



**Fifty-Sixth Report to Court of
KSV Restructuring Inc. as CCAA Monitor of
Urbancorp Toronto Management Inc.,
Urbancorp (St. Clair Village) Inc., Urbancorp
(Patricia) Inc., Urbancorp (Mallow) Inc.,
Urbancorp (Lawrence) Inc., Urbancorp
Downsview Park Development Inc., Urbancorp
(952 Queen West) Inc., King Residential Inc.,
Urbancorp 60 St. Clair Inc., High Res. Inc.,
Bridge On King Inc. and the Affiliated Entities
Listed in Schedule “A” Hereto**

March 16, 2023

and

**Second Report to Court of
KSV Restructuring Inc. as Licensed
Insolvency Trustee of
Urbancorp Management Inc.**

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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-SIXTH REPORT OF KSV RESTRUCTURING INC. AS MONITOR

- AND -

Estate File No.: 31-2743224

**ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE BANKRUPTCY OF URBANCORP MANAGEMENT INC.
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

**SECOND REPORT OF KSV RESTRUCTURING INC.
AS LICENSED INSOLVENCY TRUSTEE OF
URBANCORP MANAGEMENT INC.**

MARCH 16, 2023

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 Downsview Park Development Inc. ("Downsview"), Urbancorp (Lawrence) Inc. ("Lawrence") and Urbancorp Toronto Management Inc. ("UTMI") each filed a Notice of Intention to Make a Proposal ("NOI") pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (collectively, St. Clair, Patricia, Mallow, Downsview, Lawrence and UTMI are referred to as the "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”). A copy of the Initial Order is attached as Appendix “A” The corporate chart for the Cumberland CCAA Entities is provided in Appendix “B”.
3. The stay of proceedings for the Cumberland CCAA Entities expires on March 31, 2023.
4. The material issues remaining to be addressed in these proceedings are:
 - a) determining whether any management fees are payable to UTMI (as defined below) on the Downsview Project, and the distribution to creditors if received by UTMI; and
 - b) dealing with Canada Revenue Agency (“CRA”) to attempt to obtain clearance certificates in respect of the Geothermal Asset Owners (as defined below) so that the Monitor can make the final distributions in these proceedings, which would be made by way of intercorporate dividend to UCI from the funds held by the Monitor on behalf of the Geothermal Asset Owners.
5. As discussed below, the Monitor has advanced both issues since the last stay extension motion; however, the management fee issue is subject to ongoing litigation with Mattamy Homes Inc. (“Mattamy”) (as discussed herein) and resolving tax matters with CRA is beyond the Monitor’s control from a timing perspective.
6. The Monitor is seeking an extension of the stay of proceedings until June 30, 2023 to advance the remaining issues. Based on the status of the two remaining issues, a further extension is likely to be required at that time.

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:
 - c) recognized the Israeli Proceedings as a “foreign main proceeding”;
 - d) recognized Mr. Gissin as Foreign Representative of UCI; and
 - e) appointed KSV as the Information Officer.

1.3 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 extending the stay of proceedings from March 31 to June 30, 2023;
 - c) report on the consolidated cash flow projection of the Cumberland CCAA Entities from April 1 to June 30, 2023 (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, 2022 to February 28, 2023;
 - e) provide an update on the bankruptcy proceedings of Urbancorp Management Inc. (“UMI”); and
 - f) recommend that the Court issue orders:
 - i. granting an extension of the stay of proceedings for the Cumberland CCAA Entities to June 30, 2023;
 - 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.

1.4 Currency

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

1.5 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 B. Riley Farber (formerly the Farber Group) and Dentons Canada LLP (“Dentons”), respectively, and representatives of Mattamy, and its legal counsel, Cassels Brock & Blackwell LLP and Lax O’Sullivan Lisus Gottlieb LLP. 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. Other than the Court, 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. 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.

2.1 Distributions

1. KSV has distributed approximately \$71 million to UCI as of the date of this Report.
2. UCI, through the Foreign Representative, has also obtained recoveries in Israel from litigation it commenced against various parties involved in the underwriting of the Debentures, and is expected to 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. It is unclear to the Monitor whether the Debentureholders will have a full recovery on their advances to the UCI.
4. The Monitor is maintaining the following holdbacks in these proceedings:¹

(unaudited; \$000s)	Bank Balance	Administration Cost Holdback	UCI Holdback
Cumberland CCAA Entities	598	598	-
Geothermal Asset Owners	3,158	250	2,908
	3,756	848	2,908

5. The UCI holdback ("UCI Holdback") is discussed in Section 3.3 below.

¹ Excludes amounts held by KSV Restructuring Inc. in its capacity as licensed insolvency trustee of Urbancorp Management Inc.

3.0 Update on CCAA Proceedings

3.1 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”).
3. 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.
4. Pursuant to the terms of the AVO Order and the Transaction, UTMI retained whatever rights it may have, if any, to recover management fees under the Project Agreements, without prejudice to Mattamy’s position that neither Downsview nor UTMI is entitled to the payment of Management Fees. If UTMI was successful arguing its entitlement to the Management Fees, a portion of the amounts paid in respect of those fees would ultimately be paid to UCI.
5. The Monitor, Mattamy and the Foreign Representative agreed to have the Honourable Mr. Frank Newbould, K.C. (the “Arbitrator”) arbitrate the management fee dispute (the “Arbitration”).
6. On July 6, 2022, Mr. Newbould issued a decision awarding the Monitor the full amount it claims is owing to UTMI in respect of unpaid management fees (the “Decision”), being \$5.9 million. Costs in the amount of \$91,800 were also awarded to the Monitor and \$48,600 to the Foreign Representative.
7. On August 5, 2022, Mattamy issued an application on the Civil List pursuant to the *Arbitration Act, 1991* (the “Application”) seeking an order:
 - a) setting aside the Decision pursuant to section 46 of the *Arbitration Act, 1991* (the “Arbitration Act”);
 - b) directing a new arbitration before a new arbitrator;
 - c) setting aside the Cost Award; and
 - d) staying the Decision and the Cost Award pending the resolution of the Application.
8. By order of this court made on September 1, 2022, the Application was transferred to the Commercial List to be heard by this Court within the current proceedings. The Application was heard by Madam Justice Kimmel on March 10, 2023. Her Honour reserved her decision.

9. There is a dispute concerning whether Her Honour’s decision will be an order made in these CCAA proceedings. If made in these CCAA proceedings, as the Monitor and Foreign Representative believe should be the case, then leave to appeal would need to be sought prior to any appeal being made. If considered an order made in the separate Arbitration Act proceedings initiated by the Application, as Mattamy has suggested, then leave to appeal would not be 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.
2. 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.
3. Through two transactions approved by the Court in these proceedings, the Geothermal Assets were sold for approximately \$25 million (the “Transactions”).
4. Prior to the Transactions, the Geothermal Assets were owned directly by 228 Queen’s Quay Ltd. (“228”), Vestaco Homes Inc. (“Vestaco Homes”), Urbancorp New Kings Inc. (“UNKI”) and Vestaco Investments Inc. (“Vestaco Investments”), and indirectly by Urbancorp Power Holdings Inc. (“UPHI”) ² (collectively, the “Geothermal Asset Owners”).
5. 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 ³	-	-	2,182	-	2,182
Total	9,872	7,774	4,857	712	23,215

² Urbancorp Power Holdings Inc. is an indirect subsidiary of UCI and owned each of the Geothermal Asset Owners other than UNKI, which owned the Fuzion asset and was indirectly owned by Cumberland.

³ Mainly represents distributions to First Capital Realty Inc. in respect of a mortgage on the Fuzion geothermal assets.

3.3 UCI Holdback

1. The Geothermal Asset Owners are solvent⁴ and all residual funds, net of professional fees, can be distributed by dividend to UCI as the sole shareholder of UPHI. As part of the wind-up, the Monitor requires clearance certificates from CRA confirming that the Geothermal Asset Owners are not indebted to CRA for income taxes or HST (the "Clearance Certificates"). The process to request Clearance Certificates requires the Geothermal Asset Owners to first file up to date tax returns and to obtain assessments or re-assessments from CRA. As the Geothermal Asset Owners have not been carrying on any business activities since completion of the sale of the Geothermal Assets in 2020, the Monitor intends to request Clearance Certificates for the periods up to December 31, 2022.
2. The Monitor has filed the 2022 income tax return for 228. The Monitor is in the process of amending the 2020 tax return for Vestaco Homes to reflect that \$2,049,000 of the proceeds from the Transactions belonged, in effect, to UMI and not Vestaco Homes, as a result of a Court order issued in respect of the Berm Lease with King Towns North Inc. after the tax return was prepared (the "UMI Decision"). A preliminary estimate indicates that amending the 2020 tax return would result in a refund to Vestaco Homes of approximately \$500,000. The Monitor is also in the process of filing the 2022 tax returns for Vestaco Homes, Vestaco Investments and UPHI, which are each due by June 30, 2023. These returns are expected to be filed by the end of March 2023. The Monitor is unable to predict the amount of time that will be required to obtain the Clearance Certificates.

3.4 UTMI

1. UTMI provided back-office support for the Urbancorp Group, including human resources and accounting.
2. If the Monitor and Foreign Representative are successful on Mattamy's Application, UTMI is entitled to approximately \$5.9 million, plus costs awarded in the Arbitration.
3. UCI indirectly has claims against UTMI as a result of intercompany advances made during the CCAA proceedings by Cumberland to UTMI to fund UTMI's payroll, professional fees and other back-office expenses. These advances (the "Intercompany Advances") are secured by an intercompany charge approved in the CCAA Proceedings. The Monitor and UCI have agreed that this amount totals approximately \$4.2 million, plus ongoing interest. Paragraph 29 (m) of Initial Order provides for a charge of up to \$1 million for all Intercompany Advances. If there are recoveries as a result of the Downsview litigation, the Monitor is considering bringing a motion on notice to UTMI's largest unsecured creditors to amend the charge for the amounts owing to UCI.
4. On September 15, 2016, the Court issued an order establishing a procedure to identify and quantify claims against the Cumberland CCAA Entities and against the current and former directors and officers of the Cumberland CCAA Entities, as amended by a further order dated October 25, 2016 (the "Claims Procedure").

⁴ Other than Vestaco Investments Inc. The Monitor will not take steps to wind-up and dissolve this entity.

5. Pursuant to the terms of the Claims Procedure, the Monitor carried out a claims process. At the date of the Claims Procedure, there were no assets available for distribution by UTMI and it was not foreseeable at that time that there would be. Accordingly, the Monitor did not believe it was appropriate to incur professional costs reviewing claims against UTMI when it appeared that there would be no monies available for distribution to UTMI's creditors.
6. If the Monitor is successful against Mattamy, there will be funds available for UTMI's unsecured creditors after repayment of the Intercompany Advances. The Monitor does not intend to review the unsecured claims against UTMI until the final outcome of Mattamy's Application is known.

4.0 Cash Flow Forecast

1. A consolidated cash flow projection has been prepared for the Cumberland CCAA Entities from April 1, 2023 to June 30, 2023 (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 appear unreasonable. The Monitor's statutory report on the cash flow 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 March 31 to June 30, 2023. 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. advance, and hopefully resolve, the litigation with Mattamy;
 - ii. advance the claims determination process for UTMI depending on the outcome of the litigation with Mattamy; and
 - iii. deal with outstanding administrative matters, including filing tax returns and dealing with CRA regarding the clearance certificates, which will allow for further distributions to UCI once received.

6.0 Professional Fees

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

(\$)					
Firm	Period	Fees	Disbursements	Total	Average Hourly Rate
KSV	Nov 1/22 – Feb 28/23	80,272.75	5,946.44	86,219.19	656.90
Davies	Nov 1/22 – Feb 28/23	136,902.50	228.17	137,130.67	943.00
DLA	Nov 1/22 – Feb 28/23	2,860.00	320.00	3,180.00	650.00
Total		220,035.25	6,494.61	226,529.86	

- Detailed invoices are provided in the exhibits to the fee affidavits filed by representatives of KSV, Davies and DLA which are provided in Appendices “F”, “G” and “H”, respectively.
- Since the last fee approval motion, the main matters addressed by Davies include dealing with issues related to the Downsview Project, including arbitrating the management fee issue.
- As reflected in the table above, DLA’s legal fees since the last fee approval motion have been insignificant.
- 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 UMI

- KSV is the licensed insolvency trustee (the “Trustee”) of UMI.
- Based on the UMI Decision, UMI received \$2.049 million from the sale of the Geothermal Assets owned by Vestaco Homes as additional rent.
- The claims filed against UMI total approximately \$30.5 million (the “Claims”). A summary of the approximate amount of the Claims filed in the bankruptcy is provided in the table below.

Creditor	\$
Claimants controlled by KSV	8,800,000
Claimants controlled by the Saskin family	1,619,000
Claimants controlled by Fuller Landau	1,453,000
UCI	18,600,000
Third parties	71,000
Total	\$30,543,000

4. The Claims, with the exception of the UCI claim (the “UCI Claim”), which is discussed separately below, are primarily as a result of related party transactions over numerous years. In order to verify the accuracy of the Claims, the Trustee has relied on the records of the Cumberland CCAA Entities and UMI. The Trustee has communicated with representatives of the Saskin family and Fuller Landau regarding issues with their respective claims.
5. The Foreign Representative has filed a claim of approximately \$18.6 million in the UMI estate on behalf of UCI. The basis for the UCI Claim is a judgment obtained by the Foreign Representative in Israel against, among others, UMI (the “Israeli Judgment”) after the bankruptcy of UMI. The Trustee and its counsel are reviewing the Israeli Judgment to determine whether UCI Claim should be allowed or disallowed. Among other issues with the UCI Claim, the Trustee notes that the Israeli Judgment was obtained after the UMI bankruptcy, when the Foreign Representative knew, or ought to have known, there was a stay of proceedings with respect to UMI. If the UCI Claim is allowed, UCI would receive the majority of the UMI distribution to creditors.
6. The Trustee has been in communications with MNP LP (“MNP”), UMI’s accountants, regarding the tax position of UMI. The Trustee, in consultation with MNP, has identified two potential tax issues, being (i) the revenue of the \$2,049,000 additional rent from Vestaco Homes could create a tax liability for UMI that might be required to be reported over a period to 2060; and (ii) UMI has a \$5 million Promissory Note Receivable from UTMI (the “Promissory Note”). The Promissory Note was established in 2012 as part of a tax plan; the Promissory Note, for tax purposes, has a NIL cost base. Any recovery on the Promissory Note could create additional taxable income for UMI. The Trustee is working with MNP to consider the tax consequences to the UMI estate of the foregoing two issues.
7. The Trustee continues to advance the administration of this estate.

