

Court File No.: CV-24-00718940-00CL

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

B E T W E E N:

KINGSETT MORTGAGE CORPORATION

Applicant

and

CHURCHILL LANDS UNITED INC.

Respondent

**IN THE MATTER OF AN 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**

RESPONDING MOTION RECORD

December 6, 2024

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Lawyers for KSV Restructuring Inc., solely in its capacity as Court-appointed Receiver and not in its personal capacity

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TAB 1

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**ONTARIO
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AFFIDAVIT

I, Greg Harmandayan, of the City of Toronto, in the Province of Ontario, MAKE OATH AND
SAY:

Overview

1. I am President of Churchill Lands United Inc., the Debtor in this matter and, as such, have knowledge of the matters contained in this Affidavit.
2. This herein affidavit was prepared in accordance with paragraph 9 of the December 3, 2024 endorsement issued by Justice Kimmel (the “**Endorsement**”). A copy of the Endorsement is attached hereto as “**Exhibit A.**”

3. For the reasons stated below, I verily believe that the efforts made to date by the Receiver (defined below) to sell the Property (defined below), through its agent Jones Lang Lasalle Real Estate Services, Inc ("**JLL**"), by way of the Agreement of Purchase and Sale negotiated and entered into on October 11, 2024 with 1001024143 Ontario Inc. (the "**Sale Agreement**"), did not generate a favourable price that ought to be endorsed by this Court.
4. Additionally, I was acutely preoccupied with pronounced personal challenges during JLL's sale efforts, and was effectively precluded from participating in the sale process as a consequence. These challenges included, among other things, caring for my spouse who was still recovering intensive breast cancer and its accompanying mental health challenges. Understandably, her mental well being as well as the added domestic responsibilities I was required to take on, required that I substantially disengage from my manifold commercial activities.
5. At the same time, I was a party to numerous contentious disputes at the Landlord Tenant Board which further undermined my ability to meaningfully engage with JLL's sale process. In light of the special circumstances, as well as the evidently rash nature of the Sale Agreement, this Honourable Court should allow the Property (defined below) to spend more time on the market in a sales process which includes my participation.
6. Proceeding with the Sale Agreement could negatively impact me especially given that the secured creditor, Kingsett Mortgage Corporation, has security over other assets owned by the Debtor, and it is important to me that the recovery made in the sale of the Property results in the best recovery possible so that the Debtor's remaining assets are not

compromised. On the other hand, the secured creditor would not be prejudiced in the instance that the Property spent a few more months on the market.

Previous Steps

7. On May 14, 2024, the Court granted 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 Ontario *Courts of Justice Act*, R.S.O. 1990, c. C.43, as amended (the “**CJA**”), appointing KSV Restructuring Inc. as receiver (in such capacity, the “**Receiver**”), without security, of the real property legally described in Schedule “A” of the Receivership Order (the “**Property**”) owned by Churchill Lands United Inc. (the “**Debtor**”). A copy of the Receivership Order is attached hereto as “**Exhibit B.**”

8. On June 24, 2024, this Court granted an order (the “**Sale Process Approval Order**”), which, among other things:
 - (a) approved the sale process in respect of the Property (the “**Sale Process**”); and
 - (b) approved the listing agreement dated June 5, 2024 (the “**Listing Agreement**”) between the Receiver and JLL.A copy of the Sales Process Approval Order is attached hereto as “**Exhibit C.**”

9. The proposed Sales Process was described in the First Report of the Receiver dated June 17, 2024 (the “**First Report.**”) A copy of the First Report Order is attached hereto as “**Exhibit D.**”

10. Specifically, section 4.2 of the First Report, outlined JLL’s mandate in detail. Among other things, JLL was expected to:

- review all available documents (financial, legal and environmental reports) concerning the Real Property; and
-
- ... engaging in direct canvassing of most likely prospects and tailoring the pitch to each of these candidates based on the brokers’ knowledge of these parties...

11. With respect to the Receiver, it was provided that:

- if the Receiver believes, in its sole discretion, that it will assist to maximize recoveries, the Receiver will have the right to: (i) waive strict compliance with the terms of the Sale Process, including any of the deadlines in the table above; and (ii) modify and adopt such other procedures that will better promote the sale of the Real Property or increase the aggregate recoveries for stakeholders; and
- ...
- the Receiver will have the right to reject any and all offers, including the highest dollar value offer(s);

12. In the end result, the Receiver formally entered into the Listing Agreement with JLL on June 25, 2024. A copy of the Listing Agreement is included in Appendix B of the First Report.

13. According to JLL’s November 12, 2024 Marketing Summary Letter to the receiver, (the “**Marketing Summary**”) the Real Property was listed on the Toronto Regional Real Estate

Board Multiple Listing Service system on June 25, 2024 for \$1.2 million. This generated fourteen inquiries throughout the listing period, originating from both external brokers and potential buyers. A copy of the Marketing Summary is attached hereto as “**Exhibit E.**”

14. As summarized in sections 4 and 5 of the Second Report of the Receiver dated November 26, 2024 (the “**Second Report**”), in or around September 2024, JLL commenced discussions with 1001024143 Ontario Inc. (the “**Purchaser**”). The Purchaser submitted an offer on October 11, 2024 and was accepted by the Receiver on the same day. A copy of the Second Report is attached hereto as “**Exhibit F.**”
15. The purchase price under the Sale Agreement was redacted. However, I managed to discover the Purchaser Price’s quantum on November 29, 2024. The figure is egregiously low and in my view, improvident.
16. In a similar vein, significant portions of the Marketing Summary have been redacted. While this has somewhat obfuscated my ability to evaluate JLL’s efforts, the surrounding circumstances as well as the historical record clearly demonstrate that the resulting Purchase Price as well as the efforts expended by JLL and the Receiver were, in my view, clearly insufficient.

Inadequacy of the Sale Agreement

17. Despite the various “efforts” described in the Marketing Summary, after nearly four months, JLL only managed to solicit the sole offer from the Purchaser. Had further efforts been expended, as well as more time given to allow the Property to reside on the open

market, I verily believe that JLL could have obtained additional and far more remunerative offers.

18. Tellingly, following the Endorsement, I causally made a few inquiries for a couple of days. In this brief time period, I managed to secure an offer on December 5, 2024 (the “**December Offer**”) from Paul Padda Inc. A redacted copy of the December Offer is attached hereto as “**Exhibit G.**”
19. Under the December Offer, the purchase price is significantly higher than the purchase price listed in the Sale Agreement, and the deal would be scheduled to close on December 27, 2024. I verily believe that Paul Padda Inc. intends to forward this offer to the Receiver for its consideration as I recognize that the December Offer is not binding considering that the Debtor cannot enter into such sale during these proceedings.
20. I intend to provide an unredacted copy of the December Offer to the Receiver forthwith.
21. Undoubtedly, if I had additional opportunities to further market the Property for a longer period of time, I expect that I could easily have obtained an even higher purchase price. This is not a matter of my personal opinion.
22. On this point, it is worth noting that just prior to the appointment of the Receiver, on April 15, 2024, I had received a *bona fide* APS from 2837452 Ontario Inc. for a purchase price that was orders of magnitude higher than the purchase price listed in the Sale Agreement (the “**April Offer**”). A redacted copy of the April Offer is attached hereto as “**Exhibit H.**”

23. The April Offer, in contradistinction to the Sale Agreement, is far more aligned with the recent appraisals of the Property.
24. In this regard, on December 4, 2024, I obtained a valuation from Metropolitan Commercial who advised that the Property is presently worth a figure fairly close to the April Offer. A redacted copy of the Metropolitan Commercial opinion is attached hereto as “**Exhibit I.**”
25. On the following day, I obtained a valuation from Kaizen Capital Realty Partners which arrived at a similar conclusion as the Metropolitan Commercial opinion (the “**Kaizen Opinion**”). A redacted copy of the Kaizen Opinion is attached hereto as “**Exhibit J**”
26. I will provide unredacted versions of both appraisals to the Receiver forthwith.
27. Suffice it to say, the purchase price listed in the Sale Agreement, severely falls short of the aforesaid appraisals.
28. Notably, even without having reviewed these appraisals, JLL ought to have been clearly attuned to the fact that the Property was worth far more than the purchase price listed in the Sale Agreement. Beyond the fact that JLL initially opted for a list price of \$1,200,000.00, the salesperson identified in the Listing Agreement, Jared Cowley, had previously marketed and successfully obtained much higher offers on the Property.
29. By way of background, Mr. Cowley previously worked as an Associate Vice President at Colliers International. While serving in that role, in or around November 2019, Mr. Cowley, marketed and listed the Property for a price much closer to the aforesaid appraisals. Attached hereto and marked as “**Exhibit K**” is an email I received from Mr.

Cowley on November 22, 2019 which includes a redacted information package he prepared for the Property at that time.

30. Subsequently, on June 1, 2021, Mr. Cowley presented me with an offer from THMR Development Inc. (“**THMR**”) for the Property for a purchase price in the same range as the aforesaid appraisals. Attached hereto and marked as “**Exhibit L**” is a redacted copy of the June 1, 2021 offer presented by Mr. Cowley.
31. Three days later, Mr. Cowley presented me with a revised offer from THMR for the Property with an even higher purchase price. Attached hereto and marked as “**Exhibit M**” is a redacted copy of the June 4, 2021 offer presented by Mr. Cowley.
32. I intend to provide unredacted versions of offers obtained by Mr. Cowley to the Receiver forthwith.
33. In light of the above, I verily believe that given the appropriate market exposure and effort, Mr. Cowley could have produced far better results. Indeed, based on the Marketing Summary, it appears as if Mr. Cowley did not even attempt to re-engage with either THMR or 2837452 Ontario Inc.
34. Further, since the time of the Sale Agreement, there was a 50 basis points [rate cut](#) by the Bank of Canada on October 23, 2024. I further understand that economists anticipate that that the Bank of Canada will cut the lending rate by an additional 25 basis points this month.
35. Hence, were the Property to be allowed to remain on the market for a little while longer, we can reasonably expect far better offers, aligned with the recent evaluations. On the

flipside, there is nothing to suggest that the secured creditor would suffer as a consequence of briefly re-listing the Property.

Special Circumstances

- 36. As previously mentioned, given the intense health challenges experienced by my wife, it was imperative that my attention be focused on my family throughout the summer of 2024. Among other things, in order to assist with my wife's recuperation efforts, I spent the entire month of July abroad.
- 37. Throughout this time, I substantially disengaged from normal work related activities in order to ensure that I was fully present for her and our two children.
- 38. Then between August and November of 2024, I was preoccupied with particularly cantankerous Landlord Tenant Board proceedings. Further particulars will be furnished for any examinations that may occur on my affidavit.

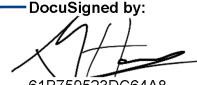
SWORN by Greg Harmandayan at the City of Toronto, in the Province of Ontario, before me on December , 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits
(or as may be)

BARUCH WISE

}

DocuSigned by:

61B759523DC64A8...

GREG HARMANDAYAN

This is Exhibit "A" referred to in the Affidavit of Greg Harmandayan sworn by Greg Harmandayan of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 6, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

BARUCH WISE



ONTARIO SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

COUNSEL/ENDORSEMENT SLIP

COURT FILE NO.: CV-24-00718940-00CL

DATE: December 3, 2024

NO. ON LIST: 2

TITLE OF PROCEEDING: Kingsett Mortgage Corporation vs. Churchill Lands United Inc.

BEFORE: JUSTICE KIMMEL

PARTICIPANT INFORMATION

For Plaintiff, Applicant, Moving Party:

Name of Person Appearing	Name of Party	Contact Info
Non-Present	Non-Present	Non-Present
Non-Present	Non-Present	Non-Present

For Defendant, Respondent, Responding Party:

Name of Person Appearing	Name of Party	Contact Info
Gregory Harmandayan Self-Represented	Churchill Lands United Inc.	gharman@rogers.com

For Other, Self-Represented:

Name of Person Appearing	Name of Party	Contact Info
Jordan Wong	KSV Restructuring Inc., Receiver	jwong@ksadvisory.com
Aiden Nelms	Counsel for KSV Restructuring, Receiver	nelmsabennettjones.com

ENDORSEMENT OF JUSTICE KIMMEL:

- [1] The Receiver, KSV Restructuring Inc., was appointed on May 14, 2024 at the request of the applicant (senior secured creditor owed in excess of \$2.5 million at the time of the appointment of the Receiver).
- [2] On June 24, 2024 this Court granted an order (the "Sale Process Approval Order"), among other things:
- a. approving the sale process in respect of the Real Property (the "Sale Process"); and
 - b. approving the listing agreement dated June 5, 2024 (the "Listing Agreement") between the Receiver and Jones Lang Lasalle Real Estate Services, Inc ("JLL").
- [3] The Receiver conducted the Sale Process in accordance with the Sale Process Approval Order, and now brings a motion seeking: (i) an order (the "Approval and Vesting Order"), among other things, approving the sale transaction (the "Transaction") contemplated by an agreement of purchase and sale between the Receiver and 1001024143 Ontario Inc., as purchaser dated October 11, 2024 (the "Sale Agreement") and vesting in the Purchaser, or as it may direct, all of the Debtor's rights, title and interest in and to the real property consisting of raw industrial land located in the Town of Whitby, Ontario that is subject to the applicant's first mortgage security (the "Real Property"), and (ii) an a "Distribution and Discharge Order", that deals with various matters ancillary to the discharge of the Receiver and seeks a sealing order in respect of the Confidential Appendices to the Receiver's Second Report dated November 27, 2024 (the "Confidential Appendices").
- [4] All capitalized terms used but not defined herein have the meanings ascribed to them in the Second Report or the Sale Agreement, as applicable.
- [5] JLL summarized the Sale Process and its recommendation with respect to the Transaction in its marketing report dated November 12, 2024 (the "JLL Report") . The Sale Process included a preliminary bid deadline of August 7, 2024. As is further discussed in the JLL Report, no offers were received by that date and JLL continued to market the Real Property and discuss the opportunity with prospective purchasers. The Purchaser subsequently submitted an offer on October 11, 2024. The purchase price in the offer was negotiated and eventually the Sale Agreement was signed, which is conditional upon court granting the requested Approval and Vesting Order.
- [6] The Receiver has filed redacted copies of the JLL Report and the Sale Agreement with the Second Report. In each case, the only redactions concern the purchase price or the value of the Real Property. The Receiver has filed unredacted copies of the JLL Report and the Sale Agreement as Confidential Appendices to the Second Report. For the reasons detailed in the Receiver's factum at paragraphs 45-52, I am satisfied that the requesting sealing order is

necessary and appropriate in the circumstances and I am granting it now so as to ensure that the Confidential Appendices to the Second Report are under seal.

[7] The Receiver has recommended that the court grant the AVO and approve the Transaction.

[8] A representative of the Debtor, Churchill Lands United Inc., appeared at the hearing today without counsel and without having provided advance notice to the Receiver of his intended appearance and objection to the relief sought, despite the Receiver having asked all persons on the service list to communicate if they intended to appear.

[9] Although aware of the court approved Sale Process, neither the Debtor nor any affiliate of the Debtor participated in the Sale Process. Having learned on Friday of the purchase price amount for the Transaction, its representative appeared today to object. Although the burden on the Debtor at this late stage is onerous if it seeks to oppose the approval of the Transaction on the grounds that a sufficient effort was not made by the Receiver to obtain the best price and acted improvidently in negotiating and entering into the Sale Agreement, the court determined that a brief adjournment would be granted to allow the Debtor to bring forward evidence in support of its position so that it can be considered on a proper record. There was no apparent urgency or prejudice to granting a short indulgence to allow for this in the circumstances.

[10] Accordingly, the Receiver's motion returnable today is adjourned to December 12, 2024 commencing at 10:00 a.m. by zoom. Given the seriousness of the Debtor's position, its heavy burden at this stage in the process (for reasons detailed in paragraphs 21-26 of the Receiver's factum) and the requirement for the Debtor corporation to satisfy the requirements for leave to have someone other than a lawyer represent it, the court strongly urged Mr. Harmandayan to retain counsel on behalf of the Debtor and he agreed he would do so.

[11] The parties shall comply with the following timetable leading up to the December 12, 2024 hearing date:

- a. The Debtor shall deliver by December 6, 2024 at 12:00 noon its responding motion record, containing evidentiary support that, among anything else deemed necessary, provides an explanation for why the Debtor (or its affiliates or affiliates of Mr. Harmandayan) did not participate directly in the Sale Process and provides firm third-party evidence of a materially higher value of the Real Property that materially exceeds the purchase price in the Sale Transaction that is not tainted by any disclosure any such third party of what the purchase price is under the Sale Transaction.
- b. The Receiver (and any other party supporting the position of the Receiver) shall file reply/responding material to the Debtor's responding motion record by the end of the day on December 9, 2024.

- c. If limited scope examinations are required they shall be conducted on December 10, 2024.
- d. The sealed Confidential Appendices to the Receiver's Second Report may not be referred to in the course of the development of the record associated with the Debtor's objection to the Transaction. If they must be referred to, that shall be done in a way that respects the sealing order with the expectation of a request for it to be expanded, if necessary, at the December 12, 2024 hearing.
- e. The Receiver's supplementary (or fresh as amended) factum and the written submissions on behalf of the Debtor and any other participating party shall be delivered by no later than 4:00 p.m. on December 11, 2024 and all material for the December 12, 2024 hearing (including any material filed for today's hearing that remains relevant) shall have been served, filed and uploaded onto Case Center by no later than 4:30 p.m. on December 11, 2024.

[12] The Receiver shall serve this endorsement on the service list.

A handwritten signature in cursive script that reads "Kimmel J.".

KIMMEL J.

This is Exhibit "B" referred to in the Affidavit of Greg Harmandayan sworn by Greg Harmandayan of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 6, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to read "Baruch Wise".

Commissioner for Taking Affidavits (or as may be)

BARUCH WISE



Court File No. CV-24-00718940-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE)	TUESDAY, THE 14 th
)	
JUSTICE CAVANAGH)	DAY OF MAY, 2024

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

CHURCHILL LANDS UNITED INC.

Respondent

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, RSC 1985, c. B-3, AS AMENDED; AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, RSO 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 KSV Restructuring Inc. ("KSV") as receiver (in such capacities, the "Receiver") without security, of the real property legally described in Schedule "A" to this Receivership Order (the "Property") owned by Churchill Lands United Inc. (the "Debtor"), was heard this day by judicial teleconference via Zoom at Toronto, Ontario.

ON READING the affidavit of Daniel Pollack sworn April 24, 2024 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant and such other parties listed on the Counsel slip, no one else appearing although duly served as appears from the affidavits of

service of William Onyeaju sworn April 24, 2024, and May 8, 2024, and on reading the consent of KSV 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, KSV is hereby appointed Receiver, without security, of 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, operate, and carry on the business of the Debtor, 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 or disclaim any contracts of the Debtor 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 to continue the business of the Debtor with respect to the Property or any part or parts thereof;
- f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor with respect to the Property and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- g) to settle, extend or compromise any indebtedness owing to the Debtor with respect to 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 Debtor, 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 Debtor, 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 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;

- l) 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;
- m) to consult with the Applicant on all matters relating to the Property and the receivership;
- 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 with respect to the Property 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 Debtor;
- p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.
- s) 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 Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel, 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 (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 Debtor, 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 PROPERTY

8. **THIS COURT ORDERS** that no Proceeding against or 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 Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. **THIS COURT ORDERS** that all rights and remedies against the Debtor in respect of the Property, the Receiver, or affecting the Property including, without limitation, licenses and permits, 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 Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor 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 Debtor 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 Debtor in connection with or relating to the Property, or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all security, insurance, transportation services, utility or other services to the Debtor in connection with or relating to 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, 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 Debtor 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, in connection with or relating to the Property, 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. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's 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 Debtor, 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 from the Applicant 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 \$100,000 (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, fees, 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 "B" hereto (the "Receiver's Certificate") 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

24. **THIS COURT ORDERS** that the Guide Concerning Commercial List E-Service (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 <https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) 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: <https://www.ksvadvisory.com/experience/case/churchilllandsunited>.

25. **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 Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor 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

26. **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.

27. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

28. **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.

29. **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.

30. **THIS COURT ORDERS** that the Applicant shall have its costs of this Application, 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 Debtor's estate with such priority and at such time as this Court may determine.

31. **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.

32. **THIS COURT ORDERS** that this Order is effective from today's date and it is not required to be entered.

 Mr. Justice
Cavanagh

SCHEDULE "A"

REAL PROPERTY

PIN 16265-0869 (LT)

PT N 1/2 LT 20 CON 4 Township of Whitby DES PT 1 ON 40R12447 EXCEPT PT 3 ON 40R21278; T/W ROW OVER PT N 1/2 LT 20 CON 4, Township of Whitby, PIN No. 16265-0869 (LT), Town of Whitby

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver and manager (the "Receiver"), without security, of the real property legally described in Schedule "A" (the "Property") to the Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated May 14, 2024, appointed by Order of the Court made in an application having Court file number __-CL-_____, 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 _____, 2024.

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

Per: _____

Name: Noah Goldstein

Title: Managing Director

KINGSETT MORTGAGE CORPORATION
Applicant

and

Court File No./N° du dossier du greffe : CV-24-00718940-00CL
CHURCHILL LANDS UNITED INC.
Respondent

Court File No. CV-24-00718940-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

ORDER

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Lawyers for the Applicant, Kingsett Mortgage Corporation

This is Exhibit "C" referred to in the Affidavit of Greg Harmandayan sworn by Greg Harmandayan of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 6, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to read "Baruch Wise".

Commissioner for Taking Affidavits (or as may be)

BARUCH WISE



Court File No. CV-24-00718940-00CL

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

THE HONOURABLE)
JUSTICE PENNY)
MONDAY, THE 24th
DAY OF JUNE, 2024

B E T W E E N:

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

CHURCHILL LANDS UNITED INC.

Respondent

**IN THE MATTER OF SECTION 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**

SALE PROCESS APPROVAL ORDER

THIS MOTION, made by KSV Restructuring Inc., in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”), without security, of the real property legally described in Schedule “A” to this Order (the “**Property**”) owned by Churchill Lands United Inc. (the “**Debtor**”) for an order, among other things, approving: (i) the proposed Sale Process (as defined and described in the First Report of the Receiver dated June 17, 2024 (the “**First Report**”)); and (ii) the First Report and the Receiver’s activities and conduct described therein, was heard this day via Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the First Report (including the appendices thereto), and on hearing the submissions of counsel for the Receiver, and such other counsel as was present, no one else appearing although properly served, as appears from the affidavit of Aiden Nelms, sworn and filed.

SERVICE AND DEFINITIONS

1. **THIS COURT ORDERS** that the time for service and filing of the Notice of Motion and Motion Record is hereby abridged and validated so that this Motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that all capitalized terms used in this Order and not otherwise defined shall have the meanings ascribed to them in the First Report.

SALE PROCESS

3. **THIS COURT ORDERS** that the proposed Sale Process be and is hereby approved. The Receiver is hereby authorized to carry out the Sale Process and to take such steps and execute such documentation as may be necessary or desirable in carrying out its obligation thereunder, subject to prior approval of this Court being obtained before completion of any transaction under the Sale Process. The listing agreement dated June 5, 2024 between the Receiver and Jones Lang Lasalle Real Estate Services, Inc. is also hereby approved.
4. **THIS COURT ORDERS** that without limiting paragraph 3 of this Order, the Receiver is authorized to take any and all steps necessary to commission environmental studies and/or reports as may be required, in the sole discretion of the Receiver, to facilitate the Sale Process.

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

PIPEDA

6. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, 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 Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.

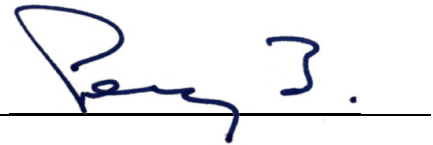
APPROVAL OF THE RECEIVER'S ACTIVITIES AND REPORT

7. **THIS COURT ORDERS** that the First Report is hereby approved and the activities and conduct of the Receiver as described therein is hereby ratified and approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approvals.

GENERAL

8. **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.

9. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order.



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

SCHEDULE "A"

PIN 16265-0869 (LT)

PT N 1/2 LT 20 CON 4 Township of Whitby DES PT 1 ON 40R12447 EXCEPT PT 3 ON 40R21278; T/W ROW OVER PT N 1/2 LT 20 CON 4, Township of Whitby, PIN No. 16265-0869 (LT), Town of Whitby

Court File No. CV-24-00718940-00CL

KINGSETT MORTGAGE CORPORATION

- and -

CHURCHILL LANDS UNITED INC.

Applicant

Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

SALE PROCESS APPROVAL ORDER

BENNETT JONES LLP

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Suite 3400, P.O. Box 130
Toronto, Ontario
M5X 1A4

Sean H. Zweig (LSO #57307I)

Tel: (416) 777-6254
Fax: (416) 863-1716

Aiden Nelms (LSO# 74170S)

Tel:(416) 777-4642
Fax: (416) 863-1716

Counsel to KSV Restructuring Inc., solely in its
capacity as Court-appointed Receiver and not in its
personal capacity

This is Exhibit "D" referred to in the Affidavit of Greg Harmandayan sworn by Greg Harmandayan of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 6, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to read "Baruch Wise".

Commissioner for Taking Affidavits (or as may be)

BARUCH WISE



**First Report of
KSV Restructuring Inc.
as Receiver of the real
property legally described as:**

June 17, 2024

PIN 16265-0869 (LT)

**PT N 1/2 LT 20 CON 4 Township of Whitby DES
PT 1 ON 40R12447 EXCEPT PT 3 ON
40R21278; T/W ROW OVER PT N 1/2 LT 20
CON 4, Township of Whitby, PIN No. 16265-
0869 (LT), Town of Whitby**

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Appendices

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COURT FILE NO: CV-24-00718940-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

KINGSETT MORTGAGE CORPORATION

APPLICANT

- AND -

CHURCHILL LANDS UNITED INC.

RESPONDENT

FIRST REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER

JUNE 17, 2024

1.0 Introduction

1. This report ("**Report**") is filed by KSV Restructuring Inc. ("**KSV**") in its capacity as receiver (in such capacity, the "**Receiver**") of the real property (the "**Real Property**") owned by Churchill Lands United Inc. (the "**Company**") legally described as:

PIN 16265-0869 (LT)

PT N 1/2 LT 20 CON 4 Township of Whitby DES PT 1 ON 40R12447 EXCEPT PT 3 ON 40R21278; T/W ROW OVER PT N 1/2 LT 20 CON 4, Township of Whitby, PIN No. 16265-0869 (LT), Town of Whitby

2. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made on May 14, 2024 (the "**Receivership Order**"), KSV was appointed Receiver. A copy of the Receivership Order is attached as Appendix "A".
3. The principal purpose of the receivership proceedings is to conduct a Court-supervised sale process for the Real Property that maximizes value for the stakeholders.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide background information about the Real Property and these proceedings;

- b) summarize a recommended sale process (the “**Sale Process**”) for the Real Property, including the proposed retention of Jones Lang Lasalle Real Estate Services, Inc. (“**JLL**”) to act as listing agent pursuant to a listing agreement dated June 5, 2024 (the “**Listing Agreement**”);
- c) provide an overview of the Receiver’s activities since the commencement of these proceedings; and
- d) recommend that the Court issue an order, among other things:
 - approving the Sale Process and the retention of JLL to list the Real Property for sale pursuant to the Listing Agreement; and
 - approving this Report and the Receiver’s activities detailed herein.

1.2 Currency

1. All currency references in this Report are to Canadian dollars, unless otherwise noted.

1.3 Restrictions

1. In preparing this Report, the Receiver has relied upon information (the “Information”), including financial information, provided by the Company and KingSett Mortgage Corporation (“**KingSett**”), which has security against the Real Property in regards to a loan made to the Company. Kingsett was the applicant in these proceedings.
2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information 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 as contemplated under the CAS in respect of the Information. Any party wishing to place reliance on the Information should perform its own diligence and the Receiver accepts no responsibility for any reliance placed on the Information in this Report by any party.
3. Additional background information regarding the Company and the reasons for the appointment of the Receiver are provided in the affidavit of Daniel Pollack sworn April 24, 2024 (the “**Pollack Affidavit**”). Copies of the Court materials filed in these proceedings are available on the Receiver’s case website at: <https://www.ksvadvisory.com/experience/case/churchilllandsunited>.

2.0 Background

1. The Real Property consists of raw industrial land in the Town of Whitby, Ontario and is located at the southeast intersection of Thickson Road North and Conlin Road.

3.0 Creditors

3.1 Secured Creditors

1. As of March 20, 2024, the following charges were registered against the Real Property:

Secured Creditor	Date Registered	Amount
KingSett	July 10, 2023	3,000,000

2. Pursuant to the terms of a commitment letter dated September 15, 2021, as amended on January 11, 2023 and June 16, 2023, KingSett extended a non-revolving demand loan to the Company in the principal amount of \$2,390,000. As set out in the Pollack Affidavit, Kingsett advised it was owed \$2,522,866 as of March 20, 2024. The Receiver understands that interest, fees and costs continue to accrue.
3. The Receiver will perform a detailed review of KingSett's security and the amount owing to KingSett in due course.

3.2 Unsecured Creditors

1. According to the Company's books and records, there is approximately \$1,278,000 owing to unsecured creditors.

4.0 Sale Process

4.1 Realtor Selection

1. At the commencement of these proceedings, the Receiver solicited a proposal from JLL to act as the listing agent for the Real Property, subject to Court approval.
2. The Receiver did not conduct a request for proposal from several realtors as the cost of doing so would not have been economical in the context of the size of Kingsett's indebtedness. In addition, JLL is known to the Receiver as having considerable experience in the listing and sale of commercial and industrial properties in southwestern Ontario and is well positioned to market the Real Property to potential buyers. The Receiver has worked with JLL on other real estate mandates and is comfortable that JLL has the expertise to market the Real Property.
3. The key attributes of the Listing Agreement include the following:
 - a) **Term**: six months from the date of the Listing Agreement.
 - b) **Holdover Period**: six months.
 - c) **Commission Rate**: 3.5% of the purchase price (or 4.0% with a co-operating broker, if applicable)
 - d) **Other**: in the Receiver's view, the Listing Agreement is standard and consistent with market.

4. The Receiver recommends that the Court authorize the Receiver to retain JLL as the listing agent for the Real Property for the following reasons:
 - a) KingSett, as the only party with security registered against the Real Property, supports the retention of JLL;
 - b) the JLL team managing the mandate has significant experience selling commercial and industrial properties in Southwestern Ontario;
 - c) KSV has previously retained the same JLL team for similar mandates and the JLL team achieved strong results; and
 - d) JLL's proposed commission rate is reasonable based on KSV's experience selling real estate and is acceptable to KingSett.
5. A copy of the Listing Agreement is attached as Appendix "B".

4.2 Sale Process

1. The Receiver has worked with JLL to develop a Sale Process for this mandate, which is summarized in the table below.

Sale Process		
Milestone	Description of Activities	Timeline
<i>Phase 1 – Underwriting</i>		
Due diligence	➤ JLL to review all available documents (financial, legal and environmental reports) concerning the Real Property.	Week 1
Finalize marketing materials	➤ JLL and the Receiver to: <ul style="list-style-type: none"> ○ prepare a marketing brochure; ○ populate an online data room; and ○ prepare a confidentiality agreement ("CA"). 	
Consulting Reports	➤ The Receiver may arrange for updated and/or new consulting reports to facilitate due diligence by interested parties. These will be made available in the data room.	
Prospect Identification	➤ JLL will qualify and prioritize prospects; and ➤ JLL will also have pre-marketing discussions with targeted prospects.	
<i>Phase 2 – Marketing and Offer Solicitation</i>		
Stage 1	➤ Mass market introduction, including: <ul style="list-style-type: none"> ○ sending offering summary and marketing materials, including marketing brochure to JLL's client base, including specifically targeted prospects; ○ publishing the acquisition opportunity in such journals, publications and online as the realtor and the Receiver believe appropriate to maximize interest in this opportunity; 	Week 2-6

Sale Process		
Milestone	Description of Activities	Timeline
	<ul style="list-style-type: none"> o posting “for sale” signs on the Real Property; o engaging in direct canvassing of most likely prospects and tailoring the pitch to each of these candidates based on the brokers’ knowledge of these parties; o posting the acquisition opportunity on MLS on an unpriced basis; and o meeting with prospective bidders to explain the potential of each site. <ul style="list-style-type: none"> ➤ JLL to provide detailed information to qualified prospects that sign the CA, and access to the data room; ➤ JLL and the Receiver to facilitate diligence by interested parties; ➤ The Receiver and legal counsel will prepare a vendor’s form of Purchase and Sale Agreement (“PSA”) which will be made available in the data room; and ➤ Receiver to arrange for certain updated and/or new consulting reports to facilitate due diligence. These will also be made available in the data rooms, where applicable. 	
Stage 3	<ul style="list-style-type: none"> ➤ “Offer not Before Date” in August on a date to be determined (subject to achieving previous timelines, market feedback and JLL’s recommendation); and ➤ Prospective purchasers encouraged to submit offers in the form of the PSA, with any changes to the PSA blacklined. 	Preliminary date of August 7, 2024 (specific date to be determined)
<i>Phase 3 – Offer Review and Negotiations</i>		
	<ul style="list-style-type: none"> ➤ Short listing of bidders; ➤ Further bidding - bidders may be asked to improve their offers. The Receiver may invite parties to participate in as many rounds of bidding as is required to maximize the consideration and minimize closing risk. The Receiver may also seek to clarify terms of the offers submitted and to negotiate such terms; ➤ The Receiver will be at liberty to consult with KingSett regarding the offers received, subject to any confidentiality requirements that the Receiver believes appropriate; ➤ Select successful bidder(s) and finalize definitive documents. The Receiver will select the successful bidder(s), having regards to, among other things: <ul style="list-style-type: none"> o total consideration (cash and assumed liabilities); o form of consideration being offered; o third-party approvals required, if any; o conditions, if any, and time required to satisfy or waive same; and o such other factors affecting the speed and certainty of closing and the value of the offers as the Receiver considers relevant. ➤ 2nd round bids and further bidding - prospective purchasers may be asked to re-submit PSAs on one or more occasions. 	Week 7-9

Sale Process		
Milestone	Description of Activities	Timeline
Selection of Successful Bids	<ul style="list-style-type: none"> ➤ Select successful bidder and finalize definitive documents, subject to any final diligence to be performed by the purchaser; and ➤ Back up bidders will be kept “warm” in order to have options in case selected bidder does not close. 	Week 10
Due Diligence	<ul style="list-style-type: none"> ➤ Manage and monitor final due diligence process, if applicable; ➤ Gather and/or commission missing documentation; and ➤ Additional site visits, as required. 	Week 11-18
<i>Phase 4 – Closing</i>		
Sale Approval Motion	<ul style="list-style-type: none"> ➤ Upon execution of definitive transaction documents, the Receiver will seek Court approval of the successful offer, on not less than 7 calendar days’ notice to the service list and registered secured creditors. 	Approximately 15 to 30 days from the date that the selected bidder confirms all conditions have been satisfied or waived
Closing	<ul style="list-style-type: none"> ➤ Following Court approval 	ASAP

2. Additional aspects of the Sale Process include:

- a) the Receiver may be required to commission environmental studies and/or other reports prior to closing. Court approval of the Sale Process shall authorize the Receiver to take any and all steps necessary to commission such studies/reports, including requiring the tenants to cooperate with the Receiver and provide reasonable access to their property to the consultants retained for such purposes;
- b) the Real Property will be marketed on an “as is, where is” basis;
- c) to the extent permitted by law, all of the rights, title and interests of the Company in the Real Property will be sold free and clear of all pledges, liens, security interests, encumbrances and claims, pursuant to one or more approval and vesting orders to be sought by the Receiver;
- d) if the Receiver believes, in its sole discretion, that it will assist to maximize recoveries, the Receiver will have the right to: (i) waive strict compliance with the terms of the Sale Process, including any of the deadlines in the table above; and (ii) modify and adopt such other procedures that will better promote the sale of the Real Property or increase the aggregate recoveries for stakeholders;
- e) any material modifications to, or the termination of, the Sale Process shall require Court approval; however, the Receiver shall have the discretion to adjust any timeline in the Sale Process to the extent it believes it to be appropriate to maximize value;

- f) the Receiver will have the right to reject any and all offers, including the highest dollar value offer(s); and
- g) any transaction will be subject to Court approval.

4.3 Sale Process Recommendation

1. The Receiver recommends that the Court grant an order approving the Sale Process for the following reasons:
 - a) the Sale Process will provide for a fair, open and transparent process intended to canvass the market broadly on an orderly basis. The terms are consistent with real estate sale processes approved in the context of other receivership proceedings;
 - b) the duration of the Sale Process is sufficient to allow interested parties to perform diligence and to submit an offer on or before the offer deadline, which is tentatively set for August 7, 2024. The marketing process is anticipated to last approximately five weeks, subject to the Receiver's right to extend or amend timelines in its sole discretion, as appropriate;
 - c) JLL's team for this mandate is based out of its Toronto office, has experience selling similar properties in the Greater Toronto Area and has national reach. The Receiver is of the view that JLL's commission rate is consistent with market rates; and
 - d) KingSett supports the Sale Process, including JLL's engagement on the terms of the Listing Agreement.
2. Based on the foregoing, the Receiver recommends Court approval of the Sale Process, including the retention of JLL.

5.0 Overview of the Receiver's Activities

1. The Receiver's activities since the commencement of these proceedings have included, *inter alia*, the following:
 - reviewing KingSett's receivership application materials and the Receivership Order;
 - corresponding with Bennett Jones and KingSett regarding all aspects of this mandate;
 - corresponding with the Company regarding its books and records;
 - engaging Tert & Ross Ltd., a third-party contractor, at the commencement of these proceedings to visit the Real Property to assess its condition;
 - opening a receivership bank account;

- corresponding with an insurance broker to arrange for insurance;
- soliciting a proposal from JLL;
- negotiating the Listing Agreement with JLL and discussing same with Bennett Jones;
- drafting and sending to all creditors the Notice and Statement of the Receiver pursuant to Sections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*;
- drafting this Report and reviewing all motion materials filed in connection with this motion; and
- dealing with other matters pertaining to the administration of this mandate.

6.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that the Court grant an order approving the relief set out in Section 1.1 (1)(d) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF
THE REAL PROPERTY
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”



Court File No. CV-24-00718940-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE)	TUESDAY, THE 14 th
)	
JUSTICE CAVANAGH)	DAY OF MAY, 2024

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

CHURCHILL LANDS UNITED INC.

Respondent

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, RSC 1985, c. B-3, AS AMENDED; AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, RSO 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 KSV Restructuring Inc. ("KSV") as receiver (in such capacities, the "Receiver") without security, of the real property legally described in Schedule "A" to this Receivership Order (the "Property") owned by Churchill Lands United Inc. (the "Debtor"), was heard this day by judicial teleconference via Zoom at Toronto, Ontario.

ON READING the affidavit of Daniel Pollack sworn April 24, 2024 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant and such other parties listed on the Counsel slip, no one else appearing although duly served as appears from the affidavits of

service of William Onyeaju sworn April 24, 2024, and May 8, 2024, and on reading the consent of KSV 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, KSV is hereby appointed Receiver, without security, of 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, operate, and carry on the business of the Debtor, 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 or disclaim any contracts of the Debtor 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 to continue the business of the Debtor with respect to the Property or any part or parts thereof;
- f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor with respect to the Property and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- g) to settle, extend or compromise any indebtedness owing to the Debtor with respect to 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 Debtor, 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 Debtor, 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 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;

- l) 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;
- m) to consult with the Applicant on all matters relating to the Property and the receivership;
- 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 with respect to the Property 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 Debtor;
- p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.
- s) 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 Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel, 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 (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 Debtor, 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 PROPERTY

8. **THIS COURT ORDERS** that no Proceeding against or 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 Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. **THIS COURT ORDERS** that all rights and remedies against the Debtor in respect of the Property, the Receiver, or affecting the Property including, without limitation, licenses and permits, 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 Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor 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 Debtor 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 Debtor in connection with or relating to the Property, or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all security, insurance, transportation services, utility or other services to the Debtor in connection with or relating to 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, 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 Debtor 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, in connection with or relating to the Property, 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. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's 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 Debtor, 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 from the Applicant 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 \$100,000 (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, fees, 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 "B" hereto (the "Receiver's Certificate") 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

24. **THIS COURT ORDERS** that the Guide Concerning Commercial List E-Service (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 <https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) 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: <https://www.ksvadvisory.com/experience/case/churchilllandsunited>.

25. **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 Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor 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

26. **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.

27. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

28. **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.

29. **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.

30. **THIS COURT ORDERS** that the Applicant shall have its costs of this Application, 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 Debtor's estate with such priority and at such time as this Court may determine.

31. **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.

32. **THIS COURT ORDERS** that this Order is effective from today's date and it is not required to be entered.

 Mr. Justice
Cavanagh

SCHEDULE "A"

REAL PROPERTY

PIN 16265-0869 (LT)

PT N 1/2 LT 20 CON 4 Township of Whitby DES PT 1 ON 40R12447 EXCEPT PT 3 ON 40R21278; T/W ROW OVER PT N 1/2 LT 20 CON 4, Township of Whitby, PIN No. 16265-0869 (LT), Town of Whitby

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver and manager (the "Receiver"), without security, of the real property legally described in Schedule "A" (the "Property") to the Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated May 14, 2024, appointed by Order of the Court made in an application having Court file number __-CL-_____, 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 _____, 2024.

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

Per: _____

Name: Noah Goldstein

Title: Managing Director

KINGSETT MORTGAGE CORPORATION
Applicant

and

CHURCHILL LANDS UNITED INC.
Respondent

Court File No. CV-24-00718940-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST

PROCEEDING COMMENCED AT
TORONTO

ORDER

CASSELS BROCK & BLACKWELL LLP
Suite 3200, Bay Adelaide Centre – North Tower
40 Temperance St.
Toronto, ON M5H 0B4

Joseph Bellissimo LSO #: 46555R
Tel: 416.860.6572
jbellissimo@cassels.com

William Onyeaju LSO #: 81919E
Tel: 416.869.5498
wonyeaju@cassels.com

Lawyers for the Applicant, Kingsett Mortgage Corporation

Appendix “B”



Listing Agreement - Commercial

Seller Representation Agreement

Authority to Offer for Sale



Form 520

for use in the Province of Ontario

This is a **Multiple Listing Service® Agreement**




(Seller's Initials)

OR

Exclusive Listing Agreement

EXCLUSIVE


(Seller's Initials)

BETWEEN:

BROKERAGE:

JONES LANG LASALLE REAL ESTATE SERVICES, INC., BROKERAGE

2600-22 ADELAIDE STREET WEST, TORONTO

(the "Listing Brokerage") Tel. No.

SELLER:

KSV RESTRUCTURING INC.

(the "Seller")

DESIGNATED REPRESENTATIVE(S):

See Schedule A

(Name of Salesperson/Broker/Broker of Record)

This Listing Agreement is a designated representation agreement where the Brokerage has designated Salesperson/Broker/Broker of Record as the Designated Representative(s) and all parties understand it is the Designated Representative(s) who will be providing services and representation to the Seller, and the Brokerage provides services but not representation.

In consideration of the Listing Brokerage listing the real property for sale known as ⁰ Thickson Road

Whitby, ON


(the "Property")

the Seller hereby gives the Listing Brokerage the **exclusive and irrevocable** right to act as the Seller's agent,

commencing at 9:00 am on the 25 day of June, 2024,
(a.m./p.m.)

and expiring at 11:59 p.m. on the 24 day of December, 2024 (the "Listing Period"),

{ Seller acknowledges that the length of the Listing Period is negotiable between the Seller and the Listing Brokerage and, if an MLS® listing, may be subject to minimum requirements of the real estate board, however, in accordance with the Trust in Real Estate Services Act, 2002 (TRESA), the Listing Brokerage must obtain the Seller's initials.


(Seller's Initials)

to offer the Property for sale at a price of:

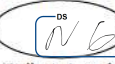
Dollars (CDN\$) 1,200,000

One million, two hundred thousand

Dollars

and upon the terms particularly set out herein, or at such other price and/or terms acceptable to the Seller. It is understood that the price and/or terms set out herein are at the Seller's personal request, after full discussion with the Listing Brokerage's representative regarding potential market value of the Property.

