drafting revisions to Fire Services Department regarding hearing on information pertaining to fire code violations of Urbancorp (Mallow) Inc.; e-mail exchanges regarding same; e-mail exchanges regarding Downsview DIP; e-mail exchanges regarding CCAA DIP.	2.20
12/Jul/16	Jay A Swartz	Review various emails re outstanding issues; meeting with Israeli Court Office and advisors; review email re 60 St. Clair; telephone conversation B. Kofinan.	3.10
12/Jul/16	Robin B Schwill	Preparing for and attending meeting with Israeli Functionary and its counsel; Telephone call with Fire Services Department regarding Urbancorp (Mallow) Inc. fire code violations; e-mail exchanges regarding same; e-mail exchanges regarding Downsview DIP and CCAA DIP; e-mail exchanges regarding Downsview Homes Inc. shareholder resolution.	3.10

**TIME DETAIL**

Date	Timekeeper	Description	Hours
13/Jul/16	Robin B Schwill	Drafting undertaking regarding payment of realty taxes; reviewing CCAA DIP closing documents; e-mail exchanges regarding same; e-mail exchanges regarding rep counsel motion and DIP lender issues regarding same; discussion with Jay Swartz regarding same; Telephone call with Bobby Kofman regarding same; e-mail exchanges regarding home buyer purchase agreements.	2.50
13/Jul/16	Jay A Swartz	Review standard house agreement; telephone conversation B. Kofman numerous emails re purchase agreements and re rep counsel.	1.00
14/Jul/16	Robin B Schwill	Discussion with David Reiner regarding CCAA DIP closing and 60 St. Clair purchase agreement comments; reviewing related purchase agreement; Telephone call with Bobby Kofman regarding Terra Firma and Urbancorp Inc. intercompany loans; discussion with Jay Swartz regarding Urbancorp Inc. intercompany loans; e-mail exchanges regarding rep counsel motion.	1.90
14/Jul/16	Jay A Swartz	Telephone conversation R. Harlang re subordination of intercompany debt; review indenture and loan agreement; discussion with R. Schwill.	1.50
14/Jul/16	David Reiner	Reviewing draft agreement of purchase and sale re: 840 St. Clair from Worsley and providing comments re: same; corresponding with R. Harlang; circulating comments to KSV.	1.10
15/Jul/16	Robin B Schwill	Drafting liability waiver for site visits; reviewing marketing reports and related e-mail exchanges; e-mail exchanges regarding Downsview DIP and reviewing related documents; e-mail exchanges regarding CCAA DIP closing.	3.00
15/Jul/16	Jay A Swartz	Telephone conversation B. Kofman re priority of intercompany claims; email G. Azor; discussions re 840 St. Clair with B. Kofman and D. Reiner; review Mattamy direction; review reports re sale process.	2.00
15/Jul/16	Cathy Lo Presti	Re: 1780 Lawrence/177 Caledonia Discussions with Jason Stapley; review materials circulated; assist with respect to the signing of the charge; arrange to deposit registration fees into the Teraview account.	1.90
15/Jul/16	David Reiner	Phone calls with J. Swartz re: termination of existing purchase agreements; drafting template agreement of purchase and sale for school sites; corresponding with J. Swartz re: same; corresponding with KSV; circulating draft to B. Kofman; reviewing draft purchase agreements with individual residential unit purchasers to identify termination entitlements and limitations on liability.	2.00
18/Jul/16	Jay A Swartz	Various emails.	0.20
18/Jul/16	David Reiner	Researching termination rights under condominium legislation and legislation in respect of new builds; reviewing residential unit purchase agreements and statutory termination rights; discussing termination rights with A. Alexander; brief discussion with D. Stanbury; corresponding with B. Kofman re: 840 St. Clair; corresponding with J. Swartz and B. Kofman; phone call with B. Kofman; revising drafts of template purchase agreements; phone calls and emails with M. Meredith of Main and Main; emailing J. Swartz and R. Schwill update on status of 840 St. Clair transaction;	3.80
19/Jul/16	Jay A Swartz	Review email from G. Azor; telephone conversation B. Kofman.	0.20

**TIME DETAIL**

Date	Timekeeper	Description	Hours
19/Jul/16	David Reiner	Corresponding with B. Kofman; emailing KSV re: template purchase agreements; corresponding with M. Meredith of Main and Main.	0.50
20/Jul/16	Robin B Schwill	E-mail exchanges regarding Downsview DIP.	0.30
20/Jul/16	Jay A Swartz	Review correspondence from Justice Newbould re home owners claims and related correspondence.	0.70
20/Jul/16	David Reiner	Phone call with M. Meredith of Main and Main; corresponding with B. Kofman and M. Meredith; conference call with Harris Sheaffer, Main and Main and B. Kofman re: termination of purchase agreements and discharge of Travelers charge; drafting conditions re: discharge of Travelers charge; emailing summary of timing under St. Clair purchase agreement to B. Kofman.	2.00
21/Jul/16	Robin B Schwill	Engaged in multiple e-mails and telephone calls regarding closing of Downsview DIP; drafting revisions to closing documents regarding same; reviewing opinion provided on transfers of interests to Cumberland 1 LP; e-mail exchanges regarding same.	2.20
21/Jul/16	Jay A Swartz	Review Harris Sheaffer opinion re bond deal; review correspondence.	0.50
21/Jul/16	David Reiner	Corresponding with B. Kofman re: 840 St. Clair purchase agreement; revising comments on draft purchase agreement to reflect discussions with B. Kofman; circulating revised comments to Main and Main and KSV.	1.00
22/Jul/16	Jay A Swartz	Review correspondence; telephone conversation B. Kofman; conference call re King West; review draft waiver re New King.	0.80
25/Jul/16	Robin B Schwill	Discussion with Jay Swartz regarding New King; e-mail exchanges regarding Israeli Functionary examination of chairman of First Capital and related correspondence; reviewing New King documents.	1.70
25/Jul/16	Jay A Swartz	Review correspondence re FCR and discuss with R. Schwill; review material from Israeli financing; review correspondence re Israeli examination of Dori Segal; discuss opinion with R. Schwill.	1.20
26/Jul/16	Jay A Swartz	Review emails and voicemail messages re motion re First Capital.	0.30
27/Jul/16	Robin B Schwill	E-mail exchanges regarding property sales status.	0.30
27/Jul/16	Jay A Swartz	Review King West waiver from BNS and emails re same; discuss strategy and opinion issues with B. Kofman; telephone conversation B. Kofman; telephone conversation B. Kofman re reps counsel.	2.00
27/Jul/16	David Reiner	Reviewing revised draft opinion; corresponding with J. Swartz.	0.40
28/Jul/16	Jay A Swartz	Review correspondence re 840 St. Clair; review correspondence re geothermal payments; correspondence re homebuyers with Justice Newbould and B. Kofman; revise letter to G. Gissin; revise notice to homebuyers.	4.00
28/Jul/16	David Reiner	Phone call with R. Harlang re: draft purchase agreement for St. Clair; corresponding with B. Kofman; giving instructions to R. Oseida re: preparation of lists of encumbrances to be discharged.	0.70
29/Jul/16	Jay A Swartz	Review correspondence from Colliers; review various emails.	0.40
<b>TOTAL HOURS</b>			<b>66.00</b>
<b>FEES:</b>			<b>\$56,873.00</b>

**TIMEKEEPER SUMMARY**

Timekeeper	Rate	Hours	Amount
JAY A. SWARTZ	995.00	19.60	19,502.00
CATHY LO PRESTI	340.00	1.90	646.00
ROBIN B. SCHWILL	935.00	27.20	25,432.00
DAVID REINER	690.00	15.00	10,350.00
SAMANTHA HENEIN	410.00	2.30	943.00
<b>TOTAL</b>		<b>66.00</b>	<b>56,873.00</b>

**DISBURSEMENT SUMMARY**

	Amount
<b>Non-Taxable</b>	
Teraview EFT Registration Fees	74.72
<b>Taxable</b>	
Photocopy - Internal	58.05
Lasercopy	441.60
Courier & Taxi	28.00
Scancopy	65.85
Teraview Searches	700.80
Searches - Library	1,119.29
Process Servers	45.00
<b>TOTAL</b>	<b>2,533.31</b>



155 Wellington Street West  
Toronto ON M5V 3J7  
dwpv.com

June 8, 2016

Bill No. 563421

File No. 256201

KSV Kofman Inc.  
150 King Street West  
Suite 2308  
Toronto, ON M5H 1J9

Attention: Robert Kofman

**URBANCORP**

Period: May 18, 2016 to May 31, 2016

FOR PROFESSIONAL SERVICES rendered during the above-noted period in connection with the above-noted matter as set out in the attached account summary.

OUR FEE	\$ 65,808.50
DISBURSEMENTS (TAXABLE)	1,224.40
SUBTOTAL	<u>67,032.90</u>
HST @ 13%	8,714.28
TOTAL	<u><u>\$ 75,747.18</u></u>

GST/HST No. R118882927

PLEASE REMIT WITH PAYMENT

PER 

DAVIES WARD PHILLIPS & VINEBERG LLP



155 Wellington Street West  
Toronto ON M5V 3J7  
dwpv.com

June 8, 2016

Bill No. 563421

File No. 256201

KSV Kofman Inc.  
150 King Street West  
Suite 2308  
Toronto, ON M5H 1J9

Attention: Robert Kofman

**URBANCORP**

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TOTAL	<u><u>\$ 75,747.18</u></u>

GST/HST No. R118882927

PER   
DAVIES WARD PHILLIPS & VINEBERG LLP



In accordance with Section 33 of the *Solicitors Act* (Ontario), interest will be charged at the rate of 1.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.

Any disbursements incurred on your behalf and not charged to your account on the date of this statement will be billed later.

Payment can be wired as follows:

Canadian Dollars				US Dollars			
				Pay by SWIFT MT 103			
<b>BENEFICIARY BANK</b> Canadian Imperial Bank of Commerce (CIBC) CIBC Main Branch, Commerce Court, Toronto, Ontario M5L 1G9				<b>REMIT TO AGENT BANK - INTERMEDIARY BANK</b> Wells Fargo Bank, N.A., 375 Park Avenue, New York, NY 4080			
<b>BANK #</b>	<b>TRANSIT #</b>	<b>ACCOUNT #</b>	<b>CIBC SWIFT CODE</b>	<b>BIC/SWIFT</b>	<b>ABA/ROUTING #</b>	<b>CHIPS</b>	<b>CIBC's CHIPS UID</b>
010	00002	29-09219	CIBCCATT	PNBPUS3N NYC	026 005 092	0509	015035
<b>BANK ACCOUNT NAME</b> Davies Ward Phillips & Vineberg LLP Canadian General Account				<b>BENEFICIARY BANK</b> Canadian Imperial Bank of Commerce (CIBC) CIBC Main Branch, Commerce Court, Toronto, Ontario M5L 1G9			
<b>BANK #</b>	<b>TRANSIT #</b>	<b>ACCOUNT #</b>	<b>CIBC SWIFT CODE</b>	<b>BANK #</b>	<b>TRANSIT #</b>	<b>ACCOUNT #</b>	<b>CIBC SWIFT CODE</b>
010	00002	02-10714	CIBCCATT	010	00002	02-10714	CIBCCATT
<b>BANK ACCOUNT NAME</b> Davies Ward Phillips & Vineberg LLP US General Account				<b>BANK ACCOUNT NAME</b> Davies Ward Phillips & Vineberg LLP US General Account			
<i>As wire fees may be charged by the source bank, it may be advisable to instruct your bank to debit your account for these additional charges.</i>							

Please include file number as reference on transfer documents.