8.0 Conclusion and Recommendation

1. Based on the foregoing, the Monitor respectfully recommends that the Court make an order granting the relief detailed in Section 1.3(1)(f) 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**

**AND IN ITS CAPACITY AS LICENSED INSOLVENCY TRUSTEE OF
URBANCORP MANAGEMENT INC.
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”

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

THE HONOURABLE) **WEDNESDAY, THE 18TH**
)
JUSTICE NEWBOULD) **DAY OF MAY, 2016**



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

**AND IN THE MATTER OF A PLAN OF COMPROMISE OR
ARRANGEMENT OF URBANCORP TORONTO
MANAGEMENT INC., URBANCORP (ST. CLAIR
VILLAGE) INC., URBANCORP (PATRICIA) INC.,
URBANCORP (MALLOW) INC., URBANCORP
(LAWRENCE) INC., URBANCORP DOWNSVIEW PARK
DEVELOPMENT INC., URBANCORP RESIDENTIAL 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**

INITIAL ORDER

THIS APPLICATION, made by the Applicants, pursuant to the *Companies' Creditors Arrangement Act*, R.S.C. 1985, c. C-36, as amended (the "CCAA") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of Alan Saskin sworn May 13, 2016 and the Exhibits thereto (the "**Saskin Affidavit**"), the First Report of KSV Kofman Inc. in its capacity as Proposal Trustee and as proposed monitor dated May 13, 2016 (the "**First Report**") and on being advised that the secured creditors who are likely to be affected by the charges created herein were given notice, and on hearing the submissions of counsel for the Urbancorp CCAA Entities, counsel for the proposed Monitor, counsel for the Foreign Representative of Urbancorp

Inc., counsel for Mattamy (Downsview) Limited, counsel for King Liberty North Corporation, counsel for the syndicate of lenders represented by the Bank of Nova Scotia as administrative agent, and those other parties listed on the counsel slip, no one appearing for any other person although duly served as appears from the Affidavit of Service of Kyle B. Plunkett sworn May 13, 2016, filed, on reading the consent of KSV Kofman Inc. to act as the Monitor (in such capacity, the “**Monitor**”);

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Application and the Application Record is hereby abridged and validated so that this Application is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS AND DECLARES** that the Applicants are companies to which the CCAA applies, save and except Urbancorp New Kings Inc. (“**UNKI**”) which shall not be an Applicant hereunder, and shall be removed from the style of cause in these proceedings and such style of cause shall be hereafter amended to exclude UNKI.
3. **THIS COURT ORDERS AND DECLARES** that although not Applicants, the Urbancorp CCAA Entities’ affiliated Corporations and Limited Partnerships listed in **Schedule “A”** to this Order (the “**Non-Applicant UC Entities**”) are proper parties to these proceedings and shall enjoy the benefits of the protections and authorizations provided by this Order. (The Applicants together with the Non-Applicant UC Entities are hereinafter referred to as the “**Urbancorp CCAA Entities**”).
4. **THIS COURT ORDERS AND DECLARES** that the proposal proceedings of each of Urbancorp Toronto Management Inc. (Estate No. 31-2114055), Urbancorp Downsview Park Developments Inc. (Estate No. 31-2114054), Urbancorp (Patricia) Inc. (Estate No. 31-2114050), Urbancorp (Mallow) Inc. (Estate No. 31-2114049), Urbancorp (Lawrence) Inc. (Estate No. 31-2114048) and Urbancorp (St. Clair Village) Inc. (Estate No. 31-2114053) (collectively, the “**Urbancorp NOI Entities**”) commenced under Part III of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “**BIA**”), be taken up and continued under the CCAA and that the provisions of Part III of the BIA shall have no further application to the Urbancorp NOI Entities.

PLAN OF ARRANGEMENT

5. **THIS COURT ORDERS** that subject to the provisions of this Order, the Applicants shall have the authority to file, and may, subject to further order of this Court, file with this Court a plan or plans of compromise or arrangement (hereinafter referred to as the “**Plan**” or “**Plans**”).

POSSESSION OF PROPERTY AND OPERATIONS

6. **THIS COURT ORDERS** that the Urbancorp CCAA Entities shall remain in possession and control of their current and future assets, undertakings and properties of every nature and kind whatsoever, and wherever situate including all proceeds thereof (the “**Property**”). Subject to further Order of this Court, the Urbancorp CCAA Entities shall continue to carry on business in a manner consistent with the preservation of their business (the “**Business**”) and Property. Subject to paragraph 29 hereof, the Urbancorp CCAA Entities are authorized and empowered to continue to retain and employ the employees, consultants, agents, experts, accountants, counsel and such other persons (collectively “**Assistants**”) currently retained or employed by it, with liberty to retain such further Assistants as it deems reasonably necessary or desirable in the ordinary course of business or for the carrying out of the terms of this Order.

7. **THIS COURT ORDERS** that the Urbancorp CCAA Entities shall be entitled to continue to utilize the central cash management system currently in place as described in the Saskin Affidavit or replace it with another substantially similar central cash management system (the “**Cash Management System**”) and that any present or future bank providing the Cash Management System shall not be under any obligation whatsoever to inquire into the propriety, validity or legality of any transfer, payment, collection or other action taken under the Cash Management System, or as to the use or application by the Urbancorp CCAA Entities of funds transferred, paid, collected or otherwise dealt with in the Cash Management System, shall be entitled to provide the Cash Management System without any liability in respect thereof to any Person (as hereinafter defined) other than the Urbancorp CCAA Entities, pursuant to the terms of the documentation applicable to the Cash Management System, and shall be, in its capacity as provider of the Cash Management System, an unaffected creditor under the Plan with regard to any claims or expenses it may suffer or incur in connection with the provision of the Cash Management System.

8. **THIS COURT ORDERS** that the Urbancorp CCAA Entities shall be entitled but not required to pay the following expenses whether incurred prior to or after this Order:

- (a) all outstanding and future wages, salaries, employee and pension benefits, vacation pay and expenses payable on or after the date of this Order, in each case incurred in the ordinary course of business and consistent with existing compensation policies and arrangements; and
- (b) the fees and disbursements of any Assistants retained or employed by the Urbancorp CCAA Entities in respect of these proceedings, at their standard rates and charges.

9. **THIS COURT ORDERS** that, except as otherwise provided to the contrary herein, the Urbancorp CCAA Entities shall be entitled but not required to pay all reasonable expenses incurred by the Urbancorp CCAA Entities in carrying on the Business in the ordinary course after this Order, and in carrying out the provisions of this Order, which expenses shall include, without limitation:

- (a) all expenses and capital expenditures reasonably necessary for the preservation of the Property or the Business including, without limitation, payments on account of insurance (including directors and officers insurance), maintenance and security services; and
- (b) payment for goods or services actually supplied to the Urbancorp CCAA Entities following the date of this Order.

10. **THIS COURT ORDERS** that the Urbancorp CCAA Entities shall remit, in accordance with legal requirements, or pay:

- (a) any statutory deemed trust amounts in favour of the Crown in right of Canada or of any Province thereof or any other taxation authority which are required to be deducted from employees' wages, including, without limitation, amounts in respect of (i) employment insurance, (ii) Canada Pension Plan, and (iii) income taxes;
- (b) all goods and services or other applicable sales taxes (collectively, "**Sales Taxes**") required to be remitted by the Urbancorp CCAA Entities in connection with the sale

of goods and services by the Urbancorp CCAA Entities, but only where such Sales Taxes are accrued or collected after the date of this Order, or where such Sales Taxes were accrued or collected prior to the date of this Order but not required to be remitted until on or after the date of this Order, and

- (c) any amount payable to the Crown in right of Canada or of any Province thereof or any political subdivision thereof or any other taxation authority in respect of municipal realty, municipal business or other taxes, assessments or levies of any nature or kind which are entitled at law to be paid in priority to claims of secured creditors and which are attributable to or in respect of the carrying on of the Business by the Urbancorp CCAA Entities.

11. **THIS COURT ORDERS** that, except where any of the Urbancorp CCAA Entities are a landlord, until a real property lease is disclaimed in accordance with the CCAA, the Urbancorp CCAA Entities shall pay all amounts constituting rent or payable as rent under real property leases (including, for greater certainty, common area maintenance charges, utilities and realty taxes and any other amounts payable to the landlord under the lease) or as otherwise may be negotiated between the Urbancorp CCAA Entities and the landlord from time to time (“**Rent**”), for the period commencing from and including the date of this Order, twice-monthly in equal payments on the first and fifteenth day of each month, in advance (but not in arrears). On the date of the first of such payments, any Rent relating to the period commencing from and including the date of this Order shall also be paid.

12. **THIS COURT ORDERS** that, except as specifically permitted herein or by further order of this Court, the Applicants are hereby directed, until further Order of this Court: (a) to make no payments of principal, interest thereon or otherwise on account of amounts owing by an Applicants to any of its creditors as of this date; (b) to grant no security interests, trust, liens, charges or encumbrances upon or in respect of any of its Property; and (c) to not grant credit or incur liabilities except in the ordinary course of the Business.

13. **THIS COURT ORDERS** that the Urbancorp CCAA Entities shall not, without further Order of this Court: (a) make any disbursement out of the ordinary course of its Business

exceeding in the aggregate \$100,000 in any calendar month; or (b) engage in any material activity or transaction not otherwise in the ordinary course of its Business.

RESTRUCTURING

14. **THIS COURT ORDERS** that subject to paragraph 29 herein, the Urbancorp CCAA Entities shall, subject to such requirements as are imposed by the CCAA, have the right to:

- (a) permanently or temporarily cease, downsize or shut down any of its business or operations, and to dispose of redundant or non-material assets not exceeding \$250,000 in any one transaction or \$1,000,000 in the aggregate;
- (b) terminate the employment of such of its employees or temporarily lay off such of its employees as it deems appropriate;
- (c) pursue all avenues of refinancing (including Additional Interim Financing as hereinafter defined) of its Business or Property, in whole or part, subject to prior approval of this Court being obtained before any material refinancing; and
- (d) pursue a sale or development of some or all of any Urbancorp CCAA Entity's Business and Property,

all of the foregoing to permit the Urbancorp CCAA Entities to proceed with an orderly restructuring of the Business (the "**Restructuring**").

15. **THIS COURT ORDERS** that the Urbancorp CCAA Entities shall provide each of the relevant landlords with notice of the Urbancorp CCAA Entities' intention to remove any fixtures from any leased premises at least seven (7) days prior to the date of the intended removal. The relevant landlord shall be entitled to have a representative present in the leased premises to observe such removal and, if the landlord disputes the Urbancorp CCAA Entities' entitlement to remove any such fixture under the provisions of the lease, such fixture shall remain on the premises and shall be dealt with as agreed between any applicable secured creditors, such landlord and the Urbancorp CCAA Entities, or by further Order of this Court upon application by the Urbancorp CCAA Entities on at least two (2) days notice to such landlord and any such secured creditors. If an Applicant disclaims the lease governing such leased premises in

accordance with Section 32 of the CCAA, it shall not be required to pay Rent under such lease pending resolution of any such dispute (other than Rent payable for the notice period provided for in Section 32(5) of the CCAA), and the disclaimer of the lease shall be without prejudice to the Urbancorp CCAA Entities' claim to the fixtures in dispute.

16. **THIS COURT ORDERS** that if a notice of disclaimer is delivered pursuant to Section 32 of the CCAA, then (a) during the notice period prior to the effective time of the disclaimer, the landlord may show the affected leased premises to prospective tenants during normal business hours, on giving the relevant Applicant and the Monitor 24 hours' prior written notice, and (b) at the effective time of the disclaimer, the relevant landlord shall be entitled to take possession of any such leased premises without waiver of or prejudice to any claims or rights such landlord may have against that Applicant in respect of such lease or leased premises, provided that nothing herein shall relieve such landlord of its obligation to mitigate any damages claimed in connection therewith.

NO PROCEEDINGS AGAINST THE URBANCORP CCAA ENTITIES OR THE PROPERTY

17. **THIS COURT ORDERS** that until and including June 17, 2016, or such later date as this Court may order (the "**Stay Period**"), no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**") shall be commenced or continued against or in respect of the Urbancorp CCAA Entities or the Monitor, or affecting the Business or the Property, except with the written consent of the Monitor, or with leave of this Court, and any and all Proceedings currently under way against or in respect of the Urbancorp CCAA Entities or affecting the Business or the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

18. **THIS COURT ORDERS** that during the Stay Period, all rights and remedies of any individual, firm, corporation, governmental body or agency, or any other entities (all of the foregoing, collectively being "**Persons**" and each being a "**Person**") against or in respect of the Urbancorp CCAA Entities or the Monitor, or affecting the Business or the Property, are hereby stayed and suspended except with the written consent of the Monitor, or leave of this Court, provided that nothing in this Order shall (i) empower the Urbancorp CCAA Entities to carry on

any business which the Urbancorp CCAA Entities are not lawfully entitled to carry on, (ii) affect such investigations, actions, suits or proceedings by a regulatory body as are permitted by Section 11.1 of the CCAA, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH RIGHTS

19. **THIS COURT ORDERS** that during the Stay Period, no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Urbancorp CCAA Entities, except with the written consent of the Urbancorp CCAA Entities and the Monitor, or leave of this Court.

