

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

**IN THE MATTER OF THE *CONSTRUCTION LIEN ACT*,
R.S.O. 1990, c. C.30, AS AMENDED**

**AND IN THE MATTER OF AN APPLICATION MADE BY 144 PARK LTD.
FOR THE APPOINTMENT OF A TRUSTEE UNDER SECTION 68(1) OF THE
CONSTRUCTION LIEN ACT, R.S.O. 1990, c. C.30, AS AMENDED**

**SUPPLEMENTAL RESPONDING MOTION RECORD
OF WILLIAM SEEGMILLER**

October 15, 2015

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

**IN THE MATTER OF THE *CONSTRUCTION LIEN ACT*,
R.S.O. 1990, c. C.30, AS AMENDED**

**AND IN THE MATTER OF AN APPLICATION MADE BY 144 PARK LTD.
FOR THE APPOINTMENT OF A TRUSTEE UNDER SECTION 68(1) OF THE
CONSTRUCTION LIEN ACT, R.S.O. 1990, c. C.30, AS AMENDED**

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TAB 1

**ONTARIO
SUPERIOR COURT OF JUSTICE
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**IN THE MATTER OF THE *CONSTRUCTION LIEN ACT*,
R.S.O. 1990, c. C.30, AS AMENDED**

**AND IN THE MATTER OF AN APPLICATION MADE BY 144 PARK LTD.
FOR THE APPOINTMENT OF A TRUSTEE UNDER SECTION 68(1) OF THE
CONSTRUCTION LIEN ACT, R.S.O. 1990, c. C.30, AS AMENDED**

AFFIDAVIT OF MADISON ROBINS

I, MADISON ROBINS, of the City of Vaughan in the Province of Ontario, MAKE
OATH AND SAY:

1. I am an articling student at Lenczner Slaght Royce Smith Griffin LLP. As such, I have knowledge of the matters to which I have hereinafter deposed. Where I have included information on the basis of information and belief, I have stated the source of that information or belief and verily believe it to be true.

2. I have reviewed the Trustee's Motion Record returnable October 5th, the First through Fourth Reports and the Supplements to those Reports filed by the Trustee, and the Application Record of 144 Park Ltd as made available on the Trustee's website at:

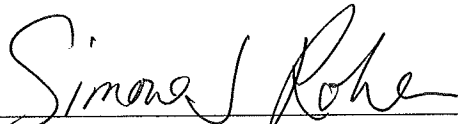
<<http://www.collinsbarrow.com/en/toronto-ontario/restructuring-and-recovery-engagements/144-park-ltd>>

3. Attached and marked as **Exhibit "A"** is a copy of the Affidavit of Greg Puklicz sworn January 16, 2015 in support of 144 Park Ltd.'s application for the appointment of a trustee under the *Construction Lien Act*.

4. Attached and marked as **Exhibit "B"** is a copy of the MarshallZehr Commitment Letter dated October 24, 2011. Attached and marked as **Exhibit "C"** is a copy of the Laurentian Bank Offer of Financing dated March 7, 2012, as amended on September 12, 2014.

5. Attached and marked as **Exhibit "D"** is a copy of the Parcel Registers for the 144 Park Project.

SWORN before me at the City of
Toronto, in the Province of Ontario,
this 15 day of October, 2015.


A Commissioner for taking affidavits.


MADISON ROBINS

Simone Jessica Roher, a Commissioner, etc.,
Province of Ontario,
while a Student-at-Law.
Expires May 22, 2017.

IN THE MATTER OF THE *CONSTRUCTION LIEN ACT*, R.S.O. 1990, c. C.30, AS AMENDED

AND IN THE MATTER OF AN APPLICATION MADE BY 144 PARK LTD. FOR THE APPOINTMENT OF A TRUSTEE
UNDER SECTION 68(1) OF THE *CONSTRUCTION LIEN ACT*, R.S.O. 1990, c. C.30, AS AMENDED

Court File No. CV15-10843-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT TORONTO

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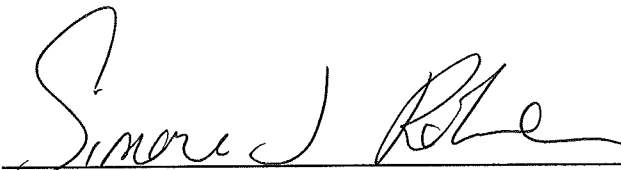
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TAB A

This is Exhibit "A" referred to in the Affidavit of
Madison Robins sworn before me, this
15th day of October, 2015


A COMMISSIONER FOR TAKING AFFIDAVITS

Simone Jessica Roher, a Commissioner, etc.,
Province of Ontario,
while a Student-at-Law.
Expires May 22, 2017.

Court File No.

**ONTARIO
SUPERIOR COURT OF JUSTICE
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**AFFIDAVIT OF GREG PUKLICZ
(sworn January 16, 2015)**

**I, GREG PUKLICZ, of the City of Toronto, in the Province of Ontario, MAKE OATH
AND SAY AS FOLLOWS:**

1. I am Senior Vice President and Chief Financial Officer of MADY Development Corporation (“**MADY**”) and Vice President of 144 Park Ltd. (“**144**”). The facts set forth herein are within my personal knowledge, determined from the face of the documents attached hereto as exhibits, and from information and advice provided to me by others. Where I have relied upon such information and advice, I have identified its source and I verily believe it to be true.

Overview

2. 144 is the owner of a 149 unit condominium project in Waterloo, Ontario. 144 has sold 129 units to purchasers, with the vast majority of purchasers in interim occupancy and awaiting final closings. 144 is insolvent. It is in default of its loan obligations to its bank and currently

owes in excess of \$39.0 million to the bank. There are approximately \$3.0 million in construction liens registered against title to the property. The closings of the units cannot occur without the construction liens being vacated. The lien claimants have no way of recovering any payment at this time. There is an additional 20 units to be sold. The units require additional work that cannot be completed by 144 without further financing. It is in the best interest of all stakeholders for a construction lien trustee to be appointed to register the Plan, complete the closing of the 129 sold units, complete and sell the 20 unsold units, and distribute the sale proceeds pursuant to Court order.

The MADY Group

3. The MADY Group is a diversified real estate development group with commercial and residential business operations across North America. The MADY Group was founded over 40 years ago in Windsor, Ontario by Charles Mady. The MADY Group currently has offices in Markham and Windsor, Ontario.

4. The MADY Group builds condominiums, mixed-use developments and commercial retail developments, and has a current development portfolio of more than 1,500 condos, over 1.5 million square feet of retail projects, and several retirement communities.

5. The MADY Group also includes a construction division. In many of our projects, we provide construction management services through a related party, Mady Contract Division (2009) Ltd. ("MCDL").

144 Park Project and the Property

6. One of the MADY Group's current condominium development projects is a 19 storey condominium project known as "144 Park Uptown Waterloo" (the "144 Park Project"). 144 is

the registered owner of the lands that comprise the 144 Park Project (the “**Property**”). Copies of the parcel registers for the two PINs that form the Property are collectively attached hereto and marked as **Exhibit “A”**.

7. 144 is a single purpose standalone entity that was incorporated to develop and construct the Property. 144 is an Ontario corporation with its registered office located in Markham, Ontario. A copy of a Corporate Profile Report for 144 is attached hereto and marked as **Exhibit “B”**.

8. In September 2011, 144 purchased the Property from Allen Street Holdings Inc. (“**Allen Street**”) pursuant to a Transfer registered on title to the Property on September 1, 2011 as Instrument No. WR639367. A copy of the Transfer is attached hereto and marked as **Exhibit “C”**.

9. The 144 Park Project is located at 142, 144 and 148 Park Street and 21 Allen Street West, which is at the intersection of Park Street and Allen Street West in the Old Westmount neighbourhood of Waterloo, Ontario.

10. The 144 Park Project is a residential condominium project with 149 total units (148 residential units and one guest suite unit), along with 150 storage units, 149 parking units, 12 miscellaneous units and one (1) roof top terrace unit.

11. The 144 Park Project has the following building amenities and features: concierge; fully outfitted Fitness Room with change rooms; Party Room equipped with caterers’ kitchen and bar and with direct access to a 4th floor terrace featuring natural gas barbeque, outdoor eco-friendly

furniture and landscaping; and a Theater Room complete with big screen television and surround sound audio system.

12. MCDL is the construction manager for the 144 Park Project.

Mortgagees

Allen Street

13. As noted above, 144 purchased the Property from Allen Street on September 1, 2011. 144 financed the purchase of the Property, in part, by way of a loan in the form of vendor take-back financing from Allen Street (the "**Allen Street Loan**"). The Allen Street Loan was evidenced by a non-interest bearing promissory note in the amount of \$3,000,000, a copy of which is attached hereto and marked as **Exhibit "D"**.

14. As security for the Allen Street Loan, 144 granted a charge/mortgage in the principal amount of \$3,000,000 in favour of Allen Street, which charge/mortgage was registered on title to the Property on September 1, 2011 as Instrument No. WR639369 (the "**Allen Street Charge**"). A copy of the Allen Street Charge is attached hereto and marked as **Exhibit "E"**.

15. The Allen Street Charge is the second mortgage registered against title to the Property, after the Aviva Charge (as defined below). As discussed below, the Allen Street Charge has been postponed in favour of the Laurentian Charge (as defined below). Additionally, although no postponement has been registered on title to the Property, I understand that, pursuant to an amending agreement dated April 29, 2011, Allen Street agreed that the Allen Street Charge would be postponed in favour of, among other things, any mezzanine financing obtained by 144. Additionally, on November 14, 2014, Allen Street and MarshallZehr Group Inc. ("**MarshallZehr**") entered into a postponement and priorities agreement that provides that the

Allen Street Charge is subordinated to the MarshallZehr Charge (as defined below). Copies of the amending agreement and the postponement and priorities agreement are attached hereto and respectively marked as **Exhibit "F"** and **Exhibit "G"**.

16. As of January 15, 2015, 144 was indebted to Allen Street for the Allen Street Loan in the principal amount of \$3,000,000.

Aviva

17. In connection with the proposed development of the Property and the 144 Park Project, 144 obtained a Tarion Warranty Corporation Bond from Aviva Insurance Company of Canada ("**Aviva**"). The Tarion Warranty Corporation Bond was obtained to secure 144's deposit and warranty obligations under the *Ontario New Home Warranties Plan Act*. 144 also entered into a deposit trust agreement and an indemnity agreement in favour of Aviva, and agreed to indemnify Aviva from any losses or claims Aviva may suffer in connection with the issuance of the Bond.

18. As security for the obligations 144 owes to Aviva, 144 granted a charge/mortgage in the principal amount of \$8,500,000 in favour of Aviva, which charge/mortgage was registered on title to the Property on September 1, 2011 as Instrument No. WR639368 (the "**Aviva Charge**"). A copy of the Aviva Charge is attached hereto and marked as **Exhibit "H"**.

19. The Aviva Charge is the first mortgage registered against title to the Property. However, as described below, a postponement has been registered in favour of the Laurentian Charge.

20. As of January 15, 2015, I am not aware of any claims having been made to Aviva in connection with the Tarion Warranty Corporation Bond issued in connection with the 144 Park Project.

MarshallZehr

21. 144 obtained mezzanine financing from MarshallZehr in the amount of \$2,887,696 pursuant to a commitment letter dated October 24, 2011, a copy of which is attached hereto and marked as **Exhibit "I"**.

22. As security for the mezzanine financing, 144 granted a charge/mortgage in the principal amount of \$2,887,696 in favour of MarshallZehr, which charge/mortgage was registered on title to the Property on December 13, 2011 as Instrument No. WR660381 (the "**MarshallZehr Charge**"). A copy of the MarshallZehr Charge is attached hereto and marked as **Exhibit "J"**.

23. The MarshallZehr Charge is the third mortgage registered against title to the Property. As discussed below, the MarshallZehr Charge has been postponed in favour of the Laurentian Charge. As noted above, I understand that Allen Street agreed to postpone its loan and charge/mortgage in favour of mezzanine financing such as the financing provided by MarshallZehr.

24. As of January 15, 2015, 144 was indebted to MarshallZehr pursuant to the terms of the commitment letter in the principal amount of \$2,887,696, plus accrued interest.

Laurentian

25. The development of the 144 Park Project was also financed by credit facilities made available to 144 by Laurentian Bank of Canada ("**Laurentian**"), pursuant to an offer of financing dated March 7, 2012, as amended (the "**Laurentian Offer of Financing**"). A copy of the Laurentian Offer of Financing is attached hereto and marked as **Exhibit "K"**.

26. The Laurentian Offer of Financing initially established three credit facilities in favour of 144: a non-revolving construction loan in the maximum amount of \$36,044,000; a letter of credit facility in the maximum amount of \$2,000,000; and an operating credit facility in the maximum amount of \$250,000. Pursuant to an amendment dated September 12, 2014, a bridge loan was advanced by Laurentian to 144 in the amount of \$3,000,000.

27. As security for 144's indebtedness to Laurentian, 144 granted, and Laurentian received, among other things:

- (a) a charge/mortgage in the principal amount of \$40,000,000 in favour of Laurentian, which charge/mortgage was registered on title to the Property on May 25, 2012 as Instrument No. WR690395 (the "**Laurentian Charge**"). A copy of the Laurentian Charge is attached hereto and marked as **Exhibit "L"**;
- (b) a General Assignment of Rents dated April 24, 2012 and registered on title to the Property on May 25, 2012 as Instrument No. WR690396, a copy of which is attached hereto and marked as **Exhibit "M"**;
- (c) an Assignment of Sale Agreements dated April 24, 2012, a copy of which is attached hereto and marked as **Exhibit "N"**; and
- (d) a General Security Agreement dated April 24, 2012, a copy of which is attached hereto and marked as **Exhibit "O"**.

28. The Laurentian Charge is the fourth registered mortgage against title to the Property. Laurentian obtained postponements from Aviva, Allen Street and MarshallZehr respectively with respect to the Aviva Charge, the Allen Street Charge and the MarshallZehr Charge (collectively,

the "Postponements"). The Postponements were registered on title to the Property on May 25, 2012. Copies of the Postponements are collectively attached hereto and marked as **Exhibit "P"**.

29. As a result of the Postponements, it is my understanding that the Laurentian Charge is the first ranking mortgage with respect to the Property.

30. As of January 6, 2015, 144 was indebted to Laurentian pursuant to the terms of the Laurentian Offer of Financing in the amount of \$39,022,634.38 (principal and interest).

Status of the 144 Park Project

31. 144 has sold 129 of the 149 units. The vast majority of the purchasers have assumed interim occupancy of the units. Purchasers of units on the first ten (10) floors of the 144 Park Project were granted interim occupancy commencing in early 2014. Purchasers of units on floors 11 through to 19 of the 144 Park Project were granted interim occupancy commencing in the fall of 2014.

32. 144 has received monthly occupancy fees and related amounts from such purchasers in accordance with the provisions of the *Condominium Act* (Ontario). Occupancy fees and related amounts for January 2015, totaling approximately \$180,000, is currently being held in an account with Laurentian and has not been applied by Laurentian to reduce 144's indebtedness or used by 144 to date (the "**Occupancy Funds**").

33. Occupancy fees and related amounts received by 144 for months prior to January 2015 were used by 144 to fund project expenses.

34. Additionally, in connection with the 129 sold units, 144 received deposits in the aggregate amount of approximately \$6,350,000. As a result of obtaining the Tarion Warranty

Corporation Bond with Aviva, 144 was entitled to, and has used approximately \$3,350,000 of such funds to finance the completion of the 144 Park Project. The remaining amount of approximately \$3,000,000 is currently being held in trust by the law firm Harris Sheaffer LLP as escrow agent, pursuant to an agreement between 144, Aviva and Harris Sheaffer LLP.

35. There remain 20 unsold units in the 144 Park Project. The units are comprised of two penthouse units, 15 apartment style units, and three townhouse units.

36. All work has been completed on the units, other than the installation of flooring, kitchen and bathroom cabinets, and countertops. All appliances and fixtures for the units are on site but have not been installed. The remaining work is typical given the unsold status of the units, as the remaining work requires input from purchasers as it involves designer finishings and upgrades.

37. 144 obtained an appraisal from a third party in November 2014 that indicated that the unsold units had substantial value.

38. All exterior work, and work with respect to the common elements of the 144 Park Project, other than as described below, has been completed.

39. 144 had submitted a draft Plan of Condominium 30CDM-13406 for the 144 Park Project (the “**Plan**”) for approval by the City of Waterloo (the “**City**”) and the Regional Municipality of Waterloo (the “**Region**”). The Region granted draft approval of the Plan on November 14, 2014, and the draft approval of the Plan came into effect on December 5, 2014. The draft approval is subject to a number of conditions that must be satisfied by 144 before the Plan can be finalized and registered. The City also provided comments on the Plan and conditions to 144 in October 2014.

40. I have been informed by Hal Kersey, Vice President of MADY, that the City and the Region are currently working on final comments and resolving minor issues in connection with the registration of the Plan and the condominium declaration. Mr. Kersey has also informed me that there are material conditions that remain to be satisfied so that registration of the Plan may proceed, which are:

- (a) installation of a silencer and related bracket in the garage, which is required for the garage exhaust fans and is to be installed on Monday January 19, 2015;
- (b) registration of an easement in favour of Waterloo North Hydro and postponements of the charges/mortgages in favour of the easement;
- (c) registration of certain notices regarding noise agreements with the City and the Region, and a notice with respect to shared facilities, and postponements of the charges/mortgages in connection with such notices; and
- (d) registration of the consent of the mortgagees to the registration of the condominium.

41. Such documents cannot be registered on title to the Property until all registered construction liens and certificates have been vacated.

Financial Difficulties

42. In 2014, 144 began to experience financial difficulties in connection with the 144 Park Project as a result of, among other things:

- (a) significant delays as a result of:

- (i) higher than reported ground water conditions, which required the installation of a temporary de-watering system on site and obtaining Ministry of Environment permits;
 - (ii) the need to redesign the structure of the 144 Park Project to install a raft slab structure;
 - (iii) a forming contractor that was three months behind schedule;
 - (iv) a glazing contractor that was four months behind schedule and had delivery difficulties; and
- (b) cost overruns in connection with the delays described above, along with the costs incurred by 144 to take steps to mitigate the delay in time for interim occupancy.

43. As a result of such financial difficulties, 144 is in default of its obligations under the Laurentian Offer of Financing.

44. By a letter dated January 7, 2015, Laurentian demanded immediate payment of 144's obligations under the Laurentian Offer of Financing, terminated the credit facilities, and confirmed that no further credit will be made available to 144. Laurentian has also delivered a notice of its intention to enforce security pursuant to section 244 of the *Bankruptcy and Insolvency Act* (Canada). Copies of the demand letter and notice are collectively attached hereto and marked as **Exhibit "Q"**.

45. 144 has no further availability under its credit facilities with Laurentian.

Construction Lien Claimants

46. During the period starting on October 24, 2014 up to and including January 15, 2015, seventeen (17) construction liens, with an aggregate value of \$2,992,932.77, have been registered against title to the Property, as described in further detail below:

Instrument No.	Registration Date	Lien Claimant	Amount of Lien	Services / Materials
WR847447	October 24, 2014	Global Fire Protection Ltd.	\$301,592.04	Sprinkler system and related work
WR849030	October 31, 2014	694643 Ontario Limited cob as O'Connor Electric	\$88,882.72	Work for section 16000 electrical installation
WR854810	December 1, 2014	J & I Gaweda Construction Ltd.	\$537,285.80	Supply and install trim carpentry
WR854978	December 2, 2014	Bast Home Comfort Inc.	\$26,889.48 ¹	Supply and installation of fireplaces
WR856756	December 11, 2014	Freudel Kitchens Limited	\$328,259.71	Supply and install kitchen cabinets and bathroom vanities
WR857239	December 12, 2014	T.I.C. Contracting Ltd.	\$436,313.73	Installation of metal stud, drywall, taping and acoustical ceilings
WR857322	December 15, 2014	Global Precast Inc.	\$188,393.19	Supply and install of architectural concrete and precast
WR857462	December 15, 2014	2050491 Ontario Inc. o/a The Downsview	\$110,715.72	Supply and install of hard landscaping concrete works, sodding, irrigation

¹ I have been advised by 144's legal counsel, Chaitons LLP, that this lien has been registered against only one of the two parcels that form the Property.

