



**First Report to Court of
KSV Restructuring Inc. as Proposal
Trustee of YG Limited Partnership and
YSL Residences Inc.**

May 6, 2021

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COURT FILE NO.: 31-459200 AND 31-2734090

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

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
YG LIMITED PARTNERSHIP
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

and

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
YSL RESIDENCES INC.
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

MAY 6, 2021

1.0 Introduction

1. This report (“Report”) is filed by KSV Restructuring Inc. (“KSV”) in its capacity as proposal trustee (the “Proposal Trustee”) in connection with Notices of Intention to Make a Proposal (“NOIs”) filed on April 30, 2021 (the “Filing Date”) by YG Limited Partnership (the “Partnership”) and by YSL Residences Inc. (“YSL Inc.”, and together with the Partnership, the “Companies”), a company related to the Partnership, pursuant to Section 50.4(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the “BIA”). Copies of the certificates of filing issued by the Office of the Superintendent of Bankruptcy are provided in Appendix “A”.
2. The principal purpose of these proceedings is to create a stabilized environment to allow the Companies to file a proposal that provides creditors with a better result than they would realize in a bankruptcy (a “Proposal”).

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide background information about the Companies;
 - b) comment on appraisals and analyses thereon to be performed of the YSL Project, as defined in Section 2 below; and
 - c) summarize the Proposal Trustee’s activities since the Filing Date.

1.2 Currency

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

1.3 Restrictions

1. In preparing this Report, the Proposal Trustee has relied upon unaudited financial information prepared by the Companies' representatives, the Companies' books and records and discussions with representatives of Concord Adex Inc. ("Concord").
2. The Proposal Trustee has not performed an audit or other verification of such information. An examination of the Companies' financial forecasts as outlined in the Chartered Professional Accountants of Canada Handbook has not been performed. Future oriented financial information relied upon in this Report is based on the Companies' assumptions regarding future events; actual results achieved may vary from this information and these variations may be material. The Proposal Trustee expresses no opinion or other form of assurance with respect to the accuracy of any financial information presented in this Report or relied upon by the Proposal Trustee in its preparation of this Report.
3. The Companies' business and operations may be affected by the Covid-19 pandemic and the effect of the pandemic on the Companies may be material.

2.0 Background

1. The Partnership was formed on February 3, 2016 under *The Partnership Act*, C.C.S.M. c. P30 (Manitoba). 9615334 Canada Inc. (the "GP") is the Partnership's general partner. The GP has not filed a NOI. YSL Inc. was incorporated on January 28, 2016 under the *Business Corporations Act* (Ontario).
2. The Companies are part of the Cresford Group of Companies ("Cresford"). YSL Inc. is the registered owner of the real properties municipally known as 363-391 Yonge Street and 3 Gerrard Street East, Toronto, Ontario (the "Property") acting as a bare trustee and nominee of, for and on behalf of the Partnership. The Partnership is the beneficial owner of the Property, and was formed for the purpose of developing the Property into a mixed-use office, retail and residential condominium development comprised of approximately 1,100 residential units, 190,000 square feet of commercial/retail/institutional space and 242 parking spaces, and known as Yonge Street Living Residences (the "YSL Project"). Approximately 800 residential condominium units have been pre-sold.
3. Based on the Partnership's records, the YSL Project is subject to three mortgages totaling approximately \$249 million. Other claims, including lien and unsecured claims, are estimated to be \$64 million. A copy of the Proposal Trustee's notices to creditors dated May 5, 2021, which include creditor listings, is provided as Appendix "B".

4. Due to the ongoing financial difficulties of the Companies and Cresford, construction of the YSL Project has been suspended for more than a year and it is presently at the excavation stage.
5. Pursuant to an agreement dated April 30, 2021 between the Companies, certain Cresford entities and Concord Properties Development Corp. (the “Sponsor”), an affiliate of Concord (the “Agreement”), the Sponsor, with the consent and support of the Companies’ secured lenders, has agreed to sponsor a Proposal to be made to the Companies’ creditors. If the Proposal is implemented, the Sponsor or another Concord-affiliate would become the owner and developer of the YSL Project. The Proposal Trustee understands that the Proposal is in the process of being finalized and is intended to be filed in the near term.

