

Court File No. CV-20-00643617-00CL

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

B E T W E E N:

CENTURION MORTGAGE CAPITAL CORPORATION

Applicant

- and -

1001 Broadview Avenue Inc.

Respondent

**APPLICATION UNDER section 243 of the *Bankruptcy and Insolvency Act*,
R.S.C. 1985, c. B-3, as amended, and under section 101 of the
Courts of Justice Act, R.S.O. 1990, c. C.43**

**BDO CANADA LIMITED
IN ITS CAPACITY AS PROPOSED RECEIVER OF
1001 BROADVIEW AVENUE INC.**

July 10, 2020

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INTRODUCTION AND PURPOSE OF THIS REPORT

Introduction

1. BDO Canada Limited (“**BDO**”) understands that an Application will be made before the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) by Centurion Mortgage Capital Corporation (“**Centurion**” or the “**Lender**”), for an order (“**Receivership Order**”) that will among other things appoint BDO as a Receiver and Manager (the “**Proposed Receiver**”) to exercise the powers and duties set out in the Receivership Order, pursuant to section 243(1) of the *Bankruptcy and Insolvency Act* (“**BIA**”), and section 101 of the *Courts of Justice Act* R.S.O. 1990 c. C43, as amended, over the real property of 1001 Broadview Avenue Inc. (“**1001 Broadview**” or the “**Company**”).
2. BDO is a licensed insolvency trustee with the meaning of section 2 of the BIA and has consented to act as Receiver in these proceedings in the event that this Court grants the relief sought by the Lender. We are writing this pre-filing report as the Proposed Receiver of 1001 Broadview (“**Pre-Filing Report**”).
3. The property consists of land located at 995, 997, 999, 1001, 1003 and 1005 Broadview Avenue along with 2 and 4 Mortimer Avenue, Toronto, Ontario (collectively the “**Property**” or “**1001 Broadview Residences**”). The Property is a pre-construction proposed residential condominium development. Legal descriptions of the Property, are included hereto as **Appendix “A”**.
4. Pursuant to the proposed Receivership Order, the Receiver would be authorized to sell, convey, transfer, lease or assign any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver, in its discretion, may deem appropriate.

Purpose of this Report

5. The purpose of the Proposed Receiver's Pre-Filing Report is to provide information to the Court with respect to:
 - (a) certain background information concerning 1001 Broadview; and
 - (b) the Proposed Receiver's request for an Order of this Court that upon its appointment as Receiver, the Court approves the Proposed Receiver's recommended process for the sale of the Property (the "Sale Process"), as set out in this Pre-Filing Report.

Disclaimer

6. In preparing this Report and conducting its analysis and recommendations, the Proposed Receiver has obtained and relied upon information provided to it by the Lender. The Proposed Receiver's procedures did not constitute an audit or review engagement of the Company's financial reporting or other verification of such information. The Proposed Receiver has relied upon financial statements and other records of the Company in reaching the conclusions set out in this Report.
7. Unless otherwise stated, all monetary amounts contained in this Report are expressed in Canadian dollars.

BACKGROUND

Property Description

8. The Property consists of 8 parcels of land on the north east corner of the intersection of Broadview Avenue and Mortimer Avenue in Toronto, Ontario. The Company acquired the Property in July and September 2017. To date, 1001 Broadview has not commenced construction nor has it entered into any pre-construction agreements of purchase and sale for any units.
9. The Property consists of land located at 995-1005 Broadview Avenue and 2&4 Mortimer Avenue. The Property was intended to be built as a 10-storey mixed-use building, containing 111 dwelling units.

Pursuant to the development updates, the proposal was revised to a 7-storey building with 51 condominium units (the “**Project**”). Publically available information regarding 1001 Broadview Residences indicates that the residential units would range from 770 to 2,500 square feet. The Project was to have contemporary architecture and interior designs, along with spacious sun decks or terraces and large windows with modern glass panels. The Property is accessible by motor vehicle, with sufficient planned parking spots and there are several public transportation options nearby. Grocery stores, schools, parks and pharmacies are within walking distance. The Project remains in pre-construction and in a pre-sale phase.

10. According to the corporate profile report, the Company was incorporated in July, 2017 and Mr. Khashayar Khavari (“**Khavari**”) is listed as the sole officer and director of 1001 Broadview. 1001 Broadview’s corporate address is listed as 18 Dupont Street, Toronto, Ontario.

Centurion and other Secured Parties

11. As noted in the Affidavit of H. Bob Vavaroutsos sworn on July 10, 2020 (the “**Vavaroutsos Affidavit**”) and filed in support of the request for the relief of a Receivership Order, Centurion agreed to loan the principal sum of \$7.7 million to the Company in the form of a 12 month mortgage loan (the “**Loan**”). The purpose of the Loan was to refinance an existing mortgage to allow the Company with time to complete zoning amendments, obtain site plan approval and site preparations for the Project. Centurion’s charge against the Property was registered on December 21, 2018.
12. As security for the Loan indebtedness and obligations to Centurion, 1001 Broadview provided security which includes, without limitation (collectively, the “**Security**”): (i) a registered first mortgage in the amount of \$44 million, (ii) a first ranking general security agreement; (iii) a general assignment of rents and (iv) an absolute and unconditional personal guarantee, from Khavari (the “**Guarantor**”).
13. A prior charge is listed on the Property for \$5 million by 1001 Broadview Investment Inc. (“**Investment Inc.**”), a party related to 1001 Broadview, which according to documents provided, is

subject to a Subordination and Standstill Agreement in order to allow Centurion to be the first ranking lender. Investment Inc.'s charge against the Property was filed at the time of the purchase.

14. For ease of reference, set out below is a summary of the charges that are registered against the Property:

Property Identification No.	Secured Creditor	Instrument	Charge
10399-0076/10399-0081/10399-0080/10399-0079/10399-0077/10399-0078 (LT)	Centurion	AT5041028	\$44,000,000
10399-0076/10399-0081/10399-0080/10399-0079/10399-0077/10399-0078 (LT)	1001 Broadview Investment Inc.	AT4671585	\$ 5,000,000

15. 1001 Broadview failed to repay the Loan when it matured on January 1, 2020 and as a result is in default of the terms of the Loan. According to the Vavaroutsos Affidavit, Centurion is owed in excess of \$8,067,628.87 as at July 1, 2020, together with accruing interest and costs.
16. Additional background information relating to the Company and the events leading to the issuance of the Receivership Order can be found in paragraphs 19 to 25 of the Vavaroutsos Affidavit, a copy of which is annexed hereto (without exhibits) as **Appendix "B"**.

PROPOSED ACTIVITIES OF THE RECEIVER, SHOULD A RECEIVER BE APPOINTED

Statutory Duties

17. The Receiver will prepare and issued the prescribed Notice and Statement of the Receiver pursuant to sections 245 (1) and 246 (1) of the *Bankruptcy and Insolvency Act*, which will be forwarded to the Office of the Superintendent of Bankruptcy and the Company's creditors.

The Property

18. If appointed, the Receiver, through legal counsel, will register the Receivership Order against title to the Property at the land registry office.