Instrument No.	Registration Date	Lien Claimant	Amount of Lien	Services / Materials
		Group		
WR857468	December 15, 2014	Sam Tortola Enterprises Inc.	\$104,008.59	Supervision, labour materials, equipment and incidentals to stock, supply and install washers, dryers, connection hoses, vents, clamps, microwave ovens, dishwashers, refrigerators and ranges
WR857793	December 16, 2014	CRS Contractors Rental Supply General Partner Inc.	\$15,869.50	Rental and/or sale of construction and related equipment/materials
WR857850	December 16, 2014	Adlers Main Tile & Carpet Co. Ltd.	\$83,436.17	Supply and installation of various flooring
WR858473	December 19, 2014	Turner Fleischer Architects Inc.	\$30,851.42	Supply of architectural services for the design, development, construction document and contract administration phases of a residential condominium development
WR858748	December 19, 2014	Hammerschlag & Joffe Inc.	\$46,043.26	Electrical consulting services and related matters
WR858991	December 22, 2014	Sereen Painting Ltd.	\$345,952.00	Painting, caulking, staining, touch-ups
WR859188	December 23, 2014	Weston Flooring Limited	\$176,771.34	Supply and install flooring
WR859941	December 30, 2014	Great Pyramid	\$32,380.71	Supply and install GWG Glass, frameless shower

Instrument No.	Registration Date	Lien Claimant	Amount of Lien	Services / Materials
		Aluminum Ltd.		enclosures, handrail, guardrail and firelite glass
WR860525	January 5, 2015	Adlers Main Tile & Carpet Co. Ltd.	\$139,287.39	Supply and installation of various flooring

47. In addition to the lien claims described above, 144 has received a letter from counsel to Lipton's Audio Video Unlimited ("Lipton's") dated December 12, 2014, which sets out that Lipton's is claiming a lien in the amount of \$37,516.93 in connection with various audio/visual materials, services and equipment supplied in connection with the Theatre room at the 144 Park Project. In late December 2014, Lipton's attended at the 144 Park Project and removed certain of the equipment it had supplied from the Theatre room.

48. As a result, 144 is aware of in excess of \$3,000,000 in construction liens being claimed with respect to services and/or materials supplied in connection with the 144 Park Project.

PPSA Secured Creditors

49. In addition to the mortgagees and construction lien claimants described above, I have been informed by Sam Rappos of Chaitons LLP, 144's legal counsel, that the following parties have registered financing statements under the *Personal Property Security Act* (Ontario), as set out in the copy of the PPSRS Enquiry Response Certificate current as of January 11, 2015 that is attached hereto and marked as **Exhibit "R"**:

- (a) Aviva, with a financing statement registered on July 19, 2011 with respect to collateral classified as Accounts and Other;

- (b) MarshallZehr, with a financing statement registered on November 28, 2011 with respect to collateral classified as Inventory, Equipment, Accounts, Other and Motor Vehicles Included. MarshallZehr's registration has been subordinated to Laurentian's registration;
- (c) Laurentian, with a financing statement registered on April 3, 2012 with respect to collateral classified as Inventory, Equipment, Accounts and Other, and a General Collateral Description of "property now or hereafter used in connection with, situate at, or arising from the ownership, development, use or disposition of the lands municipally known as 142, 144 and 148 Park Street and 21 Allen Street West, Waterloo, Ontario and all proceeds thereof.";
- (d) VW Credit Canada Inc., with a financing statement registered on November 2, 2012 with respect to an amount of \$77,449, collateral classified as Consumer Goods, Equipment, Other and Motor Vehicle Included, and more specifically described as a 2013 Audi A7 Premium;
- (e) MarshallZehr, with a financing statement registered on November 5, 2014 with respect to collateral classified as Inventory, Equipment, Accounts, Other and Motor Vehicle Included; and
- (f) MarshallZehr, with a financing statement registered on November 5, 2014 with respect to collateral classified as Accounts and Other and a General Collateral Description of "general assignment of rents covering the property municipally known as 21 Allen Street and 142, 144 and 148 Park Street, Waterloo, Ontario".

Need for the Appointment of a Trustee

50. As a result of the registration of the construction liens against the Property, 144 cannot complete the necessary conditions to have the Plan registered against title and close the sale of the 129 units. Additionally, 144 does not have funds available to complete the unsold units and market them for sale. As a result, 144 is seeking the appointment of Collins Barrow Toronto Limited (“**Collins Barrow**”) as a trustee under section 68 of the *Construction Lien Act* (Ontario). A copy of the consent of Collins Barrow to act as trustee is attached hereto and marked as **Exhibit “S”**.

51. Collins Barrow is well qualified to act as a trustee, as its representatives have acted as a trustee under the *Construction Lien Act* (Ontario) previously, and it is well versed in the 144 Park Project as it has been involved in numerous meetings and discussions with MADY on the 144 Park Project on an ongoing basis since November 2014, and more recently with representatives of Laurentian and MarshallZehr.

52. Once Collins Barrow is appointed as trustee, it intends to borrow \$500,000 from MarshallZehr so that the trustee may complete the necessary steps to enable the registration of the Plan and the sale of the 129 units to be completed. The \$500,000 intends to be applied by the trustee for payment of the following expenses:

- (a) expenses to be incurred in connection with completion of the project (unit PDI repairs, corridor carpets, common areas, and unit HVAC repair);
- (b) expenses to be incurred in connection with services required to operate the project (hydro, gas, water, janitorial, security, waste removal, management, insurance, office and phones); and

- (c) other expenses including, among other things, professional fees.

53. Additionally, the trustee intends to take steps to complete the development of the 20 unsold units and market the units for sale. MarshallZehr has agreed to provide the additional funding required by the trustee to take such steps. The trustee would seek the Court's approval prior to obtaining such funding from MarshallZehr.

54. The trustee will be requesting that the Court grant orders that the financing provided by MarshallZehr have priority over all existing mortgagees, existing and future lien claimants and other encumbrancers pursuant to, among other things, sections 68 and 78(7) of the *Construction Lien Act* (Ontario).

55. The appointment of Collins Barrow as trustee will be for the benefit of all parties that have an interest in the Property and the 144 Park Project, as it will:

- (a) allow for the trustee to obtain an order vacating the construction liens without posting security so that the necessary steps can be taken to have the Plan and the condominium declaration registered against title to the Property;
- (b) allow the trustee to close the sale of the 129 sold units;
- (c) permit the purchasers of all units to obtain vesting orders from the Court, ensuring clear title to their units free from all mortgages, construction lien claims and other encumbrances;
- (d) allow Collins Barrow to access the Occupancy Funds if necessary for use toward satisfying the remaining conditions for the Plan to be registered;

- (e) permit Collins Barrow to complete the necessary work for the 20 unsold units and sell the units;
- (f) provide for the proceeds of sale of the units to be paid into the trustee's trust account, which will allow for the monetization of the sold units; and
- (g) provide a forum for the amount and priority of claims of the mortgagees and the construction lien claimants to be adjudicated.

56. I have spoken with representatives of Laurentian, MarshallZehr, Allen Street and Aviva, and can confirm that the mortgagees either support or do not object to 144's application for the appointment of Collins Barrow as trustee.

57. The 144 Park Project is currently at a standstill. As detailed herein, there is outstanding work that cannot be completed, and 144's creditors are owed money and cannot be paid. Purchasers have had interim occupancy of their units for some time without obtaining clear title to their units. These purchasers cannot otherwise lease or sell their units.

58. As a result of the registration of the claims for construction liens, 144 cannot convey good title to unit purchasers. If the closings of the units do not occur, there will be no source of money available to pay the claims of the mortgagees and the construction lien claimants. The appointment of the trustee will provide a mechanism to allow for the completion and registration of the Plan and condominium declaration, permit the sales to close and allow the trustee to complete the sale of the unsold units. All sale proceeds will be held by the trustee and distributed in accordance with Court order.

SWORN BEFORE ME at the City of
Markham, in the Province of Ontario on
January 16, 2015

R. Standil


Commissioner for Taking Affidavits
(or as may be)

[Signature]
GREG PUKLICZ

Ryan Cale Standil, a Commissioner, etc.,
Province of Ontario, while a
Student-at-Law.
Expires August 12, 2017.

TAB B

This is Exhibit "B" referred to in the Affidavit of
Madison Robins sworn before me, this
15th day of October, 2015



A COMMISSIONER FOR TAKING AFFIDAVITS

Simone Jessica Roher, a Commissioner, etc.,
Province of Ontario,
while a Student-at-Law.
Expires May 22, 2017.

MarshallZehr
GROUP

October 24th, 2011.

Mady Development Corporation
8791 Woodbine Avenue, Suite 100
Markham ON, L3R 0P4

Attention: Greg Puklicz

Dear Greg,

Re: Mezzanine Financing "Tower A"
144 Park Street, Waterloo ON

This letter agreement confirms that MarshallZehr Group Inc. ("Lender") is prepared to provide financing (the "Loan") for the 144 Park Street, Tower A, project based on the terms and conditions contained in this letter agreement (the "Commitment").

1. LOAN

Borrower: 144 Park Ltd. ("Borrower")

Guarantors: Mady Development Corporation, 144 Park Ltd., 2173170 Ontario Inc. and David Mady Investments (2008) Inc. together with such other related parties as the Lender may deem advisable (the "Guarantors")

Lender: MarshallZehr Group Inc. and/or such other assignee or investors as MarshallZehr Group Inc. may arrange to participate in the loan.

Project Lands: Those lands and premises described as 21 Allen Street; 142, 144, 148 Park Street.

Purpose: 3rd mortgage financing and interest reserve on subject property.
(A Vivo Surety Bond in 2nd position so the borrower can use deposits for the project)

465 Phillip St., Suite 206, Waterloo, ON, N2L 6C7
p. 519.342.0852 f. 519.342.0851
Clarity Mortgage Inc. - Brokerage Num: 18907
MarshallZehr Group Inc. - Mortgage Administration Num: 11955
- 1 -

- 2 -

Estimated *By November 30*
 Funding Date: ~~September 27, 2011~~, on a best efforts basis

**Silent Project
 Assumptions:**

Tower A will include 149 units including 8 town homes, with approximate gross sales of \$54,000,000 inclusive of HST.

Mortgage Amount: \$2,887,696.00 (the "Loan"), 3rd mortgage inclusive of closing fees

Initial

Advance: \$2,192,950.00

To be advanced as soon as possible after the acceptance of this commitment letter but will not be advanced until the Lender is satisfied that Schedule 1 Bank construction financing is committed. The funds include \$2,100,000 required by Mady to satisfy the provider of the secured financing prior to their first advance. The advance also includes the brokerage and referral fees, legal fee deposit totaling \$92,950.00.

**Interest
 Reserve**

Advances:

A total interest reserve estimated at \$694,746.00 will be advanced over the course of the construction project and life of the mortgage and payments will be made semi-annually in arrears. Funds will be held in trust by MarshallZehr Group Inc. and interest will begin to accrue to the Borrower as at each advance date. The initial advance includes fees on the interest reserve.

Term:

24 months (commencing from the date of registration (the "Interest Adjustment Date" or "IAD").)

Interest Rate:

14.00% per annum, compounded semi-annually not in advance, with interest only payments made quarterly, after the interest reserve is fully utilized, by way of Pre-Authorized Payments on the Principal Sum of \$2,192,950.00.

Note: Interest is calculated on the day of closing of the transaction and will be charged on the day of payment of the mortgage if it is received after 1 p.m. EST.

Principal

Payments:

Payments on account of principal shall be required on the Balance Due Date, or upon the receipt of funds from Registration of the Condominium Corporation, whichever is earlier.

465 Phillip St., Suite 206, Waterloo, ON, N2L6C7
 p. 519.342.0852 f. 519.342.0851
 Clarity Mortgage Inc. - Brokerage Num: 18907
 MarshallZehr Group Inc. - Mortgage Administration Num: 11955

- 2 -

MarshallZehr GROUP

Partial

Discharges: Provided that the Borrower is not in default, the Lender shall provide partial discharges of Project units on the closing of a unit sale transaction provided the Borrower pays the Lender Net Sales Proceeds of each sale. Net Sales Proceeds is defined as the sale price of the unit less deductions for deposits (used in the Project's financing) and any payments on account of principal required to be made to a permitted prior lender, if any, to obtain a partial discharge of its security, normal sales commissions, and legal costs. The Borrower will pay the Lender an administration fee of \$250 and its solicitor's reasonable legal fees in respect of the preparation of the discharge for each partial discharge requested by the Borrower.

Prepayment: Subject to the partial discharge provisions, the mortgage may be prepaid in whole or in part at any time or times on the following terms:
a) at least 60 days prior written notice is given to the Lender;
b) no pre-payment shall be in an amount of less than \$100,000.00 without consent of the Lender.

Renewal: One 12 month extension option with 60 days written notice prior to the end of the original term. The extension is open for repayment at any time, within the Renewal Term with 60 days' notice, with an additional Broker Fee of 1.25% of the total borrowed amount outstanding and the Borrower will be responsible for any reasonable costs associated with the extension.

Broker Fees: The Borrower shall pay the following broker fees to the transaction mortgage broker, Clarity Mortgage Inc.*:

Broker Fee: 2.5% of the borrowed amount OR \$72,250.

Referral Fee: 0.5% of the borrowed amount OR \$14,450.

Good Faith Deposit: \$25,000.00 non-refundable. If borrower fails to proceed based on the terms of this Commitment Letter and is full compensation to the Lender for all costs incurred in preparation of this Commitment Letter and any other funding agreements and any other future documents. This fee is accepted upon signing of the Commitment Letter and is payable to "MarshallZehr Group Inc. in trust". The Good Faith Deposit will be returned to the Borrower with the first advance.

Brokerage Fee: An additional mortgage brokerage fee of \$1,250.00 to Clarity Mortgage Inc. will be paid by the Borrower at closing in order to complete the FSCO required documentation.

* or the mortgage brokerage that holds the licenses for Greg Zehr and David

465 Phillip St., Suite 206, Waterloo, ON, N2L6C7

p. 519.342.0852 f. 519.342.0851

Clarity Mortgage Inc. - Brokerage Num: 111907

MarshallZehr Group Inc. - Mortgage Administration Num: 11955

MarshallZehr GROUP

Marshall at the time.

Expenses: All reasonable expenses of the Lender and the Borrower shall be paid by the Borrower including (but not limited to), the cost of any third party reports and all legal costs. Upon request the Lender shall provide an estimate of the legal fees to be incurred by the Lender. A \$5,000 deposit is included within the initial advance to cover estimated legal fees. Regardless, the Borrower is responsible for all reasonable legal fees incurred by the Lender.

**No
Subordinate
Financing:**

No additional financing will be permitted without the prior written consent of the Lender (such consent not to be unreasonably withheld).

Maximum Rate

of Return: The parties agree that notwithstanding any agreement to the contrary, no interest on the credit advanced will be payable in excess of that permitted by the laws of Canada.

If the effective annual rate of interest calculated in accordance with generally accepted actuarial practices and principles would exceed sixty percent (or such other rate as the Parliament of Canada may deem from time to time as the Criminal Rate) on the credit advance, then (1) the amount of any fees, bonus, commissions or like charges payable in connection therewith will be reduced to the extent necessary to eliminate such excess; (2) any remaining excess that has been paid will be credited toward prepayment of the credit advanced; and (3) any overpayment that may remain after such crediting will be returned forthwith upon demand. In this paragraph the terms "interest", "Criminal Rate" and "credit advanced" have the meaning ascribed to them in Section 347 of The Criminal Code; and "credit advanced" has the same meaning as "Loan" referred to elsewhere in this Commitment.

Administration

**Fee Payable
on Default:**

In the event of a default by the Borrower or any Guarantor in their respective obligations under this Commitment, Loan or Security that is not cured within a reasonable period of time following receipt of written notice of default from the Lender, then, the Lender shall, notwithstanding anything contained herein to the contrary, be entitled to receive in addition to all other fees, charges and disbursements, an administration and management fee in the amount of \$5,000.00 for each month or part thereof that the Borrower and/or any Guarantor is in default of its obligations under the Commitment, Loan or Security. The said sum or sums are agreed to be liquidated damages to cover the Lender's administration and management costs and are not intended nor shall they be

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constituted as a penalty. All such sums payable to the Lender shall be a charge upon the Project and its assets and interest shall accrue thereon as if they were Loan principal.

1. Terms and conditions

The Loan terms and conditions shall be such terms and conditions as the Lender may from time to time require and shall include, but not be limited to the following:

Funding Conditions

The Lender shall not be required to advance any funds prior to the Borrower having fulfilled to the Lender's satisfaction the following conditions:

1. All the Security and ancillary loan agreements and documents and opinions shall have been executed and delivered to the Lender or its solicitors and registered where and as required.
2. The Lender shall have satisfied itself with the financial performance and condition of the Borrower and each of the Guarantors in the Lender's sole discretion. Each of the Borrowers and Guarantors shall provide within five business days of the date of execution of this Commitment, at a minimum, financial statements for its two most recently ended fiscal years together with interim statements to date for the present fiscal year. To facilitate the Lender's due diligence regarding the creditworthiness of the Borrower and each of the Guarantors, each of the Guarantors and the Borrower shall authorize the Lender to conduct credit checks and each of the financial institutions with which the Borrower and the respective Guarantors deal to release any and all information reasonably required and requested by the Lender to adequately assess the credit worthiness of each respectively.
3. The Borrower shall deliver to the Lender within five business days of the acceptance of this Commitment for the Lender's satisfactory review and acceptance the following:
 - (a) a copy of the Purchase and Sale Agreement (and any subsequent amendments or side letters related thereto) and statement of adjustments for the purchase by the Borrower of the Project Lands confirming a purchase price of not less than \$4,000,000.00
 - (b) A soils test report (load bearing capacity) by a professional engineer as is acceptable to the Lender demonstrating to the satisfaction of the Lender that the proposed construction and site improvements of the Project are feasible under existing soil conditions, together with evidence that the construction specifications for the Project provide for construction in compliance with such

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conditions and with the recommendations. If any, which may be contained in such soils test report.

- (c) An appraisal, satisfactory to the Lender, of the Project confirming a fair market value of the completed units of approximately \$52,500,000.00 inclusive of HST to be prepared at the Borrower's expense and paid in advance by a Lender approved appraiser. Such appraisal report must be addressed to the Lender or be accompanied by a Transmittal Letter from the appraiser to the Lender and shall confirm that the Lender can rely upon such appraisal for lending purposes.
- d) A construction budget prepared by the Lender's quantity surveyor satisfactory to the Lender. The Lender and its quantity surveyor, in their sole discretion, shall be satisfied i) that the budgeted hard and soft costs (including financing costs) shall be sufficient to complete the Project as planned; ii) all sources and uses of cash are acceptable; iii) the terms of the contract with the general contractor/project manager are satisfactory. A minimum of 75% of Project hard construction costs shall be supported by binding fixed price material supply and construction contracts satisfactory in all respects to the Lender or firm tender bids satisfactory in all respects to the Project's quantity surveyor.
- (e) A detailed project construction schedule outlining the time to complete the various construction stages and phases of the Project, acceptable to the Lender.
- (f) The Borrower shall have pre-sold residential units, with firm and binding purchase and sale agreements including satisfactory deposits, sufficient to generate \$47,200,000.00 inclusive of HST for Tower A of revenue. Each purchase and sale agreement shall be on terms and with purchasers acceptable to the Lender. The Lender reserves the right to disregard agreements with purchasers buying for investment or who are directly or indirectly related to the Borrower or Guarantors. All purchaser deposits shall have been paid in full and held in a separate escrow account for the sole benefit of the Project or have been released into the Project pursuant to the Aviva deposit insurance policy.
- (g) copy of the most recent Disclosure Statement and attachments as required by the Condominium Act, 1998 to be provided to prospective unit purchasers
- (h) a copy of the term sheets accepted by the provider of the primary secured construction loan financing.
- (i) satisfactory Phase 1 Environmental Site Assessment Report (and Phase 2 Report if necessary) conducted and prepared by a consultant approved by the Lender together with a Letter of Transmittal from the consultant permitting the Lender to rely on the Assessment Report.