2.1 Applications by Limited Partners

1. Certain of the Partnership’s limited partners (the “LPs”) have commenced separate applications before the Ontario Superior Court of Justice (Commercial List) (the “Court”) seeking Orders declaring that, among other things: a) the GP is terminated as general partner of the Partnership; b) any agreements entered into by the GP with the Sponsor are null and void; c) the GP breached its duty of good faith to the limited partners; and d) appointing a receiver.
2. Timbercreek Mortgage Servicing Inc. (“Timbercreek”), the Companies’ senior secured creditor, takes the position that the granting of any of the relief sought in the LPs’ applications would trigger a forbearance event, and that Timbercreek will seek to be in a position to bring on for hearing its application for appointment of a court-appointed receiver (currently scheduled for July 12, 2021) in preference to any such relief being granted.
3. In their materials, the LPs have filed with the Court three appraisals prepared by CBRE Limited (“CBRE”) of the YSL Project on “as is” and “as if complete” bases. The most recent CBRE appraisal included in the LP’s application is dated August 8, 2019 (the “2019 Appraisal”).
4. The 2019 Appraisal estimates the “as is” market value of the YSL Project to be \$375.5 million, reflecting the estimated Land Residual Value and the Costs Incurred to Date Beneficial to a Potential Purchaser (as those terms are defined in the 2019 Appraisal) and \$1.225 billion on an “as if complete” basis.
5. CBRE also prepared an appraisal of the YSL Project dated April 30, 2021 (the “2021 Appraisal”). The appraisal is addressed to Concord. Concord provided the appraisal to the Proposal Trustee on a confidential basis. The Proposal Trustee has been advised that Concord has offered to provide a copy of the 2021 Appraisal to each of the LPs upon execution of a confidentiality agreement.

6. As the value of the YSL Project is central to determining the reasonableness of the Proposal, the Proposal Trustee engaged Finnegan-Marshall Inc. (“FM”), a real estate and development cost consulting firm, to, among other things:
 - a) review CBRE’s most recent appraisal;
 - b) analyse the differences between the 2019 Appraisal and the 2021 Appraisal;
 - c) assess the value of the improvements and work performed to-date; and
 - d) prepare a report that will opine on “the sales price for the project on an as-is basis after assessing the project budget, project revenue and resultant profitability”.
7. A copy of the Proposal Trustee’s engagement letter with FM dated May 3, 2021 (the “FM Engagement Letter”) is provided as Appendix “C”. Pursuant to the FM Engagement Letter, FM estimates that its report will be completed in three weeks.
8. It is the Proposal Trustee’s intention, following the filing of a Proposal by the Companies, to report to the Companies’ creditors on the terms of the Proposal and provide a comparison of the recoveries under the Proposal to a bankruptcy. The Proposal Trustee’s report will include a recommendation as to whether the creditors should vote in favour of the Proposal. It is presently contemplated that the meeting of creditors would be convened on or around June 11, 2021.

3.0 Proposal Trustee’s Activities

1. In addition to the activities summarized in this Report, the Proposal Trustee’s activities since the Filing Date have included:
 - Corresponding with the Partnership, its counsel and Concord’s counsel regarding the pre-sold condominium units;
 - Assisting the Partnership to prepare a statement of projected cash flow pursuant to Section 50.4(2) of the BIA;
 - Considering an application to consolidate the BIA proceedings of the Partnership and YSL Inc.;
 - Dealing with notices of disclaimer which will be issued pursuant to Section 65.11 of the BIA;
 - Corresponding with Concord regarding funding for these proceedings;
 - Attending at Court, virtually, on May 3, 2021;

- Establishing the Proposal Trustee's website;
- Reviewing CBRE's appraisals; and
- Responding to creditor inquiries.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
IN ITS CAPACITY AS TRUSTEE UNDER THE
NOTICE OF INTENTION TO MAKE A PROPOSAL OF
YG LIMITED PARTNERSHIP AND YSL RESIDENCES INC.,
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Toronto
Court No. 31-459200
Estate No. 31-459200

In the Matter of the Notice of Intention to make a proposal of:

YG Limited Partnership

Insolvent Person

KSV RESTRUCTURING INC.

Licensed Insolvency Trustee

Date of the Notice of Intention:

April 30, 2021

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL

Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: April 30, 2021, 22:54

E-File/Dépôt Electronique

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada 



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Toronto
Court No. 31-2734090
Estate No. 31-2734090

In the Matter of the Notice of Intention to make a proposal of:

YSL Residences Inc.

Insolvent Person

KSV RESTRUCTURING INC.

Licensed Insolvency Trustee

Date of the Notice of Intention:

April 30, 2021

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: April 30, 2021, 22:54

E-File/Dépôt Electronique

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada

Appendix “B”



ksv advisory inc.

150 King Street West, Suite 2308

Toronto, Ontario, M5H 1J9

T +1 416 932 6262

F +1 416 932 6266

ksvadvisory.com

May 5, 2021

To: Creditors of YG Limited Partnership (the “Partnership”)

We are writing to advise you that on April 30, 2021, the Partnership commenced restructuring proceedings by filing a Notice of Intention to Make a Proposal (“NOI”) pursuant to the *Bankruptcy and Insolvency Act* (“BIA”). A copy of the NOI and a preliminary listing of the Partnership's creditors are attached. KSV Restructuring Inc. (“KSV”) has been appointed as the trustee under the NOI (the “Proposal Trustee”). KSV is also the proposal trustee of YSL Residences Inc., a company related to the Partnership that also filed an NOI on April 30, 2021.

