

**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**

**MOTION RECORD
(returnable March 29, 2022)**

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**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.,
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(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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TAB 1

**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**

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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**

NOTICE OF MOTION

THE APPLICANTS will make a motion before the Honourable Chief Justice Morawetz of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") on Tuesday, March, 29, 2022 at 9:00 AM, or as soon after that time as the motion can be heard.

PROPOSED METHOD OF HEARING: The motion is to be heard by ZOOM video conference as a result of the COVID-19 pandemic.

THE MOTION IS FOR:

1. an Order substantially in the form attached at Tab 3 of the Motion Record, *inter alia*:
 - (a) abridging the time for service of this Notice of Motion and the Motion Record so that the motion is properly returnable on March 29, 2022, and dispensing with service on any persons other than those served;
 - (b) extending the Stay Period (as defined in paragraph 17 of the Initial Order (as defined herein)) until and including July 29, 2022;

- (c) approving the Fifty-First Report of KSV Restructuring Inc. (“**KSV**”), in its capacity as the monitor of the Urbancorp CCAA Entities (the “**Monitor**”), dated March 22, 2022 (the “**Fifty-First Report**”), and the Monitor’s activities described therein;
- (d) approving the fees and disbursements of the Monitor, the Monitor’s counsel, Davies Ward Phillips & Vineberg LLP, and the Applicants’ counsel, DLA Piper (Canada) LLP, for the periods referenced in the fee affidavits attached to the Fifty-First Report; and
- (e) such other and further relief as counsel may request and this Honourable Court may allow.

THE GROUNDS FOR THE MOTION ARE:

- 2. capitalized terms not otherwise defined herein have the meaning given to them in the Initial Order and the Fifty-First Report;
- 3. each of the Urbancorp CCAA Entities, other than Urbancorp Toronto Management Inc. (“**UTMI**”), were involved in the management and development of real estate projects across the greater Toronto area while UTMI provided back office administrative and management services to the Urbancorp CCAA Entities;
- 4. the Urbancorp CCAA Entities other than UTMI have no employees and their only assets were certain real estate projects in which they held an interest as well as certain rental properties and geothermal assets;
- 5. the Urbancorp CCAA Entities were granted protection from their creditors under the *Companies’ Creditors Arrangement Act* (Canada) (the “**CCAA**”), pursuant to the Initial Order of the Honourable Mr. Justice Newbould dated May 18, 2016 (the “**Initial Order**”);

6. KSV Kofman Inc.¹ was appointed as the Monitor pursuant to the Initial Order;

Stay Extension

7. the Initial Order granted, among other things, a stay of proceedings until June 17, 2016, or such later date as this Honourable Court may order;
8. pursuant to the most recent stay extension Order dated November 26, 2021, the Court extended the Stay Period until March 31, 2022;
9. the Monitor has distributed the bulk of the proceeds from the sale of the Geothermal Assets with the exception of a tax holdback on account of the potential tax liability of 228 Queens Quay West Limited (“228”) and a holdback for potential administrative costs;
10. 228’s tax returns for fiscal 2021 will be filed by the end of April 2022 and the Monitor expects that the tax payable will be assessed at an amount lower than the holdback amount held by the Monitor;
11. with respect to the Downsview project, the Court granted an approval and vesting Order on December 29, 2022 pursuant to which Downsview Homes Inc.’s interest in the Downsview project was sold to Mattamy (Downsview) Limited;
12. the issue of whether UTMI is entitled to payment of any management fees under the Downsview project agreements remains outstanding and will be proceeding to arbitration unless consensually resolved by the parties;
13. as part of the consideration for the sale of the Lawrence property, the Monitor negotiated an amount payable on a per lot basis as the sale of the home on each lot closed and the Monitor has been advised that the additional consideration is estimated to be \$572,000 but it has not yet been received;

¹ Effective August 31, 2020, KSV Kofman Inc. changed its name to KSV Restructuring Inc.

14. extending the Stay Period will provide the time to, among other things, allow the Monitor to deal with the distribution of those remaining holdback amounts held by the Monitor, attend to outstanding administrative matters including the filing of 2021 tax returns for the Urbancorp CCAA Entities, arbitrate UTMI's entitlement to management fees on the Downsview project and collect the proceeds due to the Monitor from the sale of the Lawrence property;
15. the cash-flow statements prepared by the Monitor indicate that the Applicants will have sufficient cash to fund these proceedings for the proposed extended Stay Period;
16. at all material times, the Urbancorp CCAA Entities have been acting, and continue to act, in good faith and with due diligence in these CCAA proceedings;
17. it is just and convenient and in the interests of the Urbancorp CCAA Entities and their respective stakeholders that the requested Order be granted and the Stay Period be extended;
18. the extension of the Stay Period is supported by the Monitor;

Professional Fees

19. taking into account the overall value of the services to date provided by the Monitor, its counsel and counsel to the Applicants, the fees and disbursements of the Monitor, its counsel and counsel to the Applicants are fair and reasonable in the circumstances;
20. the Monitor has reviewed the bills of its counsel and those of the Applicants' counsel and is of the opinion that the services have been duly authorized and rendered and the charges are reasonable;
21. such further and other grounds as set out in the Fifty-First Report;

22. Section 11.2 of the CCAA and the inherent and equitable jurisdiction of this Honourable Court thereunder; and
23. Rules 1.04, 1.05, 2.01, 2.03, 16 and 37 of the *Rules of Civil Procedure*, R.R.O 1990, Reg. 194, as amended, and section 106 of the Ontario *Courts of Justice Act*, R.S.O 1990, c. C.43, as amended.

AND FURTHER TAKE NOTICE that the following materials will be filed in support of this motion, namely:

- (a) the Fifty-First Report; and
- (b) such further and other material as counsel may advise and this Honourable Court may allow.

March 22, 2022

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- 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.,
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ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDINGS COMMENCED AT TORONTO

NOTICE OF MOTION
(returnable March 29, 2022)

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TAB 2



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Urbancorp (Lawrence) Inc., Urbancorp
Downsview Park Development Inc., Urbancorp
(952 Queen West) Inc., King Residential Inc.,
Urbancorp 60 St. Clair Inc., High Res. Inc.,
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Schedules

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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**

FIFTY-FIRST REPORT OF KSV RESTRUCTURING INC

MARCH 22, 2022

1.0 Introduction

1.1 Cumberland CCAA Entities

1. On April 21, 2016, Urbancorp (St. Clair Village) Inc. ("St. Clair"), Urbancorp (Patricia) Inc. ("Patricia"), Urbancorp (Mallow) Inc. ("Mallow"), Urbancorp Downsvew Park Development Inc. ("Downsvew"), 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, Downsvew, Lawrence and UTMI are referred to as the "NOI Entities"). KSV Kofman Inc. ("KSV Kofman") was appointed as the Proposal Trustee of each of the NOI Entities. On August 31, 2020, KSV Kofman changed its name to KSV Restructuring Inc. ("KSV").
2. Pursuant to an Order dated May 18, 2016 (the "Initial Order") made by the Ontario Superior Court of Justice (Commercial List) (the "Court"), the NOI Entities, together with the entities listed on Schedule "A" attached (collectively, the "Cumberland CCAA Entities" and each a "Cumberland CCAA Entity") were granted protection under the *Companies' Creditors Arrangement Act* (the "CCAA") and KSV was appointed monitor (the "Monitor") of the Cumberland CCAA Entities (the "CCAA Proceedings"). The corporate chart for the Cumberland CCAA Entities is provided in Appendix "A".
3. The stay of proceedings for the Cumberland CCAA Entities expires on March 31, 2022.

1.2 Urbancorp Inc., Recognition of Foreign Proceedings

1. On April 25, 2016, the District Court in Tel Aviv-Yafo, Israel issued a decision appointing Guy Gissin as the functionary officer and foreign representative (the "Foreign Representative") of UCI and granting him certain powers, authorities and responsibilities over UCI (the "Israeli Proceedings").
2. On May 18, 2016, the Court issued two orders under Part IV of the CCAA, which:
 - a) recognized the Israeli Proceedings as a "foreign main proceeding";
 - b) recognized Mr. Gissin as Foreign Representative of UCI; and
 - c) appointed KSV as the Information Officer.

1.3 Urbancorp Management Inc.

1. On May 20, 2021, Chief Justice Morawetz released a decision that a bankruptcy order be made against Urbancorp Management Inc. ("UMI") and named KSV as the Licensed Insolvency Trustee (the "Trustee").
2. On September 16, 2021, the Court released a decision (the "UMI Decision") that the Monitor distribute \$2,049,000 to UMI.
3. On November 4, 2021, the Foreign Representative filed a motion seeking leave to appeal the UMI Decision (the "Motion for Leave") and accordingly, the Monitor held back the amount distributable to UMI (the "UMI Holdback").
4. On March 3, 2022, the Ontario Court of Appeal dismissed the Motion for Leave (the "Leave Decision"). A copy of the Leave Decision is attached as Appendix "B". In accordance with the Leave Decision, the Monitor has now paid the UMI Holdback to UMI.
5. Doreen Saskin, the spouse of Alan Saskin, the principal of the Cumberland CCAA Entities, has filed a secured claim of \$2.8 million against UMI. The principal issue in the bankruptcy proceedings is to determine whether Ms. Saskin has a valid claim, and if so, the amount of that claim and whether it is secured. Further information regarding Ms. Saskin's claim is provided in section 3.5 below.

1.4 Purposes of this Report

1. The purposes of this report ("Report") are to:
 - a) provide an update on the CCAA Proceedings;
 - b) provide the rationale for an extension of the stay of proceedings from March 31, 2022 to July 29, 2022;
 - c) report on the consolidated cash flow projection of the Cumberland CCAA Entities from April 1, 2022 to July 31, 2022 (the "Cash-Flow Statement");

- d) summarize and seek approval of the fees and expenses of KSV, as Monitor of the Cumberland CCAA Entities, the Monitor's counsel, Davies Ward Phillips & Vineberg LLP ("Davies"), and the Cumberland CCAA Entities' counsel, DLA Piper (Canada) LLP ("DLA"), from November 1, 2021 to February 28, 2022; and
- e) recommend that the Court issue orders:
 - i. granting an extension of the stay of proceedings for the Cumberland CCAA Entities to July 29, 2022;
 - ii. approving this Report and the activities of the Monitor, as detailed in this Report; and
 - iii. approving the fees and disbursements of the Monitor, Davies and DLA, as detailed in this Report.

1.5 Currency

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

1.6 Restrictions

1. In preparing this Report, the Monitor has relied upon unaudited financial information of the Cumberland CCAA Entities, the books and records of the Cumberland CCAA Entities, discussions with representatives of the Cumberland CCAA Entities, discussions with the financial and legal advisors of the Foreign Representative, being Farber Group and Dentons Canada LLP ("Dentons"), respectively, representatives of Mattamy Homes Inc., and its legal counsel, Cassels Brock & Blackwell LLP and Lax O'Sullivan Lisus Gottlieb LLP ("Lax"), and legal counsel to Doreen Saskin, Lax. The Monitor has not performed an audit or other verification of such information.
2. The Monitor has not audited, reviewed or otherwise verified the accuracy or completeness of the financial information in a manner that would comply with Generally Accepted Assurance Standards pursuant to the Chartered Professional Accountants of Canada Handbook.
3. An examination of the 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 upon the Cumberland CCAA Entities' assumptions regarding future events; actual results achieved may vary from this information and these variations may be material.
4. The Monitor expresses no opinion or other form of assurance with respect to the financial information presented in this Report or relied upon by the Monitor in preparing this Report. Any party wishing to place reliance on the Cumberland CCAA Entities' financial information should perform its own due diligence and any reliance placed by any party on the information presented herein shall not be considered sufficient for any purpose whatsoever.

2.0 Background

1. The Urbancorp Group of Companies (the “Urbancorp Group”) was primarily engaged in the development, construction and sale of residential properties in the Greater Toronto Area.
2. As part of a restructuring of the Urbancorp Group, UCI was incorporated on June 19, 2015 to raise debt in the public markets in Israel. Pursuant to a Deed of Trust dated December 7, 2015, UCI made a public offering of debentures (the “IPO”) in Israel of NIS180,583,000 (approximately \$64 million based on the exchange rate at the time of the IPO) (the “Debentures”).
3. From the monies raised in the IPO, UCI made unsecured loans (the “Shareholder Loans”) totalling approximately \$46 million to the NOI Entities (other than UTMI) so that these entities could repay loan obligations owing at the time.

3.0 Update on CCAA Proceedings

3.1 Distributions

1. KSV has distributed approximately \$71 million to UCI as of the date of this Report, including approximately \$36 million of the \$46 million advanced by way of Shareholder Loans by UCI to various entities in the Urbancorp Group (the unpaid balance represents the Shareholder Loan advanced by UCI to Downsvie) and the balance in respect of other claims advanced by UCI and by way of equity distributions.
2. UCI, through the Foreign Representative, has also had recoveries in Israel from litigation it commenced against various parties involved in the underwriting of the Debentures, and will have further recoveries in these CCAA Proceedings and from the CCAA proceedings in which The Fuller Landau Group Inc. (“Fuller Landau”) is the CCAA monitor.
3. The Foreign Representative has advised that UCI’s obligations owing to its Debentureholders have not been paid in full and that it does not expect that they will be. As previously advised, KSV, as Information Officer of UCI, has requested full financial disclosure from the Foreign Representative regarding the administration of UCI’s insolvency proceedings, but it has not been provided to KSV.
4. KSV is maintaining the following holdbacks in the CCAA proceedings:

(unaudited; \$000s)	Bank Balance	UMI Holdback	Tax Holdback	Administration Cost Holdback
Cumberland CCAA Entities	1,177	-	-	1,177
Geothermal Asset Owners	3,090	-	1,250	1,840
UMI	2,049	2,049	-	-
	<u>6,316</u>	<u>2,049</u>	<u>1,250</u>	<u>3,017</u>

5. The UMI Holdback and the tax holdback (the “Tax Holdback”) are discussed in the sections below. The Monitor is maintaining the administrative cost holdback to deal with the issues remaining in the proceedings. The Monitor has made, and will continue to make, distributions as soon as the Monitor is satisfied that holdbacks are no longer required.