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- (j) a survey of the Project by an Ontario licensed land surveyor showing the relationship of the lands to public thoroughfares for access purposes; and indicating no encroachments, easements or rights of way, save and except those that do not encroach or hinder the Borrower's ability to construct the project in accordance with the proposed site plan which the Lender may specifically accept.
 - (l) the Borrower's Taiton Warranty application and confirmation a Taiton Warranty certificate for the Project will be issued within 30 days of posting the required security deposit.
 - (k) Receipt of copy of the 1st Mortgage commitment and Aviva 2nd mortgage surety contract.
 - (l) MZG or related party may post two MZG signs (on each main street).
 - (m) Satisfactory proof of \$3,000,000.00 in invested capital or postponed VTB.
4. the loan to value ratio, as determined in the Lender's sole discretion, shall not be greater than 90%.
5. Confirmation satisfactory to the Lender that all property taxes are current.
6. Such other matters as the Lender may deem appropriate and necessary to satisfy itself of the Project's viability and the ability of the Borrower and Guarantors to fulfil their obligations herein.

SECURITY TO BE DELIVERED

The Borrower shall deliver the following security (the "Security") duly registered where applicable subject only to the Primary Lender's security and the Aviva 2nd mortgage surety contract and all in the form and on the terms acceptable to the Lender's solicitors:

- 1. A 3rd mortgage in the amount of \$2,192,950.00 on the 21 Allen St and 142, 144 and 148 Park Street properties plus accrued interest.
- 2. General Security Agreement over all of the assets and undertaking of the Borrower and each corporate Guarantor, if any.
- 3. Unlimited joint and several guarantees from each of the guarantors.
- 4. Joint and Several Deficiency Agreement executed by the Borrower and the Guarantors

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agreeing to fund costs not included or in excess of forecasted expenditure.

5. An Environmental Undertaking and Indemnity and Checklist from the Borrower in such form as the Lender shall require.
6. Acting reasonably, a favourable Letter of Opinion from the Lender's solicitor confirming the validity and enforceability of the Lender's security.
7. Assignment of Insurance.
8. Commercial Liability Insurance.
9. Title Insurance
10. Postponement, Subrogation and Assignment from the shareholders of the Borrower (and such other creditors as the Lender may require upon completion of its due diligence) of all indebtedness owed by and claims against the Borrower to and by the shareholders to the indebtedness and claims of the Lender.
11. General Assignment and Transmittal Letters from the authors of all project plans, specifications, drawings and permits, all architectural, engineering, general contractor and construction contracts and copies of all third party purchase and sale agreements for individual units sold together with any other rights, interests and obligations of any kind respecting the Project and reasonably necessary for the completion of the Project as contemplated by the Lender on a default by the Borrower.
12. The Borrower is to make interest payments by way of pre-authorized payment in a form agreed upon by the Lender for the term of the mortgage after the interest reserve is fully utilized.
13. Such assignments of purchaser's deposits as the Lender and its solicitor's may reasonably require provided, the Borrower shall be permitted to inject the deposit funds into the Project in respect of direct Project construction costs.
14. Such further security, guarantors and ancillary documents and agreements as the Lender or its solicitors may, acting reasonably, deem necessary to adequately secure the Loan obligations and complete and perfect the Security.
15. On each anniversary date of the mortgage, the Borrower will provide to the Lender proof that the taxes are current, an update that insurance is still in effect and updated financial statements for the Borrower and any corporate guarantor as well as updated personal net worth statements for any personal guarantors.
16. The Borrower shall provide editorial updates including status updates on the project and

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photos showing the progress on the project for our file on a quarterly basis starting 3 months after registration of the mortgage.

2. Borrowers Covenants

The Borrower and, where applicable, each of the Guarantors covenants as follows and a breach of any covenant shall be a default under the terms of the Security:

1. The Borrower shall not assign, transfer or otherwise dispose of this Commitment or the Security without the Lender's prior written consent. However, the Commitment and Security may be assigned by the Lender in whole or in part to another lender(s). Except as hereinafter provided, the Borrower and Guarantor consent to the disclosure by the Lender to any such prospective assignee or participant of all information and documents regarding the Project, the Borrower, and the Guarantor within the possession or control of the Lender.
2. Without the Lender's prior written consent having first been obtained, the Borrower shall not sell, transfer or convey the Project or its rights therein. In the event of a breach by the Borrower of this covenant then, at the sole option of the Lender, all monies outstanding, together with all accrued and unpaid interest thereon and any other amounts due under the Commitment or the Security, shall become due and payable.
3. The Borrower shall:
 - i) comply in all relevant aspects with the provisions of the Construction Lien Act;
 - ii) as and when requested by the Lender, provide to the Lender complete bank records relating to all holdbacks including cancelled cheques, bank statements and completion certificates as the Lender may reasonably require;
 - iii) grant to the Lender the right and authority for the Lender to obtain all information relative to the holdback account(s) from the financial institution(s) where the holdback(s) is/are retained;
 - iv) provide a covenant that the Borrower will supply to the Lender a statutory declaration in conjunction with each advance under the mortgage, confirming the status of the holdback account(s) as at the date of the statutory declaration;
4. The Borrower will substantially complete the Project in accordance with Lender approved plans, specifications, project budget and construction schedule, pay its taxes, protect its properties by contest of adverse claims, maintain required insurance, perform its obligations under contracts and agreements, obtain all necessary approvals for construction and use of the Project, comply with all governmental rules and regulations, permit reasonable inspections, by the Lender and its agents of the Project and all records

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pertaining to the Project. It is agreed that the Lender shall retain the services of a quantity surveyor to monitor the Project at the expense of the Borrower and the Borrower covenants to assist and cooperate with such surveyor.

5. The Borrower shall make and ensure that all payments due to the architect, general contractor, all contractors, sub-contractors and all other suppliers of materials and services of any kind to the Project are made when and as they become due in compliance with the terms of their respective contracts and the provisions of the Construction Lien Act. The Borrower shall ensure that no liens are registered against the Project or its assets and will immediately move to have same vacated if registered.
6. The Borrower shall not commit any waste on the lands.
7. Borrower and Guarantors must have and maintain throughout the term of the loan a minimum combined net equity in the Project equal to the greater of (i) 5% of Project development costs or (ii) \$3,000,000.00. For the purposes of this paragraph net equity (VIB) shall be equal to the sum of the value of the raw land as determined by the Lender (to a maximum value of \$4,000,000.00) plus the value of the Project completed to date (exclusive of land value) as determined by the Lender's quantity surveyor, net of all payables, purchaser deposits paid into the Project, construction holdbacks, unsubordinated Project financing, amounts advanced by the Lender and all Recoveries (Recoveries being defined as all recaptured Project expenses including, HST, previously funded by the construction lender or the proceeds of the Loan herein).
8. The Borrower shall not permit any transfer or issuance of shares in the share capital of the Borrower or in the officers and directors or a change in the terms or the termination of the shareholders agreement made between the Borrower and each of its shareholders, without the prior written consent of the Lender.
9. The Borrower shall ensure that no deviation in excess of 90 days from any material milestone date in the construction schedule or cost overrun, as determined by the Lender's quantity surveyor, occurs unless approved in writing by the Lender.

3. Default Provisions

The content of this Default Provisions section shall be subject to the restrictions of any standard agreement[s] between the Lender and the 1st mortgage Lender and/or second mortgage Lender (Aviva).

Upon any default under this Commitment or the Security, that is not cured in a reasonable period of time following notice of default by the Lender, the Lender may declare, after providing reasonable written notice, any or all of the obligations to be immediately due and payable and may proceed to realize the security hereby constituted and to enforce its rights by entry; or by the appointment by Instrument in writing of a receiver or receivers of the subject

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matter of such security or any part thereof and such receiver or receivers may be any person or persons, whether an officer or officers or employee or employees of the Lender or not, and the Lender may remove any receiver or receivers so appointed and appoint another or others in his or their stead; or by proceedings in any court of competent jurisdiction for the appointment of a receiver or receivers or for sale of the Project or any part thereof; or by any other action, suit, remedy or proceeding authorized or permitted hereby or by law or by equity; and may file such proofs of claim and other documents as may be necessary or advisable in order to have its claim lodged in any bankruptcy, winding-up or other judicial proceedings relative to the Borrower. Any such receiver or receivers so appointed shall have power to take possession of the Project or any part thereof and to carry on the business of the Borrower, and to borrow money required for the maintenance, preservation or protection of the Project or any part thereof, and to further charge the Project in priority to the security constituted by this Commitment as security for money so borrowed, and to sell, lease or otherwise dispose of the whole or any part of the Project on such terms and conditions and in such manner as he shall determine. In exercising any powers, any such receiver or receivers shall act as agent or agents for the Borrower and the Lender shall not be responsible for his or their actions.

In addition, the Lender may enter upon the applicable premises and lease or sell the whole or any part or parts of the Project. The Borrower agrees that it will be commercially reasonable to sell such part of the Project:

- (a) as a whole or in various units;
- (b) by a public sale or call for tenders by advertising such sale once in a local daily newspaper at least seven (7) days before such sale; and
- (c) by private sale after the receipt by the Lender of at least two offers from prospective arms-length purchasers.

Any such sale shall be on such terms and conditions as to credit or otherwise and as to upset or reserve bid or price as to the Lender in its sole discretion may seem advantageous and such sale may take place whether or not the Lender has taken possession of such property and assets.

No remedy for the realization of the security hereof or for the enforcement of the rights of the Lender shall be exclusive of or dependent on any other such remedy, but any one or more of such remedies may from time to time be exercised independently or in combination. The term "receiver" as used in this letter includes a receiver and manager.

4. General Provisions

1. The Lender shall have no obligation to advance funds unless and until all of the above terms and conditions have been deemed by the Lender to be complete, true and otherwise in all respects satisfactory, in the Lender's sole discretion.
2. No term or requirement of this Commitment may be waived or varied orally or by any

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course of conduct at the Borrower or anyone acting on his behalf or by any officer, employee or agent of the Lender. Any alteration or amendment to this Commitment must be in writing and signed by a duly authorized officer of the Lender and accepted by the Borrower and Guarantor.

3. The Lenders solicitors shall be:

Sorbara Law
300 Victoria Street North
Kitchener, Ontario N2H 6R9

The Borrower's solicitor shall be:

Harris, Sheaffer LLP Barristers & Solicitors
4100 Yonge Street, Suite 610
Toronto, ON, M2P 2B5
Tel 416 250-3685

The Borrower shall bear any and all reasonable legal costs of the Lender.

4. Time is of the essence in this Commitment.

5. The Borrower and Guarantor agree that if any one or more of the provisions contained in this Commitment shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall, at the option of the Lender, not affect any or all other provisions of this Commitment and this Commitment shall be construed as if such invalid, illegal or unenforceable provision had never been contained herein.
6. The waiver by the Lender of any breach or default by the Borrower of any provisions contained herein shall not be construed as a waiver of any other or subsequent breach or default by the Borrower. In addition, any failure by the Lender to exercise any rights or remedies hereunder or under the Security shall not constitute a waiver thereof.
7. The representations, warranties, covenants and obligations herein set out shall not merge or be extinguished by the execution or registration of the Security, but shall survive until all obligations under this Commitment and the Security have been duly performed and the Loan, interest thereon and any other moneys payable to the Lender are repaid in full. In the event of any inconsistency or conflict between any of the provisions of the Commitment and any provision or provisions of the Security, the provisions of the Security will prevail.
8. No term or requirement of this Commitment may be waived or varied orally or by any course of conduct at the Borrower or anyone acting on his behalf or by any officer, employee or agent of the Lender. Any alteration or amendment to this Commitment must

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be in writing and signed by a duly authorized officer of the Lender and accepted by the Borrower and Guarantor.

9. Notwithstanding the registration of the Security or the advancement of funds, the terms of this Commitment Letter shall not merge with the delivery and/or registration of the Security and shall remain in full force and effect. Any default under the terms of this Commitment Letter shall be deemed a default under the Security and any default under the terms of the Security shall be deemed a default under the terms hereof. In the event of a conflict between the terms of the Security and the terms of this Commitment Letter, the Lender, in its sole discretion may determine which shall take precedence and govern.

10. This Agreement may be simultaneously executed in several counterparts, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument. A facsimile or electronic copy of an executed counterpart shall be deemed to be an original.

If you are in agreement with the above terms, please indicate such agreement by signing and forwarding to the undersigned as copy of this letter agreement together with the \$25,000 Good Faith Deposit payable to MarshallZehr Group Inc. in trust. The execution of this letter does not obligate the Lender to advance any of the agreed funds unless all of the conditions to such advances have been satisfied to the satisfaction of the Lender and its solicitors.

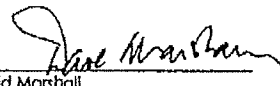
By signing this Commitment Letter the Borrowers and Guarantors agree that the Lender may obtain credit and other financially related information about the Borrower(s) and the Guarantor(s), including reports from other credit grantors, consumer reporting agencies and credit bureau.

Unless this Commitment Letter is accepted by the Borrower and all required Guarantors within five business days of the date of hereof by delivery of a fully executed copy to the Lender then, at the Lender's sole option, the Commitment shall be terminated.

Yours truly,

MarshallZehr Group Inc.

Per:


David Marshall
CEO

I have authority to bind the corporation

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Acknowledged and agreed at Mantham, ON this 25th day of OCTOBER, 2011.**Borrower:**

144 Park Ltd.

Per: Name: Charles MadyTitle: President

I have authority to bind the corporation

The following parties execute this commitment letter in their capacities as guarantors only.

Mady Development Corporation

Per: Name: Charles MadyTitle: President

I have authority to bind the corporation

144 Park Ltd.

Per: Name: Charles MadyTitle: President

I have authority to bind the corporation

2173170 Ontario Inc.

Per: Name: GARY MadyTitle: Vice President

I have authority to bind the corporation

David Mady Investments (2008) Inc.

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Lender:

I HEREBY accept the terms and conditions as stated herein.

DATED at Waterloo, this 24th day of October, 2011.

MarshallZehr Group Inc. "in Trust"

Per: 

David Marshall

"I/We have the authority to bind the Corporation"

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ADDENDUM TO 144 PARK ST. "TOWER A" COMMITMENT LETTER
DATED OCT. 24, 2011

The following guarantors listed below are to be added as guarantors to the above-noted Commitment Letter,

Additional Guarantors:

D. Mady Investments Inc.

Per:



Name: D. Mady

Title: President

I have authority to bind the corporation

D. Mady Holdings Inc.

Per:



Name: D. Mady

Title: President

I have authority to bind the corporation

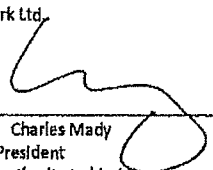
465 Philip St., Suite 206, Woburn, MA 01801
p. 519.342.0832 f. 519.342.0831
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MarshallZehr Group Inc. - Mortgage Administration Num: 11931

MarshallZehr GROUP

Borrower

Acknowledged and agreed at MARKHAM, ON this 2nd day of November, 2011.

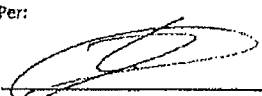
144 Park Ltd.
Per:


Name: Charles Mady
Title: President
I have authority to bind the corporation

Lender

Acknowledged and agreed at Waterloo this 2nd day of November, 2011.

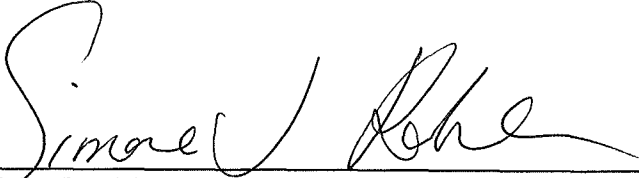
MarshallZehr Group Inc.
Per:


Name: Gregory Zehr
Title: President
I have authority to bind the corporation

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p. 519.342.0832 f. 519.342.0851
Closing Mortgage Inc. - Brokerage #9997
MarshallZehr Group Inc. - Mortgage Administration #9997 (1) 555

TAB C

This is Exhibit "C" referred to in the Affidavit of
Madison Robins sworn before me, this
15th day of October, 2015



A COMMISSIONER FOR TAKING AFFIDAVITS

Simone Jessica Roher, a Commissioner, etc.,
Province of Ontario,
while a Student-at-Law.
Expires May 22, 2017.



8500 Leslie Street, Suite 100
 Thornhill, Ontario L3T 7M8
 Tel: 905.886.5020 Fax 905.886.5851

REVISED

March 7, 2012

Mady Development Corporation
 100-8791 Woodbine Avenue
 Markham, Ontario L3R 0P4

Attention: Mr. Greg Puklicz
 Senior Vice President

Dear Sir:

RE: Financing for the Construction of a 19-storey, 149-unit residential condominium building described below and located at 142, 144, and 148 Park Street, 21 Allen Street, Waterloo, Ontario and which is known as 144 Park (the "Project") – Loan No. 1423771.1

LAURENTIAN BANK OF CANADA ("Laurentian Bank" or "LBC") and National Bank of Canada (hereinafter called "NBC"), severally, (all such lenders hereinafter collectively called the "Lender") are pleased to offer to the undersigned Borrower a commitment (the "Commitment") to finance a mortgage loan (the "Loan") upon the security hereinafter provided and subject to the following terms and conditions:

1. BORROWER:

144 Park Ltd. (the "Borrower")

2. BENEFICIAL OWNER(S):

2173170 Ontario Inc. and Allen Street Holdings Inc. (collectively, the "Beneficial Owner")

3. GUARANTOR(S):

D. Mady Investments Inc., D. Mady Holdings Inc. and Charles Mady (collectively, the "Guarantors")

Refer to the Loan Security section for the particulars applicable to all guarantees.

4. CREDIT PARTIES:

In this Commitment each of the persons, firms, corporations and entities individually comprising each of the Borrower, the Guarantor and, if applicable, the Beneficial Owner, is hereinafter called a "Credit Party" and all such persons, firms, corporations and entities together are hereinafter called the "Credit Parties".

5. PROJECT / SECURED PROPERTY:

A 0.810 acres parcel of land to be developed with a 19-storey building containing 141 condominium apartment units and 8 condominium townhome units. The net saleable area of the residential condominium units shall be approximately 158,667 square feet.

Parking will be provided for up to 161 vehicles. Parking stalls will be provided as follows: 148 stalls for residents, 13 stalls for visitors.

The legal description of the above-referenced property (the "Property") is to be confirmed by the Lender's solicitors.

6. PURPOSE OF LOAN:

Facility 1: Construction Loan
to construct a 19-storey, 149-unit residential condominium building

Facility 2: Letters of Credit

Facility 3: Line of Credit
to cover costs payable between Construction Loan draws

7. SYNDICATION OF FACILITIES:

This Commitment and the obligations of the Lender herein represents 50.00% of the total Loan facilities provided by LBC and 50.00% of the total Loan facilities provided by NBC on a pari passu basis. The initial advance of the Loan is subject to the execution of a satisfactory form of Co-Lender's Agreement and/or Participation and Servicing Agreement to be entered into by Laurentian Bank and National Bank of Canada. These conditions are for the benefit of the Lender and may only be waived by the Lender.

In addition to the Commitment Fee and any other fees applicable to this Commitment, the Borrower agrees to pay the Lender an origination fee (the "Origination Fee") in the amount of \$90,000.00 payable from the initial construction advance of the Loan. The Origination Fee is intended to compensate the Lender for successfully syndicating the Loan facilities.