19. The Receiver will communicate with the insurance broker to confirm that the current insurance policy is effective and adequate in the circumstances, and have the Receiver be included as an “additional insured” and “loss payee” under the Company’s existing insurance policy.
20. The Receiver will review any environmental and consultant’s reports obtained from 1001 Broadview to better understand the Property and Project.
21. Further, the Receiver plans, according to the draft Receivership Order, to market or solicit offers, or negotiate terms and conditions of sale, in respect of the Property.

PROPOSED MARKETING AND SALE PROCESS

22. Centurion has obtained, and shared with the Proposed Receiver, listing proposals in respect of the Property from: (i) Avison Young (“Avison”) and (ii) Jones Lang LaSalle Real Estate Services Inc (“JLL”). Each of the listing proposals contained a sale commission structure, proposed marketing efforts and relevant experience. Both parties recommended the Property be listed unpriced. The table below summarizes the salient details of the listing proposals.

Summary of Listing Proposals		
	Avison	JLL
Commission Structure	2% + HST including cooperating broker	2% + HST for a direct sale and 2.5% where a cooperating broker is involved
Listing Term	4 months	6 months
Suggested Listing Price	Unpriced	Unpriced
Adverting on MLS	Yes	Yes
Advertising on Social media	Yes	Yes
Relevant Experience	Extensive	Extensive

22. After reviewing each of the listing proposals, the realtor’s respective experience and discussions with the real estate brokerage firms, the Proposed Receiver recommends, should it be appointed, it sign a 4-month listing agreement with Avison to list the Property for sale. A copy of the proposed listing agreement with Avison is attached hereto as **Appendix “C”**.
23. Avison’s proposal provided a description of the proposed marketing efforts which included:
 - (a) listing the Property for sale on MLS;

- (b) sending email blasts to potential purchasers and to other brokerage firms;
 - (c) advertising in the Globe & Mail newspaper;
 - (d) designing marketing brochures and teasers for the Property;
 - (e) preparation of a detailed offering memorandum;
 - (f) preparation of an online data room with pertinent information; and
 - (g) calling various contacts.
26. The Proposed Receiver is of the view that the proposed Sale Process represents a reasonable and commercially efficient process, which allows a sufficient opportunity to optimize the chances of securing the best possible price for the Property for the benefit of all creditors and other stakeholders of the Company.
27. The Proposed Receiver is seeking this Court's approval to enter into a 4-month listing agreement with Avison.

SUMMARY AND RECOMMENDATIONS

28. In the circumstances, the Proposed Receiver is satisfied that the proposed Sale Process represents the most efficient and fair process to be administered that will sufficiently expose the Project for sale to the marketplace to generate the maximum value for the Project. Furthermore, the Proposed Receiver's recommendation is supported by the Company's secured lender, Centurion.
29. Accordingly, the Proposed Receiver respectfully requests an order:
- (a) approving this First Report of Proposed Receiver's and its planned activities as set out herein;
and
 - (b) approving the Proposed Receiver's proposed Sale Process as described herein.

All of which is respectfully submitted this 10th day of July, 2020.

**BDO CANADA LIMITED,
in its capacity as the Proposed Court-appointed Receiver of
1001 Broadview Avenue Ltd., and not in its personal or corporate
capacity**

Per:

A handwritten signature in blue ink, appearing to read "J. Parisi". The signature is written in a cursive, flowing style.

Name: Josie Parisi, CPA, CA, CBV, CIRP, LIT
Title: Senior Vice-President

Appendix A**10399-0082 (LT)**

PCL 2-3 SEC M439; PT LT 2 PL M439 EAST YORK; PT LT 3 PL M439 EAST YORK; PT LT 4 PL M439 EAST YORK; PT LT 168 PL M439 EAST YORK COMM AT A POINT IN THE N LIMIT OF MORTIMER AV DISTANT WLY THEREON 26 FT 9 INCHES FROM THE SE ANGLE OF LT 168; THENCE NLY TO THE S END OF THE CENTRE LINE OF PARTY WALL BTN THE HOUSE ON THIS LAND AND THE HOUSE ON THE LAND TO THE E THEREOF, AND CONTINUING NLY TO THE N END THEREOF AND CONTINUING STILL NLY IN A STRAIGHT LINE IN ALL A DISTANCE OF 109 FT 3 INCHES MORE OR LESS TO A POINT IN THE W LIMIT OF SAID LT DISTANT SLY THEREON 24 FT 11 1/2 INCHES FROM THE NW ANGLE OF SAID LT 168; THENCE SLY ALONG THE W LIMIT OF SAID LT 168 A DISTANCE OF 10 FT 10 1/2 INCHES MORE OR LESS TO THE NE ANGLE OF LT 2; THENCE WLY ALONG THE N LIMIT OF LT 2 A DISTANCE OF 19 FT 5 1/4 INCHES MORE OR LESS TO A POINT THEREIN DISTANT WLY 49 FT FROM THE E LIMIT OF SAID LT 168 AND AT RIGHT ANGLES THEREFROM; THENCE SLY IN A STRAIGHT LINE PARALLEL WITH THE E LIMIT OF SAID LT 168 AND DISTANT WLY 49 FT AT RIGHT ANGLES THEREFROM A DISTANCE OF 98 FT 10 3/4 INCHES MORE OR LESS TO A POINT IN THE N LIMIT OF MORTIMER AV; THENCE ELY ALONG THE N LIMIT OF MORTIMER AV 22 FT 3 INCHES MORE OR LESS TO THE POB; TORONTO , CITY OF TORONTO

Address: 2 Mortimer Avenue, Toronto, ON

10399-0074 (LT)

PCL 168-1 SEC M439; PT LT 168 PL M439 EAST YORK COMM AT A POINT IN THE N LIMIT OF MORTIMER AV DISTANT WLY THEREON 26 FT 9 INCHES FROM THE SE ANGLE OF SAID LT 168; THENCE NLY TO THE S END OF THE CENTRE LINE OF PARTY WALL BTN THE HOUSE ON THE LAND NOW BEING DESCRIBED AND THE HOUSE ON THE LAND TO THE W THEREOF, AND CONTINUING NLY TO THE N END THEREOF AND CONTINUING STILL NLY IN A STRAIGHT LINE IN ALL 109 FT 3 INCHES MORE OR LESS TO A POINT IN THE W LIMIT OF SAID LT 168 DISTANT SLY THEREON 24 FT 11 1/2 INCHES FROM THE NW ANGLE OF SAID LT 168; THENCE NLY ALONG THE W LIMIT OF SAID LT 168 TO THE NW ANGLE THEREOF; THENCE ELY ALONG THE N LIMIT OF SAID LT 168 TO THE NE ANGLE THEREOF; THENCE SLY ALONG THE E LIMIT OF SAID LT 168 TO THE SE ANGLE THEREOF; THENCE WLY ALONG THE N LIMIT OF MORTIMER AV 26 FT 9 INCHES TO THE POINT OF COMMENCEMENT; TORONTO , CITY OF TORONTO

Address: 4 Mortimer Avenue, Toronto, ON

10399-0081 (LT)