If you require further information, please contact David Neal, Collections Supervisor at 416.367.6950 or by e-mail at [DNeal@dwpv.com](mailto:DNeal@dwpv.com).

Please see important terms of client service, including file retention and disposal policy, on our website, <http://www.dwpv.com/ServiceTerms>.

## URBANCORP

### TIME DETAIL

Date	Timekeeper	Description	Hours
18/May/16	Robin B Schwill	Preparing for and attending Part IV and CCAA Application hearings; drafting Account Management Agreement; multiple e-mails regarding estate administration matters; reviewing and commenting on draft report for Woodbine and Bridlepath proposal proceedings; reviewing notice of motion and draft order regarding same.	9.40
18/May/16	Jay A Swartz	Review various emails re changes to CCAA order; attend at Court.	1.80
19/May/16	Robin B Schwill	Multiple e-mails and telephone calls regarding Mattamy transaction.	0.50
19/May/16	Jay A Swartz	Review emails re proposed press release; emails to Israeli counsel; review Mattamy documents.	1.30
20/May/16	Robin B Schwill	Telephone calls and e-mail exchanges regarding Edge Entity issues; attending Mattamy meeting.	2.50
20/May/16	Jay A Swartz	Review correspondence re Mattamy; telephone conversation with Gad Azor and Meir Elbaum; review documents and Report on NOI; attend meeting with Mattamy and Cassels Brock.	3.50
21/May/16	Robin B Schwill	Review court materials filed by Edge Entities; reviewing related e-mails and financial information.	1.20
22/May/16	Jay A Swartz	Review numerous emails.	0.30
23/May/16	Jay A Swartz	Review emails re Israeli proceedings.	0.20
24/May/16	Robin B Schwill	Reviewing geothermal agreements and drafting e-mail regarding same; multiple telephone calls and e-mails regarding same; reviewing Edge Companies motion materials and related Proposal Trustee reports; multiple e-mails regarding same; reviewing Urbancorp New Kings Inc. co-ownership agreement regarding buyout options; multiple e-mail exchanges regarding same.	6.00
24/May/16	Jay A Swartz	Review motion record re Edge, Bovest and Triangle; review correspondence between B. Kofman and G. Gissin; conference call Guy Gissin, Yael Hershkovitz, Hylton Levy, Joe Latham and B. Kofman; discussion with R. Schwill; review Israeli transcript and provide comments; review memo re Geothermal assets and emails re same.	3.60
24/May/16	David Reiner	Corresponding with J. Swartz re: documentation; corresponding with S. Hencin.	0.10
25/May/16	Robin B Schwill	Engaged in Edge Companies motion issues; e-mail exchanges regarding same and as to security for UTMI ongoing services; Telephone call with counsel to Proposal Trustee for Edge Companies regarding same; multiple e-mail exchanges regarding same; drafting order provision regarding same; attending on conference call with Mattamy's counsel regarding stalking horse transaction outline terms; reviewing same; e-mail exchanges regarding same; multiple e-mails regarding geothermal assets and related issues; drafting issues memo regarding same.	7.60

**TIME DETAIL**

<b>Date</b>	<b>Timekeeper</b>	<b>Description</b>	<b>Hours</b>
25/May/16	Ruth Oseida	request for PIN for 38 Joe Shuster Way Toronto; conduct subsearch in Teraview and note there are 647 PINS; pull one sample PIN for Unit 1, Level 1; pull two INACTIVE underlying PINS and reference plan; prepare response to S. Henein; request for municipal addresses for Lot 1 and Block 30 on 66M2520; review of 66M2520 and conduct google access search; pull Deeds and review for addresses; prepare email to S. Henein to advise new plan of subdivision most likely not re-assessed by MPAC yet as was just registered in 2015 and query if any buildings have yet been built.	0.90
25/May/16	Jay A Swartz	Review Fuller Landau report; correspondence from K. Sherkin; correspondence re Geothermal assets; review correspondence from J. Latham to R. Sahni re Edge; telephone conversation B. Kofman, J. Dietrich with R. Schwill re stalking horse bid.	0.70
25/May/16	Samantha Henein	reviewed documents for municipal addresses of properties associated with filing entities; discussion with David Reiner and emailed Robin re same; reviewed registered ownership of 38 Joe Shuester and emailed Robin re same.	1.90
25/May/16	David Reiner	Discussions with S. Henein re: ownership questions from R. Schwill.	0.30
26/May/16	Robin B Schwill	Preparing for and attending motion on Edge Companies proposal stay extension; discussions with Bobby Kofman regarding same; preparing for call regarding geothermal assets; multiple discussions and e-mails regarding same; reviewing CIBC Application Record on Leslieville; e-mail exchanges regarding same; discussions with Sam Henein regarding real property searches regarding geothermal assets; reviewing documents from Barry Rotenberg regarding same; discussions and e-mails regarding collection of amounts owing to URPI.	4.50
26/May/16	Ruth Oseida	request for information on further condominiums and addresses; review of same; prepare email to S. Henein and provide abstract of condominium act on how a condominium corporation is created by statute and the manner in which condo units are sold off.	0.30
26/May/16	Jay A Swartz	Review memo re geothermal ownership; discuss court attendance; conference call re geothermal assets.	1.40
26/May/16	Samantha Henein	Discussion with Don Stanbury and David Reiner re condominium creation; emailed Robin summarizing same.	1.30
26/May/16	David Reiner	Discussions with D. Stanbury and S. Henein re: condominium corporations and process and ownership.	0.40
27/May/16	Jay A Swartz	Review emails; review term sheet for Downsview DIP and email issues list re same; discussion with R. Schwill; review DIP term sheet and discuss with R. Schwill; review correspondence re financial advisor to G. Gissin.	2.90
27/May/16	Robin B Schwill	Engaged on conference calls, e-mails and discussions regarding Mattamy stalking horse and DIP term sheet; reviewing and commenting on same; Telephone call with counsel to CIBC regarding Leslieville and UTMI fees; e-mail exchanges regarding same; reviewing and commenting on draft DIP Term Sheet template; discussions with Jay Swartz regarding same; reviewing CIBC Application Record and related court materials.	6.10
29/May/16	Robin B Schwill	Reviewing Mattamy Co-Ownership Agreement.	1.50

**TIME DETAIL**

Date	Timekeeper	Description	Hours
30/May/16	Ruth Oseida	further address search in Teraview for 38 Joe Shuster Way, 170 Sudbury Street, 36 Lisgar Street and 20 Joe Shuster Way and prepare email to S. Henein to correspond to the different TCP Nos.	0.80
30/May/16	Robin B Schwill	Reviewing and commenting on Mattamy DIP Term Sheet and stalking horse terms outline; attending on conference call with Israeli Functionary regarding general status update; numerous e-mails regarding Woodbine, Leslieville and Downsview matters; reviewing condominium corporation declaration regarding ownership of geothermal assets; reviewing related geothermal documentation and e-mails; reviewing and commenting on template DIP Term Sheet and corresponding cover letter.	6.30
30/May/16	Samantha Henein	discussion with David Reiner re ownership and transfer information of certain condominiums; emailed Robin with summary of Declarant and unit ownership of same.	1.80
30/May/16	Jay A Swartz	Review revised DIP term sheet and emails; conference call with B. Kofinan, N. Goldstein and R. Schwill.	1.00
30/May/16	David Reiner	Discussing municipal addresses with S. Henein.	0.40
31/May/16	Robin B Schwill	Telephone call with counsel to Mattamy regarding Downsview DIP Term Sheet and stalking horse bid outline; numerous e-mail exchanges regarding Woodbine issues and questions from Israeli Functionary; e-mail exchanges regarding CIBC cash management issues and Urbancorp New Kings Inc. loan documentation.	3.10
31/May/16	Jay A Swartz	Numerous emails.	0.10
<b>TOTAL HOURS</b>			<b>73.7</b>
<b>FEES:</b>			<b>\$65,808.50</b>

**TIMEKEEPER SUMMARY**

Timekeeper	Rate	Hours	Amount
JAY A. SWARTZ	995.00	16.80	16,716.00
ROBIN B. SCITWILL	935.00	48.70	45,534.50
DAVID REINER	690.00	1.20	828.00
SAMANTHA HENEIN	410.00	5.00	2,050.00
RUTH OSEIDA	340.00	2.00	680.00
<b>TOTAL</b>		<b>73.7</b>	<b>65,808.50</b>

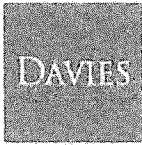
**DISBURSEMENT SUMMARY**

	Amount
<b>Taxable</b>	
Photocopy - Internal	0.25
Lasercopy	463.20
Scancopy	22.50
Binding & Stationery - In House	19.40

**DISBURSEMENT SUMMARY**

Teraview Searches	719.05
<b>TOTAL</b>	<b>1,224.40</b>

3399739



155 Wellington Street West  
Toronto ON M5V 3J7  
dwpv.com

July 8, 2016

Bill No. 565207

File No. 256201

KSV Kofman Inc.  
150 King Street West  
Suite 2308  
Toronto, ON M5H 1J9

Attention: Robert Kofman

**URBANCORP**

Period: June 1, 2016 to June 30, 2016

FOR PROFESSIONAL SERVICES rendered during the above-noted period in connection with the above-noted matter as set out in the attached account summary.

OUR FEE	\$ 135,136.50
DISBURSEMENTS (TAXABLE)	1,381.59
DISBURSEMENTS (NON-TAXABLE)	177.00
SUBTOTAL	<u>136,695.09</u>
HST @ 13%	17,747.35
TOTAL	<u><u>\$ 154,442.44</u></u>

GST/HST No. R118882927

PLEASE REMIT WITH PAYMENT

PER

  
\_\_\_\_\_  
DAVIES WARD PHILLIPS & VINEBERG LLP



155 Wellington Street West  
Toronto ON M5V 3J7  
dwpv.com

July 8, 2016

Bill No. 565207

File No. 256201

KSV Kofman Inc.  
150 King Street West  
Suite 2308  
Toronto, ON M5H 1J9

Attention: Robert Kofman

**URBANCORP**

Period: June 1, 2016 to June 30, 2016

FOR PROFESSIONAL SERVICES rendered during the above-noted period in connection with the above-noted matter as set out in the attached account summary.

