

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.

Respondents

IN THE MATTER OF AN APPLICATION PURSUANT TO SUBSECTION 243(1) OF THE *BANKRUPTCY AND INSOLVENCY ACT*, R.S.C. 1985 c. B-3, AS AMENDED; AND SECTION 101 OF THE *COURTS OF JUSTICE ACT*, R.S.O. 1990, c. C.43 AS AMENDED

SECOND REPORT TO THE COURT OF BDO CANADA LIMITED, IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF THE PROPERTY MUNICIPALLY KNOWN AS 995-1001, 1003 & 1005 BROADVIEW AVENUE, TORONTO, ONTARIO AND 2 & 4 MORTIMER AVENUE, TORONTO, ONTARIO

October 9, 2020

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INTRODUCTION AND PURPOSE OF THIS REPORT

Introduction

1. By Order of the Honourable Justice Gilmore of the Ontario Superior Court of Justice (the “**Court**”) dated July 21, 2020 (the “**Receivership Order**”), BDO Canada Limited (“**BDO**”)

was appointed as the Court-appointed receiver (in such capacity, the "**Receiver**") over the real property owned by 1001 Broadview Avenue Inc. (the "**Debtor**" or "**1001 Broadview**"). The real property consists of land located at 995, 997, 999, 1991, 1003 and 1005 Broadview Avenue along with 2 and 4 Mortimer Avenue, Toronto, Ontario (collectively the "**Property**"). The Receivership Order was made following a motion brought by Centurion Mortgage Capital Corporation ("**Centurion**") in the proceeding bearing Court File No. CV-20-00643617-00CL.

2. Pursuant to the Receivership Order, the Receiver was authorized and directed to market and sell the Property in accordance with the approved sales process including advertising and soliciting offers for the Property and negotiating terms and conditions of sale. The approved sales process was detailed in the Pre-Filing Report of the Receiver dated July 10, 2020 (the "**First Report**"). Copies of the Receivership Order and the First Report are attached hereto as Appendices "**A**" and "**B**", respectively.
3. The Receivership Order empowered and authorized, but did not obligate the Receiver to, among other things:
 - (a) take possession and control of the Property and any and all proceeds and receipts and disbursements arising out of or from the Property;
 - (b) market any or all of the Property on such terms and conditions of sale as the Receiver deems appropriate;
 - (c) sell, convey, transfer, lease or assign the Property;
 - (d) apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property; and
 - (e) report to, meet and discuss with affected Persons (as defined in the Receivership Order), as the Receiver deems appropriate, all matters relating to the Property and the receivership proceedings.
4. This second report of the Receiver (the "**Second Report**"), and all other court materials and orders issued and filed in these receivership proceedings are available on the Receiver's case website at: <https://www.bdo.ca/en-ca/extranets/1001broadview/> and will remain available on the website for a period of six (6) months following the Receiver's discharge.

5. The Receiver has also prepared and filed with the Court, subject to a request for a sealing Order, a Confidential Supplemental Report to the Second Report dated October 9, 2020 (the "**Confidential Supplemental Report to the Second Report**"), which should be read by the Court in conjunction with this Second Report and will assist the Court in considering the relief being sought by the Receiver herein.

Purpose of the Report

6. This Second Report in this matter is filed to:
 - (a) report on the Receiver's activities in these receivership proceedings since its appointment;
 - (b) report on the proposed sale transaction in respect of the Property;
 - (c) request one or more Orders, *inter alia*:
 - (i) approving the sale transaction contemplated by the asset purchase agreement dated September 23, 2020 (the "**Sale Agreement**") between the Receiver, as seller, and 2774179 Ontario Inc., as purchaser (the "**Purchaser**"), with respect to the Property (the "**Transaction**");
 - (ii) approving the Receiver's execution of Sale Agreement and authorizing the Receiver to execute all other ancillary documents and agreements required to complete the Transaction;
 - (iii) providing that upon the delivery by the Receiver to the Purchaser of a Receiver's Certificate (as defined in the attached draft Sale Approval Order), and closing the transaction in accordance with the Sale Agreement, 1001 Broadview's right, title and interest, if any, in and to the Property shall vest in and to the Purchaser, free and clear of all encumbrances, except for any permitted encumbrances, easements or restrictive covenants as set out in Schedule A of the draft Sale Approval and Vesting Order;
 - (iv) sealing the Confidential Supplemental Report to the Second Report and the appendices thereto, which contain commercially sensitive information, and which are comprised of the following:
 - (A) appraisals of the Property;

- (B) a summary of offers received
- (C) the unredacted Sale Agreement

until the completion of the Sale Transactions or until further Order of this Court;

- (v) approving this Second Report and the conduct and actions of the Receiver to date;
- (vi) approving the fees and disbursements of the Receiver and its legal counsel, Robins Appleby LLP (“**R&A**”) as outlined herein and detailed in the supporting fee affidavits appended hereto, and authorizing the Receiver to pay all approved and unpaid fees and disbursements; and
- (vii) approving a distribution of the net proceeds from the sale of the Property and all other funds recovered by the Receiver in this proceeding to Centurion, to a maximum amount of Centurion’s outstanding debt, after the payment of operating costs incurred by the Receiver during its appointment, the fees and disbursements of the Receiver and its legal counsel.

Scope and Terms of Reference

7. The Second Report has been prepared for the use of this Court and the Debtors’ stakeholders as general information relating to the Debtor and to assist the Court in making a determination on whether to grant the relief sought herein. Accordingly, the reader is cautioned that this Second Report may not be appropriate for any other purpose. The Receiver will not assume responsibility or liability for losses incurred by the reader as a result of the circulation, publication, reproduction or use of this Second Report for a purpose different than set out in this paragraph.
8. Except as otherwise described in this Second Report:
 - (a) the Receiver has not audited, reviewed or otherwise attempted to verify the accuracy or completeness of the information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the Chartered Professional Accountants of Canada Handbook; and

- (b) the Receiver has not conducted an examination or review of any financial forecast and projections in a manner that would comply with the procedures described in the Chartered Professional Accountants of Canada Handbook,

Accordingly, the Receiver expresses no opinion or other form of assurance with respect to such information except as expressly stated herein.

9. Capitalized terms used herein and not defined in this Second Report shall have the meaning ascribed to them in the First Report and the Receivership Order, as applicable.
10. All monetary amounts contained herein are expressed in Canadian dollars.

BACKGROUND

11. 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.
12. 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.
13. 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.

The Loans and Mortgages

14. 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 Debtor 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.
15. As security for the Loan indebtedness and obligations to Centurion, the Debtor 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**").
16. 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.
17. 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

18. The Debtor 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 was owed \$8,067,628.87 as at July 1, 2020, together with accruing interest and costs.

ACTIVITIES OF THE RECEIVER

19. Since its appointment, the Receiver has:

- (a) attended at the Property, secured the derelict buildings and changed locks attached to the security fencing;
- (b) conducted regular site visits to the Property and arranged for repairs and maintenance, as required;
- (c) ensured insurance coverage was maintained over the Property;
- (d) through its counsel, R&A, registered the Receivership Order against title to the Property at the land registry office;
- (e) obtained real estate appraisals for the Property;
- (f) contacted and obtained, from two realtors with experience in selling real property similar to the Property, listing proposals for the marketing and solicitation of offers for the sale of the Property;
- (g) entered into a listing agreement with Avison Young Commercial Real Estate (Ontario) Inc. for the sale of the Real Property;
- (h) negotiated with prospective purchasers on their respective offers for the Property;
and
- (i) reviewed and analyzed purchase offers received for the Property.

MARKETING AND SALES EFFORTS

Appraisals and Listing Proposals

- 20. Centurion commissioned appraisals from CBRE Valuation and Advisory Services and Wagner Andrews & Kovacs (the "**Real Property Appraisals**"). Copies of the Real Property Appraisals are attached to the Confidential Supplemental Report to the Second Report.
- 21. The Receiver obtained 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 property comparable analysis, sale commission structure, proposed marketing efforts and relevant experience. Details related to the listing proposals were provided in the First Report. With the approval of this Honourable Court, the Receiver entered into a 4-month listing agreement with Avison.
- 22. The marketing efforts of the realtors included:

- (a) listing the Real Property for sale on MLS;
- (b) mounting "For Sale" signs at the Property;
- (c) sending email blasts to potential purchasers and to other brokerage firms;
- (d) designing marketing brochures and teasers for the Property;
- (e) contacting potential purchasers and providing a high level overview of the Property and directing interested parties to dedicated websites where more information could be accessed; and
- (f) cold calling various contacts.

Real Property Sale Efforts

23. The Property was exposed to the market for approximately 6 weeks and three offers were received. A summary of the offers received by the Receiver is attached to the Confidential Supplemental Report to the Second Report. Of the two offers that were not accepted: one was below the appraised values; and the potential purchaser of the second rejected offer could not obtain financing that was acceptable to the prospective purchaser to complete the transaction.
24. The Receiver negotiated with the Purchaser who ultimately submitted an offer which was acceptable to the Receiver. After discussing the revised offer with Centurion, the Receiver ultimately agreed to accept the Purchaser's improved offers. A redacted copy of the Sale Agreement is attached hereto as **Appendix "C"**. Significant terms of the Sale Agreement include:
- (a) the Property is being sold "as is, where is" with no representations or warranties provided by the Receiver;
 - (b) the offer is unconditional;
 - (c) non-refundable deposit of \$300,000 was paid upon acceptance of the offer and the funds are held in trust by Robins Appleby;
 - (d) the sale is subject to Court approval and receipt of an Approval and Vesting Order;
 - (e) the Transaction is set to close the later of 10 days following receipt of the Approval and Vesting Order but not prior November 15, 2020 (the "**Closing Date**"); and

- (f) there are two permitted extensions to the Closing Date which require additional non-refundable deposits of \$200,000 per extension and the outside date for closing the transaction is January 15, 2021.
25. The Receiver recommends that this Court approve the Sale Transactions for the following reasons:
- (a) the Property has been marketed for sale for approximately 6 weeks through the use of an experienced commercial realtor and therefore the Receiver is of the view that the market has been sufficiently canvassed;
 - (b) there is a relatively short closing for the Transaction;
 - (c) the Property requires regular attendance to ensure the derelict buildings are not being occupied and exposing the public to risk and generate no funds for the estate. All costs (maintenance, security, etc.) are being funded by Centurion, the Debtor's senior secured creditor. With court approval of the Sale Transaction, no further costs will be incurred by the estate;
 - (d) the Purchaser has provided a substantial non-refundable deposit;
 - (e) the Sale Transaction is commercially reasonable in the circumstances taking into consideration that the purchase price is within the range of pricing provided by the Avison and JLL;
 - (f) completion of the Transaction is in accordance with the mandate of the Receiver to realize on the Property; and
 - (g) approval of the Sale Transactions is supported by Centurion.

PRIORITY PAYABLES

26. Based upon the Debtor's books and records and correspondence with Khavari, we understand that the Debtor did not have any employees nor did it have any sales. Accordingly, there do not appear to be priority payables in respect of source deductions, HST or the Wage Earner Protection Plan Act.

PROPOSED DISTRIBUTIONS TO CENTURION

27. Centurion is 1001 Broadview's first ranking general secured creditor, and is owed approximately \$8.34 million, which amount remains unpaid.

28. The Receiver engaged Rose, Persiko, Rakowsky, Melvin LLP (“RPRM”), to undertake a security review of Centurion’s security and to provide a legal opinion on the validity and enforceability of the security held by Centurion. RPRM has advised the Receiver that subject to the usual qualifications and assumptions, it is of the opinion that the security granted by 1001 Broadview in favour of Centurion creates a valid security interest and enforceable in accordance with its terms.¹
29. The obligations of the Debtors to Centurion, including costs and interest charges to October 8, 2020, total approximately \$8,346,363.21, and are reflected in a statement provided by Centurion to the Receiver attached as **Appendix “D”**.
30. Based upon the proceeds from the sale of the Property, there will be sufficient funds to repay the indebtedness owed by the Debtor to Centurion. Accordingly, the Receiver requests permission of the Court to distribute the sale proceeds and any further funds collected by the Receiver in these receivership proceedings to Centurion (to a maximum of Centurion’s debt), after payment by the Receiver of priority payables (if any are later determined), outstanding operating costs incurred during the Receiver’s appointment and after payment of the Receiver’s fees and disbursements and the legal fees and disbursements of the Receiver’s legal counsel. Should there be any funds remaining after payment of the foregoing, the Receiver proposes to pay those funds to this Honorable court.

FEES AND DISBURSEMENTS

31. Pursuant to paragraph 18 of the Receivership Order, any expenditure or liability which shall properly be made or incurred by the Receiver, including the fees and disbursements of the Receiver and the fees and disbursements of the Receiver’s legal and its counsel, R&A, constitute part of the “Receiver’s Charge”. The fees and disbursements of the Receiver in connection with the Receivership for the period to September 30, 2020 (the “**Billing Period**”) are detailed in the affidavit of Josie Parisi, a copy of which is attached hereto as **Appendix “E”**. The fees and disbursements of R&A for Billing Period are detailed in the affidavit of Irving Marks, a copy of which is attached as **Appendix “F”**. The fees and disbursements of RPRM are accounted for as a disbursement of the Receiver as set out in detailed in the affidavit of Josie Parisi described above.

¹ A copy of the security opinion in respect of Centurion’s security is available to the Court upon request.

32. The detailed narratives contained in the invoices provide a fair and accurate description of the services provided and the amounts charged by BDO as Receiver. Included with the invoices is a summary of the time charges of partners and staff, whose services are reflected in the invoices, including the total fees and hours billed.
33. The Receiver's fees for the Billing Period encompass 101.0 hours at an average hourly rate of approximately \$443.89 for a total of \$44,832.50 prior to disbursements of \$9,214.16 and applicable taxes. The Receiver is therefore requesting that this Honourable Court approve total fees and disbursements inclusive of applicable taxes in the amount of \$60,770.19.
34. R&A's fees for the Billing Period encompass 59.60 hours at an average hourly rate of approximately \$535.99 for a total of \$31,945.00 prior to disbursements of \$510.25 and applicable taxes. The Receiver is therefore requesting that this Honourable Court approve R&A's total fees and disbursements inclusive of applicable taxes in the amount of \$36,652.88.
35. The Receiver respectfully submits that the fees and disbursements of the Receiver and R&A are reasonable in the circumstances and have been validly incurred in accordance with the provisions of the Receivership Order.