The Seller hereby represents and warrants that the Seller is not a party to any other listing agreement for the Property or agreement to pay commission to any other real estate brokerage for the sale of the Property.


(Seller's Initials)

1. DEFINITIONS AND INTERPRETATIONS: For the purposes of this Agreement ("Authority" or "Agreement"):

"Seller" includes vendor and a "buyer" includes a purchaser or a prospective purchaser. "Self-represented assistance" shall mean assistance provided to a self-represented party. A purchase shall be deemed to include the entering into of any agreement to exchange, or the obtaining of an option to purchase which is subsequently exercised, or the causing of a First Right of Refusal to be exercised, or an agreement to sell or transfer shares or assets. "Real property" includes real estate as defined in the Trust in Real Estate Services Act (2002). The "Property" shall be deemed to include any part thereof or interest therein. A "real estate board" includes a real estate association. Commission shall be deemed to include other remuneration. This Agreement shall be read with all changes of gender or number required by the context. For purposes of this Agreement, anyone introduced to or shown the Property shall be deemed to include any spouse, heirs, executors, administrators, successors, assigns, related corporations and affiliated corporations. Related corporations or affiliated corporations shall include any corporation where one half or a majority of the shareholders, directors or officers of the related or affiliated corporation are the same person(s) as the shareholders, directors, or officers of the corporation introduced to or shown the Property. "Public Marketing" shall have the same meaning as set out in REALTOR® Cooperation Policy as published by the Canadian Real Estate Association.

2. COMMISSION: In consideration of the Listing Brokerage listing the Property, the Seller agrees to pay the Listing Brokerage a commission of

.....% of the sale price of the Property or See Schedule A

for any valid offer to purchase the Property from any source whatsoever obtained during the Listing Period, as may be acceptable to the Seller. The Seller authorizes the Listing Brokerage to co-operate with any other registered real estate brokerage (co-operating brokerage) and to offer to pay the co-operating brokerage a commission of.....% of the sale price of the Property or.....

out of the commission the Seller pays the Listing Brokerage.

The Seller further agrees to pay such commission as calculated above if an agreement to purchase is agreed to or accepted by the Seller or anyone

on the Seller's behalf within days after the expiration of the Listing Period (**Holdover Period**), so long as such agreement is with anyone who was introduced to the Property from any source whatsoever during the Listing Period or shown the Property during the Listing Period. If, however, the offer for the purchase of the Property is pursuant to a new agreement in writing to pay commission to another registered real estate brokerage, the Seller's liability for commission shall be reduced by the amount paid by the Seller under the new agreement.

The Seller further agrees to pay such commission as calculated above even if the transaction contemplated by an agreement to purchase agreed to or accepted by the Seller or anyone on the Seller's behalf is not completed, if such non-completion is owing or attributable to the Seller's default or neglect, said commission to be payable on the date set for completion of the purchase of the Property.

INITIALS OF LISTING BROKERAGE:



INITIALS OF SELLER(S):



Any deposit in respect of any agreement where the transaction has been completed shall first be applied to reduce the commission payable. Should such amounts paid to the Listing Brokerage from the deposit or by the Seller's solicitor not be sufficient, the Seller shall be liable to pay to the Listing Brokerage on demand, any deficiency in commission and taxes owing on such commission.

In the event the buyer fails to complete the purchase and the deposit or any part thereof becomes forfeited, awarded, directed or released to the Seller, the Seller then authorizes the Listing Brokerage to retain as commission for services rendered, fifty (50%) per cent of the amount of the said deposit forfeited, awarded, directed or released to the Seller (but not to exceed the commission payable had a sale been consummated) and to pay the balance of the deposit to the Seller. All amounts set out as commission are to be paid plus applicable taxes on such commission.

- 3. REPRESENTATION:** The Seller acknowledges that the Listing Brokerage has provided the Seller with written information explaining relationships, including information on Seller Representation, Client Limited Service, Sub-agency, Buyer Representation, Multiple Representation and Self-Represented Party assistance. The Seller understands that unless the Seller is otherwise informed, the co-operating brokerage is representing the interests of the buyer in the transaction. The Seller further acknowledges that the Listing Brokerage may be listing other properties that may be similar to the Seller's Property and the Seller hereby consents to the Listing Brokerage listing other properties that may be similar to the Seller's Property without any claim by the Seller of conflict of interest. The Seller hereby appoints the Listing Brokerage as the Seller's agent for the purpose of giving and receiving notices pursuant to any offer or agreement to purchase the Property. Unless otherwise agreed in writing between Seller and Listing Brokerage, any commission payable to any other brokerage shall be paid out of the commission the Seller pays the Listing Brokerage, said commission to be disbursed in accordance with the Commission Trust Agreement.

MULTIPLE REPRESENTATION: The Seller hereby acknowledges that the Listing Brokerage may be entering into buyer representation agreements with buyers who may be interested in purchasing the Seller's Property. In the event that the Listing Brokerage has entered into or enters into a buyer representation agreement with a prospective buyer for the Seller's Property, the Listing Brokerage will require the Seller's written consent to represent both the Seller and the buyer for the transaction. The Seller understands and acknowledges that the Listing Brokerage must be impartial when representing both the Seller and the buyer and equally protect the interests of the Seller and buyer. The Seller understands and acknowledges that when representing both the Seller and the buyer, the Listing Brokerage shall have a duty of full disclosure to both the Seller and the buyer.

However, the Seller further understands and acknowledges that the Listing Brokerage shall not disclose:

- that the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
- that the buyer may or will pay more than the offered price, unless otherwise instructed in writing by the buyer;
- the motivation of or personal information about the Seller or buyer, unless otherwise instructed in writing by the party to which the information applies or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
- the price the buyer should offer or the price the Seller should accept; and
- the Listing Brokerage shall not disclose to the buyer the terms of any other offer, unless otherwise directed in writing by the Seller.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the property will be disclosed to both Seller and Buyer to assist them to come to their own conclusions.

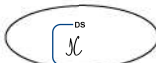
The Brokerage shall not be appointed or authorized to be agent for either the Seller or the buyer for the purpose of giving and receiving notices where the Brokerage represents both the Seller and the buyer (multiple representation) or where the buyer or the seller is a self-represented party.

MULTIPLE REPRESENTATION AND LIMITED SERVICES REPRESENTATION: The Seller understands and agrees that the Listing Brokerage may provide client limited services and representation to other sellers and buyers. The Seller understands and acknowledges that when representing both the Seller and the buyer, where one or both the Seller and buyer are receiving limited services and representation the Listing Brokerage shall have a duty of services and representation and disclosure to one or both the Seller and the buyer, as more particularly set out in the agreement with the respective Seller or buyer. If the Listing Brokerage provides client limited services and representation to more than one seller or buyer for the same trade, the Listing Brokerage shall, in writing, inform all sellers and buyers of the nature of the Listing Brokerage's relationship to each seller and buyer, and will require consent in writing for such multiple representation.

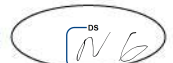
MULTIPLE REPRESENTATION AND DESIGNATED REPRESENTATION: The Seller understands and acknowledges where both the Seller and buyer are represented by a designated representative of the Listing Brokerage, multiple representation will not result, unless that designated representative represents more than one client in the same trade, and will require consent in writing for such multiple representation. In the event of multiple representation and designated representation, the Brokerage duty of disclosure to both the seller and the buyer client, is as more particularly set out in the agreement with the respective seller or buyer.


- 4. FINDERS FEES:** The Seller acknowledges that the Brokerage may be receiving a finder's fee, reward and/or referral incentive, and the Seller consents to any such benefit being received and retained by the Brokerage in addition to the Commission as described above.
- 5. REFERRAL OF ENQUIRIES:** The Seller agrees that during the Listing Period, the Seller shall advise the Listing Brokerage immediately of all enquiries from any source whatsoever, and all offers to purchase submitted to the Seller shall be immediately submitted to the Listing Brokerage by the Seller before the Seller accepts or rejects the same. If any enquiry during the Listing Period results in the Seller accepting a valid offer to purchase during the Listing Period or within the Holdover Period after the expiration of the Listing Period described above, the Seller agrees to pay the Listing Brokerage the amount of Commission set out above, payable within five (5) days following the Listing Brokerage's written demand therefor.
- 6. MARKETING:** The Seller agrees to allow the Listing Brokerage to show and permit prospective buyers to fully inspect the Property during reasonable hours and the Seller gives the Listing Brokerage the sole and exclusive right to place "For Sale" and "Sold" sign(s) upon the Property. The Seller consents to the Listing Brokerage including information in advertising that may identify the Property. The Seller further agrees that the Listing Brokerage shall have sole and exclusive authority to make all advertising decisions relating to the marketing of the Property for sale during the Listing Period. The Seller agrees that the Listing Brokerage will not be held liable in any manner whatsoever for any acts or omissions with respect to advertising by the Listing Brokerage or any other party, other than by the Listing Brokerage's gross negligence or willful act. The Seller acknowledges the Brokerage in accordance with MLS® Rules and Regulations, and the Canadian Real Estate Association REALTOR® Code of Ethics, this Listing shall be, within three (3) days of Public Marketing, placed on an MLS® System for cooperation with other REALTORS®.
- 7. WARRANTY:** The Seller represents and warrants that the Seller has the exclusive authority and power to execute this Authority to offer the Property for sale and that the Seller has informed the Listing Brokerage of any third party interests or claims on the Property such as rights of first refusal, options, easements, mortgages, encumbrances or otherwise concerning the Property, which may affect the sale of the Property.
- 8. INDEMNIFICATION AND INSURANCE:** The Seller will not hold the Listing Brokerage and representatives of the Brokerage responsible for any loss or damage to the Property or contents occurring during the term of this Agreement caused by the Listing Brokerage or anyone else by any means, including theft, fire or vandalism, other than by the Listing Brokerage's gross negligence or willful act. The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury, including but not limited to loss of the Commission payable under this Agreement, caused or contributed to by the breach of any warranty or representation made by the Seller in this Agreement and, if attached, the accompanying data form. The Seller warrants the Property is insured, including personal liability insurance against any claims or lawsuits resulting from bodily injury or property damage to others caused in any way on or at the Property and the Seller indemnifies the Brokerage and all of its employees, representatives, salespersons and brokers (Listing Brokerage) and any co-operating brokerage and all of its employees, representatives, salespersons and brokers (co-operating brokerage) for and against any claims against the Listing Brokerage or co-operating brokerage made by anyone who attends or visits the Property.
- 9. ENVIRONMENTAL INDEMNIFICATION:** The Seller agrees to indemnify and save harmless the Listing Brokerage and representatives of the Brokerage and any co-operating brokerage from any liability, claim, loss, cost, damage or injury as a result of the Property being affected by any contaminants or environmental problems.
- 10. FAMILY LAW ACT:** The Seller hereby warrants that spousal consent is not necessary under the provisions of the Family Law Act, R.S.O. 1990, unless the spouse of the Seller has executed the consent hereinafter provided.

INITIALS OF LISTING BROKERAGE:



INITIALS OF SELLER(S):



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- 11. VERIFICATION OF INFORMATION:** The Seller authorizes the Listing Brokerage to obtain any information from any regulatory authorities, governments, mortgagees or others affecting the Property and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. The Seller hereby appoints the Listing Brokerage or the Listing Brokerage's authorized representative as the Seller's attorney to execute such documentation as may be necessary to effect obtaining any information as aforesaid. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage.
- 12. USE AND DISTRIBUTION OF INFORMATION:** The Seller consents to the collection, use and disclosure of personal information by the Brokerage for the purpose of listing and marketing the Property including, but not limited to: listing and advertising the Property using any medium including the Internet; disclosing Property information to prospective buyers, brokerages, salespersons and others who may assist in the sale of the Property; such other use of the Seller's personal information as is consistent with listing and marketing of the Property. The Seller consents, if this is an MLS® Listing, to placement of the listing information and sales information by the Brokerage into the database(s) of the MLS® System of the appropriate Board, and to the posting of any documents and other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) provided by or on behalf of the Seller into the database(s) of the MLS® System of the appropriate Board. The Seller hereby indemnifies and saves harmless the Brokerage and/or any of its employees, servants, brokers or sales representatives from any and all claims, liabilities, suits, actions, losses, costs and legal fees caused by, or arising out of, or resulting from the posting of any documents or other information (including, without limitation, photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions) as aforesaid. The Seller acknowledges that the database, within the board's MLS® System is the property of the real estate board(s) and can be licensed, resold, or otherwise dealt with by the board(s). The Seller further acknowledges that the real estate board(s) may, during the term of the listing and thereafter, distribute the information in the database, within the board's MLS® System to any persons authorized to use such service which may include other brokerages, government departments, appraisers, municipal organizations and others; market the Property, at its option, in any medium, including electronic media; during the term of the listing and thereafter, compile, retain and publish any statistics including historical data within the board's MLS® System and retain, reproduce and display photographs, images, graphics, audio and video recordings, virtual tours, drawings, floor plans, architectural designs, artistic renderings, surveys and listing descriptions which may be used by board members to conduct comparative analyses; and make such other use of the information as the Brokerage and/or real estate board(s) deem appropriate, in connection with the listing, marketing and selling of real estate during the term of the listing and thereafter. The Seller acknowledges that the information, personal or otherwise ("information"), provided to the real estate board or association may be stored on databases located outside of Canada, in which case the information would be subject to the laws of the jurisdiction in which the information is located.

In the event that this Agreement expires or is cancelled or otherwise terminated and the Property is not sold, the Seller, by initialling: Does Does Not

consent to allow other real estate board members to contact the Seller after expiration or other termination of this Agreement to discuss listing or otherwise marketing the Property.

- 13. SUCCESSORS AND ASSIGNS:** The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms of this Agreement.
- 14. CONFLICT OR DISCREPANCY:** If there is any conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement, including any Schedule attached hereto, shall constitute the entire Authority from the Seller to the Listing Brokerage. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein.
- 15. ELECTRONIC COMMUNICATION:** This Agreement and any agreements, notices or other communications contemplated thereby may be transmitted by means of electronic systems, in which case signatures shall be deemed to be original. The transmission of this Agreement by the Seller by electronic means shall be deemed to confirm the Seller has retained a true copy of the Agreement.
- 16. ELECTRONIC SIGNATURES:** If this Agreement has been signed with an electronic signature the parties hereto consent and agree to the use of such electronic signature with respect to this Agreement pursuant to the *Electronic Commerce Act, 2000*, S.O. 2000, c17 as amended from time to time.
- 17. SCHEDULE(S):** **A & B** and data form attached hereto form(s) part of this Agreement.

THE LISTING BROKERAGE AGREES TO MARKET THE PROPERTY ON BEHALF OF THE SELLER AND REPRESENT THE SELLER IN AN ENDEAVOUR TO OBTAIN A VALID OFFER TO PURCHASE THE PROPERTY ON THE TERMS SET OUT IN THIS AGREEMENT OR ON SUCH OTHER TERMS SATISFACTORY TO THE SELLER.

..... 6/5/2024 Jared Cowley
DocuSigned by: Jared Cowley
 (Authorized to bind the Listing Brokerage) (Date) (Name of Person Signing)

THIS AGREEMENT HAS BEEN READ AND FULLY UNDERSTOOD BY ME, I ACCEPT THE TERMS OF THIS AGREEMENT AND I ACKNOWLEDGE ON THIS DATE I HAVE SIGNED UNDER SEAL Any representations contained herein or as shown on any accompanying data form respecting the Property are true to the best of my knowledge, information and belief.

SIGNED, SEALED AND DELIVERED I have hereunto set my hand and seal:
 Noah Goldstein

(Name of Seller) 6/5/2024
DocuSigned by: Jared Cowley
 (Signature of Seller/Authorized Signing Officer) (Seal) (Date) (Tel. No.)
 (Signature of Seller/Authorized Signing Officer) (Seal) (Date) (Tel. No.)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the listing of the Property herein pursuant to the provisions of the Family Law Act, R.S.O. 1990 and hereby agrees to execute all necessary or incidental documents to further any transaction provided for herein.

(Spouse) (Seal) (Date) (Tel. No.)

DECLARATION OF INSURANCE
 Jared Cowley
 The Salesperson/Broker/Broker of Record
 hereby declares that he/she is insured as required by TRESA. (Name of Salesperson/Broker/Broker of Record)
DocuSigned by: Jared Cowley
 (Signature(s) of Salesperson/Broker/Broker of Record)

ACKNOWLEDGEMENT

The Seller(s) hereby acknowledge that the Seller(s) fully understand the terms of this Agreement and have received a copy of this Agreement on the day of, 20
 6/5/2024 6/5/2024

(Signature of Seller) (Date)
DocuSigned by: Jared Cowley
 (Signature of Seller) (Date)

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Schedule A to OREA Listing Agreement - Commercial

This Listing Agreement (the “**Agreement**”) is entered into on June 25, 2024 between **Jones Lang Lasalle Real Estate Services, Inc.** (the “**Listing Brokerage**”) and **KSV Restructuring Inc.** (the “**Seller**” or the “**Receiver**”) as receiver of the real property legally described as:

PIN 16265-0869 (LT)

PT N 1/2 LT 20 CON 4 Township of Whitby DES PT 1 ON 40R12447 EXCEPT PT 3 ON 40R21278; T/W ROW OVER PT N 1/2 LT 20 CON 4, Township of Whitby, PIN No. 16265- 0869 (LT), Town of Whitby (

Being located on the southeast corner of Thicksen Road North & Conlin Road, Whitby, Ontario (the “**Real Property**”)

pursuant to an order (the “**Receivership Order**”) of the Ontario Superior Court of Justice (the “**Court**”) issued on May 14, 2024, and without personal or corporate liability and solely in its capacity as receiver and manager under the Receivership Order.

Term:

This Agreement shall commence on June 25, 2024 (the “**Commencement Date**”) and be for a term of six (6) months and expire on December 9, 2024 (the “**Term**”) unless earlier terminated pursuant hereto or unless otherwise extended by mutual written agreement of the parties.

[] INITIALS OF SELLER REPRESENTATIVE [] INITIALS OF DESIGNATED AGENT REPRESENTATIVE

Designated Agency:

The Listing Brokerage and Seller designate Bryce Gibson, Matt Picken, Jared Cowley, Vienna Loo, Andy Suhr, and Max Smirnis (the “**Designated Agent(s)**”) to act as the sole and designated agents of the Seller in respect of the Real Property. The Designated Agents will each be available and will devote the time required to undertake the assignment contemplated herein

To the extent of any inconsistency between this Agreement and the “OREA Listing Agreement – Commercial”, this Agreement shall govern. Notwithstanding anything contained in the OREA Listing Agreement – Commercial, each of the Listing Brokerage and the Seller acknowledges and agrees as follows:

1. Termination Rights. The Seller may without penalty or cost to the Seller terminate the Agreement at any time, if the Designated Agent(s) Listing Brokerage is in default hereunder or under any other agreement with the Seller. In addition, this Agreement shall automatically terminate if: (a) the Receivership Order is revoked, overturned on appeal, suspended or terminated; (b) the Seller is restricted in or enjoined from dealing with the Property by a court of competent jurisdiction; and/or (c) any of the mortgagees of the Property or any other future lenders are permitted by court order to enforce their rights and/or remedies against the Property.

2. Price. While it is the Seller’s intention to obtain the highest and best offer for the Property, the Designated Agent(s) acknowledges and agrees that the Seller need not accept the highest offers and/or the best offers or any offer, and that acceptance by the Seller of any offer for the Property is subject at all times to the Seller’s approval in its sole and absolute discretion and as well as approval by the Court. No fee, commission or other compensation is payable to the Listing Brokerage (except as detailed in Section 6 below) in respect of the Property unless and until the sale of the Property has been completed and the purchase price consideration payable to the Seller has been paid in its entirety.

3. Holdover Period Commission. Any fee, commission or other compensation payable to the Listing Brokerage in connection with a holdover period, being six months from the termination of the Listing Agreement (“Holdover Period”), shall: (a) only apply to those purchasers who were introduced to the Seller or to the Property by the Designated Agent(s) during the Listing Period (as defined in Section 18) and who the Designated Agent(s) had previously disclosed in writing to the Seller no later than three (3) days following the earlier of the expiration or termination of the Agreement; and (b) be reduced by any fee, commission and/or other compensation paid to another broker or agent for the sale of the Property as the new listing brokerage (the “New Agent”) on the basis of an agreement with the New Agent entered into with respect to the Holdover Period. If the Designated Agent(s) had introduced up to a maximum of two (2) different prospective bona fide purchasers to the Seller during the Listing Period (each being a “Serious Prospect”) and said Serious Prospect had entered into material negotiations with the Seller to purchase the Property, but said material negotiations had not resulted in a binding agreement of purchase and sale, then to the extent that each of the Listing Brokerage and the Seller agree in writing to designate said prospective purchaser as a Serious

Prospect prior to the expiration of the Listing Period, and so long as the Seller is not prohibited from doing so, and provided that the New Agent has agreed to forego its fee should a sale to a Serious Prospect be completed, the Listing Brokerage shall be entitled to its commission in connection with the transaction being completed with the Serious Prospect upon terms and conditions acceptable to the Seller in their sole and absolute discretion, which such transaction must be subject to Court approval and a binding and unconditional agreement of purchase and sale executed by each of the parties thereto prior to the expiration of the Holdover Period. During the Holdover Period, the Listing Brokerage will not be entitled to any commission, payment or fee as the Seller's agent if the Listing Team (as defined below) represents the purchaser.

4. Designated Agent(s)'s Duties. The Designated Agent(s) covenants and agrees with the Seller to:

(a) pursuant to the Seller's instructions as outlined below, offer the Property for sale on an unpriced basis (save and except as described in (b) below with respect to the Multiple Listings Service ("**MLS**"));

(b) if instructed by the Seller, offer the Property for sale on MLS, for which the listed price shall be \$1.2 million, or as otherwise directed by the Seller, and the Commissions to Co-operating Brokerage shall be as listed on Schedule "A";

(c) unless otherwise agreed by the Seller, diligently market the Property for sale and use commercially reasonable efforts to sell the Property pursuant to the process set out in Schedule "B" attached hereto (the "**Sale Process**");

(d) co-operate with all licensed real estate brokers and agents in the sale of the Property (collectively the "Cooperating Agents" and each a "Cooperating Agent"), with any commissions or fees of such Cooperating Agents to be paid by the Seller as set out in Schedule "A";

(e) ensure that there is continuity in the assignment of individual staff members and partners to the work performed by the Listing Brokerage under the terms of this engagement.

(f) subject to the instructions of the Seller, to assist the Seller in negotiating binding agreements of purchase and sale subject to Court approval with those parties identified by the Seller. Only the Seller shall have authority to accept offers and the Designated Agent(s) shall not have any authority whatsoever to enter into any sale, financing or other contract on behalf of the Seller and/or to otherwise bind the Seller in any manner whatsoever;

(g) continue to assist the Seller in connection with the sale of the Property and seeking Court approval after the execution of a binding agreement of purchase and sale with respect to the same until such sale has been successfully concluded; and

(h) unless the Seller's written consent is provided in advance, to act solely for the benefit of the Seller in connection with the marketing and sale of the Property and not to have any direct or indirect interest in any entity purchasing or proposing to purchase the Property and not to receive any payments or other benefits from said purchasers or potential purchasers.

Notwithstanding the foregoing, Seller expressly agrees that the Designated Agent(s) are being retained solely to provide the services contemplated above and not as a lawyer, legal advisor, tax advisor, lender, certified appraiser, surveyor, structural engineer, building inspector or other professional service provider.

5. Commission Payable to the Listing Brokerage. The Seller shall pay to the Listing Brokerage upon the successful completion of a sale of the Property, a commission payable in accordance with Schedule "A" attached hereto (the "Listing Fee"). The Seller acknowledges that payment of HST applies on all commissions payable. As it relates to the commission payable, a sale constitutes a Court approved sale of the Property, share transaction, exercise of first right to purchase, option or other form of sale or transfer of the rights of the Property. The Seller agrees to notify the Designated Agent(s) of the successful completion or closing. The Seller hereby instructs its solicitors to distribute payment to the Listing Brokerage in the amount noted above directly out of the proceeds of sale in accordance with an accepted agreement of purchase and sale and to have same addressed as a closing cost to the transaction.

6. Acknowledgments. The Listing Brokerage and Designated Agent(s) acknowledges and agrees in favour of the Seller that: (a) the Property is to be marketed and sold on an "as is, where is" basis and, accordingly, any agreement of purchase and sale shall provide an acknowledgment by such purchaser that the Property is being sold by the Seller on an "as is, where is" basis, and that no representations or warranties have been or will be made by the Seller or anyone acting on its behalf, to the Designated Agent(s) or such purchaser as to the condition of the Property or any buildings located thereon; (b) the Seller may annex a schedule to the transfer/deed of land (or other registrable document with respect to the sale) expressly excluding any covenants

deemed to be included pursuant to the Land Registration Reform Act of Ontario, other than one to the effect that the Seller has the right to convey the Property; (c) in lieu of a transfer/deed of land for the Property, the Seller will vest title to the Property by way of an approval and vesting order issued by the Court; and (d) the sale of the Property requires the prior approval of the Court in said Court's sole and absolute discretion.

7. Advertisement Expenses, Third Party Consultants and Reporting. All advertising and sales promotion shall be subject to the approval of the Seller and all such advertisement and promotional material shall be prepared, published and distributed by the Designated Agent(s) and shall be at the expense of the Listing Brokerage/ Designated Agent(s). All third-party reports and legal service fees requested and/or approved by the Seller shall be at the expense of the Seller. The Listing Brokerage agrees to provide the Seller with detailed reporting regarding the status of the Sale Process, including weekly lists of its solicitation efforts, the parties interested in the opportunity, the status of their diligence and such other information as is reasonably requested by Seller to be kept apprised of all material developments in the Sale Process. The Listing Brokerage will participate in no less than one weekly update call with the Seller, in the Seller's discretion.

8. Indemnity. The Designated Agent(s) confirms that it owes an obligation to the Seller and its officers, employees and agents (collectively, the "**Indemnified Parties**") to carry out its activities in a competent and professional manner acting reasonably and in good faith. As such, the Listing Brokerage hereby indemnifies the Indemnified Parties with respect to claims made by third parties against the Indemnified Parties arising out of the negligence, willful misconduct, or fraud by the Designated Agent(s). This indemnity shall survive the expiration or termination of the Agreement.

9. Confidentiality. The Designated Agent(s) shall treat and shall cause its agents to treat as confidential and shall not disclose, during as well as after the rendering of the service contracted herein, any confidential information, records or documents to which the Designated Agent(s) becomes privy as a result of its performance of the Agreement and shall take all necessary steps to ensure the confidentiality of information in the Designated Agent(s)'s possession or control except for disclosure that may be required for the reasonable performance by the Designated Agent(s) of its responsibilities hereunder. The Designated Agent(s) acknowledges that the Seller may disclose this Agreement in its sole and absolute discretion, including to stakeholders, creditors and the Court.

10. Assignment. This Agreement shall not be assigned in whole or in part by the Listing Brokerage without the prior written consent of the Seller which consent may be unreasonably and/or arbitrarily withheld and any assignment made without that consent is void and of no effect.

11. Seller's Capacity. Notwithstanding the foregoing or anything else contained herein or elsewhere, the Designated Agent(s) acknowledges and agrees that approval of the Sale Process (including the retention of the Designated Agent(s)) and any transaction or transactions involving a sale of the Property require the prior approval of the Court in the Court's sole and absolute discretion.

12. Warranty. Subject to Section 11 above and the remainder of this Section 12, the Seller represents and warrants that upon approval by the Court the Seller will have the exclusive authority and power to execute this Agreement and to authorize the Designated Agent(s) to offer the Property for sale. Notwithstanding the foregoing, the Designated Agent(s) acknowledges and agrees that the Seller has only limited knowledge about the Property and cannot confirm any third-party interests or claims with respect to the Property such as rights of first refusal, options, easements, mortgages, encumbrances or other otherwise concerning the Property, which may affect the sale of the Property.

13. Execution. This Agreement and any other agreement delivered in connection therewith, and any amendments thereto, may be executed by electronic copy or such similar format and if so executed and transmitted, will be for all purposes as effective as if the parties had delivered an executed original of this Agreement, or such other agreement or amendment, as the case may be, and shall be deemed to be made when the receiving party confirms this Agreement, or such agreement or amendment, as the case may be, to the requesting party by electronic copy or such similar format. This Agreement may be executed in several counterparts, and each of which so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument and, notwithstanding their date of execution, shall be deemed to bear date as of the date first written above.

14. Jurisdiction. This Agreement shall be governed and construed in accordance with the laws of the Province of Ontario. If any provision hereof is invalid or unenforceable in any jurisdiction where this Agreement is to be performed, such provision shall be deemed to be deleted and the remaining portions of this Agreement shall remain valid and binding on the parties hereto.

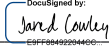
15. Finder's Fees. The Seller does not consent to the Listing Brokerage/ Designated Agent(s) or any Cooperating Agents (or their respective affiliates) receiving and retaining, in addition to the commission provided for or otherwise contemplated in this Agreement, a finder's fee for any financing of the Property.

16. Verification of Information. The Seller authorizes the Designated Agent(s) to obtain any information from any regulatory authorities, governments, mortgagees or others affecting the Property and the Seller agrees to execute and deliver such further authorizations in this regard as may be reasonably required. For greater certainty, none of the Listing Brokerage or the Designated Agent(s) may bind the Seller or execute any documentation on behalf of the Seller. The Seller hereby authorizes, instructs and directs the above noted regulatory authorities, governments, mortgagees or others to release any and all information to the Listing Brokerage.

17. Listing Period. The term of this Agreement shall begin upon acceptance of this Agreement (the "Commencement Date") and shall expire one minute before midnight on the sixth month anniversary of the Commencement Date or upon earlier termination as otherwise prescribed herein (the "Listing Period"). Notwithstanding any other provision in this Agreement, the Listing Brokerage shall not advertise the Property on MLS until the Seller provides expressed authority to do so and all marketing materials have been approved. The Listing Brokerage shall have five (5) days following said approval to post the Property on MLS.

18. No Liability of Officers, Directors etc.: In the enforcement of their rights hereunder, the parties agree that neither of them shall seek or obtain a money judgment, or exercise any other right or remedy, against any of the officers, directors, shareholders, employees, agents or principals (disclosed or undisclosed) of the parties or any of their successors or assigns. Neither party shall be liable to the other for, and each party hereby waives any and all rights to claim against the other, any special, indirect, incidental, consequential, punitive or exemplary damages in connection with this Agreement, including, but not limited to, lost profits. Except for any breach of indemnification obligations outlined herein, in no event shall Listing Brokerage's and/or Designated Agent(s) liability to the Seller exceed One Million (\$1,000,000.00) Dollars. The terms and conditions set forth in this clause shall survive the expiration or termination of this Agreement.


JONES LANG LASALLE REAL ESTATE SERVICES, INC.

Per:  _____
DocuSigned by:
E5FFB8492204400...

Name: Jared Cowley

Title: Sales Representative

KSV RESTRUCTURING INC. SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF THE REAL PROPERTY AND NOT IN ITS PERSONAL CAPACITY

Per:  _____
DocuSigned by:
07FC5B52A0B74D7...

Name: Noah Goldstein

Title: Managing Director

Schedule "A"

Sale of the Property: The Listing Fee is equal to 3.50% of the purchase price of the Property, plus applicable taxes, if solely completed by the Designated Agent(s). If a Cooperating agent is involved, the Listing Fee will be increased to 4.0%, with 1.5% being payable to the Cooperating Agent and 2.50% to the Designated Agent(s), plus all applicable taxes.

Schedule "B"

Sale Process:

Sale Process		
Milestone	Description of Activities	Timeline
<i>Phase 1 – Underwriting</i>		
Due diligence	➤ JLL to review all available documents (financial, legal and environmental reports, if any) concerning the Real Property.	Week 1
Finalize marketing materials	➤ JLL and the Receiver to: <ul style="list-style-type: none"> ○ prepare a marketing brochure; ○ populate an online data room; and ○ prepare a confidentiality agreement (“CA”); ○ 	
Consulting Reports	➤ The Receiver may arrange for updated and/or new consulting reports to facilitate due diligence by interested parties. These will be made available in the data rooms.	
Prospect Identification	➤ JLL will qualify and prioritize prospects; and ➤ JLL will also have pre-marketing discussions with targeted prospects.	
<i>Phase 2 – Marketing and Offer Solicitation</i>		
Stage 1	<ul style="list-style-type: none"> ➤ Mass market introduction, including: <ul style="list-style-type: none"> ○ sending offering summary and marketing materials, including marketing brochure to JLL’s client base, including specifically targeted prospects; ○ publishing the acquisition opportunity in such journals, publications and online as the realtor and the Receiver believe appropriate to maximize interest in this opportunity; ○ posting “for sale” signs on the Real Property; ○ engaging in direct canvassing of most likely prospects and tailoring the pitch to each of these candidates based on the brokers’ knowledge of these parties; ○ posting the acquisition opportunity on MLS on an unpriced basis; and ○ meeting with prospective bidders to explain the potential of each site. ➤ JLL to provide detailed information to qualified prospects that sign the CA, and access to the data room; ➤ JLL and the Receiver to facilitate diligence by interested parties; ➤ The Receiver and legal counsel will prepare a vendor’s form of Purchase and Sale Agreement (“PSA”) which will be made available in the data room; and ➤ Receiver to arrange for certain updated and/or new consulting reports to facilitate due diligence. These will also be made available in the data rooms, where applicable. 	Week 2-6
Stage 3	<ul style="list-style-type: none"> ➤ “Offer not Before Date” of August _ - To Be Determined (subject to achieving previous timelines and market feedback) ➤ Prospective purchasers encouraged to submit offers in the form of the PSA, with any changes to the PSA blacklined. 	August _ (TBD)
<i>Phase 3 – Offer Review and Negotiations</i>		
	<ul style="list-style-type: none"> ➤ Short listing of bidders. ➤ Further bidding - bidders may be asked to improve their offers. The Receiver may invite parties to participate in as many rounds of bidding as is required to maximize the consideration and minimize 	Week 7-9

Sale Process		
Milestone	Description of Activities	Timeline
	<p>closing risk. The Receiver may also seek to clarify terms of the offers submitted and to negotiate such terms.</p> <ul style="list-style-type: none"> ➤ The Receiver will be at liberty to consult with the mortgagee regarding the offers received, subject to any confidentiality requirements that the Receiver believes appropriate. ➤ Select successful bidder(s) and finalize definitive documents. The Receiver will select the successful bidder(s), having regards to, among other things: <ul style="list-style-type: none"> ○ total consideration (cash and assumed liabilities); ○ form of consideration being offered; ○ third-party approvals required, if any; ○ conditions, if any, and time required to satisfy or waive same; and ○ such other factors affecting the speed and certainty of closing and the value of the offers as the Receiver considers relevant. ➤ 2nd round bids and further bidding - prospective purchasers may be asked to re-submit PSAs on one or more occasions. 	
Selection of Successful Bids	<ul style="list-style-type: none"> ➤ Select successful bidder and finalize definitive documents, subject to any final diligence to be performed by the purchaser. ➤ Back up bidders will be kept “warm” in order to have options in case selected bidder does not close. 	Week 10
Due Diligence	<ul style="list-style-type: none"> ➤ Manage and monitor final due diligence process, if applicable; ➤ Gather and/or commission missing documentation; and ➤ Additional site visits, as required. 	Week 11-18
Phase 4 – Closing		
Sale Approval Motion	<ul style="list-style-type: none"> ➤ Upon execution of definitive transaction documents, the Receiver will seek Court approval of the successful offer, on not less than 7 calendar days’ notice to the service list and registered secured creditors. 	15 to 30 days from the date that the selected bidder confirms all conditions have been satisfied or waived
Closing	<ul style="list-style-type: none"> ➤ Following Court approval 	ASAP

Working with a real estate agent: Things you need to know

RECO INFORMATION GUIDE



Real Estate
Council of Ontario

The guide is produced by the Real Estate Council of Ontario (RECO)

RECO regulates real estate agents and brokerages, educates consumers, and promotes a safe and informed real estate marketplace. RECO administers and enforces the *Trust in Real Estate Services Act, 2002*. Find out more on the RECO website (www.reco.on.ca).

About this guide

You have received this guide from a real estate agent because:

- you are considering receiving services from the real estate agent, or
- the agent is representing a client in the transaction, and you might receive assistance from the agent.

Real estate agents in Ontario are required to walk you through this guide before providing services or assistance to you.

In this guide:

- *brokerage* means a real estate brokerage
- *real estate agent* and *agent* mean a real estate salesperson or broker
- *you* and *client* mean a buyer or seller
- *buyer* and *seller* can also mean *lessee* and *lessor* respectively

Please read the guide carefully and talk to the agent if you have questions.

What's inside

Working with a real estate agent — page 2

This section describes the benefits of working with a real estate agent, what you can expect, and the responsibilities of clients.

Know the risks of representing yourself — page 4

This section explains the risks if you choose not to work with a real estate agent and the risks of receiving assistance from a real estate agent who is working for the person on the other side of the transaction.

Signing a contract with a real estate brokerage — page 6

When you work with a real estate agent, you sign a contract with the brokerage the agent works for. These contracts are called *representation agreements*. This section highlights what you should look for before you sign.

Understanding multiple representation — page 9

Multiple representation means the brokerage, or the agent represents more than one client in the same transaction. This section explains how multiple representation works, the risks, and what to expect if you agree.

How to make a complaint — page 11

Ontario brokerages and real estate agents are accountable for their conduct. This section tells you how to raise a concern with the brokerage and with RECO.

Legal disclaimer: The content of the *RECO Information Guide* is intended to help buyers and sellers make informed decisions. This guide is not intended to act as a substitute for legal advice or as a replacement for the *Trust in Real Estate Services Act, 2002*. Readers are encouraged to retain qualified and independent legal counsel to answer any legal questions or address any legal issues. Where there is any discrepancy, the legislation will take precedence.

Working with a real estate agent

Agents in Ontario must be registered, which requires completing the necessary education, and carrying consumer deposit insurance and professional liability insurance.

Real estate agents provide valuable information, advice, and guidance to buyers and sellers as they navigate the complexities of real estate transactions.

If you are a seller, an agent can:

- Advise you on market conditions and the best strategy to attract buyers and get the best price for your home
- Market or advertise your home, including arranging photographs, videos and virtual tours
- Provide referrals to other professionals you'll need, like a lawyer or home staging company
- Arrange and attend home inspections and appraisals
- Arrange showings for interested buyers
- Advise you on how to handle competing offers, sharing the content of competing offers, and other aspects of the transaction
- Vet offers and potential buyers to ensure they can afford to buy your property
- Negotiate with buyers to achieve the best results, price, and terms, for you
- Guide you through paperwork and closing the transaction successfully

If you are a buyer, an agent can:

- Assist you with getting pre-approvals for financing so you know how much you can afford
- Make you aware of any tax exemptions you might be eligible for
- Gather and share information about neighbourhoods and homes that meet your requirements, and arrange to show you homes you'd like to see
- Make inquiries about zoning, permitted property use, or other aspects of the home
- Advise you on the best approach in competing offer situations and how to protect your offer information
- Negotiate with sellers to achieve the best results, price, and terms, for you
- Guide you through paperwork and closing the transaction successfully
- Provide referrals to other professionals you'll need (for example, home inspectors, lawyers, or contractors)

You will also benefit from the duties the brokerage and agent owe to you as a client

- **Undivided loyalty**

Your best interests are promoted and protected by the brokerage or agent representing you. As a client, your interests take priority over the interests of the brokerage, its agents, and any other party.

- **Disclosure**

They must tell you everything they know about the transaction or your client relationship that could have an impact on any decisions you make.

- **Confidentiality**

Your confidential information cannot be shared with anyone outside of the brokerage without your written consent, except where required by law, even after your client relationship ends. This includes, for example, your motivation for buying or selling, and the amount you would be willing to pay or accept.

- **Avoid conflicts of interest**

They must avoid any situation that would affect their duty to act in your best interests. If a conflict arises, they must disclose it to you and cannot provide any additional services to you unless you agree in writing to continue receiving services.

You have responsibilities as a client

You need to:

- be clear about what you want and don't want and make sure you share all information that might be relevant (for example, you might want zoning that permits your intended use, maybe a home office or another specific use, or you might *not* want a property where there has been a violent crime);
- respond to your agent's questions quickly;
- understand the terms of your agreement with the brokerage; and,
- pay the fees you have agreed on ([see page 7](#)), even if an agreement to buy or sell later falls through because of your default or neglect.

Know the risks of representing yourself

If you are involved in a real estate transaction and are *not* a client of a real estate brokerage, you are considered a *self-represented party*. This means that you have chosen to represent yourself, which has different rights and responsibilities. Very few buyers or sellers make this choice.

There are significant risks to representing yourself in a real estate transaction if you do not have the knowledge and expertise required to navigate the transaction on your own. You will be dealing with a seller or buyer who is benefitting from the services, opinions, and advice of an experienced real estate agent.

RECO recommends that you seek independent professional advice before you proceed as a self-represented party.

If you choose not to work with a real estate agent, it will be your responsibility to look after your own best interests and protect yourself. This may include things like:

- making inquiries about zoning, permitted property use, or any other aspect of the property;
- determining what you believe to be the value of the property you are buying or selling;
- determining how much you are willing to offer or accept;
- navigating competing offer situations;
- deciding what terms you want to include in an offer or agreement of purchase and sale; and,
- preparing all documents.

The real estate agent is working for another party in the transaction

It's important to be aware that the agent has a legal obligation to act in the best interests of the person on the other side of the transaction. If you are a buyer or even just inquiring about the property, for example, and the agent is working for the seller — the agent has a duty to do what's best for their seller client.

Be aware that the agent is obligated to share anything you tell them with their client, which might not be in your best interests to tell them, including:

- your motivation for buying or selling the property;
- the minimum or maximum price you are willing to offer or accept; and,
- your preferred terms or conditions for an agreement of purchase and sale.

The agent cannot:

- provide you with any services, opinions, or advice;
- do anything that would encourage you to rely on their knowledge, skill, or judgement; or,
- encourage you to represent yourself or discourage you from working with another real estate agent or brokerage.

Any assistance the agent offers you:

- is a service to their client, not you;
- is in the best interests of their client, not you; and,
- is to help their client sell or buy a property.

The agent must give you RECO's *Information and Disclosure to Self-represented Party* form and walk you through it before they can provide you any assistance. You will be asked to confirm you received it and understand what it means to be a self-represented party.

You have the right to change your mind

If you're concerned about completing a transaction on your own, or you need advice from a real estate agent, you can choose to become a client of a real estate brokerage at any point during the transaction (see *Signing a contract with a real estate brokerage* on [page 6](#)).

Signing a contract with a real estate brokerage

When you become a client, you sign a *representation agreement* with the brokerage — a contract between you and the brokerage for real estate services and representation. If you don't want to sign an agreement, you should not expect the real estate agent to provide you with any services, like showing you homes.

Representation agreements can be called buyer representation agreements, or seller representation or listing agreements. Your agreement must be put in writing and presented to you as soon as possible.

Protect yourself by reviewing the agreement in detail. This will help to avoid any misunderstandings between you and your real estate agent.

What to look for in a representation agreement

Your representation agreement should describe the duties owed to you, the services you will receive, your rights and responsibilities, what you will pay, and specific terms of the agreement, including how long the agreement will last and whether you can cancel it.

Here are some key things to look for.

Name of your designated representative

If the contract is a designated representation agreement, the name of your designated representative will be included. More than one real estate agent working at the brokerage can be identified as your designated representative.

Scope

Your agreement should specify the scope of the engagement. If you are a seller, this means the agreement will identify the specific property.

There are two kinds of representation agreements in Ontario:

Brokerage representation:

The brokerage and all its agents represent you and must promote and protect your best interests, but one of the brokerage's real estate agents may be your primary contact. They may provide referrals to other professionals you'll need (for example, home inspectors, lawyers, contractors).

Designated representation:

One (or more) of the brokerage's real estate agents is your *designated representative*.

The agent(s) represent(s) you and must promote and protect your best interests.

The brokerage and its other agents are required to treat you impartially and objectively.

An important aspect of designated representation is that it reduces the likelihood of multiple representation. You can read more about this in *Understanding multiple representation* on [page 9](#).

