

Court File No. CV-20-00644927-00CL

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

BETWEEN:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

- and -

YORKVILLE CENTRAL INVESTMENTS INC., YORKVILLE CENTRAL 2 INVESTMENTS
INC., YORKVILLE CENTRAL 3 INVESTMENTS INC.

Respondents

**THIRD REPORT OF THE RECEIVER OF
110 AVENUE ROAD, TORONTO, 112 AVENUE ROAD, TORONTO,
114 AVENUE ROAD, TORONTO AND 116 AVENUE ROAD, TORONTO**

December 9, 2020

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I. INTRODUCTION

1. Pursuant to an application (the “**Application**”) made by Cameron Stephens Mortgage Capital Ltd. (“**Cameron Stephens**”), by Order of the Ontario Superior Court of Justice (the “**Court**”) dated September 11, 2020 (the “**Appointment Order**”), RSM Canada Limited (“**RSM**” or the “**Receiver**”) was appointed as receiver and manager over the Properties (defined in paragraph 16 below). A copy of the Appointment Order is attached hereto as **Appendix “A”**.
2. Immediately following the granting of the Appointment Order, the Honourable Justice Dietrich began hearing SC Land Inc.’s (“**SC Land**”) motion for an order directing the Receiver to enter into an Agreement of Purchase and Sale with SC Land for the sale of the Properties (the “**Proposed Agreement**”) pursuant to the terms set out in the motion (the “**SC Motion**”). A copy of the SC Motion, without appendices, was attached as Appendix “B” to the First Report.
3. The Receiver did not take any position on the SC Motion.
4. After hearing argument on the SC Motion, the Honourable Justice Dietrich adjourned the SC Motion to October 5, 2020 to allow the Receiver time to, among other things, attempt to ascertain the market value of the Properties, consider the Proposed Agreement, and prepare a report relating to the marketing of the Properties. A copy of Justice Dietrich’s endorsement (the “**September 11 Endorsement**”) is attached hereto as **Appendix “B”**.
5. With reference to the September 11 Endorsement, the Receiver filed the First Report of the Receiver dated September 25, 2020 (the “**First Report**”) and the Supplemental Report to the First Report dated October 2, 2020 (the “**First**

Supplemental Report”). Copies of the First Report, without appendices, and the First Supplemental Report are attached hereto as **Appendix “C”** and **Appendix “D”**, respectively.

6. On October 5, 2020, the Honourable Justice Conway heard the SC Motion. In her Endorsement issued that day (the **“October 5 Endorsement”**), Justice Conway, *inter alia*, directed the Receiver to return to Court on October 14, 2020 to seek Court approval of a stalking horse sales process to enable the Receiver and the Court to determine if there is interest for the Properties at a higher price than the purchase price offered by SC Land. A copy of the October 5 Endorsement is attached hereto as **Appendix “E”**.
7. On October 9, 2020, the Receiver served its motion record in support of its motion for approval of the stalking horse sales process, which included the Receiver’s Second Report to the Court (the **“Second Report”**). A copy of the Second Report, without appendices, is attached hereto as **Appendix “F”**.
8. On October 14, 2020, the Honourable Justice Conway issued an order (the **“Sale Procedure Order”**), in which, *inter alia*, the Court:
 - a) approved the sale procedure as set out in the Second Report (the **“Sale Procedure”**);
 - b) authorized the Receiver to retain Colliers International (**“Colliers”**) as the listing agent for the Properties;
 - c) authorized the Receiver to enter into the asset purchase agreement with SC Land (the **“Stalking Horse Agreement”**); and
 - d) authorized the Receiver to commence and carry out the Sale Procedure.

Copies of the Sale Procedure Order and the related Endorsement of Justice Conway dated October 14, 2020 (the “**October 14 Endorsement**”) are attached as **Appendix “G” and Appendix “H**”, respectively, to this report.

9. The Appointment Order, the September 11 Endorsement, the October 5 Endorsement, the Sale Procedure Order, the October 14 Endorsement, the First Report, the First Supplemental Report, the Second Report, and other court documents (other than those documents that contain information that have been sealed) have been posted on the Receiver’s website, which can be found at rsmcanada.com/avenue-road-properties.
10. The Receiver has retained the firm of Paliare Roland Rosenberg Rothstein LLP (“**Paliare**”) to act as the Receiver’s independent legal counsel.
11. The Receiver has retained the firm of Garfinkle Biderman LLP (“**Garfinkle**”), as real estate counsel, to assist with the sale of the Properties. Garfinkle is also acting as Cameron Stephens’ counsel.

II. PURPOSE OF REPORT

12. The purpose of this third report to the Court (the “**Third Report**”) is to:
 - (a) report to the Court on the activities of the Receiver since the date of the Second Report to December 9, 2020;
 - (b) inform the Court of the amount of outstanding property taxes in relation to the Properties;
 - (c) provide the Court with information on the marketing of the Properties as well as the results of the Sale Procedure conducted by the Receiver;

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- (d) inform the Court of the independent legal opinion obtained by the Receiver on the security held by Cameron Stephens and GC Capital Inc. (“**GC**”), respectively;
 - (e) provide the Court with a summary of the Receiver’s cash receipts and disbursements for the period September 11, 2020 to November 30, 2020 (the “**R&D**”);
 - (f) inform the Court of the proposed interim distribution the Receiver proposes to make to Cameron Stephens and GC (the “**Interim Distribution**”); and
 - (g) seek an order:
 - (i) authorizing and directing the Receiver to carry out the terms of the Synvest Agreement (defined later herein), together with any further minor amendments thereto deemed necessary by the Receiver;
 - (ii) approving the sale of the Properties in accordance with the terms of the Synvest Agreement and vesting in Synvest Developments Inc. (“**Synvest**” or the “**Purchaser**”), or as Synvest may further direct in writing, all right, title and interest of the Respondents in and to the Properties, free and clear of all encumbrances, estates, rights, title, liens, interest and claims (other than permitted encumbrances), upon closing of the transaction under the Synvest Agreement and the delivery of a Receiver’s certificate to Synvest;
 - (iii) declaring that the Stalking Horse Agreement is deemed to be the Back- Up Bid and authorizing and directing the Receiver to complete

the Stalking Horse Agreement in the event that the Synvest Agreement is not ultimately consummated;

- (iv) sealing **Confidential Appendix “Q”** to the Third Report;
- (v) authorizing and directing the Receiver to pay the Receiver Certificate Advance and the Receiver’s Expenses (both as defined below);
- (vi) authorizing and directing the Receiver to pay the Expense Reimbursement (as defined below);
- (vii) authorizing and directing the Receiver to pay the Interim Distribution;
- (viii) approving the fees of the Receiver for the period ending November 30, 2020;
- (ix) approving the fees of Paliare for the period ending November 30, 2020;
- (x) approving the fees of Garfinkle for the period ending November 30, 2020; and
- (xi) approving the Third Report and the Receiver’s conduct and activities described therein.

Terms of Reference

13. In preparing this report and making the comments herein, the Receiver has relied upon certain information from third-party sources (collectively, the “**Information**”). The Receiver has, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the CPA

Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.

14. Unless otherwise stated, all dollar amounts contained in the Third Report are expressed in Canadian dollars.
15. Defined terms in the Third Report have, unless indicated otherwise herein, the same meanings as set out in the First Report, the First Supplemental Report and the Second Report.

III. BACKGROUND

16. The Properties consist of land and premises described as follows:
 - a) 110 Avenue Road, Toronto (“**110**”) is a converted Victorian house containing commercial and residential rental units. 110 is owned by Yorkville Central 3 Investments Inc. (“**Yorkville Central 3**”);
 - b) 112 Avenue Road, Toronto (“**112**”) is a converted Victorian house containing one commercial unit. 112 is owned by Yorkville Central 3;
 - c) 114 Avenue Road, Toronto (“**114**”) is a Victorian house that is currently vacant and has undergone a partial demolition. 114 is owned by Yorkville Central 2 Investments Inc.; and
 - d) 116 Avenue Road, Toronto (“**116**”) is a vacant piece of land. 116 is owned by Yorkville Central Investments Inc.
17. Cameron Stephens is the registered holder of a first mortgage against the Properties (the “**Cameron Stephens Mortgage**”).

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18. The Debtors were in default of the Cameron Stephens Mortgage and Cameron Stephens sought the appointment of the Receiver pursuant to a Notice of Application dated August 5, 2020.
 19. On September 11, 2020, the Court issued the Appointment Order.

IV. PHASE 1 AND PHASE 2 ENVIRONMENTAL SITE ASSESSMENTS

20. As discussed in the Second Report, the Stalking Horse Agreement had no due diligence conditions. Accordingly, in order to provide potential purchasers with current information on the environmental issues in respect of the Properties, the Receiver retained Pottinger Goherty Environmental Consultants Limited ("**PGL**") to prepare an updated Phase 1 Environmental Site Assessment ("**Phase 1 ESA**") and a Phase 2 Environmental Site Assessment ("**Phase 2 ESA**"). PGL had completed a Phase 1 environmental assessment in May 2017 and at that time identified certain issues relating to the dry-cleaning operations and groundwater impacts at 118 Avenue Road.
21. The Phase 1 ESA and Phase 2 ESA were completed on November 11, 2020 and November 19, 2020, respectively.
22. The Phase 1 ESA and the Phase 2 ESA were provided to Colliers who subsequently included them in the data room which was made available to interested parties who executed a Confidentiality Agreement (the "**CA**").

V. MARKETING OF THE PROPERTY

23. The Receiver's plan to market the Properties, including the engagement of Colliers, was set out in the Second Report and approved in the Sales Procedure Order.
24. The Colliers Listing Agreement was executed on October 14, 2020 and Colliers launched its marketing campaign on October 15, 2020.
25. As part of the Sale Procedure, Colliers established a data room that was made available, on or around October 20, 2020, to parties that executed the CA as well as an Acknowledgement acknowledging receipt of, and the party's agreement with, the Sale Procedure (the "**Acknowledgment of Sale Procedure**").
26. Included in the data room established by Colliers were various documents relating to the Properties including:
 - a. the Phase 1 ESA and the Phase 2 ESA;
 - b. property tax statements;
 - c. tenant leases;
 - d. surveys and site measurements; and
 - e. other consultant reports.
27. Interested parties were informed that the Bid Deadline for offers for the Properties to be received was 3:00 p.m. on November 24, 2020. Offers made were to be in the form of a written submission of an asset purchase agreement, modified by certain terms from the Stalking Horse Agreement, prepared by the Receiver.

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28. Additional steps taken by Colliers in connection with the marketing of the Properties include the following:
- a) weekly email blasts were sent to more than 4,000 known residential and commercial investors, developers, lawyers, architects, planners, financiers and influencers;
 - b) a Confidential Information Memorandum (the “**CIM**”) was prepared and provided to interested parties who signed the CA and Acknowledgment of Sale Procedure;
 - c) the Properties were listed on Multiple Listing Service (MLS);
 - d) the Properties were advertised through Colliers’ global website;
 - e) a large sign (the “**Signage**”) advertising the sale was installed on 116 on or around October 22, 2020; and
 - f) between October 15, 2020 and December 1, 2020, Colliers held discussions with interested parties.

Copies of the CIM and the Signage are attached collectively to this report as **Appendix “I”**.

29. The result of the Sale Procedure is set out in **Confidential Appendix “Q”** attached to this report. Colliers’ final Disposition Progress Report dated November 20, 2020 is attached as **Tab 1** to **Confidential Appendix “Q”**. As set out therein, 64 parties signed the CA and an Acknowledgement of Sale Procedure.
30. Colliers letter December 3, 2020, in which Colliers summarizes its marketing efforts, is attached as **Tab 2** to **Confidential Appendix “Q”**.

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31. The Receiver is of the view that disclosure of the terms of the information included in Confidential Appendix “Q” could potentially have an adverse influence on the Sale Procedure. The Receiver is therefore requesting that the Court make a sealing order in respect of Confidential Appendix “Q” in order to avoid any potential adverse impact on the Sale Procedure.

VI. RESULTS OF THE SALE PROCEDURE

32. Based on the information set out in Confidential Appendix “Q”, the Receiver is seeking the Court’s approval for the Receiver to carry out the terms of the agreement between the Receiver and Synvest (the “**Synvest Agreement**”), together with any further minor amendments thereto deemed necessary by the Receiver.

VII. THE SYNVEST AGREEMENT

33. The Synvest Agreement is an offer by Synvest to purchase the Subject Assets (as defined in the Synvest Agreement) including, in particular, the Properties.
34. Capitalized terms used in this section of the Third Report are as defined in the Synvest Agreement unless otherwise defined. A copy of the Synvest Agreement is attached hereto as **Tab 3 to Confidential Appendix “Q”**.
35. As set out below, the salient terms of the Synvest Agreement, other than the Purchase Price which is set out in Confidential Appendix “Q” are:
- ii) Deposit - \$1,000,000 (received by the Receiver);
 - iii) Due Diligence Conditions - none;

- iv) All applicable taxes and registration fees, including land transfer taxes, are to be paid by the Purchaser on closing;
- v) Closing Date – 10 business days following issuance of the Vesting Order or such other date as may be agreed upon by the Parties; and
- vi) Outside Date – January 31, 2021, representing the date that the Synvest Agreement terminates if a sale is not completed pursuant to that agreement.

VIII. APPROVAL OF THE SALE

36. The marketing process that the Receiver undertook was extensive and appropriate for the type of properties in question and provided sufficient market exposure to the Properties. In particular:

- a) the Properties were exposed to the market by Colliers since October 15, 2020;
- b) notice of the sale of the Properties was sent to more than 4,000 parties; and
- c) as a result of the marketing efforts undertaken, 64 parties executed the CA and Acknowledgment of the Sale Procedure. These 64 parties received a copy of the CIM and had access to the Colliers data room.

37. The Receiver is of the view that (i) sufficient efforts were made to obtain a price in excess of the Stalking Horse Agreement, (ii) the length of the marketing process was appropriate, (iii) the marketing process was conducted fairly, and (iv) the best outcome was achieved under the circumstances. The Receiver regards the

Synvest Agreement as the most advantageous offer to the creditors and other stakeholders of the Debtors, taking into account the current economic climate in light of the COVID-19 pandemic, and ongoing costs being incurred, including the interest continuing to accrue on the Debtors' indebtedness to Cameron Stephens and GC. The Receiver therefore recommends that this Court confirm that Synvest is the Successful Bidder, authorize the Receiver to carry out the terms of the Synvest Agreement and grant an Order vesting title in the Subject Assets in Synvest or its assignee upon the closing of the transaction.

IX. SECURED OR PRIORITY CLAIMS

38. The Receiver received on December 9, 2020 from Cameron Stephens a Mortgage Payout Statement current to December 17, 2020 (the "**Cameron Stephens Statement**"). According to the Cameron Stephens Statement, the amount owing by the Debtors to Cameron Stephens and required to discharge the first mortgage will be, as of December 17, 2020, \$12,843,056.49, inclusive of principal, interest and fees, and the \$50,000 advance, plus interest, for which Receiver Certificate No. 1 was issued. A copy of the Cameron Stephens Statement is attached to this report at **Appendix "J"**.
39. The Receiver has received an opinion from Paliare that, based on the assumptions and subject to the qualifications set out therein, the Cameron Stephens Mortgage is a valid first charge on the Properties (the "**Legal Opinion on Security**"). A copy of the Legal Opinion on Security is attached hereto as **Appendix "K"**.
40. The Receiver received from GC a Mortgage Payout Statement dated November 25, 2020 current to December 4, 2020 (the "**GC Statement**"). Based on

the GC Statement, the amount owing by the Debtors to GC and required to discharge the second mortgage was, as of December 4, 2020, \$2,720,228.28, inclusive of principal, interest and fees. A copy of the GC Statement is attached to this report at **Appendix “L”**.

41. The Legal Opinion on Security (attached as Appendix “K”) provides that, based on the assumptions and subject to the qualifications set out therein, the GC Mortgage is a valid second charge on the Properties.

X. INTERIM DISTRIBUTION

42. Following the closing of the sale of the Property, and receipt by the Receiver of the net sales proceeds therefrom, funds will be available for the Receiver to make an interim distribution. The Receiver proposes that following closing of the sale of the Property, after payment of property taxes of approximately \$195,000 (based on the balance owing as at October 7, 2020), and commissions payable to Colliers in respect of the sale of the Property, the Receiver be authorized to additionally pay out, from the proceeds of sale, the following amounts:

- a) the advance totaling \$50,000 under Receiver Certificate No. 1 plus interest (the **“Receiver Certificate Advance”**) to Cameron Stephens;
- b) the amount of \$301,686.94, being the total of amounts owing to the Receiver, Paliare, and Garfinkle on account of their respective unpaid accounts as of November 30, 2020 (collectively, the **“Receiver’s Expenses”**);

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- c) the “break-fee” payable to SC Land in the amount \$385,000 (the “**Expense Reimbursement**”); and
- d) the Interim Distribution (as defined below) to Cameron Stephens and GC.
43. Interest continues to accrue on both the outstanding balances of the Cameron Stephens Mortgage and the GC Mortgage. Therefore, the Receiver is of the view that it is in the interests of all parties that the amounts owing to Cameron Stephens and GC be paid out promptly in order to prevent the accrual of further interest.
44. The Receiver intends on bringing a motion in early 2021 to address the payment of any remaining funds.
45. The Receiver therefore recommends and requests that this Court authorize and direct the Receiver to:
- a) pay to Cameron Stephens the Receiver Certificate Advance;
 - b) pay the Receiver’s Expenses;
 - c) pay the Expense Reimbursement to SC Land; and
 - d) make an interim distribution (the “**Interim Distribution**”) as follows:
 - to Cameron Stephens, the amount of \$12,792,066.42 plus accrued interest to the date of payment; and
 - to GC, the amount of \$\$2,720,228.28 plus accrued interest to the date of payment.

XI. TENANT RENT AND DEPOSITS

46. To date, the Receiver has, with the exception of October rent from one tenant which is discussed below, received the rent from all the tenants at 110. As set out

in the Second Report, the tenant at 112 vacated its premises on September 30, 2020.

47. In the Second Report, the Receiver reported that it had confirmed with the Debtors that deposits of \$8,450 had been paid by the tenants to the landlord (the “**Deposits**”). In addition, one of the tenants advised the Receiver that it had provided post-dated cheques to the Debtors and that the Debtors had deposited the tenant’s October rent cheque (the “**October Rent Cheque**”). The Receiver contacted the Debtors on October 8, 2020 to request the transfer to the Receiver of the Deposits and October Rent Cheque.
48. On November 25, 2020, the Receiver was advised that (i) the October Rent Cheque would be forwarded to the Receiver, and (ii), the amount of \$18,541.22, though not held separate and apart from the Debtors’ bank account for the Properties, would be forwarded to the Receiver.
49. As of the date of this report, the amounts representing the October Rent Cheque and the Deposits had not been received by the Receiver.

XII. PROPERTY TAXES

50. The Receiver obtained Property Tax Account Statements as at October 7, 2020 from the City of Toronto in respect of each of the Properties which set out that the total amounts outstanding as October 7, 2020 in respect of property taxes, was \$193,291.20, as follows:

Address	Amount
112 (includes 110)	\$ 90,315.53
114	38,455.09
116	<u>64,520.58</u>
	<u>\$193,291.20</u>

51. The Receiver will pay the property taxes using the closing proceeds from the sale of the Properties.

XIII. OTHER MATTERS

Repairs and Maintenance

52. The Second Report set out a number of repair and maintenance matters that were addressed by the Receiver. Since then, no new significant repair and maintenance items have arisen.

HST

53. As set out in the Second Report, the Receiver was in the process of opening an RT account with Canada Revenue Agency (“**CRA**”) in order to be in a position to report HST collected, and claim input tax credits, relating to the receivership administration. However, as CRA required that the Receiver open another RT account under the same business account that was used by the company to report revenue and HST prior to the receivership, and, as rental revenue for 110 and 112 were reported under a related company that is not subject to the Appointment Order, the Receiver indicated that the HST account would be opened under the business account of the entity holding legal title to 110.

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54. CRA has now set up a RT account for the Receiver under the business account number of Yorkville Central 3.

XIV. RECEIVER'S INTERIM STATEMENT OF RECEIPTS AND DISBURSEMENTS

55. Attached to this report as **Appendix "M"** is the Receiver's R&D. As set out in the R&D, the excess of cash receipts over disbursements is \$50,785.
56. During this period, receipts were \$83,645, consisting primarily of an advance of \$50,000 from Cameron Stephens under Receiver Certificate No. 1 and rent of \$31,318. Disbursements were \$32,860, which included payment of carrying costs in respect of the Properties, but do not include the professional fees of the Receiver Paire, or Garfinkle. The Receiver has not included on the R&D the deposits it or Garfinkle have received in connection with the Sale Procedure.
57. The above-noted advance from Cameron Stephens, plus accrued interest thereon, will be repaid by the Receiver upon the sale of the Properties.

XV. PROFESSIONAL FEES

58. The Receiver's accounts for the period ending November 30, 2020 total \$196,655.50 in fees, plus HST of \$25,565.22 for a total amount of \$222,220.72 (the "**Receiver's Accounts**"). Copies of the Receiver's Accounts, the total billable hours charged per the accounts, and the average hourly rate charged per the accounts, are set out in the Affidavit of Bryan A. Tannenbaum sworn December 8, 2020 attached hereto as **Appendix "N"**.

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59. The accounts of the Receiver's counsel, Paliare, total \$59,317.06 in fees and disbursements and \$7,633.82 in HST for a total of \$66,950.88 for the period ending November 30, 2020 (the "**Paliare Accounts**"). Copies of the Paliare Accounts, together with a summary of the personnel, hours and hourly rates described in the Paliare Accounts, are set out in the Affidavit of Sarita Sanasie sworn December 8, 2020 attached to this report as **Appendix "O"**.
60. The accounts of the Receiver's real estate counsel, Garfinkle, total \$11,078.05 in fees and disbursements and \$1,437.29 in HST for a total of \$12,515.34 for the period ending November 30, 2020 (the "**Garfinkle Accounts**"). Copies of the Garfinkle Accounts, together with a summary of the personnel, hours and hourly rates described in the Garfinkle Accounts, are set out in the Affidavit of Avrom W. Brown sworn December 3, 2020 attached to this report as **Appendix "P"**.

XVI. CONCLUSION

61. The Receiver respectfully requests that the Court grant an Order:
- a) authorizing and directing the Receiver to carry out the terms of the Synvest Agreement, together with any further minor amendments thereto deemed necessary by the Receiver;
 - b) approving the sale of the Properties in accordance with the terms of the Synvest Agreement and vesting in Synvest, or as Synvest may further direct in writing, all right, title and interest of the Respondents in and to the Properties, free and clear of all encumbrances, estates, rights, title, liens, interest and claims (other than permitted encumbrances), upon closing of

the transaction under the Synvest Agreement and the delivery of a Receiver's certificate to Synvest;

- c) declaring that the Stalking Horse Agreement is deemed to be the Back- Up Bid and authorizing and directing the Receiver to complete the Stalking Horse Agreement in the event that the Synvest Agreement is not ultimately consummated;
 - d) sealing Confidential Appendix "Q" to the Third Report;
 - e) authorizing and directing the Receiver to pay to Cameron Stephens the Receiver Certificate Advance;
 - f) authorizing and directing the Receiver to pay the Receiver's Expenses;
 - g) authorizing and directing the Receiver to pay the Expense Reimbursement;
 - h) authorizing and directing the Receiver to pay the Interim Distribution;
 - i) approving the fees of the Receiver for the period ending November 30, 2020;
 - j) approving the fees of Paliare for the period ending November 30, 2020;
 - k) approving the fees of Garfinkle for the period ending November 30, 2020;
- and
- l) approving the Third Report and the Receiver's conduct and activities described therein.

All of which is respectfully submitted to this Court as of this 9th day of December, 2020.

RSM CANADA LIMITED

In its capacity as Court-appointed Receiver of
110 Avenue Road, Toronto, 112 Avenue Road, Toronto,
114 Avenue Road, Toronto, and 116 Avenue Road, Toronto,
and not in its personal capacity



Per: Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT
President



Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice President

APPENDIX A

Court File No. CV-20-00644927-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

THE HONOURABLE *MADAM*
 JUSTICE *DIETRICH*

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FRIDAY, THE *11TH*
 DAY OF *v*, 2020
SEPTEMBER

B E T W E E N:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

and

YORKVILLE CENTRAL INVESTMENTS INC., YORKVILLE CENTRAL 2
 INVESTMENTS INC., YORKVILLE CENTRAL 3 INVESTMENTS INC.

Respondents

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

ORDER
(appointing Receiver)

THIS APPLICATION made by the Applicant for an Order pursuant to section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "BIA") and section 101 of the *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the "CJA") appointing RSM Canada Limited as receiver and manager (in such capacities, the "Receiver") without security, over the lands and premises described as:

PIN No. 21214-0194: PT LT 3 PL 742 CITY EAST AS IN EM50567; TORONTO;
 CITY OF TORONTO and known municipally as 110 Avenue Road, Toronto;

PIN No. 21214-0195: PT LT 3-4 PL 742 CITY EAST AS IN CA739828; TORONTO, CITY
 OF TORONTO and known municipally as 112 Avenue Road, Toronto;

PIN No. 21214-0196: PT LT 4 PL 742 CITY EAST AS IN CT963202; TORONTO, CITY
 OF TORONTO and known municipally as 114 Avenue Road, Toronto; and

PIN No. 21214-0221: LT 1 PL 639 CITY EAST S/T & T/W CA628958; TORONTO; CITY OF TORONTO and known municipally as 116 Avenue Road, Toronto

(collectively the "**Avenue Road Properties**") owned by Yorkville Central Investments Inc., Yorkville Central 2 Investments Inc. and Yorkville Central 3 Investments Inc. (the "**Debtors**") was heard this day at 330 University Avenue, Toronto, Ontario.

ON READING the affidavit of Curtis Jackson sworn August 5, 2020 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant, and on reading the consent of RSM Canada Limited to act as the Receiver,

SERVICE

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

APPOINTMENT

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

RECEIVER'S POWERS

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

- (a) to take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;

- (b) to receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the relocating of Property to safeguard it, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;
- (c) to manage and operate the Property, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, or cease to perform any contracts of the Debtors in respect of the Property;
- (d) to engage consultants, appraisers, agents, experts, auditors, accountants, managers, counsel and such other persons from time to time and on whatever basis, including on a temporary basis, to assist with the exercise of the Receiver's powers and duties, including without limitation those conferred by this Order;
- (e) to purchase or lease such machinery, equipment, inventories, supplies, premises or other assets in respect of the Property or any part or parts thereof;
- (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors in respect of the Property and to exercise all remedies of the Debtors in respect of the Property in collecting such monies, including, without limitation, to enforce any security held by the Debtors in respect of the Property;
- (g) to settle, extend or compromise any indebtedness owing to the Debtors in respect of the Property;
- (h) to execute, assign, issue and endorse documents of whatever nature in respect of any of the Property, whether in the Receiver's name or in the name and on behalf of the Debtors, for any purpose pursuant to this Order;

- (i) to initiate, prosecute and continue the prosecution of any and all proceedings and to defend all proceedings now pending or hereafter instituted with respect to the Debtors in respect of the Property or the Receiver, and to settle or compromise any such proceedings. The authority hereby conveyed shall extend to such appeals or applications for judicial review in respect of any order or judgment pronounced in any such proceeding;
- (j) to market any or all of the Property, including advertising and soliciting offers in respect of the Property or any part or parts thereof and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate;
- (k) to sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business,
 - (i) without the approval of this Court in respect of any transaction not exceeding \$100,000, provided that the aggregate consideration for all such transactions does not exceed \$250,000; and
 - (ii) with the approval of this Court in respect of any transaction in which the purchase price or the aggregate purchase price exceeds the applicable amount set out in the preceding clause;

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

- (l) to apply for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers thereof, free and clear of any liens or encumbrances affecting such Property;

- (m) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver deems appropriate on all matters relating to the Property and the receivership, and to share information, subject to such terms as to confidentiality as the Receiver deems advisable;
- (n) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (o) to apply for any permits, licences, approvals or permissions as may be required by any governmental authority and any renewals thereof for and on behalf of and, if thought desirable by the Receiver, in the name of the Debtors in respect of the Property;
- (p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any Property owned or leased by the Debtors;
- (q) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have in respect of the Property; and
- (r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations,

and in each case where the Receiver takes any such actions or steps, it shall be exclusively authorized and empowered to do so, to the exclusion of all other Persons (as defined below), including the Debtors, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. THIS COURT ORDERS that (i) the Debtors, (ii) all of their current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on their instructions or behalf, and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (all of the foregoing, collectively, being "Persons" and each being a "Person") shall forthwith advise the

Receiver of the existence of any Property in such Person's possession or control, shall grant immediate and continued access to the Property to the Receiver, and shall deliver all such Property to the Receiver upon the Receiver's request.

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

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

NO PROCEEDINGS AGAINST THE RECEIVER

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

NO PROCEEDINGS AGAINST THE DEBTORS IN RESPECT OF THE PROPERTY

8. THIS COURT ORDERS that no Proceeding against or in respect of the Debtors in respect of the Property shall be commenced or continued except with the written consent of the Receiver or with leave of this Court and any and all Proceedings currently under way against or in respect of the Debtors in respect of the Property are hereby stayed and suspended pending further Order of this Court. For certainty, nothing herein affects the rights of GC Capital Inc. to continue its proceeding against the Debtors in the British Columbia Superior Court bearing Court File No. VLC-S-S-205724.

NO EXERCISE OF RIGHTS OR REMEDIES

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

NO INTERFERENCE WITH THE RECEIVER

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

CONTINUATION OF SERVICES

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

RECEIVER TO HOLD FUNDS

12. THIS COURT ORDERS that all funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever, including without limitation the sale of all or any of the Property and the collection of any accounts receivable in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "Post Receivership Accounts"). For certainty, all receipts in respect of the Property shall be deposited into the Post Receivership Accounts and all Permitted Disbursements (defined below) shall be drawn from the Post Receivership Accounts. "Permitted Disbursements" shall include realty taxes, utilities, insurance, maintenance expenses, other reasonable Property-specific expenses, and business expenses associated with the Property. The monies standing to the credit of such Post Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further Order of this Court.

EMPLOYEES

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

PIPEDA

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

LIMITATION ON ENVIRONMENTAL LIABILITIES

15. THIS COURT ORDERS that nothing herein contained shall require the Receiver to occupy or to take control, care, charge, possession or management (separately and/or collectively, "Possession") of any of the Property that might be environmentally contaminated, might be a pollutant or a contaminant, or might cause or contribute to a spill, discharge, release or deposit of a substance contrary to any federal, provincial or other law respecting the protection, conservation, enhancement, remediation or rehabilitation of the environment or

relating to the disposal of waste or other contamination including, without limitation, the *Canadian Environmental Protection Act*, the *Ontario Environmental Protection Act*, the *Ontario Water Resources Act*, or the *Ontario Occupational Health and Safety Act* and regulations thereunder (the "Environmental Legislation"), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation. The Receiver shall not, as a result of this Order or anything done in pursuance of the Receiver's duties and powers under this Order, be deemed to be in Possession of any of the Property within the meaning of any Environmental Legislation, unless it is actually in possession.