SUMMARY AND RECOMMENDATIONS

36. Based on the foregoing, the Receiver respectfully requests that the Court grant an Order:
 - (a) approving the Second Report and the activities and conduct of the Receiver outlined herein;
 - (b) approving and authorizing the Sale Transaction;
 - (c) issuing an approval and vesting order vesting the Property to the Purchaser free and clear of all encumbrances;
 - (d) approving the Receiver's execution of the Sale Agreement and authorizing the Receiver to execute all other ancillary documents and agreements required to complete each of the Sale Transaction;
 - (e) authorizing the Receiver to make a distribution to Centurion from the sale proceeds of the Sale Transaction to a maximum of Centurion's debt, after establishing reasonable reserves;

- (f) approving the fees and disbursements of the Receiver and R&A, as set out in this Second Report, and authorizing the Receiver to pay all approved and unpaid fees and disbursements; and
- (g) sealing the Confidential Appendices hereto pending closing of the Sale Transaction contemplated under the Sale Agreement, and the Confidential Supplemental Report to the Second Report until further of the Court.

All of which is respectfully submitted this 9th day of October 2020.

BDO CANADA LIMITED,
in its capacity as the Court-appointed Receiver of the
property municipally known as 995-1001, 1003 & 1005
Broadview Avenue, Toronto, Ontario and 2 & 4 Mortimer
Avenue, Toronto, Ontario and not in its personal or corporate
capacity

Per:



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

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*

THE HONOURABLE)	TUESDAY, THE 21 st
)	
JUSTICE GILMORE)	DAY OF JULY, 2020

BETWEEN:

CENTURION MORTGAGE CAPITAL CORPORATION

Applicant

-and-

1001 BROADVIEW AVENUE INC.

Respondent

ORDER
(Appointing Receiver and Approving Sale Process)

THIS MOTION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BIA**") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "**CJA**") appointing BDO Canada Limited as receiver and manager (in such capacities, the "**Receiver**") over the lands and premises owned by 1001 Broadview Avenue Inc. (the "**Debtor**") that are municipally known as 995-1001, 1003 & 1005 Broadview Avenue, Toronto, Ontario and 2&4 Mortimer Avenue that are legally described in Schedule "A" (the "**Properties**"), and for other relief, was heard this day by way of video-conference as a result of the Covid-19 Pandemic.

ON READING the affidavit of Bob Vavouroutsos sworn July 10, 2020 and the Exhibits thereto, the Pre-Filing Report of the Receiver dated July 10, 2020 (the "**Pre-Filing Report**") wherein the Receiver recommends the sale process for the sale of the Properties (the "**Sale Process**") and on hearing the submissions of counsel for the Applicant and no one appearing for any other interested party, although duly served, and on reading the consent of BDO Canada Limited to act as the Receiver,

SERVICE

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

APPOINTMENT

2. **THIS COURT ORDERS** that pursuant to section 243(1) of the BIA and section 101 of the CJA, BDO Canada Limited is hereby appointed Receiver without security, of the Properties, and for of all of the assets and undertakings of the Debtor acquired for, or used in relation to the Properties, including all proceeds thereof (together with the Properties, the "**Property**").

RECEIVER'S POWERS

3. **THIS COURT ORDERS** that the Receiver is hereby empowered and authorized, but not obligated, to act at once in respect of the Property and, without in any way limiting the generality of the foregoing, the Receiver is hereby expressly empowered and authorized to do any of the following where the Receiver considers it necessary or desirable:

- a. to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
- b. to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

- c. to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- d. to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets to continue the business of the Property or any part or parts thereof;
- e. to receive and collect all monies and accounts now owed or hereafter owing to the Debtor in respect of the Property and to exercise all remedies of the Debtor in respect of the Properties in collecting such monies, including, without limitation, to enforce any security held by the Debtor in respect of the Property;
- f. to settle, extend or compromise any indebtedness owing to the Debtor in respect of the Property;
- g. to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtor, for any purpose pursuant to this Order;
- h. to undertake environmental assessments of the Property;
- i. to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtor in respect of the Property, the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- j. to market 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;
- k. to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,

- (i) without the approval of this Court in respect of any transaction not exceeding \$50,000.00, provided that the aggregate consideration for all such transactions does not exceed \$250,000.00; and
- (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

and in each such case notice under subsection 63(4) of the Ontario *Personal Property Security Act*, or section 31 of the Ontario *Mortgages Act*, as the case may be, shall not be required;

- l. to apply for any vesting order or other orders necessary to convey the Properties or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;
- m. to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- n. to register a copy of this Order and any other Orders in respect of the Property against title to any of the Properties;
- o. to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtor in respect of the Property;
- p. to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- q. to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have in respect of the Property; and

- r. to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations..
- s. and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

5. **THIS COURT ORDERS** that all Persons shall forthwith advise the Receiver of the existence of any books, documents, securities, contracts, orders, corporate and accounting records, and any other papers, records and information of any kind related to the business or affairs of the Debtor, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (the foregoing, collectively, the "Records") in that Person's possession or control, and shall provide to the Receiver or permit the Receiver to make, retain and take away copies thereof and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities relating thereto, provided however that nothing in this paragraph 5 or in paragraph 6 of this Order shall require the delivery of Records, or the granting of access to Records, which may not be disclosed or provided to the Receiver due to the privilege attaching to solicitor-client communication or due to statutory provisions prohibiting such disclosure.

6. **THIS COURT ORDERS** that if any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by independent service provider or otherwise, all Persons in possession or control of such Records shall forthwith give

unfettered access to the Receiver for the purpose of allowing the Receiver to recover and fully copy all of the information contained therein whether by way of printing the information onto paper or making copies of computer disks or such other manner of retrieving and copying the information as the Receiver in its discretion deems expedient, and shall not alter, erase or destroy any Records without the prior written consent of the Receiver. Further, for the purposes of this paragraph, all Persons shall provide the Receiver with all such assistance in gaining immediate access to the information in the Records as the Receiver may in its discretion require including providing the Receiver with instructions on the use of any computer or other system and providing the Receiver with any and all access codes, account names and account numbers that may be required to gain access to the information.

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

NO PROCEEDINGS AGAINST THE RECEIVER

8. **THIS COURT ORDERS** that no proceeding or enforcement process in any court or tribunal (each, a "**Proceeding**"), shall be commenced or continued against the Receiver except with the written consent of the Receiver or with leave of this Court.

NO PROCEEDINGS AGAINST THE DEBTOR OR THE PROPERTY

9. **THIS COURT ORDERS** that no Proceeding against or in respect of the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

10. **THIS COURT ORDERS** that all rights and remedies against the Receiver, or affecting the Property, are hereby stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that this stay and suspension does not apply in respect of any "eligible financial contract" as defined in the BIA, and further provided that nothing in this paragraph shall (i) empower the Receiver or the Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor from compliance with statutory or regulatory provisions relating to health, safety or the environment, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien.

NO INTERFERENCE WITH THE RECEIVER

11. **THIS COURT ORDERS** that no Person shall discontinue, fail to honour, alter, interfere with, repudiate, terminate or cease to perform any right, renewal right, contract, agreement, licence or permit in favour of or held by the Debtor, without written consent of the Receiver or leave of this Court.

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

13. **THIS COURT ORDERS** that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts") and the monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

14. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's behalf, may terminate the employment of such employees. The Receiver shall not be liable for any employee-related liabilities, including any successor employer liabilities as provided for in section 14.06(1.2) of the BIA, other than such amounts as the Receiver may specifically agree in writing to pay, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*.

PIPEDA

15. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver shall disclose personal information of identifiable individuals to prospective purchasers or bidders for the Property and to their advisors, but only to the extent desirable or required to negotiate and attempt to complete one or more sales of the Property (each, a "**Sale**"). Each prospective purchaser or bidder to whom such personal information is disclosed shall maintain and protect the privacy of such information and limit the use of such information to its evaluation of the Sale, and if it does not complete a Sale, shall return all such information to the Receiver, or in the alternative destroy all such information. The purchaser of any Property shall be entitled to continue to use the personal information provided to it, and related to said one or more of the Properties and Property

purchased, in a manner which is in all material respects identical to the prior use of such information by the Debtor in respect of the Properties, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

LIMITATION ON ENVIRONMENTAL LIABILITIES

16. **THIS COURT ORDERS** that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

17. **THIS COURT ORDERS** that the Receiver shall incur no liability or obligation as a result of its appointment or the carrying out the provisions of this Order, save and except for any gross negligence or wilful misconduct on its part, or in respect of its obligations under sections 81.4(5) or 81.6(3) of the BIA or under the *Wage Earner Protection Program Act*. Nothing in this Order shall derogate from the protections afforded the Receiver by section 14.06 of the BIA or by any other applicable legislation.

RECEIVER'S ACCOUNTS

18. **THIS COURT ORDERS** that the Receiver and counsel to the Receiver shall be paid their reasonable fees and disbursements, in each case at their standard rates and charges unless

otherwise ordered by the Court on the passing of accounts, and that the Receiver and counsel to the Receiver shall be entitled to and are hereby granted a charge (the "**Receiver's Charge**") on the Property, as security for such fees and disbursements, both before and after the making of this Order in respect of these proceedings, and that the Receiver's Charge shall form a first charge on the Property in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subject to sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

19. **THIS COURT ORDERS** that the Receiver and its legal counsel shall pass its accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are hereby referred to a judge of the Commercial List of the Ontario Superior Court of Justice.

20. **THIS COURT ORDERS** that prior to the passing of its accounts, the Receiver shall be at liberty from time to time to apply reasonable amounts, out of the monies in its hands, against its fees and disbursements, including legal fees and disbursements, incurred at the standard rates and charges of the Receiver or its counsel, and such amounts shall constitute advances against its remuneration and disbursements when and as approved by this Court.

FUNDING OF THE RECEIVERSHIP

21. **THIS COURT ORDERS** that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$500,000.00 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "**Receiver's Borrowings Charge**") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

22. **THIS COURT ORDERS** that neither the Receiver's Borrowings Charge nor any other security granted by the Receiver in connection with its borrowings under this Order shall be enforced without leave of this Court.

23. **THIS COURT ORDERS** that the Receiver is at liberty and authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.

24. **THIS COURT ORDERS** that the monies from time to time borrowed by the Receiver pursuant to this Order or any further order of this Court and any and all Receiver's Certificates evidencing the same or any part thereof shall rank on a *pari passu* basis, unless otherwise agreed to by the holders of any prior issued Receiver's Certificates.

25. **THIS COURT ORDERS** that notwithstanding paragraphs 21-24 inclusive, and as alternate thereto, the Receiver is hereby authorized to borrow money to fund the exercise of its powers and duties hereunder by way of advances from the Plaintiff, which advances shall be secured by the Plaintiff's security on the Property (including without limitation the Mortgage as defined and attached as an exhibit to the Affidavit of Bob Vavouroutsos), with the same priority that may attach to such security.

SERVICE AND NOTICE

26. **THIS COURT ORDERS** that the E-Service Protocol of the Commercial List (the "**Protocol**") is approved and adopted by reference herein and, in this proceeding, the service of documents made in accordance with the Protocol (which can be found on the Commercial List website at <http://www.ontariocourts.ca/scj/practice/practice-directions/toronto/e-service-protocol/>) shall be valid and effective service. Subject to Rule 17.05 this Order shall constitute an order for substituted service pursuant to Rule 16.04 of the Rules of Civil Procedure. Subject to Rule 3.01(d) of the Rules of Civil Procedure and paragraph 21 of the Protocol, service of documents in accordance with the Protocol will be effective on transmission. This Court further orders that a Case Website shall be established in accordance with the Protocol with the following URL: <https://www.bdo.ca/en-ca/extranets/1001Broadview>

27. **THIS COURT ORDERS** that if the service or distribution of documents in accordance with the Protocol is not practicable, the Receiver is at liberty to serve or distribute this Order, any other materials and orders in these proceedings, any notices or other correspondence, by forwarding true copies thereof by prepaid ordinary mail, courier, personal delivery or facsimile transmission to the Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor and that any such service or distribution by courier, personal delivery or facsimile transmission shall be deemed to be received on the next business day following the date of forwarding thereof, or if sent by ordinary mail, on the third business day after mailing.

SALE PROCESS

28. **THIS COURT ORDERS** that the Sale Process as set out in the Pre-Filing Report is hereby approved and that the Receiver is authorized and directed to commence the Sale Process for the purpose of soliciting interest in and opportunities for the sale of the Property of the Debtor.

29. **THIS COURT ORDERS** that the Receiver is hereby authorized and directed to perform its obligations under the Sale Process, and to do all things reasonably necessary to do so.

30. **THIS COURT ORDERS** that the Receiver and its respective affiliates, partners, employees and agents shall have no liability with respect to any and all losses, claims, damages or liabilities, of any nature or kind, to any person in connection with or as a result of the Sale Process, except to the extent such losses, claims, damages or liabilities result from gross negligence or wilful misconduct of the Receiver in performing its obligations under the Sale Process (as determined by this Court).

RETENTION OF LAWYERS

31. **THIS COURT ORDERS** that the Receiver may retain lawyers, including the Applicant's lawyers, to represent and advise the Receiver in connection with the exercise of the Receiver's powers and duties, including without limitation, those conferred by this Order. Such

lawyers may be the lawyers for the Applicant herein, in respect of any aspect, where the Receiver is satisfied that there is no actual or potential conflict of interest.

GENERAL

32. **THIS COURT ORDERS** that the Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.

33. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

34. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

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

36. **THIS COURT ORDERS** that the Applicant shall have its costs of this application, up to and including entry and service of this Order, provided for by the terms of the Applicant's security or, if not so provided by the Applicant's security, then on a substantial indemnity basis to be paid by the Receiver from the Debtor's estate with such priority and at such time as this Court may determine.

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

Justice C. Gilmore

SCHEDULE "A"

THE PROPERTY

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 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 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 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 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 1/4 INCHES FROM THE SW ANGLE OF SAID LT 3; THENCE NLY ALONG THE E LIMIT OF BROADVIEW AV 16 FT 10 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 sOF 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

SCHEDULE "B"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that BDO Canada Limited, the receiver (the "**Receiver**") over the lands and premises owned by 1001 Broadview Avenue Inc. (the "**Debtor**") that are municipally known as 995-1001, 1003 & 1005 Broadview Avenue, Toronto, Ontario and 2&4 Mortimer Avenue (collectively the "**Property**") appointed by Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated the 21st day of July, 2020 (the "**Order**") made in an application having Court file number CV-20-00643617-00CL, has received as such Receiver from the holder of this certificate (the "**Lender**") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.

2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.

3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.

4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.

5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver

to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

6. The charge securing this certificate shall operate so as to permit the Receiver to deal with the Property as authorized by the Order and as authorized by any further or other order of the Court.

7. The Receiver does not undertake, and it is not under any personal liability, to pay any sum in respect of which it may issue certificates under the terms of the Order.

DATED the ____ day of _____, 20__.