CONTINUATION OF SERVICES

20. **THIS COURT ORDERS** that during the Stay Period, all Persons having oral or written agreements with the Urbancorp CCAA Entities or statutory or regulatory mandates for the supply of goods and/or services, including without limitation all computer software, communication and other data services, centralized banking services, payroll services, insurance, transportation services, utility or other services to the Business or the Urbancorp CCAA Entities, are hereby restrained until further Order of this Court from discontinuing, altering, interfering with or terminating the supply of such goods or services as may be required by the Urbancorp CCAA Entities, and that the Urbancorp CCAA Entities shall be entitled to the continued use of its current premises, telephone numbers, facsimile numbers, internet addresses and domain names, provided in each case that the normal prices or charges for all such goods or services received after the date of this Order are paid by the Urbancorp CCAA Entities in accordance with normal payment practices of the Urbancorp CCAA Entities or such other practices as may be agreed upon by the supplier or service provider and each of the Urbancorp CCAA Entities and the Monitor, or as may be ordered by this Court.

NON-DEROGATION OF RIGHTS

21. **THIS COURT ORDERS** that, notwithstanding anything else in this Order, no Person shall be prohibited from requiring immediate payment for goods, services, use of lease or

licensed property or other valuable consideration provided on or after the date of this Order, nor shall any Person be under any obligation on or after the date of this Order to advance or re-advance any monies or otherwise extend any credit to the Urbancorp CCAA Entities. Nothing in this Order shall derogate from the rights conferred and obligations imposed by the CCAA.

PROCEEDINGS AGAINST DIRECTORS AND OFFICERS

22. **THIS COURT ORDERS** that during the Stay Period, and except as permitted by subsection 11.03(2) of the CCAA, no Proceeding may be commenced or continued against any of the former, current or future directors or officers of the Urbancorp CCAA Entities with respect to any claim against the directors or officers that arose before the date hereof and that relates to any obligations of the Urbancorp CCAA Entities whereby the directors or officers are alleged under any law to be liable in their capacity as directors or officers for the payment or performance of such obligations, until a compromise or arrangement in respect of the Urbancorp CCAA Entities, if one is filed, is sanctioned by this Court or is refused by the creditors of the Urbancorp CCAA Entities or this Court.

DIRECTORS' AND OFFICERS' INDEMNIFICATION AND CHARGE

23. **THIS COURT ORDERS** that the Urbancorp CCAA Entities shall indemnify its directors and officers against obligations and liabilities that they may incur as directors or officers of the Urbancorp CCAA Entities after the commencement of the within proceedings, except to the extent that, with respect to any officer or director, the obligation or liability was incurred as a result of the director's or officer's gross negligence or wilful misconduct.

24. **THIS COURT ORDERS** that the directors and officers of the Urbancorp CCAA Entities shall be entitled to the benefit of and are hereby granted a charge (the "**Directors' Charge**") on the Property, which charge shall not exceed an aggregate amount of \$300,000, as security for the indemnity provided in paragraph 23 of this Order. The Directors' Charge shall have the priority set out in paragraphs 43 and 45 herein.

25. **THIS COURT ORDERS** that, notwithstanding any language in any applicable insurance policy to the contrary, (a) no insurer shall be entitled to be subrogated to or claim the benefit of the Directors' Charge, and (b) the Urbancorp CCAA Entities' directors and officers

shall only be entitled to the benefit of the Directors' Charge to the extent that they do not have coverage under any directors' and officers' insurance policy, or to the extent that such coverage is insufficient to pay amounts indemnified in accordance with paragraph 23 of this Order.

INTERIM FINANCING

26. **THIS COURT ORDERS** that the interim credit facility in the maximum amount of \$1,900,000 (the "**Interim Facility**") made available to the Urbancorp CCAA Entities by Urbancorp Partner (King South) Inc. (the "**Interim Lender**") pursuant to the terms of the term sheet dated as of May 13, 2016 (the "**Term Sheet**"), and attached as an Exhibit to the Saskin Affidavit, and the Term Sheet itself, be and are hereby approved, and the Urbancorp CCAA Entities are hereby authorized and empowered to execute and deliver such documents as are contemplated by the Term Sheet.

PROTOCOL FOR CO-OPERATION

27. **THIS COURT ORDERS AND DIRECTS** that the "Protocol For Cooperation Among Canadian Court Officer and Israeli Functionary", between KSV Kofman Inc. in its capacity as proposal trustee and as proposed Monitor and Guy Gissin, in his capacity as Functionary Officer appointed by the Israel District Court in Tel Aviv-Yafo in respect of Urbancorp Inc., attached as **Schedule "B"** to this Order (the "**Protocol**"), be and is hereby approved. In the event of a conflict between the terms of this Order and the Protocol, the terms of this Order shall prevail.

APPOINTMENT OF MONITOR

28. **THIS COURT ORDERS** that KSV Kofman Inc. is hereby appointed pursuant to the CCAA as the Monitor, an officer of this Court, to monitor the business and financial affairs of the Urbancorp CCAA Entities with the powers and obligations set out in the CCAA or set forth herein and that the Urbancorp CCAA Entities and their shareholders, officers, directors, and Assistants shall not take any steps with respect to the Urbancorp CCAA Entities, the Business or the Property, save and except under the direction of the Monitor, pursuant to paragraph 29 of this Order, and shall co-operate fully with the Monitor in the exercise of its powers and discharge of its obligations and provide the Monitor with the assistance that is necessary to enable the Monitor to adequately carry out the Monitor's functions.

29. **THIS COURT ORDERS** that the Monitor, in addition to its prescribed rights and obligations under the CCAA, and without altering in any way the powers, abilities, limitations and obligations of the Urbancorp CCAA Entities within, or as a result of these proceedings, be and is hereby authorized, directed and empowered to:

- (a) cause the Urbancorp CCAA Entities, or any one or more of them, to exercise rights under and observe its obligations under paragraphs 8, 9, 10, 11, 12 and 13 above;
- (b) conduct a process for the solicitation of proposals for additional interim financing of the Business to replace or augment the Interim Credit Facility (the “**Additional Interim Financing**”), which Additional Interim Financing shall be subject to the approval of the Court;
- (c) cause the Urbancorp CCAA Entities to perform such other functions or duties as the Monitor considers necessary or desirable in order to facilitate or assist the Urbancorp CCAA Entities in dealing with the Property;
- (d) conduct, supervise and direct one or more Court-approved sales and investor solicitation processes (with prior Court approval if deemed appropriate by the Monitor) for portions of the Property or the Business, including the solicitation of development proposals, and any procedures regarding the allocation and/or distribution of proceeds of any transactions;
- (e) cause the Urbancorp CCAA Entities to administer the Property and operations of the Urbancorp CCAA Entities, including the control of receipts and disbursements, as the Monitor considers necessary or desirable for the purposes of completing any transaction, or for purposes of facilitating a Plan or Plans for some or all Applicants, or parts of the Business;
- (f) propose or cause the Applicants or any one or more of them to propose one or more Plans in respect of the Applicants or any one or more of them;
- (g) engage advisors or consultants or cause the Urbancorp CCAA Entities to engage advisors or consultants as the Monitor deems necessary or desirable to carry out the

terms of this Order or any other Order made in these proceedings or for the purposes of the Plan and such persons shall be deemed to be “Assistants” under this Order;

- (h) apply to this Court for any orders necessary or advisable to carry out its powers and obligations under this Order or any other Order granted by this Court including for advice and directions with respect to any matter;
- (i) meet and consult with the directors of the Urbancorp CCAA Entities as the Monitor deems necessary or appropriate;
- (j) meet with and direct management of the Urbancorp CCAA Entities with respect to any of the foregoing including, without limitation, operational and restructuring matters;
- (k) monitor the Urbancorp CCAA Entities’ receipts and disbursements;
- (l) approve Drawdown Requests under the Interim Credit Facility and any Additional Interim Facility;
- (m) cause any Urbancorp CCAA Entity with available cash (an “**Intercompany Lender**”) to loan some or all of that cash to another Urbancorp CCAA Entity (an “**Intercompany Borrower**”) on an interest free inter-company basis (an “**Approved Intercompany Advance**”) up to an aggregate of \$1 million, which Approved Intercompany Advances shall be secured by the Intercompany Lender’s Charge against the Property of the Intercompany Borrower, where in the Monitor’s view the Approved Intercompany Advance secured by the Intercompany Lender’s Charge does not prejudice the interest of the creditors of the Intercompany Lender and does not violate any agreement to which a Non-Applicant UC Entity is a party.
- (n) report to this Court at such times and intervals as the Monitor may deem appropriate with respect to matters relating to the Property, the Business, and such other matters as may be relevant to the proceedings herein;
- (o) assist the Urbancorp CCAA Entities in its preparation of the Urbancorp CCAA Entities’ cash flow statements and reporting required by the Term Sheet or the Court;

- (p) hold and administer creditors' or shareholders' meetings for voting on the Plan or Plans;
- (q) have full and complete access to the Property, including the premises, books, records, data, including data in electronic form, and other financial documents of the Urbancorp CCAA Entities, to the extent that is necessary to adequately assess the Urbancorp CCAA Entities business and financial affairs or to perform its duties arising under this Order;
- (r) be at liberty to engage legal counsel, real estate experts, or such other persons as the Monitor deems necessary or advisable respecting the exercise of its powers and performance of its obligations under this Order;
- (s) perform such other duties as are required by this Order or by this Court from time to time; and
- (t) to comply with the Protocol,

provided, however, that the Monitor shall comply with all applicable law and shall not have any authority or power to elect or to cause the election or removal of directors of any of the Urbancorp CCAA Entities or any of their subsidiaries.

30. **THIS COURT ORDERS** that, until further order of this court, Robert Kofman, or such representative of KSV Kofman Inc. as he may designate in writing from time to time, is authorized, directed and empowered to act as, and is hereby appointed as, the representative of UNKI on the Management Committee of the Kings Club Development Inc. project (the "**Management Committee Member**"). For purposes of this Order, in carrying out its duties as Management Committee Member pursuant to this Order, the Management Committee Member shall have the same protections afforded to the Monitor pursuant to paragraph 35 of this Order. Subject to further order of this Court, on notice to The Bank of Nova Scotia and King Liberty North Corporation, UNKI otherwise remains unaffected by this Order and the CCAA proceedings.

31. **THIS COURT ORDERS** that the Urbancorp CCAA Entities and their advisors shall cooperate fully with the Monitor and any directions it may provide pursuant to this Order and

shall provide the Monitor with such assistance as the Monitor may request from time to time to enable the Monitor to carry out its duties and powers as set out in this Order or any other Order of this Court under the CCAA or applicable law generally.

32. **THIS COURT ORDERS** that the Monitor shall not take possession of the Property and shall not, by fulfilling its obligations hereunder, be deemed to have taken or maintained possession or control of the Business or the Property, or any part thereof and that nothing in this Order, or anything done in pursuance of the Monitor's duties and powers under this Order, shall deem the Monitor to occupy or to take control, care, charge, possession or management (separately and/or collectively, "**Possession**") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "**Environmental Legislation**"), provided however that nothing herein shall exempt the Monitor from any duty to report or make disclosure imposed by applicable Environmental Legislation.

33. **THIS COURT ORDERS** that, without limiting the provisions herein, all employees of the Urbancorp CCAA Entities shall remain employees of the Urbancorp CCAA Entities until such time as the Urbancorp CCAA Entities may terminate the employment of such employees. Nothing in this Order shall, in and of itself, cause the Monitor to be liable for any employee-related liabilities or duties, including, without limitation, wages, severance pay, termination pay, vacation pay and pension or benefit amounts, as applicable.

34. **THIS COURT ORDERS** that that the Monitor shall provide any creditor of the Urbancorp CCAA Entities with information provided by the Urbancorp CCAA Entities in response to reasonable requests for information made in writing by such creditor addressed to the Monitor. The Monitor shall not have any responsibility or liability with respect to the information disseminated by it pursuant to this paragraph. In the case of information that the Monitor has been advised by the Urbancorp CCAA Entities is confidential, the Monitor shall not

provide such information to creditors unless otherwise directed by this Court or on such terms as the Monitor and the Urbancorp CCAA Entities may agree.

35. **THIS COURT ORDERS** that, in addition to the rights and protections afforded the Monitor under the CCAA or as an officer of this Court, the Monitor shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part. Nothing in this Order shall derogate from the protections afforded the Monitor by the CCAA or any applicable legislation.

36. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor and counsel to the Urbancorp CCAA Entities shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges, by the Urbancorp CCAA Entities as part of the costs of these proceedings. ^{subject to being assessed by the court.} The Urbancorp CCAA Entities are hereby authorized and directed to pay the accounts of the Monitor, counsel for the Monitor and counsel for the Urbancorp CCAA Entities and any Assistants retained by the Monitor on a weekly basis and, in addition, the Urbancorp CCAA Entities are hereby authorized to pay to the Monitor, counsel to the Monitor, and counsel to the Urbancorp CCAA Entities and any Assistants retained by the Monitor, such reasonable retainers as may be requested to be held by them as security for payment of their respective fees and disbursements outstanding from time to time. The Urbancorp CCAA Entities are also authorized and directed to pay the fees and disbursements of KSV as Proposal Trustee, the fees and disbursements of the Proposal Trustee's counsel and the fees and disbursements of counsel to Urbancorp NOI Entities up to the date of this Order in respect of the proposal proceedings of the Urbancorp NOI Entities. WJ.

