



No. S-246994
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN:

KINGSETT MORTGAGE CORPORATION

PETITIONER

AND

DISTRICT NORTHWEST LIMITED PARTNERSHIP

and

105 UNIVERSITY VIEW HOMES LTD.

RESPONDENTS

FIRST REPORT OF THE RECEIVER

January 21, 2025

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1.0 Introduction

1. Pursuant to an order of the Supreme Court of British Columbia (the “**Court**”) pronounced on November 8, 2024 (the “**Receivership Order**”), KSV Restructuring Inc. (“**KSV**”) was appointed as receiver (in such capacity, the “**Receiver**”), without security, of certain real property located at 13438 105A Avenue in Surrey, British Columbia¹ (the “**Lands**”) and all right, title, and interest of 105 University View Homes Ltd. (“**105 University**” and together with District Northwest Limited Partnership (“**District LP**”), the “**Debtors**”) in all presently owned or held personal property of whatsoever nature and kind pertaining to the Lands (together with the Lands, the “**Property**”), including all proceeds thereof. A copy of the Receivership Order is attached as **Appendix “A”**.
2. The Receivership Order limited the Receiver’s powers by precluding the Receiver from doing any of the following prior to January 18, 2025:
 - a) marketing 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 considers appropriate;
 - b) selling, conveying, transferring, leasing, or assigning the Property or any part or parts thereof out of the ordinary course of business; and
 - c) applying for any vesting order or other orders necessary to convey the Property or any part or parts thereof to a purchaser or purchasers, free and clear of any liens or encumbrances.
3. The above limitations on the scope of the Receiver’s powers were imposed by the Court, at the Debtors’ request, for the purposes of affording the Debtors an opportunity to secure a comprehensive refinancing or other transaction capable of repaying KingSett Mortgage Corporation (“**KingSett**”), the Debtors’ largest and senior secured creditor, permitting the District Project (as defined below) to continue, and obviating the need for the receivership proceedings.
4. As of the date of this report (the “**First Report**”), the Debtors have not presented a viable refinancing or restructuring transaction or repaid the debt owed to KingSett. Accordingly,

¹ Legal Description: LOT A SECTION 22 BLOCK 5 NORTH RANGE 2 WEST NEW WESTMINSTER DISTRICT PLAN EPP111526, PID: 031-746-667.

the Receiver may now advance the principal purpose of these proceedings – to create a stabilized environment in which the District Project can be sold, and the proceeds arising therefrom can be distributed, for the benefit of the Debtors’ stakeholders.

1.1 Purposes of this First Report

1. The purposes of this First Report are to:
 - a) provide background information concerning the Debtors and these proceedings;
 - b) discuss matters related to the security granted by the Debtors in favor of KingSett, including the security opinion obtained by the Receiver, which are germane to the Application for Judgment (as defined below); and
 - c) summarize the Receiver’s activities since the commencement of the receivership proceedings.

1.2 Scope and Terms of Reference

1. In preparing this First Report, the Receiver has relied upon the Debtors’ unaudited financial information, books and records, information available in the public domain, and discussions with KingSett, the Debtors’ management, and representatives of Thind Properties Ltd. (“**Thind**”), an entity related to the Debtors.
2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the financial information relied on to prepare this First Report in a manner that complies with Canadian Auditing Standards (“**CAS**”) pursuant to the Chartered Professional Accountants of Canada Handbook and, accordingly, the Receiver expresses no opinion or other form of assurance contemplated under the CAS in respect of such information. Any party wishing to place reliance on the financial information should perform its own due diligence.

1.3 Currency

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

2.0 Background

1. 105 University is a corporation incorporated pursuant to the *Business Corporations Act*, S.B.C. 2002, c. 57, as amended and District LP is a limited partnership formed under the *Partnership Act*, R.S.B.C. 1996, c. 348, as amended. District LP and 105 University are the beneficial and registered owners, respectively, of the Lands.

2.1 District Northwest Project

1. Prior to the Receivership Order, the Debtors were in the process of rezoning and obtaining permits to develop a mixed-use development project consisting of two towers with 1,023 units known as “District Northwest” (the “**District Project**”). As of the date of the Receivership Order, construction on the Project had not commenced.
2. Beginning in December 2021, the Debtors began marketing the sale of units in the District Project. As at the date of the Receivership Order, 873 units had been sold pursuant to presale agreements (collectively, the “**Presale Agreements**”) between the Debtors and various third-party purchasers (collectively, the “**Presale Purchasers**”) with contractual deposits in an aggregate amount of approximately \$78 million, together with interest (collectively, the “**Deposits**”), held in trust by Richards Buell Sutton LLP (“**RBS**”).