LIMITATION ON THE RECEIVER'S LIABILITY

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

RECEIVER'S ACCOUNTS

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

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

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

FUNDING OF THE RECEIVERSHIP

20. THIS COURT ORDERS that the Receiver be at liberty and it is hereby empowered to borrow by way of a revolving credit or otherwise, such monies from time to time as it may consider necessary or desirable, provided that the outstanding principal amount does not exceed \$250,000 (or such greater amount as this Court may by further Order authorize) at any time, at such rate or rates of interest as it deems advisable for such period or periods of time as it may arrange, for the purpose of funding the exercise of the powers and duties conferred upon the Receiver by this Order, including interim expenditures. The whole of the Property shall be and is hereby charged by way of a fixed and specific charge (the "Receiver's Borrowings Charge") as security for the payment of the monies borrowed, together with interest and charges thereon, in priority to all security interests, trusts, liens, charges and encumbrances, statutory or otherwise, in favour of any Person, but subordinate in priority to the Receiver's Charge and the charges as set out in sections 14.06(7), 81.4(4), and 81.6(2) of the BIA.

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

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

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

SERVICE AND NOTICE

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

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

GENERAL

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

26. THIS COURT ORDERS that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors or any of them.

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

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

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

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

A handwritten signature in blue ink, appearing to read "Dietrich J.", is written above a horizontal line.

SCHEDULE "A"
RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that RSM Canada Limited, the receiver and manager (the "Receiver") of the Property of the Debtors, as such terms are defined in the Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated the ___ day of _____, 2020 appointing the Receiver (the "Order") made in an application having Court file number CV-20-00644927-00CL, has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ _____, being part of the total principal sum of \$ _____ which the Receiver is authorized to borrow under and pursuant to the Order.
2. The principal sum evidenced by this certificate is payable on demand by the Lender with interest thereon calculated and compounded [daily][monthly not in advance on the _____ day of each month] after the date hereof at a notional rate per annum equal to the rate of _____ per cent above the prime commercial lending rate of Bank of _____ from time to time.
3. Such principal sum with interest thereon is, by the terms of the Order, together with the principal sums and interest thereon of all other certificates issued by the Receiver pursuant to the Order or to any further order of the Court, a charge upon the whole of the Property, in priority to the security interests of any other person, but subject to the priority of the charges set out in the Order and in the *Bankruptcy and Insolvency Act*, and the right of the Receiver to indemnify itself out of such Property in respect of its remuneration and expenses.
4. All sums payable in respect of principal and interest under this certificate are payable at the main office of the Lender at Toronto, Ontario.
5. Until all liability in respect of this certificate has been terminated, no certificates creating charges ranking or purporting to rank in priority to this certificate shall be issued by the Receiver to any person other than the holder of this certificate without the prior written consent of the holder of this certificate.

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

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

DATED the _____ day of _____, 20__.

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

Per: _____

Name:

Title:

APPENDIX B

Court File Number: CV-20-00644927-00CL

Superior Court of Justice
Commercial List

FILE/DIRECTION/ORDER

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

AND

YORKVILLE CENTRAL INVESTMENTS INC., YORKVILLE CENTRAL 2
INVESTMENTS INC., YORKVILLE CENTRAL 3 INVESTMENTS INC.

Respondent(s)

Case Management Yes No by Judge: _____

Counsel	Telephone No:	Email/Facsimile No:
See counsel slip attached		

Order Direction for Registrar (**No formal order need be taken out**)
 Above action transferred to the Commercial List at Toronto (**No formal order need be taken out**)

Adjourned to: _____

Time Table approved (as follows): _____

Due to the COVID-19 crisis, I held a hearing on the above matter today by Zoom videoconference. This hearing was held in accordance with: (a) the Notice to the Profession issued by Chief Justice Morawetz on March 15, 2020 and the Update dated April 2, 2020; and (b) the “Changes to Commercial List operations in light of COVID-19” developed by the Commercial List judges in consultation with the Commercial List Users Committee. The Zoom videoconference facilities were arranged by Garfinkle Biderman LLP to facilitate the hearing, as per the foregoing COVID-19 practice directions.

Materials were sent to me by email prior to the hearing.

The Application to Appoint a Receiver

1. The applicant applies to appoint a receiver over three properties in the City of Toronto municipally known as 110-112 Avenue Road, 114 Avenue Road and 116 Avenue Road (the “Properties”).
2. The applicant loaned money to the Respondents secured by a first mortgage over the Properties among other security. The loan is in default.
3. The appointment of a receiver is supported by the second mortgagee of the Properties.
4. The Respondents are the registered owners of the Properties and they do not oppose the appointment of a receiver.
5. The applicant asserts that a receiver is required to assume control over the Properties, some of which are tenanted, and to pursue a sale with a view to maximizing the value for all stakeholders.
6. RSM Canada Limited has consented to act as receiver if so appointed by this court.
7. I am satisfied that the appointment of RSM Canada Limited (the “Receiver”) is just and convenient in the circumstances of this case.
8. My reasons include the following: i) the Respondents have committed events of default in respect of the loan made by the Applicant; ii) the Notice of Intention to Enforce Security pursuant to the *Bankruptcy and Insolvency Act* has expired; iii) the Applicant is permitted under the terms of its security documentation to appoint a receiver subject to certain conditions that appear to have been met; iv) there are property tax and utilities arrears; v) the continuing interest and penalties accruing on the first mortgage will erode the potential recovery from the collateral for any subsequent ranking creditor; vi) there is a certificate of pending litigation registered against the title to the Properties; vii) the Respondents attempted to sell the Properties in April of this year but were unsuccessful; and viii) because some of the Properties are tenanted, a receiver is needed to manage the Properties pending a sale.
9. All secured creditors have been given notice and have been given a reasonable opportunity to make representations. No one is opposing the appointment of the Receiver and the reasonable charge for the payment of its fees and disbursements.
10. Order to go in the form of the draft signed by me today. The Order is effective as of today’s date and it is not required that it be entered.

The Motion to Approve a Sale of the Properties to SC Land Inc.

1. On the assumption that the Receiver would be appointed, SC Land Inc. (“SC Land”) brought a motion for an order directing the Receiver to enter into an agreement of purchase and sale (the “Proposed Agreement”) with SC Land to sell the Properties to SC Land for a purchase price to which the Respondents had allegedly agreed in April 2020. It asserts that it would be prepared to close the sale by September 30, 2020 and the proceeds would cover both the first and second mortgage. An early closing would avoid the accrual of additional interest and penalty payments and ongoing fees of the receiver and counsel.

2. This motion is supported by the first and second mortgagee. It is opposed by the Respondents on the basis that the sale should not be approved without exposing the Properties to the market to determine the fair market value.
3. Synvest Investment Management (“Synvest”) consulted counsel yesterday and asserts that it may have a right of first refusal option in respect one of the Properties. SC Land disputes any such right. Counsel to Synvest seeks a short adjournment to give her time to review the relevant documents and to get instructions.
4. In my view, the motion is premature and should be adjourned to permit Synvest to make submissions on the motion should it choose to do so. The motion should also be adjourned to permit the newly-appointed Receiver to commence its work, which will include investigating and managing the Properties, ascertaining the market value of the Properties, considering the Proposed Agreement, and preparing a report relating to the marketing of the Properties.
5. Accordingly, the motion is adjourned to **October 5, 2020 at 12 noon**.
6. Counsel to Synvest shall serve and file its materials, if any, by September 18, 2020. The Receiver shall serve and file its report by September 25, 2020 and any reply to its report shall be served and filed by September 30, 2020.
7. The record contains appraisals of the Properties. Each of these appraisals shall be **sealed** until the Properties are sold in order to protect this commercially sensitive information.



Dietrich J.
Superior Court of Justice (Toronto)
September 11, 2020

APPENDIX C

Court File No. CV-20-00644927-00CL

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

BETWEEN:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

- and -

YORKVILLE CENTRAL INVESTMENTS INC., YORKVILLE CENTRAL 2 INVESTMENTS
INC., YORKVILLE CENTRAL 3 INVESTMENTS INC.

Respondents

**FIRST REPORT OF THE RECEIVER OF
110 AVENUE ROAD, TORONTO, 112 AVENUE ROAD, TORONTO,
114 AVENUE ROAD, TORONTO AND 116 AVENUE ROAD, TORONTO**

September 25, 2020

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I. INTRODUCTION

1. Pursuant to an application (the “**Application**”) made by Cameron Stephens Mortgage Capital Ltd. (“**Cameron Stephens**”), by Order of the Ontario Superior Court of Justice (the “**Court**”) dated September 11, 2020 (the “**Appointment Order**”), RSM Canada Limited (“**RSM**” or the “**Receiver**”) was appointed as receiver and manager over the lands and premises municipally known as 110 Avenue Road, Toronto, 112 Avenue Road, Toronto, 114 Avenue Road, Toronto, and 116 Avenue Road, Toronto (collectively the “**Properties**”) owned by Yorkville Central Investments Inc. (“**Yorkville Central**”), Yorkville Central 2 Investments Inc. (“**Yorkville Central 2**”), and Yorkville Central 3 Investments Inc. (“**Yorkville Central 3**”), (collectively, the “**Debtors**”), and for all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to the Properties, including all proceeds thereof (together with the Properties, hereinafter collectively referred to as the “**Property**”). A copy of the Appointment Order is attached hereto as **Appendix “A”**.
2. The Appointment Order authorizes the Receiver to, among other things:
 - take possession of and exercise control over the Property and any and all proceeds, receipts and disbursements arising out of or from the Property;
 - receive, preserve, and protect the Property, or any part or parts thereof, including, but not limited to, the changing of locks and security codes, the engaging of independent security personnel, the taking of physical inventories and the placement of such insurance coverage as may be necessary or desirable;

-
- market any or all of the Property, including advertising and soliciting offers in respect of the Property and negotiating such terms and conditions of sale as the Receiver in its discretion may deem appropriate; and
 - sell, convey, transfer, lease or assign the Property or any part or parts thereof out of the ordinary course of business with the approval of this Court.
3. Immediately following the granting of the Appointment Order, the Honourable Justice Dietrich began hearing SC Land Inc.'s ("**SC Land**") motion for an order directing the Receiver to enter into an Agreement of Purchase and Sale with SC Land for the sale of the Properties (the "**Proposed Agreement**") pursuant to the terms set out in the motion (the "**SC Motion**"). The Respondents opposed the SC Motion. A copy of the SC Motion, without appendices, is attached hereto as **Appendix "B"**.
 4. Counsel to Synvest Investment Management Inc. ("**Synvest**"), which was in the process of being engaged, set out Synvest's position that Synvest may have a right of first refusal option in respect of one of the Properties, and requested a short adjournment to review the relevant documents and to get instructions.
 5. The Receiver did not take any position on the SC Motion.
 6. After hearing argument on the SC Motion, the Honourable Justice Dietrich made an endorsement (the "**September 11 Endorsement**") which provided for, *inter alia*, the following:
 - adjourning the SC Motion to October 5, 2020;
 - in the interim, the Receiver was to commence its work, including investigating and managing the Properties, ascertaining the market value

of the Properties, considering the Proposed Agreement, and preparing a report relating to the marketing of the Properties;

- Synvest was to serve and file materials, if any, by September 18, 2020;
- the Receiver was to serve and file its report by September 25, 2020; and
- any reply to the Receiver's report was to be served and filed by September 30, 2020.

A copy of the September 11 Endorsement is attached hereto as **Appendix "C"**.

7. As of September 18, 2020, Synvest did not file any materials. However, counsel to Synvest provided a letter to the Receiver's counsel setting out the basic terms of an offer that it would be prepared to make for the Properties.
8. On September 22, 2020, SC Land filed a Supplementary Motion Record which included, *inter alia*, an "Appraisal Review" from Colliers dated September 17, 2020 in which Colliers reviewed the appraisal report provided by D. Bottero & Associates Limited ("**Bottero**") with respect to Bottero's appraisal dated March 3, 2020 of the Properties as of February 26, 2020.
9. The Appointment Order, the September 11 Endorsement and other court documents (other than those documents that contain information that has been sealed, or that are proposed to be sealed) have been posted on the Receiver's website, which can be found at rsmcanada.com/avenue-road-properties.
10. The Receiver has retained the firm of Paliare Roland Rosenberg Rothstein LLP to act as the Receiver's independent legal counsel.

II. PURPOSE OF REPORT

11. The purpose of this first report to the Court (the “**First Report**”) is to:
- (a) report to the Court on the activities of the Receiver from the date of its appointment to September 24, 2020;
 - (b) report to the Court on the steps taken by the Receiver to ascertain the value of the Properties and the Receiver’s findings in respect thereof;
 - (c) provide comments with respect to the Proposed Agreement;
 - (d) seek the advice and direction of the Court with respect to the next steps to be taken by the Receiver with respect to the Proposed Agreement and the marketing of the Properties; and
 - (e) seek an Order:
 - i. approving the First Report and the Receiver’s activities described in the First Report;
 - ii. sealing Confidential Appendix “D”; and
 - iii. providing such further directions to the Receiver with respect to the Proposed Agreement and the marketing of the Properties.

Terms of Reference

12. In preparing this report and making the comments herein, the Receiver has relied upon certain information from third-party sources (collectively, the “**Information**”). The Receiver has, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the CPA

Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.

13. Unless otherwise stated, all dollar amounts contained in the First Report are expressed in Canadian dollars.

III. EXECUTIVE SUMMARY

14. In order to assist the Receiver ascertain the market value of the Properties and assess the Proposed Agreement, the Receiver:
 - i) sought listing proposals from each of CBRE Limited ("**CBRE**"), Avison-Young Commercial Real Estate (Ontario) Inc. ("**Avison Young**") and Colliers Inc. ("**Colliers**") (collectively, the "**Listing Proposals**"); and
 - ii) engaged Cushman & Wakefield ULC ("**C&W**") to provide an appraisal of the Properties.
15. The Receiver received listing proposals from each of CBRE, Colliers and Avison Young. C&W provided to the Receiver a draft "Preliminary Research & Analysis Summary" with an effective date of September 20, 2020, (the "**C&W Draft Analysis**") to be followed by a final report by on or about October 2, 2020.
16. The information contained in the Listing Proposals and the C&W Draft Analysis suggest to the Receiver that (i) the "fair market value" of the Properties (i.e., the price at which a willing buyer would purchase and a willing vendor would sell), is largely dependent on a purchaser's view of the potential future development relating to the density that may be achieved on the Properties, and (ii) the selling price of the Properties could potentially be more than the purchase price set out in

the Proposed Agreement. As such, until the Properties are exposed to the marketplace in a fair and transparent process, the “fair market value” of the Properties will not be known.

17. Based on the above, the Receiver is not in a position at this time to conclude that the purchase price set out in the Proposed Agreement is the most advantageous to the stakeholders in this proceeding.
18. The Receiver is cognizant of the concerns of the Properties’ mortgagees that the Proposed Agreement represents a degree of certainty particularly in light of the COVID-19 pandemic, ongoing costs being incurred including (i) the interest continuing to accrue on the Debtors’ indebtedness to the mortgagees, (ii) the Receiver’s fees and disbursements including the Receiver’s legal fees, and (iii) ongoing protective disbursements to be made by the Receiver relating to the Properties.
19. As such, the Receiver is of the view that a “Stalking Horse” sales process could be appropriate in this proceeding and would be willing to speak, before the return of the within motion on October 5, 2020, with any party to this proceeding which may be interested in being the Stalking Horse bidder.
20. The First Report refers to a number of documents that contain information that, if in the public domain, could negatively impact the marketing of the Properties and, accordingly, are included in **Confidential Appendix “D”** that is being filed with the Court.

IV. BACKGROUND

21. The Properties consist of land and premises described as follows:

-
- 110 Avenue Road, Toronto (“**110**”) is a converted Victorian house containing commercial and residential rental units. 110 is owned by Yorkville Central 3;
 - 112 Avenue Road, Toronto (“**112**”) is a converted Victorian house containing one commercial unit. 112 is owned by Yorkville Central 3;
 - 114 Avenue Road, Toronto (“**114**”) is a Victorian house that is currently vacant and has undergone a partial demolition. 114 is owned by Yorkville Central 2; and
 - 116 Avenue Road, Toronto (“**116**”) is a vacant piece of land. 116 is owned by Yorkville Central.
22. Yorkville Central, Yorkville Central 2 and Yorkville Central 3 are federally incorporated companies incorporated on January 12, 2017, May 3, 2017, and August 30, 2017, respectively. The registered business addresses of the Debtors are located in Vancouver, BC. Messrs. Macario Teodoro Reyes and Bradley Berry are the directors of each of the Debtors.
23. Cameron Stephens is a company incorporated under the laws of the Province of Ontario, having its head office in Toronto, which carries on the business of providing mortgage financing.
24. Cameron Stephens is the registered holder of a first mortgage against the Properties.
25. The Debtors were in default of the mortgage and Cameron Stephens sought the appointment of the Receiver pursuant to a Notice of Application dated August 5, 2020.

-
26. On September 11, 2020, the Court issued the Appointment Order.
 27. As at September 1, 2020, the Debtors' indebtedness to Cameron Stephens was \$12,457,570. The Receiver has not, as of the date of the First Report, sought an independent legal opinion on the mortgage held by Cameron Stephens.
 28. GC Capital Inc. ("**GC**") holds a second mortgage on the Properties. As at August 31, 2020, the Debtors' indebtedness to GC was \$2,635,417. The Receiver has not, as of the date of the First Report, sought an independent legal opinion on the mortgage held by GC.

V. THE SALE OF THE PROPERTIES

29. As set out earlier herein, in her Endorsement, the Honourable Justice Dietrich directed the Receiver to ascertain the market value of the Properties and to consider the Proposed Agreement.
30. In order prepare the information set out in this report, the Receiver has:
 - i) reviewed on a preliminary basis the appraised values set out in the five appraisals that were included in materials filed by either Cameron Stephens or SC Land;
 - ii) sought listing proposals from each of CBRE, Avison Young and Colliers; and
 - iii) engaged C&W to provide an appraisal of the Properties.
31. In view of the short time period in which the Receiver was required to file this report, there may be other information that the Receiver has not reviewed in respect of the Properties. Notwithstanding, the Receiver's observations and conclusion are based primarily on third party information that the Receiver has received independently.

32. The Receiver's findings and observations are set out below.

Appraisals obtained by Cameron Stephens and SC Land

33. Included in the materials filed by the parties were five appraisals that are dated between March 3, 2020 and September 10, 2020.

34. A summary of the appraisals is included as **Tab 1** to **Confidential Appendix "D"**. Copies of the individual appraisals are attached as **Tabs 2, 3, 4, 5 and 6** to **Confidential Appendix "D"**. The Receiver has not conducted any independent analysis of these appraisals.

35. With reference to the appraisal prepared by Bottero dated March 3, 2020, regarding the Properties as of February 26, 2020, SC Land engaged Colliers to conduct a review of that appraisal with a view to having Colliers provide its opinion as to whether the analysis, opinions and conclusions set out in the Bottero appraisal are appropriate and reasonable. Colliers presented the results of its review in its letter dated September 18, 2020 (the "**Colliers Review Letter**") which was included in SC Land's Supplementary Motion Record served on September 22, 2020. A copy of the Colliers Review Letter is attached for convenience as **Tab 7** to **Confidential Appendix "D"**. The Receiver has not conducted any independent analysis of this review.

C&W Appraisal

36. In view of the "competing" appraisals relating to the Properties, and the positions advanced by the various parties to this proceeding, the Receiver was of the view that it should obtain its own independent appraisal of the Properties and engaged

C&W accordingly. On September 23, 2020, C&W provided to the Receiver the C&W Draft Analysis, which is to be followed by a final report by on or about October 2, 2020. The Receiver received the C&W Draft Analysis which provides C&W's opinion of the value of the Properties having an effective date of September 20, 2020. A copy of the C&W Draft Analysis is attached as **Tab 8 to Confidential Appendix "D"**.

Listing Proposals Obtained by the Receiver

37. In order to obtain further information on the Properties, the Receiver sought, and received, listing proposals from three real estate brokerages, being CBRE, Avison Young and Colliers. A summary of the information contained in the listing proposals, is attached as **Tab 9 to Confidential Appendix "D"**. Copies of the CBRE, Colliers and Avison Young listing proposals are attached as **Tabs 10, 11, and 12**, respectively, to **Confidential Appendix "D"**.

VI. THE PROPOSED AGREEMENT

38. SC Land submitted the Proposed Agreement to acquire the Properties. At this time, pending further direction of the Court, the Receiver has not reviewed the terms of the Proposed Agreement, other than the purchase price referred to therein, to assess whether they are acceptable to the Receiver. A copy of the Proposed Agreement is attached as **Tab 13 to Confidential Appendix "D"**.
39. The Receiver's assessment of the Proposed Agreement is based on the proposed purchase price set out therein.

VII. RECEIVER'S VIEW OF THE PROPOSED AGREEMENT

40. The information contained in the Listing Proposals and the C&W Draft Analysis suggest to the Receiver that (i) the “fair market value” of the Properties (i.e., the price at which a willing buyer would purchase and a willing vendor would sell) is largely dependent on a purchaser’s view of the potential future development relating to the density that may be achieved on the Properties; and (ii) the selling price could potentially be more than the purchase price set out in the Proposed Agreement. As such, until the Properties are exposed to the marketplace in a fair and transparent process, the “fair market value” of the Properties will not be known.
41. Moreover, Synvest, through its counsel, Aird & Berlis LLP, has submitted to the Receiver the terms of an offer that Synvest would be prepared to make for the Properties. A copy of Aird & Berlis LLP’s letter dated September 18, 2020 is attached at **Tab 14 to Confidential Appendix “D”**.
42. In addition, the Receiver has been contacted by a commercial brokerage representing the owners of a nearby property expressing their interest in acquiring part or all of the Properties and have requested details on the terms and conditions of the Receiver’s sale procedure.
43. As a result, based on all of the above, the Receiver is not in a position at this time to conclude that the purchase price set out in the Proposed Agreement is the most advantageous to the stakeholders in this proceeding.
44. The Receiver is cognizant of the concerns of the Properties’ mortgagees that the Proposed Agreement represents a degree of certainty particularly in light of the COVID-19 pandemic, ongoing costs being incurred including (i) the interest

continuing to accrue on the Debtors' indebtedness to the mortgagees, (ii) the Receiver's fees and disbursements including the Receiver's legal fees and (iii) ongoing protective disbursements to be made by the Receiver relating to the Properties.

45. As such, the Receiver is of the view that a "Stalking Horse" sales process could be appropriate in this proceeding and would be willing to speak, before the return of the within motion on October 5, 2020, with any party to this proceeding which may be interested in being the Stalking Horse bidder.
46. The First Report refers to a number of documents that contain information that, if in the public domain, could negatively impact the marketing of the Properties and, accordingly, are included in Confidential Appendix "D" that are being submitted separately to the Court.

VIII. RECEIVER'S ACTIVITIES TO DATE

Possession and Security

47. On September 11, 2020, following the issuance of the Appointment Order, the Receiver attended at the Properties.
48. The Receiver arranged for a locksmith to change the locks to (i) the unoccupied residential units and common entrance door at 110, (ii) the exterior entrances at 114 and (iii) the padlock to the door giving entrance into the fenced lot at 116.
49. Upon its inspection of the Properties, the Receiver observed that demolition had commenced inside 114, which could make the premises unsafe. The Receiver gave instruction to RAS (defined below) that neither RAS nor any other persons

are to be allowed into the building. The Receiver has also noted other potential safety issues and will be addressing them with RAS.

Property Manager

50. Upon its appointment, the Receiver contacted Medallion Capital Corp. (“**Medallion**”), the company retained by the Debtors to provide maintenance services at the Properties, to inform Medallion of the Receiver’s appointment and that the Receiver would not be using Medallion’s services.
51. In order to monitor the condition of the Property on an ongoing basis, the Receiver has engaged Richmond Advisory Services Inc. (“**RAS**”) to provide certain property management services including:
 - i) periodic site inspection of the Properties; and
 - ii) obtaining quotes for repairs and maintenance and overseeing work to be done, as required.
52. The Receiver anticipates that it will shortly finalize the terms of a property management agreement with RAS.

Insurance

53. Upon its appointment, the Receiver contacted the Debtors’ insurance broker to inquire if the Debtors’ insurance was in effect and if the insurer would add the Receiver as a named insured to the policy. The broker informed the Receiver that the Receiver could not be added to the policy and that the broker could not confirm that the policy would remain in place. The broker advised the Receiver to arrange its own insurance coverage.

-
54. The Receiver obtained its own property and liability insurance with coverage effective September 11, 2020. The Receiver's current coverage is scheduled to expire on December 11, 2020.
55. As 114 and 116 are vacant, the Receiver's insurer requires site inspections of the Properties. Periodic site inspections will be continued until the Properties are sold.

Books and Records

56. Upon its appointment, the Receiver contacted the Debtors to request information regarding the tenants of 110 and 112 and the creditors of the Properties and that information was provided by the Debtors on September 16, 2020. Subsequently, the Receiver requested certain information on the Properties including surveys and experts reports, and additional information was received on September 18, 2020.

Statutory Notices

57. On September 21, 2020, the Receiver sent a Notice and Statement of Receiver pursuant to Section 245(1) of the Bankruptcy and Insolvency Act (the "**BIA**") to the known creditors of the Property (the "**245 Notice**") as identified through information provided by the Debtors, a title search of the Property, and Personal Property Security Registration System ("**PPSA**") searches of the Debtors. A copy of the 245 Notice is attached hereto as **Appendix "E"**.

IX. TENANTS OF 110 AND 112

58. Upon attending at the Properties on September 11, 2020, the Receiver notified the tenants who were on the premises of its appointment. Tenants who were not on the premises were notified by phone and/or email.

-
59. The tenants of 110 and 112 are comprised of:
- two residential tenants and one commercial tenant at 110;
 - one commercial tenant occupying the whole building at 112.
60. The commercial tenant at 112 is vacating the premises by October 2020. The lease for the commercial tenant at 110 expired in 2019 and occupancy is currently being extended on a month-to-month basis. The two residential tenants are also leasing the premises on a month-to-month basis and the terms of occupancy are evidenced in an email rather than by a formal lease document.
61. 110 also contains a third residential unit that is currently vacant. The Receiver has been contacted by a party (the “**Prospective Tenant**”) who claims to have made arrangements to rent the unoccupied unit at 110 but does not have a formal lease agreement. The Prospective Tenant is named on the rent roll and on one of the email leases as the tenant for one of the two occupied residential units at 110, which appears to be occupied by a family member. The Receiver is presently considering its position as it relates to the Prospective Tenant.

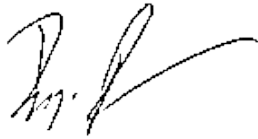
X. CONCLUSION

62. The Receiver respectfully requests that the Court make an Order:
- (i) approving the First Report and the Receiver’s activities described in the First Report;
 - (ii) sealing Confidential Appendix “D”; and
 - (iii) providing such further directions to the Receiver with respect to the Proposed Agreement and the marketing of the Properties.

All of which is respectfully submitted to this Court as of this 25th day of September, 2020.

RSM CANADA LIMITED

In its capacity as Court-appointed Receiver of
110 Avenue Road, Toronto, 112 Avenue Road, Toronto,
114 Avenue Road, Toronto, and 116 Avenue Road, Toronto,
and not in its personal capacity



Per: Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT
President



Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice President

APPENDIX D

Court File No. CV-20-00644927-00CL

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

BETWEEN:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

- and -

YORKVILLE CENTRAL INVESTMENTS INC., YORKVILLE CENTRAL 2 INVESTMENTS
INC., YORKVILLE CENTRAL 3 INVESTMENTS INC.

Respondents

SUPPLEMENTAL REPORT TO THE FIRST REPORT OF THE RECEIVER

October 2, 2020

I. INTRODUCTION

1. By Order of the Ontario Superior Court of Justice (Commercial List) dated September 11, 2020, RSM Canada Limited was appointed as receiver and manager over the lands and premises municipally known as 110 Avenue Road, Toronto, 112 Avenue Road, Toronto, 114 Avenue Road, Toronto, and 116 Avenue Road, Toronto (collectively the “**Properties**”) owned by Yorkville Central Investments Inc. (“**Yorkville Central**”), Yorkville Central 2 Investments Inc. (“**Yorkville Central 2**”), and Yorkville Central 3 Investments Inc. (“**Yorkville Central 3**”), (collectively, the “**Debtors**”), and for all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to the Properties, including all proceeds thereof (together with the Properties, hereinafter collectively referred to as the “**Property**”).

II. PURPOSE OF SUPPLEMENTAL REPORT

2. The First Report of the Receiver dated September 25, 2020 (the “**First Report**”) was filed in connection with a motion by SC Land Inc. (“**SC Land**”) for an order directing the Receiver to enter into an Agreement of Purchase and Sale with SC Land for the sale of the Properties (the “**Proposed Agreement**”) pursuant to the terms set out in the motion (the “**SC Land Motion**”). The First Report was filed to:

-
- i) report to the Court on the activities of the Receiver from the date of its appointment to September 24, 2020;
 - ii) report to the Court on the steps taken by the Receiver to ascertain the value of the Properties and the Receiver's findings in respect thereof;
 - iii) provide comments with respect to the Proposed Agreement;
 - iv) seek the advice and direction of the Court with respect to the next steps to be taken by the Receiver with respect to the Proposed Agreement and the marketing of the Properties; and
 - v) seek an Order:
 - i. approving the First Report and the Receiver's activities described in the First Report;
 - ii. sealing Confidential Appendix "D" to the First Report; and
 - iii. providing such further directions to the Receiver with respect to the Proposed Agreement and the marketing of the Properties.
3. The purpose of this Supplemental Report to the First Report (the "**Supplemental Report to the First Report**") is to provide the Court with additional information, in the event that the Court does not grant the relief requested in the SC Land Motion, relating to the Receiver's view set out in the First Report that a "Stalking Horse" sales process could be appropriate in this proceeding.
4. This Supplemental Report should be read in conjunction with the First Report, including the Terms of Reference referred to therein.
5. Unless defined herein, capitalized terms herein have the same meaning as in the First Report.

III. POTENTIAL “STALKING HORSE” PROCESS

6. With reference to the Endorsement made by Justice Dietrich on September 11, 2020, the First Report set out:
 - i) that the Receiver was not in a position at this time to conclude that the purchase price set out in the Proposed Agreement is the most advantageous to the stakeholders in this proceeding; and
 - ii) the Receiver’s view that a “Stalking Horse” sales process could be appropriate in this proceeding.
7. Subsequent to the filing of the First Report, the Receiver has engaged in discussions with counsel to each of SC Land and Synvest to determine the interest of their respective clients to submit a “Stalking Horse” offer.
8. SC Land, through counsel, confirmed in writing to the Receiver that it was interested in being a “Stalking Horse” bidder and provided the Receiver with the salient terms under which it was prepared to proceed. The Receiver has reviewed these salient terms and, subject to finalization of the terms of a “Stalking Horse” agreement of purchase and sale, the Receiver would be prepared to recommend such agreement for approval by the Court.
9. In the event that the Court does not grant the relief requested in the SC Land Motion, the Receiver intends on making an application to the Court as soon as practically possible to seek the Court’s approval of a sale procedure to effect the sale of the Properties. If the Receiver is able to finalize the “Stalking Horse” agreement of

purchase and sale on the salient terms submitted by SC Land, then the proposed sale procedure will be by way of a “Stalking Horse” bidding process.