Although the NOI proceedings are pursuant to the BIA, it is important to note that the Partnership is not bankrupt.

The principal purpose of these proceedings is to create a stabilized environment to allow the Partnership to prepare a proposal that provides creditors with a better result than they would receive through a bankruptcy.

At present, creditors are not required to file a proof of claim. The Proposal Trustee will provide you with further information, a proof of claim form and further instructions at a later date.

During the restructuring proceedings, among other things:

- no person may terminate or amend any agreement, including a security agreement, with the Partnership, or claim an accelerated payment, or a forfeiture of the term, under any agreement, including a security agreement, by reason only that the Partnership is insolvent or by reason of the filing of the NOI, pursuant to Section 65.1(1) of the BIA;
- no creditor has any remedy against the Partnership or its property or shall commence or continue any action, execution, or other proceedings against the Partnership, pursuant to Section 69.1(1) of the BIA; and
- to the extent applicable, suppliers should discuss directly with their usual Partnership representative the terms of payment for ongoing goods and/or services that they provide to the Partnership.

If you have any questions after speaking with your contact at the Partnership, please contact Murtaza Tallat from the Proposal Trustee’s office at mtallat@ksvadvisory.com.

Yours very truly,

**KSV RESTRUCTURING INC.
TRUSTEE UNDER THE NOTICE OF INTENTION TO MAKE
A PROPOSAL OF YG LIMITED PARTNERSHIP**



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Toronto
Court No. 31-459200
Estate No. 31-459200

In the Matter of the Notice of Intention to make a proposal of:

YG Limited Partnership

Insolvent Person

KSV RESTRUCTURING INC.

Licensed Insolvency Trustee

Date of the Notice of Intention:

April 30, 2021

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL

Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: April 30, 2021, 22:54

E-File/Dépôt Electronique

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada 

FORM 33

Notice of Intention to Make a Proposal
[Subsection 50.4(1)]

**IN THE MATTER OF THE PROPOSAL OF YG LIMITED PARTNERSHIP, A
LIMITED PARTNERSHIP FORM UNDER THE LAWS OF THE PROVINCE OF
MANITOBA**

TAKE NOTICE THAT:

1. **YG Limited Partnership**, an insolvent person, pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, intends to make a proposal to its creditors.
2. **KSV Restructuring Inc.** of 150 King Street West, Suite 2308, Toronto, Ontario, a licensed trustee, has consented to act as trustee under the proposal and a copy of the consent is attached hereto.
3. A list of the names of the known creditors with claims amounting to \$250 or more and the amounts of their claims is attached.
4. Pursuant to section 69 of the *Bankruptcy and Insolvency Act*, all proceedings against YG Limited Partnership are stayed as of the date of filing this notice with the Official Receiver in its locality.

DATED at Toronto, Ontario this 29 day of April, 2021.

YG LIMITED PARTNERSHIP,
by its general partner
9615334 CANADA INC.

Per: 

Name: Daniel Casey

Title: President

**IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
YG LIMITED PARTNERSHIP
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO**

**Preliminary List of Creditors as at April 29, 2021, as submitted by YG Limited Partnership
without admission as to any liability or privilege herein shown
(Unaudited)**