BDO Canada Limited, solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per: _____

Name: Josie Parisi

Title: Senior Vice-President

**CENTURION MORTGAGE - and-
CAPITAL CORPORATION**

1001 BROADVIEW AVENUE INC.

Applicant

Respondent

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*

PROCEEDING COMMENCED AT TORONTO

**ORDER
(Appointing Receiver and Approving Sale Process)**

ROBINS APPLEBY LLP
Barristers + Solicitors
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

Dominique Michaud LSO No.: 56871V
dmichaud@robapp.com
Tel: (416) 360-3795
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Lawyers for the Applicant

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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- A Legal Descriptions of 995, 997, 999, 1001, 1003 & 1005 Broadview Ave and 2 & 4 Mortimer, Toronto, Ontario
- B Vavaroutsos Affidavit
- C Avison Listing Agreement

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”**.

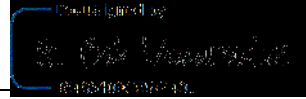
35. The Receiver has recommended a sales and marketing process to sell the Property (the “**Sales Process**”) as set out in the Pre-Filing Report of the Receiver dated July 10, 2020 (the “**Pre-Filing Report**”). A copy of the Pre-Filing Report will be filed together with this affidavit in support of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

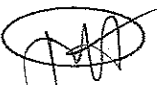
MULTIPLE REPRESENTATION AND CUSTOMER SERVICE: The Seller understands and agrees that the Listing Brokerage also provides representation and customer service to other sellers and buyers. If the Listing Brokerage represents or provides customer service to more than one seller or buyer for the same trade, 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):

- 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)

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

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

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.

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

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:

..... Date:

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ASSET PURCHASE AGREEMENT

BETWEEN

BDO CANADA LIMITED,

solely in its capacity as receiver of the properties municipally known as 995-1001, 1003 & 1005 Broadview Avenue, Toronto, Ontario and 2&4 Mortimer Avenue, Toronto, Ontario, (collectively the “**Properties**”) and not in its personal capacity

AND

2774179 ONTARIO INC.

MADE AS OF

September 23, 2020

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ASSET PURCHASE AGREEMENT

THIS AGREEMENT is made as of September 23, 2020.

BETWEEN

BDO CANADA LIMITED, solely in its capacity as receiver of the properties municipally known as 995-1001, 1003 & 1005 Broadview Avenue, Toronto, Ontario and 2 & 4 Mortimer Avenue, Toronto, Ontario, (collectively the “**Lands**”) and not in its personal capacity

(collectively, the “**Vendor**” or “**Receiver**”)

- and -

2774179 ONTARIO INC.,

a corporation incorporated under the laws of the Province of Ontario

(the “**Purchaser**”),

WHEREAS the Receiver was appointed as receiver over the Lands pursuant to the order of Justice Gilmore dated the 21st day of July 2020 (the “**Receivership Order**”);

AND WHEREAS pursuant to the terms of the Receivership Order, the Receiver is authorized to market and sell the Lands;

AND WHEREAS the Purchaser desires to purchase the Purchased Assets (as defined herein) upon and subject to the terms and conditions set out in this Agreement;

NOW THEREFORE, in consideration of the covenants and agreements herein contained, the parties agree as follows:

ARTICLE 1 - INTERPRETATION

1.01 Definitions

In this Agreement, unless something in the subject matter or context is inconsistent therewith:

“**Acceptance Date**” means the date upon which this Agreement is fully executed by both parties.

“**Affiliates**” means, with respect to any Person, any other Person that controls or is controlled by or is under common control with the referent Person.

“**Agreement**” means this agreement, including its recitals and schedules, as amended from time to time.

“**Applicable Law**” means:

- (i) any applicable domestic or foreign law including any statute, subordinate legislation or treaty, as well as the common law; and
- (ii) any applicable and enforceable rule, requirement, order, judgment, injunction, award or decree of a Governmental Authority.

“**Approval and Vesting Order**” means an order of the Court substantially in the form attached hereto as **Exhibit A**: (i) approving the sale of the Purchased Assets by the Receiver to the Purchaser pursuant to the terms of this Agreement, and (ii) providing for the vesting of the right, title, benefit and interest of the Debtor in and to the Properties in and to the Purchaser, free and clear of all Liens, other than the Permitted Encumbrances.

“**Business Day**” means a day other than a Saturday, Sunday, statutory or civic holiday in Toronto, Ontario.

“**Claim**” means any actual or threatened civil, criminal, administrative, regulatory, arbitral or investigative inquiry, action, suit, investigation or proceeding and any Loss, claim or demand relating thereto or resulting therefrom, or any other claim or demand of whatever nature or kind.

“**Closing Date**” means ten (10) days following the date of receipt of notice of the Approval and Vesting Order, or such other date as may be agreed in writing between the parties hereto but in any event, not prior to November 15, 2020.

“**Contract**” means any contract, agreement, license, instrument or commitment recognized at law or equity, whether express or implied, or arising by a course of conduct or usage of trade.

“**Court**” means the Ontario Superior Court of Justice (Commercial List).

“**Debtor**” means 1001 Broadview Avenue Inc.

“**Documents**” means any and all documents pertaining to the Lands and pertaining to the development thereof which are in the possession of the Receiver and have been made available to the Purchaser electronically through the “data room”. Without limiting the generality of the foregoing this includes all plans, surveys, studies, analysis, architectural plans, drawings and renderings, engineering reports including environmental reports, soil reports, structural reports and studies and analysis, planning opinions, recommendations, reports and studies, all marketing materials, reports, studies, opinions and recommendations and tax appeal information which are in the possession of the Receiver.

“**Environmental Law**” means any Applicable Law relating to the natural or indoor environment including those pertaining to (i) reporting, licensing, permitting, investigating, remediating or controlling the presence or Release or threatened Release of Hazardous Substances, or (ii) the use,

treatment, storage, disposal, transport, handling and the like of Hazardous Substances, including, for greater certainty, any such Applicable Law pertaining to occupational health and safety.

Extension Right has the meaning set out in Section 6.01.

Governmental Authority means any domestic or foreign legislative, executive, judicial or administrative body or person having jurisdiction in the relevant circumstances.

Hazardous Substance means any substance, material or emission whose storage, handling, use, transportation or Release is prohibited, controlled or regulated by any Governmental Authority having jurisdiction pursuant to Environmental Laws, including any contaminant or pollutant as defined in the *Environmental Protection Act* (Ontario).

Lands means the lands municipally known as 995-1001, 1003 & 1005 Broadview Avenue, Toronto, Ontario and 2 & 4 Mortimer Avenue, Toronto, Ontario and legally described as set out on Exhibit D.

Liabilities means all costs, expenses, charges, debts, liabilities, commitments and obligations of any nature or kind, whether accrued or fixed, actual, absolute, contingent, latent or otherwise, matured or unmatured or determined or undeterminable, including those arising under any Applicable Law or Claim and those arising under any Contract or undertaking or otherwise, including any tax liability or tort liability of Debtor.

Liens means any lien (statutory or otherwise), mortgage, pledge, security interest (whether contractual, statutory or otherwise), hypothecation, trust or deemed trust (whether contractual, statutory, or otherwise), execution, levy, charge, encumbrance, interest in property, or other financial or monetary claim which, in each case, in substance, secures payment or performance of an obligation, or similar charge of any kind.

Permitted Encumbrances means only those Liens related to the Purchased Assets set forth on **Exhibit C**.

Person means any individual, corporation, limited liability company, partnership, firm, joint venture, association, joint-stock company, trust, unincorporated organization, Governmental Authority or other entity.

Personal Information means information about an identifiable individual, but does not include the name, title or business address or telephone number of an employee of an organization.

Proceeds has the meaning set out in Section 6.07(1)(a)(b).

Purchase Price has the meaning set out in Section 2.02.

Purchased Assets has the meaning set out in Section 2.01.

Purchaser's Solicitor means Zimmerman Associates.

“**Release**” means any release or discharge of any Hazardous Substance including any discharge, spray, injection, inoculation, abandonment, deposit, spillage, leakage, seepage, pouring, emission, emptying, throwing, dumping, placing, exhausting, escape, leach, migration, dispersal, dispensing or disposal.

“**Receiver**” has the meaning set out in the recitals hereto.

“**Receiver’s Certificate**” means a certificate signed by the Receiver substantially in the form attached as **Schedule A** to the Approval and Vesting Order confirming that: (i) the Purchaser has paid, and the Receiver has received payment of, the Purchase Price in relation to the purchase by the Purchaser of the Purchased Assets, and (ii) the conditions to be complied with at or prior to the Time of Closing as set out in Sections 5.01 and 5.02, respectively, have been satisfied or waived by the Receiver or the Purchaser, as applicable, pursuant to Section 5.03.

“**Receivership Order**” has the meaning set out in the recitals hereto.

“**Receiver’s Solicitor**” means Robins Appleby LLP.

“**Tax Act**” means the *Income Tax Act* (Canada).

“**Time of Closing**” means 9:00 a.m. (Toronto Time) on the Closing Date.

“**Transfer Taxes**” has the meaning set out in Section 2.04.

1.02 **Headings**

The division of this Agreement into Articles and Sections and the insertion of a table of contents and headings are for convenience of reference only and do not affect the construction or interpretation of this Agreement. The terms “hereof”, “hereunder” and similar expressions refer to this Agreement and not to any particular Article, Section or other portion hereof. Unless something in the subject matter or context is inconsistent therewith, references herein to Articles, Sections and Exhibits are to Articles and Sections of and Exhibits to this Agreement.

1.03 **Extended Meanings**

In this Agreement words importing the singular number include the plural and vice versa, words importing any gender include all genders and words importing persons include individuals, corporations, limited and unlimited liability companies, general and limited partnerships, associations, trusts, unincorporated organizations, joint ventures and Governmental Authorities. The term “including” means “including without limiting the generality of the foregoing” and the term “third party” means any Person other than the Receiver and the Purchaser.

1.04 **Capacity of Receiver**

The Receiver, in executing this Agreement, is entering into this Agreement solely in its capacity as the court appointed receiver and manager of the Properties, and not in its personal or any other capacity. The Receiver shall have no personal or corporate liability of any kind whether in contract, tort or otherwise.

1.05 **Statutory References**

In this Agreement, unless something in the subject matter or context is inconsistent therewith or unless otherwise herein provided, a reference to any statute is to that statute as now enacted or as the same may from time to time be amended, re-enacted or replaced and includes any regulations made thereunder.

1.06 **Currency**

All references to currency herein are to lawful money of Canada.

1.07 **Exhibits**

The following are the Exhibits to this Agreement:

Exhibit A - Form of Approval and Vesting Order

Exhibit B – HST Undertaking and Indemnity

Exhibit C - Permitted Encumbrances

Exhibit D – Legal Description

ARTICLE 2 - SALE AND PURCHASE

2.01 **Assets to be Sold and Purchased**

Upon and subject to the terms and conditions hereof, the Receiver will sell to the Purchaser and the Purchaser will purchase from the Receiver, as of and with effect from the Time of Closing, all of the right, title, benefit and interest of Debtor in and to the following assets (collectively, the “**Purchased Assets**”):

- (a) the Lands;
- (b) all structures, erections, improvements, appurtenances and fixtures situate on or forming part of the Lands; and
- (c) the Documents.

2.02 **Purchase Price**

Assets excluding all applicable Taxes (such amount being hereinafter referred to as the “**[REDACTED]**”) is **[REDACTED]**

2.03 Property Taxes

(1) The Purchaser and the Receiver shall adjust all municipal realty taxes to the Closing Date. This includes all municipal realty taxes, assessments, levies and penalties of any nature or kind, and interest and costs thereon, including all levies and special charges set forth in the respective tax bills of any government taxation authority.

(2) The Purchaser shall, at its option, be entitled to continue any realty tax appeals, complaints, applications, or proceedings pending for any calendar year prior to and including the calendar year in which the Closing Date occurs and shall be entitled to receive from the municipality any payment resulting therefrom. To the extent the Purchaser receives any of the aforementioned payments, it shall hold said payments in trust for the Receiver and forthwith remit the payments to the Receiver.

2.04 Transfer Taxes

(1) The Purchaser will be liable for and will pay, or will cause to be paid, all transfer, land transfer, value added, *ad-valorem*, excise, sales, use, consumption, goods or services, harmonized sales, retail sales, social services, or other similar taxes or duties (collectively, “**Transfer Taxes**”) payable under any Applicable Law on or with respect to the sale and purchase of the Purchased Assets under this Agreement. The Purchaser will prepare and file any affidavits or returns required in connection with the foregoing at its own cost and expense.

(2) The Purchaser shall indemnify and save harmless the Receiver and its employees, advisors and agents from all Claims incurred, suffered or sustained as a result of a failure by the Purchaser:

- (a) to pay any Transfer Taxes payable by the Purchaser; and/or
- (b) to file any returns, certificates, filings, elections, notices or other documents required to be filed by the Purchaser with any federal, provincial or other taxing authorities in connection with the conveyance or transfer of the Purchased Assets but specifically excluding any income tax.

2.05 Payment of Purchase Price

(1) The Purchase Price will be satisfied by the Purchaser as follows:

- (a) by payment of a deposit in the amount of THREE HUNDRED THOUSAND DOLLARS (\$300,000.00) within 2 Business Days of the Acceptance Date to the Receiver’s Solicitors (the “**Deposit**”). The Deposit shall be held by the Receiver’s Solicitors in trust pending successful completion of this transaction and shall be credited on account of the Purchase Price at the Time of Closing. If the transaction contemplated by this Agreement is not completed for any reason except the default of the Purchaser, the Deposit (together with all interest) shall be returned to the Purchaser and neither party shall have any claim for damages or other recourse against the other. If the transaction contemplated by this

Agreement is not completed as a result of the default of the Purchaser, the Deposit (together with all interest) shall be forfeited to the Receiver; and

- (b) by paying the balance of the Purchase Price, subject to adjustments, by wire transfer at the Time of Closing of Canadian dollar funds to an account specified by the Receiver;
- (2) The Purchaser and the Receiver acknowledge that the Receiver's Solicitors are a mere stakeholder of the Deposit as between the Purchaser and the Receiver and, in the event of a dispute between the Purchaser and the Receiver as to entitlement to, or disposition of the Deposit, the Receiver's Solicitors shall be entitled to pay the Deposit into Court and thereafter shall have no further responsibility in regard thereto and the Receiver's Solicitors may act in the interests of the Receiver in the matter of any dispute between the Purchaser and the Receiver.

2.06 **Delivery of Purchased Assets**

At the Time of Closing, the Purchaser will take vacant possession of the Purchased Assets where situated.