3.2 Geothermal Assets

1. Certain of the Cumberland CCAA Entities had an interest in geothermal assets (the "Geothermal Assets") located at four condominiums developed by entities in the Urbancorp Group, being the Edge, Bridge, Fuzion and Curve condominiums. Urbancorp Renewable Power Inc. ("URPI") was incorporated to manage the Geothermal Assets. Pursuant to a Court order made on June 28, 2018, KSV was appointed as the receiver (the "Receiver") of URPI.
2. Through two transactions approved by the Court in these proceedings, the Geothermal Assets were sold for approximately \$25 million. Additional recoveries from settlements reached between the Receiver and the condominium corporations for each of the Curve, Edge, Bridge and Fuzion condominiums totalled approximately \$7 million. Net of realization costs and harmonized sales tax remitted, the proceeds from the geothermal transactions have been distributed as set out in the table below.

(unaudited; \$000s)	Edge	Bridge	Fuzion	Curve	Total
UCI	1,584	5,725	2,675	12	9,996
Fuller Landau	8,288	-	-	700	8,988
King Towns North Inc.	-	2,049	-	-	2,049
Other ¹	-	-	2,182	-	2,182
Total	9,872	7,774	4,857	712	23,215

3.3 Tax Holdback

1. The Tax Holdback is in respect of taxes potentially payable by 228 Queens Quay West Limited ("228"), the former owner of the Edge Geothermal Assets. 228's fiscal 2021 tax returns will be filed by the end of April 2022. The Monitor expects that the tax payable by 228 will be assessed at an amount less than the Tax Holdback.

3.4 UMI Holdback

1. The Bridge condominium is located at 38 Joe Shuster Way, Toronto. The vast majority of the boreholes related to the Bridge Geothermal System are located on real property owned by King Towns North Inc. ("KTNI"), which is across the road from the Bridge condominium (the "Berm Lands").
2. Pursuant to a Declaration of Trust dated December 27, 2012, KTNI declared to be holding its interests in the Berm Lands in trust for UMI. The Monitor understands that The A. Saskin Family Trust is the sole shareholder of UMI.
3. Pursuant to a lease dated July 10, 2010 (the "Berm Lease") between KTNI, as landlord, and Vestaco Homes Inc. ("Vestaco Homes") and URPI, as tenants (jointly, the "Tenants"), KTNI leased the Berm Lands to the Tenants for \$100 per year.
4. The Berm Lease was purchased by Enwave Energy Corporation ("Enwave"). Enwave allocated \$2,049,000 to the Berm Lease and the Receiver accepted Enwave's allocation.

¹ Mainly represents distributions to First Capital Realty Inc. in respect of a mortgage on the Fuzion geothermal assets.

5. On September 16, 2021, the Court released the UMI Decision, which requires the Monitor to distribute \$2,049,000 to KTNI, for the benefit of UMI.
6. As a result of the Leave Decision, the Monitor has now paid the UMI Holdback to UMI.

3.5 UMI

1. According to UMI's books and records, UMI owes UTMI approximately \$7.7 million. On January 26, 2021, the Monitor filed an application for an order that UMI be adjudged bankrupt.
2. Doreen Saskin, Alan Saskin's spouse, has filed a claim as a secured creditor of UMI for approximately \$2.8 million. On February 22, 2021, Ms. Saskin brought a motion for the appointment of a receiver over UMI.
3. The receivership and bankruptcy motions were heard by the Court on April 12, 2021. On May 20, 2021, Chief Justice Morawetz released his decision that a bankruptcy order should be made against UMI, named KSV as Trustee and stayed the receivership application, pending the completion of a review of Ms. Saskin's secured claim by KSV as Trustee.
4. Following the issuance of the KTNI Decision, on September 27, 2021, the Trustee sent a letter to Ms. Saskin's counsel requesting support for the advances made by Ms. Saskin to KTNI (the "Information Request"). The Trustee has followed up with Ms. Saskin's counsel on several occasions. Prior to the release of the Leave Decision, Ms. Saskin's counsel advised that it was not willing to spend the time and money responding to the Information Request pending the Leave Decision.
5. The Foreign Representative is suing Ms. Saskin in Israel. The Information Request will require the disclosure of information concerning Ms. Saskin's personal assets, including the source of the monies she claims she advanced to UMI. Since the date of the KTNI Decision, Ms. Saskin's counsel has advised the Monitor that Ms. Saskin is only prepared to share the requested information with the Trustee provided the Trustee review and hold it on a confidential basis, including that it not be shared with the Foreign Representative.
6. The Foreign Representative's counsel, Dentons, recently advised the Monitor's counsel, Davies, that the Foreign Representative would not consent to the information being provided to the Monitor on a confidential basis. The Foreign Representative is not a creditor of UMI; however, it is the primary beneficiary of UMI's assets as a result of UTMI's claim against UMI.
7. The Trustee does not believe that the Foreign Representative requires the support that Ms. Saskin provides for her claim. The Trustee is of the view that the Foreign Representative only requires the results of the Trustee's review of Ms. Saskin's claim.
8. On March 15, 2022, Adam Erlich, the sole inspector of UMI and a partner at Fuller Landau, passed a resolution authorizing the Trustee to seek a Court order requiring the Trustee to keep the information provided by Ms. Saskin confidential and to not disclose it to anyone, including the Foreign Representative, other than Mr. Erlich, as sole inspector. If the Court grants the order, the Trustee will require timely disclosure from Ms. Saskin so that this issue can finally be resolved.

9. As of the date of this Report the Monitor's counsel continues to have discussions with counsel to the Foreign Representative and Ms. Saskin as to the provision of the requested information. If that issue is not resolved by the return of this motion, the Monitor may seek an order to have it provided to the Trustee on a confidential basis, as discussed above.

3.6 Downsview

1. Downsview Homes Inc. ("DHI") owns land located at 2995 Keele Street in Toronto, Ontario which is being developed into condominiums and other residences (the "Downsview Project"). The shares of DHI were owned by Downsview (51%) and Mattamy (Downsview) Limited ("Mattamy") (49%).
2. Downsview's only material assets were its common shares in DHI and the agreements (the "Project Agreements") relating to the Project (collectively, the "Downsview Interest"). In accordance with an approval and vesting order (the "AVO Order") issued by the Court on December 29, 2021, the Court approved a sale of the Downsview Interest to Mattamy in full satisfaction of all obligations owing by Downsview to Mattamy (the "Transaction"). The Transaction closed in early January 2022.
3. Pursuant to the terms of the AVO Order and the Transaction, UTMI retained whatever rights it may have, if any, to recover management fees (estimated by the Monitor and the Foreign Representative to be approximately \$5.4 million) under the Project Agreements, without prejudice to Mattamy's position that neither Downsview nor UTMI is entitled to the payment of Management Fees. Any amounts paid in respect of Management Fees would ultimately be paid to UCI.
4. The Monitor has recommended to Mattamy and the Foreign Representative that the Management Fee issue be settled and Mattamy and the Foreign Representative have expressed an interest in resolving the issue. The Project Agreements provide that the dispute be resolved by arbitration. The Monitor and the Foreign Representative are in the process of drafting a notice of arbitration to Mattamy in connection with the Management Fee issue to push forward the matter in case it cannot be resolved consensually.
5. As of the date of this Report, a timetable for the arbitration has not been settled.

3.7 Lawrence

1. In 2016, pursuant to a Court order issued in these proceedings, the Monitor sold a property municipally described as 1780 Lawrence Avenue West, Toronto (the "Lawrence Property") to Fernbrook Homes (Lawrence) Limited ("Fernbrook"). Fernbrook is developing and selling residential homes on the Lawrence Property. The project consists of 88 homes, all of which have been pre-sold. As of March 18, 2022, 29 home sales have closed.

2. After submitting an offer for the Lawrence Property in the Sale Process conducted by the Monitor for that property, Fernbrook renegotiated the transaction. As part of a settlement, Fernbrook paid the purchase price, plus agreed to pay additional consideration on closing of each home sale on the project (the "Additional Consideration"). The Monitor secured this obligation by taking a mortgage against the Lawrence Property. Fernbrook has advised the Monitor that it estimates that the Additional Consideration will be approximately \$572,000. The Monitor expects to receive the Additional Consideration during 2022.

4.0 Cash Flow Forecast

1. A consolidated cash flow projection has been prepared for the Cumberland CCAA Entities from April 1, 2022 to August 31, 2022 (the "Period"). The Cash-Flow Statement and the Cumberland CCAA Entities' statutory report on the cash flow pursuant to Section 10(2)(b) of the CCAA are attached in Appendices "C" and "D", respectively.
2. The expenses in the Cash-Flow Statement are primarily general and administrative expenses and professional fees. The Cumberland CCAA Entities are projected to have sufficient cash to pay all disbursements during the Period.
3. Based on the Monitor's review of the Cash-Flow Statement, there are no material assumptions which seem unreasonable. The Monitor's statutory report on the cash flows is attached as Appendix "E".

5.0 Request for an Extension

1. The Cumberland CCAA Entities are seeking an extension of the stay of proceedings from April 1, 2022 to July 29, 2022. The Monitor supports the request for an extension of the stay of proceedings for the following reasons:
 - a) the Cumberland CCAA Entities are acting in good faith and with due diligence;
 - b) no creditor will be prejudiced if the extensions are granted;
 - c) as of the date of this Report, neither the Cumberland CCAA Entities nor the Monitor is aware of any party opposed to an extension; and
 - d) it will provide the Monitor further time to:
 - i. deal with outstanding administrative matters, including addressing tax matters for the Urbancorp Group entities;
 - ii. monitor the Fernbrook transaction and collect a portion of the proceeds due to the Monitor; and
 - iii. resolve the Management Fee issue.

6.0 Professional Fees

1. The fees and disbursements of the Monitor, Davies and DLA are summarized below.

(\$)					
Firm	Period	Fees	Disbursements	Total	Average Hourly Rate
KSV	Nov 1/21 – Feb 28/22	131,159.50	7.26	131,166.76	636.54
Davies	Nov 1/21 – Feb 28/22	142,571.50	1,416.78	143,988.28	853.00
DLA	Nov 1/21 – Feb 28/22	4,750.00	320.00	5,070.00	625.00
Total		278,481.00	1,744.04	280,225.04	

2. Detailed invoices are provided in exhibits to the fee affidavits filed by representatives of KSV, Davies and DLA which are provided in Appendices "F", "G" and "H", respectively.
3. Since the last fee approval motion, the main matters addressed by Davies include:
 - a) considering matters related to the sale of the Geothermal Assets, including the Leave Motion; and
 - b) dealing with issues related to the Downsvew Project, including the Management Fee issue; and
 - c) dealing with counsel to Fernbrook regarding the Additional Consideration.
4. As reflected in the table above, DLA's legal fees since the last fee approval motion have been insignificant.
5. The Monitor is of the view that the hourly rates charged by Davies and DLA are consistent with rates charged by law firms practicing in restructuring and insolvency in the downtown Toronto market, and that the fees charged are reasonable and appropriate in the circumstances.

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 1.4(1)(e) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

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

Schedule "A"

Urbancorp Toronto Management Inc.

Urbancorp (952 Queen West) Inc.

King Residential Inc.

Urbancorp 60 St. Clair Inc.

High Res. Inc.

Bridge on King Inc.

Urbancorp Power Holdings Inc.

Vestaco Homes Inc.

Vestaco Investments Inc.

228 Queen's Quay West Limited

Urbancorp Cumberland 1 LP

Urbancorp Cumberland 1 GP Inc.

Urbancorp Partner (King South) Inc.

Urbancorp (North Side) Inc.

Urbancorp Residential Inc.

Urbancorp Realtyco Inc.

Appendix “A”

Appendix “B”

COURT OF APPEAL FOR ONTARIO

CITATION: Urbancorp Toronto Management Inc. (Re), 2022 ONCA 181
DATE: 20220303
DOCKET: M52860

Strathy C.J.O., Roberts and Sossin JJ.A.

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

Neil Rabinovitch and Kenneth Kraft, for the moving party, Guy Gissin, in his capacity as Foreign Representative of Urbancorp Inc.

Robin B. Schwill, for the responding party, KSV Kofman Inc., in its capacity as Monitor

Bobby Kofman, Noah Goldstein and Robert Harlang, for the responding party, KSV Restructuring Inc.

Andrew Winton, for the responding party, Doreen Saskin

Heard: in writing

Motion for leave to appeal from the order of Chief Justice Geoffrey B. Morawetz of the Superior Court of Justice, dated September 16, 2021, with reasons at 2021 ONSC 5073.

REASONS FOR DECISION

[1] Pursuant to s. 13 of the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36 (the "CCAA"), the moving party, in his capacity as Foreign Representative of Urbancorp Inc., seeks leave to appeal from the distribution order of the Supervising Judge of the Superior Court of Justice (the "Supervising Judge") dated September 16, 2021, authorizing the court-appointed Monitor of the applicants to make a distribution to King Towns North Inc. ("KTNI"). KTNI is the owner of certain lands known as the "Berm Lands" and the landlord under a lease of these lands to certain entities, described below. The Monitor does not join in the appeal.

[2] Section 13 provides that any person dissatisfied with an order or decision made under the CCAA may appeal from the order or decision with leave.

[3] In determining whether leave should be granted, this court considers whether:

- a. the proposed appeal is *prima facie* meritorious or frivolous;
- b. the points on the proposed appeal are of significance to the practice;
- c. the points on the proposed appeal are of significance to the action; and
- d. the proposed appeal will unduly hinder the progress of the action.

See *Stelco Inc. (Re)* (2005), 75 O.R. (3d) 5 (C.A.), at para. 24; *Nortel Networks Corporation (Re)*, 2016 ONCA 332, 130 O.R. (3d) 481, at para. 34, application for leave to appeal discontinued, [2016] S.C.C.A. No. 301; *Timminco Limited (Re)*,

2012 ONCA 552, 2 C.B.R. (6th) 332, at para. 2; *DEL Equipment Inc. (Re)*, 2020 ONCA 555, at para. 12.

[4] Leave to appeal is granted sparingly and only where there are “serious and arguable grounds that are of real and significant interest to the parties”: *Nortel Networks*, at para. 34.