2.2 Creditors

2.2.1 KingSett

1. In connection with the District Project, the Debtors entered into a commitment letter dated February 14, 2022 (as amended on October 16, 2023, January 30, 2024, and March 19, 2024), among *inter alios*, District LP, as borrower, 105 University as nominee, and KingSett, as lender, pursuant to which KingSett provided a first mortgage loan in the principal amount of \$79,912,500 (the “**KingSett Loan**”).
2. As at January 6, 2025, the total indebtedness to KingSett under the KingSett Loan (the “**KingSett Indebtedness**”) was approximately \$88.73 million, accruing interest at a rate of approximately \$30,293.47 per day.
3. The payment and performance of the KingSett Indebtedness is secured by various security (collectively, the “**KingSett Security**”), including, among other things:
 - a) a general security agreement dated February 24, 2022, between 105 University, as grantor, and KingSett, as grantee;

- b) a first mortgage/charge in the principal amount of \$70,000,000 and an assignment of rents registered against the Lands in favour of KingSett;
 - c) a second mortgage/charge in the principal amount of \$99,890,625 registered against the Lands in favour of KingSett;
 - d) a direction, acknowledgement, and security agreement dated February 24, 2022 granted by the Debtors in favour of KingSett; and
 - e) a pledge agreement dated February 24, 2022, between Thind, as pledgor, and KingSett, as lender.
4. In connection with the provision of the KingSett Loan and the granting of the KingSett Security, KingSett, as lender, entered into a subordination and standstill agreement dated March 1, 2022 (as amended and restated on November 2, 2023, the “**Subordination Agreement**”), with R.A.R Consultants Ltd., IHI Developments Ltd., Garmeco Canada Consultants Ltd., and IHI Holdings Ltd., as subordinated lenders (collectively, the “**Subordinate Lenders**”). Pursuant to the Subordination Agreement, the Subordinate Lenders agreed to subordinate and postpone the Subordinate Loan² and Subordinate Security (each as defined in the Subordination Agreement) in favour of the KingSett Loan and the KingSett Security.
5. On January 17, 2025, KingSett filed a Notice of Application (the “**Application for Judgement**”) in these proceedings for an order for judgement in respect of the KingSett Indebtedness and declarations with respect to the validity and priority of certain of the security granted in connection with the KingSett Indebtedness. The Application for Judgement is currently scheduled to be heard on January 30, 2025.
6. Following the granting of the Receivership Order, the Receiver requested that its independent counsel³ conduct a review of certain of the security granted by the Debtors in favour of KingSett in respect of the KingSett Indebtedness. Subject to the customary qualifications and assumptions set out therein, the Receiver’s independent counsel has provided a written opinion that the security granted by the Debtors constitutes valid security, enforceable in accordance with its terms, perfected, where necessary by registration. The opinion also states that each of the mortgages in favor of KingSett, registered against the

² The Receiver understands that the Subordinate Loan was in the original principal amount of \$20.2 million.

³ Bennett Jones LLP, counsel to the Receiver in these proceedings, was involved in registering KingSett’s security for the KingSett Loan. To avoid any potential conflicts, the Receiver retained Redpoint Law LLP to provide the security opinion discussed herein.

Lands, constitutes a valid, fixed, and specific charge on such property as of the date of the opinion.

2.2.2 Builder's Lien Claimants

1. As of January 17, 2025, a builder's lien in favour of Super Save Fence Rentals Inc. in the amount of \$3,050.60 has been registered against the Lands.⁴ The Receiver has not yet undertaken a detailed review of such builder's lien.

2.2.3 Other Creditors

1. Based on the Receiver's review of the Debtors' books and records, the Debtors' unsecured creditors are owed approximately \$11.7 million. According to the Debtors' books and records, such indebtedness is comprised as follows:
 - a) Rennie Marketing Systems and Rennie & Associates Realty – \$5,168,322;
 - b) Beta View Homes Ltd. and D-Third Development (related entities) – \$1,251,976;
 - c) BC Housing – \$808,170;
 - d) City of Surrey – \$444,665;
 - e) EXP Realty – \$386,017;
 - f) GFL Infrastructure Group Inc. – \$308,619;
 - g) Municon West Coast Monitoring 279,899;
 - h) Royal Pacific Realty Corp. – \$221,029; and
 - i) other suppliers, realtors, and vendors – \$2,843,876.

3.0 Disclosure Statement and Marketing of the Property

1. On November 21, 2024, the Receiver received a cease marketing letter (the "**Cease Marketing Letter**") from the British Columbia Financial Services Authority (the "**BCFSA**") in which the BCFSA highlighted certain requirements of the *Real Estate Development Marketing Act*, S.B.C. 2004, c. 41 ("**REDMA**") and requested that the Receiver deliver a cease marketing undertaking by November 28, 2024, confirming that all marketing had

⁴ The builder's lien was registered against the Lands on November 15, 2024.

ceased and would not resume until after a new disclosure statement (a “**Disclosure Statement**”) has been filed. A copy of the Cease Marketing Letter is attached as **Appendix “B”**.

2. On November 27, 2024, the Receiver delivered a cease marketing undertaking (the “**Cease Marketing Undertaking**”) to the BCFSA, which was accepted by the BCFSA on November 28, 2024. A copy of the Cease Marketing Undertaking is attached as **Appendix “C”**.
3. Since the issuance of the Cease Marketing Undertaking, the Receiver and its counsel, Bennett Jones LLP (“**Bennett Jones**”), have engaged in various correspondence with the BCFSA regarding the District Project, the Receiver’s requirement to file a new Disclosure Statement, and the prospects of obtaining, pursuant to section 20 of REDMA, one or more exemptions under Part 2 of REDMA.
4. As at the date of this First Report, the Receiver remains in discussions with the BCFSA concerning the requested exemptions under REDMA.
5. As the Receiver has not been made aware of any refinancing or other viable transaction secured by the Debtors, the Receiver believes that the best means of maximizing the value of the Property in these proceedings is an *en bloc* sale of the District Project, whether directly or indirectly, that both preserves the Presale Agreements and facilitates the District Project’s completion, albeit over a longer timeline than first envisioned by the Debtors. To that end, the Receiver expects to return to Court in the near term to seek an order from the Court, approving a sale process in respect of the District Project (the “**Sale Process**”) and authorizing and directing the Receiver to carry out the Sale Process.