PCL 4-1 SEC M439; PT LT 4 E/S DON MILLS RD PL M439 EAST YORK; PT LT 168 N/S MORTIMER AV PL M439 EAST YORK COMM AT A POINT IN THE E LIMIT OF DON MILLS RD DISTANT SLY THEREON 16 FT 3 3/4 INCHES FROM THE NW ANGLE OF SAID LT 4 THENCE ELY TO THE W END OF THE CENTRE LINE OF PARTY WALL BTN THE STORE ON THE LAND HEREIN DESCRIBED AND THE STORE ON THE LAND TO THE N THEREOF AND CONTINUING ELY ALONG SAID CENTRE LINE TO THE E END THEREOF AND CONTINUING STILL ELY IN A STRAIGHT LINE IN ALL 124 FT 6 INCHES MORE OR LESS TO A POINT DISTANT 14 FT 6 1/2 INCHES NLY FROM THE N LIMIT OF MORTIMER AV ALONG A LINE DRAWN PARALLEL WITH THE E LIMIT OF LT 168 ON SAID PL M439, AND DISTANT WLY 49 FT AT RIGHT ANGLES THEREFROM; THENCE SLY PARALLEL WITH THE E LIMIT OF SAID LT 168, 14 FT 6 1/2 INCHES TO A POINT IN THE N LIMIT OF MORTIMER AV; THENCE WLY ALONG THE N LIMIT OF MORTIMER AV, 123 FT 5 INCHES MORE OR LESS TO THE SW ANGLE OF SAID LT 4; THENCE ALONG THE SW LIMIT OF SAID LT 4, TO THE W ANGLE THEREOF AND THE E LIMIT OF DON MILLS RD; THENCE NLY ALONG THE E LIMIT OF DON MILLS RD 10 FT 5 INCHES MORE OR LESS TO THE POC; T/W PT LT 2 PL M439 OVER PTS 6, 7, 8, 9 66R17037, AS IN C991124 (S/T C544802, C628541); S/T PT 16 66R17037, AS IN E285156; TORONTO , CITY OF TORONTO

Address: 995 Broadview Avenue, Toronto, ON

10399-0080 (LT)

PCL 3-2 SEC M439; PT LT 3 PL M439 EAST YORK; PT LT 4 PL M439 EAST YORK COMM AT A POINT IN THE E LIMIT OF DON MILLS RD DISTANT SLY THEREON, 16 FT 3 $\frac{3}{4}$ INCHES FROM THE NW ANGLE OF SAID LT 4; THENCE ELY TO THE W END OF THE CENTRE LINE OF THE PARTY WALL BTN THE STORE ON THE LAND NOW BEING DESCRIBED AND THE STORE ON THE LAND TO THE S THEREOF, AND CONTINUING ELY ALONG SAID CENTRE LINE TO THE E END THEREOF AND CONTINUING STILL ELY IN A STRAIGHT LINE, IN ALL 124 FT 6 INCHES MORE OR LESS TO A POINT DISTANT 14 FT 6 $\frac{1}{2}$ INCHES NLY FROM THE N LIMIT OF MORTIMER AV ALONG A LINE DRAWN PARALLEL WITH THE E LIMIT OF LT 168 ON SAID PL M439 AND DISTANT WLY 49 FT AT RIGHT ANGLES THEREFROM; THENCE NLY PARALLEL WITH THE E LIMIT OF SAID LT 168, 17 FT 11 $\frac{1}{2}$ INCHES TO A POINT; THENCE WLY IN A STRAIGHT LINE, 116 FT 2 INCHES MORE OR LESS TO A POINT IN THE E LIMIT OF DON MILLS RD, DISTANT NLY THEREON 2 FT 2 $\frac{1}{4}$ INCHES FROM THE NW ANGLE OF SAID LT 4. THENCE SLY ALONG THE E LIMIT OF DON MILLS RD, 18 FT 6 INCHES MORE OR LESS TO THE POC; THE W LIMIT OF THESE LANDS IS CONFIRMED BY BA PL 379, REGISTERED IN THIS OFFICE AS D163. T/W A ROW OVER THE SLY 1 FT IN PERPENDICULAR WIDTH OF THE LAND IMMEDIATELY ADJOINING TO THE N BY A DEPTH OF 60 FT ELY FROM THE E LIMIT OF DON MILLS RD. S/T A ROW OVER THE NLY 1 FT IN PERPENDICULAR WIDTH OF THE LAND HEREIN DESCRIBED BY A LIKE DEPTH. SAID TWO RIGHTS OF WAY TO FORM A COMMON SIDE ENTRANCE FOR USE IN COMMON BY THE OWNERS AND OCCUPANTS FROM TIME TO TIME ON EITHER SIDE THEREOF. T/W PT LT 2 PL M439 OVER PTS 6, 7, 8, 9 66R17037, AS IN C991124 (S/T C544802, C628541); S/T PT 14 66R17037, AS IN E285156; TORONTO , CITY OF TORONTO

Address: 997 Broadview Avenue, Toronto, ON

10399-0079 (LT)

PCL 3-1 SEC M439; PT LT 3 E/S BROADVIEW AV PL M439 EAST YORK; PT LT 4 E/S BROADVIEW AV PL M439 EAST YORK COMM AT A POINT IN THE E LIMIT OF BROADVIEW AV DISTANT SLY THEREON 17 FT 8 INCHES FROM THE NW ANGLE OF LT 3; THENCE ELY TO THE W END OF THE CENTRE LINE OF PARTY WALL BTN THE HOUSE ON THE LAND NOW BEING DESCRIBED AND THE HOUSE ON THE LAND TO THE N THEREOF AND CONTINUING ELY ALONG SAID CENTRE LINE TO THE E END THEREOF AND CONTINUING STILL ELY IN A STRAIGHT LINE IN ALL 108 FT 9 INCHES MORE OR LESS TO A POINT DISTANT 50 FT 8 INCHES NLY FROM THE N LIMIT OF MORTIMER AV ALONG A SAID LINE DRAWN PARALLEL WITH THE E LIMIT OF LT 168 ON SAID PL AND DISTANT WLY 49 FT AT RIGHT ANGLES THEREFROM; THENCE SLY PARALLEL WITH THE E LIMIT OF LT 168 A DISTANCE OF 18 FT 2 INCHES TO A POINT; THENCE WLY IN A STRAIGHT LINE 116 FT 2 INCHES MORE OR LESS TO A POINT IN THE E LIMIT OF BROADVIEW AV DISTANT NLY THEREON 2 FT 2 $\frac{1}{4}$ INCHES FROM THE SW ANGLE OF SAID LT 3; THENCE NLY ALONG THE E LIMIT OF BROADVIEW AV 16 FT 10 $\frac{1}{2}$ INCHES MORE OR LESS TO THE POB; T/W A ROW OVER THE NLY 1 FT IN PERPENDICULAR WIDTH OF THE LAND IMMEDIATELY ADJOINING TO THE S BY A DEPTH OF 60 FT ELY FROM THE E LIMIT OF BROADVIEW AV; S/T A ROW OVER THE SLY 1 FT IN PERPENDICULAR WIDTH OF THIS LAND BY A LIKE DEPTH, SAID TWO RIGHTS OF WAY TO FORM A COMMON SIDE ENTRANCE FOR USE IN COMMON BY THE OWNERS AND OCCUPANTS FROM TIME TO TIME ON EITHER SIDE THEREOF; T/W PT LT 2 PL M439 OVER PTS 6, 7, 8, 9 66R17037, AS IN C991124 (S/T C544802, C628541); S/T PT 12 66R17037, AS IN E285156; TORONTO , CITY OF TORONTO