37. **THIS COURT ORDERS** that KSV in its capacity as Monitor, and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Monitor and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

38. **THIS COURT ORDERS** that the Monitor, counsel to the Monitor, and the Urbancorp CCAA Entities' counsel shall be entitled to the benefit of and are hereby granted a charge (the "**Administration Charge**") on the Property of the Applicants, which charge shall not exceed an aggregate amount of \$750,000, as security for their professional fees and disbursements incurred

at the standard rates and charges of the Monitor and such counsel, both before and after the making of this Order in respect of these proceedings. The Administration Charge shall have the priority set out in paragraphs 43 and 45 hereof.

INTERCOMPANY LENDER'S CHARGE

39. **THIS COURT ORDERS** that an Intercompany Lender shall be entitled to the benefit of and is hereby granted a charge (the "**Intercompany Lender's Charge**") on the Property of the Intercompany Borrower as security for all Approved Intercompany Advances advanced to the Intercompany Borrower. The Intercompany Lender's Charge shall have the priority set out in paragraphs 43 and 45 hereof.

INTERIM FINANCING

40. **THIS COURT ORDERS** that the Interim Lender shall be entitled to the benefit of and is hereby granted a charge (the "**Interim Lender's Charge**") on the Property of the Applicants as security for all amounts advanced to any Applicant under the Interim Credit Facility and as security for all liabilities and obligations of the Applicant as guarantors pursuant to the Term Sheet. The Interim Lender's Charge shall have the priority set out in paragraphs 43 and 45 hereof.

41. **THIS COURT ORDERS** that, notwithstanding any other provision of this Order:

- (a) the Interim Lender may take such steps from time to time as it may deem necessary or appropriate to file, register, record or perfect the Interim Lender's Charge;
- (b) upon the occurrence of an Event of Default under the Interim Facility Term Sheet, the Interim Lender may terminate the Interim Credit Facility and cease making advances to the Applicants, and, upon five (5) days' notice to the Monitor and the parties on the Service List, may bring a motion for leave to exercise any and all of its rights and remedies against the Applicants or their Property under or pursuant to the Interim Term Sheet, and the Interim Lender's Charge, including without limitation, to make demand, accelerate payment and give other notices, or to apply to this Court for the appointment of a receiver, receiver and manager or interim receiver, or for a

bankruptcy order against an Applicant and for the appointment of a trustee in bankruptcy of one or more Applicants; and

- (c) the foregoing rights and remedies of the Interim Lender shall be enforceable against any trustee in bankruptcy, interim receiver, receiver or receiver and manager of the Applicants or their Property.

42. **THIS COURT ORDERS AND DECLARES** that the Interim Lender shall be treated as unaffected in any plan of arrangement or compromise filed by any Applicant under the CCAA, with respect to any advances made under the Interim Credit Facility.

VALIDITY AND PRIORITY OF CHARGES CREATED BY THIS ORDER

43. **THIS COURT ORDERS** that the priorities of the Directors' Charge, the Administration Charge and the DIP Lender's Charge, as among them, shall be as follows:

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

Second – Interim Lender's Charge to the maximum amount of \$1,900,000 plus accrued interest under the Term Sheet (as against the Property of the Applicants only), and the Intercompany Lender's Charge (as against the Property of the relevant Intercompany Borrower only) on a *pari passu* basis; and

Third – Directors' Charge to the maximum amount of \$300,000.

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

45. **THIS COURT ORDERS** that each of the Charges shall rank as against the applicable Property subordinate to all valid perfected security interests, trusts, liens, charges and encumbrances, claims of secured creditors, statutory or otherwise granted by each respective

Urbancorp CCAA Entity or to which each respective Urbancorp CCAA Entity is subject (collectively, “**Encumbrances**”) as of the date of this Order (collectively, “**Pre-Filing Security Interests**”), save and except the security interests, if any, in favour of Reznik Paz Nevo Trusts Ltd. in its capacity as trustee (the “**Israeli Trustee**”) under a certain Deed of Trust dated December 7, 2015 between Urbancorp Inc. and the Israeli Trustee, which shall rank subordinate to the Charges.

46. **THIS COURT ORDERS** that except as otherwise expressly provided for herein, or as may be approved by further order of this Court, the Urbancorp CCAA Entities shall not grant any Encumbrances over any Property that rank in priority to, or *pari passu* with, any of the Charges.

47. **THIS COURT ORDERS** that the Charges shall not be rendered invalid or unenforceable and the rights and remedies of the chargees entitled to the benefit of the Charges (collectively, the “**Chargees**”) thereunder shall not otherwise be limited or impaired in any way by (a) the pendency of these proceedings and the declarations of insolvency made herein; (b) any application(s) for bankruptcy order(s) issued pursuant to BIA, or any bankruptcy order made pursuant to such applications; (c) the filing of any assignments for the general benefit of creditors made pursuant to the BIA; (d) the provisions of any federal or provincial statutes; (e) the pendency of the Israeli Court Proceedings; or (f) any negative covenants, prohibitions or other similar provisions with respect to borrowings, incurring debt or the creation of Encumbrances, contained in any existing loan documents, lease, sublease, offer to lease or other agreement (collectively, an “**Agreement**”) which binds the Urbancorp CCAA Entities, and notwithstanding any provision to the contrary in any Agreement:

- (a) neither the creation of the Charges nor the execution, delivery, or performance of the Interim Facility Term Sheet shall create or be deemed to constitute a breach by the Urbancorp CCAA Entities of any Agreement to which it is a party;
- (b) none of the Chargees shall have any liability to any Person whatsoever as a result of any breach of any Agreement caused by or resulting from the Urbancorp CCAA Entities entering into the Interim Facility Term Sheet or the creation of the Charges; and

- (c) the payments made by the Urbancorp CCAA Entities pursuant to this Order, the Interim Facility Term Sheet, and the granting of the Charges, do not and will not constitute preferences, fraudulent conveyances, transfers at undervalue, oppressive conduct, or other challengeable or voidable transactions under any applicable law.

48. **THIS COURT ORDERS** that any Charge created by this Order over leases of real property in Canada shall only be a Charge in the Urbancorp CCAA Entity's interest in such real property leases.

SERVICE AND NOTICE

49. **THIS COURT ORDERS** that the Monitor shall (i) without delay, publish in the Globe & Mail – Toronto Edition, a notice containing the information prescribed under the CCAA, (ii) within five days after the date of this Order, (A) make this Order publicly available in the manner prescribed under the CCAA, (B) send, in the prescribed manner, a notice to every known creditor who has a claim against the Urbancorp CCAA Entities of more than \$1000, and (C) prepare a list showing the names and addresses of those creditors and the estimated amounts of those claims, and make it publicly available in the prescribed manner, all in accordance with Section 23(1)(a) of the CCAA and the regulations made thereunder.

50. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the “**Protocol**”) is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <http://www.ksvadvisory.com/insolvency-cases-2/urbancorp/> .

51. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Urbancorp CCAA Entities and the Monitor are at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices

or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Urbancorp CCAA Entities' creditors or other interested parties at their respective addresses as last shown on the records of the Urbancorp CCAA Entities and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

GENERAL

52. **THIS COURT ORDERS** that the Urbancorp CCAA Entities or the Monitor may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

53. **THIS COURT ORDERS** that nothing in this Order shall prevent the Monitor from acting as an interim receiver, a receiver, a receiver and manager, or a trustee in bankruptcy of the Urbancorp CCAA Entities, the Business or the Property.

54. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada, in Israel or elsewhere, 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.

55. **THIS COURT ORDERS** that each of the Urbancorp CCAA Entities and the Monitor be at liberty and is hereby authorized and empowered to apply to any court, tribunal, regulatory or administrative body, wherever located, for the recognition of this Order and for assistance in carrying out the terms of this Order, and that the Monitor is authorized and empowered to act as a representative in respect of the within proceedings for the purpose of having these proceedings recognized in a jurisdiction outside Canada.

56. **THIS COURT ORDERS** that any interested party (including the Urbancorp CCAA Entities and the Monitor) may apply to this Court to vary or amend this Order on not less than seven (7) days notice to any other party or parties likely to be affected by the order sought or upon such other notice, if any, as this Court may order.

57. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. Eastern Standard/Daylight Time on the date of this Order.



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

MAY 18 2016

PER / PAR: *RW*

SCHEDULE "A"

List of Non Applicant Affiliates

- Urbancorp Power Holdings Inc.
- Vestaco Homes Inc.
- Vestaco Investments Inc.
- 228 Queen's Quay West Limited
- Urbancorp Cumberland 1 LP
- Urbancorp Cumberland 1 GP Inc.
- Urbancorp Partner (King South) Inc.
- Urbancorp (North Side) Inc.
- Urbancorp Residential Inc.
- Urbancorp Realtyco Inc.

SCHEDULE "B"

PROTOCOL

For Co-operation Among Canadian Court Officer and Israeli Functionary

BETWEEN:

GUY GISSIN, in his capacity
as Functionary Officer appointed by
the Israeli Court for Urbancorp Inc.

- and -

KSV KOFMAN INC., in its capacity
as proposal trustee and proposed monitor
of certain subsidiaries of Urbancorp Inc.

WHEREAS KSV Kofman Inc. ("KSV") was appointed the proposal trustee in respect of each of Urbancorp (Lawrence) Inc., Urbancorp (Mallow) Inc., Urbancorp (Patricia) Inc., Urbancorp (St. Clair Village) Inc., Urbancorp Downsview Park Development Inc. and Urbancorp Toronto Management Inc. (the "**Initial Subsidiaries**"), in notice of intention filings made by each of the Initial Subsidiaries under the *Bankruptcy and Insolvency Act* ("**BIA**") on April 21, 2016 (the "**Proposal Proceedings**");

AND WHEREAS Guy Gissin was appointed as Functionary Officer on a preliminary basis (the "**Israeli Parentco Officer**") of Urbancorp Inc. ("**Parentco**"), the parent of the Initial Subsidiaries, by order of the District Court in Tel Aviv-Yafo (the "**Israeli Court**") dated April 25, 2016 (the "**Israeli Functionary Order**") in case number 44348-04-16 *Reznik Paz Nevo Trusts Ltd. Vs. Urbancorp Inc.* (the "**Israeli Proceedings**");

AND WHEREAS it is anticipated that, with the exception of Bosvest Inc., Edge Residential Inc. and Edge on Triangle Park Inc., which are in separate BIA proposal proceedings with the Fuller Landau Group Inc. as proposal trustee, and Urbancorp Cumberland GP 2 Inc., Urbancorp Cumberland 2 LP and Westside Gallery Lofts Inc. (the "**Excluded Subsidiaries**"), all of the direct and indirect subsidiaries of Urbancorp Inc. (collectively, excluding the Excluded Subsidiaries, the "**Applicants**") will bring an application in the Ontario Superior Court of Justice – Commercial List (the "**Canadian Court**") for relief pursuant to the *Companies' Creditors Arrangement Act* (the "**CCAA Proceedings**") wherein the Proposal Proceedings will be taken up and continued within the CCAA Proceedings;

AND WHEREAS it is anticipated that the Israeli Parentco Officer will seek to have the Israeli Functionary Order and its role as the Israeli Parentco Officer recognized by the Canadian Court for the purpose of representing the interests of Parentco and participating as a stakeholder representative in the Applicants' CCAA Proceedings in connection with protecting the interests of Parentco's creditors, including the holders of the bonds issued on the Tel Aviv Stock Exchange (the "**Parentco Bonds**") pursuant to a deed of trust dated December 7, 2015 (the "**Parentco Bond Indenture**");

AND WHEREAS KSV and the Israeli Parentco Officer have agreed to work cooperatively on the terms set out herein to attempt to maximize recoveries through an orderly process for the stakeholders of Parentco and the Applicants (collectively, the "Urbancorp Group");

NOW THEREFORE, the Israeli Parentco Officer and KSV agree to implement the following protocol to cooperate with each other to maximize recoveries for the stakeholders of the Urbancorp Group:

1. The Israeli Parentco Officer will file an application under Part IV of the *Companies' Creditors Arrangement Act* ("CCAA"), seeking recognition of the Israeli Proceedings and of his appointment as foreign representative of Parentco thereunder, such application to seek recognition of the Israeli Proceedings as the "foreign main proceeding" with respect to Parentco. That application will include a request to appoint KSV as the Information Officer with respect to the Part IV CCAA proceedings of Parentco (the "Part IV Proceedings").
2. The Applicants will commence the CCAA Proceedings, proposing KSV to be appointed as Monitor with augmented powers so as to control ordinary course management and receipts and disbursements of funds for the Applicants. KSV acknowledges that the Israeli Parentco Officer shall have standing to appear before the Canadian Court as the representative of Parentco in the CCAA Proceedings.
3. The Israeli Parentco Officer and KSV agree that, with respect to the CCAA Proceedings:
 - (a) KSV shall provide the Israeli Parentco Officer with regular and timely information updates regarding the ongoing status of the CCAA Proceedings as they unfold. KSV will also provide information and updates to the Israeli Parentco Officer prior to the commencement of the CCAA Proceedings;
 - (b) The Israeli Parentco Officer shall provide KSV with at least three business days' prior notice (including full materials, translated into English) of any proceeding, motion or action it takes in the Israeli Court that will negatively impact the Applicants or the CCAA Proceedings. The Israeli Parentco Officer will also provide information and updates to KSV prior to the commencement of the CCAA Proceedings;
 - (c) KSV shall provide the Israeli Parentco Officer with at least three business days' prior notice (including full materials, translated into English) of any proceeding, motion or action it takes in the Canadian Court that will negatively impact the Urbancorp Inc. or the Israeli Proceedings. KSV will also provide information and updates to Israeli Parentco Officer prior to the commencement of the CCAA Proceedings;
 - (d) KSV shall provide to the Israeli Parentco Officer copies of all information pertaining to the Applicants:
 - (i) in KSV's possession that KSV considers material; or

- (ii) as reasonably requested by the Israeli Parentco Officer,

provided that KSV, in good faith, is not of the view that such information is subject to privilege or confidentiality restrictions. If KSV is of the view that such information is subject to privilege or confidentiality restrictions, then KSV shall so inform the Israeli Parentco Officer and shall seek directions from the Canadian Court on notice to the affected parties in the CCAA Proceedings as to whether there are any restrictions which would prevent the disclosure of such information to the Israeli Parentco Officer.