IV. CONCLUSION

10. The Receiver respectfully requests that, in addition to the relief requested in the First Report, the Court grant an Order approving the Supplemental Report to the First Report.


All of which is respectfully submitted to this Court as of this 2nd day of October, 2020.

RSM CANADA LIMITED

In its capacity as Court-appointed Receiver of
110 Avenue Road, Toronto, 112 Avenue Road, Toronto,
114 Avenue Road, Toronto, and 116 Avenue Road, Toronto,
and not in its personal capacity



Per: Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT
President



Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice President

APPENDIX E

From: Conway, Madam Justice Barbara (SCJ)

Sent: Monday, October 5, 2020 3:54 PM

To: Jeff.Larry@paliareroland.com; wgreenspoon@garfinkle.com; GruberD@bennettjones.com; Elizabeth.Rathbone@paliareroland.com; Tannenbaum, Bryan <bryan.tannenbaum@rsmcanada.com>; Weisz, Daniel <daniel.weisz@rsmcanada.com>; rshastri@ksllp.ca; jwortzman@teplitskycolson.com; amcewan@airdberlis.com; smitra@airdberlis.com; callen@teplitskycolson.com

Cc: JUS-G-MAG-CSD-Toronto-SCJ Commercial List <MAG.CSD.To.SCJCom@ontario.ca>

Subject: CAMERON STEPHENS MORTGAGE CAPITAL LTD. V. YORKVILLE INVESTMENTS INC. ET AL. CV-20-00644927-00CL

Importance: High

This hearing proceeded before me today by Zoom. The names of the attendees are listed on the attached counsel slip.

In April 2020, SC Lands entered into an agreement of purchase and sale (APS) to acquire the Respondents' properties for \$16 million. The Respondents are now in receivership. SC Lands brought a motion for an order directing the Receiver to sell the properties to it, and a vesting order re same, for the same net price as in the APS. The first and second mortgagees supported the motion. The motion was adjourned by Justice Dietrich to permit, among other things, the Receiver to ascertain the value of the properties and prepare a report to the court with respect to the marketing of the properties. It has now done so.

I have reviewed the Receiver's first and supplemental reports and the Confidential Appendix. The Receiver takes no position on the SC Lands' motion and can neither recommend or oppose same. It states, at paragraph 43 of its first report, that "the Receiver is not in a position at this time to conclude that the purchase price set out in the Proposed Agreement is the most advantageous to the stakeholders in this proceeding".

Based on the record before me, I am not prepared to approve the SC Lands transaction without giving the Receiver at least some opportunity to expose the properties to the market and be in a position to make a recommendation to this court. The court simply cannot be satisfied that the price offered by SC Lands maximizes the recovery for the Respondents' stakeholders. That said, the court is mindful of the fact that a lengthy process could erode recovery as receivership costs, taxes and interest continue to accrue. The Receiver is prepared to develop a sales process (with terms worked out with SC Lands to be a stalking horse bidder, that the Receiver is prepared to recommend to the court) and return to court on an expedited basis to get the process started.

I advised counsel that this is the better route to follow. The Receiver shall return to court on **October 14, 2020 for 30 minutes before me (time to be confirmed with the Commercial List office)** to seek court approval of a sales process with a stalking horse bidder. The proposed process will be on a relatively quick time frame, to enable the Receiver and the court to determine if indeed there is interest for the properties for a price that will yield greater recovery to stakeholders, taking into account the additional costs that will have to be incurred throughout the process.

SC Lands' motion is dismissed without costs and without prejudice to it pursuing the purchase of the properties as a stalking horse bidder, subject to court approval. I will continue to case manage

this matter to ensure that the process can move forward in a practical and commercially sensible manner, taking into account the factors referred to above.

I am granting a sealing order with respect to the Receiver's Confidential Appendix. I am satisfied that the *Sierra Club* test has been met for these materials. **On the resumption of regular court operations, it will be the responsibility of counsel for the Receiver to ensure that the subject materials are properly identified and protected under seal in the court file.**

A handwritten signature in blue ink, appearing to read "Conway J.", with a stylized flourish at the end.

Superior Court of Justice (Toronto)

COUNSEL SLIP

MATTER: ***CAMERON STEPHENS MORTGAGE CAPITAL LTD. V. YORKVILLE INVESTMENTS INC. ET AL.***

COURT FILE NO.: CV-20-00644927-00CL

HEARING DATE: October 5, 2020, 12:00 P.M.

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APPENDIX F

Court File No. CV-20-00644927-00CL

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

BETWEEN:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

- and -

YORKVILLE CENTRAL INVESTMENTS INC., YORKVILLE CENTRAL 2 INVESTMENTS
INC., YORKVILLE CENTRAL 3 INVESTMENTS INC.

Respondents

**SECOND REPORT OF THE RECEIVER OF
110 AVENUE ROAD, TORONTO, 112 AVENUE ROAD, TORONTO,
114 AVENUE ROAD, TORONTO AND 116 AVENUE ROAD, TORONTO**

October 9, 2020

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I. INTRODUCTION

1. Pursuant to an application (the “**Application**”) made by Cameron Stephens Mortgage Capital Ltd. (“**Cameron Stephens**”), by Order of the Ontario Superior Court of Justice (the “**Court**”) dated September 11, 2020 (the “**Appointment Order**”), RSM Canada Limited (“**RSM**” or the “**Receiver**”) was appointed as receiver and manager over the Properties (defined below) A copy of the Appointment Order is attached hereto as **Appendix “A”**.
2. Immediately following the granting of the Appointment Order, the Honourable Justice Dietrich began hearing SC Land Inc.’s (“**SC Land**”) motion for an order directing the Receiver to enter into an Agreement of Purchase and Sale with SC Land for the sale of the Properties (the “**Proposed Agreement**”) pursuant to the terms set out in the motion (the “**SC Motion**”). A copy of the SC Motion, without appendices, was attached as Appendix “B” to the First Report.
3. The Receiver did not take any position on the SC Motion.
4. After hearing argument on the SC Motion, the Honourable Justice Dietrich adjourned the SC Motion to October 5, 2020 to allow the Receiver time to, among other things, attempt to ascertain the market value of the Properties, consider the Proposed Agreement, and prepare a report relating to the marketing of the Properties. A copy of Justice Dietrich’s endorsement (the “**September 11 Endorsement**”) is attached hereto as **Appendix “B”**.
5. With reference to the September 11 Endorsement, the Receiver filed the First Report of the Receiver dated September 25, 2020 (the “**First Report**”) and the Supplemental Report to the First Report dated October 2, 2020 (the “**First**

Supplemental Report"). Copies of the First Report, without appendices, and the First Supplemental Report are attached hereto as **Appendix "C"** and **Appendix "D"**, respectively.

6. On October 5, 2020, the Honourable Justice Conway heard the SC Motion. In her Endorsement issued that day (the "**October 5 Endorsement**"), Justice Conway, *inter alia*, directed the Receiver to return to Court on October 14, 2020 to seek Court approval of a stalking horse sales process to enable the Receiver and the Court to determine if there is interest for the Properties at a higher price than the purchase price offered by SC Land. A copy of the October 5 Endorsement is attached hereto as **Appendix "E"**.
7. The Appointment Order, the September 11 Endorsement and the October 5 Endorsement and other court documents (other than those documents that contain information that have been sealed) have been posted on the Receiver's website, which can be found at rsmcanada.com/avenue-road-properties.
8. The Receiver has retained the firm of Paliare Roland Rosenberg Rothstein LLP to act as the Receiver's independent legal counsel.
9. The Receiver has retained the firm of Garfinkle Biderman LLP ("**Garfinkle**"), as real estate counsel, to assist with the sale of the Properties. Garfinkle is also acting as Cameron Stephens' counsel.

II. PURPOSE OF REPORT

10. The purpose of this second report to the Court (the "**Second Report**") is to:
 - (a) report to the Court on the activities of the Receiver since the date of the First Report to October 8, 2020;

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- (b) provide the Court with information on the Receiver's proposed sale process (the "**Sale Procedure**") for the sale of the Properties;
 - (c) provide the Court with information on the Stalking Horse Agreement (defined later herein); and
 - (d) seek an order:
 - (i) approving the Sale Procedure and authorizing the Receiver to conduct the Sale Procedure;
 - (ii) authorizing the Receiver to enter into a listing agreement with Colliers International ("**Colliers**");
 - (iii) authorizing the Receiver to enter into the Stalking Horse Agreement;
 - (iv) sealing Confidential Appendix "H" to the Second Report and the Listing Agreement (defined later herein) once filed; and
 - (v) approving the Second Report and the Receiver's conduct and activities described therein.

Terms of Reference

11. In preparing this report and making the comments herein, the Receiver has relied upon certain information from third-party sources (collectively, the "**Information**"). The Receiver has, to the extent possible, reviewed the Information for reasonableness. However, the Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information in a manner that would wholly or partially comply with Canadian Auditing Standards pursuant to the CPA Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance in respect of the Information.

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12. Unless otherwise stated, all dollar amounts contained in the Second Report are expressed in Canadian dollars.
 13. Defined terms in the Second Report have, unless indicated otherwise herein, the same meanings as set out in the First Report and the First Supplemental Report.

III. BACKGROUND

14. The Properties consist of land and premises described as follows:
 - a) 110 Avenue Road, Toronto (“**110**”) is a converted Victorian house containing commercial and residential rental units. 110 is owned by Yorkville Central 3 Investments Inc. (“**Yorkville Central 3**”);
 - b) 112 Avenue Road, Toronto (“**112**”) is a converted Victorian house containing one commercial unit. 112 is owned by Yorkville Central 3;
 - c) 114 Avenue Road, Toronto (“**114**”) is a Victorian house that is currently vacant and has undergone a partial demolition. 114 is owned by Yorkville Central 2 Investments Inc.; and
 - d) 116 Avenue Road, Toronto (“**116**”) is a vacant piece of land. 116 is owned by Yorkville Central Investments Inc.
15. Cameron Stephens is the registered holder of a first mortgage against the Properties.
16. The Debtors were in default of the mortgage and Cameron Stephens sought the appointment of the Receiver pursuant to a Notice of Application dated August 5, 2020.
17. On September 11, 2020, the Court issued the Appointment Order.

18. As at September 1, 2020, the Debtors' indebtedness to Cameron Stephens was \$12,457,570. The Receiver has not to date sought an independent legal opinion on the mortgage held by Cameron Stephens.
19. GC Capital Inc. ("**GC**") holds a second mortgage on the Properties. As at August 31, 2020, the Debtors' indebtedness to GC was \$2,635,417. The Receiver has not to date sought an independent legal opinion on the mortgage held by GC.

IV. PROPOSED SALE PROCESS

20. In accordance with the October 5 Endorsement, the Receiver has prepared a marketing process for the Properties, and is seeking the Court's approval of the sale procedure described in the following paragraphs (the "**Sale Procedure**").
21. The Sale Procedure contemplates the marketing of the Properties by Colliers. In order to set a floor price for the purchase of the Properties, SC Land submitted a stalking horse offer (the "**Stalking Horse Offer**"). The Receiver is seeking an Order of the Court authorizing the Receiver to accept the Stalking Horse Offer (once accepted, the "**Stalking Horse Agreement**"). The Stalking Horse Agreement is described below.

V. THE STALKING HORSE AGREEMENT

22. The Stalking Horse Agreement is an offer of \$16,100,000 by SC Land (the "**Purchaser**" or the "**Stalking Horse Bidder**") to purchase the Subject Assets (as defined in the Stalking Horse Agreement) including, in particular, the Properties (the "**Stalking Horse Bid**").

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23. Capitalized terms used in this section of the Second Report are as defined in the Stalking Horse Agreement unless otherwise defined. A copy of the Stalking Horse Agreement is attached hereto as **Appendix “F”**.
24. As set out below, the salient terms of the Stalking Horse Agreement are:
- i) Purchase Price for the Properties - \$16,100,000 (the “**Stalking Horse Price**”);
 - ii) Deposit - \$1,000,000;
 - iii) Expense Reimbursement - \$385,000 if the Stalking Horse Bidder is not the Successful Bidder;
 - iv) All applicable taxes and registration fees, including land transfer taxes, are to be paid by the Purchaser on closing;
 - v) Closing Date – 10 business days following issuance of the Vesting Order or such other date as may be agreed upon by the Parties; and
 - vi) Outside Date – January 31, 2021, representing the date that the Stalking Horse Agreement terminates if a sale is not completed pursuant to that agreement.
25. The Stalking Horse Agreement has no due diligence conditions and provides for an expense reimbursement of \$385,000 (the “**Expense Reimbursement**”), in the event the Purchaser is not the Successful Bidder. The Expense Reimbursement is intended to reimburse the Purchaser for its expenses and time incurred in connection with the Transaction.
26. It is the Receiver’s view that the Expense Reimbursement is a fair and reasonable amount having regard to the nature of the Transaction and market practice. The

Receiver supports the Expense Reimbursement because the Stalking Horse Agreement brings the enhanced certainty of a “floor price” to the Sale Procedure. This, in turn, provides a degree of assurance to Cameron Stephens and GC that there will be a sale of the Properties regardless of the outcome of the Sale Procedure.

27. The Sale Procedure, described below, is intended to provide a fair and transparent marketing process that will allow the Receiver an opportunity to ascertain if there is the possibility of enhancing realizations from the Properties over and above the Stalking Horse Price.

VI. THE SALE PROCEDURE

28. Capitalized terms used in this section of this Report are as defined in the Sale Procedure that is attached hereto as **Appendix “G”**, unless otherwise defined.
29. The Receiver seeks approval to implement the Sale Procedure that, if approved, will set the parameters of the sales and marketing process pursuant to which the Receiver will seek offers superior to the Stalking Horse Agreement for the Properties, and will set out the requirements for the submission of offers by Interested Parties.
30. The Sale Procedure contemplates that Interested Parties will be required to meet the preliminary participant requirements set out therein, being the execution of (i) a Confidentiality Agreement; and (ii) an Acknowledgement of Sale Procedure. Thereafter, the Interested Party will be given access to confidential information in the Confidential Data Room.

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31. The Sale Procedure provides that a Bid must be submitted by the Bid Deadline of 3:00 p.m. (Toronto Time) on November 24, 2020.
 32. In order for a Bid to be a Qualified Bid, the Bid must be for a purchase price equal to the sum of (i) the Stalking Horse Price; plus (ii) the Expense Reimbursement of \$385,000; plus (iii) \$125,000. The additional amount of \$125,000 reflects certain costs that will be incurred if a Bidder other than the Stalking Horse Bidder, is the Successful Bidder.
 33. In addition to the price, in order to be a Qualified Bid, a Bid must:
 - a) include a binding offer in the form of an executed mark up of the Vendor's form of the agreement of purchase and sale attached as Schedule "B" to the Sale Procedure;
 - b) be irrevocable until the date on which the Receiver obtains Court approval of the Successful Bid;
 - c) not be conditional on obtaining financing or any internal approval or on the outcome or review of due diligence;
 - d) be accompanied by written evidence of a commitment for financing or other evidence of the ability to consummate the transaction satisfactory to the Receiver;
 - e) not request or entitle the Qualified Bidder to any break fee, expense reimbursement or similar type of payment; and
 - f) be accompanied by a Good Faith Deposit in the amount of \$1,000,000.

34. Following the Bid Deadline, the Receiver will determine which Bidders are Qualified Bidders and will notify each Bidder of the Receiver's determination as to whether the Bidder is a Qualified Bidder as soon as practicable.
35. The Stalking Horse Bidder is and is deemed to be a Qualified Bidder for purposes of the Sale Procedure.
36. If the Receiver determines that there is no Qualified Bid other than the Stalking Horse Bid following the Bid Deadline, the Sale Procedure will be terminated. In that event, the Stalking Horse Bid will be declared the Successful Bid and the Receiver will seek Court approval of, and authority to consummate, the Stalking Horse Agreement and the transactions provided for therein, and obtain a vesting order to transfer title to the Properties to the Stalking Horse Bidder.
37. As set out above, the minimum purchase price of any Qualified Bid must be the sum of the Purchase Price (as defined in the Stalking Horse Agreement) plus the Expense Reimbursement of \$385,000 plus \$125,000.
38. If one or more Qualified Bids (in addition to the Stalking Horse Bid) is received by the Bid Deadline, the Receiver will by December 4, 2020 (i) conduct an auction amongst the Qualified Bidders (including the Stalking Horse Bidder), on terms to be determined by the Receiver and/or (ii) otherwise negotiate with the Qualified Bidders to determine the Successful Bid and the Back-up Bid, if any.
39. The Receiver notes that if Qualified Bid(s) are sufficiently greater than the Stalking Horse Bid, in the course of negotiating with the Qualified Bidders and/or conducting an auction, and its determination of the Successful Bid, the Receiver will take into consideration that any Bid will need to exceed any offer submitted

by SC Land by \$385,000, representing the Expense Reimbursement to be paid to SC Land as a result of the non-completion of the Stalking Horse Agreement.

40. Following the determination of the Successful Bid, the Receiver will seek Court approval of, and authority to consummate, the Successful Bid and the transactions provided for therein.
41. The Sale Procedure will be posted to the Receiver's website. Any potential interested party that contacts the Receiver or Colliers will be invited to participate in the Sale Procedure.
42. In the Receiver's view, the Sale Procedure:
 - (a) is consistent with market practice;
 - (b) provides a reasonable opportunity for competing bidders to submit offers superior to the Stalking Horse Agreement;
 - (c) enables the Receiver to determine whether there is the possibility for enhanced realizations from the Properties; and
 - (d) is reasonable and appropriate in the circumstances.

VII. ESTIMATED TIMELINE FOR THE SALE OF THE PROPERTIES

43. Set out below is the proposed timeline for the sale of the Properties:
 - a) **October 15, 2020 to October 29, 2020** – premarketing including review of documents, compiling of marketing material and preparation of data room;
 - b) **October 30, 2020 to November 24, 2020** – marketing of the Properties by Colliers;

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- c) **November 24, 2020** - receipt of Bids;
 - d) **November 24, 2020 to November 26, 2020** - evaluation of Bids, shortlist parties, request updated offers from shortlisted parties;
 - e) **November 30, 2020** - receipt of updated offers;
 - f) **November 30, 2020 to December 4, 2020** - review of updated offers from shortlisted parties and enter into negotiations/conduct auction (if required);
 - g) **December 4, 2020** - select the Successful Bid;
 - h) **December 7, 2020 to December 8, 2020** - service of materials in connection with the Receiver's application to the Court for approval of the sale of the Properties;
 - i) **December 11, 2020** - Court hearing for the approval of the sale of the Properties; and
 - j) **December 23, 2020 or earlier** - complete the closing of the sale of the Properties.

VIII. THE LISTING AGREEMENT

- 44. As set out in the First Report, the Receiver requested listing proposals from CBRE Limited, Avison Young Commercial Real Estate (Ontario) Inc. and Colliers. The listing proposals received, including a summary thereof, were included in Confidential Appendix 'D' to the First Report.
- 45. Subsequent to the issuance of the October 5 Endorsement, the Receiver asked each of the above aforementioned listing brokerages to update their proposals taking into account the proposed stalking horse bid process. Each of the listing

brokerages updated their proposals and an updated summary of the listing proposals is attached hereto as **Confidential Appendix “H”**.

46. After review of the listing proposals including the commissions each proposed to charge, the Receiver selected to work with Colliers, one of the world’s largest commercial real estate services firms, to effect the Sale Procedure.
47. As of the date of this report, the Receiver is in the process of negotiating with Colliers the final terms of the listing agreement. Although all the terms of the listing agreement have not yet been finalized, the terms of the proposed listing agreement provide that:
- (a) the term of the agreement is for the period October 15, 2020 to April 30, 2021; and
 - (b) Colliers will earn a significantly higher commission if the Successful Bid is an amount that is higher than the Stalking Horse Price.
48. It is the Receiver’s intention to file with the Court, prior to October 14, 2020, a copy of the listing agreement that has been signed by Colliers (the “**Listing Agreement**”).
49. The Receiver is of the view that the engagement of a commercial brokerage to market the Properties in the implementation of the Sale Procedure is, in the circumstances of this receivership, beneficial to stakeholders of this receivership and to the efforts to maximize realizations from the Properties.
50. The Receiver is also of the view that the compensation to be paid to Colliers by the Receiver upon the sale of the Properties is fair and reasonable, and provides

sufficient incentive to Colliers to obtain an offer(s) which exceeds the Stalking Horse Price.

51. The Receiver is therefore requesting the approval of the Court for the Receiver to enter into the Listing Agreement.

Sealing of Commercial Sensitive Terms

52. The Receiver is of the view that disclosure of the (i) listing proposals, and the (ii) terms of the commission structure set out in the Listing Agreement could potentially have an adverse influence on the Sale Procedure. The Receiver is therefore requesting that the Court make a sealing order in respect of the listing proposals and the Listing Agreement in order to avoid any potential adverse impact on the Sale Procedure.

IX. PROPERTY TAXES

53. The City of Toronto has advised the Receiver that \$193,291.20 is owing for property taxes for the Properties as of October 6, 2020, as follows:
- i) 110 and 112 Avenue Road - \$90,315.53;
 - ii) 114 Avenue Road - \$38,455.09; and
 - iii) 116 Avenue Road - \$64,520.58.
54. The Receiver does not have the funds to pay the outstanding property taxes. Accordingly, payment of the outstanding property taxes will occur at the time of the closing of the sale of the Properties.

X. RECEIVER'S ACTIVITIES TO DATE

Property Manager

55. The Receiver has now executed the property management agreement with Richmond Advisory Services Inc.

Tenants of 110 And 112

56. The commercial tenant at 112 vacated the premises on September 30, 2020. The Receiver does not intend to re-lease the premises given the anticipated sale of the Properties in the near future.

57. As noted in the First Report, the Receiver was contacted by a party (the "**Prospective Tenant**") who claims to have made arrangements to rent the unoccupied unit at 110 but does not have a formal lease agreement. The Receiver has advised the Prospective Tenant that the Receiver would likely be in possession of the Properties for only another three to four months and, at best, might entertain a new lease on a short-term month-to-month basis. As of the date of this report, no steps have been taken by the Prospective Tenant or the Receiver to further pursue this potential lease.

58. The Receiver has reviewed documentation which suggests that certain tenants were required to pay a deposit to the landlord. The Debtors have confirmed that \$8,450 in tenant deposits were received. The Receiver has requested that the Debtors transfer to the Receiver the tenant deposits and any post-dated rent cheques they are holding.

Repairs and Maintenance

59. The Receiver has taken steps to address certain repairs and maintenance issues and/or to secure the Properties, including:

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- a) installing a locked gate and repairing gaps in the fencing at 114 to prevent access to the backyard by trespassers;
 - b) repairing the fencing at 116 to prevent unauthorized garbage dumping on the Properties;
 - c) replacing a missing panel from the second floor balcony at 112;
 - d) scheduling of an inspection of the hot water boiler system at 112, which had not been inspected in the last 3 years, as required by the Technical Standards and Safety Authority; and
 - e) scheduling of an inspection of the HVAC system at 110 based on the property manager's observations of insufficient heating in the residential units.

HST Reporting

60. The Receiver is in the process of opening an HST account in connection with this receivership. Typically, Canada Revenue Agency (“**CRA**”) requires that the Receiver open another RT account under the same business account that was used by the company to report revenue and HST prior to the receivership. However, as rental revenue for 110 and 112 was reported under a related company that is not subject to the Appointment Order, the Receiver's HST account will be opened under the business account of the entity holding legal title to 110.

Utilities and property tax payments

61. The Receiver contacted the utility companies and the City of Toronto to notify them of the Receiver's appointment and to request that new utility accounts be set up in the name of the Receiver.

XI. CONCLUSION

62. The Receiver respectfully requests that the Court make an Order:

- a) authorizing the Receiver to conduct the Sale Procedure;
- b) authorizing the Receiver to enter into the Listing Agreement;
- c) authorizing the Receiver to enter into the Stalking Horse Agreement;
- d) sealing Confidential Appendix “H” to the Second Report and the Listing Agreement once filed; and
- e) approving the Second Report and the Receiver’s conduct and activities described therein.

All of which is respectfully submitted to this Court as of this 9th day of October, 2020.

RSM CANADA LIMITED

In its capacity as Court-appointed Receiver of
110 Avenue Road, Toronto, 112 Avenue Road, Toronto,
114 Avenue Road, Toronto, and 116 Avenue Road, Toronto,
and not in its personal capacity



Per: Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT
President



Per: Daniel Weisz, CPA, CA, CFF, CIRP, LIT
Senior Vice President

APPENDIX G

Court File No. CV-20-00644927-00CL

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

THE HONOURABLE MADAM)	WEDNESDAY, THE 14 th
)	
JUSTICE CONWAY)	DAY OF OCTOBER, 2020

BETWEEN:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

- and -

YORKVILLE CENTRAL INVESTMENTS INC., YORKVILLE CENTRAL 2
INVESTMENTS INC., YORKVILLE CENTRAL 3 INVESTMENTS INC.

Respondents

SALE PROCEDURE ORDER

THIS MOTION, made by RSM Canada Limited ("**RSM**"), in its capacity as the Court-appointed receiver and manager (the "**Receiver**"), without security, over the lands and premises municipally known as 110 Avenue Road, Toronto, 112 Avenue Road, Toronto, 114 Avenue Road, Toronto, and 116 Avenue Road, Toronto (the "**Properties**") owned by Yorkville Central Investments Inc., Yorkville Central 2 Investments Inc. and Yorkville Central 3 Investments Inc. (the "**Debtors**"), and for all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to the Properties, including all proceeds thereof (together with the Properties, hereinafter collectively referred to as the "**Property**") seeking among other relief, an Order approving a sale procedure, was heard this day by videoconference due to the COVID-19 crisis.

ON READING the First Report of the Receiver, dated September 25, 2020 (the “**First Report**”), the Supplemental Report of the Receiver, dated October 2, 2020 (the “**Supplemental Report**”), and the Second Report of the Receiver, dated October 9, 2020 (the “**Second Report**”), and on hearing the submissions of counsel for the Receiver and such other counsel as were present as indicated on the Counsel Slip, no one appearing for any other person on the Service List, although properly served as appears from the Affidavit of Michelle Jackson sworn October 9, 2020, filed:

SERVICE

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record is abridged and validated such that this Motion is properly returnable today, and further service of the Notice of Motion and the Motion Record is hereby dispensed with.

APPROVAL OF SALE PROCEDURE AND LISTING AGREEMENT

2. **THIS COURT ORDERS** that the Receiver’s retention of Colliers International (“**Colliers**”) as the listing agent for the Properties (the “**Colliers Listing Agreement**”) be and is hereby approved.

3. **THIS COURT ORDERS** that the sale procedure substantially in the form of the Sale Procedure included as Appendix “G” to the Second Report (the “**Sale Procedure**”), as described in the Second Report, be and hereby is approved.

4. **THIS COURT ORDERS** that the Receiver is authorized to enter into the asset purchase agreement with SC Land Inc., as attached as Appendix “F” to the Second Report and as may in the future be supplemented, amended or restated from time to time (the “**Stalking Horse Agreement**”), in respect of the Properties.

5. **THIS COURT ORDERS** that the Receiver is hereby authorized to commence and carry out the Sale Procedure and to take such further steps as are considered necessary or desirable in carrying out the terms of the Sale Procedure, subject to prior

approval of this Court being obtained before completion of any transactions under the Sale Procedure.

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

APPROVAL OF RECEIVER'S REPORTS AND CONDUCT

7. **THIS COURT ORDERS** that the First Report, the Supplemental Report, the Second Report and the conduct and activities of the Receiver, as described therein, be and hereby are approved.

SEALING OF CONFIDENTIAL APPENDIX

8. **THIS COURT ORDERS** that Confidential Appendix "H" to the Second Report and the Colliers Listing Agreement, filed, be and hereby are sealed.

GENERAL

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

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



CAMERON STEPHENS MORTGAGE CAPITAL LTD.
Applicant

-and-

Court File No. CV-20-00644927-00CL
YORKVILLE CENTRAL INVESTMENTS INC. et al.
Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

SALE PROCEDURE ORDER

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APPENDIX H

From: Conway, Madam Justice Barbara (SCJ)
Sent: Wednesday, October 14, 2020 11:55 AM
To: Jeff.Larry@paliareroland.com
Cc: Weisz, Daniel <daniel.weisz@rsmcanada.com>; Tannenbaum, Bryan <bryan.tannenbaum@rsmcanada.com>; Berger, Jeff <jeff.berger@rsmcanada.com>; Elizabeth.Rathbone@paliareroland.com; amcewan@airdberlis.com; wgreenspoon@GARFINKLE.com; rshastri@ksllp.ca; callen@teplitskycolson.com; jwortzman@teplitskycolson.com; smitra@airdberlis.com; GruberD@bennettjones.com
Subject: RE: Cameron Stephens v. Yorkville Central et al.; CV-20-00644927-00CL - October 14 motion
Importance: High

The Receiver's motion for approval of a sales process, stalking horse bid and related matters proceeded before me today by Zoom. Counsel slip is attached.

The motion is unopposed.

I am satisfied that the order should be granted. The sales process is in keeping with my endorsement of October 5th and will see the properties exposed to the market while proceeding on a relatively expeditious time frame. The bid deadline is November 24th, almost six weeks away.

The stalking horse bid is acceptable. The break fee represents 2.4% of the purchase price, which is reasonable and within the range approved by this court: *Danier Leather Inc. (Re)*, 2016 ONSC 1044 (CanLII) at paras. 41 to 45.

The listing by Colliers is acceptable. I note that Colliers is incentivized by the commission structure to obtain a bid that is higher than the stalking horse bid.

Order to go as signed by me and attached to this email. The order is effective from today's date and is enforceable without the need for entry and filing.

I am granting a sealing order with respect to the Receiver's Confidential Appendix H and the Colliers Listing Agreement. I am satisfied that the *Sierra Club* test has been met for these materials. **On the resumption of regular court operations, it will be the responsibility of counsel for the Receiver to ensure that the subject materials are properly identified and protected under seal in the court file.**

Once the sales process has played out, this matter may be scheduled to return before me as soon as possible.



Superior Court of Justice (Toronto)

COUNSEL SLIP

MATTER: ***CAMERON STEPHENS MORTGAGE CAPITAL LTD. V. YORKVILLE INVESTMENTS INC. ET AL.***

COURT FILE NO.: CV-20-00644927-00CL

HEARING DATE: October 14, 2020, 11:30 A.M.

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APPENDIX I

110-116

AVENUE ROAD

TORONTO, ONTARIO

CONFIDENTIAL INFORMATION MEMORANDUM

COURT-APPOINTED RECEIVERSHIP SALE





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EXECUTIVE SUMMARY

// MERE SECONDS AWAY FROM CANADA'S MOST COVETED RETAIL, RESTAURANTS AND OVERALL LIFESTYLE //

Welcome to luxury. Welcome to The Mink Mile. Welcome to top Universities. Welcome to 110 – 116 Avenue Road, Toronto (the Property).