ARTICLE 3 - REPRESENTATIONS AND WARRANTIES

3.01 **Receiver's Representations and Warranties**

The Receiver represents and warrants to the Purchaser that, as at the date hereof and as of the Closing Date:

- (a) subject to the entry of the Approval and Vesting Order and any other orders required by the Court in connection with the transactions contemplated herein, the Receiver has the power, authority and right to enter into and deliver this Agreement and to carry out its obligations hereunder;
- (b) subject to the entry of the Approval and Vesting Order and any other orders required by the Court in connection with the transactions contemplated herein, this Agreement constitutes a valid and legally binding obligation of the Receiver, enforceable against the Receiver in accordance with its terms;
- (c) Debtor is registered under Part IX of the *Excise Tax Act* (Canada) with registration number 70448 6497; and
- (d) Debtor is not a non-resident of Canada within the meaning of section 116 of the Tax Act.
- (e) The Vendor has no knowledge that any of the Documents are or may be false or misleading.

3.02 **Purchaser's Representations and Warranties**

The Purchaser represents and warrants to the Receiver that:

- (a) the Purchaser is a corporation duly incorporated, organized and existing under the laws of the Province of Ontario;
- (b) the Purchaser has the power, authority and right to enter into and deliver this Agreement and to carry out its obligations hereunder;
- (c) this Agreement constitutes a valid and legally binding obligation of the Purchaser, enforceable against the Purchaser in accordance with its terms;
- (d) the Purchaser has taken all necessary corporate action to authorize the entering into and performance by it of this Agreement and completion of the transactions contemplated herein and the entering into of this Agreement in completion of the transactions contemplated herein will not breach its constating documents, any agreement binding on the Purchaser, or Applicable Laws relating to the Purchaser;
- (e) that it has the financial ability through its own resources or through financing that has been arranged with a recognized financial lending institution, to close the transaction contemplated herein and pay the balance of the Purchase Price on the Closing Date;
- (f) the Purchaser has available, and at the Time of Closing will have, sufficient funding to enable the Purchaser to consummate the purchase of the Purchased Assets on the terms set forth herein and otherwise to perform all of the Purchaser's obligations under this Agreement;
- (g) prior to the Time of Closing the Purchaser will be registered under Part IX of the *Excise Tax Act* (Canada) and will advise the Vendor of such registration number; and
- (h) the Purchaser is not a non-resident of Canada within the meaning of section 116 of the Tax Act.

3.03 **"As Is, Where Is"**

(1) The Purchaser acknowledges and agrees that it is purchasing the Purchased Assets on an "as is, where is" basis and on the basis that the Purchaser has conducted to its satisfaction an independent inspection, investigation and verification of the Purchased Assets (including a review of title), and all other relevant matters and has determined to proceed with the transaction contemplated herein and will accept the same at the Time of Closing in their then current state, condition, location, and amounts, subject to all Permitted Encumbrances.

(2) Any documents, materials and information provided by or on behalf of the Receiver to the Purchaser with respect to the Purchased Assets (including the Documents and any confidential information memorandums, management presentations, or material made available to

the Purchaser) have been provided to the Purchaser solely to assist the Purchaser in undertaking its own due diligence, and the Receiver has not made and is not making any representations or warranties, implied or otherwise, to or for the benefit of the Purchaser as to the accuracy and completeness of any such documents, materials or information or the achievability of any valuations, estimates or projections. The Purchaser acknowledges that it has not and will not rely upon any such documents, materials or information in any manner, whether as a substitute for or supplementary to its own due diligence, searches, inspections and evaluations. The Receiver and their respective affiliates, directors, officers, employees, agents and advisors shall not be liable for any inaccuracy, incompleteness or subsequent changes to any such documents, materials or information. The Purchaser further acknowledges that the use of the Documents may not be possible without the Purchaser obtaining reliance or other assurances from the author of such Documents directly and further that the interest of the Debtor in the Documents may be subject to copyright or other property rights which may preclude their use by the Purchaser in whole or in part.

ARTICLE 4 - COVENANTS

4.01 Covenants of the Receiver

(1) The Receiver will ensure that the representations and warranties of the Receiver set out in Section 3.01 are true and correct in all material respects at the Time of Closing and use reasonable commercial efforts to ensure that the conditions of closing for the benefit of the Purchaser set out in Section 5.01 over which it has reasonable control have been performed or complied with in all material respects by the Time of Closing.

(2) The Receiver shall file with the Court, as soon as practicable after its execution and delivery of this Agreement, a motion seeking the Court's issuance of the Approval and Vesting Order.

4.02 Covenants of the Purchaser

(1) The Purchaser will ensure that the representations and warranties of the Purchaser set out in Section 3.02 are true and correct in all material respects at the Time of Closing and use reasonable commercial efforts to ensure that the conditions of closing for the benefit of the Receiver set out in Section 5.02 over which it has reasonable control have been performed or complied with in all material respects by the Time of Closing.

(2) The Purchaser will provide the Receiver with all information within its possession or control that the Receiver may reasonably request to assist the Receiver in obtaining the Approval and Vesting Order.

(3) The Purchaser will comply with the *Personal Information Protection and Electronic Documents Act* (Canada) and other similar Applicable Laws relating to privacy and the protection of Personal Information in respect of the Books and Records, Contracts and any other business and financial records related to the Purchased Assets.

ARTICLE 5 - CONDITIONS AND TERMINATION

5.01 Conditions for the Benefit of the Purchaser

The sale by the Receiver and the purchase by the Purchaser of the Purchased Assets is subject to the following conditions, which are for the exclusive benefit of the Purchaser and which are to be performed or complied with:

- (a) the representations and warranties of the Receiver set forth in this Agreement will be true and correct in all material respects at the Time of Closing with the same force and effect as if made at and as of such time;
- (b) the Receiver will have performed or complied in all material respects with all of the obligations and covenants of this Agreement to be performed or complied with by the Receiver at or prior to the Time of Closing;
- (c) no action or proceeding in Canada will be pending by any third party to enjoin or prohibit the sale and purchase of the Purchased Assets at the Time of Closing; and
- (d) the Approval and Vesting Order will have been granted by the Court and such order will not have been stayed, varied in any material respect, set aside or appealed (or any such appeal shall have been dismissed with no further appeal therefrom) prior to the Time of Closing.

5.02 Conditions for the Benefit of the Receiver

The sale by the Receiver and the purchase by the Purchaser of the Purchased Assets is subject to the following conditions, which are for the exclusive benefit of the Receiver and which are to be performed or complied with at or prior to the Time of Closing:

- (a) the representations and warranties of the Purchaser set forth in this Agreement will be true and correct in all material respects at the Time of Closing with the same force and effect as if made at and as of such time;
- (b) the Purchaser will have performed or complied in all material respects with all of the obligations and covenants of this Agreement to be performed or complied with by the Purchaser at or prior to the Time of Closing;
- (c) no action or proceeding in Canada will be pending by any third party to enjoin or prohibit the purchase and sale of the Purchased Assets; and
- (d) the Approval and Vesting Order will have been granted by the Court and such order will not have been stayed, varied in any material respect, set aside or appealed (or any such appeal shall have been dismissed with no further appeal therefrom).

5.03 **Waiver of Condition**

The Purchaser, in the case of a condition set out in Section 5.01, and the Receiver, in the case of a condition set out in Section 5.02, will have the exclusive right to waive the performance or compliance of such condition in whole or in part and on such terms as may be agreed upon without prejudice to any of its rights in the event of non-performance of or non-compliance with any other condition in whole or in part. Any such waiver will not constitute a waiver of any other conditions in favour of the waiving party. Such waiving party will retain the right to complete the purchase and sale of the Purchased Assets herein contemplated.

5.04 **Termination**

This Agreement may be terminated, by delivery of written notice within 2 Business Days of such party learning of such breach with respect to Section 5.04(a) and prior to the Closing Date for any other provision below:

- (a) by the Receiver or the Purchaser if a material breach of any representation, warranty, covenant, obligation or other provision of this Agreement has been committed by the other party and such breach has not been waived or cured within five days following the date on which the non-breaching party notifies the other party of such breach;
- (b) by the Purchaser if a condition in Section 5.01 becomes impossible to satisfy by the Time of Closing (other than through the failure of the Purchaser to comply with its obligations under this Agreement) and the Purchaser has not waived such condition;
- (c) by the Receiver if a condition in Section 5.02 becomes impossible to satisfy prior to the Time of Closing (other than through the failure of the Receiver to comply with its obligations under this Agreement) and the Receiver has not waived such condition;
- (d) by the Purchaser pursuant to Section 6.07(1)(a); and
- (e) by written agreement of the Purchaser and the Receiver.

5.05 **Effect of Termination**

Each party's right of termination under Section 5.04 is in addition to any other rights it may have under this Agreement or otherwise, and the exercise of a right of termination will not be an election of remedies. If this Agreement is terminated pursuant to Section 5.04, all further obligations of the parties under this Agreement will terminate, except that the obligations in Sections 6.04, 8.03, 8.04 and 8.16 will survive; provided, however, that if this Agreement is terminated by a party because of a material breach of a representation or warranty, covenant, obligation or other provision of this Agreement by the other party or because one or more of the conditions to the terminating party's obligations under this Agreement is not satisfied as a result of the other party's failure to comply with its obligations under this Agreement, the terminating party's right to pursue all legal remedies with respect to such breach will survive such termination unimpaired.

ARTICLE 6 - CLOSING ARRANGEMENTS

6.01 Closing

The sale and purchase of the Purchased Assets will be completed at the Time of Closing at the offices of Robins Appleby LLP, 120 Adelaide Street West, Suite 2600, Toronto, Ontario M5H 1T1.

The Purchaser shall have the right to extend the Closing Date (the “**Extension Right**”) for up to thirty (30) days per extension up to two (2) times on the following terms:

- (a) Written notice is delivered to the Vendor exercising the Extension Right on or before 5 days before the then existing Time of Closing, which notice shall specify the new Closing Date;
- (b) The Purchaser provides the Vendor with the sum of TWO HUNDRED THOUSAND DOLLARS (\$200,000) on or before the Time of Closing, which sum shall be added to and deemed to constitute part of the Deposit. For clarity, an additional sum is payable with each exercise of the Extension Right, so that upon the Purchaser exercising both of its Extension Rights, the Deposit shall comprise a total of SEVEN HUNDRED THOUSAND DOLLARS (\$700,000); and
- (c) The Extension Right may not be used to extend the Closing Date beyond January 15, 2021.

6.02 Receiver’s Closing Deliveries

On or before the Time of Closing, the Receiver will deliver or cause to be delivered to the Purchaser the following:

- (a) a certificate executed by the Receiver confirming that the representations and warranties of the Receiver in this Agreement are true and correct in all material respects as of the Time of Closing and that the obligations of the Receiver to be performed prior to the Time of Closing have been performed in all material respects;
- (b) an undertaking to readjust the any customary adjustments to the Purchase Price, if necessary;
- (c) a copy of the issued and entered Approval and Vesting Order;
- (d) such other documents or instruments as contemplated or required to be delivered by the Receiver pursuant to this Agreement, all of which shall be in form and substance satisfactory to the parties, acting reasonably.

6.03 **Purchaser's Closing Deliveries**

On or before the Time of Closing, the Purchaser will deliver or cause to be delivered to the Receiver the following:

- (a) payment of the Purchase Price to the Receiver as contemplated by Section 2.05(1);
- (b) a certificate executed by a senior officer of the Purchaser confirming that the representations and warranties of the Purchaser in this Agreement are true and correct in all material respects as of the Time of Closing and that the obligations of the Purchaser to be performed prior to the Time of Closing have been performed in all material respects;
- (c) an undertaking to readjust the customary adjustments to the Purchase Price, if necessary;
- (d) if required, a land transfer tax affidavit;
- (e) the HST Undertaking and Indemnity; and
- (f) such other documents or instruments as contemplated or required to be delivered by the Purchaser pursuant to this Agreement, all of which shall be in form and substance satisfactory to the parties, acting reasonably.

6.04 **Confidentiality**

Both prior to the Closing Date and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason thereafter, the Purchaser will not disclose to anyone or use for its own or for any purpose other than the purpose contemplated by this Agreement any confidential information concerning Debtor or the operations obtained by the Purchaser pursuant hereto, and will hold all such information in the strictest confidence and, if the sale and purchase of the Purchased Assets hereunder fails to occur for whatever reason, will return all documents, records and all other information or data relating to Debtor or to the operations which the Purchaser obtained pursuant to this Agreement.

6.05 **Delivery of Receiver's Certificate**

When the Receiver is satisfied that all conditions hereunder have been satisfied or waived, and all documents to be delivered under the terms hereof have been delivered at or before the Time of Closing, the Receiver will deliver an executed copy of the Receiver's Certificate to the Purchaser's counsel in escrow upon the sole condition of receipt by the Receiver of the amounts referred to in Section 2.05(1). All of the foregoing amounts will then be paid by the Purchaser, by wire transfer of immediately available funds to an account designated in writing by the Receiver for this purpose pursuant to Section 2.05(1) hereof. Following written confirmation of receipt by the Receiver of such funds (or such person directed by the Receiver to receive such funds), the Receiver's Certificate will be released from escrow to the Purchaser. Upon such delivery, the closing will be deemed to have occurred at the Time of Closing. The Receiver will file a copy of

the Receiver's Certificate with the Court on the next Business Day following the Closing Date and provide evidence of such filing to the Purchaser.

6.06 **Planning Act**

This Agreement is subject to compliance with the *Planning Act* (Ontario). The parties agree that compliance with the *Planning Act* (Ontario) shall be the responsibility of the Purchaser at its costs. The Receiver agrees to execute all documents reasonably requested by the Purchaser in respect thereof.

6.07 **Risk of Loss**

(1) Until the Time of Closing, the Purchased Assets will remain at the risk of the Receiver. If any destruction or damage in excess of \$750,000.00 occurs to the Purchased Assets on or before the Time of Closing or if any or all of the Purchased Assets are appropriated, expropriated or seized by governmental or other lawful authority on or before the Time of Closing:

- (a) the Receiver will forthwith give notice thereof to the Purchaser, and the Purchaser shall have the right to terminate this Agreement prior to the Time of Closing and shall notify the Receiver in a reasonable period of time whether it is exercising this right; and
- (b) in the event the Purchaser does not exercise its right of termination under Section 6.07(1)(a), the Purchaser will have the option, exercisable by notice to the Receiver on or before the Time of Closing to complete the purchase without reduction of the Purchase Price, in which event all Proceeds will be payable to the Purchaser and all Claims of the Receiver to any such amounts not paid by the Closing Date will be assigned to the Purchaser.

(2) If the Purchaser elects to reduce the Purchase Price pursuant to Section 6.07(1)(a)(b), the Purchaser and the Receiver will at the Time of Closing determine the amount of the reduction to the extent that it is then determinable and the Receiver will undertake to adjust such amount after the Closing Date, if necessary.

ARTICLE 7 SURVIVAL AND ACCESS

7.01 **Survival**

No covenants, representations and warranties of each party contained in this Agreement will survive the completion of the sale and purchase of the Purchased Assets, except for the covenants that by their terms are to be satisfied or survive after the Time of Closing (including without limitation Sections 2.04, 8.03, 8.04, and 8.16), which covenants will continue in full force and effect in accordance with their terms.