OUR FEE	\$ 135,136.50
DISBURSEMENTS (TAXABLE)	1,381.59
DISBURSEMENTS (NON-TAXABLE)	177.00
SUBTOTAL	<u>136,695.09</u>
HST @ 13%	<u>17,747.35</u>
TOTAL	<u><u>\$ 154,442.44</u></u>

In accordance with Section 33 of the *Solicitors Act* (Ontario), interest will be charged at the rate of 1.3% per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.

Any disbursements incurred on your behalf and not charged to your account on the date of this statement will be billed later.

Payment can be wired as follows:

Canadian Dollars				US Dollars Pay by SWIFT MT 103			
BENEFICIARY BANK Canadian Imperial Bank of Commerce (CIBC) CIBC Main Branch, Commerce Court, Toronto, Ontario M5L 1G9				REMIT TO AGENT BANK - INTERMEDIARY BANK Wells Fargo Bank, N.A., 375 Park Avenue, New York, NY 4080			
BANK #	TRANSIT #	ACCOUNT #	CIBC SWIFT CODE	BIC/SWIFT	ABA/ROUTING #	CHIPS	CIBC's CHIPS UID
010	00002	29-09219	CIBCCATT	PNBPUS3N NYC	026 005 092	0509	015035
BANK ACCOUNT NAME Davies Ward Phillips & Vineberg LLP Canadian General Account				BENEFICIARY BANK Canadian Imperial Bank of Commerce (CIBC) CIBC Main Branch, Commerce Court, Toronto, Ontario M5L 1G9			
BANK #	TRANSIT #	ACCOUNT #	CIBC SWIFT CODE	BANK #	TRANSIT #	ACCOUNT #	CIBC SWIFT CODE
010	00002	02-10714	CIBCCATT	010	00002	02-10714	CIBCCATT
BANK ACCOUNT NAME Davies Ward Phillips & Vineberg LLP US General Account				BANK ACCOUNT NAME Davies Ward Phillips & Vineberg LLP US General Account			
<i>As wire fees may be charged by the source bank, it may be advisable to instruct your bank to debit your account for these additional charges.</i>							

Please include file number as reference on transfer documents.

If you require further information, please contact David Neal, Collections Supervisor at 416.367.6950 or by e-mail at [DNeal@dwpv.com](mailto:DNeal@dwpv.com).

Please see important terms of client service, including file retention and disposal policy, on our website, <http://www.dwpv.com/ServiceTerms>.



**URBANCORP**

**TIME DETAIL**

<b>Date</b>	<b>Timekeeper</b>	<b>Description</b>	<b>Hours</b>
01/Jun/16	Robin B Schwill	Reviewing and commenting on draft Second Report and Confidential Appendices; serving same; drafting Sealing Order; reviewing and revising DIP Template document; Telephone call with Noah Goldstein regarding same; e-mail exchanges regarding same; multiple e-mails regarding Mattamy and UTMI issues; reviewing LOI for Woodbine.	5.20
01/Jun/16	Dina Milivojevic	Attendance at court to file report and confidential appendices.	0.80
02/Jun/16	Robin B Schwill	meeting with Bobby Kofman regarding DIP Template, UTMI/UMI and geothermal asset issues; reviewing and revising DIP Template; reviewing expressions of interest on 60 St. Clair; e-mail exchanges regarding same; discussions with Jay Swartz as to various issues outstanding.	4.30
02/Jun/16	Jay A Swartz	Review correspondence; discussion with R. Schwill re various issues; conference call.	1.90
02/Jun/16	Dina Milivojevic	Attendance at court to have sealing order issued and entered.	1.00
03/Jun/16	Robin B Schwill	Conference call with Mattamy's counsel regarding Downsview DIP and LOI for school properties; reviewing and commenting on draft Downsview DIP term sheet; e-mail exchanges regarding same; telephone calls with Bobby Kofman and Edmond Lamek regarding same; discussions with Jay Swartz regarding 60 St. Clair sale prospects; Telephone call with Noah Goldstein regarding geothermal assets.	2.90
03/Jun/16	Jay A Swartz	Review emails re Mattamy proposals; review Rockport deal agreement with Urbancorp 60 St. Clair and meeting with R. Harlang and D. Reiner re same.	1.80
03/Jun/16	David Reiner	Phone call with J. Swartz; corresponding with J. Swartz re: 60 St Clair; reviewing Rockport purchase agreement; reviewing precedent insolvency asset purchase agreement for approach to vesting order; discussions with J. Swartz.	0.60
06/Jun/16	Robin B Schwill	Reviewing and commenting on draft First Report of the Monitor; Telephone call with Bobby Kofman regarding UNKI and related issues; Telephone call with counsel to Mattamy regarding Downsview DIP and related issues; discussions with Jay Swartz regarding same; Telephone call with Noah Goldstein regarding DIP Template questions; reviewing UNKI management committee and related agreements and e-mail exchanges regarding same; reviewing currently Israeli claims procedure materials and related e-mail exchanges.	4.90
06/Jun/16	Ruth Oseida	request for further PIN; subsearch to pull PIN and prepare email to D. Reiner to provide same.	0.30
06/Jun/16	Jay A Swartz	Review agreement regarding 860 St. Clair; review Israeli claims motion; discuss APA for St. Clair with D. Reiner; review correspondence re Kings Club Management fees; discussion with R. Schwill; review draft Monitor's Report; review revisions to DIP term sheet.	3.50

## TIME DETAIL

Date	Timekeeper	Description	Hours
06/Jun/16	David Reiner	Reviewing documentation re: sale of residential units for St. Clair; corresponding with R. Harlang; corresponding with J. Swartz; corresponding with S. Henein; drafting agreement of purchase and sale for Rockport transaction (St. Clair); reviewing Court Order; corresponding with R. Oseida re: title to St. Clair property; reviewing property ownership summary charts; corresponding with R. Harlang.	4.30
06/Jun/16	Donald C Stanbury	Discussions with David Reiner concerning Vesting Order where title is co-owned and held by nominee.	0.20
07/Jun/16	Robin B Schwill	Discussions, telephone calls and e-mails regarding Downsview DIP; e-mail exchanges regarding statutory deadline for payment of wages upon termination of employment.	0.90
07/Jun/16	Diane Pegoraro	Read through purchase and sale agreements to look for relevant escape clauses. Conferenced with Samantha Henein and David Reiner regarding my findings.	2.50
07/Jun/16	Jay A Swartz	Review revisions to Monitor's Report; meeting re Bayview; discussions with D. Reiner; telephone conversation B. Kofman; voicemail J. Dietrich.	2.50
07/Jun/16	David Reiner	Revising draft purchase and sale agreement to Rockport; reviewing additional disclosure documentation re: St. Clair; drafting template purchase agreement for sale of four school properties.	2.20
08/Jun/16	Jay A Swartz	Emails and voicemail re Israeli claims process; emails re Mattamy DIP; prepare suggested wording for report; review Israeli application re claims; review draft agreement for sale of 860 St. Clair Project; review draft Monitor's Report; review various emails.	3.60
08/Jun/16	Robin B Schwill	Reviewing and commenting on draft First Report and Downsview DIP Term Sheet; multiple e-mail exchanges regarding same.	2.00
08/Jun/16	David Reiner	Phone call with R. Harlang to discuss draft purchase agreement for sale of St. Clair property to Rockport; corresponding with R. Schwill, J. Swartz and R. Harlang; corresponding with S. Henein.	1.00
09/Jun/16	Jay A Swartz	Review and respond to emails; telephone conversation with J. Dietrich re DIP for Downsview; discussion with R. Schwill; review comments on draft Order; review revisions to APA re St. Clair property; review correspondence re Downsview.	2.70
09/Jun/16	Robin B Schwill	Reviewing Downsview DIP Term Sheet and vetting signing parties; Telephone call with counsel to Mattamy regarding same; Telephone call with Bobby Kofman regarding same; conference call with counsel to Israeli Functionary regarding claims bar procedure; e-mail exchanges regarding same; reviewing final draft of First Report; e-mail exchanges regarding same; Telephone call with counsel to CCAA Entities regarding filing of motion materials.	2.30
09/Jun/16	David Reiner	Revising draft template purchase agreement; corresponding with J. Swartz.	0.50
10/Jun/16	Jay A Swartz	Review emails and motion record; telephone conversation with re New King Property with B. Kofman and R. Schwill; review emails.	1.10

## TIME DETAIL

Date	Timekeeper	Description	Hours
10/Jun/16	Robin B Schwill	Conference call with Bobby Kofman regarding New Kings and alternatives to effecting realization of interest in same; e-mail exchanges regarding same; reviewing and commenting on Information Officer report and related motion materials and draft order;	1.80
12/Jun/16	Jay A Swartz	Review numerous emails.	0.30
13/Jun/16	Jay A Swartz	Discuss motion with R. Schwill; telephone conversation B. Kofman re security for Downsview DIP; telephone conversation J. Latham; telephone conversation B. Kofman.	2.60
13/Jun/16	Robin B Schwill	Conference call with Israeli Functionary's counsel regarding claims process recognition, Downsview DIP terms and issues and investigations that Israeli Functionary wishes its financial advisor to undertake; multiple e-mail exchanges regarding related issues; reviewing revisions to NDA and Telephone call with Noah Goldstein regarding same; discussions with David Reiner regarding Urbancorp 60 St. Clair purchase and sale agreement; e-mail exchanges regarding deposits at Harris Shaefer; reviewing and commenting on draft court materials for Israeli claims process.	3.20
13/Jun/16	Samantha Henein	Emailed Noah Goldstein at KSV re legal descriptions of St. Clair and Lawrence properties.	0.20
13/Jun/16	David Reiner	Corresponding with N. Goldstein; corresponding with S. Henein; corresponding with E. Lamek re: 60 St. Clair; revising draft template purchase agreement; revising draft Rockport agreement of purchase and sale (St. Clair); discussion with J. Swartz; discussing registration requirements with C. Lo Presti.	2.30
14/Jun/16	Robin B Schwill	Reviewing and commenting on motion materials for recognition of Israeli claims procedure; e-mail exchanges regarding same; reviewing broker listing proposals and summary of same; e-mail exchanges regarding same; multiple e-mail exchanges regarding Farber requests for information; Telephone call with counsel to Israeli Functionary regarding same; Telephone call with Bobby Kofman regarding same; reviewing revisions to Information Officer's court report.	4.40
14/Jun/16	Jay A Swartz	Review correspondence; emails J. Latham, J. Dietrich and B. Kofman; telephone conversation B. Kofman; review broker proposals and conference call re same; review correspondence J. Latham.	2.70
14/Jun/16	David Reiner	Completing draft template agreement of purchase and sale for sale of school site properties.	1.50
15/Jun/16	Robin B Schwill	Multiple e-mail exchanges regarding Farber investigation parameters; discussion with Jay Swartz regarding same; e-mails with Kyle Plunkett regarding motion scheduling and related issues; discussion with Jay Swartz regarding broker proposals; e-mails regarding Downsview DIP.	2.50
15/Jun/16	Ruth Oscida	Request for urgent PINS; conducting subsearch to pull four PINs; prepare email to S. Henein to provide.	0.30
15/Jun/16	Jay A Swartz	Review emails from and to H. Chaiton and J. Latham; attend in Court; attend meeting with real estate brokers; telephone conversation B. Kofman; emails J. Latham.	4.20