8. FACILITIES:

The facilities to be made available to the Borrower, when not in default and pursuant to the terms and conditions of this Commitment, to be secured by the Security Documents, are the following facilities (hereinafter collectively, the Facilities")

Facility 1: **\$36,044,000.00 (maximum)**
Demand Interim Non-Revolver Construction Loan Facility

A demand loan in the amount of the lesser of the following:

- a. \$36,044,000.00;
- b. 75.000% of costs; and
- c. 69.000% of completed value (Net of HST)

Facility 2: **\$2,000,000.00**
Letters of Credit Facility

Letters of Credit will be made available only for the following purpose(s): (a) to municipal bodies and public utilities for development purposes; and, (b) where applicable, to Tarion Warranty Corporation in respect of purchaser deposits for the Project. Letters of Credit may only be issued for terms of one (1) year and are renewable prior to the maturity thereof provided the Borrower is not in default, the term of the Commitment has not then expired and demand has not been made on the Borrower.

Letters of Credit, other than those for Tarion Warranty Corporation, are to be duplicate in nature.

Letters of Credit for Tarion Warranty Corporation may be released and returned for cancellation on confirmation of replacement security with a substitute deposit insurer for purchaser deposits, acceptable to the Lender, and concurrently therewith execution and delivery by the substitute deposit lender of a form of priorities agreement in favour of the Lender, in form and content acceptable to the Lender.

Any draws under Letters of Credit, other than those for Tarion Warranty Corporation, will result in offsetting reductions in amounts available under Facility 1. On completion and repayment of the Loan, any remaining outstanding Letters of Credit must be secured with equivalent cash deposits.

Facility 3: \$250,000.00
Operating Line of Credit.

An operating Line of Credit (as a sub-credit of Facility 1) to assist the Borrower in bridging approved Project costs between advances made pursuant to Facility 1. All draws under this facility must be retired in full at the time of each advance of Facility 1 and the total of all funds advanced under the Line of Credit and the Construction Loan Facility cannot exceed the approved amount of Facility 1.

For greater clarity, the maximum authorized amount for the total of all of the above Facilities is \$38,044,000.00, being the aggregate of Facilities 1 and 2 above. Notwithstanding the total of the above Facilities the Borrower agrees that the Lender's charge of the real property comprising the Property shall be registered in the higher amount of \$40,000,000.00.

9. TERM:

30 months from 1st day of the calendar month next following the date of the initial advance of the Loan (plus the part of the month in which the Loan is advanced), subject to the right of the Lender to demand repayment at any time.

10. INTEREST RATE:

Facility 1: Demand Interim Non-Revolving Construction Loan Facility

A variable annual rate which is 175 basis points (1.750%) above the LBC Prime of interest announced, quoted or charged from time to time by LBC at the location designated by the Lender (the "LBC Prime Rate"), as the Lender's reference rate then in effect for determining interest rates on Canadian dollar commercial loans made by the Lender in Canada, adjusted daily and compounded monthly. A minimum interest rate shall be set at the time of the initial advance of funds based on the then current LBC Prime plus 1.750%. The applicable interest rate shall vary automatically without notice to the Borrower upon each change in the LBC Prime Rate.

Interest accrues from the date of disbursement of funds to our solicitors. The Lender reserves the right to adjust the spread on 30 days notice to the Borrower.

Facility 2: Letters of credit Facility

Letter(s) of Credit are to be for items included as part of the approved budget as provided above.

Letters of Credit will be subject to an annual fee of 1.750% of the required amount. The fee is deemed earned upon the issuance of each Letter of Credit, and subsequently, upon each successive anniversary of the issuance thereof. Letters of Credit may only be issued after the security documents are registered on title and, if applicable, acceptable security is posted with Laurentian Bank.

The Letter of Credit rates are subject to change based on the pricing schedule in effect at Laurentian Bank.

Facility 3: Line of credit Facility

Shall be same as the Facility 1, Construction Loan

11. REPAYMENT:

Interest only monthly, payable in arrears, both before and after demand, default and/or judgment. All payments received by the Lender will be applied first to any interest in arrears, then to the interest, and finally to the principal. Interest on overdue interest shall be calculated at the same rate as interest on advances of the Loan, but shall be compounded monthly and payable on demand both before and after demand, default and/or judgment.

The Loan is open for prepayment at any time or times by the Borrower.

The Loan will be repaid by the Borrower in full on the earlier of the date of written demand and 30 months from the first day of the calendar month following the date of the first advance of the Loan.

12. PARTIAL DISCHARGES:

Provided there has been no default, partial discharges will be provided on a per unit basis upon receipt of 100% of net sale proceeds excluding reasonable closing costs i.e. legal fees, commissions, mortgage discharge fee, interest due on purchaser deposits and HST on the sale of the units.

A fee of \$150.00 per each discharge document (for single or multiple units) to be executed will be paid from closing proceeds in addition to legal discharge fees to be charged by Laurentian Bank's solicitors.

Closing proceeds will be applied firstly to repay Line of Credit, secondly to Construction Loan and thirdly to fully secure by cash any Letters of Credit outstanding.

13. SOURCES AND USES OF FUNDS:

USE OF FUNDS

Land Cost	\$4,048,160.00
Hard Costs	\$32,213,243.00
Soft Costs	\$11,154,975.00
Contingencies	<u>\$537,622.00</u>
Total	<u>\$47,954,000.00</u>

<u>SOURCE OF FUNDS</u>	%	
First Mortgage Loan	75.164%	\$36,044,000.00
Mezzanine Loan	4.226%	\$2,026,641.00
Purchaser Deposits	12.602%	\$6,043,254.00
Deferred Costs	1.752%	\$840,105.00
Land Equity/Deferred VTB Mortgage	<u>6.256%</u>	<u>\$3,000,000.00</u>
Total	100.000%	\$47,954,000.00

Notes: Deposits utilized in the Project (to be confirmed by the Cost Consultant) in excess of \$6,043,254.00 will result in a corresponding reduction in the authorized Loan amount.

All figures to be confirmed by the Cost Consultant. Approval for the Loan is based on projected budget costs for the Project as presented to and approved by the Lender. Any material changes to these projected costs may, at the Lender's option, render this Commitment null and void.

14. NON-REFUNDABLE COMMITMENT FEE:

The Borrower acknowledges and agrees that, forthwith upon acceptance of this Commitment, the Borrower shall pay to the Lender and the Lender shall be deemed to have earned its non-refundable Commitment Fee (the "Commitment Fee") in the sum of \$270,000.00 (0.750% of Loan Amount) representing compensation to the Lender for its efforts and expenditures by its officers, agents and employees in the review and study of documentation pertaining to this transaction, review of appraisals, credit reports, financial statements and other data, and physical inspections of the subject matter of the Security Documents. The Commitment Fee is in addition to the Borrower's obligation to pay all legal costs of this transaction as may be charged by the Lender's solicitors. The Borrower further acknowledges and agrees that the Commitment Fee shall represent compensation to the Lender only in respect of the original Term of the Loan as stipulated herein, and any extension or renewal of the Loan for any period beyond such original Term shall be subject to such additional fees as may be agreed between the Borrower and the Lender.

Receipt of \$75,000.00 towards the Commitment Fee is hereby acknowledged. The further sum of \$50,000.00 shall be payable upon acceptance of this Commitment and the remainder of the Commitment Fee of \$145,000.00 shall be payable by way of deduction from the first advance of the Loan.

15. STANDBY FEE:

In addition to the Commitment Fee, the Borrower shall also pay a standby fee of 0.250% per annum on the amount by which the maximum authorized amount of Facility 1 exceeds the amount outstanding, determined daily, calculated monthly, payable on the first day of each month commencing in the month following the initial disbursement of Facility 1.

16. LOAN SECURITY:

As security for the Loan, the following documents, instruments, agreements and other assurances (collectively, the "Security Documents"), to be registered or otherwise granted in First priority position, shall be delivered to the Lender prior to the first advance of funds, all of which shall be prepared on the Lender's standard forms, containing its standard representations, warranties, covenants and conditions (which may supplement the terms and conditions of the Commitment), and otherwise in form and substance satisfactory to the Lender and its solicitors:

- 1) Freehold Charge of the real property comprising the Property, payable on demand, in the amount of \$40,000,000.00.

- 2) Unlimited guarantee from D. Mady Holdings Inc. (the Guarantor)

Unlimited guarantee from D. Mady Investments Inc. (the Guarantor)

Guarantee from Charles Mady (the Guarantor), limited to 50.000% of the loan amount plus interest and costs thereon.
- 3) General Security Agreement granting a charge over all personal property assets owned by the Borrower, limited to the Project, which agreement is to be registered under the Personal Property Security Act (Ontario).
- 4) Assignment of Rents and Leases for all leases and rents, income, profits and reimbursables arising from or in connection with the Property.
- 5) Postponement of shareholder loans in favour of the Lender by all shareholders of the Borrower who are not also guarantors of the Loan.
- 6) Postponement of shareholder loans in favour of the Lender by all shareholders of the corporate Guarantors, D. Mady Investments Inc. and D. Mady Holdings Inc.
- 7) Beneficial Owners' Agreement from the Beneficial Owners, authorizing all Security Documents given by the Borrower, charging their beneficial interest(s) in the Project with a first priority security interest in favour of the Lender, and containing an assignment and postponement of claims.
- 8) Assignment of Insurance for all Insurance required to be assigned as stipulated by Schedule "A", satisfactory to the Lender and its consultant. The Lender to be named loss payee and/or additional Insured as first mortgagee where applicable.
- 9) Environmental Warranty and Indemnity Agreement by the Credit Parties stated to survive repayment of the Loan
- 10) Joint and several Cost Overrun and Completion Agreement from the Credit Parties to keep the Project clear of all construction liens, to complete the Project and to cover all cost overruns from their own personal resources.
- 11) Assignment of Material Agreements assigning the Borrower's rights and interest (but not the Borrower's obligations) in all professional, construction, management and other contracts, plans, specifications, working drawings, budgets and schedules for the provision of materials, equipment and services to the Property, whereby the Lender may assume upon demand the rights of the Borrower under said contracts if the Borrower is in default. The Lender may also require any present or future contracts to be specifically assigned to it.
- 12) Assignment of Sale Agreements assigning the Borrower's rights and interest (but not the Borrower's obligations) under all agreements of purchase and sale for the Project and proceeds thereof in favour of the Lender, subject only to the priority of the Deposit Lender (as hereafter defined) with respect to purchaser deposits only. Any other party named as a vendor in such agreements of purchase and sale will join in such Assignment in favour of the Lender.
- 13) Priorities Agreement with the Deposit Lender in form and content satisfactory to the Lender, providing that the Deposit Lender's interest in the Project shall be limited to purchaser deposits and otherwise shall be subordinate to the Lender's interest, and further providing that the Deposit Lender shall deliver to the Lender forthwith upon request, such partial discharges, consents and other documentation required for the development of the Project,

whether or not the Borrower is in default, without payment therefore and without additional cost to the Lender.

- 14) Subordination and Standstill Agreement prepared on the Lender's standard form and satisfactory to the Lender for any subsequent encumbrance approved in writing by the Lender (other than with Deposit Lender as provided above) to be executed and delivered to the Lender by such subordinate lender.
- 15) In the sole discretion of the Lender, an Acknowledgement from each material contractor for the Project, prepared on the Lender's standard form, acknowledging the terms and status of such contract as well as the assignment thereof to the Lender as security of the Borrower's rights and interest therein (but not the Borrower's obligations).
- 16) Undertaking to provide the Lender with a foundation survey of the Property on completion of the foundation for each building comprising the proposed improvements of the Property as well as an "as built" survey on completion of the Project, both of which surveys shall comply with the general survey provisions of the Commitment.
- 17) Right of First Opportunity Agreement to finance or arrange permanent financing of the Property and/or subsequent phases of development of the Project.
- 18) Letter of Indemnity Agreement pertaining to all letters of credit issued from time to time.
- 19) Laurentian Bank form of Identity Verification.
- 20) Opinions, as required by the terms of this Commitment.
- 21) A policy of title insurance for the Loan with a title insurer approved by the Lender may be required in the sole discretion of the Lender.
- 22) Any other documents, instruments, agreements, security and/or assurances as may reasonably be requested by the Lender or its solicitors.

17. CONDITIONS PRECEDENT TO INITIAL FUNDING:

- 1) Receipt and review of satisfactory detailed and current financial information from each of the Credit Parties including but not limited to personal net worth and/or financial statement(s).
 - a. Receipt of a current dated Financial Statements or opening Balance Sheet of 144 Park Ltd.
 - b. The following number of years of financial statements will be required for the following Credit Parties:
 - The last 2 year's financial statements for D. Mady Investments Inc. (On Hand)
 - The last 2 year's financial statements for D. Mady Holdings Inc. (On Hand)
 - c. Receipt of a current, dated and signed detailed net worth statement satisfactory to the Lender, from the following Credit Parties:
 - Charles Mady (On Hand)
- 2) Receipt and review of satisfactory credit reports, if available, for each of the Credit Parties, both prior to the initial advance of the Loan and at any time thereafter, as required by the Lender, until the Loan is fully repaid.

- 3) Receipt by the Lender of a satisfactory appraisal report prepared by a firm acceptable to the Lender supporting the land value together with a letter of transmittal in favour of the Lender and its assigns.
- 4) Satisfactory review of the Borrower's detailed Project budget and time frame for completion thereof, the approved plans and specifications, Borrower's cash flow statement, and the report from the Cost Consultant confirming the reasonableness of the overall budget and that the costs to complete will not exceed the budgeted costs.
- 5) The Cost Consultant will review all final working drawings and specifications, and any other relevant material related to the Project. The Lender shall be supplied with the opinion of the Cost Consultant certifying the adequacy and approval of the following:
 - a. final plans and specifications; such plans and specifications are to comply with provincial and municipal requirements and any amendments are subject to confirmation by the Cost Consultant and approval by the Lender;
 - b. design criteria for the use of the Project;
 - c. compliance with all building codes and zoning regulations;
 - d. all applicable building, development, foundation and excavation permits;
 - e. adequacy of structural, electrical and mechanical systems;
 - f. adequacy of the Project budget; and,
 - g. monthly construction draw schedule and cash flow projection forecasting the amount and time of the draw requests.

The Cost Consultant shall also review all construction contracts and have the right to meet with all major trades and sub-trades in order to verify the ability of such trades to complete the construction of the Project in accordance with the approved plans and specifications as well as on time and within budget.

Where any advance of the Loan is contingent on the availability of any permit, the Cost Consultant shall receive satisfactory evidence of the availability or issuance of such permit.

- 6) Satisfactory evidence of proper zoning in place to accommodate the proposed development of the Project.
- 7) Satisfactory receipt and review of an architect's opinion, from architects acceptable to the Lender, in form and content satisfactory to the Lender, attesting that the Project as presently constructed and/or its contemplated development and construction as set out in the approved plans and specifications and according to the Project budget, complies with all applicable construction, zoning and other governmental requirements, that all servicing connections are in place, parking is adequate for the contemplated development of the Property and detailing therein the permits in place as well as the permits required for completion, and with respect to the latter, the time line to obtain same and the conditions required to be fulfilled prior to granting of such further required permits. The architect's opinion shall be prepared by a firm of architects qualified in Ontario, in good standing and acceptable to the Lender and with sufficient professional insurance in the opinion of the Lender. Such opinion shall be accompanied by evidence of professional liability insurance in an amount acceptable to the Lender and commensurate with the value of the Loan and the underwriting risk relating thereto. A letter of transmittal shall be provided by such firm in favour of the Lender and its assigns.

- 8) Satisfactory receipt and review by the Cost Consultant of copies of all relevant plans, specifications, working drawings and budgets pertaining to construction and completion of the Project (collectively, the "Project Documents"), together with a certificate from the Borrower's architect confirming that same accurately represent all material details of the Project and that the said budgets constitute an accurate representation of the anticipated cost of the Project allowing for reasonable contingencies. All Project Documents shall be subject to review and approval by the Lender and the Cost Consultant. The Cost Consultant shall confirm all relevant matters pertaining to the Project Documents, including, without limitation, that construction of the Project in accordance with the said plans and specifications will conform with all applicable laws, by-laws and regulations and that the said budgets are sufficient to allow completion of the Project in accordance with the said plans and specifications.
- 9) Satisfactory evidence that at least 50.000 % of all hard costs are fixed. Within 90 days of the initial advance, satisfactory evidence that at least 65.00% of all hard costs have been fixed.
- 10) The Borrower is to open and maintain a segregated Project bank account with Laurentian Bank to receive all advances of the Loan and from which all Project expenses are to be paid.
- 11) The Lender shall be entitled to erect prominent signage on the Property indicating the source of financing, the location and size of such signage to be mutually agreed upon by the parties, provided that same complies with the requirements of all governmental authorities having jurisdiction. All such signage to be in place no later than 30 days following the initial advance of the Loan.
- 12) For ongoing credit risk management purposes, the operating account of the Borrower for the Project shall at all times be maintained with the Lender.
- 13) The Borrower is to secure gross revenue not less than \$47,000,000.00 inclusive of HST from bona fide arm's-length pre-sales supported by executed purchase and sale agreements.

The inclusion of any sales to non-arm's-length purchasers, investors, and/or multi-unit purchasers as qualified pre-sales shall be subject to the prior approval of the Lender.

A minimum of 85.00% of the purchasers must be approved for mortgage financing or be able to demonstrate financial capacity to close satisfactory to Laurentian Bank. Alternatively the evidence of ability to close will be waived for purchasers who contract to make total deposits of 25.00% or more and at least 20.00% of deposits to be paid prior to occupancy.

Any shortfall in purchaser deposits must be covered by an equivalent increase in Borrower equity.

- 14) Satisfactory evidence of the enrolment of the Project with Tarion Warranty Corporation ("Tarion") pursuant to the provisions of the Ontario New Home Warranties Plan Act (Ontario) (the "Act"), the registration of the Borrower as "vendor" or "builder" of the Project (as applicable) and compliance with all applicable requirements of Tarion and the Act. Where any entity other than the Borrower is the "vendor" or "builder" of the Project additional security in favour of the Lender from such entity is to be provided.
- 15) Satisfactory receipt and review by the Lender's solicitors of a full and complete copy of the condominium Disclosure Statement provided to prospective purchasers of units in the Project.
- 16) Satisfactory receipt and review by the Lender's solicitors of the standard form of purchase agreement to unit purchasers for the Project.

- 17) Satisfactory Commitment Letter between the Borrower and the Deposit Lender (defined hereunder) insuring the purchaser deposits which are to be used in the Project.
- 18) Statutory Declaration in form and content satisfactory to the Lender attesting, inter alia, as to: (a) the validity and enforceability of all such agreements of purchase and sale (the "Purchase Agreements") for the Project on which such advance is predicated; (b) the applicable rescission rights and termination rights in favour of purchasers; (c) any other conditions in the Purchaser Agreements in favour of the vendor or purchaser remaining to be satisfied; (d) the outside date beyond which unit purchaser have the right to terminate such agreements of purchase and sale; (e) the number of non-arms-length sales, offshore sales and multiple sales to the same purchaser; and, (f) any other matter pertaining to the Purchase Agreements for which the Lender reasonably requires assurances.
- 19) Purchaser Deposits, not used in the Project, are to be held in trust by the Borrower's solicitor and deposited with Laurentian Bank.
- 20) On a month to month basis and when requested by the Lender, the Borrower shall provide the Lender with up-dated monthly sales reports.
- 21) The law firm who currently holds the deposits for the agreements of purchase and sale will open an account with Laurentian Bank and deposit all purchaser deposits therein. Such deposits will be held in trust until the final closing of the units to unit purchasers, unless deposit insurance is provided.