Address: 999 Broadview Avenue, Toronto, ON

10399-0078 (LT)

PCL 2-4 SEC M439; PT LT 2 E/S BROADVIEW AV PL M439 EAST YORK; PT LT 3 E/S BROADVIEW AV PL M439 EAST YORK ; THE WLY BOUNDARY OF THESE LANDS IS CONFIRMED BY BA PLAN 379, REGISTERED IN THIS OFFICE AS D163; T/W PT LT 2 PL M439 OVER PTS 6, 7, 8, 9 66R17037, AS IN C991124 (S/T C544802, C628541); S/T PT 10 66R17037, AS IN E285156; CITY OF TORONTO

Address: 1001 Broadview Avenue, Toronto, ON

10399-0077 (LT)

PCL 2-1 SEC M439; PT LT 2 E/S DON MILLS RD PL M439 EAST YORK PTS 5, 6, 7, 8, 9 66R17037; T/W A ROW OVER SO MUCH OF THE HEREINAFTER DESCRIBED DRIVEWAY AS IS NOT INCLUDED WITHIN THE LIMITS OF THESE LANDS; S/T A ROW OVER SO MUCH OF THE HEREINAFTER DESCRIBED DRIVEWAY AS IS INCLUDED WITHIN THE LIMITS OF THESE LANDS AND WHICH SAID DRIVEWAY IS FOR USE IN COMMON BY THE OWNERS AND OCCUPANTS, FROM TIME TO TIME, OF THE HOUSE AND STORE PREMISES SITUATE ON LTS 2, 3, AND 4 AND THE WLY PORTION OF LT 168 ON SAID PLAN AND IS DESCRIBED AS COMM AT A POINT IN THE N LIMIT OF MORTIMER AV DISTANT 47 FT WLY THEREON FROM THE SE ANGLE OF SAID LT 168; THENCE NLY IN A STRAIGHT LINE PARALLEL TO THE E LIMIT OF SAID LT 168, 81 FT 10 INCHES; THENCE WLY PARALLEL WITH THE N LIMIT OF MORTIMER AV 9 FT; THENCE SLY IN A STRAIGHT LINE TO A POINT IN THE NLY LIMIT OF MORTIMER AV, DISTANT 56 FT WLY THEREON FROM THE SE ANGLE OF SAID LT 168; THENCE ELY ALONG THE N LIMIT OF MORTIMER AV 9 FT TO THE POB; S/T PT 7 66R17037 AS IN C991121; T/W PT LT 2 PL M439 OVER PT 3 66R17037, AS IN C991122 (S/T C544802, C628541); T/W PT LT 2 PL M439 OVER PTS 2, 3, 4 66R17037, AS IN C991123 (S/T C544802, C628541); S/T PTS 6, 7, 8, 9 66R17037, AS IN C991124; T/W PTS 10, 12, 14, 16 66R17037, AS IN E285156; TORONTO , CITY OF TORONTO

Address: 1003 Broadview Avenue, Toronto, ON

10399-0076 (LT)

PCL 2-2 SEC M439; PT LT 2 E/S BROADVIEW AV PL M439 EAST YORK PTS 1, 2, 3, 4 66R17037; T/W ROW OVER THE HEREINAFTER DESCRIBED DRIVEWAY, WHICH SAID DRIVEWAY IS FOR USE IN COMMON BY THE OWNERS AND OCCUPANTS FROM TIME TO TIME OF THE HOUSE AND STORE PREMISES SITUATE ON LTS 2, 3, 4, & THE WESTERLY PORTION OF LT 168 PL M439 COMM AT A POINT IN THE N LIMIT OF MORTIMER AV DISTANT WLY THEREON 47 FT FROM THE SE ANGLE OF LT 168; THENCE NLY IN A STRAIGHT LINE PARALLEL WITH THE E LIMIT OF LT 168 A DISTANCE OF 81 FT 10 INCHES; THENCE WLY PARALLEL WITH THE N LIMIT OF MORTIMER AV 9 FT; THENCE SLY IN A STRAIGHT LINE TO A POINT IN THE N LIMIT OF MORTIMER AV DISTANT WLY THEREON 56 FT FROM THE SE ANGLE OF SAID LT 168; THENCE ELY ALONG THE N LIMIT OF MORTIMER AV 9 FT MORE OF LESS TO THE POB; T/W PT LT 2 PL M 439, PT 7 66R17037, AS IN C991121; S/T PT 3 66R17037 AS IN C991122; S/T PTS 2, 3, 4 66R17037 AS IN C991123; T/W PTS 10, 12, 14, 16 66R17037 AS IN E285156; TORONTO , CITY OF TORONTO

Address: 1005 Broadview Avenue, Toronto, ON

Appendix B

Court File No.: CV-20-00643617-00CL

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

IN THE MATTER OF Section 101 of the
Courts of Justice Act and Section 243 of the *Bankruptcy and Insolvency Act*

BETWEEN:

CENTURION MORTGAGE CAPITAL CORPORATION

Applicant

-and-

1001 BROADVIEW AVENUE INC.

Respondent

AFFIDAVIT OF H. BOB VAVAROUTSOS

I, **H. BOB VAVAROUTSOS** of the city of Toronto, in the Province of Ontario **MAKE OATH AND SAY:**

1. I am a Senior Director of Mortgage Investments and Joint Ventures of the Applicant, Centurion Mortgage Capital Corporation (the "**Lender**" or "**Centurion**") and, as such, have knowledge of the matters contained in this Affidavit.

2. I am making this affidavit in support of an application by the Lender for the appointment of BDO Canada Limited (the "**Receiver**"), as receiver and manager of the properties owned by 1001 Broadview Avenue Inc. (the "**Borrower**"), that are municipally known as 995-1001, 1003

& 1005 Broadview Avenue, Toronto, Ontario and 2&4 Mortimer Avenue (collectively the "**Property**") Where this affidavit is based on information received from others, I verily believe that information to be true.

The Parties

3. Centurion is an Ontario Corporation, carrying on business in Ontario as, among other things, a commercial mortgage lender. A corporate profile report for Centurion is attached as **Exhibit "1"**.

4. The Borrower is an Ontario company with its registered office located at 18 Dupont Street, Toronto, Ontario. The Borrower is the owner of the Property. The Borrower is a single purpose entity that is being used for the purpose of redeveloping the Property. A copy of the Borrower corporate profile report is attached as **Exhibit "2"**.