The Property is a prime assembly of real estate inclusive of a vacant lot and buildings offering an exciting opportunity for a multi-story mixed-use development in The Annex directly fronting on Yorkville, Toronto, Canada's Premier "A" Class neighbourhood. With a history unmatched in cache, it beckons to the wealthy and refined resident. Mere seconds away from Canada's most coveted retail, restaurants and overall lifestyle, the Property is a rare offering to be certain. Access to rapid and overall public transit is best-in-class.

This offering provides developers with the unique opportunity to present luxury living, luxury grocery, luxury dining and luxury society to the most discerning. This "is" the place to be.

The Annex & Yorkville is the place to see and be seen. The reimagining of the Park Hyatt, the ultimate in luxury shopping, exquisite dining and boutique hotels encapsulates the essence of the Property.

The Annex & Yorkville neighbourhoods is flanked by the nicest and most luxurious neighbourhoods in Toronto including Forest Hill, The Annex and Rosedale. Mass transit is mere steps from the Property and access to key arterial roadways is supreme.





KEY HIGHLIGHTS

- Located in Toronto's premier luxury living neighbourhood
- Designated as Mixed Use in the Official Plan
- Located within the boundaries of the Downtown Secondary Plan - 41 and is designated Mixed Use Areas 3 - Main Street Development in Mixed Use Areas 3 will be in the form of mid-rise buildings, with some low-rise and tall buildings permitted based on compatibility
- Property located within boundaries of East Annex Heritage Conservation District Study (HCD)
- HCD zoned the Property as Low Density Mixed Commercial - Residential (CR L1 U100 - 1.5x coverage as a constant)
- Approximately 750 metres from Museum TTC Subway Station - Yonge University Line
- Existing zoning is Commercial Residential CR 1.5 (c1.0; r1.0) SS2 (x1923), with a maximum as of right combined density of 1.5 times the lot area, 1.0 times the lot area for commercial and 1.0 times the lot area for residential. Maximum permitted height is 12.0 metres under the existing zoning. A zoning by-law amendment will be required for the increased height and density noted in the proposed mid-rise development contained herein.

PROPERTY OVERVIEW

// **GENERATIONAL OPPORTUNITY FOR DEVELOPER PROSPECTS AND HOME BUYERS WHO ARE LOOKING FOR A COMBINATION OF CACHE, CONVENIENCE, TRANSIT ORIENTED, CHARACTER FILLED, LIVABILITY AND COMMUNITY VALUES** //



The Property is a mix of vacant land and existing buildings that are located on the West side of Avenue Road, North of Bloor Street West and South of Davenport Road with a lot size of 15,053 SF, offering a very rare acquisition and development opportunity in Canada's premier luxury neighbourhood. Its special location in the heart of a decades long storied locale making it a generational opportunity for developer prospects and home buyers who are looking for a combination of cache, convenience, transit oriented, character filled, livability and community values.

The Property is located within mere minutes walking distance to top restaurants, exquisite retail shopping, many of Toronto's top hotels, fine grocers, and a bevy of amenities from fitness to adventure. Walking trails abound and nature beckons as you stroll about the general area. University of Toronto's main campus and various private schools are located within 4 blocks walking distance.

There are many high-rise condominium buildings under construction in the immediate area with the missing component being boutique mid-rise living which the Property makes available.

Address	110, 112, 114 & 116 Avenue Road, Toronto
Legal Description	PIN No. 21214-0194: PT LT 3 PL 742 CITY EAST AS IN EM50567; TORONTO; CITY OF TORONTO and known municipally as 110 Avenue Road, Toronto; PIN No. 21214-0195: PT LT 3-4 PL 742 CITY EAST AS IN CA739828; TORONTO, CITY OF TORONTO and known municipally as 112 Avenue Road, Toronto; PIN No. 21214-0196: PT LT 4 PL 742 CITY EAST AS IN CT963202; TORONTO, CITY OF TORONTO and known municipally as 114 Avenue Road, Toronto; PIN No. 21214-0221: LT 1 PL 639 CITY EAST SIT & T/W CA628958; TORONTO; CITY OF TORONTO and known municipally as 116 Avenue Road, Toronto
Total Lot Size	15,053 SF (as per MPAC)
Zoning	Commercial Residential - CR1.5(c1:r1)*1923)
Official Plan	Mixed Use Areas
Secondary Plan	41 - Downtown Plan - Mixed Use Area 3
Heritage	East Annex Heritage Conservation District



Tenancy Details	
110 Avenue Rd (Incl. HST)	1 Commercial Unit: Ground Floor (\$9,605 / month) 3 Residential Units: Apt.1 (Vacant) Apt.2 (\$1,881.80 / month) + hydro Apt.3 (TBC)
112 Avenue Rd	1 Residential Unit = Vacant
114 Avenue Rd	Vacant Building
116 Avenue Rd	Vacant Lot

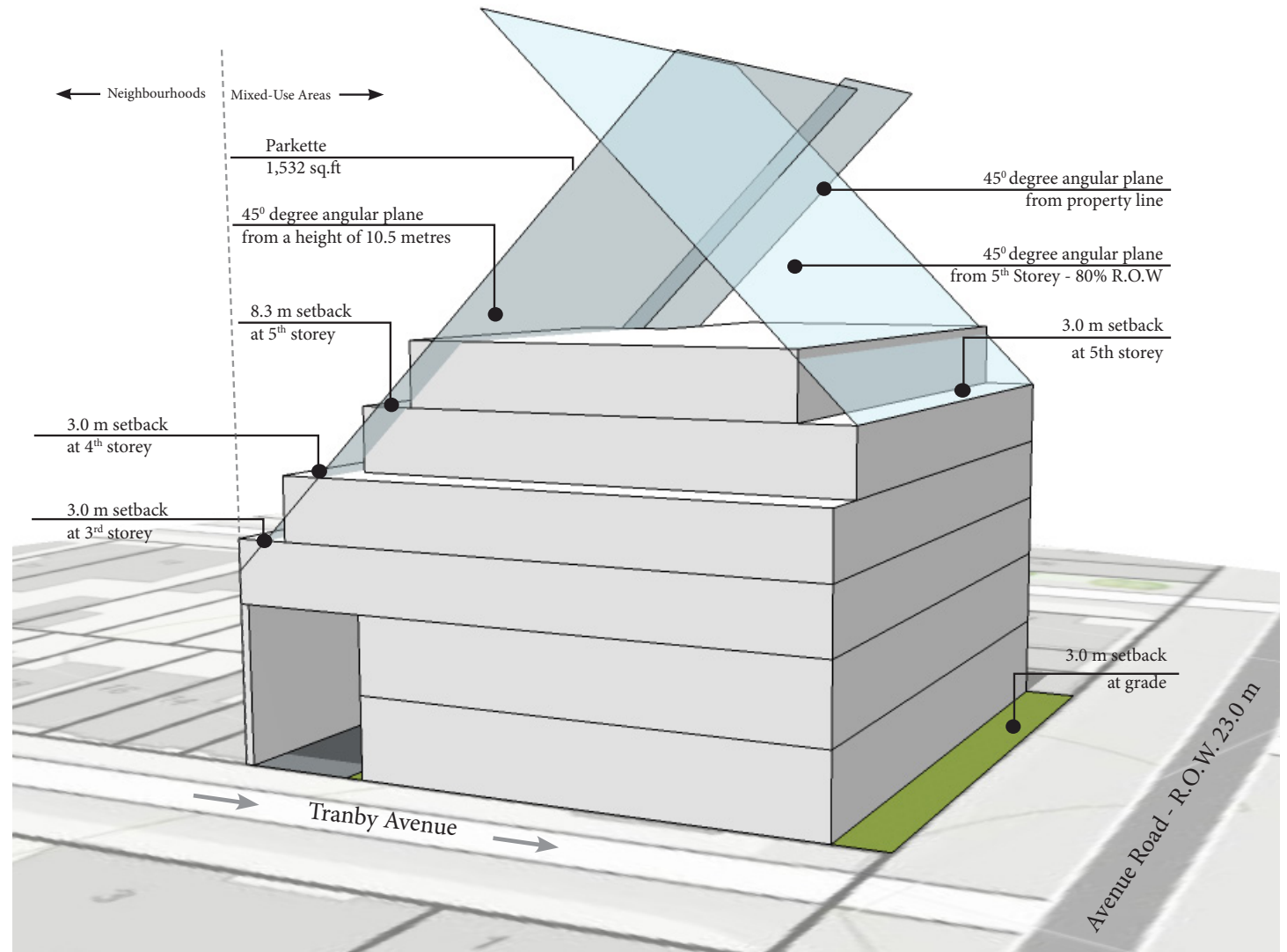
PLANNING OVERVIEW

6-STOREY - MIDRISE BUILDING

DEVELOPMENT POTENTIAL

The development potential of the Property is a 6-storey mid-rise building which transitions down in height as it approaches the residential low-rise neighbourhood to the west. The building will have a pedestrian oriented podium of 5-storeys. To provide for transition to the low-rise Neighbourhoods to the west, we have assumed that the City would likely require that a 45-degree angular plane be applied to the west face of the building. If the City were to apply a Mid-Rise Guidelines approach to the Avenue Road frontage (i.e. a 45-degree angular plane above a height equal to 80% of the right-of-way width), a street wall height of approximately 5-storeys would be permitted, with a step-back of 3.0 metres to the 6th storey. To the north, it is our opinion that the building would not require a setback as it is assumed that the facade would be a blank wall with no windows. As to the south facade the building will need to be setback 3.0 metres from the south lot line above the 4th storey. This massing assumes 3.0 metres setback at grade from the east and 0.0 metres south lot line.

It is important to note that this massing concept will be subject to an Official Plan Amendment and Zoning by-law amendment to permit increased height and density.



Project Statistics							
	GCA		GFA		NSA		
	Sq. m.	Sq. ft.	Sq. m.	Sq. ft.	Sq. m.	Sq. ft.	
1	894	9,625	849	9,144	671	7,219	
2	809	8,713	769	8,277	607	6,534	
3	975	10,491	926	9,966	731	7,868	
4	909	9,780	863	9,291	681	7,335	
5	760	8,176	722	7,767	570	6,132	
6	609	6,551	578	6,223	456	4,913	
Total GCA	4,955	53,334	4,707	50,668	3,716	40,001	
Building Efficiency	100%		95%		75%		
Site Area	1,398	15,053					
FSI	3.37						

PLANNING RATIONALE

City of Toronto Official Plan

The Property is designated as Mixed Use in the City of Toronto Official Plan - Map 17. Mixed Use Areas are made up of commercial, residential and institutional uses, in single use or mixed-use buildings, as well as parks and open spaces and utilities. It is also within the boundaries of the Downtown and Central Waterfront - Official Plan Urban Structure Map 2. The Property fronts on Avenue Road, which has a right of way (R.O.W) of 23 metres.

T0core Downtown Plan - 41 Secondary Plan

The Property is located within the boundaries of the Downtown Secondary Plan - 41 and is designated Mixed Use Areas 3 - Main Street. The areas contained within Mixed Use Areas 3 will have a main street character and include a diversity of uses such as retail, services, restaurants, and small shops at grade with residential and commercial uses above. Development in Mixed Use Areas 3 will be in the form of mid-rise buildings, with some low-rise and tall buildings permitted based on compatibility. The assessment of mid-rise development proposals are informed by the Mid-Rise Buildings policies.

East Annex Heritage Conservation District Study

The Property is zoned as Low Density Mixed Commercial - Residential (CR L1 U100 - 1.5x coverage as a constant) for properties on Avenue Road north of Elgin Avenue, including Tranby Terrace; an (CR L2 U150) for properties on Davenport Road. It is also designated within Avenue Road character Area which states that properties north of Elgin Avenue tend to be significantly under the permissible density.

Transportation

The Property is approximately 750 metres from Museum TTC Subway Station - Yonge University Line 1. Lands within 500-800 metres of all existing or planned rapid transit stations within the Downtown Core will be planned to be transit-supportive and, where appropriate, to achieve multi-modal access to stations and connections to major trip generators.

Zoning By-Law 569-2013

The Property is zoned as Commercial Residential CR 1.5 (c1.0; r1.0) SS2 (x1923), with a maximum as of right density combined density of 1.5 times the lot area, 1.0 times the lot area for commercial and 1.0 times the lot area for residential. The maximum permitted height on the Property is 12.0 metres. The Property is also within Policy Area 1, which permits a reduced parking space rate per occupancy.

In the CR zone, the following uses are permitted under the letter "c" in the zone; Ambulance Depot, Art Gallery, Artist Studio, Automated Banking Machine, Community Centre, Courts of Law Education Use, Financial Institution, Fire Hall, Library, Massage Therapy, Medical Office, Museum, Office Park, Passenger Terminal, Performing Arts Studio, Personal Service Shop, Pet Services, Police Station Post-Secondary School, Production Studio, Religious Education Use, Software Development and Processing Veterinary Hospital, Wellness Centre.

In the CR zone, the following uses are permitted under the letter "r" in the zone label; Dwelling Unit in a permitted building type (Apartment Building, Mixed Use building, Townhouse), Hospice Care Home, Municipal Shelter, Nursing Home, Religious Residence, Residential Care Home, Respite Care Facility, Retirement Home, Student Residence.

In the CR zone, the following uses are permitted under the letter "c" in the zone label referred to in regulation 40.5.1.10(3)(A)(i) if they comply with the specific associated conditions; Amusement Arcade, Cabaret, Club, Cogeneration Energy, Custom Workshop, Day Nursery, Drive Through Facility, Eating Establishment, Entertainment Place of Assembly, Funeral Home, Hotel, Laboratory, Nightclub, Outdoor Patio, Outdoor Sales or Display, Place of Assembly, Place of Worship, Private School, Public Parking, Public School, Public Utility, Recreation Use, Renewable Energy, Retail Service, Retail Store, Service Shop, Sports Place of Assembly, Take-out Eating Establishment, Transportation Use, Vehicle Dealership, Vehicle Fuel Station, Vehicle Service Shop, Vehicle Washing Establishment. In the CR zone, the following uses are permitted under the letter "r" in the zone label referred to if they comply with the specific associated conditions; Crisis Care Shelter, Group Home, Home Occupation, Private Home Daycare, Rooming House, Secondary Suite, Seniors Community House, Short-term Rental, Tourist Home.

Exception CRx1923

The lands, or a portion thereof as noted below, are subject to the following Site-Specific Provisions, Prevailing By-laws and Prevailing Sections:

Site Specific Provisions:

- On a lot, a vehicle fuel station, vehicle washing establishment, vehicle service shop, vehicle repair shop, or public parking is not a permitted use. This exception does not apply to 528-532 Bloor St. W. and the block bounded by Huron St., Prince Arthur Avenue, St. George St., and Bloor St. W. except for the lands on the north side of Bloor St. W. within 28.96 metres of the intersection of Huron St. and Bloor St. W.

Prevailing By-laws and Prevailing Sections:

- Section 12(1) 251 of former City of Toronto By-law 438-86;
- Section 12(2) 132 of former City of Toronto By-law 438-86; and
- Section 12(2) 270(a) of former City of Toronto By-law 438-86.



AREA OVERVIEW



// **YORKVILLE IS ONE OF TORONTO'S MOST DYNAMIC NEIGHBOURHOODS. IT IS AN ECLECTIC MIX OF LUXURY CONDOMINIUM APARTMENT BUILDINGS, COMMERCIAL OFFICE TOWERS, LUXURY HOTELS, THEATRES, GOURMET RESTAURANTS, A PRESTIGIOUS SHOPPING DISTRICT AND PICTURE POSTCARD VICTORIAN HOMES.** //

History

Yorkville was named after the Town of York, the forerunner to the City of Toronto. Yorkville was incorporated as a Village in 1853. The initials and trades of Yorkville's first council members are displayed on the Village coat of arms which is now on the tower of the historic Yorkville Fire Hall, located at 34 Yorkville Avenue. In 1883, Yorkville had the distinction of being the first village annexed by the City of Toronto. Despite being part of a big city, Yorkville has always maintained its own identity. It had gained notoriety first as a hippie haven in the 1960's, and then became known as a shopping mecca in the 1980's and 1990's.

Overview

Yorkville is one of Toronto's most dynamic neighbourhoods. It is an eclectic mix of luxury condominium apartment buildings, commercial office towers, luxury hotels, theatres, gourmet restaurants, a prestigious shopping district and picture postcard Victorian homes. The commercial heart of Yorkville is located on both Yorkville Avenue and on Cumberland Street. The transition to Yorkville's quiet residential pocket is gradual, as Victorian houses shift from retail to residential uses in a seamless pattern that is uniquely Yorkville.

Lifestyle

Bloor-Yorkville is Canada's pre-eminent shopping district. Its many specialty stores, fashion boutiques, jewelry stores, antique shops, and art galleries are a destination point for tourists, as well as Torontonians from all over the city. Yorkville's shops and restaurants are in pretty Victorian houses on Yorkville Avenue, Hazelton Avenue, Cumberland Street and Scollard Street. The Hazelton Lanes shopping centre located at 55 Avenue Road features many exclusive shops and restaurants.



Recreation

The Village of Yorkville Park located at 115 Cumberland Street has won numerous design awards for its thematic landscape based on elements of Yorkville history as well as the Canadian landscape. The rock in the centre of the park is from the Canadian Shield. It weighs 650 tonnes and is 1 billion years old. Ramsden Park is located at the north end of Yorkville, off Yonge Street. This large city park includes four tennis courts, an artificial ice rink, a children's playground, and a wading pool. The Yorkville Public Library, at 22 Yorkville Avenue, is an intimate library geared towards the local community. It includes programs for both children and adults. The Metropolitan Toronto Reference Library at 789 Yonge Street is Canada's largest and most extensive reference library. The George R. Gardiner Museum of Ceramic Art, the Royal Ontario Museum, and the McLaughlin Planetarium are all within walking distance of this neighbourhood. The Manulife Centre situated at the south-east corner of Bay and Bloor features 12 state-of-the-art movie theatres.

Transportation

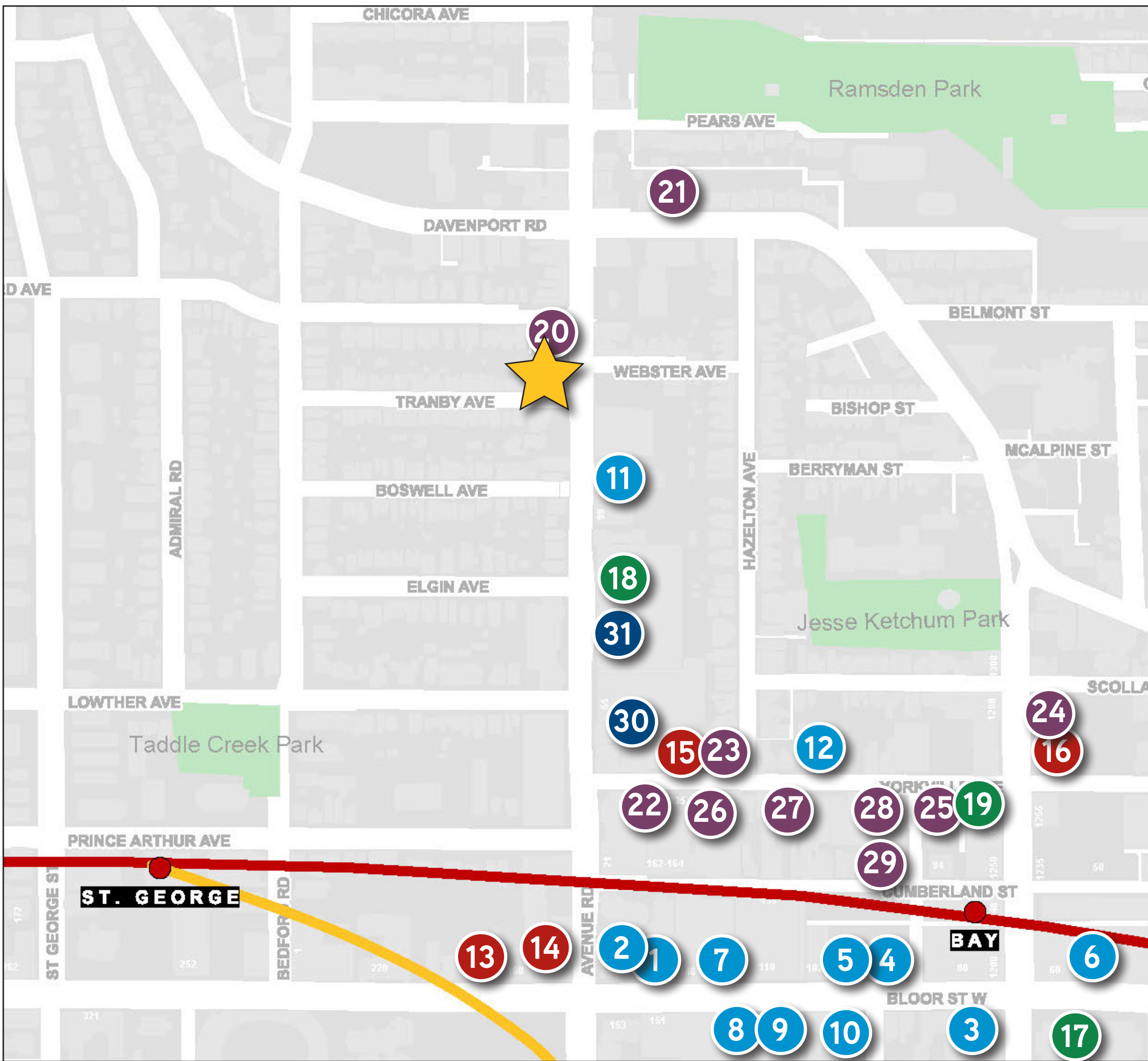
Yorkville is ideally located within walking distance of the Bloor/Yonge subway station on the Yonge-University-Spadina subway line. Museum and Bay subway stations are in close proximity to the Property. For those commuting by car, the Don Valley Parkway is approximately five minutes from Yorkville.

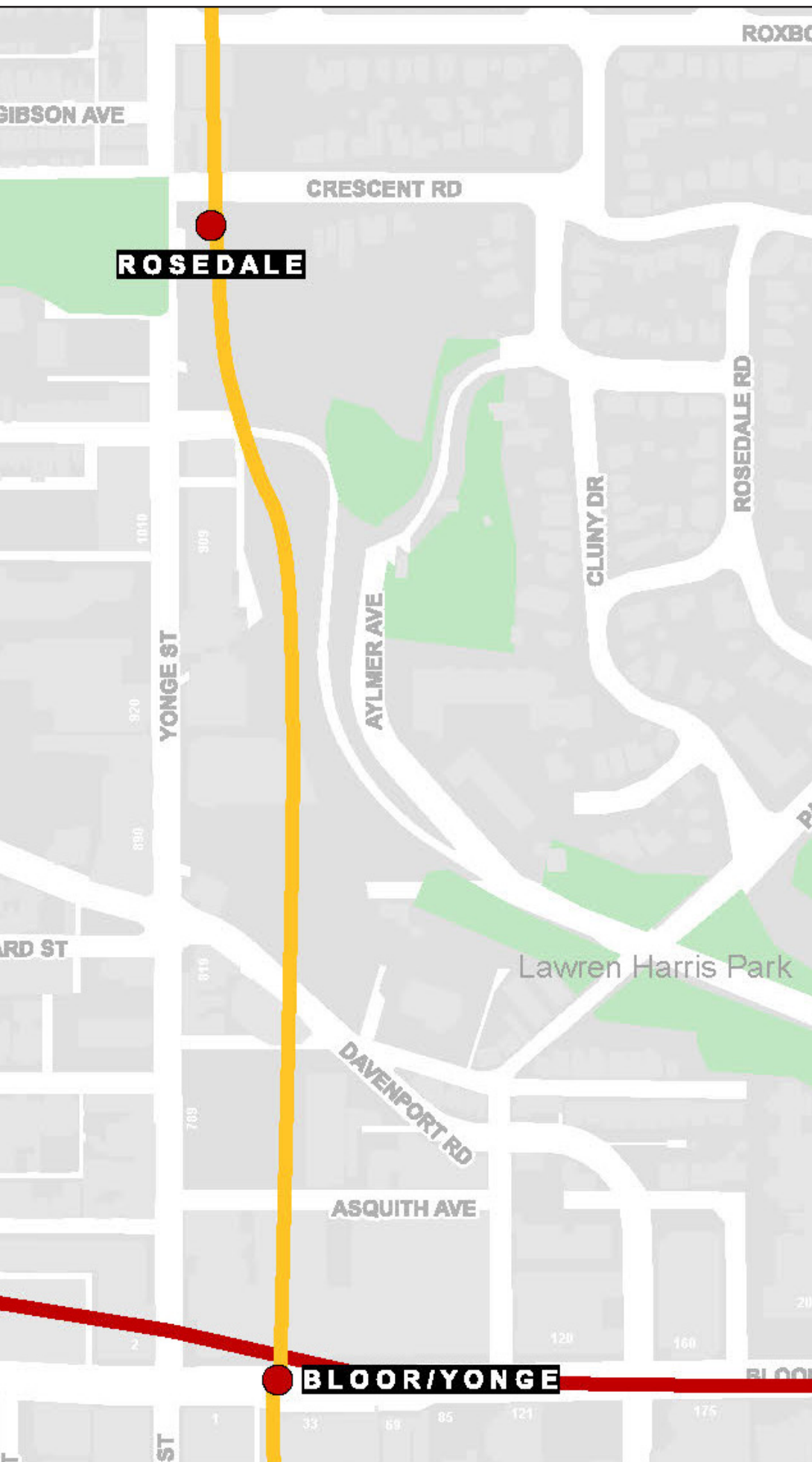
Demographics

The overall population of the .5 +/- square kilometre area that makes up the neighbourhood of Yorkville is approximately 6,045 people but populations swell daily as residents from across the Greater Toronto Area descend at all times of day for reasons relating to shopping, dining, schooling and exploring.

The average annual income is above \$100,000 pre year and roughly 72% of residents in Yorkville proper own their home.







LOCAL AMENITIES





Shopping

1. Gucci
2. Louis Vuitton Toronto Bloor Street
3. Sephora
4. Hermes
5. Harry Rosen
6. Holt Renfrew
7. Burberry
8. Cartier
9. William Ashley
10. Royal De Versailles Jewellers-Rolox
11. Ferrari of Toronto
12. Chanel

Hotel

13. InterContinental Toronto Yorkville
14. Park Hyatt Toronto
15. The Hazelton Hotel
16. Four Seasons

LEGEND

-  TTC Subway Station
-  TTC Line 1
-  TTC Line 2
-  Parks

Groceries

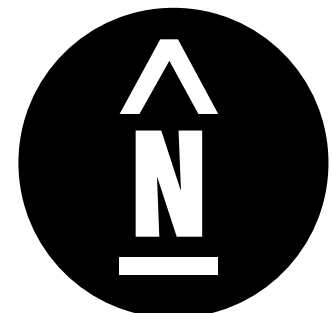
17. Eataly
18. Whole Foods
19. Pusateri's Fine Foods

Restaurants

20. Ristorante Sotto Sotto Toronto
21. Joso's
22. STK Steakhouse
23. ONE Restaurant
24. d|bar
25. Trattoria Nervosa
26. Cibo Wine Bar Yorkville
27. Kasa Moto
28. Yamato Japanese Restaurant
29. Sassafraz

Amenities

30. SoulCycle YKVL - Yorkville
31. Equinox Yorkville



DEVELOPMENT ACTIVITY



10 PRINCE ARTHUR

Developer	North Drive
Storeys	7
Units	29
Lot Size	22,615 SF
GFA	86,090 SF
FSI	3.81
Est. Price PSF	\$2,000+

121 AVENUE ROAD

Developer	Zinc Developments
Storeys	11
Units	8
Lot Size	5,791 SF
GFA	40,634 SF
FSI	7.02
Est. Price PSF	\$2,000+

346 DAVENPORT

Developer	Freed Developments
Storeys	9
Units	34
Lot Size	39,095 SF
GFA	97,769SF
FSI	2.5
Price PSF	\$1,512



MINTO YORKVILLE PARK
88 Cumberland Street

Developer	Minto & North Drive
Storeys	25
Units	196
Lot Size	14,170 SF
GFA	174,914 SF
FSI	12.3
Price PSF	\$1,487



ONE TWENTY EIGHT HAZELTON
128 Hazelton Avenue

Developer	Mizarahi Developments
Storeys	9
Units	21
Lot Size	9,143 SF
GFA	58,343 SF
FSI	6.38
Price PSF	\$1,585



AVENUE 151 YORKVILLE
151 Avenue Road

Developer	Dash Developments
Storeys	10
Units	72
Lot Size	12,174SF
GFA	86,919 SF
FSI	7.14
Price PSF	\$1,898



CUMBERLAND AT YORKVILLE..
200 Cumberland Street

Developer	Camrost Felcorp
Storeys	40
Units	306
Lot Size	41,831 SF
GFA	655,350 SF
FSI	15.67
Price PSF	\$2,374

SALE PROCEDURE

**BID DATE: NOVEMBER 24, 2020
BY 3:00 P.M. CONTACT LISTING
AGENTS FOR DETAILS**

**ALL INQUIRIES REGARDING THE
PROPERTY OR ANY INFORMATION
CONTAINED IN THIS CIM SHOULD BE
DIRECTED TO THE UNDER-NOTED ON
BEHALF OF THE VENDOR**

STEVE KEYZER

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Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the “Court”) dated September 11, 2020 (the “Appointment Order”), RSM Canada Limited was appointed receiver and manager, without security, (the “Receiver”) of the lands and premises municipally known as 110 Avenue Road, Toronto, Ontario, 112 Avenue Road, Toronto, Ontario, 114 Avenue Road, Toronto, Ontario and 116 Avenue Road, Toronto, Ontario (collectively, the “Avenue Road Properties”) owned by the Debtors and for all of the assets, undertakings and properties of the Debtors acquired for, or used in relation to the Avenue Road Properties, including all proceeds thereof.

On October 14, 2020, the Court made an order (the “Sale Procedure Order”) among other things, approving (a) the Receiver entering into an asset purchase agreement, dated October 9, 2020, as may in the future be supplemented, amended or restated from time to time (the “Stalking Horse Agreement”), relating to the Avenue Road Properties with that sets a minimum floor price in respect of the Receiver’s sales process; and (b) this Sale Procedure for the solicitation of offers or proposals (each a “Bid”) for the acquisition of the Avenue Road Properties.

RSM Canada Limited (the “Vendor”) in its capacity as Receiver of the Avenue Road Properties, (the “Property”) has retained Colliers International (the “Advisor”) on an exclusive basis to offer the Property for sale.

The Vendor invites interested parties to submit an executed agreement of purchase and sale in a form to be provided by the Receiver and mark-up to reflect the bidder’s proposed changes to such agreement (the “Modified APA”) to Colliers International.

The Sale Procedure governs the proposed sale of all of the Avenue Road Properties. The Sale Procedure and governs the sales process relating to the solicitation by the Receiver and Advisor of one or more bids for the Avenue Road Properties that are superior to that contemplated by the Stalking Horse Agreement. The Stalking Horse Bidder, or a person related thereto, is entitled to make a bid.