18. AVAILABILITY:

- 1) All advances shall be supported by satisfactory inspection and draw certificates and in amounts of not less than \$100,000.00 and occurring not more frequently than once per month.
- 2) All requests for advances shall be accompanied by the written report (Certificate) of the Cost Consultant which shall include, at minimum, confirmation of each of the following which shall be satisfactory to the Lender:
 - a. details of costs in place in reference to the approved budget;
 - b. percentage complete;
 - c. that the work to date is in accordance with the plans and specifications previously submitted to the Lender;
 - d. cost to complete;
 - e. that the approved budget remains adequate to complete the Project;
 - f. if applicable to the particular advance, confirmation of required equity;
 - g. review all paid invoices, cheque runs and/or cancelled cheques in excess of \$10,000.00 to ensure that the funds from prior advances of the Loan are being utilized only in the Project and,
 - h. estimated completion date.

Accumulated advances shall at no time exceed the cost of work in place less holdbacks as required under the Construction Lien Act (Ontario), and less Borrower's required equity. In addition, the cost to complete shall at no time exceed the unadvanced portion of the Loan.

- 3) Each advance request shall be accompanied by a statutory declaration (or a certificate in the Lender's sole discretion) from the Borrower declaring that all sub-trades associated with the Project, and all hard and soft costs then incurred, have been fully paid through the date of the last draw preceding the current request. The statutory declaration shall further declare there has been no change in the amount of the construction budget. In connection with each draw request the Borrower shall also provide the Cost Consultant with the applicable form of Request for Advance and all supporting materials in connection therewith.
- 4) The Lender reserves the right to make progress advances directly to the contractor, sub-trades and/or suppliers if the Borrower is in default or if advances are being diverted from the Project. Prior to each advance the Borrower shall sign a statutory declaration that all proceeds are being used solely for payables pertaining to the Project.
- 5) The Lender shall charge an administrative fee of \$350.00 per advance.
- 6) A title search will be conducted with each advance of the Loan. The title search and solicitor's fees and expenses applicable thereto are for the account of the Borrower.

19. STANDARD CONDITIONS:

The Lender shall not be obliged to make any advance under the Loan unless the following conditions have been complied with and the Lender has received and approved the following documents and matters in form and substance satisfactory to the Lender and its solicitors:

- 1) Security in Place - All security and documentation to be in place in form and content satisfactory to the Lender and its solicitor.
- 2) Survey - As soon as is reasonably possible, but in any event sufficiently in advance of the initial advance of the Loan so as to enable the Lender's solicitors to obtain clearance of same from the relevant municipal authorities, the Borrower shall provide the Lender with an up-to-date survey of the Property prepared by a surveyor licensed in the jurisdiction in which the same is located, and showing:
 - a. all encroachments, easements and rights-of-way;
 - b. the dimensions, boundaries and square footage of the Property;
 - c. the location of all buildings and improvements on the Property, their dimensions and distance from the lot lines;
 - d. particulars of adjacent properties and access to and from public highways; and
 - e. all other particulars required to be shown on a survey prepared for the jurisdiction in which the Property is situate;

The survey must bear the name, address and signature of the surveyor, his official seal and licence number (if any, or both), the date of the survey and have thereon a Surveyor's Certificate in the form and content required by the jurisdiction(s) in which the Property is situate.

Where the Project will be under construction, prior to the initial advance the Borrower shall also provide a detailed site plan, and an architectural rendering, both of which shall be satisfactory to the Lender, showing the proposed development as a completed Project

- 3) Insurance - Not less than 5 days prior to the initial advance of the Loan, the Borrower shall provide the Lender with originals, or copies certified by the insurers, of insurance coverages in respect of the Property in form and content as more particularly set forth on Schedule "A" attached to and forming part of this Commitment. Such insurance coverages shall be maintained for so long as any monies remain outstanding under the Loan and shall at all times be upon terms and conditions satisfactory to the Lender and its solicitors and consultants. The Borrower acknowledges that all policies of insurance shall be subject to review and approval by an insurance consultant employed by the Lender for such purpose, and the Borrower agrees to pay for the consultant's fees in connection with such review.
- 4) Appraisal - The Borrower shall obtain, at its own expense, and provide the Lender with a satisfactory full narrative appraisal report of the Property prepared by an appraiser approved by the Lender and who is an AACI member of the Appraisal Institute of Canada or other recognized association or institution of appraisers as approved by the Lender, showing the market value of the Property on an "as is" basis "today" and the value of the Property on a "completion of construction basis".
- 5) Financing and Operating Statements - Prior to the initial advance of the Loan and thereafter within the periods of time hereinafter specified, the Borrower shall deliver or cause to be delivered to the Lender the following:
- a. Within one hundred and twenty (120) days after the end of each fiscal year of operation of the Property, an annual operating statement in respect of the Property for the immediately preceding fiscal year setting forth the gross rents and other income derived from the Property, the cost and expenses of operation and maintenance of the Property and such other information and explanations in respect of the same as may be required by the Lender;
 - b. Within one hundred and twenty (120) days after the end of each fiscal year of each Credit Party which is a corporation, the annual financial statements of each such corporation for its immediately preceding fiscal year including, without limitation, the balance sheet of the corporation as at its fiscal year end with comparative figures for prior years, statements of earnings, retained earnings and changes in financial position as at the fiscal year end with comparative figures for prior fiscal years, any supporting schedules and notes thereto and such other information and explanations as may be required by the Lender; and,
 - c. With respect to each Credit Party who is an individual and within thirty (30) days after each anniversary of the date of the Commitment, an annual updated net worth statement of each such individual in such form and including such content and other information and explanations as may be required by the Lender.

All such operating and financial statements shall be prepared at the expense of the Borrower and in accordance with generally accepted accounting principles ("GAAP") applied on a consistent basis and by a duly qualified chartered accountant or certified public accountant which is acceptable to the Lender, and shall be submitted in audited form if so required by the Lender at its option, and the completeness and correctness of such statements shall be supported by an affidavit of an authorized officer of the applicable Credit Party. For all financial periods beginning on or after January 1, 2011, the use of International Financial Reporting Standards ("IFRS") will be required for all Credit Parties which are: (a) Canadian public corporations; (b) Canadian publicly accountable entities; and/or, (c) entities constated or resident in a jurisdiction other than Canada for which IFRS standards are mandated by the accounting standards of such other jurisdiction.

- 6) Leases – All agreements to lease, leases, rents, income and profits arising from or in connection with the Property, and related to same (collectively, the "Leases") shall be submitted to the Lender, together with tenant acknowledgements for its review and approval prior to the initial advance of the Loan. The Borrower shall not collect any amounts due under the Leases for rents or otherwise in advance, other than the last month's rent due under any of the Leases and shall not waive, release, reduce or discount any such rents or other charges due under the Leases or grant any concession or privilege which would have the effect of reducing the rental consideration stated in the Leases. The Borrower shall not consent to any assignment of the Leases or subletting thereunder without the prior written consent of the Lender, such consent not to be unreasonably withheld. Prior to the initial advance of the Loan and every twelve months thereafter for so long as the Loan remain outstanding, the Borrower shall provide to the Lender a detailed list of all current tenants, rentals and other income of the Property. Prior to the initial advance, the Borrower shall deliver sufficient executed copies of a form of notice to the tenant under the Lease advising them that the Lease has been assigned as security for the Loan and directing them to recognize the rights of the Lender pursuant to the Security Documents and/or at law, provided always that the Lender shall not deliver such notice or collect rent under the Leases unless and until there is default by the Borrower under the Loan.

All Leases entered into by the Borrower after the date of the initial advance of the Loan and during the term of the Loan shall also be submitted to the Lender, together with (when requested by the Lender) tenant acknowledgements for its prior review and approval.

- 7) Agreements of Purchase and Sale – Full and complete copies of all Agreements of Purchase and Sale arising from or in connection with the Property, and all renewals, amendments, assignments or other agreements relating to same (collectively the "Agreements") shall be submitted to the Lender for its review and approval prior to the initial advance of the Loan, if not approved by the Lender prior to issuance of this Commitment. Further sales from time to time after the initial advance of the Loan, as applicable, shall also be submitted to the Lender for review and approval. A full and complete copy of any purchase agreement(s) and amendments thereto relating to the acquisition of the Property within the preceding two years shall also be provided to the Lender for review if requested.
- 8) Authority – Prior to the initial advance of the Loan, each Credit Party which is a corporation or partnership shall provide to the Lender such documentation as is reasonably satisfactory to the Lender and its solicitors evidencing its valid existence and subsistence, and power and authority to enter into the transaction contemplated by this Commitment and execute and deliver the security required hereunder, including, without limitation, a certificate of status, a certificate of non-restriction, a certified resolution of the board of directors (or partners or general partner as the case may be), a certificate of incumbency disclosing all directors, officers and shareholders (or partners, general partners and limited partners as the case may be) (such certificates may be combined into a single certificate for any Credit Party), and an opinion given by the solicitors for each such Credit Party as to due authorization, valid execution and delivery, enforceability and any other matter reasonably requested, all of the foregoing in form and content reasonably satisfactory to the Lender and its solicitors. Where any Credit Party is a partnership, trust, co-ownership or joint venture, a copy of such documentation and all amendments thereto shall be supplied for review prior to the initial advance of the Loan.
- 9) Environmental Report - Prior to the initial advance of the Loan, the Borrower shall obtain at its own expense and provide to the Lender an environmental site assessment report, in form and content acceptable to the Lender, providing an opinion that the Property does not contain any site contamination or hazardous substances and confirming that the Property complies with all applicable environmental laws. The environmental opinion shall be prepared by a recognized firm of environmental consultants qualified in Ontario and acceptable to the Lender and with sufficient professional insurance in the opinion of the Lender. A letter of

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transmittal shall be provided by such firm in favour of the Lender and its assigns. The Borrower agrees to provide all information that it has with respect to environmental matters and hereby warrants that it shall provide full disclosure in this regard to the Lender.

The lender acknowledges receipt of Phase I and II Environmental Site Assessment Reports dated May 9, 2008 and prepared by XCG Consultants Ltd.

Prior to the initial advance of the loan, the Borrower shall obtain at its own expense and provide to the Lender confirmation from environmental consultant that revised MOE standards for residential housing are met.

- 10) Soil Tests - Prior to the initial advance of the Loan, the Borrower shall obtain at its own expense and provide to the Lender a geotechnical report, in form and content acceptable to the Lender, attesting to the satisfactory nature of the soil condition to support the buildings contemplated for the Project and confirming that the soil tests and other tests and examinations of the Property are satisfactory for construction and completion of the Project. The geotechnical report shall be prepared by a firm of geotechnical engineers qualified in Ontario, in good standing and acceptable to the Lender, and with sufficient professional insurance in the opinion of the Lender. A letter of transmittal shall be provided by such firm in favour of the Lender and its assigns.
- 11) Engineer's Report - Prior to the initial advance of the Loan, and if existing structures improve the site, the Borrower shall obtain at its own expense and provide to the Lender an engineer's report, in form and content acceptable to the Lender, attesting to the structural and mechanical soundness of the existing improvements at the Property. The engineer's report shall be prepared by an engineering firm qualified in Ontario, in good standing and acceptable to the Lender, and with sufficient professional insurance in the opinion of the Lender. A letter of transmittal shall be provided by such firm in favour of the Lender and its assigns.
- 12) Material Agreements - Prior to the initial advance of the Loan, the Borrower shall supply the Lender with full and complete copies of all material agreements for the development and management of the Project (and where applicable the sale thereof) and same shall be satisfactory to the Lender in all respects.
- 13) Organizational Charts - Prior to the initial advance of the Loan, the Lender shall have received organizational charts in satisfactory detail for all Credit Parties showing the officers, directors, shareholders, partners, general partners and limited partners thereof (as the case may be) and the relationship between such entities where applicable.
- 14) PPSA - Prior to the initial advance of the Loan, the Credit Parties shall provide the Lender with such third party comfort letters or discharges, as applicable, pursuant to the Personal Property Security Act (Ontario) (the "PPSA"), in form and substance as the Lender shall require, with respect to all PPSA filings appearing to grant a priority under the PPSA to any third party lender. In addition, to the extent that any Credit Party is not located in Ontario for conflicts purposes pursuant to the PPSA such matter shall be disclosed to the Lender for credit purposes and in any event prior to the initial advance.

20. ADVANCES:

The Lender shall not be obliged to make any advance under the Loan unless and until the terms and conditions of this Commitment have been fully complied with by the Credit Parties as the case may be. The Lender shall be entitled and is hereby authorized to deduct from any advance the amount due or to become due for interest from the date of such advance to the Interest Adjustment Date or next regular payment date, and the aggregate of all amounts owing for accrued and unpaid interest, fees of any nature or kind whatsoever including the Commitment Fee, appraisal fees and

the legal fees and disbursements of the Lender's solicitors, and all other amounts, costs and expenses incurred by the Lender in connection with the Loan.

21. EXPIRY AND CANCELLATION:

The Lender shall have the right at its option, to terminate this Commitment or to demand repayment of the Loan or to add to or modify the conditions set out herein if the conditions of this Commitment are not met or if there is, in the opinion of the Lender or its solicitors, a material adverse change in the risk, the value of the security or the covenants required herein, or if the representations by the Borrower are not correct, or if the security has been impaired.

Without prejudice to and without derogating from any other rights of the Lender, the Lender shall also have the right, at its option, to terminate this Commitment or to demand repayment of the Loan if:

- 1) the Security Documents are not registered by the May 31, 2012 provided that same have been delivered to the Borrower or its solicitors in a registerable form on the immediately preceding day; and
- 2) the first advance of funds is not made by May 31, 2012.

The Lender may, at its sole option from time to time, elect to extend the above-mentioned date by which the Security Documents are to be registered and/or the date by which the Loan is to be disbursed or any of the other time periods contained in this Commitment. Time shall remain of the essence of this Commitment and all other terms and conditions shall remain unchanged.

22. SALE OF PROPERTY:

In the event of a sale, transfer, conveyance or further encumbering of the Property, other than herein contemplated, or any part thereof, or a lease of the whole of the Property, or a change in the legal or beneficial ownership of the Property or any part thereof, or a change in control of the Borrower, the Loan shall, unless the written consent of the Lender has first been obtained, forthwith become due and repayable in full at the option of the Lender and the Borrower shall be deemed to be in default under the Loan and all security given for the Loan shall become immediately and fully enforceable.

23. MATERIAL REPRESENTATIONS:

If at any time before or after acceptance of this Commitment or advance of funds under the Loan, there is or has been any material adverse change, discrepancy or inaccuracy in any written information, statements or representations made or furnished to the Lender by or on behalf of any of the Credit Parties concerning the Properties or the financial condition and responsibility of any of the Credit Parties, or in the event of default by any of the Credit Parties under this Commitment, then, in the event of such default, or if such material change, discrepancy or inaccuracy cannot be rectified or nullified by the Credit Parties within thirty (30) days after written notification thereof by the Lender to the Borrower or such other Credit Party as applicable in the circumstances, the Lender shall be entitled forthwith to withdraw and cancel its obligations hereunder or decline to advance further funds, as the case may be, and to declare any funds which have been advanced, together with interest, to be forthwith due and repayable in full.

24. PREAUTHORIZED PAYMENT PLAN:

The Borrower shall execute and deliver to the Lender prior to the initial advance of the Loan such documentation required by the Lender so as to authorize and permit the Lender to have the

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monthly instalments due under the Loan deducted from the Borrower's bank account; provided that the Borrower shall forthwith execute and deliver to the Lender such other or additional preauthorized payment forms as may be required by the Lender from time to time or as may be necessitated by any change in the Borrower's bank account; and provided further that, in the event that the Lender in its sole discretion determines that it no longer wishes to utilize a preauthorized payment plan, the Borrower shall, upon thirty (30) days' prior written notice from the Lender, provide post-dated cheques to the Lender in the manner hereinbefore stipulated.

25. STANDARD CHARGE TERMS:

The Borrower acknowledges and agrees that the mortgage document may incorporate by reference any and all Standard Charge Terms required from time to time by the Lender for use in the jurisdiction in which the Property is situate, provided that the terms and provisions of the mortgage document shall not be limited to any such Standard Charge Terms and may incorporate such additional provisions as are contemplated by this Commitment and/or as may be considered advisable by the Lender or its solicitors in their sole but reasonable opinion. In this Commitment, "Standard Charge Terms" refers to any set of Standard Charge Terms filed on behalf of the Lender pursuant to the provisions of the Land Registration Reform Act (Ontario) or any other similar set of Standard Charge Terms filed on behalf of the Lender pursuant to the provisions of any similar legislation in the jurisdictions in which the Property is situate.

26. COVENANTORS:

In consideration of the Lender committing to make the Loan available to the Borrower (the receipt and sufficiency of which is hereby acknowledged by each Credit Party), each Credit Party in and executing this Commitment does hereby covenant, as principal debtor and not as surety, that he will pay or cause to be paid to the Lender all amounts due by the Borrower under the Loan (up to the limit provided for herein, if any) and will observe, keep and perform all of the terms and conditions set forth herein or required hereby to be observed, kept and performed by the Borrower pursuant to this Commitment or any of the Security Documents, and that after the first advance under the Loan, all present and future indebtedness of the Borrower to each Credit Party shall be assigned to the Lender and postponed to the present and future indebtedness of the Borrower to the Lender; and each Credit Party agrees that he shall execute the Security Documents or any of them, in such form as may be required by the Lender and its solicitors, in order to fully document and effectuate the intent and meaning of this paragraph.

27. TAXES:

All realty taxes and penalties, if any, due and payable and all outstanding levies, special assessments and other charges relating to the Property shall be paid in full by the Borrower prior to each advance under this Loan. The Lender reserves the right to pay future taxes and to collect from the Borrower an amount each month sufficient to pay the taxes in full by the due dates thereof.

28. COMPLIANCE WITH BY-LAWS, ETC.:

Prior to the initial advance of the Loan and thereafter prior to each advance, the Lender shall receive satisfactory evidence of compliance with all applicable building and zoning by-laws, restrictive covenants, agreements, rules and regulations of and with public authorities respecting the construction, use and occupancy of the Property. The Borrower agrees to provide written authority, duly signed by all owners of the Property and addressed to the requisite municipal or other authority having jurisdiction, so as to allow release to the Lender of any information contained in the records of such authority, or, at the Lender's option, to allow an inspection of the Property by such authority to determine any outstanding work orders or deficiencies.

29. WARRANTY AS TO TITLE AND AUTHORITY:

Except as may be otherwise provided in this Commitment, the Borrower hereby represents and warrant that:

- 1) The Borrower is the sole registered and beneficial owner of the Property and does not hold the same in trust for any other parties except as may be expressly set out in this Commitment
- 2) Title to the Property is good and marketable and free from all easements, rights-of-way, agreements, restrictions, mortgages, charges, liens, executions and other encumbrances, save and except those which have been disclosed to the Lender prior to the date of issuance of this Commitment and save for such other encumbrances which are determined by and in the sole discretion of the Lender and its solicitors as not materially adversely affecting the Lender's security;
- 3) All Credit Parties hereto have the right to enter into this Commitment and to charge or pledge the Property and other assets herein stipulated as security for the Loan; and,
- 4) The Property and other assets herein stipulated as security for the Loan do not, within the meaning of Section 244 of the Bankruptcy and Insolvency Act (Canada), comprise all or substantially all of the inventory, accounts receivable or other property of the Borrower acquired for or used in relation to any business carried on by the Borrower.

30. PRIOR ENCUMBRANCES:

This Commitment shall, upon acceptance by the Borrower, operate as a direction to the Lender to disburse at its sole option, out of the proceeds of each advance under this Loan, such amount or amounts sufficient to pay all outstanding realty taxes and penalties thereon, utility charges, construction and other liens and any and all other charges for deficiencies pertaining to the Property, the amount required to discharge any prior encumbrances not being assumed or to bring into good standing any encumbrances being assumed and any and all charges and expenses connected with the Loan, including, without limitation, all accrued and unpaid interest with respect to the Loan and all unpaid premiums for insurance of the Property.

31. NO SUBSEQUENT ENCUMBRANCES:

The Borrower covenants and agrees that it shall not, without the prior written consent of the Lender, execute or deliver any mortgage, charge, lien or other encumbrance of the Property and/or any personal property associated therewith which is intended to rank subordinate to any of the Security Documents, failing which, at the option of the Lender, the Loan shall immediately become due and payable.