Background

[5] The facts are set out in detail in the reasons of the Supervising Judge. We summarize only those facts necessary to explain our decision.

[6] CCAA proceedings of the Urbancorp group of companies (the “Urbancorp Group”) have been overseen by the Commercial List since 2016. In related proceedings, Urbancorp Renewable Power Inc. (“URPI”) has been in receivership since 2018. The Supervising Judge has been case managing both proceedings since 2019.

Urbancorp’s Geothermal Assets

[7] The Urbancorp Group owned certain assets, described as the “Geothermal Assets”, located in four condominium buildings in Toronto. These assets provided heating and air conditioning to each condominium and included, among other things, assets located within the condominium building itself, below-ground wells to supply water to the heating and air conditioning systems, supply agreements

with the various condominium corporations and a management agreement between the manager of the Geothermal Assets and the owners of those assets.

[8] In the course of these proceedings, the Geothermal Assets pertaining to three of the condominiums were sold to Enwave Geo Communities LP (“Enwave”) for \$24 million.

The Bridge Geothermal Assets

[9] The assets at issue before the Supervising Judge (the “Bridge Geothermal Assets”) pertained to one of those condominiums, referred to as “Bridge”, located at 38 Joe Shuster Way in Toronto. At the time of the motion before the Supervising Judge, there was approximately \$7.7 million available for distribution to stakeholders in relation to the Bridge Geothermal Assets. KTNI’s claim was one of seven claims against those funds. The Monitor admitted six claims totaling \$5.086 million, but disallowed KTNI’s claim of \$5.875 million. As noted above, the Supervising Judge rejected the Monitor’s disallowance and allowed KTNI’s claim.

The Berm Lands

[10] In the case of the Bridge Geothermal Assets, the majority of the wells were located on a parcel of land adjacent to the Bridge condominium, referred to as the Berm Lands. KTNI was the owner of the Berm Lands.

The Berm Lease

[11] Pursuant to a lease dated July 10, 2010 (the “Berm Lease”), the Berm Lands were leased by KTNI jointly to Vestaco Homes Inc. (“Vestaco Homes”), an Urbancorp-related entity which owned the Bridge Geothermal Assets, and URPI, which was the manager of the Geothermal Assets. The Berm Lease was set to expire on July 9, 2060, with provision for renewals, making its term consistent with the relevant geothermal energy supply agreement.

[12] All parties to the Berm Lease – KTNI as landlord and Vestaco Homes and URPI as tenants – were beneficially owned or controlled by the Saskin family. Alan Saskin signed the lease on behalf of each party. Pursuant to a declaration of trust dated December 27, 2012, KTNI is declared to be holding all of its interests in the Berm Lands in trust for Urbancorp Management Inc. (“UMI”). The Saskin Family Trust is considered to be the sole shareholder of UMI. Doreen Saskin, Alan Saskin’s spouse, claims to be a secured creditor of UMI for approximately \$2.8 million.

[13] The tenants’ interest in the Berm Lease was one of the assets sold to Enwave. Enwave allocated a value of \$2.049 million to the Berm Lease. The Supervising Judge found that this was an appropriate valuation.

[14] The Berm Lease initially provided for an annual rent of \$200,000, payable to KTNI. In 2015, Urbancorp Inc. was in the process of raising funds from the

issuance of bonds in Israel. There was evidence that in order to increase the value of the Geothermal Assets for the purpose of the bond issuance, Alan Saskin amended the Berm Lease to provide a rental of \$100 per annum, rather than \$200,000, because a payment of rent to a related company outside the bond structure would reduce the net income and the net value of the Bridge geothermal system, made up of the Bridge Geothermal Assets.¹

[15] It was not disputed that \$100 per annum was not a market rent for the Berm Lease. However, the Berm Lease provided that the lease could not be transferred or assigned without the consent of the landlord, KTNI. The effect was that a tenant that was not controlled or beneficially owned by the Saskin family could not benefit from a nominal rent at the expense of a Saskin-related landlord.

[16] This brings us to the provision of the Berm Lease, referred to below as the "Transfer Provision", which is at the heart of this dispute:

13.4(e) Where the Transferee pays or gives to the Transferor money or other value that is reasonably attributable to the desirability of the location of the Leased Premises or to leasehold improvements that are owned by the Landlord or for which the Landlord has paid in whole or in part, then at the Landlord's option, the Transferor will pay to the Landlord such money or other value in addition to all Rent payable under this lease and such amounts shall be deemed to be further Additional Rent.

¹ For further clarity, Vestaco Homes was added as a party to the Berm Lease at the time it was amended in 2015.

[17] The effect of the Transfer Provision is that on a transfer of the lease, KTNI is entitled to the “value” of the lease. Doreen Saskin contended that the effect of this provision in the circumstances is that any amount of the proceeds of sale of the Geothermal Assets to Enwave that are attributable to the transfer of the Berm Lease should be allocated to KTNI.

The Sale of the Bridge Geothermal Assets to Enwave

[18] In December 2020, over the objection of KTNI, the Supervising Judge approved the sale of the Bridge Geothermal Assets to Enwave. The order provided that the assignment was free of any payment obligations to KTNI that might arise pursuant to s. 13.4 of the Berm Lease. The sale order also provided that the allocation of the proceeds of sale was to be determined at a later date. As noted earlier, all claims against the Bridge Geothermal Assets, other than those related to the Berm Lease, have been resolved.

[19] The Monitor disallowed KTNI’s claim to a portion of the proceeds of sale of the Bridge Geothermal Assets to Enwave, giving the following reasons:

The Berm Lease is an asset of Vestaco Homes and URPI, as tenants, to the extent it provides for under market rent. The Berm Provision has the effect of stripping this value away from Vestaco Homes and URPI for no consideration. While this would be of little concern if all parties were related parties and solvent, the fact is that Vestaco Homes and URPI are now insolvent and subject to CCAA and receivership proceedings, respectively. Accordingly, in the Court Officer’s view, a clause set up between related parties to manage inter-

group asset allocations and tax consequences should not be enforceable under the circumstances as a matter of equity and fairness when doing so would deprive the estates of value that they possessed on the filing date, for no consideration, with the consequential beneficiary being the sole officer and director of the Urbancorp Group, Alan Saskin, or members of his family.

The Court Officer believes that URPI was made a tenant under the Berm Lease as a matter of pure convenience as it was the manager of the Bridge Geothermal Assets for the benefit of Vestaco Homes, and the party who would be exercising access rights for repairs and maintenance. Commercially, as Vestaco Homes is the owner of the Bridge Geothermal Assets, which includes the geothermal piping located on the Berm Lands, it makes sense that the economic value of the Berm Lease would be allocated fully to it.

[20] The Monitor moved before the Supervising Judge for directions concerning the distribution of the proceeds of the sale of the Geothermal Assets. The only contested issue related to which party was entitled to the funds reserved (\$2.8 million) in relation to the Berm Lease. The Monitor recommended that the amount allocated to the Berm Lease be for the benefit of the tenant Vestaco Homes and that KTNI's claim be disallowed. KTNI opposed this recommended proposal.

The Decision of the Supervising Judge

[21] The central issue on the motion below was the interpretation and application of the Transfer Provision of the "Berm Lease", and specifically whether the provision offended either the "*pari passu*" rule or the "anti-deprivation" rule, both of which were discussed and explained in the decision of the Supreme Court of

Canada in *Chandos Construction Ltd. v. Deloitte Restructuring Inc.*, 2020 SCC 25, 449 D.L.R. (4th) 293.

[22] The Monitor, supported by the Foreign Representative of Urbancorp Inc., took the position that Vestaco Homes, one of the tenants, should receive the amount Enwave attributed to the Berm Lease. KTNI, supported by Doreen Saskin, opposed this proposal.

[23] The Supervising Judge described the Monitor's position as follows, at para. 17:

The Monitor is of the view that the Berm Lease is an asset of Vestaco Homes and URPI, as Tenants, to the extent it provides for under market rent. The Berm Provision has the effect of stripping this value away from Vestaco Homes and URPI for no consideration. The Monitor is of the view that a clause set up between related parties to manage inter-group asset allocations and tax consequences should not be enforceable under the circumstances as a matter of equity and fairness when doing so would deprive the estates of value that they possessed on the filing date, for no consideration, with the consequential beneficiary being the sole officer and director of the Urbancorp group, Alan Saskin, or members of his family.

[24] The Supervising Judge rejected evidence tendered by Urbancorp Inc. concerning the drafting of the Berm Lease, the purpose of s. 13.4 and the decision to reduce the annual rent. He found that the affiant, Mr. Mandell, had failed to disclose a cooperation and immunity agreement he had made with the Foreign Representative and that his evidence was unreliable and would be disregarded.

[25] As a result, the Supervising Judge based his determination of the issues on the documentary record. Applying the principles of contract interpretation (referring to *Ventas, Inc. v. Sunrise Senior Living Real Estate Investment Trust*, 2007 ONCA 205, 85 O.R. (3d) 254, at para. 24), he accepted the submission of Doreen Saskin concerning the interpretation of the Transfer Provision and found that, as a matter of contract interpretation, the portion of the distribution funds allocated to the Berm Lease was to be transferred to KTNI. He observed, at paras. 55-57:

Counsel to Ms. Saskin submits that the starting point for the interpretation of the provision is the plain language in s. 13.4(e) of the Berm Lease, which expressly states that the Transferor is required to pay the proceeds of transfer of the lease to the Landlord.

Counsel further submits that this provision needs to be read in the context of the objective factual matrix of the terms of the Berm Lease as a whole. This is a long-term lease between non-arm's length parties for nominal rent and there is no dispute that the rent does not reflect the market value of the leasehold interest – which is precisely why EGC allocated \$2 million in value to the lease. EGC paid URPI that sum to “buy” the right to pay \$100 annual rent to KTNI for so long as the Berm Lands were being used to generate geothermal energy. Accordingly, this is precisely the circumstance contemplated by s. 13.4(e) of the Berm Lease, and there is a contractual obligation for the portion of the Distribution Funds allocated to the lease to be transferred to KTNI.

I have been persuaded by the submissions of counsel to [Ms.] Saskin. In my view, the plain language of s. 13.4(e) of the Berm Lease establishes the basis for the claim of KTNI.

[26] The Supervising Judge then turned to the Monitor's submission that the Transfer Provision should be invalidated under either the *pari passu* rule or the anti-deprivation rule. The *pari passu* rule prohibits contractual provisions that allow creditors to obtain more than their fair share on the insolvency of the counterparty. The anti-deprivation rule, he said, "protects third party creditors, by rendering void contractual provisions that, upon insolvency, remove value that would otherwise have been available to a debtor's creditors from their reach": referring to *Chandos*.

[27] In rejecting this submission, the Supervising Judge referred to and adopted the submissions made by counsel for Doreen Saskin. After setting out those submissions, the Supervising Judge observed, with respect to the *pari passu* rule, at para. 65:

In my view, the submissions put forth by Doreen Saskin on this issue are a complete answer to the arguments raised by the Monitor. Specifically, the Berm Lease makes clear that Vestaco does not have an interest in the transfer value of the lease – that value was retained by the landlord, KTNI in accordance with s. 13.4(e). The Berm Lease reserved the transfer value to KTNI and, accordingly, the *pari passu* rule, which invalidates contractual terms that prefer one creditor ahead of the others, does not come into play on these facts, because KTNI's interest in the Distribution Funds does not alter any scheme of distribution.

[28] With respect to the anti-deprivation rule, counsel for Doreen Saskin submitted that "the anti-deprivation rule requires as a precondition that the impugned term of a contract is triggered by an event of insolvency or bankruptcy."

Counsel noted that the provision in the Berm Lease did not mention bankruptcy or insolvency and was “agnostic” as to whether the transfer occurs in the insolvency context or not. The Supervising Judge agreed, at para. 66:

The anti-deprivation rule does not apply as the relevant clause does not mention insolvency or bankruptcy. Rather, it applies to all transfers of the lease. The clause is triggered by the transfer of the lease.

[29] The Supervising Judge concluded that s. 13.4(e) of the Berm Lease was not invalidated under either the *pari passu* rule or the anti-deprivation rule.

[30] The Supervising Judge therefore ordered the Monitor to distribute \$2.049 million to KTNI from the funds available for distribution, with the proviso that there be no distribution to Doreen Saskin until such time as her claim in the bankruptcy of UMI, KTNI’s parent, had been fully and finally accepted by the trustee in bankruptcy of UMI.

The Moving Party’s Submissions

[31] The moving party submits that the proposed appeal is meritorious and is significant to the parties and the profession. He submits that it raises an issue of significance to bankruptcy practice concerning the application of the decision of the Supreme Court of Canada in *Chandos*, which he submits should be seen as a statement of first principles, rather than as a complete code. He submits that the practice needs to know whether the anti-deprivation rule can be excluded by drafting a provision that omits reference to the words “bankruptcy” or “insolvency”.

[32] If granted leave to appeal, the moving party proposes to address the following issues:

- a. Whether the anti-deprivation rule applies in circumstances where an impugned provision is not expressly triggered by an event of insolvency, but the effect of the clause is to “strip value” from the insolvent debtor’s estate. The Supervising Judge elevated form over substance in the application of *Chandos* by finding that the anti-deprivation rule does not apply to provisions that do not expressly reference an event of insolvency. He failed to consider that, practically speaking, the only scenario in which s. 13.4(e) could apply would be an insolvency or bankruptcy. While the Supreme Court in *Chandos* held that the anti-deprivation rule does not apply to a provision that is not triggered by an event other than insolvency or bankruptcy, it did not find that the rule could be avoided by “clever drafting” where, as a practical matter, it could only apply in bankruptcy or insolvency;
- b. Whether the Supervising Judge failed to determine whether the value attributed to the Berm Lease is “reasonably attributable to the desirability of the location of the Leased Premises” within the meaning of the Transfer Provision; and
- c. Whether the Supervising Judge erred by failing to consider the evidence of both Mr. Mandell and Mr. Saskin concerning the factual matrix of the amendment of the lease.

[33] The moving party submits that granting leave to appeal will not unduly delay the insolvency proceedings, which have been continuing since 2016. The asset has been monetized but there will be no distribution to Doreen Saskin until such time as her claim against UMI has been accepted by UMI’s trustee in bankruptcy.