Stalking Horse Purchase Price

Sixteen Million One Hundred Thousand Dollars (\$16,100,000.00) CAD

Expense Reimbursement

In consideration for the Stalking Horse Bidder’s expenditure of time and money in acting as the initial bidder in the Sale Procedure and the preparation and negotiation of the Stalking Horse Agreement and subject to the terms and conditions of that agreement and of the Sale Procedure Order, upon termination of the Stalking Horse Agreement by the Receiver or the closing of a sale and a transfer of the Avenue Road Properties to one or more parties other than the Stalking Horse Bidder or a person related thereto (an “Alternative Transaction”), the Receiver has agreed to reimburse the Stalking Horse Bidder for its expenses in connection with the transaction (the “Expense Reimbursement”) in an amount of \$385,000.00 from the proceeds of an Alternative Transaction.

Minimum Purchase Price for Bids

The minimum purchase price of any Bid must be \$16,610,000.00 representing the sum of the Stalking Horse Purchase Price plus the Expense Reimbursement plus \$125,000.00.

“As Is, Where Is”

The sale of the Avenue Road Properties pursuant to this Sale Procedure shall be on an “as is, where is” basis and without representations or warranties of any kind, nature, or description by the Vendor.

Bid Date

November 24, 2020 – 3:00PM

Bid Requirements

In order to be considered as a Qualified Bidder, as determined by the Receiver, a Bid must satisfy each of the following conditions:

- a. Written submission of the Modified APA. A Bid must be submitted by the Bid Date in the form of a Modified APA (together with a blackline of the Modified APA against the Stalking Horse Agreement), which must constitute a written and binding commitment to close on the terms and conditions set forth therein;
- b. Irrevocable. A Bid must be received by the Bid-Date and must be irrevocable until the date on which the Receiver obtains court approval of the Successful Bid,
- c. Conditions. A Bid may not be conditional on obtaining financing or any internal approval or on the outcome or review of due diligence. Any other terms and conditions associated with a bid may not, in aggregate, be more burdensome than those set forth in the Stalking Horse Agreement;
- d. Financing Sources. A Bid must be accompanied by written evidence of a commitment for financing or other evidence of the ability to consummate the transaction satisfactory to the Receiver and appropriate contact information for such financing sources must be provided;
- e. No Fees payable to Qualified Bidder. A Bid may not request or entitle the Qualified Bidder to any break fee, expense reimbursement or similar type of payment, other than to the Stalking Horse Bidder as referred to herein;
- f. Good-Faith Deposit. Each Bid must be accompanied by a Good Faith Deposit of One Million Dollars (\$1,000,000.00) CAD that shall be paid to the Receiver’s counsel by wire transfer or banker’s draft, to be held by the Receiver’s counsel in trust in accordance with this Sale Procedure and which shall constitute the Deposit under the Modified APA; and
- g. Purchase Price. The purchase price in a bid must be in excess of the Minimum Purchase Price for Bids.

The Receiver shall be entitled to seek additional information and clarifications from bidders in respect of their bids at any time.

Determination of Successful Bid

If one or more Qualified Bids (in addition to the Stalking Horse Bid) is received by the Bid Date the Receiver shall, by December 4, 2020: (i) conduct an auction amongst the Qualified Bidders, on terms to be determined by the Receiver and communicated to the Qualified Bidders; and/ or (ii) otherwise negotiate with the Qualified Bidders to determine the successful bidder and a backup bid (the “Back-up Bid”), if any.

Upon determination of the Successful Bid and the Back-up Bid, if any, the Receiver shall as soon as reasonably practicable seek approval of, and authority to consummate, the Successful Bid and the transactions provided for therein at the Court hearing on motion by the Receiver for an Order to approve the sale of the Avenue Road Properties to the Successful Bidder and the Receiver shall post notice of its application to Court for approval of the Successful Bid on its website established in connection with the receivership proceeding.

Return of Good Faith Deposit

Good Faith Deposits of all Qualified Bidders shall be held in a non-interest bearing account of the Receiver’s counsel. Good Faith Deposits of all Qualified Bidders, other than the Successful Bidder and the Back-up Bidder, shall be returned, without interest, to such Qualified Bidders within three (3) business days after the selection of the Successful Bidder and the Back-up Bidder

Site Visits

Property tours should be coordinated through Colliers International and will occur by private appointment. To arrange a tour, prospective purchasers should contact:

Steve Keyzer - 416 643 3770 - Steve.Keyzer@colliers.com
Ian Gragtmans - 416 643 3784 - Ian.Gragtmans@colliers.com

Return of Documents and Properties

Upon request, the Vendor and the Advisor shall have the right to request the recipient to promptly return the Confidential Information Memorandum (the “CIM”) and/ or any additional information made available by the Vendor and the Advisor and any copies thereof which the recipient may have made, have access to and control of, or may

receive or possess during the period of review of the offering or the Subject Property or the discussions and/ or business relationship between the parties.

Disclaimer

Neither the Vendor nor the Advisor, nor any of their respective affiliates, directors, officers, shareholders, employees, agents, solicitors, accountants, advisors or other representatives, makes any representations, declarations or warranties, express or implied, as to the accuracy or completeness of the information or statements contained in this CIM, the additional information (the “Additional Information”), or of any other information given or statements made by any of them and such material, information, or statements should not be relied upon by prospective Purchasers without independent investigation and verification. All material, information, or statements are provided as a convenience to prospective purchasers only.

The Vendor, the Advisor and their respective affiliates, directors, officers, shareholders, employees, agents, solicitors, accountants, advisors and other representatives expressly disclaim any and all liability for any errors or omissions contained in the initial Property Summary, the CIM or in the Additional Information or in any other oral or written communications given or made available to prospective purchasers.

This CIM is not, and under no circumstances is it to be construed to be, an offering of securities, a prospectus, a public offering, or an offering memorandum as defined under applicable securities legislation. No securities commission or regulatory authority in Canada, the United States of America or any other country has in any way passed judgment upon the merits of the opportunity to acquire the Property or the accuracy or adequacy of this CIM.

The Vendor and the Advisor reserve the right to withdraw, amend or replace all or any part of this CIM at any time and undertake no obligation to provide prospective purchasers with access to any additional information, including all or any of the Additional Information. In all cases, prospective purchasers should conduct their own investigation and analysis of the Property.

Any sale of the Property will be subject to the terms of an accepted Offer to Purchase, which will supersede all prior communications, including this CIM.

Prospective Purchasers are urged to read the Sale Procedure Order and are required to execute the Acknowledgement of Sale Procedure contained in the Advisor’s data room for the Property before submitting a Bid.

110-116 AVENUE ROAD

TORONTO, ONTARIO

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**TORONTO
URBAN**
REDEVELOPMENT
ADVISORY

Colliers
INTERNATIONAL



APPENDIX J

Date: December 8, 2020
Lender Solicitor: Garfinkle Biderman - Avrom Brown

Final Discharge Statement

Loan No: 3627-11
Borrower(s): Living Yorkville Development LP
Property Address: 110-112, 114 & 116 Avenue Road, Toronto
Closing Date: December 17, 2020

Interest Rate:	8.25%	Principal Balance	\$ 11,800,000.00
Maturity Date:	May 1, 2020	Property Tax:	
Payment Frequency:	Monthly	Escrow:	
Next Payment Due:	April 1, 2020	TOTAL PAYMENT:	\$ 12,843,056.49

3627-11- Principal Balance as at December 17, 2020	\$ 11,800,000.00
Loan 3627 Deferred - Princepal Balance as at December 17, 2020	\$ 50,000.00
Loan 3627 Deferred - Accrued Interest (December 1-17)	\$ 183.74
Loan 3627- Deferred- Unpaid Interest	\$ 806.33
3627-11-Accrued Interest (December 1-17, 2020)	\$ 45,695.63
3627-11-April - November Interest	\$ 754,873.14
3627-11-Extension fee (May 1 - December 1, 2020)	\$ 86,043.00
3627-11-Extension fee December 1, 2020 - January 1, 2021)	\$ 12,292.00
3627-11-Surplus Funds	\$ (52.78)
3627-11-NSF Fee	\$ 200.00
3627-11-Sub - Searches Fee	\$ 290.64
3627-11-Cassel Brock Invoice #2089261	\$ 3,551.60
3627-11-Administration Fee	\$ 1,050.00
3627-11-Chargeback Appraisal Invoice #TOR200891 & #8922	\$ 10,674.88
3627-11-Chargeback Appraisal Invoice #359016	\$ 13,051.50
3627-11-Chargeback Mortgage Enforcement invoice - Garfinkle Biderman (August 2020)	\$ 61,956.01
3627-11-Mortgage Enforcement invoice #6243-545 - Garfinkle Biderman (December 2020)	\$ 2,440.80
Total amount required in certified funds (1:00 p.m. December 17,2020)	\$ 12,843,056.49

CONDITIONS

This statement is correct only if all payments have been made and honoured and is subject to the correction of any errors or omissions. Should this transaction not close prior to the next payment due date then this statement will be void and Cameron Stephens Mortgage Capital Ltd. will require the **January 1st, 2021** payment made and a new statement requested.


Should the mortgage be in arrears, the "Principal Balance" will be as at the due date of the last paid installment. All taxes and other charges paid by us from the time of preparation to the closing date and not indicated on this statement, are the responsibility of the mortgagor.

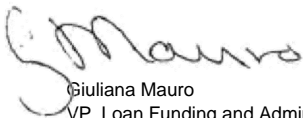
Certified Funds received after 1:00pm of the proposed discharge date will be subject to an additional daily interest charge of **\$2,855.98 and 3627-Def \$11.48**. If the proposed discharge date is on Friday, funds after 1:00pm will be subject to additional interest until the next business day.

It is the responsibility of your office to ensure that the appropriate discharge documents are prepared and forwarded to Cameron Stephens Mortgage Capital for execution. This includes any applicable PPSA discharge documentation.

This statement is valid up the last day of the current month of the expected payout date. Should the rate change prior to payout then this statement will be void and a new statement issued to reflect the change in the interest rate.

Yours truly,


Nathan Aumais
Funding Portfolio Manager


Giuliana Mauro
VP, Loan Funding and Administration

APPENDIX K

Chris G. Paliare
Ian J. Roland
Ken Rosenberg
Linda R. Rothstein
Richard P. Stephenson
Nick Coleman
Donald K. Eady
Gordon D. Capern
Lily I. Harmer
Andrew Lokan
John Monger
Odette Soriano
Andrew C. Lewis
Megan E. Shortreed
Massimo Starnino
Karen Jones
Robert A. Centa
Nini Jones
Jeffrey Larry
Kristian Borg-Olivier
Emily Lawrence
Tina H. Lie
Jean-Claude Killey
Jodi Martin
Michael Fenrick
Ren Bucholz
Jessica Latimer
Lindsay Scott
Alysha Shore
Denise Cooney
Paul J. Davis
Danielle Glatt
Lauren Pearce
Elizabeth Rathbone
Daniel Rosenbluth
Glynnis Hawe
Hailey Bruckner
Charlotté Calon
Catherine Fan
Douglas Montgomery
Shawna Leclair
Jesse Wright

COUNSEL

Stephen Goudge, Q.C.

HONORARY COUNSEL

Ian G. Scott, Q.C., O.C.
(1934 -2006)

Jeffrey Larry

T 416.646.4330 Asst 416.646.7404

F 416.646.4301

E jeff.larry@paliareroland.com

www.paliareroland.com

File 97792

December 3, 2020

VIA EMAIL

Daniel Weisz
Senior Vice-President
RSM Canada Limited
11 King St. W., Suite 700, Box 27,
Toronto, Ontario, Canada, M5H 4C7

Dear Mr. Weisz:

Re: Yorkville Central Investments Inc., Yorkville Central 2 Investments Inc., and Yorkville Central 3 Investments Inc. (collectively, the "Debtors")

You have asked us in your capacity as court-appointed receiver and manager over the lands and premises municipally known as 110 Avenue Road, Toronto, 112 Avenue Road, Toronto, 114 Avenue Road, Toronto and 116 Avenue Road, Toronto, having the legal description set out in Schedule "E" (the "**Properties**"), to review certain loan, security and related documentation relating to the Debtors' indebtedness to (i) Cameron Stephens Mortgage Capital Ltd. ("**Cameron Stephens**") and (ii) GC Capital Inc. ("**GC**") and, in particular, Cameron Stephens' and GC's respective security over the Properties.

SCOPE OF REVIEW

The scope of our review is limited to a) those security and related documents listed in Schedule "A" hereto and b) the Search Results (defined below) (collectively, the "**Documents**"). The only searches and inquiries conducted by us are those referred to in this letter, the results of which are summarized in Schedule "D" attached hereto (the "**Search Results**").

We reviewed the Documents generally to identify any aspect of the Documents or any registrations which did not appear complete and regular on their face, or which appeared to raise material issues. We have also listed in Schedule "A" attached hereto documents that were not reviewed even though they are referenced in the Documents.

This report is limited to the laws of the Province of Ontario and the federal laws of Canada applicable therein. We express no opinion with respect to the validity of Documents to the extent such validity is governed by the laws of any other jurisdiction.

ASSUMPTIONS AND QUALIFICATIONS

Our opinion as to the validity of the Documents is subject to the assumptions and qualifications set out in Schedules "B" and "C", respectively, attached hereto.

SEARCH RESULTS

Corporate History

Our corporate search conducted on November 25, 2020 reveals that:

1. The Debtor, Yorkville Central Investments Inc., was incorporated on January 12, 2017 pursuant to the *Canada Business Corporations Act*.
2. The Debtor, Yorkville Central 2 Investments Inc., was incorporated on May 3, 2017 pursuant to the *Canada Business Corporations Act*.
3. The Debtor, Yorkville Central 3 Investments Inc., was incorporated on August 30, 2017 pursuant to the *Canada Business Corporations Act*.

Personal Property Searches

We conducted searches against the Debtors as noted in Schedule "D" under the following statutes:

1. *Bankruptcy and Insolvency Act* (Canada);
2. Section 427 of the *Bank Act* (Canada);
3. *Executions Act* (Ontario); and
4. *Personal Property Security Act* (Ontario) (the "PPSA").

The results of our searches are summarized in Schedule "D". The Province of Ontario does not have a system for registering title to personal property and, accordingly, we cannot confirm whether the Debtors hold title to any of the personal property referred to herein.

Real Property Searches

On November 25, 2020, we conducted a search of title to the Properties. The following is a summary of the results of the search and is not a full investigation of title to the Properties. Given the limited nature of a search, we do not express any opinion as to title to the Properties.

The parcel registers for the Properties which we obtained as part of our search shows the following registrations:

PIN No. 21214-0194 (LT)

1. Transfer to Yorkville Central 3 Investments Inc. registered on December 1, 2017 as instrument No. AT4748470;
1. Charge/Mortgage in favour of Cameron Stephens registered on December 1, 2017 as instrument No. AT4748471 (the “**CS Mortgage**”);
2. Notice of Assignment of Rents General to Cameron Stephens registered on December 1, 2017 as instrument No. AT4748472;
3. Charge/Mortgage in favour of GC registered on December 3, 2018 as instrument No. AT5022192 (the “**GC Mortgage**”);
4. Notice of Assignment of Rents General to GC registered on December 3, 2018 as instrument No. AT5022193;
5. Certificate of Pending Litigation in favour of SC Land Inc. against Yorkville Central 3 Investments Inc., Yorkville Central 2 Investments Inc., and Yorkville Central Investments Inc., registered on June 26, 2020 as instrument No. AT5461718.

PIN No. 21214-0195 (LT)

1. Transfer to Yorkville Central 3 Investments Inc. registered on December 1, 2017 as instrument No. AT4748470;
2. The CS Mortgage;
3. Notice of Assignment of Rents General to Cameron Stephens Mortgage Capital Ltd. registered on December 1, 2017 as instrument No. AT4748472;
4. The GC Mortgage;
5. Notice of Assignment of Rents General to GC registered on December 3, 2018 as instrument No. AT5022193;
6. Certificate of Pending Litigation in favour of SC Land Inc. against Yorkville Central 3 Investments Inc., Yorkville Central 2 Investments Inc., and Yorkville Central Investments Inc., registered on June 29, 2020 as instrument No. AT5462671.

PIN No. 21214-0196 (LT)

1. Transfer to Yorkville Central 2 Investments Inc. registered on June 30, 2017 as instrument No. AT4615549;
2. The CS Mortgage;
3. Notice of Assignment of Rents General to Cameron Stephens registered on December 1, 2017 as instrument No. AT4748472;
4. The GC Mortgage;
5. Notice of Assignment of Rents General to GC registered on December 3, 2018 as instrument No. AT5022193;
6. Certificate of Pending Litigation in favour of SC Land Inc. against Yorkville Central 3 Investments Inc., Yorkville Central 2 Investments Inc., and Yorkville Central Investments Inc., registered on June 26, 2020 as instrument No. AT5461718.

PIN No. 21214-0221 (LT)

1. Transfer to Yorkville Central Investments Inc. registered on April 4, 2017 as instrument No. AT4529868;
2. The CS Mortgage;
3. Notice of Assignment of Rents General to Cameron Stephens registered on December 1, 2017 as instrument No. AT4748472;
4. The GC Mortgage;
5. Notice of Assignment of Rents General to GC registered on December 3, 2018 as instrument No. AT5022193;
6. Certificate of Pending Litigation in favour of SC Land Inc. against Yorkville Central 3 Investments Inc., Yorkville Central 2 Investments Inc., and Yorkville Central Investments Inc., registered on June 26, 2020 as instrument No. AT5461718.

Execution searches were conducted against the Debtors in Ontario on November 25, 2020. These searches revealed that there were no writs of execution registered against the Debtors.

CERTIFICATE OF STATUS

We obtained certificates of compliance dated November 27, 2020 in respect of the Debtors issued by Innovation, Science and Economic Development Canada confirming the corporate existence of the Debtors as at that date.

SECURITY REVIEW

Subject to the assumptions and qualifications set out in this letter, we have the following comments and opinions with respect to the Documents.

Cameron Stephens Loan

Pursuant to a commitment letter dated October 30, 2017, Cameron Stephens loaned Living Yorkville Development LP the principal amount of \$11,800,000.00.

As security for the loan, Living Yorkville Development LP granted to Cameron Stephens a first-ranking charge over the Properties (being the CS Mortgage) as well as a general assignment of rents and a general security agreement in favour of Cameron Stephens.

We understand that the indebtedness, liabilities and obligations of the Debtors to Cameron Stephens was guaranteed by the Debtors' principal, Macario Teodoro Reyes, in favour of Cameron Stephens (the "**CS Guarantee**"), however we have not reviewed the CS Guarantee or any associated documents in connection with this opinion.

In respect of Cameron Stephens' loan to the Debtors:

1. *CS Mortgage*. The CS Mortgage grants, by its terms, a fixed, first-ranking charge on each of the Properties in favour of Cameron Stephens.
2. *Assignment of Rents*. The Assignment of Rents was registered against titles to the Properties on December 1, 2017. The Assignment of Rents provides that the Debtors assigned to Cameron Stephens all interest in the rents derived from the Properties.
3. *PPSA Registrations*. Cameron Stephens is registered as a secured party against, among other things, the Debtors' inventory, equipment, and accounts situated in Toronto.

GC Loan

Pursuant to a commitment letter dated November 29, 2018, GC loaned Living Yorkville Development LP and Port Capital Development (Avenue) Inc. the principal amount of \$2,500,000.00.

As security for the loan, the Debtors granted to GC a second-ranking charge over the Properties (being the GC Mortgage) as well as a general assignment of rents and a general security agreement in favour of GC.

We understand that any and all of the indebtedness, liabilities and obligations of the Debtors to GC was guaranteed by the Debtors' principal, Macario Teodoro Reyes as well as Port Capital Development Inc. in favour of GC (the "**GC Guarantee**"), however we have not reviewed the GC Guarantee or any associated documents in connection with this opinion.

In respect of GC's loan to the Debtors:

1. *GC Mortgage.* The GC Mortgage grants, by its terms, a fixed, second-ranking charge on each of the Properties in favour of GC.
2. *Assignment of Rents.* The Assignment of Rents was registered against titles to the Properties on December 3, 2018.
3. *PPSA Registrations.* GC is registered as a secured party against, among other things, the Debtors' inventory, equipment, and accounts.

OPINIONS WITH RESPECT TO VALIDITY AND PRIORITY OF SECURITY

In our opinion, based on the assumptions and subject to the qualifications set out herein, the CS Mortgage is a valid first charge on the Properties, and the GC Mortgage is a valid second charge on the Properties.

This review is provided to you in your capacity as court-appointed receiver of the Debtors pursuant to the order of the Honourable Madam Justice Dietrich dated September 11, 2020. This letter may not be relied on by any other person without our prior written consent.

Please do not hesitate to contact us if you wish to discuss any of the foregoing.

Yours very truly,
PALIARE ROLAND ROSENBERG ROTHSTEIN LLP



Jeffrey Larry
JL:ss
Encl.

SCHEDULE "A"**DOCUMENTS REVIEWED**

Documents not defined below shall have the meaning ascribed to them in the body of the security review letter.

Cameron Stephens Loan and Security Documents:

1. Charge/Mortgage granted by the Debtors in favour of Cameron Stephens, in the original principal sum of \$11,800,000.00, registered on December 1, 2017 as instrument No. AT4748471.
2. Notice of Assignment of Rents General in favour of Cameron Stephens registered on December 1, 2017 as instrument No. AT4748472.
3. General Security Agreement given by the Debtors, dated November 25, 2017, for all obligations, indebtedness, and liability of the Debtors to Cameron Stephens arising out of the CS Mortgage, perfected by a financing statement registered as no. 20171201 1057 1590 7706, file reference no. 734535558.

GC Loan and Security Documents:

1. Charge/Mortgage granted by the Debtors in favour of GC, in the original principal sum of \$2,500,000.00, registered on December 3, 2018 as instrument No. AT5022192.
2. Notice of Assignment of Rents General in favour of GC registered on December 3, 2018 as instrument No. AT5022193.
3. General Security Agreements given by each of the Debtors, dated November 30, 2018, for value received by the Debtors from GC arising out of the Commitment Letter, perfected by financing statements registered as (i) no. 20181130 1532 1590 4470, file reference no. 746415189, (ii) no. 20181130 1529 1590 4466, file reference no. 746415135, and (iii) no. 20181130 1532 1590 4471, file reference no. 746415207.

DOCUMENTS NOT REVIEWED

The following documents have not been reviewed as part of giving this opinion:

1. All loan and security documentation in respect of the Guarantees.

SCHEDULE "B"**ASSUMPTIONS**

For the purposes of conducting this review, we have assumed the following:

1. that the signatures on the Documents are genuine and that the Documents submitted to us as photocopies or facsimile copies conform to authentic original Documents, and that all Documents were fully completed prior to execution and delivery;
2. that the Debtors had at all relevant times the necessary corporate status, power and capacity, as applicable, to grant to Cameron Stephens and GC the Documents to which they are party and to perform their obligations under each of those Documents;
3. that there are no outstanding amounts owing to any of the lessees under any leases that could have priority to the CS Mortgage or GC Mortgage;
4. that the Documents were duly authorized, executed and delivered to and in favour of Cameron Stephens and GC;
5. that the Documents were provided, as the case may be, to Cameron Stephens and GC by the Debtors on the basis of informed consent and advice and for value;
6. that Cameron Stephens and GC each hold proper evidence of the amount of indebtedness owed to it by the Debtors and the dates on which such indebtedness was incurred;
7. that none of the Documents has been assigned, amended, superseded, released, discharged or otherwise impaired, either in whole or in part;
8. that the Debtors hold legal and beneficial title to the Properties and that the Properties were, at the time of the granting of the relevant security interest, and are presently in Ontario;
9. the accuracy and completeness of the descriptions of all property of the Debtors referred to in any Document;
10. that there are no agreements to which the Debtors are a party or were a party at the time of the execution of the Documents which might impair any of their ability to execute and deliver or grant any of the Documents to which they are a party or to perform any of their obligations thereunder;
11. that none of the Documents, originals or copies of which we examined, has been amended (except as set out in this letter), and there are no other

agreements or understandings between the parties that would amend, supplement or qualify any provisions of the Documents;

12. to the extent that a security interest in investment property (as defined in the PPSA) has been granted by the Debtors to either Cameron Stephens or GC , Cameron Stephens or GC, as the case may be, has control of such investment property;
13. that no execution creditor or other person has seized or caused seizure of any asset of the Debtors; and
14. that the public records examined by us in connection with this report were complete and accurate when examined.

SCHEDULE "C"**QUALIFICATIONS**

1. We express no opinion with respect to title to any of the personal property or the Properties charged by the Documents.
2. We express no opinion as to the priority of any security interest created by the Documents as against any statutory liens, charges, deemed trusts or other priorities.
3. We express no opinion as to any security interest created by the Documents with respect to any property of the Debtors that is transformed in such a way that it is not identifiable or traceable or any proceeds of property of the Debtors that are not identifiable or traceable.
4. We express no opinion as to the creation or validity of any charge of, assignment or transfer of or security interest in any of the following property or any interest of the Debtors or Reyes therein: (i) any policy of insurance or contract of annuity; (ii) any permits, quotas, licenses and other property which is not personal property; and (iii) any property consisting of a receivable, license, approval, privilege, franchise, permit, lease or agreement (collectively, the "Special Property") to the extent that the terms of the Special Property or any applicable law prohibits its assignment or requires as a condition of its assignability, a consent, approval, notice or other authorization or registration which has not been made or given.
5. No opinion is expressed under the terms of this opinion with respect to the laws of any jurisdiction (other than Ontario) to the extent that such laws may govern the validity, perfection, effect of perfection or non-perfection of the security interests created by the Documents as a result of the application of Ontario conflict of law rules.
6. We did not investigate whether, any steps were taken in connection with the registration of the Documents or of any of the interests created thereunder: (i) under the Patent Act (Canada), the Trade-marks Act (Canada), the Industrial Designs Act (Canada), the Integrated Circuit Topography Act (Canada), the Copyright Act (Canada) or the Plant Breeders' Rights Act (Canada); (ii) in respect of any vessel which is registered or recorded under the Canada Shipping Act (Canada); (iii) in respect of any rolling stock to which the provisions of the Canada Transportation Act (Canada) or the Shortline Railways Act (Ontario) may apply; or (iv) under the Financial Administration Act (Canada).
7. Provisions of the Document which purport to exculpate any secured party from liability for its acts or which purport to confirm the continuance of obligations notwithstanding any act or omission or other matter are subject to the discretion of an Ontario Court.

8. An Ontario Court may decline to enforce the rights of indemnity and contribution potentially available under the Documents to the extent that they are found to be contrary to equitable principles or public policy.
9. An Ontario Court may decline to enforce those provisions of the Documents which purport to allow a determination, calculation or certificate of a party thereto as to any manner provided for therein to be final, conclusive and binding upon any other party thereto if such determination is found to be inaccurate on its face or to have reached or made on an arbitrary or fraudulent basis.
10. Wherever any matter or thing is to be determined or done in the discretion of any secured party, such discretion may be required to be exercised in a commercially reasonable manner and in good faith.
11. With respect to the charge of, or transfer or pledge or assignment of, or the granting of a security interest in, any account or like personal property pursuant to the Documents, notice may have to be given to the obligor thereunder and the secured creditors may be subject to the equities between the obligor and the grantor of the security interest in the event that it wishes to enforce any such account or like personal property as against the obligor under such account or like personal property.
12. Powers of attorney contained in any of the Documents, although expressed to be irrevocable, may in some circumstances be revoked, including without limitation, pursuant to the Substitute Decisions Act (Ontario).
13. Pursuant to section 8 of the Interest Act (Canada), no fine, penalty or rate of interest may be exacted on any arrears of principal or interest secured by a mortgage on real property that has the effect of increasing the charge on the arrears beyond the rate of interest payable on principal money not in arrears.

SCHEDULE "D"**SUMMARY OF SECURITY SEARCHES AGAINST YORKVILLE CENTRAL INVESTMENTS INC., YORKVILLE CENTRAL 2 INVESTMENTS INC., YORKVILLE CENTRAL 3 INVESTMENTS INC.****Personal Property Security Act (Ontario)**

(File Currency: November 24, 2020)

1. Secured Party: Cameron Stephens Mortgage Capital Ltd.

Debtor: Yorkville Central Investments Inc., Yorkville Central 2 Investments Inc., Yorkville Central 3 Investments Inc., Port Capital Development (Avenue) Inc., Living Yorkville Development Limited Partnership

Collateral Classification: Inventory, Equipment, Accounts, Other

General Collateral Description: All of the Debtors' present and after-acquired personal property relating to the property municipally known as 110, 112, 114 and 116 Avenue Road, Toronto, Ontario.

Registration No.: 20171201 1057 1590 7706

File No. 734535558

Registration Date: December 1, 2017

Registration Period: 5 Years

Expiry Date: December 1, 2022

2. Secured Party: GC Capital Inc.

Debtor: Yorkville Central Investments Inc.

Collateral Classification: Accounts, Other

General Collateral Description: Assignment of rents, general, with respect to the property municipally known as 116 Avenue Road, Toronto, Ontario, M5R 2H4.

Registration No.: 20181130 1530 1590 4467

File No. 746415144

Registration Date: November 30, 2018

Registration Period: 5 Years

Expiry Date: November 30, 2023

3. Secured Party: GC Capital Inc.

Debtor: Yorkville Central Investments Inc.

Collateral Classification: Inventory, Equipment, Accounts, Other

General Collateral Description: none

Registration No.: 20181130 1532 1590 4470

File No. 746415189

Registration Date: November 30, 2018

Registration Period: 5 years

Expiry Date: November 30, 2023

4. Secured Party: GC Capital Inc.

Debtor: Yorkville Central 2 Investments Inc.

Collateral Classification: Inventory, Equipment, Accounts, Other

General Collateral Description: none

Registration No.: 20181130 1529 1590 4466

File No. 746415135

Registration Date: November 30, 2018

Registration Period: 5 Years

Expiry Date: November 30, 2023

5. **Secured Party: GC Capital Inc.**

Debtor: Yorkville Central 2 Investments Inc.

Collateral Classification: Accounts, Other

General Collateral Description: Assignment of rents, general, with respect to the property municipally known as 114 Avenue Road, Toronto, Ontario, M5R 2H4.

Registration No.: 20181130 1533 1590 4472

File No. 746415234

Registration Date: November 30, 2018

Registration Period: 5 years

Expiry Date: November 30, 2023

6. **Secured Party: GC Capital Inc.**

Debtor: Yorkville Central 3 Investments Inc.

Collateral Classification: Accounts, Other

General Collateral Description: Assignment of rents, general, with respect to the property municipally known as 110 Avenue Road, Toronto, Ontario, M5R 2H4 and 112 Avenue Road, Toronto, Ontario, M5R 2H4.

Registration No.: 20181130 1530 1590 4468

File No. 746415153

Registration Date: November 30, 2018

Registration Period: 5 Years

Expiry Date: November 30, 2023

7. Secured Party: GC Capital Inc.

Debtor: Yorkville Central 3 Investments Inc.

Collateral Classification: Inventory, Equipment, Accounts, Other

General Collateral Description: none

Registration No.: 20181130 1532 1590 4471

File No. 746415207

Registration Date: November 30, 2018

Registration Period: 5 years

Expiry Date: November 30, 2023

Bank Act (Ontario)

Date of Search: November 25, 2020

CLEAR

Superior Court (Bankruptcy)

BIA File No: CV-20-64492700CL (ACTIVE)

BIA Estate Name: Yorkville Central 2 Investments Inc., Yorkville Central 3 Investments Inc., Yorkville Central Investments Inc.