4.0 District Northwest Building Permit

1. On November 29, 2024, the Receiver was made aware by representatives of Thind that if a building permit for the District Project (the “**Building Permit**”) was not obtained from the City of Surrey (the “**City**”) by December 31, 2024, approximately \$9 million in additional municipal fees would need to be paid to obtain the Building Permit as a result of increases to the Metro Vancouver Development Cost Charge fees (“**DCC Fees**”) effective January 1, 2025. The City subsequently advised the Receiver that, due to the nature of the District Project, the Building Permit did not need to be obtained until March 21, 2025 (the “**Building Permit Deadline**”) to avoid the increases to the DCC Fees.
2. The Receiver understands that, among other things, the following critical items need to occur prior to the Building Permit being issued:

- a) **South Coast British Columbia Transportation Authority Approval** – a comfort letter (the “**Comfort Letter**”) is required to confirm that South Coast British Columbia Transportation Authority (“**TransLink**”) has no objections to the issuance of the Building Permit. The Receiver has engaged, and is continuing to engage with TransLink regarding the delivery of a form of Comfort Letter satisfactory to it, the Receiver and the City; and
 - b) **Payment of Fees** – various development and administrative fees need to be paid to the City and BC Housing (the “**City and BC Housing Fees**”). As at the date of this First Report, the Receiver continues to work with representatives from Thind, the City, and BC Housing to obtain a final schedule of the final City and BC Housing Fees that need to be paid to have the Building Permit issued.
3. Once the Receiver obtains the schedule of City and BC Housing Fees, the Receiver intends to return to Court to seek approval of an increase in the Receiver’s maximum permitted borrowings under the Receivership Order and a corresponding increase to the Receiver’s Borrowings Charge (as defined in the Receivership Order) to enable the Receiver to pay the City and BC Housing Fees to obtain the Building Permit prior to the Building Permit Deadline.

5.0 Other Activities of the Receiver

1. In addition to the items discussed above, since its appointment, the Receiver has performed the following key activities:
 - a) corresponding extensively with the Debtors, including representatives of Thind, to obtain information regarding the Debtors and the District Project;
 - b) corresponding with KingSett, being the Debtors’ principal secured creditor, and its counsel, Osler Hoskin & Harcourt LLP, regarding all aspects of the receivership proceedings;
 - c) securing the Debtors’ bank accounts at the Bank of Montreal (“**BMO**”) and changing the account signatories to representatives of the Receiver;
 - d) corresponding with BMO’s legal counsel and Thind regarding certain letters of credit held by the City and TransLink and the cash held with BMO to secure same;
 - e) corresponding with the Debtors’ insurance broker to confirm that insurance coverage was in place and premiums were current, and to add the Receiver as an additional insured and loss payee on the Debtors’ policies;

- f) redirecting all the Debtors' mail to the Receiver's office;
- g) preparing and sending a letter to RBS requesting the status of the Deposits. On November 26, 2024, the Receiver and Bennett Jones received confirmation that the Deposits were being held in trust by RBS;
- h) preparing and distributing a notice dated November 21, 2024 to Presale Purchasers. A copy of the notice is attached as **Appendix "D"**;
- i) engaging in extensive correspondence with various Presale Purchasers regarding their Deposits, the status of the District Project, and the status of these proceedings;
- j) preparing the statutory reports required by subsections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*, R.S.C., 1985, c. B-3 and mailing same to all known creditors of the Debtors and the Official Receiver;
- k) establishing and maintaining the Receiver's case website; and
- l) preparing this First Report.

* * *

All of which is respectfully submitted,

KSV RESTRUCTURING INC.,
solely in its capacity as Court-appointed receiver of
District Northwest Limited Partnership and
105 University View Homes Ltd., and not
in its personal or corporate capacity


Per: Jason Knight
Managing Director

APPENDIX A
[ATTACHED]