7.02 **Access by Purchaser**

The Receiver shall allow the Purchaser, its representatives and advisors to have access to the Lands and subject to providing twenty four (24) hours' Notice, to allow the Purchaser to carry

out such non-invasive tests (including soil tests), environmental audits or assessments, surveys and inspections of the Lands as the Purchaser, its representatives or advisors may deem necessary. All such tests and inspections shall be at the sole risk and expense of the Purchaser. The Purchaser acknowledges that the Receiver shall be entitled to have a representative present during each such period of access. The Purchaser shall promptly repair at its sole cost and expense any damage to the Property caused by such tests and inspections and indemnify the Receiver for any damages or costs sustained by the Receiver as a result of the Purchaser's inspections. The Purchaser agrees that this covenant shall survive termination of this Agreement.

ARTICLE 8 - GENERAL

8.01 Further Assurances

Each of the Receiver and the Purchaser will from time to time at the request and expense of the other execute and deliver all such further documents and instruments and do all acts and things as the other party may, either before or after the Closing Date, reasonably require to effectively carry out or better evidence or perfect the full intent and meaning of this Agreement.

8.02 Time of the Essence

Time is of the essence of this Agreement.

8.03 Fees, Commissions and other Costs and Expenses

Each of the Receiver and the Purchaser will pay its respective legal and accounting costs and expenses and any real estate or other commissions incurred in connection with the preparation, execution and delivery of this Agreement and all documents and instruments executed pursuant to this Agreement and any other costs and expenses whatsoever and howsoever incurred and will indemnify and save harmless the other from and against any Claim resulting from any broker's, finder's or placement fee or commission alleged to have been incurred as a result of any action by it in connection with the transactions under this Agreement.

8.04 Public Announcements

Except as required by Applicable Law, no public announcement or press release concerning the sale and purchase of the Purchased Assets may be made by the Receiver or the Purchaser without the prior consent and joint approval of the Receiver and the Purchaser.

8.05 Benefit of the Agreement

This Agreement will enure to the benefit of and be binding upon the successors and permitted assigns of the parties.

8.06 Entire Agreement

This Agreement (including the agreements contemplated hereby) constitute the entire agreement between the parties with respect to the subject matter hereof and such agreements cancel and supersede any prior understandings and agreements between the parties with respect thereto.

There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this Agreement (including the agreements contemplated hereby).

8.07 **Amendments and Waivers**

No amendment to this Agreement will be valid or binding unless set forth in writing and duly executed by both of the parties. No waiver of any breach of any provision of this Agreement will be effective or binding unless made in writing and signed by the party purporting to give the same and, unless otherwise provided, will be limited to the specific breach waived.

8.08 **Assignment**

This Agreement may not be assigned by the Receiver or the Purchaser without the written consent of the other, which consent may not be arbitrarily withheld, but provided that: (i) any such assignee enters into a written agreement with the Receiver to be bound by the provisions of this Agreement in all respects and to the same extent as the Purchaser is bound, and (ii) such assignment occurs prior to the issuance of the Approval and Vesting Order. Upon any such assignment, it is hereby agreed that the Purchaser shall be deemed to have been released from all of its covenants and obligations herein contained upon successful completion of this transaction.

8.09 **Notices**

Any demand, notice or other communication to be given in connection with this Agreement must be given in writing and will be given by personal delivery or by electronic means of communication addressed to the recipient as follows:

To the Receiver:

BDO Canada Limited
20 Wellington Street East
Suite 500
Toronto, Ontario M5E 1C5

Fax No.: 416-369-6031
Email: JParisi@bdo.ca
Attention: Josie Parisi

With copies to:

Robins Appleby LLP
120 Adelaide Street West
Suite 2600
Toronto, Ontario M5H 1T1

Fax No: 416-863-4592
Email: dmichaud@robapp.com
Attention: Dominique Michaud

To the Purchaser: 22 Foxberry Road
East Gwillimbury, Ontario
L9N 0P6

Attention: Adam Seanor

With copies to: Zimmerman Associates
3338 Dufferin Street
Toronto, Ontario
M6A 3A4

Attention: Lawrence Zimmerman
Email: larry@zimlaw.ca
Fax: (416) 489-6222

or to such other street address, individual or electronic communication number or address as may be designated by notice given by either party to the other. Any demand, notice or other communication given by personal delivery will be conclusively deemed to have been given on the day of actual delivery thereof and, if given by electronic communication, on the day of transmittal thereof if given during the normal business hours of the recipient and on the Business Day during which such normal business hours next occur if not given during such hours on any day.

8.10 **Remedies Cumulative**

The right and remedies of the parties under this Agreement are cumulative and are in addition to, and not in substitution for, any other rights and remedies available at law or in equity or otherwise. No single or partial exercise by a party of any right or remedy precludes or otherwise affects the exercise of any other right or remedy to which that party may be entitled.

8.11 **No Third Party Beneficiaries**

This Agreement is solely for the benefit of:

- (a) the Receiver, and its successors and permitted assigns, with respect to the obligations of the Purchaser under this Agreement, and
- (b) the Purchaser, and its successors and permitted assigns, with respect to the obligations of the Receiver under this Agreement,

and this Agreement will not be deemed to confer upon or give to any other person any Claim or other right or remedy.

8.12 **Governing Law**

This Agreement is governed by and will be construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein.

8.13 **Attornment**

For the purpose of all legal proceedings this Agreement will be deemed to have been performed in the Province of Ontario and the courts of the Province of Ontario will have jurisdiction to entertain any action arising under this Agreement. The Receiver and the Purchaser each attorns to the jurisdiction of the courts of the Province of Ontario.

8.14 **Appointment of Agent for Service**

The Purchaser nominates, constitutes and appoints Lawrence Zimmerman, Barrister and Solicitor of the City of Toronto its true and lawful agent to accept service of process and to receive all lawful notices in respect of any action arising under this Agreement (other than any notice that is to be given by one party to another pursuant to Section 8.09). Until due and lawful notice of the appointment of another and subsequent agent in the Province of Ontario has been given to and accepted by the Receiver, service of process or of papers and such notices upon Lawrence Zimmerman will be accepted by the Purchaser as sufficient service.

8.15 **Severability**

If any provision of this Agreement is determined by any court of competent jurisdiction to be illegal or unenforceable, that provision will be severed from this Agreement and the remaining provisions will continue in full force and effect.

8.16 **No Registration of Agreement**

The Purchaser agrees that it will not register or cause or permit to be registered this Agreement and that no reference to or notice of it or any caution, certificate of pending litigation or other similar court process in respect thereof shall be registered on title to the Lands and/or any part thereof. The Purchaser shall indemnify and save the Receiver harmless from and against any and all Claims whatsoever arising from or with respect to any such registration. This Section shall survive the expiration and/or termination of this Agreement for any reason.

8.17 **Counterparts**

This Agreement may be executed in any number of counterparts, each of which will be deemed to be an original and all of which taken together will be deemed to constitute one and the same instrument.

8.18 **Electronic Execution**

Delivery of an executed signature page to this Agreement by any party by electronic transmission will be as effective as delivery of a manually executed copy of this Agreement by such party.

This Agreement shall expire if it has not been accepted by the Receiver on or before 12:01 pm on October 1, 2020.

[The balance of this page has been intentionally left blank]

IN WITNESS WHEREOF the parties have executed this Agreement as of the date first above written.

2774179 ONTARIO INC.

Per: 

Name: Adam Seanor

Title: President

**BDO CANADA LIMITED,
solely in its capacity as receiver of the
properties municipally known as 995-
1001, 1003 & 1005 Broadview Avenue,
Toronto, Ontario and 2&4 Mortimer
Avenue, Toronto, Ontario and not in its
personal capacity**



Per:
Name: Josie Parisi
Title: Senior Vice President

EXHIBIT A

Form of Approval and Vesting Order

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

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

THE HONOURABLE JUSTICE) DAY, THE [__] DAY OF
) [__], 2020
)

BETWEEN:

CENTURION MORTGAGE CAPITAL CORPORATION

Applicant

and

1001 BROADVIEW AVENUE INC.

Respondent

APPROVAL AND VESTING ORDER

THIS MOTION, made by BDO Canada Limited, in its capacity as Court appointed receiver (the “**Receiver**”), for an order approving the sale transaction (the “**Transaction**”) contemplated by an asset purchase agreement (the “**Asset Purchase Agreement**”) between the Receiver and ● (the “**Purchaser**”) dated ●, 2020, and vesting in the Purchaser, **1001 BROADVIEW AVENUE INC.’s** (“**Debtor**”), right, title, benefit and interest in and to the assets described in the Asset Purchase Agreement (the “**Purchased Assets**”), was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the Affidavit of ● sworn ●, 2020 and the ● Report of the Receiver dated ●, 2020 (the “**● Report**”), and on hearing the submissions of counsel for the Receiver, the

Applicant, and the Purchaser, and any such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of ● sworn ●, 2020 filed:

1. **THIS COURT ORDERS** that unless otherwise defined herein or the context otherwise requires, capitalized terms used and not otherwise defined herein shall have the meanings ascribed to them in the Asset Purchase Agreement.
2. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Asset Purchase Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
3. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as **Schedule A** hereto (the "**Receiver's Certificate**"), all of Debtor's right, title, benefit and interest in and to the Purchased Assets described in the Asset Purchase Agreement shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Receivership Order dated the 21st day of July, 2020; (ii) all charges, security interests or claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on **Schedule B** hereto (all of which are collectively referred to as the "**Encumbrances**", which term shall not include the permitted encumbrances, easements and restrictive covenants listed on **Schedule C**) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

4. **THIS COURT ORDERS** that upon the registration in the applicable land registry office or land titles office of a Transfer/Deed of Land or equivalent document, or of an application for registration of this Order in the applicable prescribed form, the applicable land registrar or equivalent official is hereby directed to enter the Purchaser as the owner of the subject real property in fee simple, and is hereby directed to delete and expunge from title to the real property all of the Claims listed in **Schedule B** hereto.

5. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver's Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

6. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the Canada *Personal Information Protection and Electronic Documents Act*, the Receiver is authorized and permitted to disclose and transfer to the Purchaser all human resources and payroll information in the Company's records pertaining to Debtor's past and current employees. The Purchaser shall maintain and protect the privacy of such information and shall be entitled to use the personal information provided to it in a manner which is in all material respects identical to the prior use of such information by Debtor.

7. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of Debtor and shall not be void or voidable by creditors of Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

8. **THIS COURT ORDERS AND DECLARES** that the Transaction is exempt from the application of the *Bulk Sales Act* (Ontario) and Sections 6(3) of the *Retail Sales Act* (Ontario).

9. **THIS COURT HEREBY REQUESTS** the aid and recognition of any court, tribunal, regulatory or administrative body having jurisdiction in Canada or in the United States to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All courts, tribunals, regulatory and administrative bodies are hereby respectfully requested to make such orders and to provide such assistance to the Receiver, as an officer of this Court, as may be necessary or desirable to give effect to this Order or to assist the Receiver and its agents in carrying out the terms of this Order.

Schedule A – Form of Receiver’s Certificate

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

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

THE HONOURABLE JUSTICE) DAY, THE [__] DAY OF
) [__], 2020
)

BETWEEN:

CENTURION MORTGAGE CAPITAL CORPORATION

Applicant

and

1001 BROADVIEW AVENUE INC.

Respondent

RECEIVER’S CERTIFICATE**RECITALS**

- A. Pursuant to an Order of the Honourable Mr. Justice Gilmore of the Ontario Superior Court of Justice (the “**Court**”) dated July 21st, 2020, BDO Canada Limited was appointed as receiver (the “**Receiver**”) of the assets, undertakings and properties of 1001 BROADVIEW AVENUE INC. (the “**Debtor**”) amongst others.
- B. Pursuant to an Order of the Court dated ●, 2020, the Court approved the agreement of purchase and sale made as of ●, 2020 (the “**Asset Purchase Agreement**”) between the Receiver

and ● (the “**Purchaser**”) and provided for the vesting in the Purchaser of Debtor’s right, title and interest in and to the Purchased Assets, which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the Purchase Price for the Purchased Assets, (ii) that the conditions to closing as set out in the Asset Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser, and (iii) the Transaction has been completed to the satisfaction of the Receiver.

C. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Asset Purchase Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received the Purchase Price for the Purchased Assets payable on the Closing Date pursuant to the Asset Purchase Agreement;
2. The conditions to closing as set out in the Asset Purchase Agreement have been satisfied or waived by the Receiver and the Purchaser, respectively; and
3. The Transaction has been completed to the satisfaction of the Receiver.
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

**BDO Canada Limited, in its capacity as
Receiver, and not in its personal capacity**

Per: _____

Name:

Title:

Schedule B – Claims to be deleted and expunged from title to Real PropertyPIN 10399-0074

1. Charge from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041028
2. Notice of Assignment of Rents – General from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041029
3. Court Order registered on July 21, 2020 as Instrument AT5478284

PIN 10399-0076

4. Charge from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041028
5. Notice of Assignment of Rents – General from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041029
6. Charge from 1001 Broadview Avenue Inc. to 1001 Broadview Investment Inc. registered on September 1, 2017 as Instrument No. AT4671585
7. Postponement from 1001 Broadview Avenue Inc. in favour of Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041052 with respect to the above-noted mortgages
8. Court Order registered on March 13, 2020 as Instrument No. AT5387704 by Amr Abdulwahab A Attar
9. Court Order registered on July 21, 2020 as Instrument AT5478284

PIN 10399-0077

10. Charge from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041028
11. Notice of Assignment of Rents – General from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041029
12. Charge from 1001 Broadview Avenue Inc. to 1001 Broadview Investment Inc. registered on September 1, 2017 as Instrument No. AT4671585

13. Postponement from 1001 Broadview Avenue Inc. in favour of Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041052 with respect to the above-noted mortgages
14. Court Order registered on March 13, 2020 as Instrument No. AT5387704 by Amr Abdulwahab A Attar
15. Court Order registered on July 21, 2020 as Instrument AT5478284

PIN 10399-0078

16. Charge from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041028
17. Notice of Assignment of Rents – General from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041029
18. Charge from 1001 Broadview Avenue Inc. to 1001 Broadview Investment Inc. registered on September 1, 2017 as Instrument No. AT4671585
19. Postponement from 1001 Broadview Avenue Inc. in favour of Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041052 with respect to the above-noted mortgages
20. Court Order registered on March 13, 2020 as Instrument No. AT5387704 by Amr Abdulwahab A Attar
21. Court Order registered on July 21, 2020 as Instrument AT5478284

PIN 10399-0079

22. Charge from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041028
23. Notice of Assignment of Rents – General from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041029
24. Charge from 1001 Broadview Avenue Inc. to 1001 Broadview Investment Inc. registered on September 1, 2017 as Instrument No. AT4671585
25. Postponement from 1001 Broadview Avenue Inc. in favour of Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041052 with respect to the above-noted mortgages
26. Court Order registered on March 13, 2020 as Instrument No. AT5387704 by Amr Abdulwahab A Attar