Creditor	Address	Amount (\$)*
<u>Secured</u>		
2576725 Ontario Inc	35 Wembley Avenue, Markham, ON L3R 1Z1	30,865,424
Timbercreek Mortgage Servicing Inc.	25 Price Street, Toronto, Ontario M4W 1Z1	106,798,989
Westmount Guarantee	600 Cochrane Drive, Ste 205, Markham, Ontario L3R 5K3	111,757,134
Total - Secured		249,421,547
<u>Unsecured and Lien Claims</u>		
2600924 Ontario Inc.	18 Leone Lane, Brampton, Ontario L6P 0K9	67,800
1st Choice Disposal	2117 Codlin Crescent, Rexdale, Ontario M9W 5K7	8,917
AEC Paralegal Corporation	640 - 10 Carlson Crt, Etobicoke, Ontario M9W 6L2	593
Aim Home Realty Inc	2175 Sheppard Avenue E, #106, Toronto, Ontario M2J 1W8	15,018
Aird & Berlis LLP	181 Bay Street, Ste 1800, Box 754 Toronto, Ontario M5J 2T9	16,583
Altus Group Limited	126 Don Hillock Drive, Aurora, Ontario L4G 0G9	20,960
AlumaSafway, Inc	c/o Lockbox 919760, PO Box 4090 STN A Toronto, Ontario M5B 1S1	46,505
Architects Alliance	317 Adelaide Street West, 2nd Floor, Toronto, Ontario M5V 1P9	1,009,360
Arthur J. Gallagher Canada Li	P.O. Box 57194, Station A., Toronto, Ontario M5W 5M5	105,288
BA Consulting Group Ltd.	45 St. Clair Avenue West, Suite 300, Toronto, Ontario M4V 1K9	7,919
Baaron Group Inc.	51 Adirondack Drive, Vaughan, Ontario L6A 2V7	20,398
Bay Street Group Inc	8300 Woodbine Avenue, Ste 500, Markham, Ontario L3R 9Y7	45,738
Beck Taxi	1 Credit Union Drive, Toronto, Ontario M4A 2S6	4,037
Bell Canada	1 Carrefour Alexandre-Graham-Bell, Aile E 3, Verdun, QC H3E 3B3	456
Bennett Jones LLP	3400 One First Canadian Place, P.O. Box 130 Toronto, Ontario M5X 1A4	20,813
Blaney McMurtry LLP	2 Queen Street East, Suite 1500, Toronto, Ontario M5C 3G5	100,057
BVDA Group Ltd.	107 Toronto St South, Suite 1, Uxbridge, Ontario L9P 1H4	1,130
Canon Canada Inc.	Lockbox 914820, PO Box 4090, Stn A Toronto, Ontario M5W 0E9	38
CBSC Capital Inc.	c/o T9649, PO Box 9649, STN A, Toronto, Ontario M5W 1P8	6,126
Century 21 Kennect Realty	7780 Woodbine Avenue, U#15, Markham, Ontario L3R 2N7	53,036
Century 21 King's Quay Real E	7300 Warden Avenue, Suite 401, Markham, Ontario L3R 9Z6	37,594
Century 21 Leading Edge Realty	165 Main Street North, Markham, Ontario L3P 0E7	10,878
Cityscape Real Estate Ltd.	25 Waitline Avenue, Suite 402, Mississauga, Ontario L4Z 2Z1	246,999
Citywide Door & Hardware Inc.	80 Vinyl Court, Woodbridge, Ontario L4L 4A3	1,130
Cresford (Rosedale) Developments Inc.	203 - 250 Merton Street, Toronto, ON M4S 1B1	13,100,000
Dale & Lessmann LLP	181 University Avenue, Suite 2100, Toronto, Ontario M5H 3M7	5,322
Dekla Corporation	288 Judson Street, Unit 8, Toronto, Ontario M8Z 5T6	25,000
E.R.A. Architects Inc.	600-625 Church St., Toronto, Ontario M4Y 2G1	46,764
East Downtown Redevelopment Part.	203 - 250 Merton Street, Toronto, ON M4S 1B1	5,810,053
Entuitive Corporation	200 University Avenue, 7th FL, Toronto, Ontario M5H 3C6	5,509
Federal Wireless Communication	5250 Finch Avenue East, #11, Scarborough, Ontario M1S 5A5	4,292
Forest Hill Real Estate Inc	441 Spadina Road, Toronto, Ontario M5P 2W3	30,876
Foster Interactive Inc.	80 Ward St. Office #213, Toronto, Ontario M6H 4A6	1,627
Four Seasons Hotel Toronto	60 Yorkville Avenue, Toronto, Ontario M4W 0A4	97,938
GFL Infrastructure Group Inc.	100 New Park Place, # 500, Vaughan, Ontario L4K 0H9	4,296,801
Heritage Restoration Inc	14 Paisley Lane, Stouffville, ON L4A7X4	393,006
Home Standards Brickstone Realty	#30 - 180 Steeles Ave. West, Thornhill, Ontario L4J 2L1	114,566
Homelife/Bayview Realty Inc	505 Hwy. 7 East, Unit#201, Thornhill, Ontario L3T 7T1	1
Homelife Classic Realty Inc	1600 Steeles Ave. W., #36, Vaughan, Ontario L4K 4M2	12,478
Homelife Frontier Realty Inc.	7620 Yonge Street, Suite 400, Toronto, Ontario L4J 1V9	25,376
HomeLife Landmark Realty Inc.	7240 Woodbine Ave, Suite 103, Markham, Ontario L3R 1A4	1,669,032
HomeLife New World Realty Inc	201 Consumers Road, Suite 205, Willowdale, Ontario M2J 4G8	544,356
Howe Gastmeier Chapnik Limited	Suite 203-2000 Argentia Rd, Plaza One, Mississauga, Ont L5N 1P7	15,343
Hunter & Associates Ltd.	1133 Yonge Street. 3rd Floor. (The Exchange) Toronto, Ontario M4T 1W1	2,924
Innocon Partnership	T10094, PO Box 10094, Stn A, Toronto, Ontario M5W 2B1	50,239
Investments Hardware Limited	250 Rowntree Dairy Road, Woodbridge, Ontario L4L 9J7	15,091
Isherwood	3100 Ridgeway Drive, Unit 3, Mississauga, Ontario L5L 5M5	131,669
Jablonsky, Ast and Partners	1129 Leslie Street, Don Mills, Ontario M3C 2K5	349,632
JanetRosenberg&Studio Inc.	148 Kenwood Avenue, Toronto, Ontario M6C 2S3	16,690
JDL Realty Inc.	95 Mural Street, Ste 105, Richmond Hill, Ontario L4B 3G2	20,478
Jensen Hughes Consulting Cana	C/O T56207C, PO Box 56207, Station A Toronto, Ontario M5W 4L1	53,889
Keller Williams Referred	Urban Realty, Brokerage, 156 Duncan Mill Rd., Unit 1 Toronto, Ontario M3B 3N2	39,174
Kohn Pedersen Fox Associates	11 West 42nd Street, New York, NY 10036	2,149,015