The Lender acknowledges and agrees to a subsequent encumbrance in favour of the Deposit Lender to secure purchaser deposits in the Project.

The Lender acknowledges and agrees to a subsequent Mezzanine Debt in favour of Marshal Zehr Group in the maximum amount of \$2,026,641.00 and at an interest rate not to exceed 14.00%.

The Lender also acknowledges and agrees to a subsequent Vendor-Take-Back Mortgage in favour of Mr. Randolph Kinat in the maximum amount of \$3,000,000.00 and at zero (0.00%) interest rate.

The afore-noted two subsequent encumbrances in favour of Marshal Zehr Group and Mr. Randolph Kinat respectively are to have terms and conditions acceptable to the Lender and the Lender's solicitors, and shall be accompanied by subordination and standstill agreements in favour of the Lender prepared by the Lender's solicitors and on terms acceptable to the Lender in its discretion.

32. HAZARDOUS SUBSTANCES:

- 1) In this Commitment, "Hazardous Substance" means any hazardous waste or substance, pollutant, contaminant, waste or other substance, whether solid, liquid or gaseous in form, which when released into the natural environment may, based upon reasonably authoritative information then available concerning such substance, immediately or in the future directly or indirectly cause material harm or degradation to the natural environment or to the health or welfare of any living thing and includes, without limiting the generality of the foregoing,
 - a. any such substance as defined or designated under any applicable laws and regulations for the protection of the environment or any living thing;
 - b. asbestos, urea formaldehyde, poly-chlorinated biphenyl (PCB) and materials manufactured with or containing the same; and
 - c. radioactive and toxic substances.
- 2) The Credit Parties each represent, warrant, covenant and agree that, except as disclosed to the Lender and or its environmental consultants:
 - a. each has not and, to the best of their respective knowledge, information and belief after making due inquiry, no other person has caused or permitted any Hazardous Substance to be placed, stored, located or disposed of on, under or at the Property;
 - b. they and their tenants, invitees and other occupiers of the Property have and will at all times and, to the best of their respective knowledge, information and belief after making due inquiry, all prior owners and occupiers of the Properties have at all times carried out all business and other activities upon the Property in compliance with all applicable laws intended to protect the environment including, without limitation, laws respecting the discharge, emission, spill or disposal of any Hazardous Substance;
 - c. no order, direction, enforcement action or other governmental or regulatory action or notice, nor any action, suit or proceeding relating to any Hazardous Substance or the environment has been issued or is otherwise threatened or pending with respect to the Property;
 - d. each of the representations and warranties set out herein shall remain true and accurate in all respects up to and including the date of the first advance of funds and thereafter until the Loan is repaid in full; and
 - e. the Lender may delay or refuse to make any advance to the Borrower if the Lender believes that any of the representations and warranties set out herein were not true and accurate when made or at any time thereafter.
- 3) The Borrower shall permit the Lender to conduct, at the Borrower's expense, any and all tests, inspections, appraisals and environmental audits of the Property so as to determine and ensure compliance with the provisions of this paragraph including, without limitation, the right to conduct soil tests and to review and copy any records relating to the Property or the businesses and other activities conducted thereon at any reasonable time and from time to time.
- 4) The Credit Parties each jointly and severally agree to indemnify and save harmless the Lender and its officers, directors, employees, agents and shareholders from and against any and all losses, damages, costs and expenses of any and every nature and kind whatsoever which at any time or from time to time may be paid or incurred by or asserted against any of them as a direct or indirect result of (individually an "Environmental Breach" and collectively the "Environmental Breaches"):

- a. a breach of any of the representations, warranties or covenants hereinbefore set out;
 - b. the presence of any Hazardous Substance in, on or under the Property; or
 - c. the discharge, emission, spill or disposal of any Hazardous Substance from the Property into or upon any land, the atmosphere, any watercourse, body of water or wetland; and the provisions of all representations, warranties, covenants and indemnifications set out herein shall survive the repayment and satisfaction of the Loan and the release and discharge of the Security Documents.
- 5) And without the foregoing, in the event of the existence and/or occurrence of any and all Environmental Breaches, the Credit Parties shall forthwith:
- a. commence, carry out and satisfactorily complete the remediation of all such Environmental Breaches according to all applicable Environmental Laws and accordingly to the direction of the Lender and any environmental consultants then engaged by the Lender;
 - b. pay, from their own resources, all amounts required in order to investigate, complete and record the remediation of all such Environmental Breaches; and,
 - c. where required by the Lender, file a Record of Site Condition in respect of the completion of the afore-noted remediation.

33. ACCELERATION:

All indebtedness and liability of the Borrower to the Lender which is payable on demand, is repayable by the Borrower to the Lender at any time on demand.

All indebtedness and liability of the Borrower to the Lender which is not payable on demand shall, at the sole option of the Lender, become immediately due and payable and the Security shall, at the sole option of the Lender, become enforceable, and the obligation of the Lender to make further advances or other accommodation available under any credit facilities shall terminate if any of the following events (each event hereinafter called an "Event of Default") occurs:

- a. The Borrower or any Credit Party fails to make when due, whether on demand or on any scheduled payment date, by acceleration or otherwise, any payment of interest, principal, fees, commissions or other amounts payable to the Lender;
- b. The failure by the Borrower or any Credit Party to strictly and fully observe or perform any condition, agreement, covenant or term set out in this Commitment, the Security Documents and/or in any other document creating a contractual relationship as between them or any of them, or if it is found at any time that any representation of the Credit Parties with respect to the Loan and this Commitment is incorrect or misleading;
- c. The Borrower commits an act of bankruptcy, or becomes bankrupt or insolvent, or makes an assignment for the benefit of creditors, or if there is any receiver or receiver and manager or trustee appointed for it or over any of its assets or if any creditor takes possession of any of its assets or if any execution, distress or other like process is levied or enforced upon the Property or any part thereof or if any compromise or arrangement is made with any creditor;
- d. The Borrower dies, dissolves, amalgamates or is terminated;

- e. Any judgment or order or any process of any court becomes enforceable against the Borrower or any property of the Borrower or any creditor takes possession of any property of the Borrower;
- f. Any insurance policy for the Property lapses or is cancelled; and/or,
- g. Any adverse change occurs with respect to the Property, or, in the financial condition of the Borrower or any Credit Party.

34. SURVIVAL OF TERMS:

Notwithstanding the delivery and registration of any or all of the security contemplated by this Commitment and the advance of funds pursuant thereto, the terms and conditions of this Commitment shall remain binding and effective on the parties hereto, and shall not merge in the Security Documents or any of them, and the terms of this Commitment shall be incorporated by reference into the Security Documents.

In the event of any discrepancy between the terms of this Commitment and any of the Security Documents, or any discrepancy as between any of the Security Documents, the Lender, in its sole discretion, shall decide the provisions of which document shall prevail. In the event of any discrepancy between the provisions of this Commitment and the provisions of the Schedules attached thereto, the Lender, in its sole discretion, shall decide which of the two provisions shall prevail.

35. PROFESSIONAL ADVISORS:

- a. Solicitors: All legal matters and documentation shall be satisfactory to the Lender's independent solicitors (the "Lender's Solicitors"), whose fees and disbursements the Credit Parties agree to pay whether or not this transaction is completed as contemplated herein. The Lender's solicitors are:

Walter Traub
Goldman Sloan Nash and Haber LLP
480 University Avenue, Suite 1600, Toronto, Ontario, M5G 1V2

Telephone: (416) 597-9922

- b. Insurance Consultant: All insurance and bonding matters shall be reviewed by, and shall be satisfactory to, the Lender's insurance consultants who are as follows:

INTECH RISK MANAGEMENT INC.
3 Church Street, Suite 400, Toronto, Ontario, M5E 1M2
Tel: 1 (800) 947-9666 or (416) 348-9111
Fax: (416) 348-9121

The cost of the insurance review is for the sole account of the Borrower.

- c. Cost Consultant: O'Keefe & Associates Ltd. or another firm acceptable to the Lender in its sole discretion (the "Cost Consultant") shall be engaged by the Borrower as cost consultant and project monitor with respect to the development and construction of the Project. The Cost Consultant will report directly to the Lender. The Cost Consultant will monitor all advances of the Loan and more generally, will verify and monitor all facets of the Project. All fees and expenses of the Cost Consultant are for the sole account of the Borrower.

36. SOLICITOR'S OPINION:

All advances in this Loan are subject to receipt by the Lender of an opinion acceptable to the Lender from its solicitors as to the effectiveness and priority of all Security Documents. The Borrower agrees to deliver to the Lender or its solicitors, forthwith upon request, such other documents, assurances, information and covenants as the solicitors for the Lender may reasonably require with regard to the Loan or the Security Documents to be given hereunder.

37. LENDER'S DOCUMENTATION:

All terms and conditions of the Lender's usual Security Documents and supporting documents shall be deemed to be incorporated in and form part of this Commitment. The form of all documentation shall be made available for the Borrower's inspection upon request. The Credit Parties acknowledge that the Lender's standard forms of Security Documents contain covenants, representations, warranties and events of default to which the various Credit Parties shall be bound, in addition to the covenants, representations, warranties and events of default contained in this Commitment. Prior to each advance, the Lender and its solicitors shall be satisfied with the form and content of all documents in connection with the Loan, all disbursement procedures and all matters relating to title and the security.

38. PAYMENT OF FEES AND COSTS:

The Borrower agrees to pay, on demand, whether or not the Loan or any part thereof is disbursed, all costs, fees and expenses related to the preparation, execution, registration, publication and renewal of the Loan and of the documentation (security documentation, agreements, or other) related to or required by the Commitment, as well as cost of investigation and certification of title by the Lender's solicitors, and all other fees and disbursements of the Lender's solicitors, as well as appraisal costs, consultant's costs, insurance consultant's fees and out-of-pocket disbursements and expenses incurred by the Lender relating to the Loan, and all fees and costs incurred in connection with the realization of the Lender's security.

39. CREDIT INQUIRIES:

The Credit Parties acknowledge receipt of notice that usual credit and personal enquiries may be made at any time in connection with the credit hereby applied for and consent to disclosure of any such information to any other credit grantors or to any consumer reporting agency.

The Credit Parties agree that the Lender may until full payment of the amounts due obtain information on the undersigned from any individual authorized by law as well as from any personal information agent and any other individual named on the credit reports, any financial institution and hypothecary insurer.

The Credit Parties agree that the Lender may disclose the information it holds on the undersigned to any person authorized by law, personal information agent, financial institution, hypothecary insurer, surety, or with the consent of the undersigned to any other person who so requests it.

40. NOTICES:

All notices or other communications required to be given or which may be given under this Commitment shall be in writing duly executed by the party giving such notice or its solicitors, and shall be personally delivered or transmitted by registered mail or facsimile transmission addressed to the Lender at Laurentian Bank of Canada, 130 Adelaide Street West, Suite 300, Toronto, Ontario M5H 3P5 [Attention: Real Estate Legal Services] and to the Credit Parties at the address first above written or as otherwise indicated herein. Notices given by personal delivery or facsimile

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transmission shall be deemed to have been received on the day of and at the time of such delivery or transmission and all other notices shall be deemed to have been received at 2:00 p.m. on the second business day after the posting thereof. Any notice requesting or requiring response within five (5) or less business days from the date thereof shall be given by personal delivery or facsimile transmission. In the event of actual or reasonably anticipated postal disruption, all notices shall only be given by personal delivery or facsimile transmission. Any party may from time to time by notice given as provided herein change its address for the purpose of this provision.

41. ASSIGNMENT OF COMMITMENT:

This Commitment and the rights and benefits arising herefrom may not be assigned by the Borrower to any other party without the prior written consent of the Lender, which consent may be arbitrarily withheld.

42. TIME IS OF THE ESSENCE:

Time shall be of the essence in this Commitment. The times herein specified for the taking of certain action by the Borrower are in each case firm and shall not be extended without the written approval of the Lender.

43. PRIOR DEALINGS:

This Commitment shall supersede any and all prior dealings, whether written or oral, as between the parties hereto and relating to this Loan.

44. NO SET OFF:

The Borrower shall make all payments pursuant to this Commitment without set off, compensation or counterclaim. In addition, all payments shall be made free and clear of, and exempt from, and without any deduction for or on of account of any taxes.

45. ACCOUNT DEBIT AUTHORIZATION:

The Lender is authorized (but not obligated) at any time or from time to time, without notice to the Borrower or to any other person, any such notice being expressly waived by the Borrower, to set off, compensate and to apply (a) any and all deposits (general or special) held for or in the name of the Borrower, and (b) any indebtedness or liability at any time owing or payable by the Lender to or for the credit of or for the account of the Borrower, against and on account of the obligations and liabilities of the Borrower owing or payable to the Lender under this Commitment and the security or other agreements contemplated herein or therein, irrespective of currency, and whether or not the Lender has made any demand thereof, and whether or not these obligations and liabilities of the Borrower, or any of them, have matured. The Borrower and the Lender further agree that the benefits accruing to the Borrower of any term applicable to any deposit, credit, indebtedness, liability or obligation of the Lender (collectively, the "Deposit") shall be lost immediately before the time when the Lender shall exercise its rights pursuant hereto in respect of a relevant Deposit.

Without limiting the foregoing, the Borrower authorizes Laurentian Bank to automatically debit the Borrower's account(s) for all amounts payable by the Borrower under this Commitment including but not limited to the repayment of principal and the payment of interest, fees and expenses. In addition, Laurentian Bank shall have the right to automatically debit on a daily basis any credit balance in the Borrower's account(s) for the sole purpose of repaying any variable credit advances under the Loan.

46. FIRST RIGHT OF REFUSAL:

Laurentian Bank shall have the First Right of Refusal to provide permanent financing under terms as agreed upon.

47. AMENDMENTS:

No term or requirement of this Commitment or any Security Documents may be waived or varied orally or by any course of conduct of any officer, employee or agent of the Lender. Any amendment to this Commitment or any Security Document must be in writing and signed by a duly authorized officer of the Lender.

48. WAIVER OF DEFAULTS:

Any waiver by the Lender of any default by the Borrower or any omission on the Lender's part in respect of any default by the Borrower shall not extend to or be taken in any manner whatsoever to affect any subsequent default by the Borrower or the Lender's rights resulting therefrom.

49. LENDER'S RECORDS:

In the absence of manifest error, the books and records held by the Lender will constitute conclusive evidence of the transactions carried out under this Commitment and of the Borrower's indebtedness to the Lender.

50. JUDGMENT CURRENCY:

If for the purpose of obtaining judgment in any court in any jurisdiction with respect to this Commitment, it becomes necessary to convert into the currency of such jurisdiction (herein called the "Judgment Currency") any amount due hereunder in any currency other than the Judgment Currency, then conversion shall be made at the rate of exchange prevailing on the business day before the day on which judgment is given. For this purpose, "rate of exchange" means the rate at which the Lender is able, on the relevant date, to sell the currency of the amount due hereunder in Canadian \$ or US \$, as the case may be, against the Judgment Currency. In the event that there is a change in the rate of exchange prevailing between the business day before the day on which the judgment is given and the date of payment of the amount due, the Borrower will, on the date of payment, pay such additional amounts (if any) as may be necessary to ensure that the amount paid on such date is the amount in the Judgment Currency which, when converted at the rate of exchange prevailing on the date of payment, is the amount then due hereunder in Canadian \$ or US \$, as the case may be. Any additional amount due pursuant to this judgment currency provision will be due as a separate debt and shall not be affected by judgment being obtained for any other sums due under or in respect of this Commitment.

51. INTERPRETATION:

This Commitment shall be governed by and interpreted in accordance with the laws of the Province in which the Property is situate, and the parties hereto hereby attorn to such jurisdiction. This Commitment shall enure to the benefit of and shall be binding upon the parties hereto and their respective heirs, executors, administrators, successors and permitted assigns. The paragraph and other headings set forth in this Commitment are inserted for convenience and reference only and shall in no way define or limit the intent or interpretation of any of the provisions hereof. This Commitment shall be read and construed with all changes of gender and number of the party or parties referred to in each case as required by the context, and the covenants and agreements of the Credit Parties shall be deemed to be joint and several where any of them are more than one

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entity. The terms and conditions set forth on any Schedules referred to and attached to this Commitment are deemed to be included in this Commitment and form a part hereof.

52. SEVERABILITY:

If for any reason whatsoever any section, paragraph, clause or portion of this Commitment, or the application thereof to any person, firm, corporation, entity or circumstances, is to any extent held or rendered invalid, unenforceable or illegal, then such section, paragraph, clause or portion thereof:

- 1) is deemed to be independent of the remainder of this Commitment and to be severable and divisible therefrom, and its invalidity, unenforceability or illegality does not affect, impair or invalidate the remainder of this Commitment or any part thereof; and,
- 2) continues to be applicable to and enforceable to the fullest extent permitted by law against any other(s) than those as to which it has been held or rendered invalid, unenforceable or illegal.

53. SCHEDULES:

The following schedules form a part of this Commitment:

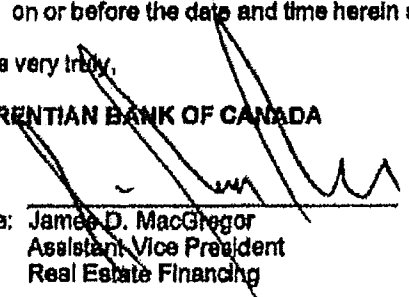
Schedule "A" Insurance Requirements

54. ACCEPTANCE:

This Commitment shall remain open for acceptance by the Credit Parties, in the manner herein specified, until 3:00 p.m. on the 14th day of March, 2012 after which time, if not accepted, the Lender's offer to finance set forth in this Commitment shall be null and void and the Lender shall be under no further obligation to extend or consider financing for the Borrower and the Lender shall not be responsible for any direct or indirect costs or damages incurred by the Borrower in consequence thereof. Acceptance of this Commitment shall have been properly completed when this Commitment, duly executed by the Credit Parties, the Commitment Fee and the Standby Deposit (if any) (as well as any other fees stated to be paid on acceptance thereof) are received by the Lender on or before the date and time herein stipulated.

Yours very truly,

LAURENTIAN BANK OF CANADA

Per: 
Name: James D. MacGregor
Title: Assistant Vice President
Real Estate Financing

Per: 
Name: Tony Da Silva
Title: Vice President
Real Estate Financing & Loan Syndications

NATIONAL BANK OF CANADA

Per: 
Name: Russ Garrard
Title: Senior Director
Corporate Finance

Per: 
Name: Jeff Weber
Title: Director
Corporate Finance

ACCEPTANCE

THE UNDERSIGNED hereby accept the terms and conditions of this Commitment as of this 20 day of March, 2012.

BORROWER:

144 Park Ltd.

Per: 

Name: CHARLES MADY

Per: _____

Name: _____

I/we have the authority to bind the corporation

The Borrower confirms that the above financing is for its own use and is not intended to be used by or for the benefit of a third party and acknowledges having read and understood the terms and conditions of this Offer and accepts same.

GUARANTOR(S):

D. Mady Investments Inc.

Per: 

Name: DAVID MADY

Per: _____

Name: _____

I/we have the authority to bind the corporation

D. Mady Holdings Inc.

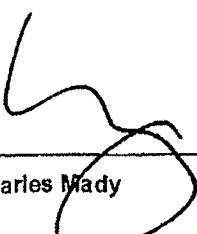
Per: 

Name: DAVID MADY

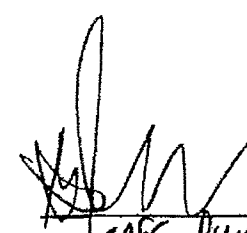
Per: _____

Name: _____

I/we have the authority to bind the corporation

Signature: 
Name: Charles Mady

Witness

Signature: 
Name: GREG PURVICA

Each Guarantor acknowledges having read and understood the terms and conditions of this Commitment and accepts same.

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BENEFICIAL OWNER:**2173170 Ontario Inc.**

Per: _____

Name: DAVID MARY

Per: _____

Name: _____

I/we have the authority to bind the corporation

Allen Street Holdings Inc.