SUPREME COURT
OF BRITISH COLUMBIA
VANCOUVER REGISTRY

NOV 08 2024

ENTERED



No. S-246994
Vancouver Registry

IN THE SUPREME COURT OF BRITISH COLUMBIA

BETWEEN

KINGSETT MORTGAGE CORPORATION

PETITIONER

AND

**DISTRICT NORTHWEST LIMITED PARTNERSHIP
AND
105 UNIVERSITY VIEW HOMES LTD.**

RESPONDENTS

**IN THE SUPREME COURT OF BRITISH COLUMBIA
IN BANKRUPTCY AND INSOLVENCY**

**IN THE MATTER OF THE RECEIVERSHIP OF
DISTRICT NORTHWEST LIMITED PARTNERSHIP
AND 105 UNIVERSITY VIEW HOMES LTD.**

ORDER MADE AFTER APPLICATION

BEFORE

THE HONOURABLE JUSTICE MASUHARA

2024/11/08

ON THE APPLICATION of the Petitioner for an Order pursuant to Section 243(1) of the *Bankruptcy and Insolvency Act*, R.S.C. 1985, c. B-3, as amended (the "**BLA**") and Section 39 of the *Law and Equity Act*, R.S.B.C. 1996 c. 253, as amended (the "**LEA**") appointing KSV Restructuring Inc. ("**KSV**") as Receiver (in such capacity, the "**Receiver**"), without security, of property located at LOT A SECTION 22 BLOCK 5 NORTH RANGE 2 WEST NEW WESTMINSTER DISTRICT PLAN EPP111526, PID: 031-746-667 (the "**Lands**") and all right, title and interest of 105 University View Homes Ltd. (the "**Nominee**") and District Northwest

Limited Partnership (the “LP”, together with the Nominee, the “Debtors”) in all presently owned or held personal property of whatsoever nature and kind pertaining to the Lands, including all proceeds, coming on for hearing this day at 800 Smithe Street, Vancouver, British Columbia.

AND ON READING Affidavit #1 of Daniel Pollack made October 9, 2024, and the consent of KSV to act as the Receiver; AND ON HEARING Emma Newbery, counsel for KingSett Mortgage Corporation and those other counsel listed on Schedule “A” hereto.

THIS COURT ORDERS AND DECLARES that:

APPOINTMENT

1. Pursuant to Section 243(1) of the *BIA* and Section 39 of the *LEA*, KSV is appointed Receiver, without security, of the Lands and all right, title and interest of the Nominee in all presently owned or held personal property of whatsoever nature and kind pertaining to the Lands (together with the Lands, the “Property”), including all proceeds.

RECEIVER’S POWERS

2. The Receiver is 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 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 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, changing locks and security codes, relocation of Property, engaging independent security personnel, taking physical inventories and placing insurance coverage;
 - (c) to manage, operate and carry on the business of the Debtors, including the powers to enter into any agreements, incur any obligations in the ordinary course of business, cease to carry on all or any part of the business, or cease to perform any contracts of the Debtors;
 - (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 to continue the business of the Debtors or any part or parts thereof;
 - (f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtors and to exercise all remedies of the Debtors in collecting these amounts, including, without limitation, enforcement of any security held by the Debtors;

- (g) to settle, extend or compromise any indebtedness owing to the Debtors;
- (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 undertake environmental or workers' health and safety assessments of the Property and operations of the Debtors;
- (j) to initiate, manage and direct all legal proceedings now pending or hereafter pending (including appeals or applications for judicial review) in respect of the Debtors, the Property or the Receiver, including initiating, prosecuting, continuing, defending, settling or compromising the proceedings;
- (k) on or after January 18, 2025, 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 considers appropriate;
- (l) on or after January 18, 2025, 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 a single transaction for consideration up to \$500,000 provided that the aggregate consideration for all such transactions does not exceed \$1,000,000, and
 - (ii) with the approval of this Court in respect of any transaction in which the individual or aggregate purchase price exceeds the limits set out in subparagraph (i) above,and in each such case notice under Section 59(10) of the *Personal Property Security Act*, R.S.B.C. 1996, c. 359 shall not be required;
- (m) on or after January 18, 2025, 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, free and clear of any liens or encumbrances;
- (n) to report to, meet with and discuss with such affected Persons (as defined below) as the Receiver considers appropriate on all matters relating to the Property and the receivership, and to share information, subject to confidentiality terms as the Receiver considers appropriate;
- (o) to register a copy of this Order and any other Orders in respect of the Property against title to any of the Property;
- (p) 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 considered necessary or appropriate by the Receiver, in the name of the Debtors;

- (q) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtors, including, without limitation, the ability to enter into occupation agreements for any property owned or leased by the Debtors;
- (r) to exercise any shareholder, partnership, joint venture or other rights which the Debtors may have;
- (s) to apply for remedies available under the *BIA*, including to declare or make an assignment into bankruptcy in respect of the Debtors; and
- (t) 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

3. Each of (i) the Debtors; (ii) all of the Debtors' current and former directors, officers, employees, agents, accountants, legal counsel and shareholders, and all other persons acting on its instructions or behalf; and (iii) all other individuals, firms, corporations, governmental bodies or agencies, or other entities having notice of this Order (collectively, "**Persons**" and each 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 (excluding Property subject to liens the validity of which is dependent on maintaining possession) to the Receiver upon the Receiver's request.
4. All Persons, other than governmental authorities, 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, and any computer programs, computer tapes, computer disks, or other data storage media containing any such information (collectively, the "**Records**") in that Person's possession or control. Upon request, governmental authorities shall advise the Receiver of the existence of any Records in that Person's possession or control.
5. Upon request, all Persons shall provide to the Receiver or permit the Receiver to make, retain and take away copies of the Records and grant to the Receiver unfettered access to and use of accounting, computer, software and physical facilities, provided however that nothing in paragraphs 4, 5, or 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 solicitor client privilege or statutory provisions prohibiting such disclosure.
6. If any Records are stored or otherwise contained on a computer or other electronic system of information storage, whether by an 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 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 require including, without limitation, 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. 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 OR THE PROPERTY

8. No Proceeding against or in respect of the Debtors or 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 or the Property are stayed and suspended pending further Order of this Court; provided, however, that nothing in this Order shall prevent any Person from commencing a Proceeding regarding a claim that might otherwise become barred by statute or an existing agreement if such Proceeding is not commenced before the expiration of the stay provided by this paragraph and provided that no further step shall be taken in respect of the Proceeding except for service of the initiating documentation on the Debtors and the Receiver.