- (e) The Israeli Parentco Officer shall provide to KSV, in its capacity as the Information Officer of Parentco in the Part IV Proceedings, copies of all information pertaining to the Israeli Proceedings:

- (i) in the Israeli Parentco Officer's possession that it considers material to the Israeli Proceedings and is not subject to privilege or confidentiality restrictions; or

- (ii) as reasonably requested by KSV, provided that this shall not entitle KSV or any party requesting information through them to receive information on ongoing reviews or investigations being undertaken by the Israeli Parentco Officer or others in connection with the Israeli Proceedings; and

- (f) KSV will run an orderly dual track sale and restructuring process with respect to the Applicants, subject to approval by the Canadian Court in the CCAA Proceedings, which will consider both development opportunities and opportunities to sell the properties of the Applicants. KSV will design such process collaboratively, with the Israeli Parentco Officer, with the understanding that at any time during the pendency of the sales process, should an offer come forward with respect to any or all of the Applicants contemplating a restructuring or other option which is acceptable to both KSV and the Israeli Parentco Officer, the sale process may be truncated in order to pursue the other option with respect to the Applicant(s) in question. Alternatively, should the sale process continue to the point of submission of bids, subject to Section 4(b) below, copies of all bids will be provided to the Israeli Parentco Officer by KSV, and KSV shall discuss same with the Israeli Parentco Officer, with the objective, but not the obligation, of hopefully concurring on the course of action to be followed in terms of which bids to continue negotiating or which bid(s) to select as the successful bidder(s). KSV acknowledges that, throughout these processes, the Israeli Parentco Officer may from time to time require instructions and/or directions from the Israeli Court, and that the process shall be conducted in a fashion to permit the Israeli Parentco Officer the opportunity to do so on a timeframe consistent with the urgency of the circumstances then in question. The Israeli Parentco Officer and KSV agree that, in the event there is a disagreement between the Israeli Parentco Officer and KSV as to the working out of the sale and restructuring process, whether it be in terms of selecting an alternative option to a sale (including, without limitation, pursuing any development opportunities), determining which bids to proceed to negotiate further, or seeking approval of a particular sale from

the Canadian Court supervising the CCAA Proceedings, the ultimate decision and course of action shall be determined by the Canadian Court on application by KSV for directions and provided that the Israeli Parentco Officer shall have standing as representative of Parentco to make full representations to the Canadian Court as to his views and recommendations.

- (g) The initial order made in the CCAA Proceedings concerning all of the Applicants shall contain the following paragraph pertaining to material or non-ordinary course decisions or disbursements:

THIS COURT ORDERS that the Applicants shall not, without further order of this Court: (a) make any disbursement out of the ordinary course of its Business exceeding in the aggregate \$100,000 in any calendar month; or (b) engage in any material activity or transaction not otherwise in the ordinary course of its Business.

In the event that such paragraph is not included in the initial order for the Applicants or any of them, then any such disbursement or other material activity or transaction shall not be made without the order of the Canadian Court.

4. The Israeli Parentco Officer and KSV further agree to cooperate as follows:
- (a) to the extent practicable, each shall share with the other copies of materials to be filed with their respective courts (but not drafts of any such materials), prior to the public filing of same. This provision may not apply to materials submitted in the course of seeking directions from the Canadian Court in the event of a disagreement between the Israeli Parentco Officer and KSV over the working-out of the sale process; and
 - (b) The Israeli Parentco Officer agrees that any information provided to him by KSV in the course of the sale process or concerning any restructuring alternatives, shall remain confidential and not be disclosed to any party without KSV's consent, not to be unreasonably withheld, it being acknowledged that the Israeli Parentco Officer shall be entitled to provide information to its advisors (provided they agree to be bound by the confidentiality restrictions detailed herein) and to both the Israeli Court and the Official Receiver of the Israeli Ministry of Justice, in each case on a sealed and private basis to obtain directions as needed, or as may be set forth in the Non-Disclosure Agreement executed by the Israeli Parentco Officer on May 11, 2016.
5. The Israeli Parentco Officer and KSV acknowledge that, at present, KSV has the amount of CDN\$1.9 million in a trust account, which funds KSV received from Urbancorp Partner (King South) Inc. ("UPKSI"), and which funds KSV has proposed to utilize as a form of interim funding for certain costs of the CCAA Proceedings, to be secured by a priming charge in favour of UPKSI against the assets of the entities utilizing the funds. KSV acknowledges that it will seek to obtain, as soon as possible, a general purpose DIP loan from third party sources and sufficient to repay amounts borrowed from UPKSI, using what are otherwise unencumbered assets of the Applicants (the "DIP Loan").

Upon being able to draw sufficient funds under the DIP Loan (which DIP Loan subject to the approval of the Canadian Court), KSV agrees that it will repay to UPKSI the interim loan made to that date in the preceding sentence from the DIP Loan and that it will, as the court-appointed monitor of UPKSI and subject to Court approval in the Part IV Proceedings, make available funds from that CDN\$1.9 million as an interim loan from UPKSI to Urbancorp Inc., to be secured by a priming DIP charge against the assets of Urbancorp Inc., to assist in the funding of the costs of the Part IV Proceedings including the reasonable costs incurred by the Israeli Parentco Officer in connection with the Part IV Proceedings, the reasonable fees and disbursements of the Israeli Parentco Officer's Canadian counsel and the Information Officer and its counsel.

6. The Israeli Parentco Officer shall support the commencement of the CCAA Proceedings. Provided that KSV is acting in good faith and has not engaged in willful misconduct or gross negligence, the Israeli Parentco Officer shall not take any steps to attempt to remove KSV as either the proposal trustee under the Proposal Proceedings or the monitor under the CCAA Proceedings or to in any way to interfere with or seek to limit KSV's powers in such capacities or to suggest that KSV must take instruction from it or the Israeli Court or terminate the CCAA Proceedings without the consent of KSV or by order of the Canadian Court. Nothing herein shall be deemed to grant any additional claims, rights, security or priority to, or in respect of, the Parentco Bonds or to the trustee under the Parentco Bond Indenture or to the Israeli Parentco Officer as against the Applicants or any affiliate or direct or indirect subsidiary of Parentco. In the event of any restriction or termination of the Israeli Parentco Officer's powers by the Israeli Court, this Protocol shall be deemed to be modified accordingly such that the Israeli Parentco Officer's powers and authority hereunder are no greater than those given to him by the Israeli Court.
7. This Protocol shall be governed by laws of Ontario and the laws of Canada as applicable and all disputes or requests for direction in connection with this Protocol shall be determined by the Canadian Court. Nothing herein is or shall be deemed to be an attachment by KSV to the Israeli Court or the laws of Israel.
8. The Israeli Court Officer and KSV agree to use reasonable efforts to seek to commence the proceedings noted above on or before May 18, 2016. KSV shall support, to the extent necessary, an application by the Israeli Parentco Officer to commence the Part IV Proceedings, on terms consistent with this Protocol, even if commenced before the CCAA Proceedings.

****THE REMAINDER OF THIS PAGE HAS INTENTIONALLY BEEN LEFT BLANK****

9. This Agreement is subject to the approval of the Israeli Court and the Canadian Court.

DATED this _____ day of May, 2016.

Name of Witness:

} _____
Name: **GUY GISSIN**, the Israeli Parentco
Officer

**KSV KOFMAN INC. in its capacity
as proposal trustee and proposed monitor
of certain subsidiaries of Urbancorp Inc.,
and not in its personal capacity**

By: _____

Name: Robert Kofman
Title: President

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

INITIAL ORDER
(May 18, 2016)

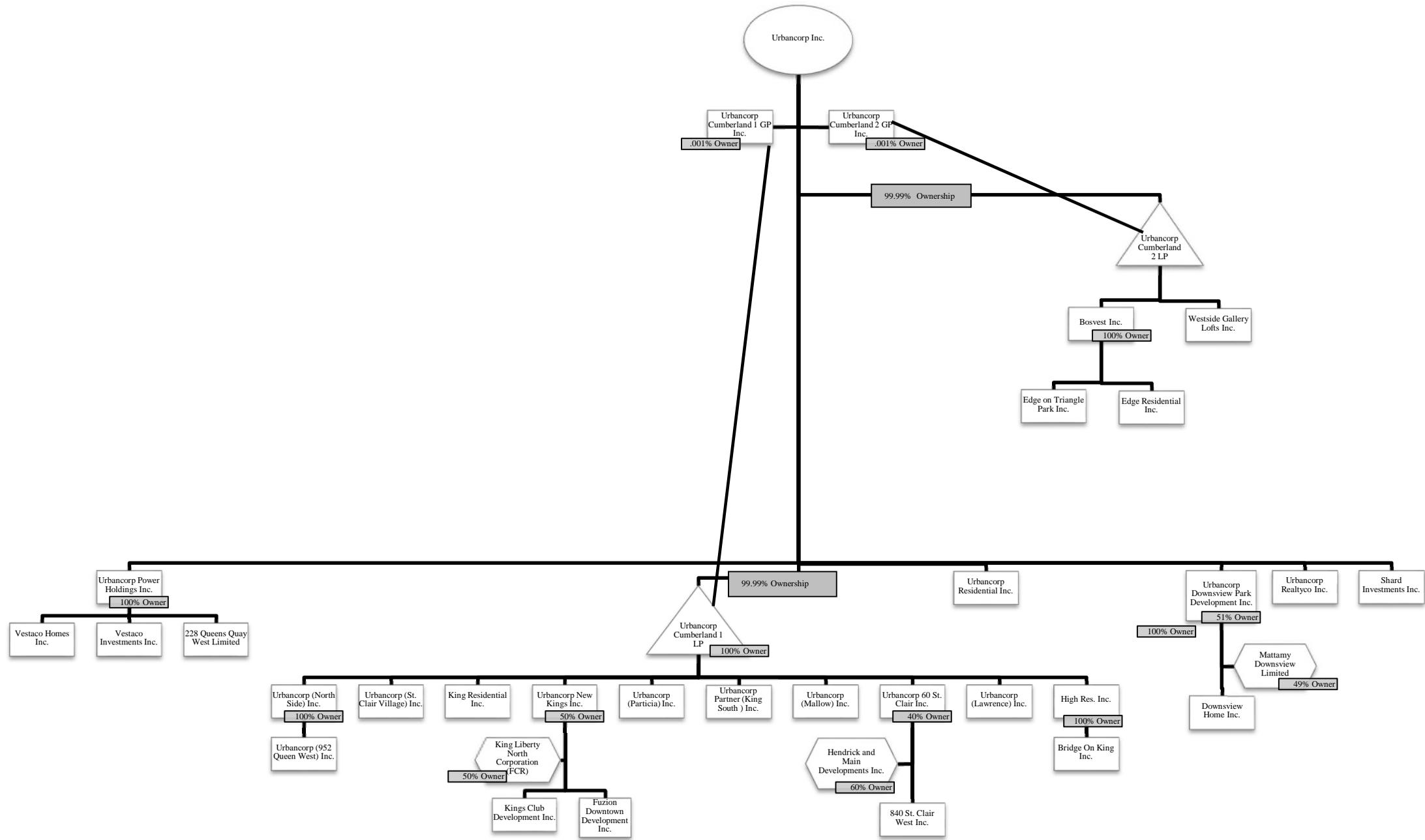
BORDEN LADNER GERVAIS LLP
Barristers and Solicitors
Scotia Plaza
40 King Street West
Toronto, ON M5H 3Y4

EDMOND F. B. LAMEK ~ LSUC NO. 33338U
Direct Tel: 416-367-6311
Direct Fax: 416-361-2436
Email: elamek@blg.com

KYLE B. PLUNKETT ~ LSUC NO. 61044N
Direct Tel: 416-367-6314
Direct Fax: 416-361-2557
Email: kplunkett@blg.com

Lawyers for the Applicants

Appendix “B”



Appendix “C”

Urbancorp Filing Entities Listed on Schedule "A"

Notes to Projected Statement of Cash Flow

For the Period Ending June 30, 2023

(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, 2023 to June 30, 2023 (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 and 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. The cash flow excludes any potential recoveries of management fees.

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 Downsvie 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 16th day of March, 2023 for the period April 1, 2023 to June 30, 2023 ("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 16th day of March, 2023.

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 16th day of March, 2023 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, 2023 to June 30, 2023 ("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 16th day of March, 2023.

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 16, 2023)

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, 2022 to February 28, 2023 (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; and 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 122.20 hours on this matter during the Period, resulting in fees totalling \$80,272.75, excluding disbursements and HST, as summarized in Exhibit "B".
6. As reflected on Exhibit "B", the Monitor's average hourly rate for the Period was \$657.
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 16th day of March, 2023)
)
)
)



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



NOAH GOLDSTEIN

Attached is Exhibit "A"

Referred to in the

AFFIDAVIT OF NOAH GOLDSTEIN

Sworn before me

this 16th day of March, 2023



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



ksv advisory inc.