Discussion

[34] The errors identified by the moving party are, at their highest, mixed questions of fact and law and will not be set aside in the absence of an extricable error of law or a palpable and overriding error in the assessment of the evidence.

[35] In our view, the moving party has not satisfied the first branch of the test for leave. None of the alleged errors raise a *prima facie* meritorious issue for appeal.

[36] As to the first proposed ground of appeal, we do not accept the moving party's submission that the Supervising Judge erred in his application of *Chandos*. It bears noting, as the Supreme Court did, that the anti-deprivation rule has relatively ancient roots in Canadian law, dating to *Watson v. Mason* (1876), 22 Gr. 574 (Ont. C.A.) and *Hobbs v. The Ontario Loan and Debenture Co.*, (1890) 18 S.C.R. 483. The rule was referred to by Blair J., as he then was, in *Canadian Imperial Bank of Commerce v. Bramalea Inc.* (1995), 33 O.R. (3d) 692 (Gen. Div.), in which he adopted the following summary of the rule, at p. 694:

A provision in an agreement which provides that upon an insolvency, value is removed from the reach of the insolvent person's creditors to which would otherwise have been available to them, and places that value in the hands of others – presumably in a contract other than a valid secured transaction – is void on the basis that it violates the public policy of equitable and fair distribution amongst unsecured creditors in insolvency situations.

[37] He added, at p. 695:

... I am satisfied that the principle which underlies the notion is the deprivation of the creditors' interests in a bankruptcy as a result of a contractual provision that is triggered only in the event of bankruptcy or insolvency and which results in property that would otherwise be available to the bankrupt and the creditors, or its value, being diverted to which is in effect, a preferred unsecured creditor. [Citations omitted.]

[38] In *Chandos*, the majority confirmed that the anti-deprivation rule exists in Canadian law and has not been judicially or statutorily eliminated. Referring to *Bramalea*, it described the rule as follows, at para. 31:

As *Bramalea* described, the anti-deprivation rule renders void contractual provisions that, upon insolvency, remove value that would otherwise have been available to an insolvent person's creditors from their reach. This test has two parts: first, the relevant clause must be triggered by an event of insolvency or bankruptcy; and second, the effect of the clause must be to remove value from the insolvent's estate. This has been rightly called an effects-based test. [Emphasis added.]

[39] After stating that the focus of inquiry is on the effects of the provision rather than the intention of the parties in drafting it, the majority in the Supreme Court stated, at para. 35:

The effects-based rule, as it stands, is clear. Courts (and commercial parties) do not need to look to anything other than the trigger for the clause and its effect. The effect of a clause can be far more readily determined in the event of bankruptcy than the intention of contracting parties. An effects-based approach also provides parties with the confidence that contractual agreements, absent a provision providing for the withdrawal of assets upon bankruptcy or insolvency, will generally be upheld. [Emphasis added.]

[40] The Court added, at para. 40:

All that said, we should recognize that there are nuances with the anti-deprivation rule as it stands. For example, contractual provisions that eliminate property from the estate, but do not eliminate value, may not offend the anti-deprivation rule (see *Belmont*, at para. 160, per Lord Mance; *Borland's Trustee v. Steel Brothers & Co. Limited*, [1901] 1 Ch. 279; see also *Coopérants*). Nor do provisions whose effect is triggered by an event other than insolvency or bankruptcy. Moreover, the anti-deprivation rule is not offended when commercial parties protect themselves against a contracting counterparty's insolvency by taking security, acquiring insurance, or requiring a third-party guarantee. [Emphasis added.]

[41] The emphasized portions of the above extracts make it clear that the focus of the concern is (a) whether the provision in question is “triggered” by an event of bankruptcy or insolvency and (b) whether the effect of the contractual provision is to deprive the estate of assets upon bankruptcy: see Lloyd W. Houlden, Geoffrey B. Morawetz & Janis P. Sarra, *The 2021 Annotated Bankruptcy and Insolvency Act* (Toronto: Thomson Reuters, 2021), at F§108. The Supreme Court in *Chandos* was clearly aware of the commercial importance of the issue when it stated that “contractual agreements, absent a provision providing for the withdrawal of assets upon bankruptcy or insolvency, will generally be upheld.”

[42] As counsel for Doreen Saskin submitted before the Supervising Judge and reiterated in their written submissions, the Supreme Court confirmed in *Chandos* that the anti-deprivation rule does not apply to provisions the effect of which is not triggered by bankruptcy or insolvency: *Chandos*, at para. 40. The Transfer

Provision was triggered by the transfer of the lease, not the insolvency of the Urbancorp Group and its affiliates.

[43] We do not accept the submission of the moving party that the Supervising Judge elevated form over substance because the only circumstance in which the Transfer Provision could apply was an insolvency proceeding. In confirming an effects-based approach, as opposed to an intention-based (or commercial reasonableness) test, the Supreme Court emphasized the need for commercial certainty, at para. 35:

The effects-based rule, as it stands, is clear. Courts (and commercial parties) do not need to look to anything other than the trigger for the clause and its effect. The effect of a clause can be far more readily determined in the event of bankruptcy than the intention of contracting parties. An effects-based approach also provides parties with the confidence that contractual agreements, absent a provision providing for the withdrawal of assets upon bankruptcy or insolvency, will generally be upheld.
[Emphasis added.]

[44] It cannot possibly be said, in the case of a 50-year lease, with provision for renewals, that the Transfer Provision could only ever apply in the case of insolvency or bankruptcy.

[45] The interpretation of the Transfer Provision and the application of the anti-deprivation rule to the circumstances of this case is a question of mixed fact and law and the Supervising Judge's decision in that regard is entitled to deference. We therefore see little merit to the proposed appeal on the first ground.

[46] Nor do the remaining proposed grounds raise *prima facie* meritorious issues. These grounds relate to the Supervising Judge's interpretation of the agreement, including his assessment of the utility of the factual matrix in the interpretative exercise and his assessment of the evidence. Again, his interpretation is entitled to deference. While the Supervising Judge did not expressly consider whether the value of the Berm Lease was reasonably attributable to the location of the premises, it can be inferred that he did so. The proximity of the Berm Lands to the Bridge condominium, served by the wells on those lands, was undoubtedly a significant factor of its value.

[47] In our view, none of the proposed grounds for appeal can be described as matters of importance to the practice. In the case of the application of the anti-deprivation rule, *Chandos* quite clearly lays out the framework, at para. 40: a contractual provision does not offend the anti-deprivation rule so long as it can be triggered by an event other than insolvency or bankruptcy. Further, the application of the rule will necessarily be fact-specific and dependent upon the interpretation of the particular terms of the contract in each individual case. For this reason, alleged interpretive errors by the Supervising Judge will be of limited assistance in future cases.

[48] While the appeal may be of significance to this action, standing alone, this factor is insufficient to warrant granting leave to appeal in this case: *Nortel Networks*, at para. 95.

[49] Having regard to these conclusions, the proposed appeal would unduly hinder the completion of the proceedings, which have been underway for nearly six years and are nearing completion. The allocation of the proceeds of the sale of the Bridge Geothermal Assets is one of the final steps.

[50] Finally, we note that having completed his contractual analysis in the absence of any extricable error of law or palpable and overriding error, the Supervising Judge was entitled to make a discretionary decision as to the distribution of the sale proceeds. As the Supreme Court of Canada has recently noted, supervising judges in CCAA proceedings are entitled to “broad discretion” and appellate courts must “exercise particular caution before interfering with orders made in accordance with that discretion”: *Canada v. Canada North Group Inc.*, 2021 SCC 30, 460 D.L.R. (4th) 309, at para. 22. Intervention is only appropriate where the judge has erred in principle or exercised their discretion unreasonably: *Grant Forest Products Inc. v. The Toronto-Dominion Bank*, 2015 ONCA 570, 387 D.L.R. (4th) 426, at para. 98; *Laurentian University of Sudbury (Re)*, 2021 ONCA 199, 87 C.B.R. (6th) 243, at paras. 19-20; *9354-9186 Québec inc. v. Callidus Capital Corp.*, 2020 SCC 10, 78 C.B.R. (6th) 1, at paras. 53-54. We see no error in principle or unreasonable exercise of discretion in the making of the distribution order.

Disposition

[51] For these reasons, the motion for leave to appeal is dismissed.

[52] If not otherwise resolved, the parties may address the costs of this motion by written submissions. The responding party shall file its submissions within 15 days of the release of these reasons. The moving party shall have 15 days to reply. The submissions shall not exceed three pages in length, excluding the costs outlines.

G.R. Brady CTO

J.B. Ralutsky J.A.

L. SOSSIN J.A.

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.

Appendix “C”

Urbancorp Filing Entities Listed on Schedule "A"
 Projected Statement of Cash Flow¹
 For the Period Ending July 29, 2022
 (Unaudited, \$C)

	Week Ending														8 day period ending	Total		
	07-Apr-22	14-Apr-22	21-Apr-22	28-Apr-22	05-May-22	12-May-22	19-May-22	26-May-22	02-Jun-22	09-Jun-22	16-Jun-22	23-Jun-22	30-Jun-22	07-Jul-22			14-Jul-22	21-Jul-22
Total Receipts																		
Disbursements																		
Study	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	1,000	17,000
Professional Fees	15,000	15,000	20,000	20,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	20,000	20,000	20,000	20,000	375,000
Total disbursements	16,000	16,000	21,000	21,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	26,000	21,000	21,000	21,000	21,000	392,000
Net Cash Flow	(16,000)	(16,000)	(21,000)	(21,000)	(26,000)	(26,000)	(26,000)	(26,000)	(26,000)	(26,000)	(26,000)	(26,000)	(26,000)	(21,000)	(21,000)	(21,000)	(21,000)	(392,000)

Urbancorp Filing Entities Listed on Schedule "A"
Notes to Projected Statement of Cash Flow
For the Period Ending July 29, 2022
(Unaudited; \$C)

Purpose and General Assumptions

1. The purpose of the projection ("Projection") is to present a cash flow forecast of the entities listed on Schedule "A" ("Urbancorp CCAA Entities") for the period April 1, 2022 to July 29, 2022 (the "Period") in respect of their proceedings under the *Companies' Creditors Arrangement Act*.

The projected cash flow statement has been prepared based and most probable assumptions.

Most Probable Assumptions

2. Represents sundry costs, including translation costs and postage.
3. The professional fees are in respect of the Monitor, its legal counsel, legal counsel to the Urbancorp CCAA Entities. The amounts reflected are estimates only.
4. The cash flow deficiency will be funded from cash on hand.

Schedule A

Urbancorp Filing Entities

For the Period Ending November 30, 2020

1. Urbancorp Toronto Management Inc.
2. Urbancorp Downsview Park Development Inc.
3. Urbancorp (St. Clair Village) Inc.
4. Urbancorp (Patricia) Inc.
5. Urbancorp (Mallow) Inc.
6. Urbancorp (Lawrence) Inc.
7. Urbancorp (952 Queen West) Inc.
8. King Residential Inc.
9. Urbancorp New Kings Inc.
10. Urbancorp 60 St. Clair Inc.
11. High Res. Inc.
12. Bridge on King Inc.
13. Urbancorp Power Holdings Inc.
14. Vestaco Homes inc.
15. Vestaco Investments Inc.
16. 228 Queen's Quay West Limited
17. Urbancorp Cumberland 1 LP
18. Urbancorp Cumberland 1 GP Inc.
19. Urbancorp Partner (King South) Inc.
20. Urbancorp (North Side) Inc.
21. Urbancorp Residential Inc.
22. Urbancorp Realtyco Inc.

Appendix “D”

**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., AND THE AFFILIATED ENTITIES
LISTED IN SCHEDULE "A" HERETO**

**MANAGEMENT'S REPORT ON CASH FLOW STATEMENT
(paragraph 10(2)(b) of the CCAA)**

The management 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., Hi Res. Inc. Bridge on King Inc. and the affiliated entities listed in Schedule "A" Hereto (collectively, the "Companies"), have developed the assumptions and prepared the attached statement of projected cash flow as of the 21st day of March, 2022 for the period April 1, 2022 to July 29, 2022 ("Cash Flow"). All such assumptions are disclosed in Notes 2 to 4.

The probable assumptions are suitably supported and consistent with the plans of the Company and provide a reasonable basis for the Cash Flow.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented and the variations may be material.

The Cash Flow has been prepared solely for the purpose outlined in Note 1, using a set of hypothetical and probable assumptions set out in Notes 2 to 4. Consequently, readers are cautioned that the Cash Flow may not be appropriate for other purposes.

Dated at Toronto, Ontario this 21st day of March, 2022.

KSV Restructuring Inc.

KSV RESTRUCTURING INC.

SCHEDULE "A"

- 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 “E”

**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., AND THE AFFILIATED ENTITIES
LISTED IN SCHEDULE "A" HERETO**

**MONITOR'S REPORT ON CASH FLOW STATEMENT
(paragraph 23(1)(b) of the CCAA)**

The attached statement of projected cash-flow as of the 21st day of March, 2022 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., Hi Res. Inc. Bridge on King Inc. and the affiliated entities listed in Schedule "A" Hereto (collectively, the "Urbancorp CCAA Entities") consisting of a weekly projected cash flow statement for the period April 1, 2022 to July 29, 2022 ("Cash Flow") has been prepared by the management of the Urbancorp CCAA Entities for the purpose described in Note 1, using the probable and hypothetical assumptions set out in Notes 2 to 4.

Our review consisted of inquiries, analytical procedures and discussions related to information supplied by the management and employees of the Urbancorp CCAA Entities. We have reviewed the support provided by management for the probable assumptions and the preparation and presentation of the Cash Flow.

Based on our review, nothing has come to our attention that causes us to believe that, in all material respects:

- a) as at the date of this report, the probable assumptions developed by management are not suitably supported and consistent with the plans of the Urbancorp CCAA Entities or do not provide a reasonable basis for the Cash Flow, given the hypothetical assumptions; or
- b) the Cash Flow does not reflect the probable assumptions.