NO EXERCISE OF RIGHTS OR REMEDIES

9. All rights and remedies (including, without limitation, set-off rights) against the Debtors, the Receiver, or affecting the Property, are stayed and suspended except with the written consent of the Receiver or leave of this Court, provided however that nothing in this Order shall (i) empower the Receiver or the Debtors to carry on any business which the Debtors are not lawfully entitled to carry on, (ii) affect the rights of any regulatory body as set forth in section 69.6(2) of the *BIA*, (iii) prevent the filing of any registration to preserve or perfect a security interest, or (iv) prevent the registration of a claim for lien. This stay and suspension shall not apply in respect of any “eligible financial contract” as defined in the *BIA*.

NO INTERFERENCE WITH THE RECEIVER

10. 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, without written consent of the Receiver or leave of this Court. Nothing in this Order shall prohibit any party to an eligible financial contract from closing out and terminating such contract in accordance with its terms.

CONTINUATION OF SERVICES

11. All Persons having oral or written agreements with the Debtors 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 are 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 the Receiver shall be entitled to the continued use of the Debtors' current telephone numbers, facsimile numbers, internet addresses and domain names, 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. All funds, monies, cheques, instruments, and other forms of payments received or collected by the Receiver from and after the making of this Order from any source whatsoever including, without limitation, the sale of all or any of the Property and the collection of any accounts receivable, in whole or in part, whether in existence on the date of this Order or hereafter coming into existence, shall be deposited into one or more new accounts to be opened by the Receiver (the "**Post-Receivership Accounts**") and the monies standing to the credit of such Post-Receivership Accounts from time to time, net of any disbursements provided for herein, shall be held by the Receiver to be paid in accordance with the terms of this Order or any further order of this Court.

EMPLOYEES

13. Subject to the employees' right to terminate their employment, 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 of the Debtors, including any successor employer liabilities as referred to in Section 14.06(1.2) of the *BIA*, other than amounts the Receiver may specifically agree in writing to pay or in respect of obligations imposed specifically on receivers by applicable legislation, including sections 81.4(5) or 81.6(3) of the *BIA* or under the *Wage Earner Protection Program Act*, S.C. 2005, c.47. The Receiver shall be liable for any employee-related liabilities, including wages, severance pay, termination pay, vacation pay, and pension or benefit amounts relating to any employees that the Receiver may hire in accordance with the terms and conditions of such employment by the Receiver. The Receiver is empowered but not obligated to interact with, and provide direction to, individuals who are on the Property, but are not employed by the Debtors, in matters relating to safety, access and use of the Property.

PERSONAL INFORMATION

14. Pursuant to Section 7(3)(c) of the *Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5 or Section 18(1)(o) of the *Personal Information Protection Act*, S.B.C. 2003, c. 63, the Receiver may 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. Nothing in this Order 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 relating to the protection, conservation, enhancement, remediation or rehabilitation of the environment or relating to the disposal of waste or other contamination (collectively “Environmental Legislation”), provided however that nothing herein shall exempt the Receiver from any duty to report or make disclosure imposed by applicable Environmental Legislation.
16. 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 the Receiver is actually in possession.
17. Notwithstanding anything in federal or provincial law, the Receiver is not personally liable in that position for any environmental condition that arises or environmental damage that occurred:
 - (a) before the Receiver’s appointment; or,
 - (b) after the Receiver’s appointment, unless it is established that the condition arose or the damage occurred as a result of the Receiver’s gross negligence or wilful misconduct.
18. Notwithstanding anything in federal or provincial law, but subject to paragraph 17 of this Order, where an order is made which has the effect of requiring the Receiver to remedy any environmental condition or environmental damage affecting the Property, if the Receiver complies with the *BIA* section 14.06(4), the Receiver is not personally liable for

the failure to comply with the order and is not personally liable for any costs that are or would be incurred by any Person in carrying out the terms of the order.

LIMITATION ON THE RECEIVER'S LIABILITY

19. The Receiver shall incur no liability or obligation as a result of its appointment or the carrying out of the provisions of this Order, save and except:
 - (a) any gross negligence or wilful misconduct on its part; or
 - (b) amounts in respect of obligations imposed specifically on receivers by applicable legislation.

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

20. The Receiver and its legal counsel, if any, are granted a charge (the "**Receiver's Charge**") on the Property as security for the payment of their fees and disbursements, in each case at their standard rates, in respect of these proceedings, whether incurred before or after the making of this Order. 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*.
21. The Receiver and its legal counsel shall pass their accounts from time to time, and for this purpose the accounts of the Receiver and its legal counsel are referred to a judge of the Supreme Court of British Columbia and may be heard on a summary basis.
22. 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

23. The Receiver is authorized and 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 the Receiver 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 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*.