**TIME DETAIL**

<b>Date</b>	<b>Timekeeper</b>	<b>Description</b>	<b>Hours</b>
15/Jun/16	Samantha Henein	Reviewed updated PINS for certain properties; emailed David Reiner with summary of same.	0.40
15/Jun/16	David Reiner	Emails with R. Harlang, R. Schwill; phone call with R. Schwill; discussions with S. Henein.	0.30
16/Jun/16	Robin B Schwill	Discussion with Jay Swartz regarding broker proposals; Telephone call with counsel to potential DIP lenders regarding template term sheet and related issues; e-mail exchanges regarding same.	1.30
16/Jun/16	Jay A Swartz	Review correspondence re Geothermal assets; telephone conversation with B. Kofman; discussion with R. Schwill; review correspondence re Israeli counsel and emails E. Lamek and M. Forte.	1.0
17/Jun/16	Robin B Schwill	Drafting reply letter to counsel for condo corporation regarding liens for common area fees; e-mail exchanges regarding same; reviewing and commenting on draft rider to broker agreement and e-mail exchanges regarding same; reviewing DIP proposals.	3.50
17/Jun/16	Jay A Swartz	Review numerous emails; discussion with R. Schwill; telephone conversation with B. Kofman.	1.10
18/Jun/16	Jay A Swartz	Review correspondence and rider to listing agreement for various properties; review correspondence re disclosure to Parker; correspondence re creditor lists.	0.50
19/Jun/16	Robin B Schwill	E-mails regarding DIP proposals and reporting to Israeli Functionary; e-mail exchanges regarding disclosure of creditor lists.	0.30
19/Jun/16	Jay A Swartz	Review correspondence re DIP loan.	0.20
20/Jun/16	Robin B Schwill	Conference call regarding geothermal asset issues; Telephone call with Kyle Plunkett regarding motion materials; e-mail exchanges regarding letter on payment of common area fees; e-mail exchanges on Israeli proceedings, motions and related matters.	2.50
20/Jun/16	Jay A Swartz	Review correspondence from Israeli counsel; review draft Monitor's Report; telephone conversation with B. Kofman; review correspondence with Israeli counsel.	1.40
20/Jun/16	David Reiner	Reseaching condominium ownership rights in preparation for conference call; conference call with E. Lamek, J. Swartz, R. Schwill and others re: geothermal units; reviewing comments from TD on listing agreement.	1.20
20/Jun/16	Dina Milivojevic	Email correspondence re: notice of motion and draft order for motion to approve DIP and sale process; review of draft Second Report	1.00
21/Jun/16	Robin B Schwill	Reviewing and commenting on draft order for CCAA Entity sales process and DIP Loan; e-mail exchanges regarding geothermal assets and Fine & Deo letter.	1.50
21/Jun/16	David Reiner	Reviewing revisions to listing agreement; phone call with N. Goldstein re: comments on listing agreement; revising draft listing agreement; reviewing MLS rules and regulations; emails with N. Goldstein re: listing agreement comments and approach; corresponding re: Urbancorp Holdco loan; discussions with S. Henein.	2.50

**TIME DETAIL**

<b>Date</b>	<b>Timekeeper</b>	<b>Description</b>	<b>Hours</b>
21/Jun/16	Dina Milivojevic	Discussion with R. Schwill re: materials for upcoming motion; email correspondence re: booking court time; drafting of Commercial List request form; drafting of notice of motion and draft order; email correspondence with R. Schwill re: same.	3.80
22/Jun/16	Samara Zaifman	Engaged in file by researching certain BIA provisions affecting the debtor.	2.00
22/Jun/16	Robin B Schwill	Reviewing and commenting on draft CCAA Entity court materials regarding Sales Process and DIP approval; drafting e-mail regarding geothermal assets; reviewing and revising letter to Fine & Deo regarding common area expenses; multiple e-mail exchanges regarding same; Telephone call with counsel to Mattamy regarding need for short-term direct loan to DHI; drafting reporting e-mail regarding same.	4.70
22/Jun/16	David Reiner	Emails and phone call with N. Goldberg re: listing agreements and comments from TD/Colliers.	1.00
22/Jun/16	Dina Milivojevic	Drafting of and revisions to notice of motion and draft order; email correspondence with R. Schwill, B. Kofman and others re: same.	2.00
23/Jun/16	Jay A Swartz	Review emails; telephone conversation with B. Kofman; review draft order and notice of Motion; review revisions to DIP Agreement and telephone conversation with B. Kofman.	1.50
23/Jun/16	Dina Milivojevic	Revisions to notice of motion and draft order; email correspondence re: same and re: DIP issues.	1.50
24/Jun/16	Ruth Oseida	Receipt of email from D. Reiner requesting urgent PINS; conducting subsearch of two PINS and review of same for construction lien claims; note certificate of action on one PIN but no construction lien claim; further requests from D. Reiner; pull deleted instrument PINS; advise D. Reiner; discussions re same; telephone call to Toronto Land Registry Office re certificate of action remains on title but construction lien claim has been deleted; advised by Land Registry Office they deleted in error but in order to correct they require us to request a PIN correction to correct their error; advise D. Reiner and seek further instructions.	1.00
24/Jun/16	Jay A Swartz	Review draft report and revise; telephone conversation with B. Kofman.	1.80
24/Jun/16	Robin B Schwill	Multiple e-mails regarding finalizing motion record for service regarding sales process and DIP financing; multiple e-mail exchanges regarding construction lien issues; reviewing revisions to Report regarding same; discussions with Dina Milivojevic regarding same; reviewing and commenting on revised DIP term sheet and related order; engaged regarding service of motion record and discussions with Dina Milivojevic regarding same.	4.20
24/Jun/16	Dina Milivojevic	Email correspondence re: draft order and construction lien issues; ensuring all construction lien claimants are served; telephone conversation with counsel to MDF; preparing motion record and confidential appendices; finalizing all draft materials; email correspondence re: same; service of same.	4.80
25/Jun/16	Jay A Swartz	Review emails.	0.10
27/Jun/16	Jay A Swartz	Emails from and to Justice Newbould; telephone conversation B. Kofman; discussion R. Schwill; review email re Patricia property.	1.80

**TIME DETAIL**

<b>Date</b>	<b>Timekeeper</b>	<b>Description</b>	<b>Hours</b>
27/Jun/16	Robin B Schwill	Multiple e-mails regarding sales process and DIP; reviewing e-mails and letter from home purchaser on Lawrence; reviewing reply e-mail drafted by Bobby Kofman and e-mail exchanges regarding same.	0.80
27/Jun/16	Dina Milivojevic	Drafting of factum re: sale process and priority of DIP charge.	3.80
28/Jun/16	Jay A Swartz	Review various emails and draft letter for home buyers; review email from T. Saskin re home buyers meeting.	1.00
28/Jun/16	Robin B Schwill	Reviewing and commenting on draft Supplemental Report; reviewing and commenting on Notice to home purchasers; reviewing and commenting on draft Factum; multiple e-mail exchanges regarding Notice and Supplemental Report issues; reviewing New King information and related e-mail exchanges.	4.00
28/Jun/16	Dina Milivojevic	Drafting of factum re: sale process and priority of DIP charge; email correspondence with R. Schwill re: same; revisions to same based on comments from R. Schwill.	2.30
29/Jun/16	Jay A Swartz	Review correspondence re supplemental report; review emails; prepare for and attend meeting re Kings Club; review motion record and discuss with R. Schwill; email Dickinson Wright and review motion; telephone conversation B. Kofman re same.	3.20
29/Jun/16	Robin B Schwill	Reviewing motion records filed by Dickinson Wright LLP; discussions with Jay Swartz and Bobby Kofman regarding same; reviewing and commenting on Supplemental Report; discussions with Dina Milivojevic regarding same; preparing oral submissions for upcoming sales process and DIP approval motions; multiple e-mail exchanges regarding same; reviewing and commenting on draft factum; discussions with Dina Milivojevic and Jay Swartz regarding same.	9.80
29/Jun/16	Dina Milivojevic	Finalizing factum re: sale process and priority of DIP charge; preparing draft orders and other materials for court tomorrow.	2.30
30/Jun/16	Robin B Schwill	Preparing for and attending at court on sale process approval and DIP approval motions; e-mail exchanges regarding same; Telephone call with counsel to Israeli officer regarding same.	5.00
30/Jun/16	Dina Milivojevic	Attendance at court for motion.	3.00
<b>TOTAL HOURS</b>			<b>163.1</b>
<b>FEES:</b>			<b>\$135,136.50</b>

**TIMEKEEPER SUMMARY**

<b>Timekeeper</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
DONALD C. STANBURY	795.00	0.20	159.00
JAY A. SWARTZ	995.00	40.50	40,297.50
ROBIN B. SCHWILL	935.00	72.00	67,320.00
DAVID REINER	690.00	17.40	12,006.00
DINA MILIVOJEVIC	505.00	26.30	13,281.50
SAMANTHA HEINEIN	410.00	0.60	246.00
DIANE PEGORARO	285.00	2.50	712.50

**TIMEKEEPER SUMMARY**

<b>Timekeeper</b>	<b>Rate</b>	<b>Hours</b>	<b>Amount</b>
RUTH OSEIDA	340.00	1.60	544.00
SAMARA ZAIFMAN	285.00	2.00	570.00
<b>TOTAL</b>		<b>163.10</b>	<b>135,136.50</b>

**DISBURSEMENT SUMMARY**

	<b>Amount</b>
<b>Non-Taxable</b>	
Filing Fees - Exempt From GST/IIST	50.00
Notice of Motion	127.00
<b>Taxable</b>	
Cyberbahn (Searches)	19.00
Photocopy - Internal	92.80
Lasercopy	823.65
Telephone Calls - External	7.92
Courier & Taxi	7.42
Scancopy	16.65
Photocopy - Colour	32.40
Binding & Stationery - In House	29.80
Teraview Searches	306.95
Process Servers	45.00
<b>TOTAL</b>	<b>1,558.59</b>

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

Court File No. CV-16-11389-00CL

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 DEVELOPMENTS INC., URBANCORP (952 QUEEN WEST) INC., KING RESIDENTIAL INC., URBANCORP NEW KINGS 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)**

Proceeding commenced at Toronto

**AFFIDAVIT OF JAY A. SWARTZ**

**DAVIES WARD PHILLIPS & VINEBERG LLP**  
155 WELLINGTON STREET WEST  
TORONTO, ON M5V 3J7

Robin B. Schwill (LSUC #384521)  
Jay A. Swartz (LSUC # 15417L)  
Tel: 416.863.0900  
Fax: 416.863.0871

Lawyers for the Monitor



## Appendix “J”

To: Honourable Justice Newbould  
KSV Kofman Inc. as CCAA Monitor of Urbancorp  
Dickinson – Wright LLP

06-Sep-2016

Urbancorp Lawrence CCRA process

On behalf of the purchasers in UC Lawrence project.