Since the Cash Flow is based on assumptions regarding future events, actual results will vary from the information presented even if the hypothetical assumptions occur, and the variations may be material. Accordingly, we express no assurance as to whether the Cash Flow will be achieved. We express no opinion or other form of assurance with respect to the accuracy of any financial information presented in this report, or relied upon in preparing this report.

The Cash Flow has been prepared solely for the purpose described in Note 1 and readers are cautioned that it may not be appropriate for other purposes.

Dated at Toronto this 21st day of March, 2022.

KSV Restructuring Inc.

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

SCHEDULE "A"
List of Non-Applicant Affiliated Companies

- 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 “F”

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**

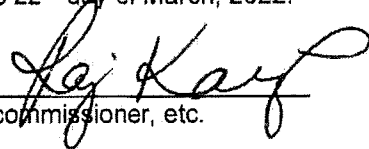
AFFIDAVIT OF NOAH GOLDSTEIN
(sworn March 22, 2022)

**I, NOAH GOLDSTEIN, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY
AS FOLLOWS:**

1. I am a Managing Director at KSV Restructuring Inc. ("KSV"), the Court-appointed monitor (the "Monitor") of the Applicants and the entities listed on Schedule "A" attached (collectively, the "Cumberland 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 Cumberland 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 November 1, 2021 to February 28, 2022 (the "Period").
4. The Monitor's invoices for the Period disclose in detail: the nature of the services rendered; the time expended by each person and their hourly rates; the total charges for the services rendered; and disbursements charged. Copies of the Monitor's invoices are attached hereto as Exhibit "A" and the billing summary is attached hereto as Exhibit "B".
5. The Monitor spent a total of 206.05 hours on this matter during the Period, resulting in fees totalling \$131,159.50, 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 \$636.54.
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 22nd day of March, 2022.


A commissioner, etc.



NOAH GOLDSTEIN

Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires January 27, 2024.

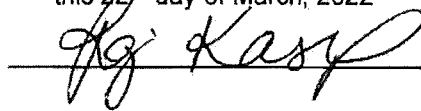
Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF NOAH GOLDSTEIN

Sworn before me

this 22nd day of March, 2022

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

Commissioner for taking Affidavits, etc

**Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires January 27, 2024.**



ksv advisory inc.
150 King Street West, Suite 2308
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ksvadvisory.com

INVOICE

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

December 13, 2021

Invoice No: 2434
HST #: 818808768 RT0001

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

For professional services rendered in November 2021 by KSV Restructuring Inc. in its capacity as Monitor (the "Monitor") in the Companies' proceedings under the *Companies' Creditors Arrangement Act* (the "CCAA"), including:

- corresponding with Davies Ward Phillips & Vineberg LLP ("Davies"), the Monitor's legal counsel, concerning the CCAA proceedings, including calls and emails concerning the matters summarized below;
- dealing with MNP LLP, the Companies' external accountants, regarding the Companies' annual income tax returns;
- preparing harmonized sales tax returns for several of the Companies;
- selling two parking spots, including reviewing the Agreements of Purchase and Sale and executing closing documents;
- reviewing an invoice from Chaitons LLP ("Chaitons") in connection with Court ordered productions required from Mr. Rotenberg, a lawyer at Chaitons, and sending same to Dentons Canada LLP ("Dentons"), counsel to Guy Gissin, in Mr. Gissin's capacity as Foreign Representative of Urbancorp Inc. (the "Foreign Representative");

Downsview Project

- conducting the sale process (the "Sale Process") for the Companies' 51% ownership interest in the real estate project (the "Project") being developed by Urbancorp Downsview Park Developments Inc. ("Downsview") and Mattamy (Downsview) Ltd. ("Mattamy");
- attending a call on November 1, 2021 with Cassels Brock & Blackwell LLP ("Cassels"), counsel to Mattamy, regarding the results of the Sale Process;
- preparing a summary of all activities conducted during the Sale Process;

- communicating on November 2, 2021 the results of the Sale Process to the Foreign Representative;
- reviewing and commenting on an Agreement of Purchase and Sale (the "APS") between Mattamy and Downsvew for the sale of Downsvew's interest in the Project (the "Downsvew Transaction");
- calculating the cost of the Sale Process and sharing same with Mattamy for reimbursement, as required under the Sale Process;
- preparing the Monitor's Forty-Ninth Report to Court dated November 17, 2021 (the "Forty-Ninth Report") to approve, *inter alia*, the Downsvew Transaction;
- reviewing and commenting on the litigation schedule in connection with the Downsvew Transaction;
- reviewing on commenting on the following documents prepared by Davies in connection with the motion to seek approval of the Downsvew Transaction:
 - notice of motion;
 - factum
 - proposed order
- attending calls on November 15 and 17, 2021 with Davies and Dentons to discuss the Downsvew Transaction;
- executing the APS on November 17, 2021;
- reviewing the Responding Record of the Foreign Representative dated November 24, 2021 in connection with the approval of the Downsvew Transaction;
- attending a call on November 26, 2021 with Davies, Cassels and Lax to discuss the motion to approve the Downsvew Transaction;
- preparing the Supplement to the Forty-Ninth Report dated November 30, 2021, including a schedule comparing the various waterfalls filed with the Court by the Monitor and the Foreign Representative;

Stay Extension

- reviewing and commenting on Court materials prepared by DLA Piper LLP, counsel to the Companies, and by Davies, in respect of a motion returnable November 26 2021 (the "Stay Extension Motion"), seeking, *inter alia*, an extension of the stay of proceedings to March 31, 2022;
- preparing a cash flow projection for the period ending March 31, 2022 ("Cash Flow Projection") in the context of the Stay Extension Motion;

- preparing Management's Report on Cash Flow Statement and the Monitor's Report on Cash Flow Statement in connection with the Cash Flow Projection;
- preparing the Fiftieth Report of the Monitor dated November 22, 2021 in connection with the Stay Extension Motion;
- attending at Court on November 26, 2021;
- dealing with all other meetings, correspondence, etc. pertaining to this matter not specifically referenced herein.

* * *

Total fees and disbursements per attached time summary	\$	77,038.75
HST		<u>10,015.04</u>
Total Due	\$	<u>87,053.79</u>

KSV Restructuring Inc.
Urbancorp Group
Time Summary
For the month ending November 2021

Personnel	Rate (\$)	Hours	Amount (\$)
Robert Kofman	750	48.30	36,225.00
Noah Goldstein	650	53.50	34,775.00
Other staff and administration		19.70	6,038.75
Total Fees		121.50	77,038.75

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 advisory inc.

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INVOICE

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

January 19, 2022

Invoice No: 2492
HST #: 818808768 RT0001

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

For professional services rendered in December 2021 by KSV Restructuring Inc. in its capacity as Monitor (the "Monitor") in the Companies' proceedings under the *Companies' Creditors Arrangement Act* (the "CCAA"), including:

- corresponding with Davies Ward Phillips & Vineberg LLP ("Davies"), the Monitor's legal counsel, concerning the CCAA proceedings, including calls and emails concerning the matters summarized below;
- dealing with MNP LLP, the Companies' external accountants, regarding the Companies' annual income tax returns;
- preparing harmonized sales tax returns for several of the Companies;
- selling a parking spot, including reviewing the Agreement of Purchase and Sale and executing closing documents;

Downsview Project

- reviewing and commenting on a letter dated December 1, 2021 prepared by Davies to Dentons Canada LLP ("Dentons"), counsel to Guy Gissin, in Mr. Gissin's capacity as Foreign Representative of Urbancorp Inc. (the "Foreign Representative") in connection with the sale (the "Transaction") to Mattamy (Downsview) Ltd. ("Mattamy") of the Companies' 51% ownership interest in a real estate project (the "Project");
- reviewing and commenting on a factum prepared by Davies dated December 1, 2021 in connection with seeking approval of the Transaction (the "Transaction Motion");
- reviewing the factum of the Foreign Representative dated December 3, 2021 in connection with the Transaction Motion;
- reviewing the factum of Mattamy dated December 5, 2021 in connection with the Transaction Motion;

- attending Court on December 6, 2021 in connection with the Transaction Motion;
- reviewing and commenting on a closing agenda prepared by Davies in connection with the Transaction;
- extending the outside date for the Transaction to January 7, 2022;
- considering the costs of the sale process, corresponding with Davies regarding same and preparing a summary for Mattamy regarding same;
- reviewing the Decision of Chief Justice Morawetz dated December 29, 2021 in connection with the Transaction Motion and corresponding with Davies regarding same;
- reviewing and commenting on closing documents prepared by Davies in connection with the Transaction;

Other

- Reviewing the reply factum of the Foreign Representative dated December 10, 2021 in connection with the Foreign Representative's motion for leave to appeal the order of the Court dated September 16, 2021.
- dealing with all other meetings, correspondence, etc. pertaining to this matter not specifically referenced herein.

* * *

Total fees and disbursements per attached time summary	\$ 23,496.10
HST	3,054.49
Total Due	\$ <u>26,550.59</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 Restructuring Inc.
Urbancorp Group
Time Summary
For the month ending December 2021

Personnel	Rate (\$)	Hours	Amount (\$)
Robert Kofman	750	16.75	12,562.50
Noah Goldstein	650	10.50	6,825.00
Other staff and administration		9.35	4,105.00
Total Fees		36.60	23,492.50
Disbursements			3.60
Total Fees and Disbursements		36.60	23,496.10



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INVOICE

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

February 18, 2022

Invoice No: 2530
HST #: 818808768 RT0001

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

For professional services rendered in January 2022 by KSV Restructuring Inc. in its capacity as Monitor (the "Monitor") in the Companies' proceedings under the *Companies' Creditors Arrangement Act* (the "CCAA"), including:

- corresponding with Davies Ward Phillips & Vineberg LLP ("Davies"), the Monitor's legal counsel, concerning the CCAA proceedings, including calls and emails concerning the matters summarized below;
- dealing with MNP LLP, the Companies' external accountants, regarding the Companies' annual income tax returns;
- preparing harmonized sales tax returns for several of the Companies;
- selling a parking spot, including reviewing the Agreement of Purchase and Sale and executing closing documents;

Downsview Project

- considering issues related to the sale (the "Transaction") to Mattamy (Downsview) Ltd. ("Mattamy") of the Companies' 51% ownership interest in a real estate project (the "Project");
- dealing extensively with Davies, Cassels Brock & Blackwell LLP ("Cassels"), counsel to Mattamy, and Dentons Canada LLP ("Dentons"), counsel to Guy Gissin in his capacity as Foreign Representative of Urbancorp Inc. regarding potential management fees owing to the Companies (the "Management Fee Dispute") in connection with the Project, including:
 - emails with Davies on January 3, 5, 17, 18 and 26, 2022;
 - emails and calls with Cassels on January 11, 18 and 19, 2022;
 - emails and calls with Dentons on January 14, 18, 19 and 2022;

- reviewing a memorandum prepared by Cassels regarding the Management Fee Dispute;
- considering with Dentons the issues raised by Cassels in its memorandum regarding the Management Fee Dispute;
- dealing with all other meetings, correspondence, etc. pertaining to this matter not specifically referenced herein.

* * *

Total fees and disbursements per attached time summary	\$	11,989.07
HST		<u>1,558.58</u>
Total Due	\$	<u>13,547.65</u>

KSV Restructuring Inc.
Urbancorp Group
Time Summary
For the month ending January 2022

Personnel	Rate (\$)	Hours	Amount (\$)
Robert Kofman	775	6.85	5,308.75
Noah Goldstein	675	8.50	5,737.50
Other staff and administration		3.30	941.00
Total Fees		18.65	11,987.25
Disbursements			1.82
Total Fees and Disbursements		18.65	11,989.07

* Effective January 1, 2022 the hourly rates of Mr. Kofman and Mr. Goldstein increased by \$25.

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.



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INVOICE

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

March 17, 2022

Invoice No: 2550
HST #: 818808768 RT0001

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

For professional services rendered in February 2022 by KSV Restructuring Inc. in its capacity as Monitor (the "Monitor") in the Companies' proceedings under the *Companies' Creditors Arrangement Act* (the "CCAA"), including:

- reviewing on February 4th a letter from Neil Rabinovitch of Dentons Canada LLP ("Dentons"), legal counsel to the Israeli Functionary, as foreign representative of Urbancorp Inc. ("UCI");
- speaking on February 7th with Robin Schwill of Davies Ward Phillips & Vineberg LLP ("Davies"), the Monitor's legal counsel, concerning the management fee dispute (the "Management Fee Dispute") between Urbancorp Toronto Management Inc. and Mattamy (Downsview) Limited ("Mattamy");
- reviewing on February 8th several emails regarding year-end tax matters and the status of the arbitration of the Management Fee Dispute;
- reviewing and responding to emails on February 10th regarding year-end tax matters and the timing of distributions to UCI;
- reviewing and executing an offer on February 10th for the sale of a locker in the Bridge condominium;
- attending a call on February 14th with Davies, Dentons and Farber Group ("Farber") regarding the Management Fee Dispute;
- preparing, reviewing and discussing on February 22nd a schedule of cash holdbacks in the context of potential distributions to UCI;
- reviewing and commenting on February 23rd a letter from Dentons re the Management Fee Dispute;

- dealing with Davies and Fernbrook Homes (Lawrence) Limited regarding amounts owing to the Companies in respect of a mortgage, including emails and calls on February 23rd, 24th and 25th;
- continuing to deal on February 24th with Management Fee Dispute issues;
- dealing extensively with MNP LLP, the Companies' external accountants, throughout the month regarding the Companies' annual income tax returns, including to determine the taxes owed, if any, by 228 Queens Quay Inc.;
- preparing harmonized sales tax returns for several of the Companies; and
- to all other matters not specifically addressed above, including unbilled time and expenses from July, 2021 related to the sale process for the Companies' interest in the Downsview project to Mattamy.

* * *

Total fees and disbursements per attached time summary	\$ 18,642.84
HST	<u>2,423.57</u>
Total Due	<u>\$ 21,066.41</u>

KSV Restructuring Inc.
Urbancorp Group
Time Summary
For the month ending February 2022

Personnel	Rate (\$)	Hours	Amount (\$)
Robert Kofman	775	5.70	4,417.50
Noah Goldstein	675	15.50	10,462.50
Other staff and administration		8.10	3,761.00
Total Fees		29.30	18,641.00
Disbursements			1.84
Total Fees and Disbursements		29.30	18,642.84

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.