24. 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.
25. The Receiver is authorized to issue certificates substantially in the form annexed as Schedule "B" hereto (the "**Receiver's Certificates**") for any amount borrowed by it pursuant to this Order.
26. 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.

ALLOCATION

27. Any interested party may apply to this Court on notice to any other party likely to be affected for an order allocating the Receiver's Charge and Receiver's Borrowings Charge amongst the Property.

SERVICE AND NOTICE OF MATERIALS

28. The Receiver shall establish and maintain a website in respect of these proceedings at: <https://www.ksvadvisory.com/experience/case/dnw> (the "**Website**") and shall post there as soon as practicable:
 - (a) all materials prescribed by statute or regulation to be made publicly available, including pursuant to Rule 10-2 of the *Supreme Court Civil Rules*; and,
 - (b) all applications, reports, affidavits, orders and other materials filed in these proceedings by or on behalf of the Receiver, except such materials as are confidential and the subject of a sealing order or pending application for a sealing order.
29. Any Person who is served with a copy of this Order and that wishes to be served with any future application or other materials in these proceedings must provide to counsel for each of the Receiver and the Applicant a demand for notice in the form attached as Schedule "C" (the "**Demand for Notice**"). The Receiver and the Applicant need only provide further notice in respect of these proceedings to Persons that have delivered a properly completed Demand for Notice. The failure of any Person to provide a properly completed Demand for Notice releases the Receiver and the Applicant from any requirement to provide further notice in respect of these proceedings until such Person delivers a properly completed Demand for Notice.

30. The Receiver shall maintain a service list identifying all parties that have delivered a properly completed Demand for Notice (the “**Service List**”). The Receiver shall post and maintain an up-to-date form of the Service List on the Website.
31. Any interested party, including the Receiver, may serve any court materials in these proceedings by facsimile or by emailing a PDF or other electronic copy of such materials to the numbers or addresses, as applicable, set out on the Service List. Any interested party, including the Receiver, may serve any court materials in these proceedings by mail to any party on the Service List that has not provided a facsimile number or email address, and materials delivered by mail shall be deemed received five (5) days after mailing.
32. Notwithstanding paragraph 31 of this Order, service of the Petition and any affidavits filed in support shall be made on the Federal and British Columbia Crowns in accordance with the *Crown Liability and Proceedings Act*, R.S.C. 1985, c.C-50 and its regulations for the Federal Crown and the *Crown Proceedings Act*, R.S.B.C. 1996 c.89 in respect of the British Columbia Crown.
33. The Receiver and its counsel are authorised to serve or distribute this Order, any other orders and any other materials as may be reasonably required in these proceedings, including any notices or other correspondence, by forwarding copies by facsimile or by email to the Debtors’ creditors or other interested parties and their advisors. For greater certainty, any such distribution or service shall be deemed to be in satisfaction of any legal or juridical obligation and notice requirements within the meaning of clause 3(c) of the *Electronic Commerce Protection Regulations*.

GENERAL

34. Any interested party may apply to this Court to vary or amend this Order on not less than seven (7) clear business days’ notice to the Service List and to any other party who may be affected by the variation or amendment, or upon such other notice, if any, as this Court may order.
35. The Receiver may from time to time apply to this Court for advice and directions in the discharge of its powers and duties hereunder.
36. Nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtors.
37. This Court requests the aid, recognition and assistance of any court, tribunal, regulatory or administrative body having jurisdiction, wherever located, to give effect to this Order and to assist the Receiver and its agents in carrying out the terms of this Order. All such courts, tribunals and regulatory and administrative bodies are 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.

- 38. The Receiver is authorized and empowered to apply to any court, tribunal or regulatory or administrative body, wherever located, for recognition of this Order and for assistance in carrying out the terms of this Order and 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.
- 39. Endorsement of this Order by counsel appearing on this application other than the Petitioner is dispensed with.

THE FOLLOWING PARTIES APPROVE OF THE FORM OF THIS ORDER AND CONSENT TO EACH OF THE ORDERS, IF ANY, THAT ARE INDICATED ABOVE AS BEING BY CONSENT:

APPROVED BY:

Lucas
Hodgson
for:



Signature of Emma Newbery, lawyer for the
Petitioner



BY THE COURT

DISTRICT REGISTRAR



SCHEDULE "A"
Appearance List

NAME	APPEARING FOR
Emma Newbery Lucas Hodgson	KingSett Mortgage Corporation
David Gruber	KSV Restructuring Inc.
Richard Pearce	R.A.R. Consultants Ltd. Garmeco Canada Consultants Ltd. IHI Developments Ltd. IHI Holdings Ltd.
Dan Nugent Ryan Shaw	District Northwest Limited Partnership 105 University View Homes Ltd.

