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**Notice and Statement of the Receiver
(Subsection 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*)**

**IN THE MATTER OF THE RECEIVERSHIP OF 2521311
ONTARIO INC. o.a. TOWNS OF THORNBURY**

Court No.: CV-23-00710990-00CL

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) dated December 19, 2023 (the “**Interim Receivership Order**”), KSV Restructuring Inc. (“**KSV**”) was appointed interim receiver (the “**Receiver**”) without security, of all of the assets, undertakings and properties (the “**Property**”) of 2521311 Ontario Inc. (the “**Company**”), acquired for, or used in relation to a real estate development business carried on by the Company, particularly a 23-unit townhome complex located at Lot 10 Louisa Street, Thornbury, Ontario (the “**Real Property**”), known as the Towns of Thornbury. The Interim Receivership Order and other court materials filed in these proceedings can be found on the Receiver’s case website at <https://www.ksvadvisory.com/experience/case/towns-of-thornbury>.
2. Pursuant to an order of the Court dated February 5, 2024 (the “**Receivership Order**”), the interim receivership proceedings terminated and KSV was appointed receiver (the “**Receiver**”) without security, of the Property. The Interim Receivership Order, the Receivership Order and other court materials filed in these proceedings can be found on the Receiver’s case website at <https://www.ksvadvisory.com/experience/case/towns-of-thornbury>.
3. Substantially all construction on the Real Property was suspended as of the date of the Interim Receivership Order. Pursuant to the Receivership Order, the Receiver is now carrying out a sale process for the Property (the “**Sale Process**”). The bid deadline in the Sale Process is presently scheduled to be March 21, 2024.
4. The following information relates to the Company:

Head office:	Suite 303 – 1020 Lawrence Ave (W) North York, ON M64 1C8
Principal line of business:	Development of a 23-townhome complex in Thornbury, Ontario

5. Secured Creditors

According to land registry searches, searches under the *Personal Property Security Act* and information provided by certain creditors, the following registrations have been made against the Property:

- Foremost Mortgage Holding Corporation (“Foremost”) in the amount of \$9,486,000, in respect of mortgage on the Real Property and a general security agreement over the Property. As of the date of this Report, Foremost was owed approximately \$8.8 million, with interest and costs continuing to accrue (the “Foremost Debt”);
- Berkely Insurance Company (“Berkley”) in the amount of \$1,679,000, in respect of insurance it provides on deposits paid by homebuyers for pre-sold townhomes;
- Jose Cruz, a business partner of the director of the Company, has also registered a mortgage on the Real Property in the amount of \$1,000,000; and
- Cooper Equipment, in respect of a construction lien in the amount of \$71,634.77.

6. Unsecured Creditors

Based on the Company’s books and records made available to the Receiver by the Company’s principals, a listing of known unsecured creditors as of February 5, 2024, has been compiled and is attached as **Appendix “A”**. As the Receiver becomes aware of any additional unsecured creditors, it will provide a copy of this notice to those parties. This notice will also be posted on the Receiver’s Case Website.

7. Estimated Realization and Sale Process

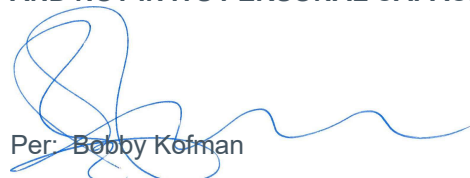
The principal purpose of the receivership proceedings is to realize on the Property through the Sale Process. Any transaction for the Real Property is subject to Court approval. The amount available for distribution to creditors in these proceedings will be determined by the results of the Sale Process.

8. Contact person for Receiver:

Name:	Maha Shah
Telephone No.:	(587) 287-9958
Facsimile No.:	(416) 932-6266
Email address:	mshah@ksvadvisory.com

Dated at Toronto, Ontario this 12th day of February, 2024.

**KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS COURT-APPOINTED RECEIVER OF
2521311 ONTARIO INC.
AND NOT IN ITS PERSONAL CAPACITY**

Per:  Bobby Kofman

**IN THE MATTER OF THE RECEIVERSHIP OF
2521311 Ontario Inc. o/a Towns of Thornbury
(Preliminary list of creditors as at February 5, 2024)
\$C;unaudited**

Secured Creditors	Amount Due (\$)
Foremost Mortgage Holding Corporation	9,486,000.00
Berkley Insurance	1,679,000.00
Jose Cruz	1,000,000.00
Cooper Equipment	71,634.77
Total Secured	<u>12,236,634.77</u>
Unsecured Creditors	
10888621 Canada Inc	24,000.00
796499 Ontario Limited	425.00
Berkley Surety Group	9,190.00
BL Electric	20,700.00
Building Store Inc	10,514.00
Cooper Equipment Rental	42,807.53
Cosmaroma	48,123.26
Eastern Overhead Doors	1,516.25
Lighton Electric	13,671.16
Meas Earth Inc	5,000.00
MK Home Improvements	71,360.00
Normac Kitchens Limited	1,144.85
Paisley - Manor Insurance Group	72,251.35
Panorama Windows & Doors	30,725.16
Rankin Spence Group Inc	8,160.00
Rodney Geyer, Ontario Land Surveyor Inc.	3,578.90
Symetric Productions Inc.	109.50
Tatham Engineering Limited	3,968.18
Total unsecured	<u>367,245.14</u>
Total	<u><u>12,603,879.91</u></u>