220 Bay Street, Suite 1300

Toronto, Ontario, M5J 2W4

T +1 416 932 6262

F +1 416 932 6266

ksvadvisory.com

INVOICE

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

January 24, 2023

Invoice No: 2933

HST #: 818808768 RT0001

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

For professional services rendered from November 1, 2022 to December 31, 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:

Downsview

- corresponding with Davies Ward Phillips & Vineberg LLP ("Davies"), counsel to the Monitor to discuss the management fee dispute (the "Management Fee Dispute") between Urbancorp Toronto Management Inc. ("UTMI") and Mattamy (Downsview) Inc. ("Mattamy"), including emails and calls on November 11, 17 and 21, 2022;
- corresponding on November 30, 2022 with Dentons Canada LLP ("Dentons"), legal counsel to Guy Gissin, the Israeli Functionary, as foreign representative (the "Foreign Representative") of Urbancorp Inc.;
- preparing the Monitor's Fifty-Fourth Report to Court dated November 11, 2022 (the "Fifty Fourth Report"), in connection with the Management Fee Dispute;
- corresponding internally and with Davies regarding the Fifty-Fourth Report;
- attending Court on November 16, 2022 for a case conference regarding the Management Fee Dispute;
- considering issues related to harmonized sales taxes owing in respect of the Management Fee Dispute and discussing same with Davies and MNP LLP ("MNP"), the Companies' external accountants;
- reviewing multiple iterations of the Affidavit of Noah Goldstein sworn in respect of the Management Fee Dispute;

- Reviewing Mattamy’s Reply Application Record served on December 22, 2022 and discussing same with Davies;

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 December 5, 2022 (the “Stay Extension Motion”), seeking, *inter alia*, an extension of the stay of proceedings;
- preparing a cash flow projection (“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 Fifty-Fifth Report of the Monitor dated November 29, 2022 in connection with the Stay Extension Motion;
- attending at Court on December 5, 2022;

General

- corresponding with Farber Group (“Farber”), financial advisor to the Foreign Representative, regarding distributions to UCI;
- commencing the process to obtain clearance certificates with MNP;
- preparing a summary of amounts owing by UTMI to Urbancorp Cumberland 1 LP and discussing same with Farber;
- reviewing claims against UTMI and having internal discussions regarding same;
- attending calls with Alan Saskin regarding the status of the proceedings;
- preparing harmonized sales tax returns for several of the Companies; and
- to all other matters not specifically addressed above.

* * *

Total fees and disbursements per attached time summary	\$ 47,316.76
HST	<u>6,151.18</u>
Total Due	<u>\$ 53,467.94</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 period November 1, 2022 to December 31, 2022

Personnel	Rate (\$)	Hours	Amount (\$)
Robert Kofman	775	18.65	14,453.75
Noah Goldstein	675	33.50	22,612.50
Other staff and administration		12.80	4,307.75
Total Fees		64.95	41,374.00
Disbursements (postage & Dropbox)			5,942.76
Total Fees and Disbursements		64.95	47,316.76



ksv advisory inc.

220 Bay St., Suite 1300, PO Box 20

Toronto, Ontario, M5J 2W4

T +1 416 932 6262

F +1 416 932 6266

ksvadvisory.com

INVOICE

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

March 1, 2023

Invoice No: 3023

HST #: 818808768 RT0001

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

For professional services rendered during January 2023 by KSV Restructuring Inc. in its capacity as Monitor (the "Monitor") in the Companies' proceedings under the *Companies' Creditors Arrangement Act* (the "CCAA"), including:

Downsview

- corresponding with Davies Ward Phillips & Vineberg LLP ("Davies"), counsel to the Monitor, to discuss the management fee dispute (the "Management Fee Dispute") between Urbancorp Toronto Management Inc. ("UTMI") and Mattamy (Downsview) Inc. ("Mattamy"), including emails and calls on January 3, 6, 9, 16, 17 and 24, 2023;
- corresponding on January 9, 2023 with Dentons Canada LLP ("Dentons"), legal counsel to Guy Gissin, the Israeli Functionary, as foreign representative (the "Foreign Representative") of Urbancorp Inc.;
- attending a call on January 9, 2023 with Farber Group, financial advisor to the Foreign Representative;
- reviewing the Affidavit of Noah Goldstein sworn in respect of the Management Fee Dispute;
- preparing for the examination of Noah Goldstein, including attending several calls with Davies and reviewing all materials filed in the Management Fee Dispute;
- reviewing on January 13, 2023 Mattamy's Aide Memoire prepared in the context of the Management Fee Dispute;

General

- continuing the process to obtain clearance certificates with MNP LLP, the Companies' external accountants;
- reviewing a summary of amounts owing by UTMI to Urbancorp Cumberland 1 LP and discussing same with Farber;
- reviewing claims against UTMI and having several internal discussions regarding same;
- attending a call on January 17, 2023 with a bondholder representative and discussing same with Davies;
- attending calls with Alan Saskin in response to his questions concerning the status of the proceedings;
- preparing harmonized sales tax returns for several of the Companies; and
- to all other matters not specifically addressed above.

* * *

Total fees and disbursements per attached time summary	\$ 24,325.59
HST	<u>3,162.33</u>
Total Due	<u>\$ 27,487.92</u>

KSV Restructuring Inc.

Urbancorp Group

Time Summary

For the month ending January 2023

Personnel	Rate (\$)	Hours	Amount (\$)
Robert Kofman	800	9.90	7,920.00
Noah Goldstein	700	22.00	15,400.00
Other staff and administration		4.90	1,003.75
Total Fees		36.80	24,323.75
Disbursements (postage)			1.84
Total Fees and Disbursements		36.80	24,325.59

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.

220 Bay St., Suite 1300, PO Box 20
Toronto, Ontario, M5J 2W4
T +1 416 932 6262
F +1 416 932 6266

ksvadvisory.com

INVOICE

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

March 13, 2023

Invoice No: 3024
HST #: 818808768 RT0001

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

For professional services rendered during February 2023 by KSV Restructuring Inc. in its capacity as Monitor (the "Monitor") in the Companies' proceedings under the *Companies' Creditors Arrangement Act* (the "CCAA"), including:

Downsview

- corresponding with Davies Ward Phillips & Vineberg LLP ("Davies"), counsel to the Monitor, to discuss the management fee dispute (the "Management Fee Dispute") between Urbancorp Toronto Management Inc. ("UTMI") and Mattamy (Downsview) Inc. ("Mattamy");
- corresponding on February 23, 2023 with Dentons Canada LLP ("Dentons"), legal counsel to Guy Gissin, the Israeli Functionary, as foreign representative (the "Foreign Representative") of Urbancorp Inc.;
- reviewing on February 17, 2023 a factum filed by Mattamy in respect of the Management Fee Dispute and discussing same with Davies (the "Mattamy Factum");
- reviewing and commenting on the Joint Responding Factum of the Monitor and the Foreign Representative filed on February 28, 2023;

General

- continuing the process to obtain clearance certificates with MNP LLP ("MNP"), the Companies' external accountants, including calls and emails on February 19, 20 and 23, 2023;
- reviewing and commenting on tax returns for the Companies prepared by MNP;

- reviewing claims against UTMI and having several internal discussions regarding same;
- corresponding with a bondholder representative and discussing same with Davies;
- attending calls with Alan Saskin in response to his questions concerning the status of the proceedings;
- preparing harmonized sales tax returns for several of the Companies; and
- to all other matters not specifically addressed above.

* * *

Total fees and disbursements per attached time summary	\$	14,576.84
HST		<u>1,894.99</u>
Total Due	\$	<u>16,471.83</u>

KSV Restructuring Inc.

Urbancorp Group

Time Summary

For the month ending February 2023

Personnel	Rate (\$)	Hours	Amount (\$)
Robert Kofman	800	10.85	8,680.00
Noah Goldstein	700	6.40	4,480.00
Other staff and administration		3.20	1,415.00
Total Fees		20.45	14,575.00
Disbursements (postage)			1.84
Total Fees and Disbursements		20.45	14,576.84

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 16th day of March, 2023



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, 2022 to February 28, 2023

Personnel	Title	Hours	Billing Rate (\$ per hour)	Amount (\$)
Robert Kofman	Managing Director	39.40	775	31,053.75
Noah Goldstein	Managing Director	61.90	675	42,492.50
Other staff and administrative	Various	20.90	125-450	6,726.50
Total fees				<u>80,272.75</u>
Total hours				122.20
Average hourly rate				\$ 656.90

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 16, 2023)

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, 2022 to February 28, 2023 (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 amounts of \$136,902.50 and \$228.17 (excluding harmonized sales tax ("HST")) respectively.

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 this 16th day of March, 2023


Commissioner for taking affidavits


Robin B. Schwill

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 16th day of March, 2023.



Commissioner for Taking Affidavits

Exhibit "A"

Billing Summary

Invoice Date	Docket Entry Periods	Fees	Disbursements	HST	Total
December 7, 2022	November 1, 2022 to November 30, 2022	\$42,947.50	83.00	5,593.98	\$48,624.48
January 18, 2023	December 1, 2022 to December 31, 2022	\$28,950.00	137.82	3,781.42	\$32,869.24
February 15, 2023	January 3, 2023 to January 31, 2023	\$30,230.00	\$0.00	\$3,929.90	\$34,159.90
March 15, 2023	February 1, 2023 to February 28, 2023	\$34,775.00	7.35	4,521.71	39,304.06
	TOTALS	\$136,902.50	\$228.17	\$17,827.01	\$154,957.68

This is Exhibit "B" referred to in the
Affidavit of Robin B. Schwill sworn before
me this 16th day of March, 2023



Commissioner for Taking Affidavits

Exhibit "B"

Aggregate Blended Rate Summary

Individual	Title	2022 Hourly Rate	2022 Total Hours	2023 Hourly Rate	2023 Total Hours
Robin B. Schwill	Partner	\$1,250.00	49.50	\$1,350.00	35.60
Matt Milne-Smith	Partner			\$1,250.00	5.30
Ioana Hancas	Lawyer	\$900.00	1.0	\$940.00	0.30
Mehak Suri	Student at Law	\$375.00	9.90	\$425.00	21.60
Martina Williams	Law Clerk	\$240.00			3.30
Tanya Barbiero	Law Clerk	\$490.00	3.50		
Tracey O'Rahilly	Law Clerk	\$475.00	0.20		
Martina Williams	Law Clerk	\$240.00	15.0	\$260.00	
Total:			79.10		66.10

Total Fees from Exhibit "A"	\$136,902.50
Total Hours for 2022 and 2023	145.20
Average Blended Hourly Rate (rounded to nearest dollar)	<u>\$943.00</u>

This is Exhibit "C" referred to in the
Affidavit of Robin B. Schwill sworn
before me this 16th day of March 2023.



Commissioner for Taking Affidavits

DAVIES

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

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

Attention: Robert Kofman
Managing Director
Email: bkofman@ksvadvisory.com

CC: Noah Goldstein
Email: ngoldstein@ksvadvisory.com

Invoice #: 737802
Date: December 7, 2022
Client/Matter #: 126507.256201
GST/HST: 118882927 RT0001
Billing Lawyer: Robin Schwill
Email: rschwill@dwpv.com
Phone: 416.863.5502

Privileged & Confidential

For professional services rendered through November 30, 2022 in connection with UrbanCorp (Matter #: 256201)

Our Fee		42,947.50
Disbursements		83.00
HST ON (13%)		5,593.98
Total Due	Canadian Dollars (CAD)	\$ 48,624.48

Payment Due Upon Receipt

Canadian Dollar Payment

Beneficiary Bank:	Canadian Imperial Bank of Commerce 199 Bay Street Commerce Court-Main Banking Centre Toronto, Ontario M5L 1G9 Canada	Account Name:	Davies Ward Phillips & Vineberg LLP
		Bank Institution #:	010
		SWIFT Code:	CIBCCATT
		Bank Transit #:	00002
		Bank Account #:	2909219
Beneficiary:	Davies Ward Phillips & Vineberg LLP 155 Wellington Street West Toronto, Ontario M5V 3J7 Canada	Clearing Code:	CC001000002

Any fees and disbursements recorded after the above mentioned period will appear on subsequent statements. Invoices are due upon receipt. Interest will be charged on all amounts owing over 30 days. The interest rate is set at 12% per year.