Designated representation was introduced in Ontario on December 1, 2023. Ask the real estate agent what type of representation the brokerage offers.

If you are a buyer, you should consider the scope of the agreement carefully. Your agreement might identify a specific property, a geographic area you are searching in, a type of property you are looking for, or other specific requirements. For example, if you are looking for both a house in a particular city, and a cottage property near a lake, and want to work with different real estate agents with local and property type expertise for each property, the scope should be clear in each of the agreements to avoid disputes about who you might have to pay if you buy a property.

Services

The agreement must clearly set out the services you will receive. **There is no standard set of services** — brokerages offer a variety of service options. You choose the services you want that best meet your needs.

You might enter into an agreement with a brokerage for a specific purpose like, for example, having an agent prepare an offer on a property you want to buy, or viewing a specific property. Some sellers enter into an agreement solely for the purpose of having their property advertised on a local listing service.

Ask the real estate agent about the available services or combination of services that may be right for you and your situation. If there are specific services you need or expect to receive, make sure they are included in the agreement or as a schedule to the agreement. Don't assume a particular service will be provided if it's not included in the agreement.

Payment amount and terms

You and the brokerage decide the amount you will pay for services. The amount is not fixed or approved by RECO, any government authority, or any real estate association or real estate board.

You can agree to pay a fixed dollar amount, a percentage of the sale price, or a combination of both. The representation agreement cannot specify an amount based on the difference between a property's listing price and what it sells for.

Agreements must also identify circumstances in which the amounts agreed to might change and how they will change in each circumstance.

If you are a seller:

Your agreement needs to clearly indicate:

- the amount you agree to pay your brokerage (or how it will be calculated) for the services and representation you receive;
- the amount (or how it will be calculated) you agree to pay, if any, to compensate the buyer for their brokerage fees; and,
- how the amounts you agree to pay might change if you consent to multiple representation ([see page 9](#)).

If you are a buyer:

Your agreement needs to clearly indicate:

- the amount you agree to pay your brokerage (or how it will be calculated) for the services and representation you receive;
- how the amount you agree to pay will change if the seller agrees to cover some or all of your brokerage fees; and,
- how the amount you agree to pay might change if you consent to multiple representation ([see page 9](#)).

Important note for buyers: *A seller might not offer any amount to cover the fees you owe to your brokerage under your agreement. This could affect the amount you are able to offer for a property. Depending on your financial circumstances, you may not be able to afford to buy a property when the seller does not agree to pay your brokerage fees.*

Termination provisions

The agreement should list all circumstances when the agreement can be terminated. Review when the brokerage can terminate the agreement, and make sure you are aware of any penalties or costs that might apply in each case.

Two important circumstances to be aware of:

- **Multiple representation:** You do not have to agree to multiple representation, and your agreement should be clear about what happens in that situation. For example, the agreement could terminate completely, or you might be referred to another brokerage or designated representative for the specific transaction but otherwise remain under the agreement with the brokerage.
- **Changing your designated representative:** If you have entered a designated representation agreement, the brokerage cannot appoint a different designated representative unless you agree. The brokerage may ask to appoint someone else if, for example, your designated representative stops working with the brokerage, or is otherwise not available to provide the services and representation outlined in the agreement.

Expiry date

The agreement's expiry date must appear prominently on the first page. There is no set time or standard term for a representation agreement: it can be in place for a day, a few weeks, or months. Consider how long you want the agreement to remain in place, and make sure you know when your agreement will expire. Keep in mind that a holdover clause could mean you owe money even after the expiry of the agreement.

Holdover clause

Most representation agreements include what is often called a *holdover clause*. The clause may require you to pay the brokerage fees for a purchase or sale even when the transaction happens *after* your representation agreement expires. The clause will specify the time the holdover clause is in effect from the date the agreement expires.

A holdover clause is designed to protect the brokerage, and there is no minimum or set time for a holdover period. If your agreement includes a holdover clause, make sure you agree to the length of the holdover period before you sign it.

For example, let's say you are a seller, and your agreement includes a 30-day holdover clause. This means that even if your agreement has expired, under certain conditions, you might be obligated to pay the brokerage commission if you sell your home during the 30-day holdover period.

Similarly, assume you enter into a buyer agreement that includes a 30-day holdover clause and the agent shows you a home before the expiry of the contract. If you buy the home after the expiry of the agreement, but during the holdover period, you might be obligated to pay the brokerage commission.

Understanding multiple representation

Multiple representation means a designated representative or brokerage represents more than one client, with competing interests, in the same transaction. This can happen in different ways, depending on the type of representation agreement you and the other clients have with the brokerage:

Brokerage representation:

Multiple representation exists when the brokerage represents both the buyer and seller in the same transaction, or two or more competing buyers interested in the same property — even when the clients are working with different real estate agents.

Designated representation:

Multiple representation exists when the same real estate agent is the designated representative for both the buyer and the seller in the same transaction, or for two or more competing buyers interested in the same property.

Multiple representation is not permitted unless each of the clients involved agrees. You should seek independent professional advice (for example, from your real estate lawyer) before proceeding.

The brokerage or your designated representative has a duty to promote and protect your best interests and avoid conflicts of interest. If your brokerage or designated representative enters into an agreement with another client who has an interest in the same property as you, this places both clients in multiple representation. Multiple representation introduces risks you and the other client should consider.

It's important to understand the risks. If you agree to multiple representation, the brokerage or designated representative:

- Must treat each of the clients involved in an objective and impartial manner;
- Cannot maintain undivided loyalty to you or promote and protect your interests over the interests of the other client; and,
- Cannot offer advice to you about such things as the price you should offer or accept or terms that should be included in an agreement of purchase and sale.

What to expect before you agree to multiple representation

The brokerage is required to provide you with a written disclosure that explains:

- how the brokerage's duties or the designated representative's duties to you will change;
- the differences in the services you will receive; and,
- any change to how much you pay the brokerage.

Until this information is disclosed in writing to all clients in the transaction, and they all agree in writing, the brokerage or designated representative cannot take any further steps on behalf of any of the clients.

Confidential information you provided to the brokerage or the designated representative when you were represented cannot be shared without your written consent.

You can refuse multiple representation

If you don't agree, the brokerage or your designated representative is not allowed to proceed.

Ask the brokerage or real estate agent about alternatives to multiple representation. For example, if you are a buyer, the brokerage could refer you to another brokerage or another designated representative to help you make an offer on the property.

Agreeing to multiple representation significantly reduces what the brokerage and its agents can do for you, which could have consequences and costs.

A note about content of other offers

You may have seen articles in the media about *open bidding*, or an *open offer process*.

Buyers in Ontario who have made an offer on a property are entitled to know the *number* of competing offers. Sellers choose how much other information, if any, they want to share about the offers they receive.

If you are a seller:

- You decide how much information you want to share about the competing offers.
- Your agent will advise you based on the characteristics of your property, market conditions, the content of the offers you receive and other things.
- You need to provide clear written direction to your agent before the content of any offers can be shared. Personal or identifying information contained in offers cannot be shared.

If you are a buyer:

- You decide whether you want to participate in a process where the content of your offer might be shared with other buyers.
- Your agent can tell you the steps to take to avoid having the content of your offer shared with other buyers.
- Be aware that the seller can make the decision to share the content of offers at any time. You may not know in advance.

How to make a complaint

Brokerage firms and real estate agents working in Ontario must be registered with RECO. Ontario brokerages and real estate agents are accountable for their conduct. If you have a concern:

First, contact your brokerage

In many cases, your brokerage will be able to mediate or resolve your complaint about a real estate agent or the services provided under your representation agreement. Search for the brokerage in RECO's [Public Register](#) to find the name of the broker of record (the person responsible for ensuring the brokerage complies with the law) and their contact information. Note that the brokerage cannot ask you to sign an agreement that requires you to withdraw a complaint to RECO or prevents you from making one.

Contact RECO

To file a complaint with RECO about a brokerage or real estate agent, visit the [complaints section](#) of the RECO website. The website explains the complaints process, possible outcomes, and how to file your complaint. RECO will review the issue, determine if it has the authority to deal with it, and what next steps, if any, it will take.

Real Estate Council of Ontario
3300 Bloor Street West
Suite 1400, West Tower
Toronto, ON Canada M8X 2X2

Phone: 416-207-4800
Toll Free: 1-800-245-6910
Consumer inquiries: information@reco.on.ca
www.reco.on.ca

Where to get more information

For more information about buying and selling property in Ontario: [RECO's website](#).
For the legislation that governs brokerages and real estate agents trading in real estate in Ontario: [Trust in Real Estate Services Act, 2002](#).

Acknowledgement

Jared Cowley

Real estate agent name

Jones Lang LaSalle Real Estate Services

Brokerage name

6/5/2024

Date guide was provided

DocuSigned by:
Jared Cowley
E9FF8B492044CC

Signature of real estate agent

I acknowledge the real estate agent named above provided the *RECO Information Guide* to me and explained the content.

Noah Goldstein

Buyer/seller name

Buyer/seller name

DocuSigned by:
m
07FC5B52A0B74D7...

Signature of buyer/seller

Signature of buyer/seller

Date 6/5/2024

Date

This is Exhibit "E" referred to in the Affidavit of Greg Harmandayan sworn by Greg Harmandayan of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 6, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to read "Baruch Wise".

Commissioner for Taking Affidavits (or as may be)

BARUCH WISE



November 12, 2024

KSV Restructuring Inc. (the "Receiver")

Marketing Summary Letter

Re: Industrial land located at Thickson Road North and Conlin Road in Whitby, Ontario (PIN 16265-0869 (LT)) (the "Real Property")

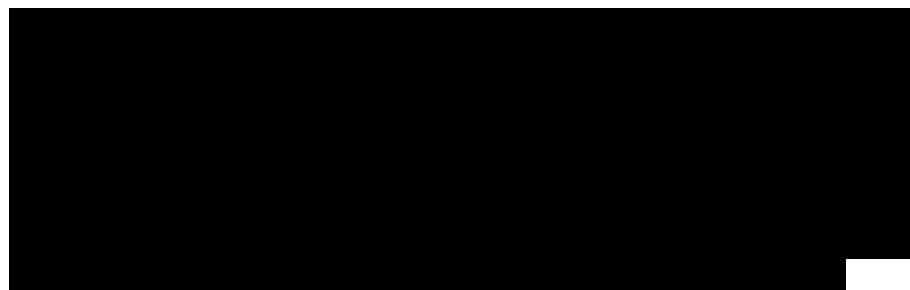
Dear Jordan Wong,

This marketing letter outlines JLL's marketing efforts for the land listing located on Thickson Rd. and Conlin Rd. in Whitby ON. MLS # E8483384.

1. Multiple Listing Service (MLS) Exposure: The Real Property was listed on the Toronto Regional Real Estate Board Multiple Listing Service system on June 25, 2024 for \$1.2 million. This generated fourteen inquiries throughout the listing period, originating from both external brokers and potential buyers.
2. Direct Marketing and Outreach: Targeted Calling Campaign: A comprehensive phone solicitation campaign was conducted, reaching out to over fifty local landowners, including industrial users with potential outside storage requirements. Local operators were contacted to promote the Real Property's suitability for their operations.

Email Marketing: Bi-weekly email blasts were distributed to JLL's internal mailing list of approximately 5,000+ contacts to maintain visibility of the offering among potential investors and users. These emails included a link to the Real Property flyer and facilitated prompt responses to inquiries.
3. Marketing Collateral and Promotion: Signage: Prominent signage was strategically positioned at the intersection of Conlin and Thickson Roads to maximize visibility.
4. Marketing Materials: JLL developed a suite of marketing materials, including a comprehensive PDF flyer, a postcard for direct mail distribution, digital assets optimized for social media promotion, and a virtual data room containing information regarding the Real Property.
5. Social Media Engagement: Targeted social media campaigns were executed via LinkedIn to solicit interest from real estate executives, developers, brokers and relevant industry operators.

6.



7.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

This is Exhibit "F" referred to in the Affidavit of Greg Harmandayan sworn by Greg Harmandayan of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 6, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to read "Baruch Wise".

Commissioner for Taking Affidavits (or as may be)

BARUCH WISE



**Second Report to Court of
KSV Restructuring Inc.
as Receiver of the real property legally
described as:**

November 26, 2024

PIN 16265-0869 (LT)

**PT N 1/2 LT 20 CON 4 Township of Whitby DES
PT 1 ON 40R12447 EXCEPT PT 3 ON
40R21278; T/W ROW OVER PT N 1/2 LT 20
CON 4, Township of Whitby, PIN No. 16265-
0869 (LT), Town of Whitby**

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Appendices

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Receiver’s First Report dated June 17, 2024	B
Sale Process Order dated June 24, 2024	C
JLL’s Marketing Report (Redacted).....	D
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Confidential Appendix

	Tab
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Agreement of Purchase and Sale (Unredacted)	2



COURT FILE NUMBER: CV- 24-00718940-00CL

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

B E T W E E N:

KINGSETT MORTGAGE CORPORATION

APPLICANT

- AND -

CHURCHILL LANDS UNITED INC.

RESPONDENT

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

**SECOND REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER**

NOVEMBER 26, 2024

1.0 Introduction

1. Pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made on May 14, 2024 (the "**Receivership Order**"), KSV Restructuring Inc. ("**KSV**") was appointed receiver (the "**Receiver**") of the real property (the "**Real Property**") owned by Churchill Lands United Inc. (the "**Debtor**") legally described as:

PIN 16265-0869 (LT)

PT N 1/2 LT 20 CON 4 Township of Whitby DES PT 1 ON 40R12447 EXCEPT PT 3 ON 40R21278; T/W ROW OVER PT N 1/2 LT 20 CON 4, Township of Whitby, PIN No. 16265-0869 (LT), Town of Whitby

A copy of the Receivership Order is attached as Appendix "A".

2. On June 24, 2024, the Court issued an order (the "**Sale Process Order**") approving a sale process (the "**Sale Process**") for the Real Property. The Sale Process was set out in the Receiver's first report to court dated June 17, 2024 (the "**First Report**"). Copies of the First Report (without appendices) and the Sale Process Order are attached as Appendices "B" and "C", respectively.
3. This report (the "**Report**") is submitted by KSV, in its capacity as Receiver of the Real Property.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide background information concerning the receivership proceedings;
 - b) summarize the results of the Sale Process;
 - c) summarize a proposed transaction (the “**Transaction**”) between the Receiver and 1001024143 Ontario Inc. (the “**Purchaser**”) for the sale of the Real Property pursuant to an agreement of purchase and sale dated October 11, 2024 (the “**APS**”);
 - d) recommend that the Receiver be discharged of its duties and obligations under the Receivership Order upon filing a certificate with the Court confirming the completion of all outstanding receivership matters (the “**Discharge Certificate**”);
 - e) recommend that this Court issue an approval and vesting order (the “**AVO**”):
 - i. approving the APS and the Transaction; and
 - ii. transferring and vesting all of the Debtor’s right, title and interest in and to the Real Property in the Purchaser, free and clear of all liens, charges, security interests and encumbrances, other than the Permitted Encumbrances (as defined in the APS), following the Receiver’s delivery of a Receiver’s certificate (the “**Receiver’s Certificate**”) substantially in the form attached as Schedule “A” to the proposed AVO;
 - f) recommend that this Court issue an order (the “**Ancillary Relief Order**”):
 - i. authorizing and directing the Receiver to make certain payments and distributions, including one or more distributions to KingSett Mortgage Corporation (“**KingSett**”), the sole party with a charge against the Real Property;
 - ii. approving this Report and the Receiver’s activities described herein;
 - iii. sealing the Confidential Appendices to this Report;
 - iv. approving the fees and disbursements (the “**Professional Fees**”) of the Receiver and the Receiver’s counsel, Bennett Jones LLP (“**Bennett Jones**”), as summarized below;
 - v. approving an accrual of **\$20,000** (the “**Fee Accrual**”) to cover the fees and disbursements of the Receiver and Bennett Jones incurred or to be incurred until the filing of the Discharge Certificate;
 - vi. discharging the Receiver upon the filing of the Discharge Certificate; and
 - vii. releasing the Receiver, upon the Receiver’s discharge, from any and all liability that KSV now has or may hereafter have by reason of, or in any way arising out of, the acts or omissions of KSV while acting as Receiver, save and except for its gross negligence or wilful misconduct.

1.2 Currency

1. All currency references in this Report are to Canadian dollars.

1.3 Restrictions

1. In preparing this Report, the Receiver has relied upon information (the “**Information**”), including financial information, provided by the Debtor, KingSett and Jones Lang Lasalle Real Estate Services, Inc. (“**JLL**”). Kingsett was the applicant in these receivership proceedings.
2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information 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 as contemplated under the CAS in respect of the Information. Any party wishing to place reliance on the Information should perform its own diligence and the Receiver accepts no responsibility for any reliance placed on the Information in this Report by any party.
3. Additional background information regarding the Debtor and the reasons for the appointment of the Receiver are provided in the affidavit of Daniel Pollack sworn April 24, 2024 (the “**Pollack Affidavit**”). Copies of the Court materials filed in these proceedings are available on the Receiver’s case website at: <https://www.ksvadvisory.com/experience/case/churchilllandsunited>.

2.0 Background

1. The Real Property consists of raw industrial land located at the southeast intersection of Thickson Road North and Conlin Road in Whitby, Ontario.

3.0 Creditors

3.1 Secured Creditors

1. As of November 19, 2024, KingSett was the only party with a charge registered against the Real Property.
2. Pursuant to the terms of a commitment letter dated September 15, 2021, as amended on January 11, 2023 and June 16, 2023, the Debtor is a borrower in respect of a \$2,390,000 non-revolving demand loan from KingSett. As set out in the Pollack Affidavit, Kingsett advised it was owed \$2,522,866 as of March 20, 2024. Interest, fees and costs continue to accrue.
3. Bennett Jones has provided the Receiver with an opinion that, subject to: (i) the standard assumptions and qualifications contained therein, Kingsett’s security, as registered on title to the Real Property, create valid and enforceable charges on the Real Property.¹

¹ A copy of the opinion can be provided to the Court upon request.

4. KingSett advanced \$5,000 to the Receiver during the receivership proceedings, secured by the Receiver's Borrowing Charge (as defined in the Receivership Order).

3.2 Unsecured Creditors

1. According to the Debtor's books and records, unsecured creditors are owed approximately \$1,278,000.

4.0 Sale Process

1. The Receiver conducted the Sale Process in accordance with the Sale Process Order. The terms of the Sale Process are detailed in the First Report.
2. Pursuant to the Sale Process Order, the Receiver retained JLL to list the Real Property.
3. JLL launched the Sale Process on June 25, 2024. The Real Property was listed on the Toronto Regional Real Estate Board on the Multiple Listing Services system which generated 14 inquiries during the listing period. JLL also conducted a comprehensive phone solicitation campaign by reaching out to over 50 local landowners. This included industrial users with potential storage requirements given the size and potential use of the Real Property. The listing price was \$1.2 million.
4. JLL conducted a targeted marketing campaign that included:
 - bi-weekly emails to its internal mailing list of approximately 5,000 potential investors and purchasers, which featured an offering brochure (the "**Brochure**") and a link to a virtual data room ("**VDR**") with additional materials about the Real Property;
 - a form of agreement of purchase and sale (the "**Template APS**") in the VDR, encouraging prospective purchasers to submit offers in the Template APS format, with any changes marked in a blackline version;
 - postcards for direct mail distribution and digital materials optimized for social media;
 - signage prominently displayed at the corner of the Real Property, located at the intersection of Conlin and Thickson Roads, to enhance visibility;
 - additional targeted social media campaigns were executed on LinkedIn, aimed at engaging real estate executives, developers, and industry operators;
 - JLL also engaged with the Central Lake Ontario Conservation Authority, planning specialists (PGL Environmental Consultants and Biglieri Group), and other consultants to address development considerations for the Real Property.
5. As part of the Sale Process, JLL contacted the Region of Durham and the Town of Whitby to gauge their potential interest in acquiring the Real Property.

4.1 Sale Results

1. JLL summarized the Sale Process and its recommendation with respect to the Transaction in its marketing report dated November 12, 2024 (the “**JLL Report**”). A redacted version of the JLL Report is included as Appendix “D”. The redactions are solely in respect of the purchase price and matters concerning the value of the Real Property. An unredacted version of the JLL Report is provided as Confidential Appendix “1”. The Receiver’s recommendation regarding sealing this information is discussed in Section 5.3 below.
2. The Sale Process included a preliminary bid deadline of August 7, 2024. No offers were received by that date and JLL continued to market the Real Property and discuss the opportunity with prospective purchasers.
3. In September 2024, JLL commenced discussions with the Purchaser who submitted an offer on October 11, 2024. In consultation with JLL and KingSett, the Receiver requested that JLL negotiate the purchase price which resulted in the Purchaser submitting the APS, for a higher purchase price. Based on discussions with JLL and KingSett, and in consideration of the matters discussed in the JLL Report, the Receiver selected the APS as the successful bid.

5.0 The Transaction²

5.1 The APS

1. The following section summarizes the APS.
2. The APS was entered into as of October 11, 2024. A copy of the redacted APS is attached as Appendix “E”. A copy of the unredacted APS is attached as Confidential Appendix “2”. Only the Purchase Price and the Deposit have been redacted. The Receiver’s rationale for sealing the unredacted APS is provided in Section 5.3 below.
3. The key terms and conditions of the APS are provided below.
 - **Vendor**: the Receiver
 - **Purchaser**: 1001024143 Ontario Inc.
 - **Purchased Assets**: substantially all of the Debtor’s right, title and interest in:
 - a) the Property;
 - b) the full benefit of any and all prepaid expenses or deposits with any Person, public utility or Governmental Authority relating to the Property; and
 - c) the Permits, but only to the extent transferable to the Purchaser or the Purchaser’s permitted assignees.

² Capitalized terms in this section have the meaning provided to them in the APS unless otherwise defined herein.

- **Excluded Assets:** all of the Receiver's and the Debtor's right, title and interest in and to any asset of the Receiver and the Debtor other than the Purchased Assets including:
 - a) original tax records and books and records pertaining thereto, minute books, corporate seals, taxpayer and other identification numbers and other documents relating to the organization, maintenance and existence of the Debtor that do not relate exclusively or primarily to any of the Purchased Assets;
 - b) the benefit of any refundable Taxes payable or paid by the Debtor in respect of the Purchased Assets and applicable to the period prior to the Closing Date net of any amounts withheld by any taxing authority, and any claim or right of the Debtor to any refund, rebate, or credit of Taxes for the period prior to the Closing Date; and
 - c) the Contracts.

- **Purchase Price:** For the reasons provided in Section 5.3 of this Report, the Receiver is seeking to have the purchase price sealed pending closing of the Transaction.

The Purchase Price is to be adjusted on closing for adjustments standard for a real estate transaction, including property taxes.

- **Deposit:** For the reasons provided in Section 5.3 of this Report, the Receiver is seeking to have the deposit sealed pending closing of the Transaction.
- **Excluded Liabilities:** All liabilities, other than the Permitted Encumbrances.
- **Representations and Warranties:** Consistent with the standard terms of an insolvency transaction, i.e. on an "as is, where is" basis, with limited representations and warranties.
- **Closing Date:** the date which is 10 days after the date on which the AVO is issued by the Court, or, if any Parties agree such other date as agreed in writing by the Parties.
- **Material Conditions:** include, among other things:
 - a) there shall be no Claim, litigation or proceedings pending or threatened or order issued by a Governmental Authority against either of the Parties, or involving any of the Purchased Assets, for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that such completion is improper; and
 - b) the Court shall have issued the AVO.

5.2 Transaction Recommendation

1. The Receiver recommends the Court issue the proposed AVO approving the Transaction for the following reasons:
 - a) the process undertaken by the Receiver to market the Real Property was commercially reasonable, conducted in accordance with the terms of the Sale Process Order and provided for a fair, transparent and thorough canvassing of the market for the Real Property;
 - b) JLL is an experienced and reputable real estate broker with extensive experience selling commercial and industrial properties in and around Southwestern Ontario and widely canvassed the market for prospective purchasers using traditional marketing techniques;
 - c) in JLL's view, it is unlikely that exposing the Real Property to the market for additional time will result in a superior transaction;
 - d) the Receiver and JLL are of the view that the Transaction provides for the greatest recovery available for the benefit of the Debtor's stakeholders in the circumstances;
 - e) the Purchaser has paid a non-refundable deposit and the transaction is unconditional, except for Court approval; and
 - f) KingSett supports the Transaction.

5.3 Sealing

1. The Receiver recommends that the unredacted copy of the JLL Report and APS be filed with the Court on a confidential basis and remain sealed pending further order of the Court or closing of the Transaction, as making such information publicly available may negatively impact any future sale process for the Purchased Assets if the Transaction does not close. The information set out in the JLL Report could adversely impact the future marketability of the Real Property should the Transaction not close.
2. Sealing this information until the Transaction closes or further Order of the Court is necessary to maximize recoveries in these proceedings and maintain the integrity and confidentiality of key information in the Sale Process. The Receiver is of the view that no stakeholder will be prejudiced as a result of the sealing.
3. The salutary effects of sealing such information from the public record greatly outweigh the deleterious effects of doing so under the circumstances. The Receiver is of the view that the sealing of the Confidential Appendices is of general commercial interest and is consistent with the decision in *Sherman Estate v. Donovan, 2021 SCC 25*. Accordingly, the Receiver believes the proposed sealing of the Confidential Appendices is appropriate in the circumstances.

6.0 Receiver's Discharge

1. The Receiver is only appointed with respect to the Real Property. Accordingly, following the closing of the Transaction, the Receiver intends to take steps to effect its discharge.
2. Prior to completing its administration and filing the Discharge Certificate, the Receiver intends to:
 - a) make a final distribution to KingSett of the sale proceeds of the Transaction net of the Professional Fees, nominal accrued expenses and the Fee Accrual;
 - b) prepare and file the Receiver's final report as required under Section 246 of the *Bankruptcy and insolvency Act* ("**BIA**"); and
 - c) deal with any remaining sundry issues.
3. Once the Receiver has completed these activities, it intends to file the Discharge Certificate as its duties and responsibilities under the Receivership Order and other Orders made in these proceedings will have been completed.

7.0 Receiver's Activities

1. In addition to dealing with the matters addressed above, the Receiver's activities have included:
 - a) reviewing KingSett's application materials;
 - b) reviewing information provided by the Debtor relating to the Real Property;
 - c) corresponding with Bennett Jones and KingSett regarding all aspects of this mandate;
 - d) developing and carrying out the Sale Process;
 - e) preparing the First Report and reviewing the motion materials and the Sale Process Order;
 - f) reviewing and commenting on drafts of the Brochure;
 - g) reviewing information uploaded to the VDR;
 - h) attending weekly update calls with JLL and KingSett regarding the status of the Sale Process;
 - i) preparing the receiver's notice and reports pursuant to section 245 and 246 of the BIA;
 - j) drafting this Report and reviewing the motion materials in respect of same; and
 - k) dealing with all other matters pertaining to the administration of this mandate.

8.0 Professional Fees

1. The fees of the Receiver since the commencement of the receivership proceeding to November 19, 2024 total \$20,189.00, excluding disbursements and HST.
2. Bennett Jones' fees since the commencement of the receivership proceeding to October 31, 2024 total \$50,745, excluding disbursements and HST.
3. Fee affidavits and accompanying invoices in respect of the fees and disbursements of the Receiver and Bennett Jones for these periods are attached as Appendices "F" and "G", respectively, to this Report.
4. The average hourly rate for the Receiver for the referenced billing period was \$453.18. The average hourly rate for Bennett Jones was \$780.69.
5. The Receiver is requesting the Fee Accrual of \$20,000 to cover further fees and disbursements of the Receiver and Bennett Jones incurred or to be incurred until the filing of the Discharge Certificate. The Receiver is seeking approval of the Fee Accrual at this time to avoid the need for a separate fee approval motion in the future, which will minimize further professional fees.
6. The Receiver is of the view that Bennett Jones' hourly rates are consistent with the rates charged by other law firms practicing in the area of insolvency in the Toronto market, and that its fees are reasonable and appropriate in the circumstances.
7. The Receiver is also of the view that the Fee Accrual is reasonable and appropriate in the circumstances as it provides for the estimated fees incurred or to be incurred by the Receiver and Bennett Jones prior to the filing of the Discharge Certificate. To the extent there is any surplus remaining from the Fee Accrual following the filing of the Discharge Certificate, the Receiver will distribute those funds to KingSett.

9.0 Conclusion

1. Based on the foregoing, the Receiver respectfully recommends that this Honourable Court make orders granting the relief detailed in Section 1.1(1) (e) and (f) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF
THE REAL PROPERTY
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “A”



Court File No. CV-24-00718940-00CL

ONTARIO

SUPERIOR COURT OF JUSTICE

COMMERCIAL LIST

THE HONOURABLE)	TUESDAY, THE 14 th
)	
JUSTICE CAVANAGH)	DAY OF MAY, 2024

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

CHURCHILL LANDS UNITED INC.

Respondent

**IN THE MATTER OF AN APPLICATION UNDER SECTION 243(1) OF THE
BANKRUPTCY AND INSOLVENCY ACT, RSC 1985, c. B-3, AS AMENDED; AND
SECTION 101 OF THE COURTS OF JUSTICE ACT, RSO 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 KSV Restructuring Inc. ("KSV") as receiver (in such capacities, the "Receiver") without security, of the real property legally described in Schedule "A" to this Receivership Order (the "Property") owned by Churchill Lands United Inc. (the "Debtor"), was heard this day by judicial teleconference via Zoom at Toronto, Ontario.

ON READING the affidavit of Daniel Pollack sworn April 24, 2024 and the Exhibits thereto and on hearing the submissions of counsel for the Applicant and such other parties listed on the Counsel slip, no one else appearing although duly served as appears from the affidavits of

service of William Onyeaju sworn April 24, 2024, and May 8, 2024, and on reading the consent of KSV 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, KSV is hereby appointed Receiver, without security, of 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, operate, and carry on the business of the Debtor, 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 or disclaim any contracts of the Debtor 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 to continue the business of the Debtor with respect to the Property or any part or parts thereof;
- f) to receive and collect all monies and accounts now owed or hereafter owing to the Debtor with respect to the Property and to exercise all remedies of the Debtor in collecting such monies, including, without limitation, to enforce any security held by the Debtor;
- g) to settle, extend or compromise any indebtedness owing to the Debtor with respect to 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 Debtor, 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 Debtor, 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 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;

- l) 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;
- m) to consult with the Applicant on all matters relating to the Property and the receivership;
- 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 with respect to the Property 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 Debtor;
- p) to enter into agreements with any trustee in bankruptcy appointed in respect of the Debtor, including, without limiting the generality of the foregoing, the ability to enter into occupation agreements for any property owned or leased by the Debtor;
- q) to exercise any shareholder, partnership, joint venture or other rights which the Debtor may have; and
- r) to take any steps reasonably incidental to the exercise of these powers or the performance of any statutory obligations.
- s) 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 Debtor, and without interference from any other Person.

DUTY TO PROVIDE ACCESS AND CO-OPERATION TO THE RECEIVER

4. **THIS COURT ORDERS** that (i) the Debtor, (ii) all of its current and former directors, officers, employees, agents, accountants, legal counsel, 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 (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 Debtor, 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 PROPERTY

8. **THIS COURT ORDERS** that no Proceeding against or 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 Property are hereby stayed and suspended pending further Order of this Court.

NO EXERCISE OF RIGHTS OR REMEDIES

9. **THIS COURT ORDERS** that all rights and remedies against the Debtor in respect of the Property, the Receiver, or affecting the Property including, without limitation, licenses and permits, 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 Debtor to carry on any business which the Debtor is not lawfully entitled to carry on, (ii) exempt the Receiver or the Debtor 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 Debtor 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 Debtor in connection with or relating to the Property, or statutory or regulatory mandates for the supply of goods and/or services, including without limitation, all security, insurance, transportation services, utility or other services to the Debtor in connection with or relating to 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, 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 Debtor 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, in connection with or relating to the Property, 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. **THIS COURT ORDERS** that all employees of the Debtor shall remain the employees of the Debtor until such time as the Receiver, on the Debtor's 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 Debtor, 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 from the Applicant 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 \$100,000 (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, fees, 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 "B" hereto (the "Receiver's Certificate") 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

24. **THIS COURT ORDERS** that the Guide Concerning Commercial List E-Service (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 <https://www.ontariocourts.ca/scj/practice/practice-directions/toronto/eservice-commercial/>) 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: <https://www.ksvadvisory.com/experience/case/churchilllandsunited>.

25. **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 Debtor's creditors or other interested parties at their respective addresses as last shown on the records of the Debtor 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

26. **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.

27. **THIS COURT ORDERS** that nothing in this Order shall prevent the Receiver from acting as a trustee in bankruptcy of the Debtor.

28. **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.

29. **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.

30. **THIS COURT ORDERS** that the Applicant shall have its costs of this Application, 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 Debtor's estate with such priority and at such time as this Court may determine.

31. **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.

32. **THIS COURT ORDERS** that this Order is effective from today's date and it is not required to be entered.

 Mr. Justice
Cavanagh

SCHEDULE "A"

REAL PROPERTY

PIN 16265-0869 (LT)

PT N 1/2 LT 20 CON 4 Township of Whitby DES PT 1 ON 40R12447 EXCEPT PT 3 ON 40R21278; T/W ROW OVER PT N 1/2 LT 20 CON 4, Township of Whitby, PIN No. 16265-0869 (LT), Town of Whitby

SCHEDULE "B"

RECEIVER CERTIFICATE

CERTIFICATE NO. _____

AMOUNT \$ _____

1. THIS IS TO CERTIFY that KSV Restructuring Inc., the receiver and manager (the "Receiver"), without security, of the real property legally described in Schedule "A" (the "Property") to the Order of the Ontario Superior Court of Justice (Commercial List) (the "Court") dated May 14, 2024, appointed by Order of the Court made in an application having Court file number __-CL-_____, 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 _____, 2024.

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

Per: _____

Name: Noah Goldstein

Title: Managing Director

KINGSETT MORTGAGE CORPORATION
Applicant

and

CHURCHILL LANDS UNITED INC.
Respondent

Court File No. CV-24-00718940-00CL

**ONTARIO
SUPERIOR COURT OF JUSTICE
COMMERCIAL LIST**

**PROCEEDING COMMENCED AT
TORONTO**

ORDER

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Lawyers for the Applicant, Kingsett Mortgage Corporation

Appendix “B”



**First Report of
KSV Restructuring Inc.
as Receiver of the real
property legally described as:**

June 17, 2024

PIN 16265-0869 (LT)

**PT N 1/2 LT 20 CON 4 Township of Whitby DES
PT 1 ON 40R12447 EXCEPT PT 3 ON
40R21278; T/W ROW OVER PT N 1/2 LT 20
CON 4, Township of Whitby, PIN No. 16265-
0869 (LT), Town of Whitby**

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Appendices

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Listing Agreement with JLL	B



COURT FILE NO: CV-24-00718940-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

KINGSETT MORTGAGE CORPORATION

APPLICANT

- AND -

CHURCHILL LANDS UNITED INC.

RESPONDENT

FIRST REPORT OF
KSV RESTRUCTURING INC.
AS RECEIVER

JUNE 17, 2024

1.0 Introduction

1. This report ("**Report**") is filed by KSV Restructuring Inc. ("**KSV**") in its capacity as receiver (in such capacity, the "**Receiver**") of the real property (the "**Real Property**") owned by Churchill Lands United Inc. (the "**Company**") legally described as:

PIN 16265-0869 (LT)

PT N 1/2 LT 20 CON 4 Township of Whitby DES PT 1 ON 40R12447 EXCEPT PT 3 ON 40R21278; T/W ROW OVER PT N 1/2 LT 20 CON 4, Township of Whitby, PIN No. 16265-0869 (LT), Town of Whitby

2. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") made on May 14, 2024 (the "**Receivership Order**"), KSV was appointed Receiver. A copy of the Receivership Order is attached as Appendix "A".
3. The principal purpose of the receivership proceedings is to conduct a Court-supervised sale process for the Real Property that maximizes value for the stakeholders.

1.1 Purposes of this Report

1. The purposes of this Report are to:
 - a) provide background information about the Real Property and these proceedings;

- b) summarize a recommended sale process (the “**Sale Process**”) for the Real Property, including the proposed retention of Jones Lang Lasalle Real Estate Services, Inc. (“**JLL**”) to act as listing agent pursuant to a listing agreement dated June 5, 2024 (the “**Listing Agreement**”);
- c) provide an overview of the Receiver’s activities since the commencement of these proceedings; and
- d) recommend that the Court issue an order, among other things:
 - approving the Sale Process and the retention of JLL to list the Real Property for sale pursuant to the Listing Agreement; and
 - approving this Report and the Receiver’s activities detailed herein.

1.2 Currency

1. All currency references in this Report are to Canadian dollars, unless otherwise noted.

1.3 Restrictions

1. In preparing this Report, the Receiver has relied upon information (the “Information”), including financial information, provided by the Company and KingSett Mortgage Corporation (“**KingSett**”), which has security against the Real Property in regards to a loan made to the Company. Kingsett was the applicant in these proceedings.
2. The Receiver has not audited or otherwise attempted to verify the accuracy or completeness of the Information 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 as contemplated under the CAS in respect of the Information. Any party wishing to place reliance on the Information should perform its own diligence and the Receiver accepts no responsibility for any reliance placed on the Information in this Report by any party.
3. Additional background information regarding the Company and the reasons for the appointment of the Receiver are provided in the affidavit of Daniel Pollack sworn April 24, 2024 (the “**Pollack Affidavit**”). Copies of the Court materials filed in these proceedings are available on the Receiver’s case website at: <https://www.ksvadvisory.com/experience/case/churchilllandsunited>.

2.0 Background

1. The Real Property consists of raw industrial land in the Town of Whitby, Ontario and is located at the southeast intersection of Thickson Road North and Conlin Road.

3.0 Creditors

3.1 Secured Creditors

1. As of March 20, 2024, the following charges were registered against the Real Property:

Secured Creditor	Date Registered	Amount
KingSett	July 10, 2023	3,000,000

2. Pursuant to the terms of a commitment letter dated September 15, 2021, as amended on January 11, 2023 and June 16, 2023, KingSett extended a non-revolving demand loan to the Company in the principal amount of \$2,390,000. As set out in the Pollack Affidavit, Kingsett advised it was owed \$2,522,866 as of March 20, 2024. The Receiver understands that interest, fees and costs continue to accrue.
3. The Receiver will perform a detailed review of KingSett's security and the amount owing to KingSett in due course.

3.2 Unsecured Creditors

1. According to the Company's books and records, there is approximately \$1,278,000 owing to unsecured creditors.

4.0 Sale Process

4.1 Realtor Selection

1. At the commencement of these proceedings, the Receiver solicited a proposal from JLL to act as the listing agent for the Real Property, subject to Court approval.
2. The Receiver did not conduct a request for proposal from several realtors as the cost of doing so would not have been economical in the context of the size of Kingsett's indebtedness. In addition, JLL is known to the Receiver as having considerable experience in the listing and sale of commercial and industrial properties in southwestern Ontario and is well positioned to market the Real Property to potential buyers. The Receiver has worked with JLL on other real estate mandates and is comfortable that JLL has the expertise to market the Real Property.
3. The key attributes of the Listing Agreement include the following:
 - a) **Term**: six months from the date of the Listing Agreement.
 - b) **Holdover Period**: six months.
 - c) **Commission Rate**: 3.5% of the purchase price (or 4.0% with a co-operating broker, if applicable)
 - d) **Other**: in the Receiver's view, the Listing Agreement is standard and consistent with market.

4. The Receiver recommends that the Court authorize the Receiver to retain JLL as the listing agent for the Real Property for the following reasons:
 - a) KingSett, as the only party with security registered against the Real Property, supports the retention of JLL;
 - b) the JLL team managing the mandate has significant experience selling commercial and industrial properties in Southwestern Ontario;
 - c) KSV has previously retained the same JLL team for similar mandates and the JLL team achieved strong results; and
 - d) JLL’s proposed commission rate is reasonable based on KSV’s experience selling real estate and is acceptable to KingSett.

5. A copy of the Listing Agreement is attached as Appendix “B”.

4.2 Sale Process

1. The Receiver has worked with JLL to develop a Sale Process for this mandate, which is summarized in the table below.

Sale Process		
Milestone	Description of Activities	Timeline
<i>Phase 1 – Underwriting</i>		
Due diligence	➤ JLL to review all available documents (financial, legal and environmental reports) concerning the Real Property.	Week 1
Finalize marketing materials	➤ JLL and the Receiver to: <ul style="list-style-type: none"> ○ prepare a marketing brochure; ○ populate an online data room; and ○ prepare a confidentiality agreement (“CA”). 	
Consulting Reports	➤ The Receiver may arrange for updated and/or new consulting reports to facilitate due diligence by interested parties. These will be made available in the data room.	
Prospect Identification	➤ JLL will qualify and prioritize prospects; and ➤ JLL will also have pre-marketing discussions with targeted prospects.	
<i>Phase 2 – Marketing and Offer Solicitation</i>		
Stage 1	➤ Mass market introduction, including: <ul style="list-style-type: none"> ○ sending offering summary and marketing materials, including marketing brochure to JLL’s client base, including specifically targeted prospects; ○ publishing the acquisition opportunity in such journals, publications and online as the realtor and the Receiver believe appropriate to maximize interest in this opportunity; 	Week 2-6

Sale Process		
Milestone	Description of Activities	Timeline
	<ul style="list-style-type: none"> o posting “for sale” signs on the Real Property; o engaging in direct canvassing of most likely prospects and tailoring the pitch to each of these candidates based on the brokers’ knowledge of these parties; o posting the acquisition opportunity on MLS on an unpriced basis; and o meeting with prospective bidders to explain the potential of each site. <ul style="list-style-type: none"> ➤ JLL to provide detailed information to qualified prospects that sign the CA, and access to the data room; ➤ JLL and the Receiver to facilitate diligence by interested parties; ➤ The Receiver and legal counsel will prepare a vendor’s form of Purchase and Sale Agreement (“PSA”) which will be made available in the data room; and ➤ Receiver to arrange for certain updated and/or new consulting reports to facilitate due diligence. These will also be made available in the data rooms, where applicable. 	
Stage 3	<ul style="list-style-type: none"> ➤ “Offer not Before Date” in August on a date to be determined (subject to achieving previous timelines, market feedback and JLL’s recommendation); and ➤ Prospective purchasers encouraged to submit offers in the form of the PSA, with any changes to the PSA blacklined. 	Preliminary date of August 7, 2024 (specific date to be determined)
<i>Phase 3 – Offer Review and Negotiations</i>		
	<ul style="list-style-type: none"> ➤ Short listing of bidders; ➤ Further bidding - bidders may be asked to improve their offers. The Receiver may invite parties to participate in as many rounds of bidding as is required to maximize the consideration and minimize closing risk. The Receiver may also seek to clarify terms of the offers submitted and to negotiate such terms; ➤ The Receiver will be at liberty to consult with KingSett regarding the offers received, subject to any confidentiality requirements that the Receiver believes appropriate; ➤ Select successful bidder(s) and finalize definitive documents. The Receiver will select the successful bidder(s), having regards to, among other things: <ul style="list-style-type: none"> o total consideration (cash and assumed liabilities); o form of consideration being offered; o third-party approvals required, if any; o conditions, if any, and time required to satisfy or waive same; and o such other factors affecting the speed and certainty of closing and the value of the offers as the Receiver considers relevant. ➤ 2nd round bids and further bidding - prospective purchasers may be asked to re-submit PSAs on one or more occasions. 	Week 7-9

Sale Process		
Milestone	Description of Activities	Timeline
Selection of Successful Bids	<ul style="list-style-type: none"> ➤ Select successful bidder and finalize definitive documents, subject to any final diligence to be performed by the purchaser; and ➤ Back up bidders will be kept “warm” in order to have options in case selected bidder does not close. 	Week 10
Due Diligence	<ul style="list-style-type: none"> ➤ Manage and monitor final due diligence process, if applicable; ➤ Gather and/or commission missing documentation; and ➤ Additional site visits, as required. 	Week 11-18
<i>Phase 4 – Closing</i>		
Sale Approval Motion	<ul style="list-style-type: none"> ➤ Upon execution of definitive transaction documents, the Receiver will seek Court approval of the successful offer, on not less than 7 calendar days’ notice to the service list and registered secured creditors. 	Approximately 15 to 30 days from the date that the selected bidder confirms all conditions have been satisfied or waived
Closing	<ul style="list-style-type: none"> ➤ Following Court approval 	ASAP

2. Additional aspects of the Sale Process include:

- a) the Receiver may be required to commission environmental studies and/or other reports prior to closing. Court approval of the Sale Process shall authorize the Receiver to take any and all steps necessary to commission such studies/reports, including requiring the tenants to cooperate with the Receiver and provide reasonable access to their property to the consultants retained for such purposes;
- b) the Real Property will be marketed on an “as is, where is” basis;
- c) to the extent permitted by law, all of the rights, title and interests of the Company in the Real Property will be sold free and clear of all pledges, liens, security interests, encumbrances and claims, pursuant to one or more approval and vesting orders to be sought by the Receiver;
- d) if the Receiver believes, in its sole discretion, that it will assist to maximize recoveries, the Receiver will have the right to: (i) waive strict compliance with the terms of the Sale Process, including any of the deadlines in the table above; and (ii) modify and adopt such other procedures that will better promote the sale of the Real Property or increase the aggregate recoveries for stakeholders;
- e) any material modifications to, or the termination of, the Sale Process shall require Court approval; however, the Receiver shall have the discretion to adjust any timeline in the Sale Process to the extent it believes it to be appropriate to maximize value;

- f) the Receiver will have the right to reject any and all offers, including the highest dollar value offer(s); and
- g) any transaction will be subject to Court approval.