As the proceeding of Urbancorp (UC) insolvency taking its final stage, we, the purchasers, can see the inevitable outcome. From our perspective, it seems the whole scope of this process is to maintain Mr. Saskin's millionaire status continuing running the rest of the companies under the UC group, on expense of the future of the home purchasers. The 3 years we spent waiting and missing an average of more than 200,000\$ in equity appreciation, will deter many of us from a chance of having a home in our city. This is not a virtual loss but the base contribution that expected to satisfy all the company's creditors. This is our lost values that to compensate all other creditors while paying all the "professional fees" involved.

It is very disappointing that the real culprit of this does not suffer any consequences after causing so much grieves.

1. Mr. Saskin's commissions from each sold unit in UC projects was 7500\$. As the deals are getting cancelled, why there is no demand and actions to repay those commissions. A contribution of additional million CAD to the UC estate can be generated due to such veil lifting alone.
  2. In addition, please allow me to remind that this is the 3<sup>rd</sup> time in this decade that purchasers of UC projects getting their deposits back after years of waiting and agony while losing the constant Toronto's real estate value appreciations. How come no law enforcement agencies see and act on this pattern is beyond my understanding.
  3. Even more appalling is that there are no sufficient rules and accountabilities in the Real Estate industry. Can anyone open a sales office, print brochures, collect \$15M in deposits, "spend" the moneys ("The Property Companies did not hold the Deposits in trust. All such monies have been spent" - KSV 5<sup>th</sup> report – paragraph 2.0 - 4) and declare bankruptcy without consequences? If such incident would occur in the financial sector, where a fund manager used deposits from one group in order to cover losses and expenses of other investments and clients, such manager would be facing serious criminal replications.
  4. It is obvious that the target of the Trustee is not to heal and restructure the companies under CCAA, but to solely liquidate all the projects that have commitments to purchasers to the highest bidder. As per the statement: "If an order were to be issued requiring the successful bidders to assume the agreements of purchase and sale, the value of their offers would be significantly reduced" - (KSV 5<sup>th</sup> report – paragraph 2.1 - 2), the trustee disregards the fact that there also be a smaller repayment to creditors, as there won't be a need to refund the purchasers deposits.
- As per the statement from Mr. Gisin to the Israeli court and bond holders, he clearly states that "The excess monies left from the sale... It is the intention of the trustee to act for a transfer to the (mother UC Inc.) Company as the main shareholder" (Update report #5 – C-15 ). This is about projects (St. Clair and Lawrence) that should not be in bankruptcy in the first place as the total assets (the land values) well exceeded the total liabilities. The whole purpose of a separate corporation is not to allow liabilities of other corporations within a group to impact the financial affairs of each other. The legality to force the Lawrence and St. Clair projects to finance the obligation of other corporation, especially on the expense of specific group of stake holders, is questionable.
5. There is complete omitting in communications about the potential of Downsview Park project which is also part of UC backing companies for the Israeli bonds. UC is expected to participate in half (51%) of the profits from the sale of 1100 units in the closings are coming next year. From some reason, this expected income is not mentioned in any communication and not planned for any use.

### Suggestion for Alternative Actions

This is not just a letter of complaint and dissatisfaction. The CCAA process can be conducted in an action plan that can be much fairer to all stakeholders if the following suggested actions would be taken:

1. To regain interim funds:
  - a. Lift the Veil of Mr.Saskin properties in order to recoup the commissions paid to him for the sales.
  - b. Forfeit or at least postpone the intercompany debt repayment (debt to other UC companies) as an exchange for our money that was spent on other UC companies.
  - c. Sell the UC Patricia land as it has no impact on purchasers.
2. KSV to Conduct an official poll of purchasers that wish to continue with the project and receive their homes.  
For those who wish to continue with the purchase:
  - 2.1 Alternative 1 – Mattamy Downsvlew option  
Prior to the bankruptcy, UC was in advance stages of a deal with Mattamy group for taking over the construction liabilities in exchange of repaying the interest on the Israell bonds on the specific lands. Such a deal would not require additional contribution from UC companies and allow the company to benefit from half the proceedings at the closing date. Mattamy was in a final stages of Due Dillgence when the Tarion announcement led to the current events. Benefits of such move.
    - a. A precedence of this model is successfully active in the Downsvlew Park project (which is part of CCAA) but its purchasers are set to get their homes as per original contracts.
    - b. Mattamy can sale the remaining/unsold units in the projects at current prices to increase the cash flow of each project.
    - c. Building the projects by Mattamy, will allow Tarion to provide a license for the project that was previously removed.
    - d. This will set the same standard of treatment to prevent the discrimination of the purchasers in the Lawrence, Mallow and Ct. Clair vs. the Downsvlew Park purchasers.
  - 2.2 Alternative 2 - Issue an order requiring the successful bidders to assume the agreements of purchase and sale for the interested purchasers, even if it reduces the land sale price.  
The money accepted from the sale will still cover deposits (to opt out purchasers) and other debt and will significantly reduce the purchaser deposits return amount.
3. Israell investors are claiming the immediate repayment of the bond. They should be ruled that they provided the funds for 3 years (until Jan-2019) and they will get their funds together with interest as planned (interest from Mattamy and face value from the units closing), as their change in demand are ruining the company's business obligations.
4. If after all, additional contribution will be required from the purchasers, I have the confidence that additional , reasonable amounts can be provided in order to complete the deal.

I am asking you to at least consider our alternative suggestion in light of the current evolvement of the events in this case. Otherwise, there may be no "legal or statutory basis on which to require the completion of the sales to the home buyers" (KSV 5<sup>th</sup> report – paragraph 3.3 – e) , but there certainly will be no justice in the outcome.

With Respect  
Alex Oren

Purchaser of UC Lawrence – Unit 27  
416-660-9046  
alxoren@yahoo.com

On behalf of most of Purchasers in the project.

## Appendix “K”

**From:** Bobby Kofman <[bkofman@ksvadvisory.com](mailto:bkofman@ksvadvisory.com)>  
**To:** alex oren <[alxoren@yahoo.com](mailto:alxoren@yahoo.com)>; Noah Goldstein <[ngoldstein@ksvadvisory.com](mailto:ngoldstein@ksvadvisory.com)>  
**Cc:** Steve Kupferman <[skupferman@torontolife.com](mailto:skupferman@torontolife.com)>; Katia Dmitrieva <[edmitrieva1@bloomberg.net](mailto:edmitrieva1@bloomberg.net)>; Tamsin McMahon <[tmcmahon@globeandmail.com](mailto:tmcmahon@globeandmail.com)>; Trudy Huynh <[trudy\\_huynh78@yahoo.ca](mailto:trudy_huynh78@yahoo.ca)>; Jessica Hooker <[jessicahelenjane@gmail.com](mailto:jessicahelenjane@gmail.com)>; "Swartz, Jay" <[JSwartz@dwpv.com](mailto:JSwartz@dwpv.com)>  
**Sent:** Wednesday, September 7, 2016 9:52 AM  
**Subject:** RE: A letter to Justice Newbould and KSV - Urbancorp

Hi Alex,

Your email went to my junk mail, so I am responding now.

A number of home buyers have written directly to Mr. Justice Newbould. He has provided copies of those letters to us, and asked us to respond to them, which we have done. Copies of the letters and our responses have been provided in our reports to court. We also amended a Notice to Home Buyers (on our website) which advises home buyers that they should not be contacting His Honour directly. Accordingly, we do not intend to send your letter to him and request that you do not do so. We will include a copy of our letter in our next report to court, which will be filed soon. Should you have submissions to make in court, we recommend that you have them made through counsel at the next motion in the CCAA proceedings.

Best,

Bobby

-  
**From:** alex oren [<mailto:alxoren@yahoo.com>]  
**Sent:** September 6, 2016 5:08 PM  
**To:** Bobby Kofman <[bkofman@ksvadvisory.com](mailto:bkofman@ksvadvisory.com)>; Noah Goldstein <[ngoldstein@ksvadvisory.com](mailto:ngoldstein@ksvadvisory.com)>  
**Cc:** Steve Kupferman <[skupferman@torontolife.com](mailto:skupferman@torontolife.com)>; Katia Dmitrieva <[edmitrieva1@bloomberg.net](mailto:edmitrieva1@bloomberg.net)>; Tamsin McMahon <[tmcmahon@globeandmail.com](mailto:tmcmahon@globeandmail.com)>; Trudy Huynh <[trudy\\_huynh78@yahoo.ca](mailto:trudy_huynh78@yahoo.ca)>; Jessica Hooker <[jessicahelenjane@gmail.com](mailto:jessicahelenjane@gmail.com)>  
**Subject:** Fw: A letter to Justice Newbould and KSV - Urbancorp

Hello Bobby and Noah

After reading your 5th report I am asking to make a final plea with the Judge.

Please see below a letter I wrote with agreement of UC Lawrence purchasers. As per your earlier suggestion I am sending to you first, but my intention that this will reach Judge Justice Newbould as well.

Can you please confirm you will forward this to him, or I will send it to him myself.

With Regards

*Alex Oren*

Home 289-805-2928

Cell 416-660-9046

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

Court File No. CV-16-11389-00CL

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 DEVELOPMENTS INC., URBANCORP (952 QUEEN WEST) INC., KING RESIDENTIAL INC., URBANCORP NEW KINGS 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)

Proceeding commenced at Toronto

FIFTH REPORT OF  
THE MONITOR

DAVIES WARD PHILLIPS & VINEBERG LLP  
155 WELLINGTON STREET WEST  
TORONTO, ON M5V 3J7

Robin B. Schwill (LSUC #384521)  
Tel: 416.863.5502  
Fax: 416.863.0871

Lawyers for the Monitor

**TAB 3A**

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

THE HONOURABLE MR. )  
 )  
JUSTICE NEWBOULD ) THURSDAY THE 15<sup>TH</sup>  
 DAY OF SEPTEMBER, 2016

**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**

**APPROVAL AND VESTING ORDER  
[Urbancorp (Lawrence) Inc.]**

**THIS MOTION**, made by the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "**CCAA**"), for an order, *inter alia*, approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between Urbancorp (Lawrence) Inc. ("**UC Lawrence**") and Fernbrook Homes Limited, In Trust for a company to be incorporated and without personal liability ("**Fernbrook**") dated August 16, 2016 and appended as Confidential Appendix "1" to the Fifth Report of KSV Kofman Inc., the Applicants' Court-appointed Monitor ("**KSV**" or the "**Monitor**"), dated September •, 2016 (the "**Fifth Report**"), and vesting the purchased assets as



described in the Sale Agreement and in Schedule “B” hereto (the “**Purchased Assets**”) in Fernbrook Homes (Lawrence) Limited (the “**Purchaser**”), was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Fifth Report and on hearing the submissions of counsel for the Applicants, 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 ● sworn September ●, 2016, filed.