The Property

5. The Property is an assembly of 8 parcels of land on the north east corner of Broadview Avenue and Mortimer Avenue in Toronto, Ontario. The Borrower acquired the parcels that make up the Property in July and September 2017. A copy of the parcel registers that form the Property are attached as **Exhibit "3"**.

6. The Borrower planned to construct a condominium project on the Property (the "**Project**"). To date, the Borrower has not commenced construction of the Project nor has the Borrower entered into any pre-construction agreements of purchase and sale for any units in the Project.

The Loan

7. Pursuant to the terms of the Commitment Letter dated December 13, 2018 (the “**Commitment**”), the Lender agreed to loan the principal sum of \$7,700,000 to the Borrower in the form of a 12 month mortgage loan (the “**Loan**”). The purpose of the Loan was to refinance an existing mortgage to provide the Borrower time to complete the zoning amendment, site plan approval and site preparation for the Project.

8. In support of the Loan, Centurion obtained, among other things, the following security:

- a. a first Charge/Mortgage in the amount of \$44,000,000 registered on title to the Property as instrument number AT5041028 (the “**Centurion Mortgage**”);
- b. a Notice of Assignment of Rents - General registered on title to the Property as instrument number AT5041029 (the “**Assignment of Rents**”); and
- c. a General Security Agreement dated December 20, 2018 (the “**GSA**”).

Copies of the Mortgage, the Assignment of Rents and the GSA are attached as **Exhibits “4”, “5”** and “**6**”.

9. On December 17, 2018, the Lender made a registration pursuant to the *Personal Property Security Act* (the “**PPSA**”) with respect to all present and future security interests with respect to the Property. A copy of the Lender’s PPSA registrations are attached as **Exhibit “7”**.

10. The principal of the Borrower, Khashaya Khavari (the “**Guarantor**”), also provided the Lender an absolute and unconditional guarantee in respect of the full amount of the indebtedness under the Loan, dated December 20, 2018 (the “**Guarantee**”). A copy of the Guarantee is attached as **Exhibit “8”**.

11. The Mortgage secured the principal sum of \$7,700,000 together with interest at a rate of

the greater of: (i) RBC prime + 5.05%; or (ii) 9.00% per annum, calculated, compounded and payable monthly, not in advance.

12. The Centurion Mortgage provides for the following events of default, among others:

- a. the Borrower fails to pay when due any amount due under the Loan, whether on account of principal, interest, fee or otherwise;
- b. the Borrower fails to make payment of property taxes when due; and
- c. the Borrower or Guarantor fails to pay or perform any covenants or agreements under the Loan or Mortgage.

13. Section 35 of the Centurion Mortgage provides that on default, Centurion is entitled to demand payment of the full amount owing on the Loan due immediately.

14. Section 38 of the Additional Provisions of the Mortgage and section 6.02 of the GSA permit the Lender to appoint a receiver in respect of the Property, in the event that the Borrower is in default of the Loan.

The Investment Inc. Mortgage

15. 1001 Broadview Investment Inc. ("**Investment Inc.**") holds a \$5,000,000 second mortgage registered on title to the Property as instrument number AT4671585 (the "**Investment Inc. Mortgage**"). A copy of the Investment Inc. Mortgage is attached as **Exhibit "9"**.

16. Investment Inc. is a related company to the Borrower. At the time the Loan was made, the Lender was advised that the purpose of the Investment Inc. Mortgage is to secure the Borrower's equity in the Project. As will be described in more detail below, the Lender has now discovered that the purpose and ownership of the Investment Inc. Mortgage may have been misrepresented to the Lender.

17. The Investment Inc. Mortgage was postponed to the Centurion Mortgage pursuant to the Postponement of Interest registered as instrument number AT5041052. A copy of the Postponement of Interest is attached as **Exhibit “10”**.

18. In addition to postponing to the Centurion Mortgage, Investment Inc. also entered into a Subordination and Standstill Agreement with the Lender which prevents Investment Inc. from enforcing its security without first having obtained the written consent of the Lender (the "**Standstill Agreement**"). A copy of the Standstill Agreement is attached as **Exhibit “11”**.

The Default on the Loan

19. The Borrower breached the terms of the Loan and applicable security by, among other things:

- a. failing to repay the outstanding amount owing on the Loan on its maturity date of January 1, 2020; and
- b. failing to pay the monthly interest payments following the maturity date of the Loan. Upon maturity, the Lender applied a full interest payment of \$57,750.00 for January 2020 and a partial interest payment of \$9,696.34 from the funds that remained in the Loan's interest reserve. The Borrower has not made any other payments to the Lender since these funds were applied to the Loan.

20. In addition to the above events of default, the Borrower has allowed significant property tax arrears to accrue in breach of the terms of the Loan. As at July 6, 2020 the Property Tax owing, inclusive of interest, in respect of the Property was \$146,291.19. Copies of statements of the property tax arrears for the Property are attached as **Exhibit “12”**.

The Demand For Repayment of the Loan.

21. By letter dated January 8, 2020, Centurion made formal written demand on the Borrower

and Guarantor, in his personal capacity under the Guarantee, for repayment of the Loan (collectively the “**Demand**”). Centurion also gave notice of its intention to enforce its security pursuant to section 244 of the *BIA* (the “**BIA Notice**”). Copies of these demand letters and the BIA Notice are attached as **Exhibits “13” “14”**.

22. The Borrower and the Guarantor did not comply with the Demand. Accordingly, the Lender issued a Notice of Sale in respect of the Property on January 23, 2020. The Notice of Sale provided notice to all parties who may have an interest in the Property that Centurion intended to take steps to sell the Property if its mortgage was not fully paid by March 4, 2020. A copy of the Notice of Sale is attached as **Exhibit “15”**.

23. To date, neither the Borrower, the Guarantor or any other stakeholder has repaid the indebtedness owing to the Lender pursuant to the terms of the Loan.

24. Upon having issued the Demand and the Notice of Sale, the Guarantor advised me on several occasions that he was taking steps on behalf of the Borrower to refinance the Loan to fully repay the Lender. This correspondence occurred regularly in the months of January and February 2020 as the Borrower wished to communicate that it was taking proactive steps to repay the Loan. However, between early March 2020 and early June 2020, the Borrower ceased all communication with the Lender and ignored the Lender’s requests for updates on the Borrower’s refinancing efforts. Copies of my various emails to the Borrower during this time period are attached as **Exhibit “16”**.

25. Centurion and the Borrower have had some limited communication in June 2020, a summary is set out below:

- a. The Borrower contacted me on June 4, 2020 and made an inquiry as to the status

of Centurion's enforcement steps;

- b. By responding email dated June 4, 2020, I advised of Centurion's intention to seek the appointment of the Receiver to run a sales process in respect of the Property;
- c. By email dated June 7, 2020, the Borrower emailed me and thanked me for the information and stated "Please let me know if you need anything from my end";
- d. By email dated June 23, 2020, I requested that the Borrower consent to the appointment to the Receiver; and
- e. By email dated June 25, 2020, the Borrower confirmed that it consented to the appointment of the Receiver.

A copy of the email chain of the above referenced correspondence is attached as **Exhibit "17"**.