Per: _____

Name: _____

Per: _____

Name: _____

I/we have the authority to bind the corporation

Each Beneficial Owner acknowledges having read and understood the terms and conditions of this Commitment and accepts same.

BENEFICIAL OWNER:

2173170 Ontario Inc.

Per: Name: DAVID MAY

Per: _____

Name: _____

I/we have the authority to bind the corporation

Allan Street Holdings Inc. 

Per: _____

Name: RANDY KINAT

Per: _____

Name: _____

I/we have the authority to bind the corporation

Each Beneficial Owner acknowledges having read and understood the terms and conditions of this Commitment and accepts same.

SCHEDULE "A" - INSURANCE REQUIREMENTS

GENERAL

- i) All insurance policies referred to herein shall be in form and with insurers reasonably acceptable to Laurentian Bank and contain the original signatures of the insurers, not just the insurance broker or agent.
- ii) All policies shall be permitted to contain reasonable deductibles.
- iii) All property and, where applicable, boiler and machinery policies shall name Laurentian Bank as First Mortgagee and Loss Payee and contain a standard mortgage clause in favour of Laurentian Bank.
- iv) All policies of insurance and interim evidence thereof, shall provide for 30 days prior notice to Laurentian Bank of any adverse material change or cancellation.
- v) If the Borrower fails to take out and keep in force such minimum insurance as is required hereunder, then Laurentian Bank may, but shall not be obligated to, take out and keep in force such insurance at the immediate sole cost and expense of the Borrower plus costs incurred, or use other means at its disposal under the terms of the Mortgage.
- vi) It is clearly understood and agreed that the Insurance Requirements contained herein are a minimum guide and, although must be adhered to throughout the life of the Mortgage, in no way represent an opinion as to the full scope of insurance coverage a prudent Borrower would arrange to adequately protect its interests and the interests of Laurentian Bank and the Borrower must govern itself accordingly.

SPECIFIC - COMPLETED PROPERTIES

The following policies of insurance must be submitted, as required in the GENERAL section of the INSURANCE REQUIREMENTS.

- i) All Risks of physical loss or damage including sewer back-up, earthquake, flood and collapse for:
 - a) one hundred percent of the full replacement cost of the property, without deduction for foundations and footings. The replacement cost wording to have the "same or adjacent site" clause deleted and the policy to include increased cost of by-laws coverage including resultant loss of income. Co-insurance must either be waived or Stated Amount.
 - b) one hundred percent of the projected annual rents or revenue with a minimum period of indemnity of twelve months, or such greater period as Laurentian Bank may reasonably require.
- ii) Broad Form Boiler and Machinery with the same limits and by-laws extensions as the All Risks policy described in i) above.
- iii) Commercial General Liability with a limit of \$5,000,000 any one occurrence or such greater amount as Laurentian Bank may reasonably require. The policy to include the IBC 2313 wording, or its equivalent, for limited pollution cover. Laurentian Bank to be shown as an additional insured arising out of the operations of the insured.

- iv) Such other form or forms of insurance as Laurentian Bank may reasonably require, given the nature of the security and that which a prudent owner of similar security would purchase and maintain, or cause to be purchased and maintained.

SPECIFIC - COURSES OF CONSTRUCTION

The following policies of insurance must be submitted, as required in the GENERAL section of the INSURANCE REQUIREMENTS.

- i) All Risks Builders Risk Course of Construction (the latest CCDC 201 wording or its equivalent) on:
 - a) one hundred percent of the estimated final construction cost of the property, including recurring soft costs.
 - b) one hundred percent of the anticipated annual rents (assuming full occupancy) written on a Delayed Income basis.

The policy shall allow for partial or full occupancy.

All other terms and conditions shall apply as if there were an All Risks policy in force as described above in Section 2 SPECIFIC – COMPLETED PROPERTIES.

- ii) The Liability coverages as described more fully in paragraph iii) of SECTION 2 SPECIFIC – COMPLETED PROPERTIES. However, if the construction cost is in excess of \$10 million then a Wrap-up Liability is required with a limit of not less than \$10 million and must include all contractors, sub-contractors and trades.
- iii) Architects' and Engineers' errors and omission insurance for at least \$1 million or such greater amount as Laurentian Bank may reasonably require.
- iv) Performance, Labour and Material Bonds for the percentage of the contract prices as specified in the body of the Commitment (and if no percentage is specified then for 100% of all such contract prices), with Laurentian Bank shown as a Dual Obligee.
- v) Such other form or forms of insurance as Laurentian Bank may reasonably require, given the nature of the security and that which a prudent owner of similar security would purchase and maintain, or cause to be purchased and maintained.

If there are any questions regarding our insurance requirements please contact our insurance consultants.

LAURENTIAN
BANK

September 12, 2014

Mady Development Corporation
100 - 8791 Woodbine Avenue
Markham, Ontario
L3R 0P4

Attention: Greg Puklicz
Senior Vice President

Dear Sirs:

RE: **Financing for the Construction of a 19 Storey, 149 Unit residential condominium building located at 142, 144 and 148 Park Street, 21 Allen Street, Waterloo, Ontario and which is known as 144 Park (the "Project")**

Borrower: 144 Park Ltd.
Loan No.: 1423771.1

With respect to the executed Commitment Letter dated March 7, 2012, between LAURENTIAN BANK OF CANADA (hereinafter called "Laurentian Bank" or "LBC") and National Bank of Canada, severally, (all such lenders hereinafter collectively called the "Lender"), LBC is pleased to offer to the undersigned Borrower an Amendment to the Commitment for the captioned loan (the "Loan") subject to the following terms and conditions:

1. NEW FACILITY:

Facility 4: Bridge Demand Loan Facility by LBC (only) to be secured by the existing loan security and additional security as herein provided.

The Bridge Demand Loan amount shall be in the amount of \$3,600,000.00.

- 2. TERM:** Maturity Date: January 31, 2015.
- 3. INTEREST RATE:** Prime plus 3%, calculated and compounded monthly and adjusted daily as to any change in the Prime Rate.
- 4. PAYMENTS:** Monthly payments of interest only on the 1st day of each and every month from October 1, 2014 to January 1, 2015.
- 5. COMMITMENT FEE:** \$18,000.00, payable upon acceptance of this Offer.
- 6. ADDITIONAL REQUIREMENTS:**

All legal and other professional costs incurred by LBC with respect to this amended commitment and implementation thereof shall be for the account of the Borrower
- 7. ADDITIONAL GUARANTOR:**

Guarantee from David Mady limited to the amount of \$3,600,000.00 plus interest and costs thereon.

This Offer is conditional upon satisfaction by the Borrower of the following requirements, to the satisfaction of LBC, on or before noon Wednesday, September 17, 2014, failing which, at LBC's option, this Offer will be null and void, and all operating accounts at LBC relating to the Line of

8500 Leslie Street
Suite 103
Thornhill, Ontario L3T 7M8
Tel 905 886 5020 Fax 905 886 5051

Credit Facility 3 shall be closed and the line shall be operated by draw requests and wire transfers at the sole discretion of LBC:

1. Signed acceptance of this letter by the Borrower, Guarantors and Beneficial Owners.
2. Payment of the Commitment Fee in the amount of \$18,000.00
3. Acknowledged written approval from all lenders comprising the Lender.
4. Amended Subordination and Standstill Agreements from all subsequent encumbrancers to the revised loan amount inclusive of Facility "4" on terms as may be required by the Lender.
5. Guarantee duly signed by David Mady.
6. Environmental Warranty and Indemnity duly signed by David Mady.
7. Deficiency and Completion Agreement duly signed by David Mady.
8. Closing of all operating accounts with LBC relating to the Line of Credit.
9. Delivery of written evidence satisfactory to LBC that all preconditions to registration of the Condominium Plan with respect to the Property have been satisfied.
10. Delivery to LBC and registration of a collateral first mortgage in favour of LBC securing commercial Units at 32 South Unionville Avenue, Markham, Ontario, as set out on Schedule A hereto, being commercial units located in the Jade-Kennedy Phase I development (the Phase I Commercial Units"), as collateral security to the obligations in favour of LBC by 144 Park Ltd..
11. Delivery to LBC of evidence satisfactory to LBC of the source of funds sufficient to repay all indebtedness secured on title to the Phase I Commercial Units so as to retire all such existing indebtedness, together with a discharge statement for such existing indebtedness from the existing secured lender on the Phase I Commercial Units.
12. New General Security Agreement in favour of LBC to secure Facility 4 Bridge Loan herein.
13. All title and security matters being satisfactory in all respect to the Lender at the time of funding.
14. All obligations with respect to the Loan, the loan to Jade-Kennedy Development Corporation pursuant to commitment dated August 4, 2011, as amended from time to time and the loan to Mady Collier Centre Ltd pursuant to commitment dated December 13, 2012, as amended from time to time, being in good standing in all respects at the time of funding.

The Lender hereby reserves the right to waive any and all of the aforesaid requirements at its sole and unfettered discretion.

The undersigned Borrower, Guarantors and Beneficial Owners hereby acknowledge and agree that all funds to be advanced pursuant to the Bridge Demand Loan Facility shall be utilized for the benefit of the Project.

All other terms and conditions of the executed Commitment Letter dated March 7, 2012 shall remain in full force and effect, and shall, subject as herein otherwise provided, remain applicable to all Facilities including Facility "4".

If you are in agreement with the terms and conditions of this Offer, please return the enclosed copy, duly signed by the Borrower, Guarantors and Beneficial Owners, to the undersigned. If there are any questions, please contact the undersigned directly.

17 Sep 14 01:05p

Ontario Table & Chair Inc

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p.3

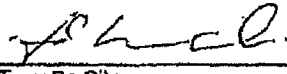
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Yours very truly,

LAURENTIAN BANK OF CANADA

Per: 
Name: Jeff Weiler
Title: Assistant Vice President
Real Estate Financing

Per: 
Name: Tony Da Silva
Title: Vice President
Real Estate Financing & Loan Syndications

ACCEPTANCE

THE UNDERSIGNED hereby accept the terms and conditions of this Commitment as of this _____ day of August, 2014.

BORROWER: 144 Park Ltd.

Per: _____
Name: _____

Per: _____
Name: _____
I/we have the authority to bind the corporation

The Borrower confirms that the above financing is for its own use and is not intended to be used by or for the benefit of a third party and acknowledges having read and understood the terms and conditions of this Offer and accepts same.

GUARANTOR(S):

D. Mady Investments Inc.

Per: _____
Name: _____

Per: _____
Name: _____
I/we have the authority to bind the corporation

D. Mady Holdings Inc.

Per: _____
Name: _____

Per: _____
Name: _____
I/we have the authority to bind the corporation

Signature: _____
Name: Charles Mady
Address: _____

Signature: _____
Name: GREG PULLIER
Address: _____


17 Sep 14 01:05p

Ontario Table & Chair Inc

5195850967

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Signature:  Signature: GREG PENCIL
Name: David Mady Name: _____
Address: _____ Address: _____

Each Guarantor acknowledges having read and understood the terms and conditions of this Offer and accepts same.

BENEFICIAL OWNERS:


2173170 Ontario Inc.

Per: 
Name: _____

Per: _____
Name: _____

I/we have the authority to bind the corporation

Allen Street Holdings Inc.

Per: 
Name: RAVON KIVAT

Per: _____
Name: _____

I/we have the authority to bind the corporation

Each Beneficial Owner acknowledges having read and understood the terms and conditions of this Offer and accepts same.

17 Sep 14 01:06p

Ontario Table & Chair Inc

5195850967

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SCHEDULE "A"

Price - Continued

Line	Unit	Qty	Unit Price	Subtotal	Tax	Total	Material	Labour	Overhead	Profit	Net Price	Net Total
1	1	1	1.00	1.00	0.00	1.00	1.00	0.00	0.00	0.00	1.00	1.00
2	2	2	2.00	4.00	0.00	4.00	4.00	0.00	0.00	0.00	4.00	4.00
3	3	3	3.00	9.00	0.00	9.00	9.00	0.00	0.00	0.00	9.00	9.00
4	4	4	4.00	16.00	0.00	16.00	16.00	0.00	0.00	0.00	16.00	16.00
5	5	5	5.00	25.00	0.00	25.00	25.00	0.00	0.00	0.00	25.00	25.00
6	6	6	6.00	36.00	0.00	36.00	36.00	0.00	0.00	0.00	36.00	36.00
7	7	7	7.00	49.00	0.00	49.00	49.00	0.00	0.00	0.00	49.00	49.00
8	8	8	8.00	64.00	0.00	64.00	64.00	0.00	0.00	0.00	64.00	64.00
9	9	9	9.00	81.00	0.00	81.00	81.00	0.00	0.00	0.00	81.00	81.00
10	10	10	10.00	100.00	0.00	100.00	100.00	0.00	0.00	0.00	100.00	100.00
11	11	11	11.00	121.00	0.00	121.00	121.00	0.00	0.00	0.00	121.00	121.00
12	12	12	12.00	144.00	0.00	144.00	144.00	0.00	0.00	0.00	144.00	144.00
13	13	13	13.00	169.00	0.00	169.00	169.00	0.00	0.00	0.00	169.00	169.00
14	14	14	14.00	196.00	0.00	196.00	196.00	0.00	0.00	0.00	196.00	196.00
15	15	15	15.00	225.00	0.00	225.00	225.00	0.00	0.00	0.00	225.00	225.00
16	16	16	16.00	256.00	0.00	256.00	256.00	0.00	0.00	0.00	256.00	256.00
17	17	17	17.00	289.00	0.00	289.00	289.00	0.00	0.00	0.00	289.00	289.00
18	18	18	18.00	324.00	0.00	324.00	324.00	0.00	0.00	0.00	324.00	324.00
19	19	19	19.00	361.00	0.00	361.00	361.00	0.00	0.00	0.00	361.00	361.00
20	20	20	20.00	400.00	0.00	400.00	400.00	0.00	0.00	0.00	400.00	400.00
21	21	21	21.00	441.00	0.00	441.00	441.00	0.00	0.00	0.00	441.00	441.00
22	22	22	22.00	484.00	0.00	484.00	484.00	0.00	0.00	0.00	484.00	484.00
23	23	23	23.00	529.00	0.00	529.00	529.00	0.00	0.00	0.00	529.00	529.00
24	24	24	24.00	576.00	0.00	576.00	576.00	0.00	0.00	0.00	576.00	576.00
25	25	25	25.00	625.00	0.00	625.00	625.00	0.00	0.00	0.00	625.00	625.00
26	26	26	26.00	676.00	0.00	676.00	676.00	0.00	0.00	0.00	676.00	676.00
27	27	27	27.00	729.00	0.00	729.00	729.00	0.00	0.00	0.00	729.00	729.00
28	28	28	28.00	784.00	0.00	784.00	784.00	0.00	0.00	0.00	784.00	784.00
29	29	29	29.00	841.00	0.00	841.00	841.00	0.00	0.00	0.00	841.00	841.00
30	30	30	30.00	900.00	0.00	900.00	900.00	0.00	0.00	0.00	900.00	900.00
31	31	31	31.00	961.00	0.00	961.00	961.00	0.00	0.00	0.00	961.00	961.00
32	32	32	32.00	1024.00	0.00	1024.00	1024.00	0.00	0.00	0.00	1024.00	1024.00
33	33	33	33.00	1089.00	0.00	1089.00	1089.00	0.00	0.00	0.00	1089.00	1089.00
34	34	34	34.00	1156.00	0.00	1156.00	1156.00	0.00	0.00	0.00	1156.00	1156.00
35	35	35	35.00	1225.00	0.00	1225.00	1225.00	0.00	0.00	0.00	1225.00	1225.00
36	36	36	36.00	1296.00	0.00	1296.00	1296.00	0.00	0.00	0.00	1296.00	1296.00
37	37	37	37.00	1369.00	0.00	1369.00	1369.00	0.00	0.00	0.00	1369.00	1369.00
38	38	38	38.00	1444.00	0.00	1444.00	1444.00	0.00	0.00	0.00	1444.00	1444.00
39	39	39	39.00	1521.00	0.00	1521.00	1521.00	0.00	0.00	0.00	1521.00	1521.00
40	40	40	40.00	1600.00	0.00	1600.00	1600.00	0.00	0.00	0.00	1600.00	1600.00
41	41	41	41.00	1681.00	0.00	1681.00	1681.00	0.00	0.00	0.00	1681.00	1681.00
42	42	42	42.00	1764.00	0.00	1764.00	1764.00	0.00	0.00	0.00	1764.00	1764.00
43	43	43	43.00	1849.00	0.00	1849.00	1849.00	0.00	0.00	0.00	1849.00	1849.00
44	44	44	44.00	1936.00	0.00	1936.00	1936.00	0.00	0.00	0.00	1936.00	1936.00
45	45	45	45.00	2025.00	0.00	2025.00	2025.00	0.00	0.00	0.00	2025.00	2025.00
46	46	46	46.00	2116.00	0.00	2116.00	2116.00	0.00	0.00	0.00	2116.00	2116.00
47	47	47	47.00	2209.00	0.00	2209.00	2209.00	0.00	0.00	0.00	2209.00	2209.00
48	48	48	48.00	2304.00	0.00	2304.00	2304.00	0.00	0.00	0.00	2304.00	2304.00
49	49	49	49.00	2401.00	0.00	2401.00	2401.00	0.00	0.00	0.00	2401.00	2401.00
50	50	50	50.00	2500.00	0.00	2500.00	2500.00	0.00	0.00	0.00	2500.00	2500.00
51	51	51	51.00	2601.00	0.00	2601.00	2601.00	0.00	0.00	0.00	2601.00	2601.00
52	52	52	52.00	2704.00	0.00	2704.00	2704.00	0.00	0.00	0.00	2704.00	2704.00
53	53	53	53.00	2809.00	0.00	2809.00	2809.00	0.00	0.00	0.00	2809.00	2809.00
54	54	54	54.00	2916.00	0.00	2916.00	2916.00	0.00	0.00	0.00	2916.00	2916.00
55	55	55	55.00	3025.00	0.00	3025.00	3025.00	0.00	0.00	0.00	3025.00	3025.00
56	56	56	56.00	3136.00	0.00	3136.00	3136.00	0.00	0.00	0.00	3136.00	3136.00
57	57	57	57.00	3249.00	0.00	3249.00	3249.00	0.00	0.00	0.00	3249.00	3249.00
58	58	58	58.00	3364.00	0.00	3364.00	3364.00	0.00	0.00	0.00	3364.00	3364.00
59	59	59	59.00	3481.00	0.00	3481.00	3481.00	0.00	0.00	0.00	3481.00	3481.00
60	60	60	60.00	3600.00	0.00	3600.00	3600.00	0.00	0.00	0.00	3600.00	3600.00
61	61	61	61.00	3721.00	0.00	3721.00	3721.00	0.00	0.00	0.00	3721.00	3721.00
62	62	62	62.00	3844.00	0.00	3844.00	3844.00	0.00	0.00	0.00	3844.00	3844.00
63	63	63	63.00	3969.00	0.00	3969.00	3969.00	0.00	0.00	0.00	3969.00	3969.00
64	64	64	64.00	4096.00	0.00	4096.00	4096.00	0.00	0.00	0.00	4096.00	4096.00
65	65	65	65.00	4225.00	0.00	4225.00	4225.00	0.00	0.00	0.00	4225.00	4225.00
66	66	66	66.00	4356.00	0.00	4356.00	4356.00	0.00	0.00	0.00	4356.00	4356.00
67	67	67	67.00	4489.00	0.00	4489.00	4489.00	0.00	0.00	0.00	4489.00	4489.00
68	68	68	68.00	4624.00	0.00	4624.00	4624.00	0.00	0.00	0.00	4624.00	4624.00
69	69	69	69.00	4761.00	0.00	4761.00	4761.00	0.00	0.00	0.00	4761.00	4761.00
70	70	70	70.00	4900.00	0.00	4900.00	4900.00	0.00	0.00	0.00	4900.00	4900.00
71	71	71	71.00	5041.00	0.00	5041.00	5041.00	0.00	0.00	0.00	5041.00	5041.00
72	72	72	72.00	5184.00	0.00	5184.00	5184.00	0.00	0.00	0.00	5184.00	5184.00
73	73	73	73.00	5329.00	0.00	5329.00	5329.00	0.00	0.00	0.00	5329.00	5329.00
74	74	74	74.00	5476.00	0.00	5476.00	5476.00	0.00	0.00	0.00	5476.00	5476.00
75	75	75	75.00	5625.00	0.00	5625.00	5625.00	0.00	0.00	0.00	5625.00	5625.00
76	76	76	76.00	5776.00	0.00	5776.00	5776.00	0.00	0.00	0.00	5776.00	5776.00
77	77	77	77.00	5929.00	0.00	5929.00	5929.00	0.00	0.00	0.00	5929.00	5929.00
78	78	78	78.00	6084.00	0.00	6084.00	6084.00	0.00	0.00	0.00	6084.00	6084.00
79	79	79	79.00	6241.00	0.00	6241.00	6241.00	0.00	0.00	0.00	6241.00	6241.00
80	80	80	80.00	6400.00	0.00	6400.00	6400.00	0.00	0.00	0.00	6400.00	6400.00
81	81	81	81.00	6561.00	0.00	6561.00	6561.00	0.00	0.00	0.00	6561.00	6561.00
82	82	82	82.00	6724.00	0.00	6724.00	6724.00	0.00	0.00	0.00	6724.00	6724.00
83	83	83	83.00	6889.00	0.00	6889.00	6889.00	0.00	0.00	0.00	6889.00	6889.00
84	84	84	84.00	7056.00	0.00	7056.00	7056.00	0.00	0.00	0.00	7056.00	7056.00
85	85	85	85.00	7225.00	0.00	7225.00	7225.00	0.00	0.00	0.00	7225.00	7225.00
86	86	86	86.00	7396.00	0.00	7396.00	7396.00	0.00	0.00	0.00	7396.00	7396.00
87	87	87	87.00	7569.00	0.00	7569.00	7569.00	0.00	0.00	0.00	7569.00	7569.00
88	88	88	88.00	7744.00	0.00	7744.00	7744.00	0.00	0.00	0.00	7744.00	7744.00
89	89	89	89.00	7921.00	0.00	7921.00	7921.00	0.00	0.00	0.00	7921.00	7921.00
90	90	90	90.00	8100.00	0.00	8100.00	8100.00	0.00	0.00	0.00	8100.00	8100.00
91	91	91	91.00	8281.00	0.00	8281.00	8281.00	0.00	0.00	0.00	8281.00	8281.00
92	92	92	92.00	8464.00	0.00	8464.00	8464.00	0.00	0.00	0.00	8464.00	8464.00
93	93	93	93.00	8649.00	0.00	8649.00	8649.00	0.00	0.00	0.00	8649.00	8649.00
94	94	94	94.00	8836.00	0.00	8836.00</						