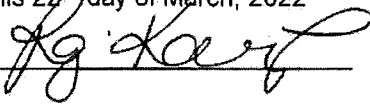
Attached is Exhibit "B"

Referred to in the

AFFIDAVIT OF NOAH GOLDSTEIN

Sworn before me

this 22nd day of March, 2022



A handwritten signature in cursive script, 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 Restructuring Inc.
Expires January 27, 2024.

Cumberland CCAA Entities
Schedule of Professionals' Time and Rates
 For the Period from November 1, 2021 to February 28, 2022

Personnel	Title	Duties	Hours	Billing Rate (\$ per hour)	Amount (\$)
Robert Kofman	Managing Director	Overall responsibility	77.60	725 - 750	58,513.75
Noah Goldstein	Managing Director	All aspects of mandate	88.00	650 - 675	57,800.00
Other staff and administrative	Various		40.45	125-450	14,845.75
Total fees					<u>131,159.50</u>
Total hours					206.05
Average hourly rate					\$ 636.54

Appendix “G”

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
ROBIN B. SCHWILL
(sworn March 22, 2022)**

I, Robin B. Schwill, 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 Restructuring 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. and their affiliates listed in Schedule A hereto. As such, I have knowledge of the matters deposed to herein.

2. 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 November 1, 2021 to February 28, 2022 (the "Period").

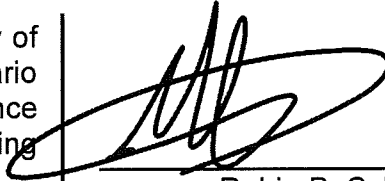
There may be additional time for this Period which has been accrued but not yet billed.

3. During the Period, Davies has provided services and incurred fees and disbursements in the amount of \$143,988.28, (excluding harmonized sales tax ("HST")).

4. 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.

5. 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 March 22, 2022 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Robin B. Schwill



Commissioner for taking affidavits

Natalie Renner

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.

This is Exhibit "A" referred to in the Affidavit of Robin B. Schwill sworn before me this 22nd day of March, 2022 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for ~~Taking Affidavits~~

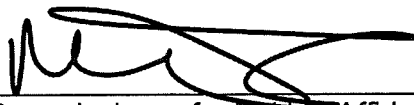
Natalie Renner

Exhibit "A"

Billing Summary

Invoice Date	Docket Entry Periods	Fees	Disbursements	HST	Total
November 1, 2021	November 1, 2021 to November 30, 2021	\$62,955.50	\$389.90	\$8,189.41	\$71,534.81
January 13, 2022	December 1, 2021 to December 31, 2021	\$43,113.00	\$24.15	\$5,605.88	\$48,743.03
February 16, 2022	January 1, 2022 to January 31, 2022	\$26,137.00	\$406.85	\$3,448.75	\$29,992.60
March 16, 2022	January 1, 2022 to February 28, 2022	\$10,366.00	\$595.88	\$1,404.56	\$12,366.44
TOTALS		\$142,571.50	\$1,416.78	\$18,648.60	\$162,636.88

This is Exhibit "B" referred to in the Affidavit of Robin B. Schwill sworn before me this 22nd day of March, 2022 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits

Nataie Renner

Exhibit "B"

Aggregate Blended Rate Summary

Individual	Title	Hourly Rate	Total Hours
Paul Lamarre	Partner	1,215.00	1.6
Robin B. Schwill	Partner	1,215.00	57.8
Robin B. Schwill	Partner	1,250.00	13.7
Robert Nicholls	Associate	595.00	47.6
Robert Nicholls	Associate	680.00	.5
Sandy Prosa	Litigation Clerk	200.00	10.8
David Reiner	Partner	1,050.00	1.6
Martina Williams	Law Clerk	240.00	10.2
Ioana Hancas	Counsel	900.00	16.5
Sawyer Swarek	Associate	495.00	6.9
Total Fees from Exhibit "A"			\$142,571.50
Total Hours			167.20
Average Blended Hourly Rate (rounded to nearest dollar)			\$853.00

This is Exhibit "C" referred to in the Affidavit of Robin B. Schwill sworn before me this 22nd day of March, 2022 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in black ink, appearing to read "Nataie Renner", written over a horizontal line.

Commissioner for Taking Affidavits

Nataie Renner

DAVIES

155 Wellington Street West
Toronto, ON, M5V 3J7 Canada

dwpv.com

Bill 708107

File 256201

December 10, 2021

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

Attention: Robert Kofman

UrbanCorp

Period: November 1, 2021 to November 30, 2021

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	\$ 62,955.50
DISBURSEMENTS (TAXABLE)	39.90
DISBURSEMENTS (NON-TAXABLE)	350.00
SUBTOTAL	<u>63,345.40</u>
HST @ 13%	8,189.41
TOTAL	<u><u>\$ 71,534.81</u></u>

GST/HST No. R118882927

DAVIES WARD PHILLIPS & VINEBERG LLP

PER 

DAVIES

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.			
BANK # 010	TRANSIT # 00002	ACCOUNT # 29-09219	CIBC SWIFT CODE CIBCCATT	BIC/SWIFT PNBPUS3NYYC	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			
<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 Dora Kimberley, Supervisor, Billings & Collections at 416.367.7583 or by email at dkimberley@dwpv.com.

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

DAVIES

URBANCORP

TIME DETAIL

Date	Timekeeper	Description	Hours
01/Nov/21	Sawyer Swarek	Correspondence with client re: sale of unit B70 at 38 Joe Shuster Way.	0.30
01/Nov/21	Robin B Schwill	Conference call regarding Downsview sales process results; related emails;	1.80
02/Nov/21	Robin B Schwill	Reviewing mark up of Downsview purchase agreement; engaged regarding obtaining issued Berm Lease distribution order; related emails;	1.30
03/Nov/21	Robert Nicholls	Drafting approval and vesting order and notice of motion;	1.00
03/Nov/21	Robin B Schwill	Reviewing comments on draft asset purchase agreement; emails regarding court dates for sale approval and stay extension;	1.20
04/Nov/21	Robert Nicholls	Continuing to draft notice of motion;	0.10
05/Nov/21	Robert Nicholls	Continuing to draft notice of motion and vesting order;	0.30
05/Nov/21	Robin B Schwill	Telephone conversation with counsel to the Israeli Functionary regarding sale approval motion; Telephone conversation with counsel to Mattamy regarding same; reviewing accounts for cost calculation of sales process; Telephone conversation with Bobby Kofman regarding Israeli Functionary conversation;	2.50
07/Nov/21	Robert Nicholls	Continuing to draft approval and vesting order and notice of motion;	1.60
08/Nov/21	Robin B Schwill	Conference call with counsel to Mattamy regarding sale approval; revising draft asset purchase agreement; Telephone conversation with Bobby Kofman regarding appeal; related court date emails; reviewing and commenting on draft notice of motion and approval and vesting order;	3.20
08/Nov/21	Robert Nicholls	Continuing to review and revise draft vesting order and notice of motion;	1.20
09/Nov/21	Robert Nicholls	Continuing to draft notice of motion and vesting order; Drafting factum;	1.40
09/Nov/21	Robin B Schwill	Retrieving particulars for sales process cost schedule; coordinating court dates; reviewing revised drafts of Downsview notice of motion and sale approval and vesting order; Telephone conversation with Noah Goldstein regarding Rotenberg document request costs; related emails;	2.60
10/Nov/21	Robert Nicholls	Drafting factum for sale approval motion;	0.80
11/Nov/21	Robert Nicholls	Continuing to update notice of motion and vesting order drafts;	0.20
11/Nov/21	Robin B Schwill	Telephone conversation with counsel to the Israeli Functionary regarding Doreen Saskin claim and Downsview sale approval; related emails;	1.00

DAVIES

12/Nov/21	Sawyer Swarek	Call with purchaser's counsel re: upcoming sale of unit at 38 Joe Shuster Way.	0.30
12/Nov/21	Robert Nicholls	Email correspondence with respect to notice of motion;	0.50
12/Nov/21	Robin B Schwill	Continuing to update notice of motion and vesting order; Emails regarding Downsview sale approval;	0.30
14/Nov/21	Robert Nicholls	Reviewing draft monitor's report and updating draft approval and vesting order;	0.40
14/Nov/21	Robin B Schwill	Reviewing and commenting on draft report regarding Downsview sale approval; related emails;	1.30
15/Nov/21	Robin B Schwill	Conference call with counsel to Israeli Functionary regarding Downsview sale approval; related emails regarding draft court report;	0.70
15/Nov/21	Robert Nicholls	Email correspondence with respect to litigation schedule;	0.10
16/Nov/21	Robin B Schwill	Telephone conversation with counsel to Mattamy regarding comments on purchase agreement; Telephone conversation with Bobby Kofman regarding same; reviewing and commenting on draft motion materials and court report;	2.20
16/Nov/21	Robert Nicholls	Continuing to update draft vesting order and notice of motion; Drafting motion record;	1.00
17/Nov/21	Robert Nicholls	Updating notice of motion and vesting order; Continuing to draft factum;	2.40
17/Nov/21	Robin B Schwill	Conference call regarding Downsview sale approval motion; engaged regarding stay extension motion and as to related review of materials;	2.90
18/Nov/21	Robert Nicholls	Serving and filing motion record in respect of Downsview Sales process motion; Continuing to draft factum;	2.40
18/Nov/21	Robin B Schwill	Engaged regarding service of sale approval motion; related emails;	0.90
19/Nov/21	Robert Nicholls	Continuing to draft factum in support of Downsview sale motion;	2.90
19/Nov/21	Robin B Schwill	Reviewing and commenting on stay extension report; related emails; drafting fee affidavit;	0.90
22/Nov/21	Sandy Prosa	Filing Motion materials with the Court and various emails with Rob Nicholls;	0.50
22/Nov/21	Sawyer Swarek	Attention to matter re: upcoming sale of parking unit at 38 Joe Shuster.	0.50
22/Nov/21	Robert Nicholls	Continuing to draft factum in support of Downsview sale motion;	2.60
22/Nov/21	Robin B Schwill	Reviewing and commenting on draft stay extension report; related emails;	1.20
23/Nov/21	Sawyer Swarek	Correspondence with purchaser's counsel re sale of parking unit at 38 Joe Shuster Way.	0.20
23/Nov/21	Robert Nicholls	Continuing to draft factum in support of Downsview motion;	1.10

DAVIES

23/Nov/21	Robin B Schwill	Reviewing and commenting on draft sale approval factum; emails as to materials and scheduling; Telephone conversation with Mattamy's counsel regarding same;	1.40
24/Nov/21	Robert Nicholls	Continuing to update draft factum on Downsview sale motion;	1.50
24/Nov/21	Robin B Schwill	Reviewing and commenting on revised draft factum for Downsview sale approval;	1.20
25/Nov/21	Sawyer Swarek	Attention to upcoming closing of parking space at 38 Joe Shuster Way.	0.30
25/Nov/21	Robert Nicholls	Continuing to review and revise draft factum in support of Downsview sale motion;	1.10
25/Nov/21	Robin B Schwill	Conference call with counsel to Mattamy regarding reply materials; reviewing responding motion record of the Foreign Representative; related emails and document review; reviewing and commenting on revised draft factum; reviewing stay extension materials;	2.90
26/Nov/21	Robert Nicholls	Continuing to revise factum in support of Downsview sale motion;	1.00
26/Nov/21	Robin B Schwill	Attending on stay extension hearing; related emails; Conference call with Mattamy's counsel regarding reply materials and factum;	1.50
27/Nov/21	Robert Nicholls	Continuing to revise factum in support of Downsview sale motion;	0.30
28/Nov/21	Robert Nicholls	Continuing to review and revise factum in support of Downsview sale motion;	0.90
28/Nov/21	Robin B Schwill	Reviewing and commenting on revisions to draft factum; related emails;	1.00
29/Nov/21	Robin B Schwill	Reviewing and commenting on draft supplemental report; reviewing and commenting on revised factum; related emails; drafting letter to counsel to FR regarding financial disclosure; related emails;	2.90
29/Nov/21	Robert Nicholls	Continuing to review and revise factum in support of Downsview sale motion;	1.00
30/Nov/21	Sandy Prosa	Filing Motion materials with the Court and various emails with Rob Nicholls; Compiling Book of Authorities and hyperlinking Book of Authorities and Factum;	3.00
30/Nov/21	Sawyer Swarek	Correspondence with client and with purchaser's counsel re: upcoming sale of parking units at 38 Joe Shuster Way.	0.30
30/Nov/21	Robin B Schwill	Reviewing and commenting on proposed revisions to factum on Downsview sale approval; related emails; reviewing and drafting reply to FR questions on 49th Report; related emails;	2.00
30/Nov/21	Robert Nicholls	Continuing to review and revise factum in support of Downsview sale motion;	1.90

TOTAL HOURS **70.00**

FEES: **\$62,955.50**

DAVIES

TIMEKEEPER SUMMARY

Timekeeper	Rate	Hours	Amount
Robin B. Schwill	1,215.00	36.90	44,833.50
Robert Nicholls	595.00	27.70	16,481.50
Sawyer Swarek	495.00	1.90	940.50
Sandy Prosa	200.00	3.50	700.00
TOTAL		70.00	62,955.50

DISBURSEMENT SUMMARY

	Amount
Non-Taxable	
Bank Charges	30.00
Notice of Intent to Defend/Statement of Defence	320.00
Taxable	
Teraview Searches	39.75
Reproduction Charges	0.15
TOTAL	389.90

DAVIES

155 Wellington Street West
Toronto, ON, M5V 3J7 Canada

dwpv.com

Bill 710336

File 256201

January 13, 2022

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

Attention: Robert Kofman

UrbanCorp

Period: December 1, 2021 to December 31, 2021

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	\$ 43,113.00
DISBURSEMENTS (TAXABLE)	9.15
DISBURSEMENTS (NON-TAXABLE)	15.00
SUBTOTAL	<u>43,137.15</u>
HST @ 13%	5,605.88
TOTAL	<u><u>\$ 48,743.03</u></u>

GST/HST No. R118882927

DAVIES WARD PHILLIPS & VINEBERG LLP

PER 

DAVIES

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.