Creditor	Address	Amount (\$)*
Kramer Design Associates Limited	103 Dupont Street, Toronto, Ontario M5R 1V4	74,185
Lam & Associates Ltd.	160 Applewood Crescent, #25, Concord, Ontario L4K 4H2	129,925
LandpowerReal Estate Ltd.	3621 Highway 7 E., Ste. 403, Markham, Ontario L3R 0G6	2,256,549
Lerch Bates	9780 S. Meridian Blvd., #450, Englewood, Colorado USA 80112	11,900
Live Patrol Inc.	2645 Skymark Avenue, #205, Mississauga, Ontario L4W 4H2	16,781
Living Realty Inc.	8 Steelcase Road West, Markham, Ontario L3R 1B2	88,588
Master's Choice Realty, Inc.	3190 Steeles Avenue E. #110, Markham, Ontario L3R 1G9	379,298
McIntosh Perry	200-6240 Highway 7, Woodbridge, Ontario L4H 4G3	218
Michael Bros. Excavating	240 Toryork Drive, Weston, Ontario M9L 1Y1	1,758,732
Mike Catsiliras	62 Presteign Avenue, Toronto, Ontario M4B 3B2	1
Montana Steele	5255 Yonge Street Ste 1050, Toronto, Ontario M2N 6P4	73,928
Mulvey & Banani Lighting Inc.	44 Mobile Drive, Toronto, Ontario M4A 2P2	29,979
Municipal Mechanical Contract	9418 The Gore Road, Brampton, Ontario L6P 0A8	11,303
Myles Burke	10 Planchet Road, #29, Vaughan, Ontario L4K 2C8	53,698
Naf-Muk Contracting Inc	23 Gillingham Street, Scarborough, Ontario M1B 5X1	2,440
North American Sign Company I	499 Edgeley Boulevard, Unit 3, Concord, Ontario L4K 4H3	2,825
Oakleaf Consulting Ltd.	203 - 250 Merton Street, Toronto, ON M4S 1B1	19,363,566
Otis Canada Inc.	PO Box 57445 Station A, Toronto, Ontario M4Y 0E7	5,395,110
PETRA Consultants Ltd.	104-93 Dundas Street E., Mississauga, Ontario L5A 1W7	185,969
PM Sheetmetal & Ventilation	140 Bowes Road, Unit B, Concord, Ontario L4K 1J6	29,042
Powerland Realty, Brokerage	160 West Beaver Creek Rd., #2A, Richmond Hill, Ontario L4B 1B4	10,678
PricewaterhouseCoopers LLP	18 York Street, Suite 2600, Toronto, Ontario M5J 0B2	19,267
Priestly Demolition Inc.	3200 Loydtown-Aurora Rd., King, Ontario L7B 0G3	660,123
R. Avis Surveying Inc.	235 Yorkland Boulevard, Suite 203, Toronto, Ontario M2J 4Y8	53,758
Rapid Equipment Rental Limited	5 St. Regis Crescent, N. U# 2, Toronto, Ontario M3J 1Y9	4,520
Re/Max Condo Plus Corp	45 Harbour Square, Toronto, Ontario M5J 2G4	16,358
RE/MAX Goldenway Realty Inc.	15 Wertheim Court, Suite 309, Richmond Hill, Ontario L4B 3H7	125,424
RE/MAX Realtron Realty Inc.	88 Konrad Crescent, Markham, Ontario L3R 8T7	42,576
RE/MAX Realty Enterprises Inc	125 Lakeshore Road East, Mississauga, Ontario L5G 1E5	72,090
Real One Realty Inc.	15 Wertheim Crt., Unit 302, Richmond Hill, Ontario L4B 3H7	181,936
Reco Cleaning Services	260 Spinnaker Way, Unit 9&10, Concord, Ontario L4K 4P9	74,482
ReMax Ultimate Realty Inc.	1739 Bayview Avenue, Toronto, Ontario M4G 3C1	16,718
Reprodux Limited	1120 Brevik Place, Mississauga, Ontario L4W 3Y5	724
Right At Home Realty Inc.	895 Don Mills Rd., Ste 202, Toronto, Ontario M3C 1W3	10,678
Rosa Trading Ltd.	552 Wellington Street W #1203, Toronto, Ontario M5V 2V5	1
Royal Elite Realty Inc., Broker	7050 Woodbine Ave Unit101, Markham, Ontario L3R 4G8	16,198
Royal LePage - New Concept	1993 Leslie Street, Toronto, Ontario M3B 2M3	85,770
Royal LePage - Signature Real	8 Sampson Mews #201, Toronto, Ontario M3C 0H5	14,678
Ryan Property Tax Paralegal	640 - 10 Carlson Crt, Etobicoke, Ontario M9W 6L2	5,360
Safeline Management Systems	260 Spinnaker Way, Unit 9&10, Concord, Ontario L4K 4P9	9,074
Sebba Steel Construction Ltd.	PO Box 27, Gormley, Ontario L0H 1G0	86,075
Soberman Engineering Inc	55 St Clair Avenue W Ste 205, Toronto, Ontario M4V 2Y7	1,271
Stantec Consulting Ltd.	c/o Lockbox 310260, PO Box 578, Stn M Calgary, Alberta T2P 2J2	9,023
Stephenson's Rental Services	6895 Columbus Road, Mississauga, Ontario L5T 2G9	13,202
Strada Aggregates	30 Floral Parkway, Suite 400, Concord, Ontario L4K 4R1	36,999
The Odan/Detech Group Inc.	5230, South Service Rd, U#107, Burlington, Ontario L7L 5K2	6,526
The Treasurer, City of Toronto	55 John Street, 26th Floor, Metro Hall Toronto, Ontario M5V 3C6	486,245
Toronto Hydro-Electric System	Misc Accounts Receivable, 500 Commissioners Street Toronto, Ontario M4M 3N7	44,098
Tradeworld RealtyInc.	411 Dundas Street W., #202, Toronto, Ontario M5T 1G6	67,770
V.A. Siu Design Consultants	596 Queen Street W., #301, Toronto, Ontario M6J 1E3	96,050
Verdi Structures Inc	91 Parr Blvd., Bolton, Ontario L7E 4E3	775,180
Westmount Guarantee Services	600 Cochrane Drive, Ste 205, Markham, Ontario L3R 5K3	231,504
WSP Canada Inc.	c/o TX4022 C PO Box 4590 Stn A, Toronto, Ontario M5W 7B1	76,063
You-Go Rental & Sales	9418 The Gore Road, Brampton, Ontario L6P 0A8	2,809
Total - Unsecured and Lien Claims		64,091,776