Please see important terms of client service, including file retention and disposal policy, on our website, www.dwpv.com/serviceterms

Timekeeper Summary			
Timekeeper	Rate	Hours	Amount
Robin B. Schwill	1,250.00	31.10	38,875.00
Ioana Hancas	900.00	0.40	360.00
Mehak Suri	375.00	9.90	3,712.50
Total		41.40	42,947.50

Time Detail			
Date	Timekeeper	Description	Hours
01/Nov/22	Robin B Schwill	Telephone conversation with counsel to the Israeli Functionary regarding arbitration report; drafting revisions regarding same; reviewing arbitration case law; related emails;	1.80
02/Nov/22	Robin B Schwill	Reviewing arbitration cases; reviewing and commenting on arbitration report;	1.90
03/Nov/22	Robin B Schwill	Reviewing arbitration case law; emails regarding arbitration report and finalizing same;	1.30
04/Nov/22	Mehak Suri	Discussions with R. Schwill on aspects to be addressed in factum to be prepared in relation to Mattamy's application challenging the arbitral award.	0.20
10/Nov/22	Robin B Schwill	Emails regarding comments on court report for arbitration motion;	0.30
11/Nov/22	Robin B Schwill	Finalizing and serving arbitration court report; related emails and telephone conversations; dealing with Mattamy's dispute concerning propriety of report;	2.10
14/Nov/22	Robin B Schwill	Emails regarding arbitration motion; booking case conference;	0.60
14/Nov/22	Mehak Suri	Preparation of factum in response to Mattamy's application for setting aside arbitral award.	7.50
15/Nov/22	Mehak Suri	Finalized factum to be filed in response to Mattamy's application for setting aside the arbitral award.	2.20
15/Nov/22	Robin B Schwill	Reviewing and revising draft arbitration motion factum;	2.40
16/Nov/22	Robin B Schwill	Preparing for and attending on arbitration motion case conference; Telephone conversation with counsel to Israeli Functionary regarding same; Telephone conversation with Bobby Kofman and Noah Goldstein regarding same; related emails; booking stay extension hearing date;	2.30
17/Nov/22	Robin B Schwill	Conference call with counsel to Mattamy and the Israeli Functionary regarding scheduling of motion to strike; Conference call with counsel to the Israeli Functionary regarding same; reviewing law on lift-stay motions regarding claims against court officers; reviewing case law on cross-examination of court officers; considering strategy on lift-stay motion; related emails;	5.70

Time Detail			
Date	Timekeeper	Description	Hours
18/Nov/22	Robin B Schwill	Telephone conversation with Bobby Kofman regarding motion to strike; related emails; Telephone conversation with counsel to Israeli Functionary regarding same;	1.30
21/Nov/22	Robin B Schwill	Conference calls regarding Mattamy motion on Arbitration; drafting affidavit; related emails;	2.80
23/Nov/22	Robin B Schwill	Emails regarding Mattamy arbitration application;	0.40
24/Nov/22	Robin B Schwill	Engaged regarding Mattamy arbitration application;	0.80
25/Nov/22	Robin B Schwill	Emails regarding Mattamy arbitration application affidavit;	0.10
28/Nov/22	Robin B Schwill	Drafting revisions to affidavit for arbitration application; Telephone conversation with counsel to the Israeli Functionary regarding same;	1.70
29/Nov/22	Robin B Schwill	Drafting revisions to affidavit; Telephone conversation with counsel to the Israeli Functionary regarding same;	4.10
29/Nov/22	Ioana Hancas	Discussion with Martina Williams re MPAC records referencing the registered owners for the sold locker and parking units.	0.10
30/Nov/22	Robin B Schwill	Reviewing and revising draft affidavit; Conference call regarding UMI and UTMI and related distributions;	1.50
30/Nov/22	Ioana Hancas	Discussion with Martina Williams re MPAC records of registered ownership for the sold locker and parking units.	0.30
Total Hours			41.40

Disbursement Summary	
	Amount
Process Servers	78.50
Reproduction Charges	4.50
Total	161.50

DAVIES

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

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

Attention: Robert Kofman
Managing Director
Email: bkofman@ksvadvisory.com

CC: Noah Goldstein
Email: ngoldstein@ksvadvisory.com

Invoice #: 740923
Date: January 18, 2023
Client/Matter #: 126507.256201
GST/HST: 118882927 RT0001
Billing Lawyer: Robin Schwill
Email: rschwill@dwpv.com
Phone: 416.863.5502

Privileged & Confidential

For professional services rendered through December 31, 2022 in connection with UrbanCorp (Matter #: 256201)

Our Fee		28,950.00
Disbursements		137.82
HST ON (13%)		3,781.42
Total Due	Canadian Dollars (CAD)	\$ 32,869.24

Payment Due Upon Receipt

Canadian Dollar Payment

Beneficiary Bank:	Canadian Imperial Bank of Commerce 199 Bay Street Commerce Court-Main Banking Centre Toronto, Ontario M5L 1G9 Canada	Account Name: Davies Ward Phillips & Vineberg LLP Bank Institution #: 010 SWIFT Code: CIBCCATT Bank Transit #: 00002 Bank Account #: 2909219
Beneficiary:	Davies Ward Phillips & Vineberg LLP 155 Wellington Street West Toronto, Ontario M5V 3J7 Canada	Clearing Code: CC001000002

Billing questions can be made out to Billing@dwpv.com. Payment remittances should be directed to AR@dwpv.com.

Any fees and disbursements recorded after the above mentioned period will appear on subsequent statements. Invoices are due upon receipt. Interest will be charged on all amounts owing over 30 days. The interest rate is set at 12% per year.

Please see important terms of client service, including file retention and disposal policy, on our website, www.dwpv.com/serviceterms

Timekeeper Summary			
Timekeeper	Rate	Hours	Amount
Robin B. Schwill	1,250.00	18.40	23,000.00
Ioana Hancas	900.00	0.60	540.00
Tanya Barbiero	490.00	3.50	1,715.00
Tracey O'Rahilly	475.00	0.20	95.00
Martina Williams	240.00	15.00	3,600.00
Total		37.70	28,950.00

Time Detail			
Date	Timekeeper	Description	Hours
22/Jan/21	Tanya Barbiero	Calls and emails with S. Freedman and S. Prosa; review of materials and practice directions;	2.30
25/Jan/21	Tanya Barbiero	Emails and calls with S. Freedman and S. Prosa;	1.20
31/Dec/21	Tracey O'Rahilly	Emails with Rob Nicholls and filing Monitor's Certificate.	0.20
30/Nov/22	Martina Williams	Telephone conversation with MPAC investigating change of ownership of properties formerly owned by KSV Restructuring Inc and updating MPAC records. Obtaining and completing Representative Authorization Forms for 2022 and 2023 for our clients signature and forwarding to Ioana Hancas to obtain same. Telephone discussion with Ioana Hancas regarding email from City of Toronto lawyer Christopher J. Henderson Deputy Director, Land Development and Real Property Litigation in the City of Toronto Legal Services Division regarding ownership issue and receiving instructions to contact him. Leaving a voicemail for Marsha Lee McCleod assistant to Christopher Henderson (who is on extended leave until February).	1.20
01/Dec/22	Robin B Schwill	Emails regarding stay extension;	0.20
02/Dec/22	Robin B Schwill	Emails regarding stay extension; reviewing draft materials;	0.50
05/Dec/22	Robin B Schwill	Preparing for and attending on stay extension motion; drafting Mattamy application affidavit; Telephone conversation with counsel to the Israeli Functionary regarding same; related emails;	6.00
06/Dec/22	Robin B Schwill	Drafting Mattamy application responding affidavit; related emails; compiling exhibits;	3.40
06/Dec/22	Martina Williams	Sending email to Marsha Lee McLeod, assistant to Christopher Henderson at the City of Toronto and receiving response with new contacts overseeing files in Christopher Henderson's leave of absence. Emailing Ioana Hancas to provide a status update.	0.30
07/Dec/22	Robin B Schwill	Finalizing and serving responding record to Mattamy application;	2.50
08/Dec/22	Ioana Hancas	Call and emails with Martina Williams re approach for providing documentation to the City of Toronto to evidence the transfer of the Urbancorp condo units, lockers and parking spots.	0.40

Time Detail			
Date	Timekeeper	Description	Hours
08/Dec/22	Martina Williams	Receiving email from Silvia Peragine, Law Clerk to Anita Verma at Anita Verma Law regarding returned Application for Vesting Order (Inst. No. AT6156740) and forwarding corrected statement to Silvia Peragine in order that she may amend and re-register at the Land Registry Office.	0.40
09/Dec/22	Martina Williams	Emailing Christopher Henderson at the City of Toronto regarding closing packages indicating the registered conveyance of units, lockers and parking spaces. Receiving response from Christopher Henderson regarding closing packages and MPAC. Compiling closing packages according to Condo Timeline Chart of sold properties.	3.20
09/Dec/22	Robin B Schwill	Drafting email regarding winding up steps for geothermal asset owners;	0.60
12/Dec/22	Robin B Schwill	Emails regarding Mattamy application;	0.50
12/Dec/22	Martina Williams	Receiving updated draft Application for Vesting Order from Silvia Peragine; reviewing same and forwarding comments to Silvia Peragine with instructions to contact Erin Noble at the Land Registry Office to pre-approve changes before re-registration. Compiling Closing Packages regarding Applications for Vesting Order for Christopher Henderson at the City of Toronto and MPAC.	2.90
14/Dec/22	Robin B Schwill	Reviewing arbitration case law;	0.80
15/Dec/22	Robin B Schwill	Drafting revisions to factum on Mattamy arbitration;	2.80
16/Dec/22	Martina Williams	Compiling closing packages for the transactions which took place between 2017 to present and adding them into a Sharefile folder. Emailing link to sharefile and updated Condo Timeline Chart to Ioana Hancas for approval.	2.10
19/Dec/22	Ioana Hancas	Emails and call with Martina Williams re information to provide to the City of Toronto re sold units at 38 Joe Shuster Way.	0.10
19/Dec/22	Martina Williams	Responding to email from Ioana Hancas regarding package for the City of Toronto containing registered vesting orders and tax letters and compiling package.	1.40
20/Dec/22	Martina Williams	Compiling vesting orders and letters to tax department regarding ownership for the properties conveyed between 2017 and present.	1.90
20/Dec/22	Robin B Schwill	Conference call regarding comments on draft Notice of Determination of Claim; related emails;	0.40
21/Dec/22	Robin B Schwill	Emails regarding Mattamy application;	0.10
22/Dec/22	Robin B Schwill	Reviewing Mattamy's reply affidavit; Telephone conversation with counsel to the Israeli Functionary regarding same; related emails;	0.60

Time Detail			
Date	Timekeeper	Description	Hours
22/Dec/22	Martina Williams	Emailing Ioana Hancas and providing a sharefile link to the compiled vesting orders and letters to the tax department regarding change of ownership.	1.60
23/Dec/22	Ioana Hancas	Emails with Martina Williams re documents to be provided to the City of Toronto.	0.10
Total Hours			37.70

Disbursement Summary		Amount
Taxi		9.56
Teraview Searches		42.80
Searches - Library		22.91
Reproduction Charges		62.55
Total		147.38

DAVIES

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

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

Attention: Robert Kofman
Managing Director
Email: bkofman@ksvadvisory.com

CC: Noah Goldstein
Email: ngoldstein@ksvadvisory.com

Invoice #: 743838
Date: February 15, 2023
Client/Matter #: 126507.256201
GST/HST: 118882927 RT0001
Billing Lawyer: Robin Schwill
Email: rschwill@dwpv.com
Phone: 416.863.5502

Privileged & Confidential

For professional services rendered through January 31, 2023 in connection with UrbanCorp (Matter #: 256201)

Our Fee		30,230.00
HST ON (13%)		3,929.90
Total Due	Canadian Dollars (CAD)	\$ 34,159.90

Payment Due Upon Receipt

Canadian Dollar Payment

Beneficiary Bank:	Canadian Imperial Bank of Commerce 199 Bay Street Commerce Court-Main Banking Centre Toronto, Ontario M5L 1G9 Canada	Account Name:	Davies Ward Phillips & Vineberg LLP
		Bank Institution #:	010
		SWIFT Code:	CIBCCATT
		Bank Transit #:	00002
		Bank Account #:	2909219
Beneficiary:	Davies Ward Phillips & Vineberg LLP 155 Wellington Street West Toronto, Ontario M5V 3J7 Canada	Clearing Code:	CC001000002

Billing questions can be made out to Billing@dwpv.com. Payment remittances should be directed to AR@dwpv.com.

Any fees and disbursements recorded after the above mentioned period will appear on subsequent statements. Invoices are due upon receipt. Interest will be charged on all amounts owing over 30 days. The interest rate is set at 12% per year.

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

Timekeeper Summary

Timekeeper	Rate	Hours	Amount
Matthew Milne-Smith	1,250.00	5.30	6,625.00
Robin B. Schwill	1,350.00	17.30	23,355.00
Ioana Hancas	940.00	0.10	94.00
Martina Williams	260.00	0.60	156.00
Total		23.30	\$ 30,230.00

Time Detail

Date	Timekeeper	Description	Hours
03/Jan/23	Robin B Schwill	Emails regarding scheduling of Mattamy application;	0.10
04/Jan/23	Robin B Schwill	Emails regarding scheduling of Mattamy application; reviewing Mattamy's proposed schedule;	0.10
06/Jan/23	Robin B Schwill	Emails regarding scheduling of Mattamy application;	0.50
09/Jan/23	Robin B Schwill	Conference call regarding Mattamy application cross-examinations; reviewing related affidavits; related emails;	1.80
09/Jan/23	Martina Williams	Emailing Ioana Hancas and Noah Goldstein to provide status update on the KSV ownership issue between MPAC and the City of Toronto.	0.20
12/Jan/23	Robin B Schwill	Emails regarding Mattamy scheduling appearance;	0.30
13/Jan/23	Robin B Schwill	Reviewing Mattamy's aide memoire;	0.10
16/Jan/23	Robin B Schwill	Attending on scheduling conference for Mattamy application; related emails;	0.50
17/Jan/23	Robin B Schwill	Reviewing George affidavits for cross-examination considerations; emails regarding cross examinations;	1.50
18/Jan/23	Robin B Schwill	Emails regarding Mattamy application;	0.20
18/Jan/23	Matthew Milne-Smith	Reviewing materials re appeal of Newbould decision.	1.80
19/Jan/23	Robin B Schwill	Reviewing transcripts of cross-examination of Doreen Saskin regarding any evidence on payment of Alan's expenses; related emails; Telephone conversation with Bobby Kofman regarding bondholder enquiry;	1.10
23/Jan/23	Robin B Schwill	Preparing for cross-examination; related emails and document review; Telephone conversation with counsel to Israeli Functionary regarding same;	2.10
23/Jan/23	Matthew Milne-Smith	Preparation for cross-examinations.	0.50
24/Jan/23	Matthew Milne-Smith	Preparation for cross-examination.	0.30
24/Jan/23	Robin B Schwill	Reviewing materials for cross-exam preparations; Telephone conversation with Noah Goldstein regarding same; related emails;	3.50