26. As of today, the Borrower has not proposed an exit strategy that will see the Loan repaid. As at July 1, 2020, the indebtedness owing by the Borrower to the Lender was \$8,067,628.87. The amount set out in the mortgage statement does not include protective disbursements, including legal fees, that have been incurred by the Lender and that will be properly added to the Loan indebtedness. A copy of a Mortgage Statement dated July 6, 2020 is attached as **Exhibit "18"**.

Other Creditors

27. Set out below is a summary of the charges that are registered against the Property, and the corresponding ranking priority:

Creditor	Instrument Number	Amount of Charge Against the Property
Centurion	AT5041028	\$44,000,000
Investment Inc.	AT4671585	\$5,000,000

28. Set out below is a summary of the PPSA registrations registered against Borrower:

Creditor	PPSA Registration Number
Centurion Mortgage Capital Corporation	20181217 1132 1590 5862

A copy of a PPSA registration search in respect of the Borrower dated July 5, 2020 is attached as **Exhibit “19”**.

29. As of July 5, 2020, the Borrower did not have any execution creditors. There are also no construction liens registered against the Property. A copy an execution search for the Borrower dated July 6, 2020 is attached as **Exhibit “20”**.

The Investment Inc. Litigation

30. Investment Inc. is currently a respondent in an application bearing court file number CV-623687-00-CL (the "**Investment Inc. Litigation**").

31. The Lender understands that a significant issue in the Investment Inc. Litigation is the beneficial ownership of the Investment Inc. Mortgage. Based on a review of the Investment Inc. Litigation materials, it appears as though the Borrower misrepresented the source of its equity contribution to the Project and any proceeds owing on the Investment Inc. Mortgage may be payable to the Applicants in the Investment Inc. Litigation. Attached as **Exhibits “21”** and **“22”** are the Notice of Application and supporting affidavit of Amr Abdulwahab A Attar sworn September 10, 2019 (without exhibits) filed in respect of the Investment Inc. Litigation. Attached as **Exhibit “23”** is the Affidavit of the Guarantor sworn January 10, 2020 (without exhibits)

which was filed in Investment Inc.'s Responding Application Record in respect of the Investment Inc. Litigation.

32. Pursuant to the Consent Order of Justice Gilmore dated March 9, 2020 (the "**Gilmore Order**"), the Investment Inc. Mortgage shall not be dealt with in any manner whatsoever save for upon full payment of the Investment Inc. Mortgage or upon further Order of the Court. A copy of the Gilmore Order is attached as **Exhibit "24"**.

The Need for a Court Appointed Receiver

33. The Lender brings this application for the Court appointment of the Receiver in order to maximize the recovery for all of the Borrower's creditors and other stakeholders through a Court supervised sale of the Property. I believe that the appointment of the Receiver is just and convenient in the circumstances because:

- a. the Centurion Mortgage and the GSA provide for the Lender to appoint a Receiver upon default of the Loan;
- b. the current economic environment caused by the Covid 19 has created significant uncertainty in respect of the value of the Property. As a result, the Lender is seriously concerned that the sale of the Property may result in a shortfall on the Centurion Mortgage and the Investment Inc. Mortgage;
- c. a Court supervised process will ensure that the interests of all creditors and other stakeholders of the Borrower, including the Applicants in the Investment Inc. Litigation, are considered with a view to minimizing the shortfall and achieving the maximum realization on the Property;
- d. the appointment of the Receiver will avoid any potential dispute regarding expenses incurred in relation to the sale of the Property and the value ultimately obtained for the Property; and
- e. a court appointed receivership process will provide the best forum to comply with the Gilmore Order and deal with any priority issues as between the mortgagees and other stakeholders.

The Consent of the Receiver and the Proposed Sale Process

34. The Receiver has consented to its Court appointment. A copy of the executed consent is attached as **Exhibit “25”**.

35. The Receiver has recommended a sales and marketing process to sell the Property (the “**Sales Process**”) as set out in the Pre-Filing Report of the Receiver dated July 10, 2020 (the “**Pre-Filing Report**”). A copy of the Pre-Filing Report will be filed together with this affidavit in support of the application to appoint the Receiver.

36. I make this Affidavit in support of the within Application and for no improper purpose.

SWORN BEFORE ME by *Video Conference* from the City of Toronto, in the Province of Ontario, to the Town of Whitby, in the Province of Ontario, on 7/10/2020



Commissioner for Taking Affidavits
(or as may be)



H. BOB VAVAROUTSOS

Kystra Ryan, A Commissioner etc.
Province of Ontario for Robins Appleby LLP
Barristers and Solicitors
Expires February 18, 2023.

Appendix C



Listing Agreement – Commercial Seller Representation Agreement Authority to Offer for Sale

Form 520
for use in the Province of Ontario



This is a Multiple Listing Service® Agreement



(Seller's Initials)

OR

This Listing is Exclusive

EXCLUSIVE

(Seller's Initials)

BETWEEN:
BROKERAGE: AVISON YOUNG COMMERCIAL REAL ESTATE (ONTARIO) INC., BROKERAGE

18 YORK ST STE 400 BOX #4 TORONTO, ONTARIO (the "Listing Brokerage")

SELLER(S): 1001 BROADVIEW AVENUE INC. (the "Seller")

In consideration of the Listing Brokerage listing the real property for sale known as 995-1005 Broadview Ave and 2-4 Mortimer Ave,

Toronto, ON (the "Property")

the Seller hereby gives the Listing Brokerage the **exclusive and irrevocable** right to act as the Seller's agent,

commencing at 12:01 a.m. on the 6th day of July, 2020

until 11:59 p.m. on the 6th day of November, 2020 (the "Listing Period"),

{ Seller acknowledges that the length of the Listing Period is negotiable between the Seller and the Listing Brokerage and, if an MLS® listing, may be subject to minimum requirements of the real estate board, however, in accordance with the Real Estate and Business Brokers Act of Ontario (2002), if the Listing Period exceeds six months, the Listing Brokerage must obtain the Seller's initials.

(Seller's Initials)

to offer the Property for sale at a price of:

..... Dollars (\$Cdn

and upon the terms particularly set out herein, or at such other price and/or terms acceptable to the Seller. It is understood that the price and/or terms set out herein are at the Seller's personal request, after full discussion with the Listing Brokerage's representative regarding potential market value of the Property.

The Seller hereby represents and warrants that the Seller is not a party to any other listing agreement for the Property or agreement to pay commission to any other real estate brokerage for the sale of the property.

1. DEFINITIONS AND INTERPRETATIONS: For the purposes of this Agreement ("Authority" or "Agreement"):

"Seller" includes vendor and a "buyer" includes a purchaser or a prospective purchaser. A purchase shall be deemed to include the entering into of any agreement to exchange, or the obtaining of an option to purchase which is subsequently exercised, or the causing of a First Right of Refusal to be exercised, or an agreement to sell or transfer shares or assets. "Real property" includes real estate as defined in the Real Estate and Business Brokers Act (2002). The "Property" shall be deemed to include any part thereof or interest therein. A "real estate board" includes a real estate association. Commission shall be deemed to include other remuneration. This Agreement shall be read with all changes of gender or number required by the context. For purposes of this Agreement, anyone introduced to or shown the Property shall be deemed to include any spouse, heirs, executors, administrators, successors, assigns, related corporations and affiliated corporations. Related corporations or affiliated corporations shall include any corporation where one half or a majority of the shareholders, directors or officers of the related or affiliated corporation are the same person(s) as the shareholders, directors, or officers of the corporation introduced to or shown the Property.