Estate Type: Bankruptcy

Date of Proceeding: July 31, 2020

Executions: Ontario (all 49 Ontario enforcement offices)

Date of Search: April 14, 2020

CLEAR

SCHEDULE "E"**LEGAL DESCRIPTION OF REAL PROPERTY****PIN No. 21214-0194 (LT) – 110 Avenue Road**

Part Lot 3 Plan 742 City East as in EM50567; Toronto

PIN No. 21214-0195 (LT) – 112 Avenue Road

Part Lot 3-4 Plan 742 City East as in CA739828; Toronto

PIN No. 21214-0196 (LT) – 114 Avenue Road

Part Lot 4 Plan 742 City East as in CT963202; Toronto

PIN No. 21214-0221 (LT) – 116 Avenue Road

Lot 1 Plan 639 City East S/T & T/W CA628958; Toronto

Doc 3569902 v1

APPENDIX L

11/25/2020

Mortgage Payout Statement

Port Capital Development/Living Yorkville Ltd Partnership
 325 W 4th Ave,
 Vancouver, BC V5Y 1H3

Contact: Tobi Reyes
tobi@portliving.com

Civic Address: 110 Avenue Road, Toronto ON
 112 Avenue Road, Toronto ON
 114 Avenue Road, Toronto ON
 116 Avenue Road, Toronto ON

Principal Amount: \$2,500,000

Interest Rate: 13.00% per annum for initial 12 months, with increase to 16% on last month

Maturity Date: 1/31/2021

		Transaction Activity			
Transaction Date	Description	Payments Received	Interest to Date Charged	Interest Balance	Principal Balance
1/1/2020	Opening Balance	\$ 27,083.33			\$ 2,500,000.00
2/1/2020	Interest Charge	\$ 27,083.33			\$ 2,500,000.00
3/1/2020	Interest Charge	\$ 27,083.33			\$ 2,500,000.00
4/1/2020	Interest Charge		\$ 27,083.33	\$ 27,083.33	\$ 2,500,000.00
5/1/2020	Interest Charge		\$ 27,083.33	\$ 54,166.66	\$ 2,500,000.00
6/1/2020	Interest Charge		\$ 27,083.33	\$ 81,249.99	\$ 2,500,000.00
7/1/2020	Interest Charge		\$ 27,083.33	\$ 108,333.32	\$ 2,500,000.00
8/1/2020	Interest Charge		\$ 27,083.33	\$ 135,416.65	\$ 2,500,000.00
9/1/2021	Interest Charge		\$ 27,083.33	\$ 162,499.98	\$ 2,500,000.00
10/1/2020	Interest Charge		\$ 27,083.33	\$ 189,583.31	\$ 2,500,000.00
11/1/2020	Interest Charge		\$ 27,083.33	\$ 216,666.64	\$ 2,500,000.00
12/4/2020	Interest Charge (12/1/2020 - 12/4/2020)		\$ 3,561.64	\$ 220,228.28	\$ 2,500,000.00

Per Diem Rate of \$890.411 till 1/31/2021

Total outstanding amount including Interest balance and Principal balance equals **\$2,720,228.28** as of December 4, 2020. Per diem rate till end of January 31, 2021 is **\$890.411**.

APPENDIX M

RSM Canada Limited
Court Appointed Receiver and Manager of
110 Avenue Road, Toronto, 112 Avenue Road, Toronto,
114 Avenue Road, Toronto and 116 Avenue Road, Toronto

Interim Statement of Receipts and Disbursements
For the period September 11, 2020 to November 30, 2020

Receipts	
Advances from Secured Lender (1)	\$ 50,000
Rent	31,318
HST Collected	2,327
Total Receipts	<u>\$ 83,645</u>
Disbursements	
Appraisal Fees	\$ 12,500
Change of Locks	2,181
Insurance	6,797
Landscaping/Lot Maintenance	651
Miscellaneous	366
Property Management Fees	1,750
Repairs and Maintenance	983
Snow Removal	2,696
Utilities - Gas	612
Utilities - Hydro	815
HST/PST Paid	3,509
Total Disbursements	<u>\$ 32,860</u>
Excess of Receipts over Disbursements	<u><u>\$ 50,785</u></u>

Notes:

- (1) The amount of \$50,000 represents funds advanced by Cameron Stephens Mortgage Capital Ltd. under Receiver Certificate No. 1.
- (2) Deposits received in respect of the Sale Procedure by the Receiver and its counsel are not included in this statement of receipts and disbursements.

This Appendix forms part of the Third Report of the Receiver dated December 9, 2020 and should only be read in conjunction therewith.

APPENDIX N

Court File No. CV-20-00644927-00CL

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

BETWEEN:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

- and -

**YORKVILLE CENTRAL INVESTMENTS INC., YORKVILLE CENTRAL 2
INVESTMENTS INC., YORKVILLE CENTRAL 3 INVESTMENTS INC.**

Respondents

**AFFIDAVIT OF BRYAN A. TANNENBAUM
(Sworn December 8, 2020)**

I, **BRYAN A. TANNENBAUM**, of the City of Toronto, in the Province of Ontario,
MAKE OATH AND SAY:

1. I am President of RSM Canada Limited (“**RSM**”) and as such I have personal knowledge of the matters to which I hereinafter depose, save and except those matters based upon information and belief, in which case I have stated the source of such facts, all of which I verily believe to be true.

2. Pursuant to an Order of the Ontario Superior Court of Justice dated September 11, 2020, RSM Canada Limited was appointed as receiver and manager (the “**Receiver**”), without security, over the lands and premises known municipally as 110 Avenue Road, Toronto, 112 Avenue Road, Toronto, 114 Avenue Road, Toronto and 116 Avenue Road, Toronto, owned by Yorkville Central Investments Inc., Yorkville Central 2 Investments Inc. and Yorkville Central 3 Investments Inc.


3. Attached hereto and marked as Exhibit "A" to this my affidavit are copies of invoices issued by RSM for fees and disbursements incurred by the Receiver in respect of these proceedings for the period July 8, 2020 to November 30, 2020 (the "Period"). The total fees charged for the Period are \$196,655.50 plus HST of \$25,565.22 for a total of \$222,220.72. The average hourly rate charged during the Period was \$621.54.

4. The invoices are a fair and accurate description of the services provided and the amounts charged by RSM for the Period.

5. Attached hereto and marked as Exhibit "B" is a schedule summarizing the invoices in Exhibit "A", the total billable hours charged, the total fees charged and the average hourly rate charged.


6. I make this affidavit in support of a motion for an Order approving the Receiver's fees and disbursements and for no other or improper purpose.

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



A Commissioner, etc.

Daniel Raphael Weisz, a Commissioner, etc.,
Province of Ontario, for RSM Canada LLP
and RSM Canada Limited.
Expires January 5, 2021

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BRYAN A. TANNENBAUM
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**THIS IS EXHIBIT "A" REFERRED TO IN THE
AFFIDAVIT OF BRYAN A. TANNENBAUM SWORN BEFORE ME
THIS 8th DAY OF DECEMBER, 2020**



A Commissioner, etc.

*Daniel Raphael Weisz, a Commissioner, etc.
Province of Ontario, for RSM Canada LLP
and RSM Canada Limited.
Expires January 5, 2021*



GST/HST: 80784 1440 RT 0001

RSM CANADA LIMITED
Licensed Insolvency Trustee
 11 King St W, Suite 700, Box 27
 Toronto, ON M5H 4C7

T +1 416 480 0160
 F +1 416 480 2646

www.rsmcanada.com

To RSM Canada Limited
 Court-appointed Receiver and Manager of
 110 Avenue Road, Toronto, ON,
 112 Avenue Road, Toronto, ON,
 114 Avenue Road, Toronto, ON and
 116 Avenue Road, Toronto, ON
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date October 21, 2020

Client File 7841023/10001

Invoice 1
No.

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 110 Avenue Road, Toronto, ON (“**110**”); 112 Avenue Road, Toronto, ON (“**112**”); 114 Avenue Road, Toronto, ON (“**114**”); and 116 Avenue Road, Toronto, ON (“**116**”), (collectively referred to hereafter as the “**Properties**”) for the period July 8, 2020 to September 30, 2020.

Date	Professional	Description
07/08/2020	Daniel Weisz	Discussion with C. Jackson of Cameron Stephens Mortgage Capital Ltd. (“Cameron Stephens”) re status and receivership considerations.
07/10/2020	Daniel Weisz	Discussion with C. Jackson re possible receivership and discussion with B. Tannenbaum on same.
07/27/2020	Daniel Weisz	Discussion with W. Greenspoon of Garfinkle Biderman LLP.
07/29/2020	Daniel Weisz	Review documents; discussion with W. Greenspoon re receivership considerations.
07/30/2020	Daniel Weisz	Review draft notice of application and provide comments to W. Greenspoon; review, update and sign consent to act and return to W. Greenspoon.
07/31/2020	Daniel Weisz	Review draft documents and email to W. Greenspoon regarding same; discussion with W. Greenspoon.
08/04/2020	Daniel Weisz	Review revised draft affidavit and email to W. Greenspoon re same.
08/05/2020	Daniel Weisz	Review draft Court Order and email comments to W. Greenspoon.
08/12/2020	Daniel Weisz	Exchange emails with J. Wortzman of Teplitzky Colson LLP; discussion with W. Greenspoon on status.
08/13/2020	Daniel Weisz	Discussion with J. Wortzman and email to J. Larry of Paliare Roland Rosenberg Rothstein LLP (“Paliare”) re same; discussion with J. Larry.
08/18/2020	Daniel Weisz	Exchange emails re call with J. Wortzman; conference call with J. Larry and J. Wortzman; discussion with W. Greenspoon.

October 21, 2020

Invoice 1

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Date	Professional	Description
08/24/2020	Daniel Weisz	Preliminary review of information sent by J. Wortzman.
08/26/2020	Brenda Wong	Prepare for potential receivership; email to Cameron Stephens re insurance broker; emails to request quotes for insurance.
08/26/2020	Daniel Weisz	Discussion with J. Larry re pending conference call; conference call with J. Wortzman, C. Andrews of Harris Sheaffer LLP and J. Larry to discuss pending motion; conference call with J. Larry and W. Greenspoon re status; review various emails.
08/27/2020	Daniel Weisz	Review email from J. Wortzman.
08/28/2020	Brenda Wong	Discussion with D. Weisz re status; update receivership planning; arrange for site visit; email to Richmond Advisory Services Inc. ("RAS") to request quote; emails with an insurance broker re quote.
08/28/2020	Daniel Weisz	Discussion with B. Wong on file status; review notice of motion filed by SC Land Inc. ("SC Land"), review emails relating to same and exchange emails with J. Larry re same.
08/28/2020	Echa Odeh	Review of documents in the file and complete insurance forms for each property as required to obtain a quote.
08/31/2020	Echa Odeh	Attend at Avenue Road to view Properties and take photos; upload and save photos and update insurance forms for each property; email forms to B. Wong for review.
09/01/2020	Brenda Wong	Review and make edits to insurance application forms and send to broker.
09/09/2020	Brenda Wong	Discussion with D. Weisz re status; calls and emails re insurance; call and emails with HUB International Insurance Brokers ("HUB"); emails with RAS re changing of locks and taking possession.
09/09/2020	Daniel Weisz	Discussion with B. Wong re matters relating to appointment; review email from W. Greenspoon re possible amendment to court order and respond thereto; review insurance quote and discussion with B. Wong on same; discussion with B. Wong re changing of locks at the premises.
09/10/2020	Brenda Wong	Call with E. Odeh to discuss taking possession; review draft notice to tenants; review draft email to RAS; review emails re current property manager.
09/10/2020	Daniel Weisz	Exchange emails with W. Greenspoon re contacting debtor counsel; review email from D. Gruber of Bennett Jones LLP and respond to same; discussion with B. Wong re property management; exchange emails with D. Gruber re same; discussion with J. Larry re court application tomorrow; conference call with J. Larry and W. Greenspoon re court application tomorrow; review various supplementary affidavits and exchange emails with W. Greenspoon re same; review emails between J. Wortzman and A. McEwan.
09/10/2020	Echa Odeh	Discussion with B. Wong; prepare draft notice to tenants and prepare draft email to RAS in preparation for attending at Properties; prepare tenant sign-off form for receipt of key(s).
09/11/2020	Brenda Wong	Emails to RAS re 114 and taking possession; email and calls with Medallion Capital Corp. ("Medallion"); email to RAS re acting as property manager and site inspections; emails and call with Marsh Canada Limited re debtor's insurance; emails with HUB to bind coverage; discussions and emails with E. Odeh re status of taking possession; email to debtor to request information; discussion and emails with D. Weisz re property manager, changing of locks

Date	Professional	Description
		and insurance; review changes to notice to tenants, finalize and sign; update Service List and webpage introduction and arrange for setup of Receiver's website; discussion with E. Odeh re possession matters, and email to D. Weisz re status.
09/11/2020	Daniel Weisz	Review affidavit submitted by D. Gruber; review various emails between counsel circulated last evening; discussion with B. Tannenbaum on court application today; prepare for and attend application to court re appointment of the Receiver and related relief sought; conference call with J. Larry and B. Tannenbaum; conference call with J. Larry, B. Tannenbaum and W. Greenspoon; conference call with J. Larry and B. Wong re appointment considerations; review draft letter to tenants; discussion with B. Wong on status of insurance; review emails re insurance and attendance at the Properties; discussion with B. Tannenbaum re listing proposals and appraisal to be obtained; review Court Endorsement; read factum.
09/11/2020	Bryan Tannenbaum	Receipt and review of various lawyer emails from last evening for court today; attend court re appointment and reporting to court in 2 weeks; subsequent call with J. Larry and D. Weisz re reporting, appraisals, listings, etc.; receipt and review of Court Endorsement and Order; receipt and review of email from B. Wong; receipt and review of various lawyer emails to service list with Endorsement and Order, etc.
09/11/2020	Echa Odeh	Attend at Properties for site inspection, discussions with the tenants, discussion with locksmith and RAS; discussions with B. Wong re taking possession and status updates re same; prepare introduction for Receiver's website.
09/14/2020	Brenda Wong	Draft email to RAS re follow up questions on the Properties; prepare property management agreement (the "PM Agreement") and send to D. Weisz to review; call with D. Weisz, J. Berger and E. Odeh to discuss status; finalize email to RAS; email to B. Berry of Port Living and Medallion re tenant; prepare estimate of carrying costs; review letter to BMO to open receivership trust account; emails with E. Odeh re condition of parking lot and garbage collection.
09/14/2020	Daniel Weisz	Discussion with B. Tannenbaum and B. Wong re various matters; conference call with J. Berger, B. Wong and E. Odeh re listing proposals and other matters; discussion with K. Avison of Avison Young; discussion with B. Tannenbaum re appraisers; review draft email to listing brokers and update same; review and sign letter re opening of Receiver's trust account.
09/14/2020	Donna Nishimura	Submit request to Promeric for a new Ascend license.
09/14/2020	Echa Odeh	Meeting with B. Wong, D. Weisz and J. Berger to discuss status; email to tenants to provide contact information; phone call with parking tenant and email sent with information on receivership; emails and discussions with B. Wong regarding update on the Properties; prepare draft notice pursuant to Section 245 of the Bankruptcy and Insolvency Act ("S245 Notice") and draft letter to BMO to open account; phone call and email to the City of Toronto re snow removal in the vicinity of the Properties.
09/14/2020	Bryan Tannenbaum	Discussion with B. Wong and D. Weisz re possession, appraisals, funding etc.; telephone call with B. Wagner of Wagner Andrews & Kovacs Ltd.

Date	Professional	Description
09/14/2020	Jeff Berger	Call with D. Weisz, B. Wong and E. Odeh re obtaining listing proposals and other matters.
09/15/2020	Brenda Wong	Review and make edits to the draft S245 Notice and creditors list; review changes to PM Agreement and forward to Paliare; email to former tenant to confirm tenant's lease is terminated; review draft letters to Toronto Hydro and Enbridge.
09/15/2020	Bryan Tannenbaum	Receipt and review of Cushman & Wakefield ("CW") email re appraisal reviews, discussion with D. Weisz re same; request for clarification sent to CW; email with CW to arrange call for tomorrow.
09/15/2020	Echa Odeh	Prepare creditor listing for S245 Notice; phone call with prospective tenant; prepare letters to utility companies, email and fax letters and save confirmations to the file.
09/15/2020	Daniel Weisz	Review proposal from CW and discussion with B. Tannenbaum on same; review draft PM Agreement.
09/16/2020	Brenda Wong	Review RAS photos and reports and email to E. Odeh with follow-up questions and comments on same, email to RAS with Receiver's comments/questions; review Paliare email on PM Agreement and email to D. Weisz re same, send draft to RAS; review and respond to HUB re quote for insurance; review and respond to email from tenant; email to RAS re tenant; discussion with E. Odeh re condition of Properties and RAS report and tenant matters; send follow up email to debtor re creditor information required for S245 Notice; email to debtor re tenants and request for copies of leases; start drafting Receiver's report to the Court.
09/16/2020	Daniel Weisz	Review J. Larry comments re PM Agreement and discussion with B. Wong re same; prepare for and attend conference call with B. Tannenbaum and M. Kaukonen of CW to discuss the appraisal of the Properties; discussion with B. Wong, J. Berger and E. Odeh re various matters including RAS report; discussion with SC Land and email to J. Larry re same; review re engagement letter and provide comments.
09/16/2020	Donna Nishimura	Prepare for mailing S245 Notice.
09/16/2020	Bryan Tannenbaum	Conference call with M. Kaukonen and D. Weisz re appraisal comments, etc.; email from S. Cameron of Cameron Stephens re appraisals and reply to email; receipt and review of D. Weisz email re his conversation with SC Land; discuss responding letter to CW with D. Weisz; edit and send.
09/16/2020	Echa Odeh	Arrange for keys to be couriered to tenant; review of RAS inspection report, respond to questions from B. Wong re same; save photos to the file from site visit; email to City of Toronto; email to tenants to request copy of lease; update tenant contacts register; email with tenant to obtain information regarding trash collection and access to attic space; request for maintenance work sent to property manager; phone call with tenant
09/17/2020	Daniel Weisz	Attend conference call with B. Tannenbaum and S. Cameron re status; discussion with J. Larry on status; discussion with B. Tannenbaum on status of appraisal.
09/17/2020	Brenda Wong	Update S245 Notice for creditor information received from the debtor; review appraisals for information on land use controls; continue writing first report.

Date	Professional	Description
09/17/2020	Bryan Tannenbaum	Receipt and review of CW email; forward information re land use controls to CW; call with S. Cameron and D. Weisz on appraisals, borrowings, etc.; email to Cameron Stephens re Receiver's request for funding.
09/18/2020	Daniel Weisz	Review updated S245 Notice and sign and discussion with B. Wong on same; review CBRE listing proposal; email and discussion with B. Tannenbaum re same; discussion with B. Tannenbaum re listing proposal and report to court considerations; review lender update and discussion with B. Wong on same; finalize lender update and send; work on report to court.
09/18/2020	Brenda Wong	Continue preparing draft report; review and respond to emails from tenant and Medallion; follow up with BMO re set up of trust account for the Receiver; follow up with debtor re creditor information; email to debtor re information on the real property, surveys, planning documents, etc.; prepare lender update memo and review edits to same; review emails from RAS re its recommendations for repairs and trespassing/dumping and quote for repairs, call with RAS re same; download and review A/P information and information on the Properties provided by debtor; update creditors list for S245 Notice; review changes to draft report.
09/18/2020	Bryan Tannenbaum	Receipt and review of CW email requesting information and respond thereto; receipt and review of CBRE listing proposal and discuss with D. Weisz; telephone call with T. Rout of Janterra re appraisal services; emails to Cameron Stephens re funding; receipt and review of J. Larry email; review draft status report and return to D. Weisz and B. Wong; telephone call and email from K. Gillen, agent re potential offeror; receipt and review of S245 Notice; receipt and review of J. Larry email attaching neighbour's unsolicited offer.
09/21/2020	Daniel Weisz	Review of letter from Aird & Berlis re offer for the Properties; conference call with B. Tannenbaum and J. Berger to discuss the status of various issues; review, update and finalize S245 Notice; discussion with J. Larry; discussion with B. Tannenbaum; review of email from SC Land and appraisal critique contained therein; review various emails re status of Synvest submissions and email to J. Larry re same; prepare for and attend conference call with J. Larry and B. Tannenbaum re various matters; discussion with J. Larry re email from S. Mitra; discussion with J. Berger re status of the listing proposals; review loan documents and email to W. Greenspoon re Word copy of Receiver's Certificate; review email from J. Larry re his discussion with S. Mitra; review listing proposals from Avison Young and Colliers; finalize and sign Receiver Certificate #1 and send.
09/21/2020	Bryan Tannenbaum	Call with D. Weisz and J. Berger re court report and recent unsolicited offers received, CW request for additional cost information, etc.; receipt and review of CW engagement letter; return same; receipt and review of CW email; receipt and review of W. Greenspoon email; receipt and review of R. Shastri email; call with J. Larry and D. Weisz re various matters; receipt and review of W. Greenspoon email; receipt and review of Cameron Stephens email re rate for the Receiver's Certificate; receipt and review of CW email responding to J. Berger re status.
09/21/2020	Jeff Berger	Receipt and review of listing proposals from CBRE, Avison Young and Colliers.

Date	Professional	Description
09/22/2020	Daniel Weisz	Review summary of listing proposals prepared by J. Berger and discussion with J. Berger re updates; discussion with B. Tannenbaum re listing proposals received; discussion with J. Larry re status; review email from C. Jackson re Cameron Stephens' comments re SC Land offer; work on report to court; prepare for and attend conference call with M. Kaukonen, J. Larry, B. Tannenbaum and J. Berger; subsequent discussion with B. Tannenbaum.
09/22/2020	Brenda Wong	Email to E. Odeh re Medulla Hair Salon ("Medulla"); review Medulla lease re provisions on vacating premises.
09/22/2020	Bryan Tannenbaum	Telephone call with D. Weisz re status of listing proposals, email to CW regarding a call; receipt and review of CW email setting up call for today; receipt and review of Cameron Stephens email re Globe & Mail article; receipt and review of Colliers listing proposal; receipt and review of J. Larry email re his conversation with J. Wortzman; receipt and review of Cameron Stephens analysis; email to J. Larry to join call today with CW; read prior appraisals obtained; receipt and review of J. Wortzman email with Supplementary Motion Record; conference call with M. Kaukonen, J. Larry, D. Weisz and J. Berger re CW preliminary letter.
09/22/2020	Jeff Berger	Review memo from secured lender regarding its position on the pending offer; provide comments on same to D. Weisz and B. Tannenbaum; call with M. Kaukonen, D. Weisz and B. Tannenbaum.
09/23/2020	Brenda Wong	Email to tenant and RAS re site inspections; call from tenant re last day of occupancy.
09/23/2020	Daniel Weisz	Attend conference call with J. Larry, B. Tannenbaum and J. Berger re the Receiver's report to the Court; work on report to court; review comments re draft report; discussion with B. Rudichuk; review correspondence from City of Toronto.
09/23/2020	Bryan Tannenbaum	Conference call with J. Larry, D. Weisz and J. Berger; review D. Weisz email with summary of appraisals and summary of listing proposals; provide comments re same.
09/23/2020	Jeff Berger	Prepare summary of listing proposals and appraisals.
09/24/2020	Brenda Wong	Respond to email from tenant re rent payment and keys; email to D. Weisz re status of debtor's insurance; email to E. Odeh re utility accounts; review and approve payment requisition re HUB invoice.
09/24/2020	Daniel Weisz	Work on report to court; discussion with B. Tannenbaum; review comments re same; discussion with B. Rudichuk.
09/24/2020	Echa Odeh	Prepare cheque requisition for expenses, schedule time for inspection of tenant premises; respond to Toronto Hydro regarding new account; review of lease re terms for entering the property; draft letter to tenant to give notice of intent to enter.
09/24/2020	Bryan Tannenbaum	Re-read the CW preliminary report; email to CW with questions; review and edit Court report; send comments to J. Larry, D. Weisz and J. Berger; receipt and review of D. Weisz email re inquiry from B. Rudichuk; receipt and review of email re call with B. Rudichuk.

Date	Professional	Description
09/24/2020	Jeff Berger	Review and edit draft Receiver's report to Court; discuss same with D. Weisz and B. Tannenbaum; revise summaries of appraisals and listing proposals per discussion with D. Weisz.
09/25/2020	Daniel Weisz	Conference call with J. Larry, B. Tannenbaum and J. Berger re report to court; work on report to court, finalize and sign same; review letter to tenant, update and sign; conference call with B. Tannenbaum and S. Cameron; conference call with B. Tannenbaum and J. Larry.
09/25/2020	Daniel Weisz	Process electronic payment.
09/25/2020	Bryan Tannenbaum	Conference call with J. Larry, D. Weisz and J. Berger re report to court; receipt and review of J. Larry email re his conversation with W. Greenspoon; review revised draft report; receipt and review of J. Larry comments on revised draft report; telephone call with S. Cameron and D. Weisz; conference call with J. Larry and D. Weisz re call with S. Cameron.
09/25/2020	Echa Odeh	Draft Notice to tenant for inspection.
09/25/2020	Jeff Berger	Review and edit Receiver's report to Court; calls with D. Weisz, B. Tannenbaum and J. Larry re same; review of notice to tenant re landlord's entry to premises and provide comments re same.
09/27/2020	Brenda Wong	Review Receiver's first report to Court and arrange for posting to Receiver's website; respond to email from tenant re payment of rent via Interac e-transfer; email to RAS re its September invoice.
09/28/2020	Brenda Wong	Review lease for obligations of tenant upon termination of lease; review RAS changes to the PM Agreement, emails with RAS re proposed changes, make additional edits; discussion with E. Odeh re site inspection scheduled for today; email to RAS re obtaining quotes for snow contractor; emails with tenant and E. Odeh re keys to be sent to tenant; email to HUB re status update on the Properties.
09/28/2020	Echa Odeh	Phone call with tenant regarding site inspection; phone call with B. Wong regarding inspection; attend at the Properties.
09/29/2020	Anne Baptiste	Process receipt and disbursement in Ascend.
09/29/2020	Brenda Wong	Review invoice and policy and email to HUB re same; discussion with E. Odeh re site inspection; discussion with D. Weisz re status and emails to E. Odeh re status of sales process; review RAS email and photos re repairs completed; review RAS email re observations from site inspection September 29 and emails with RAS re same.
09/29/2020	Daniel Weisz	Discussion with B. Wong on status of tenancies; process e-transfer rent receipt; review, update and sign confidentiality agreement; conference call with J. Larry, S. Mitra, A. McEwen and B. Tannenbaum re receivership matters; review email from W. Greenspoon re confidentiality agreement and email to J. Larry re same; review email from W. Greenspoon and discussion with B. Tannenbaum on same.
09/29/2020	Bryan Tannenbaum	Receipt and review of W. Greenspoon email re non-disclosure agreement ("NDA"); receipt and review of J. Larry email; receipt and review of J. Larry email re Aird & Berlis re stalking horse; conference call with A. McEwan, S. Mitra, J. Larry and D. Weisz; follow-up call with J. Larry and D. Weisz;

Date	Professional	Description
		receipt and review of email re NDA; receipt and review of W. Greenspoon email; receipt and review of J. Larry comments.
09/29/2020	Echa Odeh	Prepare summary of inspection conducted; email to RAS regarding emergency stairs; email to prospective tenant; email to tenant regarding ability to extend tenancy.
09/30/2020	Bryan Tannenbaum	Discussion with D. Weisz re status of stalking horse and position of first mortgagee; receipt and review of affidavit served by W. Greenspoon; call with J. Larry and D. Weisz re his call with J. Wortzman; receipt and review of J. Larry email attaching J. Wortzman's client's offer to be a stalking horse bidder; telephone call with D. Weisz re review and discuss same; telephone call with J. Larry; various emails between J. Larry and D. Weisz re same; receipt and review of J. Larry email to J. Wortzman re acknowledging stalking horse offer; email to CW re timing of their final report; receipt and review of J. Larry email to Aird & Berlis re stalking horse offer.
09/30/2020	Brenda Wong	Email to debtor re HST registration information for reporting of rental income; review RAS email and forward to D. Weisz with comments.
09/30/2020	Echa Odeh	Phone calls with Enbridge, Toronto Hydro and City of Toronto regarding set-up of utility accounts for the Receiver.
09/30/2020	Daniel Weisz	Discussion with A. Brown re legal assistance required re sale of Properties; review supplementary motion record of Cameron Stephens; discussion with J. Larry re various matters; discussion with B. Tannenbaum and J. Larry re J. Larry's discussion with J. Wortzman; review confidential appendix proposed to be sent to court; review email from J. Wortzman and email to J. Larry re same; follow up email with CW; review email re property attendance; review RAS proposed changes to PM Agreement; commence drafting supplementary report to the Court.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

October 21, 2020
 Invoice 1
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FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	27.8	\$ 750	\$ 20,850.00
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	48.6	\$ 725	35,235.00
Brenda Wong, CIRP, LIT	Senior Manager	23.3	\$ 595	13,863.50
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Manager	13.6	\$ 525	7,140.00
Echa Odeh	Senior Associate	22.0	\$ 225	4,950.00
Donna Nishimura/Anne Baptiste	Estate Administrator	0.5	\$ 110	55.00
Total hours and professional fees		135.8		\$ 82,093.50
HST @ 13%				10,672.16
Total payable				\$ 92,765.66

VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.
 RSM Canada Limited



GST/HST: 80784 1440 RT 0001

RSM CANADA LIMITED
Licensed Insolvency Trustee
 11 King St W, Suite 700, Box 27
 Toronto, ON M5H 4C7

T +1 416 480 0160
 F +1 416 480 2646

www.rsmcanada.com

To RSM Canada Limited
 Court-appointed Receiver and Manager of
 110 Avenue Road, Toronto, ON,
 112 Avenue Road, Toronto, ON,
 114 Avenue Road, Toronto, ON and
 116 Avenue Road, Toronto, ON
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date November 6, 2020

Client File 7841023/10001
Invoice 2
No.

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 110 Avenue Road, Toronto, ON (“**110**”); 112 Avenue Road, Toronto, ON (“**112**”); 114 Avenue Road, Toronto, ON (“**114**”); and 116 Avenue Road, Toronto, ON (“**116**”), (collectively referred to hereafter as the “**Properties**”) for the period October 1, 2020 to October 31, 2020.