1. **THIS COURT ORDERS** that the time for service of the Applicants’ 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 the Applicants 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 UC Lawrence is hereby authorized and approved, with such minor amendments as the Monitor may deem necessary. The Monitor on behalf of UC Lawrence 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**”), the Purchased Assets shall vest absolutely in the Purchaser, free and clear of and from any encumbrance, lien, charge, hypothec, pledge, mortgage, title retention agreement, security interest of any nature, adverse claim, exception, reservation, easement, encroachment, servitude, restriction on use, right of occupation, right of possession of the Property described in the Sale Agreement, any matter capable of registration against title, option, right of first offer or refusal or similar right, restriction on voting (in the case of any voting or equity interest), right of pre-emption or privilege or any contract creating any of the foregoing (collectively, “**Encumbrances**”) including, without limiting the generality of the foregoing, those items listed on Schedule “D” hereto (the “**Expunged Encumbrances**”, which term shall not

include the permitted Encumbrances described on Schedule “E” hereto (“**Permitted Encumbrances**”)) and, for great certainty, this Court orders that all of the Expunged Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that, upon the registration in the Land Registry Office for the Land Titles Division of Toronto of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act* with respect to the real property which is identified in Schedule “B” hereto (the "**Property**"), the Land Registrar is hereby directed to enter the Purchaser as the owner of the Property in fee simple, and is hereby directed to delete and expunge from title to the Property all of the Expunged Encumbrances listed in Schedule “D” hereto.

5. **THIS COURT ORDERS** that the Monitor or the Purchaser with the prior written consent of the Monitor shall be authorized to take all steps as may be necessary to effect the discharge of the Expunged Encumbrances.

6. **THIS COURT ORDERS** that, without in any way limiting the efficacy of paragraph 3 of this Order, the Purchaser shall not assume or be deemed to have assumed any obligations in respect of or pursuant to the Excluded Assets (as defined in the Sale Agreement), no rights in respect of or pursuant to any Excluded Assets are or have been assigned to the Purchaser, all Excluded Assets are hereby terminated in all respects as against the Property and the Purchaser, and no party to any Excluded Asset shall have any right, interest or claim thereunder as against the Property or the Purchaser.

7. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Monitor’s Certificate all Expunged Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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

9. **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 UC Lawrence and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of UC Lawrence;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of UC Lawrence and shall not be void or voidable by creditors of UC Lawrence, 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.

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

11. **THIS COURT ORDERS** that the Monitor or the Purchaser with the prior written consent of the Monitor shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.

12. **THIS COURT ORDERS** that Confidential Appendix 1 of the Fifth Report be kept confidential and under seal until further Order of this Court.

13. **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 the Urbancorp CCAA Entities, the Monitor 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 the Urbancorp CCAA Entities 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 the Urbancorp CCAA Entities and the Monitor and their respective agents in carrying out the terms of this Order.

14. **THIS COURT ORDERS** that each of the Urbancorp CCAA Entities 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.

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**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"**

**PURCHASED ASSETS/PROPERTY**

**MUNICIPAL ADDRESS: 1780 LAWRENCE AVENUE WEST, TORONTO, ONTARIO**

**LEGAL DESCRIPTION OF THE LANDS: PIN 10330-0233(LT)**

**Part Block A, Plan 2525 North York as in NY66298 & NY14061; S/T NY396185; Toronto (North York); City of Toronto**

**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 (Lawrence) 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 September 15, 2016, the Court approved the agreement of purchase and sale made as of August 16, 2016 (the "**Sale Agreement**") between Urbancorp (Lawrence) Inc. ("**UC Lawrence**") and Fernbrook Homes Limited, In Trust for a company to be incorporated and without personal liability ("**Fernbrook**"), and provided for the

vesting of the Purchased Assets in Fernbrook Homes (Lawrence) Limited (the “**Purchaser**”), which vesting is to be effective with respect to the Purchased Assets 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 4 of the Sale Agreement have been satisfied or waived by the Monitor on behalf of UC Lawrence 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 and UC Lawrence has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement.
2. The conditions to Closing as set out in Article 4 of the Sale Agreement have been satisfied or waived by the Monitor on behalf of UC Lawrence 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 Urbancorp CCAA Entities and  
not in its personal capacity

Per: \_\_\_\_\_  
Name:  
Title:



**SCHEDULE D**

**EXPUNGED ENCUMBRANCES**

Instrument No. AT3393441

Instrument No. AT4212755

Instrument No. AT4231629

Instrument No. AT4279934

All Court Ordered Charges in these Proceedings.

**SCHEDULE E**  
**PERMITTED ENCUMBRANCES**

Instrument No. NY396185

Instrument No. AT2343343

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 Purchased Assets that have accrued but are not yet due and owing or, if due and owing, are adjusted for on closing.
2. Subdivision agreements, site plan control agreements, development agreements, servicing agreements, utility agreements and other similar agreements with Governmental Authorities or public utilities that do not materially impair the use, operation or marketability of any of the Purchased Assets, provided such have in each case been complied with in all material respects.
3. Restrictive covenants, private deed restrictions, and other similar land use control agreements that do not materially impair the use, operation or marketability of the Purchased Assets, provided in each case such have been complied with in all material respects.
4. Minor encroachments by improvements on the Purchased Assets over neighbouring lands and/or permitted under agreements with neighbouring landowners and minor encroachments over the Purchased Assets by improvements of neighbouring lands and/or permitted under agreements with neighbouring landowners that in either case do not materially impair the use, operation or marketability of the Purchased Assets.
5. Any subsisting reservations, limitations, provisos, conditions or exceptions, including royalties, contained in the original grant of the Property from the Crown.

6. The provisions of all applicable laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning that do not materially impair the use, operation or marketability of any of the Purchased Assets, provided such have been complied with in all material respects.
7. The exceptions and qualifications contained in Section 44 of the *Land Titles Act* (Ontario), save and except paragraph 11 thereof respecting the *Planning Act* (Ontario).
8. Any rights of expropriation, access or user or any other similar rights conferred or reserved by or in any statutes of Canada or the Province of Ontario.
9. Any unregistered easements regarding the provision of utilities to the Purchased Assets.
10. All reference plans and transfers registered on title to the Property.

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 (LAWRENCE) 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)**  
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Tel.: 416.619.6293  
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Lawyers for the Urbancorp CCAA Entities

**TAB 3B**

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

THE HONOURABLE MR. ) THURSDAY, THE 15<sup>TH</sup>  
 )  
JUSTICE NEWBOULD ) DAY OF SEPTEMBER, 2016

**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**

**APPROVAL AND VESTING ORDER  
[Urbancorp (Mallow) Inc.]**

**THIS MOTION**, made by the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), for an order, *inter alia*, approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between Urbancorp (Mallow) Inc. ("**UC Mallow**") and School Sites Acquisition Corp. (the "**Purchaser**") dated August 16, 2016 and appended as Confidential Appendix "1" to the Fifth Report of KSV Kofman Inc., the Applicants' Court-appointed Monitor ("**KSV**" or the "**Monitor**"), dated September ●, 2016 (the "**Fifth Report**"), and vesting the

purchased assets as described in the Sale Agreement and in Schedule “B” hereto (the “**Purchased Assets**”) in the Purchaser, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Fifth Report and on hearing the submissions of counsel for the Applicants, 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 ● sworn September ●, 2016, filed.

1. **THIS COURT ORDERS** that the time for service of the Applicants’ 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 the Applicants 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 UC Mallow is hereby authorized and approved, with such minor amendments as the Monitor may deem necessary. The Monitor on behalf of the Seller Entities (as defined in the Sale Agreement) 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 the Seller Entities’ right, title and interest in and to the Purchased Assets 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 Purchased Assets.

4. **THIS COURT ORDERS** that, upon the registration in the Land Registry Office for the Land Titles Division of ■ of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act* with respect to the real property which is identified in Schedule "B" hereto (the "**Property**"), the Land Registrar is hereby directed to enter the Purchaser as the owner of the Property in fee simple, and is hereby directed to delete and expunge from title to the Property all of the Claims listed in Schedule "D" hereto.

5. **THIS COURT ORDERS** that the Monitor or the Purchaser with the prior written consent of the Monitor shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.

6. **THIS COURT ORDERS** that, without in any way limiting the efficacy of paragraph 3 of this Order, the Purchaser shall not assume or be deemed to have assumed any obligations in respect of or pursuant to the Excluded Assets (as defined in the Sale Agreement), no rights in respect of or pursuant to any Excluded Assets are, will or have been assigned to the Purchaser, all Excluded Assets are hereby terminated in all respects as against the Property and the Purchaser, and no party to any Excluded Asset or any of the Seller Entities (as defined in the Sale Agreement) shall have any right, interest or claim thereunder as against the Property or the Purchaser.

7. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, 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 claiming through or under any of the Excluded Assets or the Seller Entities, including without limitation, any creditor,



bondholder or homebuyer of the Seller Entities shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets 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.

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

9. **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 the Urbancorp CCAA Entities (as that term is defined in the Fifth Report) and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Urbancorp CCAA Entities;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Urbancorp CCAA Entities and shall not be void or voidable by creditors of the Urbancorp CCAA Entities, 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.

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

11. **THIS COURT ORDERS** that the Monitor or the Purchaser with the prior written consent of the Monitor shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.

12. **THIS COURT ORDERS** that Confidential Appendix 1 of the Fifth Report be kept confidential and under seal until further Order of this Court.

13. **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 the Urbancorp CCAA Entities, the Monitor 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 the Urbancorp CCAA Entities 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 the Urbancorp CCAA Entities and the Monitor and their respective agents in carrying out the terms of this Order.

14. **THIS COURT ORDERS** that each of the Urbancorp CCAA Entities 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.

