



January 9, 2024

To: Counterparties (“Home Buyers”) to unit purchase agreements with the companies listed on Appendix “A” (collectively, the “Companies”)

Re: Update No. 2 to Home Buyers

Pursuant to orders (the “Receivership Orders”) issued by the Ontario Superior Court of Justice (the “Court”) on November 14, 2023, December 11, 2023 and December 12, 2023, KSV Restructuring Inc. was appointed as receiver and manager (the “Receiver”) of certain property, assets and undertakings of the Companies, including their real properties listed on Appendix “B” (the “Real Properties”), and certain assets related to the Companies’ real estate development projects (each, a “Project”) in connection with the Real Properties.

Please note that although the Receivership Orders were granted at earlier dates, the Receivership Orders did not take effect against the Companies until January 8, 2024 (except for Vandyk – Uptowns Limited, which was effective on November 14, 2023).

Copies of the Receivership Orders and other materials filed in the receivership proceeding can be found on the Receiver’s case website at <https://www.ksvadvisory.com/experience/case/vandyk>.

Project Status

The Receiver’s prior notice dated November 24, 2023, linked [here](#), provided an update on the Uptowns Project. The purpose of this notice is to provide Home Buyers with an update concerning the other Projects, being:

- Heartlake Collection at Uptowns (“Heartlake”)
- Grand Central Mimico
- The Ravine - Estates on Fletcher's Creek (“Ravine”)
- Lakeshore DXE Club (“DXE”)
- King's Mill at Backyard Neighbourhood Condos (“Kings Mill”)

Each of the Companies is an entity within the Vandyk Properties group of companies. The Receiver understands that construction has not yet commenced on any of the Projects, except for Uptowns and Kings Mill, which are partially complete. According to the information available to the Receiver, each of the other Projects has entered into purchase agreements with Home Buyers except for the Grand Central Mimico Project. The Receiver is currently reviewing each of the Projects and, at present, no action has been taken by the Receiver with respect to any of the Projects or any purchase agreements between the Companies and the Home Buyers.

Deposits and Tarion Warranty Corporation (“Tarion”)

As no action has been taken by the Receiver with respect to any purchase agreements between the Companies and the Home Buyers, the purchase agreements remain in full force and effect, subject to the terms of the Receivership Orders. Pursuant to the terms of the Receivership Orders, as applicable, the purchase agreements can only be terminated by further order of the Court.

The Receiver understands that deposits paid by Home Buyers for DXE, Kings Mill and Heartlake Projects are fully insured by Tarion Warranty Corporation (“Tarion”) and/or excess condominium deposit insurance provided to the respective Companies by Westmount Guarantee Services Inc.

The Receiver understands that deposits paid by Home Buyers for the Ravine Project are partially insured by Tarion as they relate to freehold homes rather than condominiums. The Receiver understands that none of the deposits for this Project remain in the Companies’ bank account. The Receiver has not independently determined, at this time, the use of the deposits.

Tarion provides, among other things, home buyers with deposit protection in the event that the sale is not completed including if the builder has gone bankrupt, or the purchase agreement is fundamentally breached.

For agreements of purchase and sale entered into before January 1, 2018, Tarion provides deposit protection up to a maximum of \$40,000. For agreements of purchase and sale entered into after January 1, 2018, the deposit coverage is dependent on the purchase price of the new home, as reflected in the table below.

	Sale Price	Deposit Coverage
Deposit Protection	\$600,000 or less	Up to \$60,000
Deposit Protection	Over \$600,000	10% of purchase price (up to a maximum of \$100,000)

Information about Tarion and its deposit protection coverage, including if and how to make a deposit claim, is available on Tarion’s website at [Coverage & claims before you move in | Tarion.com](https://www.tarion.com/coverage) or by contacting Tarion at 1-877-9-TARION (1-877-982-7466) or customerservice@tarion.com.

As noted above, at this time, no determinations have been made with respect to the Home Buyers’ purchase agreements, and the agreements remain in full force and effect, subject to the terms of the Receivership Orders. **There are no steps that you need to take in regard to deposits at this time.** The Receiver will provide further updates as soon as possible.

Should you have any questions with respect to the above, please contact Meg Ostling (416-932-6022) or mostling@ksvadvisory.com.

Yours truly,



KSV RESTRUCTURING INC.
SOLELY IN ITS CAPACITY AS COURT-APPOINTED RECEIVER AND MANAGER OF
THE VANDYK PROPERTIES COMPANIES LISTED ON APPENDIX “A” HERETO
AND NOT IN ITS PERSONAL CAPACITY

Appendix "A"

List of Companies

- Vandyk - Uptowns Limited
- Vandyk - Heart Lake Limited
- 2402871 Ontario Inc.
- Vandyk - The Ravine Limited
- Vandyk - Lakeview-Dxe-West Limited
- Vandyk-Backyard Kings Mill Limited
- 2495065 Ontario Inc.

Appendix "B"

List of Projects and Addresses

Company	Project	Address
Vandyk - Uptowns Limited	UPtowns - Urban Progressive Towns	10302 Heart Lake Road, Brampton
Vandyk - Heart Lake Limited	Heartlake Collection at Uptowns	10194 Heart Lake Road, Brampton
2402871 Ontario Inc.	Grand Central Mimico	327 Royal York Road, Etobicoke
Vandyk - The Ravine Limited	The Ravine - Estates on Fletcher's Creek	336 Waterhouse Cres N, Mississauga (f/k/a 320 Derry Road, Mississauga)
Vandyk - Lakeview-Dxe-West Limited	Lakeshore DXE Club	1345 Lakeshore Road East, Mississauga
Vandyk-Backyard Kings Mill Limited	King's Mill at Backyard Neighbourhood Condos	15 Neighbourhood Lane, Etobicoke
2495065 Ontario Inc.	Grand Central Mimico	39 Newcastle St. Etobicoke