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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.			
BANK # 010	TRANSIT # 00002	ACCOUNT # 29-09219	CIBC SWIFT CODE CIBCCATT	BIC/SWIFT PNBPUS3NNYC	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			
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DAVIES

URBANCORP

TIME DETAIL

Date	Timekeeper	Description	Hours
01/Dec/21	Robin B Schwill	Finalizing reply letter to questions on 49th Report; related emails; emails regarding court time;	0.50
01/Dec/21	Robert Nicholls	Finalizing, serving and filing factum in support of Downsview motion;	1.00
01/Dec/21	Sandy Prosa	Hyperlinking and document management of Factum for December 7th hearing; emailing Court and various emails with Rob Nicholls; filing factum, Book of Authorities and Supplemental Monitors Report for the hearing;	2.00
02/Dec/21	Robin B Schwill	Emails regarding Downsview sale approval motion and facta;	0.30
03/Dec/21	Robert Nicholls	Reviewing foreign representative factum;	0.20
03/Dec/21	Robin B Schwill	Reviewing FR factum; related emails;	1.10
05/Dec/21	Robin B Schwill	Reviewing and commenting on draft reply factum; related emails; considering oral submissions; related emails;	1.30
05/Dec/21	Robert Nicholls	Reviewing and commenting on Mattamy reply factum and various email correspondences with respect to same;	0.60
06/Dec/21	Sawyer Swarek	Prepared monitor's certificate and vesting order for upcoming sale of unit 37B at 38 Joe Shuster Way.	0.80
06/Dec/21	Sandy Prosa	Hyperlinking and uploading Motion Record, Book of Authorities and Factum for hearing on December 7, 2021; various emails with Rob Nicholls;	4.80
06/Dec/21	Robert Nicholls	Email correspondences with respect to uploading of motion materials; Drafting closing agenda for sale;	1.10
06/Dec/21	Robin B Schwill	Reviewing all court materials for Downsview sale approval motion; Telephone conversation with counsel to Mattamy regarding closing; Discussion with Rob Nicholls regarding same; considering and drafting oral submissions outline;	7.80
07/Dec/21	Robert Nicholls	Continuing to draft closing agenda and various closing documents for Downsview sale; Attending hearing on sale approval motion;	3.00
07/Dec/21	Robin B Schwill	Preparing for and attending on Downsview sale approval motion; reviewing and commenting on closing agenda; related emails;	4.90
07/Dec/21	Sandy Prosa	Document management and uploading materials to Caselines; various emails with Robin Shwill and Rob Nicholls;	0.50
07/Dec/21	Sawyer Swarek	Attention to upcoming sales of parking units at 38 Joe Shuster.	0.40
07/Dec/21	Paul Lamarre	Email exchange with R Schwill re HST considerations re sale transaction	0.10
09/Dec/21	Robin B Schwill	Emails on Downsview sale closing matters;	0.30
09/Dec/21	Sawyer Swarek	Reviewed and revised closing documents re: sale of Unit 37B.	0.60

DAVIES

10/Dec/21	Robin B Schwill	Reviewing FR appeal factum regarding KTNI; related emails;	1.30
10/Dec/21	Sawyer Swarek	Telephone conversation with Bobby Kofman regarding same; Coordinated closing of sale of unit 37B.	1.50
13/Dec/21	Robin B Schwill	Emails regarding extension of Outside Date for Downsview sale;	0.20
13/Dec/21	Sawyer Swarek	Reviewed draft closing documents inn connection with sale of Units 36B and 37B.	0.50
14/Dec/21	Robert Nicholls	Continuing to review and revise closing agenda and closing documents for Downsview sale and email correspondences with respect to same;	0.40
14/Dec/21	Robin B Schwill	Emails regarding Downsview sale;	0.10
16/Dec/21	Robert Nicholls	Continuing to review and revise various closing documents; Commenting on draft documents provided by purchaser counsel and email correspondences with respect to same;	3.00
16/Dec/21	Robin B Schwill	Emails regarding Downsview closing documents; reviewing same;	0.30
17/Dec/21	Robin B Schwill	Emails regarding Downsview sale closing documents;	0.10
17/Dec/21	Robert Nicholls	Commenting on certified resolution and email correspondences with respect to same; Continuing to review and revise closing documents;	0.60
17/Dec/21	Sawyer Swarek	Correspondence with purchaser's counsel re: closing documents and procedures for sale of units 36B and 37B.	1.20
18/Dec/21	Robert Nicholls	Continuing to review and revise various closing documents and email correspondences with respect to same;	1.10
20/Dec/21	Robert Nicholls	Continuing to review and revise various closing documents;	1.10
20/Dec/21	Robin B Schwill	Emails regarding Downsview closing and parking unit sale;	0.10
22/Dec/21	Robert Nicholls	Reviewing signature packages and email correspondences with respect to same;	0.20
23/Dec/21	Robert Nicholls	Email correspondences with respect to closing matters; Reviewing various closing documents;	0.40
24/Dec/21	Robert Nicholls	Email correspondences with respect to the purchase price allocation and other closing matters;	0.70
24/Dec/21	Robin B Schwill	Emails regarding Downsview closing;	0.10
27/Dec/21	Paul Lamarre	Email exchange re sale of shares and contracts	0.30
27/Dec/21	Robert Nicholls	Email correspondences with respect to potential taxes of Downsview sale; Continuing to review and revise closing documents;	0.60
29/Dec/21	Robert Nicholls	Reviewing decision on sale approval and email correspondence with respect to same; Continuing to review and revise closing documents;	1.20

DAVIES

29/Dec/21	Robin B Schwill	Reviewing Downsview sale approval decision and related emails;	0.50
30/Dec/21	Paul Lamarre	Review and consider tax matters re purchase agreement; Call with R Nicholls re same	1.20
30/Dec/21	Robert Nicholls	Continuing to review and revise closing documents and email correspondences with respect to same; Call to discuss closing;	3.30
30/Dec/21	Robin B Schwill	Engaged in Downsview closing matters;	1.30
31/Dec/21	Robert Nicholls	Finalizing execution versions of closing documents;	1.40
31/Dec/21	Robin B Schwill	Engaged in Downsview closing matters;	0.70
TOTAL HOURS			54.70
FEES:			\$43,113.00

TIMEKEEPER SUMMARY

Timekeeper	Rate	Hours	Amount
Paul Lamarre	1,215.00	1.60	1,944.00
Robin B. Schwill	1,215.00	20.90	25,393.50
Robert Nicholls	595.00	19.90	11,840.50
Sawyer Swarek	495.00	5.00	2,475.00
Sandy Prosa	200.00	7.30	1,460.00
TOTAL		54.70	43,113.00

DISBURSEMENT SUMMARY

	Amount
Non-Taxable	
Bank Charges	15.00
Taxable	
Teraview Searches	9.00
Reproduction Charges	0.15
TOTAL	24.15

DAVIES

155 Wellington Street West
Toronto, ON, M5V 3J7 Canada

dwpv.com

Bill 713520

File 256201

February 16, 2022

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

Attention: Robert Kofman

UrbanCorp

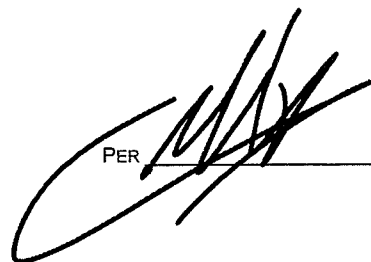
Period: January 1, 2022 to January 31, 2022

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	\$ 26,137.00
DISBURSEMENTS (TAXABLE)	391.85
DISBURSEMENTS (NON-TAXABLE)	15.00
SUBTOTAL	<u>26,543.85</u>
HST @ 13%	3,448.75
TOTAL	<u><u>\$ 29,992.60</u></u>

GST/HST No. R118882927

DAVIES WARD PHILLIPS & VINEBERG LLP

PER  _____

DAVIES

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.

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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.			
BANK # 010	TRANSIT # 00002	ACCOUNT # 29-09219	CIBC SWIFT CODE CIBCCATT	BIC/SWIFT PNBPUS3NYYC	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			
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DAVIES

URBANCORP

TIME DETAIL

Date	Timekeeper	Description	Hours
01/Jan/22	Robert Nicholls	Email correspondences with respect to cash withdrawal;	0.20
04/Jan/22	Robin B Schwill	Telephone conversation with counsel to Israeli Functionary regarding KTNI and Doreen Saskin claim determination issues;	0.80
04/Jan/22	Ioana Hancas	Discussion with David Reiner re file; discussion with Jill March and Cristin Yeo re file; reading emails re same.	0.50
04/Jan/22	Robert Nicholls	Email correspondences with updated monitor's certificate;	0.10
04/Jan/22	Sandy Prosa	Emailing Rob Nicholls and document management and uploading Monitor's Certificate on portal for filing;	0.30
05/Jan/22	Robin B Schwill	Emails regarding Downsview arbitration and management fees issue; emails regarding parking unit sale and vesting order;	0.60
05/Jan/22	Ioana Hancas	Various emails and discussions with Noah Goldstein, Robin Schwill, Cristin Yeo and Jill March re condo liens, vesting orders, closing requirements and file succession.	2.10
06/Jan/22	Robin B Schwill	Conference call regarding Downsview arbitration and related emails; emails regarding closing matters;	1.20
06/Jan/22	Ioana Hancas	Emails with Noah Goldstein re lien discharges and closing extension re units 35B and 36B; email to Vesna Vojvodic (purchaser's counsel) re closing extension.	0.40
06/Jan/22	Robert Nicholls	Email correspondence with respect to purchase price allocation;	0.20
07/Jan/22	Ioana Hancas	Emails with Vesna Vojvodic re closing extension.	0.10
10/Jan/22	Ioana Hancas	Emails with Noah Goldstein re discharges and signature package; emails with Robin Schwill re vesting order; email to Vesna Vojvodic re closing,	0.70
10/Jan/22	Robin B Schwill	Reviewing documents for parking unit vesting order; related emails;	0.60
11/Jan/22	Robin B Schwill	Telephone conversation with counsel to the Israeli Functionary regarding Downsview arbitration on management fees and City of Toronto's requirements on assigned L/Cs; Conference call with Bobby and Noah regarding Downsview management fees settlement; related emails;	1.60
11/Jan/22	Ioana Hancas	Emails with Vesna Vojvodic re closing extension.	0.20
12/Jan/22	Ioana Hancas	Emails with Noah Goldstein re new purchase agreement; reviewing same; emails with Robin Schwill re signed vesting order; attending to closing matters.	0.50
12/Jan/22	Robin B Schwill	Emails regarding Downsview management fees;	0.10
13/Jan/22	Robin B Schwill	Emails regarding Fernbrook;	0.10

DAVIES

14/Jan/22	Robin B Schwill	Emails regarding Downsview management fees;	0.40
14/Jan/22	Ioana Hancas	Emails with Noah Goldstein re closing package; email to Vesna Vojvodic re closing.	0.40
17/Jan/22	Robin B Schwill	Conference call with counsel to the Israeli Functionary regarding Downsview settlement; related emails;	0.90
18/Jan/22	Robin B Schwill	Conference call with Bobby and Noah regarding Downsview settlement; related emails with counsel to Israeli Functionary;	1.20
18/Jan/22	Ioana Hancas	Review and edit statement of adjustments; emails with Vesna Vojvodic re same; Reviewing new Teraview vesting order form.	0.30
19/Jan/22	Robin B Schwill	Conference call with counsel to Mattamy regarding management fees settlement; commenting on Mattamy position memo; reviewing and commenting on L/C agreement; related emails;	2.10
19/Jan/22	Ioana Hancas	Emails with Jill March re vesting order; email to Vesna Vojvodic re same.	0.60
20/Jan/22	Robin B Schwill	Conference call with counsel to Israeli Functionary regarding management fees settlement; emails regarding L/C agreement;	0.50
20/Jan/22	Martina Williams	Telephone discussion with Ioana Hancas regarding Application for Vesting Orders. Reviewing Application and Teraview statements for Application. Contacting Service Ontario and speaking to Nancy in order to confirm new requirements. Emailing the Director of Titles regarding new statement.	2.50
20/Jan/22	Ioana Hancas	Reviewing new application re vesting order e-reg document; call and emails with Martina Williams re LRO investigations re same.	0.20
21/Jan/22	Robin B Schwill	Emails regarding Downsview management fees;	0.30
21/Jan/22	Ioana Hancas	Discussion with Martina Williams re advice received from LRO re registration of new application form.	0.30
21/Jan/22	Martina Williams	Reading email response from Kim Rizzo at Service Ontario regarding new form of Application for Vesting Order and responding to same. Exchanging emails with Ioana Hancas regarding Application. Telephone discussion with Ioana Hancas regarding preparation of forms.	1.20
24/Jan/22	Ioana Hancas	Call and emails with Vesna Vojvodic re closing.	0.50
25/Jan/22	Ioana Hancas	Emails and call with Vesna Vojvodic re closing; email to Noah Goldstein re same.	0.40
26/Jan/22	Robin B Schwill	Emails regarding Downsview settlement and UMI information request;	0.10
27/Jan/22	Ioana Hancas	Reviewing Fernbrook Homes security and postponement; discussions with David Reiner re same; email to Laurie Andrews re same.	2.00
28/Jan/22	Ioana Hancas	Voice message to Leslie Andrews and email to Noah Goldstein re Fernbrook Homes.	0.20
31/Jan/22	Martina Williams	Reading and responding to email from Ioana Hancas requesting partial discharge for Charge AT4404282. Confirming parcel registers to be included in the partial discharge. Pulling parcel registers to confirm related deletions. Preparing partial discharge	2.80

DAVIES

		and related discharges of postponement of interests. Preparing associated Acknowledgment and Direction. Forwarding draft documents to Ioana Hancas.	
31/Jan/22	Ioana Hancas	Emails with Martina Williams re e-reg discharge; reviewing same call and emails with Noah Goldstein re Fernbrook Homes requirements; emails and calls Sheldon Spring of Goldman Spring re same; emails with David Reiner re same.	2.80
31/Jan/22	Martina Williams	Revising partial discharge of charge and forwarding a copy to Ioana Hancas.	0.30
TOTAL HOURS			30.30
FEES:			\$26,137.00

TIMEKEEPER SUMMARY

Timekeeper	Rate	Hours	Amount
Robin B. Schwill	1,250.00	10.50	13,125.00
Ioana Hancas	900.00	12.20	10,980.00
Robert Nicholls	680.00	0.50	340.00
Sandy Prosa	200.00	0.30	60.00
Martina Williams	240.00	6.80	1,632.00
TOTAL		30.30	26,137.00

DISBURSEMENT SUMMARY

	Amount
Non-Taxable	
Bank Charges	15.00
Taxable	
Teraview Searches	391.85
TOTAL	406.85

DAVIES

155 Wellington Street West
Toronto, ON, M5V 3J7 Canada

dwpv.com

Bill 715248

File 256201

March 16, 2022

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

Attention: Robert Kofman

UrbanCorp

Period: January 1, 2022 to February 28, 2022

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	\$ 10,366.00
DISBURSEMENTS (TAXABLE)	438.30
DISBURSEMENTS (NON-TAXABLE)	157.58
SUBTOTAL	<u>10,961.88</u>
HST @ 13%	1,404.56
TOTAL	<u><u>\$ 12,366.44</u></u>

GST/HST No. R118882927

PER 

DAVIES WARD PHILLIPS & VINEBERG LLP

DAVIES

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.			
BANK # 010	TRANSIT # 00002	ACCOUNT # 29-09219	CIBC SWIFT CODE CIBCCATT	BIC/SWIFT PNBPUS3NNYC	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			
<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 Dora Kimberley, Supervisor, Billings & Collections at 416.367.7583 or by email at dkimberley@dwpv.com.