4.3 Sale Process Recommendation

1. The Receiver recommends that the Court grant an order approving the Sale Process for the following reasons:
 - a) the Sale Process will provide for a fair, open and transparent process intended to canvass the market broadly on an orderly basis. The terms are consistent with real estate sale processes approved in the context of other receivership proceedings;
 - b) the duration of the Sale Process is sufficient to allow interested parties to perform diligence and to submit an offer on or before the offer deadline, which is tentatively set for August 7, 2024. The marketing process is anticipated to last approximately five weeks, subject to the Receiver's right to extend or amend timelines in its sole discretion, as appropriate;
 - c) JLL's team for this mandate is based out of its Toronto office, has experience selling similar properties in the Greater Toronto Area and has national reach. The Receiver is of the view that JLL's commission rate is consistent with market rates; and
 - d) KingSett supports the Sale Process, including JLL's engagement on the terms of the Listing Agreement.
2. Based on the foregoing, the Receiver recommends Court approval of the Sale Process, including the retention of JLL.

5.0 Overview of the Receiver's Activities

1. The Receiver's activities since the commencement of these proceedings have included, *inter alia*, the following:
 - reviewing KingSett's receivership application materials and the Receivership Order;
 - corresponding with Bennett Jones and KingSett regarding all aspects of this mandate;
 - corresponding with the Company regarding its books and records;
 - engaging Tert & Ross Ltd., a third-party contractor, at the commencement of these proceedings to visit the Real Property to assess its condition;
 - opening a receivership bank account;

- corresponding with an insurance broker to arrange for insurance;
- soliciting a proposal from JLL;
- negotiating the Listing Agreement with JLL and discussing same with Bennett Jones;
- drafting and sending to all creditors the Notice and Statement of the Receiver pursuant to Sections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act*;
- drafting this Report and reviewing all motion materials filed in connection with this motion; and
- dealing with other matters pertaining to the administration of this mandate.

6.0 Conclusion and Recommendation

1. Based on the foregoing, the Receiver respectfully recommends that the Court grant an order approving the relief set out in Section 1.1 (1)(d) of this Report.

* * *

All of which is respectfully submitted,

KSV Restructuring Inc.

**KSV RESTRUCTURING INC.,
SOLELY IN ITS CAPACITY AS COURT APPOINTED RECEIVER OF
THE REAL PROPERTY
AND NOT IN ITS PERSONAL CAPACITY**

Appendix “C”



Court File No. CV-24-00718940-00CL

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

THE HONOURABLE)
JUSTICE PENNY)
MONDAY, THE 24th
DAY OF JUNE, 2024

B E T W E E N:

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

CHURCHILL LANDS UNITED INC.

Respondent

**IN THE MATTER OF SECTION 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**

SALE PROCESS APPROVAL ORDER

THIS MOTION, made by KSV Restructuring Inc., in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”), without security, of the real property legally described in Schedule “A” to this Order (the “**Property**”) owned by Churchill Lands United Inc. (the “**Debtor**”) for an order, among other things, approving: (i) the proposed Sale Process (as defined and described in the First Report of the Receiver dated June 17, 2024 (the “**First Report**”)); and (ii) the First Report and the Receiver’s activities and conduct described therein, was heard this day via Zoom videoconference at 330 University Avenue, Toronto, Ontario.

ON READING the First Report (including the appendices thereto), and on hearing the submissions of counsel for the Receiver, and such other counsel as was present, no one else appearing although properly served, as appears from the affidavit of Aiden Nelms, sworn and filed.

SERVICE AND DEFINITIONS

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

2. **THIS COURT ORDERS** that all capitalized terms used in this Order and not otherwise defined shall have the meanings ascribed to them in the First Report.

SALE PROCESS

3. **THIS COURT ORDERS** that the proposed Sale Process be and is hereby approved. The Receiver is hereby authorized to carry out the Sale Process and to take such steps and execute such documentation as may be necessary or desirable in carrying out its obligation thereunder, subject to prior approval of this Court being obtained before completion of any transaction under the Sale Process. The listing agreement dated June 5, 2024 between the Receiver and Jones Lang Lasalle Real Estate Services, Inc. is also hereby approved.

4. **THIS COURT ORDERS** that without limiting paragraph 3 of this Order, the Receiver is authorized to take any and all steps necessary to commission environmental studies and/or reports as may be required, in the sole discretion of the Receiver, to facilitate the Sale Process.

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

PIPEDA

6. **THIS COURT ORDERS** that, pursuant to clause 7(3)(c) of the *Canada Personal Information Protection and Electronic Documents Act*, S.C. 2000, c. 5, 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 Debtor, and shall return all other personal information to the Receiver, or ensure that all other personal information is destroyed.


APPROVAL OF THE RECEIVER'S ACTIVITIES AND REPORT

7. **THIS COURT ORDERS** that the First Report is hereby approved and the activities and conduct of the Receiver as described therein is hereby ratified and approved; provided, however, that only the Receiver, in its personal capacity and only with respect to its own personal liability, shall be entitled to rely upon or utilize in any way such approvals.

GENERAL

8. **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.

9. **THIS COURT ORDERS** that this Order and all of its provisions are effective as of 12:01 a.m. on the date of this Order.



SCHEDULE "A"

PIN 16265-0869 (LT)

PT N 1/2 LT 20 CON 4 Township of Whitby DES PT 1 ON 40R12447 EXCEPT PT 3 ON 40R21278; T/W ROW OVER PT N 1/2 LT 20 CON 4, Township of Whitby, PIN No. 16265-0869 (LT), Town of Whitby

Court File No. CV-24-00718940-00CL

KINGSETT MORTGAGE CORPORATION

- and -

CHURCHILL LANDS UNITED INC.

Applicant

Respondent

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

Proceeding commenced at Toronto

SALE PROCESS APPROVAL ORDER

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Counsel to KSV Restructuring Inc., solely in its
capacity as Court-appointed Receiver and not in its
personal capacity

Appendix “D”



November 12, 2024

KSV Restructuring Inc. (the "Receiver")

Marketing Summary Letter

Re: Industrial land located at Thickson Road North and Conlin Road in Whitby, Ontario (PIN 16265-0869 (LT)) (the "Real Property")

Dear Jordan Wong,

This marketing letter outlines JLL's marketing efforts for the land listing located on Thickson Rd. and Conlin Rd. in Whitby ON. MLS # E8483384.

- 1. Multiple Listing Service (MLS) Exposure: The Real Property was listed on the Toronto Regional Real Estate Board Multiple Listing Service system on June 25, 2024 for \$1.2 million. This generated fourteen inquiries throughout the listing period, originating from both external brokers and potential buyers.
- 2. Direct Marketing and Outreach: Targeted Calling Campaign: A comprehensive phone solicitation campaign was conducted, reaching out to over fifty local landowners, including industrial users with potential outside storage requirements. Local operators were contacted to promote the Real Property's suitability for their operations.

Email Marketing: Bi-weekly email blasts were distributed to JLL's internal mailing list of approximately 5,000+ contacts to maintain visibility of the offering among potential investors and users. These emails included a link to the Real Property flyer and facilitated prompt responses to inquiries.
- 3. Marketing Collateral and Promotion: Signage: Prominent signage was strategically positioned at the intersection of Conlin and Thickson Roads to maximize visibility.
- 4. Marketing Materials: JLL developed a suite of marketing materials, including a comprehensive PDF flyer, a postcard for direct mail distribution, digital assets optimized for social media promotion, and a virtual data room containing information regarding the Real Property.
- 5. Social Media Engagement: Targeted social media campaigns were executed via LinkedIn to solicit interest from real estate executives, developers, brokers and relevant industry operators.

6.  



7.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Appendix “E”

AGREEMENT OF PURCHASE AND SALE


BETWEEN

KSV RESTRUCTURING INC.

in its capacity as court-appointed receiver of the Property (as defined herein)
and not in its personal capacity or in any other capacity

- and -

1001024143 Ontario Inc

[•]

October 11, 2024

Dated: [•], 2024



 

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AGREEMENT OF PURCHASE AND SALE

THIS AGREEMENT made this _11th day of October 2024

BETWEEN:

KSV RESTRUCTURING INC., in its capacity as court-appointed receiver of the Property of Churchill Lands United Inc. and not in its personal capacity or in any other capacity

(in such capacity, the “**Receiver**”)

- and -

[•] 1001024143 ONTARIO INC.

(the “**Purchaser**”)

RECITALS

- A. **WHEREAS** pursuant to an order of the Ontario Superior Court of Justice (Commercial List) (the “**Court**”) issued on May 14, 2024 (the “**Receivership Order**”), the Receiver was appointed as the court-appointed receiver, without security, of the Purchased Assets (as defined below) owned by Churchill Lands United Inc. (the “**Debtor**”);
- B. **AND WHEREAS** pursuant to an order of the Court made on June 24, 2024 (the “**Sale Process Approval Order**”), the Receiver was authorized to, among other things, market the Purchased Assets and apply for an order of the Court approving the sale of the Purchased Assets and vesting in and to a purchaser all the Debtor’s right, title and interest in and to the Purchased Assets;
- C. **AND WHEREAS** the Purchaser wishes to purchase and the Receiver wishes to sell the Purchased Assets upon the terms and subject to the conditions set out herein;

NOW THEREFORE, in consideration of the promises, mutual covenants and agreements contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are each hereby acknowledged by the Parties, the Parties agree as follows:

ARTICLE 1 **DEFINED TERMS**

1.1 Definitions

In this Agreement:

“**Accounts Payable**” means all amounts relating to the Business owing to any Person which are incurred in connection with the purchase of goods or services in the ordinary course of business;

“**Agreement**” means this agreement of purchase and sale, including all schedules and all amendments or restatements, as permitted, and references to “**article**”, “**section**” or “**schedule**” mean the specified article, section of, or schedule to this Agreement and the expressions “hereof”, “herein”, “hereto”, “hereunder”, “hereby” and similar expressions refer to this Agreement and not to any particular section or other portion of this Agreement;

“**Applicable Law**” means, with respect to any Person, property, transaction, event or other matter, all applicable laws, statutes, regulations, rules, by-laws, ordinances, protocols, regulatory policies, codes, guidelines, official directives, orders, rulings, judgments and decrees of any Governmental Authority;

“**Approval and Vesting Order**” means the approval and vesting order issued by the Court approving this Agreement and the Transaction and conveying to the Purchaser the Purchased Assets free and clear of all Encumbrances other than the Permitted Encumbrances, which order shall be in a form substantively similar to the draft order attached as Schedule “B” hereto, with such modifications and amendments to such form as may be approved by the Receiver and the Purchaser, each acting reasonably;

“**Assignable Assets**” has the meaning given in Section 3.1(c);

“**Assumption Agreement**” has the meaning given in Section 15.10;

“**Books and Records**” means the files, documents, instruments, surveys, papers, books and records (whether stored or maintained in hard copy, digital or electronic format or otherwise) pertaining to the Purchased Assets that have been or will be delivered by the Receiver to the Purchaser at or before Closing; provided, however, that Books and Records shall not include any bank or accounting records;

“**Business**” means the business carried on by the Debtor with respect to the development and management of the Property;

“**Business Day**” means a day on which banks are open for business in the City of Toronto, but does not include a Saturday, Sunday or statutory holiday in the Province of Ontario;

“**Claims**” means any and all claims, demands, complaints, grievances, actions, applications, suits, causes of action, orders, charges, indictments, prosecutions or other similar processes, assessments or reassessments, judgments, debts, liabilities, expenses, costs, damages or losses, contingent or otherwise, whether liquidated or unliquidated, matured or unmatured, disputed or undisputed, contractual, legal or equitable, including loss of value, professional fees, including solicitor and client costs and disbursements, and all costs incurred in investigating or pursuing any of the foregoing or any proceeding relating to any of the foregoing, related to the Purchased Assets or the Debtor, and “**Claim**” means any one of them;

“**Closing**” means the successful completion of the Transaction;

“**Closing Date**” means the first Business Day which is ten (10) days after the date on which the Approval and Vesting Order is issued by the Court, or, if the Parties agree, such other date as agreed in writing by the Parties;

“**Consents and Approvals**” means the consents and approvals of all relevant third parties with respect to the Transaction, if any;

“**Contracts**” means all of the contracts, licences, agreements, obligations, promises, undertakings, understandings, arrangements, documents, commitments, entitlements and engagements to which the Debtor is a party and which relate to the Business;

“**Court**” has the meaning set out in the recitals;

“**Debtor**” has the meaning set out in the recitals;

“**Deposit**” has the meaning given in Section 4.2;

“**Encumbrances**” means all liens, charges, security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, Levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise;

“**ETA**” means the *Excise Tax Act*, R.S.C. 1985, c. E-15, as amended;

“**Excluded Assets**” means the Receiver’s and the Debtor’s right, title and interest in and to any asset of the Receiver and the Debtor other than the Purchased Assets, which Excluded Assets include the Receiver’s and the Debtor’s right, title and interest in and to the following:

- (a) original tax records and books and records pertaining thereto, minute books, corporate seals, taxpayer and other identification numbers and other documents relating to the organization, maintenance and existence of the Debtor that do not relate exclusively or primarily to any of the Purchased Assets;
- (b) the benefit of any refundable Taxes payable or paid by the Debtor in respect of the Purchased Assets and applicable to the period prior to the Closing Date net of any amounts withheld by any taxing authority, and any claim or right of the Debtor to any refund, rebate, or credit of Taxes for the period prior to the Closing Date; and
- (c) the Contracts;

“**Excluded Liabilities**” has the meaning given in Section 3.3;

“**Governmental Authorities**” means governments, regulatory authorities, governmental departments, agencies, commissions, bureaus, officials, ministers, Crown corporations, courts, bodies, boards, tribunals or dispute settlement panels or other law or regulation-making organizations or entities: (a) having or purporting to have jurisdiction on behalf of any nation, province, republic, territory, state or other geographic or political subdivision thereof, including, without limitation, any municipality in which the Property is located; or (b) exercising, or entitled or purporting to exercise any administrative, executive, judicial, legislative, policy,

regulatory or taxing authority or power, and **“Governmental Authority”** means any one of them;

“HST” means harmonized sales tax imposed under Part IX of the ETA;

“HST Certificate” has the meaning given in Section 5.1;

“ITA” means the *Income Tax Act*, R.S.C. 1985, c.1, as amended;

“Notice” has the meaning given in Section 15.3;

“Parties” means the Receiver and the Purchaser and **“Party”** means either one of them;

“Permits” means all the authorizations, registrations, permits, certificates of approval, approvals, consents, commitments, rights or privileges issued, granted or required by any Governmental Authority in respect of the Property;

“Permitted Encumbrances” means all those Encumbrances described in Schedule “C” hereto;

“Person” means any individual, partnership, limited partnership, limited liability company, joint venture, syndicate, sole proprietorship, company or corporation with or without share capital, unincorporated association, trust, trustee, executor, administrator or other legal personal representative, Governmental Authority or other entity however designated or constituted;

“Property” means the real property located at the southeast corner of Thickson Road and Conlin Road, Whitby, Ontario and legally described in Schedule “A” hereto, together with all rights and benefits appurtenant thereto;

“Property Tax Refund” has the meaning set out in Section 4.5;

“Purchase Price” has the meaning set out in Section 4.1;

“Purchased Assets” means all the right, title and interest, if any, of the Debtor in and to the following:

- (a) the Property;
- (b) the full benefit of any and all prepaid expenses or deposits with any Person, public utility or Governmental Authority relating to the Property; and
- (c) the Permits, but only to the extent transferable to the Purchaser or the Purchaser’s permitted assignees.

provided, however, that the Purchased Assets shall not include the Excluded Assets or the Excluded Liabilities;

“Purchaser” has the meaning set out in the recitals;

“Receiver” has the meaning set out in the recitals;

“**Receiver’s Solicitors**” means Bennett Jones LLP;

“**Receivership Order**” has the meaning set out in the recitals;

“**Rights**” has the meaning given in Section 3.1(c), but only has such meaning in such Section;

“**Taxes**” means all taxes, HST, land transfer taxes, charges, fees, levies, imposts and other assessments, including all income, sales, use, goods and services, harmonized, value added, capital, capital gains, alternative, net worth, transfer, profits, withholding, excise, real property and personal property taxes, and any related interest, fines and penalties, imposed by any Governmental Authority, and whether disputed or not;

“**Third Party**” has the meaning given in Section 3.1(c); and

“**Transaction**” means the transaction of purchase and sale contemplated by this Agreement.

ARTICLE 2
SCHEDULES

2.1 Schedules

The following schedules are incorporated in and form part of this Agreement:

<u>Schedule</u>	<u>Description</u>
Schedule A	Legal Description of the Property
Schedule B	Form of Approval and Vesting Order
Schedule C	Permitted Encumbrances

ARTICLE 3
AGREEMENT TO PURCHASE

3.1 Purchase and Sale of Purchased Assets

- (a) Relying on the representations and warranties herein, the Receiver hereby agrees to sell, assign, convey and transfer to the Purchaser, and the Purchaser hereby agrees to purchase, the Purchased Assets, free and clear of all Encumbrances, other than the Permitted Encumbrances.
- (b) Subject to the Closing, the Receiver hereby remises, releases and forever discharges to, and in favour of, the Purchaser, all of its rights, Claims, interests and demands, past or present, whether known or unknown, fixed or contingent or otherwise, whatsoever in the Purchased Assets.
- (c) This Agreement or any document delivered in connection with this Agreement shall not constitute an assignment of any rights, benefits or remedies (in this Section 3.1(c), collectively, the “**Rights**”) under any Permits or Consents and

Approvals (collectively, the “**Assignable Assets**”) that form part of the Purchased Assets and which are not assignable by the Receiver to the Purchaser without the required consent of the other party or parties thereto or a Governmental Authority (collectively, the “**Third Party**”). To the extent any such consent is required and not obtained by the Receiver prior to the Closing Date, then, to the extent permitted by Applicable Law:

- (i) the Receiver will, at the request, direction and sole cost of the Purchaser, acting reasonably, assist the Purchaser, in a timely manner and using commercially reasonable efforts, in applying for and obtaining all consents or approvals required under the Assignable Assets in a form satisfactory to the Receiver and the Purchaser, acting reasonably;
- (ii) the Receiver will only deal with or make use of such Rights in accordance with the directions of the Purchaser;
- (iii) at the Purchaser’s sole cost, the Receiver will use its commercially reasonable efforts to take such actions and do such things as may be reasonably and lawfully designed to provide the benefits of the Assignable Assets to the Purchaser, including holding those Assignable Assets in trust for the benefit of the Purchaser or acting as agent for the Purchaser pending such assignment; and
- (iv) in the event that the Receiver receives funds with respect to those Assignable Assets, the Receiver will promptly pay over to the Purchaser all such funds collected by the Receiver, net of any outstanding costs directly related to the assignment in respect of such Assignable Assets.

The provisions of this Section 3.1 shall not merge but shall survive the completion of the Transaction. Notwithstanding the forgoing, nothing herein shall prohibit the Receiver, in its sole, absolute and unfettered discretion, from seeking to be discharged as receiver of the Debtor at any time after Closing. The Parties hereby acknowledge and agree that the covenants of the Receiver contained in this Section 3.1 shall terminate concurrently with the discharge of the Receiver as receiver of the Debtor.

3.2 Excluded Assets

Notwithstanding anything else in this Agreement, the Purchased Assets shall not include the Excluded Assets.

3.3 Excluded Liabilities

With the sole exception of the Permitted Encumbrances, the Purchaser is not assuming, and shall not be deemed to have assumed any liabilities, obligations or commitments of the Debtor or the Receiver or of any other Person, whether known or unknown, fixed or contingent or otherwise, including any debts, obligations, sureties, positive or negative covenants or other liabilities directly or indirectly arising out of or resulting from the conduct or operation of the Business or the Debtor’s ownership or interest therein, whether pursuant to this Agreement or as a result of

the Transaction (collectively, the “**Excluded Liabilities**”). For greater certainty, the Excluded Liabilities shall include, but not be limited to, the following:

- (a) except as otherwise agreed in this Agreement, all Taxes payable by the Debtor or the Receiver arising with respect to any period prior to the Closing Date and all Taxes payable relating to any matters or assets other than the Purchased Assets;
- (b) except as otherwise agreed in this Agreement, any liability, obligation or commitment associated with: (i) the Accounts Payable and incurred prior to Closing; or (ii) any employees or contractors of the Debtor;
- (c) any liability, obligation or commitment resulting from an Encumbrance that is not a Permitted Encumbrance;
- (d) any liability, obligation or commitment associated with any of the Excluded Assets; and
- (e) except as otherwise agreed in this Agreement, any liability, obligation or commitment in respect to Claims arising from or in relation to any facts, circumstances, events or occurrences existing or arising prior to the Closing Date.

ARTICLE 4
PURCHASE PRICE AND SATISFACTION OF PURCHASE PRICE

4.1 Purchase Price

[REDACTED]

GH

The purchase price for the Purchased Assets shall be [•] dollars (\$[•]) (the “**Purchase Price**”).

4.2 Deposit

[REDACTED]

GH

Within two (2) Business Days after execution of this Agreement by the Receiver as indicated on the last page of this Agreement, the Purchaser shall pay to the Receiver’s Solicitors, in trust, in a non-interest bearing account, a deposit by wire or certified cheque of [•] dollars (\$[•]) (the “**Deposit**”) [NTD: **The Deposit must be at least 15% of the Purchase Price**], which such Deposit shall be held in accordance with the provisions of this Agreement pending completion of the Transaction or other termination of this Agreement, and shall be applied against and towards the Purchase Price due on completion of the Transaction on the Closing Date.

4.3 Satisfaction of Purchase Price

The Purchaser shall indefeasibly pay and satisfy the Purchase Price as follows:

- (a) the Deposit shall be applied against the Purchase Price; and
- (b) the balance of the Purchase Price, subject to adjustments contained in this Agreement, shall be paid by wire or certified cheque on Closing by the Purchaser or the Purchaser’s solicitors to the Receiver’s Solicitors.

GH

4.4 Adjustment of Purchase Price

- (a) The Purchase Price shall be adjusted as of 11:59 p.m. on the day prior to the Closing Date, in a manner and amount to be agreed upon by the Parties, acting reasonably, for any and all operating costs, property Taxes, current and prepaid rents, security deposits and utilities, including any interest thereon in each case, and any other items which are usually adjusted in purchase transactions involving assets similar to the Purchased Assets in the context of a receivership sale. The Receiver shall prepare a statement of adjustments and deliver same with all supporting documentation to the Purchaser for its approval by no later than three (3) Business Days prior to the Closing Date. If the amount of any adjustments required to be made pursuant to this Agreement cannot be reasonably determined as of the Closing Date, an estimate shall be agreed upon by the Parties as of the Closing Date based upon the best information available to the Parties at such time, each Party acting reasonably, and such estimate shall serve as a final determination. Notwithstanding any other term in this Agreement, in no event shall the Purchaser be responsible for any charges, fees, Taxes, costs or other adjustments in any way relating to the period prior to the Closing Date or relating to any matters or assets other than the Purchased Assets for the period from and after the Closing Date.

- (b) Other than as provided for in this Section 4.4 and Section 4.5 there shall be no adjustments to the Purchase Price.

4.5 Property Tax Refunds and Rebates

Any refund or rebate of property Taxes relating to the Property in respect of the period prior to the Closing Date (each a “**Property Tax Refund**”) will remain the property of the Receiver. To the extent the Purchaser receives payment or credit on account of any Property Tax Refund, the Purchaser shall hold such amount in trust for the Receiver, endorse such amount (without recourse) in favour of the Receiver and immediately deliver such amounts to the Receiver. Any refund or rebate of property Taxes relating to the Property in respect of the period from and after the Closing Date will be the property of the Purchaser. To the extent the Receiver receives payment of any such amount, the Receiver shall hold such amount in trust for the Purchaser, endorse such payment (without recourse) in favour of the Purchaser and immediately deliver such payments to the Purchaser.

ARTICLE 5 TAXES

5.1 Taxes

The Purchaser shall be responsible for all federal and provincial sales taxes, land transfer tax, good and services, HST and other similar taxes and duties and all registration fees payable upon or in connection with the conveyance or transfer of the Purchased Assets to the Purchaser. If the sale of the Purchased Assets is subject to HST, then such tax shall be in addition to the Purchase Price. The Receiver will not collect HST if the Purchaser provides to the Receiver a certificate

(the "HST Certificate"), at least five (5) Business Days prior to Closing, confirming that the Purchaser (i) is registered under the ETA, including a copy of the required ETA registration; (ii) is buying the Property for its own account and not on behalf of any other Person; (iii) shall self-assess and remit the HST payable and file the prescribed form; and (iv) shall indemnify the Receiver in respect of any HST payable in relation to the Transaction. The foregoing warranties shall not merge but shall survive the completion of the Transaction.

ARTICLE 6
CLOSING ARRANGEMENTS

6.1 Closing

Subject to the conditions set out in this Agreement, the Transaction shall close and be completed on the Closing Date. The Parties agree that the Closing shall in all respects follow the usual procedure for closing real estate transactions with title insurance in the Province of Ontario, subject to any requirements imposed by the Court.

6.2 Tender

Any tender of documents or money under this Agreement may be made upon the Parties or their respective solicitors, and money shall be tendered by wire transfer of immediately available funds to the account specified by the receiving Party.

6.3 Receiver's Closing Deliverables

The Receiver covenants to execute, where applicable, and deliver the following to the Purchaser on or before the Closing Date or on such other date as expressly provided herein:

- (a) a copy of the issued Approval and Vesting Order and the attached Receiver's Certificate;
- (b) a statement of adjustments prepared in accordance with Section 4.4, to be delivered not less than five (5) Business Days prior to the Closing Date;
- (c) to the extent applicable, an assignment and assumption agreement for all Permits, Consents and Approvals pertaining to the Property (to the extent assignable) relating to the period from and after the Closing Date and, to the extent not assignable, an agreement that the Receiver will hold same in trust for the Purchaser in accordance with the provisions of Section 3.1(c);
- (d) a certificate from the Receiver, dated as of the Closing Date, certifying that:
 - (i) except as disclosed in the certificate, the Receiver has not been served with any notice of appeal with respect to the Approval and Vesting Order, or any notice of any application, motion or proceedings seeking to set aside or vary the Approval and Vesting Order or to enjoin, restrict or prohibit the Transaction; and

- (ii) all representations, warranties and covenants of the Receiver contained in this Agreement are true and have been complied with as of the Closing Date, with the same effect as though made on and as of the Closing Date; and
- (e) such further documentation relating to the completion of the Transaction as shall be otherwise referred to herein or required by the Purchaser, acting reasonably, Applicable Law or any Government Authority.

6.4 Purchaser's Closing Deliverables

The Purchaser covenants to execute, where applicable, and deliver the following to the Receiver on or before the Closing Date or on such other date as expressly provided herein:

- (a) the indefeasible payment and satisfaction in full of the Purchase Price in accordance with Section 4.4;
- (b) an assignment and assumption agreement for all Permits, and Consents and Approvals pertaining to the Property (to the extent assignable) relating to the period from and after the Closing Date, and to the extent not assignable, an agreement that the Receiver will hold same in trust for the Purchaser in accordance with the provisions of Section 3.1(c);
- (c) a certificate from the Purchaser, dated as of the Closing Date, certifying that all representations, warranties and covenants of the Purchaser contained in this Agreement are true and have been complied with as of the Closing Date, with the same effect as though made on and as of the Closing Date;
- (d) if necessary, payment or evidence of payment of HST applicable to the Purchased Assets or, if applicable, the HST Certificate;
- (e) a copy of the title insurance policy obtained by the Purchaser in accordance with Section 6.6; and
- (f) such further documentation relating to the completion of the Transaction as shall be otherwise referred to herein or required by the Receiver, acting reasonably, Applicable Law or any Government Authority.

6.5 Receiver's Certificate

Upon receipt of written confirmation from the Purchaser that all of the conditions contained in Section 7.3 have been satisfied or waived by the Purchaser, and upon satisfaction or waiver by the Receiver of all of the conditions contained in Section 7.1, the Receiver shall forthwith deliver to the Purchaser the Receiver's Certificate comprising Schedule "A" of the Approval and Vesting Order, and shall file same with the Court.

6.6 Title Insurance

The Purchaser shall obtain title insurance coverage for the Property with a reputable title insurance provider in order to allow for the unconditional release of the Purchase Price on the Closing Date, notwithstanding that the Approval and Vesting Order may not be registered against title to the Property as at such date. The Receiver shall use commercially reasonable efforts to assist the Purchaser in obtaining such title insurance coverage. The cost of obtaining any title insurance in connection with the purchase of the Property shall be at the sole cost of the Purchaser.

ARTICLE 7 **CONDITIONS PRECEDENT TO CLOSING**

7.1 Conditions in Favour of the Receiver

The obligation of the Receiver to complete the Transaction is subject and conditional to the satisfaction of the following conditions on or before the Closing Date:

- (a) all the representations and warranties of the Purchaser contained in this Agreement shall be true and correct in all material respects on the Closing Date;
- (b) all the covenants of the Purchaser contained in this Agreement to be performed on or before the Closing Date shall have been duly performed by the Purchaser;
- (c) the Purchaser shall have complied with all the terms contained in this Agreement applicable to the Purchaser prior to the Closing Date;
- (d) there shall be no Claim, litigation or proceedings pending or threatened or order issued by a Governmental Authority against either of the Parties, or involving any of the Purchased Assets for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that such completion is improper; and
- (e) the Court shall have issued the Approval and Vesting Order.

7.2 Conditions in Favour of Receiver Not Fulfilled

If any of the conditions contained in Section 7.1 are not fulfilled on or prior to the Closing Date, so long as such non-fulfilment was not caused by the Receiver's failure to act in good faith or to use its best efforts to fulfil the aforesaid conditions and cause the Closing to occur, and such non-fulfillment is not directly or indirectly as a result of any action or omission of the Receiver, then the Receiver may, at its sole discretion (other than as stipulated below), and without limiting any rights or remedies available to it at law or in equity:

- (a) terminate this Agreement by Notice to the Purchaser, in which event the Receiver shall be released from its obligations under this Agreement to complete the Transaction (other than those obligations which are expressly stated to survive termination of this Agreement); or

- (b) waive compliance with any such condition without prejudice to the right of termination in respect of the non-fulfillment of any other condition.

7.3 Conditions in Favour of the Purchaser

The obligation of the Purchaser to complete the Transaction is subject and conditional to the satisfaction of the following conditions on or before the Closing Date:

- (a) all the representations and warranties of the Receiver contained in this Agreement shall be true and correct in all material respects on the Closing Date;
- (b) all the covenants of the Receiver under this Agreement to be performed on or before the Closing Date shall have been duly performed by the Receiver;
- (c) the Receiver shall have complied with all the terms contained in this Agreement applicable to the Receiver prior to the Closing Date;
- (d) there shall be no Claim, litigation or proceedings pending or threatened or order issued by a Governmental Authority against either of the Parties, or involving any of the Purchased Assets for the purpose of enjoining, preventing or restraining the completion of the Transaction or otherwise claiming that such completion is improper; and
- (e) the Court shall have issued the Approval and Vesting Order.

7.4 Conditions in Favour of Purchaser Not Fulfilled

If any of the conditions contained in Section 7.3 are not fulfilled on or prior to the Closing Date, so long as such non-fulfilment was not caused by the Purchaser's failure to act in good faith or to use its best efforts to fulfil the aforesaid conditions and not caused by the Purchaser's failure to cause the Closing to occur, and any such non-fulfillment is not directly or indirectly as a result of any action or omission of the Purchaser, then the Purchaser may, in its sole discretion and without limiting its rights or remedies available at law or in equity:

- (a) terminate this Agreement by Notice to the Receiver, in which event the Purchaser and the Receiver shall be released from their obligations under this Agreement to complete the Transaction; or
- (b) waive compliance with any such condition without prejudice to the right of termination in respect of the non-fulfillment of any other condition.

ARTICLE 8

REPRESENTATIONS & WARRANTIES OF THE RECEIVER

The Receiver represents and warrants to the Purchaser as follows, with the knowledge and expectation that the Purchaser is placing complete reliance thereon and, but for such representations and warranties, the Purchaser would not have entered into this Agreement:

- (a) the Receiver has all necessary power and authority to enter into this Agreement and to carry out its obligations hereunder. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary action on the part of the Receiver, subject to the Approval and Vesting Order. This Agreement is a valid and binding obligation of the Receiver enforceable in accordance with its terms;
- (b) the Receiver has been duly appointed as the receiver of the Property, with the full right, power and authority to enter into this Agreement, perform its obligations hereunder and convey the Purchased Assets; and
- (c) the Receiver is not a non-resident of Canada for the purposes of the ITA;

ARTICLE 9
REPRESENTATIONS & WARRANTIES OF THE PURCHASER

The Purchaser represents and warrants to the Receiver as follows, with the knowledge and expectation that the Receiver is placing complete reliance thereon and, but for such representations and warranties, the Receiver would not have entered into this Agreement:

- (a) the Purchaser is a corporation duly formed and validly subsisting under the laws of the Province of [ONTARIO].
- (b) the Purchaser has all necessary corporate power and authority to enter into this Agreement and to carry out its obligations hereunder. Neither the execution of this Agreement nor the performance by the Purchaser of the Transaction will violate the Purchaser's constating documents, any agreement to which the Purchaser is bound, any judgment or order of a court of competent jurisdiction or any Government Authority, or any Applicable Law. The execution and delivery of this Agreement and the consummation of the Transaction have been duly authorized by all necessary corporate action on the part of the Purchaser. This Agreement is a valid and binding obligation of the Purchaser enforceable in accordance with its terms;
- (c) the Purchaser is or will be a registrant under Part IX of the ETA on the Closing Date;
- (d) the Purchaser has not committed an act of bankruptcy, is not insolvent, has not proposed a compromise or arrangement to its creditors generally, has not had any application for a bankruptcy order filed against it, has not taken any proceeding and no proceeding has been taken to have a receiver appointed over any of its assets, has not had an encumbrancer take possession of any of its property and has not had any execution or distress become enforceable or levied against any of its property;
- (e) there is no suit, action, litigation, arbitration proceeding or governmental proceeding, including appeals and applications for review, in progress, pending or, to the best of the Purchaser's knowledge, threatened against or relating to the

Purchaser or any judgment, decree, injunction, rule or order of any court, governmental department, commission, agency, instrumentality or arbitrator which, in any case, might adversely affect the ability of the Purchaser to enter into this Agreement or to consummate the Transaction, and the Purchaser is not aware of any existing ground on which any such action, suit or proceeding may be commenced with any reasonable likelihood of success.

ARTICLE 10
COVENANTS

10.1 Mutual Covenants

Each of the Receiver and the Purchaser hereby covenants and agrees that, from the date hereof until Closing, each shall take all such actions as are necessary to have the Transaction approved in the Approval and Vesting Order on substantially the same terms and conditions as are contained in this Agreement, and to take all commercially reasonable actions as are within its power to control, and to use its commercially reasonable efforts to cause other actions to be taken which are not within its power to control, so as to ensure compliance with each of the conditions set forth in Article 7 and to consummate the Transaction.

10.2 Receiver Covenants

The Receiver hereby covenants and agrees that, from the date hereof until Closing, it shall use commercially reasonable efforts to provide to the Purchaser all necessary information in respect of the Debtor and the Purchased Assets reasonably required to complete the applicable tax elections in accordance with Article 5 and to execute all necessary forms related thereto.

10.3 Purchaser Covenants

The Purchaser hereby covenants and agrees that, from the date hereof until Closing, it shall take all such actions as are necessary to provide to the Receiver all necessary information in respect of the Purchaser reasonably required to complete, if necessary, the applicable tax elections in accordance with Article 5 and to execute all necessary forms related thereto.

ARTICLE 11
POSSESSION AND ACCESS PRIOR TO CLOSING

11.1 Possession of Purchased Assets

The Receiver shall remain in possession of the Purchased Assets until the Closing Date, at which time the Purchaser shall take possession of the Purchased Assets where situated. In no event shall the Purchased Assets be sold, assigned, conveyed or transferred to the Purchaser until all the conditions set out in this Agreement and the Approval and Vesting Order have been satisfied or waived and the Purchaser has satisfied or the Receiver has waived all the delivery requirements outlined in Section 7.1.

11.2 Examination of Title and Access to the Purchased Assets

- (a) The Purchaser and its agents and representatives may have reasonable access to the Property during normal business hours in the period prior to the Closing Date for the purpose of enabling the Purchaser, at its sole cost and expense (regardless of results), to conduct such non-destructive, non-invasive inspections of the Property as it deems appropriate. The Purchaser agrees that such tests and inspections shall not include any tests or inspections by any Governmental Authorities and specifically acknowledges and agrees that it shall not request or, through its actions, prompt or cause any tests or inspections to be made by any Governmental Authorities. Such inspection may, if the Receiver so desires, be conducted in the presence of a representative of the Receiver.
- (b) The Purchaser covenants and agrees to repair or pay the costs to repair any damage occasioned during or resulting from the inspection of the Property conducted by the Purchaser or its authorized representatives, as outlined above, and to return the Property to substantially the condition same was in prior to such inspections. The Purchaser covenants and agrees to indemnify and save the Receiver harmless from and against all losses, costs, claims, third party claims, damages, expenses (including actual legal costs) which the Receiver may suffer as a result of the inspection of the Property conducted by the Purchaser or its authorized representatives, as outlined above.

11.3 Risk, Damage and Destruction, and Expropriation

- (a) The Purchased Assets shall be and remain at the risk of the Receiver until Closing and at the risk of the Purchaser from and after Closing.
- (b) If, prior to Closing, the Purchased Assets are substantially damaged or destroyed by fire, casualty or otherwise, then, at its option, the Purchaser may decline to complete the Transaction. Such option shall be exercised within fifteen (15) calendar days after notification to the Purchaser by the Receiver of the occurrence of such damage or destruction (or prior to the Closing Date if such occurrence takes place within fifteen (15) calendar days prior to the Closing Date), in which event this Agreement shall be terminated automatically. If the Purchaser does not exercise such option, it shall complete the Transaction and shall be entitled to an assignment of any proceeds of insurance referable to such damage or destruction. Where any damage or destruction is not substantial, the Purchaser shall complete the Transaction and shall be entitled to an assignment of any proceeds of insurance referable to such damage or destruction. For the purposes of this Section 11.3(b), substantial damage or destruction shall be deemed to have occurred if the loss or damage to the Purchased Assets exceeds fifteen percent (15%) of the total Purchase Price (inclusive of the Deposit).
- (c) If, prior to the Closing Date, all or a material part of the Property is expropriated or a notice of expropriation or intent to expropriate all or a material part of the Property is issued by any Governmental Authority, the Receiver shall

immediately advise the Purchaser thereof by Notice in writing. The Purchaser shall, by Notice in writing given within three (3) Business Days after the Purchaser receives Notice in writing from the Receiver of such expropriation, elect to either: complete the Transaction in accordance with the terms hereof without reduction of the Purchase Price, and all compensation for expropriation shall be payable to the Purchaser and all right, title and interest of the Receiver or Debtor to such amounts, if any, shall be assigned to the Purchaser on a without recourse basis; or terminate this Agreement and not complete the Transaction, in which case all rights and obligations of the Receiver and the Purchaser (except for those obligations which are expressly stated to survive the termination of this Agreement) shall terminate, and the Deposit shall be returned to the Purchaser forthwith.

ARTICLE 12
AS IS, WHERE IS AND ASSUMPTION OF LIABILITIES

12.1 Condition of the Purchased Assets

The Purchaser acknowledges and agrees that:

- (a) that the Receiver is selling and the Purchaser is purchasing the Purchased Assets on an “*as is, where is*” and “*without recourse*” basis as the Purchased Assets shall exist on the Closing Date, including, without limitation, whatever defects, conditions, impediments, hazardous materials or deficiencies exist on the Closing Date, whether patent or latent;
- (b) it has entered into this Agreement on the basis that neither the Receiver nor the Debtor has guaranteed or will guarantee title to or marketability, use or quality of the Purchased Assets, that the Purchaser will conduct such inspections of the condition and title to the Purchased Assets as it deems appropriate and will satisfy itself with regard to these matters;
- (c) all documents and information provided or made available to it by the Receiver (including, without limitation, its employees, agents and representatives) are for reference only and that the Purchaser has not relied on any such documents and information in entering into this Agreement;
- (d) that no representation, warranty or condition is expressed or can be implied as to title, encumbrance, description, fitness for purpose, environmental compliance, merchantability, condition or quality, or in respect of any other matter or thing whatsoever concerning the Purchased Assets, or the right of the Receiver to sell, assign, convey or transfer same, save and except as expressly provided in this Agreement;
- (e) without limiting the generality of the foregoing, any and all conditions, warranties or representations expressed or implied pursuant to the *Sale of Goods Act*, R.S.O. 1990, c S-1, do not apply hereto and/or have been waived by the Purchaser;

- (f) the description of the Purchased Assets contained in this Agreement is for the purpose of identification only and no representation, warranty or condition has or will be given by the Receiver concerning the accuracy of such description; and
- (g) except as otherwise expressly provided for in this Agreement, the Receiver will have no obligations or responsibility to the Purchaser after the Closing Date with respect to any matter relating to the Purchased Assets or the condition thereof.

12.2 Assumption of Liabilities

The Purchaser shall assume, fulfill, perform and be responsible for all liabilities and obligations of any kind relating to the Purchased Assets in respect of the period from and after the Closing Date and the Purchaser shall indemnify and save harmless the Receiver and its directors, officers, servants, agents and employees in respect of all Claims which may be brought against or suffered by the Receiver, its directors, officers, servants, agents or employees or which any of them may suffer, sustain, pay or incur as a result of any matter or thing arising out of, or resulting from, attributable to or connected with or relating to the Purchased Assets in respect of the period from and after the Closing Date. The covenants and agreements to indemnify made by the Purchaser in this Section 12.2 shall survive Closing and not be subject to any limitation periods.

ARTICLE 13
POST-CLOSING MATTERS

13.1 Books and Records

The Purchaser shall keep and maintain the Books and Records for a period of two (2) years from the Closing Date, or for any longer period as may be required by Applicable Law or Governmental Authority or as requested by the Receiver. Upon reasonable advance notice, during such two (2) year period after the Closing Date, the Purchaser will grant the Receiver and the Debtor and, in the event the Debtor is adjudged bankrupt, any trustee of the estate of the Debtor and their respective representatives, reasonable access during normal business hours to use and copy the Books and Records at the sole cost of the Receiver or bankruptcy trustee of the estate of the Debtor, as the case may be, and at no cost to the Purchaser.