*An amount of \$1.00 indicates that the amount due is undetermined or unknown.

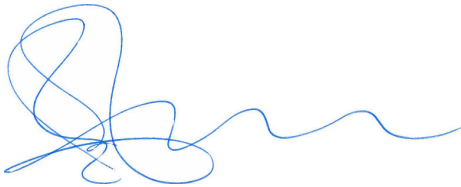
IN THE MATTER OF THE PROPOSAL OF YG LIMITED PARTNERSHIP

CONSENT

KSV RESTRUCTURING INC. hereby consents to act as Trustee under the Notice of Intention to Make a Proposal and/or Proposal to be filed by YG Limited Partnership.

DATED at Toronto, Ontario this 29th day of April, 2021.

KSV RESTRUCTURING INC.

A handwritten signature in blue ink, appearing to be 'Bobby Kofman', written over a horizontal line.

Per: _____

Name: Bobby Kofman

Title: Authorized Signing Officer



ksv advisory inc.

150 King Street West, Suite 2308

Toronto, Ontario, M5H 1J9

T +1 416 932 6262

F +1 416 932 6266

ksvadvisory.com

May 5, 2021

To: Creditors of YSL Residences Inc. (“YSL”)

We are writing to advise you that on April 30, 2021, YSL commenced restructuring proceedings by filing a Notice of Intention to Make a Proposal (“NOI”) pursuant to the *Bankruptcy and Insolvency Act* (“BIA”). A copy of the NOI and a preliminary listing of YSL’s creditors are attached. KSV Restructuring Inc. (“KSV”) has been appointed as the trustee under the NOI (the “Proposal Trustee”). KSV is also the proposal trustee of YG Limited Partnership, a partnership related to YSL that also filed an NOI on April 30, 2021.