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT

\$ _____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the Receiver (the "Receiver") of all of right, title and interest of DISTRICT NORTHWEST LIMITED PARTNERSHIP and 105 UNIVERSITY VIEW HOMES LTD. in all presently owned or held personal property of whatsoever nature and kind pertaining to the property located at LOT A SECTION 22 BLOCK 5 NORTH RANGE 2 WEST NEW WESTMINSTER DISTRICT PLAN EPP111526, PID: 031-746-667 (the "Property"), (collectively, the "Property"), including all proceeds, appointed by Order of the Supreme Court of British Columbia (the "Court") dated the [redacted] day of [redacted], 2024 (the "Order") made in SCBC Action No. [redacted], Vancouver Registry has received as such Receiver from the holder of this certificate (the "Lender") the principal sum of \$ [redacted], being part of the total principal sum of \$ [redacted] 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 [redacted] day of each month after the date hereof at a notional rate per annum equal to the rate of [redacted] per cent above the prime commercial lending rate of [redacted] 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 the 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 legal office of the Lender at [redacted].
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 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 under this Certificate in respect of which it may issue certificates under the terms of the Order.

DATED the [REDACTED] day of [REDACTED], 2024.

KSV Restructuring Inc., solely in its capacity
as Receiver of the Property, and not in its
personal capacity

Per:
Name:
Title:

SCHEDULE "C"

Demand for Notice

TO: KingSett Mortgage Corporation
c/o Osler, Hoskin & Harcourt LLP
Attention: Mary Buttery, K.C., Emma Newbery, Lucas Hodgson
Email: buttery@osler.com, enewbery@osler.com, lhodgson@osler.com

AND TO: KSV Restructuring Inc.
c/o Bennett Jones LLP
Attention: Sean Zweig, David Gruber and Andrew Froh
Email: zweigs@bennettjones.com, gruberd@bennettjones.com,
froha@bennettjones.com

Re: In the matter of the Receivership of DISTRICT NORTHWEST LIMITED PARTNERSHIP and 105 UNIVERSITY VIEW HOMES LTD.

I hereby request that notice of all further proceedings in the above Receivership be sent to me in the following manner:

1. By email, at the following address (or addresses):

OR

2. By facsimile, at the following facsimile number (or numbers):

OR

3. By mail, at the following address:

Name of Creditor: _____

Name of Counsel (if any): _____

Creditor's Contact Address: _____

Creditor's Contact Phone Number: _____

APPENDIX B
[ATTACHED]

November 21, 2024

KSV Restructuring Inc.
(in its capacity as court-appointed receiver of
District Northwest Limited Partnership and 105 University View Homes Ltd.)
Suite 1165, 324 – 8th Avenue SW, Box 129
Calgary, Alberta T2P 2Z2

Attention: Maha Shah (By Email: mshah@ksvadvisory.com)

Dear Maha Shah,

**Re: Development - District NW
Developer - District Northwest Limited Partnership, Surrey Centre District NW GP Ltd., 105
University View Homes Ltd.**

It has come to our attention that pursuant to court order No. S-246994 filed in the Supreme Court of British Columbia (the “**Order**”) (enclosed), KSV Restructuring Inc. (the “**Receiver**”) has been appointed as the receiver for the Development. We are writing to draw your attention to the requirements of the *Real Estate Development Marketing Act* (“**REDMA**”) with respect to any marketing of the Development. Pursuant to the Order, it would appear that the Receiver is empowered and authorized to, among others, (1) take possession and exercise control over the Development, (2) execute, assign, issue and endorse documents of whatever nature in respect of the Development, and (3) on or after January 18, 2025, to market any or all of the Development.

Under REDMA, a developer (which includes a receiver) of a development property must file a disclosure statement with our office before any lots may be offered for sale or sold, or offered for lease or leased with terms exceeding 3 years. The disclosure statement must explain the development and must be distributed by the developer to all purchasers. A disclosure statement must be in the form and include the content required by the Superintendent of Real Estate, as explained in the Superintendent’s Policy Statements at <https://www.bcfsa.ca/industry-resources/real-estate-developer-resources/policy-statements>.

Our records indicate that a Disclosure Statement has been filed for the Development (BCFSA File #31080). Our office has contacted legal counsel on record for the Development reminding them of the Developer’s obligations under REDMA and has requested a cease marketing undertaking for the Development.

Similarly, we are requesting that the Receiver provide our office with a cease marketing undertaking for the Development by **November 28, 2024** confirming that marketing will not resume until after a new Disclosure Statement has been filed. An acceptable general form of undertaking is available on BCFSA's website at <https://www.bcfsa.ca/industry-resources/real-estate-developer-resources/policy-statements>.

Please contact our office if you have any questions.

Yours truly,



Natalie Pang
Senior Analyst

Enc. - receivership Order

APPENDIX C
[ATTACHED]

**REAL ESTATE DEVELOPMENT MARKETING ACT,
S.B.C. 2004, C. 41, SECTION 36**

UNDERTAKING

In accordance with the *Real Estate Development Marketing Act* (the “**Act**”), KSV Restructuring Inc., solely in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”), without security, of the property located at LOT A SECTION 22 BLOCK 5 NORTH RANGE 2 WEST NEW WESTMINSTER DISTRICT PLAN EPP111526, PID: 031-746-667 (the “**Lands**”) and all right, title and interest of 105 University View Homes Ltd. (together with District Northwest Limited Partnership, the “**Debtors**”) in all presently owned or held personal property of whatsoever nature and kind pertaining to the Lands, including all proceeds thereof, hereby confirms and undertakes that it will not market any and all development units in the development property named District NW (the “**Development**”) and currently legally described as:

PID: 031-746-667

LOT A SECTION 22 BLOCK 5 NORTH RANGE 2 WEST
NEW WESTMINSTER DISTRICT PLAN EPP111526

based on the existing Disclosure Statement filed for the Development (BCFSA File #31080) by the Debtors and Surrey Centre District NW GP Ltd. until the Receiver has filed under the Act with the Superintendent of Real Estate a new Disclosure Statement, which is in the required form and includes the required contents as set out in the Superintendent’s Policy Statements.