ARTICLE 14
TERMINATION

14.1 Termination of this Agreement

This Agreement may be validly terminated:

- (a) upon the mutual written agreement of the Parties;
- (b) pursuant to Section 7.2 by the Receiver;
- (c) pursuant to Section 7.4 by the Purchaser;
- (d) pursuant to Section 11.3;

- (e) by either of the Parties, in writing to the other, if the Approval and Vesting Order is not issued by the Court on or before [DECEMBER 11, 2024.] GH NVG
- (f) automatically, should Closing have not occurred prior to the discharge of the Receiver as the receiver of the Purchased Assets, unless the Receiver's interest in this Agreement has been assigned prior to (or as part of) the Receiver's discharge.

14.2 Remedies for Breach of Agreement

If this Agreement is terminated as a result of any breach of a representation, warranty, covenant or obligation of the Receiver, the Purchaser shall be entitled to the return of the Deposit without deduction, which shall be returned to the Purchaser forthwith, and this shall be the Purchaser's sole right and remedy pursuant to this Agreement or at law as a result of the Receiver's breach. If this Agreement is terminated as a result of a breach of a representation, warranty, covenant or obligation of the Purchaser, the Deposit shall be forfeited to the Receiver as liquidated damages and not as a penalty, which the Parties agree such Deposit is a genuine estimate of the liquidated damages that the Receiver would suffer in such circumstances, and this shall be the Receiver's sole right and remedy pursuant to this Agreement or at law as a result of the Purchaser's breach.

14.3 Termination If No Breach of Agreement

If this Agreement is terminated other than as a result of a breach of a representation, warranty, covenant or obligation of a Party, then the following shall apply:

- (a) the Parties shall be released from all obligations and liabilities hereunder, except those that survive the termination of this Agreement;
- (b) the Deposit shall be returned to the Purchaser forthwith, without deduction; and
- (c) neither Party shall have any right to specific performance, to recover damages or expenses or to any other remedy (legal or equitable) or relief other than as expressly provided herein.

ARTICLE 15 **GENERAL CONTRACT PROVISIONS**

15.1 Further Assurances

From time to time after Closing, each of the Parties shall execute and deliver such further documents and instruments and do such further acts and things as may be required or useful to carry out the intent and purpose of this Agreement and which are not inconsistent with the terms hereof, including, at the Purchaser's request and expense, the Receiver shall execute and deliver such additional conveyances, transfers and other assurances as may, in the opinion of the Parties or their counsel, acting reasonably, be reasonably required to effectually carry out the intent of this Agreement and transfer the Purchased Assets to the Purchaser.

15.2 Survival Following Completion

Notwithstanding any other provision of this Agreement, Article 8, Article 9, Section 14.2 and Section 14.3 shall survive the termination of this Agreement and the completion of the Transaction, provided, however, that upon the discharge of the Receiver, the Parties' respective obligations by reason of this Agreement shall end completely and they shall have no further or continuing obligations by reason thereof.

15.3 Notice

All notices, requests, demands, waivers, consents, agreements, approvals, communications or other writings required or permitted to be given hereunder or for the purposes hereof (each, a "Notice") shall be in writing and be sufficiently given if personally delivered, sent by prepaid registered mail or transmitted by email, addressed to the Party to whom it is given, as follows:

- (a) to the Receiver:

KSV Restructuring Inc.
220 Bay Street, Suite 1300
Toronto, ON M5H 1J9

Attention: Noah Goldstein / Jordan Wong
Tel: (416) 932-6207 / (416) 932-6025
Email: ngoldstein@ksvadvisory.com / jwong@ksvadvisory.com

and a copy to the Receiver's Solicitor:

Bennett Jones LLP
3400 One First Canadian Place
Toronto, ON M5X 1A5

Attention: Sean Zweig / John van Gent / Aiden Nelms
Tel: (416) 777-6254 / (416) 777-6522 / (416) 777-4642
Email: zweigs@bennettjones.com / vangentj@bennettjones.com / nelmsa@bennettjones.com

- (b) to the Purchaser:

[•]1001024143 ONTARIO INC.

Attention: [•] GRAHAM HALLEY
Tel: [•] 905-261-1914
Email: [•] Ghalleyemp@gmail.com

and a copy to the Purchaser's counsel:

[•]



Attention: [•]
Tel: [•]
Email: [•]

or such other address of which Notice has been given. Any Notice mailed as aforesaid will be deemed to have been given and received on the third (3rd) Business Day following the date of its mailing. Any Notice personally delivered will be deemed to have been given and received on the day it is personally delivered, provided that if such day is not a Business Day, the Notice will be deemed to have been given and received on the Business Day next following such day. Any Notice transmitted by email will be deemed given and received on the first (1st) Business Day after its transmission.

If a Notice is mailed and regular mail service is interrupted by strike or other irregularity on or before the fourth (4th) Business Day after the mailing thereof, such Notice will be deemed to have not been received unless otherwise personally delivered or transmitted by email.

15.4 Waiver

No Party will be deemed or taken to have waived any provision of this Agreement unless such waiver is in writing and such waiver will be limited to the circumstance set forth in such written waiver.

15.5 Consent

Whenever a provision of this Agreement requires an approval or consent and such approval or consent is not delivered within the applicable time limit or the requirement for such consent is not required pursuant to the terms of the Approval and Vesting Order, then, unless otherwise specified, the Party whose consent or approval is required shall be conclusively deemed to have withheld its approval or consent.

15.6 Governing Law

This Agreement will be governed by and construed in accordance with the laws of the Province of Ontario and the laws of Canada applicable therein. The Parties irrevocably attorn to the jurisdiction of the Ontario Superior Court of Justice (Commercial List) in Toronto. The Parties consent to the exclusive jurisdiction and venue of the Court for the resolution of any disputes among them.

15.7 Entire Agreement

This Agreement constitutes the entire agreement between the Parties and supersedes all prior agreements and understandings between the Parties. There are not and will not be any verbal statements, representations, warranties, undertakings or agreements between the Parties. This Agreement may not be amended or modified in any respect except by written instrument signed by the Parties. The recitals herein are true and accurate, both in substance and in fact.

15.8 Time of the Essence

Time will be of the essence, provided that if the Parties establish a new time for the performance of an obligation, time will again be of the essence of the new time established.

15.9 Time Periods

Unless otherwise specified, time periods within or following which any payment is to be made or act is to be done shall be calculated by excluding the day on which the period commences and including the day on which the period ends and by extending the period to the next Business Day following if the last day of the period is not a Business Day.

15.10 Assignment

This Agreement will enure to the benefit of and be binding on the Parties and their respective heirs, executors, legal and personal administrators, successors and permitted assigns. The Purchaser may not assign this Agreement without the Receiver's prior written approval, which approval shall be in the Receiver's sole, absolute and unfettered discretion. Notwithstanding the foregoing, the Purchaser shall only have until the granting of the Approval and Vesting Order to direct that title to the Purchased Assets be taken in the name of another person, entity, joint venture, partnership or corporation (presently in existence or to be incorporated prior to the Closing Date) provided that (a) such person, entity, joint venture, partnership or corporation shall, in writing, agree, prior to the date of the granting of the Approval and Vesting Order, to assume and be bound by the terms and conditions of this Agreement (the "**Assumption Agreement**") and a copy of such Assumption Agreement is delivered to the Receiver forthwith after having been entered into, in which case the Purchaser shall nonetheless not be released from any and all further obligations and liabilities hereunder, and (b) if the Purchaser does not, prior to the granting of the Approval and Vesting Order, direct that title to the Purchased Assets be taken in the name of such person, entity, joint venture, partnership or corporation, then the Purchaser shall continue to be liable hereunder and the Approval and Vesting Order shall vest title to the Purchased Assets in the Purchaser.

15.11 Expenses

Except as otherwise set out in this Agreement, all costs and expenses (including, without limitation, the fees and disbursements of legal counsel) incurred in connection with this Agreement and the transactions contemplated hereby shall be paid by the Party incurring such costs and expenses.

15.12 Severability

If any portion of this Agreement is prohibited in whole or in part in any jurisdiction, such portion shall, as to such jurisdiction, be ineffective to the extent of such prohibition without invalidating the remaining portions of this Agreement and shall, as to such jurisdiction, be deemed to be severed from this Agreement to the extent of such prohibition.

15.13 No Strict Construction

The language used in this Agreement is the language chosen by the Parties to express their mutual intent, and no rule of strict construction shall be applied against any Party.

15.14 Cumulative Remedies

Unless otherwise expressly stated in this Agreement, no remedy conferred upon or reserved to one or both of the Parties is intended to be exclusive of any other remedy, but each remedy shall be cumulative and in addition to every other remedy conferred upon or reserved hereunder, whether such remedy shall be existing or hereafter existing, and whether such remedy shall become available under common law, equity or statute.

15.15 Currency

All references to dollar amounts contained in this Agreement shall be deemed to refer to lawful currency of Canada.

15.16 Receiver's Capacity

It is acknowledged by the Purchaser that the Receiver is entering into this Agreement solely in its capacity as Court-appointed receiver of the Property and that the Receiver shall have absolutely no personal or corporate liability under or as a result of this Agreement in any respect.

15.17 Planning Act

This Agreement is to be effective only if the provisions of the *Planning Act*, R.S.O. 1990, C. P.13, as amended, are complied with.

15.18 No Third Party Beneficiaries

This Agreement shall not confer any rights or remedies upon any Person other than the Parties and their respective successors and permitted assigns. No other person or entity shall be regarded as a third party beneficiary of this Agreement.

15.19 Number and Gender

Unless the context requires otherwise, words importing the singular include the plural and vice versa and words importing gender include all genders. Where the word "including" or "includes" is used in this Agreement, it means "including (or includes) without limitation".

15.20 Publicity

The Purchaser agrees with the Receiver not to make any public announcement of the Transaction prior to Closing, except for the purpose of obtaining the Approval and Vesting Order or unless the content and timing of such announcement have been agreed upon by both Parties, or unless such announcement is otherwise required by Applicable Law.

15.21 Confidentiality

The Purchaser acknowledges that it has signed, and continues to be bound by, a confidentiality agreement with the Receiver with respect to the Purchased Assets. The Purchaser undertakes and agrees (and agrees to cause its agents, employees and representatives) to keep the existence and terms of this Agreement in strict confidence, except in the course of conveying necessary information to third parties directly involved in the Transaction and except as may be required by law or otherwise mutually agreed upon in writing by the parties.

15.22 Non-Registration

The Purchaser hereby covenants and agrees not to register this Agreement or notice of this Agreement or a caution, certificate of pending litigation, or any other document providing evidence of this Agreement against title to the Property. Should the Purchaser be in default of its obligations under this Section 15.22, the Receiver may (as agent and attorney of the Purchaser) cause the removal of such notice of this Agreement, caution, certificate of pending litigation or other document providing evidence of this Agreement or any assignment of this Agreement from the title to the Property. The Purchaser irrevocably nominates, constitutes and appoints the Receiver as its agent and attorney in fact and in law to cause the removal of such notice of this Agreement, any caution, certificate of pending litigation or any other document or instrument whatsoever from title to the Property.


15.23 Counterparts

This Agreement may be executed in counterparts and by facsimile or PDF, each of which when so executed shall be deemed to be an original and such counterparts together shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS.]

IN WITNESS WHEREOF the Receiver has duly executed this Agreement as of the ___ day of [•], 2024.

KSV RESTRUCTURING INC., as court-appointed receiver of the Property of Churchill Lands United Inc. and not in its personal capacity or in any other capacity

Per: 
Name: Noah Goldstein
Title: Managing Director

ACCEPTED by the Purchaser as of the date first above written.

[•]  10/18/24

Per:  10/11/24
Name: [•] GRAHAM HALLEY
Title: Authorized Signing Officer

**SCHEDULE A
LEGAL DESCRIPTION OF THE PROPERTY**

PIN 16265-0869 (LT)

PT N 1/2 LT 20 CON 4 Township of Whitby DES PT 1 ON 40R12447 EXCEPT PT 3 ON 40R21278; T/W ROW OVER PT N 1/2 LT 20 CON 4, Township of Whitby, PIN No. 16265-0869 (LT), Town of Whitby

**SCHEDULE B
APPROVAL AND VESTING ORDER**

Court File No. CV-24-00718940-00CL

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

THE HONOURABLE) [●], THE [●]
JUSTICE [●])
DAY OF [●], 2024

BETWEEN:

KINGSETT MORTGAGE CORPORATION Applicant

- and -

CHURCHILL LANDS UNITED INC. Respondent

IN THE MATTER OF SECTION 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

APPROVAL AND VESTING ORDER

THIS MOTION, made by KSV Restructuring Inc., in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”), without security, of the real property legally described in Schedule “B” to this Order (the “**Real Property**”) owned by Churchill Lands United Inc. (the “**Debtor**”) for an order, *inter alia*, approving the sale transaction (the “**Transaction**”) contemplated by an agreement of purchase and sale between the Receiver and [●] (the “**Purchaser**”) dated [●], 2024 (the “**Sale Agreement**”) appended to the [●] Report of the Receiver dated [●], 2024 (the “[●] **Report**”), and vesting in the Purchaser the Debtor’s right, title and interest in and to the assets described in the Sale Agreement (the “**Purchased Assets**”), was heard this day via videoconference.

ON READING the Notice of Motion of the Receiver, the [●] Report and the Appendices thereto, and on hearing the submissions of counsel for the Receiver and such other counsel as were present, no one appearing for any other person on the service list, although properly served as appears from the affidavit of service sworn and filed,

SERVICE AND DEFINED TERMS

1. **THIS COURT ORDERS** that the time for service of the Notice of Motion and Motion Record is hereby abridged and validated so that this motion is properly returnable today and hereby dispenses with further service thereof.
2. **THIS COURT ORDERS** that all capitalized terms used in this Order and not otherwise defined shall have the meanings ascribed to them in the Second Report or the Sale Agreement, as applicable.

APPROVAL AND VESTING

3. **THIS COURT ORDERS AND DECLARES** that the Transaction is hereby approved, and the execution of the Sale Agreement by the Receiver is hereby authorized and approved, with such minor amendments as the Receiver may deem necessary. The Receiver is hereby authorized and directed to take such additional steps and execute such additional documents as may be necessary or desirable for the completion of the Transaction and for the conveyance of the Purchased Assets to the Purchaser.
4. **THIS COURT ORDERS AND DECLARES** that upon the delivery of a Receiver's certificate to the Purchaser substantially in the form attached as Schedule "A" hereto (the "**Receiver's Certificate**"), all of the Debtor's right, title and interest in and to the Purchased Assets shall vest absolutely in the Purchaser, free and clear of and from any and all security interests (whether contractual, statutory, or otherwise), hypothecs, mortgages, trusts or deemed trusts (whether contractual, statutory, or otherwise), liens, executions, levies, charges, or other financial or monetary claims, whether or not they have attached or been perfected, registered or filed and whether secured, unsecured or otherwise (collectively, the "**Claims**") including, without limiting the generality of the foregoing: (i) any encumbrances or charges created by the Order of the Honourable Justice Penny dated May 14, 2024; (ii) all charges, security interests or

claims evidenced by registrations pursuant to the *Personal Property Security Act* (Ontario) or any other personal property registry system; and (iii) those Claims listed on Schedule “C” hereto (all of which are collectively referred to as the “**Encumbrances**”, which term shall not include the permitted encumbrances, easements and restrictive covenants listed on Schedule “D” hereto) and, for greater certainty, this Court orders that all of the Encumbrances affecting or relating to the Purchased Assets are hereby expunged and discharged as against the Purchased Assets.

5. **THIS COURT ORDERS** that upon the registration in the Land Registry Office for the Land Titles Division of [●] (No. [●]) of an Application for Vesting Order in the form prescribed by the *Land Titles Act* and/or the *Land Registration Reform Act*, the Land Registrar is hereby directed to enter the Purchaser as the owner of the Real Property in fee simple, and is hereby directed to delete and expunge from title to the Real Property all of the Claims listed in Schedule “C” hereto.

6. **THIS COURT ORDERS** that for the purposes of determining the nature and priority of Claims, the net proceeds from the sale of the Purchased Assets shall stand in the place and stead of the Purchased Assets, and that from and after the delivery of the Receiver’s Certificate all Claims and Encumbrances shall attach to the net proceeds from the sale of the Purchased Assets with the same priority as they had with respect to the Purchased Assets immediately prior to the sale, as if the Purchased Assets had not been sold and remained in the possession or control of the person having that possession or control immediately prior to the sale.

7. **THIS COURT ORDERS AND DIRECTS** the Receiver to file with the Court a copy of the Receiver’s Certificate, forthwith after delivery thereof.

8. **THIS COURT ORDERS** that, notwithstanding:

- (a) the pendency of these proceedings;
- (b) any applications for a bankruptcy order now or hereafter issued pursuant to the *Bankruptcy and Insolvency Act* (Canada) in respect of the Debtor and any bankruptcy order issued pursuant to any such applications; and
- (c) any assignment in bankruptcy made in respect of the Debtor;

the vesting of the Purchased Assets in the Purchaser pursuant to this Order shall be binding on any trustee in bankruptcy that may be appointed in respect of the Debtor and shall not be void or voidable by creditors of the Debtor, nor shall it constitute nor be deemed to be a fraudulent preference, assignment, fraudulent conveyance, transfer at undervalue, or other reviewable transaction under the *Bankruptcy and Insolvency Act* (Canada) or any other applicable federal or provincial legislation, nor shall it constitute oppressive or unfairly prejudicial conduct pursuant to any applicable federal or provincial legislation.

GENERAL

9. **THIS COURT ORDERS** that this Order shall have full force and effect in all provinces and territories in Canada.

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.

11. **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.

SCHEDULE "A"

FORM OF RECEIVER'S CERTIFICATE

Court File No. [●]

**ONTARIO
SUPERIOR COURT OF JUSTICE COMMERCIAL LIST**

IN THE MATTER OF SECTION 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

BETWEEN :

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

CHURCHILL LANDS UNITED INC.

Respondent

RECEIVER'S CERTIFICATE

RECITALS

I. Pursuant to an Order of the Honourable Mr. Justice Cavanaugh of the Ontario Superior Court of Justice (Commercial List) (the "**Court**") dated May 14, 2024, KSV Restructuring Inc. was appointed as receiver (in such capacity, the "**Receiver**") of certain real property described herein of Churchill Lands United Inc. (the "**Debtor**").

II. Pursuant to an Order of the Court dated [●], 2024, the Court approved the agreement of purchase and sale made as of [●], 2024 between the Receiver, as vendor, and [●] (the "**Purchaser**"), as purchaser, dated [●], 2024 (as amended, the "**Sale Agreement**"), and provided for the vesting in the Purchaser of all the Company's right, title and interest in and to the property described in the Sale Agreement (the "**Purchased Assets**"), which vesting is to be effective with respect to the Purchased Assets upon the delivery by the Receiver to the Purchaser of a certificate confirming: (i) the payment by the Purchaser of the purchase price for the

Purchased Assets; (ii) that the conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser; and (iii) the transaction has been completed to the satisfaction of the Receiver.

III. Unless otherwise indicated herein, terms with initial capitals have the meanings set out in the Sale Agreement.

THE RECEIVER CERTIFIES the following:

1. The Purchaser has paid and the Receiver has received, the purchase price for the Purchased Assets payable on the closing date pursuant to the Sale Agreement;
2. The conditions to closing as set out in the Sale Agreement have been satisfied or waived by the Receiver and the Purchaser in accordance with their terms;
3. The Transaction has been completed to the satisfaction of the Receiver; and
4. This Certificate was delivered by the Receiver at _____ [TIME] on _____ [DATE].

KSV RESTRUCTURING INC., solely in its capacity as court-appointed Receiver, and not in its personal capacity or in any other capacity

Per: _____
Name:
Title:

SCHEDULE "B"

LEGAL DESCRIPTION OF THE REAL PROPERTY

PIN 16265-0869 (LT)

PT N 1/2 LT 20 CON 4 Township of Whitby DES PT 1 ON 40R12447 EXCEPT PT 3 ON 40R21278; T/W ROW OVER PT N 1/2 LT 20 CON 4, Township of Whitby, PIN No. 16265-0869 (LT), Town of Whitby

SCHEDULE "C"

CLAIMS TO BE DELETED AND EXPUNGED

Reg. No.	Date	Instrument Type	Instrument Holder
DR2245016	2023/07/10	CHARGE	KINGSETT MORTGAGE CORPORATION
DR2317703	2024/05/16	RECEIVERSHIP ORDER	KSV RESTRUCTURING INC.

SCHEDULE "D"

PERMITTED ENCUMBRANCES, EASEMENTS AND RESTRICTIVE COVENANTS RELATED TO THE REAL PROPERTY

PART I: GENERAL PERMITTED ENCUMBRANCES

1. The reservations, limitations, exceptions, provisos and conditions, if any, expressed in any original grants from the Crown;
2. Encumbrances given as security to a public utility or any Governmental Authority when required in the ordinary course of business but only insofar as they relate to any obligations or amounts not due as at the Closing Date;
3. all rights reserved to or vested in any Governmental Authority pursuant to Applicable Law to control or regulate the Property in any manner, including any unregistered, undetermined or inchoate liens, levies or claims in favour of any Governmental Authority;
4. rights of expropriation, access or use or any similar right conferred or reserved by or in any statute of Ontario or Canada;
5. applicable municipal by-laws, development agreements, subdivision agreements, site plan agreements, servicing or industrial agreements, utility agreements, airport zoning regulations, cost sharing reciprocal agreements and building and other zoning restrictions and other similar agreements with Governmental Authorities or private or public utilities affecting the development or use of the Property;
6. any easements, servitudes, rights-of-way, licenses, agreements, restrictions that run with the land or other Encumbrances (including easements, rights-of-way and agreements for railways, sewers, drains, gas and water mains or electric light and power or telephone, telecommunications or cable conduits, poles, wires and cables) which do not materially impair the use, operation or marketability of the Property (based on the current use of the Property) affected thereby;
7. Encumbrances respecting minor encroachments by the Property over neighbouring lands or permitted under agreements with the owners of such other lands and minor encroachments over the Property by improvements of abutting land owners, provided the same do not materially adversely affect the use or marketability of the Property;
8. any privilege in favour of any lessor, licensor or permitter for rent to become due or for other obligations or acts, the performance of which is required under contracts of the Receiver or the Debtor so long as the payment or the performance of such other obligation or act is not delinquent and provided that such privileges do not materially affect the use or the operation of the assets affected thereby;

- 9. Encumbrances which will be vested out or otherwise discharged at Closing pursuant to the Approval and Vesting Order; and
- 10. Encumbrances permitted or created pursuant to the terms of this Agreement or which are otherwise expressly approved by the Purchaser in writing.

PART II: SPECIFIC PERMITTED ENCUMBRANCES

- 11. Instrument No. D210915 registered December 16, 1985, being a notice of Oshawa airport zoning regulations.
- 12. Instrument No. 40R12447 registered August 11, 1989 being a Plan Reference.
- 13. Instrument No. DR428948 registered September 19, 2005, being a notice of airport zoning regulations.

Appendix “F”

ONTARIO
SUPERIOR COURT OF JUSTICE
(COMMERCIAL LIST)

BETWEEN:

KINGSETT MORTGAGE CORPORATION

APPLICANT

- AND -

CHURCHILL LANDS UNITED INC.

RESPONDENT

AFFIDAVIT OF NOAH GOLDSTEIN
(Sworn November 26, 2024)

I, Noah Goldstein, of the City of Toronto, in the Province of Ontario, MAKE OATH AND SAY:

1. I am a Managing Director of KSV Restructuring Inc. ("**KSV**").
2. Pursuant to an Order of the Ontario Superior Court of Justice (Commercial List) ("**Court**") made on May 14, 2024 (the "**Order**"), KSV was appointed as receiver and manager (the "**Receiver**") of the real property (the "**Real Property**") owned by Churchill Lands United Inc. (the "**Debtor**") legally described as:

PIN 16265-0869 (LT)

PT N 1/2 LT 20 CON 4 Township of Whitby DES PT 1 ON 40R12447 EXCEPT PT 3 ON 40R21278; T/W ROW OVER PT N 1/2 LT 20 CON 4, Township of Whitby, PIN No. 16265-0869 (LT), Town of Whitby
3. I have been involved in the management of this mandate since the proceedings commenced. As such, I have knowledge of the matters to which I hereinafter depose.

4. On November 26, 2024, the Receiver issued its Second Report to Court in which it outlined its activities with respect to the Real Property and provided information with respect to its fees.

5. I hereby confirm that attached as Exhibit "A" hereto are true copies of the accounts of KSV for the periods indicated and confirm that these accounts accurately reflect the services provided by KSV and the fees and disbursements claimed by it.

6. Additionally, attached hereto as Exhibit "B" is a summary of additional information with respect to all members of KSV who have worked on this matter, including their hours and rates, and I hereby confirm that the list represents an accurate account of such information.

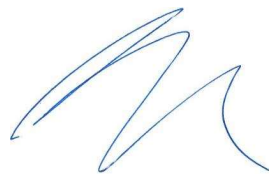
7. I consider the accounts to be fair and reasonable considering the circumstances connected with this administration.

8. I also confirm that the Receiver has not received, nor expects to receive, nor has the Receiver been promised any remuneration or consideration other than the amount claimed in the accounts.

SWORN BEFORE ME at the City of
Toronto, on November 26, 2024.



Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires February 23, 2027



Noah Goldstein

This is Exhibit "A" referred to in the
Affidavit of Noah Goldstein sworn before
me, this 26th day of November, 2024



Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires February 23, 2027



ksv advisory inc.
220 Bay Street, Suite 1300
Toronto, Ontario, M5J 2W4
T +1 416 932 6262
F +1 416 932 6266

ksvadvisory.com

INVOICE

Churchill Lands United Inc.
c/o KSV Restructuring Inc.
220 Bay Street, Suite 1300
Toronto, ON M5J 2W4

November 26, 2024

Invoice No: 4063
HST #: 818808768RT0001

Re: Churchill Lands United Inc. (the “Debtor”)

For professional services rendered to November 19, 2024 by KSV Restructuring Inc. (“**KSV**”) in its capacity as receiver (the “**Receiver**”), without security, of the real property (the “**Real Property**”) owned by Churchill Lands United Inc. legally described as:

PIN 16265-0869 (LT)

PT N 1/2 LT 20 CON 4 Township of Whitby DES PT 1 ON 40R12447 EXCEPT PT 3 ON 40R21278; T/W ROW OVER PT N 1/2 LT 20 CON 4, Township of Whitby, PIN No. 16265-0869 (LT), Town of Whitby

including:

General

- corresponding with KingSett Mortgage Corporation (“**Kingsett**”), the Debtor’s secured creditor, and with Bennett Jones LLP (“**Bennett Jones**”), counsel to the Receiver regarding all aspects of this mandate;
- corresponding extensively with Jones Lang Lasalle Real Estate Services, Inc. (“**JLL**”), the Receiver’s listing agent, regarding the sale process for the Real Property (the “**Sale Process**”);

Court Matters

- reviewing the receivership application materials (the “**Receivership Application Materials**”), including;
 - the Application Record dated April 24, 2024;
 - the Factum of the Applicant dated May 7, 2024;
 - the Affidavit of Daniel Pollack sworn April 24, 2024;
 - the draft Receivership Order;

- reviewing the receivership order and endorsement issued by the Court on May 14, 2024;
- preparing the Receiver's First Report to Court dated June 17, 2024 (the "**First Report**") regarding the approval of the Sale Process and the retention of JLL;
- corresponding with Bennett Jones regarding its comments on the First Report;
- reviewing and commenting on the Receiver's motion materials for the approval of the Sale Process (the "**Sale Process Motion Materials**"), including;
 - the Motion Record of the Receiver dated June 17, 2024;
 - the Factum of the Receiver dated June 18, 2024; and
 - the draft Sale Process Approval Order;
- corresponding with Bennett Jones regarding the Sale Process Motion Materials;
- attending the virtual court hearing on June 24, 2024;
- reviewing the court's Sale Process Approval Order and Endorsement dated June 24, 2024;

General Matters

- attending calls on May 17 and June 24, 2024 with the Debtor and reviewing information regarding the Real Property provided by the Debtor;
- arranging for Tert & Ross Ltd. ("Tert & Ross"), a third-party contractor, to conduct a site visit to assess the status of the Real Property;

Sale Process

- reviewing and commenting on drafts of a listing agreement between the Receiver and JLL;
- reviewing and commenting on marketing materials prepared by JLL, including a brochure;
- corresponding with JLL and KingSett to develop the Sale Process;
- reviewing a virtual data room (the "**VDR**") prepared by JLL containing information regarding the Real Property;
- preparing a template form of agreement of purchase and sale for prospective purchasers and making same available in the VDR;
- attending Sale Process update calls on July 16, 23, 30, August 1, 20, 27, September 17, 20, 24, 26, October 1 and 8, 2024 with JLL and KingSett;
- attending a call on September 24, 2024 with Biglieri Group ("**Biglieri**"), an urban planning firm, to discuss development considerations regarding the Real Property and reviewing correspondence from Biglieri regarding same;
- reviewing the agreement of purchase and sale dated October 11, 2024 (the "**APS**") submitted by 1001024143 Ontario Inc. (the "**Purchaser**");

- corresponding with JLL and KingSett regarding proposed changes to the APS including attending a call on October 15, 2024;
- attending calls on October 18 and 22, 2024 with JLL regarding seeking court approval of the APS;

Creditors

- corresponding with KingSett regarding funding receivership expenses through an advance under the Receiver's Borrowing Charge (the "**Interim Funding**");
- preparing a request for funding from KingSett;
- reviewing Bennett Jones' security opinion with respect to KingSett's security over the Real Property;

Other

- corresponding with Bachra Insurance Agency Ltd., the insurance broker, regarding renewing liability insurance for the Real Property;
- opening receivership bank accounts;
- attending a call on June 28, 2024 with Canada Revenue Agency;
- paying ongoing costs incurred in the receivership proceeding;
- preparing and mailing the Notice and Statement of the Receiver pursuant to sections 245(1) and 246(1) of the *Bankruptcy and Insolvency Act* ("**BIA**");
- preparing the Receiver's interim report pursuant to section 246(2) of the BIA;
- convening internal meetings; and
- dealing with all other matters not otherwise referred to herein.

Total fees and disbursements	\$ 20,583.67
HST	<u>2,675.88</u>
Total due	<u>\$ 23,259.55</u>

KSV Restructuring Inc.
Churchill Lands United Inc.

Time Summary

For the Period Ending November 19, 2024

Personnel	Role	Rate (\$)	Hours	Amount (\$)
Noah Goldstein	Overall responsibility	750	4.00	3,000.00
Jordan Wong	All aspects of the mandate	550	14.75	8,112.50
Other Staff and administration		195-750	25.80	9,076.50
Total fees			44.55	20,189.00
Accrual for estimated fees to the termination of the proceedings				10,000.00
				30,189.00
Out-of-pocket disbursements (photocopies, postage, other)				394.67
Total fees and disbursements				30,583.67
			HST	3,975.88
			Total	34,559.55

This is Exhibit "B" referred to in the
Affidavit of Noah Goldstein sworn before
me, this 26th day of November, 2024



Rajinder Kashyap, a Commissioner, etc.,
Province of Ontario, for KSV Restructuring Inc.
Expires February 23, 2027

Time Summary

For the Period ending November 19, 2024

Name	Hours	Hourly Rate (\$)	Total (\$)
Noah Goldstein	4.00	750	3,000.00
Jordan Wong	14.75	550	8,112.50
Other staff and administrative	25.80	195-750	9,076.50
	<u>44.55</u>		<u>20,189.00</u>
Average hourly rate			<u>453.18</u>

Appendix “G”

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

B E T W E E N:

KINGSETT MORTGAGE CORPORATION

Applicant

- and -

CHURCHILL LANDS UNITED INC.

Respondent

**IN THE MATTER OF AN 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**

**AFFIDAVIT OF AIDEN NELMS
(sworn November 26, 2024)**

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

1. I am a lawyer qualified to practice law in the Province of Ontario and am an associate at Bennett Jones LLP (“**Bennett Jones**”), counsel for KSV Restructuring Inc. in its capacity as the Court-appointed receiver (in such capacity, the “**Receiver**”) without security, of the real property legally described in Schedule “A” of the Receivership Order dated May 14, 2024 (the “**Real Property**”) owned by Churchill Lands United Inc. (the “**Company**”). As such I have knowledge of the matters hereinafter deposed. Where I have indicated that I have obtained facts from other sources, I believe those facts to be true.

2. I make this affidavit in support of a motion by the Receiver for, among other things, approval of the fees and disbursements of the Receiver and its counsel.

3. Attached hereto as Exhibit “A” are true copies of the accounts rendered by Bennett Jones as counsel to the Receiver for the period between April 17, 2024 and October 31, 2024. The accounts have been redacted to address matters of confidentiality or privilege. I confirm that these accounts accurately reflect the services provided by Bennett Jones in this matter for this period and the fees and disbursements claimed by it for the period.

4. Attached hereto as Exhibit “B” is a schedule summarizing the accounts of Bennett Jones rendered to the Receiver for the fees and disbursements incurred by Bennett Jones in connection with these proceedings for the period between April 17, 2024 and October 31, 2024.

5. Attached hereto as Exhibit “C” is a schedule summarizing the respective years of call and billing rates of each of the professionals at Bennett Jones that rendered services to the Receiver, the hours worked by each such individual and the blended hourly rate for the file.

6. To complete the remaining activities in respect of these proceedings, Bennett Jones and the Receiver estimate that they will incur up to \$20,000 plus HST in fees and disbursements (the “**Fee Accrual**”). Bennett Jones and the Receiver therefore seek approval of the Fee Accrual, in addition to the approval of actual fees to date. By seeking approval in advance for the Fee Accrual, Bennett Jones and the Receiver will avoid the need to bring a separate fee approval motion later, which will minimize further professional fees.

7. To the best of my knowledge, the rates charged by Bennett Jones throughout the course of these proceedings are comparable to the rates charged by other law firms in the Toronto market for the provision of similar services. I believe that the total hours, fees and disbursements incurred to date by Bennett Jones on this matter are consistent with the instructions received from the Receiver from time to time, and therefore are reasonable and appropriate in the circumstances.

SWORN remotely by Aiden Nelms at the)
City of Toronto, in the Province of Ontario)
before me on this 26th day of November,)
2024 in accordance with O.Reg. 431/20,)
Administering Oath or Declaration)
Remotely.)

skirkman

SHAWN KIRKMAN

A Commissioner for Oaths in and for the)
Province of Ontario)



AIDEN NELMS

THIS IS EXHIBIT “A” REFERRED TO IN THE

AFFIDAVIT OF AIDEN NELMS

SWORN

THE 26th DAY OF NOVEMBER, 2024

skirkman

A Commissioner for taking affidavits, etc.



Bennett Jones

Bennett Jones LLP
Suite 3400
1 First Canadian Place
P.O. Box 130
Toronto, Ontario M5X 1A4

KSV Restructuring Inc.
220 Bay Street, 13th Floor
P.O. Box 20
TORONTO, ON M5J 2W4

**Attention: Noah Goldstein
Managing Director**

Re: Churchill Lands United Inc.
Our File Number: 074735.00050

Date: June 6, 2024
Invoice: 1575884

PROFESSIONAL SERVICES RENDERED in conjunction with the above noted matter:

Professional Services	\$	10,252.50
Disbursements	\$	121.55
Total Due before Tax	\$	<u>10,374.05</u>
GST/HST	\$	1,348.63
Total Due in CAD	\$	<u>11,722.68</u>

Due upon receipt. Bennett Jones reserves the right to charge interest at a rate not greater than 12% per annum on outstanding invoices over 30 days. We collect, use and disclose information pursuant to our Privacy Policies. For further information visit our website at www.bennettjones.com. GST/HST number: 119346757 QST number: 1230818653

Date	Name	Description	Hours
17/04/24	Sean Zweig	Reviewing draft Affidavit and Notice of Application; Reviewing and providing comments on draft Receivership Order	0.60
22/04/24	Sean Zweig	Call with Cassels	0.30
23/04/24	Sean Zweig	Reviewing updated drafts of receivership materials, and correspondence regarding same	0.50
24/04/24	Sean Zweig	Reviewing Application Record; Correspondence with Cassels	0.50
25/04/24	Sean Zweig	Reviewing updates from Cassels	0.20
09/05/24	Sean Zweig	Correspondence with J. Bellissimo regarding upcoming receivership application	0.10
12/05/24	Sean Zweig	Discussion with A. Nelms regarding file background and upcoming application	0.20
13/05/24	Aiden Nelms	Reviewing and responding to file related emails; Reviewing and considering motion record; Discussions with S. Zweig; Discussions with counsel to the Applicant; Reviewing and considering factum	1.70
13/05/24	Sean Zweig	Correspondence regarding upcoming hearing, including sizing of Receiver's Borrowings Charge	0.20
14/05/24	Aiden Nelms	Reviewing and responding to file related emails; Further reviewing and considering application materials in preparation for hearing; Attending at hearing; Discussions with S. Zweig and KSV	1.90
14/05/24	Sean Zweig	Reviewing APS from Borrower, and discussing same; Correspondence regarding hearing; Reviewing Order and Endorsement granted	0.60
15/05/24	Jing Zhang	Pulling parcel register for PIN 16265-0869; Drafting acknowledgement and direction and e-reg of Application to Register Court Order; Emailing same to A. Nelms for execution	1.10
15/05/24	Aiden Nelms	Reviewing and responding to file related emails; Finalizing A&D and dealing with matters in connection with same; Discussions with J. Wong	0.90
16/05/24	Aiden Nelms	Reviewing and responding to file related emails; Finalizing A&D for registration of Court Order; Dealing with filing of same	0.80



Date	Name	Description	Hours
16/05/24	Jing Zhang	Reviewing the executed acknowledgement and direction of the application to register Court Order; Emailing to V. Colton for signing the e-reg; Attending to registration; Emailing same to A. Nelms	0.40
16/05/24	Vanessa Colton	Signing application for Court Order in Teraview	0.10
17/05/24	Jing Zhang	Pulling PIN map for PIN 16265-0869; Emailing same to A. Nelms	0.10
17/05/24	Aiden Nelms	Reviewing and responding to file related emails; Dealing with request from Receiver; Redacted [REDACTED] ; Drafting and reviewing response in connection with same; Discussions with J. Wong; Reviewing and considering property index map	1.60
21/05/24	Sean Zweig	Discussions with each of N. Goldstein and A. Nelms	0.30
28/05/24	Aiden Nelms	Reviewing and responding to file related emails	0.20
Total Hours			12.30
Total Professional Services			\$ 10,252.50

Name	Hours	Rate
Sean Zweig	3.50	\$ 1,100.00
Aiden Nelms	7.10	\$ 820.00
Vanessa Colton	0.10	\$ 525.00
Jing Zhang	1.60	\$ 330.00

Disbursements	Amount
Land Title - Search	\$ 39.95
Teraview Filing	\$ 81.60
Total Disbursements	\$ 121.55
GST/HST	\$ 1,348.63
Total Due	\$ 11,722.68



Bennett Jones

KSV Restructuring Inc.
220 Bay Street, 13th Floor
P.O. Box 20
TORONTO, ON M5J 2W4

**Attention: Noah Goldstein
Managing Director**

Re: Churchill Lands United Inc.
Our File Number: 074735.00050

Date: June 6, 2024
Invoice: 1575884

Remittance Statement

Professional Services	\$	10,252.50
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Total Due before Tax	\$	<u>10,374.05</u>
GST/HST	\$	1,348.63
Total Due in CAD	\$	<u><u>11,722.68</u></u>



Remit by Wire Transfer

Beneficiary Name: Bennett Jones LLP
Beneficiary Address: 4500, 855 - 2nd Street SW Calgary, AB T2P 4K7 Canada
Beneficiary Bank: Royal Bank of Canada
Bank Address: 339 - 8th Avenue SW Calgary, AB T2P 1C4 Canada
Account Details: Bank Code: 003, Branch/Transit 00009,
CAD Acct 000091725811 [5 digit transit no + 7 digit account no]
USD Acct 000094005534 [5 digit transit no + 7 digit account no]
SWIFT Code: ROYCCAT2

If required, when wiring funds from the USA see intermediary banking information below.

Intermediary Bank JP Morgan Chase Bank New York
Intermediary Swift Code CHASUS33
Intermediary ABA Routing Code 021000021

Wire notifications can be emailed to: bennettjoneseft@bennettjones.com
For ease of processing, please include the invoice(s) number in the Details section

Remit By Interac e-Transfer

Email: bennettjoneseft@bennettjones.com
For ease of processing, please include the invoice(s) number in the Message Field
Note: e-transfers are CAD only and are subject to daily limits set by the sender's bank

Remit By Visa/Mastercard/American Express

To make a payment through our secured credit card payment portal go to: <https://www.bennettjones.com/Payments>

Remit by Cheque

Bennett Jones LLP
4500, 855 2 Street SW
Calgary, AB T2P 4K7

For AR inquires please email AR@bennettjones.com



Bennett Jones

Bennett Jones LLP
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1 First Canadian Place
P.O. Box 130
Toronto, Ontario M5X 1A4

KSV Restructuring Inc.
220 Bay Street, 13th Floor
P.O. Box 20
TORONTO, ON M5J 2W4

**Attention: Noah Goldstein
Managing Director**

Re: Churchill Lands United Inc.
Our File Number: 074735.00050

Date: July 18, 2024
Invoice: 1583442

PROFESSIONAL SERVICES RENDERED in conjunction with the above noted matter:

Professional Services	\$	28,293.50
Disbursements	\$	164.00
Disbursements Incurred As Your Agent (Non Taxable)	\$	339.00
Total Due before Tax	\$	<u>28,796.50</u>
GST/HST	\$	3,699.48
Total Due in CAD	\$	<u><u>32,495.98</u></u>

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Date	Name	Description	Hours
04/06/24	Aiden Nelms	Reviewing and responding to file related emails; Attending to certain matters related to next Court attendance	0.90
05/06/24	Aiden Nelms	Reviewing and responding to file related emails; Discussions with S. Zweig; Drafting and revising form of Order	1.70
12/06/24	Aiden Nelms	Reviewing and responding to file related emails; Discussions with J. Wong; Beginning review of draft Report	0.90
13/06/24	Aiden Nelms	Reviewing and responding to file related emails; Reviewing and commenting on draft Report; Reviewing and considering J. Wong's comments on draft Order; Further revising same	1.70
13/06/24	Jing Zhang	Pulling parcel register for PIN 16265-0869 (LT); Emailing same to A. Nelms	0.10
13/06/24	Sean Zweig	Reviewing draft Report and Order, and discussing same with A. Nelms	1.10
14/06/24	Aiden Nelms	Reviewing and responding to file related emails; Reviewing and considering Report; Discussions with I. Scipio regarding Notice of Motion; Drafting and revising correspondence regarding Notice of Motion	0.70
15/06/24	Isaiah Scipio	Drafting Notice of Motion	2.00
17/06/24	Aiden Nelms	Reviewing and responding to file related emails; Reviewing and considering final Report; Finalizing same; Working on Notice of Motion, and revising same; Discussions with J. Wong throughout the day; Finalizing draft Order; Finalizing motion record; Updating Service List; Drafting correspondence to the Service List; Drafting and revising factum	5.80
17/06/24	Sean Zweig	Discussion with A. Nelms; Reviewing motion record	0.50
17/06/24	Olivia D'Innocenzo	Conducting a corporate and PPSA search on Churchill Lands United Inc.; Reviewing results and preparing summary report; Circulating same to A. Nelms	0.70
18/06/24	Aiden Nelms	Reviewing and responding to file related emails; Drafting and revising factum throughout the day; Reviewing and considering precedents, case law	5.70

Date	Name	Description	Hours
		and secondary sources in connection with same; Reviewing and considering J. Wong's comments on factum; Updating factum in light of same; Discussions with I. Scipio regarding factum and review of same; Finalizing factum; Drafting and revising correspondence to the Service List	
18/06/24	Isaiah Scipio	Reviewing and commenting on factum	1.40
18/06/24	Sean Zweig	Reviewing factum	0.40
19/06/24	Aiden Nelms	Reviewing and responding to file related emails; Drafting and revising speaking notes	2.40
20/06/24	Aiden Nelms	Reviewing and responding to file related emails; Preparing for upcoming Court hearing	0.60
23/06/24	Aiden Nelms	Reviewing and responding to file related emails; Reviewing and considering Court materials in advance of hearing; Attending to hearing preparation	1.40
24/06/24	Aiden Nelms	Reviewing and responding to file related emails; Preparing for upcoming Court hearing; Attending at Court hearing; Discussions with S. Zweig	2.40
24/06/24	Sean Zweig	Discussion with A. Nelms regarding hearing and next steps	0.20
25/06/24	Aiden Nelms	Reviewing and responding to file related emails; Reviewing and considering JLL marketing materials; Reviewing and considering form of APS precedent; Drafting and revising same	1.20
25/06/24	Sean Zweig	Reviewing Order and Endorsement granted; Discussing next steps	0.20
26/06/24	Aiden Nelms	Reviewing and responding to file related emails; Attending to matters related to form of APS and Sale Process; Drafting and revising correspondence to the Service List	1.20
26/06/24	John van Gent	Reviewing email from A. Nelms regarding assistance preparing a form of agreement of purchase and sale; Discussion with M. Tweedlie to provide instructions concerning same; Identifying precedent and emailing same to M. Tweedlie	0.30
26/06/24	Meg Tweedlie	Discussing file matter with A. Nelms; Coordinating preparation of permitted encumbrance schedules and reviewing same; Preparing template form of	1.20

Date	Name	Description	Hours
		purchase agreement	
26/06/24	Jing Zhang	Pulling updated parcel register; Preparing a list of the Permitted Encumbrances and a list of the Non-Permitted Encumbrances; Emailing same to M. Tweedlie for review	0.70
27/06/24	John van Gent	Reviewing and commenting on form of agreement of purchase and sale; Meeting with M. Tweedlie to discuss same	0.50
27/06/24	Meg Tweedlie	Finalizing draft of purchase agreement	0.60
Total Hours			36.50
Total Professional Services			\$ 28,293.50

Name	Hours	Rate
John van Gent	0.80	\$ 1,120.00
Sean Zweig	2.40	\$ 1,100.00
Aiden Nelms	26.60	\$ 820.00
Meg Tweedlie	1.80	\$ 670.00
Isaiah Scipio	3.40	\$ 330.00
Olivia D'Innocenzo	0.70	\$ 505.00
Jing Zhang	0.80	\$ 330.00

Disbursements	Amount
Land Title - Search	\$ 67.60
Online Government Service	\$ 96.40
Total Disbursements	\$ 164.00

Disbursements Incurred As Your Agent (Non Taxable)	Amount
Courthouse	\$ 339.00
Total Disbursements Incurred As Your Agent	\$ 339.00
GST/HST	\$ 3,699.48
Total Due	\$ 32,495.98



Bennett Jones

KSV Restructuring Inc.
220 Bay Street, 13th Floor
P.O. Box 20
TORONTO, ON M5J 2W4

**Attention: Noah Goldstein
Managing Director**

Re: Churchill Lands United Inc.
Our File Number: 074735.00050

Date: July 18, 2024
Invoice: 1583442

Remittance Statement

Professional Services	\$	28,293.50
Disbursements	\$	164.00
Disbursements Incurred As Your Agent (Non Taxable)	\$	339.00
Total Due before Tax	\$	<u>28,796.50</u>
GST/HST	\$	3,699.48
Total Due in CAD	\$	<u>32,495.98</u>



Remit by Wire Transfer

Beneficiary Name: Bennett Jones LLP
Beneficiary Address: 4500, 855 - 2nd Street SW Calgary, AB T2P 4K7 Canada
Beneficiary Bank: Royal Bank of Canada
Bank Address: 339 - 8th Avenue SW Calgary, AB T2P 1C4 Canada
Account Details: Bank Code: 003, Branch/Transit 00009,
CAD Acct 000091725811 [5 digit transit no + 7 digit account no]
USD Acct 000094005534 [5 digit transit no + 7 digit account no]
SWIFT Code: ROYCCAT2

If required, when wiring funds from the USA see intermediary banking information below.