2. COMMISSION: In consideration of the Listing Brokerage listing the Property for sale, the Seller agrees to pay the Listing Brokerage a commission


of 2 % of the sale price of the Property or in the event a cooperating broker is involved the fee shall

be 1.5% +HST to the Listing Brokerage and 0.5% + HST to the Cooperating Broker.

for any valid offer to purchase the Property from any source whatsoever obtained during the Listing Period and on the terms and conditions set out in this Agreement OR such other terms and conditions as the Seller may accept.

INITIALS OF LISTING BROKERAGE: 

INITIALS OF SELLER(S):

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The Seller authorizes the Listing Brokerage to co-operate with any other registered real estate brokerage (co-operating brokerage), and to offer to pay the co-operating brokerage a commission of 5 % of the sale price of the Property or out of the commission the Seller pays the Listing Brokerage. The Seller further agrees to pay such commission as calculated above if an agreement to purchase is agreed to or accepted by the Seller or anyone on

the Seller's behalf within 30 days after the expiration of the Listing Period (**Holdover Period**), so long as such agreement is with anyone who was introduced to the Property from any source whatsoever during the Listing Period or shown the Property during the Listing Period. If, however, the offer for the purchase of the Property is pursuant to a new agreement in writing to pay commission to another registered real estate brokerage, the Seller's liability for commission shall be reduced by the amount paid by the Seller under the new agreement. The Seller further agrees to pay such commission as calculated above even if the transaction contemplated by an agreement to purchase agreed to or accepted by the Seller or anyone on the Seller's behalf is not completed, if such non-completion is owing or attributable to the Seller's default or neglect, said commission to be payable on the date set for completion of the purchase of the Property. Any deposit in respect of any agreement where the transaction has been completed shall first be applied to reduce the commission payable. Should such amounts paid to the Listing Brokerage from the deposit or by the Seller's solicitor not be sufficient, the Seller shall be liable to pay to the Listing Brokerage on demand, any deficiency in commission and taxes owing on such commission. In the event the buyer fails to complete the purchase and the deposit or any part thereof becomes forfeited, awarded, directed or released to the Seller, the Seller then authorizes the Listing Brokerage to retain as commission for services rendered, fifty (50%) per cent of the amount of the said deposit forfeited, awarded, directed or released to the Seller (but not to exceed the commission payable had a sale been consummated) and to pay the balance of the deposit to the Seller. All amounts set out as commission are to be paid plus applicable taxes on such commission.

3. REPRESENTATION: The Seller acknowledges that the Listing Brokerage has provided the Seller with written information explaining agency relationships, including information on Seller Representation, Sub-agency, Buyer Representation, Multiple Representation and Customer Service. The Seller understands that unless the Seller is otherwise informed, the co-operating brokerage is representing the interests of the buyer in the transaction. The Seller further acknowledges that the Listing Brokerage may be listing other properties that may be similar to the Seller's Property and the Seller hereby consents to the Listing Brokerage acting as an agent for more than one seller without any claim by the Seller of conflict of interest. Unless otherwise agreed in writing between Seller and Listing Brokerage, any commission payable to any other brokerage shall be paid out of the commission the Seller pays the Listing Brokerage. The Seller hereby appoints the Listing Brokerage as the Seller's agent for the purpose of giving and receiving notices pursuant to any offer or agreement to purchase the Property.

MULTIPLE REPRESENTATION: The Seller hereby acknowledges that the Listing Brokerage may be entering into buyer representation agreements with buyers who may be interested in purchasing the Seller's Property. In the event that the Listing Brokerage has entered into or enters into a buyer representation agreement with a prospective buyer for the Seller's Property, the Listing Brokerage will obtain the Seller's written consent to represent both the Seller and the buyer for the transaction at the earliest practical opportunity and in all cases prior to any offer to purchase being submitted or presented.

The Seller understand and acknowledges that the Listing Brokerage must be impartial when representing both the Seller and the buyer and equally protect the interests of the Seller and buyer. The Seller understands and acknowledges that when representing both the Seller and the buyer, the Listing Brokerage shall have a duty of full disclosure to both the Seller and the buyer, including a requirement to disclose all factual information about the Property known to the Listing Brokerage.

However, the Seller further understands and acknowledges that the Listing Brokerage shall not disclose:

- that the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- that the buyer may or will pay more than the offered price, unless otherwise instructed in writing by the buyer;
- the motivation of or personal information about the Seller or buyer, unless otherwise instructed in writing by the party to which the information applies or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- the price the buyer should offer or the price the Seller should accept; and
- the Listing Brokerage shall not disclose to the buyer the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the Property will be disclosed to both Seller and buyer to assist them to come to their own conclusions.

Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be entitled or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.

MULTIPLE REPRESENTATION AND CUSTOMER SERVICE: The Seller understands and agrees that the Listing Brokerage also provides representation and customer service to other sellers and buyers. If the Listing Brokerage represents or provides customer service to more than one seller or buyer for the same trade, the Listing Brokerage shall, in writing, at the earliest practicable opportunity and before any offer is made, inform all sellers and buyers of the nature of the Listing Brokerage's relationship to each seller and buyer.

INITIALS OF LISTING BROKERAGE:

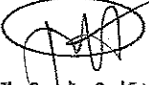
INITIALS OF SELLER(S):