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

DAVIES

URBANCORP

TIME DETAIL

Date	Timekeeper	Description	Hours
13/Jan/22	David Reiner	Reviewing email from Goldman Sloan, assembling and reviewing documentation relating to mortgage and payout and circulating same to KSV;	0.50
13/Jan/22	David Reiner	Emil from Goldman Sloan re: Fernbrook closings; reviewing documentation re: Fernbrook mortgage and payments; corresponding with N. Goldstein;	0.60
14/Jan/22	David Reiner	Brief call with N. Goldstein; emailing Goldman Sloan re: priority agreement;	0.20
31/Jan/22	David Reiner	Discussions with I. Hancas re: repayment at Fernbrook;	0.30
01/Feb/22	Ioana Hancas	Email to Sheldon Spring re Fernbrook Homes repayment of charge.	0.10
01/Feb/22	Martina Williams	Responding to email from Ioana Hancas regarding partial Discharge of Charge.	0.20
06/Feb/22	Ioana Hancas	Reviewing emails re condo closing.	0.10
07/Feb/22	Robin B Schwill	Reviewing Israeli Functionary response on Downsview management fee issue; related emails;	0.40
09/Feb/22	Ioana Hancas	Review and edit closing documents for Units 70A 83D 86D - 38 Joe Shuster; email to Thomas Lorenz re same; emails with Noah Goldstein re same.	0.60
09/Feb/22	Robin B Schwill	Emails regarding Downsview management fees;	0.20
10/Feb/22	Robin B Schwill	Emails regarding Downsview management fees; reviewing Israeli Functionary response;	0.50
11/Feb/22	Robin B Schwill	Emails regarding Downsview management fees;	0.50
14/Feb/22	Robin B Schwill	Conference call with counsel to the Israeli Functionary regarding Downsview management fees response; related emails;	1.10
22/Feb/22	Robin B Schwill	Review and comments on Downsview reply from Israeli Functionary;	0.30
23/Feb/22	Robin B Schwill	Emails regarding Downsview management fees;	0.20
23/Feb/22	Martina Williams	Receiving email from Ioana Hancas regarding partial discharge of Lots 8, 14, 39, 42 for Fernbrook Homes (Lawrence) properties. Preparing partial discharges and accompanying acknowledgment and direction and forwarding to Ioana Hancas. Exchanging emails with Ioana Hancas.	1.60
23/Feb/22	Ioana Hancas	Various emails and call with Goldman Spring re BMO balance statement and partial discharges of Urbancorp mortgage; email to client with analysis re same; reviewing e-reg documents and related A&D; discussions with Martina Williams re same.	2.10
24/Feb/22	Ioana Hancas	Various emails with Noah Goldstein re Fernbrook/Urbancorp mortgage and related partial discharges, emails with Laurie	0.80

DAVIES

24/Feb/22	Martina Williams	Andrews re same; emails with Noah Goldstein re offer to purchaser locker A69 at 38 Joe Shuster Way. Reviewing email from Ioana Hancas regarding registration of partial discharges (for 15 units) and preparation for further units 5 days before closing. Emailing Ioana Hancas to follow-up with registration.	0.40
25/Feb/22	Ioana Hancas	Emails with Martina Williams re discharges; email to Sheldon Spring re same; emails with Noah Goldstein re locker A69 agreement of purchase and sale; emails with Jill March re same.	0.50
25/Feb/22	Martina Williams	Receiving email from Ioana Hancas regarding Fernbrook PIN List and upcoming closings for partial discharges. Registering partial discharges of Lots 1-10, 12-16, 39 and 40 and forwarding to Ioana Hancas. Preparing partial discharges of Lots 17, 18, 19, 20, 23, 25 and 26 and accompanying Acknowledgment and Direction in preparation for March 3, 2022 closing. Emailing same to Ioana Hancas.	1.20
28/Feb/22	Ioana Hancas	Emails with Martina Williams re draft discharges re Fernbrook mortgage.	0.10
TOTAL HOURS			12.50
FEES:			\$10,366.00

TIMEKEEPER SUMMARY

Timekeeper	Rate	Hours	Amount
Robin B. Schwill	1,250.00	3.20	4,000.00
David Reiner	1,050.00	1.60	1,680.00
Ioana Hancas	900.00	4.30	3,870.00
Martina Williams	240.00	3.40	816.00
TOTAL		12.50	10,366.00

DISBURSEMENT SUMMARY

	Amount
Non-Taxable	
Teraview EFT Registration Fees	157.58
Taxable	
On Corp Direct Inc.	372.00
Teraview Searches	66.30
TOTAL	595.88

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 ROBIN B. SCHWILL

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

FEE AFFIDAVIT OF EDMOND F.B. LAMEK
(sworn March 22, 2022)

I, EDMOND F. B. LAMEK, of the City of Toronto, in the Province of Ontario, MAKE
OATH AND SAY:

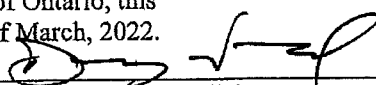
1. I am a partner in the law firm of DLA Piper (Canada) LLP ("DLA"), the solicitors to the Applicants and entities listed in Schedule "A" to the Initial CCAA Order (the "Urbancorp CCAA Entities"). I have knowledge of the matters hereinafter deposed to.
2. Attached hereto as **Exhibit "A"** is a copy of the Statement of Account of DLA in respect of services rendered to the Urbancorp CCAA Entities for the period from November 1, 2021 to February 28, 2022 (the "**Billing Period**"). During the Billing Period, the total fees billed by DLA were \$4,750, plus disbursements in the amount of \$320 and applicable taxes of \$617.50.
3. As set out in the following table, 7.6 hours were billed by DLA personnel during the Billing Period, resulting in an average hourly rate of \$625 (exclusive of applicable taxes):

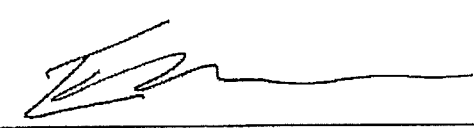
Lawyers	Hours	Rate/Hr.
Danny Nunes	7.6	\$625
TOTAL	7.6	Avg. Rate/Hr: \$625

4. The activities detailed in the Statement of Account attached as Exhibit "A" accurately reflect the services provided by DLA and the rates charged are the standard hourly rates of those individuals at DLA at the time they were incurred.

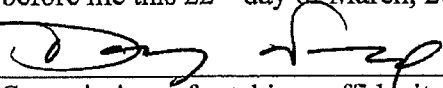
5. I swear this affidavit in support of a motion for, *inter alia*, approval of the fees and disbursements of DLA set out above and for no other or improper purpose.

Sworn before me at the
City of Toronto, in the
Province of Ontario, this
22nd day of March, 2022.


A Commissioner for taking affidavits, etc.

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)
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EDMOND F.B. LAMEK

This is Exhibit "A" to the Affidavit of Edmond Lamek
sworn before me this 22nd day of March, 2022.



A Commissioner for takings affidavits



DLA Piper (Canada) LLP
Suite 6000, 1 First Canadian Place
PO Box 367, 100 King St W
Toronto ON M5X 1E2
www.dlapiper.com
T 416.365.3500
F 416.365.7886

Urbancorp CCAA Entities c/o KSV Advisory Inc.
Private and Confidential
150 King Street West
Suite 2308, Box 42
Toronto, ON M5H 1J9 Canada
Attention: Bobby Kofman/Noah Goldstein

Our File No: 038694-00001

Urbancorp Toronto Management Inc.
Re: CCAA Proceedings

Date: December 07, 2021
Invoice Number: 2077747

PROFESSIONAL SERVICES

For Professional Services rendered and/or disbursements advanced through November 30, 2021.

<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
09/01/21	Danny Nunes	Correspondence to service list regarding stay extension motion;	0.10	62.50
11/05/21	Danny Nunes	Correspondence with R. Schwill regarding stay extension motion;	0.10	62.50
11/09/21	Danny Nunes	Review correspondence regarding stay extension motion;	0.10	62.50
11/17/21	Danny Nunes	Draft stay extension motion materials; correspondence with N. Goldstein regarding draft monitor's report and review same;	2.70	1,687.50
11/18/21	Danny Nunes	Review correspondence regarding draft stay extension motion materials;	0.50	312.50
11/19/21	Danny Nunes	Finalize stay extension motion materials;	1.10	687.50
11/22/21	Danny Nunes	Correspondence regarding stay extension motion; finalize material and serve same;	1.00	625.00
11/23/21	Danny Nunes	Correspondence regarding stay extension motion;	0.40	250.00
11/25/21	Danny Nunes	Review correspondence regarding stay extension motion;	0.20	125.00
11/26/21	Danny Nunes	Prepare for and attend stay extension motion; review endorsement respecting same; correspondence with court regarding issuance of stay extension order;	1.30	812.50
11/29/21	Danny Nunes	Review correspondence regarding stay extension order; correspondence to service	0.10	62.50



<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
		list regarding same;		
Total Hours and Fees:			7.60	\$4,750.00

PROFESSIONAL SERVICES SUMMARY

<u>Professional</u>	<u>Rate</u>	<u>Hours</u>	<u>Amount</u>
Danny Nunes	625.00	7.60	4,750.00
Total Fees:			\$4,750.00

DISBURSEMENT SUMMARY

Disbursements

Non-Taxable Disbursements

<u>Description</u>	<u>Amount</u>
Filing Fees - Non Taxable	\$320.00
Non-Taxable Disbursements:	\$320.00

BILL SUMMARY

	Total Fees:	\$	4,750.00
	Total Disbursements:	\$	320.00
REG # 110 152 824	Total HST:	\$	617.50
	Total Current Invoice Due:	CAD \$	5,687.50

This is our account.

DLA Piper (Canada) LLP

Per: _____

Edmond Lamek

Please note that this account is payable on receipt. If not paid within 30 days from the invoice date, interest at the rate of prime plus 2% per annum will be charged from the invoice date.

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)**

Proceedings commenced at Toronto

**AFFIDAVIT OF EDMOND F.B. LAMEK
(sworn March 22, 2022)**

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100 King Street West
Toronto, ON M5X 1E2

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Danny M. Nunes (LSO #53802D)
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Lawyers for the Urbancorp CCAA Entities

TAB 3

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

THE HONOURABLE CHIEF) TUESDAY, THE 29TH DAY
JUSTICE MORAWETZ) OF MARCH, 2022

**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
(Stay Extension)**

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*, extending the Stay Period (as defined in paragraph 17 of the Initial Order of the Honourable Justice Newbould dated May 18, 2016 (the "**Initial Order**")) until and including July 29, 2022, was heard this day via videoconference as a result of the COVID-19 pandemic.

ON READING the Motion Record of the Applicants, the Fifty-First Report of KSV Restructuring Inc., in its capacity as the Applicants' monitor (the "**Monitor**"), dated November March 22, 2022 and the appendices thereto (the "**Fifty-First Report**"), and on hearing the

submissions of counsel for the Urbancorp CCAA Entities (as defined in the Initial Order), counsel for the Monitor, and those other parties listed on the counsel slip, no one else appearing for any other person although duly served as appears from the Affidavit of Service of Danny Nunes sworn March 11, 2022, filed.

SERVICE

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

EXTENSION OF STAY PERIOD

2. **THIS COURT ORDERS** that the Stay Period (as defined in paragraph 17 of the Initial Order) is hereby extended until and including July 29, 2022.

APPROVAL OF ACTIVITIES AND FEES

3. **THIS COURT ORDERS** that the Fifty-First Report and the activities of the Monitor set out therein are hereby approved provided, however, that only the Monitor, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approval.

4. **THIS COURT ORDERS** that the fees and disbursements of the Monitor, the Monitor's counsel and the Applicants' counsel, as set out in the Fifty-First Report, are hereby approved.

GENERAL

5. **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, to grant representative status to the

Monitor in any foreign proceeding, or to assist the Urbancorp CCAA Entities and the Monitor and their respective agents in carrying out the terms of this Order.

6. **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.

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

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

PROCEEDINGS COMMENCED AT TORONTO

ORDER
(STAY EXTENSION)

DLA PIPER (CANADA) LLP
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Email: danny.nunes@dlapiper.com

Lawyers for the Urbancorp CCAA Entities

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 March 29, 2022)

DLA PIPER (CANADA) LLP
1 First Canadian Place, Suite 6000
100 King Street West
Toronto, ON M5X 1E2

Edmond F.B. Lamek (LSO #33338U)
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Lawyers for the Urbancorp CCAA Entities