Intermediary Bank JP Morgan Chase Bank New York
Intermediary Swift Code CHASUS33
Intermediary ABA Routing Code 021000021

Wire notifications can be emailed to: bennettjoneseft@bennettjones.com
For ease of processing, please include the invoice(s) number in the Details section

Remit By Interac e-Transfer

Email: bennettjoneseft@bennettjones.com
For ease of processing, please include the invoice(s) number in the Message Field
Note: e-transfers are CAD only and are subject to daily limits set by the sender's bank

Remit By Visa/Mastercard/American Express

To make a payment through our secured credit card payment portal go to: <https://www.bennettjones.com/Payments>

Remit by Cheque

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P.O. Box 20
TORONTO, ON M5J 2W4

**Attention: Noah Goldstein
Managing Director**

Re: Churchill Lands United Inc.
Our File Number: 074735.00050

Date: August 15, 2024
Invoice: 1587765

PROFESSIONAL SERVICES RENDERED in conjunction with the above noted matter:

Professional Services	\$	6,329.00
Total Due before Tax	\$	<u>6,329.00</u>
GST/HST	\$	822.77
Total Due in CAD	\$	<u><u>7,151.77</u></u>

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Date	Name	Description	Hours
03/07/24	Aiden Nelms	Reviewing and responding to file related emails; Drafting and revising certain documents throughout the day; Discussions with the Receiver regarding same; Discussions with internal working group	1.80
04/07/24	Aiden Nelms	Reviewing and responding to file related emails; Finalizing mark-up of form of APS; Reviewing and considering further revised draft; Revising and updating schedules	1.90
04/07/24	Meg Tweedlie	Revising template purchase agreement to incorporate comments from A. Nelms	0.30
04/07/24	John van Gent	Email from M. Tweedlie with questions on revised form of agreement of purchase and sale; Considering and responding to same	0.20
05/07/24	Aiden Nelms	Reviewing and responding to file related emails; Reviewing and considering template APS; Finalizing same; Discussions with J. Wong regarding same	0.90
08/07/24	Aiden Nelms	Reviewing and responding to file related emails; Beginning to review KSV's comments on draft form of APS	0.40
09/07/24	Aiden Nelms	Reviewing and responding to file related emails; Reviewing and considering KSV's comments on draft form of APS; Further revising same; Discussions with J. Wong	1.30
23/07/24	Aiden Nelms	Reviewing and responding to file related emails; Discussion with J. Wong	0.60
24/07/24	Aiden Nelms	Reviewing and considering file related emails; Dealing with SISP matters	0.30
Total Hours			7.70
Total Professional Services			\$ 6,329.00

Name	Hours	Rate
John van Gent	0.20	\$ 1,120.00
Aiden Nelms	7.20	\$ 820.00
Meg Tweedlie	0.30	\$ 670.00
GST/HST		\$ 822.77
Total Due		\$ <u>7,151.77</u>



Bennett Jones

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220 Bay Street, 13th Floor
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TORONTO, ON M5J 2W4

**Attention: Noah Goldstein
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Re: Churchill Lands United Inc.
Our File Number: 074735.00050

Date: August 15, 2024
Invoice: 1587765

Remittance Statement

Professional Services	\$	6,329.00
Total Due before Tax	\$	6,329.00
GST/HST	\$	822.77
Total Due in CAD	\$	7,151.77



Remit by Wire Transfer

Beneficiary Name: Bennett Jones LLP
Beneficiary Address: 4500, 855 - 2nd Street SW Calgary, AB T2P 4K7 Canada
Beneficiary Bank: Royal Bank of Canada
Bank Address: 339 - 8th Avenue SW Calgary, AB T2P 1C4 Canada
Account Details: Bank Code: 003, Branch/Transit 00009,
CAD Acct 000091725811 [5 digit transit no + 7 digit account no]
USD Acct 000094005534 [5 digit transit no + 7 digit account no]
SWIFT Code: ROYCCAT2

If required, when wiring funds from the USA see intermediary banking information below.

Intermediary Bank JP Morgan Chase Bank New York
Intermediary Swift Code CHASUS33
Intermediary ABA Routing Code 021000021

Wire notifications can be emailed to: bennettjoneseft@bennettjones.com
For ease of processing, please include the invoice(s) number in the Details section

Remit By Interac e-Transfer

Email: bennettjoneseft@bennettjones.com
For ease of processing, please include the invoice(s) number in the Message Field
Note: e-transfers are CAD only and are subject to daily limits set by the sender's bank

Remit By Visa/Mastercard/American Express

To make a payment through our secured credit card payment portal go to: <https://www.bennettjones.com/Payments>

Remit by Cheque

Bennett Jones LLP
4500, 855 2 Street SW
Calgary, AB T2P 4K7

For AR inquires please email AR@bennettjones.com



Bennett Jones

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1 First Canadian Place
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Toronto, Ontario M5X 1A4

KSV Restructuring Inc.
220 Bay Street, 13th Floor
P.O. Box 20
TORONTO, ON M5J 2W4

**Attention: Noah Goldstein
Managing Director**

Re: Churchill Lands United Inc.
Our File Number: 074735.00050

Date: November 15, 2024
Invoice: 1602194

PROFESSIONAL SERVICES RENDERED in conjunction with the above noted matter:

Professional Services	\$	5,870.00
Total Due before Tax	\$	<u>5,870.00</u>
GST/HST	\$	763.10
Total Due in CAD	\$	<u>6,633.10</u>

Due upon receipt. Bennett Jones reserves the right to charge interest at a rate not greater than 12% per annum on outstanding invoices over 30 days. We collect, use and disclose information pursuant to our Privacy Policies. For further information visit our website at www.bennettjones.com. GST/HST number: 119346757 QST number: 1230818653

Date	Name	Description	Hours
19/08/24	Aiden Nelms	Reviewing and responding to file related emails; Reviewing and considering sale process updates; Discussions with Receiver	0.70
08/10/24	Aiden Nelms	Reviewing and responding to file related emails; Discussions with J. Wong regarding potential sale and next steps; Reviewing and considering applicable provisions of Receivership Order	0.70
17/10/24	Aiden Nelms	Reviewing and responding to file related emails; Discussions with J. Wong; Reviewing and considering mark-ups of proposed APS; Further discussions with J. Wong in respect of same	1.40
23/10/24	Aiden Nelms	Reviewing and responding to file related emails; Dealing with matters related to deposit and APS	0.50
24/10/24	Aiden Nelms	Reviewing and responding to file related emails; Discussion with J. Wong	0.30
25/10/24	Aiden Nelms	Reviewing and responding to file related emails; Attending to matters in connection with APS and deposit; Discussions with J. Wong regarding same	0.80
25/10/24	Sean Zweig	Discussion with A. Nelms regarding update and next steps	0.10
28/10/24	Aiden Nelms	Reviewing and responding to file related emails	0.40
29/10/24	Aiden Nelms	Reviewing and responding to file related emails; Meeting with S. Kirkman regarding upcoming motion and materials	0.30
29/10/24	Shawn Kirkman	Reviewing Receiver's First Report; Drafting Notice of Motion returnable December 3, 2024; Redacting invoices for privileged information; Drafting Fee Affidavit	2.40
31/10/24	Aiden Nelms	Reviewing and responding to file related emails; Drafting and revising correspondence to S. Kirkman regarding motion materials and upcoming appearance; Consolidating precedent materials in connection with same; Updating draft Approval and Vesting Order	0.90

Total Hours	8.50
Total Professional Services	\$ 5,870.00

Name	Hours	Rate
Sean Zweig	0.10	\$ 1,100.00



Name	Hours	Rate
Aiden Nelms	6.00 \$	820.00
Shawn Kirkman	2.40 \$	350.00
	GST/HST \$	763.10
	Total Due \$	<u>6,633.10</u>



Bennett Jones

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**Attention: Noah Goldstein
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Professional Services	\$	5,870.00
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Total Due in CAD	\$	<u><u>6,633.10</u></u>



Remit by Wire Transfer

Beneficiary Name: Bennett Jones LLP
Beneficiary Address: 4500, 855 - 2nd Street SW Calgary, AB T2P 4K7 Canada
Beneficiary Bank: Royal Bank of Canada
Bank Address: 339 - 8th Avenue SW Calgary, AB T2P 1C4 Canada
Account Details: Bank Code: 003, Branch/Transit 00009,
CAD Acct 000091725811 [5 digit transit no + 7 digit account no]
USD Acct 000094005534 [5 digit transit no + 7 digit account no]
SWIFT Code: ROYCCAT2

If required, when wiring funds from the USA see intermediary banking information below.

Intermediary Bank JP Morgan Chase Bank New York
Intermediary Swift Code CHASUS33
Intermediary ABA Routing Code 021000021

Wire notifications can be emailed to: bennettjoneseft@bennettjones.com
For ease of processing, please include the invoice(s) number in the Details section

Remit By Interac e-Transfer

Email: bennettjoneseft@bennettjones.com
For ease of processing, please include the invoice(s) number in the Message Field
Note: e-transfers are CAD only and are subject to daily limits set by the sender's bank

Remit By Visa/Mastercard/American Express

To make a payment through our secured credit card payment portal go to: <https://www.bennettjones.com/Payments>

Remit by Cheque

Bennett Jones LLP
4500, 855 2 Street SW
Calgary, AB T2P 4K7

For AR inquires please email AR@bennettjones.com

THIS IS EXHIBIT “B” REFERRED TO IN THE

AFFIDAVIT OF AIDEN NELMS

SWORN

THE 26th DAY OF NOVEMBER, 2024

skirkman

A Commissioner for taking affidavits, etc.

Exhibit "B"

Invoice #	Date of Account	Fees	Expenses/Disbursements	GST/HST	Total
#1575884	6-Jun-24	\$ 10,252.50	\$ 121.55	\$ 1,348.63	\$ 11,722.68
#1583442	18-Jul-24	\$ 28,293.50	\$ 503.00	\$ 3,699.48	\$ 32,495.98
#1587765	15-Aug-24	\$ 6,329.00	\$ -	\$ 822.77	\$ 7,151.77
#1602194	15-Nov-24	\$ 5,870.00	\$ -	\$ 763.10	\$ 6,633.10
TOTAL		\$ 50,745.00	\$ 624.55	\$ 6,633.98	\$ 58,003.53

**THIS IS EXHIBIT "C" REFERRED TO IN THE
AFFIDAVIT OF AIDEN NELMS
SWORN
THE 26th DAY OF NOVEMBER, 2024**

skirkman

A Commissioner for taking affidavits, etc.

Exhibit “C”

Timekeeper	Year of Call (if applicable)	Billing Year	Hourly Rate	Total Time	Fees
John van Gent	2002	2024	\$ 1,120.00	1	\$ 1,120.00
Sean Zweig	2009	2024	\$ 1,100.00	6	\$ 6,600.00
Aiden Nelms	2018	2024	\$ 820.00	46.9	\$ 38,458.00
Meg Tweedlie	2021	2024	\$ 670.00	2.1	\$ 1,407.00
Vanessa Colton	2023	2024	\$ 525.00	0.1	\$ 52.50
Shawn Kirkman	Student-at-Law	2024	\$ 350.00	2.4	\$ 840.00
Isaih Scipio	Summer Student	2024	\$ 330.00	3.4	\$ 1,122.00
Jing Zhang	Clerk	2024	\$ 330.00	2.4	\$ 792.00
Olivia D'Innocenzo	Clerk	2024	\$ 505.00	0.7	\$ 353.50
TOTAL				65	\$ 50,745.00
	Blended Rate (excluding expenses and HST) \$50,745.00 ÷ 65				
		\$ 780.69			

KINGSETT MORTGAGE CORPORATION -and-
Applicant

CHURCHILL LANDS UNITED INC.
Respondent

Court File No.: CV-24-00718940-00CI

ONTARIO
SUPERIOR COURT OF JUSTICE

Proceedings commenced at Toronto

FEE AFFIDAVIT OF AIDEN NELMS

BENNETT JONES LLP
One First Canadian Place
Suite 3400, P.O. Box 130
Toronto, Ontario
M5X 1A4

Sean Zweig (LSO# 57307I)
Tel: (416) 777-6254
Email: zweigs@bennettjones.com

Aiden Nelms (LSO#: 74170S)
Tel: (416) 777-4642
Email: nelmsa@bennettjones.com

Lawyers for KSV Restructuring Inc., solely in
its capacity as Court-appointed Receiver and
not in its personal capacity

This is Exhibit "G" referred to in the Affidavit of Greg Harmandayan sworn by Greg Harmandayan of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 6, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to read "Baruch Wise".

Commissioner for Taking Affidavits (or as may be)

BARUCH WISE



Confirmation of Co-operation and Representation Buyer/Seller

Form 320

for use in the Province of Ontario

BUYER: Paul Padda Inc.

SELLER: Churchill lands United Inc
.....

For the transaction on the property known as: 0 Thickson Road N , Whitby, ON, Whitby

DEFINITIONS AND INTERPRETATIONS: For the purposes of this Confirmation of Co-operation and Representation: "Seller" includes a vendor, landlord, lessor or a prospective seller, vendor, landlord or lessor and "Buyer" includes a purchaser, tenant, lessee or a prospective buyer, purchaser, tenant or lessee and "sale" includes a lease, and "Agreement of Purchase and Sale" includes an Agreement to Lease. Commission shall be deemed to include other remuneration.

The following information is confirmed by the undersigned salesperson/broker representatives of the Brokerage(s). If a Co-operating Brokerage is involved in the transaction, the brokerages agree to co-operate, in consideration of, and on the terms and conditions as set out below.

DECLARATION OF INSURANCE: The undersigned salesperson/broker representative(s) of the Brokerage(s) hereby declare that he/she is insured as required by the Trust in Real Estate Services Act, 2002 (TRESA).

1. LISTING BROKERAGE (Single Representation)

- a) The Listing Brokerage or a Designated Representative of the Listing Brokerage represents the interests of the Seller in this transaction. It is further understood and agreed that:
 - 1) Neither the Listing Brokerage nor a Designated Representative of the Listing Brokerage is representing the Buyer and has not entered into a representation agreement with the Buyer.
 - 2) The Listing Brokerage or a Designated Representative of the Listing Brokerage is providing assistance to the Buyer and the Buyer is a self-represented party.
 - 3) The Seller client and Buyer client are each separately represented by different designated representatives of the same brokerage and there is no multiple representation.

2. LISTING BROKERAGE (Multiple Representation)

- a) The Listing Brokerage has entered into Representation Agreement with the Buyer and there is Multiple Representation.
- b) The Designated Representative who represents the Seller also represents the Buyer and there is Multiple Representation.

Additional comments and/or disclosures by Listing Brokerage: (e.g., The Listing Brokerage represents more than one Buyer offering on this property.)
.....
.....

3. PROPERTY SOLD BY BUYER BROKERAGE

- a) The Brokerage or a Designated Representative of the Brokerage represents the Buyer and the Brokerage will be paid by the Buyer directly.

4. CO-OPERATING BROKERAGE

a) CO-OPERATING BROKERAGE – REPRESENTATION:

- 1) The Co-operating Brokerage or a Designated Representative of the Co-operating Brokerage represents the interest of the Buyer in this transaction.

b) CO-OPERATING BROKERAGE – COMMISSION:

- 1) The Listing Brokerage will pay the Co-operating Brokerage the commission as indicated in the MLS® information for the property in the amount of 2.5% PLUS HST to be paid from the amount paid by the Seller to the Listing Brokerage. (Commission As Indicated In MLS® Information)
- 2) The Co-operating Brokerage will be paid as follows:
.....
.....

Additional comments and/or disclosures by Co-operating Brokerage: (e.g., The Co-operating Brokerage represents more than one Buyer offering on this property.)
.....
.....

DS
PP

BUYER

DSR

CO-OPERATING/BUYER BROKERAGE

SELLER

LISTING BROKERAGE

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Commission will be payable as described above, plus applicable taxes.

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Listing Brokerage, then the agreement between Listing Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller. This Commission Trust Agreement shall be subject to and governed by the MLS® rules and regulations pertaining to commission trusts of the Listing Brokerage's local real estate board, if the local board's MLS® rules and regulations so provide. Otherwise, the provisions of the OREA recommended MLS® rules and regulations shall apply to this Commission Trust Agreement. For the purpose of this Commission Trust Agreement, the Commission Trust Amount shall be the amount noted in Section 4 above. The Listing Brokerage hereby declares that all monies received in connection with the trade shall constitute a Commission Trust and shall be held, in trust, for the Co-operating Brokerage under the terms of the applicable MLS® rules and regulations.

SIGNED BY THE BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (Where applicable)

<p style="text-align: center;">PSR BROKERAGE LTD</p> <p>..... (Name of Co-operating/Buyer Brokerage)</p> <p>.....</p> <p>Tel.: Fax:</p> <p>DocuSigned by: <i>David Shirazi Rad</i> 12/5/2024</p> <p>..... (Authorized to bind the Co-operating/Buyer Brokerage) (Date)</p> <p>DAVID SHIRAZI RAD</p> <p>..... (Print Name of Salesperson/Broker/Broker of Record)</p>	<p>..... (Name of Listing Brokerage)</p> <p>.....</p> <p>Tel.: Fax:</p> <p>.....</p> <p>..... (Authorized to bind the Listing Brokerage) (Date)</p> <p>..... (Print Name of Salesperson/Broker/Broker of Record)</p>
--	---

CONSENT FOR MULTIPLE REPRESENTATION	
<p>The Buyer and Seller confirm that they have previously consented to Multiple Representation. The Buyer and Seller consent with their initials Multiple Representation for this transaction.</p>	
 INITIALS OF BUYER(S)	 INITIALS OF SELLER(S)

ACKNOWLEDGEMENT

I have received, read, and understand the above information.

<p>DocuSigned by: <i>Paul Padda</i> 12/5/2024</p> <p>..... (Signature of Buyer) Paul Padda Inc. (Date)</p> <p>..... (Signature of Buyer) (Date)</p>	<p>..... (Signature of Seller) churchill lands united (Date)</p> <p>..... (Signature of Seller) (Date)</p>
---	---



Agreement of Purchase and Sale Commercial

Form 500

for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 5 day of December, 2024

BUYER: Paul Padda Inc.
(Full legal names of all Buyers), agrees to purchase from

SELLER: Churchill lands United Inc
(Full legal names of all Sellers), the following

REAL PROPERTY:

Address 0 Thickson Road N , Whitby, ON,

fronting on the EAST side of Thickson Road N

in the City of Whitby

and having a frontage of 1069.40 Feet more or less by a depth of 1308.01 Feet more or less

and legally described as (the "property")
PT N 1/2 LT 20 CON 4 TOWNSHIP OF WHITBY
DEE PT 1 ON 40R21278 DEEPT PT 3 ON
40R21278; T/W ROW OVER PT N 1/2 LT 20 CON
4, TOWNSHIP OF WHITBY DEE PT 3 ON
40R21278 UNTIL THE SAID LAND IS DEDICATED
AS PUBLIC HIGHWAY AS IN DR201709 TOWN OF
WHITBY
(Legal description of land including easements not described elsewhere)

PURCHASE PRICE: _____ Dollars (CDN\$) _____ Dollars

DEPOSIT: Buyer submits _____ upon acceptance
(Herewith/Upon Acceptance/as otherwise described in this Agreement)
_____ Dollars (CDN\$) _____

by negotiable cheque payable to Gardiner Roberts LLP In Trust "Deposit Holder"
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A _____ attached hereto form(s) part of this Agreement.

1. IRREVOCABILITY: This offer shall be irrevocable by Buyer until 5 on
(Seller/Buyer) (a.m./p.m.)
the 7 day of December, 2024, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the 27 day of _____
December, 2024 Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): DS
PP

INITIALS OF SELLER(S):

3. NOTICES: The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **The Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices where the Brokerage represents both the Seller and the Buyer (multiple representation) or where the Buyer or the Seller is a self-represented party.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.:
(For delivery of Documents to Seller)

FAX No.:
(For delivery of Documents to Buyer)

Email Address:
(For delivery of Documents to Seller)

Email Address:
(For delivery of Documents to Buyer)

4. CHATELS INCLUDED:
N/A

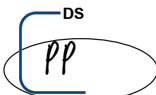
Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. FIXTURES EXCLUDED:
N/A

6. RENTAL ITEMS (Including Lease, Lease to Own): The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:
N/A

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price. The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the23..... day of.....December....., 20²⁴....., (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there

are no outstanding work orders or deficiency notices affecting the property, that its present use (.....INDUSTRIAL.....) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telecommunication services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telecommunication lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Ontario. Unless otherwise agreed to by the lawyers, such exchange of Requisite Deliveries shall occur by the delivery of the Requisite Deliveries of each party to the office of the lawyer for the other party or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

INITIALS OF BUYER(S): 

INITIALS OF SELLER(S): 

- 15. PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
- 16. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
- 17. RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.
- 18. ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
- 19. TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
- 20. PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
- 21. TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Lynx high value payment system as set out and prescribed by the *Canadian Payments Act (R.S.C., 1985, c. C-21)*, as amended from time to time.
- 22. FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless the spouse of the Seller has executed the consent hereinafter provided.
- 23. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing urea formaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains urea formaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
- 24. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
- 25. CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.**
- 26. AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
- 27. ELECTRONIC SIGNATURES:** The parties hereto consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000, S.O. 2000, c17* as amended from time to time with respect to this Agreement and any other documents respecting this transaction.
- 28. TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

DS
PP

INITIALS OF SELLER(S):



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29. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein. SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

DocuSigned by: *Paul Padda* 12/5/2024
(Witness) (Buyer/Authorized Signing Officer) Paul Padda Inc. (Seal) (Date)
(Witness) (Buyer/Authorized Signing Officer) (Seal) (Date)

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer. SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) (Seller/Authorized Signing Officer) churchill lands United (Seal) (Date)
(Witness) (Seller/Authorized Signing Officer) (Seal) (Date)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at this day of....., 20..... (a.m./p.m.)

(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)
Listing Brokerage (Tel.No.)
(Salesperson/Broker/Broker of Record Name)
Co-op/Buyer Brokerage (Tel.No.)
PSR BROKERAGE LTD
DAVID SHIRAZI RAD
(Salesperson/Broker/Broker of Record Name)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

DocuSigned by: *Paul Padda* 12/5/2024
(Seller) (Date)
(Seller) (Date)
Address for Service
(Tel. No.)
Seller's Lawyer **Selina Piekarski**
Address **22 Adelaide St W, Ste. 3600, Toronto, ON M5H 4E3**
Email **spiekarski@grllp.com**
416.865.6729
(Tel. No.) (Fax. No.)

(Buyer) Paul Padda Inc. (Date)
(Buyer) (Date)
Address for Service
(Tel. No.)
Buyer's Lawyer
Address
Email
(Tel. No.) (Fax. No.)

FOR OFFICE USE ONLY **COMMISSION TRUST AGREEMENT**
To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:
In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.
DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:
(Authorized to bind the Listing Brokerage) *David Shirazi Rad* (Authorized to bind the Co-operating Brokerage)

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Schedule A

Agreement of Purchase and Sale - Commercial

Form 500

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: **Paul Padda Inc.**, and

SELLER: **Churchill lands United Inc**

for the purchase and sale of ⁰ **Thickson Road N , Whitby, ON,** **Whitby**

..... dated the **5** day of **December**, 20²⁴.....

Buyer agrees to pay the balance as follows:

The Buyer agrees to pay the balance of the purchase price, subject to adjustments, to the Seller on completion of this transaction, with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

Seller agrees to discharge any mortgage or liens or other encumbrances registered against the property on or before closing at his/her own expense either from the proceeds of the sale or by solicitors undertaking.

Sellers warrants that there are no work orders or deficiency notices outstanding against the property, and if so will be complied with at his expense on or before closing.

The Buyer shall have the right at any time prior to closing, to assign the within Offer to any person, persons or corporation, either existing or to be incorporated, and upon delivery to the Seller of notice of such assignment, together with the assignee's covenant in favour of the Seller to be bound hereby as Buyer, the Buyer herein shall remain liable for this contract.

The Buyer shall have the right to revisit the property 3 (THREE) further times prior to completion, at mutually agreed upon times, and in the presence of the Buyer's Agent, provided that 24 hours notice is given to the Seller. The Seller agrees to provide access to the property for the purpose of taking measurements. These revisits are in addition to appraisals by financial institutions and home inspections to facilitate this transaction.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

PP

INITIALS OF SELLER(S):

This is Exhibit "H" referred to in the Affidavit of Greg Harmandayan sworn by Greg Harmandayan of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 6, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to read "Baruch Wise".

Commissioner for Taking Affidavits (or as may be)

BARUCH WISE

Agreement of Purchase and Sale Commercial

Form 500

for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 15th day of April, 2024

BUYER: 2837452 Ontario Inc, agrees to purchase from
(Full legal names of all Buyers)

SELLER: Churchill Lands United Inc., the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address ⁰ Thickson Road

fronting on the South side of Conlin Rd

in the Town of Whitby, Ontario

and having a frontage of 430 Meters more or less by a depth of 354 Meters more or less

and legally described as

PT N 1/2 LT 20 CON 4 TOWNSHIP OF WHITBY DES PT 1 ON 40R12447 EXCEPT PT 3 ON 40R21278; T/W ROW OVER PT N 1/2 LT 20 CON 4, TOWNSHIP OF WHITBY DES PT 3 ON 40R21278 UNTIL THE SAID LAND IS DEDICATED AS PUBLIC HIGHWAY AS IN DR201708 TOWN OF WHITBY

(Legal description of land including easements not described elsewhere)

(the "property")

PURCHASE PRICE: [REDACTED] Dollars (CDN\$)

[REDACTED] Dollars

DEPOSIT: Buyer submits [REDACTED]
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

Per Schedule A Dollars (CDN\$)

by negotiable cheque payable to... "Deposit Holder" to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A attached hereto form(s) part of this Agreement.

1. IRREVOCABILITY: This offer shall be irrevocable by [Signature] Seller RM until 6:00 on the 6th day of April, 2024, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the 29th day of September, 2024 Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): [Signature]

INITIALS OF SELLER(S): [Signature]

3. NOTICES: The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **The Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices where the Brokerage represents both the Seller and the Buyer (multiple representation) or where the Buyer or the Seller is a self-represented party.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.:
(For delivery of Documents to Seller)

FAX No.:
(For delivery of Documents to Buyer)

Email Address:
gharman@rogers.com
(For delivery of Documents to Seller)

Email Address:
ariley@kaizencapitalrp.com
(For delivery of Documents to Buyer)

4. CHATELS INCLUDED:
N/A

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. FIXTURES EXCLUDED:
N/A

6. RENTAL ITEMS (Including Lease, Lease to Own): The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:
N/A

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price. The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

- 8. TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the28th..... day of.....July....., 20²⁴....., (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (.....industrial & conservation.....) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.
- 9. FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.
- 10. TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telecommunication services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telecommunication lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.
- 11. CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Ontario. Unless otherwise agreed to by the lawyers, such exchange of Requisite Deliveries shall occur by the delivery of the Requisite Deliveries of each party to the office of the lawyer for the other party or such other location agreeable to both lawyers.
- 12. DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.
- 13. INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.
- 14. INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

- 15. PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
- 16. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
- 17. RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.
- 18. ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
- 19. TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
- 20. PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
- 21. TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Lynx high value payment system as set out and prescribed by the *Canadian Payments Act (R.S.C., 1985, c. C-21)*, as amended from time to time.
- 22. FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless the spouse of the Seller has executed the consent hereinafter provided.
- 23. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing urea formaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains urea formaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
- 24. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
- 25. CONSUMER REPORTS: The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.**
- 26. AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
- 27. ELECTRONIC SIGNATURES:** The parties hereto consent and agree to the use of electronic signatures pursuant to the *Electronic Commerce Act, 2000, S.O. 2000, c17* as amended from time to time with respect to this Agreement and any other documents respecting this transaction.
- 28. TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

29. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein. SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) Simon MaaS (Buyer/Authorized Signing Officer) 2837452 Ontario Inc. (Seal) 04/15/2024 (Date)
(Witness) (Buyer/Authorized Signing Officer) (Seal) (Date)

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer.

SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:
(Witness) (Seller/Authorized Signing Officer) (Seal) May 11, 2024 (Date)
(Witness) (Seller/Authorized Signing Officer) (Seal) (Date)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at 11am this 11th day of May, 20..24.. (a.m./p.m.)
(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)
Listing Brokerage (Tel.No.)
(Salesperson/Broker/Broker of Record Name)
Co-op/Buyer Brokerage Kaizen Capital Realty Partners Inc 416.206.7550 (Tel.No.)
Andrew Riley (Salesperson/Broker/Broker of Record Name)

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.
(Seller) Churchill Lands United Inc. May 11, 2024 (Date)
(Seller) (Date)
Address for Service 2430 Bayview Ave., Toronto, ON M2L 1A3
Gharman@rogers.com 416-732-8070 (Tel. No.)
Seller's Lawyer Antonio Raviele
Address 969 Eglinton Avenue West Toronto ON M6C 2C4
Email Antonio@rvlaw.ca (416) 364-5200,222 (Tel. No.) (Fax. No.)

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.
(Buyer) 2837452 Ontario Inc. May 11, 2024 (Date)
(Buyer) (Date)
Address for Service 1345 Queen Street East
Toronto, Ontario (Tel. No.)
Buyer's Lawyer Clifford Blundell, LLB, P.Eng
Address 800 - 65 St. Clair Ave East, Toronto On. M4T 2Y3
Email cjb@bpc1.ca 416.966.0111 (Tel. No.) (Fax. No.)

FOR OFFICE USE ONLY **COMMISSION TRUST AGREEMENT**
To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:
In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.
DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:
(Authorized to bind the Listing Brokerage) (Authorized to bind the Co-operating Brokerage) Andrew Riley

Schedule A

Agreement of Purchase and Sale – Commercial

Form 500

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: 2837452 Ontario Inc , and

SELLER: Churchill Lands United Inc.

for the purchase and sale of ⁰ Thickson Road Whitby, Ontario

..... dated the 15th day of April, 20²⁴

Buyer agrees to pay the balance as follows:

Buyer agrees to pay the balance as follows:

Both Seller and Buyer acknowledge and agree that this Offer or Counter offer and acceptance of this offer may be communicated by facsimile transmission or electronic mail which shall be equally binding and duly accepted as original agreement. Any such acceptance shall be deemed communicated at the time and date of sending.

1. Deposit:

Buyer agrees to provide a deposit in the amount of [REDACTED] within 72 hours upon mutual acceptance of the Agreement Of Purchase & Sale, pa

2. Balance Of Purchase Price

Buyer agrees to pay the balance of the Purchase Price by certified check or bank draft to the Seller on closing subject to the usual adjustments.

3. Discharge Mortgage

The Seller agrees to discharge any Mortgages, liens or other encumbrances now registered against the real Property on or before date of closing at the Sellers own expense either from the proceeds of the sale or by Solicitors undertaking

4. Buyers Conditions

Upon mutual acceptance of this APS, the buyer shall have ~~60~~ 45 ^{RM} Business days to conduct it's due diligence in its sole and unfettered discretion, pertaining, but not limited to environmental & geotechnical report, review of due diligence deliverables, and obtaining final board approval. If the seller is not notified in writing by the end of the 60th business day subsequent to mutual acceptance providing notice of waiver of Buyers Condition, this Agreement shall become null and void and be of no further force or effect, with the Buyers deposit to be returned without deduction or delay.

5. Due Diligence Deliverables

The Seller will deliver to the Buyer within Five (5) calendar days after acceptance of this Offer the following:

- (a) Copy of all Lease duly executed and Amendments, if any;
- (b) Up to date income and expense statement, if any;
- (c) Copies of the Realty tax bills for 2022 and 2023;
- (d) Copy of Insurance Bill for 2023;
- (e) Copy of Survey of the property, if in Seller's possession;
- (f) Copy of all existing environmental reports, building condition report, and any other reports pertaining to the property in the possession of the Seller

6. Government Information

The Seller agrees forthwith upon request to provide authorizations to the Ministry of Environment, Fire, Health and Building departments of the town of Whitby, authorizing release of information by the Ministry and the respective departments regarding this property.

7. Realty Taxes & Utilities

The Seller warrants that all realty taxes and utilities will be paid up-to-date, and there will be no arrears at the time of closing.

8. Assignment

The Buyer shall be permitted to assign this Agreement to any 3rd party entity to which it deems necessary, and to which is also directly affiliated.

9. Contracts

The Seller will disclose all maintenance contracts relating to the property and entered into by the Seller and will discontinue such contracts if so decided by the Buyer according to the notice period required in the contracts.

10. Vendor Take Back Mortgage ("VTB")

The Seller agrees to take back a Second Charge/Mortgage in the amount of Seven Hundred Thousand Dollars (\$700,000), bearing interest at the rate of zero (0%) percent per annum, and to run for a term of one (1) year from the date of completion of this transaction. Repayable interest only, with principal due at the end of the term. The Mortgage document will be prepared by the Purchaser's Solicitor at the Purchaser's sole cost and expense. Buyer agrees to pay to the Seller on closing the balance of the purchase price by certified cheque, subject to the usual adjustments.

11. Commission

Both Seller and Buyer acknowledge that Kaizen Capital Realty Partners represents the Buyer in this transaction, and in consideration of brokerage services, shall be paid a fee in the amount of Two Percent (2%) of the purchase price plus applicable taxes.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

This is Exhibit "I" referred to in the Affidavit of Greg Harmandayan sworn by Greg Harmandayan of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 6, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to read "Baruch Wise".

Commissioner for Taking Affidavits (or as may be)

BARUCH WISE

Market Value Opinion

**0 Thickson Road
Whitby ON
(SE Corner Thickson Rd &
Conlin Rd)**



**METROPOLITAN
COMMERCIAL**

EXECUTIVE SUMMARY

Gregory Harmandayan c/o
Churchill Lands United Inc.
2430 Bayview Ave
Toronto, ON M3B 1T3

Subject: Real Estate Brokerage Services for 0 Thickson Road, Whitby ON

Metropolitan Commercial Realty Inc. is grateful for the opportunity to present our opinion of value for the SE corner of Thickson Road and Conlin Road, Whitby

The Advisory Team will work diligently to ensure that the marketing of the Property focuses on the opportunity that it represents. As such, we will position the Property as an exciting opportunity and align our marketing process to the Seller's requirements.

Tim Novak
Vice President Sales Representative



EXECUTIVE SUMMARY

This proposal will outline our valuation of the property. Metropolitan's goal in acting as advisor on this Property is to evaluate and submit an opinion of value using the following:

1. Determine a price for the Property through:

- A. Lists of sales from our database, Toronto Real Estate Board MLS System, Altus, Realtrack, Costar and LoopNet;
- B. Using the best and most current real estate intelligence to achieve the maximum value for the property.

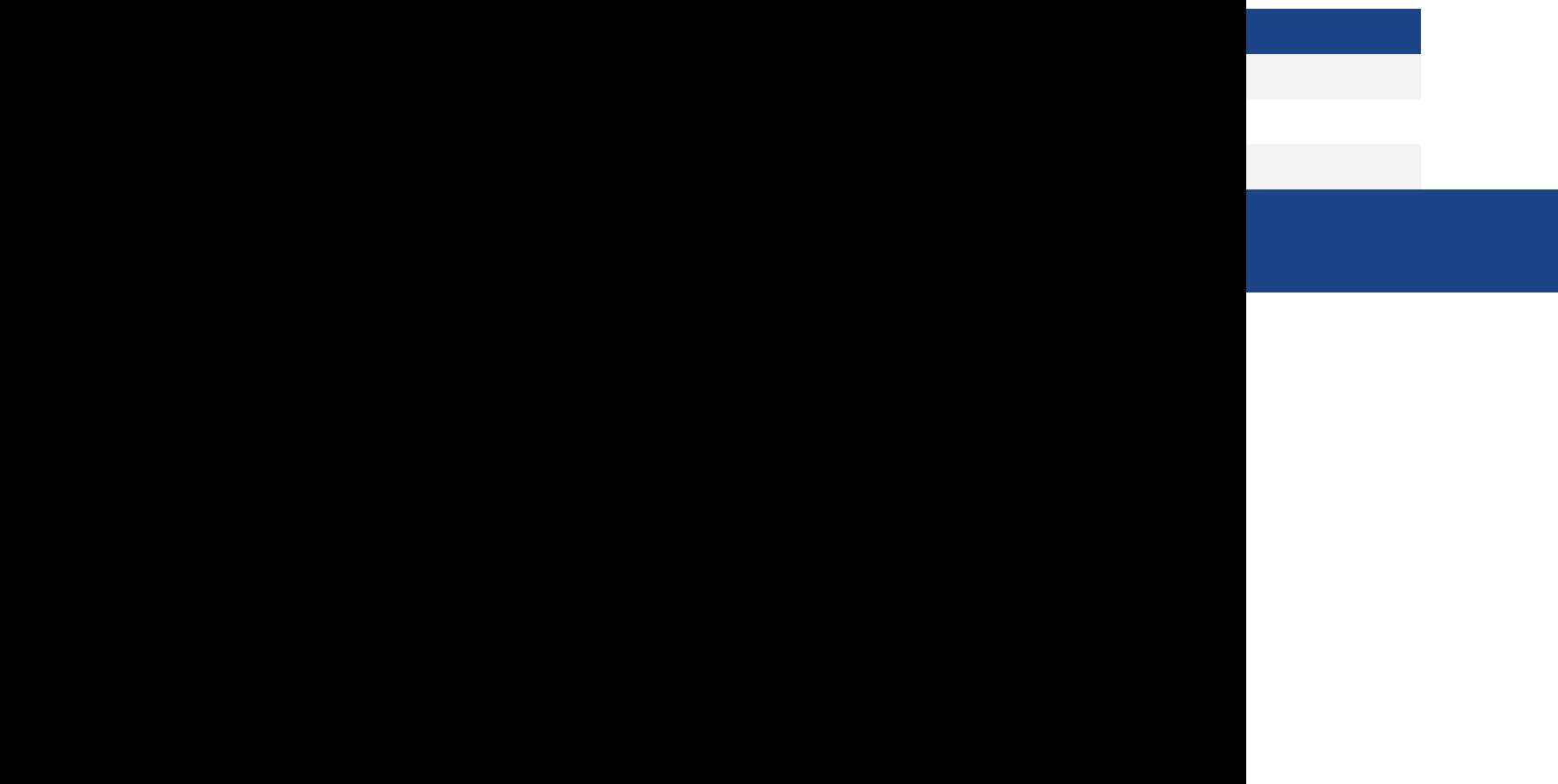
PROPERTY OVERVIEW



<i>Location</i>	SE corner of Thickson Road and Conlin Road, Whitby
<i>Total Site Area</i>	32.33 Acres (approx. 4 Acres General Industrial for Development)
<i>Lot Dimensions</i>	Part 1 of Lot 20, Concession 4, Town of Whitby Being Reference Plan 40R 12447
<i>Zoning</i>	A (Agriculture)
<i>Official Plan</i>	General Industrial, Hazard Land, Environmental Protection / Conservation Lands
<i>Party to</i>	Churchill Lands United Inc

RECENT COMPARABLE SALES

*Parameters: Commercial land sales Durham/Clarington Region (20 Acres to 40 Acres) | Jan 1/23 to Dec 4/24



RECENT COMPARABLE SALES Continued



No.	Address	Sold Date	Price	Land Area (Acre)	Land (\$PA)
-----	---------	-----------	-------	------------------	-------------

[REDACTED]					
------------	--	--	--	--	--

[REDACTED]					
------------	--	--	--	--	--

SUMMARY & VALUATION

In underwriting the subject property at the SE corner of Thickson Road and Conlin Road, Whitby consideration was given to the following:

- Subject Property Land Area is approximately 32 acres and the approximately 4.0 acres (size as per client's estimate), located at the north-west boundary, has an industrial secondary plan land use designation but the majority of the land is restricted Hazard Land and Environmental Protected/Conservation
- [REDACTED]
- (average excluding highest and lowest price per acre)

Therefore, the valuation based on the Comparable Sales above would be approximately [REDACTED]

SUMMARY & VALUATION

The ***Sales Comparison Approach*** is the best indicator of value for the subject property.

Given the above approaches and methodology, it is our opinion that the value for the fee simple interest in the subject property is between:

[REDACTED]

Our Valuation is:

[REDACTED]

OUR TEAM

Tim Novak

Having started his career in commercial real estate in 1989, Tim has extensive experience in the acquisition and disposition of development and investment properties and has transacted over 1 billion dollars of sale volume, and has held senior rolls at Cushman and Wakefield and Avison Young. Tim is recognized for his market knowledge of value-add properties in the Greater Toronto Area and his ability to strategically match buyers with sellers to achieve the best possible outcome for his clients is the foundation of his business.