Although the NOI proceedings are pursuant to the BIA, it is important to note that YSL is not bankrupt.

The principal purpose of these proceedings is to create a stabilized environment to allow YSL to prepare a proposal that provides creditors with a better result than they would receive through a bankruptcy.

At present, creditors are not required to file a proof of claim. The Proposal Trustee will provide you with further information, a proof of claim form and further instructions at a later date.

During the restructuring proceedings, among other things:

- no person may terminate or amend any agreement, including a security agreement, with YSL, or claim an accelerated payment, or a forfeiture of the term, under any agreement, including a security agreement, by reason only that YSL is insolvent or by reason of the filing of the NOI, pursuant to Section 65.1(1) of the BIA;
- no creditor has any remedy against YSL or its property or shall commence or continue any action, execution, or other proceedings against YSL, pursuant to Section 69.1(1) of the BIA; and
- to the extent applicable, suppliers should discuss directly with their usual YSL representative the terms of payment for ongoing goods and/or services that they provide to YSL.

If you have any questions after speaking with your contact at YSL, please contact Murtaza Tallat from the Proposal Trustee’s office at mtallat@ksvadvisory.com.

Yours very truly,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
TRUSTEE UNDER THE NOTICE OF INTENTION TO MAKE
A PROPOSAL OF YSL RESIDENCES INC.**



Industry Canada
Office of the Superintendent
of Bankruptcy Canada

Industrie Canada
Bureau du surintendant
des faillites Canada

District of Ontario
Division No. 09 - Toronto
Court No. 31-2734090
Estate No. 31-2734090

In the Matter of the Notice of Intention to make a proposal of:

YSL Residences Inc.

Insolvent Person

KSV RESTRUCTURING INC.

Licensed Insolvency Trustee

Date of the Notice of Intention:

April 30, 2021

CERTIFICATE OF FILING OF A NOTICE OF INTENTION TO MAKE A PROPOSAL
Subsection 50.4 (1)

I, the undersigned, Official Receiver in and for this bankruptcy district, do hereby certify that the aforementioned insolvent person filed a Notice of Intention to Make a Proposal under subsection 50.4 (1) of the Bankruptcy and Insolvency Act;

Pursuant to subsection 69. (1) of the Act, all proceedings against the aforementioned insolvent person are stayed as of the date of filing of the Notice of Intention.

Date: April 30, 2021, 22:54

E-File/Dépôt Electronique

Official Receiver

151 Yonge Street, 4th Floor, Toronto, Ontario, Canada, M5C2W7, (877)376-9902

Canada

FORM 33

Notice of Intention to Make a Proposal

[Subsection 50.4(1)]

**IN THE MATTER OF THE PROPOSAL OF YSL RESIDENCES INC., A
CORPORATION INCORPORATED PURSUANT TO THE LAWS OF ONTARIO**

TAKE NOTICE THAT:

1. **YSL Residences Inc.**, an insolvent person, pursuant to subsection 50.4(1) of the *Bankruptcy and Insolvency Act*, intends to make a proposal to its creditors.
2. **KSV Restructuring Inc.** of 150 King Street West, Suite 2308, Toronto, Ontario, a licensed trustee, has consented to act as trustee under the proposal and a copy of the consent is attached hereto.
3. A list of the names of the known creditors with claims amounting to \$250 or more and the amounts of their claims is attached.
4. Pursuant to section 69 of the *Bankruptcy and Insolvency Act*, all proceedings against YG Limited Partnership are stayed as of the date of filing this notice with the Official Receiver in its locality.

DATED at Toronto, Ontario this 29 day of April, 2021.

YSL RESIDENCES INC.

Per: 

Name:

Daniel Casey

Title:

President

IN THE MATTER OF THE NOTICE OF INTENTION TO MAKE A PROPOSAL OF
YSL RESIDENCES INC.
OF THE CITY OF TORONTO, IN THE PROVINCE OF ONTARIO

Preliminary List of Creditors as at April 29, 2021, as submitted by YSL Residences Inc.
without admission as to any liability or privilege herein shown
(Unaudited)

Creditor	Address	Amount (\$)
<u>Secured</u>		
Timbercreek Mortgage Servicing Inc.	25 Price Street, Toronto, Ontario M4W 1Z1	106,798,989
Total - Secured		<u>106,798,989</u>

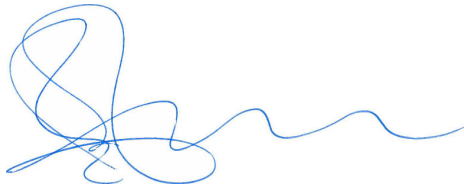
IN THE MATTER OF THE PROPOSAL OF YSL RESIDENCES INC.