Time Detail			
Date	Timekeeper	Description	Hours
24/Jan/23	Martina Williams	Responding to email from Roy Moniz at the City of Toronto and sending a new sharefile link in order to access the change of ownership letters and Vesting Orders. Reviewing email received from Jared Wehrle at the City of Toronto regarding ownership issue and forwarding to Ioana Hancas.	0.40
25/Jan/23	Matthew Milne-Smith	Preparation for cross-examination; meeting with Noah Goldstein; emails and telephone conversations with Matthew Gottlieb.	2.70
25/Jan/23	Robin B Schwill	Cross-examination prep session; calls with counsel to Mattamy regarding cross-examination; related emails; calls with counsel to Israeli Functionary regarding same;	2.50
26/Jan/23	Robin B Schwill	Reviewing Israeli court materials regarding fees;	0.40
26/Jan/23	Ioana Hancas	Review email from Martina Williams re status of discussions with the City of Toronto.	0.10
30/Jan/23	Robin B Schwill	Drafting revision to factum for Mattamy application;	2.60
Total Hours			23.30

DAVIES

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

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

Attention: Robert Kofman
Managing Director
bkofman@ksvadvisory.com

CC: Noah Goldstein
ngoldstein@ksvadvisory.com

Invoice #: 745430
Date: March 15, 2023
Client/Matter #: 126507.256201
GST/HST: 118882927 RT0001

Billing Lawyer: Robin Schwill
Email: rschwill@dwpv.com
Phone: 416.863.5502

Privileged & Confidential

For professional services rendered through February 28, 2023 in connection with UrbanCorp (Matter #: 256201)

Our Fee		34,775.00
Disbursements		7.35
HST ON (13%)		4,521.71
Total Due	Canadian Dollars (CAD)	\$ 39,304.06

Payment Due Upon Receipt

Canadian Dollar Payment

Beneficiary Bank:	Canadian Imperial Bank of Commerce 199 Bay Street Commerce Court-Main Banking Centre Toronto, Ontario M5L 1G9 Canada	Account Name: Davies Ward Phillips & Vineberg LLP Bank Institution #: 010 SWIFT Code: CIBCCATT Bank Transit #: 00002 Bank Account #: 2909219
Beneficiary:	Davies Ward Phillips & Vineberg LLP 155 Wellington Street West Toronto, Ontario M5V 3J7 Canada	Clearing Code: CC001000002

Billing questions can be made out to Billing@dwpv.com. Payment remittances should be directed to AR@dwpv.com.

Any fees and disbursements recorded after the above mentioned period will appear on subsequent statements. Invoices are due upon receipt. Interest will be charged on all amounts owing over 30 days. The interest rate is set at 12% per year.

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

Timekeeper Summary

Timekeeper	Rate	Hours	Amount
Robin B. Schwill	1,350.00	18.30	24,705.00
Ioana Hancas	940.00	0.20	188.00
Martina Williams	260.00	2.70	702.00
Mehak Suri	425.00	21.60	9,180.00
Total		42.80	\$ 34,775.00

Time Detail

Date	Timekeeper	Description	Hours
01/Feb/23	Robin B Schwill	Drafting revisions to Factum regarding Mattamy application; reading case law.	1.70
01/Feb/23	Mehak Suri	Research on Section 46 of Arbitration Act (Ontario).	0.70
02/Feb/23	Robin B Schwill	Reading case law regarding Mattamy application;	0.40
02/Feb/23	Mehak Suri	Researched case laws on Section 46 of Arbitration Act (Ontario).	3.80
04/Feb/23	Robin B Schwill	Drafting revisions to factum on Mattamy application; related emails;	0.70
05/Feb/23	Mehak Suri	Researched case laws on Section 46 of Arbitration Act (Ontario).	3.80
13/Feb/23	Robin B Schwill	Emails regarding Mattamy factum and revised schedule;	0.40
13/Feb/23	Martina Williams	Sending sharefile link to Roy Moniz from the City of Toronto containing change of ownership letters and registered vesting orders. Emailing Silvia Peragine at Anita Law to follow up with returned vesting order.	0.50
14/Feb/23	Robin B Schwill	Emails regarding Mattamy application;	0.10
17/Feb/23	Robin B Schwill	Reviewing Mattamy's factum; related emails and calls;	1.10
21/Feb/23	Robin B Schwill	Drafting responding factum on Mattamy application;	1.20
22/Feb/23	Martina Williams	Receiving and reviewing email from Christopher Henderson at the City of Toronto regarding Municipal Property Assessment Corporation ownership issue. Telephone conversation with Narda O'Brien at the City of Toronto regarding Municipal Property Assessment Corporation ownership issue and forwarding Condo Timeline Chart. Attaching a Sharefile link to the Change of Ownership letters and the Registered Applications for Vesting Orders from 2017-2022.	1.10
22/Feb/23	Mehak Suri	Research on discretionary powers of court under s. 46 of the (Ontario) Arbitration Act.	2.20
22/Feb/23	Robin B Schwill	Engaged on Mattamy application factum;	3.80
23/Feb/23	Mehak Suri	Revised factum, incorporating Dentons' inputs and citations. Researched discretion of courts under s. 46.	4.20

Time Detail			
Date	Timekeeper	Description	Hours
23/Feb/23	Robin B Schwill	Engaged regarding Mattamy application factum;	0.60
24/Feb/23	Ioana Hancas	Discussion with Martina regarding unpaid real property taxes on units still owned by UrbanCorp.	0.10
24/Feb/23	Mehak Suri	Made revisions to factum in response basis R. Schwill's comments	1.40
24/Feb/23	Robin B Schwill	Engaged regarding Mattamy application factum;	1.60
25/Feb/23	Robin B Schwill	Telephone conversation with counsel to Israeli Functionary regarding Mattamy application factum;	0.60
26/Feb/23	Robin B Schwill	Drafting revisions to Mattamy application factum; related emails;	2.20
27/Feb/23	Mehak Suri	Incorporated comments from R. Schwill, Dentons to factum.	3.60
27/Feb/23	Robin B Schwill	Engaged regarding Mattamy application factum;	2.60
28/Feb/23	Ioana Hancas	Emails with Martina Williams re outstanding property taxes at units owned by UrbanCorp.	0.10
28/Feb/23	Robin B Schwill	Engaged regarding Mattamy application factum;	1.30
28/Feb/23	Mehak Suri	Made revisions to factum to incorporate comments from R. Schwill and Dentons team. Prepared list of authorities and schedule of statutory provisions and finalized factum.	1.90
28/Feb/23	Martina Williams	Telephone discussion with Ioana Hancas regarding KSV tax and ownership issue. Drafting email to Noah Goldstein regarding new developments with respect to the tax arrears information provided by Narda O'Brien at the City of Toronto. Sending email to Noah Goldstein, Bobby Kofman, Robin Schwill and Ioana Hancas regarding tax arrears and required consent in order to obtain further information from the City of Toronto. Responding to email from Bobby Kofman regarding obtaining consent to further investigate matter. Responding to email from Christopher Henderson at the City of Toronto. Emailing Narda O'Brien at the City of Toronto in order to provide form of Consent and Authorization.	1.10
Total Hours			42.80

Disbursement Summary	
	Amount
Reproduction Charges	7.35
Total	14.70

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

SWORN MARCH 16, 2023

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 10, 2023)

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 during the period from November 1, 2022 to February 28, 2023 (the "**Billing Period**"). During the Billing Period, the total fees billed by DLA were \$2,860, plus disbursements in the amount of \$320 and applicable taxes in the amount of \$371.80.

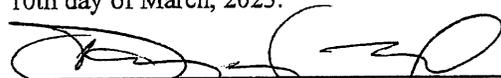
3. As set out in the following table, 4.4 hours were billed by DLA personnel during the Billing Period, resulting in an average hourly rate of \$650 (exclusive of applicable taxes):

Lawyers/Clerks	Hours	Rate/Hr.
Danny Nunes	4.4	\$650
TOTAL	4.4	Avg. Rate/Hr: \$650

4. The activities detailed in the Statements 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
10th day of March, 2023.


A Commissioner for taking affidavits etc.

DANNY NUNES

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)
)
)
)
)

EDMOND F.B. LAMEK

This is Exhibit A...referred to in the
affidavit of EDMOND LAMEK
sworn before me, this 10
day of MARCH 2023.


.....
COMMISSIONER FOR TAKING AFFIDAVITS

DANNY NUNES



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

December 15, 2022

Dear Client,

Effective immediately, please update DLA Piper (Canada) LLP's bank account information for all electronic bill payments to the following:

Canadian Dollar Wire Payments To:

DLA Piper (Canada) LLP
Beneficiary Acc#: 000102901315
Bank: CIBC - CANADIAN IMPERIAL
BANK OF COMMERCE
Swift Code: CIBCCATT
Bank Address: 400 Burrard Street
Vancouver, BC V6C 3A6

Transit: 00010
Institution: 010

US Dollar Wire Payments To:

DLA Piper (Canada) LLP
Beneficiary Acc#: 000100368016
Bank: CIBC - CANADIAN IMPERIAL BANK
OF COMMERCE
Swift Code: CIBCCATT
Bank Address: 400 Burrard Street
Vancouver, BC V6C 3A6

Intermediary Bank: Wells Fargo Bank, N.A.
New York, NY, US

Swift Code: PNBUS3NNYC
ABA#: 026005092

For any questions related to the above, please contact our credit department by email (creditdept.canada@dlapiper.com) or by telephone at 604-643-2955 or toll free at 1-833-299-9022.

Regards,
DLA Piper (Canada) LLP

Finance Department



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 15, 2022
Invoice Number: 2160432

PROFESSIONAL SERVICES

For Professional Services rendered and/or disbursements advanced through November 30, 2022.

<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
10/03/22	Danny Nunes	Correspondence with R. Schwill and B. Kofman regarding stay extension;	0.10	65.00
11/17/22	Danny Nunes	Correspondence with R. Schwill regarding scheduling of stay extension; review further correspondence regarding same;	0.30	195.00
11/18/22	Danny Nunes	Review correspondence from R. Schwill regarding stay extension motion;	0.10	65.00
11/28/22	Danny Nunes	Draft stay extension motion materials; correspondence with N. Goldstein regarding same; correspondence with E. Lamek regarding same; review draft Monitor's report;	2.50	1,625.00
11/29/22	Danny Nunes	Correspondence with R. Schwill, B. Kofman and N. Goldstein regarding draft stay extension materials; prepare and serve stay extension motion materials;	0.50	325.00
Total Hours and Fees:			3.50	\$2,275.00

PROFESSIONAL SERVICES SUMMARY

<u>Professional</u>	<u>Rate</u>	<u>Hours</u>	<u>Amount</u>
Danny Nunes	650.00	3.50	2,275.00
Total Fees:			\$2,275.00



Matter: 038694-00001
Invoice: 2160432
Page : 2

BILL SUMMARY

REG # 110 152 824	Total Fees:	\$	2,275.00
	Total HST:	\$	295.75
	Total Current Invoice Due:	CAD \$	2,570.75

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.



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

March 10, 2023

Dear Client,

Effective immediately, please update DLA Piper (Canada) LLP's bank account information for all electronic bill payments to the following:

Canadian Dollar EFT Payments To:

DLA Piper (Canada) LLP
Bank: 010
Transit: 00010
Account Number: 2901315

Canadian Dollar Wire Payments To:

DLA Piper (Canada) LLP
Beneficiary Acc#: 000102901315
Bank: CIBC - CANADIAN IMPERIAL
BANK OF COMMERCE
Canadian clearing code: //CC001000010
Swift Code: CIBCCATT or CIBCCATTXXX
Bank Address: 400 Burrard Street
Vancouver, BC V6C 3A6

US Dollar Wire Payments To:

DLA Piper (Canada) LLP
Beneficiary Acc#: 000100368016
Bank: CIBC - CANADIAN IMPERIAL BANK
OF COMMERCE
CIBCCATT
Bank Address: 400 Burrard Street
Vancouver, BC V6C 3A6
Intermediary Bank: Wells Fargo Bank, N.A.
New York, NY, US
Swift Code: PNBPU3NYYC
ABA#: 026005092

For any questions related to the above, please contact our credit department by email (creditdept.canada@dlapiper.com) or by telephone at 604-643-2955 or toll free at 1-833-299-9022.

Regards,
DLA Piper (Canada) LLP

Finance Department



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: March 10, 2023
Invoice Number: 2179833

PROFESSIONAL SERVICES

For Professional Services rendered and/or disbursements advanced through January 31, 2023.

<u>Date</u>	<u>Professional</u>	<u>Description</u>	<u>Hours</u>	<u>Amount</u>
12/01/22	Danny Nunes	Correspondence from D. Elmadany regarding stay extension motion;	0.20	130.00
12/05/22	Danny Nunes	Review materials for stay extension motion; attend same; correspondence to service list regarding same;	0.70	455.00
Total Hours and Fees:			0.90	\$585.00

PROFESSIONAL SERVICES SUMMARY

<u>Professional</u>	<u>Rate</u>	<u>Hours</u>	<u>Amount</u>
Danny Nunes	650.00	0.90	585.00

Total Fees:

\$585.00

DISBURSEMENT SUMMARY

Disbursements

Non-Taxable Disbursements

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



Matter: 038694-00001
Invoice: 2179833
Page : 2

Non-Taxable Disbursements:

\$320.00

BILL SUMMARY

REG # 110 152 824	Total Fees:	\$	585.00
	Total Disbursements:	\$	320.00
	Total HST:	\$	76.05
	Total Current Invoice Due:	CAD \$	<u>981.05</u>

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 10, 2023)**

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

Edmond F.B. Lamek (LSO #33338U)
Tel: 416.365.4444
Fax: 416.369.7945
Email: edmond.lamек@dlapiper.com

Danny M. Nunes (LSO #53802D)
Tel: 416.365.4444
Fax: 416.369.7945
Email: danny.nunes@dlapiper.com

Lawyers for the Urbancorp CCAA Entities