Date	Professional	Description
10/01/2020	Brenda Wong	Discussion with D. Weisz re Richmond Advisory Services Inc. (“RAS”) property management agreement and RAS email re condition of 110-112; make changes to property management agreement and email to RAS re same; email to RAS re maintenance issues to be addressed; emails with E. Odeh re final inspection for 112 to be scheduled; discussion with E. Odeh re tenant’s early departure; email to RAS re 112 locks to be changed and interior site inspections.
10/01/2020	Daniel Weisz	Discussion with B. Wong on RAS requested changes to property management agreement; discussion with B. Wong re matters relating to an inspection of the premises; exchange emails with J. Larry of Paliare Roland Rosenberg Rothstein LLP (“Paliare”) re Zoom conference call details; discussion with B. Tannenbaum on various matters; review and update supplementary report to the Court; discussions with J. Larry and B. Tannenbaum re terms of stalking horse offer; send draft supplemental report to J. Larry and review comments received; discussion with B. Tannenbaum re marketing of the Properties; review email from C. Allen.
10/01/2020	Echa Odeh	Arrange for keys to be cut and couriered to tenant; phone call with tenant; schedule inspection of 112 after tenant’s move; phone call with City of Toronto.
10/01/2020	Bryan Tannenbaum	Receipt and review of second supplemental motion record and factum of SC Land Inc. (“SC Land”); receipt and respond to J. Larry email attaching Aird & Berlis LLP letter; receipt and review of emails re the break fee, etc.; receipt and review of J. Larry email to J. Wortzman re the break fee; receipt and

November 6, 2020

Invoice 2

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Date	Professional	Description
		review of draft supplemental report and provide comments to D. Weisz; receipt and review of J. Wortzman's client's offer re break fee; discuss with D. Weisz.
10/02/2020	Brenda Wong	Emails with RAS re 112 change of locks and inspection, email to E. Odeh re notifying tenant re same; review Receiver's Supplemental Report and arrange for posting to Receiver's webpage.
10/02/2020	Daniel Weisz	Discussion with J. Larry re his discussion with C. Allen and B. Tannenbaum on same; review email from S. Cameron of Cameron Stephens Mortgage Capital Ltd. ("Cameron Stephens") and discussion with B. Tannenbaum on same; update Supplementary Report and finalize same; review email re status of 112 tenancy; exchange emails with M. Kaukonen of Cushman & Wakefield ("CW") re appraisal.
10/02/2020	Bryan Tannenbaum	Receipt and review of final draft of CW appraisal; discussions with D. Weisz re appraisal and S. Cameron email; telephone call and email from S. Cameron re status; receipt and review of J. Larry email to Teplitsky Colson confirming stalking horse arrangement; review and sign supplemental report; receipt and review of J. Larry email re service of supplemental report; receipt and review of J. Larry email to the Court enclosing appraisal; receipt and review of D. Gruber of Bennett Jones LLP email with its factum.
10/02/2020	Echa Odeh	Prepare summary of security deposits and email to B. Wong for review; phone call with tenant regarding parking, email sent regarding parking rental agreement; follow up email sent to tenant regarding vacancy of 110.
10/03/2020	Bryan Tannenbaum	Receipt and review of J. Larry email attaching S. Mitra letter; emails with J. Larry and D. Weisz re same; receipt and review of J. Larry response to S. Mitra.
10/05/2020	Daniel Weisz	Prepare for and attend in Court via Zoom re Motion of SC Land; draft Sale Procedure and form of agreement of purchase and sale.
10/05/2020	Bryan Tannenbaum	Receipt and review of J. Larry email attaching J. Wortzman request; attend Court re approval of existing offer and/or Receiver to market the Properties; conference call with J. Larry and D. Weisz re next steps; telephone calls with parties expressing interest in the Properties.
10/05/2020	Anne Baptiste	Post receipt and disbursement to Ascend.
10/05/2020	Echa Odeh	Prepare cheque requisition for expenses to be paid.
10/06/2020	Brenda Wong	Follow up with RAS re snow contract, RAS invoice, HVAC and boiler inspections; review snow contract and emails with A. Mehta re same; discussion with E. Odeh re rent collections; review RAS emails re 112 final inspection and garbage to be removed; review revised RAS invoice and submit for payment; email to RAS re lockers to be removed from 112; review email from City re property tax arrears; review and approve disbursement for payment; review leases and update rent roll.
10/06/2020	Daniel Weisz	Discussion with B. Wong re posting of Endorsement to the Receiver's website; draft agreement of purchase and sale for stalking horse bid; conference call with A. Brown and J. Larry; draft report to Court; draft letter of intent; draft acknowledgement of sale procedure.
10/06/2020	Bryan Tannenbaum	Review J. Berger email to brokers for updated proposal; telephone call from S. Keyzer and I. Gragtmans of Colliers and J. Berger; subsequent discussion

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Date	Professional	Description
		with J. Berger re Colliers call and data room information; conference call with CBRE and J. Berger re revised proposal; receipt and review of revised proposals from Colliers, Avison Young and CBRE; telephone call with D. Weisz re his call with lawyers regarding sales procedure and documentation.
10/06/2020	Echa Odeh	Phone call with the Office of the Superintendent of Bankruptcy regarding the notice pursuant to Section 245 of the Bankruptcy and Insolvency Act ("Section 245 Notice"), resent by email; phone call with tenant at 110 regarding rent cheque.
10/06/2020	Jeff Berger	Request listing proposals from various commercial real estate brokers; phone calls with brokers re same; provide background information to brokers; provide update to D. Weisz and B. Tannenbaum.
10/07/2020	Daniel Weisz	Review revised versions of the Agreement of Purchase and Sale ("APS") and the Sale Procedure and communicate with A. Brown and J. Larry; discussion with A. Brown; update report to Court; review and sign property management agreement.
10/07/2020	Brenda Wong	Email to D. Weisz re quote for snow clearing services; email to E. Odeh re 110 property taxes; make updates to draft second report; emails with E. Odeh, D. Weisz and RAS re miscellaneous matters; emails with E. Odeh re property issues identified today during visit to the Properties; discussion with E. Odeh re tenant email re monthly rent and changing rental period; review RAS changes to property management agreement; prepare lender update; call from Papazian Heisey Myers requesting access to 114 and send email response.
10/07/2020	Bryan Tannenbaum	Receipt and review of listing proposal summary; edit and update; receipt and review of revised summary of listing proposals; discussion with D. Weisz and J. Berger re summary of listing analysis and reporting to the Court and Phase 1 update, etc.; receipt and review of J. Berger email to PGL Environmental Consultants ("PGL") for quote; receipt and review of J. Larry email re listing proposals; emails with Colliers re listing agreement, etc.; receipt and review of J. Larry email to service list with draft sale procedure and the stalking horse APS; receipt and review of PGL draft engagement letter; provide comments; receipt and review of J. Berger email to PGL re same; receipt and review of K. Gillen email re status of sale process; response sent; receipt and review of draft second report.
10/07/2020	Echa Odeh	Email and phone call with tenants regarding rent payments; attend premises at 110, speak to tenant regarding issues with the property, take photos of the premises at 114 and 110; email to B. Wong regarding the Properties; emails with RAS regarding maintenance issues; discussion with B. Wong regarding status and email to tenant regarding status update on receivership; phone call with tenant regarding parking.
10/07/2020	Jeff Berger	Prepare summary of listing proposals and forward same to B. Tannenbaum, D. Weisz, and J. Larry for discussion; call with B. Tannenbaum, D. Weisz and J. Larry to discuss the listing proposals and next steps, etc.; call with P. Schuster of PGL to request a quote for updated Phase I and Phase II ESA reports; email to Colliers re acceptance of listing proposal; review quote from PGL and respond to same.

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Date	Professional	Description
10/08/2020	Brenda Wong	Email and discussion with Canada Revenue Agency ("CRA") re HST registration; email to Portliving requesting transfer of tenant deposits and post-dated cheques; email to RAS re acceptance of snow contract; make updates to draft report; email to Portliving re business number for Yorkville Central 3; review summary of activities.
10/08/2020	Daniel Weisz	Email to J. Larry re terms of sale procedure; review email from J. Larry re email from J. Wortzman; review B. Wong updates to report; discussion with B. Tannenbaum on the report; update report and email draft to J. Larry and E. Rathbone; review, update and finalize lender update; review and update non-stalking horse APS and email to A. Brown re same; review emails re listing agreement; conference call with A. Brown and C. Clarkson re amendment to stalking horse APS; conference call with J. Larry, E. Rathbone, and B. Tannenbaum to discuss the status of the report and other matters.
10/08/2020	Bryan Tannenbaum	Receipt and review of D. Weisz email re sale procedure; receipt and review of various emails re second report and discuss with D. Weisz; receipt and review of J. Larry email re J. Wortzman comments on stalking horse APS; receipt and review of Colliers listing agreement and MLS and Confidentiality Agreement ("CA"); edit same and send to J. Larry for comments; receipt and review of draft lender update; email to Colliers re timing; forward same to D. Weisz and J. Larry; receipt and review of J. Wortzman email re stalking horse agreement; receipt and review of J. Larry comments on listing agreement and CA; send to Colliers; receipt and review of Phase 1 engagement letter; execute and return to PGL; receipt and review of PGL email re cost for a Phase 2, etc.; receipt and review of draft sale procedure order.
10/09/2020	Brenda Wong	Reference draft report to source; review and respond to email from former property manager re its outstanding account.
10/09/2020	Daniel Weisz	Review comments on report; review draft notice of motion and provide comments; review updated forms of orders and provide comments; review and update report to Court; conference call with A. Brown, C. Allen; J. Wortzman, C Andrews of Harris Sheaffer LLP re stalking horse agreement; finalize report and sign; preliminary review of signed stalking horse offer.
10/09/2020	Bryan Tannenbaum	Receipt and review of executed stalking horse APS; receipt and review of Colliers email regarding MLS exclusions.
10/09/2020	Bryan Tannenbaum	Receipt and review of PGL engagement letter for Phase 2; review of changes to proposed listing agreement; return same for execution by Colliers; email from J. Larry re realtor contact names; respond to same; telephone call with Colliers re changes to the listing agreement and environmental matters, etc.; telephone call with D. Weisz re Colliers update; telephone call with J. Berger and P. Schuster of PGL re environmental testing, etc.; review of draft sale procedure and approval and vesting order; receipt and review of Colliers email re changes to the wording of the listing agreement; forward same to J. Larry for comment; conference call with P. Schuster, S. Keyzer and J. Berger re environmental requirements; telephone call with S. Keyzer re changes to the wording of the listing agreement; receipt and review of Colliers email re number of tenants; receipt and review of D. Weisz email re stalking horse APS to be signed today.
10/09/2020	Anne Baptiste	Post receipt and disbursements to Ascend.

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Date	Professional	Description
10/09/2020	Jeff Berger	Further review of PGL proposal; call with P. Schuster and B. Tannenbaum to discuss same; provide due diligence materials to Colliers for review.
10/13/2020	Brenda Wong	Review revised boiler policy documents from HUB International Insurance Brokers ("HUB") and submit HUB invoice for payment; arrange for posting of motion record and Receiver's Second Report to the Receiver's website.
10/13/2020	Daniel Weisz	Process electronic payment; review motion record; review emails re Court hearing tomorrow and J. Larry on same.
10/13/2020	Bryan Tannenbaum	Receipt and review of J. Larry email to the service list.
10/14/2020	Anne Baptiste	Post disbursement to Ascend.
10/14/2020	Brenda Wong	Review Sales Procedure Order and timeline; arrange for posting of Order to Receiver's webpage; follow up with Portliving re HST registration for 110 Avenue Road; respond to email from PGL re site tour on October 19; respond to email from Colliers; emails to RAS re Colliers and PGL; send 114 photos to PGL; call from former property manager re its intent to register a lien; email to PGL to confirm site visit; email to tenant to advise of sales process and access to unit by PGL; send final form of CA to Colliers.
10/14/2020	Daniel Weisz	Review email to the Court and draft Court order attached thereto; discussion with J. Larry re materials being sent to the Court this morning; prepare for and attend in Court re application for approval of the sales procedure and other matters; review Court order and endorsement issued; conference call with B. Tannenbaum and B. Wong to discuss marketing process; review emails re sales process; discussion with J. Berger re sale procedure; review and sign Stalking Horse Agreement and email to A. Brown re same.
10/14/2020	Jeff Berger	Calls with CBRE and Avison Young re listing proposals and Receiver's decision to engage Colliers; review and respond to email from P. Schuster re status and timeline for Phase I ESA.
10/14/2020	Bryan Tannenbaum	Inquiry from an interested party re status of the sale process; response sent; receipt and review of counsel slip from J. Larry for today's hearing; attend Court for approval of sales process; receipt and review of Justice Conway's Endorsement; receipt and review of emails to other brokers; review and execute the listing agreement with Colliers; email to Colliers re the listing agreement and providing further background; receipt and review of PGL email re site inspection; emails to parties expressing interest in the Properties; telephone call with S. Keyzer; email to Anita of Engel Volkens ("Engel") to connect to Colliers; email to Aird & Berlis to connect to Colliers; receipt and review of B. Wong email re site inspections, etc.; receipt and review of Colliers email to PGL; receipt and review of PGL response.
10/15/2020	Bryan Tannenbaum	Receipt and review of Colliers response to site visits; receipt and review of D. Weisz email to A. Brown re stalking horse APS; receipt and review of J. Larry email with comments re same; receipt and review of E. Odeh email re a potential purchaser; telephone call with S. Keyzer re disclosure of stalking horse bid; email to tenant re prospective purchaser; receipt of email re sale signage and approval of same; receipt and review of B. Wong email to Colliers re access, lock boxes, etc.; receipt and respond to J. Larry email re J. Wortzman request receipt and review of Colliers email blast; letters sent to prospective purchasers regarding the sale of the Properties.

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Date	Professional	Description
10/15/2020	Echa Odeh	Prepare spreadsheet for tracking of rent collections and utility reimbursements by tenants, attend at 110 to deliver keys to tenant and review the status of maintenance issues; phone call and email to tenants to follow up on outstanding rent payments; phone call with potential purchaser; email sent to Colliers regarding expression of interest; email to former tenant to remove its property from 112; email to tenants requesting copy of a Certificate of Insurance.
10/15/2020	Daniel Weisz	Discussion with B. Tannenbaum on sale procedure; review proposed signage from Colliers and email to S. Keyzer re same; discussion with A. Brown re stalking horse agreement; review draft CIM and provide comments; exchange emails with A. Brown re the deposit on the Stalking Horse Agreement and the non-stalking horse APS.
10/15/2020	Brenda Wong	Email to 110 tenants re October 19 site visit and Colliers tours; email to Colliers re two interested parties; email to E. Odeh re tenant issues to be followed up; emails to Colliers re tenant contact information and lockboxes to be set up for October 16; respond to emails from Colliers re questions on the Properties.
10/15/2020	Brenda Wong	Update rent roll for inclusion in Colliers data room.
10/16/2020	Daniel Weisz	Discussion with B. Tannenbaum re CIM; discussion with CRA.
10/16/2020	Brenda Wong	Email to Portliving re demolition permit for 114; review email response from tenant and update rent roll for data room; review and respond to email from tenant; review emails from Colliers; email to B. Tannenbaum re lockbox and tours to be restricted to Colliers.
10/16/2020	Bryan Tannenbaum	Receipt and review of B. Wong email re tenants and rent roll; receipt and review of Colliers email re CIM finalization; review draft CIM and email to Colliers with edits, etc.; receipt and review CA; response sent.
10/16/2020	Echa Odeh	Review of returned mail and re-send notice to creditor; phone call and email to tenant regarding rent collections; prepare receipt processing form; update rent collections spreadsheet; emails with B. Wong regarding 110 and 114 permits.
10/19/2020	Brenda Wong	Review Colliers data room; respond to Colliers email re tenant rent; email to Colliers re tenant contact information; emails with RAS re lockboxes; emails with Colliers re data room, lock boxes and tours; emails with E. Odeh re maintenance items to be followed up and question re contents of 110.
10/19/2020	Daniel Weisz	Review emails re status of deposit from the stalking horse purchaser; discussion with B. Tannenbaum on various matters.
10/19/2020	Bryan Tannenbaum	Receipt and review of Colliers' marketing report; sign CA's and return; receipt and review of B. Wong email to Colliers re lock boxes; receipt and review of revised CA.
10/19/2020	Echa Odeh	Email to B. Wong re site visit; emails to RAS re certain maintenance items; email to tenant regarding item left at premises.
10/20/2020	Brenda Wong	Review Colliers data room re tenant information; emails to Portliving re demolition permit and number of residential units; draft letters to CRA to notify of receivership and request HST account for Receiver.
10/20/2020	Bryan Tannenbaum	Receipt and review of environmental email from PGL; receipt and review of question re CA issue and response sent to Colliers.

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Date	Professional	Description
10/21/2020	Donna Nishimura	Prepare cheque requisition and remittance advice form to pay filing fee to the Office of the Superintendent of Bankruptcy.
10/21/2020	Brenda Wong	Review summary of activities; review emails with RAS re property issues and rent payments; call with CRA re HST account.
10/21/2020	Daniel Weisz	Review CRA authorization form re HST account and discussion with B. Wong on same.
10/21/2020	Anne Baptiste	Post receipt to Ascend.
10/21/2020	Echa Odeh	Phone call with former tenant regarding property left on the premises and instructions to RAS re same; prepare receipt processing form; update rent collections spreadsheet; phone call with CRA regarding outstanding filings.
10/22/2020	Brenda Wong	Email to Portliving re setting up RT0002 account for the receivership and request for authorization; call with B. Tannenbaum, S. Keyzer and P. Shuster re ESA status and change order.
10/22/2020	Daniel Weisz	Review final APS re non-stalking horse offer and email to Paliare re same, finalize same and email to S. Keyzer enclosing same; email to A. Brown.
10/22/2020	Anne Baptiste	Prepare bank reconciliation.
10/22/2020	Bryan Tannenbaum	Conference call with P. Shuster, S. Keyzer and B. Wong re environmental status and change order, etc.; receipt and review of revised change order, sign and return.
10/23/2020	Anne Baptiste	Post receipt to Ascend.
10/23/2020	Brenda Wong	Review RAS property condition report and respond re same; respond to email from prospective tenant re status; review/respond to emails re property left behind in 112; review emails re findings of Phase I ESA; review and respond to email from counsel for creditor requesting to be added to creditors list.
10/23/2020	Daniel Weisz	Review Colliers marketing report and email to Colliers re same.
10/23/2020	Bryan Tannenbaum	Telephone call with PGL and S. Keyzer re status; receipt and review of Colliers weekly marketing report; execute CA's.
10/26/2020	Brenda Wong	Review and respond to email from creditor's counsel; review emails re unauthorized parking at 110 and rent payment received; review and file emails; discussion with E. Odeh re outstanding matters.
10/26/2020	Daniel Weisz	Process electronic rent payment and email to tenant re same.
10/26/2020	Echa Odeh	Follow up with former tenant regarding property left on premises; instructions to RAS re date for removal of property; email and phone call from tenant regarding vehicle parked in tenant's parking space; email to tenant re expenses deducted from rent payment.
10/26/2020	Bryan Tannenbaum	Receipt and review of Colliers email re agent signing CA; telephone call from S. Keyzer re same and timing of closing date.
10/27/2020	Brenda Wong	Review property tax account statements and send to Colliers; send follow up emails to Portliving re rent deposits and post-dated cheques and information on the number of housing units.
10/27/2020	Echa Odeh	Prepare receipt processing form.
10/28/2020	Brenda Wong	Review emails re tenant matters and Phase 2 report; follow up with Portliving re CRA authorization form.

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Date	Professional	Description
10/28/2020	Echa Odeh	Email to tenant regarding return to premises and winter maintenance issues.
10/28/2020	Bryan Tannenbaum	Receipt and review of PGL email with Phase 2 quotation; forward to S. Keyzer for comments; execute and return to PGL.
10/29/2020	Brenda Wong	Review and approve cheque requisition for payment of RAS invoice.
10/29/2020	Echa Odeh	Prepare cheque requisitions for expenses; follow up with Toronto Hydro regarding bills.
10/30/2020	Anne Baptiste	Post receipt to Ascend.
10/30/2020	Bryan Tannenbaum	Receipt and review of weekly marketing report from Colliers; execute and return CA's.
10/30/2020	Daniel Weisz	Review Colliers marketing report.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	39.8	\$ 750	\$ 29,850.00
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	41.1	\$ 725	29,797.50
Brenda Wong, CIRP, LIT	Senior Manager	17.6	\$ 595	10,472.00
Jeffrey K. Berger, CPA, CA, CIRP, LIT	Manager	9.3	\$ 525	4,882.50
Echa Odeh	Senior Associate	12.0	\$ 225	2,700.00
Donna Nishimura/Anne Baptiste	Estate Administrator	1.3	\$ 110	143.00
Total hours and professional fees		121.1		\$ 77,845.00
HST @ 13%				10,119.85
Total payable				\$ 87,964.85

VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.



GST/HST: 80784 1440 RT 0001

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To RSM Canada Limited
 Court-appointed Receiver and Manager of
 110 Avenue Road, Toronto, ON,
 112 Avenue Road, Toronto, ON,
 114 Avenue Road, Toronto, ON and
 116 Avenue Road, Toronto, ON
 11 King Street West, Suite 700
 Toronto, ON M5H 4C7

Date December 3, 2020

Client File 7841023/10001

Invoice 3
No.

For professional services rendered with respect to the appointment of RSM Canada Limited as Court-appointed Receiver and Manager of 110 Avenue Road, Toronto, ON (“**110**”); 112 Avenue Road, Toronto, ON (“**112**”); 114 Avenue Road, Toronto, ON (“**114**”); and 116 Avenue Road, Toronto, ON (“**116**”), (collectively referred to hereafter as the “**Properties**”) for the period November 1, 2020 to November 30, 2020.

Date	Professional	Description
11/02/2020	Brenda Wong	Review Canada Revenue Agency (“ CRA ”) authorization form and email to B. Berry of Port Living re same; finalize letters to CRA; review and respond re void cheques forwarded by Port Living; follow up with E. Odeh re status of outstanding items re 110 and 112; review and approve invoices for payment.
11/02/2020	Daniel Weisz	Process electronic payments.
11/02/2020	Echa Odeh	Phone calls with tenants regarding unauthorized parking at 110; follow up with Richmond Advisory Services Inc. (“ RAS ”) regarding removal of tenant’s property from 110; prepare cheque requisition for expenses; phone calls and emails with Toronto Hydro to correct mailing address; emails to tenants to follow up on rental payment.
11/02/2020	Bryan Tannenbaum	Dealing with access to the buildings; emails with Colliers and B. Wong re same.
11/03/2020	Brenda Wong	Review and respond to email from Port Living re tenant rent debited in error by Port Living; review cash and reconcile to Ascend; call from Colliers re site tour tomorrow; prepare draft lender update.
11/03/2020	Daniel Weisz	Post electronic rent receipt; review, update and finalize lender update; process electronic payments; exchange emails with J. Larry of Paliare Roland Rosenberg Rothstein LLP (“ Paliare ”) re marketing process.

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Date	Professional	Description
11/03/2020	Echa Odeh	Prepare draft invoices for tenant's reimbursement of hydro charges; prepare receipts processing form for rent received, phone call and email to tenant regarding winterization of tenant's unit; prepare cheque requisition; email with tenant regarding monthly rent payments and cheques.
11/04/2020	Brenda Wong	Check online banking to confirm processing of EFT; review emails from tenants; review draft invoices to tenants re recovery of hydro expense, review emails to tenants re same; follow up with Port Living re tenant deposits; follow up with RAS re quotes for repairs/maintenance; discussion with RAS re 110 and 112 repair/maintenance issues; review emails to RAS re water shut-off of empty unit at 110; emails and discussion with PGL Environmental Consultants ("PGL") re 116 and access to the property; review summary of activities; review quote for 110 and 112 heating maintenance work from RAS and email to D. Weisz re same; review and respond to emails from Colliers requesting additional information on the property and access to 114; follow up with Port Living re information requested by Colliers.
11/04/2020	Echa Odeh	Make amendments to hydro invoices to tenants and email to tenants; email with RAS regarding water shut off and emails with tenants regarding access to the premises.
11/04/2020	Anne Baptiste	Post receipt and disbursements to Ascend.
11/04/2020	Bryan Tannenbaum	Receipt and review of PGL email re access for testing; receipt and review of PGL email re owner of site and B. Wong responding emails.
11/05/2020	Brenda Wong	Emails to HUB International Insurance Brokers ("HUB") re proposed tours of 114 and emails with B. Tannenbaum re same.
11/05/2020	Bryan Tannenbaum	Review and or respond to emails re access and insurance, etc.
11/06/2020	Anne Baptiste	Post receipt to Ascend.
11/06/2020	Brenda Wong	Review and draft response to HUB email re condition of 114, send follow-up email to Port Living re number of residential rental units and property information requested; emails with Colliers re access to 114; email to J. Larry re waiver for 114.
11/06/2020	Daniel Weisz	Review Colliers marketing update; conference call with S. Keyzer, I. Gratzman, S. Laban and T. Teng of Colliers and B. Tannenbaum re marketing of the Properties.
11/06/2020	Bryan Tannenbaum	Receipt and review of Colliers week 4 marketing report; execute Confidentiality Agreements ("CA") and return; conference call with Colliers re marketing update; receipt and review of Colliers email requesting information; email to B. Wong to request same of Port Living's lawyer.
11/06/2020	Echa Odeh	Email with B. Wong regarding fencing around 114.
11/09/2020	Brenda Wong	Emails with Colliers and Port Living re Colliers to contact Port Living; emails with J. Larry and Colliers re waiver form.
11/09/2020	Anne Baptiste	Prepare bank reconciliation.
11/09/2020	Bryan Tannenbaum	Receipt and review of B. Wong email re Port Living response on number of units; receipt and review of Colliers email re same; receipt and review of Colliers email re Port Living email and authorization to contact them directly re additional questions.

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Date	Professional	Description
11/09/2020	Echa Odeh	Prepare receipts processing form for rent payment received.
11/11/2020	Brenda Wong	Review Colliers draft waiver letter and email to Paliare re same; review and respond to Colliers' emails; discussion with J. Larry re form of waiver; review waiver prepared by Paliare and forward to Colliers; receipt and review of Phase 1 report and forward to Colliers for comments; review and approve bills for payment; begin drafting third report to Court.
11/11/2020	Daniel Weisz	Conference call with B. Tannenbaum and B. Wong re status of the sale process.
11/11/2020	Bryan Tannenbaum	Receipt and review of Colliers emails re additional information from the debtors to post in data room;; receipt and review of Colliers email re waiver to enter into 114; receipt and review of B. Wong email to J. Larry with comments on the waiver; receipt and review of Colliers email attaching arborist and geotechnical reports; receipt and review of PGL Phase I Report; receipt and review of J. Larry email attaching his draft form of waiver and B. Wong email to Colliers with draft waiver.
11/12/2020	Brenda Wong	Follow up with RAS re status of 112 tenant's removal of its property; follow up with re tenant's October rent deposited by the debtors (the " October Rent ") and tenant deposits; continue drafting third report to Court; discussion with B. Tannenbaum re Colliers' comment on Phase 1 ESA and 114 site visit; review and respond to Colliers email re site visit; email to RAS to schedule Colliers site visit to 114; email to PGL to request clarification on the Phase 1 ESA; discussion with PGL re results of sampling; discussion with prospective purchaser and emailing copies of the Agreement of Purchase and Sale (" APS "), Stalking Horse Agreement and Sale Procedure.
11/12/2020	Daniel Weisz	Process electronic payments.
11/12/2020	Anne Baptiste	Post receipt to Ascend.
11/12/2020	Bryan Tannenbaum	Receipt and review of Colliers email with comments on Phase I and executed waiver provided; discussion with B. Wong re access to 114 to be granted on an exception basis; receipt and review of B. Wong email to PGL to clarify the wording in the Phase I report; phone call from prospective purchaser re further details on pricing.
11/12/2020	Echa Odeh	Email to former tenant re removal of its property.
11/13/2020	Anne Baptiste	Post disbursements to Ascend.
11/13/2020	Bryan Tannenbaum	Receipt and review of PGL email with revised wording for Phase I report; receipt and review of PGL email re drilling results and status of Phase 2 report, etc.; receipt and review of B. Wong email to Colliers re PGL's request for additional sampling; receipt and review of B. Wong email to Colliers re the final Phase 1 report to be posted in the data room; receipt and review of Colliers weekly report; receipt and review of B. Wong email re current status of receipts and disbursements.
11/13/2020	Brenda Wong	Review changes to PGL Phase 1 report and forward to Colliers; review email from PGL re Phase 2 report and soil testing results and emails with Colliers and PGL re same; obtain online statement and check to balance in Ascend; review draft statement of receipts and disbursements (" R&D ") and make edits, email to B. Tannenbaum re cash position and upcoming disbursements;

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Date	Professional	Description
		review draft Phase 2 report and forward to Colliers for comments; emails with E. Odeh re November rent collections.
11/13/2020	Daniel Weisz	Review Colliers marketing report.
11/13/2020	Echa Odeh	Prepare draft interim R&D; follow up with tenant re outstanding rent cheque.
11/16/2020	Brenda Wong	Email to PGL re additional testing; review emails re sale process; review email from PGL re well record, sign and return form; review and respond to email from RAS re 114 patio door damage.
11/16/2020	Bryan Tannenbaum	Receipt and review of PGL email re well record and B. Wong email response re same; receipt and review of PGL email with the Phase 2 draft report; email to prospective purchaser re follow up; receipt and review of debtors' email to Colliers.
11/16/2020	Echa Odeh	Phone call to tenant re removal of its property and email to RAS re same.
11/17/2020	Echa Odeh	Emails with tenant regarding rent cheques.
11/18/2020	Brenda Wong	Email to Port Living re the October Rent and tenant deposits; review emails re rent collections; review draft affidavit of fees.
11/18/2020	Daniel Weisz	Discussion with J. Larry re status of marketing process and report to court.
11/18/2020	Echa Odeh	Email to tenant regarding update on receivership; prepare fee affidavit for court report.
11/19/2020	Brenda Wong	Emails with PGL re status of Phase 2 report; emails with Colliers re status of Phase 1 and Phase 2 reports.
11/19/2020	Bryan Tannenbaum	Receipt and review of B. Wong email to PGL re finalization of Phase 2; receipt and review of B. Wong emails to Colliers re Phase 1 and Phase 2 reports.
11/20/2020	Daniel Weisz	Prepare for and attend conference call with S. Keyzer, T. Teng and I. Gragtmans and B. Tannenbaum to discuss the status of the marketing process, review Colliers weekly marketing update and email to Colliers re same.
11/20/2020	Bryan Tannenbaum	Various emails re status of Phase II report; receipt and review of PGL email with Phase II report; forward to Colliers; receipt and review of Colliers weekly progress report; .conference call with Colliers re status; execute CA and return.
11/20/2020	Anne Baptiste	Post receipt to Ascend.
11/23/2020	Brenda Wong	Review and respond to email from property manager re repairs and maintenance issues.
11/23/2020	Daniel Weisz	Review email from I. Gragtmans and respond thereto, B. Tannenbaum on same; discussion with B. Wong re draft report to court; review email from W. Greenspoon of Garfinkle Biderman LLP and respond to same.
11/23/2020	Bryan Tannenbaum	Review and respond to J. Larry email attaching email from the debtors' counsel re the potential effect of the Toronto lockdown on the sale process, review of J. Larry email to debtors' lawyer re same; receipt and review of I. Gragtmans email re marketing inquiries; receipt and review of S. Keyzer email re status of offers and phone call with S. Keyzer re same.