CONSENT

KSV RESTRUCTURING INC. hereby consents to act as Trustee under the Notice of Intention to Make a Proposal and/or Proposal to be filed by YSL Residences Inc.

DATED at Toronto, Ontario this 29th day of April, 2021.

KSV RESTRUCTURING INC.

A handwritten signature in blue ink, appearing to be 'Bobby Kofman', written over a horizontal line.

Per: _____

Name: Bobby Kofman

Title: Authorized Signing Officer

Appendix “C”



FINNEGAN | MARSHALL

326 DAVENPORT ROAD, SUITE 200
TORONTO M5R 1K6

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

May 3rd, 2021

Attn: Bobby Koffman

RE: [YSL project, Toronto, ON](#)

Dear Sir,

KSV Restructuring Inc. ("KSV") has advised that they have been appointed as Proposal Trustee for the YSL project on the south/east corner of Yonge & Gerrard. The project comprises generally of an 86-storey tower with 6 levels of underground with 1,106 residential condo suites, approximately 96,000sf office, 60,000sf retail and 251 parking stalls. Sales of the condominiums are partially undertaken, and there is also an agreement with Ryerson University for some of the office space. Construction has also commenced with the heritage exterior wall structure retention work in place and shoring and excavation underway.

KSV have requested that Finnegan Marshall ("FM") review pertinent project documentation and prepare a report that will provide the sales price for the project on an as-is basis after assessing the project budget, project revenue and resultant profitability.

CBRE has prepared a land appraisal and FM will review the appraisal and opine on the land value therein. FM will also review a prior appraisal prepared by CBRE and explain the reasons for the reduction in value in the current appraisal vs the former appraisal, to the extent possible.

Our approach will be as follows:

1. Project Revenue – prepare a projection of the overall sales revenue based on retaining the existing sales, selling the unsold condo units/parking stalls/storage lockers at market price, completing the sale to Ryerson, leasing the remaining commercial space at market rents, and providing for a capitalized value for sales disposal of same. Any miscellaneous additional income such as closing recoveries will be accounted for. To be deducted from the sales revenue will be all purchaser deposits previously used to pay for project costs.
2. Project Budget – prepare a detailed project budget addressing all land, hard and soft costs. In this regard, the land cost will be as advised by KSV as being the proposed purchase price by the land vendor of the project which is understood to be equal to the sum of all secured creditors and lien claimants plus 58cents to the dollar for unsecured creditors. FM will prepare a detailed trade by trade division 16 construction budget taking into account work already completed, any prior construction contracts and whether same can be maintained with those trades taking into account prevailing market costs. If the costs are no longer applicable, FM will adjust the construction costs based on prevailing market costs. FM will also prepare a detailed budget for all soft costs taking into account costs already expended and those left to complete the project.



FINNEGAN | MARSHALL

326 DAVENPORT ROAD, SUITE 200
TORONTO M5R 1K6

3. Source of Funding – a key element for the budget preparation will be to calculate the projected capital stack to be available to finance the budget, especially considering that a large amount of the residential deposits are not available as they have been already used. This will impact equity requirements and IRR return for the new vendor and is an important consideration.
4. Executive Summary providing the profit return and its comparison to market.

To undertake this report, to the extent available, we will require receipt of the following documentation:

1. Project drawings.
2. Cost Ledger for project costs incurred to date including making available certain more recent invoices we will want to see that will indicate status of contact billings. So, as we know what balance is left to complete.
3. Accounts payable listing.
4. Sales Summary of suites/parking stalls/storage lockers sold and unsold.
5. Copy of standard Purchase & Sale Agreement to understand deposit structure and closing recoveries.
6. Summary of Co-Broker sales commissions.
7. Zoning By-Law.
8. Section 37 agreement.
9. Ryerson purchase and sale agreement for office.
10. Realty Tax invoices for interim 2021.
11. Tieback & Neighbour Agreements.
12. Construction contracts.
13. Geotechnical, Hydro Geotechnical & Environmental Reports.
14. All building permits issued.
15. Insurance certificates summarizing existing coverage.

There may be some other items, but the foregoing are the primary ones.

Our fees to complete this report will be billed on an hourly basis. We will provide you with a list of our hourly rates for the staff we intend to use on this report as well as a fee projection.

Our timeline to complete our report will be 3 weeks from date of authorization to proceed and we will try to complete it in a shorter timeframe.

FM will also advise whether it is possible that a developer would consider terminating all existing APSs and whether a higher a better price could be achieved through an alternative development.

I trust I have addressed the necessary points, but if not, please advise.

Yours Truly,

FINNEGAN MARSHALL INC.

Per: Niall Finnegan