27. Court Order registered on July 21, 2020 as Instrument AT5478284

PIN 10399-0080

28. Charge from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041028

29. Notice of Assignment of Rents – General from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041029

30. Charge from 1001 Broadview Avenue Inc. to 1001 Broadview Investment Inc. registered on September 1, 2017 as Instrument No. AT4671585

31. Postponement from 1001 Broadview Avenue Inc. in favour of Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041052 with respect to the above-noted mortgages

32. Court Order registered on March 13, 2020 as Instrument No. AT5387704 by Amr Abdulwahab A Attar

33. Court Order registered on July 21, 2020 as Instrument AT5478284

PIN 10399-0081

34. Charge from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041028

35. Notice of Assignment of Rents – General from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041029

36. Charge from 1001 Broadview Avenue Inc. to 1001 Broadview Investment Inc. registered on September 1, 2017 as Instrument No. AT4671585

37. Postponement from 1001 Broadview Avenue Inc. in favour of Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041052 with respect to the above-noted mortgages

38. Court Order registered on March 13, 2020 as Instrument No. AT5387704 by Amr Abdulwahab A Attar

39. Court Order registered on July 21, 2020 as Instrument AT5478284

PIN 10399-0082

40. Charge from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041028

41. Notice of Assignment of Rents – General from 1001 Broadview Avenue Inc. to Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041029
42. Charge from 1001 Broadview Avenue Inc. to 1001 Broadview Investment Inc. registered on September 1, 2017 as Instrument No. AT4671585
43. Postponement from 1001 Broadview Avenue Inc. in favour of Centurion Mortgage Capital Corporation registered on December 21, 2018 as Instrument No. AT5041052 with respect to the above-noted mortgages
44. Court Order registered on March 13, 2020 as Instrument No. AT5387704 by Amr Abdulwahab A Attar
45. Court Order registered on July 21, 2020 as Instrument AT5478284

**Schedule C – Permitted Encumbrances, Easements and Restrictive Covenants
related to the Real Property (unaffected by the Vesting Order)**

(SEE EXHIBIT C)

EXHIBIT B

HST UNDERTAKING AND INDEMNITY

TO: BDO CANADA LIMITED., solely in its capacity as receiver of 1001 BROADVIEW AVENUE INC.'s interest in the Purchased Assets, and not in its personal capacity

AND TO: Robins Appleby LLP, its solicitors

RE: **Agreement of Purchase and Sale dated _____ (the "Agreement") between BDO CANADA LIMITED., solely in its capacity as receiver of 1001 BROADVIEW INC. and not in its personal capacity (the "Receiver") and _____ (the "Purchaser") in respect of the property municipally known as 995-1001, 1003 & 1005 Broadview Avenue, Toronto, Ontario and 2 & 4 Mortimer Avenue, Toronto, Ontario (collectively, the "Purchased Assets").**

IN CONSIDERATION of and notwithstanding closing of the above-noted purchase, the undersigned hereby covenants and agrees that with respect to Harmonized Sales Tax ("HST") payable pursuant to the *Excise Tax Act* (the "**Act**") by reason of the sale of the Property and all buildings, structures and improvements thereon, the Purchaser represents, warrants and agrees that:

- (i) It is purchasing the Purchased Assets as principal for its own account and same is not being purchased by the Purchaser as an agent, trustee or otherwise on behalf of or for another person;
- (ii) It is registered under Subdivision (d) of Division V of Part IX of the *Act* for the collection and remittance of HST; its registration number is _____; and such registration is in good standing and has not been withdrawn or revoked and shall file returns and remit any HST owing on the sale to the Receiver General to the extent required by the *Act*;
- (iii) It shall be liable to and shall self-assess and remit to the appropriate governmental authority all HST which is payable under the *Act* in connection with the transfer of the Purchased Assets made pursuant to this Agreement of Purchase and Sale, all in accordance with the *Act*;
- (iv) It acknowledges that the Receiver is relying upon the accuracy of the above representations and warranties in not collecting HST and allowing the Purchaser to self-assess and remit HST to the Receiver General in accordance with the *Act*, and that such representation and warranties shall not merge on the closing of the transaction;
- (v) It shall indemnify and save harmless the Receiver from and against any and all HST, penalties, costs and/or interest which may become payable by or assessed against the Receiver as a result of any inaccuracy, misstatement or

misrepresentation made in connection with any matter raised in this paragraph or contained in any declaration referred to herein; and

- (vi) If HST is payable in respect of this transaction in accordance with the Act, the undersigned, having paid or agreed to pay the consideration for the sale, is liable for payment of HST thereon.

The above warranties, certificates and agreements will survive the closing of this transaction and continue in full force and effect thereafter.

DATED this _____ day of _____, 2020.

Per: _____

Name:

Title:

I have the authority to bind the Corporation

EXHIBIT C
PERMITTED ENCUMBRANCES

1. The reservations, limitations, provisions and conditions expressed in the original grant from the Crown and all unregistered rights, interests and privileges in favour of the Crown under or pursuant to any applicable statute or regulation.
2. Any subdivision agreement, development agreement, servicing agreement, site plan agreement or any other agreement, document, regulation, subdivision control by-law or other instrument containing provisions relating to the Lands or the use, development, installation of services and utilities or the erection of buildings or other improvements in or on the Lands.
3. All easements, licenses, rights-of-way, watercourses and rights (and all reference plans with respect thereto), whether registered or unregistered, including without limitation those for access or for the installation and maintenance of public and private utilities and other services including without limitation, telephone lines, hydro-electric lines, gas mains, water mains, sewers and drainage and other services or for the maintenance, repair or replacement of any adjoining building or lands, including any cost sharing agreement relating thereto, or any right of re-entry reserved by a predecessor in title.
4. Any restrictive covenants and building restrictions affecting the Lands.
5. Any defects of title or encroachments by or onto the Lands, whether by gardens, fences, trees, buildings, foundations, or other structures or things, which may be revealed by any survey or reference plan of the Lands, whether now in existence or not.
6. Utility agreements, and other similar agreements with Authorities or private or public utilities affecting the Lands.
7. Liens for taxes, local improvements, assessments or governmental charges or levies not at the time due or delinquent.
8. Undetermined, inchoate or statutory liens and charges (including, without limitation, the liens of public utilities, workers, suppliers of materials, contractors, subcontractors, architects and unpaid Receivers of moveable property) incidental to any current operations of the Lands which have not been filed pursuant to any legal requirement or which relate to obligations not yet due or delinquent.
9. Zoning restrictions, restrictions on the use of the Lands or minor irregularities in title thereto.
10. The reservations, limitations, conditions and exceptions to title set out in the *Land Titles Act (Ontario)*.
11. Instrument No. 66BA379
12. Instrument No. 66R17037

13. Instrument No. A996558
14. Instrument No. AT4649388
15. Instrument No. C387561
16. Instrument No. C544802
17. Instrument No. C548972
18. Instrument No. C628541
19. Instrument No. C742328
20. Instrument No. C742337
21. Instrument No. C991121
22. Instrument No. C991122
23. Instrument No. C991123
24. Instrument No. E285156
25. 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 [as set out in the legal description of PIN 10399-0080]
26. 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 [as set out in the legal description of PIN 10399-0079]

EXHIBIT D
LEGAL DESCRIPTION

PIN 10399-0074

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

PIN 10399-0076

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

PIN 10399-0077

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

PIN 10399-0078

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

PIN 10399-0079

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 1/4 INCHES FROM THE SW ANGLE OF SAID LT 3; THENCE NLY ALONG THE E LIMIT OF BROADVIEW AV 16 FT 10 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

PIN 10399-0080

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 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 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 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 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

PIN 10399-0081

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

PIN 10399-0082

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



Mortgage Information Statement

Date: October 8, 2020

Via E-mail: dmichaud@robapp.com
JParisi@bdo.ca

Attention: Dominique Michaud
 Robins Appleby LLP
 Suite 2600
 120 Adelaide Street West
 Toronto, Ontario M5H 1T1

and

Josie Parisi
 BDO Canada Limited
 20 Wellington St. E. Suite 500
 Toronto, ON M5E 1C5

Centurion Loan No: 203

Borrower(s): 1001 Broadview Avenue Inc.

Guarantor(s): Khashayar Khavari

Property Address: 995-1001, 1003 & 1005 Broadview Avenue and 2 & 4 Mortimer Avenue

Further to your request, the following is a Mortgage Information Statement as at October 8, 2020:

Loan 203A	Loan 203B (Receivership Facility)
Funding Date : December 20, 2018	October 6, 2020
Interest Rate: PR + 5.05% or 9.00%	10% - Fixed Rate
Maturity Date January 1, 2020	
L203A - Principal Balance as of October 8, 2020:	\$ 7,755,804.19
L203A - Interest Accrued to October 8, 2020:	\$ 540,531.35
L203B - Principal Balance as of October 8, 2020:	\$ 50,000.00
L203B - Interest Accrued to October 8, 2020:	\$ 27.67
Total Loan Balance as at October 8, 2020:	<u>\$ 8,346,363.21</u>

This statement is for information purposes only.

Please feel free to contact us should you have any questions or require any further information.

Yours truly,

CENTURION MORTGAGE CAPITAL CORPORATION

Richard Bruce
Senior Mortgage Administrator

Jean Maraj
Director, Mortgage Funding & Administration

E. & O. E

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

ONTARIO SUPERIOR COURT OF JUSTICE

(COMMERCIAL LIST)

BETWEEN:

CENTURION MORTGAGE CAPITAL CORPORATION

Applicant

- and -

1001 BROADVIEW AVENUE INC.

Respondents

AFFIDAVIT OF JOSIE PARISI

I, JOSIE PARISI, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY** that:

1. I am a Partner of BDO Canada Limited, and as such have personal knowledge of the matters referred to herein.
2. By Order of the Honourable Justice Gilmore, dated July 21, 2020 (the "Order"), BDO Canada Limited was appointed as Receiver (the "Receiver") of 1001 Broadview Avenue Inc.
3. Pursuant to the Order, the Receiver has provided services and incurred disbursements which are more particularly described in the detailed accounts attached hereto and marked as **Exhibit "A"**.
4. The time shown in the detailed accounts attached as **Exhibit "A"** are a fair and accurate description of the services provided and the amounts charged by the Receiver, which reflect the Receiver's time as billed at its standard billing rates.

- 5. The Receiver requests that the Court approve its interim accounts for the period from 9 April 2020 to 20 September 2020 in the amount of \$60,770.19 inclusive of HST of \$6,723.53 for the services set out in Exhibit "A".
- 6. This affidavit is sworn in support of the Receiver's motion for, among other things, approval of its fees and disbursements and those of its legal representatives and for no other or improper purpose.

SWORN BEFORE ME at the City of Toronto,)
 in the Province of Ontario, this)
 8th day of October 2020.)

T. Montesano)
 Commissioner for Taking Affidavits, etc)

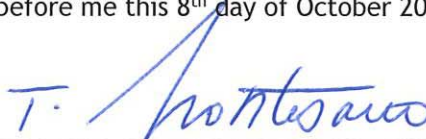
J. Parisi)
 Josie Parisi, CPA, CA, CBV, CIRP, LIT)

**Antonio Montesano, a Commissioner, etc.,
 Province of Ontario, for BDO Canada LLP
 and BDO Canada Limited, and
 their subsidiaries, associates and affiliates.
 Expires December 21, 2020.**

This is Exhibit "A" referred to in the affidavit of

Josie Parisi

Sworn before me this 8th day of October 2020



A COMMISSIONER FOR TAKING AFFIDAVITS

**Antonio Montesano, a Commissioner, etc.,
Province of Ontario, for BDO Canada LLP
and BDO Canada Limited, and
their subsidiaries, associates and affiliates.
Expires December 21, 2020.**



Tel: 416 865 0210
 Fax: 416 865 0904
 www.bdo.ca

BDO Canada Limited
 20 Wellington Street E, Suite 500
 Toronto ON M5E 1C5 Canada

1001 Broadview Avenue Inc.
 c/o BDO Canada Limited
 20 Wellington Street East, Suite 500
 Toronto, ON
 M5E 1C5

Attention: Josie Parisi

Date	Invoice
8 October 2020	#CINVO

RE: 1001 BROADVIEW AVENUE INC. ("1001")

TO OUR FEE FOR PROFESSIONAL SERVICES rendered from 9 April 2020 to 30 September 2020 to in connection with our Engagement as Receiver of the above-noted, as described below.

Our Fee		\$ 44,832.50
Disbursements		
Professional Services of Rose, Persiko, Rakowsky, Melvin LLP	6,833.96	
Insurance - P.J. Dermody Insurance Brokers (HST Exempt)	2,257.20	
Filing Fee (HST Exempt)	70.00	
PPSA/Corporate Searches	53.00	9,214.16
		<u>54,046.66</u>
HST - 13.0% (#R101518124)		6,723.53
Total Due		<u><u>\$ 60,770.19</u></u>

Summary of Time Charges:	Hours	Rate	Amount
J. Parisi, Partner	52.20	495.00	25,839.00
A. Koroneos, Senior Manager	30.90	465.00	14,368.50
D. Zheng, Analyst	14.20	275.00	3,905.00
M. Berinpalingam, Analyst	0.60	275.00	165.00
T. Montesano, Administrator	0.50	200.00	100.00
Administrative Support	2.60		455.00
TOTAL	<u>101.00</u>		<u>\$ 44,832.50</u>

Date	Professional	Description	Hrs.
9-Apr-20	Josie Parisi	Prepare for meeting with Centurion Mortgage Capital Corporation (“Centurion”), attend call; discussions with D. Michaud of Robins Appleby LLP (“Robins”) and review email correspondence.	1.3
14-Apr-20	Josie Parisi	Review information provided; begin drafting court report.	1.6
15-Apr-20	Anna Koroneos	Initiate draft pre appointment report and review of Financial Statements.	1.0
17-Apr-20	Mithushaa Berinpalingam	Project description research and write up.	0.6
17-Apr-20	Josie Parisi	Review background information sent by D. Michaud for pre appointment report.	0.9
17-Apr-20	Anna Koroneos	Work on draft pre-filing report; review materials.	2.5
20-Apr-20	Anna Koroneos	Work on pre-filing report; review of background documents.	1.7
21-Apr-20	Josie Parisi	Review materials provided by Robins y; report outline; discussion regarding same.	1.1
21-Apr-20	Anna Koroneos	Pre filing report; review of support.	2.5
22-Apr-20	Anna Koroneos	Continue work on draft report; property tax review; etc.	0.6
23-Apr-20	Anna Koroneos	Review of draft report; updates.	0.5
23-Apr-20	Josie Parisi	Call with D. Michaud regarding agreement of purchase and sale and stalking horse provisions.	0.6
24-Apr-20	Anna Koroneos	Review of draft Application materials and work on draft report; send to J. Parisi.	3.0
30-Apr-20	Josie Parisi	Review Affidavit of B. Vavouroutsos	0.6
1-May-20	Anna Koroneos	Review of Affidavit of B. Vavouroutsos and update proposed Receiver’s report to court.	1.0
4-May-20	Anna Koroneos	Review edit court report.	1.3
5-May-20	Josie Parisi	Call D. Michaud regarding update on 1001.	0.3
11-May-20	Josie Parisi	Call with D. Michaud regarding stalking horse bid.	0.6
22-May-20	Josie Parisi	Review agreement.	0.6
28-May-20	Josie Parisi	Review appraisal report.	0.6