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**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"**

**PURCHASED ASSETS/PROPERTY**

**LEGAL DESCRIPTION OF THE LANDS: PIN 10116-0488 (LT)**

**Part Block C on Plan 4544 North York, designated as Parts 2, 4 and 5 on Plan 66R27560; S/T NY171498 except the Bell easement therein; S/T easement over Part 4 on Plan 66R27560 as in NY171498; City of Toronto**

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 (Mallow) 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 September 15, 2016, the Court approved the agreement of purchase and sale made as of August 16, 2016 (the "**Sale Agreement**") between Urbancorp (Mallow) Inc. ("**UC Mallow**") and School Sites Acquisition Corp. (the "**Purchaser**"), and provided for the vesting of the Purchased Assets in the Purchaser, which

vesting is to be effective with respect to the Purchased Assets 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 3 of the Sale Agreement have been satisfied or waived by the Monitor on behalf of UC Mallow 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 and UC Mallow has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement.
2. The conditions to Closing as set out in Article 3 of the Sale Agreement have been satisfied or waived by the Monitor on behalf of UC Mallow 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 DELETED**

**Instrument No. AT3674624** registered on August 28, 2014 being a Charge in favour of Terra Firma Capital Corporation and Atrium Mortgage Investment Corporation, as chargees, in the principal amount of \$12,750,000.

**Instrument No. AT3674625** registered on August 28, 2014 being a Notice of Assignment of Rents General given as collateral security to the aforesaid Charge AT3674624.

**Instrument No. AT4225032** registered on May 24, 2016 being a Construction Lien registered by Pro-Green Demolition Ltd. in the amount of \$175,150.

**Instrument No. AT4270798** registered on July 7, 2016 being a Certificate of Action of the Ontario Superior Court of Justice relating to the aforesaid Construction Lien.

**SCHEDULE E**  
**PERMITTED ENCUMBRANCES**

A. 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 Purchased Assets that have accrued but are not yet due and owing or, if due and owing, are adjusted for on closing.
2. Subdivision agreements, site plan control agreements, development agreements, servicing agreements, utility agreements and other similar agreements with Governmental Authorities or public utilities that do not materially impair the use, operation or marketability of any of the Purchased Assets, provided such have in each case been complied with in all material respects.
3. Restrictive covenants, private deed restrictions, and other similar land use control agreements that do not materially impair the use, operation or marketability of the Purchased Assets, provided in each case such have been complied with in all material respects.
4. Minor encroachments by improvements on the Purchased Assets over neighbouring lands and/or permitted under agreements with neighbouring landowners and minor encroachments over the Purchased Assets by improvements of neighbouring lands and/or permitted under agreements with neighbouring landowners that in either case do not materially impair the use, operation or marketability of the Purchased Assets.
5. Any subsisting reservations, limitations, provisos, conditions or exceptions, including royalties, contained in the original grant of the Property from the Crown.
6. The provisions of all applicable laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning that do not materially impair the



use, operation or marketability of any of the Purchased Assets, provided such have been complied with in all material respects.

7. The exceptions and qualifications contained in Section 44 of the *Land Titles Act* (Ontario), save and except paragraph 11 thereof respecting the *Planning Act* (Ontario).
8. Any rights of expropriation, access or user or any other similar rights conferred or reserved by or in any statutes of Canada or the Province of Ontario.
9. Any unregistered easements regarding the provision of utilities to the Purchased Assets.
10. All reference plans and transfers registered on title to the Property.

B. SPECIFIC

PIN 10116-0488 (LT)

1. Instrument No. NY171498 registered May 7, 1954, being a Transfer of Easement to The Bell Telephone Company of Canada and The Hydro-Electric Commission of the Township of North York.
2. Plan 64BA2010 registered December 7, 1982 pursuant to the *Boundaries Act* (Ontario).
3. Plan 64BA2345 registered October 28, 1987 pursuant to the *Boundaries Act* (Ontario).
4. Plan 64BA2346 registered October 29, 1987 pursuant to the *Boundaries Act* (Ontario).
5. Instrument No. AT3660930 registered August 14, 2014, being a Notice of an Unregistered Estate, Right, Interest or Equity.

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

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

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**APPROVAL AND VESTING ORDER**  
**RE: URBANCORP (MALLOW) INC.**

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Lawyers for the CCAA Entities

9613626.1

**TAB 3C**

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

THE HONOURABLE MR. ) THURSDAY, THE 15<sup>TH</sup>  
)  
JUSTICE NEWBOULD ) DAY OF SEPTEMBER, 2016

**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**

**APPROVAL AND VESTING ORDER  
[Urbancorp (Patricia) Inc.]**

**THIS MOTION**, made by the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), for an order, *inter alia*, approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between Urbancorp (Patricia) Inc. ("**UC Patricia**") and School Sites Acquisition Corp. (the "**Purchaser**") dated August 23, 2016 and appended as Confidential Appendix "1" to the Fifth Report of KSV Kofman Inc., the Applicants' Court-appointed Monitor ("**KSV**" or the "**Monitor**"), dated September ●, 2016 (the "**Fifth Report**"), and vesting the

purchased assets as described in the Sale Agreement and in Schedule “B” hereto (the “**Purchased Assets**”) in the Purchaser, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Fifth Report and on hearing the submissions of counsel for the Applicants, 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 ● sworn September ●, 2016, filed.

1. **THIS COURT ORDERS** that the time for service of the Applicants’ 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 the Applicants 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 UC Patricia is hereby authorized and approved, with such minor amendments as the Monitor may deem necessary. The Monitor on behalf of the Seller Entities (as defined in the Sale Agreement) 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 the Seller Entities’ right title and interest in and to the Purchased Assets 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 Purchased Assets.

4. **THIS COURT ORDERS** that, upon the registration in the Land Registry Office for the Land Titles Division of ■ of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act* with respect to the real property which is identified in Schedule "B" hereto (the "Property"), the Land Registrar is hereby directed to enter the Purchaser as the owner of the Property in fee simple, and is hereby directed to delete and expunge from title to the Property all of the Claims listed in Schedule "D" hereto.

5. **THIS COURT ORDERS** that the Monitor or the Purchaser with the prior written consent of the Monitor shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.

6. **THIS COURT ORDERS** that, without in any way limiting the efficacy of paragraph 3 of this Order, the Purchaser shall not assume or be deemed to have assumed any obligations in respect of or pursuant to the Excluded Assets (as defined in the Sale Agreement), no rights in respect of or pursuant to any Excluded Assets are, will or have been assigned to the Purchaser, all Excluded Assets are hereby terminated in all respects as against the Property and the Purchaser, and no party to any Excluded Asset or any of the Seller Entities (as defined in the Sale Agreement) shall have any right, interest or claim thereunder as against the Property or the Purchaser.

7. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, 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 claiming through or under any of the Excluded Assets or the Seller Entities, including without limitation any creditor,

bondholder or homebuyer of the Seller Entities shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets 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.

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

9. **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 the Urbancorp CCAA Entities (as defined in the Fifth Report) and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Urbancorp CCAA Entities;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Urbancorp CCAA Entities and shall not be void or voidable by creditors of the Urbancorp CCAA Entities, 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.

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

11. **THIS COURT ORDERS** that the Monitor or the Purchaser with the prior written consent of the Monitor shall be authorized to take all steps as may be necessary to effect the discharge of the Encumbrances.



12. **THIS COURT ORDERS** that Confidential Appendix 1 of the Fourth Report be kept confidential and under seal until further Order of this Court.

13. **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 the Urbancorp CCAA Entities, the Monitor 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 the Urbancorp CCAA Entities 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 the Urbancorp CCAA Entities and the Monitor and their respective agents in carrying out the terms of this Order.

14. **THIS COURT ORDERS** that each of the Urbancorp CCAA Entities 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.

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**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"**

**PURCHASED ASSETS/PROPERTY**

**LEGAL DESCRIPTION OF THE LANDS: PIN 10157-0658 (LT)**

**Part Lots 148, 401 and 421, Plan 1880; Lots 149, 150, 151, 398, 399, 400, 422, 423, 424, PL 1880; Part of Connaught Boulevard (closed by judges order, instrument NY481551; Part of Laconia Drive (formerly Isabella Avenue) (closed by judges order, Instrument NY481552); Plan 1880; Part 1 on Plan 66R27390 (formerly of North York); Patricia Ave as confirmed by 64BA1019; City of Toronto.**

**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 (Patricia) 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 September 15, 2016, the Court approved the agreement of purchase and sale made as of August 23, 2016 (the "**Sale Agreement**") between Urbancorp (Patricia) Inc. ("**UC Patricia**") and School Sites Acquisition Corp. (the "**Purchaser**"), and provided for the vesting of the Purchased Assets in the Purchaser, which

vesting is to be effective with respect to the Purchased Assets 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 3 of the Sale Agreement have been satisfied or waived by the Monitor on behalf of UC Patricia 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 and UC Patricia has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement.
2. The conditions to Closing as set out in Article 3 of the Sale Agreement have been satisfied or waived by the Monitor on behalf of UC Patricia 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 Urbancorp CCAA Entities and  
not in its personal capacity

Per: \_\_\_\_\_  
Name:  
Title:

## **SCHEDULE D**

### **ENCUMBRANCES TO BE DELETED**

**Instrument No. AT4173963** registered on March 23, 2016 being a Charge in favour of Canadian Mortgage Servicing Corporation, as chargee, in the principal amount of \$7,700,000.

**Instrument No. AT4173964** registered on March 23, 2016 being a Notice of Assignment of Rents General given as collateral security to the aforesaid Charge AT4173963.

**SCHEDULE E**  
**PERMITTED ENCUMBRANCES**

A. 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 Purchased Assets that have accrued but are not yet due and owing or, if due and owing, are adjusted for on closing.
2. Subdivision agreements, site plan control agreements, development agreements, servicing agreements, utility agreements and other similar agreements with Governmental Authorities or public utilities that do not materially impair the use, operation or marketability of any of the Purchased Assets, provided such have in each case been complied with in all material respects.
3. Restrictive covenants, private deed restrictions, and other similar land use control agreements that do not materially impair the use, operation or marketability of the Purchased Assets, provided in each case such have been complied with in all material respects.
4. Minor encroachments by improvements on the Purchased Assets over neighbouring lands and/or permitted under agreements with neighbouring landowners and minor encroachments over the Purchased Assets by improvements of neighbouring lands and/or permitted under agreements with neighbouring landowners that in either case do not materially impair the use, operation or marketability of the Purchased Assets.
5. Any subsisting reservations, limitations, provisos, conditions or exceptions, including royalties, contained in the original grant of the Property from the Crown.
6. The provisions of all applicable laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning that do not materially impair the

use, operation or marketability of any of the Purchased Assets, provided such have been complied with in all material respects.

7. The exceptions and qualifications contained in Section 44 of the *Land Titles Act* (Ontario), save and except paragraph 11 thereof respecting the *Planning Act* (Ontario).
8. Any rights of expropriation, access or user or any other similar rights conferred or reserved by or in any statutes of Canada or the Province of Ontario.
9. Any unregistered easements regarding the provision of utilities to the Purchased Assets.
10. All reference plans and transfers registered on title to the Property.

