



October 16, 2024

To: Counterparties (“Home Buyers”) to unit purchase agreements with Vandyk-Heart Lake Limited (the “Company”)

Re: Update No. 7 to Home Buyers

Pursuant to the order issued by the Ontario Superior Court of Justice (the “Court”) on November 14, 2023, as most recently amended on October 15, 2024 (the “Third Amended and Restated Receivership Order”), KSV Restructuring Inc. was appointed as receiver and manager (the “Receiver”) of certain property, assets and undertakings of the Company, including the real property located at 10194 Heart Lake Road, Brampton (the “Real Property”).

A copy of the Third Amended and Restated 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/vandyk>.

Heart Lake Project Update

The purpose of this notice is to provide Home Buyers with an update regarding the Company’s real estate development project (the “Heart Lake Project”).

The Receiver, after discussions with key stakeholders, has determined that the Heart Lake Project should be completed during the receivership proceedings in order to maximize the potential benefits to stakeholders, including secured lenders and the existing pre-sale Home Buyers.

On October 15, 2024, the Court granted the Third Amended and Restated Receivership Order, among other things:

- authorizing the Receiver to retain ELM Forward as the construction manager to complete the Heart Lake Project; and
- authorizing the Receiver to borrow the funds necessary to complete the construction of the Heart Lake Project, up to an aggregate principal amount of \$120,325,000, pursuant to a commitment letter between the Receiver and KingSett Mortgage Corporation.

Existing Home Buyer agreements in respect of the Heart Lake Project remain in full force and effect. The Receiver intends to provide periodic updates to Home Buyers regarding the status of the Heart Lake Project.

The following link to the Fifth Report of the Receiver dated October 7, 2024 contains further details: [Fifth Report](#).

Should you have any questions with respect to the above, please contact Martin Kasic
mkosic@ksvadvisory.com.

Yours truly,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.
SOLELY IN ITS CAPACITY AS RECEIVER
AND NOT IN ITS PERSONAL OR ANY OTHER CAPACITY**