December 3, 2020

Invoice 3

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Date	Professional	Description
11/24/2020	Brenda Wong	Email to D. Gruber of Bennett Jones LLP re tenant deposits and the October Rent; review changes to and make updates to draft report; review emails from RAS re boiler maintenance this week; call to CRA re set-up of HST account for the Receiver, resend fax to CRA; discussion with the debtors' representative re tenant deposits; call from CRA re contact information for the debtors and confirming a HST account is now set up.
11/24/2020	Daniel Weisz	Review and update report to court; emails to J. Larry re security opinions required; review emails re the offers received and discussion with B. Tannenbaum on same.
11/24/2020	Bryan Tannenbaum	Receipt and review of Colliers email re sales status; receipt and review of email from prospective purchaser; receipt and review of B. Wong emails re the tenant deposits; review and respond to Colliers email re inquiry; receipt and review of offer from Colliers; phone call with J. Larry re offer and action plan; email Receiver's wire information to Colliers for the offer; receipt and review of B. Wong email to D. Gruber re tenant deposits; email to Colliers to follow up on the prospective purchaser's deposit.
11/24/2020	Echa Odeh	Email to tenant regarding access required to the leased premises and emails with RAS to confirm time; prepare cheque requisition for expenses and prepare invoices for tenant reimbursement of hydro expenses.
11/25/2020	Brenda Wong	Review emails re offer received; review and respond to email from HUB re renewal of coverage for another three months; review and approve hydro bills for payment and draft hydro bills to tenants; review and respond to email from debtors re funds to be transferred to the Receiver.
11/25/2020	Daniel Weisz	Review emails re status of purchaser's deposit; attend conference call with J. Larry and B. Tannenbaum re status of the sale procedure; conference call with A. Brown and B. Mestel re APS submitted and email to A. Brown and B. Mestel re same; email to C. Jackson in response to his; exchange emails with A. Brown and discussion with A. Brown; discussion with B. Tannenbaum on status; process electronic rent receipt; process electronic payments; review bank account for confirmation of receipt of purchaser's deposit and email to Colliers re same; conference call with B. Tannenbaum and J. Larry to discuss status of the sale procedure.
11/25/2020	Bryan Tannenbaum	Receipt and review of Colliers email re purchaser's deposit; review APS and email to Colliers re same; phone call with J. Larry and D. Weisz re the offers received and discussing response; receipt and review of J. Larry email to all counsel re the offer received and proceeding to next stage; receipt and review of R. Kansun email and response now sent; receipt and review of Colliers marketing report; receipt and review of C. Jackson email re status of offers and D. Weisz response thereto; receipt and review of Colliers email re wiring of purchaser's deposit; receipt and review of R. Kansun email requesting information on the next round.
11/25/2020	Echa Odeh	Email hydro invoices to tenants.
11/26/2020	Brenda Wong	Prepare Receipts Processing Form for posting of deposit received.
11/26/2020	Daniel Weisz	Review draft email to counsel for Qualified Bidders and provide comments; B. Tannenbaum on same; review subsequent emails re same; review various emails re sales process and B. Tannenbaum on same.

December 3, 2020

Invoice 3

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Date	Professional	Description
11/26/2020	Anne Baptiste	Post receipt to Ascend.
11/26/2020	Bryan Tannenbaum	Receipt and review of J. Larry emails re draft and final email to prospective purchaser's lawyers; forward same to Colliers; review and respond to J. Larry email re inquiry from lawyer for stalking horse purchaser.
11/27/2020	Anne Baptiste	Post disbursements to Ascend.
11/27/2020	Daniel Weisz	Process electronic rent receipt; discussion with B. Tannenbaum re status of the offers; conference call with J. Larry, B. Tannenbaum and S. Keyzer re status of the sale procedure; review proposed letter from Colliers and J. Larry on same.
11/27/2020	Bryan Tannenbaum	Phone call from S. Keyzer re offeror requesting extension; call with J. Larry and S. Keyzer; receipt and review of Colliers email re offeror's response; telephone call with J. Larry re stalking horse purchaser's response; conference call with J. Larry, D. Weisz and S. Keyzer re offers and proposed response; receipt and review of Colliers' emails to prospective purchasers; receipt and review of J. Larry email to debtors' counsel; receipt and review of D. Weisz email re Colliers marketing report.
11/27/2020	Echa Odeh	Prepare receipts processing forms for rent payments received.
11/30/2020	Brenda Wong	Update the Receiver's draft report; review RAS invoice and email to RAS re question on same; review HUB invoice; prepare cheque requisitions.
11/30/2020	Daniel Weisz	Exchange emails with C. Jackson re status of the prospective purchaser's deposit; review payout statement from GC Capital Inc.; exchange emails with debtors.
		To all other administrative matters with respect to this engagement, including supervision, all meetings, telephone attendances, and written and verbal correspondence to facilitate the foregoing.

December 3, 2020
 Invoice 3
 Page 7

FEE SUMMARY

Professional	Level	Hours	Rate	Fees
Bryan A. Tannenbaum, FCPA, FCA, FCIRP, LIT	President	21.7	\$ 750	\$ 16,275.00
Daniel R. Weisz, CPA, CA, CFF, CIRP, LIT	Senior Vice President	12.3	\$ 725	8,917.50
Brenda Wong, CIRP, LIT	Senior Manager	16.2	\$ 595	9,639.00
Echa Odeh	Senior Associate	7.5	\$ 225	1,687.50
Anne Baptiste	Estate Administrator	1.8	\$ 110	198.00
Total hours and professional fees		<u>59.5</u>		\$ 36,717.00
HST @ 13%				4,773.21
Total payable				\$ 41,490.21

VISA/MASTERCARD

Payments can be made by calling the Accounts Receivable Department at 647.726.0483.

WIRE PAYMENT DETAILS

Please contact Donna Nishimura at 647.727.3552 for wire instructions.

Invoices are due upon receipt.
 RSM Canada Limited

**THIS IS EXHIBIT "B" REFERRED TO IN THE
AFFIDAVIT OF BRYAN A. TANNENBAUM SWORN BEFORE ME
THIS 8th DAY OF DECEMBER, 2020**



A Commissioner, etc.

*Daniel Raphael Weisz, a Commissioner, etc.
Province of Ontario, for RSM Canada LLP
and RSM Canada Limited.
Expires January 5, 2021*

**In the Matter of the Receivership of
 110 Avenue Road, Toronto, 112 Avenue Road, Toronto,
 114 Avenue Road, Toronto and 116 Avenue Road, Toronto
 Summary of Receiver's Fees
 For the Period July 8 to November 30, 2020**

Invoice Date	Period	Hours	Fees	HST	Total	Average Hourly Rate
21-Oct-20	July 8 to September 30, 2020	135.8	\$ 82,093.50	\$ 10,672.16	\$ 92,765.66	\$ 604.52
6-Nov-20	October 1 to October 31, 2020	121.1	77,845.00	10,119.85	87,964.85	642.82
3-Dec-20	November 1 to 30, 2020	59.5	36,717.00	4,773.21	41,490.21	617.09
Total		316.4	\$ 196,655.50	\$ 25,565.22	\$ 222,220.72	\$ 621.54

APPENDIX O

Court File No. CV-20-00644927-00CL

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

BETWEEN:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

- and -

YORKVILLE CENTRAL INVESTMENTS INC., YORKVILLE CENTRAL 2
INVESTMENTS INC., YORKVILLE CENTRAL 3 INVESTMENTS INC.

Respondents

**AFFIDAVIT OF SARITA SANASIE
(Sworn December 8, 2020)**

I, Sarita Sanasie, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am an assistant at the law firm of Paliare Roland Rosenberg Rothstein LLP (“Paliare Roland”). I have personal knowledge of the matters to which I hereinafter refer.
2. Pursuant to the order of the Honourable Justice Dietrich dated September 11, 2020 (the “**Appointment Order**”), RSM Canada Limited was appointed as the receiver (the “**Receiver**”) without security, over the lands and premises collectively known as the Avenue Road Properties.
3. Pursuant to the Appointment Order, Paliare Roland has provided services to and incurred disbursements on behalf of the Receiver. The detailed invoices attached hereto and marked as **Exhibit “A”** (the “Dockets”) set out Paliare Roland’s fees and disbursements from August 13, 2020 to November 30, 2020.

The Dockets describe the services provided and the amounts charged by Paliare Roland.

4. The following is a summary of the professionals whose services are reflected in the Dockets, including hourly rates, fees billed, hours billed and the average hourly rate charged by Paliare Roland. The hourly rates charged are the usual hourly rates charged by Paliare Roland for the listed professionals.

Professional	Hourly Rate	Hours Billed	Fees Billed
Jeff Larry, Partner, 2001 Call	\$725.00/hr	57.60	41,760.00
Elizabeth Rathbone, Associate, 2016 Call	\$475.00/hr	27.30	12,967.50
Jacqueline Cummins Law Clerk	\$220.00/hr	7.20	1,584.00
Lauren Rainsford, Student	\$220.00/hr	5.60	1,232.00
Subtotal			57,543.50

5. Inclusive of HST and disbursements, the total amount of the Dockets are **\$66,950.88**.

AFFIRMED remotely by as a result of)
 COVID 19 by Sarita Sanasie at the City)
 of Toronto , in the Province of Ontario)
 before me on this 8th day of December,)
 2020 in accordance with O. Reg.)
 431/20, Administering Oath or)
 Declaration Remotely)



 A Commissioner for taking Affidavits



 Sarita Sanasie

**This is EXHIBIT "A" referred to in
the Affidavit of
Sarita Sanasie
sworn before me this 8th day of December, 2020**



A Commissioner for taking affidavits



35th Floor
 155 Wellington St. West
 Toronto, Ontario M5V 3H1
 Canada

416.646.4300
 paliareroland.com

Private and Confidential
 RSM Canada Limited
 11 King Street West, Suite 700
 Box 27
 Toronto, Ontario M5H 4C7

November 30, 2020
 Invoice No.: 100588
 Our File No.: 6595-97792

Attention: Daniel Weisz

RE: 110-116 Avenue Road

FOR PROFESSIONAL SERVICES RENDERED on this matter for the period ending November 30, 2020:

Total Fees	\$ 57,543.50
Non Taxable Disbursements	595.40
Total Disbursements subject to HST	1,178.16
Total HST	<u>7,633.82</u>
INVOICE TOTAL	<u><u>\$ 66,950.88</u></u>

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

Per:

A handwritten signature in blue ink, appearing to read "Jeffrey Larry", written over a horizontal line.

Jeffrey Larry



35th Floor
155 Wellington St. West
Toronto, Ontario M5V 3H1
Canada

416.646.4300
paliareroland.com

Private and Confidential
RSM Canada Limited
11 King Street West, Suite 700
Box 27
Toronto, Ontario M5H 4C7

November 30, 2020
Invoice No.: 100588
Our File No.: 6595-97792

Attention: Daniel Weisz

RE: 110-116 Avenue Road

FOR PROFESSIONAL SERVICES RENDERED on this matter for the period ending November 30, 2020:

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
13/08/20	JL	Discussion with D. Weisz; review matter;	725.00	0.30	217.50
18/08/20	JL	Call with J. Wortzman; call with D. Weisz;	725.00	0.50	362.50
26/08/20	JL	Phone call with D. Weisz; call with J. Wortzman; consider and discuss issues;	725.00	0.90	652.50
28/08/20	JL	Review materials; correspondence with D. Weisz;	725.00	0.60	435.00
29/08/20	JL	Correspondence with D. Weisz; email correspondence with J. Wortzman;	725.00	0.20	145.00
10/09/20	JL	Calls with D. Weisz and B. Tannenbaum; prepare for hearing; call with W. Greenspoon; email correspondence;	725.00	1.90	1,377.50
11/09/20	JL	Prepare for and participate in motion; calls with D. Weisz and B. Tannenbaum re: next steps for return of motion;	725.00	1.90	1,377.50

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
18/09/20	JL	Calls with D. Weisz; correspondence with D. Weisz; review and consider emails and strategy; review, consider and discuss expression of interest from Synvest;	725.00	1.40	1,015.00
21/09/20	JL	Call with S. Mitra; call with J. Wortzman; calls with D. Weisz; call with D. Weisz and B. Tannenbaum; email correspondence;	725.00	2.20	1,595.00
22/09/20	JL	Calls with D. Weisz; conference call with appraiser and RSM; various email correspondence; review supplemental materials;	725.00	2.50	1,812.50
23/09/20	JL	Various calls to discuss receiver's report and next step; call with Cushman re: valuation;	725.00	2.10	1,522.50
24/09/20	JL	Review and comment on draft receiver's report; call with D. Weisz;	725.00	1.50	1,087.50
25/09/20	JL	Calls with D. Weisz and B. Tannenbaum; revise Receiver's report; call with J. Wortzman; call with W. Greenspoon-Soer;	725.00	2.80	2,030.00
25/09/20	ER	Call with J Larry re case background, next steps;	475.00	0.40	190.00
29/09/20	JL	Call with Aird Berlis; calls with D. Weisz and B. Tannenbaum; various issues re upcoming motion preparation; email correspondence; consider and discuss issues;	725.00	2.40	1,740.00

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
29/09/20	ER	Attend to prehearing administrative matters;	475.00	1.10	522.50
30/09/20	JL	Calls with D. Weisz and B.Tannenbaum; call with D. Gruber; call with J. Wortzman; email correspondence; review supplemental materials; review offer from SC Lands;	725.00	3.10	2,247.50
01/10/20	JL	Review and consider correspondence from Aird Berlis; call with RSM; call with counsel; Comment on Receiver's Supplementary Report;	725.00	1.10	797.50
02/10/20	JL	Drafting motion materials; various phone calls with RSM and counsel; finalize and serve Receiver's report;	725.00	3.10	2,247.50
05/10/20	JL	Prepare for and attend on motion; various discussions with Receiver and counsel; consider next steps and review stalking horse sales procedure;	725.00	3.10	2,247.50
05/10/20	ER	Prepare for and attend hearing re motion for sale approval; call with J Larry re same; conduct research re stalking horse bid procedures;	475.00	2.10	997.50
06/10/20	JL	Calls with D.Weisz; call with counsel; preparing materials;	725.00	2.90	2,102.50
06/10/20	ER	Calls and confers with J Larry re sale process; prepare motion materials re same; review and revise	475.00	2.70	1,282.50

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
		stalking horse bid procedures; call with J Larry, Receiver re same;			
07/10/20	JL	Drafting Sale Procedure and revise Receiver's report; prepare motion materials; call with J . Wortzman; call with Receiver;	725.00	3.30	2,392.50
07/10/20	ER	Prepare motion materials; prepare draft approval and vesting order; review and revise sale materials and appendices; e-mails and confers with J Larry, Receiver re same;	475.00	1.80	855.00
08/10/20	JL	Numerous correspondence and calls with RSM and counsel; review and revise motion materials;	725.00	2.80	2,030.00
08/10/20	ER	Review and revise Receiver's report; prepare motion materials; prepare draft orders; review and revise sale materials and appendices; multiple e-mails and confers with J Larry, Receiver, Receiver's corporate counsel re same;	475.00	3.10	1,472.50
09/10/20	JL	Working on materials for stalking horse bid; calls with RSM; calls with counsel; various email correspondence; review and comment on Receiver's report;	725.00	3.50	2,537.50
09/10/20	ER	Draft, review, and revise notice of motion; review and revise Receiver's report; multiple calls and e-mails with Receiver re same;	475.00	6.70	3,182.50

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
		review and revise orders, APS supporting documents; prepare materials for filing;			
11/10/20	ER	Prepare confidential appendix; e-mails and call re same;	475.00	1.40	665.00
13/10/20	JL	Various calls and email correspondence; prepare for hearing;	725.00	1.70	1,232.50
14/10/20	JL	Prepare for and attend at court for motion; discussions re: listing proposals;	725.00	2.90	2,102.50
14/10/20	ER	Prepare for hearing; review correspondence; call with J Larry; attend hearing; review endorsement re sale process;	475.00	1.40	665.00
15/10/20	JL	Email correspondence re: data room and other issues;	725.00	0.30	217.50
19/10/20	JL	Various calls re sales process and data room issues;	725.00	0.60	435.00
21/10/20	JL	Call with B. Tannenbaum; email correspondence re: CA issue;	725.00	0.50	362.50
22/10/20	ER	Compile agreement of purchase and sale for Receiver;	475.00	0.30	142.50
02/11/20	JL	Various phone calls and email correspondence re: process and next steps;	725.00	1.20	870.00
09/11/20	JL	Discussion with B. Wong; email correspondence;	725.00	0.40	290.00
11/11/20	JL	Call with B. Wong; draft waiver; email	725.00	0.80	580.00

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
		correspondence; consider report and issues;			
24/11/20	JL	Call with B. Tannenbaum; correspondence with counsel; begin looking into opinion issues; correspondence with E. Rathbone;	725.00	1.30	942.50
25/11/20	JC	Email exchanges with E. Rathbone; performing corporate searches or organizing results; email to E. Rathbone;	220.00	4.20	924.00
25/11/20	JL	Call with C. Allen; calls with RSM; email correspondence with counsel;	725.00	1.20	870.00
25/11/20	ER	E-mails with J Larry re mortgage opinion; e-mails with J Cummins re same; prepare opinion; review mortgage documents;	475.00	1.40	665.00
26/11/20	JC	Review and consider email from E. Rathbone; email to E. Rathbone; email to students; discussion with L. Rainsford; email exchanges with ESC; telephone call with ESC; status email to E. Rathbone;	220.00	2.40	528.00
26/11/20	JL	Calls with RSM; call with C. Allen; draft correspondence to counsel; discussions re next steps;	725.00	1.10	797.50
26/11/20	LR	Call w. J. Cummins re task; review PPSA, execution, corporate history, Bank Act, Land Title, BIA searches re mortgage opinion;	220.00	4.00	880.00

DATE	LYR	DESCRIPTION	RATE	HOURS	AMOUNT
27/11/20	JC	Email exchanges with ESC re federal certificate of status; obtaining federal certificate of status; email to L. Rainsford;	220.00	0.60	132.00
27/11/20	JL	Calls with RSM; calls with agent; correspondence;	725.00	1.50	1,087.50
27/11/20	LR	Call w. E. Rathbone re searches; revise opinion re same; email to E. Rathbone re same;	220.00	1.60	352.00
27/11/20	ER	Review searches; call with L Rainsford re same; draft opinion;	475.00	1.50	712.50
30/11/20	ER	Review mortgage and loan documents; e-mails with counsel to second mortgagee re same;	475.00	3.40	1,615.00

TIME SUMMARY

MEMBER	HOURS	RATE	VALUE
Rainsford, Lauren (LR)	5.60	220.00	1,232.00
Rathbone, Elizabeth (ER)	27.30	475.00	12,967.50
Cummins, Jacqueline (JC)	7.20	220.00	1,584.00
Larry, Jeffrey (JL)	57.60	725.00	41,760.00
	<u>97.70</u>		

OUR FEES \$ 57,543.50
 HST at 13% 7,480.66

Non Taxable Disbursements:

09/10/20	Filing Fee Re: Superior Court of Justice in Toronto, Notice of Motion, Affidavit of Service Voucher No. 26817 for Invoice No. MAG-19924166 issued by: (130)CIBC	320.00
	Search Disbursement - Non-taxable	<u>275.40</u>

Total Non Taxable Disbursements: 595.40

Taxable Disbursements:

Conference Call Charges	10.13	
Search Disbursement	1,168.03	
		<hr/>
Total Taxable Disbursements		1,178.16
HST at 13%		153.16
		<hr/>
INVOICE TOTAL		<u><u>\$ 66,950.88</u></u>



35th Floor
155 Wellington St. West
Toronto, Ontario M5V 3H1
Canada

416.646.4300
paliareroland.com

Private and Confidential
RSM Canada Limited
11 King Street West, Suite 700
Box 27
Toronto, Ontario M5H 4C7

November 30, 2020
Invoice No.: 100588
Our File No.: 6595-97792

Attention: Daniel Weisz

RE: 110-116 Avenue Road

**REMITTANCE COPY
PLEASE REMIT WITH PAYMENT**

Total Fees	\$ 57,543.50
Non Taxable Disbursements	595.40
Total Disbursements subject to HST	1,178.16
Total HST	<u>7,633.82</u>
INVOICE TOTAL	<u><u>\$ 66,950.88</u></u>

CAMERON STEPHENS MORTGAGE CAPITAL LTD.
Applicant

-and-

Court File No. CV-20-00644927-00CL
YORKVILLE CENTRAL INVESTMENTS INC. et al.
Respondents

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

PROCEEDING COMMENCED AT
TORONTO

AFFIDAVIT OF SARITA SANASIE

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

155 Wellington Street West, 35th Floor

Toronto, ON M5V 3H1

Tel: 416.646.4300

Fax: 416.646.4301

Jeffrey Larry (LSUC# 44608D)

Tel: 416.646.4330

jeff.larry@paliareroland.com

Elizabeth Rathbone (LSO# 70331U)

Tel: 416.646.7488

elizabeth.rathbone@paliareroland.com

Lawyers for the Receiver

Court File No: CV-20-00644927-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

B E T W E E N:

CAMERON STEPHENS MORTGAGE CAPITAL LTD.

Applicant

- and -

YORKVILLE CENTRAL INVESTMENTS INC., YORKVILLE CENTRAL 2
INVESTMENT INC., YORKVILLE CENTRAL 3 INVESTMENTS INC.

Respondent

AFFIDAVIT OF AVROM W. BROWN

I, Avrom W. Brown, of the City of Toronto, in the Province of Ontario, **MAKE OATH AND SAY:**

1. I am a Partner at the law firm Garfinkle Biderman LLP. I have personal knowledge of the matters to which I hereinafter refer.
2. Pursuant to the order of the Honourable Justice Conway dated 11th day of September, 2020 (the "**Appointment Order**"), RSM Canada Limited was appointed as the receiver (the "**Receiver**") without security, of the real property municipally known as 110 Avenue Road, Toronto, 112 Avenue Road Toronto, 114 Avenue Road, Toronto and 116 Avenue Road, Toronto.
3. Pursuant to the Appointment Order, Garfinkle Biderman has provided services to and incurred disbursements on behalf of the Receiver. The detailed invoices attached hereto and marked as **Exhibit "A"** (the "Dockets") set out Garfinkle Biderman's fees and disbursements from September 30, 2020 to November

30, 2020. The Dockets describe the services provided and the amounts charged by Garfinkle Biderman.

4. The following is a summary of the professionals whose services are reflected in the Dockets, including hourly rates, fees billed, hours billed and the average hourly rate charged by Garfinkle Biderman. The hourly rates charged are the usual hourly rates charged by Garfinkle Biderman for the listed professionals.

Professional	Hourly Rate	Hours Billed	Fees Billed
Avrom W. Brown	\$785.00/hr	13.00	\$10,205.00
Blair Mestel	\$440.00/hr	1.50	\$660.00
Subtotal	\$1,225.00	14.5	\$10,865.00

5. Inclusive of HST and disbursements, the total amount of the Dockets are \$12,515.34.

SWORN before me this 3rd day of)
 December, 2020 at the City of Toronto, in)
 the Province of Ontario)
)
)
)

 A Commissioner for taking Affidavits

 Avrom W. Brown

In Account With

Our File # 12505-001

December 3, 2020

RSM Canada Limited
 11 King Street West, Suite 700, PO Box 27
 Toronto, ON M5H 4C7

Attention: Daniel Weisz

RE: Sale of Properties – 110, 112, 114 and 116 Avenue Road, Toronto

ATTENDANCES and all matters relating to the above for the period September 30, 2020 to November 30, 2020;

OUR FEE in all: As detailed on the enclosed printout	\$10,865.00
H.S.T. x 13%	\$ 1,412.45
Disbursements: As set out on the attached printout	\$ 213.05
H.S.T. x 13%	\$ 24.84
Total Fees	\$10,865.00
Total Disbursements	\$ 213.05
Total H.S.T.	\$ 1,437.29
AMOUNT DUE AND OWING	\$12,515.34

This is our Account Herein

GARFINKLE BIDERMAN LLP

Avrom W. Brown

AWB:cjc
 E. & O. E.
 H:\client\12505-001.M\cs_acctm.doc

Date: Dec 3, 2020

Garfinkle, Biderman LLP
Billing Statement to Dec 03/20 requested by AWB

Page: 1

Bill #: _____

Client
 12505 RSM Canada Limited
 11 King St. W., Suite 700, Box
 Toronto ON M5H 4C7
 Client Lawyer: A.W. Brown

File
 12505001 Sale to SC Land Inc.
 110, 112, 114 & 116 Avenue Road (115 Real Estate - No Levy)
 TAXABLE - Ontario

Date opened: October 7, 2020

Responsible: A.W. Brown
 Assigned: A.W. Brown
 Staff: Courtney Clarkson

UNBILLED TIME

<u>Date</u>	<u>Narrative</u>	<u>Lawyer</u>	<u>Bill Hours</u>	<u>Bill Value</u>	<u>Entered Hours</u>	<u>Entered Value</u>	<u>Audit</u>	<u>Bill Running Total</u>
Sep 30/20	Telephone Call With Danny	2 AWB	.20	157.00	.20	157.00	197044	157.00
Oct 05/20	Telephone Call With Danny; Courtney	2 AWB	.20	157.00	.20	157.00	197054	314.00
Oct 05/20	Telephone Call With Wendy	2 AWB	.10	78.50	.10	78.50	197055	392.50
Oct 05/20	Review title	2 AWB	.30	235.50	.30	235.50	197056	628.00
Oct 06/20	Revie Stalking Horse offer form, etc.	2 AWB	1.80	1,413.00	1.80	1,413.00	197063	2,041.00
Oct 06/20	Conference Call With Danny, Jeff re: Sale Process	2 AWB	.40	314.00	.40	314.00	197064	2,355.00
Oct 07/20	Amend Stalking Horse APS	2 AWB	1.00	785.00	1.00	785.00	197065	3,140.00
Oct 07/20	Miscellaneous Proof re: Stalking Horse APS	2 AWB	.50	392.50	.50	392.50	197066	3,532.50
Oct 07/20	Draft new Stalking Horse offer	2 AWB	1.50	1,177.50	1.50	1,177.50	197067	4,710.00
Oct 08/20	Draft Standard APS	2 AWB	.50	392.50	.50	392.50	197068	5,102.50
Oct 08/20	Proofing Standard APS	2 AWB	.40	314.00	.40	314.00	197069	5,416.50
Oct 08/20	Miscellaneous: Amend offer forms	2 AWB	.30	235.50	.30	235.50	197071	5,652.00
Oct 08/20	Miscellaneous re: Offer forms	2 AWB	.50	392.50	.50	392.50	197073	6,044.50
Oct 09/20	Miscellaneous re: Certificate and Vesting order	2 AWB	.50	392.50	.50	392.50	197076	6,437.00
Oct 09/20	Telephone Call With Elizabeth - Vesting Order	2 AWB	.20	157.00	.20	157.00	197077	6,594.00
Oct 09/20	Miscellaneous re: Stalking Horse offer	2 AWB	.40	314.00	.40	314.00	197078	6,908.00
Oct 09/20	Miscellaneous re: Stalking Horse offer	2 AWB	.20	157.00	.20	157.00	197080	7,065.00
Oct 09/20	Conference Call With Stalking Horse Solicitors, Danny re: APS	2 AWB	.50	392.50	.50	392.50	197081	7,457.50
Oct 15/20	Miscellaneous re: Stalking Horse offer	2 AWB	.50	392.50	.50	392.50	200167	7,850.00
Oct 15/20	Final amends - Standard APS	2 AWB	.30	235.50	.30	235.50	200169	8,085.50
Oct 19/20	Follow Up: Sierra deposit	2 AWB	.20	157.00	.20	157.00	202104	8,242.50
Oct 19/20	Miscellaneous re: Sierra deposit	2 AWB	.20	157.00	.20	157.00	202105	8,399.50
Oct 23/20	Reviewing File	2 AWB	1.00	785.00	1.00	785.00	206255	9,184.50
Nov 04/20	Letter To Client	2 AWB	.30	235.50	.30	235.50	215015	9,420.00
Nov 12/20	To review of Stalking Horse and Non-Stalking Horse offers and related attendances;	44 B M	1.50	660.00	1.50	660.00	219131	10,080.00
Nov 25/20	Telephone Call With Danny	2 AWB	.30	235.50	.30	235.50	229159	10,315.50
Nov 25/20	Miscellaneous re: Synvest offer	2 AWB	.30	235.50	.30	235.50	229160	10,551.00
Nov 25/20	Miscellaneous re: Synvest offer	2 AWB	.30	235.50	.30	235.50	229161	10,786.50
Nov 25/20	Miscellaneous re: Synvest offer	2 AWB	.10	78.50	.10	78.50	229163	10,865.00
Dec 02/20	E-Mail from Danny	2 AWB	.20	157.00	.20	157.00	235020	11,022.00
Dec 02/20	Miscellaneous re: Synvest offer	2 AWB	.40	314.00	.40	314.00	235022	11,336.00
Total unbilled time			15.10	11,336.00	15.10	11,336.00		
HST on 11,336.00 @ 13%				1,473.68				
Total unbilled Time & Taxes				12,809.68				

TIME SUMMARY

<u>Lawyer</u>	<u>Bill Hours</u>	<u>Rate/Hr</u>	<u>Bill Value</u>	<u>Entered Hours</u>	<u>Entered Value</u>	<u>Last Entry</u>
A.W. Brown	13.60	@785.00	= 10,676.00	13.60	10,676.00	Dec 2 2020
Blair Mestel	1.50	@440.00	= 660.00	1.50	660.00	Nov 24 2020

Date: Dec 3, 2020

Garfinkle, Biderman LLP
Billing Statement to Dec 03/20 requested by AWB

Page: 1

Bill #: _____

Client
 12505 RSM Canada Limited
 11 King St. W., Suite 700, Box
 Toronto ON M5H 4C7
 Client Lawyer: A.W. Brown

File
 12505001 Sale to SC Land Inc.
 110, 112, 114 & 116 Avenue Road (115 Real Estate - No Levy)
 TAXABLE - Ontario
 Date opened: October 7, 2020
 Responsible: A.W. Brown
 Assigned: A.W. Brown
 Staff: Courtney Clarkson

UNBILLED DISBURSEMENTS

<u>Date</u>	<u>Cd Description/Payee</u>	<u>Refer#</u>	<u>Amount Lawyer</u>	<u>Audit</u>
Oct 07/20	78 Postage/Email Charges	211015	25.00	S211015
Oct 13/20	26 Teranet Searches - Taxable Teraview - October 9, 2020	214007	130.40	S214007
Oct 20/20	65 Client Other - No Tax Incoming wire charge	219020	22.00	S219020
Nov 19/20	26 Teranet Searches - Taxable Teraview	244006	35.65	S244006
	Total unbilled Disbursements		213.05	
	HST on 191.05 @ 13%		24.84	
	Total unbilled disbursements & taxes		237.89	

CAMERON STEPHENS MORTGAGE CAPITAL LTD.
Applicant

-and-

YORKVILLE CENTRAL INVESTMENTS INC. et al.
Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

AFFIDAVIT OF AVROM W. BROWN

GARFINKLE BIDERMAN LLP

801-1 Adelaide Street East

Toronto, ON M5C 2V9

Tel: 416.869.1234

Fax: 416.869.0547

Avrom W. Brown

Tel: 416.869.7600

abrown@garfinkle.com

Lawyer for the Receiver

CONFIDENTIAL APPENDIX Q
to the Third Report Of The Receiver
dated December 9, 2020
(filed under seal)