B. SPECIFIC

PIN 10157-0658 (LT)

1. Instrument No. BB2973 registered May 1, 1962, being Bylaw No. 16831.
2. Instrument No. BB2975 registered June 11, 1962, being Bylaw No. 16943.
3. Plan 64BA1019 registered November 7, 1977 pursuant to the *Plan Boundaries Act* (Ontario).
4. Instrument No. AT3783193 registered January 9, 2015 being a Land Registrar's Order.



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 (PATRICIA) INC.**

**WEIRFOULDS LLP**  
Barristers and Solicitors  
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Lawyers for the Urbancorp CCAA Entities



**TAB 3D**

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

THE HONOURABLE MR. ) THURSDAY, THE 15TH  
 )  
JUSTICE NEWBOULD ) DAY OF SEPTEMBER, 2016

**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**

**APPROVAL AND VESTING ORDER  
[Urbancorp (St. Clair Village) Inc.]**

**THIS MOTION**, made by the Applicants pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA"), for an order, *inter alia*, approving the sale transaction (the "**Transaction**") contemplated by an agreement of purchase and sale (the "**Sale Agreement**") between Urbancorp (St. Clair Village) Inc. ("**UC St. Clair**") and FrontDoor Developments Inc. (the "**Purchaser**") dated August 23, 2016 and appended as Confidential Appendix "1" to the Fifth Report of KSV Kofman Inc., the Applicants' Court-

appointed Monitor (“KSV” or the “**Monitor**”), dated September 9, 2016 (the “**Fifth Report**”), and vesting the purchased assets as described in the Sale Agreement and in Schedule “**B**” hereto (the “**Purchased Assets**”) in the Purchaser, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Fifth Report and on hearing the submissions of counsel for the Applicants, 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 9 sworn September 9, 2016, filed.

1. **THIS COURT ORDERS** that the time for service of the Applicants’ 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 the Applicants 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 UC St. Clair is hereby authorized and approved, with such minor amendments as the Monitor may deem necessary. The Monitor on behalf of UC 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 delivery of a Monitor's certificate to the Purchaser substantially in the form attached as Schedule “**C**” hereto (the “**Monitor's Certificate**”), the Purchased Assets 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, encumbrances, title retention agreement, adverse claim, exception, reservation, easement, encroachment, servitude, restriction on use, agreements, adverse claims, exceptions, reservations, easements, encroachments, servitudes, restrictions on use, any right of occupation, any matter capable of

registration against title, options, rights of first refusal or or similar right, restrictions on voting (in the case of any voting or equity interest), rights of pre-emption or privilege or any contract creating any of the foregoing (collectively, the "**Encumbrances**") including, without limitation, the Encumbrances described on Schedule "D" hereto (collectively, the "**Expunged Encumbrances**") which term shall not include the permitted Encumbrances described on Schedule "E" hereto (the "**Permitted Encumbrances**"). and, for greater certainty, this Court orders that all of the Expunged Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that, upon the registration in the Land Registry Office for the Land Titles Division of ■ of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act* with respect to the real property which is identified in Schedule "B" hereto (the "**Property**"), the Land Registrar is hereby directed to enter the Purchaser as the owner of the Property in fee simple, and is hereby directed to delete and expunge from title to the Property all of the Expunged Encumbrances listed in Schedule "D" hereto.

5. **THIS COURT ORDERS** that the Monitor or the Purchaser with the prior written consent of the Monitor shall be authorized to take all steps as may be necessary to effect the discharge of the Expunged Encumbrances.

6. **THIS COURT ORDERS** that, without in any way limiting the efficacy of paragraph 3 of this Order, the Purchaser shall not assume or be deemed to have assumed any obligations in respect of or pursuant to the Excluded Assets (as defined in the Sale Agreement), no rights in respect of or pursuant to any Excluded Assets are or have been assigned to the Purchaser, all Excluded Assets are hereby terminated in all respects as against the Property and the Purchaser, and no party to any Excluded Asset shall have any right, interest or claim thereunder as against the Property or the Purchaser.

7. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Monitor's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the

same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

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

9. **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 UC St. Clair and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of UC St. Clair;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of UC St. Clair and shall not be void or voidable by creditors of UC 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.

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

11. **THIS COURT ORDERS** that the Monitor or the Purchaser with the prior written consent of the Monitor shall be authorized to take all steps as may be necessary to effect the discharge of the Expunged Encumbrances.

12. **THIS COURT ORDERS** that Confidential Appendix 1 of the Fifth Report be kept confidential and under seal until further Order of this Court.

13. **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 the Urbancorp CCAA Entities, the Monitor 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 the Urbancorp CCAA Entities 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 the Urbancorp CCAA Entities and the Monitor and their respective agents in carrying out the terms of this Order.

14. **THIS COURT ORDERS** that each of the Urbancorp CCAA Entities 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.

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**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"**

**PURCHASED ASSETS/PROPERTY**

**MUNICIPAL ADDRESS: 177 CALEDONIA ROAD, TORONTO**

**LEGAL DESCRIPTION OF THE LANDS: PIN 21319-0597 (LT)**

**Part Block X, Plan 1393D Toronto designated as Part 1 on Plan 66R27856; City of Toronto**

**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 (St. Clair Village) 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 September 15, 2016, the Court approved the agreement of purchase and sale made as of August 16, 2016 (the "**Sale Agreement**") between Urbancorp (St. Clair) Inc. ("**UC St. Clair**") and Frontdoor Developments Inc. (the "**Purchaser**"), and provided for the vesting of the Purchased Assets in the Purchaser, which

vesting is to be effective with respect to the Purchased Assets 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 3 of the Sale Agreement have been satisfied or waived by the Monitor on behalf of UC St. Clair 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 and UC St. Clair has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Sale Agreement.
2. The conditions to Closing as set out in Article 3 of the Sale Agreement have been satisfied or waived by the Monitor on behalf of UC St. Clair 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 Urbancorp CCAA Entities and  
not in its personal capacity

Per: \_\_\_\_\_  
Name:  
Title:

## **SCHEDULE D**

### **EXPUNGED ENCUMBRANCES**

Instrument No. AT3385316

Instrument No. AT4179975

Instrument No. AT4179977

Instrument No. AT4225031

Instrument No. AT4270799

Instrument No. AT4279934

All Court Ordered Charges in these Proceedings.

**SCHEDULE E**  
**PERMITTED ENCUMBRANCES**

**SPECIFIC**

[if any - to be provided by FrontDoor in advance of court date]

**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 Purchased Assets that have accrued but are not yet due and owing or, if due and owing, are adjusted for on closing.
2. Subdivision agreements, site plan control agreements, development agreements, servicing agreements, utility agreements and other similar agreements with Governmental Authorities or public utilities that do not materially impair the use, operation or marketability of any of the Purchased Assets, provided such have in each case been complied with in all material respects.
3. Restrictive covenants, private deed restrictions, and other similar land use control agreements that do not materially impair the use, operation or marketability of the Purchased Assets, provided in each case such have been complied with in all material respects.
4. Minor encroachments by improvements on the Purchased Assets over neighbouring lands and/or permitted under agreements with neighbouring landowners and minor encroachments over the Purchased Assets by improvements of neighbouring lands and/or permitted under agreements with neighbouring landowners that in either case do not materially impair the use, operation or marketability of the Purchased Assets.
5. Any subsisting reservations, limitations, provisos, conditions or exceptions, including royalties, contained in the original grant of the Property from the Crown.
6. The provisions of all applicable laws, including by-laws, regulations, ordinances and similar instruments relating to development and zoning that do not materially impair the use, operation or marketability of any of the Purchased Assets, provided such have been complied with in all material respects.
7. The exceptions and qualifications contained in Section 44 of the Land Titles Act (Ontario), save and except paragraph 11 thereof respecting the Planning Act (Ontario).
8. Any rights of expropriation, access or user or any other similar rights conferred or reserved by or in any statutes of Canada or the Province of Ontario.
9. Any unregistered easements regarding the provision of utilities to the Purchased Assets.
10. All reference plans and transfers registered on title to the Property.

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 (ST CLAIR VILLAGE) INC.

**WEIRFOULDS LLP**  
Barristers and Solicitors  
The TD Bank Tower, Suite 4100  
66 Wellington Street West  
Toronto, ON M5K 1B7  
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Email: elamek@weirfoulds.com  
**Danny M. Nunes (LSUC No. 53802D)**  
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Email: dnunes@weirfoulds.com  
Lawyers for the Urbancorp CCAA Entities

# **TAB 3E**



**SEE APPENDIX G TO MONITOR'S FIFTH REPORT**

**TAB 3F**

**ONTARIO  
SUPERIOR COURT OF JUSTICE  
COMMERCIAL LIST**

THE HONOURABLE                    )  
  )  
MR. JUSTICE NEWBOULD            )  
  )  
  )

THURSDAY, THE 15<sup>TH</sup>  
DAY OF SEPTEMBER, 2016

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

**ORDER  
(Activities and Fee Approval)**

**THIS MOTION**, made by KSV Kofman Inc., in its capacity as 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**"), pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. c-36, as amended (the "**CCAA**") for an order, among other things, approving the Monitor's Fifth Report (defined below), the Monitor's activities described therein and the Monitor's fees and disbursements and those of its counsel set out therein, was heard this day at 330 University Avenue, Toronto, Ontario.

**ON READING** the Notice of Motion of the Monitor and the Fifth Report of the Monitor dated September ■, 2016 (the "**Fifth Report**"), and on hearing the submissions of respective counsel for the Monitor, the CCAA Entities and such other counsel as were present, no one else appearing although duly served as appears from the Affidavit of Service as filed:

**SERVICE**

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and the Motion Record herein is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.

**APPROVAL OF ACTIVITIES AND FEES**

2. **THIS COURT ORDERS** that the Fifth Report and the activities of the Monitor as set out in the Fifth Report are hereby approved.

3. **THIS COURT ORDERS** that the fees and disbursements of the Monitor and its counsel, as set out in the Fifth Report, are hereby approved.

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**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.

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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-16-11389-00CL

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 DEVELOPMENTS INC., URBANCORP (952 QUEEN WEST) INC., KING RESIDENTIAL INC., URBANCORP NEW KINGS 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)**

Proceeding commenced at Toronto

**ORDER  
(Activities and Fee Approval)**

**DAVIES WARD PHILLIPS & VINEBERG LLP**  
155 WELLINGTON STREET WEST  
TORONTO, ON M5V 3J7

Robin B. Schwill (LSUC #384521)  
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Fax: 416.863.0871

Lawyers for the Monitor

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

**MOTION RECORD**

**(Returnable September 15, 2016)**

**WEIRFOULDS LLP**

Barristers and Solicitors

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