METROPOLITAN
COMMERCIAL



Built on
Connections.

150 Beverley St | Suite 100
Toronto, ON | M5T 1Y5
416.703.6621

www.metcomrealty.com

Tim Novak
Senior Vice President
416-703-6621 x246
tim.novak@metcomrealty.com

This is Exhibit “J” referred to in the Affidavit of Greg Harmandayan sworn by Greg Harmandayan of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 6, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

BARUCH WISE



Kaizen Capital
REALTY PARTNERS

December 5, 2024

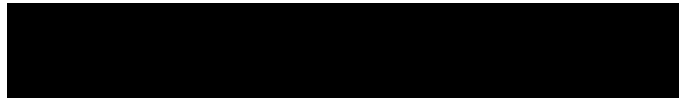
Churchill Lands United Inc.
2430 Bayview Avenue
Toronto, Ontario. M3B 1T3
Attn: Greg Harmandayan

Re: Broker Opinion of Value – Thickson & Conlin Rd.

Dear Mr. Harmandayan,

Further to your request, I am pleased to provide for your review a specifically considered opinion of value, one which can be relied upon with a high degree of confidence for immediate market liquidity.

It is my opinion that the subject property has a present liquid market value of:



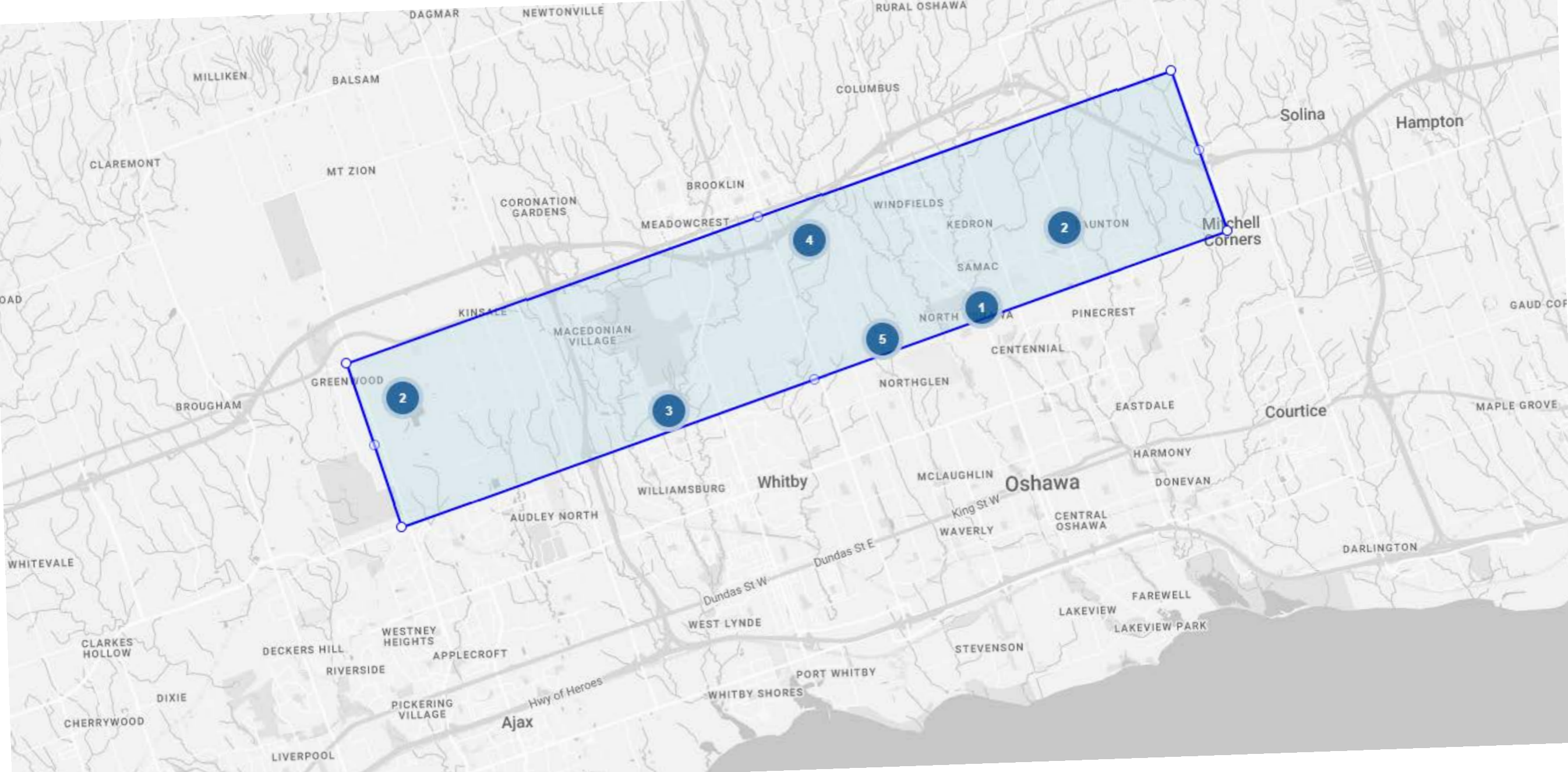
In the attached documents you will see relevant sale data, exhaustive within the market boundary area from December 2022 to present.

In keeping with the above noted figure, you would be appropriately competitive to market value by every measure, and would likely prove to be actionable by strategic investors.

I would be happy to discuss further.

Regards,

Andrew Riley
Managing Partner



MILLIKEN

BALSAM

DAGMAR

NEWTONVILLE

COLUMBUS

CLAREMONT

MT ZION

Solina

Hampton

CORONATION GARDENS

BROOKLIN

WINDFIELDS

KEDRON

2

Mitchell Corners

MEADOWCREST

4

SAMAC

1

TA

PINECREST

OAD

KINSALE

MACEDONIAN VILLAGE

NORTH

CENTENNIAL

GAUD COP

BROUGHAM

GREEN WOOD

2

3

NORTHGLEN

EASTDALE

Courtice

MAPLE GROVE

Whitby

Oshawa

AUDLEY NORTH

WILLIAMSBURG

MCLAUGHLIN

HARMONY

DONEVAN

WHITEVALE

DARLINGTON

CLARKES HOLLOW

DECKERS HILL

WESTNEY HEIGHTS

APPLECROFT

WEST LYNDE

STEVENSON

LAKEVIEW

LAKEVIEW PARK

FAREWELL

CHERRYWOOD

DIXIE

RIVERSIDE

PICKERING VILLAGE

Ajax

Hwy of Heroes

PORT WHITBY

WHITBY SHORES

LIVERPOOL

Dundas St W

Dundas St E

King St W

WAVERLY

CENTRAL OSHAWA

This is Exhibit "K" referred to in the Affidavit of Greg Harmandayan sworn by Greg Harmandayan of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 6, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to read "Baruch Wise".

Commissioner for Taking Affidavits (or as may be)

BARUCH WISE

Wise, Baruch

From: Cowley, Jared <Jared.Cowley@colliers.com>
Sent: Friday, November 22, 2019 7:45 PM
To: gharman@rogers.com
Cc: Powell, John
Subject: Thickson Rd - Update
Attachments: Thickson Road (Whitby Land) - Information Package.pdf

Greg,

We have successfully launched the Thickson road Listing. It has been uploaded to MLS and the Colliers website. We also have blasted out to various marketing lists including: John & I's private investor database, all commercial developers, all industrial institutional Landlords, all industrial real estate brokers and all internal Colliers brokers.

We have had positive activity thus far and are still in the initial phase of pushing out the opportunity. A common question we have received is what is the net developable acreage and we are trying to provide clarity to the opportunity. Initial feedback indicates that it will be a private investor/smaller scale developer that is the ultimate purchaser.

John & I will continue the marketing push with direct phone calls and emails next week.

Please feel free to reach out any time. Also, I have the copy of the original survey in my office and please let me know when you'd be available to grab it

Regards,

Jared Cowley

Associate Vice President | Sales Representative

Direct +1 416 791 7249 | Mobile +1 416 564 6644 | [View my profile](#)

Jared.Cowley@colliers.com

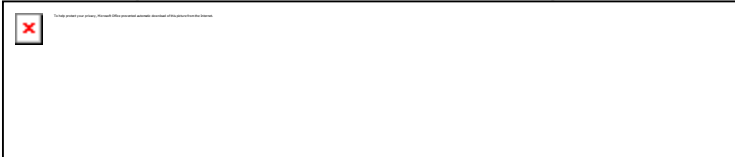
Colliers International

245 Yorkland Boulevard, Suite #200 | Toronto, ON M2J 4W9 | Canada

Main +1 416 777 2200 | Fax +1 416 492 0100



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FOR SALE

Colliers
INTERNATIONAL



Thickson Road

Conlin Road

Parcel outline approximate and subject to change



Future Development Land

Thickson Road & Conlin Road | Whitby, Ontario

± 32 acres

For more information, please contact:

JOHN POWELL*
Executive Vice President
+1 416 791 7235
john.powell@colliers.com

JARED COWLEY*
Associate Vice President
+1 416 791 7249
jared.cowley@colliers.com

COLLIERS INTERNATIONAL
245 Yorkland Boulevard, Suite 200
Toronto, Ontario M2J 4W9
www.collierscanada.com

Property Overview

Thickson Road & Conlin Road | Whitby, Ontario



Location	Southeast corner of Thickson Road & Conlin Road
Site Size	± 32 acres available
Price	[REDACTED]
Roll Number	1809010037158100000
Zoning	Agricultural (A)
Comments	<ul style="list-style-type: none">• Currently zoned Agricultural• Located in up-and-coming Whitby• Excellent access to Highway 407• All information to be verified



Household Income

The median household income within a 5 kilometre radius of the property averages \$96,115



Age

The median age within a 5 kilometre radius of the property is 40 years old



Education

94% of the population within a 1 kilometre radius of the property have received higher education



For more information, please contact:

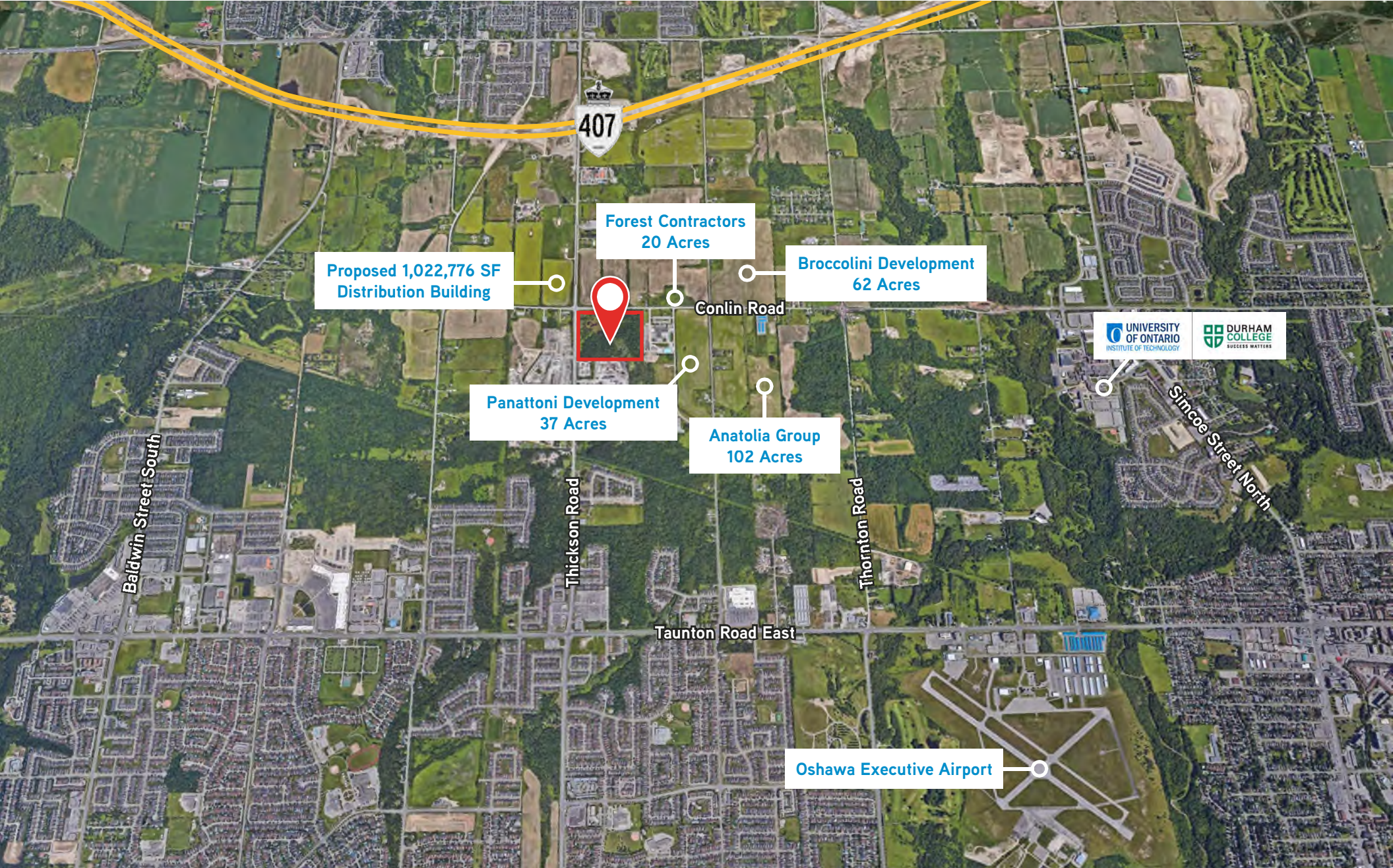
JOHN POWELL*
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+1 416 791 7235
john.powell@colliers.com

JARED COWLEY*
Associate Vice President
+1 416 791 7249
jared.cowley@colliers.com

COLLIERS INTERNATIONAL
245 Yorkland Boulevard, Suite 200
Toronto, Ontario M2J 4W9
www.collierscanada.com

Surrounding Developments

Thickson Road & Conlin Road | Whitby, Ontario



Proposed 1,022,776 SF Distribution Building

Forest Contractors 20 Acres

Broccolini Development 62 Acres

Panattoni Development 37 Acres

Anatolia Group 102 Acres



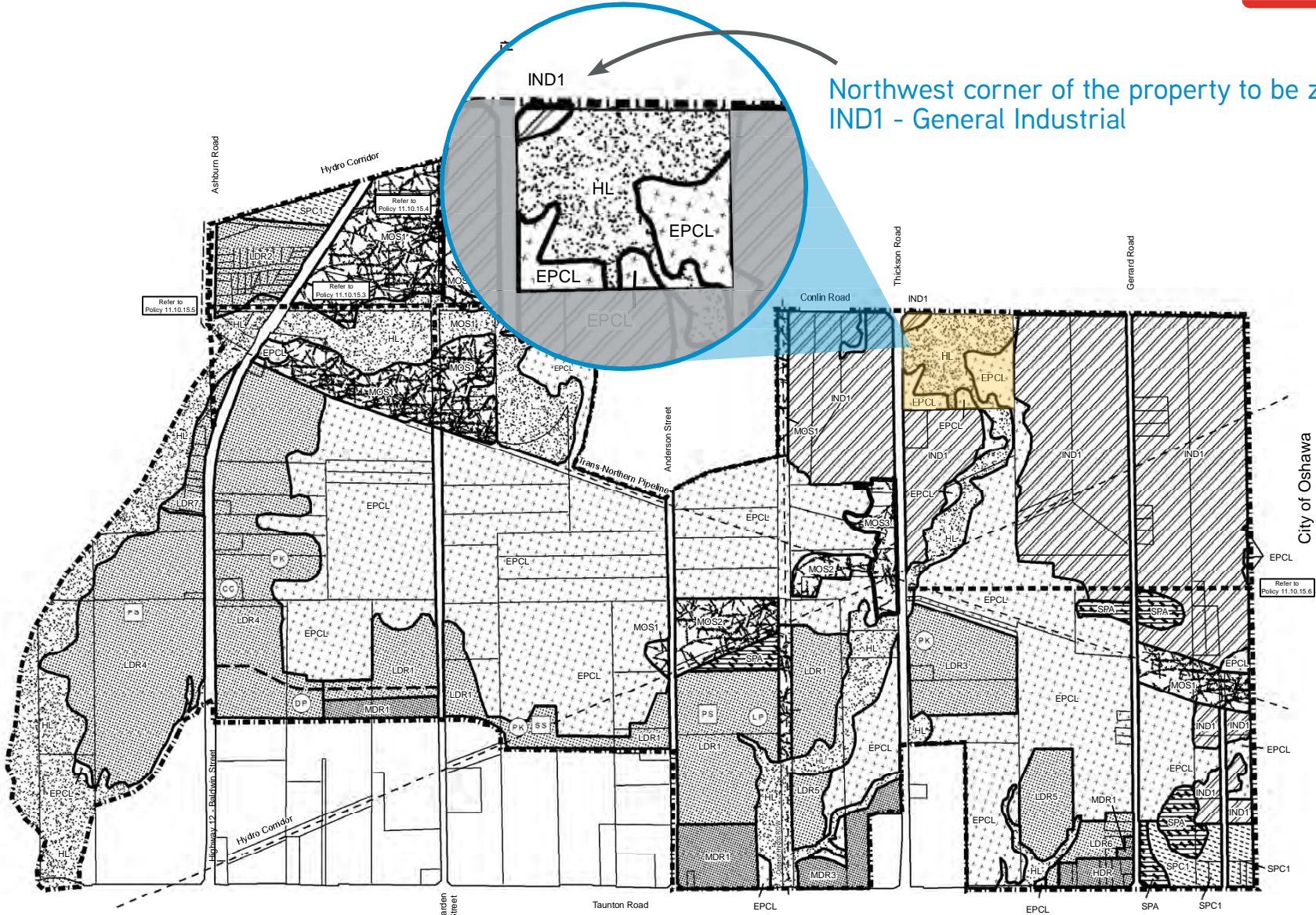
Oshawa Executive Airport

Taunton North Community Secondary Plan

Thickson Road & Conlin Road | Whitby, Ontario



Northwest corner of the property to be zoned IND1 - General Industrial



Legend

	Low Density Residential (LDR) (refer to text)		Prestige Industrial (refer to text)
	Medium Density Residential (MDR) (refer to text)		General Industrial (refer to text)
	High Density Residential		Special Purpose Commercial (SPC) (refer to text)

	Major Open Space (MOS) (refer to text)		Special Policy Area (SPA)
	Hazard Land (HL)		Public Elementary School
	Environmental Protection/ Conservation Lands (EPCL)		Separate Elementary School

	District Park		Secondary Plan Boundary
	Local Park		20 Year Urban Boundary
	Parkette		Utility Corridors
	Convenience Commercial		Proposed Collector Road
			Proposed Arterial Road

Taunton North Community
Secondary Plan

Official Plan Schedule **P**
Town of Whitby

Scale: 0 to 350 meters

Consolidation Date:
July 2018

Area Overview

Thickson Road & Conlin Road | Whitby, Ontario



2 MINUTE DRIVE TO HIGHWAY 407

Anderson Street

Conlin Road

Thickson Road

Garrard Road

407

This is Exhibit "L" referred to in the Affidavit of Greg Harmandayan sworn by Greg Harmandayan of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 6, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.

A handwritten signature in blue ink, appearing to read "Baruch Wise".

Commissioner for Taking Affidavits (or as may be)

BARUCH WISE

Wise, Baruch

From: Cowley, Jared <Jared.Cowley@colliers.com>
Sent: Tuesday, June 1, 2021 6:21 PM
To: gharman@rogers.com
Cc: Powell, John; Mazzotta, Emilia
Subject: Thicksen & Conlin offer
Attachments: 20210601122241_001.pdf

Greg,

I hope all is well. Please find attached for an offer with respect to your land at Thicksen and Conlin in Whitby.

Purchaser: THMR Development
[REDACTED]

Due Diligence: 55 Days after acceptance
Closing: 30 Days

THMR is a private developer and has holdings in Durham region already, along with other assets in the GTA. I would be confident in their financial ability to close a transaction of this nature. They have done as much preliminary due diligence as possible and I do not believe they are just looking to tie up the site.

Please call John or I to discuss when you are available

Thank you,
Jared

Jared Cowley

Associate Vice President | Sales Representative

Jared.Cowley@colliers.com | [View my profile](#)

Direct: +1 416 791 7249 | Mobile: +1 416 564 6644

Colliers International

181 Bay Street, Suite #1400 | Toronto, ON M5J 2V1 | Canada

Main: +1 416 777 2200 | Fax: +1 416 492 0100

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Agreement of Purchase and Sale Commercial

Form 500

for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 1 day of June, 2021

BUYER: THMR Development Inc, agrees to purchase from
(Full legal names of all Buyers)

SELLER: Churchill Lands United Inc., the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address Thickson Road & Conlin Road, Whitby ON

fronting on the east side of Thickson Road

in the Town of Whitby

and having a frontage of 1,016 ft more or less by a depth of N/A more or less

and legally described as see Schedule A

(Legal description of land including easements not described elsewhere) (the "property")

PURCHASE PRICE: Dollars (CDN\$) [REDACTED]
Dollars

DEPOSIT: Buyer submits within 1 business day of acceptance
(Herewith/Upon Acceptance/as otherwise described in this Agreement)
Dollars (CDN\$) [REDACTED]

by negotiable cheque payable to COLLIERS MACAULAY NICOLLS in trust "Deposit Holder"
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A attached hereto form(s) part of this Agreement.

1. IRREVOCABILITY: This offer shall be irrevocable by Buyer until 5:00 on
(Seller/Buyer) (a.m./p.m.)
the 10th day of June, 2021, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the See Schedule A day of 20.21
Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S):

INITIALS OF SELLERS(S):

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3. **NOTICES:** The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.:
(For delivery of Documents to Seller)

FAX No.:
(For delivery of Documents to Buyer)

Email Address: jared.cowley@colliers.com
(For delivery of Documents to Seller)

Email Address: jake.arnoldi@colliers.com
(For delivery of Documents to Buyer)

4. **CHATELS INCLUDED:**

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. **FIXTURES EXCLUDED:**

6. **RENTAL ITEMS (Including Lease, Lease to Own):** The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. **HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price.** The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, if applicable, is not included in the Purchase Price.

 **INITIALS OF BUYER(S):**



INITIALS OF SELLER(S):



8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 15 day of before closing, 2021, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there

are no outstanding work orders or deficiency notices affecting the property, that its present use (agricultural) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telecommunication services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telecommunication lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Ontario. Unless otherwise agreed to by the lawyers, such exchange of Requisite Deliveries shall occur by the delivery of the Requisite Deliveries of each party to the office of the lawyer for the other party or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.



INITIALS OF BUYER(S):



INITIALS OF SELLERS(S):



- 15. PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
- 16. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
- 17. RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada; (b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.
- 18. ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
- 19. TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
- 20. PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
- 21. TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
- 22. FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless the spouse of the Seller has executed the consent hereinafter provided.
- 23. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
- 24. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
- 25. CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
- 26. AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
- 27. TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

 **INITIALS OF BUYER(S):** 

INITIALS OF SELLER(S): 

28. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein. SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

DocuSigned by: [Signature] 6/1/2021 | 4:17 PM EDT
(Witness) (Buyer/Authorized Signing Officer) (Seal) (Date)
(Witness) (Buyer/Authorized Signing Officer) (Seal) (Date)

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer. SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

(Witness) (Seller/Authorized Signing Officer) (Seal) (Date)
(Witness) (Seller/Authorized Signing Officer) (Seal) (Date)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O. 1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at _____ this _____ day of _____, 20____ (a.m./p.m.)

(Signature of Seller or Buyer)

INFORMATION ON BROKERAGE(S)

Listing Brokerage	Colliers International	(416) 777-2200
	Jared Cowley	(Tel.No.)
	(Salesperson/Broker/Broker of Record Name)	
Co-op/Buyer Brokerage	Colliers International	(416) 777-2200
	Jake Arnoldi	(Tel.No.)
	(Salesperson/Broker/Broker of Record Name)	

ACKNOWLEDGEMENT

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Seller) (Date)
(Seller) (Date)
Address for Service
(Tel. No.)
Seller's Lawyer
Address
Email
(Tel. No.) (Fax. No.)

(Buyer) (Date)
(Buyer) (Date)
Address for Service
(Tel. No.)
Buyer's Lawyer
Address
Email
(Tel. No.) (Fax. No.)

FOR OFFICE USE ONLY

COMMISSION TRUST AGREEMENT

To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:
In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.

DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale. Acknowledged by:
(Authorized to bind the Listing Brokerage) (Authorized to bind the Co-operating Brokerage)



Schedule A Agreement of Purchase and Sale - Commercial

Form 500
for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: THMR Development Inc , and

SELLER: Churchill Lands United Inc.

for the purchase and sale of Thickson Road & Conlin Road, Whitby

dated the 1 day of June, 2021

Buyer agrees to pay the balance as follows:

A.1 PAYMENT OF PURCHASE PRICE: Buyer agrees to pay the balance of the Purchase Price as follows:

(a) By paying a further sum equal to [redacted] to the Deposit Holder by cheque or bank draft, within one (1) business day following notification of [redacted] or removal of the Buyer's Conditions set out below, as an additional deposit to be held in trust pending completion or other termination of this Agreement;

(b) The Buyer agrees to pay the balance of the purchase price, subject to adjustments, to the Seller on completion of this transaction, with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

A.2 BUYER'S INSPECTION AND TESTS: Following acceptance of this Agreement by the Seller, the Buyer and its agent or employees shall have the right at the Buyer's expense until expiry of the Conditional Period hereafter described for the purposes of inspecting the Property, preparing any necessary surveys or plans, and examining structures and systems, soil conditions, including the taking of soil tests by drilling and/or a Phase I and/or Phase II environmental site assessment; provided that (i) no invasive testing shall be permitted without Seller's prior written approval not to be unreasonably withheld, and (ii) the Buyer, in undertaking such tests and inspections, shall repair all damage caused by same and reinstate the property to its former condition following completion of such tests and inspections, and (iii) the Buyer will minimize to the extent possible any disruption to the operation of any tenant's business on the Property, and (iv) and the Buyer agrees to indemnify and save the Seller harmless from and against any losses, claims, third party claims, damages, expenses (including legal costs as between a solicitor and its own client) which the Seller may suffer directly as a result of any physical damage caused during such inspection of the Property conducted by the Buyer or its authorized representatives as outlined herein or as a result of any unauthorized tests or inspections wrongly requested by the Buyer from any authority; the provisions of this paragraph shall survive closing or other termination of this Agreement, notwithstanding any other provisions hereof (the "Buyer's Indemnity").

If the Buyer gives notice to the Seller in writing on or before the expiration of the Conditional Period that it does not for any reason whatsoever approve of any of the above, or if no notice whatsoever is given by the Buyer on or before the expiration of the Conditional Period, then this Agreement shall, as of the date of delivery of such notice to the Seller, or the expiration of the Conditional Period, as the case may be, be at an end and the deposit shall be immediately returned to the Buyer together with accrued interest thereon and without deduction whatsoever and neither party shall have any further rights or obligations hereunder. If, however, the Seller shall be notified in writing on or before the end of the Conditional Period that the Buyer waives the conditions set forth in this paragraph, the Buyer shall no longer be entitled to terminate this agreement pursuant to the provisions of this paragraph only. Notice to be given hereunder may be given by the Parties to

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLERS(S):

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Schedule A Agreement of Purchase and Sale - Commercial

Form 500
for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: THMR Development Inc, and

SELLER: Churchill Lands United Inc.

for the purchase and sale of Thickson Road & Conlin Road, Whitby

..... dated the 1 day of June, 2021

Buyer agrees to pay the balance as follows:
each other, or their respective solicitors or by the brokerage/salesperson acting for each party and shall be deemed to have been received on the date of delivery thereof either personally or by courier.

If any condition, expiry or other date provided for under this Agreement occurs on a Saturday, Sunday or statutory holiday, then such date will be deemed to be postponed to occur on the next business day.


In the event the Buyer's Condition is not fulfilled or waived in the manner herein before set forth, the Buyer shall not be obligated to provide the Seller with any documentation or any reason in respect of the Buyer's inability to satisfy itself as to the Buyer's Condition and the deposit shall be returned to the Buyer without deduction.

A.3 ASSIGNMENT: After payment of the second deposit, the Buyer shall have the right to assign this Agreement to any person or persons, corporation or corporations as may be designated by the Buyer in its discretion, or to cause title to the subject Property to be taken in a name other than the Buyer herein (any party so designated by the Buyer being hereinafter referred to as the "Assignee"). Provided that upon the Buyer delivering to the Seller, a written covenant of such Assignee to be bound by the provisions of the Agreement, such Assignee shall be deemed to be the party hereinbefore originally named as the Buyer. The Buyer hereinbefore originally named shall not be relieved of any and all obligations and liabilities whatsoever pursuant to the provisions of this Agreement.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

 **INITIALS OF BUYER(S):** 

INITIALS OF SELLER(S): 

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Confirmation of Co-operation and Representation



Form 320

for use in the Province of Ontario

BUYER: THMR Development Inc

SELLER: Churchill Lands United Inc.

For the transaction on the property known as: Thickson Road & Conlin Road, Whitby ON

DEFINITIONS AND INTERPRETATIONS: For the purposes of this Confirmation of Co-operation and Representation: "Seller" includes a vendor, a landlord, lessor, or a prospective, seller, vendor, landlord or lessor and "Buyer" includes a purchaser, a tenant, lessee or a prospective, buyer, purchaser, tenant or lessee and "sale" includes a lease, and "Agreement of Purchase and Sale" includes an Agreement to Lease. Commission shall be deemed to include other remuneration.

The following information is confirmed by the undersigned salesperson/broker representatives of the Brokerage(s). If a Co-operating Brokerage is involved in the transaction, the brokerages agree to co-operate, in consideration of, and on the terms and conditions as set out below.

DECLARATION OF INSURANCE: The undersigned salesperson/broker representative(s) of the Brokerage(s) hereby declare that he/she is insured as required by the Real Estate and Business Brokers Act, 2002, (REBBA).

1. LISTING BROKERAGE

- a) The Listing Brokerage represents the interests of the Seller in this transaction. It is further understood and agreed that:
 - 1) The Listing Brokerage is not representing or providing Customer Service to the Buyer. (If the Buyer is working with a Co-operating Brokerage, Section 3 is to be completed by Co-operating Brokerage)
 - 2) The Listing Brokerage is providing Customer Service to the Buyer.
- b) **MULTIPLE REPRESENTATION:** The Listing Brokerage has entered into a Buyer Representation Agreement with the Buyer and represents the interests of the Seller and the Buyer, with their consent, for this transaction. The Listing Brokerage must be impartial and equally protect the interests of the Seller and the Buyer in this transaction. The Listing Brokerage has a duty of full disclosure to both the Seller and the Buyer, including a requirement to disclose all factual information about the property known to the Listing Brokerage. However, the Listing Brokerage shall not disclose:
 - That the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
 - That the Buyer may or will pay more than the offered price, unless otherwise instructed in writing by the Buyer;
 - The motivation of or personal information about the Seller or Buyer, unless otherwise instructed in writing by the party to which the information applies, or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
 - The price the Buyer should offer or the price the Seller should accept;
 - And, the Listing Brokerage shall not disclose to the Buyer the terms of any other offer.
 However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the property will be disclosed to both Seller and Buyer to assist them to come to their own conclusions.

Additional comments and/or disclosures by Listing Brokerage: (e.g. The Listing Brokerage represents more than one Buyer offering on this property.)

2. PROPERTY SOLD BY BUYER BROKERAGE – PROPERTY NOT LISTED

- The Brokeragerepresent the Buyer and the property is not listed with any real estate brokerage. The Brokerage will be paid (does/does not)
 - by the Seller in accordance with a Seller Customer Service Agreement
 - or: by the Buyer directly

Additional comments and/or disclosures by Buyer Brokerage: (e.g. The Buyer Brokerage represents more than one Buyer offering on this property.)


INITIALS OF BUYER(S)/SELLER(S)/BROKERAGE REPRESENTATIVE(S) (Where applicable)

 
BUYER


CO-OPERATING/BUYER BROKERAGE


SELLER


LISTING BROKERAGE

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3. Co-operating Brokerage completes Section 3 and Listing Brokerage completes Section 1.

CO-OPERATING BROKERAGE- REPRESENTATION:

- a) The Co-operating Brokerage represents the interests of the Buyer in this transaction.
- b) The Co-operating Brokerage is providing Customer Service to the Buyer in this transaction.
- c) The Co-operating Brokerage is not representing the Buyer and has not entered into an agreement to provide customer service(s) to the Buyer.

CO-OPERATING BROKERAGE- COMMISSION:

- a) The Listing Brokerage will pay the Co-operating Brokerage the commission as indicated in the MLS® information for the property
 to be paid from the amount paid by the Seller to the Listing Brokerage.
 (Commission As Indicated In MLS® Information)
- b) The Co-operating Brokerage will be paid as follows:
 2.5% + HST of the total sale price

Additional comments and/or disclosures by Co-operating Brokerage: (e.g., The Co-operating Brokerage represents more than one Buyer offering on this property.)

Commission will be payable as described above, plus applicable taxes.

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Listing Brokerage, then the agreement between Listing Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller. This Commission Trust Agreement shall be subject to and governed by the MLS® rules and regulations pertaining to commission trusts of the Listing Brokerage's local real estate board, if the local board's MLS® rules and regulations so provide. Otherwise, the provisions of the OREA recommended MLS® rules and regulations shall apply to this Commission Trust Agreement. For the purpose of this Commission Trust Agreement, the Commission Trust Amount shall be the amount noted in Section 3 above. The Listing Brokerage hereby declares that all monies received in connection with the trade shall constitute a Commission Trust and shall be held, in trust, for the Co-operating Brokerage under the terms of the applicable MLS® rules and regulations.

SIGNED BY THE BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (Where applicable)

COLLIERS MACAULAY NICOLLS INC.
 (Name of Co-operating/Buyer Brokerage)
 181 BAY STREET SUITE 1400 TORONTO
 Tel.: (416) 777-2200 Fax: (416) 777-2277
 (Authorized to bind the Co-operating/Buyer Brokerage) (Date)
 JAKE ARNOLDI
 (Print Name of Salesperson/Broker/Broker of Record)

COLLIERS MACAULAY NICOLLS INC.
 (Name of Listing Brokerage)
 181 BAY STREET SUITE 1400 TORONTO
 Tel: (416) 777-2200 Fax: (416) 777-2277
 (Authorized to bind the Listing Brokerage) (Date)
 JARED COWLEY
 (Print Name of Salesperson/Broker/Broker of Record)

CONSENT FOR MULTIPLE REPRESENTATION (To be completed only if the Brokerage represents more than one client for the transaction)

The Buyer/Seller consent with their initials to their Brokerage representing more than one client for this transaction.


 BUYER'S INITIALS


 SELLER'S INITIALS

ACKNOWLEDGEMENT

I have received, read, and understand the above information.

..... (Signature of Buyer) (Date) (Signature of Seller) (Date)
 (Signature of Buyer) (Date) (Signature of Seller) (Date)

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SCHEDULE "A"

BETWEEN: Churchill Lands United Ltd

AND: as Buyer THMR Development Inc

RE: Thickson Road & Conlin Road, Whitby ON

1) The Seller acknowledges and agrees that the Buyer shall have the right to assign its rights under this Agreement to a corporation, individual, partnership or any other entity in the sole and absolute discretion of the Buyer (the "Assignee") or to direct that title be taken into the name of any of the foregoing provided that (a) the Buyer gives written notice to the Seller of such assignment, and (b) the Assignee assumes all of the Buyer's obligations and covenants hereunder, whereupon the Buyer shall be released from all of its obligations hereunder and the Assignee shall be entitled to the benefits of and subject to the liabilities of the Buyer under this Agreement and the Buyer shall cease to be entitled to such benefits, and upon the giving of notice of such assignment or such direction as to title to the Seller, the Seller shall complete the transaction contemplated herein with such Assignee or such party named in the direction as to title.

2) The Seller acknowledges the Closing Date will be Thirty (30) days following the wavier of the Buyers due-diligence conditional period.

3) The Seller represents and warrants to the best of the Seller's knowledge that during the time of the Seller's ownership of the Property, the use of the Property and the building and structure thereon has not been used for the growth or manufacture of any illegal substances and that to the best of the Seller's knowledge and belief, the use of the Property and building and structure thereon has never been used for the grown or manufacture of any illegal substances. This warranty shall survive for one year and not merge on the completion of this transaction.

4) Both parties hereto acknowledge and agree that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. Both parties agree that no claim will be made against each other for any changes in Property tax as a result of a re-assessment of the Property.

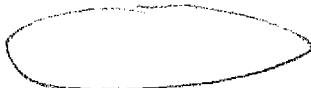
5) The Seller agrees to discharge all existing mortgages, liens, and encumbrances, registered against the Property at his own expenses on or before closing.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):



INITIALS OF SELLERS(S):



SCHEDULE "A"

BETWEEN: Churchill Lands United Ltd

AND: as Buyer THMR Development Inc

RE: Thickson Road & Conlin Road, Whitby ON

6) The Seller agrees to provide the Buyer with the following documents for review within (5) business days from acceptance of this Agreement:

- A) The past Two years realty final tax bill and MPAC Assessment
- B) an up-to-date survey of the Property by a registered land surveyor in the Province of Ontario if in the Seller's possession or control;
- C) copies of any environmental site assessments, topographical reports and copies of any documentation or other environmental audits, reports or test results relating to the environmental or soils conditions on or adjacent to the Property;
- D) a list of all litigation against the Seller affecting the Property as of the date of this Agreement and of all threatened litigation affecting the Property of which the Seller has knowledge;
- E) all current permits, licenses and agreements relating to the Property issued by, or with, any authority;
- F) any subdivision, site plan and/or development agreements, engineering drawings and all other documentation applicable to the development of the Property or the subdivision or area within which the Property is located;
- G) copies of any plans and specifications for the Property and buildings thereon (if any) and improvements including, without limitation, area certificates, architectural, structural, mechanical and electrical drawings and building specifications; and
- H) such other written information, correspondence and documentation relating to the Property that is in the possession or control of the Seller.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

SCHEDULE "A"

BETWEEN: Churchill Lands United Ltd

AND: as Buyer THMR Development Inc

RE: Thickson Road & Conlin Road, Whitby ON

7) The obligation of the Buyer to complete the transaction contemplated by this Agreement is subject to the following conditions (collectively, the "Due Diligence Conditions") being satisfied on or before the date which is 55 days from the date of acceptance of this Agreement (the "Due Diligence Date"), which conditions are for the exclusive benefit of the Buyer and may be waived, in whole or in part, unilaterally by the Buyer in its sole discretion, namely the Purchaser satisfying itself, in its sole and unfettered discretion, with respect to:

- A) the geotechnical topographical and environmental condition of the Property;
- B) the compliance of the Property with all applicable laws and regulations (including, without limitation, environmental and zoning laws and regulations) and specifically to ensure that the the Property is zoned or is capable of being re-zoned to permit the Buyer's intended use of the Property;
- C) the materials delivered by the Seller to the Buyer pursuant to the terms of this Agreement;
- D) the searches, reviews, examinations, inspections and analyses of the Property and the improvements thereon;
- E) insurance, financial matters, encumbrances, development and redevelopment potential of the Property; and
- F) any other matters of interest or relevance to the Buyer with respect to the Property or the Buyer's intended use thereof.

8) Unless the Buyer has given written notice to the Seller on or before the Due Diligence Date that all of the Due Diligence Conditions have been satisfied or waived by the Buyer, this Agreement will terminate at 5:00 p.m. on such date and all obligations of the parties will terminate (except for those obligations which are expressly stated to survive the termination of this Agreement), and the Deposit and all accrued interest will be returned to the Buyer immediately, and the Seller irrevocably authorizes and directs the Deposit Holder to forthwith return such deposits to the Buyer.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLERS(S):

SCHEDULE "A"

BETWEEN: Churchill Lands United Ltd

AND: as Buyer THMR Development Inc

RE: Thickson Road & Conlin Road, Whitby ON

9) To the knowledge of Seller, the Seller its predecessors in title and the Property are in compliance with all, and have not violated any, environmental laws and all judgments, injunctions, notices or demand letters issued pursuant thereto. Without limiting the generality of the foregoing:

A) To the knowledge of the Seller, all permits, licenses, certificates and other governmental authorizations (hereinafter collectively called the "Permits") which are required in connection with the Property under environmental laws have been obtained and are currently in effect and the Seller is in compliance with all terms and conditions of such Permits and neither the Seller nor any of its predecessors in title to the Property has previously violated any of same. Copies of all Permits shall be delivered to the Buyer.

B) Neither the Seller nor its predecessors in title have received any notice of, nor is the Seller aware of, any proposal to amend, revoke or replace any Permits, or any circumstances requiring the issuance of any additional Permits.

C) No notice, citation, summons or order has been issued, and to the knowledge of the Seller, no investigation or review is pending or threatened by any authority with respect to any alleged violation of any environmental law in connection with the Property, any alleged failure to hold any Permits, or any alleged failure to comply with any Permits in connection with the Property.

D) To the knowledge of the Seller, no PCBs, asbestos or urea formaldehyde are or have been present at the Property.

E) To the knowledge of the Seller, the Property has not in the past and is not currently being used for the handling, storage, transportation or disposal of toxic or hazardous materials.

F) There are no underground storage tanks, active or abandoned, on the Property.

G) Neither the Seller, nor, to the knowledge of the Seller, any of its predecessors in title has failed to report to the proper authorities the occurrence of any event which is required to be so reported under environmental laws, and the Seller has provided to the Buyer true and complete copies of any such reports and all correspondence related thereto which have been made by the Seller or any of its predecessors in title.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):



INITIALS OF SELLERS(S):



SCHEDULE "A"

BETWEEN: Churchill Lands United Ltd

AND: as Buyer THMR Development Inc

RE: Thickson Road & Conlin Road, Whitby ON

For the purposes hereof the expression "environmental laws" includes any federal, provincial or municipal law, by-law, rule, regulation, decree, code, guideline, standard, order or ordinance of any authority having jurisdiction relating to the environment (including, without limitation, ambient air, water, ground water or land) or the release of any hazardous substance into the environment.

The Seller hereby indemnifies the Buyer against all costs, losses, damages and liabilities whatsoever arising from a breach of the above warranties. Compliance with such warranties is a condition of completion of this Agreement, which condition is expressed to be for the sole benefit of the Buyer.

10) A) The Buyer shall have the right, at the sole cost and expense of the Buyer, to take and complete all such actions, matters and things as may be required by the Buyer, in its discretion, for the development of the Property, including the right to prepare, submit and process all applications and other documents generally required for the development of the Property.

B) The Seller shall deliver such written authorizations and execute all such documents as the Buyer may require to enable the Buyer to undertake and complete the foregoing.

C) From and after the date of this Agreement, the Seller agrees to use reasonable commercial efforts to assist and cooperate with the Buyer in respect of obtaining a rezoning or minor variance for the Property, or building permit(s) and site plan/subdivision approval(s) for its proposed development of the Property on terms and conditions satisfactory to the Buyer, in its sole and absolute discretion.

D) The Seller agrees that it shall, from time to time, within a period of five (5) days following request, execute any application, approval, consent or agreement requested by the Buyer.

E) The Seller authorizes the Buyer, at the sole cost and expense of the Buyer, to act as agent for the Seller and have complete carriage of each of the Official Plan Amendment, re-zoning, building permit, minor variance and/or site plan/subdivision approval processes and to meet with any governmental official to discuss any zoning, building or planning matters.

F) The Buyer shall be permitted to erect on the Property such signage, billboards or other advertisements it may deem necessary or desirable, in its sole and unfettered discretion in connection with the foregoing or in connection its proposed use and development of the Property.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLERS(S):



This is Exhibit "M" referred to in the Affidavit of Greg Harmandayan sworn by Greg Harmandayan of the City of Toronto, in the Province of Ontario, before me at the City of Toronto, in the Province of Ontario, on December 6, 2024 in accordance with O. Reg. 431/20, Administering Oath or Declaration Remotely.