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- 4. **REFERRAL OF ENQUIRIES:** The Seller agrees that during the Listing Period, the Seller shall advise the Listing Brokerage immediately of all enquiries from any source whatsoever, and all offers to purchase submitted to the Seller shall be immediately submitted to the Listing Brokerage by the Seller before the Seller accepts or rejects the same. If any enquiry during the Listing Period results in the Seller's accepting a valid offer to purchase during the Listing Period or within the Holdover Period after the expiration of the Listing Period described above, the Seller agrees to pay the Listing Brokerage the amount of commission set out above, payable within five (5) days following the Listing Brokerage's written demand therefor.
- 5. **MARKETING:** The Seller agrees to allow the Listing Brokerage to show and permit prospective buyers to fully inspect the Property during reasonable hours and the Seller gives the Listing Brokerage the sole and exclusive right to place "For Sale" and "Sold" sign(s) upon the Property. The Seller consents to the Listing Brokerage including information in advertising that may identify the Property. The Seller further agrees that the Listing Brokerage shall have sole and exclusive authority to make all advertising decisions relating to the marketing of the Property during the Listing Period. The Seller agrees that the Listing Brokerage will not be held liable in any manner whatsoever for any acts or omissions with respect to advertising by the Listing Brokerage or any other party, other than by the Listing Brokerage's gross negligence or wilful act.
- 6. **WARRANTY:** The Seller represents and warrants that the Seller has the exclusive authority and power to execute this Authority to offer the Property for sale and that the Seller has informed the Listing Brokerage of any third party interests or claims on the Property such as rights of first refusal, options, easements, mortgages, encumbrances or otherwise concerning the Property, which may affect the sale of the Property.
- 7. **INDEMNIFICATION AND INSURANCE:** The Seller will not hold the Listing Brokerage and representatives of the Brokerage responsible for any loss or damage to the Property or contents occurring during the term of this Agreement caused by the Listing Brokerage or anyone else by any means, including theft, fire or vandalism, other than by the Listing Brokerage's gross negligence or wilful act. The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury, including but not limited to loss of the commission payable under this Agreement, caused or contributed to by the breach of any warranty or representation made by the Seller in this Agreement or the accompanying data form. The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury as a result of the Property being affected by any contaminants or environmental problems.
The Seller warrants the Property is insured, including personal liability insurance against any claims or lawsuits resulting from bodily injury or property damage to others caused in any way on or at the Property and the Seller indemnifies the Brokerage and all of its employees, representatives, salespersons and brokers (Listing Brokerage) and any co-operating brokerage and all of its employees, representatives, salespersons and brokers (co-operating brokerage) for and against any claims against the Listing Brokerage or co-operating brokerage made by anyone who attends or visits the Property.
- 8. **FAMILY LAW ACT:** The Seller hereby warrants that spousal consent is not necessary under the provisions of the Family Law Act, R.S.O. 1990, unless the spouse of the Seller has executed the consent hereinafter provided.
- 9. ~~FINDER'S FEE: The Seller acknowledges that the Brokerage may be receiving a finder's fee reward and/or fee whatsoever, and the Seller consents to such benefits being received and retained by the Brokerage in addition to the commission set out above.~~
- 10. **VERIFICATION OF INFORMATION:** The Seller authorizes the Listing Brokerage to obtain any information from any regulatory authorities, governments, mortgagees or others affecting the Property and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. The Seller hereby appoints the Listing Brokerage or the Listing Brokerage's authorized representative as the Seller's attorney to execute such documentation as may be necessary to effect obtaining any information as aforesaid. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage.
- 11. **USE AND DISTRIBUTION OF INFORMATION:** The Seller consents to the collection, use and disclosure of personal information by the Brokerage for the purpose of listing and marketing the Property including, but not limited to: listing and advertising the Property using any medium including the Internet; disclosing Property information to prospective buyers, brokerages, salespersons and others who may assist in the sale of the Property; such other use of the Seller's personal information as is consistent with listing and marketing of the Property. The Seller consents, if this is an MLS® Listing, to placement of the listing information and sales information by the Brokerage into the database(s) of the MLS® System of the appropriate Board, and to the posting of any documents and other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) provided by or on behalf of the Seller into the database(s) of the MLS® System of the appropriate Board. The Seller hereby indemnifies and saves harmless the Brokerage and/or any of its employees, servants, brokers or sales representatives from any and all claims, liabilities, suits, actions, losses, costs and legal fees caused by, or arising out of, or resulting from the posting of any documents or other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) as aforesaid. The Seller acknowledges that the database, within the board's MLS® System is the property of the real estate board(s) and can be licensed, resold, or otherwise dealt with by the board(s). The Seller further acknowledges that the real estate board(s) may, during the term of the listing and thereafter, distribute the information in the database, within the board's MLS® System to any persons authorized to use such service which may include other brokerages, government departments, appraisers, municipal organizations and others; market the Property, at its option, in any medium, including electronic media; during the term of the listing and thereafter, compile, retain and publish any statistics including historical data within the board's MLS® System and retain, reproduce and display photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions which may be used by board members to conduct comparative analyses; and make such other use of the information as the Brokerage and/or real estate board(s) deem appropriate, in connection with the listing, marketing and

INITIALS OF LISTING BROKERAGE:



INITIALS OF SELLER(S):





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selling of real estate during the term of the listing and thereafter. The Seller acknowledges that the information, personal or otherwise ("information"), provided to the real estate board or association may be stored on databases located outside of Canada, in which case the information would be subject to the laws of the jurisdiction in which the information is located.

In the event that this Agreement expires or is cancelled or otherwise terminated and the Property is not sold, the Seller, by initialling:

(Does)

(Does Not)

consent to allow other real estate board members to contact the Seller after expiration or other termination of this Agreement to discuss listing or otherwise marketing the Property.

12. **SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.

13. **CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Authority from the Seller to the Brokerage. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein.

14. **ELECTRONIC COMMUNICATION:** This Agreement and any agreements, notices or other communications contemplated thereby may be transmitted by means of electronic systems, in which case signatures shall be deemed to be original. The transmission of this Agreement by the Seller by electronic means shall be deemed to confirm the Seller has retained a true copy of the Agreement.

15. **ELECTRONIC SIGNATURES:** If this Agreement has been signed with an electronic signature the parties hereto consent and agree to the use of such electronic signature with respect to this Agreement pursuant to the *Electronic Commerce Act 2000, S.O. 2000, c17* as amended from time to time.

16. **SCHEDULE(S)** and data form attached hereto form(s) part of this Agreement.

THE LISTING BROKERAGE AGREES TO MARKET THE PROPERTY ON BEHALF OF THE SELLER AND REPRESENT THE SELLER IN AN ENDEAVOUR TO OBTAIN A VALID OFFER TO PURCHASE THE PROPERTY ON THE TERMS SET OUT IN THIS AGREEMENT OR ON SUCH OTHER TERMS SATISFACTORY TO THE SELLER.

..... DATE JULY 9, 2020 JOE AMEIDA
(Authorized to bind the Listing Brokerage) (Name of Person Signing)

THIS AUTHORITY HAS BEEN READ AND FULLY UNDERSTOOD BY ME AND I ACKNOWLEDGE THIS DATE I HAVE SIGNED UNDER SEAL. Any representations contained herein or as shown on the accompanying data form respecting the Property are true to the best of my knowledge, information and belief.

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:

1001 BROADVIEW AVENUE INC.
(Name of Seller)

..... DATE
(Signature of Seller/Authorized Signing Officer) (Seal) (Tel. No.)

..... DATE
(Signature of Seller/Authorized Signing Officer) (Seal)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the listing of the Property herein pursuant to the provisions of the Family Law Act, R.S.O. 1990 and hereby agrees to execute all necessary or incidental documents to further any transaction provided for herein.

..... DATE
(Spouse) (Seal)

DECLARATION OF INSURANCE

The broker/salesperson JONATHAN HITNER / NEIL MUSSELWHITE / DAVID LIEBERMAN
(Name of Broker/Salesperson)

hereby declares that he/she is insured as required by the Real Estate and Business Brokers Act (REBBA) and Regulations.

.....
(Signature(s) of Broker/Salesperson)

ACKNOWLEDGEMENT

The Seller(s) hereby acknowledge that the Seller(s) fully understand the terms of this Agreement and have received a true copy of this Agreement on the day of, 20

..... Date:
(Signature of Seller)

..... Date:
(Signature of Seller)

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