TAB D

This is Exhibit "D" referred to in the Affidavit of
Madison Robins sworn before me, this
15th day of October, 2015

A handwritten signature in cursive script, reading "Simone J. Roher". The signature is written in black ink and is positioned above a horizontal line.

A COMMISSIONER FOR TAKING AFFIDAVITS

Simone Jessica Roher, a Commissioner, etc.,
Province of Ontario,
while a Student-at-Law.
Expires May 22, 2017.



ServiceOntario

PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

LAND
REGISTRY
OFFICE #58

22417-0134 (LT)

PAGE 1 OF 3
PREPARED FOR LynnLeel
ON 2015/01/15 AT 11:42:35

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: LOTS 2 & 3, PART OF LOTS 1, 4, 5, & 6 PLAN 186, BEING PART 2 ON 58R-17836; SUBJECT TO AN EASEMENT AS IN WR666363; CITY OF WATERLOO

PROPERTY REMARKS: PLANNING ACT CONSENT IN 1356494. FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2013/06/13, INSTRUMENT WR759234.

ESTATE/QUALIFIER:

FEE SIMPLE
LT ABSOLUTE PLUS

RECENTLY:

RE-ENTRY FROM 22417-0131

PIN CREATION DATE:

2013/06/13

OWNERS' NAMES

144 PARK LTD.

CAPACITY SHARE

ROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
WR611290	2011/05/02	NOTICE	\$5	ALLEN STREET HOLDINGS INC.	ALLEN STREET HOLDINGS INC. 2184038 ONTARIO INC. 144 PARK LTD. COB GP INC.	C
WR625222	2011/07/07	NOTICE	\$2	THE CORPORATION OF THE CITY OF WATERLOO	ALLEN STREET HOLDINGS INC.	C
WR639367	2011/09/01	TRANSFER	\$2,200,000	ALLEN STREET HOLDINGS INC.	144 PARK LTD.	C
REMARKS: PLANNING ACT STATEMENTS						
WR639368	2011/09/01	CHARGE	\$8,500,000	144 PARK LTD.	AVIVA INSURANCE COMPANY OF CANADA	C
WR639369	2011/09/01	CHARGE	\$3,000,000	144 PARK LTD.	ALLEN STREET HOLDINGS INC.	C
WR655113	2011/11/17	NOTICE		THE CORPORATION OF THE CITY OF WATERLOO	144 PARK LTD.	C
WR660381	2011/12/13	CHARGE	\$2,887,696	144 PARK LTD.	MARSHALLZEHR GROUP INC.	C
WR666363	2012/01/18	TRANSFER EASEMENT	\$2	144 PARK LTD.	ROGERS CABLE COMMUNICATIONS INC.	C
WR690395	2012/05/25	CHARGE	\$40,000,000	144 PARK LTD.	LAURENTIAN BANK OF CANADA	C
WR690396	2012/05/25	NO ASSGN RENT GEN		144 PARK LTD.	LAURENTIAN BANK OF CANADA	C
REMARKS: WR690395.						
WR690416	2012/05/25	POSTPONEMENT		ALLEN STREET HOLDINGS INC.	LAURENTIAN BANK OF CANADA	C

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
NOTE: ENSURE THAT YOUR PRINTOUT STATES THE TOTAL NUMBER OF PAGES AND THAT YOU HAVE PICKED THEM ALL UP.

079



REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
REMARKS: WR639359 TO WR690395						
WR690422	2012/05/25	POSTPONEMENT		AVIVA INSURANCE COMPANY OF CANADA	LAURENTIAN BANK OF CANADA	C
REMARKS: WR639358 TO WR690395						
WR690423	2012/05/25	POSTPONEMENT		MARSHALLZEHR GROUP INC.	LAURENTIAN BANK OF CANADA	C
REMARKS: WR660381 TO WR690395						
58R17836	2013/06/13	PLAN REFERENCE				C
WR759234	2013/06/13	APL ABSOLUTE TITLE		144 PARK LTD.		C
58R18116	2014/02/07	PLAN REFERENCE				C
WR847447	2014/10/24	CONSTRUCTION LIEN	\$301,592	GLOBAL FIRE PROTECTION LTD.		C
WR849030	2014/10/31	CONSTRUCTION LIEN	\$88,883	694643 ONTARIO LIMITED		C
58R18429	2014/11/27	PLAN REFERENCE				C
WR854810	2014/12/01	CONSTRUCTION LIEN	\$537,286	J & I GAWEDA CONSTRUCTION LIMITED		C
WR854978	2014/12/02	CONSTRUCTION LIEN	\$26,889	EAST HOME COMFORT INC.		C
WR856168	2014/12/08	NOTICE		THE CORPORATION OF THE CITY OF WATERLOO	144 PARK LTD.	C
WR856621	2014/12/10	CERTIFICATE		GLOBAL FIRE PROTECTION LTD.	144 PARK LTD. AVIVA INSURANCE COMPANY OF CANADA ALLEN STREET HOLDINGS LTD. LAURENTIAN BANK OF CANADA MARSHALLZEHR GROUP INC.	C
REMARKS: WR847447						
WR856756	2014/12/11	CONSTRUCTION LIEN	\$328,260	FRENDEL KITCHENS LIMITED		C
WR857239	2014/12/12	CONSTRUCTION LIEN	\$436,314	T.I.C. CONTRACTING LTD.		C
WR857322	2014/12/15	CONSTRUCTION LIEN	\$188,393	GLOBAL PRECAST INC.		C
WR857462	2014/12/15	CONSTRUCTION LIEN	\$110,716	2050491 ONTARIO INC. O/A THE DOWNSVIEW GROUP		C

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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

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22417-0134 (LT)

PAGE 3 OF 3
PREPARED FOR LynnLee1
ON 2015/01/15 AT 11:42:35

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
WR857468	2014/12/15	CONSTRUCTION LIEN	\$104,009	SAM TORTOLA ENTERPRISES INC.		C
WR857793	2014/12/16	CONSTRUCTION LIEN	\$15,870	CRS CONTRACTORS RENTAL SUPPLY GENERAL PARTNER INC.		C
WR857850	2014/12/16	CONSTRUCTION LIEN	\$83,436	ADLERS MAIN TILE & CARPET CO. LTD.		C
WR858473	2014/12/19	CONSTRUCTION LIEN	\$30,851	TURNER FLEISCHER ARCHITECTS INC.		C
WR858748	2014/12/19	CONSTRUCTION LIEN	\$46,043	HAMMERSCHLAG & JOFFE INC.		C
WR858991	2014/12/22	CONSTRUCTION LIEN	\$345,952	SERREEN PAINTING LTD.		C
WR859188	2014/12/23	CONSTRUCTION LIEN	\$176,771	WESTON FLOORING LIMITED		C
WR859941	2014/12/30	CONSTRUCTION LIEN	\$32,381	GREAT PYRAMID ALUMINUM LTD.		C
WR860525	2015/01/05	CONSTRUCTION LIEN	\$139,287	ADLERS MAIN TILE & CARPET CO. LTD.		C
WR860757	2015/01/06	CERTIFICATE		FRENDEL KITCHENS LIMITED	144 PARK LTD. MADY DEVELOPMENT CORPORATION MADY CONTRACT DIVISION (2009) LTD. MADY CONTRACT DIVISION LTD. D. MADY INVESTMENTS INC. MARSHALLZEHR GROUP INC. ALLEN STREET HOLDINGS INC. AVIVA INSURANCE COMPANY OF CANADA LAURENTIAN BANK OF CANADA	C
REMARKS: CERTIFICATE OF ACTION WR859756						
WR861891	2015/01/13	CERTIFICATE		BAST HOME COMFORT INC.		
WR862054	2015/01/14	CERTIFICATE		J & I GAWEDA CONSTRUCTION LIMITED		
WR862055	2015/01/14	CERTIFICATE		GLOBAL FIRE PROTECTION LTD.	144 PARK LTD. AVIVA INSURANCE COMPANY OF CANADA ALLEN STREET HOLDINGS LTD. LAURENTIAN BANK OF CANADA MARSHALLZEHR GROUP INC.	

NOTE: ADJOINING PROPERTIES SHOULD BE INVESTIGATED TO ASCERTAIN DESCRIPTIVE INCONSISTENCIES, IF ANY, WITH DESCRIPTION REPRESENTED FOR THIS PROPERTY.
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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

22417-0135 (LT)

PAGE 1 OF 3
PREPARED FOR LynnLee1
ON 2015/01/15 AT 10:02:51

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

PROPERTY DESCRIPTION: PART OF LOTS 217, 218, 219 & 267 PLAN 385, BEING PART 1 ON 58R-17836; SUBJECT TO AN EASEMENT AS IN WR666363; CITY OF WATERLOO

PROPERTY REMARKS: PLANNING ACT CONSENT IN DOCUMENT WR611292. FOR THE PURPOSE OF THE QUALIFIER THE DATE OF REGISTRATION OF ABSOLUTE TITLE IS 2013/06/13, INSTRUMENT WR759234.

ESTATE/QUALIFIER:
FEE SIMPLE
LT ABSOLUTE PLUS

RECENTLY:
RE-ENTRY FROM 22417-0132

PIN CREATION DATE:
2013/06/13

OWNERS' NAMES
144 PARK LTD.

CAPACITY SHARE
CROWN

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
** PRINTOUT INCLUDES ALL DOCUMENT TYPES (DELETED INSTRUMENTS NOT INCLUDED) **						
**SUBJECT TO SUBSECTION 44(1) OF THE LAND TITLES ACT, EXCEPT PARAGRAPHS 3 AND 14 AND *						
** PROVINCIAL SUCCESSION DUTIES AND EXCEPT PARAGRAPH 11 AND ESCHEATS OR FORFEITURE **						
** TO THE CROWN UP TO THE DATE OF REGISTRATION WITH AN ABSOLUTE TITLE. **						
WR611290	2011/05/02	NOTICE	\$5	ALLEN STREET HOLDINGS INC.	ALLEN STREET HOLDINGS INC. 2184038 ONTARIO INC. 144 PARK LTD. COB GP INC.	C
WR625222	2011/07/07	NOTICE	\$2	THE CORPORATION OF THE CITY OF WATERLOO	ALLEN STREET HOLDINGS INC.	C
WR639367	2011/09/01	TRANSFER REMARKS: PLANNING ACT STATEMENTS	\$2,200,000	ALLEN STREET HOLDINGS INC.	144 PARK LTD.	C
WR639368	2011/09/01	CHARGE	\$8,500,000	144 PARK LTD.	AVIVA INSURANCE COMPANY OF CANADA	C
WR639369	2011/09/01	CHARGE	\$3,000,000	144 PARK LTD.	ALLEN STREET HOLDINGS INC.	C
WR655113	2011/11/17	NOTICE		THE CORPORATION OF THE CITY OF WATERLOO	144 PARK LTD.	C
WR650381	2011/12/13	CHARGE	\$2,887,696	144 PARK LTD.	MARSHALLZEHR GROUP INC.	C
WR666363	2012/01/18	TRANSFER EASEMENT	\$2	144 PARK LTD.	ROGERS CABLE COMMUNICATIONS INC.	C
WR690395	2012/05/25	CHARGE	\$40,000,000	144 PARK LTD.	LAURENTIAN BANK OF CANADA	C
WR690396	2012/05/25	NO ASSGN RENT GEN REMARKS: WR690395.		144 PARK LTD.	LAURENTIAN BANK OF CANADA	C

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PARCEL REGISTER (ABBREVIATED) FOR PROPERTY IDENTIFIER

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22417-0135 (LT)

PAGE 2 OF 3
PREPARED FOR LynnLee1
ON 2015/01/15 AT 10:02:51

* CERTIFIED IN ACCORDANCE WITH THE LAND TITLES ACT * SUBJECT TO RESERVATIONS IN CROWN GRANT *

REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
WR690416	2012/05/25	POSTPONEMENT		ALLEN STREET HOLDINGS INC.	LAURENTIAN BANK OF CANADA	C
	REMARKS: WR639359 TO WR690395					
WR690422	2012/05/25	POSTPONEMENT		AVIVA INSURANCE COMPANY OF CANADA	LAURENTIAN BANK OF CANADA	C
	REMARKS: WR639358 TO WR690395					
WR690423	2012/05/25	POSTPONEMENT		MARSHALLZEHR GROUP INC.	LAURENTIAN BANK OF CANADA	C
	REMARKS: WR660381 TO WR690395					
58R17836	2013/06/13	PLAN REFERENCE				C
WR759234	2013/06/13	APL ABSOLUTE TITLE		144 PARK LTD.		C
58R18116	2014/02/07	PLAN REFERENCE				C
WR847447	2014/10/24	CONSTRUCTION LIEN	\$301,592	GLOBAL FIRE PROTECTION LTD.		C
WR849030	2014/10/31	CONSTRUCTION LIEN	\$88,883	694643 ONTARIO LIMITED		C
WR854810	2014/12/01	CONSTRUCTION LIEN	\$537,286	J & I GAWEDA CONSTRUCTION LIMITED		C
WR856168	2014/12/08	NOTICE		THE CORPORATION OF THE CITY OF WATERLOO	144 PARK LTD.	C
WR856621	2014/12/10	CERTIFICATE		GLOBAL FIRE PROTECTION LTD.	144 PARK LTD. AVIVA INSURANCE COMPANY OF CANADA ALLEN STREET HOLDINGS LTD. LAURENTIAN BANK OF CANADA MARSHALLZEHR GROUP INC.	C
	REMARKS: WR847447					
WR856756	2014/12/11	CONSTRUCTION LIEN	\$328,260	FRENDEL KITCHENS LIMITED		C
WR857239	2014/12/12	CONSTRUCTION LIEN	\$436,314	T.I.C. CONTRACTING LTD.		C
WR857322	2014/12/15	CONSTRUCTION LIEN	\$188,393	GLOBAL PRECAST INC.		C
WR857462	2014/12/15	CONSTRUCTION LIEN	\$110,716	2050491 ONTARIO INC. O/A THE DOWNSVIEW GROUP		C
WR857468	2014/12/15	CONSTRUCTION LIEN	\$104,009	SAM TORTOLA ENTERPRISES INC.		C

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REG. NUM.	DATE	INSTRUMENT TYPE	AMOUNT	PARTIES FROM	PARTIES TO	CERT/ CHKD
WR857793	2014/12/16	CONSTRUCTION LIEN	\$15,870	CRS CONTRACTORS RENTAL SUPPLY GENERAL PARTNER INC.		C
WR857850	2014/12/16	CONSTRUCTION LIEN	\$83,436	ADLERS MAIN TILE & CARPET CO. LTD.		C
WR858473	2014/12/19	CONSTRUCTION LIEN	\$30,851	TURNER FLEISCHER ARCHITECTS INC.		C
WR858748	2014/12/19	CONSTRUCTION LIEN	\$46,043	HAMMERSCHLAG & JOFFE INC.		C
WR858991	2014/12/22	CONSTRUCTION LIEN	\$345,952	SERREEN PAINTING LTD.		C
WR859188	2014/12/23	CONSTRUCTION LIEN	\$176,771	WESTON FLOORING LIMITED		C
WR859941	2014/12/30	CONSTRUCTION LIEN	\$32,381	GREAT PYRAMID ALUMINUM LTD.		C
WR860525	2015/01/05	CONSTRUCTION LIEN	\$139,287	ADLERS MAIN TILE & CARPET CO. LTD.		C
WR860757	2015/01/06	CERTIFICATE		PRENDEL KITCHENS LIMITED	144 PARK LTD. MADY DEVELOPMENT CORPORATION MADY CONTRACT DIVISION (2009) LTD. MADY CONTRACT DIVISION LTD. D. MADY INVESTMENTS INC. MARSHALLZEHR GROUP INC. ALLEN STREET HOLDINGS INC. AVIVA INSURANCE COMPANY OF CANADA LAURENTIAN BANK OF CANADA	C
REMARKS: CERTIFICATE OF ACTION WR855756						
WR862054	2015/01/14	CERTIFICATE		J & I GAWEDA CONSTRUCTION LIMITED		
WR862055	2015/01/14	CERTIFICATE		GLOBAL FIRE PROTECTION LTD.	144 PARK LTD. AVIVA INSURANCE COMPANY OF CANADA ALLEN STREET HOLDINGS LTD. LAURENTIAN BANK OF CANADA MARSHALLZEHR GROUP INC.	

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IN THE MATTER OF THE *CONSTRUCTION LIEN ACT*, R.S.O. 1990, c. C.30, AS AMENDED

AND IN THE MATTER OF AN APPLICATION MADE BY 144 PARK LTD. FOR THE APPOINTMENT OF A TRUSTEE
UNDER SECTION 68(1) OF THE *CONSTRUCTION LIEN ACT*, R.S.O. 1990, c. C.30, AS AMENDED

Court File No. CV15-10843-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE**

PROCEEDING COMMENCED AT TORONTO

**SUPPLEMENTAL RESPONDING MOTION RECORD
OF WILLIAM SEEGMILLER**

**LENCZNER SLAGHT ROYCE
SMITH GRIFFIN LLP**

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Lawyers for William Seegmiller