Date	Professional	Description	Hrs.
3-Jun-20	Anna Koroneos	Review of second appraisal and calculate overall average; email to J. Parisi; review of report missing information.	0.4
4-Jun-20	Anna Koroneos	Review of draft report; discussion with J. Parisi on Confidential Appendix and draft same which details appraisals and fair price.	2.3
5-Jun-20	Josie Parisi	Review report and make edits.	3.1
19-Jun-20	Josie Parisi	Discussions with Centurion regarding sale of property and best approach; provide additional information as requested; prepare for meeting.	1.2
29-Jun-20	Josie Parisi	Review Avison Proposal.	0.2
30-Jun-20	Josie Parisi	Call with Centurion and Robins to review listing proposals; call to Avison Young ("Avison") to set up call for further discussion.	0.4
2-Jul-20	Anna Koroneos	Review Phase 2 Environmental Assessment ("Phase 2") and email from J. Parisi regarding timeline.	0.2
2-Jul-20	Josie Parisi	Call with Avison to go through listing proposal.	0.5
3-Jul-20	Anna Koroneos	Telephone call and email to Terraprobe on Phase 2 update discussion with J. Parisi regarding Avison and planning.	0.3
3-Jul-20	Josie Parisi	Call with B. Vavouroutsos regarding discussions with Avison and go forward strategy.	0.6
4-Jul-20	Josie Parisi	Update court report.	1.2
6-Jul-20	Anna Koroneos	Review of draft report; review of listing agreement.	0.3
6-Jul-20	Josie Parisi	Review listing agreement and provide comments to Centurion; correspondence with Avison regarding changes to the listing agreement.	0.6
9-Jul-20	Josie Parisi	Correspondence with Avison.	0.1
10-Jul-20	Anna Koroneos	Review of emails; court date and correspondence with M. Shahid of Terraprobe.	0.2
13-Jul-20	Josie Parisi	Discuss website; review information from environmental issues.	0.2
13-Jul-20	Anna Koroneos	Draft Notice and Statement of Receiver; discussions with Terraprobe on Phase 1 and 2 updates; forward information to J. Parisi.	0.7

Date	Professional	Description	Hrs.
14-Jul-20	Anna Koroneos	Email to Terraprobe on discount and review and forward response with new invoice.	0.3
15-Jul-20	Anna Koroneos	Email to U. Arshad and M. Shahid at Terraprobe regarding agreement and appointment.	0.1
21-Jul-20	Josie Parisi	Court attendance; posting documents to website; correspondence with counsel with for 1001; contact debtors counsel; finalize listing agreement; review application record.	1.8
22-Jul-20	Josie Parisi	Discussions with L. Zimmerman regarding his interest in the project.	0.2
22-Jul-20	Anna Koroneos	Emails; discussion on Notice and Statement of Receiver; emails regarding creditor information and planning for distribution of notice.	0.3
23-Jul-20	Josie Parisi	Correspondence with counsel to 1001; correspondence with realtor regarding next steps.	0.4
24-Jul-20	Anna Koroneos	Review documents; call with Avison on listing; review of photos from Lockit Security.	0.7
24-Jul-20	Doris Zheng	Correspondence with J. Parisi, review Application Record, prepare service list, and revise receiver's notice.	1.2
24-Jul-20	Josie Parisi	Conference call with Avison and D. Michaud of Robins; review template APA and provide comments.	1.7
25-Jul-20	Josie Parisi	Correspondence with Lockit Security regarding securing the property.	0.2
27-Jul-20	Anna Koroneos	Review and amend Notice and Statement of Receiver and update creditor information; with J. Parisi on same; review of email from counsel to debtor and enclosures.	0.5
27-Jul-20	Tony Montesano	Correspond with A. Koroneos; add creditors to creditors list.	0.5
27-Jul-20	Doris Zheng	Prepare door notice, review information provided by lawyers, update Notice and Statement of Receiver; call with B. Chiasson; update creditor information.	1.5
27-Jul-20	Josie Parisi	Review information provided by debtor regarding the property (plans, drawings, property taxes etc.)	1.7
28-Jul-20	Anna Koroneos	Review of property tax and other documents; instructions to review City of Toronto tax information to D. Zheng.	0.4

Date	Professional	Description	Hrs.
28-Jul-20	Doris Zheng	Correspondence regarding Notice and Statement of Receiver; review and summarize documents provided by lawyers; call with A. Koroneos; look up property tax information and prepare summary.	2.8
29-Jul-20	Anna Koroneos	Email response to Terra on claims process not applicable.	0.1
29-Jul-20	Josie Parisi	Correspondence with debtor regarding insurance.	0.2
29-Jul-20	Doris Zheng	Correspondence with creditors.	0.4
30-Jul-20	Josie Parisi	Correspondence regarding insurance; start reviewing brochures.	0.3
30-Jul-20	Doris Zheng	Review insurance documents; call broker and insurer; correspondence with J. Parisi and A. Koroneos.	0.5
31-Jul-20	Doris Zheng	Calls and correspondence regarding insurance coverage; review policy details.	0.6
31-Jul-20	Josie Parisi	Reviewing insurance; reviewing materials from realtors; call with Centurion and Robins regarding materials and a potential purchaser.	2.4
4-Aug-20	Josie Parisi	Correspondence with M. Darcy regarding property maintenance; review emails from realtor.	0.4
5-Aug-20	Anna Koroneos	Call with Avison; discussion on landscaping.	0.6
5-Aug-20	Doris Zheng	Calls and correspondence with insurers; review application to Premier; correspondence with creditor.	0.7
5-Aug-20	Josie Parisi	Attend at 1001 to address issues identified by the City related to the grass; call with Lockit Security to discuss security and grass; call with Avison; review template APA and provide comments to Robins Appleby.	2.7
6-Aug-20	Anna Koroneos	Discussion on landscape; review APA and sale process.	0.2
6-Aug-20	Doris Zheng	Review environmental report; prepare revised application to Premier; correspondence with J. Parisi.	0.5
7-Aug-20	Anna Koroneos	With Terraprobe on 1001 report; review of response and invoice; forward to J. Parisi.	0.3
7-Aug-20	Doris Zheng	Correspondence regarding the insurance application.	0.3
7-Aug-20	Josie Parisi	Call with D. Michaud regarding changes to the template APA; review insurance application and make changes; correspondence with debtor regarding contents of steel drums on the property.	0.5

Date	Professional	Description	Hrs.
10-Aug-20	Doris Zheng	Correspondence regarding insurance quote.	0.1
10-Aug-20	Josie Parisi	Review brochure and Offering Memorandum and provide comments to Avison.	0.6
11-Aug-20	Anna Koroneos	Review of marketing materials draft email with comments; review of emails; telephone call with Avison on materials and launch.	0.8
11-Aug-20	Josie Parisi	Conference call to review marketing materials; call with D. Michaud regarding potential offer.	0.8
12-Aug-20	Josie Parisi	Attend conference call with Avison regarding APA.	0.2
12-Aug-20	Doris Zheng	Correspondence with insurance broker; review invoice and prepare cheque requisition.	0.3
13-Aug-20	Doris Zheng	Call and correspondence regarding the insurance cheque.	0.1
13-Aug-20	Josie Parisi	Review insurance payment; review photos of steel drums on the premises; correspondence with debtor regarding drums.	0.3
13-Aug-20	Anna Koroneos	With J. Parisi on Phase 1 and 2; reach out to MTE and Pinchin; send documents for proposals to both; telephone calls; telephone call with R. Daciw of Pinchin and email relevant documents.	1.0
14-Aug-20	Doris Zheng	Correspondence regarding insurance policy; review policy documents provided by broker.	0.2
14-Aug-20	Josie Parisi	Call with D. Michaud and Centurion regarding offer received; review offer at a high level; call with Terraprobe regarding preparing the Phase 1 and explaining the Receivership process.	0.5
14-Aug-20	Anna Koroneos	With Pinchin on Phase 1 proposal; update J. Parisi; review of proposal from MTE; emails on Phase 1 and 2; review of offer; read and summarize quotes; hydro neighbour issue; respond to J. Parisi on calling Hydro and not a land owner issue.	0.8
15-Aug-20	Josie Parisi	Attend at 1001 Broadview to look at hydro wire/tree complaint for nursery school next door.	0.6
16-Aug-20	Anna Koroneos	Email of notes on proposals for Phase 1 and 2; attempt to forward Phase 1 and request sharefile.	0.5

Date	Professional	Description	Hrs.
17-Aug-20	Anna Koroneos	Discussions with MTE and Pinchin on Phase 1 and 2; forward phase 1 to both; review of Avison documents; review of new Pinchin proposal; discussion with C. Modreanu of Pinchin and J. Parisi on need for Phase 2; internal discussion on go forward plan; telephone call with Avison on environmental report requirements.	1.0
17-Aug-20	Josie Parisi	Review email and materials from Avison, sign MLS data sheet; review and respond to emails from potential purchaser; review summary of APA and provide comments; call with Robins regarding APA; call with Pinchin regarding environmental report; call with Avison regarding environmental update; receive and respond to various calls from potential purchasers.	3.1
18-Aug-20	Josie Parisi	Discussion with D. Michaud re next steps.	0.3
19-Aug-20	Josie Parisi	Speaking with L. Zimmerman regarding his client's offer and stalking horse bid.	0.6
20-Aug-20	Anna Koroneos	With Pinchin on site visit; respond and review questions; forward to J. Parisi; telephone call on fencing and site visit for ESA; review response from Pinchin and agree to access limits.	0.4
20-Aug-20	Josie Parisi	Speaking to fence provider regarding arrears payments; discussions with Centurion on funding.	0.4
21-Aug-20	Anna Koroneos	Avison call for update; follow up with J. Parisi; arrange for Pinchin/Lockit meeting; emails; review of email and photos from Lockit Security with broken windows and fencing issues.	0.6
21-Aug-20	Josie Parisi	Update call with Avison, review emails from D. Michaud regarding a stalking horse; call with Robins to discuss final APA and Stalking Horse agreement; call with Lockit Security regarding broken windows at site.	0.9
24-Aug-20	Josie Parisi	Correspondence with potential purchasers; correspondence with Lockit Security regarding boarding up broken windows	0.3
25-Aug-20	Josie Parisi	Review and respond to various emails.	0.1
26-Aug-20	Doris Zheng	Upload document to client portal, correspondence with A. Koroneos.	0.1
26-Aug-20	Josie Parisi	Review stalking horse agreement and provide comments to Robins; call with potential purchaser on property information; call with Avison regarding a potential stalking horse bidder approaching Avison.	1.1

Date	Professional	Description	Hrs.
27-Aug-20	Josie Parisi	Receive calls from potential purchases and provide information to Avison.	0.2
28-Aug-20	Josie Parisi	Review blacklined stalking horse agreement; review Non Disclosure Agreement (“NDA”) from stalking horse, sign and return.	0.7
31-Aug-20	Josie Parisi	Review changes to APA and provide comments to D. Michaud; call with Avison regarding stalking horse bid; call with L. Zimmerman regarding stalking horse; review various information regarding financial ability of stalking horse.	1.4
1-Sep-20	Anna Koroneos	Review of ESA; email to Pinchin and J. Parisi.	0.1
1-Sep-20	Josie Parisi	Call with D. Michaud regarding stalking horse.	0.3
9-Sep-20	Josie Parisi	Discussion with D. Michaud re update of the sale of property.	0.4
10-Sep-20	Josie Parisi	Call with Avison regarding progress.	0.5
11-Sep-20	Josie Parisi	Call with Avison regarding sales process and update call.	0.5
11-Sep-20	Anna Koroneos	Update call with Avison; review of last progress report.	0.5
15-Sep-20	Josie Parisi	Follow up with D. Michaud and Avison regarding CAD drawings in the dataroom.	0.1
16-Sep-20	Josie Parisi	Calls and email correspondence with potential purchase.	0.7
18-Sep-20	Josie Parisi	Call with Avison regarding status of the sale.	0.4
18-Sep-20	Anna Koroneos	Telephone call with Avison on update regarding prospective purchasers; review of offer; email with J. Parisi.	0.5
21-Sep-20	Josie Parisi	Call with D. Lieberman regarding potential offers this week.	0.6
22-Sep-20	Anna Koroneos	Review and store photos of properties; discussion on utilities.	0.4
22-Sep-20	Josie Parisi	Correspondence with R. Tuzi of Lockit Security regarding vandalism and utilities still remain on the premises; review photos.	0.5
22-Sep-20	Doris Zheng	Correspondence regarding utilities; calls with Toronto Water and R. Tuzi; set up appointment to disconnect water; call with Enbridge; correspondence with BDO team and R. Tuzi.	1.9

Date	Professional	Description	Hrs.
23-Sep-20	Doris Zheng	Follow up with Toronto Hydro.	0.2
23-Sep-20	Anna Koroneos	Review of offers and discussion with J. Parisi.	0.3
23-Sep-20	Josie Parisi	Call with D. Lieberman regarding offers; review offers received.	1.4
24-Sep-20	Anna Koroneos	Telephone call with Avison on offers; with J. Parisi and D. Zheng on utilities; corporate searches on offers and potential relationships; Property tax utilities; CRA business number discussions; review of Lockit update on water shut off; review property Tax summary and anticipated costs.	1.8
24-Sep-20	Josie Parisi	Prepare for meeting with Avison; attend call with Avison; call with Robins to discuss changes to APA; call with Avison (David) to discuss a call with the purchaser; review changes to the APA; execute and return to Robins.	2.1
24-Sep-20	Doris Zheng	Correspondence with J. Parisi and A. Koroneos regarding utilities; calls with utility providers; calculate utility arrears; calls to coordinate Toronto Water appointment.	2.1
25-Sep-20	Doris Zheng	Correspondence regarding sale of property and fence.	0.4
25-Sep-20	Josie Parisi	Prepare First Report of Receiver; various calls and emails regarding waiving conditions on the property.	1.7
28-Sep-20	Josie Parisi	Discussion with D. Michaud and D. Lieberman regarding the offer.	0.2
29-Sep-20	Anna Koroneos	Offer emails; status and withdrawal review amended terms from Zimmerman.	0.2
29-Sep-20	Doris Zheng	Correspondence regarding fence; fill out Action Fence application.	0.3
29-Sep-20	Josie Parisi	Update call with Avison and Robins; subsequent calls with R&A and Centurion.	1.7
30-Sep-20	Josie Parisi	Call with Robins regarding deposit; review various emails.	0.2

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 IRVING MARKS

I, **IRVING MARKS** of the city of Toronto, in the Province of Ontario **MAKE OATH
AND SAY:**

1. I am a partner of the law firm of Robins Appleby LLP ("**Robins**"), the lawyers for BDO Canada Limited (the "**Receiver**"), as the Court-appointed receiver of the properties municipally known as 995-1001, 1003 & 1005 Broadview Avenue, Toronto, Ontario and 2 & 4 Mortimer Avenue, Toronto, Ontario (collectively the "**Property**") and, as such, have knowledge of the matters contained in this Affidavit.
2. Pursuant to the Order of Justice Gilmore dated July 21, 2020, the Receiver was appointed as the Receiver of the Property (the "**Receivership Order**").