Commissioner for Taking Affidavits (or as may be)

BARUCH WISE

Wise, Baruch

From: Cowley, Jared <Jared.Cowley@colliers.com>
Sent: Friday, June 4, 2021 3:00 PM
To: GREG HARMANDAYAN
Cc: Powell, John; Mazzotta, Emilia
Subject: RE: Thickson & Conlin offer
Attachments: 0692_001.pdf

Greg,

Please find attached for the buyers signback at [REDACTED]

We were very firm on our stance and discussion with them when presenting our counter offer however they are hoping to negotiate.

Please let us know how you'd like to proceed

Jared

Jared Cowley

Associate Vice President | Sales Representative

Jared.Cowley@colliers.com | [View my profile](#)

Direct: +1 416 791 7249 | Mobile: +1 416 564 6644

Colliers International

181 Bay Street, Suite #1400 | Toronto, ON M5J 2V1 | Canada

Main: +1 416 777 2200 | Fax: +1 416 492 0100

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From: GREG HARMANDAYAN <gharman@rogers.com>
Sent: Wednesday, June 2, 2021 3:50 PM
To: Cowley, Jared <Jared.Cowley@colliers.com>
Cc: Powell, John <John.Powell@colliers.com>; Mazzotta, Emilia <Emilia.Mazzotta@colliers.com>
Subject: Re: Thickson & Conlin offer

Just price 👍

Greg Harmandayan
416.732.8070

From: Cowley, Jared <Jared.Cowley@colliers.com>
Sent: Wednesday, June 2, 2021 3:41:39 PM
To: GREG HARMANDAYAN <gharman@rogers.com>
Cc: Powell, John <John.Powell@colliers.com>; Mazzotta, Emilia <Emilia.Mazzotta@colliers.com>
Subject: RE: Thickson & Conlin offer

Ok coming your way shortly via DocuSign.

Any other changes to the APS or just the price at [REDACTED]?

Regards,

Jared Cowley

Associate Vice President | Sales Representative

Jared.Cowley@colliers.com | [View my profile](#)

Direct: +1 416 791 7249 | Mobile: +1 416 564 6644

Colliers International

181 Bay Street, Suite #1400 | Toronto, ON M5J 2V1 | Canada

Main: +1 416 777 2200 | Fax: +1 416 492 0100

   collierscanada.com | [View Privacy Policy](#)

From: GREG HARMANDAYAN <gharman@rogers.com>

Sent: Wednesday, June 2, 2021 3:28 PM

To: Cowley, Jared <Jared.Cowley@colliers.com>

Cc: Powell, John <John.Powell@colliers.com>; Mazzotta, Emilia <Emilia.Mazzotta@colliers.com>

Subject: Re: Thickson & Conlin offer

If you could mark up the document and send in docusign I could do it while I'm on the go

Both documents would take me a letter of seconds in that case

Greg Harmandayan

416.732.8070

From: Cowley, Jared <Jared.Cowley@colliers.com>

Sent: Wednesday, June 2, 2021 2:21:28 PM

To: GREG HARMANDAYAN <gharman@rogers.com>

Cc: Powell, John <John.Powell@colliers.com>; Mazzotta, Emilia <Emilia.Mazzotta@colliers.com>

Subject: RE: Thickson & Conlin offer

Hi Greg,

Please find attached for resaved PDF copy of the offer. You should be able to open and edit this document. Please let me know if you have any issues opening the document. We would also be happy to mark up the document if you'd like

Also, please find attached for a commission agreement. Since our listing agreement has technically expired, Colliers management would require a commission agreement to be signed.

Let me know if you'd like to discuss any time

Regards,

Jared

Jared Cowley

Associate Vice President | Sales Representative

Jared.Cowley@colliers.com | [View my profile](#)

Direct: +1 416 791 7249 | Mobile: +1 416 564 6644

Colliers International

181 Bay Street, Suite #1400 | Toronto, ON M5J 2V1 | Canada

Main: +1 416 777 2200 | Fax: +1 416 492 0100

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From: GREG HARMANDAYAN <gharman@rogers.com>

Sent: Wednesday, June 2, 2021 6:14 AM

To: Cowley, Jared <Jared.Cowley@colliers.com>

Cc: Powell, John <John.Powell@colliers.com>; Mazzotta, Emilia <Emilia.Mazzotta@colliers.com>

Subject: Re: Thickson & Conlin offer

Good morning Jared

Just got around to this email today, apologies for the delayed reply it's just been busy. Hope all is well with you and that you are enjoying the good weather.

The attached PDF can't be edited off my phone because it's password protected. If you can send me one that is not I can provide you a sign back; when someone takes the time to put an offer on power I reciprocate.

In the meantime I can express to you in email here:

My price is [REDACTED] otherwise this is a long term hold for me and anyone interested should look at it the same way. It's a high profile corner that is worth much more to me down the line than my valuation today.

Greg Harmandayan
416.732.8070

From: Cowley, Jared <Jared.Cowley@colliers.com>

Sent: Tuesday, June 1, 2021 5:21 PM

To: gharman@rogers.com

Cc: Powell, John; Mazzotta, Emilia

Subject: Thickson & Conlin offer

Greg,

I hope all is well. Please find attached for an offer with respect to your land at Thickson and Conlin in Whitby.

Purchaser: THMR Development

Price: [REDACTED]

Deposits: Initial - [REDACTED]

Due Diligence: 55 Days after acceptance

Closing: 30 Days

THMR is a private developer and has holdings in Durham region already, along with other assets in the GTA. I would be confident in their financial ability to close a transaction of this nature. They have done as much preliminary due diligence as possible and I do not believe they are just looking to tie up the site.

Please call John or I to discuss when you are available

Thank you,
Jared

Jared Cowley

Associate Vice President | Sales Representative

Jared.Cowley@colliers.com | [View my profile](#)

Direct: +1 416 791 7249 | Mobile: +1 416 564 6644

Colliers International

181 Bay Street, Suite #1400 | Toronto, ON M5J 2V1 | Canada

Main: +1 416 777 2200 | Fax: +1 416 492 0100

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Agreement of Purchase and Sale Commercial

Form 500

for use in the Province of Ontario

This Agreement of Purchase and Sale dated this 1 day of June, 2021

BUYER: THMR Development Inc, agrees to purchase from
(Full legal names of all Buyers)

SELLER: Churchill Lands United Inc., the following
(Full legal names of all Sellers)

REAL PROPERTY:

Address Thickson Road & Conlin Road, Whitby ON

fronting on the east side of Thickson Road

in the Town of Whitby

and having a frontage of 1,016 ft more or less by a depth of N/A more or less

and legally described as see Schedule A

(Legal description of land including easements not described elsewhere) (the "property")

PURCHASE PRICE: [Redacted] Dollars

DEPOSIT: Buyer submits within 1 business day of acceptance
(Herewith/Upon Acceptance/as otherwise described in this Agreement)

[Redacted] Dollars (CDN\$) [Redacted]

by negotiable cheque payable to COLLIERS MACAULAY NICOLLS in trust "Deposit Holder"
to be held in trust pending completion or other termination of this Agreement and to be credited toward the Purchase Price on completion. For the purposes of this Agreement, "Upon Acceptance" shall mean that the Buyer is required to deliver the deposit to the Deposit Holder within 24 hours of the acceptance of this Agreement. The parties to this Agreement hereby acknowledge that, unless otherwise provided for in this Agreement, the Deposit Holder shall place the deposit in trust in the Deposit Holder's non-interest bearing Real Estate Trust Account and no interest shall be earned, received or paid on the deposit.

Buyer agrees to pay the balance as more particularly set out in Schedule A attached.

SCHEDULE(S) A [Redacted] attached hereto form(s) part of this Agreement.

1. IRREVOCABILITY: This offer shall be irrevocable by [Redacted] until 5:00 on 4th 10th day of June, 2021, after which time, if not accepted, this offer shall be null and void and the deposit shall be returned to the Buyer in full without interest.

2. COMPLETION DATE: This Agreement shall be completed by no later than 6:00 p.m. on the See Schedule A day of 2021. Upon completion, vacant possession of the property shall be given to the Buyer unless otherwise provided for in this Agreement.

INITIALS OF BUYER(S): [Redacted]

INITIALS OF SELLER(S): [Redacted]

3. NOTICES: The Seller hereby appoints the Listing Brokerage as agent for the Seller for the purpose of giving and receiving notices pursuant to this Agreement. Where a Brokerage (Buyer's Brokerage) has entered into a representation agreement with the Buyer, the Buyer hereby appoints the Buyer's Brokerage as agent for the purpose of giving and receiving notices pursuant to this Agreement. **Where a Brokerage represents both the Seller and the Buyer (multiple representation), the Brokerage shall not be appointed or authorized to be agent for either the Buyer or the Seller for the purpose of giving and receiving notices.** Any notice relating hereto or provided for herein shall be in writing. In addition to any provision contained herein and in any Schedule hereto, this offer, any counter-offer, notice of acceptance thereof or any notice to be given or received pursuant to this Agreement or any Schedule hereto (any of them, "Document") shall be deemed given and received when delivered personally or hand delivered to the Address for Service provided in the Acknowledgement below, or where a facsimile number or email address is provided herein, when transmitted electronically to that facsimile number or email address, respectively, in which case, the signature(s) of the party (parties) shall be deemed to be original.

FAX No.:
(For delivery of Documents to Seller)

FAX No.:
(For delivery of Documents to Buyer)

Email Address: **jared.cowley@colliers.com**
(For delivery of Documents to Seller)

Email Address: **jake.arnoldi@colliers.com**
(For delivery of Documents to Buyer)

4. CHATTELS INCLUDED:

Unless otherwise stated in this Agreement or any Schedule hereto, Seller agrees to convey all fixtures and chattels included in the Purchase Price free from all liens, encumbrances or claims affecting the said fixtures and chattels.

5. FIXTURES EXCLUDED:

6. RENTAL ITEMS (Including Lease, Lease to Own): The following equipment is rented and **not** included in the Purchase Price. The Buyer agrees to assume the rental contract(s), if assumable:

The Buyer agrees to co-operate and execute such documentation as may be required to facilitate such assumption.

7. HST: If the sale of the property (Real Property as described above) is subject to Harmonized Sales Tax (HST), then such tax shall be in addition to the Purchase Price. The Seller will not collect HST if the Buyer provides to the Seller a warranty that the Buyer is registered under the Excise Tax Act ("ETA"), together with a copy of the Buyer's ETA registration, a warranty that the Buyer shall self-assess and remit the HST payable and file the prescribed form and shall indemnify the Seller in respect of any HST payable. The foregoing warranties shall not merge but shall survive the completion of the transaction. If the sale of the property is not subject to HST, Seller agrees to certify on or before closing, that the transaction is not subject to HST. Any HST on chattels, If applicable, is not included in the Purchase Price.

 **INITIALS OF BUYER(S):** 

INITIALS OF SELLER(S): 

8. **TITLE SEARCH:** Buyer shall be allowed until 6:00 p.m. on the 15 day of before closing, 2021, (Requisition Date) to examine the title to the property at his own expense and until the earlier of: (i) thirty days from the later of the Requisition Date or the date on which the conditions in this Agreement are fulfilled or otherwise waived or; (ii) five days prior to completion, to satisfy himself that there are no outstanding work orders or deficiency notices affecting the property, that its present use (agricultural) may be lawfully continued and that the principal building may be insured against risk of fire. Seller hereby consents to the municipality or other governmental agencies releasing to Buyer details of all outstanding work orders and deficiency notices affecting the property, and Seller agrees to execute and deliver such further authorizations in this regard as Buyer may reasonably require.

9. **FUTURE USE:** Seller and Buyer agree that there is no representation or warranty of any kind that the future intended use of the property by Buyer is or will be lawful except as may be specifically provided for in this Agreement.

10. **TITLE:** Provided that the title to the property is good and free from all registered restrictions, charges, liens, and encumbrances except as otherwise specifically provided in this Agreement and save and except for (a) any registered restrictions or covenants that run with the land providing that such are complied with; (b) any registered municipal agreements and registered agreements with publicly regulated utilities providing such have been complied with, or security has been posted to ensure compliance and completion, as evidenced by a letter from the relevant municipality or regulated utility; (c) any minor easements for the supply of domestic utility or telecommunication services to the property or adjacent properties; and (d) any easements for drainage, storm or sanitary sewers, public utility lines, telecommunication lines, cable television lines or other services which do not materially affect the use of the property. If within the specified times referred to in paragraph 8 any valid objection to title or to any outstanding work order or deficiency notice, or to the fact the said present use may not lawfully be continued, or that the principal building may not be insured against risk of fire is made in writing to Seller and which Seller is unable or unwilling to remove, remedy or satisfy or obtain insurance save and except against risk of fire (Title Insurance) in favour of the Buyer and any mortgagee, (with all related costs at the expense of the Seller), and which Buyer will not waive, this Agreement notwithstanding any intermediate acts or negotiations in respect of such objections, shall be at an end and all monies paid shall be returned without interest or deduction and Seller, Listing Brokerage and Co-operating Brokerage shall not be liable for any costs or damages. Save as to any valid objection so made by such day and except for any objection going to the root of the title, Buyer shall be conclusively deemed to have accepted Seller's title to the property.

11. **CLOSING ARRANGEMENTS:** Where each of the Seller and Buyer retain a lawyer to complete the Agreement of Purchase and Sale of the property, and where the transaction will be completed by electronic registration pursuant to Part III of the Land Registration Reform Act, R.S.O. 1990, Chapter L4 and the Electronic Registration Act, S.O. 1991, Chapter 44, and any amendments thereto, the Seller and Buyer acknowledge and agree that the exchange of closing funds, non-registrable documents and other items (the "Requisite Deliveries") and the release thereof to the Seller and Buyer will (a) not occur at the same time as the registration of the transfer/deed (and any other documents intended to be registered in connection with the completion of this transaction) and (b) be subject to conditions whereby the lawyer(s) receiving any of the Requisite Deliveries will be required to hold same in trust and not release same except in accordance with the terms of a document registration agreement between the said lawyers. The Seller and Buyer irrevocably instruct the said lawyers to be bound by the document registration agreement which is recommended from time to time by the Law Society of Ontario. Unless otherwise agreed to by the lawyers, such exchange of Requisite Deliveries shall occur by the delivery of the Requisite Deliveries of each party to the office of the lawyer for the other party or such other location agreeable to both lawyers.

12. **DOCUMENTS AND DISCHARGE:** Buyer shall not call for the production of any title deed, abstract, survey or other evidence of title to the property except such as are in the possession or control of Seller. If requested by Buyer, Seller will deliver any sketch or survey of the property within Seller's control to Buyer as soon as possible and prior to the Requisition Date. If a discharge of any Charge/Mortgage held by a corporation incorporated pursuant to the Trust And Loan Companies Act (Canada), Chartered Bank, Trust Company, Credit Union, Caisse Populaire or Insurance Company and which is not to be assumed by Buyer on completion, is not available in registrable form on completion, Buyer agrees to accept Seller's lawyer's personal undertaking to obtain, out of the closing funds, a discharge in registrable form and to register same, or cause same to be registered, on title within a reasonable period of time after completion, provided that on or before completion Seller shall provide to Buyer a mortgage statement prepared by the mortgagee setting out the balance required to obtain the discharge, and, where a real-time electronic cleared funds transfer system is not being used, a direction executed by Seller directing payment to the mortgagee of the amount required to obtain the discharge out of the balance due on completion.

13. **INSPECTION:** Buyer acknowledges having had the opportunity to inspect the property and understands that upon acceptance of this offer there shall be a binding agreement of purchase and sale between Buyer and Seller.

14. **INSURANCE:** All buildings on the property and all other things being purchased shall be and remain until completion at the risk of Seller. Pending completion, Seller shall hold all insurance policies, if any, and the proceeds thereof in trust for the parties as their interests may appear and in the event of substantial damage, Buyer may either terminate this Agreement and have all monies paid returned without interest or deduction or else take the proceeds of any insurance and complete the purchase. No insurance shall be transferred on completion. If Seller is taking back a Charge/Mortgage, or Buyer is assuming a Charge/Mortgage, Buyer shall supply Seller with reasonable evidence of adequate insurance to protect Seller's or other mortgagee's interest on completion.

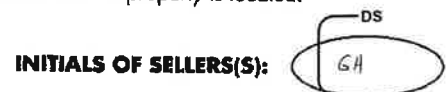
INITIALS OF BUYER(S):


INITIALS OF SELLER(S):

- 15. PLANNING ACT:** This Agreement shall be effective to create an interest in the property only if Seller complies with the subdivision control provisions of the Planning Act by completion and Seller covenants to proceed diligently at his expense to obtain any necessary consent by completion.
- 16. DOCUMENT PREPARATION:** The Transfer/Deed shall, save for the Land Transfer Tax Affidavit, be prepared in registrable form at the expense of Seller, and any Charge/Mortgage to be given back by the Buyer to Seller at the expense of the Buyer. If requested by Buyer, Seller covenants that the Transfer/Deed to be delivered on completion shall contain the statements contemplated by Section 50(22) of the Planning Act, R.S.O.1990.
- 17. RESIDENCY:** (a) Subject to (b) below, the Seller represents and warrants that the Seller is not and on completion will not be a non-resident under the non-residency provisions of the Income Tax Act which representation and warranty shall survive and not merge upon the completion of this transaction and the Seller shall deliver to the Buyer a statutory declaration that Seller is not then a non-resident of Canada;
(b) provided that if the Seller is a non-resident under the non-residency provisions of the Income Tax Act, the Buyer shall be credited towards the Purchase Price with the amount, if any, necessary for Buyer to pay to the Minister of National Revenue to satisfy Buyer's liability in respect of tax payable by Seller under the non-residency provisions of the Income Tax Act by reason of this sale. Buyer shall not claim such credit if Seller delivers on completion the prescribed certificate.
- 18. ADJUSTMENTS:** Any rents, mortgage interest, realty taxes including local improvement rates and unmetered public or private utility charges and unmetered cost of fuel, as applicable, shall be apportioned and allowed to the day of completion, the day of completion itself to be apportioned to Buyer.
- 19. TIME LIMITS:** Time shall in all respects be of the essence hereof provided that the time for doing or completing of any matter provided for herein may be extended or abridged by an agreement in writing signed by Seller and Buyer or by their respective lawyers who may be specifically authorized in that regard.
- 20. PROPERTY ASSESSMENT:** The Buyer and Seller hereby acknowledge that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. The Buyer and Seller agree that no claim will be made against the Buyer or Seller, or any Brokerage, Broker or Salesperson, for any changes in property tax as a result of a re-assessment of the property, save and except any property taxes that accrued prior to the completion of this transaction.
- 21. TENDER:** Any tender of documents or money hereunder may be made upon Seller or Buyer or their respective lawyers on the day set for completion. Money shall be tendered with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.
- 22. FAMILY LAW ACT:** Seller warrants that spousal consent is not necessary to this transaction under the provisions of the Family Law Act, R.S.O.1990 unless the spouse of the Seller has executed the consent hereinafter provided.
- 23. UFFI:** Seller represents and warrants to Buyer that during the time Seller has owned the property, Seller has not caused any building on the property to be insulated with insulation containing ureaformaldehyde, and that to the best of Seller's knowledge no building on the property contains or has ever contained insulation that contains ureaformaldehyde. This warranty shall survive and not merge on the completion of this transaction, and if the building is part of a multiple unit building, this warranty shall only apply to that part of the building which is the subject of this transaction.
- 24. LEGAL, ACCOUNTING AND ENVIRONMENTAL ADVICE:** The parties acknowledge that any information provided by the brokerage is not legal, tax or environmental advice, and that it has been recommended that the parties obtain independent professional advice prior to signing this document.
- 25. CONSUMER REPORTS:** The Buyer is hereby notified that a consumer report containing credit and/or personal information may be referred to in connection with this transaction.
- 26. AGREEMENT IN WRITING:** If there is conflict or discrepancy between any provision added to this Agreement (including any Schedule attached hereto) and any provision in the standard pre-set portion hereof, the added provision shall supersede the standard pre-set provision to the extent of such conflict or discrepancy. This Agreement including any Schedule attached hereto, shall constitute the entire Agreement between Buyer and Seller. There is no representation, warranty, collateral agreement or condition, which affects this Agreement other than as expressed herein. For the purposes of this Agreement, Seller means vendor and Buyer means purchaser. This Agreement shall be read with all changes of gender or number required by the context.
- 27. TIME AND DATE:** Any reference to a time and date in this Agreement shall mean the time and date where the property is located.

 **INITIALS OF BUYER(S):**


 **INITIALS OF SELLER(S):**

 **INITIALS OF SELLER(S):**

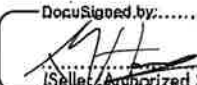
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28. SUCCESSORS AND ASSIGNS: The heirs, executors, administrators, successors and assigns of the undersigned are bound by the terms herein. SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

DocuSigned by:  6/1/2021 | 4:17 PM EDT
 (Witness) (Buyer/Authorized Signing Officer) (Seal) (Date)
 (Witness) (Buyer/Authorized Signing Officer) (Seal) (Date)

I, the Undersigned Seller, agree to the above offer. I hereby irrevocably instruct my lawyer to pay directly to the brokerage(s) with whom I have agreed to pay commission, the unpaid balance of the commission together with applicable Harmonized Sales Tax (and any other taxes as may hereafter be applicable), from the proceeds of the sale prior to any payment to the undersigned on completion, as advised by the brokerage(s) to my lawyer. SIGNED, SEALED AND DELIVERED in the presence of: IN WITNESS whereof I have hereunto set my hand and seal:

DocuSigned by:  6/2/2021 | 2:18 PM PDT
 (Witness) (Seller/Authorized Signing Officer) (Seal) (Date)
 (Witness) (Seller/Authorized Signing Officer) (Seal) (Date)

SPOUSAL CONSENT: The undersigned spouse of the Seller hereby consents to the disposition evidenced herein pursuant to the provisions of the Family Law Act, R.S.O.1990, and hereby agrees to execute all necessary or incidental documents to give full force and effect to the sale evidenced herein.

(Witness) (Spouse) (Seal) (Date)

CONFIRMATION OF ACCEPTANCE: Notwithstanding anything contained herein to the contrary, I confirm this Agreement with all changes both typed and written was finally accepted by all parties at this day of, 20..... (a.m./p.m.)

(Signature of Seller or Buyer)


INFORMATION ON BROKERAGE(S)		
Listing Brokerage	Colliers International	(416) 777-2200
	Jared Cowley	(Tel.No.)
	(Salesperson/Broker/Broker of Record Name)	
Co-op/Buyer Brokerage	Colliers International	(416) 777-2200
	Jake Arnoldi	(Tel.No.)
	(Salesperson/Broker/Broker of Record Name)	

ACKNOWLEDGEMENT


I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

I acknowledge receipt of my signed copy of this accepted Agreement of Purchase and Sale and I authorize the Brokerage to forward a copy to my lawyer.

(Seller) (Date)
 (Seller) (Date)
 Address for Service
 (Tel. No.)
 Seller's Lawyer
 Address
 Email
 (Tel. No.) (Fax. No.)

 (Date)
 (Buyer) (Date)
 Address for Service
 (Tel. No.)
 Buyer's Lawyer
 Address
 Email
 (Tel. No.) (Fax. No.)

FOR OFFICE USE ONLY	COMMISSION TRUST AGREEMENT
To: Co-operating Brokerage shown on the foregoing Agreement of Purchase and Sale:	
In consideration for the Co-operating Brokerage procuring the foregoing Agreement of Purchase and Sale, I hereby declare that all moneys received or receivable by me in connection with the Transaction as contemplated in the MLS® Rules and Regulations of my Real Estate Board shall be receivable and held in trust. This agreement shall constitute a Commission Trust Agreement as defined in the MLS® Rules and shall be subject to and governed by the MLS® Rules pertaining to Commission Trust.	
DATED as of the date and time of the acceptance of the foregoing Agreement of Purchase and Sale.	Acknowledged by:
(Authorized to bind the Listing Brokerage)	(Authorized to bind the Co-operating Brokerage)

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Schedule A Agreement of Purchase and Sale – Commercial

Form 500
for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: THMR Development Inc and

SELLER: Churchill Lands United Inc.

for the purchase and sale of Thickson Road & Conlin Road, Whitby

dated the 1 day of June, 2021

Buyer agrees to pay the balance as follows:

A.1 PAYMENT OF PURCHASE PRICE: Buyer agrees to pay the balance of the Purchase Price as follows:

(a) By paying a further sum equal to [REDACTED] to the Deposit Holder by cheque or bank draft, within one (1) business day following notification of fulfillment or removal of the Buyer's Conditions set out below, as an additional deposit to be held in trust pending completion or other termination of this Agreement;

(b) The Buyer agrees to pay the balance of the purchase price, subject to adjustments, to the Seller on completion of this transaction, with funds drawn on a lawyer's trust account in the form of a bank draft, certified cheque or wire transfer using the Large Value Transfer System.

A.2 BUYER'S INSPECTION AND TESTS: Following acceptance of this Agreement by the Seller, the Buyer and its agent or employees shall have the right at the Buyer's expense until expiry of the Conditional Period hereafter described for the purposes of inspecting the Property, preparing any necessary surveys or plans, and examining structures and systems, soil conditions, including the taking of soil tests by drilling and/or a Phase I and/or Phase II environmental site assessment; provided that (i) no invasive testing shall be permitted without Seller's prior written approval not to be unreasonably withheld, and (ii) the Buyer, in undertaking such tests and inspections, shall repair all damage caused by same and reinstate the property to its former condition following completion of such tests and inspections, and (iii) the Buyer will minimize to the extent possible any disruption to the operation of any tenant's business on the Property, and (iv) and the Buyer agrees to indemnify and save the Seller harmless from and against any losses, claims, third party claims, damages, expenses (including legal costs as between a solicitor and its own client) which the Seller may suffer directly as a result of any physical damage caused during such inspection of the Property conducted by the Buyer or its authorized representatives as outlined herein or as a result of any unauthorized tests or inspections wrongly requested by the Buyer from any authority; the provisions of this paragraph shall survive closing or other termination of this Agreement, notwithstanding any other provisions hereof (the "Buyer's Indemnity").

If the Buyer gives notice to the Seller in writing on or before the expiration of the Conditional Period that it does not for any reason whatsoever approve of any of the above, or if no notice whatsoever is given by the Buyer on or before the expiration of the Conditional Period, then this Agreement shall, as of the date of delivery of such notice to the Seller, or the expiration of the Conditional Period, as the case may be, be at an end and the deposit shall be immediately returned to the Buyer together with accrued interest thereon and without deduction whatsoever and neither party shall have any further rights or obligations hereunder. If, however, the Seller shall be notified in writing on or before the end of the Conditional Period that the Buyer waives the conditions set forth in this paragraph, the Buyer shall no longer be entitled to terminate this agreement pursuant to the provisions of this paragraph only. Notice to be given hereunder may be given by the Parties to

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLER(S):

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Schedule A

Agreement of Purchase and Sale - Commercial

Form 500

for use in the Province of Ontario

This Schedule is attached to and forms part of the Agreement of Purchase and Sale between:

BUYER: THMR Development Inc, and

SELLER: Churchill Lands United Inc.

for the purchase and sale of Thickson Road & Conlin Road, Whitby

dated the 1 day of June, 2021

Buyer agrees to pay the balance as follows:

each other, or their respective solicitors or by the brokerage/salesperson acting for each party and shall be deemed to have been received on the date of delivery thereof either personally or by courier.

If any condition, expiry or other date provided for under this Agreement occurs on a Saturday, Sunday or statutory holiday, then such date will be deemed to be postponed to occur on the next business day.


In the event the Buyer's Condition is not fulfilled or waived in the manner herein before set forth, the Buyer shall not be obligated to provide the Seller with any documentation or any reason in respect of the Buyer's inability to satisfy itself as to the Buyer's Condition and the deposit shall be returned to the Buyer without deduction.

A.3 ASSIGNMENT: After payment of the second deposit, the Buyer shall have the right to assign this Agreement to any person or persons, corporation or corporations as may be designated by the Buyer in its discretion, or to cause title to the subject Property to be taken in a name other than the Buyer herein (any party so designated by the Buyer being hereinafter referred to as the "Assignee"). Provided that upon the Buyer delivering to the Seller, a written covenant of such Assignee to be bound by the provisions of the Agreement, such Assignee shall be deemed to be the party hereinbefore originally named as the Buyer. The Buyer hereinbefore originally named shall not be relieved of any and all obligations and liabilities whatsoever pursuant to the provisions of this Agreement.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

 **INITIALS OF BUYER(S):** 

INITIALS OF SELLER(S): 

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Confirmation of Co-operation and Representation



Form 320

for use in the Province of Ontario

BUYER: THMR Development Inc

SELLER: Churchill Lands United Inc.

For the transaction on the property known as: Thickson Road & Conlin Road, Whitby ON

DEFINITIONS AND INTERPRETATIONS: For the purposes of this Confirmation of Co-operation and Representation: "Seller" includes a vendor, a landlord, lessor, or a prospective, seller, vendor, landlord or lessor and "Buyer" includes a purchaser, a tenant, lessee or a prospective, buyer, purchaser, tenant or lessee and "sale" includes a lease, and "Agreement of Purchase and Sale" includes an Agreement to Lease. Commission shall be deemed to include other remuneration.

The following information is confirmed by the undersigned salesperson/broker representatives of the Brokerage(s). If a Co-operating Brokerage is involved in the transaction, the brokerages agree to co-operate, in consideration of, and on the terms and conditions as set out below.

DECLARATION OF INSURANCE: The undersigned salesperson/broker representative(s) of the Brokerage(s) hereby declare that he/she is insured as required by the Real Estate and Business Brokers Act, 2002, (REBBA).

1. LISTING BROKERAGE

- a) The Listing Brokerage represents the interests of the Seller in this transaction. It is further understood and agreed that:
 - 1) The Listing Brokerage is not representing or providing Customer Service to the Buyer. (If the Buyer is working with a Co-operating Brokerage, Section 3 is to be completed by Co-operating Brokerage)
 - 2) The Listing Brokerage is providing Customer Service to the Buyer.
- b) **MULTIPLE REPRESENTATION:** The Listing Brokerage has entered into a Buyer Representation Agreement with the Buyer and represents the interests of the Seller and the Buyer, with their consent, for this transaction. The Listing Brokerage must be impartial and equally protect the interests of the Seller and the Buyer in this transaction. The Listing Brokerage has a duty of full disclosure to both the Seller and the Buyer, including a requirement to disclose all factual information about the property known to the Listing Brokerage. However, the Listing Brokerage shall not disclose:
 - That the Seller may or will accept less than the listed price, unless otherwise instructed in writing by the Seller;
 - That the Buyer may or will pay more than the offered price, unless otherwise instructed in writing by the Buyer;
 - The motivation of or personal information about the Seller or Buyer, unless otherwise instructed in writing by the party to which the information applies, or unless failure to disclose would constitute fraudulent, unlawful or unethical practice;
 - The price the Buyer should offer or the price the Seller should accept;
 - And; the Listing Brokerage shall not disclose to the Buyer the terms of any other offer.

However, it is understood that factual market information about comparable properties and information known to the Listing Brokerage concerning potential uses for the property will be disclosed to both Seller and Buyer to assist them to come to their own conclusions.

Additional comments and/or disclosures by Listing Brokerage: (e.g. The Listing Brokerage represents more than one Buyer offering on this property.)

2. PROPERTY SOLD BY BUYER BROKERAGE - PROPERTY NOT LISTED

- The Brokeragerepresent the Buyer and the property is not listed with any real estate brokerage. The Brokerage will be paid (does/does not)
 - by the Seller in accordance with a Seller Customer Service Agreement
 - or: by the Buyer directly


Additional comments and/or disclosures by Buyer Brokerage: (e.g. The Buyer Brokerage represents more than one Buyer offering on this property.)

INITIALS OF BUYER(S)/SELLER(S)/BROKERAGE REPRESENTATIVE(S) (Where applicable)






BUYER **CO-OPERATING/BUYER BROKERAGE** **SELLER** **LISTING BROKERAGE**

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3. Co-operating Brokerage completes Section 3 and Listing Brokerage completes Section 1.

CO-OPERATING BROKERAGE- REPRESENTATION:

- a) [checked] The Co-operating Brokerage represents the interests of the Buyer in this transaction.
b) [] The Co-operating Brokerage is providing Customer Service to the Buyer in this transaction.
c) [] The Co-operating Brokerage is not representing the Buyer and has not entered into an agreement to provide customer service(s) to the Buyer.

CO-OPERATING BROKERAGE- COMMISSION:

- a) [] The Listing Brokerage will pay the Co-operating Brokerage the commission as indicated in the MLS information for the property to be paid from the amount paid by the Seller to the Listing Brokerage.
b) [checked] The Co-operating Brokerage will be paid as follows: 2.5% + HST of the total sale price

Additional comments and/or disclosures by Co-operating Brokerage: (e.g., The Co-operating Brokerage represents more than one Buyer offering on this property.)

Commission will be payable as described above, plus applicable taxes.

COMMISSION TRUST AGREEMENT: If the above Co-operating Brokerage is receiving payment of commission from the Listing Brokerage, then the agreement between Listing Brokerage and Co-operating Brokerage further includes a Commission Trust Agreement, the consideration for which is the Co-operating Brokerage procuring an offer for a trade of the property, acceptable to the Seller.

SIGNED BY THE BROKER/SALESPERSON REPRESENTATIVE(S) OF THE BROKERAGE(S) (Where applicable)

COLLIERS MACAULAY NICOLLS INC. (Name of Co-operating/Buyer Brokerage)
181 BAY STREET SUITE 1400 TORONTO
Tel: (416) 777-2200 Fax: (416) 777-2277
Authorized to bind the Co-operating/Buyer Brokerage (Date)
JAKE ARNOLDI (Print Name of Salesperson/Broker/Broker of Record)

COLLIERS MACAULAY NICOLLS INC. (Name of Listing Brokerage)
181 BAY STREET SUITE 1400 TORONTO
Tel: (416) 777-2200 Fax: (416) 777-2277
Authorized to bind the Listing Brokerage (Date)
JARED COWLEY (Print Name of Salesperson/Broker/Broker of Record)

CONSENT FOR MULTIPLE REPRESENTATION (To be completed only if the Brokerage represents more than one client for the transaction)

The Buyer/Seller consent with their initials to their Brokerage representing more than one client for this transaction.

BUYER'S INITIALS (Signature) SELLER'S INITIALS (Signature)

ACKNOWLEDGEMENT

I have received, read, and understand the above information.

(Signature of Buyer) (Date) DocuSigned by: (Signature of Seller) (Date) 6/2/2021 | 2:18 PM PDT

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SCHEDULE "A"

BETWEEN: Churchill Lands United Ltd

AND: as Buyer THMR Development Inc

RE: Thickson Road & Conlin Road, Whitby ON

1) The Seller acknowledges and agrees that the Buyer shall have the right to assign its rights under this Agreement to a corporation, individual, partnership or any other entity in the sole and absolute discretion of the Buyer (the "Assignee") or to direct that title be taken into the name of any of the foregoing provided that (a) the Buyer gives written notice to the Seller of such assignment, and (b) the Assignee assumes all of the Buyer's obligations and covenants hereunder, whereupon the Buyer shall be released from all of its obligations hereunder and the Assignee shall be entitled to the benefits of and subject to the liabilities of the Buyer under this Agreement and the Buyer shall cease to be entitled to such benefits, and upon the giving of notice of such assignment or such direction as to title to the Seller, the Seller shall complete the transaction contemplated herein with such Assignee or such party named in the direction as to title.

2) The Seller acknowledges the Closing Date will be Thirty (30) days following the wavier of the Buyers due-diligence conditional period.

3) The Seller represents and warrants to the best of the Seller's knowledge that during the time of the Seller's ownership of the Property, the use of the Property and the building and structure thereon has not been used for the growth or manufacture of any illegal substances and that to the best of the Seller's knowledge and belief, the use of the Property and building and structure thereon has never been used for the grown or manufacture of any illegal substances. This warranty shall survive for one year and not merge on the completion of this transaction.

4) Both parties hereto acknowledge and agree that the Province of Ontario has implemented current value assessment and properties may be re-assessed on an annual basis. Both parties agree that no claim will be made against each other for any changes in Property tax as a result of a re-assessment of the Property.


5) The Seller agrees to discharge all existing mortgages, liens, and encumbrances, registered against the Property at his own expenses on or before closing.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

 INITIALS OF BUYER(S):

DS


INITIALS OF SELLERS(S):

DS


SCHEDULE "A"

BETWEEN: Churchill Lands United Ltd

AND: as Buyer THMR Development Inc

RE: Thickson Road & Conlin Road, Whitby ON

6) The Seller agrees to provide the Buyer with the following documents for review within (5) business days from acceptance of this Agreement:

- A) The past Two years realty final tax bill and MPAC Assessment
- B) an up-to-date survey of the Property by a registered land surveyor in the Province of Ontario if in the Seller's possession or control;
- C) copies of any environmental site assessments, topographical reports and copies of any documentation or other environmental audits, reports or test results relating to the environmental or soils conditions on or adjacent to the Property;
- D) a list of all litigation against the Seller affecting the Property as of the date of this Agreement and of all threatened litigation affecting the Property of which the Seller has knowledge;
- E) all current permits, licenses and agreements relating to the Property issued by, or with, any authority;
- F) any subdivision, site plan and/or development agreements, engineering drawings and all other documentation applicable to the development of the Property or the subdivision or area within which the Property is located;
- G) copies of any plans and specifications for the Property and buildings thereon (if any) and improvements including, without limitation, area certificates, architectural, structural, mechanical and electrical drawings and building specifications; and
- H) such other written information, correspondence and documentation relating to the Property that is in the possession or control of the Seller.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLERS(S):

SCHEDULE "A"

BETWEEN: Churchill Lands United Ltd

AND: as Buyer THMR Development Inc

RE: Thickson Road & Conlin Road, Whitby ON

7) The obligation of the Buyer to complete the transaction contemplated by this Agreement is subject to the following conditions (collectively, the "Due Diligence Conditions") being satisfied on or before the date which is 55 days from the date of acceptance of this Agreement (the "Due Diligence Date"), which conditions are for the exclusive benefit of the Buyer and may be waived, in whole or in part, unilaterally by the Buyer in its sole discretion, namely the Purchaser satisfying itself, in its sole and unfettered discretion, with respect to:

- A) the geotechnical topographical and environmental condition of the Property;
- B) the compliance of the Property with all applicable laws and regulations (including, without limitation, environmental and zoning laws and regulations) and specifically to ensure that the the Property is zoned or is capable of being re-zoned to permit the Buyer's intended use of the Property;
- C) the materials delivered by the Seller to the Buyer pursuant to the terms of this Agreement;
- D) the searches, reviews, examinations, inspections and analyses of the Property and the improvements thereon;
- E) insurance, financial matters, encumbrances, development and redevelopment potential of the Property; and
- F) any other matters of interest or relevance to the Buyer with respect to the Property or the Buyer's intended use thereof.

8) Unless the Buyer has given written notice to the Seller on or before the Due Diligence Date that all of the Due Diligence Conditions have been satisfied or waived by the Buyer, this Agreement will terminate at 5:00 p.m. on such date and all obligations of the parties will terminate (except for those obligations which are expressly stated to survive the termination of this Agreement), and the Deposit and all accrued interest will be returned to the Buyer immediately, and the Seller irrevocably authorizes and directs the Deposit Holder to forthwith return such deposits to the Buyer.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLERS(S):

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Jha

DS
GA

SCHEDULE "A"

BETWEEN: Churchill Lands United Ltd

AND: as Buyer THMR Development Inc

RE: Thickson Road & Conlin Road, Whitby ON

9) To the knowledge of Seller, the Seller its predecessors in title and the Property are in compliance with all, and have not violated any, environmental laws and all judgments, injunctions, notices or demand letters issued pursuant thereto. Without limiting the generality of the foregoing:

A) To the knowledge of the Seller, all permits, licenses, certificates and other governmental authorizations (hereinafter collectively called the "Permits") which are required in connection with the Property under environmental laws have been obtained and are currently in effect and the Seller is in compliance with all terms and conditions of such Permits and neither the Seller nor any of its predecessors in title to the Property has previously violated any of same. Copies of all Permits shall be delivered to the Buyer.

B) Neither the Seller nor its predecessors in title have received any notice of, nor is the Seller aware of, any proposal to amend, revoke or replace any Permits, or any circumstances requiring the issuance of any additional Permits.

C) No notice, citation, summons or order has been issued, and to the knowledge of the Seller, no investigation or review is pending or threatened by any authority with respect to any alleged violation of any environmental law in connection with the Property, any alleged failure to hold any Permits, or any alleged failure to comply with any Permits in connection with the Property.

D) To the knowledge of the Seller, no PCBs, asbestos or urea formaldehyde are or have been present at the Property.

E) To the knowledge of the Seller, the Property has not in the past and is not currently being used for the handling, storage, transportation or disposal of toxic or hazardous materials.

F) There are no underground storage tanks, active or abandoned, on the Property.

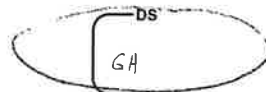
G) Neither the Seller, nor, to the knowledge of the Seller, any of its predecessors in title has failed to report to the proper authorities the occurrence of any event which is required to be so reported under environmental laws, and the Seller has provided to the Buyer true and complete copies of any such reports and all correspondence related thereto which have been made by the Seller or any of its predecessors in title.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):




INITIALS OF SELLERS(S):



SCHEDULE "A"

BETWEEN: Churchill Lands United Ltd

AND: as Buyer THMR Development Inc

RE: Thickson Road & Conlin Road, Whitby ON

For the purposes hereof the expression "environmental laws" includes any federal, provincial or municipal law, by-law, rule, regulation, decree, code, guideline, standard, order or ordinance of any authority having jurisdiction relating to the environment (including, without limitation, ambient air, water, ground water or land) or the release of any hazardous substance into the environment.

The Seller hereby indemnifies the Buyer against all costs, losses, damages and liabilities whatsoever arising from a breach of the above warranties. Compliance with such warranties is a condition of completion of this Agreement, which condition is expressed to be for the sole benefit of the Buyer.

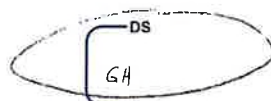
- 10) A) The Buyer shall have the right, at the sole cost and expense of the Buyer, to take and complete all such actions, matters and things as may be required by the Buyer, in its discretion, for the development of the Property, including the right to prepare, submit and process all applications and other documents generally required for the development of the Property.
- B) The Seller shall deliver such written authorizations and execute all such documents as the Buyer may require to enable the Buyer to undertake and complete the foregoing.
- C) From and after the date of this Agreement, the Seller agrees to use reasonable commercial efforts to assist and cooperate with the Buyer in respect of obtaining a rezoning or minor variance for the Property, or building permit(s) and site plan/subdivision approval(s) for its proposed development of the Property on terms and conditions satisfactory to the Buyer, in its sole and absolute discretion.
- D) The Seller agrees that it shall, from time to time, within a period of five (5) days following request, execute any application, approval, consent or agreement requested by the Buyer.
- E) The Seller authorizes the Buyer, at the sole cost and expense of the Buyer, to act as agent for the Seller and have complete carriage of each of the Official Plan Amendment, re-zoning, building permit, minor variance and/or site plan/subdivision approval processes and to meet with any governmental official to discuss any zoning, building or planning matters.
- F) The Buyer shall be permitted to erect on the Property such signage, billboards or other advertisements it may deem necessary or desirable, in its sole and unfettered discretion in connection with the foregoing or in connection its proposed use and development of the Property.

This form must be initialed by all parties to the Agreement of Purchase and Sale.

INITIALS OF BUYER(S):

INITIALS OF SELLERS(S):



KINGSETT MORTGAGE CORPORATION
Applicant

-and- CHURCHILL LANDS UNITED INC.
Respondent

Court File No.: CV-24-00718940-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

AFFIDAVIT

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Email for parties served:

Kingsett Mortgage Corporation:

RCP-F 4C (September 1, 2020)

KINGSETT MORTGAGE CORPORATION
Applicant

-and- CHURCHILL LANDS UNITED INC.
Respondent

Court File No.: CV-24-00718940-00CL

ONTARIO
SUPERIOR COURT OF JUSTICE

PROCEEDING COMMENCED AT
TORONTO

RESPONDING MOTION RECORD

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RCP-F 4C (September 1, 2020)