The Receiver also hereby undertakes to give a copy of this undertaking to anyone who is marketing this development property on behalf of the Receiver, including any real estate broker acting for the Receiver.

The above undertakings do not prevent the Receiver from consenting to an assignment, of a purchase agreement for a development unit in the Development, by a purchaser to another purchaser, provided that those purchasers are at arm’s length from the Receiver and the Debtors. In the event of any conflict between the above undertakings and the rights, duties, powers and/or obligations of the Receiver under the order of the Supreme Court of British Columbia granted on November 8, 2024 in the proceedings bearing Court File No. S-246994 (the “**Receivership Order**”), the *Bankruptcy and Insolvency Act* and/or the *Law and Equity Act*, the rights, duties, powers and/or obligations of the Receiver under the Receivership Order, the *Bankruptcy and Insolvency Act* and/or the *Law and Equity Act*, as applicable, shall control.


[The remainder of this page is intentionally left blank. Signature page follows.]

Dated at Calgary, Alberta this 27th day of November, 2024

KSV RESTRUCTURING INC., solely in its capacity as the Court-appointed receiver of 105 University View Homes Ltd.

Per:  _____
Authorized Signatory

KSV RESTRUCTURING INC., solely in its capacity as the Court-appointed receiver of District Northwest Limited Partnership

Per:  _____
Authorized Signatory

Undertaking accepted in the
City of Vancouver, Province of British Columbia
This _____ day of November, 2024

Peter Grimmatt
Director, Real Estate Development
BC Financial Services Authority
600-750 West Pender Street
Vancouver, B.C. V6C 2T8



Undertakings accepted in the
City of Vancouver, Province of British Columbia
This 28th day of November, 2024

A handwritten signature in blue ink, appearing to read "Peter Grimmett", is positioned above a horizontal line.

Peter Grimmett
Director, Real Estate Development
BC Financial Services Authority
600 - 750 West Pender Street
Vancouver, B.C. V6C 2T8

APPENDIX D

[ATTACHED]



November 21, 2024

To: Unit purchasers (“Purchasers”) of the project known as “District Northwest”

Re: Update No. 1 to Purchasers

Pursuant to an order of the Supreme Court of British Columbia (the “**Court**”) pronounced on November 8, 2024 (the “**Receivership Order**”), KSV Restructuring Inc. was appointed receiver (in such capacity, the “**Receiver**”), without security, of property located at 13438 105A Avenue, Surrey, British Columbia¹ (the “**Lands**”) and all right, title, and interest of 105 University View Homes Ltd. (together with District Northwest Limited Partnership, the “**Debtors**”) in all presently owned or held personal property pertaining to the Lands, including the proceeds thereof.

Prior to the granting of the Receivership Order, the Receiver understands that the Debtors were in the process of rezoning and obtaining permits to develop a mixed-use development project on the Lands consisting of two towers with 1,023 units known as “*District Northwest*” (the “**Project**”).

Copies of the Receivership Order and other materials filed in the receivership proceedings can be found on the Receiver’s case website at: <https://www.ksvadvisory.com/experience/case/dnw>.

Project Status

The purpose of this notice is to provide Purchasers with preliminary information regarding the receivership proceedings and the status of the Project.

The Receiver understands that construction for the Project has not yet started. At present, no action has been taken by the Receiver with respect to the Project’s completion or any purchase agreements among the Debtors and Purchasers (the “**Purchase Agreements**”).

The Receivership Order has, among other things, authorized the Receiver, **on or after January 18, 2025**, to market the Lands, including advertising and soliciting offers in respect of the Lands. Any future transaction(s) for the Lands will be subject to Court approval.

Deposits

As no action has been taken by the Receiver with respect to the Purchase Agreements, the Purchase Agreements remain in full force and effect. Pursuant to the terms of the Receivership Order, the Purchase Agreements can only be terminated with the written consent of the Receiver or by further order of the Court. The Receiver understands that Purchasers’ deposits are being held in trust by Richards Buell Sutton LLP. There are no steps that Purchasers are required to take in this regard at this time.

* * *

The Receiver will provide further updates as appropriate as soon as practicable.

¹ Legal Description: LOT A SECTION 22 BLOCK 5 NORTH RANGE 2 WEST NEW WESTMINSTER DISTRICT PLAN EPP111526, PID: 031-746-667.

Should you have any questions with respect to this letter or the receivership proceedings, please contact Maha Shah at (587)-287-9958 or mshah@ksvadvisory.com.

Yours truly,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
DISTRICT NORTHWEST LIMITED PARTNERSHIP AND 105 UNIVERSITY VIEW HOMES LTD.,
AND NOT IN ITS PERSONAL OR CORPORATE CAPACITY**