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3. This affidavit is made in connection with the Receiver's motion for, *inter alia*, the approval of the fees and disbursements of Robins with respect to legal services rendered as independent counsel to the Receiver in connection with these receivership proceedings up to September 30, 2020 (the "**Billing Period**"). Attached as **Exhibit "A"** is a record of the legal services rendered by Robins to the Receiver and disbursements incurred during this period (the "**Robins Invoices**"). To the best of my knowledge, the Robins Invoices provides a fair and accurate description of the activities undertaken and the services rendered by Robins during this period.

4. Attached as **Exhibit "B"** is a summary of the names, year of call, hourly rates, time expended by the lawyers and other professionals at Robins whose time is reflected in the dockets recorded in Exhibit "A".

5. During the Billing Period, the total fees billed by Robins were \$31,945.00 plus disbursement of \$510.25 and applicable taxes of \$4,197.63 for an aggregate amount of \$36,652.88.

6. I have reviewed the Robins Invoices and consider the time expended for legal fees charged to be fair and reasonable for the services performed. To the best of my knowledge, the rates charges by Robins are comparable to the rates charged for legal services of a similar nature and complexity by other medium sized firms in the Toronto market.

SWORN remotely by Irving Marks at the
City of Toronto, in the Province of Ontario,
before me on 10/9/2020
in accordance with O. Reg. 431/20,
Administering Oath or Declaration
Remotely.



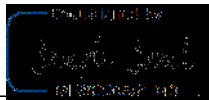
Commissioner for Taking Affidavits
(or as may be)

JOSEPH JAMIL



IRVING MARKS

THIS IS **EXHIBIT "A"** REFERRED TO IN
THE AFFIDAVIT OF **IRVING MARKS**
SWORN BEFORE ME ON ^{10/9/2020}



A Commissioner, Notary, Etc.

JOSEPH JAMIL



ROBINS APPLEBY
BARRISTERS + SOLICITORS

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INVOICE

BDO Canada Limited
500-20 Wellington Street East
Toronto, ON M5E 1C5

DATE: August 31, 2020
CLIENT No.: 7796
FILE No.: 2000500
INVOICE No.: 167426
H.S.T. No.: 12139 1205 RT0001

Attention: Josie Parisi

RE: Receivership - 1001 Broadview Avenue Inc.	
	FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:
15-Jul-20	Email regarding lapse insurance policy;
21-Jul-20	Engage file regarding preliminary steps upon appointment of Receiver and completion of draft Agreement of Purchase and Sale; Prepare and register receivership order;
22-Jul-20	Prepare Agreement of Purchase and Sale; update title searches; Telephone conference between Dominique Michaud and Ladislav Kovac regarding form of Agreement of Purchase and Sale; telephone conference with client regarding Agreement of Purchase and Sale;
23-Jul-20	Review and revise Agreement of Purchase and Sale; telephone conference between Dominique Michaud and Ladislav Kovac regarding revisions to Agreement of Purchase and Sale; Prepare Agreement of Purchase and Sale;
24-Jul-20	Prepare for conference call; attend conference call regarding sales process; review emails regarding documents for sale process;
27-Jul-20	Review documents provided by debtor;
29-Jul-20	Email correspondence regarding court order and Agreement of Purchase and Sale;



	<p>Emails with Josie Parisi with respect to registration of receivership order;</p>
30-Jul-20	<p>Email correspondence regarding insurance policy lapse;</p> <p>Emails with Josie Parisi with respect to registration of receivership order;</p>
31-Jul-20	<p>Review marketing materials; email to Josie Parisi regarding conference call to discuss comments; email correspondence between Dominique Michaud and [REDACTED] telephone conference between Dominique Michaud and [REDACTED]</p> <p>Prepare for conference call regarding sale materials: conference call with BDO and Centurion regarding sale materials;</p>
05-Aug-20	<p>Conference call regarding marketing process; telephone conference regarding insurance lapse and various property maintenance issues;</p>
07-Aug-20	<p>Review BDO comments on Agreement of Purchase and Sale; email to BDO regarding sale of assets related to the properties; telephone conference with Josie Parisi;</p> <p>Telephone conference between Dominique Michaud and Ladislav Kovac regarding amendments to Agreement of Purchase and Sale;</p> <p>Amend Agreement of Purchase and Sale; emails with Josie Parisi;</p>
11-Aug-20	<p>Various telephone conferences regarding stalking horse bid;</p>
12-Aug-20	<p>Conference call with [REDACTED] regarding Agreement of Purchase and Sale;</p>
13-Aug-20	<p>Email to Centurion regarding offer status; telephone conference between Dominique Michaud and [REDACTED];</p>
14-Aug-20	<p>Email correspondence regarding offer for property; review offer for the property; conference call with BDO and Centurion regarding offer to purchase the property; telephone conference between Dominique Michaud and [REDACTED]</p> <p>Email correspondence with [REDACTED] telephone conference between Dominique Michaud and Jeff Larry regarding offer to purchase property;</p> <p>Amend Agreement of Purchase and Sale to include documents; review offer and provide substantive comparison of terms to Josie Parisi;</p>



17-Aug-20	Engage file regarding counteroffer and stalking horse bid; Emails with Josie Parisi;
18-Aug-20	Email correspondence with stakeholders regarding offer to purchase; Engage file regarding stalking horse bid; Conference call with Bob Vavaroutsos; emails with Josie Parisi with respect to agreement of purchase and sale; amend agreement of purchase sale;
19-Aug-20	Various telephone conferences regarding receivership implications on sale of property; telephone conference between Dominique Michaud and [REDACTED] regarding stalking horse bid;
20-Aug-20	Update to Bob Vavaroutsos regarding status of stalking horse bid;
21-Aug-20	Engage file regarding sales process and stalking horse negotiations;
24-Aug-20	Amend Agreement of Purchase and Sale with respect to stalking horse bid with new purchaser;
25-Aug-20	Review revised stalking horse agreement; email from Dominique Michaud to Ladislav Kovac regarding revisions to stalking horse agreement; Amend stalking horse bid; email to Josie Parisi;
26-Aug-20	Engage file regarding stalking horse bid; Respond to comments from Josie Parisi on agreement of purchase and sale; revise Agreement of Purchase and Sale;
28-Aug-20	Email correspondence regarding sales process: review stock in hospice submitted by purchaser;
31-Aug-20	Review Agreement of Purchase and Sale revisions; email to Josie Parisi; review letters regarding funding of stalking horse bid;

OUR FEE**\$19,952.50****DISBURSEMENTS**** Indicates not subject to G.S.T./H.S.T.*



Real Estate Registrations	*65.05
Computer Search - Teraview	*77.30
Law Society Transaction Levy - Real Estate	65.00
Computer Search - Teraview	181.30
Agency Fees	10.85
Total Disbursements	\$399.50
<u>H.S.T. (13%)</u>	
on \$19,952.50 Fees	2,593.83
on \$257.15 Disbursements	33.43
Total H.S.T.	\$2,627.26
TOTAL FEES, DISBURSEMENTS and G.S.T./H.S.T.	<u>\$22,979.26</u>

ROBINS APPLEBY LLP

Per:

Dominique Michaud

E. & O.E.

/WL

Online bill payment is now available through most major banks. Please use the "Client No." located on this invoice as your online bill payment Account No., save "Robins Appleby LLP" as a "Payee" and proceed to "Pay Bills". If you require assistance, please call our office at 416-868-1080 and a member of the Robins Appleby accounting team would be pleased to help.

Account Due When Rendered. In accordance with section 33 of the *Solicitors Act*, interest will be charged at the rate of **3.00%** per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.



ROBINS APPLEBY
BARRISTERS + SOLICITORS

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INVOICE

BDO Canada Limited
500-20 Wellington Street East
Toronto, ON M5E 1C5

DATE: September 30, 2020
CLIENT No.: 7796
FILE No.: 2000500
INVOICE No.: 167681
H.S.T. No.: 12139 1205 RT0001

Attention: Josie Parisi

RE: Receivership - 1001 Broadview Avenue Inc.	
	FOR ALL PROFESSIONAL SERVICES RENDERED in connection with the above-noted matter, including the following:
31-Aug-20	E-mails from Josie Parisi;
01-Sep-20	Various telephone conferences with Centurion, BDO and [REDACTED] regarding sales process;
02-Sep-20	Email correspondence regarding receivership funding and ongoing sales efforts;
03-Sep-20	Telephone conference between Dominique Michaud and [REDACTED] regarding sales process; telephone conference between Dominique Michaud and Centurion regarding sales process; email to BDO regarding stalking horse bid;
04-Sep-20	Conference call regarding sales process update;
09-Sep-20	Email correspondence with Josie Parisi regarding various receivership issues; email from [REDACTED] to Dominique Michaud regarding revised offer; telephone conference with Josie Parisi regarding sales process update; review revised stalking horse bid;
10-Sep-20	Conference call with [REDACTED] and BDO regarding sales process; telephone conference between Dominique Michaud and Jeff Larry regarding sales process;
11-Sep-20	Conference call regarding sales process; telephone call from Dominique Michaud to [REDACTED];
14-Sep-20	Various conference calls regarding receivership sales process;



- 15-Sep-20 Telephone conference between Dominique Michaud and [REDACTED] regarding sales process;
- 16-Sep-20 Email correspondence regarding sale status; telephone conference between Dominique Michaud and [REDACTED]; email from Dominique Michaud to [REDACTED] email correspondence regarding form of Agreement of Purchase and Sale; telephone conference between Dominique Michaud and [REDACTED]
- 18-Sep-20 Conference call regarding sales process; review offer package from [REDACTED] email to BDO regarding offer from [REDACTED]
- Email from Dominique Michaud to [REDACTED] regarding repayment of deposit and return of package;
- 23-Sep-20 Engage file regarding offers for sale of property;
- 24-Sep-20 Engage file regarding review of offers; various telephone conferences regarding conditions of offers; telephone conference between Dominique Michaud and Jeff Larry regarding sales process results; telephone conference between Dominique Michaud and [REDACTED] regarding security opinion;
- Review blacklined offer; conference call with Josie Parisi with respect to comments on offer; telephone conference between Ladislav Kovac and Aleksandra Finelli with respect to comments on offer; prepare amended agreement of purchase and sale and return signed copy to Aleksandra Finelli;
- 25-Sep-20 Telephone conference and emails between Ladislav Kovac and Aleksandra Finelli; emails with Josie Parisi;
- Various emails and telephone conferences regarding waiver of conditional period and other options;
- 28-Sep-20 Various telephone conferences regarding completion of sale agreement;
- 29-Sep-20 Engage file regarding counter offer; various conference calls regarding finalization of purchase agreement; various telephone conferences regarding purchase agreement;
- 30-Sep-20 Email correspondence regarding sale approval motion; telephone conference between Dominique Michaud and [REDACTED] regarding deposit payment; telephone conference between Dominique Michaud and [REDACTED] regarding structure of deal and approval order;

OUR FEE**\$11,992.50****DISBURSEMENTS**

* Indicates not subject to G.S.T./H.S.T.
 Computer Search - Teraview

*23.50



Conference Calls	13.65
Computer Search - Teraview	68.50
Photocopies	5.10
Total Disbursements	\$110.75
<u>H.S.T. (13%)</u>	
on \$11,992.50 Fees	1,559.03
on \$87.25 Disbursements	11.34
Total H.S.T.	\$1,570.37
TOTAL FEES, DISBURSEMENTS and G.S.T./H.S.T.	<u>\$13,673.62</u>
Outstanding account dated: 31-Aug-20 Ref. No. 167426	22,979.26
TOTAL OUTSTANDING	<u>\$36,652.88</u>
ROBINS APPLEBY LLP	
Per:	
<i>Dom Michaud</i>	
Dominique Michaud	
E. & O.E.	
/WL	

Online bill payment is now available through most major banks. Please use the "Client No." located on this invoice as your online bill payment Account No., save "Robins Appleby LLP" as a "Payee" and proceed to "Pay Bills". If you require assistance, please call our office at 416-868-1080 and a member of the Robins Appleby accounting team would be pleased to help.

Account Due When Rendered. In accordance with section 33 of the *Solicitors Act*, interest will be charged at the rate of **3.00%** per annum on unpaid fees, charges or disbursements calculated from a date that is one month after this statement is delivered.

THIS IS **EXHIBIT "B"** REFERRED TO IN
THE AFFIDAVIT OF **IRVING MARKS**

SWORN BEFORE ME ON 10/9/2020



A Commissioner, Notary, Etc.

JOSEPH JAMIL

Fees and Disbursement Summary of Robins Appleby LLP for the period up to September 30, 2020

NAME	YEAR OF CALL	HOURLY RATE	TOTAL HOURS	TOTAL FEES BILLS
Dominique Michaud	2009	\$540.00	44.1	\$25,357.50
Ladislav Kovac	2014	\$425.00	15.5	\$6,587.50
SUBTOTAL FEES:				\$31,945.00
H.S.T. @13%				\$4,152.86
TOTAL FEES:				<u>\$36,097.86</u>

Disbursements	\$510.25
H.S.T. @13%	\$44.77
TOTAL DISBURSEMENTS:	<u>\$555.02</u>
TOTAL FEES, DISBURSEMENTS & H.ST.	<u>\$36,652.88</u>

**CENTURION MORTGAGE - and -
CAPITAL CORPORATION**

1001 BROADVIEW AVENUE INC.

Applicant

Respondent

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*

PROCEEDING COMMENCED AT **TORONTO**

AFFIDAVIT OF IRVING MARKS

ROBINS APPLEBY LLP

Barristers + Solicitors
2600 - 120 Adelaide Street West
Toronto, ON M5H 1T1

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Lawyers for the Receiver, BDO Canada Limited

robapp6134446.1